

*In the opinion of Bond Counsel, assuming continuing compliance with the provisions of the Internal Revenue Code of 1986, as amended (the “Code”) applicable to the Bonds and subject to certain provisions of the Code which are described herein, under laws, regulations, rulings and judicial decisions existing on the date of the original delivery of the Bonds, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. In the further opinion of Bond Counsel, interest on the bonds is not treated as a preference item in calculating the alternative minimum tax imposed by the Code, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Under the laws of the State of New Jersey, as enacted and construed on the date of the original delivery of the Bonds, interest on the Bonds and gain from the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. See “TAX MATTERS” herein.*

**\$53,370,000**  
**COUNTY OF OCEAN, NEW JERSEY**  
**\$51,340,000 GENERAL IMPROVEMENT BONDS, SERIES 2023**  
**\$2,030,000 COLLEGE CAPITAL IMPROVEMENT BONDS, SERIES 2023**  
**(BOOK-ENTRY ONLY ISSUE)**

Dated: Date of Delivery

Due: November 1, as shown on the inside cover

The \$51,340,000 principal amount of the County of Ocean, New Jersey (the “County”) General Improvement Bonds, Series 2023 (the “General Improvement Bonds”) and the \$2,030,000 College Capital Improvement Bonds, Series 2023 (the “Chapter 12 Bonds” and together with the General Improvement Bonds, the “Bonds”) shall be issued in the form of one Bond certificate for the aggregate principal amount of Bonds of each series maturing in each year. When issued, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, (“DTC”), which will act as security depository (the “Securities Depository”). The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interest of its participants or the transfers of the interest among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interest in the Bonds on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$1,000 or more through book entries made on the books and records of DTC and its participants. Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interest in the Bonds, but each book-entry Bond owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Bonds purchased (See “BOOK-ENTRY-ONLY TRANSFER SYSTEM FOR THE BONDS” herein).

The General Improvement Bonds maturing on or after November 1, 2034 are subject to redemption prior to maturity as more fully described herein. (See “DESCRIPTION OF BONDS – Optional Redemption Provision” herein).

The Chapter 12 Bonds are not subject to optional redemption prior to maturity.

Interest on the Bonds will be payable on May 1, 2024 and semiannually thereafter on the 1<sup>st</sup> day of May and November in each year until maturity. Principal and interest on the Bonds will be paid to the Securities Depository by the County. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each preceding April 15 and October 15 (the “Record Dates” for the payment of interest on the Bonds).

The Bonds are general obligations of the County. The County is authorized and required by law to levy ad valorem taxes upon all taxable real property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

The Chapter 12 Bonds are further entitled to the benefits of the County College Bond Act, Chapter 12 of the Laws of New Jersey of 1971, as amended and supplemented (the “County College Bond Act”), which provides that the principal of and interest on the Chapter 12 Bonds will, subject to appropriation, be paid by the State of New Jersey. However, bonds issued under the County College Bond Act shall not be deemed obligations of the State of New Jersey (See “SECURITY FOR THE BONDS” herein.)

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FOR THE MATURITY SCHEDULE SEE THE INSIDE FRONT COVER HEREOF

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The Bonds are offered when, as and if issued and subject to the approving legal opinion of Dilworth Paxson LLP, Freehold, New Jersey. The Bonds will be available for delivery in definitive form through DTC in Jersey City, New Jersey on or about November 14, 2023.

Dated: October 31, 2023

## \$51,340,000 General Improvement Bonds, Series 2023

Maturity November 1	Principal Amount	Interest Rate	Yield	CUSIP**
2024	\$1,855,000	5.000%	3.610%	674736LK7
2025	1,855,000	5.000%	3.520%	674736LL5
2026	1,855,000	5.000%	3.420%	674736LM3
2027	1,855,000	5.000%	3.380%	674736LN1
2028	1,905,000	5.000%	3.360%	674736LP6
2029	2,000,000	5.000%	3.380%	674736LQ4
2030	2,100,000	5.000%	3.410%	674736LR2
2031	2,205,000	5.000%	3.430%	674736LS0
2032	2,315,000	5.000%	3.420%	674736LT8
2033	2,430,000	5.000%	3.440%	674736LU5
2034	2,550,000	4.000%	3.520%*	674736LV3
2035	2,655,000	5.000%	3.690%*	674736LW1
2036	2,785,000	4.000%	3.890%*	674736LX9
2037	2,895,000	4.000%	3.990%*	674736LY7
2038	3,010,000	4.125%	4.120%*	674736LZ4
2039	3,135,000	4.125%	4.230%	674736MA8
2040	3,265,000	4.250%	4.350%	674736MB6
2041	3,405,000	4.375%	4.450%	674736MC4
2042	3,555,000	4.375%	4.500%	674736MD2
2043	3,710,000	4.500%	4.550%	674736ME0

## \$2,030,000 College Capital Improvement Bonds, Series 2023

Maturity November 1	Principal Amount	Interest Rate	Yield	CUSIP**
2024	\$410,000	5.000%	3.660%	674736MF7
2025	405,000	5.000%	3.570%	674736MG5
2026	405,000	5.000%	3.470%	674736MH3
2027	405,000	5.000%	3.430%	674736MJ9
2028	405,000	5.000%	3.410%	674736MK6

\* Priced to the first call date of November 1, 2033

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# **COUNTY OF OCEAN, NEW JERSEY**

## **BOARD OF COMMISSIONERS**

**Joseph H. Vicari**  
Director

**Gary Quinn**  
Deputy Director

**Barbara Jo Crea**  
Commissioner

**Virginia E. Haines**  
Commissioner

**John P. Kelly**  
Commissioner

## **COUNTY ADMINISTRATION**

**Michael J. Fiure**  
County Administrator

**Michelle I. Gunther**  
Clerk of the Board of Commissioners

**Julie N. Tarrant**  
Comptroller & Chief Financial Officer

**Tristin J. Collins**  
Assistant Administrator  
Management & Budget Director

**Anthony M. Agliata**  
Planning Board Director

## **PROFESSIONAL SERVICES**

**Robert W. Allison, C.P.A., R.M.A.**  
**Holman Frenia Allison, P.C.**  
County Auditor

**John C. Sahradnik, Esquire**  
**Berry, Sahradnik, Kotzas, & Benson P.C.**  
County Counsel

**Dilworth Paxson LLP**  
Bond Counsel

**PFM Financial Advisors LLC**  
Financial Advisor

**No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representation, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor there any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.**

**References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC rule 15c2-12.**

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**\$53,370,000**

**COUNTY OF OCEAN, NEW JERSEY**

**\$51,340,000 GENERAL IMPROVEMENT BONDS, SERIES 2023**

**\$2,030,000 COLLEGE CAPITAL IMPROVEMENT BONDS, SERIES 2023**

**INTRODUCTION**

This Official Statement which includes the cover page and the appendices has been prepared by the County of Ocean (the “County”) in the State of New Jersey (the “State”) and provides certain information regarding the financial and economic condition of the County in connection with the sale of \$51,340,000 General Improvement Bonds, Series 2023 (the “General Improvement Bonds”) and \$2,030,000 College Capital Improvement Bonds, Series 2023 (the “Chapter 12 Bonds” and together with the General Improvement Bonds “the Bonds”).

**DESCRIPTION OF BONDS**

The Bonds are dated the date of delivery and will mature as set forth on the cover page. The Bonds shall be issued in the form of one bond certificate for the aggregate principal amount of the Bonds of each series maturing in each year. When issued, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, (“DTC”), which will act as securities depository (the “Securities Depository”). The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interest of its participants or the transfers of the interest among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$1,000 or more through book entries made on the book and records of DTC and its participants. Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interests in the Bonds, but each book-entry Bond owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Bonds purchased. (See “BOOK-ENTRY-ONLY TRANSFER SYSTEM FOR THE BONDS” herein).

Interest on the Bonds will be payable on May 1, 2024 and semiannually thereafter on the 1<sup>st</sup> day of May and November in each year until maturity. Principal and interest on the Bonds will be paid to the Securities Depository by the County. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each preceding April 15 and October 15 (the “Record Dates”) for the payment of interest on the Bonds.

**Optional Redemption Provision**

**General Improvement Bonds**

The General Improvement Bonds maturing prior to November 1, 2034 are not subject to redemption prior to maturity. The General Improvement Bonds maturing on or after November 1, 2034 are subject to redemption at the option of the County prior to maturity and upon notice as hereinafter provided, at any time on or after November 1, 2033, in whole or in part, from such maturities as the County shall determine and by lot within a single maturity, at the respective redemption price of 100% of the principal amount to be redeemed together with unpaid interest accrued to the redemption date.

**Chapter 12 Bonds**

The Chapter 12 Bonds are not subject to optional redemption prior to maturity.

Notice of Redemption

Notice of redemption shall be given by mailing at least once not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to the registered owner of any bond all or a portion of which is to be redeemed, at his last address, if any, appearing upon the registry books kept by or on behalf of the County, but such mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity or any proceedings for the redemption of bonds. For so long as the book-entry system remains in effect and the Bonds are registered in the name of DTC or its nominee, the County will not be responsible for mailing of notices of redemption to anyone other than to DTC. (See “BOOK-ENTRY-ONLY TRANSFER SYSTEM FOR THE BONDS” herein.)

**PURPOSE OF THE BONDS**

The County plans to apply the proceeds derived from the sale of the Bonds to finance various capital projects consisting of, among others, facility improvements, construction, reconstruction and resurfacing projects, all as authorized by the Bond Ordinances (collectively, the “Bond Ordinances”) described below. The County estimates that the average period of usefulness of these projects exceeds the life of the Bonds. The various projects financed by the Bonds are set forth in the table following this paragraph.

<b>Ordinance Number</b>	<b>Date Adopted</b>	<b>Purpose</b>	<b>Amount of Bonds Authorized</b>	<b>Period of Usefulness</b>	<b>Amount Financed</b>
2022-32	9/21/22	Improvements to Castlebuono Avenue (Hooper Ave to Salerno Dr) Toms River Township	2,375,000	20	2,375,000
2023-1	2/15/23	Reconstruction and Resurfacing of Certain County Roads	5,700,000	10	5,700,000
2023-2	2/15/23	Reconstruction of Bridge Avenue (West Lake Ave to Club Dr) Bay Head Borough	1,425,000	20	1,425,000
2023-4	5/3/23	Various Engineering, Road and Bridge Improvements	6,100,000	20	6,100,000
2023-10	5/3/23	Renovations to the Juvenile Detention Center Phase I, Toms River Township	2,000,000	15	2,000,000
2023-14	6/7/23	Construction of a Traffic Signal at Route 571 and Beacon Street, Manchester Township	1,900,000	10	1,900,000
2023-15	6/7/23	Reconstruction of Herflicker Boulevard, Toms River Township	1,400,000	20	1,400,000
2023-16	6/7/23	Capital Renewal and Replacement Facilities Improvement Project FY 2023 at the County College	4,205,000	20	4,205,000*
2023-24	8/2/23	Permitting and Construction of the Courthouse Annex, Toms River Township	85,000,000	40	30,000,000
Totals			\$110,105,000		\$55,105,000

\*\$1,662,500 of such amount was financed by original issue premium of the General Improvement Bonds and \$72,500 of such amount was financed by original issue premium of the Chapter 12 Bonds.

**SECURITY FOR THE BONDS**

In the opinion of Bond Counsel, the full faith and credit of the County is irrevocably pledged for the payment of the principal of the Bonds and the interest thereon. The Bonds and the interest thereon will be valid and binding obligations of the County and, unless paid from other sources, are payable from ad valorem taxes levied upon all the taxable real property within the County without limitation as to rate or amount. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights or remedies now existing or hereafter enacted.

The Chapter 12 Bonds are further entitled to the benefits of Chapter 12 of the Laws of New Jersey of 1971, as amended and supplemented (N.J.S.A. 18A:64A-22.1 et seq.) (the “County College Bond Act”), which provides that the principal of and interest on the Chapter 12 Bonds will, subject to appropriation, be paid by the State of New Jersey (the “State”). The amounts paid by the State pursuant to the County College Bond Act are paid directly to the paying agent for the Chapter 12 Bonds and must be used for the payment of the principal of and interest on the Chapter 12 Bonds. The Chapter 12 Bonds are not debts or liabilities of the State. In the event that State appropriations for the payment of the principal of and interest on the Chapter 12 Bonds are not made, the County will be responsible for appropriating amounts to pay such principal and interest.

## RECENT FINANCIAL DEVELOPMENTS

COVID-19, a respiratory disease caused by a new strain of coronavirus, was declared a Pandemic by the World Health Organization on March 11, 2020. A state of emergency and a public health emergency were declared by Governor Murphy on March 9, 2020, and a national emergency was declared by President Trump on March 13, 2020. The public health emergency was terminated on June 4, 2021 but the state of emergency and national emergency remain in effect. On January 11, 2022, Governor Murphy reinstated a public health emergency in response to the renewed threat of COVID-19 posed by the Omicron Variant. That public health emergency was subsequently terminated on March 7, 2022. The outbreak of this disease has severely affected travel, commerce and financial markets globally, and has altered the behavior of people and businesses in a manner that has had, and will likely continue to have, significant negative impacts on the global, national and local economies.

Throughout the COVID-19 pandemic, Governor Murphy has signed multiple executive orders instituting mitigation protocols limiting certain activities as well as permitting the resumption of certain activities, based on the evolution of the COVID-19 pandemic within the State. Additional executive orders relating to the resumption of certain activities may be executed by the Governor in the future as part of the planned multi-stage approach to restart the State's economy. See <https://covid19.nj.gov> for further details regarding the impact of COVID-19 on the State and the Governor's various executive orders.

In order to provide additional means for local governmental units to address the financial impact of the COVID-19 outbreak, the Governor signed into law P.L. 2020, c. 74 ("Chapter 74") on August 31, 2020. Chapter 74, which took effect immediately, added two new purposes to the list of special emergency appropriations which may be raised by municipalities or counties over a five year period (either through the issuance of special emergency notes or raised internally without borrowing): (1) direct COVID-19 response expenses; and (2) deficits in prior year's operations attributable to COVID-19 (the beginning of the five year repayment schedule is delayed by one year for these new purposes). Upon approval of the Director of the Division of Local Government Services (the "Director") in cases of significant fiscal distress, the five (5) year period may be extended to up to ten (10) years. Chapter 74 also grants the Director the authority to modify municipal budgeting rules governing anticipated revenues in order to lessen the impact of revenue reductions due to COVID-19. The County does not currently foresee a need to utilize Chapter 74 for the purpose of issuing special emergency notes during calendar year 2023.

The American Rescue Plan Act of 2021 (the "Plan"), signed into law by President Biden on March 12, 2021, comprises \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan includes various forms of financial relief including up to a \$1,400 increase in direct stimulus payments and various other forms of economic relief, including extended unemployment benefits; continued eviction and foreclosure moratoriums; an increase in the child tax credit; an increase in food and housing aid; assistance grants to restaurants and bars; and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the County, which may be used to respond to the COVID-19 public health emergency or its negative economic impacts, to provide premium pay to eligible workers that are providing essential work during the emergency, to provide government services to the extent of the reduction in revenue due to the emergency, and to make necessary investments in water, sewer, or broadband infrastructure. The U.S. Department of Treasury announced that the County would receive \$117,938,762 in ARP funding. Such funds have been received in two equal payments, the first of which in the amount of \$58,969,381 was received on January 31, 2022 and the balance of \$58,969,381 was recently received in June of 2023. The deadline to commit the funds is December 31, 2024 and spend funds is December 31, 2026.

The County currently estimates that the COVID-19 pandemic will result in additional expenditures during the 2023 budget year. The immediate and long-term impacts of the COVID-19 pandemic, and the federal and state responses thereto, remain fluid. Accordingly, the COVID-19 pandemic may have a material adverse impact on the County and its finances.

## AUTHORIZATION

The Bonds have been authorized and are to be issued pursuant to the laws of the State of New Jersey, including the Local Bond Law, constituting Chapter 2 of Title 40A of the New Jersey Statutes (the “Local Bond Law”), N.J.S.A. 18A: 64A-19 and the County College Bond Act. The Bonds are authorized by various Bond Ordinances and by resolutions adopted by the Board of Commissioners of the County on October 18, 2023. The Bond Ordinances included in the sale of the General Improvement Bonds and Chapter 12 Bonds were published in full after their adoption along with the statement that the twenty-day period of limitation within which a suit, action or proceeding questioning the validity of the authorizing ordinances can be commenced began to elapse from the date of the first publication of such ordinances. The Local Bond Law provides that after issuance all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State and any person shall be stopped from questioning the sale, execution or delivery of the Bonds by the County.

## BOOK-ENTRY-ONLY TRANSFER SYSTEM FOR THE BONDS

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal and interest, and other payments on the Bonds to DTC Participants or Beneficial Owners defined below, confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the County. Accordingly, the County does not make any representations concerning these matters.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such series and maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard and Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to an issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

So long as the Bonds of a series are held by DTC under a book-entry system, payments of principal, premium, if any, and interest on the Bonds of such series will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Authority or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, premium, if any, and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds of such series at any time by giving reasonable notice to the Authority or its agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be prepared and delivered to DTC.

UNLESS OTHERWISE NOTED, THE INFORMATION CONTAINED IN THE PRECEDING PARAGRAPHS OF THIS SUBSECTION "BOOK-ENTRY-ONLY SYSTEM" HAS BEEN OBTAINED FROM SOURCES THE COUNTY BELIEVES TO BE RELIABLE, BUT THE COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. THE COUNTY MAKES NO REPRESENTATIONS AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION, NOR AS TO THE ABSENCE OF ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF. THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY ANY DTC PARTICIPANT; (II) ANY NOTICE (INCLUDING ANY NOTICE OF REDEMPTION) THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO BOND OWNERS; (III) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT

WITH RESPECT TO THE PRINCIPAL, PREMIUM (IF ANY) OR INTEREST DUE ON THE BONDS; (IV) THE SELECTION BY DTC OR DTC PARTICIPANTS OF ANY PERSON TO RECEIVE A PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY CEDE & CO., AS NOMINEE OF DTC, AND THE REGISTERED OWNER OF THE BONDS. THE RULES APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE PROCEDURES OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

## COUNTY OF OCEAN

### **General Information**

Ocean County, the second largest county in the State of New Jersey with 634 square miles, is located in the east central area of the State along the Atlantic Ocean. The County has 45 miles of oceanfront and more than 150 miles of bay fronts and estuaries. Toms River, the County seat, is centrally located in the County 60 miles from New York City and 50 miles from Philadelphia. Toms River is also 50 miles from Atlantic City. The County is easily accessible from these metropolitan areas via the Garden State Parkway and major state roadways. By means of progressive land use planning and responsible capital improvement programming, the area has maintained residential, commercial and industrial growth while preserving the integrity of the existing Ocean County "quality of life" and the open space environment.

### **Governmental Structure**

The County is governed by a five-member Board (the "Board") who are elected for terms of three years and who may succeed themselves. Pursuant to recently enacted State legislation, effective on January 1, 2021 the title of the Board has been changed from the Ocean County Board of Chosen Freeholders to the Ocean County Board of Commissioners. The structure of the Board represents the County-at-large. The Board operates under a form of government whereby each Commissioner is responsible for a major department of County government. Professional department heads in County government are appointed by the Board and are responsible to the chairman and the committee charged with a specific operation. The County's Employment practices are governed by the New Jersey Civil Service Act and the Board abides by the regulations of the New Jersey Civil Service Commission.

County employees are enrolled in one of three State of New Jersey retirement systems. Contributions are made to the systems by both employer and employees. The pension rate for the Public Employees Retirement System remained at 7.50 percent. County employees are also enrolled in the Social Security system and covered by the New Jersey State Health Benefits Plan, prescription drug plans, dental, vision care plans, workers' compensation, disability insurance and an optional deferred compensation plan. Each year, with the assistance of a professional labor negotiator, the Board decides average salary increases for County employees. There is a total of 21 bargaining units within the County, and as of March 31, 2023 there are 9 bargaining units in negotiations.

### **Population**

Dynamic, orderly population growth trends continue to characterize the County's economy. While the County has traditionally been noted as a resort, tourist, and vacation area with dozens of famous resort communities along its coast and on its offshore barrier beach islands following the coastline, the County has changed dramatically in the past seventy years.

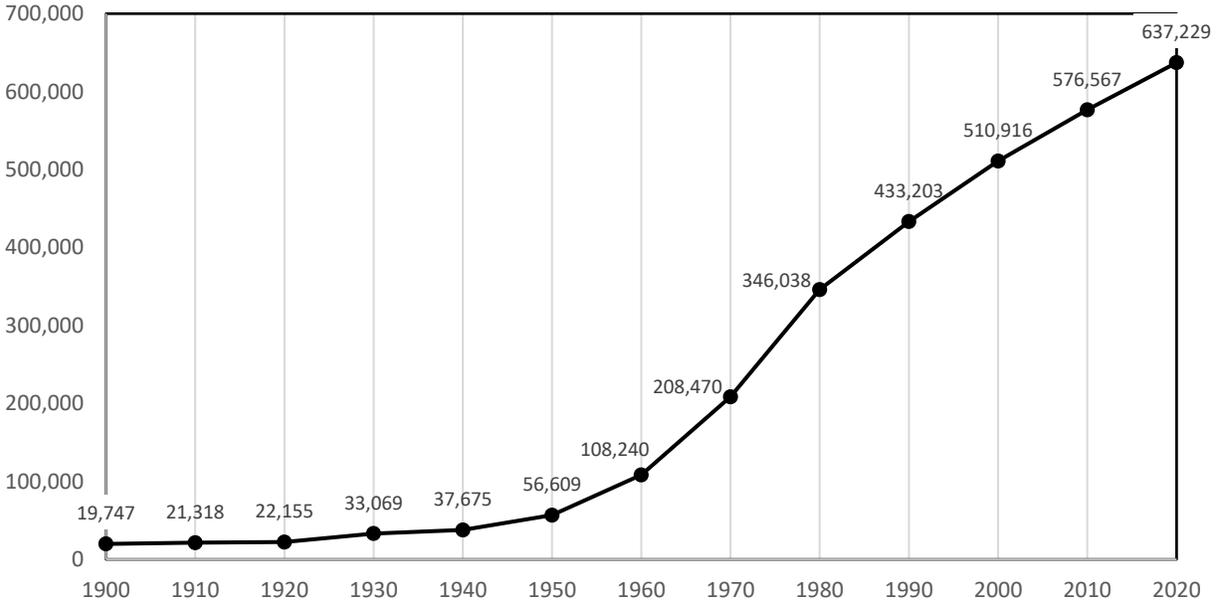
Ocean County led the State with dramatic population growth from 1950 to 2000. While the growth rate continues to slow down, the County still had the second highest growth rate in 2010 and 2020, at 12.8% and 10.5% respectively. In that time period, New Jersey's growth rate was 4.5% and 5.7% respectively, a balance between the state's rapid growth in northern counties with higher population and the more suburban and rural southern and western counties, including four counties that lost population.

According to Census 2020, Ocean County's population reached 637,229, making it again the sixth most populous County in the State. The North Jersey Transportation Planning Authority's (NJTPA) adopted municipal forecasts (2021) estimate that Ocean County's population is projected to increase to 727,653 in 2050.

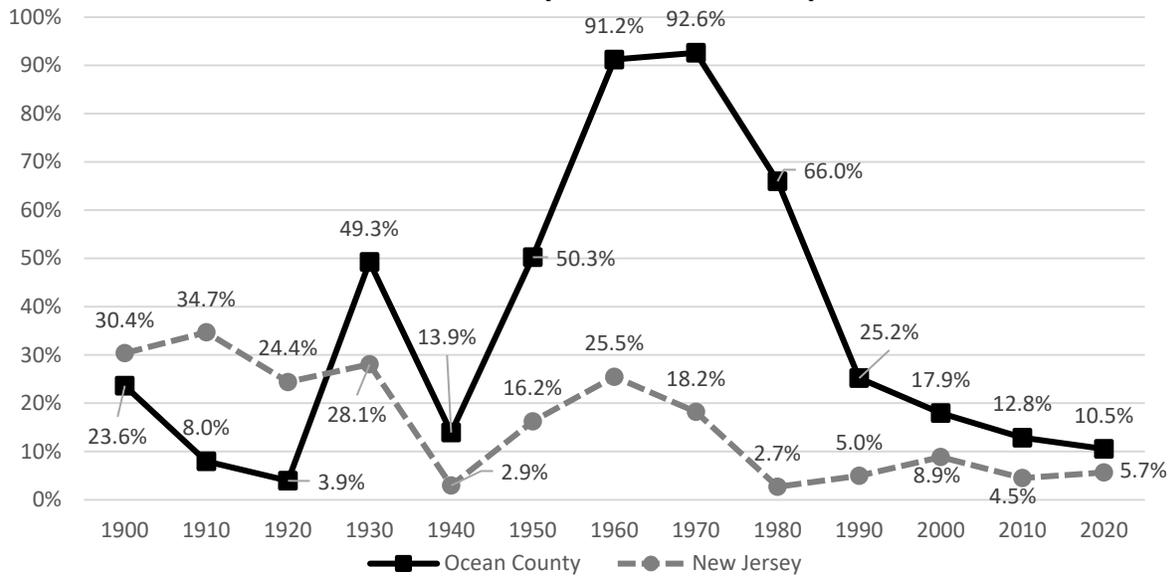
The rapid population growth has transformed the economic base of the County from primarily seasonal to a diversified year-round economy. A continually expanding workforce, coupled with readily developable and relatively inexpensive land, abundant water supplies and a modern and expanding regional sewer network offer unusual opportunities for the development of clean decentralized industry, corporate headquarters and commercial and residential growth.

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## Population Growth - Ocean County 1900-2020



## Population Growth Trends State of New Jersey and Ocean County 1900 - 2020



Source(s): Historical Decennial Census, 1900-2010, U.S. Census Bureau; New Jersey Population Trends 1790-2010, New Jersey State Data Center, August 2011. U.S. Census Bureau, 2020 Census Redistricting Data (Public Law 94-171), August 2021.

## **Land Area**

Ocean County encompasses approximately 634 square miles of total land area. Most of the historic development in the County occurred along the coast and bay corridor, particularly in the northern part of the County. The most rapid period of development occurred between 1960 and 1990 and was due in large part to the direct transportation access provided by the Garden State Parkway. In recent years, significant growth has expanded to the southern and northwestern areas of the County.

From 1994 through 2007, the development of retirement communities represented a significant portion of the inland development, which has since decreased. Much of the western region is preserved within the Pinelands National Reserve. This area remains largely undeveloped, rural in character, and protects the Kirkwood-Cohansey aquifer. In addition, sensitive environmental lands are preserved through the County's Natural Lands Trust Fund Program.

## **Economy**

The County continues to diversify its economic base, since its transformation to a year-round economy. However, the ocean and bay-front areas still provide a significant recreation industry in the County. The traditional three-month summer season has expanded to six months beginning in May and ending in October, with many special events held throughout the year. Overall, the County's economy is expanding in the health care, retail, service, and construction sectors.

The County continues to attract businesses seeking to take advantage of the County's strategic regional location and to service a growing population within the County. The center of the County is approximately sixty miles south of New York City and 50 miles east of Philadelphia. The Garden State Parkway and Interstate 195 are limited access highways, which have several interchanges located in the County. In addition, Ocean County Airport is a County owned and maintained facility located just outside of Toms River. The airport is a full-service general aviation facility accommodating planes and small business jets.

The expansion of the County's economic base is exemplified by the highly successful Lakewood Industrial Park, which is the second largest municipal industrial park in New Jersey. The park has three separate campuses, which provide about 10 million square feet of industrial and warehousing space adjacent to major highways. One campus also has access to rail freight service. There are currently over 400 companies, including subsidiaries, at the Lakewood Park, employing over 15,000 people, including seasonal help. In addition to Lakewood, eight other municipalities in the County have industrial parks in varying stages of planning, development and expansion.

## **Employment**

The 2022 Annual Average Labor Force Estimate for the County was 298,400. The Annual Average Ocean County residents employed in 2022 was 287,300; resulting in an unemployment rate of 3.7%, a 38% decrease from the 2021 unemployment rate of 6.0%. Ocean County's strong growth and residential construction sector continue to be a driving force in the economy. Labor and employment estimates are as reported by the New Jersey Department of Labor (April 5, 2023).

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### Leading Employers in Ocean County

Employer	Location	Number of Employees (Approximate)
Six Flags Theme Parks, Inc.	Jackson Township	4,000 *
Joint Base McGuire-Dix-Lakehurst	Jackson, Lakehurst, Manchester, Plumsted	3,300 <sup>3</sup>
County of Ocean	Ocean County	3,295 <sup>1</sup>
Community Medical Center	Toms River	2,600
Toms River Regional School District	Toms River, South Toms River, Beachwood, Pine Beach	2,405
Meridian Health Systems	Brick, Jackson, Lakewood, Long Beach, Manchester, Point Pleasant, Stafford, Toms River	2,061
Shop Rite	Toms River, Ocean, Berkeley, Jackson, Stafford, Brick, Lacey, Manchester	1,966
Walmart	Brick, Lacey, Stafford, Toms River, Little Egg Harbor	1,685
Anchor Auto Lease	Lakewood	1,500
Brick Township School District	Brick	1,436 <sup>2</sup>
Jackson Township School District	Jackson	1,405 <sup>2</sup>
Wawa	Barneгат, Berkeley, Brick, Jackson, Lacey, Lakewood, Lavallette, Little Egg Harbor, Long Beach, Manchester, Plumsted, Ship Bottom, Stafford, Toms River, Tuckerton	1,262
Jenkinson's Pavilion, Inc.	Point Pleasant Beach	1,242 *
The Home Depot	Brick, Lacey, Lakewood, Stafford, Toms River	1,097
Lakewood Township School District	Lakewood	999 <sup>2</sup>
Casino Pier and Breakwater Beach	Seaside Heights	875 *
Stop & Shop	Brick, Jackson, Manchester, Point Pleasant Boro, Point Pleasant Beach, Toms River	849
Lacey Township School District	Lacey Township	809
Ocean County College	Toms River, Stafford	787
Southern Ocean Medical Center	Manahawkin	709
Manchester Board of Education	Manchester Township	702
Lowe's Home Improvement	Brick, Manchester, Stafford, Toms River	600
Georgian Court University	Lakewood	542
Encompass Health Rehab Hospital	Toms River	504
Accupac Inc.	Lakewood	500

Notes:

\* These figures may include full time, part time, and temporary employees, and may fluctuate seasonally. Figures have been verified by phone and/or corporate websites unless otherwise indicated.

<sup>1</sup> This figure represents all County agencies, including the Ocean County Library, Mosquito Commission, Health Department and Board of Social Services, 2023.

<sup>2</sup> State of New Jersey Department of Education, DOE Data Reports 2022-2023.

<sup>3</sup> This figure represents civil servants and contractors employed at Navy Lakehurst and CERDEC Flight Activity only. Total Joint Base employment is approximately 46,000.  
Source: Data Axle Reference Solutions

Prepared by: Ocean County Dept of Planning, May 2023.

## Development Approvals

In 2022, the Ocean County Planning Board approved 294 site plan and subdivision applications. This includes 2,621,995 square feet of new commercial development, mostly in Jackson Township, and 14,888 square feet of industrial space. The number of industrial space development approvals can change significantly from year to year because of the large size of individual projects. A total of 577 new residential lots were created in 2022. According to the NJ Department of Labor, a total of 3,791 building permits were issued in 2022 in Ocean County, ranking third of all counties in the State.

### Residential Construction Authorized by Building Permits New Jersey Counties 2019-2022

<b>COUNTY</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Atlantic County	957	667	804	762
Bergen County	3,924	3,380	4,023	3,953
Burlington County	2,606	1,749	2,119	1,998
Camden County	1,430	895	908	1,134
Cape May County	863	675	917	838
Cumberland County	132	179	185	120
Essex County	3,152	2,705	3,417	3,470
Gloucester County	706	709	675	827
Hudson County	7,707	6,950	5,257	6,056
Hunterdon County	684	319	688	483
Mercer County	538	832	544	643
Middlesex County	3,007	2,757	3,269	2,474
Monmouth County	1,566	2,638	2,350	2,394
Morris County	1,527	1,630	2,127	2,163
Ocean County	2,258	3,625	3,758	3,791
Passaic County	1,017	1,314	1,144	1,186
Salem County	68	35	88	96
Somerset County	1,708	1,913	1,261	907
Sussex County	172	220	164	226
Union County	2,316	2,650	3,207	3,147
Warren County	167	304	189	306
<b>New Jersey</b>	<b>36,505</b>	<b>36,146</b>	<b>37,094</b>	<b>36,974</b>

Notes:

This table is prepared from annualized building permit data. Due to differences in cutoff dates, annualized data may differ from annual averages derived from aggregated monthly data.

Source(s):

U.S. Bureau of the Census, Manufacturing and Construction Division.

2022 Annual Residential Building Permits by County, Department of Labor and Workforce Development, May 2023.

Prepared by: Ocean County Department of Planning, May 2023.

## **Transportation**

A network of state highway routes links the County with other parts of New Jersey and the eastern seaboard. U.S. Route 9 and the Garden State Parkway provide ready access for north-south travel and extend north to the New York metropolitan area and south past Atlantic City to Cape May. State Highway 70 crosses the County at its widest point and provides access to Philadelphia and points west. Interstate 195, in the northern part of the County, provides highway service from the Trenton area to the shore. Within the County there are 127 miles of State highways, 621 miles of County roads and 1,320 miles of municipal roads.

Ocean County has been providing county transportation service since 1977. Ocean Ride is the county-wide transportation system and serves as the paratransit provider operated by the Ocean County Department of Transportation Services. The County transportation system is funded through a variety of state and federal grants as well as County funds. As of May 2023, the system fleet totals 75 wheelchair accessible vehicles, which includes transit buses, mini-buses, mini-vans and SUVs.

Ocean Ride provides a system of eight fixed bus routes and three Shoppers Loop Specials. This system offers discounted rates for seniors, persons with disabilities, and college students, providing feeder service to existing transit routes. The routes link the most populated areas of the County with local shopping, governmental, healthcare and transit facilities. During 2022, Ocean Ride service provided 199,775 passenger trips system wide. In addition, Ocean Ride provides a county-wide Reserve-A-Ride program which offers door-to-door transportation service mainly intended to serve areas of the county not served by the fixed bus route system, based on advance reservation requests from eligible riders.

There are three types of Reserve-A-Ride services:

Reserve-A-Ride (Advance Reservation) – service available to those who need travel to pre-scheduled appointments for non-emergency medical service such as doctor appointments and treatments. Up to four weeks advance notice is allowed. A modest fare has been implemented and discounted for those with a Medicare PAAD card.

Stand-By Trip – service available to those with last minute travel needs based on system availability. Typical trips utilizing this service are flexible and do not require a specific appointment or time schedule such as shopping. A modest fare is charged and discounted for those with a Medicare PAAD card.

Standing Order – service available to those requiring three or more trips per week to the same Medical Facility such as Chemotherapy, Radiation and Physical Therapy. Reservations may be made up to four weeks in advance. A modest fare is charged and discounted for those with a Medicare PAAD card.

Specialized transit service is also available for Ocean County veterans needing transportation to major, out-of-county VA hospitals. Ocean Ride has also continued its efforts to provide bus service for low-income residents through the New Jersey Jobs Access Reverse Commute (NJ JARC) program. The OC 10 Toms River Connection fixed bus route service is one of the top three successful JARC funded projects currently in operation in the State of New Jersey. The Ocean County Transportation Advisory Committee for Senior Citizens and Persons with Disabilities was created to review and recommend appropriate strategies and policies to address the growing demand for specialized transportation service. You may visit their website at [www.co.ocean.nj.us/oc/Transportation](http://www.co.ocean.nj.us/oc/Transportation) for more information.

## **Educational Facilities**

Ocean County's various public and private school institutions, which include pre-kindergarten to 12<sup>th</sup> grade schools, specialized academic and vocational schools, and higher education institutions, continually strive to provide the best education possible and fulfill the growing needs of the County's population. There are 113 public elementary, middle and high schools in the County. Higher institutions include Ocean County College, Kean University, Stockton University and Georgian Court University.

In 2022, the County public school population was 67,181. There is a vocational technical school that offers both vocational training and comprehensive high school programs at seven different campuses throughout the County. The Marine Academy of Technology and Environmental Science (MATES) of the Ocean County Vocational-Technical School offers a full-time high school program with concentration in math and science, specializing in marine and environmental science studies. The Grunin Performing Arts Academy (GPAA) and the Academy of Law and Public Safety (ALPS) are two other full-time high school career academies offered by the Ocean County Vocational Technical School.

Ocean County College (OCC) in Toms River Township offers two-year degree programs and a variety of adult education courses. The County College is funded by the Board of Commissioners and the State of New Jersey. The County College has created an opportunity for high school students in the County to receive college credit while still in high school. The program is flexible to meet the needs of students, allowing them to complete a two-year associate’s degree before graduating high school. There were approximately 2,300 high school students enrolled in the Early College Program.

Ocean County College also has an on-campus agreement with Kean University. This allows Ocean County College students to complete their four-year degree, as well as a master’s program, from Kean without leaving the Toms River campus. Additionally, Ocean County College has a dual admission and transfer partnership with Stockton University (located in nearby Atlantic County) that will help students make a smooth transition from the two-year college to Stockton’s bachelor’s degree programs.

The County maintains the largest public library system in the State, headquartered in Toms River, with 21 branches. The library system has been expanding and improving the libraries within the constituent municipalities. Users with a library card may access eBooks and online resources; access to resources is further expanded by reciprocal borrowing agreements with the Burlington County Library and the Monmouth County Library systems. The Library also provides many educational, arts and community programs throughout the year for all ages.

Public school enrollments for the past 10-year period reflect the trends shown below.

### **Ocean County Public School Enrollments**

2022.....	67,181
2021.....	66,793
2020.....	67,058
2019.....	68,496
2018.....	68,215
2017.....	68,679
2016.....	68,738
2015.....	70,327
2014.....	70,835
2013.....	71,385

Source: Office of Ocean County Superintendent of Schools, May 2023

### **Health Care Facilities**

The County provides a wide variety of public services including various clinics, senior health counseling, health education, an environmental health department, a visiting homemaker’s service, a public health nursing service, as well as funding for three alcohol rehabilitation centers and two mental health centers.

The County is serviced by hospitals in a number of municipalities, including the Community Medical Center (Toms River) and Monmouth Medical Center South (Lakewood), which are part of RWJ Barnabas Health, Ocean Medical

Center (Brick) and Southern Ocean Medical Center (Stafford), and Shore Rehabilitation Hospital (Brick), which are part of Hackensack Meridian Health; and Encompass Health Rehabilitation Hospital (Toms River). These hospitals provide about 1,674 beds to residents in different regions of the County. The RWJ Barnabas Health Care System includes another nine New Jersey hospitals and is the State's largest health care system, providing the best of academic medicine and research to create healthier communities. In addition, the United States Veterans Administration operates the James J. Howard Veterans Outpatient Clinic in Brick Township, which provides primary care and specialty health services to veterans and their families. A new 68,000-square-foot outpatient clinic for veterans is being built in Toms River and is expected to be completed by late summer 2023.

Community Medical Center is a fully accredited acute care hospital and maintains national accreditation in multiple specialty areas. Highly sophisticated services, not typically found in a community hospital, include advanced cancer, cardiac, emergency, maternity and neurology care, as well as cutting edge surgical care. Patients have access to advanced technology and state-of-the-art imaging technology. In addition, the cancer center features one of the most sophisticated linear accelerators used for radiation therapy, a CyberKnife for treating inoperable tumors and holistic therapies to care for the whole person. As one of the area's most trusted providers of maternal and children's services, the facility offers a Level II special care nursery with 24/7 onsite neonatologists for newborns, a dedicated pediatric unit, and a pediatrician in the emergency department. The emergency department at CMC is one the largest providers of emergency care in New Jersey. Community Medical Center provides a broad array of health and wellness programs designed to help people achieve and maintain healthy lifestyles and optimal health.

### **Environmental Quality**

Significant portions of the County's undeveloped land are environmentally sensitive, including the beach dunes, the coastal wetlands and the Pinelands. The dune systems of the barrier islands protect the beaches and mainland from storms and erosion. The wetland areas along the coast serve as a primary manufacturer, storehouse and distributor of nutrients to the marine food chain, are a natural habitat for waterfowl and other wildlife, and act as a buffer against flood and wave damage to inland areas. The Pinelands, in addition to being an important ecosystem of rare and unique flora and fauna, provides one of the largest reservoirs of potable ground water in the State. Approximately 59 percent of Ocean County is permanently preserved through federal, state, county and local programs. This not only protects the County's environmental resources, but also ensures that the quality of life will be maintained for our residents and visitors.

There are numerous programs that protect the overall environmental quality of the County. The County has undertaken an extensive Water Quality Management Program to address its present and future wastewater needs. Among established regulatory programs are the Wetlands Act, which restricts development in wetlands, the Coastal Area Facilities Review Act, commonly referred to as CAFRA, which regulates and evaluates impacts to the coastal environment, and the Pinelands Protection Act, which mandates the development of a comprehensive management plan requiring County conformance.

The State Planning Act required the creation of a *State Development and Redevelopment Plan* designed to achieve the highest degree of compatibility between municipal, county and state plans. The plan is a document intended to guide growth and development in the right places throughout the State. It encourages coordination of development and public investments with towns and strives to minimize duplication efforts.

The Office of Planning Advocacy, under the NJ Business Action Center within the Department of State, coordinates statewide planning to protect the environment and guide future growth into compact mixed-used development and redevelopment. The Office of Planning Advocacy continues the process of Plan Endorsement, an official recognition that a regional, county, or local plan is consistent with the State Plan. Currently, eight (8) Ocean County municipalities have received Plan Endorsement and another nine (9) municipalities are currently petitioning for Plan Endorsement. Ocean County continues to work closely with the state and its municipalities to ensure consistency with State plans and maximize efficiencies in government operations.

In 1998, Ocean County established a Natural Lands Trust Fund Program to acquire and maintain natural areas in the County. The benefits of the program include protecting critical environmental resources, maintaining the rural

character of the County and buffering areas not compatible with development. To date, 307 properties totaling over 29,509.14 acres have been acquired. The program also has a farmland preservation component, which seeks to protect and enhance active agriculture in the County. These preservation efforts have protected 57 farms with over 3,565 acres, primarily in the northwest part of the County.

In 2019, the County completed the purchase of a nearly 8,000 acre tract known as the Forked River Mountains. This area shelters the headwaters of the Forked River and its tributaries, forming high quality habitat for threatened and endangered plant & wildlife species. This area also offers some of the nicest views in the County, spanning tens of thousands of acres of pitch pine with sights of Lakehurst Naval Station hangers in the distance.

In 2020, Ocean County updated its “Open Space, Parks and Recreation Plan” as an amendment to its *Ocean County Master Plan*. This update incorporates a 2019 referendum to the open space tax and established policies for utilizing the tax for recreation and historic preservation purposes. The County of Ocean continues to work with various organizations for the protection of environmental resources, including the US Environmental Protection Agency (USEPA), NJ Department of Environmental Protection (NJDEP), Barnegat Bay Partnership (BBP), Ocean County Soil Conservation District (OCSCD), and Jacques Cousteau National Estuarine Research Reserve (JC NERR), among others.

Ocean County is a participating member of the BBP and provides representation on its various committees to work with its partners to protect and enhance the quality of the National Barnegat Bay – Little Egg Harbor Estuary and its watershed, which is almost entirely within Ocean County. The BBP’s most recent planning document, the *2021 Barnegat Bay Comprehensive Conservation Management Plan (CCMP)* is a long-term plan for protecting and restoring clean water and healthy living resources in the bay and its watershed. It establishes four main priority areas for action: water quality, water supply, living resources and land use; and specifies goals and action items to achieve those objectives. Ocean County continues to support and take the lead on several action items including open space acquisition stormwater basin retrofits and pump out boats.

The County has been an active participant in the federal Clean Vessel Act Program since its introduction in New Jersey in 1993. The program provides funding for the installation of vessel sewage pump out facilities at marinas and boat basins. Currently 55 of the 144 pump out stations installed in New Jersey under the program are located in Ocean County. In addition, the CVA provides supplemental funding for operation and maintenance for the marina facilities and the pump out boats. Ocean County funds the operation of six full-time mobile pump out boats in Barnegat Bay, in partnership with the Ocean County Utilities Authority, the NJDEP, and the CVA. Through the 2022 boating season, about 2.4 million gallons of concentrated sewage have been removed from the holding tanks and portable toilets of 112,471 recreational boats that could otherwise have been discharged directly into the Barnegat Bay and the Little Egg Harbor Bay. This service is provided free of charge to boaters.

### **Solid Waste Management**

Ocean County’s solid waste management strategy includes a very successful and aggressive mandatory recycling program, which began in October 1988. The *Ocean County District Solid Waste Management Plan* provides for the operation of two County Recycling Centers by the Department of Solid Waste Management: the Northern Recycling Center (NRC) in Lakewood Township and the Southern Recycling Center (SRC) in Stafford Township. The NRC contains the County’s Materials Processing Facilities (MPF’s), housing state-of-the-art equipment that enables the County to process nearly 500 tons of single stream recyclables (plastics, metals, paper, and glass) per day. The SRC serves as a transfer station, where the towns in southern Ocean County deliver recyclables to be transferred up to the NRC for processing. Both centers are designed to accommodate County population growth into the future and include fully operational scale houses, recyclables drop-off areas, and vegetative waste services.

In recent years, Ocean County and its facility operator, Atlantic Coast Recycling, have collaborated on over \$6 million in capital improvements to the NRC’s processing equipment. Upgrades to the MPF’s were needed to adapt to evolving global recycling markets which created stricter standards for recycling commodities and increased costs for recycling operators. Some notable improvements included a new glass removal and cleanup system, additional optical sorters, an upgraded fiber (paper) baler, new infeed conveyors, a new ballistic separator (sorts 2D material from 3D material),

and new “non-wrapping” screens (which prevent contaminants from wrapping around sorting equipment. These improvements have reduced operating costs, improved efficiency, increased employee safety, and produced higher quality commodities. These upgrades, and additional planned improvements, demonstrate Ocean County’s commitment to maintaining an adaptive MPF and advanced recycling program now and into the future.

Ocean County’s Recycling Centers continue to provide services to residents, offering designated drop-off areas for standard recyclables, as well as fully staffed “special waste” buildings that accept additional items (electronics, paint, motor oil, light bulbs, batteries, etc.) during their regular business hours. The Paint Management Program is available at both County centers and eight additional municipal collection sites; residents may bring latex, oil-based, and/or marine paint to these locations for proper disposal. The County also operates a Regional Leaf and Vegetative Waste Composting Program, providing residents, municipalities, and landscapers composting services at both the NRC and SRC, where leaves and brush are processed into compost and mulch. As part of this cooperative program, County-owned composting equipment travels to additional municipal compost sites to process their composting materials. The benefits of this program are passed on to the community, as residents and landscapers are encouraged to bring yard waste to recycling centers or pick up compost and mulch for personal use. These services are offered free of charge to residents.

To further recycling and responsible waste disposal efforts, the Department of Solid Waste Management coordinates free Household Hazardous Waste and Residential Document Shredding programs. Household Hazardous Waste events are held throughout Ocean County each spring and fall to allow residents to safely and properly dispose of hazardous items not accepted at County recycling centers such as gasoline, stains, pesticides, cleaning products, and fire extinguishers. Residential Document Shredding events provide residents the opportunity to recycle sensitive documents safely and securely, at various locations throughout Ocean County and at no cost to residents.

Introduced in 1995, Ocean County’s Recycling Reserve Sharing Program distributes profits from recycling operations with its participating municipalities. Revenue share is based upon profits received from recyclable commodities sales and is calculated twice annually, with towns paid a “per ton” rate based upon tonnages delivered to the recycling centers. Since this program’s inception, the County has paid its municipalities nearly \$17 million for their recycling efforts, despite recent years in which the recycling industry as a whole struggled to generate revenue. Encouragingly, improved global markets and the County’s commitment to maintaining its facilities have Ocean County poised to maximize recycling profits moving forward.

Unlike many other New Jersey counties, Ocean County has no outstanding debt issues relating to solid waste disposal facilities. As such, the deregulation of waste flow that occurred in New Jersey in 1997 has not had any impact upon the finances of the County.

Ocean County is committed to educating residents about recycling and composting. The County maintains an Ocean County Recycling Education Center and a Backyard Composting Demonstration Site, both located at the NRC. The Education Center is used in conjunction with tours of the NRC and hosts environmental education events, such as the County’s Master Composter Training Program. The Backyard Composting Demonstration Site helps increase public awareness on the benefits of home composting and offers “how to” compost classes for County residents each spring and fall, taught by Ocean County Master Composter volunteers. Each of these outreach initiatives aim to educate Ocean County residents on the importance and benefits of recycling and composting, with an overall goal of diverting as much material from the typical waste stream (i.e. from the landfill) as possible. Efforts to do so can have tremendous environmental, as well as economical benefits.

### **Recreational Facilities**

The County, known for its coastline, also contains many inland recreational facilities and natural areas. There are numerous State parks and forests totaling 33,878 acres. The State of New Jersey also manages 69,658 acres in Fish, Game and Wildlife Management Areas and 4,734 acres within the New Jersey Natural Lands Trust. The Federal government protects over 24,575 acres within the Barnegat Division of the Edwin B. Forsythe National Wildlife Refuge. The refuge is located in portions of Barnegat, Eagleswood, Long Beach, Ocean, and Stafford Townships in southern Ocean County and in the Reedy Creek section of Brick Township to the north.

The County and its municipalities maintain a number of parks for the enjoyment of area residents. The Ocean County Parks System consists of a network of 30 facilities including twenty-two parks, two golf courses, four conservation areas, and two historic sites, totaling more than 4000 acres. The parks range in size from 3 acres to over 900 acres and offer both active and passive recreation. Active recreation opportunities include soccer, baseball/softball, basketball, disc golf, off-leash dog parks, as well as fishing and crabbing. Passive recreation opportunities include, hiking, biking, bird watching, nature photography and cross-country skiing.

Ocean County is in the process of designing and obtaining permits for a regional park in Manchester Township. This will be the 31<sup>st</sup> facility and will fulfill the goal of having a county park within a reasonable distance for every resident in Ocean County. The Department of Parks and Recreation has acquired the properties that will make up the new County Park, from both private landowners as well as from Manchester Township. This new park will be a combination of active and passive recreation with amenities for everyone and will adjoin land already preserved by the County Natural Lands Trust, along the Ridgeway Branch of the Toms River.

Ocean County now offers four staffed nature centers which are open to the public year-round, at Cloverdale Farm County Park (Barnegat), Cattus Island County Park (Toms River), Jakes Branch County Park (Beachwood), and Wells Mills County Park (Ocean). The Cedar Bridge Tavern County Historic Site (Barnegat), acquired in 2012, is believed to be the location of one of the last skirmishes of the American Revolution. The historic site was rehabilitated and features an exhibition on local history and includes a living museum of life in early America.

Another old historic site, the Cox House (Barnegat), acquired in 2019, has stood prominently as the iconic manor located at the center of historic Barnegat Village. Once home to two barrier-breaking women, Mary Etta Cox (1867-1949) and Mary Ann Cox (1901-1983), the house is currently in the first phase of renovation, which covers all exterior parts of the building.

The Ocean County Departments of Parks & Recreation, Planning, and Engineering are in the process of transforming the abandoned Barnegat Branch of the Central Railroad of New Jersey into a “rails-to-trails” project known as the Barnegat Branch Trail. Once completed, the Barnegat Branch Trail will link seven municipalities between Barnegat and Toms River with a 15.6 mile trail which will provide residents and visitors a unique recreational experience. Interpretive signs, which highlight local plants and animals, environmental features, and the history of each town will be located at various points along the trail. As of May 2023, 11 miles of the trail have been completed.

### **Community Development Activities**

Since 1984, the County has been involved with the federal Community Development Block Grant Program (CDBG), which funds projects in 29 municipalities. With the implementation of the HOME Program in 1992 the County funds projects in all 33 municipalities, including the entitlement communities of Brick, Toms River, Lakewood and Jackson Townships. The County has been awarded approximately \$1.22 million in CDBG grant funds and approximately \$1.48 million in HOME grant funds for the program year 2022. Acting on the recommendations of the CDBG Committee, the Board of Commissioners allocates CDBG funding for projects submitted by the 29 participating municipalities (applications are submitted on an every-other-year schedule), public services and non-profit organizations. Brick, Jackson, Lakewood and Toms River Townships are separate entitlements and will receive approximately \$2.08 million in FY 2022 CDBG funding directly from HUD.

Major project activities considered for funding include housing rehabilitation; removal of architectural barriers; improvements to public facilities; parks and recreational facilities; public services; handicapped services; senior and community facilities; drainage improvements; water and sewer improvements; and sidewalks and street improvements. In addition, acting on the recommendations of the County Housing Advisory Committee (CHAC), the Board of Commissioners allocates HOME funding for four countywide programs; Housing Rehabilitation, Rental Assistance, First Time Homebuyer and Community Housing Development Organizations (CHDOs).

Under the CDBG and HOME Housing Rehabilitation Programs, income-eligible homeowners may receive up to \$50,000 in home repairs to bring their dwellings up to State and local code. The cost of the repairs is in the form of

an interest-free prorated 10-year mortgage lien on the property. Approximately twelve low and moderate-income households were rehabilitated under these programs during FY 2022.

The County's First-Time Home Buyer Program, through a cooperative effort with local non-profit organizations and area financial institutions, is designed to assist eligible low and moderate-income County residents in the purchase of a home. The program provides reduced bank fees and closing costs, as well as down payment/closing cost assistance to pre-approved homebuyers. In September 2021, the deferred loan amount was increased from \$10,000 to \$15,000 in response to housing market trends and lender feedback. The assistance is in the form of a deferred loan in the amount of \$15,000, and is secured by a second mortgage, which is forgiven and canceled after a period of six years. Since 1992, about \$5.22 million dollars have been provided to over 570 households to assist in the purchase of their first home. The program also provides educational and mortgage counseling to eligible homebuyers.

The County has also developed partnerships with seven qualified local non-profit organizations to construct affordable rental housing under the HOME CHDO Program. This activity has resulted in a significant increase of the affordable rental housing stock for low and moderate-income residents. Since the program's inception, approximately \$9.3 million has been invested in this program, resulting in 159 total units of affordable rental housing, including 56 single family homes, in many towns across the County.

Additionally, under the HOME Program, the County operates a Tenant-Based Rental Assistance Program (TBRA), which is operated by the Ocean County Board of Social Services. This program provides a two-year rental subsidy to low and moderate-income residents with the goal of assisting those served in becoming self-sufficient. During FY 2022, approximately 46 families were provided with rental subsidies under this program. Since the inception of the Tenant Based Rental Assistance program, approximately 965 families have been provided rental subsidies.

In 2020, the County received CDBG-CV (CARES Act) funds directly from HUD in the amount of \$2,918,956 to prevent, prepare for and respond to COVID-19 to benefit low and moderate income households affected by the pandemic. This funding has been fully allocated to several non-profits as well as a rental assistance program. The County continues to work with the non-profits and programs to effectively administer these funds.

**Tax Information**

In the period from 2014-2023, the County's total assessed valuations of land and improvements increased from \$87,401,489,399 to \$108,606,100,098. The County's tax rate for 2023 is \$.3020 per \$100 of assessed valuation.

**County Tax Rate - 10 Year History**

<u>Year</u>	<u>Rate/\$100</u>
2014	.3441
2015	.3525
2016	.3539
2017	.3522
2018	.3481
2019	.3425
2020	.3380
2021	.3308
2022	.3192
2023	.3020

## Ocean County Census Population and Density by Municipality, Census 2020

Municipality	Form of Government	2020 Census	Land Area Square Miles	Population Density 2020
Barneгат Township	Township Committee	24,296	34.9	696
Barneгат Light Borough	Mayor-Council	640	0.7	914
Bay Head Borough	Mayor-Council	930	0.6	1550
Beach Haven Borough	Commission	1,027	1	1027
Beachwood Borough	Mayor-Council	10,859	2.8	3878
Berkeley Township	Mayor-Council	43,754	41.9	1044
Brick Township	Mayor-Council	73,620	26.4	2789
Eagleswood Township	Township Committee	1,722	16.5	104
Harvey Cedars Borough	Commission	391	0.55	711
Island Heights Borough	Mayor-Council	1,650	0.6	2750
Jackson Township	Township committee	58,544	100.3	584
Lacey Township	Township Committee	28,655	80.6	356
Lakehurst Borough	Mayor-Council	2,636	0.95	2775
Lakewood Township	Township Committee	135,158	25.5	5300
Lavallette Borough	Mayor-Council	1,787	0.65	2749
Little Egg Harbor Township	Township Committee	20,784	49.5	420
Long Beach Township	Commission	3,153	4.3	733
Manchester Township	Township Committee	45,115	82.5	547
Mantoloking Borough	Mayor-Council	331	0.44	752
Ocean Township	Township Committee	8,835	20.62	428
Ocean Gate Borough	Mayor-Council	1,932	0.5	3864
Pine Beach Borough	Mayor-Council	2,139	0.6	3565
Plumstead Township	Township Committee	8,072	40.7	198
Point Pleasant Borough	Mayor-Council	18,941	3.7	5119
Point Pleasant Beach Borough	Mayor-Council	4,766	1.5	3177
Seaside Heights Borough	Mayor-Council	2,440	0.35	6971
Seaside Park Borough	Mayor-Council	1,436	0.77	1865
Ship Bottom Borough	Mayor-Council	1,098	0.71	1546
South Toms River Borough	Mayor-Council	3,643	1.2	3036
Stafford Township	Mayor-Council	28,617	47.05	608
Surf City Borough	Mayor-Council	1,243	0.65	1912
Toms River Township	Mayor-Council	95,438	41.62	2293
Tuckerton Borough	Mayor-Council	3,577	3.7	967
<b>Ocean County</b>	<b>5 Member Board of Commissioners</b>	<b>637,229</b>	<b>634.36</b>	<b>1005</b>

Source: U.S. Census Bureau, 2020 Census Redistricting Data (Public Law 94-171), August 2021.

**Profile in Brief**

COUNTY: OCEAN COUNTY

SEAT: TOMS RIVER

Form of Government: Board of Commissioners-5 Members

Number of Constituent Municipalities ..... 33

Population, Census 2020 ..... 637,229

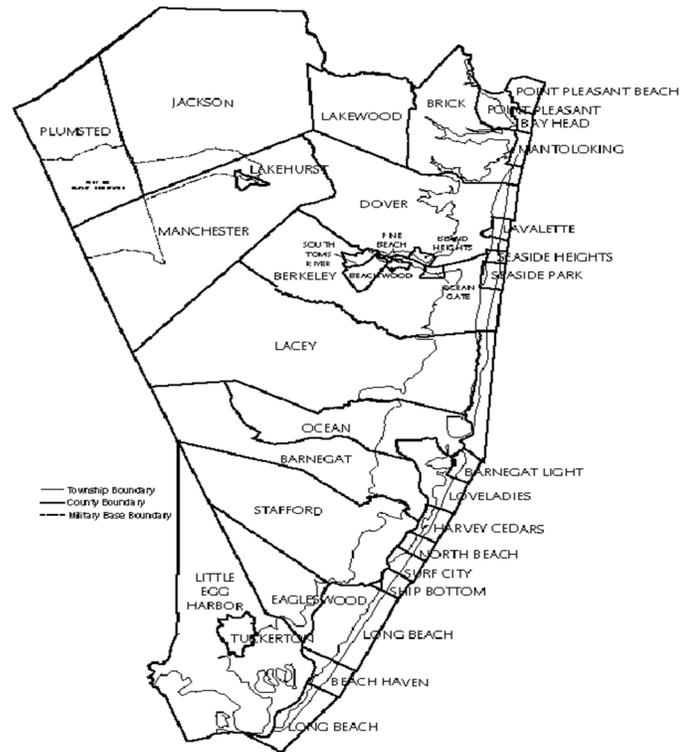
Land Area -- Square Miles ..... 634.36

**Net (True) Valuation on Which Taxes are Apportioned**

<b>2014</b>	<b>90,883,900,526</b>
<b>2015</b>	<b>92,390,206,956</b>
<b>2016</b>	<b>94,729,933,046</b>
<b>2017</b>	<b>97,400,050,590</b>
<b>2018</b>	<b>99,834,281,038</b>
<b>2019</b>	<b>103,370,902,561</b>
<b>2020</b>	<b>107,336,908,119</b>
<b>2021</b>	<b>110,589,029,220</b>
<b>2022</b>	<b>121,483,924,081</b>
<b>2023</b>	<b>142,060,181,505</b>

Tax Rate per \$100..... \$.3020

Tax Levy, 2023..... \$428,681,650



**Distribution of Ratables -- 2023**

<b>Class</b>	<b>Line Items</b>	<b>Assessed Valuation</b>	<b>Percent of Valuation</b>
Vacant Land	22,640	\$ 2,410,379,800	2.22%
Residential	248,906	94,351,260,200	86.87%
Farm	703	90,929,000	0.08%
Commercial	6,789	8,709,562,498	8.02%
Industrial	407	1,158,305,900	1.07%
Apartments	365	1,835,038,600	1.69%
Communication			
Equip. (Taxable)	20	50,624,100	0.05%
<b>TOTAL</b>	<b>279,830</b>	<b>\$108,606,100,098</b>	<b>100.00%</b>

**Ocean County Leading Tax Ratables - 2023**

<b>Rank</b>	<b>Taxpayer</b>	<b>Municipality</b>	<b>2023 Assessed Value</b>
1	Six Flags Theme Parks	Jackson Twp.	116,041,700
2	Oyster Creek Environmental Protection LLC	Lacey Twp.	112,172,600
3	CPI @ Simon Property Group	Toms River Twp.	108,767,300
4	Cedar Glen Lakes Inc	Manchester Twp.	79,581,600
5	CPG Partners L P	Jackson Twp.	77,016,800
6	Gardens at Jackson 21 LLC	Jackson Twp.	72,758,000
7	Fairways @ Bey Lea LLC	Toms River Twp.	68,900,000
8	Crestwood Village Co-Op Four	Manchester Twp.	64,583,000
9	Federal Realty Investment Trust	Brick Twp.	60,000,000
10	Crestwood Village Co-Op Three	Manchester Twp.	58,079,200
11	Crestwood Village Co-Op Two	Manchester Twp.	55,512,100
12	Universe @ Mariners Cove LLC	Toms River Twp.	53,520,000
13	MHC Pine Ridge at Crestwood II	Manchester Twp.	51,800,000
14	Wal-Mart Real Estate Business Trust	Various	51,517,300
15	Arbors Propco LLC	Manchester Twp.	46,222,800

**Ocean County**  
**Net Valuation of Real Property by Constituent Municipalities**

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Barneget Township	2,468,991,679	2,629,280,863	2,715,325,983	3,001,809,434	3,574,260,940
Barneget Light Borough	1,033,904,799	1,047,761,704	1,064,327,351	1,141,761,560	1,340,433,655
Bay Head Borough	1,610,222,322	1,721,716,411	1,704,669,171	1,828,900,431	2,207,600,185
Beach Haven Borough	2,245,659,743	2,318,231,862	2,397,206,323	2,605,378,905	3,185,387,604
Beachwood Borough	904,225,638	928,977,551	939,962,226	1,037,027,560	1,188,941,888
Berkeley Township	5,633,006,118	5,837,726,638	5,939,590,508	6,520,973,738	7,671,234,455
Brick Township	11,233,252,943	11,437,579,155	11,859,399,670	12,810,743,553	14,481,621,710
Eagleswood Township	230,485,689	239,573,475	237,264,664	251,137,990	291,264,426
Harvey Cedars Borough	1,280,077,132	1,277,676,911	1,306,505,956	1,445,938,293	1,709,943,763
Island Heights Borough	362,956,634	374,364,685	379,551,397	406,951,679	486,490,388
Jackson Township	7,687,624,382	7,876,732,008	7,912,399,062	8,669,659,673	10,193,145,394
Lacey Township	3,890,971,167	3,945,167,402	4,123,734,220	4,441,042,452	5,188,329,462
Lakehurst Borough	156,005,341	161,452,674	170,216,897	181,736,212	217,631,863
Lakewood Township	10,996,259,332	12,019,503,733	12,238,815,668	13,193,867,946	15,412,203,188
Lavallette Borough	2,182,583,426	2,354,632,279	2,415,918,473	2,691,372,834	3,176,615,176
Little Egg Harbor Township	2,403,203,769	2,457,259,840	2,492,177,661	2,771,834,738	3,278,279,935
Long Beach Township	8,837,225,885	9,127,012,050	9,899,895,440	10,801,299,361	13,178,232,351
Manchester Township	3,869,818,308	4,151,611,185	4,397,499,424	4,825,063,089	5,726,363,338
Mantoloking Borough	1,467,361,869	1,561,200,249	1,595,263,640	1,631,140,077	2,159,329,462
Ocean Township	1,436,044,437	1,475,719,403	1,501,964,949	1,610,611,998	1,861,616,585
Ocean Gate Borough	245,449,973	254,167,224	260,778,805	294,291,723	340,538,425
Pine Beach Borough	291,476,936	300,035,602	306,199,366	332,574,456	383,390,854
Plumsted Township	884,166,064	918,313,380	900,007,388	969,523,832	1,089,199,222
Point Pleasant Borough	3,576,151,056	3,628,549,514	3,751,222,636	4,073,636,028	4,588,065,803
Point Pleasant Beach	2,147,028,047	2,227,418,035	2,314,930,226	2,505,425,880	2,772,097,374
Seaside Heights Borough	683,262,032	700,654,239	707,626,564	800,366,409	952,105,821
Seaside Park Borough	1,173,289,701	1,184,023,683	1,189,496,687	1,282,476,589	1,503,690,522
Ship Bottom Borough	1,418,184,510	1,509,303,029	1,560,730,816	1,706,278,489	2,037,905,797
South Toms River Borough	242,657,740	236,520,688	244,183,776	256,764,884	302,814,045
Stafford Township	4,594,062,652	4,788,784,183	4,930,499,784	5,540,428,721	6,599,888,752
Surf City Borough	1,872,860,504	1,891,467,175	1,982,126,544	2,227,466,329	2,683,286,773
Toms River Township*	15,893,437,302	16,326,107,031	16,706,039,733	19,147,759,972	21,711,708,165
Tuckerton Borough	418,995,431	428,384,258	443,498,212	478,679,246	566,564,184
Totals	<u>\$ 103,370,902,561</u>	<u>\$ 107,336,908,119</u>	<u>\$ 110,589,029,220</u>	<u>\$ 121,483,924,081</u>	<u>\$ 142,060,181,505</u>

\*Previously reported as Dover Township

**Ocean County**  
**Gross and Net Debt of Constituent Municipalities**  
**December 31, 2022**

Municipality	Gross Debt			Statutory Deductions			Net Capital Debt	Valuation Basis
	School	Self-Liquidating	Other	School	Self-Liquidating	Other		
Barneгат	\$ 24,295,000.00	\$ 3,436,777.00	\$ 19,867,000.00	\$ 24,295,000.00	\$ 3,436,777.00	\$ 0.00	\$ 19,867,000.00	\$ 3,013,760,558.00
Barneгат Light	0.00	1,659,000.00	1,666,105.00	0.00	1,659,000.00	189,185.68	1,476,919.32	1,166,498,414.00
Bay Head	1,750,000.00	0.00	2,827,244.18	1,750,000.00	0.00	0.00	2,827,244.18	1,896,451,410.67
Beach Haven	0.00	12,625,236.19	14,148,896.50	0.00	12,625,236.19	361,751.00	13,787,145.50	2,701,657,102.33
Beachwood	8,573,033.90	7,373,674.81	14,367,205.04	8,573,033.90	7,373,674.81	0.00	14,367,205.04	1,048,147,746.67
Berkeley	0.00	0.00	73,146,370.72	0.00	0.00	1,730,984.97	71,415,385.75	6,645,692,497.67
Brick	9,610,000.00	0.00	130,822,037.71	9,610,000.00	0.00	2,071,359.84	128,750,677.87	12,965,025,911.00
Eagleswood	6,827,272.56	1,440,072.41	1,876,889.14	6,827,272.56	1,440,072.41	122,224.70	1,754,664.44	258,449,387.00
Harvey Cedars	0.00	3,346,595.78	3,329,041.85	0.00	3,346,595.78	595,081.09	2,733,960.76	1,472,433,572.00
Island Heights	2,430,000.00	4,153,726.15	2,772,866.20	2,430,000.00	4,153,726.15	0.00	2,772,866.20	421,196,069.67
Jackson	36,865,000.00	0.00	25,662,068.63	36,865,000.00	0.00	2,797,815.16	22,864,253.47	8,811,056,735.33
Lacey	12,725,000.00	0.00	24,218,715.30	12,725,000.00	0.00	70,458.97	24,148,256.33	4,546,122,879.00
Lakehurst	286,000.00	2,018,645.44	2,760,893.00	286,000.00	2,018,645.44	0.00	2,760,893.00	182,566,483.67
Lakewood	24,810,000.00	0.00	62,529,438.00	24,810,000.00	0.00	0.00	62,529,438.00	13,307,515,563.67
Lavallette	2,290,000.00	11,538,601.13	6,218,677.79	2,290,000.00	11,538,601.13	95,100.58	6,123,577.21	2,746,865,020.00
Little Egg Harbor	53,460,830.32	0.00	33,502,519.30	53,460,830.32	0.00	64,928.48	33,437,590.82	2,828,760,940.67
Long Beach	0.00	57,891,888.89	24,429,937.66	0.00	57,891,888.89	1,209,347.68	23,220,589.98	10,979,577,574.00
Manchester	13,815,000.00	27,745,285.56	24,922,816.36	13,815,000.00	27,745,285.56	0.00	24,922,816.36	4,947,194,857.67
Mantoloking	0.00	0.00	5,233,039.03	0.00	0.00	224,629.73	5,008,409.30	1,762,936,647.67
Ocean	3,210,000.00	15,688,386.50	12,504,874.73	3,210,000.00	15,688,386.50	0.00	12,504,874.73	1,643,133,936.33
Ocean Gate	0.00	1,954,038.31	4,659,507.50	0.00	1,954,038.31	12,644.00	4,646,863.50	295,392,079.67
Pine Beach	2,774,251.89	2,198,962.63	3,863,786.44	2,774,251.89	2,198,962.63	29,642.62	3,834,143.82	339,182,826.00
Plumsted	2,375,000.00	0.00	36,784,952.29	2,375,000.00	0.00	4,093,065.59	32,691,886.70	988,644,681.00
Point Pleasant	11,703,000.00	9,867,325.29	21,162,688.77	11,703,000.00	9,867,325.29	0.00	21,162,688.77	4,103,376,430.00
Point Pleasant Beach	7,925,000.00	9,375,520.53	28,948,084.00	7,925,000.00	9,375,520.53	0.00	28,948,084.00	2,509,984,342.33
Seaside Heights	0.00	6,815,312.00	16,887,395.00	0.00	6,815,312.00	108,481.00	16,778,914.00	796,988,745.33
Seaside Park	79,565.00	17,122,557.66	15,084,778.21	79,565.00	17,122,557.66	435,932.00	14,648,846.21	1,317,811,719.33
Ship Bottom	0.00	30,990,838.82	13,966,090.70	0.00	30,990,838.82	32,375.28	13,933,715.42	1,740,937,309.33
South Toms River	2,173,515.51	0.00	2,864,597.39	2,173,515.51	0.00	0.00	2,864,597.39	265,736,192.00
Stafford	8,440,000.00	43,889,388.23	73,511,350.45	8,440,000.00	43,889,388.23	7,097,385.97	66,413,964.48	5,615,748,087.67
Surf City	0.00	868,750.00	3,410,808.19	0.00	868,750.00	36,683.33	3,374,124.86	2,265,316,038.00
Toms River	152,499,198.70	1,000,540.00	159,997,774.64	152,499,198.70	1,000,540.00	2,047,373.67	157,950,400.97	18,644,705,401.00
Tuckerton	9,479,061.54	11,071,442.33	4,150,000.00	9,479,061.54	9,831,518.33	63,944.64	5,325,979.36	487,144,239.00
Totals	\$ 398,395,729.42	\$ 284,072,565.66	\$ 872,098,449.72	\$ 398,395,729.42	\$ 282,832,641.66	\$ 23,490,395.98	\$ 849,847,977.74	\$ 122,716,011,397.68

## **PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT**

### **Local Bond Law (N.J.S.A. 40A:2-1 et seq.)**

The Local Bond Law governs the issuance of bonds and notes by local units to finance certain capital improvements. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects which are being bonded, that bonds be retired in serial installments and that a 5% cash down payment be generally provided.

### **Debt Limits**

The net debt of the County is limited by the Local Bond Law to an amount equal to 2% of its equalized valuation basis. The equalized valuation basis of the County is set by statute as the average value of all taxable real property within its boundaries as annually determined by the State Board of Taxation for each of the three most recent years. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

### **Exceptions to Debt Limits - Extensions of Credit**

The debt limit of the County may be exceeded to the extent of two-thirds of the amount of obligations for which an appropriation for payment was made in the annual budget for the current fiscal year and in certain other circumstances and otherwise only with the approval of the Local Finance Board (the "LFB") in the Division of Local Government Services in the New Jersey Department of Community Affairs (the "Division"). If all or any part of a proposed debt authorization would exceed its debt limit, the County must apply to the LFB for an extension of credit. In considering the request, the LFB focuses its review on the effect of the proposed authorization on outstanding obligations of the County, operating expenses of the County and the potential ability of the County to meet the proposed obligations. If the LFB determines, pursuant to statute and regulation, that a proposed debt authorization would materially impair the ability of the County to meet its obligations or to provide essential services, approval is denied.

The County is within its statutory debt limit.

### **Short-term Financing**

The County is authorized to issue various types of short-term debt obligations, including bond anticipation notes, tax anticipation notes and emergency notes.

The County, in anticipation of the issuance of bonds, may in accordance with the Local Bond Law issue bond anticipation notes. Such notes may be issued for a period not exceeding one year and may be renewed for periods not exceeding one year for up to ten years from the date of original issuance of the notes, but such notes cannot, however, be renewed beyond the third anniversary date of the original issue unless a reduction in principal amount equal to the first legally payable installment of the bonds for which the notes were issued is made on or before the third and each succeeding anniversary date from funds other than proceeds of obligations. Bond anticipation notes may be extended and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes.

### **Debt Statements**

The County must report all new authorizations of debt or changes in previously authorized debt to the Division. The Supplemental Debt Statement, as this report is known, must be submitted to the Division before final passage of any debt authorization. Before January 31 of each year the County must file an Annual Debt Statement with the Division. This report is made under oath and states the authorized, issued and unissued debt of the County as of the previous December 31. Through the Annual and Supplemental Debt Statements, the Division monitors all local borrowings. Even though the County's authorizations are within its debt limits, the Division is able to enforce state regulations as to the amounts and purposes of local borrowings.

**Statement of Statutory Debt Condition**  
(as of July 19, 2023) \*

<u>General Debt</u>		<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Issued and Outstanding				
Bonds		\$ 452,010,639.31	\$ 7,435,000.00	\$ 444,575,639.31
Bond Anticipation Notes		0.00	0.00	0.00
Green Acres Loan		0.00	0.00	0.00
		<u>\$ 452,010,639.31</u>	<u>\$ 7,435,000.00</u>	<u>\$ 444,575,639.31</u>
Authorized and Unissued		182,476,034.06	2,102,500.00	180,373,534.06
		<u>\$ 634,486,673.37</u>	<u>\$ 9,537,500.00</u>	<u>\$ 624,949,173.37</u>
Equalized Valuation	2020	108,878,695,506.00		
	2021	118,963,980,852.00		
	2022	140,305,357,835.00		
Average Equalized Basis			<u>\$ 122,716,011,397.67</u>	
Net Debt (including authorized and unissued) expressed as a percentage of said Average Equalized Basis				<u>0.51%</u>

**List of Authorized Debt**  
(as of July 19, 2023) \*

Total Bonds Outstanding	\$ 452,010,639.31
Total Notes Outstanding	0.00
Bonds and Notes Authorized but Unissued:	
Reconstruction and Construction of Certain County Roads	59,427,696.99
Reconstruction and Construction of Certain County Bridges	1,691,601.00
Construction, Repairs and Additions to County Facilities	107,081,736.07
Purchase of Various Equipment	14,275,000.00
Total Bonds and Notes Authorized but Unissued	<u>182,476,034.06</u>
	<u>\$ 634,486,673.37</u>

\*The ratios and the total debt figures listed above do not reflect the outstanding debt of the Ocean County Utilities Authority or other authority debt or debt of local fire districts.

## Debt Ratios

Total Gross Debt Authorized, Issued and Outstanding as of July 19, 2023	\$ 452,010,639.31	
Total Gross Debt Issued and Outstanding per Capita (2020 Pop. -- 637,229)		709.34
Total Gross Debt Issued and Outstanding Net (True) (Value 2022) : 140,305,357,835.00		0.32%
Overlapping Gross Debt (as of December 31, 2022)		
School Debt	398,395,729.42	
Self Liquidating Debt	284,072,565.66	
Other Overlapping Debt	872,098,449.72	
Total Overlapping Gross Debt (as of December 31, 2022)	\$ 1,554,566,744.80	
Total Overlapping Gross Debt per Capita (2020 Pop. -- 637,229)		2,439.57
Total Overlapping Gross Debt to Net (True) Value (Value 2022) : 140,305,357,835.00		1.11%

\*The ratios and the total debt figures listed above do not reflect the outstanding debt of the Ocean County Utilities Authority or other authority debt or debt of local fire districts.

### OCEAN COUNTY UTILITIES AUTHORITY

The Ocean County Utilities Authority (the "Authority"), formerly known as The Ocean County Sewerage Authority, has developed a comprehensive sewerage collection and treatment plant system (the "System"). The Authority's System was essentially completed in 1979 at an estimated cost of \$502 million and is in operation.

The Authority has also issued bonds through the New Jersey Wastewater Treatment Trust, now known as the New Jersey Infrastructure Bank (the "I-Bank"), program ("Program"). Under the Program, the Authority issued the bonds to the I-Bank and the State of New Jersey evidencing the loans from the I-Bank and the State, the proceeds of which were used to finance improvements and replacements to the Authority's Water Pollution Control Facilities. It is the Authority's policy to utilize these loans to the greatest extent possible. For eligible projects, a portion of the cost is funded by an interest-free "Fund" loan and the remaining balance of the cost by an "I-Bank" loan, which bears market-rate interest. Interest is credited to the Authority's account on funds temporarily held by the I-Bank.

A deficiency advance contract between the Authority and the County has been executed and provisions of the contract obligate the County to provide for the payment of the principal and interest which may become due on any outstanding project bonds or permanent bonds of the Authority, including the bonds referred to above. Although the County's obligation pursuant to the provisions of the deficiency advance contract is a direct and general obligation, the Authority anticipates that its operating costs and the principal, interest and reserve requirements on its obligations will be paid from the revenues derived from service charges to the communities and municipal utility authorities and private utility companies using the Authority's System. The provisions of the deficiency advance contract have never been utilized. As of July 1, 2023, the Authority has \$88,258,643 of principal outstanding that is subject to the deficiency contract.

### OTHER AUTHORITY AND FIRE DISTRICT DEBT

There are municipally created utilities authorities operating within the County, which are developing or have developed sewerage facilities for the benefit of local government units within the County. The authorities with temporary or permanent debt outstanding (which debt in some cases is additionally secured by the ad valorem taxing

power of an underlying township) are Beachwood Sewerage Authority, Berkeley Township Municipal Utilities Authority and Berkeley Township Sewerage Authority, Brick Township Municipal Utilities Authority, Toms River Municipal Utilities Authority, Lacey Municipal Utilities Authority, Lakewood Municipal Utilities Authority, Little Egg Harbor Municipal Utilities Authority, Ocean Township, Manchester Township, South Toms River Sewerage Authority, Stafford Township and Tuckerton Water Utility.

Fire districts constituting special taxing districts have been created in several municipalities in the County. These fire districts have statutory authority to issue, and some of these districts have issued general obligation bonds after voter approval and review by the Local Finance Board in the State of New Jersey Department of Community Affairs, Division of Local Government Services.

## **TAX COLLECTION PROCESS**

County taxes are collected by the municipalities and paid to the County Treasurer. The municipal levy includes all County, library, health, school, fire district, and municipal taxes. Each municipality is required by law to pay to the County Treasurer 100% of its share of the County Purpose Tax on the fifteenth day of February, May, August and November of each year. The County receives its share of the taxes collected first from the taxes collected by each municipality.

The County has received 100% of its tax levy during the levy year for each of the last five years.

## **COUNTY BUDGET AND SUMMARY OF REVENUES AND APPROPRIATIONS**

### **Local Budget Law (N.J.S.A. 40A:4-1 et seq.)**

The foundation of the county local finance system is the annual cash basis budget. Every county must adopt an operating budget in the form required by the Division. Items of revenue and appropriation are regulated by law and must be certified by the Director of the Division of Local Government Services (the "Director") prior to final adoption of the budget. The budget law requires each county to prepare its budget on a cash basis appropriating sufficient funds to meet all debt service and operating requirements including provision for mandatory payments.

The Director, who reviews and certifies the adequacy of such appropriations, is assisted in this duty by the Bureau of Financial Regulation and Assistance.

The budget law permits counties to raise revenue through taxation for county purposes. The county is restricted in the amount of increase it may raise through taxation from year to year. Counties receive 100% of their tax levies, which are collected and paid to them by municipalities.

Anticipated non-tax revenues are limited to the amount realized in the previous year unless the Director authorizes a higher figure based on assured sources.

Tax anticipation notes are limited in amount by law and must be paid off in full within six months of the succeeding fiscal year.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all counties. By law and regulation, local budgets, as adopted, must be in balance on a "cash basis".

### **County Budget "CAPs" (N.J.S.A. 40A:4-45.1 et seq.)**

The annual budgets of counties must conform to the provisions of the "Local Government CAP Law" as amended from time to time. These provisions limit the increase in the County tax levy to the lesser of 2.5% or the cost of living adjustment, defined as the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, computed by the U.S. Department of Commerce. Certain CAP exemptions allow for modification to the ceiling for such items as: expenditures necessary to comply with court orders or certain federal or state mandates, added revenue

generated by new construction, contracts or agreements between local governments and authorities, debt service, capital expenditures, programs funded in cooperation with federal and state agencies, and certain funding to the County College.

On July 13, 2010 the Governor approved legislation which, in addition to the “Local Government CAP Law” described above, amends the property tax levy cap that was initially enacted in 2007. This law puts a limitation of 2% on the property tax levy set in the annual budget. The law allows for exclusions for capital expenditures, debt service, increases in pension contributions and accrued liability for pension contributions in excess of 2%, and increases in health care costs in excess 2%. This limitation may be exceeded by approval of an affirmative vote in excess of 50% of the people voting at a special referendum for such purposes.

Any legislation or constitutional amendments which alter the existing system of real property taxation in New Jersey may adversely affect the security and/or market value of bonds, notes and other obligations of counties and municipalities (such as the County).

### **Miscellaneous Revenues**

Miscellaneous revenues generally consist of operating surplus from prior years, State and federal aid, interest on investments, permit fees, motor vehicle fines, real estate transfer fees, and the reimbursement costs of patients and prisoners in county and State institutions.

“No miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit.” N.J.S.A. 40A: 4-26.

“No budget or amendment thereof shall be adopted unless the director shall have previously certified his approval thereof.” N.J.S.A. 40A:4-10.

The exception to this is the inclusion of categorical grants-in-aid contracts for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the County's calendar fiscal year.

### **Deferral of Current Expenses**

Emergency appropriations made after the adoption of the budget and determination of the tax rate may be authorized by the Board of Commissioners. However, with minor exceptions, such appropriations must be included in full in the following year's budget. When such appropriations amend the adopted operating budget, consent of the Director must be obtained. (N.J.S.A. 40A:4-46 et seq.).

## **MUNICIPAL BANKRUPTCY**

The undertakings of the County should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. Section 901, et seq., as amended by Public Law 95-598, approved November 6, 1978, and as further amended on November 3, 1988, by an Act to Amend the Bankruptcy Law to Provide for Special Revenue Bonds, and for Other Purposes, and on October 22, 1994, by the Bankruptcy Reform Act of 1994, and by other bankruptcy laws affecting creditors' rights and municipalities in general. Chapter IX permits a state or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to file a petition in a bankruptcy court for the ultimate purpose of effecting a plan to adjust its debts. Chapter IX directs such a petitioner to file with the Bankruptcy Court a list of the petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner, with the exception that such petition does not operate as a stay of application of pledged special revenues to the payment of indebtedness secured by such revenues; grants priority to administrative and operational expenses and to debts owed for services or material, up to \$4,000 per individual or corporation, actually provided within ninety (90) days of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; provides that any securities issued under a

reorganization plan will be exempt from the securities laws and, therefore, exempt from registration requirements; permits the petitioner, during bankruptcy proceedings, to continue to pay pre-petition debt without prior court approval; and provides that the plan must be accepted by a class of creditors, in writing, by or on behalf of creditors holding at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors. A plan shall not be approved by the Bankruptcy Court unless it is in the best interests of creditors and is feasible.

Reference should also be made to N.J.S.A. 52:27-40 thru 52:27-45.11, which provides that any county, municipality, or other political subdivision of the State has the power to file a petition with any Bankruptcy Court, provided the approval of the municipal finance commission has been obtained, and such petition has been authorized by ordinance of the governing body of the political subdivision. The powers of the municipal finance commission have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act. However, the Bankruptcy Act does provide that a municipality must obtain any regulatory or electoral approval necessary under constitutional, statutory, or charter provisions, for actions taken under the reorganization plan.

### **STATEMENT OF LITIGATION COUNTY COUNSEL**

The County of Ocean, its officers and employees are defendants in various lawsuits. The County Counsel has reviewed the status of the pending lawsuits. With regard to the pending litigation, it is the opinion of the County Counsel that the pending litigation shall not be finally determined so as to result individually, or in the aggregate, in a final judgment against the County which would substantially and materially affect the financial status of the County.

### **DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS**

#### **Absence of Litigation**

Upon the delivery of the Bonds, the County shall furnish a certificate of the County Counsel, dated the date of delivery of the Bonds, to the effect that there is no litigation of any nature pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the application of moneys to the payment of the Bonds. In addition, such certificate shall state that there is no litigation of any nature now pending or threatened by or against the County wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the County or adversely affect the power of the County to levy, collect and enforce the collection of taxes or other revenues for the payment of the Bonds, which has not been disclosed in this Official Statement.

#### **Legal Matters**

The legality of the Bonds will be subject to the final approving opinions of Dilworth Paxson LLP, of Freehold, New Jersey ("Bond Counsel"). Such opinions will be to the effect that the Bonds are valid and legally binding obligations of the County and, unless paid from other sources, the County is authorized and required by law to levy ad valorem taxes upon all taxable real property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

#### **Certificates of County Officials**

The original purchasers of the Bonds shall receive a certificate signed by the County officials (a) certifying that this Official Statement, as of the date of this Official Statement, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made herein, in the light of the circumstances under which they were made, not misleading; and (b) certifying that there has been no material adverse change in the condition, financial or otherwise, of the County from that set forth in or contemplated by this Official Statement to the date of delivery of the Bonds. In addition, the original purchaser of the Bonds shall also receive certificates in form satisfactory to Dilworth Paxson LLP, Freehold, New Jersey, ("Bond Counsel") evidencing the proper execution and delivery of the Bonds and receipt of payment therefore, and a certificate dated as of the date of the delivery of the

Bonds, and signed by the officers who signed the Bonds, stating that no litigation is then pending or, to the knowledge of such officers, threatened to restrain or enjoin the issuance or delivery of the Bonds or the levy or collection of taxes to pay the Bonds or the interest thereon, or questioning the validity of the statutes or the proceedings under which the Bonds are issued, and that neither the corporate existence or boundaries of the County, nor the title of any of the said officers to their respective offices, is being contested.

## **TAX MATTERS**

### **Federal Income Taxes**

The Internal Revenue Code of 1986, as amended (the “Code”) imposes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income of the owners thereof for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The County and the College have covenanted to comply with the provisions of the Code applicable to the Bonds, and have covenanted not to take any action or permit any action that would cause the interest on the Bonds to be included in gross income under Section 103 of the Code or cause interest on the Bonds to be treated as an item of tax preference for purposes of the alternative minimum tax imposed by the Code. Bond Counsel will not independently verify the accuracy of those certifications and representations.

Assuming the County and the College observe their covenants with respect to compliance with the Code, Bond Counsel is of the opinion that, under laws, regulations, rulings and judicial decisions existing on the date of the original delivery of the Bonds, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. Bond Counsel is further of the opinion that interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed by the Code, however, for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. See “Certain Federal Tax Considerations” below.

### **State Taxes**

In the opinion of Bond Counsel, under the laws of the State of New Jersey, as enacted and construed on the date of original delivery of the Bonds, interest on the Bonds and gain from the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

### **Original Issue Premium**

The initial public offering price of certain Bonds may be greater than the stated redemption price thereof at maturity (each a “Premium Bond”). The difference between the initial public offering price for any such Premium Bond and the stated redemption price at maturity is “original issue premium.” For federal income tax purposes original issue premium is amortizable periodically over the term of a Premium Bond through reductions in the holder’s tax basis for the Premium Bond for determining gain or loss from sale or redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the Premium Bond rather than creating a deductible expense or loss. Purchasers of the Bonds should consult their tax advisors for an explanation of the accrual rules for original issue premium and any other federal, state or local tax consequences of the purchase of any Premium Bonds.

### **Original Issue Discount**

The initial public offering price of certain Bonds may be less than the stated redemption price thereof at maturity (each a “Discount Bond”). The difference between the initial public offering price for any such Discount Bond and the stated redemption price at maturity is “original issue discount.” For federal income tax purposes, original issue discount on a Discount Bond accrues to the original holder of the Discount Bond over the period of its maturity based on the constant yield method compounded annually as interest with the same tax exemption and alternative minimum tax status (if applicable) as regular interest. The accrual of original issue discount increases the holder’s tax basis in the Discount Bond for determining taxable gain or loss on the maturity, redemption, prior sale or other disposition of a

Discount Bond. Purchasers of the Bonds should consult their tax advisors for an explanation of the accrual rules for original issue discount and any other federal, state or local tax consequences of the purchase of Bonds with original issue discount.

### **Certain Federal Tax Considerations**

Ownership of the Bonds may result in collateral federal tax consequences to certain taxpayers, including, without limitation, financial institutions, S corporations with excess net passive income, property and casualty companies, individual recipients of social security or railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, foreign corporations that may be subject to the foreign branch profits tax, and taxpayers who may be deemed to have incurred indebtedness to purchase or carry the Bonds. Bond Counsel will express no opinion with respect to these or any other collateral tax consequences of the ownership of the Bonds. The nature and extent of the tax benefit to a taxpayer of ownership of the Bonds will generally depend upon the particular nature of such taxpayer or such taxpayer's own particular circumstances, including other items of income or deduction. Accordingly, prospective purchasers of the Bonds should consult their own tax advisors with respect to these and other collateral federal tax consequences resulting from ownership of the Bonds.

Bond Counsel is not rendering any opinion on any federal tax matters other than those described under the caption "TAX MATTERS." Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

### **Backup Withholding**

Commencing with interest paid in 2006, interest paid on tax-exempt obligations such as the Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

### **Changes in Law and Post-Issuance Events**

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for federal or state income tax purposes, and thus on the value or marketability of the Bonds. This impact could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of interest on the Bonds from gross income of the owners thereof for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisors regarding such matters.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of counsel other than Bond Counsel.

**ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.**

### **CONTINUING DISCLOSURE**

The County has agreed to comply with the terms of the Securities and Exchange Commission (the "SEC") Rule 15c2-12, as amended (the "Rule"), as it relates to the Bonds. The County will agree in separate Certificates, substantially in the forms set forth in APPENDIX D hereto, to provide certain annual financial information to the Municipal Securities Rulemaking Board (the "MSRB"), and to provide, in a timely manner, to the MSRB, notice of occurrence

of certain enumerated events with respect to the Bonds, if such event is applicable and material. The specific nature of the annual financial information and the information to be contained in the notice of material events is specified in “APPENDIX D – Forms of Continuing Disclosure Certificates”.

### **RATINGS**

Moody’s Investors Service Inc. has assigned the Bonds a rating of Aaa. Fitch Ratings has assigned the Bonds a rating of AAA. Any explanation of the significance of such ratings may only be obtained from the rating agencies. The County furnished to the rating agencies certain information and material respecting the Bonds. There is no assurance that such ratings will remain for any given period of time or that they may not be lowered or withdrawn entirely by the rating agencies if in their judgment circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect of the market price of the bonds. A security’s rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

### **MISCELLANEOUS**

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds. Any additional information may be obtained from Julie N. Tarrant, County Comptroller and Chief Financial Officer.

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The execution of this Official Statement and its delivery have been duly authorized by the Board of Commissioners of the County of Ocean, and has been executed by the Director of the Board of Commissioners, the County Administrator, the County Comptroller and Chief Financial Officer, and the Clerk of the Board of Commissioners.

**/S/ Joseph H. Vicari**  
**Joseph H. Vicari**  
**Director of the Board of Commissioners**

**/S/ Michael J. Fiure**  
**Michael J. Fiure**  
**County Administrator**

**/S/ Julie N. Tarrant**  
**Julie N. Tarrant**  
**Comptroller and Chief Financial Officer**

**/S/ Michelle I. Gunther**  
**Michelle I. Gunther**  
**Clerk of the Board of Commissioners**

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## **APPENDIX A**

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**County of Ocean -- General Information**  
**Assessed Valuation and Tax Rate: 2023-2018**  
**(Abstract of Ratables)**

<b>Year</b>	<b>Assessed Valuation</b>	<b>Net (True) Valuation</b>	<b>Tax Rate per \$100 Valuation</b>
2023	\$108,606,100,098	\$142,060,181,505	0.3020
2022	\$107,275,753,534	\$121,483,924,081	0.3192
2021	\$99,143,977,335	\$110,589,029,220	0.3308
2020	\$96,007,625,561	\$107,336,908,119	0.3380
2019	\$93,922,127,613	\$103,370,902,561	0.3425
2018	\$92,812,190,833	\$99,834,281,038	0.3481

**Tax Collection Record: 2022-2017**

<b>Year</b>	<b>Levy</b>	<b>Collected Year of Levy</b>	
		<b>Amount</b>	<b>Percent</b>
2022	\$387,360,543	\$387,360,543	100%
2021	\$365,212,639	\$365,212,639	100%
2020	\$361,536,722	\$361,536,722	100%
2019	\$353,049,175	\$353,049,175	100%
2018	\$346,491,117	\$346,491,117	100%
2017	\$342,092,735	\$342,092,735	100%

**Added Tax Levies**

<b>Year</b>	<b>Total</b>
2022	2,970,104
2021	2,784,968
2020	2,472,003
2019	2,784,393
2018	2,529,353
2017	2,695,342

**Percentage of Assessed Valuation of Real Property by Category (2023-2018)**

<b>Year</b>	<b>Vacant Land</b>	<b>Residential</b>	<b>Farm</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Apartments</b>	<b>Comm. Equip.</b>
2023	2.22%	86.87%	0.08%	8.02%	1.07%	1.69%	0.05%
2022	2.32%	86.73%	0.09%	8.06%	1.07%	1.67%	0.06%
2021	2.36%	86.61%	0.09%	8.13%	1.13%	1.62%	0.06%
2020	2.57%	86.06%	0.10%	8.37%	1.16%	1.68%	0.06%
2019	2.80%	85.84%	0.10%	8.46%	1.20%	1.54%	0.06%
2018	2.99%	85.47%	0.11%	8.64%	1.23%	1.50%	0.06%

Source: Ocean County Tax Board

**County of Ocean**  
**Labor Force Employment and Unemployment Data (2022-2017)**

<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate (%)</b>
2022	298,400	287,300	11,100	3.7%
2021	292,200	274,700	17,400 *	6.0%
2020	289,400	263,000	26,400	9.1%
2019	289,800	279,700	10,100	3.5%
2018	282,300	270,800	11,600 *	4.1%
2017	277,800	264,800	13,100 *	4.7%

Source: N.J. Department of Labor, April 5, 2023

Prepared by: Ocean County Department of Planning, May 2023.

\* Rounded annual averages

**Schedule of Bond and Note Maturities**

**Outstanding Notes and Bonds as of July 19, 2023**

<b>Year</b>	<b>General Improvement Total Principal</b>	<b>College Improvement Total Principal</b>	<b>Interest on Outstanding Debt</b>	<b>NJIB Trust</b>	<b>NJIB Fund</b>	<b>Total Fiscal Year Debt Service</b>
2023	36,530,000	2,285,000	8,676,410	75,000	81,272	47,647,682
2024	34,645,000	1,965,000	15,611,920	85,000	121,909	52,428,829
2025	34,700,000	1,335,000	13,974,320	90,000	121,909	50,221,229
2026	35,215,000	1,335,000	12,430,095	70,000	92,814	49,142,909
2027	36,622,000	515,000	10,908,420	50,000	42,326	48,137,746
2028	33,250,000		9,300,857	50,000	42,326	42,643,183
2029	27,875,000		7,937,354	50,000	42,326	35,904,680
2030	26,485,000		6,760,629	50,000	42,326	33,337,955
2031	24,480,000		5,693,629	50,000	42,326	30,265,955
2032	23,660,000		4,824,554	55,000	39,440	28,578,994
2033	18,250,000		4,075,560	55,000	10,663	22,391,223
2034	18,800,000		3,505,729	10,000	0	22,315,729
2035	19,361,000		2,914,279	10,000	0	22,285,279
2036	15,335,000		2,307,641	15,000	0	17,657,641
2037	15,815,000		1,819,710	0	0	17,634,710
2038	14,593,000		1,347,804	0	0	15,940,804
2039	8,620,000		886,794	0	0	9,506,794
2040	7,315,000		647,600	0	0	7,962,600
2041	7,430,000		381,200	0	0	7,811,200
2042	4,200,000		126,000	0	0	4,326,000
	<b>\$ 443,181,000</b>	<b>\$ 7,435,000</b>	<b>\$ 114,130,504</b>	<b>\$ 715,000</b>	<b>\$ 679,639</b>	<b>\$ 566,141,143</b>

\*NJIB Fund Principal is net of principal forgiveness

## **APPENDIX B**

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**COUNTY OF OCEAN**

**AUDIT REPORT FOR THE YEAR  
ENDED DECEMBER 31, 2022**

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**COUNTY OF OCEAN**

**PART I**

**INDEPENDENT AUDITOR'S REPORTS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Director and Members  
of the Board of Chosen Commissioners  
County of Ocean  
Toms River, New Jersey 08753

### Opinions

We have audited the accompanying financial statements of the various funds and account group of the County of Ocean, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2022 and 2021, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements.

### 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 County of Ocean, as of December 31, 2022 and 2021, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2022, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

### Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, 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 County of Ocean, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended.

### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Ocean and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the County of Ocean, 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 Division of Local Government Services, Department of Community Affairs, 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 and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of 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 Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control(s) relevant to the audit 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 County of Ocean's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County of Ocean's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2023, on our consideration of the County of Ocean'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 solely 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 effectiveness of the County of Ocean's 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 County of Ocean's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**

A handwritten signature in black ink, appearing to read 'R. W. Allison', written over a faint horizontal line.

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

Lakewood, New Jersey  
September 8, 2023

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Certified Public Accountants + Advisors

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

The Honorable Director and Members  
of the Board of Chosen Commissioners  
County of Ocean  
Toms River, New Jersey 08753

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 County of Ocean, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 8, 2023. Our report indicated that the County'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.

**Report On Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 or significant deficiencies may exist that have not been identified.

## **Report On Compliance and Other Matters**

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

### **Purpose of this Report**

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

Respectfully Submitted,

**HOLMAN FRENIA ALLISON, P.C.**



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

Lakewood, New Jersey  
September 8, 2023

**BASIC FINANCIAL STATEMENTS**

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**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE  
REGULATORY BASIS  
DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>ASSETS</b>		
Regular Fund:		
Cash and Cash Equivalents	\$ 161,251,077.47	\$ 164,316,280.31
Cash - Change Fund	2,950.00	2,950.00
Total Regular Fund	161,254,027.47	164,319,230.31
Receivables & Other Assets With Full Reserves:		
County Share of Added and Omitted Taxes	2,289,831.12	2,715,560.90
Revenue Accounts Receivable	2,064,815.77	2,409,078.87
Inventory:		
Central Supply Warehouse	348,268.81	320,717.34
Due From Interfunds:		
Trust Fund	80,368.94	3,685.42
General Capital Fund	109,396.98	4,732.24
Grant Fund	2,706,002.27	2,145,866.73
Total Receivables & Other Assets With Full Reserves	7,598,683.89	7,599,641.50
Total Regular Fund, Receivables, Other Assets With Full Reserves & Deferred Charges	168,852,711.36	171,918,871.81
State & Federal Grants:		
Cash and Cash Equivalents	66,786,143.02	76,758,805.58
Mortgage Receivable	4,396,485.34	4,088,993.06
Grants Receivable	58,210,942.57	48,000,767.02
Total State & Federal Grants	129,393,570.93	128,848,565.66
Total Assets	\$ 298,246,282.29	\$ 300,767,437.47

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE  
REGULATORY BASIS  
DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>LIABILITIES RESERVES &amp; FUND BALANCE</b>		
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 22,668,802.40	\$ 23,250,189.92
Reserve for Encumbrances	34,517,470.82	38,095,493.90
Accounts Payable	6,559,580.11	4,958,577.55
Reserve for Payroll Liabilities	5,066,959.92	3,659,585.77
Sales Tax Payable - Parks	57.14	193.39
Parks - Due to Cuisine on the Green	165.00	320.00
Unclaimed Property Pending Distribution	12.80	-
Reserve for Superstorm Sandy	228,624.16	228,624.16
Reserve for Superstorm Sandy - Refunds	-	176,646.00
Reserve for FEMA Reimbursements - Superstorm Sandy	5,430,870.88	5,430,870.88
Reserve for CARES Reimbursement	10,789,177.63	10,789,177.63
	<u>85,261,720.86</u>	<u>86,589,679.20</u>
Subtotal		
Reserve for Receivables & Other Assets	7,598,683.89	7,599,641.50
Fund Balance	<u>75,992,306.61</u>	<u>77,729,551.11</u>
Total Regular Fund	<u>168,852,711.36</u>	<u>171,918,871.81</u>
State & Federal Grants:		
Interfund - Current Fund	2,706,002.27	2,145,866.73
Reserve for Mortgage Receivable	4,396,485.34	4,088,993.06
Reserve for Interest - CARES	-	127,030.24
Reserve for Interest - CARES ERA	52,712.46	3,961.04
Reserve for Interest - ARP ERA II	70,528.02	13,335.62
Reserve for Interest - ARP	699,588.79	-
Reserve for Encumbrances	12,916,843.49	41,456,779.65
Appropriated Reserves	49,540,344.35	80,752,604.66
Unappropriated Reserves	59,011,066.21	259,994.66
	<u>129,393,570.93</u>	<u>128,848,565.66</u>
Total State & Federal Grants		
	<u>\$ 298,246,282.29</u>	<u>\$ 300,767,437.47</u>

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 38,500,000.00	\$ 38,000,000.00
Miscellaneous Revenue Anticipated	86,649,356.46	123,513,128.99
Receipts From Current Taxes	387,360,543.00	365,212,639.00
Nonbudget Revenue	8,616,654.87	8,318,939.93
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	17,589,642.49	17,267,403.08
Cancelled Accounts Payable	371,377.78	68,048.35
Cancelled Federal and State Grant Appropriated Reserves	45,524,618.18	1,390,270.64
Total Revenues	584,612,192.78	553,770,429.99
Expenditures:		
Budget Appropriations		
Operations:		
Salaries & Wages	135,076,007.00	134,833,829.00
Other Expenses	219,968,833.00	240,879,086.00
Capital Improvement Fund	51,542,490.00	42,923,124.00
Debt Service	55,761,790.99	54,750,405.63
Deferred Charges and Statutory Expenditures	39,432,912.04	38,349,074.81
Other Expenditures and Adjustments:		
Refund of Prior Year Revenue	851.00	1,267.00
Interfunds Advanced	584,152.62	1,738,034.92
Cancelled Federal and State Grant Receivables	45,482,400.63	1,312,230.25
Total Expenditures	547,849,437.28	514,787,051.61
Statutory Excess to Fund Balance	36,762,755.50	38,983,378.38
Fund Balance, January 1	77,729,551.11	76,746,172.73
	114,492,306.61	115,729,551.11
Decreased by:		
Utilization as Anticipated Revenue	38,500,000.00	38,000,000.00
Fund Balance, December 31	\$ 75,992,306.61	\$ 77,729,551.11

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Anticipated		Realized	Excess or (Deficit)
	Budget	Special N.J.S. 40A:4-87		
Fund Balance Anticipated	\$ 38,500,000.00	\$ -	\$ 38,500,000.00	\$ -
Miscellaneous Revenues Anticipated:				
Recording Fees - County Clerk Fees	10,250,000.00	-	12,332,452.10	2,082,452.10
Surrogate Fees	520,000.00	-	602,307.54	82,307.54
Sheriff Fees	1,300,000.00	-	2,609,740.51	1,309,740.51
Interest on Investments and Deposits	1,000,000.00	-	3,161,699.96	2,161,699.96
Data Processing Time Sharing Service	1,500.00	-	-	(1,500.00)
Road Opening Permits	25,000.00	-	35,122.50	10,122.50
Copy Machine Fees - County Clerk	7,000.00	-	5,208.50	(1,791.50)
Notary Fees - County Clerk	25,000.00	-	38,025.00	13,025.00
Passport Fees - County Clerk	475,000.00	-	865,770.00	390,770.00
Federal and State Contract - Indirect Cost Allocation	950,000.00	-	1,223,941.30	273,941.30
Sale of Plans and Specifications	5,000.00	-	-	(5,000.00)
College Debt Service Reimbursement	1,807,114.00	-	1,807,114.11	0.11
Rent - Ocean County Air Park	75,000.00	-	201,569.33	126,569.33
Rent - Parks - Picnic Areas	10,000.00	-	31,900.00	21,900.00
State Reimbursement - Inmates	700,000.00	-	922,078.63	222,078.63
County Parks - Non-Profit Program	40,000.00	-	90,928.63	50,928.63
Shared Services Agreements - Vehicle Services	399,500.00	600,000.00	803,866.71	(195,633.29)
Shared Services Agreements - Planning	-	65,000.00	-	(65,000.00)
Shared Services Agreements - Engineering	-	6,300.00	11,903.39	5,603.39
Shared Services Agreements - Roads	-	628,113.00	827,342.26	199,229.26
Atlantis Complex Revenues	750,000.00	-	1,078,002.57	328,002.57
Forge Pond Golf Course Fees	450,000.00	-	731,157.67	281,157.67
Atlantis Pro Shop	20,000.00	-	61,019.10	41,019.10
Forge Pond Pro Shop	20,000.00	-	60,338.96	40,338.96
Reimbursement for Salary and Wages of Mental Health Coordinator	12,000.00	-	3,000.00	(9,000.00)
Division of Aging - State Distribution Center Reimbursement	60,000.00	-	43,875.06	(16,124.94)
State Aid - County College Bonds (N. J. S. 18A:64A-22-6)	2,568,277.00	-	2,568,277.78	0.78
State Aid - County Vocational School Bonds (N.J.S.A. 44:7-38 et. Seq.)	593,351.00	-	593,351.00	-
Prosecutor's Salary Reimbursement	96,239.00	-	96,238.47	(0.53)
State and Federal Reimbursement School Nutrition	16,000.00	-	49,878.95	33,878.95
Library Pension Payment	2,298,256.00	-	2,298,256.00	-
HUD Pension Payment	23,565.00	-	23,565.00	-
County Clerk Salary Reimbursement	12,215.00	-	12,215.01	0.01
Sheriff Salary Reimbursement	4,886.00	-	4,886.01	0.01
Surrogate Salary Reimbursement	17,331.00	-	17,331.01	0.01
Supplemental Security Income	1,330,116.00	-	1,187,420.00	(142,696.00)
Special Items:				
State and Federal Revenues Offset with Appropriations:				
Adult Protective Services	451,670.00	-	451,670.00	-
American Rescue Plan - ESSER	-	40,000.00	40,000.00	-
American Rescue Plan - Division of Aging Services	-	2,594,115.00	2,594,115.00	-
Area Plan III E State FY21	393.00	-	393.00	-
Area Plan III E State	105,509.00	27,280.00	132,789.00	-
Area Plan III-E Admin	35,169.00	147,084.00	182,253.00	-
Care Coordination	23,810.00	-	23,810.00	-
Child Advocacy Development Grants	-	117,602.00	117,602.00	-
Children's Inter - Agency Coordinating Council	-	39,418.00	39,418.00	-
Child Restraint & Protect FY23	-	62,000.00	62,000.00	-
Clean Communities Program	-	216,880.00	216,880.00	-
Communication Access Services FY22	-	75,000.00	75,000.00	-
Council of the Arts	264,480.00	-	264,480.00	-

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Anticipated		Realized	Excess or (Deficit)
	Budget	Special N.J.S. 40A:4-87		
Special Items (continued):				
State and Federal Revenues Offset with Appropriations (continued):				
DCA - Home Delivered Meals	71,746.00	-	71,746.00	-
DHS - Emergency Food and Shelter	964,780.00	-	964,780.00	-
DRE Callout Program FY22/23	-	110,000.00	110,000.00	-
Edward Byrne Memorial JAG	-	14,372.00	14,372.00	-
Emergency Management Program	-	55,000.00	55,000.00	-
FAA ARPA - ARGP	59,000.00	-	59,000.00	-
FAA Rehab Apron Construction Phase III	-	150,000.00	150,000.00	-
FAA Rehab Apron Construction Phase IV	-	1,303,652.00	1,303,652.00	-
Family Court Services	338,792.00	-	338,792.00	-
Historical Preservation - Cox House	750,000.00	518,645.00	1,268,645.00	-
HUD: Community Development Block Grant	-	1,423,325.00	1,423,325.00	-
HUD: Community Development Block Grant - Program Income	45,554.00	79,023.00	124,577.00	-
HUD: HOME Investment Partnership	-	1,487,733.00	1,487,733.00	-
HUD: HOME Program Income	10,000.00	50,253.00	60,253.00	-
Human Services Advisory Council	-	64,397.00	64,397.00	-
Insurance Fraud Program	-	250,000.00	250,000.00	-
Janssen 2022 Part 1 - National Opioid Settlements	-	182,455.00	182,455.00	-
Janssen 2022 Part 2 - National Opioid Settlements	-	437,844.00	437,844.00	-
Job Access & Reverse Commute	-	425,000.00	425,000.00	-
Juvenile Detention Alternative Initiative	120,000.00	-	120,000.00	-
Law Enforcement Officers Training and Equipment	-	22,018.00	22,018.00	-
MAT Initiative FY19	-	199,998.00	199,998.00	-
MAT Initiative FY22	-	399,999.00	399,999.00	-
MAT Initiative FY23	-	399,999.00	399,999.00	-
Medicaid Match	36,295.00	228.00	36,523.00	-
Multi Jur Gang/Gun/Narc	-	216,274.00	216,274.00	-
Move Over Enforcement	55,000.00	-	55,000.00	-
National Park Service Battlefield Preservation FY22	-	148,864.00	148,864.00	-
NJ Child Advocacy Center	204,441.00	-	204,441.00	-
NJ Co. History Partnership	119,422.00	-	119,422.00	-
NJDOT - Mill Creek Trail FY22	-	600,000.00	600,000.00	-
Ocean Area Comprehensive	223,652.00	-	223,652.00	-
Ocean Area Plan Grant FY21	11,193.00	-	11,193.00	-
Ocean Area Plan Grant	2,329,400.00	-	2,329,400.00	-
Ocean Area Plan State FY21	523.00	-	523.00	-
Ocean Area Plan State	118,404.00	-	118,404.00	-
Operation Helping Hands	52,632.00	50,000.00	102,632.00	-
Operation Helping Hands - State	-	123,810.00	123,810.00	-
Opioid Treatment Installment 2	-	1,017,131.00	1,017,131.00	-
Personal Assistance Services Program	59,427.00	116,280.00	175,707.00	-
Program Management Funds	55,550.00	-	55,550.00	-
Program Service Funds	324,867.00	-	324,867.00	-
Promising Path to Success FY21	-	10,000.00	10,000.00	-
Public Health Workforce	-	78,610.00	78,610.00	-
Recycling Enhancement Act Tax Entitlement	-	542,700.00	542,700.00	-
Safe Housing and Transportation Program	84,289.00	-	84,289.00	-
SAMHSA	-	304,268.00	304,268.00	-
S.A.N.E Grant FY22/23	-	183,931.00	183,931.00	-
Senior Citizens and Persons with Disabilities	1,657,504.00	-	1,657,504.00	-
State Body Armor - Corrections	8,054.00	-	8,054.00	-
State Body Armor - Prosecutor	3,042.00	-	3,042.00	-
State Body Armor - Sheriff	5,947.00	-	5,947.00	-
State COLA Senior Services	390,461.00	-	390,461.00	-
State Criminal Alien Assistance FY21	-	197,316.00	197,316.00	-
State Criminal Alien Assistance FY20	-	187,087.00	187,087.00	-
State Facilities Education Act	-	54,000.00	54,000.00	-
State Health Insurance Assistance Program	-	47,000.00	47,000.00	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Special Items (continued):				
State and Federal Revenues Offset with Appropriations (continued):				
Stop Violence Against Women	-	55,903.00	55,903.00	-
Subregional Intern Support Program	-	15,000.00	15,000.00	-
Subregional Transportation	-	144,381.00	144,381.00	-
Supplemental Aging Supportive Services	232,634.00	-	232,634.00	-
Traffic Enforcement Program	72,000.00	-	72,000.00	-
Traumatic Loss Coalition	-	14,255.00	14,255.00	-
US Marshall Service	-	30,000.00	30,000.00	-
USDA FY21	694.00	-	694.00	-
USDA	222,452.00	23,038.00	245,490.00	-
Veterans Transportation	-	37,500.00	37,500.00	-
Victims of Crime Act	-	618,397.00	618,397.00	-
WIOA FY22	-	3,342,165.00	3,342,165.00	-
WIOA Data Reporting and Analysis	12,971.00	12,971.00	25,942.00	-
WIOA On the Job Training	150,000.00	-	150,000.00	-
Work First New Jersey	-	1,456,126.00	1,456,126.00	-
Workforce Learning Link	-	47,000.00	47,000.00	-
Other Special Items:				
Sample Ballots Postage	30,000.00	-	54,678.46	24,678.46
Sample Ballots Printing	15,000.00	-	34,715.15	19,715.15
Rent - T-Hangers at Airpark	130,000.00	-	222,025.00	92,025.00
Sub-Division and Site Plan Fees	29,807.00	-	29,807.00	-
Motor Vehicle Fines	1,358,854.00	-	1,358,854.00	-
Reserve to Pay Bonds	3,718,699.00	-	3,718,699.00	-
Capital Surplus	1,587,455.00	-	1,587,455.00	-
Recycling Reserve Trust	200,000.00	-	200,000.00	-
Constitutional Officers Fees - Tax Relief:				
County Clerk	5,250,000.00	-	5,103,343.60	(146,656.40)
Surrogate	485,000.00	-	555,976.11	70,976.11
Sheriff	740,000.00	-	1,476,016.86	736,016.86
Public Health Priority Funding (N.J.S.A. 26:2F-1)	1,840,000.00	-	3,855,557.58	2,015,557.58
Added and Omitted Taxes	2,715,560.00	-	3,395,833.92	680,273.92
911 Service Agreements	421,261.00	-	417,527.72	(3,733.28)
Total Miscellaneous Revenues Anticipated	<u>54,055,743.00</u>	<u>21,866,740.00</u>	<u>86,649,356.46</u>	<u>10,726,873.46</u>
Amount to be Raised by Taxation - County Purpose Tax	387,360,543.00	-	387,360,543.00	-
Budget Totals	479,916,286.00	21,866,740.00	512,509,899.46	10,726,873.46
Non-Budget Revenue	-	-	8,616,654.87	8,616,654.87
Total General Revenues	<u>\$ 479,916,286.00</u>	<u>\$ 21,866,740.00</u>	<u>\$ 521,126,554.33</u>	<u>\$ 19,343,528.33</u>

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Analysis of Non Budget Revenue</u>	<u>Amount</u>
Miscellaneous Revenue	\$ 626,728.91
Payment in Lieu of Taxes (P.I.L.O.T.)	90,695.98
Community Service Contributions (Hospitals)	33,060.24
B.O.S.S. Indirect Cost	446,985.00
Prosecutor's Office Copies	432.67
Tax Board Public Record Fees	229.20
Rent of Voting Machines	2,655.69
Board of Construction Appeals	4,400.00
Sheriff- Training BTC/EMD	6,000.00
Weights and Measures Fines	54,770.00
Gas and Oil Refunds - Miscellaneous	2,754.83
Whiting Reading Center	38,812.50
Tuition Police Academy	41,648.00
Overload Permits	450.00
NJ State Reimbursement of Air Park Projects	1,476.10
Opticom Installation	9,155.09
Vending Machine Commission	143.31
Senior Service State Aid Reimbursement	116,000.00
Rent - DMV R.J. Miller Airpark	18,000.00
Municipal/Fire Elections-Election Board	23,438.41
Municipal/Fire Elections-County Clerk	53,280.63
Title IV D Probation Rent	396,687.63
BOSS - 1027 Hooper	1,842,850.20
Auction Sale of Equipment	307,686.00
County Fines	34.50
Court Ordered Restitution	4,988.59
Engineering Billboard Lease Agreement	12,300.00
Community Service Payments	23,895.47
County Clerk-Indexing Fees	6,910.01
Energy Rebates	7,447.96
Juvenile Shared Services	895,600.00
Twenty-One Plus Inc.	59,390.50
Cost Sharing Services	24,715.29
Inmate User Fees	100.00
Transportation Donations	3,462.00
Reimbursement - Grants Prior Years Charges	1,067,198.16
Dog Park Registration	5,515.00
Parks Stage Rental	7,500.00
Parks Vendor Commissions	6,527.98
SCRDT - OCATS	24,598.71

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Analysis of Non Budget Revenue</u>	<u>Amount</u>
RRT: Fuel Expense	128,125.93
Autopsy Reports	2,760.00
Inmate SSI Payment	11,200.00
Prosecutor DOJ Task Force	13,533.67
Sheriff DOJ Task Force	6,222.96
Transportation Fares	193,985.50
State Election Reimbursement	1,731,379.53
Employee Reimb Agreement	611.00
Inmate Medical Reimbursement	23,747.33
Postage Reimbursement	310.84
Bail Bond Forfeitures	7,025.00
Sale of Scrap Metal	4,235.55
Drainage- Road Agreements	117,493.00
Courts - Archive Space	2,500.00
Courts - Mail Distribution Agreement	105,000.00
	<u>\$ 8,616,654.87</u>
	<u><u>\$ 8,616,654.87</u></u>
Cash Receipts	\$ 8,440,008.87
Realized from Reserves	176,646.00
	<u>\$ 8,616,654.87</u>
	<u><u>\$ 8,616,654.87</u></u>

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED			CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED		
<b>OPERATIONS - Within "CAPS"</b>							
<b>GENERAL GOVERNMENT:</b>							
Board of Chosen Commissioners:							
Salaries and Wages	\$ 527,000.00	\$ 527,000.00	\$ 525,891.72	\$ -	\$ 1,108.28	\$ -	
Other Expenses	6,000.00	6,000.00	5,726.88	170.64	102.48	-	
County Administrator:							
Salaries and Wages	1,487,099.00	1,487,099.00	1,402,466.45	-	84,632.55	-	
Other Expenses	91,800.00	91,800.00	30,396.50	2,500.00	58,903.50	-	
Management System & Budget Analysis:							
Salaries and Wages	745,382.00	745,382.00	722,553.93	-	22,828.07	-	
Other Expenses	122,650.00	122,650.00	50,840.84	36,389.91	35,419.25	-	
Wireless Technologies Division:							
Other Expenses	1,149,669.00	1,149,669.00	893,983.02	157,429.01	98,256.97	-	
Audit:							
Other Expenses	185,000.00	185,000.00	35,000.00	150,000.00	-	-	
Special Accounting Services:							
Other Expenses	150,000.00	150,000.00	7,500.00	65,000.00	77,500.00	-	
County Counsel:							
Other Expenses	650,000.00	650,000.00	453,860.34	-	196,139.66	-	
County Adjuster's Office:							
Salaries and Wages	238,377.00	238,377.00	228,564.93	-	9,812.07	-	
Other Expenses	85,965.00	85,965.00	63,881.56	2,306.02	19,777.42	-	
Department of Finance:							
Salaries and Wages	1,824,673.00	1,774,673.00	1,747,220.86	1,000.00	26,452.14	-	
Other Expenses	142,000.00	142,000.00	57,150.87	19,803.73	65,045.40	-	
Clerk of the Board:							
Salaries and Wages	1,131,078.00	1,131,078.00	1,077,405.15	-	53,672.85	-	
Other Expenses	43,009.00	43,009.00	23,891.91	9,392.22	9,724.87	-	
Business Development and Tourism:							
Other Expenses	226,000.00	226,000.00	217,631.91	8,360.98	7.11	-	
Employee Relations:							
Salaries and Wages	1,216,025.00	1,216,025.00	1,194,193.73	-	21,831.27	-	
Other Expenses	13,500.00	13,500.00	9,886.77	381.10	3,232.13	-	
Personnel Training Program:							
Other Expenses	35,150.00	35,150.00	10,145.55	5,081.96	19,922.49	-	
Labor Relations Consultant:							
Other Expenses	205,000.00	205,000.00	60,577.21	102,276.24	42,146.55	-	
Public Information/Outreach:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	204,450.00	204,450.00	36,470.70	122,762.81	45,216.49	-	

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED			RESERVED	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED				
County Connection:								
Salaries and Wages	16,795.00	16,795.00	13,004.27	648.11	-	3,142.62	-	-
Other Expenses	-	-	-	-	-	-	-	-
County Clerk:								
Salaries and Wages	2,469,719.00	2,469,719.00	2,384,801.49	-	-	84,917.51	-	-
Other Expenses	416,300.00	389,795.00	354,216.10	28,136.21	-	7,442.69	-	-
Prosecutor Programs:								
Other Expenses	87,321.00	87,321.00	41,074.37	2,896.66	-	43,349.97	-	-
Prosecutor:								
Salaries and Wages	16,451,960.00	16,351,960.00	15,264,807.50	1,000.00	-	1,086,152.50	-	-
Other Expenses	675,000.00	725,000.00	526,143.68	112,533.35	-	86,322.97	-	-
Gang Violence Initiative:								
Salaries and Wages	581,946.00	631,946.00	582,784.94	-	-	49,161.06	-	-
Purchase Department:								
Salaries and Wages	518,195.00	518,195.00	500,468.84	-	-	17,726.16	-	-
Other Expenses	12,834.00	12,834.00	4,283.83	7,971.39	-	578.78	-	-
Warehouse/Record Storage:								
Salaries and Wages	327,940.00	327,940.00	322,745.97	-	-	5,194.03	-	-
Other Expenses	4,239.00	4,239.00	3,378.83	-	-	860.17	-	-
Buildings and Grounds:								
Salaries and Wages	6,872,491.00	6,822,491.00	6,717,254.74	-	-	105,236.26	-	-
Other Expenses	3,090,475.00	3,090,475.00	2,498,946.56	505,168.66	-	86,359.78	-	-
Security:								
Salaries and Wages	4,278,013.00	4,078,013.00	4,023,988.13	-	-	54,024.87	-	-
Other Expenses	79,160.00	79,160.00	71,921.93	7,183.08	-	54.99	-	-
Insurance:								
Ocean County Insurance Commission	8,335,658.00	8,335,658.00	8,335,658.00	-	-	-	-	-
Group Insurance for Employees	45,633,574.00	45,633,574.00	41,633,873.17	83,108.39	-	3,916,592.44	-	-
Health Benefit Waiver	42,900.00	42,900.00	39,300.00	-	-	3,600.00	-	-
Other Insurance Premiums Liability	-	-	-	-	-	-	-	-
Self-Insurance (40A: 10-6)	85,500.00	85,500.00	68,726.00	6,710.00	-	10,064.00	-	-
Employee Physicals & Policy	200,000.00	200,000.00	186,172.00	13,825.00	-	3.00	-	-
Insurance Consultant	2,098,842.00	2,098,842.00	2,098,842.00	-	-	-	-	-
Workmen's Compensation Trust (40A: 10-6)	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Self-Insurance - Administration of Claims	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Self-Insurance - Police Professionals	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Self-Insurance - Auto Liability	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Self-Insurance - General Liability	100,000.00	100,000.00	100,000.00	-	-	-	-	-
Self-Insurance - Unemployment	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Self-Insurance - Public Officials Trust	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Self-Insurance - Physical Vehicle Damage Trust	1,000.00	1,000.00	1,000.00	-	-	-	-	-
Stationary, Printing and Advertising:								
Other Expenses	18,000.00	18,000.00	9,984.14	428.20	-	7,587.66	-	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Postage:						
Other Expenses	575,500.00	575,500.00	252,575.00	3,000.00	319,925.00	-
Office of Information Technology:						
Salaries and Wages	3,418,310.00	3,418,310.00	3,342,591.51	2,000.00	73,718.49	-
Other Expenses	5,374,887.00	5,374,887.00	3,379,092.17	1,480,469.84	515,324.99	-
Printing & Graphic Arts:						
Salaries and Wages	582,399.00	582,399.00	519,197.80	-	63,201.20	-
Other Expenses	256,000.00	256,000.00	130,077.47	82,416.49	43,506.04	-
<b>Total General Government</b>	<b>113,088,785.00</b>	<b>112,762,280.00</b>	<b>102,266,151.27</b>	<b>3,020,350.00</b>	<b>7,475,778.73</b>	<b>-</b>
<b>JUDICIARY:</b>						
Indigent Costs:						
Other Expenses	25,000.00	25,000.00	3,013.48	-	21,986.52	-
Uniform Interstate Family Support Act:						
Other Expenses	175,000.00	175,000.00	76,435.00	28,482.46	70,082.54	-
County Surrogate:						
Salaries and Wages	1,198,654.00	1,198,654.00	1,100,722.28	420.00	97,511.72	-
Other Expenses	27,788.00	27,788.00	20,875.06	4,483.48	2,429.46	-
Sheriff's Office- Judicial Function:						
Other Expenses	79,500.00	79,500.00	43,436.03	24,948.12	11,115.85	-
<b>Total Judiciary</b>	<b>1,505,942.00</b>	<b>1,505,942.00</b>	<b>1,244,481.85</b>	<b>58,334.06</b>	<b>203,126.09</b>	<b>-</b>
<b>REGULATION:</b>						
Office of the Sheriff:						
Salaries & Wages	19,866,989.00	19,634,905.00	18,448,104.14	1,000.00	1,185,800.86	-
Other Expenses	469,500.00	701,584.00	305,280.98	374,347.52	21,955.50	-
Sheriff's - 911 System (N.J.S. 40A:45-4(r)):						
Salaries & Wages	4,132,168.00	4,132,168.00	3,809,246.64	-	322,921.36	-
Other Expenses	596,000.00	596,000.00	293,399.16	283,173.45	19,427.39	-
Sheriff - Communication and Operations Division:						
Other Expenses	208,000.00	208,000.00	98,713.62	84,556.55	24,729.83	-
Sheriff - Criminal Division:						
Other Expenses	404,500.00	404,500.00	318,571.10	83,974.35	1,954.55	-
Police Academy:						
Other Expenses	42,600.00	42,600.00	13,315.68	12,991.15	16,293.17	-
Board of Taxation:						
Salaries & Wages	655,585.00	655,585.00	618,486.12	-	37,098.88	-
Other Expenses	17,400.00	17,400.00	6,077.85	391.06	10,931.09	-
County Medical Examiner:						
Salaries & Wages	1,050,871.00	1,050,871.00	962,673.08	-	88,197.92	-
Other Expenses	1,936,000.00	1,936,000.00	1,105,565.37	323,096.44	507,338.19	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Burial Expenses - Indigents:						
Other Expenses	20,000.00	20,000.00	-	-	20,000.00	-
Shade Tree Commission:						
Salaries & Wages	115,049.00	115,049.00	114,672.20	-	376.80	-
Other Expenses	36,400.00	36,400.00	9,236.43	26,499.96	663.61	-
Election Expense:						
Salaries & Wages	357,800.00	357,800.00	309,928.69	-	47,871.31	-
Other Expenses	1,234,396.00	1,234,396.00	671,131.62	229,670.83	333,593.55	-
Election Board:						
Salaries & Wages	2,570,661.00	2,570,661.00	2,183,195.05	-	387,465.95	-
Rent of Polling Places:						
Other Expenses	96,500.00	96,500.00	68,300.00	10,000.00	18,200.00	-
District Election Board Members:						
Other Expenses	1,526,912.00	1,526,912.00	1,324,051.86	-	202,860.14	-
County Clerk - Election Expense:						
Other Expenses	775,000.00	1,151,505.00	761,703.68	384,326.39	5,474.93	-
Sheriff - Emergency Services Division:						
Other Expenses	80,200.00	80,200.00	44,250.35	26,139.03	9,810.62	-
Consumer Affairs (N.J.S 40:23-6-47						
Salaries & Wages	898,057.00	898,057.00	809,295.16	-	88,761.84	-
Other Expenses	4,750.00	4,750.00	130.07	-	4,619.93	-
County Planning Board (RS 40:27-3)						
Salaries & Wages	926,298.00	726,298.00	687,196.19	-	39,101.81	-
Other Expenses	121,150.00	121,150.00	34,395.41	52,507.15	34,247.44	-
Construction Board of Appeals (N.J.S. 52:27D-127):						
Other Expenses	605.00	605.00	405.00	-	200.00	-
Firemen's Association E.O.C. Contribution (N.J.S. 40:23-8.13):						
Other Expenses	25,000.00	25,000.00	25,000.00	-	-	-
Office of the Fire Marshal (40A:14-2):						
Salaries & Wages	928,476.00	928,476.00	893,038.20	-	35,437.80	-
Clean Vessel Act P.L. 102-587:						
Other Expenses	50,000.00	50,000.00	45,000.00	-	5,000.00	-
<b>Total Regulation</b>	<b>39,146,867.00</b>	<b>39,323,372.00</b>	<b>33,960,363.65</b>	<b>1,892,673.88</b>	<b>3,470,334.47</b>	<b>-</b>

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED			CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED		
<b>ROADS AND BRIDGES:</b>							
Roads:							
Salaries & Wages	10,240,468.00	10,240,468.00	10,161,897.23	-	78,570.77	-	-
Other Expenses	2,102,000.00	2,102,000.00	1,642,940.47	442,076.67	16,382.86	-	-
Vehicle Services:							
Salaries & Wages	3,491,123.00	3,361,123.00	3,297,661.52	-	63,461.48	-	-
Other Expenses	206,220.00	206,220.00	144,776.83	56,485.75	4,957.42	-	-
Engineering Department:							
Salaries & Wages	6,243,127.00	5,755,627.00	5,719,248.09	-	36,378.91	-	-
Other Expenses	317,541.00	317,541.00	196,331.03	83,647.57	37,562.40	-	-
Beach Erosion:							
Other Expenses	675,000.00	1,175,000.00	31,000.00	-	1,144,000.00	-	-
Transportation Services:							
Salaries & Wages	3,306,198.00	3,186,198.00	3,134,908.84	-	51,289.16	-	-
Other Expenses	283,395.00	283,395.00	195,089.25	18,480.86	69,824.89	-	-
Shared Services Agreements:							
Other Expenses - Engineer	-	6,300.00	6,300.00	-	-	-	-
Other Expenses - Municipal Aid Roads	-	628,113.00	469,415.99	5,556.00	153,141.01	-	-
Other Expenses - Vehicle Services	399,500.00	999,500.00	775,537.77	194.97	223,767.26	-	-
Other Expenses - Planning Board	-	65,000.00	60,708.77	-	4,291.23	-	-
Maintenance of Pumping Facility:							
Other Expenses	259,500.00	259,500.00	122,575.43	39,932.00	96,992.57	-	-
Engineering/Hazard Tree Removal							
Other Expenses	100,000.00	100,000.00	9,485.65	84,287.28	6,227.07	-	-
<b>Total Roads and Bridges</b>	<b>27,624,072.00</b>	<b>28,685,985.00</b>	<b>25,967,876.87</b>	<b>731,261.10</b>	<b>1,986,847.03</b>	<b>-</b>	<b>-</b>
<b>CORRECTIONAL AND PENAL:</b>							
Department of Corrections:							
Salaries & Wages	22,487,126.00	21,537,126.00	20,832,449.01	-	704,676.99	-	-
Other Expenses	864,033.00	864,033.00	369,102.85	276,334.29	218,595.86	-	-
Corrections - Healthcare Services:							
Other Expenses	4,239,535.00	4,239,535.00	2,487,334.69	1,384,076.66	367,523.65	-	-
Law Enforcement Crime Prevention:							
Other Expenses	-	-	-	-	-	-	-
Corrections - Food							
Other Expenses	2,563,300.00	2,563,300.00	2,173,348.90	284,680.00	105,271.10	-	-
<b>Total Correctional and Penal</b>	<b>30,153,994.00</b>	<b>29,203,994.00</b>	<b>25,862,235.45</b>	<b>1,945,690.95</b>	<b>1,396,067.60</b>	<b>-</b>	<b>-</b>

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
<b>HEALTH AND WELFARE:</b>						
Aid to Visiting Homemaker Services (N.J.S. 40:23-8.11)	88,590.00	88,590.00	88,590.00	-	-	-
Aid to Providence House (N.J.S. 30:14-11)	67,440.00	67,440.00	67,440.00	-	-	-
Aid to Special Children Services (N.J.S. 40:13-1)	75,000.00	75,000.00	75,000.00	-	-	-
Department of Human Services:						
Salaries & Wages	780,118.00	780,118.00	739,482.26	-	40,635.74	-
Other Expenses	464,576.00	464,576.00	214,469.37	208,251.00	41,855.63	-
Aid to CONTACT of Ocean County (N.J.S. 40:5-2.9)	11,663.00	11,663.00	11,663.00	-	-	-
Mental Health Program (N.J.S.A. 40:23-8.1)						
Other Expenses	2,010,023.00	2,010,023.00	1,401,076.00	608,947.00	-	-
Aid to NJ Homeless Youth Act 1999, Ch. 224	31,500.00	31,500.00	31,500.00	-	-	-
Aid to Dottie's House (N.J.S. 52:4B)	17,500.00	17,500.00	17,500.00	-	-	-
Aid to Uniform Fire Prevention (N.J.S. 40:23-8.13)	8,100.00	8,100.00	-	-	8,100.00	-
Fire and First Aid Training Center:						
Salaries & Wages	409,146.00	409,146.00	372,993.98	-	36,152.02	-
Other Expenses	60,000.00	60,000.00	49,173.92	10,790.67	35.41	-
Aid to First Aid Captain's Association (N.J.S. 40:5-2):						
Other Expenses	2,500.00	2,500.00	-	-	2,500.00	-
Mosquito Extermination Commission (N.J.S. 26:9-13, et seq.):						
Other Expenses	2,323,806.00	2,323,806.00	2,323,806.00	-	-	-
Aid/Alcohol and Addition (N.J.S. 40:9B-4)	20,761.00	20,761.00	20,761.00	-	-	-
Maintenance of Patiens O/T State Institutions	110,000.00	110,000.00	62,736.79	-	47,263.21	-
Patients/Mental Institutions	1,418,013.00	1,418,013.00	1,418,013.00	-	-	-
Board of Social Services:						
Administration	15,387,100.00	15,387,100.00	15,387,099.58	-	0.42	-
Services Account	2,278,089.00	2,278,089.00	2,278,089.00	-	-	-
Supplemental Security Income	1,330,116.00	1,330,116.00	1,330,116.00	-	-	-
Emergency Shelter Aid	112,371.00	112,371.00	112,371.00	-	-	-
Juvenile Services - Education Programs:						
Other Expenses	698,328.00	698,328.00	171,150.77	469,546.20	57,631.03	-
Juvenile Services - State Housing:						
Other Expenses	29,580.00	29,580.00	20,411.28	6,776.62	2,392.10	-
Juvenile Services:						
Salaries & Wages	3,502,221.00	3,402,221.00	3,338,586.98	-	63,634.02	-
Other Expenses	155,200.00	255,200.00	148,302.44	15,508.88	91,388.68	-
Juvenile Services - Non-Secure Programs:						
Other Expenses	240,000.00	240,000.00	82,431.84	78,797.36	78,770.80	-
Juvenile Gang Initiatives:						
Other Expenses	22,500.00	22,500.00	6,032.39	618.00	15,849.61	-
Office of Senior Services:						
Salaries & Wages	802,580.00	702,580.00	616,039.72	-	86,540.28	-
Other Expenses	3,124,256.00	3,124,256.00	2,996,819.73	2,024.40	125,411.87	-

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Aid to Ocean County Economic Action Now, Inc. (N.J.S. 40:23-8.18-19)	71,379.00	71,379.00	-	-	71,379.00	-
War Veterans' Burial and Grave Decorations:						
Other Expenses	21,000.00	58,500.00	-	58,500.00	-	-
County Environmental Agency:						
Other Expenses	1,000.00	1,000.00	645.00	-	355.00	-
Hazardous Household Waste Program:						
Other Expenses	1,030,000.00	1,030,000.00	612,589.25	169,280.22	248,130.53	-
Solid Waste Management:						
Salaries & Wages	2,432,306.00	2,382,306.00	2,319,622.72	-	62,683.28	-
Other Expenses	790,000.00	790,000.00	427,107.36	333,243.48	29,649.16	-
Disability Awareness Through Education (D.A.T.E.):						
Other Expenses	22,500.00	22,500.00	22,500.00	-	-	-
Commission for Individuals with Disabilities:						
Other Expenses	1,200.00	1,200.00	182.20	-	1,017.80	-
Ocean County Board of Social Services	32,408.00	32,408.00	32,408.00	-	-	-
Aid to Saint Francis Community Center (N.J.S.A. 40:23-8.14)						
Other Expenses	15,573.00	15,573.00	15,573.00	-	-	-
Division on Aging - State District Center Reimbursement:						
Other Expenses	150,000.00	150,000.00	37,644.83	112,355.17	-	-
Public Health Priority Funding (N.J.S.A.26:2F-1)						
Other Expenses	588,852.00	588,852.00	588,852.00	-	-	-
Social Services Programs (NJSA 40:23-8.11,8.18,8.19)						
Child & Adult Disability Services:						
Other Expenses	173,359.00	173,359.00	84,166.67	89,183.33	9.00	-
Aid to Families with Dependent Children:						
Other Expenses	219,015.00	219,015.00	219,015.00	-	-	-
Aid to Animal Control (N.J.A.C. 8:52):						
Other Expenses	6,075.00	6,075.00	6,075.00	-	-	-
School Nutrition Program:						
Other Expenses	52,000.00	52,000.00	51,272.48	668.50	59.02	-
Workforce Investment Board:						
Other Expenses	36,000.00	36,000.00	-	36,000.00	-	-
<b>Total Health and Welfare</b>	<b>41,223,744.00</b>	<b>41,111,244.00</b>	<b>37,799,309.56</b>	<b>2,200,490.83</b>	<b>1,111,443.61</b>	<b>-</b>
<b>EDUCATIONAL:</b>						
County Superintendent of Schools:						
Salaries & Wages	290,380.00	290,380.00	266,986.61	-	23,393.39	-
Other Expenses	11,500.00	11,500.00	5,642.95	1,094.58	4,762.47	-
Vocational School:						
Other Expenses	20,762,063.00	20,762,063.00	20,762,063.00	-	-	-
County Extension Service Farm and Home Demonstration:						
Salaries & Wages	418,241.00	418,241.00	402,554.35	-	15,686.65	-
Other Expenses	23,728.00	23,728.00	17,085.93	3,869.29	2,772.78	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED			CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED		
Rutgers Co-Op Extension:							
Other Expenses	188,247.00	188,247.00	124,132.00	64,115.00	-	-	-
County College:							
Other Expenses	16,556,631.00	16,556,631.00	8,278,315.50	8,278,315.50	-	-	-
Ocean County College Nursing Program:							
Other Expenses	100,000.00	100,000.00	50,000.00	50,000.00	-	-	-
Reimbursement for Residents Attending Out-of-County							
Two Year Colleges (N.J.S. 18A:64A-23):							
Other Expenses	325,000.00	325,000.00	150,309.62	-	174,690.38	-	-
County Cultural and Heritage Commission (N.J.S. 40:33A-6):							
Other Expenses	43,500.00	43,500.00	37,854.24	5,038.11	607.65	-	-
County Historical Society Museum (N.J.S. 40:32-6):							
Other Expenses	25,000.00	25,000.00	25,000.00	-	-	-	-
Aid to Performing and Visual Arts (N.J.S. 40:23-8.25):							
Other Expenses	20,250.00	20,250.00	20,250.00	-	-	-	-
Aid to Museums (N.J.S. 40:23-6.22):							
Other Expenses	26,325.00	26,325.00	20,250.00	-	6,075.00	-	-
<b>Total Educational</b>	<b>38,790,865.00</b>	<b>38,790,865.00</b>	<b>30,160,444.20</b>	<b>8,402,432.48</b>	<b>227,988.32</b>	<b>-</b>	<b>-</b>
<b>RECREATION:</b>							
County Parks (N.J.S. 40:32-2.4):							
Salaries & Wages	6,689,801.00	6,589,801.00	6,467,052.74	-	122,748.26	-	-
Other Expenses	472,957.00	472,957.00	346,726.53	112,253.83	13,976.64	-	-
County Parks - Non-Profit Program:							
Other Expenses	186,006.00	186,006.00	149,502.52	34,151.68	2,351.80	-	-
Forge Pond Complex:							
Other Expenses	119,609.00	119,609.00	109,840.35	8,738.82	1,029.83	-	-
Atlantis Complex:							
Other Expenses	238,844.00	238,844.00	223,045.64	14,728.25	1,070.11	-	-
Rent/Lease of Equipment:							
Other Expenses	120,000.00	120,000.00	113,823.69	4,730.00	1,446.31	-	-
Atlantis Golf Course Pro Shop:							
Other Expenses	49,770.00	49,770.00	36,046.39	12,056.90	1,666.71	-	-
Forge Pond Golf Course Pro Shop:							
Other Expenses	34,932.00	34,932.00	27,112.52	6,496.37	1,323.11	-	-
Public Information - Fair Committee:							
Other Expenses	8,034.00	8,034.00	8,034.00	-	-	-	-
<b>Total Recreation</b>	<b>7,919,953.00</b>	<b>7,819,953.00</b>	<b>7,481,184.38</b>	<b>193,155.85</b>	<b>145,612.77</b>	<b>-</b>	<b>-</b>
<b>UNCLASSIFIED:</b>							
County Air Park:							
Salaries & Wages	78,266.00	78,266.00	68,100.97	-	10,165.03	-	-
Other Expenses	10,000.00	10,000.00	4,112.67	1,602.11	4,285.22	-	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Purchase of County Fleet:						
Other Expenses	2,000,000.00	2,000,000.00	-	1,987,182.81	12,817.19	-
Repairs and Maintenance of County Vehicles:						
Other Expenses	2,434,780.00	2,434,780.00	1,754,593.24	650,514.23	29,672.53	-
Environmental Insurance Fund:						
Other Expenses	750,000.00	750,000.00	134,494.14	43,177.19	572,328.67	-
Rental/Lease Office Premises:						
Other Expenses	1,300,000.00	1,300,000.00	1,193,010.98	-	106,989.02	-
County Public Transportation Program:						
Other Expenses	1,350.00	1,350.00	-	-	1,350.00	-
Purchase, Replacement, Repairs and Rental of Equipment:						
Other Expenses	214,200.00	214,200.00	41,079.68	37,781.01	135,339.31	-
Veteran's Service Bureau:						
Salaries & Wages	452,845.00	452,845.00	438,070.44	-	14,774.56	-
Other Expenses	220,158.00	220,158.00	144,734.12	59,882.09	15,541.79	-
Ocean County Police and Firemen's Association (N.J.S. 40:23-8.9):						
Other Expenses	2,500.00	2,500.00	-	-	2,500.00	-
Salary Settlements and Adjustments:						
Salaries & Wages	500,000.00	500,000.00	-	-	500,000.00	-
Accumulated Sick Leave at Retirement:						
Salaries & Wages	400,430.00	400,430.00	400,430.00	-	-	-
N.J. Association of Counties:						
Other Expenses	27,006.00	27,006.00	27,005.67	-	0.33	-
Special Projects:						
Other Expenses	1,250,000.00	1,250,000.00	400,660.34	595,305.50	254,034.16	-
Physical Damage Vehicle:						
Other Expenses	95,500.00	95,500.00	71,739.97	11,441.89	12,318.14	-
Utilities:						
Gasoline	2,390,900.00	3,390,900.00	3,288,909.57	100,453.33	1,537.10	-
Natural Gas	1,400,000.00	1,900,000.00	1,472,578.55	-	427,421.45	-
Heating Oil	26,800.00	26,800.00	9,984.78	-	16,815.22	-
Water	438,200.00	438,200.00	308,485.54	-	129,714.46	-
Telephone/Data Transmission	3,225,000.00	3,225,000.00	3,172,968.63	47,543.92	4,487.45	-
Sewer	350,000.00	350,000.00	271,894.02	-	78,105.98	-
Trash Disposal	310,000.00	310,000.00	248,830.85	60,782.34	386.81	-
Electricity	2,860,000.00	3,480,000.00	2,852,438.36	-	627,561.64	-
Recycling	2,000,000.00	1,380,000.00	1,069,414.27	95,676.18	214,909.55	-
Grant Management:						
Matching Funds for Future Grants:						
Other Expenses	1,088,090.00	375,211.00	-	-	375,211.00	-
Local:						
DCA Home Delivered Meals	17,937.00	17,937.00	17,937.00	-	-	-
FAA Rehabilitation Apron Design Phase II	-	16,667.00	16,667.00	-	-	-
Human Services Advisory	-	15,900.00	15,900.00	-	-	-
NJ JARC FY23	-	425,000.00	425,000.00	-	-	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
S.A.N.E.	-	45,983.00	45,983.00	-	-	-
Supp Aging Supp Svc	58,159.00	58,159.00	58,159.00	-	-	-
Subregional Transportation	-	36,096.00	36,096.00	-	-	-
Violence Against Women (VAWA)	-	18,634.00	18,634.00	-	-	-
Victims of Crime Act	-	154,599.00	154,599.00	-	-	-
<b>Total Unclassified</b>	<b>23,902,121.00</b>	<b>25,402,121.00</b>	<b>18,162,511.79</b>	<b>3,691,342.60</b>	<b>3,548,266.61</b>	<b>-</b>

**PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:**

Grant Management:						
Adult Protective Services	451,670.00	451,670.00	451,670.00	-	-	-
Area Plan III-E - Admin	35,169.00	35,169.00	35,169.00	-	-	-
Area Plan III-E - State FY21	393.00	393.00	393.00	-	-	-
Area Plan III-E - State FY22	105,509.00	125,624.00	125,624.00	-	-	-
ARP - Div of Aging Services	-	2,594,115.00	2,594,115.00	-	-	-
ARP - ESSER FY22	-	40,000.00	40,000.00	-	-	-
Care Coordination	23,810.00	23,810.00	23,810.00	-	-	-
Children's Inter-Agency Coordinating Council	-	39,418.00	39,418.00	-	-	-
Child Advocacy Center of NJ	204,441.00	204,441.00	204,441.00	-	-	-
Child Advocacy Center of NJ FY22	-	97,736.00	97,736.00	-	-	-
Child Restraint & Protect	-	62,000.00	62,000.00	-	-	-
Clean Communities	-	216,880.00	216,880.00	-	-	-
Communication Access Services	-	75,000.00	75,000.00	-	-	-
Community Development Block Grant FY22	-	1,423,325.00	1,423,325.00	-	-	-
Council of the Arts FY22	264,480.00	264,480.00	264,480.00	-	-	-
DCA: Home Delivered Meals	71,746.00	71,746.00	71,746.00	-	-	-
DHS Emergency Food and Shelter	964,780.00	964,780.00	964,780.00	-	-	-
DRE Callout Program	-	110,000.00	110,000.00	-	-	-
Edward Byrne Memorial Justice Assistance Grant (JAG) FY17	-	14,372.00	14,372.00	-	-	-
EMAA FY21	-	55,000.00	55,000.00	-	-	-
FAA ARPA-ARGP	59,000.00	59,000.00	59,000.00	-	-	-
FAA Rehabilitation Apron Construction Phase IV	-	1,303,652.00	1,303,652.00	-	-	-
FAA Rehab Apron Construction Phase III	-	150,000.00	150,000.00	-	-	-
Family Court Services	338,792.00	338,792.00	338,792.00	-	-	-
Hist Preserv - Cox House	-	518,645.00	518,645.00	-	-	-
Hist Preserv - Cox House FY21	750,000.00	750,000.00	750,000.00	-	-	-
HUD: HOME Program Income FY22	10,000.00	60,253.00	60,253.00	-	-	-
HUD: CDBG Program Income FY22	45,554.00	124,577.00	124,577.00	-	-	-
HUD: HOME Investment Partnership FY22	-	1,487,733.00	1,487,733.00	-	-	-
Human Services Advisory Service	-	64,397.00	64,397.00	-	-	-
Insurance Fraud Program	-	250,000.00	250,000.00	-	-	-
Janssen 2022 Part 1	-	182,455.00	182,455.00	-	-	-
Janssen 2022 Part 2	-	437,844.00	437,844.00	-	-	-
Juvenile Detention Alternative Initiative	-	120,000.00	120,000.00	-	-	-
Law Enforcement Train & Equip FY13	-	22,018.00	22,018.00	-	-	-

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
MAT Initiative FY19		199,998.00	199,998.00	-	-	-
MAT Initiative FY22		399,999.00	399,999.00	-	-	-
MAT Initiative FY23		399,999.00	399,999.00	-	-	-
Medicaid Match	36,523.00	36,523.00	36,523.00	-	-	-
Move Over Enforcement	55,000.00	55,000.00	55,000.00	-	-	-
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program FY18	-	79,299.00	79,299.00	-	-	-
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program FY19	-	136,975.00	136,975.00	-	-	-
NJ Co History Partnership	119,422.00	119,422.00	119,422.00	-	-	-
NJDOT/Mill Creek Trail FY22	-	600,000.00	600,000.00	-	-	-
NJ JARC FY23	-	425,000.00	425,000.00	-	-	-
NPS Battlefield Preserv FY22	-	148,864.00	148,864.00	-	-	-
NRCAC Tools & Tech FY22	-	19,866.00	19,866.00	-	-	-
Ocean Area Comprehensive FY22	223,652.00	223,652.00	223,652.00	-	-	-
Ocean Area Plan - State FY21	523.00	523.00	523.00	-	-	-
Ocean Area Plan - State FY22	118,404.00	125,569.00	125,569.00	-	-	-
Ocean Area Plan Grant FY21	11,193.00	11,193.00	11,193.00	-	-	-
Ocean Area Plan Grant FY22	2,329,400.00	2,476,484.00	2,476,484.00	-	-	-
Operation Helping Hands FY21/22	52,632.00	52,632.00	52,632.00	-	-	-
Operation Helping Hands FY22/23	-	173,810.00	173,810.00	-	-	-
Opioid Treatment Program	-	497,166.00	497,166.00	-	-	-
Opioid Treatment Installment 2	-	519,965.00	519,965.00	-	-	-
Personal Assistance Services Program	59,427.00	59,427.00	59,427.00	-	-	-
Personal Assistance Services Program FY23	-	116,280.00	116,280.00	-	-	-
Program Management Funds	55,550.00	55,550.00	55,550.00	-	-	-
Program Service Fund	324,867.00	324,867.00	324,867.00	-	-	-
Promising Path to Success FY21	-	10,000.00	10,000.00	-	-	-
Public Health Workforce	-	78,610.00	78,610.00	-	-	-
Recycling Enhancement Tax Entitlement	-	542,700.00	542,700.00	-	-	-
Safe Housing and Transport	84,289.00	84,289.00	84,289.00	-	-	-
SAMHSA	-	304,268.00	304,268.00	-	-	-
S.A.N.E. Grant	-	183,931.00	183,931.00	-	-	-
Senior Citizens and Persons with Disabilities	1,657,504.00	1,657,504.00	1,657,504.00	-	-	-
State Body Armor - Corrections FY21	8,054.00	8,054.00	8,054.00	-	-	-
State Body Armor - Prosecutor FY21	3,042.00	3,042.00	3,042.00	-	-	-
State Body Armor - Sheriff FY21	5,947.00	5,947.00	5,947.00	-	-	-
State COLA Senior Services	390,461.00	390,461.00	390,461.00	-	-	-
State Criminal Alien Assistance FY20	-	187,087.00	187,087.00	-	-	-
State Criminal Alien Assistance FY21	-	197,316.00	197,316.00	-	-	-
State Facilities Education Act	-	54,000.00	54,000.00	-	-	-
State Health Insurance Assistance Program	-	47,000.00	47,000.00	-	-	-
Stop Violence Against Women FY22	-	55,903.00	55,903.00	-	-	-
Subregional Intern Supplemental Program	-	15,000.00	15,000.00	-	-	-
Subregional Transportation	-	144,381.00	144,381.00	-	-	-
Supp Aging Supportive Svcs	232,634.00	232,634.00	232,634.00	-	-	-
Traffic Enf Program FY22	72,000.00	72,000.00	72,000.00	-	-	-

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Traumatic Loss Coalition	-	14,255.00	14,255.00	-	-	-
U.S. Marshall Service	-	30,000.00	30,000.00	-	-	-
U.S.D.A. FY22	222,452.00	245,490.00	245,490.00	-	-	-
U.S.D.A. FY21	694.00	694.00	694.00	-	-	-
Veterans Transportation FY21	-	7,500.00	7,500.00	-	-	-
Veterans Transportation FY22	-	30,000.00	30,000.00	-	-	-
Victims of Crime Act	-	618,397.00	618,397.00	-	-	-
WIOA On the Job Training	150,000.00	150,000.00	150,000.00	-	-	-
WIOA Plan	-	3,342,165.00	3,342,165.00	-	-	-
WIOA Data Reporting and Analysis FY21/22	12,971.00	12,971.00	12,971.00	-	-	-
WIOA Data Reporting and Analysis FY22/23	-	12,971.00	12,971.00	-	-	-
Work First NJ Program (WFNJ) FY22/23	-	1,456,126.00	1,456,126.00	-	-	-
Workforce Learning Link FY22/23	-	47,000.00	47,000.00	-	-	-
<b>Total Public and Private Programs Offset by Revenues</b>	<b>9,671,757.00</b>	<b>30,239,084.00</b>	<b>30,239,084.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
Contingent	200,000.00	200,000.00	19,139.22	-	180,860.78	-
<b>Total Operations</b>	<b>333,228,100.00</b>	<b>355,044,840.00</b>	<b>313,162,782.24</b>	<b>22,135,731.75</b>	<b>19,746,326.01</b>	<b>-</b>
<b>Detail:</b>						
Salaries & Wages	137,895,591.00	135,076,007.00	129,069,580.90	5,420.00	6,001,006.10	-
Other Expenses	195,332,509.00	219,968,833.00	184,093,201.34	22,130,311.75	13,745,319.91	-
<b>Total Operations</b>	<b>333,228,100.00</b>	<b>355,044,840.00</b>	<b>313,162,782.24</b>	<b>22,135,731.75</b>	<b>19,746,326.01</b>	<b>-</b>
<b>CAPITAL IMPROVEMENTS:</b>						
Capital Improvement Fund	25,161,000.00	25,161,000.00	25,161,000.00	-	-	-
Structural Repairs and Additions to Various County Buildings	4,865,000.00	4,865,000.00	2,307,652.36	2,420,658.52	136,689.12	-
Road Overlays and Reconstruction - Roads	3,750,000.00	3,750,000.00	3,153,733.88	165,618.51	430,647.61	-
Road Overlays and Reconstruction - Engineering	750,000.00	750,000.00	671,077.87	78,922.13	-	-
Purchase of Data Processing Equipment	7,476,490.00	7,476,490.00	4,396,335.77	2,982,461.46	97,692.77	-
Purchase of Communication Equipment	500,000.00	500,000.00	52,691.80	162,335.10	284,973.10	-
Purchase of Office Equipment, Machinery and Furniture	3,350,000.00	3,350,000.00	270,364.84	1,817,865.15	1,261,770.01	-
Purchase of Trucks	4,500,000.00	4,500,000.00	281,538.80	4,135,248.17	83,213.03	-
Timekeeping Software and Equipment	115,000.00	115,000.00	29,016.00	-	85,984.00	-
Engineering Projects - Design, Permits and Other	200,000.00	200,000.00	86,176.90	111,822.48	2,000.62	-
Antenna and Microwave Bands	150,000.00	150,000.00	-	84,284.66	65,715.34	-
Air Park Upgrades	75,000.00	75,000.00	6,230.25	65,888.67	2,881.08	-
Roof Upgrades and Alterations	250,000.00	250,000.00	248,953.16	1,046.84	-	-
Barnegat Branch Trail Upgrades	400,000.00	400,000.00	-	355,587.38	44,412.62	-
<b>Total Capital Improvements</b>	<b>51,542,490.00</b>	<b>51,542,490.00</b>	<b>36,664,771.63</b>	<b>12,381,739.07</b>	<b>2,495,979.30</b>	<b>-</b>

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

**COUNTY OF OCEAN  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
<b>COUNTY DEBT SERVICE:</b>						
Payment of State Aid County College Bonds (N.J.S. 18A:64A-22.6)	2,335,000.00	2,335,000.00	2,335,000.00	-	-	-
Other Bonds	36,330,000.00	36,330,000.00	36,330,000.00	-	-	-
Interest on State Aid County College Bonds (N.J.S. 18A:64A-22.6)	233,278.00	233,278.00	233,277.78	-	-	0.22
Interest on Bonds	16,638,002.00	16,638,002.00	16,638,001.56	-	-	0.44
NJ Environmental Infrastructure Trust Loans: Principal	121,909.00	121,909.00	121,908.67	-	-	0.33
NJ Environmental Infrastructure Trust Loans: Interest	104,594.00	104,594.00	103,602.98	-	-	991.02
Total County Debt Service	<u>55,762,783.00</u>	<u>55,762,783.00</u>	<u>55,761,790.99</u>	-	-	<u>992.01</u>
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES:</b>						
Deferred Charges to Future Taxation - Unfunded:						
16-26:Energy Savings Impr. Prog	3,108,271.00	3,108,271.00	3,108,271.00	-	-	-
18-02:Eng. Rd. Bridges & Drainage	500,000.00	500,000.00	500,000.00	-	-	-
Prior Year Bills:						
John B. Wolf, J.D. Arbitrator	3,199.00	3,199.00	3,198.04	-	-	0.96
Statutory Expenditures:						
Public Employees' Retirement System	13,861,616.00	13,861,616.00	13,861,616.00	-	-	-
Social Security System (O.A.S.I.)	10,180,000.00	10,180,000.00	9,935,498.63	-	244,501.37	-
Police and Fireman's Retirement System	11,457,237.00	11,457,237.00	11,457,237.00	-	-	-
Defined Contribution Retirement Plan	100,000.00	100,000.00	48,747.93	-	51,252.07	-
Other Pension Liabilities	100,000.00	150,000.00	75,774.10	-	74,225.90	-
N.J. Temporary Disability Insurance	65,990.00	65,990.00	9,472.25	-	56,517.75	-
N.J. Catastrophic Illness Fund - Right-to-Know	6,600.00	6,600.00	6,600.00	-	-	-
Total Deferred Charges and Statutory Appropriations	<u>39,382,913.00</u>	<u>39,432,913.00</u>	<u>39,006,414.95</u>	-	<u>426,497.09</u>	<u>0.96</u>
Total General Appropriations for County Purposes	<u>\$ 479,916,286.00</u>	<u>\$ 501,783,026.00</u>	<u>\$ 444,595,759.81</u>	<u>\$ 34,517,470.82</u>	<u>\$ 22,668,802.40</u>	<u>992.97</u>
Original Budget		\$ 479,916,286.00				
Appropriation by 40A-4-87		<u>21,866,740.00</u>				
		<u>\$ 501,783,026.00</u>				
Cash Disbursed		\$ 413,152,656.67				
Inventory - Central Supply Warehouse		415,044.14				
Local Match - Due to Grant Fund		788,975.00				
Reserve for Federal & State Grants		<u>30,239,084.00</u>				
		<u>\$ 444,595,759.81</u>				

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

**COUNTY OF OCEAN  
TRUST FUND  
STATEMENTS OF ASSETS, LIABILITIES AND RESERVES  
REGULATORY BASIS  
DECEMBER 31, 2022 AND 2021**

ASSETS	2022	2021
Cash and Cash Equivalents	\$ 128,371,693.26	\$133,885,738.73
Added and Omitted Taxes Receivable	402,614.79	518,027.15
<b>Total Assets</b>	<b>\$ 128,774,308.05</b>	<b>\$134,403,765.88</b>
<b>LIABILITIES &amp; RESERVES</b>		
Interfund - Due Current	\$ 80,368.94	\$ 3,685.42
Reserve for Added and Omitted Taxes Receivable	402,614.79	518,027.15
Reserve For:		
Encumbrances	7,471,198.77	8,971,812.04
County Library	18,969,820.96	22,045,610.90
Forensic Laboratory Fund N.J.S.A 2C:35-20	12,117.32	32,117.81
County Board of Health	54,657.80	23,349.39
Motor Vehicle Fines	1,394,828.32	1,358,854.30
Planning Board Drainage	6,266,500.25	5,090,800.25
Road Opening Permits	206,920.78	184,316.00
P.B./Engineering Developer Agreement	416,483.35	416,483.35
Subdivision and Site Plan Fees	29,579.82	29,807.82
Uniform Fire Safety Act N.J.S.A. 53:27D-192	647,554.81	594,898.41
Sheriff's Forfeited	58,414.99	49,624.72
Solid Waste Inclusion	44,085.05	44,085.05
Recycling Revenue and Residue	4,175,229.47	2,485,357.14
Inmate Welfare Fund - Commissary Account	728,103.90	570,855.68
Disposal of Forfeited Property - Department of Corrections P.L. 1986, Ch. 135	44,839.26	44,839.26
O.C.U.A. Supplies	3,921.71	5,125.21
State Fund Social Services Program	344,067.00	284,888.00
Accumulated Absences	2,011,091.13	2,174,407.98
Outside Employment - Sheriffs Office	267,465.75	237,082.00
Storm Recovery	3,191,573.81	6,915,333.02
Self Insurance - General	23,831,251.28	20,942,836.55
Self Insurance - Unemployment Insurance	1,938,490.58	1,848,321.77
Audio Visual Aids Commission	-	151,282.12
Weights and Measures	144,056.51	120,379.34
Tax Board Filing Fees	760,273.55	810,033.92
Golf Course Sales Tax	709.92	1,775.54
Prosecutor's - AMA	24,516.84	21,093.77
Prosecutor's - SATA	3,183,318.08	3,782,932.56
Prosecutor's - CLETA	297,172.91	598,571.43
U.S. Department of Justice - Forfeited - Prosecutor	37,378.66	9,014.30
U.S. Department of Justice-Forfeited - Sheriff	108,570.65	15,595.65
U.S. Department of Treasury - Forfeited	877.30	871.77
Natural Land Trust	50,361,250.46	52,447,670.77
Fishing Industry Program	59,606.61	75,315.38
Library Future Fund	493,175.98	492,436.79
County Clerk Filing Fees	381,864.63	749,233.65
County Sheriff Filing Fees	47,632.18	47,504.21
County Surrogate Filing Fees	282,723.93	207,535.46
<b>Total Liabilities and Reserves</b>	<b>\$ 128,774,308.05</b>	<b>\$ 134,403,765.88</b>

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

**COUNTY OF OCEAN  
GENERAL CAPITAL FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE  
REGULATORY BASIS  
DECEMBER 31, 2022 AND 2021**

ASSETS	2022	2021
Cash and Cash Equivalents	\$ 251,854,817.76	\$ 202,724,390.23
Deferred Charges to Future Taxation:		
Funded	453,921,275.53	445,918,184.20
Unfunded	56,805,307.65	55,099,665.51
Other Accounts Receivable:		
County College Bonds	7,435,000.00	7,195,000.00
 Total	 \$ 770,016,400.94	 \$ 710,937,239.94
<b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>		
Interfund - Current Fund	\$ 109,396.98	\$ 4,732.24
General Serial Bonds	452,486,000.00	444,286,000.00
N.J. Environmental Infrastructure Trust Loan		
Payable	1,435,275.53	1,632,184.20
Improvement Authorizations:		
Funded	155,504,701.81	113,850,910.32
Unfunded	35,337,687.40	40,668,251.01
Reserve for:		
Encumbrances	102,681,992.53	89,942,037.94
Interest Earned on Proceeds of Bonds	1,580,993.70	1,666,484.85
Payment of Serial Bonds	5,431,822.10	3,718,699.68
Beach Erosion	3,573,146.75	2,956,146.75
Interest on State Aid	184,461.23	96,460.30
Interest on Southern Ocean Landfill Escrow	1,072,976.12	1,058,120.50
Capital Improvement Fund	2,460,587.38	2,274,757.09
Reserve for Accounts Receivable	7,435,000.00	7,195,000.00
Fund Balance	722,359.41	1,587,455.06
 Total	 \$ 770,016,400.94	 \$ 710,937,239.94

There were bonds and notes authorized but not issued on December 31, 2022 of \$56,805,307.65 and on December 31, 2021 of \$55,099,665.51.

**COUNTY OF OCEAN  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 1,587,455.06
Increased by Receipts:		
Funded Improvement Authorizations - Cancelled	\$ 709,676.91	
Premium Received on Bond Sale	4,538.93	
Funded Improvement Authorizations Reimbursements Received	8,143.51	
		722,359.35
Subtotal		2,309,814.41
Decreased by Disbursements:		
Utilization as Current Fund Anticipated Revenue		1,587,455.00
Balance, December 31, 2022		\$ 722,359.41

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

**COUNTY OF OCEAN  
GENERAL FIXED ASSETS ACCOUNT GROUP  
STATEMENTS OF GENERAL FIXED ASSETS AND FUND BALANCE  
REGULATORY BASIS  
DECEMBER 31, 2022 AND 2021**

ASSETS	<u>2022</u>	<u>2021</u>
Land	\$ 296,652,310.00	\$ 282,106,862.00
Building	276,333,164.00	271,247,595.00
Furniture, Fixtures and Equipment	60,426,643.00	59,211,750.00
Vehicles	<u>95,634,644.00</u>	<u>90,281,868.00</u>
Total	<u>\$ 729,046,761.00</u>	<u>\$ 702,848,075.00</u>
FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 729,046,761.00</u>	<u>\$ 702,848,075.00</u>

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

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**COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

#### Note 1. Summary of Significant Accounting Policies

##### Reporting Entity

The County of Ocean was incorporated in 1850. It was then comprised of the townships of Brick, Toms River, Jackson, Plumsted, Stafford, and Union (Barnegat), which, in the aggregate, had previously been the portion of Monmouth County lying south of the Manasquan River. In 1891, Little Egg Harbor merged into the new political subdivision. Over time, this vast geographic area was carved into the 33 municipalities.

The 1850 census pegged Ocean County's population at 10,043 residents. One hundred years later it had reached 56,622. Today, as a result of unprecedented growth in the past three decades, more than 560,000 people call Ocean County home. Ocean County is the second largest county in the state containing 638 square miles of pine barrens and barrier islands and a 45-mile coastline along the Atlantic Ocean.

Toms River was selected as the "seat" of the new County government. On May 8, 1850, the first Board of Chosen Commissioners, consisting of two representatives from each of the six original townships, selected insignia to represent the public officials of the time. The sloop, schooner, and steamboat are still the official seals of the Commissioners, County Clerk, and Surrogate, respectively. The choice of these symbols reflects the rich maritime tradition of the area.

The County government operates under a five member Board of Chosen Commissioners, elected at-large by the voters of the County.

##### Component Units

The financial statements of the component unit of the County of Ocean are not presented in accordance with Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements 39, 61, 80, 90, and 94. If the provisions of these GASB statements had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the County, the primary government:

- Ocean County Board of Health
- Ocean County Board of Social Services
- Ocean County College
- Ocean County Library Commission
- Ocean County Mosquito Commission
- Ocean County Pollution Control Financing Authority
- Ocean County Utilities Authority
- Ocean County Vocational-Technical School

##### Basis of Accounting, Measurement Focus and Basis of Presentation

The financial statements of the County of Ocean 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.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

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

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 States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the County of Ocean accounts for its financial transactions through the use of separate funds which are described as follows:

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

**Grant Fund** - is used to account for resources and expenditures of Federal, State and Local Grant Funds.

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

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

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

**Budgets and Budgetary Accounting** - The County must adopt an annual budget for its Current Fund and Open Space Trust 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 county budget no later than February 10 of each year. At introduction, the governing body shall 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 County. 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-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 county budget may be granted by the Director of the Division 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 County's financial statements.

**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. Therefore, unrealized gains or losses on investments have not been recorded.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

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

New Jersey county and 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 county and municipal units. In addition, other State statutes permit investments in obligations issued by local authorities 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 ("GUDPA"), a multiple financial institutional collateral pool, 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 County of Ocean 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 of Supplies** - the costs of inventories of supplies for all funds are recorded as expenditures at the time the individual items are purchased. GAAP requires that the cost of inventories be reflected on the balance sheet until utilized and expended. A general supplies inventory is reported in the current fund and is maintained through a central supply warehouse. Departments are charged for the cost of supplies used, as they are withdrawn from the warehouse. The inventory is valued at cost. Golf course pro shop inventories are reported in the current fund and maintained through the golf course pro shops. Inventory purchases are charged to budget appropriations. The balance sheet at December 31, 2022 reflects inventory on hand, verified by physical count, and stated at cost.

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

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

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

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

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. No depreciation of general fixed assets is recorded. Donated general fixed assets are valued at their estimated fair market value on the acquisition date.

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

**Right to Use Leased Assets** – The right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, plus ancillary charges necessary to place the lease into service. The assets leased by the County consist of office space. The right to use leased assets is not recorded on the various statements of assets, liabilities, reserves and net position in accordance with the regulatory basis of accounting.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally over-expenditures 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.

**Deferred Charges Unfunded and Funded** - Upon authorization of capital projects, the County establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to New Jersey Statute 40A:2-4, the County may levy taxes on all taxable property within its jurisdiction to repay its debt. The County raises the debt requirements for its debt in its current budget as funds are raised; the deferred charges are reduced.

**Fund Balance** - Fund balances included in the current fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**Revenues** - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and federal grants for operating purposes are realized as revenues when anticipated in the County budget. Other amounts that are due to the County which are susceptible to accrual are recorded as receivables with offsetting reserves and recorded as revenue when received.

**County Taxes** – Every municipality is responsible for levying, collecting, and remitting county taxes for the County of Ocean. Operations for every municipality are 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 10 of the current year.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

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

In addition, operations for every municipality are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid; however, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with *N.J.A.C.5:30-5.2*. When encumbered charges are 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.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31<sup>st</sup> of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

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

**Long-Term Debt** - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital funds. 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** – Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in trust fund reserve account in the year in which they are paid, on a pay-as-you-go basis. The annual budget provides funding for the trust fund reserve.

**Recent Accounting Pronouncements** – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts 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 their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

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

##### Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*.
- Statement No. 93, *Replacement of Interbank Offered Rates*.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to paragraphs 4 and 5 were implemented in the prior year.

Management has determined that the implementation of these Statements did not have a significant impact on the County's financial statements.

##### Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Management has not yet evaluated the impact implementation of these standards will have on the County's financial statements.

#### Note 2. Deposits and Investments

The County 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 County's deposits may not be returned. Although the County 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 County 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 County relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 2. Deposits and Investments (continued)**

As of December 31, 2022, the County's bank balance of \$615,725,648.90 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 2,000,000.00
NJ Cash Management Fund	22,847,345.55
Uninsured and Uncollateralized	<u>590,878,303.35</u>
	<u><u>\$ 615,725,648.90</u></u>

**Investments**

The County had no investments as of December 31, 2022.

**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**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$ 0.379</u>	<u>\$ 0.396</u>	<u>\$ 0.404</u>
Apportionment of Tax Rate:			
County Tax Rate	0.319	0.331	0.338
County Library Tax Rate	0.031	0.036	0.037
County Health Tax Rate	0.017	0.017	0.017
County Open Space Tax Rate	0.012	0.012	0.012

<u>Year</u>	<u>Net Taxable Value</u>	<u>Net Valuation For County Tax Apportionment</u>	<u>(1) County Tax Rate</u>
2022	\$ 107,275,753,534.00	\$ 121,483,924,081.00	0.319
2021	99,143,977,335.00	110,589,029,220.00	0.331
2020	96,007,625,561.00	107,336,908,119.00	0.338

(1) The County library tax, local health service tax and open space preservation tax are not included in the rates.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 3. Property Taxes (continued)**

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2022	\$ 387,360,543.00	\$ 387,360,543.00	100.00%
2021	365,212,639.00	365,212,639.00	100.00%
2020	361,536,722.00	361,536,722.00	100.00%

**Note 4. Disaggregated Receivable and Payable Balances**

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

**Note 5. Mortgage Receivable**

The County is the recipient of Home Investment Partnerships Program funds (the “HOME Program”) pursuant to the provisions of the National Affordable Housing Act of 1990 (the “Act”). In accordance with the Act, and in keeping with federal regulations implementing it as adopted by the U.S. Department of Housing and Urban Development (“HUD”), the County entered into an agreement on June 28, 1994 with Cox Co Urban Renewal Associates, L.P. (the “Subrecipient”), a limited partnership, to provide \$556,000.00 in HOME Program funds financing for an affordable housing project owned by the Subrecipient, and located in Toms River Township, Ocean County, New Jersey.

The mortgage note, supporting the disbursement of the funds stipulated in the agreement, is dated June 28, 1994, in the sum of \$556,000.00, and bears interest at the rate of 7.52% to be compounded annually. All sums under the note, principal and interest are due June 28, 2044. In the event that the housing assisted with the HOME Program funds does not meet the affordability requirements of HUD regulations, the principal of the note must be repaid together with a prorated share of interest due based upon the date of repayment.

At December 31, 2022, principal and interest outstanding on the mortgage note amounted to \$4,396,485.34.

**Note 6. Interfund Receivables, Payables & Transfers**

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2022:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 2,895,768.19	\$ -
State and Federal Grant Fund	-	2,706,002.27
Trust Fund	-	80,368.94
General Capital Fund	-	109,396.98
	<u>\$ 2,895,768.19</u>	<u>\$ 2,895,768.19</u>

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 6. Interfund Receivables, Payables & Transfers (continued)**

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year

A summary of interfund transfers during the year ended December 31, 2022 is as follows:

<b>Fund</b>	<b>Transfers In</b>	<b>Transfers Out</b>
Current Fund	\$ 720,186.53	\$ 2,168,120.38
State and Federal Grant Fund	1,306,892.90	-
Trust Fund	380,260.61	343,884.40
General Capital Fund	<u>480,966.87</u>	<u>376,302.13</u>
	<u>\$ 2,888,306.91</u>	<u>\$ 2,888,306.91</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

**Note 7. General Fixed Assets**

In 1988 the County entered into a contract with a company to count, record and maintain an inventory of its fixed assets. Apart from periodic physical inventories of fixed assets, which were performed by the company at the County's direction, the company relied on the County to provide information concerning additions, deletions, and transfers of assets in order to maintain an accurate fixed asset ledger. The company completed the last physical inventory on March 6, 1995. Items in the fixed assets inventory are valued at historical cost or estimated historical cost if actual historical cost is not available. Assets with values of \$1,000.00 or less were not included in the fixed asset group. As discussed in Note 1, effective in 2002 the County now maintains the inventory records for fixed assets. Effective January 1, 2009, the threshold used to account for Fixed Assets was increased from the amount of \$1,000.00 to the amount of \$5,000.00 as set forth in the Local Finance Notices issued by the Division. Therefore, only assets with a value of \$5,000.00 or more will be accounted for by the Department of Finance.

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2022:

	<b>Balance December 31, <u>2021</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b>Balance December 31, <u>2022</u></b>
Land	\$ 282,106,862.00	\$ 15,585,298.00	\$ (1,039,850.00)	\$ 296,652,310.00
Buildings	271,247,595.00	5,224,173.00	(138,604.00)	276,333,164.00
Equipment	59,211,750.00	3,501,901.00	(2,287,008.00)	60,426,643.00
Vehicles	<u>90,281,868.00</u>	<u>7,611,343.00</u>	<u>(2,258,567.00)</u>	<u>95,634,644.00</u>
	<u>\$ 702,848,075.00</u>	<u>\$ 31,922,715.00</u>	<u>\$ (5,724,029.00)</u>	<u>\$ 729,046,761.00</u>

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 8. Fund Balance Appropriated**

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<b>Current Fund:</b>			
2022	\$ 75,992,306.61	\$ 38,500,000.00	50.66%
2021	77,729,551.11	38,500,000.00	49.53%
2020	76,746,172.73	38,000,000.00	49.51%

**Note 9. County Debt**

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Issued:</b>			
General:			
Bonds, Notes and Loans	\$ 453,921,275.53	\$ 445,918,184.20	\$ 457,075,092.87
<b>Authorized but not issued:</b>			
General:			
Bonds, Notes and Loans	56,805,307.65	55,099,665.51	41,356,753.79
<b>Total Gross Debt</b>	<b>510,726,583.18</b>	<b>501,017,849.71</b>	<b>498,431,846.66</b>
<b>Deductions:</b>			
Accounts Receivable from Other Public Authorities for Payment of Gross Debt	7,435,000.00	7,195,000.00	5,162,156.67
Funds Temporarily Held to Pay			
Bonds and Notes	5,431,822.10	3,718,699.68	4,620,000.00
<b>Total Deductions</b>	<b>12,866,822.10</b>	<b>10,913,699.68</b>	<b>9,782,156.67</b>
<b>Total Net Debt</b>	<b>\$ 497,859,761.08</b>	<b>\$ 490,104,150.03</b>	<b>\$ 488,649,689.99</b>

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 9. County Debt (continued)**

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:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 510,726,583.18	\$ 12,866,822.10	\$ 497,859,761.08
Total Debt	<u>\$ 510,726,583.18</u>	<u>\$ 12,866,822.10</u>	<u>\$ 497,859,761.08</u>

Net Debt \$497,859,761.08 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$122,716,011,397.67, equals 0.406%. New Jersey statute 40A:2-6, as amended, limits the debt of a County to 2.0% 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, 2022 is calculated as follows:

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

2.0% of Equalized Valuation Basis (County)	\$ 2,454,320,227.95
Net Debt	<u>497,859,761.08</u>
Remaining Borrowing Power	<u>\$ 1,956,460,466.87</u>

**General Debt**

The following is a summary of the County's General Debt outstanding as of December 31, 2022:

**A. Serial Bonds Payable**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 40,685,000.00	\$ 17,252,010.19	\$ 57,937,010.19
2024	36,610,000.00	15,589,132.54	52,199,132.54
2025	36,035,000.00	13,955,782.54	49,990,782.54
2026	36,550,000.00	12,415,357.54	48,965,357.54
2027	37,137,000.00	10,896,282.54	48,033,282.54
2028-2032	135,750,000.00	34,479,034.53	170,229,034.53
2033-2037	87,561,000.00	14,617,493.86	102,178,493.86
2038-2042	42,158,000.00	3,389,397.52	45,547,397.52
Totals	<u>\$ 452,486,000.00</u>	<u>\$ 122,594,491.26</u>	<u>\$ 575,080,491.26</u>

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 9. County Debt (continued)**

**B. Bonds and Notes Authorized But Not Issued**

As of December 31, 2022, the County had \$56,805,307.65 in various General Capital bonds and notes authorized but not issued.

**C. Loans Payable**

New Jersey Environmental Infrastructure Trust

The County has multiple loan agreements with the State of New Jersey Department of Environmental Protection, pursuant to the New Jersey Environmental Infrastructure Trust Financing Program. The following is a summary of the loans outstanding as of December 31, 2022:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 196,908.67	\$ 25,983.30	\$ 222,891.97
2024	206,908.67	22,787.52	229,696.19
2025	211,908.76	18,537.52	230,446.28
2026	162,814.29	14,737.52	177,551.81
2027	92,326.43	12,137.52	104,463.95
2028-2032	463,745.79	38,187.60	501,933.39
2033-2036	100,662.92	5,425.04	106,087.96
<b>Total</b>	<b>\$ 1,435,275.53</b>	<b>\$ 137,796.02</b>	<b>\$ 1,573,071.55</b>

**Changes in Outstanding Debt**

During 2022 the following changes occurred in the outstanding debt of the County:

	<u>Balance Dec. 31, 2021</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2022</u>	<u>Due Within One Year</u>
General Serial Bonds	\$ 444,286,000.00	\$ 46,865,000.00	\$ 38,665,000.00	\$ 452,486,000.00	\$ 40,685,000.00
NJEIT Loans Payable	1,632,184.20	-	196,908.67	1,435,275.53	196,908.67
Bonds Authorized But Not Issued	55,099,665.51	56,805,307.65	55,099,665.51	56,805,307.65	-
	<b>\$ 501,017,849.71</b>	<b>\$ 103,670,307.65</b>	<b>\$ 93,961,574.18</b>	<b>\$ 510,726,583.18</b>	<b>\$ 40,881,908.67</b>

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (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 2022, 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

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

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, 2022, the County's contractually required contribution to PERS plan was \$15,687,618.00.

**Components of Net Pension Liability** - At December 31, 2022, the County's proportionate share of the PERS net pension liability was \$187,738,886.00. The net pension liability was measured as of June 30, 2022. 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, 2021, which was rolled forward to June 30, 2022. The County's proportion of the net pension liability was based on the County's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The County's proportion measured as of June 30, 2022, was 1.2440143219% which was an increase of 0.0603900407% from its proportion measured as of June 30, 2021.

**Balances at December 31, 2022 and December 31, 2021**

	<u>12/31/2022</u>	<u>12/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	\$ 19,526,664	\$ 4,072,945
Deferred Inflows of Resources	30,552,497	90,014,062
Net Pension Liability	187,738,886	140,218,041
County's portion of the Plan's total Net Pension Liability	1.24401%	1.18362%

**Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources** - At December 31, 2022, the County's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2022 measurement date is (\$11,677,969.00). This expense/(credit) is not recognized by the County because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the County contributed \$15,687,618.00 to the plan in 2022.

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

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

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 1,355,013	\$ 1,194,929
Changes of Assumptions	581,674	28,111,944
Net Difference between Projected and Actual Earnings on Pension Plan Investments	7,770,343	-
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	<u>9,819,634</u>	<u>1,245,624</u>
	<u>\$ 19,526,664</u>	<u>\$ 30,552,497</u>

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

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

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:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ (14,389,252.00)
2024	(6,489,673.00)
2025	(2,286,361.00)
2026	10,443,825.00
2027	<u>1,695,628.00</u>
	<u>\$ (11,025,833.00)</u>

**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:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2018 - June 30, 2021

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**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, 2022) 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, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

**Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the County's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
County's Proportionate Share of the Net Pension Liability	<u>\$ 243,232,100</u>	<u>\$ 187,738,886</u>	<u>\$ 143,454,996</u>

**Special Funding Situation** – In accordance with 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, Chapter 366 P.L. 2010, legally obligated the State. This covers prosecutors as well as members employed in certain other related job titles. Chapter 1, P.L. 2010 closed the Prosecutors part to new members enrolled on or after May 22, 2010. The amounts contributed by the State on behalf of the County under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as non-employer contributing entity. Since the County does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is not net pension liability or deferred outflows or inflows to disclosed in the notes to the financial statement of the County related to this legislation.

At June 30, 2022 the State's proportionate share of the net pensions liability attributed to the County for the PERS special funding situation is \$8,545,405.00.

County's Proportionate Share of the Net Pension Liability	\$ 187,738,886
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	<u>8,545,405</u>
	<u>\$ 196,284,291</u>

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

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 Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-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:

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

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

**Basis of Presentation** - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. 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 2022, the State contributed an amount more 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.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

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, 2022, the County’s contractually required contributions to PFRS plan was \$13,086,703.00.

**Net Pension Liability and Pension Expense** - At December 31, 2022 the County’s proportionate share of the PFRS net pension liability was \$115,177,948.00. The net pension liability was measured as of June 30, 2022. 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, 2021, to the measurement date of June 30, 2022. The County’s proportion of the net pension liability was based on the County’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2022. The County’s proportion measured as of June 30, 2022, was 1.0062411700%, which was an increase of 0.0231791523% from its proportion measured as of June 30, 2021.

**Balances at December 31, 2022 and December 31, 2021**

	<u>12/31/2022</u>	<u>12/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	\$ 22,795,387	\$ 7,320,670
Deferred Inflows of Resources	22,258,370	62,787,429
Net Pension Liability	115,177,948	71,853,497
County's portion of the Plan's total net pension Liability	1.00624%	0.98306%

**Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources** – At December 31, 2022, the County’s proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2022 measurement date was \$409,813.00 This expense/(credit) is not recognized by the County because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the County contributed \$13,086,703.00 to the plan in 2022.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

At December 31, 2022, the County had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 5,213,262	\$ 7,056,215
Changes of Assumptions	315,657	14,498,628
Net Difference between Projected and Actual Earnings on Pension Plan Investments	10,546,916	-
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contribution:	6,719,552	703,527
	\$ 22,795,387	\$ 22,258,370

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

COUNTY OF OCEAN

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.59	-
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
June 30, 2022	6.22	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.59
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2022	-	6.22
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.59	5.59
June 30, 2018	5.73	5.73
June 30, 2019	5.92	5.92
June 30, 2020	5.90	5.90
June 30, 2021	6.17	6.17
June 30, 2022	6.22	6.22

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

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

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

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2023	\$ (4,557,530)
2024	(2,478,264)
2025	(2,303,801)
2026	8,528,796
2027	1,273,803
Thereafter	<u>74,013</u>
	<u>\$ 537,017</u>

**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 County is \$20,498,298.00 as of December 31, 2022. The net pension liability was measured as of June 30, 2022. 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, 2021, to the measurement date of June 30, 2022. The State's proportion of the net pension liability associated with the County was based on a projection of the County'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, 2022 was 1.0062411700%, which was an increase of 0.0231791523% from its proportion measured as of June 30, 2021, which is the same proportion as the County's. At December 31, 2022, the County's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

County's Proportionate Share of Net Pension Liability	\$ 115,177,948
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	<u>20,498,298</u>
	<u><u>\$ 135,676,246</u></u>

At December 31, 2022, the State’s proportionate share of the PFRS expense, associated with the County, calculated by the plan as of the June 30, 2022 measurement date was \$2,364,961.00.

**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	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through	All future years
	3.25 - 16.25%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PFRS	PubS-2010 amount-weighted mortality table using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

**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, 2022) 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, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 10. Pension Obligations (continued)**

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

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the County’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
County's Proportionate Share of the Net Pension Liability	\$ 158,036,584	\$ 115,177,948	\$ 348,141,723
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	28,125,879	20,498,298	61,959,020
	\$ 186,162,463	\$ 135,676,246	\$ 410,100,743

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

**C. Defined Contribution Retirement Program**

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by *N.J.S.A. 43:15C-1* et. seq.

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

C. Defined Contribution Retirement Program (continued)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the County's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

As of December 31, 2022 the County had multiple employees participating in the Defined Contribution Retirement Program. The County's contributions were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Funded By County</u>	<u>Employee Deductions</u>
2022	\$ 102,309.49	\$ 36,109.02	\$ 66,200.47
2021	109,333.06	38,589.30	70,743.76
2020	98,603.45	34,801.75	63,801.70

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

Note 11. Postemployment Benefits Other Than Pensions

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2022. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2021.

**General Information about the OPEB Plan**

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

#### Note 11. Postemployment Benefits Other Than Pensions (continued)

of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

#### Basis of Presentation

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan 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.

#### Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2021 were \$3,872,142,278.00 and \$14,177,910,609.00, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Postemployment Benefits Other Than Pensions (continued)

Net OPEB Liability

The total OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases*:	
Public Employees' Retirement System (PERS)	
Initial Fiscal Year Applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

\* - Salary Increases are based on the defined benefit plan that the member is enrolled in and his

**OPEB Obligation and OPEB (benefit) Expense** - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the County's as of June 30, 2021 was \$444,927,592.00. The County's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the County was based on projection of the State's long-term contributions to the OPEB plan associated with the County relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the County was 2.4718499975%, which was a decrease of 0.0348770009% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB (benefit) expense in the amount of \$11,344,988.00 for the State's proportionate share of the OPEB (benefit) expense attributable to the County. This OPEB (benefit) expense was based on the OPEB plans June 30, 2021 measurement date.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 11. Postemployment Benefits Other Than Pensions (continued)**

Actuarial assumptions used in the July 1, 2020 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the Plan upon retirement.

*Health Care Trend Assumptions*

For pre-medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

*Discount Rate*

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

*Sensitivity of Net OPEB Liability to Changes in the Discount Rate*

The following presents the collective net OPEB liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The County	\$ 523,594,431.91	\$ 444,927,592.00	\$ 382,582,429.75
State of New Jersey's Total Nonemployer OPEB Liability	21,182,289,882.00	17,999,781,235.00	15,477,574,697.00

*Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate:*

The following presents the net OPEB liability as of June 30, 2021, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 11. Postemployment Benefits Other Than Pensions (continued)**

	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The County	\$ 371,219,458.71	\$ 444,927,592.00	\$ 541,107,579.27
State of New Jersey's Total Nonemployer OPEB Liability	15,017,879,689.00	17,999,781,235.00	21,890,793,528.00

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2021:

	<u>Collective Balances</u>	
	12/31/2021	12/31/2020
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 3,001,822,350.00	\$ 3,168,345,589.00
Collective Deferred Inflows of Resources	6,947,492,748.00	7,333,043,620.00
Collective Net OPEB Liability	17,999,781,235.00	17,946,612,946.00
County's Portion	2.471850%	2.506727%

The collective amounts reported as a deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2021	\$ (1,074,753,405.00)
2022	(1,076,167,210.00)
2023	(1,077,459,075.00)
2024	(769,416,743.00)
2025	(129,344,414.00)
Thereafter	<u>181,470,449.00</u>
	<u>\$ (3,945,670,398.00)</u>

*Changes in Proportion*

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Postemployment Benefits Other Than Pensions (continued)

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

	<u>June 30, 2021</u>
Active Plan Members	82,448
Retirees Currently Receiving Benefits	<u>16,707</u>
Total Plan Members	<u><u>99,155</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

Service Cost	\$ 846,075,674.00
Interest on the Total OPEB Liability	413,837,061.00
Change of Benefit Terms	2,029,119.00
Differences Between Expected and Actual Experience	(1,196,197,410.00)
Changes of Assumptions	339,165,715.00
Contributions From the Employer	(325,097,477.00)
Contributions From Non-Employer Contributing Entity	(37,777,433.00)
Net Investment Income	(201,343.00)
Administrative Expense	<u>11,334,383.00</u>
Net Change in Total OPEB Liability	53,168,289.00
Total OPEB Liability (Beginning)	<u>17,946,612,946.00</u>
Total OPEB Liability (Ending)	<u><u>\$ 17,999,781,235.00</u></u>

Special Funding Situation

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Note 11. Postemployment Benefits Other Than Pensions (continued)**

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

Additionally, the State's proportionate share of the OPEB liability attributable to the County is \$950,550.00 as of December 31, 2021. The OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The State's proportion of the OPEB liability associated with the County was based on a projection of the County's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2021 was 0.0246169878%, which was an increase of 0.0081519916% from its proportion measured as of June 30, 2020, which is the same proportion as the County's. At December 31, 2021, the County's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's	
Proportionate Share of OPEB Liability	
Associated with the County	\$ 950,550.00

At December 31, 2021, the State's proportionate share of the OPEB (benefit) expense, associated with the County, calculated by the plan as of the June 30, 2021 measurement date was \$(129,706.00).

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

#### **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 County's liability related to unused vacation, sick pay and compensation time. The County 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. It is estimated that accrued benefits for compensated absences are valued at \$2,477,602.35 at December 31, 2022.

The County has established a Trust Fund in accordance with NJSA 40A:4-39 to set aside funds for future payments of compensated absences. As of December 31, 2022, the County has reserved in the Other Trust Fund \$2,011,091.13 to fund compensated absences in accordance with NJSA 40A:4-39.

#### **Note 13. Deferred Compensation Salary Account**

The County 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 County or its creditors. Since the County does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the County's financial statements.

#### **Note 14. Arbitrage**

Under section 148 (f) of the Internal Revenue Code of the United States, interest on bonds of a local governmental unit is not tax exempt unless the issuer of such bonds rebates to the United States Government arbitrage profits earned from investing proceeds of the bond in higher yielding non-purpose investment.

As of the date of the audit, the County does not anticipate an arbitrage liability. Any liability would be paid from interest earned on Capital Fund cash, cash equivalents and contingent appropriations after review of the calculations by the County's financial advisors.

#### **Note 15. Lease Obligations**

On May 30, 2008, the County entered into a lease agreement for space located at 213 Washington Street, Toms River. The lease runs from June 1, 2008 through May 31, 2023. The County is required to pay equal monthly installments. The lease is described as triple net lease, which is defined as a lease whereby the tenant is solely responsible for all of the costs relating to the asset being leased. Examples of the types of costs relating to the asset being leased are taxes, insurance, maintenance expense and snow and trash removal. The amount expended by the County for this lease during the period under audit was \$398,283.74, which included real estate taxes.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

#### **Note 15. Lease Obligations (continued)**

On February 19, 2015, the County entered into a lease agreement for space located in the Ocean County Mall. The lease was authorized with the landlord, Simon Property Group, Inc. (“the landlord”) for a period of 10 years. In addition to minimum annual rents, the County is also responsible for common area maintenance, real estate taxes, media funding and promotion. The amount expended by the County for this lease during the period under audit was \$236,157.50 which included the common area maintenance, real estate taxes, media funding and promotion.

On February 2, 2022, the County entered into a lease agreement with 206 Courthouse, LLC for property located at 206 Courthouse Lane. The lease runs from January 1, 2022 through December 31, 2025. Annual rent for the term of the lease ranges from \$153,345.48 to \$165,986.08. The County is also responsible for real estate taxes and the cost of three parking spaces. The amount expended by the County for this lease during the period under audit was \$183,232.20.

On October 18, 2017, the County extended a lease agreement with Richard S. Haines for space located at 7 Hadley Avenue. The lease runs from January 1, 2018 through December 31, 2022. The rent was established at \$6,548.59 per month. Upon the first anniversary and each year thereafter, the rent will increase to reflect increases per annum as determined by the previous year’s rent based upon the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for New York, using 2017 as the base year, but in no event shall the rent be less than \$6,548.59 per month. The amount expended by the County for this lease for 2022 rent was \$105,766.54.

On November 16, 2016, the County extended a lease agreement with the Ocean County Library Commission, the Township of Manchester and Paramount Realty Services, Inc. for a portion of the premises known as Block 109, Lot 1 of the Township of Manchester also known as the Whiting Commons Shopping Center for the purpose of establishing a branch library facility within Manchester Township. The lease runs from March 1, 2017 through February 28, 2027. The rent was established at \$5,750.00 per month. The Township of Manchester will pay the County of Ocean the fee of \$34,500.00 as reimbursement of 50% of the \$69,000.00 annual rent. The County received \$34,500.00 from Manchester Township for its share of the rent, which was treated as miscellaneous revenue by the County. The amount expended by the County for this lease for 2022 rent was \$69,000.00.

On January 20, 2021, the County extended a lease agreement with Madison Avenue Office Complex, LLC for office space located at 16 Madison Avenue. The lease will run from January 1, 2021 through December 31, 2023. The rent was established at \$9,804.19 per month for 2021, \$10,029.57 per month for 2022, and \$10,261.70 for 2023. The amount expended by the County for this lease in 2022 rent was \$120,354.84.

On May 18, 2022, the County extended a lease agreement with Grand Avenue Office Complex, LLC for office space at 9 Grand Avenue. The lease will run from April 1, 2022 to March 31, 2025. Rent was established at \$122,569.56 per year. The amount expended by the County for this lease for 2022 rent was \$60,378.36.

#### **Note 16. Ocean County Utilities Authority – Deficiency Advance Contract**

Provisions of a deficiency advance contract (the “Contract” executed between the County and the Ocean County Utilities Authority (the “Authority”)) obligate the County to pay any principal and interest, which may become due on outstanding project or permanent bonds of the Authority. Although the County’s obligation pursuant to the Contract is a direct and general obligation, the Authority anticipates that its

COUNTY OF OCEAN

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Note 16. Ocean County Utilities Authority – Deficiency Advance Contract (continued)**

operating costs and the principal and interest and reserve requirements on its obligations will be paid from the revenue derived from service charges to customers using the Authority’s system. At December 31, 2022 the Authority’s issued and outstanding debt principal was \$89,913,539.34. This number was abstracted from the most recent available audit of the Ocean County Utilities Authority.

**Note 17. Risk Management**

The County of Ocean is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. During April 2021, the County of Ocean became a member of the Ocean County Insurance Commission for insurance coverage purposes. For all legacy claims prior to the establishment of the Commission, the County of Ocean has established various trust funds to finance its self-insured retention program.

Certain component units and related entities, whose operating results are not otherwise reported in the basic financial statements of the County, made contributions to the trust funds, along with the County, based on actuarial estimates of the amounts needed to pay the legacy claims. Following is a list of the coverage and the component units, if any associated with that coverage.

<u>Coverage</u>	<u>Component Units and Related Entities</u>
Worker’ Compensation	Board of Social Services Library Commission Mosquito Commission Private Industry Council
General Liability	Library Commission Mosquito Commission Private Industry Council
Automobile Liability	Library Commission Mosquito Commission Private Industry Council
Physical Damage	Library Commission Mosquito Commission Private Industry Council

The Actuarial Advantage, Inc. was engaged by the Commission to estimate the loss and loss adjustment expense reserves as of December 31, 2022 for the legacy claims. The County retains \$250,000.00 per occurrence for workers’ compensation, general liability, automobile liability, public officials’ liability and police professional liability coverages.

The County, component unit and related entity participants in the self-insurance program make payments to the trust funds in accordance with the funding targets and timetable established by the review of Actuarial Advantages, Inc. The deposits in the trust funds at December 31, 2022, the most recent date for which information was available amounted to \$25,769,741.86, for funding of self-insured retentions. At December 31, 2022, the determined worth of open claims for self-insured risks was \$20,782,754.00, based on the requirements of Government Accounting Standards Board 10, which stipulates that a liability for claims be disclosed, if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**COUNTY OF OCEAN**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 17. Risk Management (continued)**

Self-insurance reserves for general liability, automobile liability, police professional liability and public official’s liability met or exceeded the actuarially recommended amounts at December 31, 2022. Self-insurance reserves for workers’ compensation were below the actuarially recommended amounts at year-end. The County budgets annually to replenish these reserves.

The year-end status of the County’s self-insurance reserves are as follows:

	<u>Balance</u>	<u>Actuarial</u>	<u>Over/(Under)</u>	<u>Amount</u>	<u>Remainder to</u>
	<u>Dec. 31, 2022</u>	<u>Recommendation</u>	<u>2021 Actuarial</u>	<u>Raised in</u>	<u>be Raised in</u>
		<u>at Dec. 31, 2021</u>	<u>Recommended</u>	<u>2023 Budget</u>	<u>Subsequent</u>
					<u>Budgets</u>
Worker's Compensation	\$ 17,766,888.74	\$ 19,348,609.00	\$ (1,581,720.26)	\$ 2,098,842.00	\$ (517,121.74)
Self-Insurance Police Professionals	1,083,516.07	189,521.00	893,995.07	1,000.00	(894,995.07)
Self-Insurance Public Officials	1,589,942.19	119,666.00	1,470,276.19	1,000.00	(1,471,276.19)
General Liability	1,439,861.59	863,767.00	576,094.59	1,000.00	(577,094.59)
Automobile Liability	644,421.51	261,191.00	383,230.51	1,000.00	(384,230.51)

**Note 18. Contracts Payable**

The County has committed design and construction contracts outstanding at December 31, 2022. These contracts are not accounted for separately. Contracts are encumbered at the time the bids are awarded. Outstanding contracts at year-end are reflected as encumbrances on the balance sheets of the respective funds of the County.

**Note 19. Contingent Liabilities**

**State and Federal Assistance**

The County receives financial assistance from the State of New Jersey and the U. S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors.

As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2022, the County estimates that no material liabilities will result from such audits.

**Note 20. Board of School Estimates**

The Board of School Estimates approved an Appropriation of \$20,762,063.00 for the Ocean County Vocational Technical School Year July 1, 2022 to June 30, 2023. The County funded this amount by appropriating \$20,762,063.00 in the County’s 2022 budget.

The Board of School Estimates approved an Appropriation of \$16,556,631.00 for the Ocean County College Year July 1, 2022 to June 30, 2023. The County funded this amount by appropriating \$16,556,631.00 in the County’s 2022 budget.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

#### Note 21. Litigation

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

#### Note 22. Subsequent Events

The County has evaluated subsequent events through September 8, 2023, the date the financial statements were available to be issued.

On February 15, 2023, an Ordinance authorizing the Reconstruction and Resurfacing of Various County Roads, all in the County of Ocean, and appropriating \$6,000,000.00 therefor and authorizing the issuance of \$5,700,000.00 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On February 15, 2023, an Ordinance authorizing the Reconstruction of Bridge Avenue (West Lake Avenue to Club Drive) located in the Borough of Bay Head, in the County of Ocean, and appropriating \$1,500,000 therefor and authorizing the issuance of \$1,425,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On February 15, 2023, an Ordinance authorizing the Purchase of Voting Machines, Related Hardware/Software and Other Apparatus, for the County of Ocean, and appropriating \$10,100,000 therefor and authorizing the issuance of \$9,575,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On May 3, 2023, an Ordinance authorizing Various Engineering, Road, and Bridge Improvements, at Various Locations, all in the County of Ocean, and appropriating \$6,500,000 therefor and authorizing the issuance of \$6,100,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On May 3, 2023, an Ordinance authorizing the Installation of New and Upgraded Traffic Control Devices at Various Locations, all in the County of Ocean, and appropriating \$3,000,000 therefor and authorizing the issuance of \$2,800,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On May 3, 2023, an Ordinance appropriating the sum of \$3,000,000 from the Capital Improvement Fund for the Construction of Stormwater Management Facilities at Various Locations, all in the County of Ocean.

On May 3, 2023, an Ordinance authorizing the Reconstruction and Resurfacing of Various County Roads, all in the County of Ocean, appropriating the sum of \$12,845,372 and authorizing the issuance of \$12,845,372 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On May 3, 2023, an Ordinance appropriating the sum of \$1,000,000 from the Capital Improvement Fund for the Design of Reconstruction and Resurfacing of Certain County Roads, all in the County of Ocean.

On May 3, 2023, an Ordinance appropriating the sum of \$1,000,000 from the Capital Improvement Fund for the Acquisition of Title, Rights-of-Way and/or Easements of Certain Parcels of Land (or parts thereof) for Road, Bridge, and/or Drainage Improvements along County Roads, all in the County of Ocean

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

#### Note 22. Subsequent Events (continued)

On May 3, 2023, an Ordinance authorizing the Renovations to the Juvenile Detention Center Phase I, Located in Toms River Township, in the County of Ocean, and appropriating \$4,500,000 therefor and authorizing the issuance of \$2,000,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On June 7, 2023, an Ordinance appropriating the sum of \$1,500,000 from the Capital Improvement Fund for the Upgrading of County Underground Storage Tanks to Achieve Compliance with State and Federal Underground Storage Tank Regulations Including Planning, Upgrading, Removal, Replacement or Remediation as Necessary, all in the County of Ocean.

On June 7, 2023, an Ordinance authorizing the Replacement of the Hurricane Bridge, Structure No. 1518-012, located in the Township of Manchester, in the County of Ocean, and appropriating \$2,500,000 therefor and authorizing the issuance of \$1,691,601 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On June 7, 2023, an Ordinance authorizing Safety Improvements at Hooper Avenue, Church Road and Kettle Creek Road, located in the Township of Toms River, in the County of Ocean, and appropriating \$2,000,000 therefor and authorizing the issuance of \$1,801,939 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On June 7, 2023, an Ordinance authorizing the Construction of a Traffic Signal at Route 571 and Beacon Street, located in the Township of Manchester, in the County of Ocean, and appropriating \$2,000,000 therefor and authorizing the issuance of \$1,900,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On June 7, 2023, an Ordinance authorizing the Reconstruction of Herflicker Boulevard, located in the Township of Toms River, in the County of Ocean, and appropriating \$1,500,000 therefor and authorizing the issuance of \$1,400,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On June 7, 2023, an Ordinance authorizing the Capital Renewal and Replacement Facilities FY 2023 Project at Ocean County College located in the County of Ocean, and appropriating the aggregate amount of \$4,205,000 therefor, including support from the State of New Jersey in the amount of \$2,102,500 pursuant to the provisions of Chapter 12 P.L. 1971 and authorizing the issuance of Bonds and Notes of the County of Ocean to finance the same.

On June 7, 2023, an Ordinance authorizing Renovations to the Ocean County Airport, located in Berkeley Township, in the County of Ocean, and appropriating \$4,500,000 therefor and authorizing the issuance of \$3,500,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On July 6, 2023, an Ordinance appropriating the sum of \$1,600,000 from the Capital Improvement fund for the cost of Various Capital Renovations, Improvements and Upgrades at Various Health Department Facilities, all in the County of Ocean.

On July 6, 2023, an Ordinance appropriating the sum of \$2,200,000 from the Reserve for Open Space, Parks & Recreation for the cost of the Restoration of the Cox House Phase II, located in Barnegat Township, County of Ocean.

## COUNTY OF OCEAN

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2022

#### Note 22. Subsequent Events (continued)

On July 6, 2023, an Ordinance appropriating the sum of \$1,125,000 from the Capital Improvement Fund for the cost of Various Capital Renovations, Improvements and Upgrades at Various Branches of the County Library System, all in the County of Ocean.

On July 6, 2023, an Ordinance appropriating the sum of \$2,200,000 from the Capital Improvement Fund for the cost of Redevelopment of Various Parks and Property Acquisition, all in the County of Ocean.

On July 6, 2023, an Ordinance appropriating the sum of \$950,000 from the Capital Improvement Fund for the cost of Renovations, Improvements and Upgrades at the Northern Recycling Center located in Lakewood Township, County of Ocean.

On July 6, 2023, an Ordinance appropriating the sum of \$1,425,000 from the Capital Improvement Fund for the cost of Renovations, Improvements and Upgrades at the Toms River and Waretown Locations of the County of Vocational Technical School, all in the County of Ocean.

On August 2, 2023, an Ordinance authorizing the Permitting and Construction of the Courthouse Annex, located in Toms River Township, County of Ocean, and appropriating \$92,000,000 therefor, and authorizing the issuance of \$85,000,000 in Bonds or Bond Anticipation Notes of the County of Ocean to finance the same.

On August 2, 2023, an Ordinance appropriating the sum of \$250,000 from the Capital Improvement Fund for the Cost of the Design of a Sheriff Facility located in Toms River Township, in the County of Ocean.

On August 2, 2023, an Ordinance appropriating the sum of \$250,000 from the Capital Improvement Fund for the Cost of Generator Installation and Upgrades for the County Mosquito Commission, located in the County of Ocean.

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## **APPENDIX C**

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*An opinion in substantially the following form  
will be delivered at Closing, assuming no  
material changes in facts or law.*

\_\_\_\_\_, 2023

Board of County Commissioners of the  
County of Ocean, New Jersey

Re: \$51,340,000 County of Ocean, New Jersey,  
General Improvement Bonds, Series 2023

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the County of Ocean, New Jersey (the "County") of its General Improvement Bonds, Series 2023 in the aggregate principal amount of \$51,340,000 (the "Bonds"). The Bonds are general obligations of the County and the full faith, credit and taxing power of the County is available to pay the principal of and interest on the Bonds. The Bonds are dated the date of delivery, mature on November 1 in each of the years and bear interest at the rates payable on May 1, 2024 and semiannually thereafter on the first day of May and November in each year until maturity as follows:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>
2024	\$1,855,000	5.000%	2034	\$2,550,000	4.000%
2025	1,855,000	5.000	2035	2,655,000	5.000
2026	1,855,000	5.000	2036	2,785,000	4.000
2027	1,855,000	5.000	2037	2,895,000	4.000
2028	1,905,000	5.000	2038	3,010,000	4.125
2029	2,000,000	5.000	2039	3,135,000	4.125
2030	2,100,000	5.000	2040	3,265,000	4.250
2031	2,205,000	5.000	2041	3,405,000	4.375
2032	2,315,000	5.000	2042	3,555,000	4.375
2033	2,430,000	5.000	2043	3,710,000	4.500

The Bonds are subject to optional redemption prior to maturity, as provided in the hereinafter-defined Resolution.

The Bonds will be initially issued in book-entry form only in the form of one certificate for the aggregate principal amount of Bonds maturing in each year, registered in the name of and held

by Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. DTC will be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of such interests among such participants. Such participants shall be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$1,000 or more through book-entries on the books and records of DTC and its participants.

The Bonds are issued under the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, effective January 1, 1962, and the acts amendatory thereof and supplemental thereto (the "Act"), N.J.S.A. 18A:64A-19 (with respect to certain debt of the County included in this issue and issued by the County on behalf of Ocean County College (the "County College")), a resolution adopted by the County on October 18, 2023 (the "Resolution") and the following bond ordinances of the County: Ordinance No. 2022-32 finally adopted September 21, 2022, Ordinance No. 2023-1 finally adopted February 15, 2023, Ordinance No. 2023-2 finally adopted February 15, 2023, Ordinance No. 2023-4 finally adopted May 3, 2023, Ordinance No. 2023-10 finally adopted May 3, 2023, Ordinance No. 2023-10 finally adopted May 3, 2023, Ordinance No. 2023-14 finally adopted June 7, 2023, Ordinance No. 2023-15 finally adopted June 7, 2023, Ordinance No. 2023-16 finally adopted June 7, 2023, and Ordinance No. 2023-24 finally adopted August 2, 2023 (collectively, the "Ordinances"). The Bonds are issued for the purpose of providing funds for the financing of certain capital improvements, as described in the Ordinances (collectively, the "Project"). The Project was authorized by the Ordinances.

In our capacity as Bond Counsel and as a basis for the opinions set forth below, we have examined the proceedings relating to the authorization and issuance of the Bonds, including (a) copies of the Ordinances and the Resolution; (b) such matters of law including, *inter alia*, the Act, N.J.S.A. 18A:64A-19 and the Internal Revenue Code of 1986, as amended (the "Code"); and (c) such other agreements, proceedings, certificates, records, approvals, resolutions and documents as to various matters with respect to the issuance of the Bonds as we have deemed necessary. We have further assumed and relied upon the genuineness, accuracy and completeness of all of the documents and other instruments which we have examined. As to questions of fact material to our opinion, we have relied upon the proceedings and other certifications of public officials executed and furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that:

1. The County is a body politic and corporate of the State of New Jersey, duly and validly organized and existing under the laws of the State of New Jersey and authorized to undertake the Project, to adopt the Ordinances and the Resolution, and to issue and deliver the Bonds.

2. The Bonds have been duly authorized, issued, executed and sold by the County; the Ordinances and the Resolution have been duly authorized and adopted by the County; and the Bonds, the Ordinances and the Resolution are legal, valid and binding obligations of the County enforceable in accordance with their respective terms.

3. Assuming the County and the County College observe their covenants with respect to compliance with the Code, under laws, regulations, rulings and judicial decisions existing on the date of the original delivery of the Bonds, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. In addition, interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed by the Code, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

4. Under the laws of the State of New Jersey as enacted and construed on the date of original delivery of the Bonds, interest on the Bonds and any gain from the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

5. The power and obligation of the County to pay the Bonds is unlimited, and the County shall be required to levy *ad valorem* taxes upon all taxable real property within the County for the payment of the principal of and interest on the Bonds without limitation as to rate or amount.

For purposes of this opinion, the enforceability (but not the validity) of the documents mentioned herein may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws now or hereafter enacted by any state or by the federal government affecting the enforcement of creditors' rights generally, and by equitable principles, and the phrase "enforceable in accordance with their respective terms" shall not mean that specific performance would necessarily be available as a remedy in every situation.

Other than as set forth in Paragraphs 3 and 4 hereof, we express no opinion regarding other federal and state tax consequences arising with respect to the Bonds.

We express no opinion herein as to the adequacy or accuracy of any official statement, private placement memorandum or other offering material pertaining to the offering of the Bonds.

DILWORTH PAXSON LLP

*An opinion in substantially the following form  
will be delivered at Closing, assuming no  
material changes in facts or law.*

\_\_\_\_\_, 2023

Board of County Commissioners of the  
County of Ocean, New Jersey

Re: \$2,030,000 County of Ocean, New Jersey,  
College Capital Improvement Bonds, Series 2023

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the County of Ocean, New Jersey (the "County") of its College Capital Improvement Bonds, Series 2023 in the aggregate principal amount of \$2,030,000 (the "Bonds"). The Bonds are general obligations of the County and the full faith, credit and taxing power of the County is available to pay the principal of and interest on the Bonds. The Bonds are dated the date of delivery, mature on November 1 in each of the years and bear interest at the rates payable on May 1, 2024 and semiannually thereafter on the first day of May and November in each year until maturity as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2024	\$410,000	5.000%
2025	405,000	5.000
2026	405,000	5.000
2027	405,000	5.000
2028	405,000	5.000

The Bonds are not subject to optional redemption prior to maturity. TD Bank, National Association, Cherry Hill, New Jersey, serves as Paying Agent for the Bonds.

The Bonds will be initially issued in book-entry form only in the form of one certificate for the aggregate principal amount of Bonds maturing in each year, registered in the name of and held by Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. DTC will be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of such interests among such participants. Such participants shall be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$1,000 or more thereof through book-entries on the books and records of DTC and its participants.

The Bonds are issued under the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, effective January 1, 1962, and the acts amendatory thereof and supplemental thereto (the "Act"), Chapter 12 of the Laws of New Jersey of 1971, effective January 28, 1971, and the acts amendatory thereof and supplemental thereto (the "County

College Bond Act"), a resolution adopted by the County on October 18, 2023 (the "Resolution") and Ordinance No. 2023-16 of the County, finally adopted June 7, 2023 (the "Ordinance"). The Bonds are issued for the purpose of providing funds for the financing of certain capital improvements at Ocean County College (the "College") as described in the Ordinance (the "Project"). The Project was authorized by the Ordinance.

In our capacity as Bond Counsel and as a basis for the opinions set forth below, we have examined the proceedings relating to the authorization and issuance of the Bonds, including (a) copies of the Resolution and the Ordinance; (b) such matters of law, including, *inter alia*, the Act, the County College Bond Act and the Internal Revenue Code of 1986, as amended (the "Code"); and (c) such other agreements, proceedings, certificates, records, approvals, resolutions and documents as to various matters with respect to the issuance of the Bonds as we have deemed necessary. We have further assumed and relied upon the genuineness, accuracy and completeness of all of the documents and other instruments which we have examined. As to questions of fact material to our opinion, we have relied upon the proceedings and other certifications of public officials executed and furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that:

1. The County is a body politic and corporate of the State of New Jersey, duly and validly organized and existing under the laws of the State of New Jersey and authorized to undertake the financing of the Project, to adopt the Resolution and the Ordinance, and to issue and deliver the Bonds.

2. The Bonds have been duly authorized, issued, executed and sold by the County; the Resolution and the Ordinance have been duly authorized and adopted by the County; and the Bonds, the Resolution and the Ordinance are legal, valid and binding obligations of the County enforceable in accordance with their respective terms.

3. Assuming the County and the College observe their covenants with respect to compliance with the Code, under laws, regulations, rulings and judicial decisions existing on the date of the original delivery of the Bonds, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. In addition, interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed by the Code, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

4. Under the laws of the State of New Jersey as enacted and construed on the date of original issuance of the Bonds, interest on the Bonds and gain from the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

Board of County Commissioners of the  
County of Ocean, New Jersey  
\_\_\_\_\_, 2023

Page

5. The power and obligation of the County to pay the Bonds is unlimited, and the County shall be required to levy *ad valorem* taxes upon all taxable real property within the County for the payment of the principal of and interest on the Bonds without limitation as to rate or amount.

For purposes of this opinion, the enforceability (but not the validity) of the documents mentioned herein may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws now or hereafter enacted by any state or by the federal government affecting the enforcement of creditors' rights generally, and by equitable principles, and the phrase "enforceable in accordance with their respective terms" shall not mean that specific performance would necessarily be available as a remedy in every situation.

Other than as set forth in Paragraphs 3 and 4 hereof, we express no opinion regarding other federal and state tax consequences arising with respect to the Bonds.

We express no opinion herein as to the adequacy or accuracy of any official statement, private placement memorandum or other offering material pertaining to the offering of the Bonds.

DILWORTH PAXSON LLP

## **APPENDIX D**

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## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the County of Ocean, New Jersey (the "Issuer") in connection with the issuance by the Issuer of \$51,340,000 principal amount of its General Improvement Bonds, Series 2023 (the "Bonds"). The Bonds are being issued pursuant to Bond Ordinances (the "Ordinances") duly adopted by the Board of Commissioners of the Issuer (the "Board") on various dates, and a resolution duly adopted by the Board on October 18, 2023 (the "Resolution"). The Bonds are dated November 14, 2023 and shall mature on November 1 in the years 2024 through 2043, inclusive. The Issuer covenants and agrees as follows:

*Section 1.*        Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time ("Exchange Act").

*Section 2.*        Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Bondholder" shall mean any person who is the registered owner of any Bond, including holders of beneficial interests in the Bonds.

"Continuing Disclosure Information" shall mean: (i) the Annual Report; (ii) any notice required to be filed with the Repositories pursuant to Section 5 hereof; and (iii) any notice of an event required to be filed with the Repositories pursuant to Section 3(c) hereof.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System ("EMMA"), an internet based filing system created and maintained by the MSRB in accordance with the SEC Release, pursuant to which issuers of tax-exempt bonds, including the Bonds, and other filers on behalf of the such issuers shall upload Continuing Disclosure Information to assist underwriters in complying with the Rule and to provide the general public with access to such Continuing Disclosure Information.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Bonds Rulemaking Board established pursuant to Section 15B(b)(1) of the Exchange Act.

"National Repository" shall mean the MSRB, through the internet facilities of EMMA, or any other public or private repository or entity that shall hereafter be designated by the SEC as a repository for purposes of the Rule.

"Official Statement" shall mean the Official Statement of the County, dated October 31, 2023, relating to the Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" or "Repositories" shall mean each National Repository and each State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Exchange Act, as the same may be amended from time to time.

"SEC Release" shall mean Release No. 34-59062, of the SEC, dated December 5, 2008.

"State" shall mean the State of New Jersey.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the SEC. As of the date of this Disclosure Certificate, there is no State Repository.

*Section 3. Provision of Annual Reports.*

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of its fiscal year, commencing with the report for the fiscal year ending December 31, 2023, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change to MSRB. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on the MSRB's Internet Web site, or that has been filed with the SEC.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for making available or providing the Annual Report, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A, in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(c) The Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, stating the date it was provided.

*Section 4. Content of Annual Reports.* The Issuer's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting standards (GAAS) as from time to time in effect, and as prescribed by the Division of Local Government Services in the Department of Community Affairs of the State pursuant to Chapter 5 of Title 40A of the New Jersey Statutes. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed

pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. The financial information and operating data set forth in the Official Statement (including Appendix A thereto) dated October 31, 2023 prepared in connection with the sale of the Bonds, under the captions: "Schedule of Bond and Note Maturities", "Tax Information", "Ocean County Leading Tax Ratables - 2023", "Statement of Statutory Debt Condition as of July 19, 2023", "List of Authorized Debt as of July 19, 2023" and "Debt Ratios".

*Section 5.*        Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability. Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Bonds;
7. modifications to rights of Bondholders, if material;
8. Bond Calls, if material and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. rating changes.
12. bankruptcy, insolvency, receivership or similar events of the Issuer, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;
13. the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect Bondholders, if material; and
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event described in subsection (a) for which a disclosure obligation is dependent upon materiality, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If disclosure of a Listed Event is required, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the event, file a notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

*Section 6. Termination of Reporting Obligation.* The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

*Section 7. Dissemination Agent.* The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

*Section 8. Amendment; Waiver.* Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between

the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

*Section 9.*        Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

*Section 10.*      Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

*Section 11.*      Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

*Section 12.*      Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and the Bondholders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: November 14, 2023

COUNTY OF OCEAN, NEW JERSEY

By: \_\_\_\_\_  
Julie N. Tarrant, County Comptroller

**EXHIBIT A**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: County of Ocean, New Jersey

Name of Bond Issue: \$51,340,000 General Improvement Bonds, Series 2023

Date of Issuance: November 14, 2023

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate dated November 14, 2023. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_, 20\_\_.

Dated: \_\_\_\_\_, 20\_\_

COUNTY OF OCEAN, NEW JERSEY

By: \_\_\_\_\_  
Name:  
Title:

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the County of Ocean, New Jersey (the "Issuer") in connection with the issuance by the Issuer of \$2,030,000 principal amount of its College Capital Improvement Bonds, Series 2023 (the "Bonds"). The Bonds are being issued pursuant to a Bond Ordinance (the "Ordinance") duly adopted by the Board of Commissioners of the Issuer (the "Board") on June 7, 2023, and a resolution duly adopted by the Board on October 18, 2023 (the "Resolution"). The Bonds are dated November 14, 2023 and shall mature on November 1 in the years 2024 through 2028, inclusive. The Issuer covenants and agrees as follows:

*Section 1.*        Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time ("Exchange Act").

*Section 2.*        Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Bondholder" shall mean any person who is the registered owner of any Bond, including holders of beneficial interests in the Bonds.

"Continuing Disclosure Information" shall mean: (i) the Annual Report; (ii) any notice required to be filed with the Repositories pursuant to Section 5 hereof; and (iii) any notice of an event required to be filed with the Repositories pursuant to Section 3(c) hereof.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System ("EMMA"), an internet based filing system created and maintained by the MSRB in accordance with the SEC Release, pursuant to which issuers of tax-exempt bonds, including the Bonds, and other filers on behalf of the such issuers shall upload Continuing Disclosure Information to assist underwriters in complying with the Rule and to provide the general public with access to such Continuing Disclosure Information.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Bonds Rulemaking Board established pursuant to Section 15B(b)(1) of the Exchange Act.

"National Repository" shall mean the MSRB, through the internet facilities of EMMA, or any other public or private repository or entity that shall hereafter be designated by the SEC as a repository for purposes of the Rule.

"Official Statement" shall mean the Official Statement of the County, dated October 31, 2023, relating to the Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" or "Repositories" shall mean each National Repository and each State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Exchange Act, as the same may be amended from time to time.

"SEC Release" shall mean Release No. 34-59062, of the SEC, dated December 5, 2008.

"State" shall mean the State of New Jersey.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the SEC. As of the date of this Disclosure Certificate, there is no State Repository.

*Section 3.*            Provision of Annual Reports.

(a)            The Issuer shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of its fiscal year, commencing with the report for the fiscal year ending December 31, 2023 provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change to MSRB. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on the MSRB's Internet Web site, or that has been filed with the SEC.

(b)            Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for making available or providing the Annual Report, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A, in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(c)            The Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, stating the date it was provided.

*Section 4.*            Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

1.            The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting standards (GAAS) as from time to time in effect, and as prescribed by the Division of Local Government Services in the Department of Community Affairs of the State pursuant to Chapter 5 of Title 40A of the New Jersey Statutes. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a),

the Annual Report shall contain unaudited financial statements and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. The financial information and operating data set forth in the Official Statement (including Appendix A thereto) dated October 31, 2023 prepared in connection with the sale of the Bonds, under the captions: "Schedule of Bond and Note Maturities", "Tax Information", "Ocean County Leading Tax Ratables - 2023", "Statement of Statutory Debt Condition as of July 19, 2023", "List of Authorized Debt as of July 19, 2023" and "Debt Ratios".

*Section 5.*        Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability. Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or others material events affecting the tax status of the Bonds;
7. modifications to rights of Bondholders, if material;
8. Bond Calls, if material and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. rating changes.
12. bankruptcy, insolvency, receivership or similar events of the Issuer, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;
13. the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect Bondholders, if material; and
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event described in subsection (a) for which a disclosure obligation is dependent upon materiality, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If disclosure of a Listed Event is required, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the event, file a notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

*Section 6.* Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

*Section 7.* Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

*Section 8.* Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between

the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

*Section 9.*        Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

*Section 10.*        Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

*Section 11.*        Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

*Section 12.*        Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and the Bondholders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: November 14, 2023

COUNTY OF OCEAN, NEW JERSEY

By: \_\_\_\_\_  
Julie N. Tarrant, County Comptroller

**EXHIBIT A**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: County of Ocean, New Jersey  
Name of Bond Issue: \$2,030,000 College Capital Improvement Bonds, Series 2023  
Date of Issuance: November 14, 2023

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate dated November 14, 2023. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_, 20\_\_.

Dated: \_\_\_\_\_, 20\_\_

COUNTY OF OCEAN, NEW JERSEY

By: \_\_\_\_\_  
Name:  
Title: