

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY**

**REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2012**

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN

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BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

FOR THE YEAR ENDED DECEMBER 31, 2012

FALLON & LARSEN LLP

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Borough Council
Borough of Seaside Park
County of Ocean
Seaside Park, New Jersey

We have audited the accompanying balance sheets of the various funds and account groups of the Borough of Seaside Park (the "Borough"), as of December 31, 2012 and 2011, and the related statements of operations and changes in fund balance for the years then ended and the related statements of revenues for the year ended December 31, 2012 and the related notes to the financial statements.

Management's Responsibility 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The financial statements of the Length of Service Award Program ("LOSAP") were not audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described in Note 2, the financial statements are prepared by the Borough 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 comply with 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 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2012 and 2011, the changes in financial position, or, where applicable, its cash flows for the year ended December 31, 2012.

Basis for Qualified Opinion on Length of Service Award Program

The financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements. The LOSAP Fund financial activities are included in the Borough's Trust Fund and represents 33% and 31% of the assets and liabilities as of December 31, 2012 and 2011, respectively of the Borough's Trust Funds.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Length of Service Award Program" paragraph, the financial statements referred to above present fairly in all material respects, the financial position of the Borough Trust Funds, and the changes in financial position thereof for the year ended December 31, 2012 on the basis of accounting described in Note 2 to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above other than the Length of Service Award Program Fund present fairly, in all material respects, the financial position of the various funds and account groups of the Borough as of December 31, 2012 and 2011, and the results of its operations and changes in fund balance of the individual funds for the year ended December 31, 2012, on the basis of the financial reporting

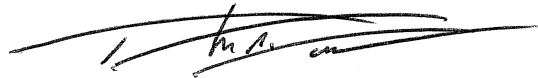
provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 2 to the financial statements.

Other Matters

Our audits were conducted for the purpose of forming opinions on the financial statements of the Borough taken as a whole. The accompanying financial information listed as supplementary schedules and comments section in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and New Jersey Division of Local Government Services and New Jersey State Office of Management and Budget Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid and are also not a required part of the financial statements. The accompanying financial information listed as supplementary schedules and comments sections in the table of contents and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Except for the LOSAP Fund supplementary schedules, such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund supplementary information been audited, in our opinion, the supplementary schedules and comments sections are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 9, 2013, on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

July 9, 2013

FALLON & LARSEN LLP

Certified Public Accountants

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**INDEPENDENT AUDITORS' 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***

To the Honorable Mayor and Members
of the Borough Council
Borough of Seaside Park
County of Ocean
Seaside Park, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Borough of Seaside Park, of the State of New Jersey (the "Borough"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, and have issued our report thereon dated July 9, 2013. The financial statements of the Length of Service Award Program ("LOSAP") were not audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America. As described in Note 2, the financial statements are prepared by the Borough 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. Our opinion was also qualified because the Division of Local Government Services does not require the Length of Service Award Program to be audited, only reviewed.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

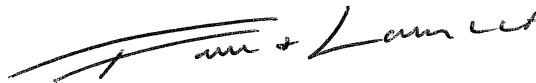
We noted certain matters that we have reported to management of the Borough in the Comments and Recommendations section of this report.

Purpose of this Report

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



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

July 9, 2013

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
ASSETS			
Cash	A-4	\$ 5,051,411.16	\$ 3,935,704.21
Cash - Change Fund	A/A-4	1,775.00	1,825.00
		<u>5,053,186.16</u>	<u>3,937,529.21</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	522,539.67	296,997.47
Revenue Accounts Receivable	A-7	14,967.03	25,343.94
Employee Payroll Advance	A-1/A-4		18,614.08
Interfunds Receivable	A-20	13,190.90	9,366.97
		<u>550,697.60</u>	<u>350,322.46</u>
Deferred Charges:			
Emergency Appropriation	A-6	51,658.25	
Special Emergency Authorizations (N.J.S. 40A:4-55)	A-8	1,523,097.00	39,796.00
		<u>1,574,755.25</u>	<u>39,796.00</u>
		<u>7,178,639.01</u>	<u>4,327,647.67</u>
Federal and State Grant Fund:			
Grants Receivable	A-21	57,154.14	56,698.18
Interfund - Current Fund	A-22	61,963.52	97,703.76
		<u>119,117.66</u>	<u>154,401.94</u>
Total Assets		<u>\$ 7,297,756.67</u>	<u>\$ 4,482,049.61</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Appropriation Reserves	A-3/A-10	\$ 1,270,226.99	\$ 408,253.76
Reserve for Encumbrances	A-11	718,659.15	232,258.16
Tax Overpayments	A-12	10,885.38	19,882.72
Prepaid Taxes	A-13	158,701.09	192,136.81
County Taxes Payable	A-14	17,805.79	7,046.75
Regional High School Tax Payable	A-15	1,001,022.20	1,044,327.81
Accounts Payable	A-17	3,998.75	10,048.99
Various Reserves	A-18	304,583.77	304,667.77
Due to State of New Jersey, Chap. 20 P.L. 1971	A-9	429.45	500.00
Prepaid Beach Badges	A-4	17,132.00	
Special Emergency Notes Payable	A-4	1,500,000.00	
Reserve for Tax Appeals	A-1	50,000.00	
Reserve for Special Emergency	A-4	43,713.75	
Interfund - Federal and State Grant Fund	A-19	61,963.52	97,703.76
Interfunds Payable	A-20		6,795.14
		<u>5,159,121.84</u>	<u>2,323,621.67</u>
Reserve for Receivables and Other Assets	A	550,697.60	350,322.46
Fund Balance	A-1	<u>1,468,819.57</u>	<u>1,653,703.54</u>
		<u>7,178,639.01</u>	<u>4,327,647.67</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-23	112,542.78	153,891.70
Reserve for Encumbrances	A-24	6,574.88	510.24
		<u>119,117.66</u>	<u>154,401.94</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 7,297,756.67</u>	<u>\$ 4,482,049.61</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 1,021,384.88	\$ 343,350.00
Miscellaneous Revenue Anticipated	A-2	3,632,235.00	3,405,305.90
Receipts from Delinquent Taxes	A-2	296,347.49	376,809.11
Receipts from Current Taxes	A-2	14,090,655.00	14,231,848.29
Non-Budget Revenues	A-2	137,261.06	107,408.98
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	358,962.40	292,194.40
Grants Appropriated Canceled	A-19	60,991.41	83,208.50
Tax Overpayments Canceled	A-12	6.95	
Employee Payroll Advance Returned	A	18,614.08	
Statutory Dog Excess	A-20	237.20	
Due to State - P.L. 1971, C.20 Canceled	A-9	500.00	
Interfunds Returned			19,565.28
Total Revenue		<u>19,617,195.47</u>	<u>18,859,690.46</u>
Expenditures:			
Budget Appropriations Within Caps:			
Operations:			
Salaries and Wages	A-3	3,658,067.00	3,498,645.00
Other Expenses	A-3	4,822,180.00	3,107,318.65
Deferred Charges and Statutory Expenditures	A-3	806,621.00	812,041.53
Budget Appropriations Excluded from Caps:			
Operations:			
Other Expenses	A-3	372,158.61	410,825.93
Capital Improvements	A-3	108,025.00	89,000.00
Municipal Debt Service	A-3	719,806.21	414,908.92
Deferred Charges	A-3	16,699.00	28,699.00
Judgments	A-3	144,158.25	
		<u>10,647,715.07</u>	<u>8,361,439.03</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
County Taxes	A-14	\$ 4,559,196.47	\$ 4,373,965.13
Amount Due County for Added and Omitted Taxes	A-14	17,805.79	7,046.75
Regional High School Tax	A-15	4,321,491.27	4,434,549.27
Local District School Tax	A-16	705,600.00	806,169.00
Grants Receivable Canceled	A-19	26,720.28	58,464.49
Prior Year Tax Revenue Refunded			3,444.68
Employee Payroll Advance			18,614.08
Refund Prior Year's Revenue			389.16
Reserve for Tax Appeals	A	50,000.00	
Interfunds Advanced	A-20	<u>3,823.93</u>	
Total Expenditures		<u>20,332,352.81</u>	<u>18,064,081.59</u>
Excess/(Deficit) in Revenue		(715,157.34)	795,608.87
Add:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Year:			
Special Emergency Authorization	A-8	1,500,000.00	
Emergency Authorization	A-6	<u>51,658.25</u>	
Statutory Excess to Fund Balance		836,500.91	795,608.87
Fund Balance January 1	A	<u>1,653,703.54</u>	<u>1,201,444.67</u>
		2,490,204.45	1,997,053.54
Decreased by:			
Utilized as Anticipated Revenue	A-1/A-2	<u>1,021,384.88</u>	<u>343,350.00</u>
Fund Balance December 31	A	<u>\$ 1,468,819.57</u>	<u>\$ 1,653,703.54</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special N.J.S.A. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 1,021,384.88		\$ 1,021,384.88	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-7	9,000.00		10,230.00	\$ 1,230.00
Other	A-2/A-7	30,000.00		27,928.00	(2,072.00)
Fees and Permits	A-2/A-7	123,900.00		136,742.61	12,842.61
Fines and Costs:					
Municipal Court	A-7	400,000.00		760,778.40	360,778.40
Interest and Costs on Taxes	A-7	70,000.00		67,384.95	(2,615.05)
Parking Meters	A-7	450,000.00		453,941.31	3,941.31
Interest on Investments and Deposits	A-7	11,825.00		8,264.88	(3,560.12)
Anticipated Utility Operating Surplus	A-7	50,000.00		50,000.00	
Beach Badges	A-7	1,600,000.00		1,623,110.05	23,110.05
Fire Protection Contract	A-7	26,520.00		25,949.25	(570.75)
Bathhouse Leases/Consignments	A-7	25,001.00		25,001.00	
Cable Television Franchise Fees	A-7	17,830.00		17,830.00	
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	A-7	206,517.00		206,517.00	
Uniform Construction Code Fees	A-7	11,000.00		9,712.32	(1,287.68)
Recycling Tonnage Grant	A-21		\$ 6,336.88	6,336.88	
Clean Communities Program	A-21		8,492.33	8,492.33	

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special N.J.S.A. 40A:4-87		
Municipal Alliance on Alcoholism and Drug Abuse	A-21	\$ 6,000.00		\$ 6,000.00	
Ocean County "Circle of Life" Barnegat Bay Sewerage Pump Out Vessel Program	A-21	40,000.00	\$ 10,000.00	50,000.00	
Energy Efficiency and Conservation Block Grant	A-21	36,290.10		36,290.10	
Reserve for Payment of Bonds	A-7	100,000.00		100,000.00	
NJ Body Armor Fund	A-21		1,725.92	1,725.92	
Total Miscellaneous Revenues	A-1	3,213,883.10	26,555.13	3,632,235.00	\$ 391,796.77
Receipts from Delinquent Taxes	A-1/A-2	296,997.47		296,347.49	(649.98)
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	4,532,265.45	26,555.13	4,949,967.37	391,146.79
Non-Budget Revenues	A-1/A-2	4,993,000.00		4,947,906.44	(45,093.56)
		9,525,265.45	26,555.13	9,897,873.81	346,053.23
				137,261.06	137,261.06
Total		\$ 9,525,265.45	\$ 26,555.13	\$ 10,035,134.87	\$ 483,314.29
	Ref.	A-3	A-3		

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2012

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Revenue from Collections	A-1/A-5	\$ 14,090,655.00
Allocated to School and County Taxes	A-5	<u>9,597,493.53</u>
Balance for Support of Municipal Budget Appropriations		4,493,161.47
Add:		
Reserve for Uncollected Taxes	A-3	<u>454,744.97</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 4,947,906.44</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-2/A-5	<u>\$ 296,347.49</u>
Analysis of Licenses - Other:		
Clerk		\$ 11,323.00
Code Enforcement		<u>16,605.00</u>
	A-2	<u>\$ 27,928.00</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2012

Analysis of Realized Revenues (Continued)

Fees and Permits Other:

Clerk	\$	375.16
Code Enforcement - Rental Permits		66,625.00
Code Enforcement - Other		8,800.00
DPW - Natural Gas Opening Permits		3,450.00
DPW - Bulk Trash Fees		6,975.00
DPW - Other		9,975.50
Planning and Zoning		20,785.00
Police		946.95
Boat Ramp Fees		<u>18,810.00</u>
A-2	\$	<u>136,742.61</u>

Analysis of Non-Budget Revenues:

Clerk	\$	568.25
NSF Check Fees		160.00
Code Enforcement		105.38
Police		2,090.73
Crossing Guard Reimbursement		21,000.00
Homestead Rebate - Administrative Fee		163.20
Police Off-Duty Administrative Fee		48,771.98
Ocean County Recycling Revenue Sharing		10,352.49
FEMA Prior Years		9,956.53
Senior and Veteran Administrative Fee		680.00
Cancel Stale Dated Checks		2,066.83
Snack Bar Lease		12,500.00
Beautification Committee Donations		7,700.00
Insurance Reimbursement		9,085.77
DMV Inspection Fines		11,332.00
Other		<u>727.90</u>
A-2	\$	<u>137,261.06</u>
Cash Receipts	A-4	\$ 119,784.05
Interfunds	A-20	<u>17,477.01</u>
A-2	\$	<u>137,261.06</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Appropriated</u>		<u>Expended</u>	
	Budget	Budget After Modification	Paid or Charged	Reserved
				Unexpended Balance Canceled
<u>Operations Within CAPS</u>				
General Government:				
Administrative and Executive				
Salaries and Wages	\$ 131,226.00	\$ 133,826.00	\$ 132,870.50	\$ 955.50
Other Expenses	68,655.00	68,655.00	64,584.33	4,070.67
Mayor and Council				
Salaries and Wages	37,700.00	37,700.00	32,365.07	5,334.93
Other Expenses	5,300.00	5,300.00	4,155.85	1,144.15
Financial Administration				
Salaries and Wages	74,228.00	79,428.00	79,247.96	180.04
Other Expenses	19,000.00	19,000.00	9,235.27	9,764.73
Audit Services				
Other Expenses	25,000.00	25,000.00	24,048.87	951.13
Revenue Administration (Tax Collection)				
Salaries and Wages	24,982.00	24,982.00	22,320.48	2,661.52
Other Expenses	7,000.00	7,000.00	6,176.55	823.45
Tax Assessment Administration				
Salaries and Wages	15,851.00	16,101.00	16,006.13	94.87
Other Expenses	49,000.00	49,000.00	7,104.95	41,895.05
Legal Services				
Other Expenses	335,000.00	335,000.00	261,344.16	73,655.84
Engineering Services				
Other Expenses	50,000.00	50,000.00	21,103.30	28,896.70

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Land Use Administration:					
Planning Board:					
Other Expenses	\$ 21,900.00	\$ 21,900.00	\$ 11,282.92	\$ 10,617.08	
Zoning Board of Adjustment					
Salaries & Wages	1,000.00	1,000.00		1,000.00	
Other Expenses	16,100.00	16,100.00	13,989.35	2,110.65	
Insurances					
General Liability Insurance	334,525.00	334,525.00	321,222.50	13,302.50	
Workers Compensation Insurance	223,799.00	223,799.00	220,161.22	3,637.78	
Employee Group Insurance	637,003.00	637,003.00	609,028.70	27,974.30	
Other	50,067.00	50,067.00	43,432.53	6,634.47	
Health Benefit Waiver	5,000.00	5,000.00	5,000.00		
Public Safety Functions:					
Police					
Salaries and Wages	1,709,263.00	1,684,263.00	1,678,938.76	5,324.24	
Other Expenses	220,786.00	220,786.00	212,776.09	8,009.91	
Office of Emergency Management					
Salaries and Wages	5,000.00	5,000.00	5,000.00		
Other Expenses	4,000.00	4,000.00	990.35	3,009.65	
Aid to Volunteer Ambulance Service					
Other Expenses	30,000.00	30,000.00	30,000.00		
Fire Department					
Other Expenses - Hydrant Service	7,500.00	7,500.00	7,500.00		
Other Expenses - Clothing Allowance	16,000.00	17,250.00	17,250.00		
Other Expenses - Miscellaneous	69,800.00	68,550.00	50,279.62	18,270.38	
Municipal Prosecutor's Office					
Other Expenses	30,000.00	30,000.00	30,000.00		

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
Municipal Court					
Salaries and Wages	\$ 204,268.00	\$ 204,268.00	\$ 203,238.85	\$ 1,029.15	
Other Expenses	18,740.00	21,240.00	20,085.00	1,155.00	
Public Defender					
Other Expenses	15,000.00	15,000.00	11,129.36	3,870.64	
Streets and Road Maintenance					
Other Expenses	7,500.00	2,500.00	1,533.12	966.88	
Public Works					
Salaries and Wages	821,098.00	795,998.00	774,487.02	21,510.98	
Other Expenses	47,100.00	47,100.00	22,913.46	24,186.54	
Recycling Program					
Other Expenses	2,500.00	2,500.00	2,200.95	299.05	
Public Buildings and Grounds Maintenance					
Other Expenses	120,000.00	120,000.00	59,739.01	60,260.99	
Vehicle Maintenance					
Other Expenses	110,000.00	110,000.00	81,664.84	28,335.16	
Parking Meter Maintenance					
Salaries and Wages	44,108.00	44,108.00	39,699.13	4,408.87	
Other Expenses	116,600.00	116,600.00	115,172.86	1,427.14	
Health and Human Services					
Environmental Committee					
Other Expenses	5,000.00	5,000.00	2,576.57	2,423.43	
Animal Control Services					
Other Expenses	900.00	900.00		900.00	
Administration of Public Assistance					
Salaries and Wages	8,051.00	8,051.00	7,667.92	383.08	
Other Expenses	75.00	75.00		75.00	

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Aid to Domestic Violence Shelter (N.J.S.A. 14-11)	\$	\$	\$		
Other Expenses	800.00	800.00	800.00		
Park and Recreation Functions:					
Recreation					
Salaries and Wages	15,000.00	15,000.00	9,692.02	5,307.98	
Other Expenses	11,700.00	9,200.00	2,812.52	6,387.48	
Seasonal Beach Operations					
Salaries and Wages:					
Beach Patrol	260,000.00	282,200.00	282,182.55	17.45	
Beach Control	145,500.00	157,850.00	157,818.06	31.94	
Other Expenses:					
Beach Patrol	34,100.00	34,100.00	25,271.15	8,828.85	
Beach Control	27,200.00	29,700.00	27,269.35	2,430.65	
Beach Clean Up	5,000.00	5,000.00	576.00	4,424.00	
Beach Bathroom Operations					
Other Expenses	3,000.00	3,000.00	2,045.30	954.70	
Beach, Bayfront, Boardwalk and Dock Maintenance					
Other Expenses	30,000.00	30,000.00	19,927.72	10,072.28	
Other Common Operating Functions:					
Accumulated Leave Compensation					
Salaries and Wages	33,048.00	33,048.00	33,047.15	0.85	
Special Emergency- Hurricane Sandy		1,500,000.00	845,403.07	654,596.93	

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Uniform Construction Code - Appropriations					
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):					
Code Enforcement and Construction	\$ 135,244.00	\$ 135,244.00	\$ 127,800.71	\$ 7,443.29	
Salaries and Wages	15,330.00	15,330.00	5,304.46	10,025.54	
Other Expenses					
Unclassified:					
Utility Expenses:					
Electricity	99,000.00	99,000.00	67,821.14	31,178.86	
Street Lighting	70,000.00	70,000.00	68,483.34	1,516.66	
Telephone	62,100.00	72,100.00	62,521.01	9,578.99	
Natural Gas	31,000.00	31,000.00	25,306.41	5,693.59	
Gasoline	115,600.00	115,600.00	111,110.62	4,489.38	
Solid Waste Disposal Costs:					
Garbage and Trash Removal					
Other Expenses	140,000.00	140,000.00	137,000.00	3,000.00	
Total Operations Within CAPS	6,979,247.00	8,479,247.00	7,291,716.13	1,187,530.87	
Contingent	1,000.00	1,000.00		1,000.00	
Total Operations Including Contingent Within CAPS	6,980,247.00	8,480,247.00	7,291,716.13	1,188,530.87	
Detail:					
Salaries and Wages	3,665,567.00	3,658,067.00	3,602,382.31	55,684.69	
Other Expenses	3,314,680.00	4,822,180.00	3,689,333.82	1,132,846.18	

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Appropriated</u>		<u>Expended</u>	<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	
<u>Deferred Charges and Statutory Expenditures Within CAPS</u>				
Statutory Expenditures:				
Public Employees' Retirement System	\$ 174,418.00	\$ 174,418.00	\$ 162,105.00	\$ 12,313.00
Social Security System (O.A.S.I.)	278,959.00	278,959.00	261,715.78	17,243.22
Police & Firemen's Retirement System	313,596.00	313,596.00	313,415.00	181.00
Unemployment Insurance	38,648.00	38,648.00	32,145.10	6,502.90
Defined Contribution Retirement Program	1,000.00	1,000.00	174.00	826.00
Deferred Charges and Statutory Expenditures Within CAPS	806,621.00	806,621.00	769,554.88	37,066.12
Total Appropriations Within CAPS	7,786,868.00	9,286,868.00	8,061,271.01	1,225,596.99
<u>Operations Excluded from CAPS</u>				
LOSAP				
Other Expenses	30,000.00	30,000.00		30,000.00
Interlocal Municipal Service Agreements:				
Seaside Heights Borough - Transportation	5,000.00	5,000.00	5,000.00	
Berkeley Township - Animal Control Service	6,292.38	6,292.38	6,292.38	
Ocean County:				
Board of Health - Animal Shelter Services	800.00	800.00	800.00	
Road Department - Road Materials and Paving	12,000.00	12,000.00	3,370.00	8,630.00
Fire/Police - 911 Dispatch Services	168,621.00	168,621.00	168,621.00	
Long Beach Township Mobile Data Terminals	600.00	600.00	600.00	
Seaside Park Board of Education - Janitorial	6,000.00	6,000.00		6,000.00
Central Regional School - Technology/Energy	15,500.00	15,500.00	15,500.00	
Berkeley Township Flood Plain Manager	15,000.00	15,000.00	15,000.00	
Manchester Township - Firearms Range	2,000.00	2,000.00	2,000.00	

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Appropriated	Paid or	Expended	Unexpended
	Budget	Budget After Modification	Charged	Balance Canceled
Public and Private Programs Offset by Revenues:				
Clean Communities Grant	\$	8,492.33	\$ 8,492.33	
Municipal Alliance on Alcoholism and Drug Abuse				
State Share	6,000.00	6,000.00	6,000.00	
Local Share	1,500.00	1,500.00	1,500.00	
Energy Efficiency and Conservation Block Grant	36,290.10	36,290.10	36,290.10	
Ocean County "Circle of Life" Barnegat Bay				
Sewerage Pump Out Vessel Program	40,000.00	50,000.00	50,000.00	
N.J. Recycling Tonnage Grant		6,336.88	6,336.88	
NJ Body Armor Fund		1,725.92	1,725.92	
Total Operations - Excluded from CAPS	345,603.48	372,158.61	\$ 327,528.61	\$ 44,630.00
Detail:				
Salaries and Wages				
Other Expenses	345,603.48	372,158.61	327,528.61	44,630.00
Capital Improvements Excluded from CAPS				
Capital Improvement Fund	108,025.00	108,025.00	108,025.00	
Total Capital Improvements Excluded from CAPS	108,025.00	108,025.00	108,025.00	
Municipal Debt Service Excluded from CAPS				
Payment of Bond Principal	202,600.00	202,600.00	202,566.00	\$ 34.00
Payment of Bond Anticipation Notes and Capital Notes				
Interest on Bonds	283,225.00	283,225.00	283,225.00	
Interest on Notes	114,000.00	114,000.00	113,377.13	622.87
Green Trust Loan Program	32,000.00	32,000.00	31,908.51	91.49
Loan Repayments for Principal and Interest	89,000.00	89,000.00	88,729.57	270.43
Total Municipal Debt Service Excluded from CAPS	720,825.00	720,825.00	719,806.21	1,018.79

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Appropriated		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification			Reserved	
<u>Deferred Charges - Municipal Excluded from CAPS</u>						
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	\$ 16,699.00	\$ 16,699.00	\$ 16,699.00			
Total Deferred Charges - Municipal Excluded from "CAPS"	16,699.00	16,699.00	16,699.00			
Judgments (N.J.S.A. 40A:4-453cc)	92,500.00	144,158.25	144,158.25			
Total General Appropriations Excluded from CAPS	1,283,652.48	1,361,865.86	1,316,217.07	\$ 44,630.00	\$ 1,018.79	
Subtotal General Appropriations Reserve for Uncollected Taxes	9,070,520.48 454,744.97	10,648,733.86 454,744.97	9,377,488.08 454,744.97	1,270,226.99	1,018.79	
Total General Appropriations	\$ 9,525,265.45	\$ 11,103,478.83	\$ 9,832,233.05	\$ 1,270,226.99	\$ 1,018.79	
Ref.	A-2	A-3	A-1	A/A-1		

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Ref.</u>	<u>Budget After Modification</u>
Budget	A-2	\$ 9,525,265.45
Added by N.J.S. 40A:4-87	A-2	26,555.13
Added by N.J.S. 40A:4-55	A-8	1,500,000.00
Added by N.J.S. 40A:4-48	A-6	<u>51,658.25</u>
	A-3	<u>\$ 11,103,478.83</u>
		<u>Paid or Charged</u>
Cash Disbursements	A-4	\$ 8,531,784.70
Reserve for Encumbrances	A-11	718,659.15
Appropriated Reserves for		
Federal and State Grants	A-19/A-23	110,345.23
Reserve for Uncollected Taxes	A-2	454,744.97
Deferred Charges - Special Emergencies	A-8	<u>16,699.00</u>
	A-3	<u>\$ 9,832,233.05</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
ASSETS			
Assessment Trust Fund:			
Cash	B-2	\$ 93,667.25	\$ 93,668.02
Animal Control Trust Fund:			
Cash	B-2	1,049.80	687.81
Trust Other Fund:			
Cash	B-2	334,483.78	279,238.48
Interfund - Marina Operating	B-2	334,483.78	114.45
		<u>334,483.78</u>	<u>279,352.93</u>
Length of Service Awards Program (LOSAP)-UNAUDITED:			
Funds Held by Trustee	B-6	207,918.42	166,264.91
Total Assets		<u>\$ 637,119.25</u>	<u>\$ 539,973.67</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Assessment Trust Fund:			
Interfund - Current Fund	B-7		\$ 0.77
Fund Balance	B-1	\$ 93,667.25	93,667.25
		<u>93,667.25</u>	<u>93,668.02</u>
Animal Control Trust Fund:			
Interfund - Current Fund	B-9	237.20	0.01
Due to State of New Jersey	B-4	10.20	6.60
Reserve for Animal Control Expenditures	B-10	802.40	681.20
		<u>1,049.80</u>	<u>687.81</u>
Trust Other Fund:			
Interfund - Current Fund	B-5	12,953.70	13.60
Sales Tax Payable	B-8	539.70	114.45
Various Reserves	B-11	320,990.38	279,224.88
		<u>334,483.78</u>	<u>279,352.93</u>
Length of Service Awards Program (LOSAP)-UNAUDITED:			
Reserve for Length of Service Awards Program	B-12	207,918.42	166,264.91
Total Liabilities, Reserves and Fund Balance		<u>\$ 637,119.25</u>	<u>\$ 539,973.67</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND
STATEMENT OF FUND BALANCE - ASSESSMENT TRUST FUND
REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Ref.</u>	
Balance, December 31, 2011 and 2012	B	\$ <u>93,667.25</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Cash	C-2	\$ 1,361,402.88	\$ 1,828,510.52
Grants Receivable	C-6		87,385.57
Deferred Charges to Future Taxation:			
Funded	C-4	3,528,306.47	3,804,011.72
Unfunded	C-5	<u>3,416,194.37</u>	<u>3,720,855.19</u>
		\$ <u>8,305,903.72</u>	\$ <u>9,440,763.00</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds	C-8	\$ 2,803,736.00	\$ 3,006,302.00
Bond Anticipation Notes	C-9	2,784,500.00	2,519,500.00
Green Trust Loans Payable	C-10	724,570.47	797,709.72
Interfund - Current Fund	C-7		15.03
Reserve for Encumbrances	C-11	103,400.62	949,952.10
Improvement Authorizations:			
Funded	C-11	110,309.31	150,843.02
Unfunded	C-11	1,404,505.68	1,489,745.33
Capital Improvement Fund	C-12	53,557.50	53,557.50
Reserve for Preliminary Improvement Costs	C-13	11,419.94	16,675.31
Reserve for Grants Receivable	C-14		87,385.57
Reserve to Pay Bonds	C-2	114,505.60	214,505.60
Fund Balance	C-1	<u>195,398.60</u>	<u>154,571.82</u>
		\$ <u>8,305,903.72</u>	\$ <u>9,440,763.00</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$ 631,694.37
 (Exhibit C-15)

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 154,571.82
Increased by:		
Improvement Authorizations Canceled	C-11	<u>40,826.78</u>
Balance, December 31, 2012	C	\$ <u>195,398.60</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	Ref.	2012	2011
ASSETS			
<u>Operating Fund</u>			
Cash	D-5	\$ 2,345,289.47	\$ 1,583,239.22
Change Fund	D	200.00	200.00
Interfunds Receivable	D-11		9.82
		<u>2,345,489.47</u>	<u>1,583,449.04</u>
Receivables and Other Assets with Full Reserves:			
Consumer Accounts Receivable	D-7	<u>361,841.82</u>	<u>363,273.83</u>
Deferred Charges:			
Special Emergency Authorization	D-8	<u>500,000.00</u>	
Total Operating Fund		<u>3,207,331.29</u>	<u>1,946,722.87</u>
<u>Capital Fund</u>			
Cash	D-5	1,399,866.09	971,947.80
Due from New Jersey Environmental Infrastructure Trust			
Fund	D-9	3,305,951.00	1,165,026.00
Performance Deposit - N.J. DOT		50,000.00	50,000.00
Performance Deposit - Ocean County Utilities Authority	D-5	2,000.00	
Fixed Capital	D-18	7,788,297.01	7,748,681.01
Fixed Capital Authorized and Uncompleted	D-19	<u>18,584,275.00</u>	<u>17,281,275.00</u>
Total Capital Fund		<u>31,130,389.10</u>	<u>27,216,929.81</u>
Total Assets		<u>\$ 34,337,720.39</u>	<u>\$ 29,163,652.68</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
LIABILITIES, RESERVES AND FUND BALANCE			
<u>Operating Fund</u>			
Appropriation Reserves	D-4/D-12	\$ 538,635.47	\$ 70,430.07
Reserve for Encumbrances	D-13	122,881.70	54,515.04
Customer Overpayments	D-14	4,257.90	4,744.06
Interfunds Payable	D-11		11,071.28
Accrued Interest on Bonds, Notes and Loans	D-15	122,095.03	98,652.51
Accounts Payable	D-16	3,236.00	
Special Emergency Notes Payable	D-17	500,000.00	
		<u>1,291,106.10</u>	<u>239,412.96</u>
Reserve for Receivables and Other Assets	D	361,841.82	363,273.83
Fund Balance	D-1	<u>1,554,383.37</u>	<u>1,344,036.08</u>
Total Operating Fund		<u>3,207,331.29</u>	<u>1,946,722.87</u>
<u>Capital Fund</u>			
Bond Anticipation Notes	D-21	966,275.00	1,231,275.00
Serial Bonds	D-22	2,252,168.00	2,414,876.00
State of New Jersey			
Environmental Infrastructure Loan Payable	D-23	9,865,141.28	6,950,642.62
Improvement Authorizations:			
Funded	D-24	464,561.23	464,561.23
Unfunded	D-24	1,985,096.00	8,203,750.15
Reserve for Encumbrances	D-24	6,645,026.83	807,260.57
Capital Improvement Fund	D-25	111,480.00	11,480.00
Interfunds Payable	D-20		9.82
Reserve for Capital Project - Phase II	D-5	156,960.00	712,960.00
Reserve for Preliminary Expenses	D-10	885.00	885.00
Reserve for Amortization	D-26	5,536,129.01	5,333,805.01
Deferred Reserve for Amortization	D-27	2,305,566.72	1,006,321.38
Reserve for Debt Service	D	34,077.92	34,077.92
Reserve for Receivable - Loan Forgiveness	D	761,997.00	
Fund Balance	D-2	<u>45,025.11</u>	<u>45,025.11</u>
Total Capital Fund		<u>31,130,389.10</u>	<u>27,216,929.81</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 34,337,720.39</u>	<u>\$ 29,163,652.68</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$ 4,685,295.00
(Exhibit D-28)

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-1		\$ 43,074.00
Water - Sewer Rents	D-3	\$ 2,744,105.53	3,130,900.37
Fire Hydrant Service	D-3	7,500.00	7,500.00
Elevated Tank Lease	D-3	206,673.67	212,976.96
Miscellaneous	D-3	46,910.85	61,185.62
Capital Reserve for Phase II Project	D-3	556,000.00	
Other Credits to Income:			
Lawsuit Settlement - Phase I			32,500.00
Customer Overpayments Canceled	D-14	1.83	1.72
Unexpended Balance of Appropriation Reserves	D-12	<u>72,505.01</u>	<u>164,712.35</u>
Total Revenue		<u>3,633,696.89</u>	<u>3,652,851.02</u>
Expenditures:			
Operating	D-4	2,246,172.00	1,841,777.00
Capital Improvements	D-4	135,000.00	356,480.00
Debt Service	D-4	1,483,125.60	790,755.94
Deferred Charges and Statutory Expenditures	D-4	<u>59,052.00</u>	<u>59,070.00</u>
Total Expenditures		<u>3,923,349.60</u>	<u>3,048,082.94</u>
Excess / (Deficit) in Revenue		(289,652.71)	604,768.08
Add:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years:			
Special Emergency Authorization	D-8	<u>500,000.00</u>	
Statutory Excess to Fund Balance		210,347.29	604,768.08
Fund Balance January 1	D	<u>1,344,036.08</u>	<u>782,342.00</u>
		1,554,383.37	1,387,110.08
Decreased by:			
Utilization as Anticipated Revenue	D-1	<u></u>	<u>43,074.00</u>
Fund Balance December 31	D	<u>\$ 1,554,383.37</u>	<u>\$ 1,344,036.08</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance, December 31, 2011 and 2012	D	\$ <u>45,025.11</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Water - Sewer Rents	D-1/D-3	\$ 2,700,000.00	\$ 2,744,105.53	\$ 44,105.53
Fire Hydrant Service	D-1/D-5	7,500.00	7,500.00	
Elevated Tank Lease	D-1/D-5	185,674.00	206,673.67	20,999.67
Miscellaneous	D-1/D-3	32,500.00	46,910.85	14,410.85
Capital Reserve for Phase II Project	D-1/D-5	556,000.00	556,000.00	
		<u>\$ 3,481,674.00</u>	<u>\$ 3,561,190.05</u>	<u>\$ 79,516.05</u>

Ref. D-4

Analysis of Water - Sewer Rents:

Collections	D-7	\$ 2,739,361.47
Overpayments Applied	D-7	<u>4,744.06</u>
	D-3	<u>\$ 2,744,105.53</u>

Analysis of Miscellaneous Revenue:

Interest on Investments and Deposits		\$ 4,057.53
Water Tap Fees		2,050.00
Service Disconnect		600.00
Interest on Delinquent Accounts		30,817.70
Sewer Lateral Fees		860.00
Contribution from Marina		6,000.00
NSF Fees		40.00
Termination of Service		1,100.00
Fire Hydrant Water Fee		<u>1,385.62</u>
	D-3/D-5	<u>\$ 46,910.85</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Operating:					
Salaries and Wages	\$ 291,100.00	\$ 311,100.00	\$ 310,899.63	\$ 200.37	
Other Expenses	485,072.00	464,572.00	407,150.37	57,421.63	
Ocean County Utilities Authority	970,500.00	970,500.00	849,247.50	121,252.50	
Special Emergency - Hurricane Sandy		500,000.00	140,831.81	359,168.19	
Capital Improvements:					
Capital Improvement Fund	135,000.00	135,000.00	135,000.00		
Debt Service:					\$ 42.00
Payment of Bond Principal	162,750.00	162,750.00	162,708.00		
Payment of Bond Anticipation Notes and Capital Notes	575,000.00	575,000.00	575,000.00		553.85
Interest on Bonds	90,000.00	90,000.00	89,446.15		19,568.93
Interest on Notes	35,000.00	35,000.00	15,431.07		38,159.62
NJEIT - Loan Principal	472,700.00	469,956.96	431,797.34		
NJEIT - Loan Interest	206,000.00	208,743.04	208,743.04		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	31,564.00	31,564.00	31,564.00		
Social Security System (O.A.S.I.)	24,000.00	24,500.00	23,907.22	592.78	
Unemployment Compensation Insurance	2,988.00	2,988.00	2,988.00		
	<u>\$ 3,481,674.00</u>	<u>\$ 3,981,674.00</u>	<u>\$ 3,384,714.13</u>	<u>\$ 538,635.47</u>	<u>\$ 58,324.40</u>
Ref.	D-3/D-4	D-4	D-1	D/D-1	
Analysis of Budget After Modification:					
Adopted Budget		\$ 3,481,674.00			
Special Emergency Authorization		<u>500,000.00</u>			
		<u>\$ 3,981,674.00</u>			
Analysis of Paid or Charged:					
Cash Disbursements			\$ 2,948,212.17		
Reserve for Encumbrances			122,881.70		
Accrued Interest on Bonds, Notes and Loans			<u>313,620.26</u>		
			<u>\$ 3,384,714.13</u>		

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
ASSETS			
<u>Operating Fund</u>			
Cash	E-4	\$ 380,833.01	\$ 418,100.15
Change Fund		200.00	200.00
Interfunds Receivable	E-8		1.26
Total Operating Fund		<u>381,033.01</u>	<u>418,301.41</u>
<u>Capital Fund</u>			
Cash	E-4	132,146.39	154,251.75
Fixed Capital	E-9	2,355,994.96	2,348,395.96
Fixed Capital Authorized and Uncompleted	E-10	<u>999,424.73</u>	<u>714,424.73</u>
Total Capital Fund		<u>3,487,566.08</u>	<u>3,217,072.44</u>
Total Assets		<u>\$ 3,868,599.09</u>	<u>\$ 3,635,373.85</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
LIABILITIES, RESERVES AND FUND BALANCE			
<u>Operating Fund</u>			
Appropriation Reserves	E-3/E-11	\$ 51,917.82	\$ 42,760.80
Reserve for Encumbrances	E-12	5,490.77	1,471.67
Prepaid Slip Rental Fees	E-7	126,941.05	183,912.02
Interfunds Payable	E-8		649.74
Accrued Interest on Bonds and Loans	E-14	5,970.40	6,369.77
		<u>190,320.04</u>	<u>235,164.00</u>
Fund Balance	E-1	<u>190,712.97</u>	<u>183,137.41</u>
Total Operating Fund		<u>381,033.01</u>	<u>418,301.41</u>
<u>Capital Fund</u>			
Green Trust Loans Payable	E-13	881,156.99	964,585.76
Serial Bonds	E-15	342,096.00	366,822.00
Improvement Authorizations:			
Funded	E-16	46,954.89	47,234.89
Unfunded	E-16	284,535.00	500.00
Reserve for Encumbrances	E-16	11,581.05	52,440.15
Capital Improvement Fund	E-17	74,575.45	54,575.45
Reserve for Amortization	E-18	1,474,837.97	1,383,810.20
Deferred Reserve for Amortization	E-20	371,828.73	347,102.73
Interfund - Marina Operating	E-19		1.26
		<u>3,487,566.08</u>	<u>3,217,072.44</u>
Total Capital Fund		<u>3,487,566.08</u>	<u>3,217,072.44</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 3,868,599.09</u>	<u>\$ 3,635,373.85</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$285,500.00
(Exhibit E-21)

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	E-2	\$ 103,942.00	\$ 118,562.00
Boat Slip Rental Fees	E-2	346,574.03	324,964.49
Miscellaneous Anticipated	E-2	32,838.00	34,647.75
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-11	<u>41,370.98</u>	<u>19,161.10</u>
Total Revenue		<u>524,725.01</u>	<u>497,335.34</u>
Expenditures:			
Operating	E-3	176,978.00	186,264.00
Capital Improvements	E-3	36,000.00	
Debt Service	E-3	140,465.45	141,210.23
Deferred Charges and Statutory Expenditures	E-3	9,764.00	8,552.00
Surplus (General Budget)	E-3	<u>50,000.00</u>	<u>70,000.00</u>
Total Expenditures		<u>413,207.45</u>	<u>406,026.23</u>
Excess in Revenue		111,517.56	91,309.11
Fund Balance January 1	E	<u>183,137.41</u>	<u>210,390.30</u>
		294,654.97	301,699.41
Decreased by:			
Utilization as Anticipated Revenue	E-1/E-2	<u>103,942.00</u>	<u>118,562.00</u>
Fund Balance December 31	E	<u>\$ 190,712.97</u>	<u>\$ 183,137.41</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	E-1	\$ 103,942.00	\$ 103,942.00	
Boat Slip Rental Fees	E-1/E-6	290,000.00	346,574.03	\$ 56,574.03
Miscellaneous	E-1/E-2/E-4	<u>20,000.00</u>	<u>32,838.00</u>	<u>12,838.00</u>
		\$ <u>413,942.00</u>	\$ <u>483,354.03</u>	\$ <u>69,412.03</u>
	<u>Ref.</u>	<u>E-3</u>		
<u>Analysis of Miscellaneous Revenue</u>				
Interest on Deposits			\$ 814.00	
Summer Storage			17,338.75	
Winter Storage			8,635.25	
Pump Out Boat - Office of Shellfish Management			3,000.00	
Insurance Reimbursement			2,500.00	
Other			<u>550.00</u>	
	E-2		\$ <u>32,838.00</u>	

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Appropriated</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>
Operating:					
Salaries and Wages	\$ 62,249.00	\$ 62,249.00	\$ 52,685.51	\$ 9,563.49	
Other Expenses	114,729.00	114,729.00	81,827.07	32,901.93	
Capital Improvements					
Capital Improvement Fund	20,000.00	20,000.00	20,000.00		
Capital Outlay	16,000.00	16,000.00	7,599.00	8,401.00	
Debt Service:					
Payment of Bond Principal	24,800.00	24,800.00	24,726.00		\$ 74.00
Interest on Bonds	13,900.00	13,900.00	13,586.14		313.86
Green Trust Loan Program	102,500.00	102,500.00	102,153.31		346.69
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	4,127.00	4,127.00	4,127.00		
Social Security System (O.A.S.I.)	5,000.00	5,000.00	3,948.60	1,051.40	
Unemployment Compensation Insurance	637.00	637.00	637.00		
Surplus (General Budget)	50,000.00	50,000.00	50,000.00		
	<u>\$ 413,942.00</u>	<u>\$ 413,942.00</u>	<u>\$ 361,289.63</u>	<u>\$ 51,917.82</u>	<u>\$ 734.55</u>
	Ref.	E-2	E-1	E/E1	
Analysis of Paid or Charged:					
Cash Disbursements			\$ 323,488.18		
Reserve for Encumbrances			5,490.77		
Accrued Interest on Bonds and Loans			<u>32,310.68</u>		
			<u>\$ 361,289.63</u>		

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

PAYROLL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>2012</u>	<u>2011</u>
Cash	\$ 52,913.77	\$ 52,045.94
Interfund - Current Fund		6,795.14
Interfund - Water/Sewer Utility Operating Fund		2,268.08
Interfund - Marina Utility Operating Fund		0.93
	<u>\$ 52,913.77</u>	<u>\$ 61,110.09</u>
 LIABILITIES		
Due to Various Agencies	\$ 33,954.86	\$ 36,814.81
Miscellaneous	<u>18,958.91</u>	<u>24,295.28</u>
	<u>\$ 52,913.77</u>	<u>\$ 61,110.09</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

PUBLIC ASSISTANCE TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
ASSETS			
Cash	G-1	\$ 20,319.98	\$ 3,937.50
State Aid Receivable	G-3	<u> </u>	<u>6,882.66</u>
		\$ <u>20,319.98</u>	\$ <u>10,820.16</u>
LIABILITIES AND RESERVES			
Reserve for Public Assistance	G-2	\$ 10,624.46	\$ 10,820.16
Prepaid State Aid	G-3	<u>9,695.52</u>	<u> </u>
		\$ <u>20,319.98</u>	\$ <u>10,820.16</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
General Fixed Assets:			
Land	H-1	\$ 22,271,252.82	\$ 22,271,252.82
Riparian Grants - Land	H-1	121,992,200.00	121,992,200.00
Buildings	H-1	7,909,885.00	7,909,885.00
Machinery, Equipment and Vehicles	H-1	<u>3,541,255.85</u>	<u>3,427,210.45</u>
		<u>\$ 155,714,593.67</u>	<u>\$ 155,600,548.27</u>
Investments in General Fixed Assets	H-1	<u>\$ 155,714,593.67</u>	<u>\$ 155,600,548.27</u>

The accompanying notes are an integral part of this statement.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 1 REPORTING ENTITY

This report includes the financial statements of the Borough of Seaside Park (the "Borough"), within the County of Ocean, in the State of New Jersey and reflects the activities of the Municipality which is under the control of the Mayor and Borough Council. The financial statements of the Board of Education, the first aid organization and volunteer fire companies are reported separately since their activities are administered by separate boards.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Funds

The Governmental Accounting Standards Board ("GASB") is the recognized standard-setting body for establishing governmental accounting and financial reporting principles generally accepted in the United States of America. The GASB Codification established certain fund types and account groups to be used by general purpose 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 accounting policies of the Borough conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial activities through the following separate funds which differ from the fund structure required by accounting principles generally accepted in the United States of America:

Current Fund - resources and expenditures for governmental operations of a general nature.

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

Trust Funds - receipts, custodianship, and disbursement of monies in accordance with the purpose for which each reserve was created.

Assessment Trust Fund - used to account for the financing of local improvements deemed to benefit the properties against which assessments are levied.

Animal Control Trust Fund - animal license revenue and expenditures.

Length of Service Award Program Fund - Receipt and disbursement of funds held in trust for program eligible volunteers.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Description of Funds (continued)

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund and are offset by deferred charges to future taxation.

Water-Sewer Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipality-owned water - sewer utility. Bonds and notes payable of the utility fund is recorded in the utility capital funds.

Marina Utility Operating and Capital Fund - account for the operations and acquisition of capital facilities of the municipality - owned marina utility.

Public Assistance Fund - receipts and disbursements of funds that provide assistance to certain residents of the Borough.

Payroll Fund - receipts and disbursements to account for the payroll and payroll tax liabilities of the Borough. Amounts are received from the Current, Water - Sewer Utility, and Marina Utility Funds.

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

B. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

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

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Budgets and Budgetary Accounting - the Borough of Seaside Park must adopt an annual budget in accordance with N.J.S.A. 40A:4-4 et al. N.J.S.A. 40A:4-5 which requires the governing body to introduce and approve the annual municipal 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 circulated in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9.

An extension of the statutory dates for introduction, approval and adoption of the municipal 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 Borough's financial statements.

Cash, Cash Equivalents and Investments - New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The Borough of Seaside Park is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Cash, Cash Equivalents and Investments (continued)

Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of 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 in the collateral pool, is available to pay the full amount of their deposits to the governmental units.

The Borough considers highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

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

Grant Revenues and Expenditures - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

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

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.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

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

Deferred Charges - the regulatory basis of accounting utilized by the Borough requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2012 is set forth in Note 8.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

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

Interfunds - 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. GAAP does not require the establishment of an offsetting reserve.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Inventory of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The inventories have offsetting reserve amounts.

Fixed Assets - Utility - property and equipment purchased by the Utility Funds are recorded in the Utility Capital Funds at cost and is adjusted for dispositions and abandonments. The amount reported for reserve for amortization of fixed capital acquired on the balance sheet of the Utility Capital Funds represents the aggregate charges (capital outlay and debt service) to the operating budget for the costs of acquisitions of property and equipment and proceeds from grants-in-aid. The utilities do not record depreciation of property and equipment. GAAP does not require the establishment of a reserve for amortization of fixed capital, whereas it does require the recognition of depreciation of property and equipment by enterprise funds.

Reserve for Sale of Municipal Assets - the proceeds of the sale of municipal assets can be held until made available through a future budget appropriation. GAAP requires such proceeds to be recorded as revenue in the year of sale.

General Fixed Assets - property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 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 Directive.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value.

No depreciation on general fixed assets is recorded in the financial statements.

Fixed assets acquired through grants-in-aid or contributed capital are not accounted for separately.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Comparative Data - comparative total data for the various funds for the prior year has been presented in the accompanying Balance Sheets and Statements of Operations and Changes in Fund Balance in order to provide an understanding of changes in the Borough's financial position. However, Comparative Statements of Revenue and Statements of Expenditures have not been presented since this inclusion would make the statements unduly complex and difficult to read.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP.

In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits

As of December 31, 2012, the Borough's deposits had a carrying amount of \$11,175,558.58.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of bank failure, the Borough's deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholding, bail funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2012, the Borough's bank balances of \$11,130,888.68 were exposed to custodial credit risk as follows:

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Custodial Credit Risk - Deposits (continued)

Uninsured and Uncollateralized	\$	-
Insured		<u>11,130,888.68</u>
Total	\$	<u>11,130,888.68</u>

Investments

As of December 31, 2012, the Borough had the following investments:

	<u>Book Value</u>	<u>Fair Value</u>
LOSAP	\$207,918.42	\$207,918.42

Interest Rate Risk

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

Credit Risk

State law limits investments as noted above.

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

During the year, the Borough had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Borough.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 4 BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2012 the Borough of Seaside Park had authorized but not issued bonds and notes as follows:

General Capital Fund:	
Bonds and Notes	\$ 631,694.37
Water-Sewer Utility Capital Fund:	
Bonds and Notes	4,685,295.00
Marina Utility Capital Fund:	
Bonds and Notes	285,500.00

NOTE 5 LONG-TERM DEBT

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

Bonds Payable

General Capital Fund Bonds Payable

In September, 2008, the Borough issued \$3,614,000.00 general obligation bonds for general improvements. The annual maturities range from \$223,343.00 to \$283,075.00 through 2023, interest rates ranging from 3.125% to 4.250%	<u>\$2,803,736.00</u>
Total General Capital Fund Bonds Payable	<u>\$2,803,736.00</u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 5 LONG-TERM DEBT (continued)

Bonds Payable (continued)

General Capital Fund Bonds Payable (continued)

Schedule of Annual Debt Service Requirements for Principal and Interest for the Next Five (5) Years and Five-Year Increments Thereafter for General Capital Fund Bonds Issued and Outstanding

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 223,343.00	\$ 107,300.15	\$ 330,643.15
2014	223,343.00	100,320.67	323,663.67
2015	223,343.00	93,062.03	316,405.03
2016	249,313.00	85,524.21	334,837.21
2017	249,313.00	76,798.25	326,111.25
2018-2022	1,352,006.00	230,433.90	1,582,439.90
2023	<u>283,075.00</u>	<u>12,030.68</u>	<u>295,105.68</u>
Total	\$ <u>2,803,736.00</u>	\$ <u>705,469.89</u>	\$ <u>3,509,205.89</u>

Water-Sewer Utility Capital Fund Bonds Payable

In September, 2008, the Borough issued \$2,903,000.00 general obligation bonds for improvements to the Borough's Water-Sewer Utility. The annual maturities range from \$179,396.00 to \$227,496.00 through 2023, interest rates ranging from 3.125% to 4.250%

\$2,252,168.00

Total Water-Sewer Utility Capital Fund Bonds Payable \$2,252,168.00

Schedule of Annual Debt Service Requirements for Principal and Interest for the Next Five (5) Years and Five-Year Increments Thereafter for Water-Sewer Utility Capital Fund Bonds Issued and Outstanding

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 179,396.00	\$ 86,191.98	\$ 265,587.98
2014	179,396.00	80,585.86	259,981.86
2015	179,396.00	74,755.48	254,151.48
2016	200,256.00	68,700.86	268,956.86
2017	200,256.00	61,691.90	261,947.90
2018-2022	1,085,972.00	185,117.34	1,271,089.34
2023	<u>227,496.00</u>	<u>9,668.58</u>	<u>237,164.58</u>
Total	\$ <u>2,252,168.00</u>	\$ <u>566,712.00</u>	\$ <u>2,818,880.00</u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 5 LONG-TERM DEBT (continued)

Bonds Payable (continued)

Marina Utility Capital Fund Bonds Payable

In September, 2008, the Borough issued \$441,000.00 general obligation bonds for improvements to the Borough's Marina Utility. The annual maturities range from \$27,261.00 to \$34,429.00 through 2023, interest rates ranging from 3.125% to 4.250% \$342,096.00

Total Marina Utility Capital Fund Bonds Payable \$342,096.00

Schedule of Annual Debt Service Requirements for Principal and Interest for the Next Five (5) Years and Five-Year Increments Thereafter for Marina Utility Capital Fund Bonds Issued and Outstanding

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 27,261.00	\$ 13,091.62	\$ 40,352.62
2014	27,261.00	12,239.72	39,500.72
2015	27,261.00	11,353.74	38,614.74
2016	30,431.00	10,433.68	40,864.68
2017	30,431.00	9,368.60	39,799.60
2018-2022	165,022.00	28,100.00	193,122.00
2023	<u>34,429.00</u>	<u>1,463.24</u>	<u>35,892.24</u>
Total	\$ <u>342,096.00</u>	\$ <u>86,050.60</u>	\$ <u>428,146.60</u>

Loans Payable

General Capital Fund Loans Payable

On May 5, 1998, the Borough received a \$214,776.92 loan under the Green Trust Loan Program for the Fifth Avenue Pier. The loan is due in semi-annual installments ranging from \$6,045.29 to \$6,611.64 through 2017, interest rate 2.00%. \$ 63,247.07

On April 3, 1998, the Borough received a \$126,000.00 loan under the Green Trust Loan Program for the Multi Waterfront Parks. The loan is due in semi-annual installments ranging from \$3,511.38 to \$3,878.75 through 2018, interest rate 2.00%. 40,615.61

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

General Capital Fund Loans Payable (continued)

On April 16, 1998, the Borough received a \$150,000.00 loan under the Green Trust Loan Program for the Levine Park/Ballfields. The loan is due in semi-annual installments ranging from \$4,180.22 to \$4,617.56 through 2018, interest rate 2.00%. \$ 48,351.92

On August 14, 2004 the Borough received a \$330,000.00 loan under the Green Trust Loan Program for the Bayview Avenue Walkway. The loan is due in semi-annual installments ranging from \$8,325.46 to \$10,158.64 through 2023, interest rate 2.00%. 193,476.92

On September 10, 2004, the Borough received a \$430,970.13 loan under the Green Trust Loan Program for the Oceanfront Boardwalk. The Borough received the final repayment schedule in May, 2008. The loan is due in semi-annual installments ranging from \$13,416.14 to \$16,533.94 through 2023, interest rate 2.00%. 328,314.17

On June 27, 2006, the Borough received a \$69,029.87 loan under the Green Trust Loan Program for Bayview Avenue Development. The loan is due in semi-annual installments ranging from \$1,640.60 to \$2,125.00 through 2026, interest rate 2.00%. 50,564.78

Total General Capital Fund Loans Payable \$ 724,570.47

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

General Capital Fund Loans Payable (continued)

Schedule of Annual Debt Service Requirements for Principal and Interest for the Next Five (5) Years and Five-Year Increments Thereafter for General Capital Fund Loans Issued and Outstanding

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 74,609.39	\$ 14,120.21	\$ 88,729.60
2014	76,109.00	12,620.60	88,729.60
2015	77,638.80	11,090.80	88,729.60
2016	79,199.35	9,530.25	88,729.60
2017	80,791.27	7,938.33	88,729.60
2018-2022	278,719.46	20,919.42	299,638.88
2023-2026	<u>57,503.20</u>	<u>1,179.34</u>	<u>58,682.54</u>
Total	\$ <u>724,570.47</u>	\$ <u>77,398.95</u>	\$ <u>801,969.42</u>

Water-Sewer Utility Capital Fund Loans Payable

On November 8, 2007, the Borough entered into loan agreements funded by the New Jersey Infrastructure Trust in the amount of \$7,956,964.00 for water-sewer system improvements. \$4,095,000.00 was funded by a trust loan with interest rates ranging from 3.40% to 5.00%. The remaining \$3,861,964.00 was funded by a fund loan with 0.00% interest. The loans are due in annual installments ranging from \$372,600.88 to \$523,595.04 through 2027.

\$ 6,578,041.74

On May 3, 2012 the Borough entered into loan agreements funded by the New Jersey Infrastructure Trust in the amount of \$3,346,296.00 for water-sewer system improvements. \$1,600,000.00 was funded by a trust loan with interest rates ranging from 2.00% to 5.00%. The remaining \$1,746,000.00 was funded by a fund loan with 0.00% interest. The loans are due in annual installments ranging from \$143,794.69 to \$208,795.12 through 2031.

3,287,099.54

Total Water-Sewer Utility Capital Fund Loans Payable

\$ 9,865,141.28

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

Water-Sewer Utility Capital Fund Loans Payable (continued)

Schedule of Annual Debt Service Requirements for Principal and Interest for the Next Five (5) Years and Five-Year Increments Thereafter for Water-Sewer Capital Fund Loans Issued and Outstanding

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 521,007.03	\$ 222,380.00	\$ 743,387.03
2014	525,404.62	215,330.00	740,734.62
2015	529,577.80	207,380.00	736,957.80
2016	550,212.99	196,180.00	746,392.99
2017	560,530.59	183,430.00	743,960.59
2018-2022	2,987,477.98	717,750.00	3,705,227.98
2023-2027	3,380,751.08	329,150.00	3,709,901.08
2028-2031	<u>810,179.19</u>	<u>36,815.00</u>	<u>846,994.19</u>
Total	\$ <u>9,865,141.28</u>	\$ <u>2,108,415.00</u>	\$ <u>11,973,556.28</u>

Marina Capital Loan Payable

On March 3, 2003, the Borough received a \$1,610,525.82 loan under the Green Trust Loan Program for the acquisition of a marina. The loan is due in semi-annual installments ranging from \$42,341.14 to \$50,646.25 through 2022, interest rate 2.00%.

\$ 881,156.99

Total Marina Capital Loan Payable

\$ 881,156.99

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

Marina Utility Capital Fund Loans Payable

Schedule of Annual Debt Service Requirements for Principal and Interest for the Next Five (5) Years and Five-Year Increments Thereafter for Marina Utility Capital Fund Loans Issued and Outstanding

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 85,105.69	\$ 17,199.73	\$ 102,305.42
2014	86,816.31	15,489.11	102,305.42
2015	88,561.32	13,744.10	102,305.42
2016	90,341.41	11,964.01	102,305.42
2017	92,157.27	10,148.15	102,305.42
2018-2022	<u>438,174.99</u>	<u>22,199.39</u>	<u>460,374.38</u>
Total	\$ <u>881,156.99</u>	\$ <u>90,744.49</u>	\$ <u>971,901.48</u>

Changes in Outstanding Long-Term Debt

Transactions for the year ended December 31, 2012 are summarized as follows:

	<u>Balance Dec. 31, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Dec. 31, 2012</u>
<u>General Capital Fund</u>				
Bonds Payable	\$ 3,006,302.00	\$ -	\$ 202,566.00	\$ 2,803,736.00
Loans Payable	<u>797,709.72</u>	<u>-</u>	<u>73,139.25</u>	<u>724,570.47</u>
	<u>3,804,011.72</u>	<u>-</u>	<u>275,705.25</u>	<u>3,528,306.47</u>
<u>Water - Sewer Utility Capital Fund</u>				
Bonds Payable	2,414,876.00	-	162,708.00	2,252,168.00
Loans Payable	<u>6,950,642.62</u>	<u>3,346,296.00</u>	<u>431,797.34</u>	<u>9,865,141.28</u>
	<u>9,365,518.62</u>	<u>3,346,296.00</u>	<u>594,505.34</u>	<u>12,117,309.28</u>
<u>Marina Utility Capital Fund</u>				
Bonds Payable	366,822.00	-	24,726.00	342,096.00
Loans Payable	<u>964,585.76</u>	<u>-</u>	<u>83,428.77</u>	<u>881,156.99</u>
	<u>1,331,407.76</u>	<u>-</u>	<u>108,154.77</u>	<u>1,223,252.99</u>
Total	\$ <u>14,500,938.10</u>	\$ <u>3,346,296.00</u>	\$ <u>978,365.36</u>	\$ <u>16,868,868.74</u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 5 LONG-TERM DEBT (continued)

Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Borough's statutory net debt at December 31, 2012 was .903%. The Borough's remaining borrowing power is 2.597%.

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

NOTE 6 SHORT TERM DEBT

Bond Anticipation Notes

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuing of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note.

On December 31, 2012, the Borough's outstanding bond anticipation notes were as follows:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
<u>General Capital Fund</u>				
Various Roadway Improvements to 7 th Avenue	12-11-12	12-11-13	\$ 40,275.00	1.27%
Road Improvement to 9 th Avenue	12-11-12	12-11-13	42,130.94	1.27%
Acquisition of Real Property	12-11-12	12-11-13	706,500.00	1.27%
Renovations to Bathhouse, Concession Building and Parking Lot	12-11-12	12-11-13	123,750.00	1.27%
Various Improvements and Equipment	12-11-12	12-11-13	1,235,750.00	1.27%
Acquisition of a Regenerative Air Sweeper Truck	12-11-12	12-11-13	3,140.06	1.27%
Various Capital Improvements and the Acquisition of Capital Equipment	12-11-12	12-11-13	<u>632,954.00</u>	1.27%
			<u>\$ 2,784,500.00</u>	

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 SHORT TERM DEBT (continued)

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
<u>Water - Sewer Utility Capital Fund</u>				
Various Water and Sewer Infrastructure Improvements	12-11-12	12-11-13	\$ <u>966,275.00</u>	1.27%
			\$ <u><u>966,275.00</u></u>	

Changes in Bond Anticipation Notes

Transactions for the year ended December 31, 2012 are summarized as follows:

	<u>Balance Dec. 31, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Dec. 31, 2012</u>
General Capital Fund	\$ 2,519,500.00	\$ 636,094.06	\$ 371,094.06	\$ 2,784,500.00
Water-Sewer Utility Capital Fund	<u>1,231,275.00</u>	<u>310,000.00</u>	<u>575,000.00</u>	<u>966,275.00</u>
	\$ <u><u>3,750,775.00</u></u>	\$ <u><u>946,094.06</u></u>	\$ <u><u>946,094.06</u></u>	\$ <u><u>3,750,775.00</u></u>

Special Emergency Notes

The Borough issues special emergency notes to fund special emergency appropriations. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid within three to five years depending on the type of special emergency.

On December 31, 2012, the Borough's outstanding special emergency notes were as follows:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
<u>Current Fund</u>				
Hurricane Sandy	12-28-12	12-27-13	\$ 1,500,000.00	1.14%
<u>Water-Sewer Utility Fund</u>				
Hurricane Sandy	12-28-12	12-27-13	<u>500,000.00</u>	1.14%
			\$ <u><u>2,000,000.00</u></u>	

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 SHORT TERM DEBT (continued)

Special Emergency Notes (continued)

Changes in Special Emergency Notes

Transactions for the year ended December 31, 2012 are summarized as follows:

	Balance Dec. 31, 2011	Additions	Deductions	Balance Dec. 31, 2012
Current Fund	\$ -	\$ 1,500,000.00	\$ -	\$ 1,500,000.00
Water-Sewer Utility				
Capital fund	-	500,000.00	-	500,000.00
	<u>\$ -</u>	<u>\$ 2,000,000.00</u>	<u>\$ -</u>	<u>\$ 2,000,000.00</u>

NOTE 7 DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

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

NOTE 8 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012 the following deferred charges are shown on the Balance Sheets of the various funds:

	Balance December Dec.31, 2012	2013 Budget Appropriation	Balance Succeeding Budgets
Current Fund:			
Special Emergency			
Authorizations N.J.S. 40A:4-55	\$ 1,523,097.00	\$ 316,699.00	\$ 1,206,398.00
Emergency Appropriation	<u>51,658.25</u>	<u>51,658.25</u>	<u>-</u>
	<u>1,574,755.25</u>	<u>368,357.25</u>	<u>1,206,398.00</u>
Water-Sewer Utility Operating Fund:			
Special Emergency			
Authorization N.J.S. 40A:4-55	<u>500,000.00</u>	<u>100,000.00</u>	<u>400,000.00</u>
Total	<u>\$ 2,074,755.25</u>	<u>\$ 468,357.25</u>	<u>\$ 1,606,398.00</u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 9 TAXES COLLECTED IN ADVANCE

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

	<u>Balance December 31,</u>	
	<u>2012</u>	<u>2011</u>
Prepaid Taxes	\$ 158,701.09	\$ 192,136.81

NOTE 10 ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Borough Tax Assessor as of October 1st in each year and filed with the County Board of Taxation ("Board") by January 10th of the following year. Upon the filing of certified adopted budgets by the Borough, Regional High School District, Local School District, and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 20th, with a completed duplicate of the tax rolls to be delivered to the Borough Tax Collector ("Collector") on or before June 3rd.

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

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 11 LOCAL DISTRICT SCHOOL AND REGIONAL HIGH SCHOOL TAXES

Local District School and Regional High School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 provides that any municipality that levies school taxes on a school year basis may defer from the municipal purposes tax levy 50% (fifty percent) of the levy. The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes. At year end taxes due consisted of the following:

	<u>Local District School Tax</u> <u>Balance December 31,</u>		<u>Regional High School Tax</u> <u>Balance December 31,</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Balance of Tax	\$ 233,000.00	\$ 239,600.00	\$ 1,678,545.20	\$ 1,721,850.81
Deferred	<u>233,000.00</u>	<u>239,600.00</u>	<u>677,523.00</u>	<u>677,523.00</u>
Taxes Payable	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,001,022.20</u>	\$ <u>1,044,327.81</u>

NOTE 12 FUND BALANCES APPROPRIATED

Fund Balances at December 31, 2012, which are appropriated and included as anticipated revenue in the 2013 municipal budgets for the year ended December 31, 2013 were as follows:

Current Fund	\$ 752,841.00
Water/Sewer Utility Operating Fund	24,188.00
Marina Utility Operating Fund	90,000.00

NOTE 13 PENSIONS AND RETIREMENT PLANS

Plan Description

The Borough of Seaside Park contributes to the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), cost-sharing multiple-employer defined benefit pension plans administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The plans provide retirement, death, disability benefits and medical benefits to certain qualifying plan members and beneficiaries. The Public Employees' Retirement System was established January 1, 1955 under the provisions of N.J.S.A. 43:15A. The Police and Firemen's Retirement System was established July 1, 1944 under the provisions of N.J.S.A. 43:16A. The Public Employees' Retirement System and the Police and Firemen's Retirement System issue publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing to the State of New Jersey, Division of Pensions.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 13 PENSIONS AND RETIREMENT PLANS (continued)

Funding Policy

Employee contributions are currently 6.64% and 10.0% of their base wages for PERS and PFRS, respectively. Employer's contributions are actuarially determined annually by the Division of Pensions. The Borough's contributions to the plan for the past three (3) years are as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2012	\$ 197,796.00	\$ 313,415.00
2011	208,225.00	302,281.00
2010	174,601.00	266,325.00

All contributions were equal to the required contributions for each of the three years, respectively.

Under the provisions of Chapter 78, P.L. 2011, employee pension contribution rates for PERS members increased effective July 1, 2012 from 6.50% to 6.64%. The contribution rate will increase by 0.14% each year on July 1 until July 1, 2017 and increase 0.16% on July 1, 2018 when the rate will be 7.50%.

NOTE 14 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB")

A. Plan Description

In addition to the pension benefits described in Note 13, the Borough contributes to the New Jersey State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. The Borough provides post-employment health care benefits to police officers and their spouses upon retirement after twenty-five years of service to the Borough of Seaside Park and remains in effect until the employee becomes Medicare eligible. The plan can be amended by the Borough subject to applicable collective bargaining and employment agreements.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 14 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB") (continued)

B. Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post employment health benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

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

<u>Year</u>	<u>Contribution</u>	<u>Number of Employees</u>
2012	\$ 33,048.24	5
2011	12,409.87	3
2010	-	0

All contributions were equal to the required contributions for each of the three years respectively.

NOTE 15 LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") - UNAUDITED

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

Annual Contributions - The annual contribution to be made by the Borough for each active volunteer member shall be \$1,150.00 per year of active emergency service, commencing with the year 2005.

Appropriations - Appropriations for the purpose of funding the Borough's LOSAP shall be included as a separate line item in the Borough's budget, commencing with the year 2005.

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

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 15 LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") - UNAUDITED (continued)

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

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

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

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

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

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

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 16 DEFERRED COMPENSATION PLAN

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not ordinarily available to employees until termination, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with the amounts, and all income attributable to these amounts are for the exclusive benefit of the Plan participants and their beneficiaries and the assets cannot be diverted to any other purpose. The Borough serves as trustee under the Plan. The Borough has engaged a private contractor to administer the plan.

NOTE 17 INTERFUND BALANCES

The composition of interfund balances as of December 31, 2012 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Current Fund	Trust Other Fund	\$ 12,953.70
Current Fund	Animal Control Fund	<u>237.20</u>
		13,190.90
Federal and State Grant Fund	Current Fund	<u>61,963.52</u>
		\$ <u>75,154.42</u>

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

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 18 INTERFUND TRANSFERS

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Payroll Fund	Current Fund	\$ 6,795.14
Current Fund	Trust Other Fund	12,940.10
Current Fund	General Capital Fund	15.03
Current Fund	Water-Sewer Operating Fund	8,803.20
Current Fund	Assessment Trust Fund	0.77
Current Fund	Marina Utility Operating Fund	534.36
Animal Control Trust Fund	Current Fund	237.19
Current Fund	Federal and State Grant Fund	35,740.24
Water-Sewer Utility Operating Fund	Water-Sewer Utility Capital Fund	9.82
Payroll Fund	Water-Sewer Utility Operating Fund	2,268.08
Trust Other Fund	Marina Utility Operating Fund	114.45
Marina Utility Capital Fund	Marina Utility Operating Fund	1.26
Payroll Fund	Marina Utility Operating Fund	0.93

Transfers are primarily used to move funds from:

- The Current Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.
- The Utility Operating Funds to the Utility Capital Funds to finance capital improvements accounted for in the Utility Capital Funds in accordance with budgetary authorizations.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 19 FIXED ASSETS AND FIXED CAPITAL

Fixed asset and fixed capital activity for the year ended December 31, 2012 was as follows:

Fixed Assets

	Balance Dec. 31, 2011	<u>Additions</u>	<u>Disposals</u>	Balance Dec. 31, 2012
Land	\$ 22,271,252.82	\$ -	\$ -	\$ 22,271,252.82
Riparian Grants - Land	121,992,200.00	-	-	121,992,200.00
Buildings	7,909,885.00	-	-	7,909,885.00
Machinery, Equipment and Vehicles	<u>3,427,210.45</u>	<u>114,045.40</u>	<u>-</u>	<u>3,541,255.85</u>
Fixed Assets	\$ <u><u>155,600,548.27</u></u>	\$ <u><u>114,045.40</u></u>	\$ <u><u>-</u></u>	\$ <u><u>155,714,593.67</u></u>

Fixed Capital - Water-Sewer Utility

	Balance Dec. 31, 2011	<u>Additions</u>	<u>Disposals</u>	Balance Dec. 31, 2012
Water-Sewer System	\$ <u><u>7,748,681.01</u></u>	\$ <u><u>39,616.00</u></u>	\$ <u><u>-</u></u>	\$ <u><u>7,788,297.01</u></u>

Fixed Capital - Marina Utility

	Balance Dec. 31, 2011	<u>Additions</u>	<u>Disposals</u>	Balance Dec. 31, 2012
Marina	\$ <u><u>2,348,395.96</u></u>	\$ <u><u>7,599.00</u></u>	\$ <u><u>-</u></u>	\$ <u><u>2,355,994.96</u></u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 20 RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omission; injuries to employees; and natural disaster. The Borough is a member of the Ocean County Municipal Joint Insurance Fund (JIF). This public entity risk pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. The JIF participates in the Municipal Excess Liability Insurance program. There were no settlements in excess of insurance coverage in 2012, 2011 and 2010.

NOTE 21 CONTINGENT LIABILITIES

A. Accrued Vacation and Sick Pay (Unaudited)

As discussed in Note 2 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation and sick pay. The Borough permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. Any balance remaining upon retirement is forfeited with limited exception. The total amount of the liability, based upon the above data and limitations, is approximately \$1,024,000 at December 31, 2012. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

B. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et. seq.). The Borough has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The reserve for unemployment compensation insurance at December 31, 2012 was \$14,649.11.

C. Litigation

The Borough is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Borough Officials, based upon the opinion of the Borough Counsel, presently believe that the outcome of each such proceeding or claim which is pending or known to be threatened, or all of them combined, will not have a material adverse effect on the Borough's financial position or adversely affect the Borough's ability to levy, collect, and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

NOTE 21 CONTINGENT LIABILITIES (continued)

D. Federal and State Grants

The Borough receives financial assistance from the U.S. government and the State of New Jersey in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, cost previously reimbursed could be disallowed and require payments to the grantor agency. As of December 31, 2012, the Borough estimates that no material liabilities will result from such audits.

NOTE 22 SUBSEQUENT EVENTS

On January 24, 2013 the Borough adopted a bond ordinance appropriating \$3,031,500.00 for various capital improvements and the acquisition of equipment. The ordinance is funded by \$151,575.00 from the capital improvement fund and debt authorized in the amount of \$2,879,925.00

On January 24, 2013 the Borough adopted a bond ordinance appropriating \$559,500.00 for various water-sewer utility improvements. The ordinance is funded by debt authorized in the amount of \$559,500.00.

On January 24, 2013 the Borough adopted a bond ordinance appropriating \$710,000.00 for various marina improvements. The ordinance is funded by debt authorized in the amount of \$710,000.00.

On April 25, 2013 the Borough adopted a special emergency resolution in the amount of \$250,000.00 for damage caused by Hurricane Sandy. Special emergency notes were authorized in the amount of \$250,000.00. The Borough is required by statute to appropriate \$50,000.00 per year for the next five years until the special emergency is fully funded.

On May 23, 2013 the Borough approved a resolution authorizing a promissory note for the Community Disaster Loan in the amount of \$2,554,234.00 from the Federal Emergency Management Agency pursuant to Section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended and FEMA Regulation 44CFR 206, Subpart K.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	3,935,704.21
Increased by Receipts:			
State of New Jersey (Ch. 20, P.L. 1971)	A-9	\$	34,000.00
Taxes Receivable	A-5		14,153,567.93
Revenue Accounts Receivable	A-7		3,523,348.09
Interfund - Federal and State Grant Fund	A-19		81,668.99
Non-Budget Revenues	A-2		119,784.05
Interfunds	A-20		102,279.26
Prepaid Taxes	A-13		158,372.48
Due State of New Jersey - Marriage Licenses	A-4		600.00
Reserve for Special Emergency - Disaster Relief			
Proceeds	A		43,713.75
Special Emergency Note Payable	A		1,500,000.00
Prepaid Beach Badges	A		17,132.00
Employee Payroll Advance	A/A-1		18,614.08
Change Fund	A		50.00
Tax Overpayments	A-12		815.57
			<u>19,753,946.20</u>
			23,689,650.41
Decreased by Disbursements:			
2012 Budget Appropriations	A-3	8,531,784.70	
2011 Appropriation Reserves	A-10	281,549.52	
Tax Overpayments	A-12	1,750.15	
County Taxes Payable	A-14	4,566,243.22	
Regional High School Tax	A-15	4,364,796.88	
Local District School Tax	A-16	705,600.00	
Interfund - Federal and State Grant Fund	A-19	84,638.10	
Various Reserves	A-18	84.00	
Interfunds	A-20	95,142.44	
Accounts Payable	A-17	6,050.24	
Due State of New Jersey - Marriage Licenses	A-4	600.00	
			<u>18,638,239.25</u>
Balance, December 31, 2012	A	\$	<u><u>5,051,411.16</u></u>

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2011	2012 Levy	Collections		Chapter 20, P.L. 1971 Senior Citizens and Veterans	Tax Overpayments Applied	Canceled, Remitted or Abated	Balance Dec. 31, 2012
			2011	2012				
2010	\$ 15.20			\$ 15.20				
2011	296,982.27			296,332.29			\$ 649.98	
	296,997.47			296,347.49			649.98	
2012		\$ 14,643,117.63	\$ 192,136.81	13,857,220.44	\$ 33,570.55	\$ 7,727.20	29,922.96	\$ 522,539.67
	\$ 296,997.47	\$ 14,643,117.63	\$ 192,136.81	\$ 14,153,567.93	\$ 33,570.55	\$ 7,727.20	\$ 30,572.94	\$ 522,539.67
Ref.	A	A-5	A-2/A-13	A-2/A-4	A-2/A-9	A-2/A-12		A
Analysis of 2012 Property Tax Levy								
Tax Yield:								
General Purpose Tax					\$ 14,574,532.05			
Added and Omitted Tax					57,407.06			
6% Penalty					11,178.52			
						\$ 14,643,117.63		
Tax Levy:								
Regional High School Tax			A-5					
Local School Tax			A-15		\$ 4,321,491.27			
County Taxes:			A-16		699,000.00			
County Tax			A-14					
County Library Tax			A-14	\$ 3,816,691.50				
County Health Tax			A-14	432,794.07				
County Open Space Tax			A-14	156,653.35				
Due County for Added and Omitted Taxes			A-14	153,057.55				
Total County Taxes			A-14	17,805.79	4,577,002.26			
Local Tax for Municipal Purposes			A-2	4,993,000.00				
Add: Additional Tax Levied				52,624.10				
			A-5	5,045,624.10				\$ 14,643,117.63

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES

	Added in 2012	Balance Dec. 31, 2012
Emergency Appropriation - Judgment	\$ <u>51,658.25</u>	\$ <u>51,658.25</u>
	\$ <u>51,658.25</u>	\$ <u>51,658.25</u>
Ref.	A-3	A

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Ref.</u>	Balance Dec. 31, 2011	Accrued in 2012	Collected	Balance Dec. 31, 2012
Licenses:					
Alcoholic Beverages	A-2		\$ 10,230.00	\$ 10,230.00	
Other	A-2		27,928.00	27,928.00	
Fees and Permits	A-2		136,742.61	136,742.61	
Fines and Costs:					
Municipal Court	A-2	\$ 25,343.94	750,401.49	760,778.40	\$ 14,967.03
Interest and Costs on Taxes	A-2		67,384.95	67,384.95	
Parking Meters	A-2		453,941.31	453,941.31	
Interest on Investments and Deposits	A-2		8,264.88	8,264.88	
Anticipated Utility Operating Surplus	A-2		50,000.00	50,000.00	
Beach Badges	A-2		1,623,110.05	1,623,110.05	
Fire Protection Contract	A-2		25,949.25	25,949.25	
Bathhouse Leases/Consignments	A-2		25,001.00	25,001.00	
Cable Television Franchise Fees	A-2		17,830.00	17,830.00	
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	A-2		206,517.00	206,517.00	
Reserve for Payment of Bonds	A-2		100,000.00	100,000.00	
Uniform Construction Code Fees	A-2		9,712.32	9,712.32	
		<u>\$ 25,343.94</u>	<u>\$ 3,513,012.86</u>	<u>\$ 3,523,389.77</u>	<u>\$ 14,967.03</u>
	<u>Ref.</u>	A			A
Cash Receipts	A-4			\$ 3,523,348.09	
Interfunds Receivable	A-20			41.68	
	A-7			<u>\$ 3,523,389.77</u>	

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
N.J.S. 40A: 4-55 SPECIAL EMERGENCY

Date Authorized	Purpose	Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2011	Authorized in 2012	Budget Appropriation	Balance Dec. 31, 2012
2008	Preparation of Master Plan	\$ 67,500.00	\$ 13,500.00	\$ 27,000.00	\$	\$ 13,500.00	\$ 13,500.00
06-24-10	Codification of Ordinances	15,995.00	3,199.00	12,796.00		3,199.00	9,597.00
11-20-12	Hurricane Sandy	1,500,000.00	300,000.00		\$ 1,500,000.00		1,500,000.00
				\$ 39,796.00	\$ 1,500,000.00	\$ 16,699.00	\$ 1,523,097.00
			Ref.	A	A-1/A-3	A-3	A

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF DUE TO STATE - P.L. 1971, C. 20

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	500.00
Increased by:			
Received from State of New Jersey	A-4	\$	34,000.00
Deductions Disallowed by Collector - 2012 Taxes	A-5		<u>679.45</u>
			<u>34,679.45</u>
			35,179.45
Decreased by:			
Deductions per Tax Duplicate:			
Senior Citizens			3,000.00
Veterans			31,000.00
Deductions Allowed by Collector - 2012 Taxes			<u>250.00</u>
	A-5		34,250.00
Canceled	A-1		<u>500.00</u>
			<u>34,750.00</u>
Balance, December 31, 2012	A	\$	<u><u>429.45</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2011	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
<u>Operations Within CAPS</u>					
General Government:					
Administrative and Executive					
Salaries and Wages	\$ 1,119.84	\$ 4,240.40	\$ 1,000.00	\$ 745.87	\$ 254.13
Other Expenses			5,360.24	1,312.85	4,047.39
Mayor and Council					
Salaries and Wages	6,072.20		6,072.20		6,072.20
Other Expenses	1,414.44	140.00	1,554.44	140.00	1,414.44
Financial Administration					
Salaries and Wages	1,294.52		1,794.52		1,794.52
Other Expenses	5,956.45	593.73	6,550.18	483.73	6,066.45
Revenue Administration (Tax Collection)					
Salaries and Wages	3,219.23		3,219.23		3,219.23
Other Expenses	1,205.70		1,205.70		1,205.70
Tax Assessment Administration					
Salaries and Wages	298.87		298.87		298.87
Other Expenses	16,726.32	2,964.92	4,441.24	1,926.00	2,515.24
Legal Services					
Other Expenses	16,986.18	113,289.06	130,275.24	113,499.37	16,775.87
Engineering Services					
Other Expenses	21,358.50	2,727.50	24,086.00	2,917.00	21,169.00
Land Use Administration					
Planning Board					
Other Expenses	1,830.00	2,047.50	3,877.50	2,433.25	1,444.25
Zoning Board of Adjustment					
Other Expenses	4,357.99	2,176.50	6,534.49	3,093.07	3,441.42

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

**CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES**

	Balance Dec. 31, 2011	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Insurance					
General Liability	\$ 31,801.05	\$	\$ 31,801.05		\$ 31,801.05
Employee Group Health	39,949.18	\$ 133.93	40,083.11		40,083.11
Public Safety:					
Police					
Salaries and Wages			22,200.00	\$ 16,231.22	5,968.78
Other Expenses	4,204.26	48,803.65	53,007.91	37,231.67	15,776.24
Office of Emergency Management					
Other Expenses	1,997.19	100.00	2,097.19		2,097.19
Fire Department					
Other Expenses:					
Miscellaneous	213.91	8,707.86	8,921.77	6,321.03	2,600.74
Municipal Court					
Salaries and Wages	2,287.19		4,287.19	2,340.64	1,946.55
Other Expenses	1,401.12	422.43	1,823.55	1,146.75	676.80
Public Defender					
Other Expenses	3,229.39	1,493.72	4,723.11	2,849.60	1,873.51
Public Works Functions:					
Streets and Road Maintenance					
Other Expenses	2,678.31	1,409.77	4,088.08		4,088.08
Public Works					
Salaries and Wages			5,000.00		5,000.00
Other Expenses	6,738.50	3,427.84	10,166.34	565.84	9,600.50
Recycling Program					
Other Expenses	150.00	996.10	1,146.10		1,146.10
Public Buildings and Grounds Maintenance					
Other Expenses	43,606.47	15,830.94	40,737.41	11,992.16	28,745.25
Vehicle Maintenance					
Other Expenses	1,703.65	8,910.77	10,614.42	3,825.81	6,788.61
Parking Meter Maintenance					
Salaries & Wages	1,286.87		1,286.87		1,286.87
Other Expenses	9,140.40	2,817.30	11,957.70	285.00	11,672.70

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2011	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Health and Human Services:					
Environmental Committee					
Other Expenses	\$ 40.02	\$	40.02	\$	40.02
Animal Control Services					
Other Expenses	900.00		900.00		900.00
Administration of Public Assistance					
Salaries and Wages	530.54		530.54		530.54
Other Expenses	75.00		75.00		75.00
Aid to Domestic Violence Shelter (N.J.S.A. 14-11)					
Other Expenses	\$	310.00	310.00	70.00	240.00
Parks and Recreation Functions:					
Recreation					
Salaries and Wages	2,044.88		2,044.88		2,044.88
Other Expenses	1,647.42	435.31	2,082.73	144.57	1,938.16
Seasonal Beach Operations					
Salaries and Wages:					
Beach Patrol	4.04		4.04		4.04
Beach Control	4.96		4.96		4.96
Other Expenses:					
Beach Patrol	636.44	1,309.00	1,945.44		1,945.44
Beach Control	915.41		915.41		915.41
Beach Bathroom Operations					
Other Expenses	1,362.82		1,362.82		1,362.82
Beach, Bayfront, Boardwalk and Dock Maintenance					
Other Expenses	2,604.03	1,066.24	3,670.27	1,066.24	2,604.03
Uniform Construction Code - Appropriations					
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):					
Code Enforcement and Construction					
Salaries and Wages:	1,292.34		4,542.34	2,750.70	1,791.64
Other Expenses	973.01	254.87	1,227.88	254.87	973.01

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2011	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Unclassified:					
Utilities:					
Electricity	\$ 38,799.26	\$ 344.24	\$ 31,143.50	\$ 4,991.01	\$ 26,152.49
Street Lighting	2,033.38	953.20	2,986.58	33.38	2,953.20
Telephone	5.24	816.09	3,321.33	1,896.58	1,424.75
Natural Gas	10,044.20	316.41	10,360.61	2,688.80	7,671.81
Gasoline	14,399.78	1,720.63	16,120.41	2,307.96	13,812.45
Solid Waste Disposal Costs:					
Other Expenses	12,765.17	152.75	12,917.92		12,917.92
Contingent	1,000.00		1,000.00		1,000.00
Total Operations (Including Contingent) Within CAPS	324,305.67	228,912.66	547,718.33	225,544.97	322,173.36
Deferred Charges and Statutory Expenditures Within CAPS					
Contribution to:					
Public Employees' Retirement System	4,758.00		9,758.00	4,996.14	4,761.86
Social Security System	7,361.06		7,361.06	567.96	6,793.10
Police & Firemen's Retirement System	3,287.00		3,287.00		3,287.00
Unemployment Insurance	8,166.00		8,666.00	8,517.15	148.85
Defined Contribution Retirement Program	2,000.00		2,000.00		2,000.00
Total Deferred Charges and Statutory Expenditures	25,572.06		31,072.06	14,081.25	16,990.81
Total General Appropriations Within CAPS	349,877.73	228,912.66	578,790.39	239,626.22	339,164.17

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2011	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
<u>Appropriations Excluded from CAPS</u>					
LOSAP					
Other Expenses	\$ 30,000.00		\$ 30,000.00	\$ 23,024.80	\$ 6,975.20
Interlocal Service Agreements:					
Berkeley Township - Animal Control Services		\$ 3,084.50	3,084.50	3,084.50	
County of Ocean:					
Board of Health - Animal Shelter Services	160.00	256.00	416.00		416.00
Road Department - Road Materials and Paving	6,632.03	5.00	6,637.03	814.00	5,823.03
Long Beach Township Mobile Data Terminals	125.00		125.00		125.00
Central Regional School - Technology/Energy	6,459.00		6,459.00		6,459.00
Berkeley Township Flood Plain Manager	15,000.00		15,000.00	15,000.00	
	58,376.03	3,345.50	61,721.53	41,923.30	19,798.23
Total Appropriations Excluded from CAPS	\$ 408,253.76	\$ 232,258.16	\$ 640,511.92	\$ 281,549.52	\$ 358,962.40
Ref.	A	A-11		A-4	A-1

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 232,258.16
Increased by:		
Current Appropriations Charged	A-3	<u>718,659.15</u>
		950,917.31
Decreased by:		
Transferred to Appropriation Reserves	A-10	<u>232,258.16</u>
Balance, December 31, 2012	A	<u>\$ 718,659.15</u>

SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 19,882.72
Increased by:		
Receipts	A-4	<u>815.57</u>
		20,698.29
Decreased by:		
Refunds	A-4	\$ 1,750.15
Applied to Taxes Receivable	A-5	7,727.20
Applied to Prepaid Taxes	A-13	328.61
Canceled	A-1	<u>6.95</u>
		9,812.91
Balance, December 31, 2012	A	<u>\$ 10,885.38</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	192,136.81
Increased by:			
Collections, 2013 Taxes	A-4	\$	158,372.48
Tax Overpayments Applied	A-12		<u>328.61</u>
			<u>158,701.09</u>
			350,837.90
Decreased by:			
Applied to Taxes Receivable	A-5		<u>192,136.81</u>
Balance, December 31, 2012	A	\$	<u><u>158,701.09</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	7,046.75
Increased by:			
County Tax	A-5	\$	3,816,691.50
County Library Tax	A-5		432,794.07
County Health Tax	A-5		156,653.35
County Open Space Tax	A-5		153,057.55
Due County for Added and Omitted Taxes	A-5		<u>17,805.79</u>
	A-1		4,577,002.26
			<u>4,584,049.01</u>
Decreased by:			
Payments	A-4		<u>4,566,243.22</u>
Balance, December 31, 2012	A	\$	<u><u>17,805.79</u></u>

Exhibit A-15

SCHEDULE OF REGIONAL HIGH SCHOOL TAXES PAYABLE

	<u>Ref.</u>		
Balance December 31, 2011:			
School Tax Payable	A	\$	1,044,327.81
School Tax Deferred			<u>677,523.00</u>
		\$	1,721,850.81
Increased by:			
Levy - School Year July 1, 2012 to June 30, 2013	A-5		<u>4,321,491.27</u>
			6,043,342.08
Decreased by:			
Payments	A-4		<u>4,364,796.88</u>
Balance, December 31, 2012:			
School Tax Payable	A	1,001,022.20	
School Tax Deferred		<u>677,523.00</u>	
		\$	<u><u>1,678,545.20</u></u>
<u>2012 Liability for Regional High School Tax</u>			
Tax Paid		\$	4,364,796.88
Taxes Payable December 31, 2012	A		<u>1,001,022.20</u>
			5,365,819.08
Less: Taxes Payable December 31, 2011			<u>1,044,327.81</u>
Amount Charged to 2012 Operations	A-1	\$	<u><u>4,321,491.27</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	<u>Ref.</u>		
Balance December 31, 2011:			
School Tax Payable	A	\$	
School Tax Deferred			<u>239,600.00</u>
		\$	239,600.00
Increased by:			
Levy - School Year July 1, 2012 to June 30, 2013	A-5		<u>699,000.00</u>
			938,600.00
Decreased by:			
Payments	A-4		<u>705,600.00</u>
Balance, December 31, 2012:			
School Tax Payable	A		
School Tax Deferred			<u>233,000.00</u>
		\$	<u><u>233,000.00</u></u>
<u>2012 Liability for Local District School Tax</u>			
Tax Paid		\$	705,600.00
Taxes Payable December 31, 2012	A		<u>705,600.00</u>
Less: Taxes Payable December 31, 2011	A		
Amount Charged to 2012 Operations	A-1	\$	<u><u>705,600.00</u></u>

Exhibit A-17

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	10,048.99
Decreased by:			
Cash Disbursed	A-4		<u>6,050.24</u>
Balance, December 31, 2012	A	\$	<u><u>3,998.75</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF VARIOUS RESERVES

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Reserve for:			
Reassessment	\$ 20,711.98		\$ 20,711.98
Sale of Municipal Assets	282,800.00		282,800.00
Revaluation	314.52	\$ 84.00	230.52
Master Plan	<u>841.27</u>		<u>841.27</u>
	\$ <u>304,667.77</u>	\$ <u>84.00</u>	\$ <u>304,583.77</u>
<u>Ref.</u>	A	A-4	A

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF INTERFUND - FEDERAL AND STATE GRANT FUND

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	97,703.76
Increased by:			
Deposited in Current Fund:			
Grants Receivable	A-4	\$	81,668.99
Grants Receivable Canceled	A-1		26,720.28
2012 Budget Appropriations	A-3		<u>110,345.23</u>
			<u>218,734.50</u>
			316,438.26
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves	A-4		84,638.10
Grants Appropriated Canceled	A-1		60,991.41
2012 Anticipated Revenue	A-2		<u>108,845.23</u>
			<u>254,474.74</u>
Balance, December 31, 2012	A	\$	<u><u>61,963.52</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF INTERFUNDS - OTHER FUNDS

Ref.	Total	Payroll Fund	Trust Other Fund	General Capital Fund	Water - Sewer Operating Fund	Assessment Trust Fund	Marina Operating Fund	Animal Control Fund
A	\$ 9,366.97		\$ 13.60	\$ 15.03	\$ 8,803.20	\$ 0.77	\$ 534.36	\$ 0.01
A	<u>(6,795.14)</u>	<u>\$ (6,795.14)</u>						
Increased by:								
A-7	41.68		41.68					
A-1	237.20							237.20
A-2	17,477.01		17,477.01					
A-4	95,142.44	6,795.83		87,385.57	961.04			
	<u>112,898.33</u>	<u>6,795.83</u>	<u>17,518.69</u>	<u>87,385.57</u>	<u>961.04</u>			<u>237.20</u>
	<u>115,470.16</u>	<u>0.69</u>	<u>17,532.29</u>	<u>87,400.60</u>	<u>9,764.24</u>	<u>0.77</u>	<u>534.36</u>	<u>237.21</u>
Decreased by:								
A-4	102,279.26	0.69	4,578.59	87,400.60	9,764.24	0.77	534.36	0.01
	<u>102,279.26</u>	<u>0.69</u>	<u>4,578.59</u>	<u>87,400.60</u>	<u>9,764.24</u>	<u>0.77</u>	<u>534.36</u>	<u>0.01</u>
A	<u>\$ 13,190.90</u>	<u>\$</u>	<u>\$ 12,953.70</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 237.20</u>
Analysis of Net Charge to Operations								
Interfunds Receivable:								
Above	\$ 13,190.90							
Above	<u>9,366.97</u>							
A-1	<u>\$ 3,823.93</u>							
Net Charge to Operations								

Balance, December 31, 2011:

Interfunds Receivable

Interfunds Payable

Increased by:

Revenue Accounts Receivable

Statutory Dog Excess

Miscellaneous Revenues Not

Anticipated

Cash Disbursed

Sub - Total

Decreased by:

Receipts

Balance, December 31, 2012:

Interfunds Receivable

Analysis of Net Charge to Operations

Interfunds Receivable:

Balance, December 31, 2012

Balance, December 31, 2011

Net Charge to Operations

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

Grant	Balance Dec. 31, 2011	2012		Cash Received	Canceled	Balance Dec. 31, 2012
		Anticipated Revenue				
Clean Communities Program		\$ 8,492.33	\$	8,492.33		
Energy Efficiency and Conservation Block Grant:						
Clean Energy Program - NJ						
Community Development Block Grant	\$ 3,847.06	36,290.10		16,166.05	\$ 20,124.05	\$ 3,847.06
Community Development Block Grant - Handicapped Access Curb Ramps	42,000.00					42,000.00
Municipal Alliance on Alcoholism and Drug Abuse		6,000.00		938.99	4,430.83	630.18
Municipal Alliance on Alcoholism and Drug Abuse	2,508.86			2,508.86		
NJ Body Armor Fund		1,725.92		1,725.92		
Ocean County "Circle of Life" Barnegat Bay Sewerage Pump Out Vessel Program	6,176.86	50,000.00		45,499.96		10,676.90
Ocean County OEM - FY 12 966 Reimbursement Program	2,165.40				2,165.40	
Recycling Tonnage Grant		6,336.88		6,336.88		
	\$ 56,698.18	\$ 108,845.23	\$	81,668.99	\$ 26,720.28	\$ 57,154.14
Ref.	A	A-2/A-22		A-22	A-22	A

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2011	A	\$	97,703.76
Increased by:			
Deposited in Current Fund:			
Grants Receivable	A-21	\$	81,668.99
Grants Receivable Canceled	A-21		26,720.28
2012 Budget Appropriations	A-23		<u>110,345.23</u>
			<u>218,734.50</u>
			316,438.26
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves	A-23		84,638.10
Grants Appropriated Canceled	A-23		60,991.41
2012 Anticipated Revenue	A-21		<u>108,845.23</u>
			<u>254,474.74</u>
Balance, December 31, 2012	A	\$	<u><u>61,963.52</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

Grant	Balance Dec. 31, 2011	Transfer from 2012 Budget Appropriation	Transfer from Reserve for Encumbrances	Expended	Transfer to Reserve for Encumbrances	Canceled	Balance Dec. 31, 2012
Alcohol Education and Rehabilitation	\$ 1,030.93						\$ 1,030.93
Barnegat Bay Estuary Program			\$ 300.00			\$ 300.00	
Body Armor Fund	6,412.29	\$ 1,725.92					8,138.21
Energy Efficiency and Conservation Block Grant:							
Clean Energy Program - NJ				\$ 16,166.05		20,124.05	
Clean Communities Program	22,521.44	36,290.10		8,172.39			22,841.38
Community Development Block Grant	3,847.06	8,492.33					3,847.06
Community Development Block Grant -							
Handicapped Access Curb Ramps	42,000.00						42,000.00
Drunk Driving Enforcement Fund	6,967.36			3,605.07			3,362.29
Municipal Alliance on Alcoholism and Drug Abuse							
Ocean County "Circle of Life" Barnegat Bay		7,500.00	156.10	3,806.94		3,849.16	
Sewerage Pump Out Vessel Program							
Ocean County Recycling Program	49,397.97	50,000.00	43.53	39,015.83	\$ 4,104.80	43.53	6,879.37
Ocean County OEM - FY 12 966 Reimbursement	2,165.40		10.61	12,429.23	2,470.08	34,509.27	
Recycling Tonnage Grant	19,549.25	6,336.88		1,442.59		2,165.40	24,443.54
	<u>\$ 153,891.70</u>	<u>\$ 110,345.23</u>	<u>\$ 510.24</u>	<u>\$ 84,638.10</u>	<u>\$ 6,574.88</u>	<u>\$ 60,991.41</u>	<u>\$ 112,542.78</u>
Ref.	A	A-3/A-22	A-24	A-22	A-24	A-22	A

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 510.24
Increased by:		
Charged to Appropriated Reserves	A-23	<u>6,574.88</u>
		7,085.12
Decreased by:		
Transferred to Appropriated Reserves	A-23	<u>510.24</u>
Balance, December 31, 2012	A	\$ <u><u>6,574.88</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND
SCHEDULE OF CASH - TREASURER

	Ref.	Assessment Trust Fund	Animal Control Trust Fund	Trust Other Fund
Balance, December 31, 2011	B	\$ 93,668.02	\$ 687.81	\$ 279,238.48
Increased by Receipts:				
Reserve for Animal Control				
Trust Fund Expenditures	B-10		\$ 462.40	\$ 12,953.70
Interfund - Current Fund	B-5			1,827.18
Sales Tax Payable	B-8			387,035.82
Various Reserves	B-11			114.45
Interfund - Marina Utility Operatir	B			
Due to State of New Jersey	B-4		87.60	
		<u>93,668.02</u>	<u>550.00</u>	<u>401,931.15</u>
			1,237.81	681,169.63
Decreased by Disbursements:				
Due to State of New Jersey	B-4		84.00	
Animal Control Trust Fund				
Expenditures (R.S. 4:19-15.11)	B-10		104.00	1,401.93
Sales Tax Payable	B-8			345,270.32
Various Reserves	B-11			13.60
Interfund - Current Fund	B-5/B-7/B-9	\$ 0.77	0.01	
		<u>0.77</u>	<u>188.01</u>	<u>346,685.85</u>
Balance, December 31, 2012	B	\$ <u>93,667.25</u>	\$ <u>1,049.80</u>	\$ <u>334,483.78</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ASSESSMENT TRUST FUND
SCHEDULE OF ANALYSIS OF ASSESSMENT TRUST CASH

	<u>Ref.</u>	Balance December 31, <u>2012</u>
Fund Balance	B	\$ <u>93,667.25</u>
	B	\$ <u><u>93,667.25</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 6.60
Increased by:		
Cash Receipts	B-2	<u>87.60</u>
		94.20
Decreased by:		
Cash Disbursed	B-2	<u>84.00</u>
Balance, December 31, 2012	B	\$ <u><u>10.20</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF INTERFUND CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2011 - Due To	B	\$ 13.60
Increased by:		
Cash Receipts	B-2	<u>12,953.70</u>
		12,967.30
Decreased by:		
Cash Disbursements	B-2	<u>13.60</u>
Balance, December 31, 2012 - Due To	B	\$ <u><u>12,953.70</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF FUNDS HELD BY TRUSTEE

	<u>Ref.</u>		
Balance, December 31, 2011	B	\$	166,264.91
Increased by:			
Borough Contributions	B-12	\$	23,024.80
Appreciation on Investments	B-12		<u>19,403.71</u>
			42,428.51
Decreased by:			<u>208,693.42</u>
Fees	B-12		<u>775.00</u>
Balance, December 31, 2012	B	\$	<u><u>207,918.42</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ASSESSMENT TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 0.77
Decreased by:		
Cash Disbursed	B-2	\$ <u>0.77</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF SALES TAX PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 114.45
Increased by:		
Cash Receipts	B-2	<u>1,827.18</u>
		1,941.63
Decreased by:		
Cash Disbursed	B-2	<u>1,401.93</u>
Balance, December 31, 2012	B	\$ <u><u>539.70</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 0.01
Increased by:		
Statutory Dog Excess	B-10	<u>237.20</u>
		237.21
Decreased by:		
Cash Disbursed	B-2	<u>0.01</u>
Balance, December 31, 2012	B	\$ <u><u>237.20</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 681.20
Increased by:		
Dog License Fees Collected	B-2	462.40
		<u>1,143.60</u>
Decreased by:		
Cash Disbursed	B-2	\$ 104.00
Statutory Dog Excess	B-9	<u>237.20</u>
		<u>341.20</u>
Balance, December 31, 2012	B	\$ <u>802.40</u>

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2011	\$ 448.80
2010	<u>353.60</u>
	<u>\$ 802.40</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF VARIOUS RESERVES

	Balance <u>Dec. 31, 2011</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>Dec. 31, 2012</u>
Unemployment Trust	\$ 9,289.28	\$ 13,846.50	\$ 8,486.67	\$ 14,649.11
Developer's Escrow	9,281.92	17,767.17	20,045.59	7,003.50
Police Off-Duty	45,361.63	90,209.12	122,679.66	12,891.09
POAA	2,795.37	4,493.00	4,269.03	3,019.34
Special Law Enforcement	6,797.68	1,737.66	2,141.01	6,394.33
Tax Sale Premiums	86,600.00	98,400.00	40,800.00	144,200.00
Third Party Tax Title Lien Redemptions	28,158.38	109,112.87	105,976.94	31,294.31
Sick Leave	47,874.96			47,874.96
Public Defender	2,445.71	4,125.00		6,570.71
Recreation	40,619.95	46,444.50	40,871.42	46,193.03
Donations - Hurricane Sandy		300.00		300.00
Beach Fire Deposits		600.00		600.00
	<u>\$ 279,224.88</u>	<u>\$ 387,035.82</u>	<u>\$ 345,270.32</u>	<u>\$ 320,990.38</u>
<u>Ref.</u>	B	B-2	B-2	B

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARD PROGRAM

	<u>Ref.</u>		
Balance, December 31, 2011	B	\$	166,264.91
Increased by:			
Borough Contributions	B-12	\$	23,024.80
Appreciation on Investments	B-12		<u>19,403.71</u>
			<u>42,428.51</u>
Decreased by:			<u>208,693.42</u>
Fees	B-12		<u>775.00</u>
Balance, December 31, 2012	B	\$	<u><u>207,918.42</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance, December 31, 2011	C		\$ 1,828,510.52
Increased by Receipts:			
Budget Appropriation:			
Capital Improvement Fund	C-12	\$ 108,025.00	
Grants / Funding Received	C-5	337,385.57	
Bond Anticipation Notes	C-9	<u>636,094.06</u>	
			<u>1,081,504.63</u>
			2,910,015.15
Decreased by Disbursements:			
Bond Anticipation Notes	C-9	87,869.06	
Interfund - Current Fund	C-7	15.03	
Reserve to Pay Bonds - Anticipated as Revenue	C	100,000.00	
Improvement Authorizations	C-11	1,355,472.81	
Reserve for Preliminary Improvement Costs	C-13	<u>5,255.37</u>	
			<u>1,548,612.27</u>
Balance, December 31, 2012	C		\$ <u><u>1,361,402.88</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH

		Balance Dec. 31, 2012
Fund Balance		\$ 195,398.60
Capital Improvement Fund		53,557.50
Reserve for Preliminary Improvement Costs		11,419.94
Reserve to Pay Bonds		114,505.60
Reserve for Encumbrances		103,400.62
Improvement Authorizations:		
Ordinance		
<u>Number</u>	<u>Improvement Description</u>	
1326	Various Capital Improvements	24,238.22
1332/1413	Reconstruction of "N" Street and 1st Avenue	5,068.28
1446/1469	Various 2008 Capital Improvements	74,059.35
1551	Acquisition of Real Property	2,678.36
1557	Renovations to the Bathhouse, Concession Buildings, and Parking Lots on Ocean Avenue	34,256.19
1562/1584	Various Capital Improvements and Equipment Acquisition	141,408.68
1570	Acquisition and Installation of a Municipal Clock	6,943.46
1586	Acquisition of a Regenerative Air Sweeper Truck	0.13
1592/1600	Various Capital Improvements and the Acquisition of Capital Equipment	594,467.95
		<u>\$ 1,361,402.88</u>
Ref.		C

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>Ref.</u>		
Balance, December 31, 2011	C	\$	3,804,011.72
Decreased by:			
Budget Appropriation to Pay Serial Bonds	C-8	\$	202,566.00
Budget Appropriation to Pay Loans	C-10		<u>73,139.25</u>
			<u>275,705.25</u>
Balance, December 31, 2012	C	\$	<u><u>3,528,306.47</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 87,385.57
Decreased by:		
Grant Received	C-14	\$ <u>87,385.57</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2011	C	\$	15.03
Decreased by:			
Cash Disbursed	C-2	\$	<u>15.03</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2012	Interest Rate	Balance Dec. 31, 2011	Paid by Budget Appropriation	Balance Dec. 31, 2012
General Improvement	09-04-08	\$ 3,614,000.00	\$ 223,343.00	3.125%	\$ 3,006,302.00	\$ 202,566.00	\$ 2,803,736.00
	09-01-14		223,343.00	3.250%			
	09-01-15		223,343.00	3.375%			
	09-01-16		249,313.00	3.500%			
	09-01-17		249,313.00	3.750%			
	09-01-18		250,870.00	3.875%			
	09-01-19		275,284.00	4.100%			
	09-01-20		275,284.00	4.125%			
	09-01-21		275,284.00	4.125%			
	09-01-22		275,284.00	4.250%			
	09-01-23		283,075.00	4.250%			
					<u>\$ 3,006,302.00</u>	<u>\$ 202,566.00</u>	<u>\$ 2,803,736.00</u>
				<u>Ref.</u>	<u>C</u>	<u>C-4</u>	<u>C</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Issued for Cash	Decreased By Budget Appropriation	Capital Cash	Balance Dec. 31, 2012
1295/1422	F th Street, 13th Ave. and "K" Street Improvements	12-11-10	12-11-13	1.27%	\$ 27,494.37		\$ 27,494.37		
1486	Various Road Improvements to 7th Avenue	12-23-09	12-11-12	1.27%	51,500.00		11,225.00		\$ 40,275.00
1540	Road Improvements to 9th Avenue	12-15-10	12-11-12	1.27%	145,005.63		15,005.63	\$ 87,869.06	42,130.94
1551	Acquisition of Real Property	12-12-11	12-11-12	1.27%	785,000.00		78,500.00		706,500.00
1557	Renovations to the Bathhouse, Concession Buildings, and Parking Lots on Ocean Avenue	12-12-11	12-11-12	1.27%	137,750.00		14,000.00		123,750.00
1562/1584	Various Capital Improvements and Equipment	12-12-11	12-11-12	1.27%	1,372,750.00		137,000.00		1,235,750.00
1586	Acquisition of a Regenerative Air Sweeper Truck	12-11-12	12-11-13	1.27%		\$ 3,140.06			3,140.06
1592/1600	Various Capital Improvements and the Acquisition of Capital Equipment	12-11-12	12-11-13	1.27%		632,954.00			632,954.00
					<u>\$ 2,519,500.00</u>	<u>\$ 636,094.06</u>	<u>\$ 283,225.00</u>	<u>\$ 87,869.06</u>	<u>\$ 2,784,500.00</u>
				<u>Ref.</u>	C	C-2	C-5	C-2	C

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 797,709.72
Decreased by:		
Paid by Budget Appropriation	C-4	<u>73,139.25</u>
Balance, December 31, 2012	C	\$ <u>724,570.47</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2011		Increased by 2012 Authorizations		Decreased by Reserve for Encumbrances		Balance Dec. 31, 2012	
				Funded	Unfunded			Paid		Funded	Unfunded
1326	Various Capital Improvements	10-02-03	\$ 426,000.00	\$ 24,288.22						\$ 24,238.22	
1332/1413	Reconstruction of "N" Street and 1st Avenue	03-24-04	376,000.00	5,068.28						5,068.28	
1439	Improvements to 1st, 2nd, and 3rd Avenues and the Acquisition of a Beach Cleaner and Tractor	04-23-08	409,600.00	24,185.63	570.00					24,755.63	
1446/1469	Various 2008 Capital Improvements	05-28-08	2,201,050.00	90,357.43	500,429.00	\$ 19.00				516,746.08	74,059.35
1486/1507	Various Road Improvements to 7th Avenue	07-09-09	436,800.00		95,800.32					95,800.32	
1540	Road Improvements to 9th Avenue	08-26-10	550,000.00		192,741.03			7,723.91			\$ 192,863.43
1551	Acquisition of Real Property	03-24-11	85,000.00		31,747.18			5,943.20	\$ 625.62		25,178.36
1557	Renovations to the Bathhouse, Concession Buildings, and Parking Lots on Ocean Avenue	04-14-11	145,000.00		34,351.46			7,270.64	950.50		34,256.19
1562/1584	Various Capital Improvements and Various Equipment Acquisition	05-12-11									
1570	Acquisition and Installation of a Municipal Clock	12-8-11	1,575,000.00		367,656.34			926,058.83	63,480.75		264,908.68
1579	Purchase of Two Light Duty Trucks	07-28-11	36,000.00	6,943.46						6,943.46	
1586	Acquisition of a Regenerative Air Sweeper Truck	10-13-11	47,169.00					47,169.00			
1592/1600	Acquisition of a Regenerative Air Sweeper Truck	12-27-11	266,450.00		266,450.00			253,139.93			13,310.07
	Various Capital Improvements and the Acquisition of Capital Equipment	04-26-12	1,020,500.00			\$ 1,020,500.00		108,167.30	38,343.75		873,988.95
				<u>\$ 150,843.02</u>	<u>\$ 1,489,745.33</u>	<u>\$ 1,020,500.00</u>	<u>\$ 949,952.10</u>	<u>\$ 1,355,472.81</u>	<u>\$ 103,400.62</u>	<u>\$ 110,309.31</u>	<u>\$ 1,404,505.68</u>
Ref.				C	C		C	C-2	C	C	C
Detail:	Deferred Charges to Future Taxation - Unfunded					\$ 912,475.00				\$ 596,525.25	
	Capital Fund Balance					108,025.00				40,826.78	
	Capital Improvement Fund					<u>\$ 1,020,500.00</u>				<u>\$ 637,352.03</u>	

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 53,557.50
Increased by:		
2012 Budget Appropriation	C-2	108,025.00
		<u>161,582.50</u>
Decreased by:		
Appropriated to Finance Improvement		
Authorizations	C-11	108,025.00
		<u>108,025.00</u>
Balance, December 31, 2012	C	\$ <u>53,557.50</u>

SCHEDULE OF RESERVE FOR PRELIMINARY IMPROVEMENT COSTS

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 16,675.31
Decreased by:		
Cash Disbursed	C-2	5,255.37
		<u>5,255.37</u>
Balance, December 31, 2012	C	\$ <u>11,419.94</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 87,385.57
Decreased by:		
Grant Received	C-6	\$ <u>87,385.57</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY FUND
SCHEDULE OF CASH

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2011	D	\$ 1,583,239.22	\$ 971,947.80
Increased by Receipts:			
Consumer Accounts Receivable	D-7	\$ 2,739,361.47	
Fire Hydrant Service	D-3	7,500.00	
Elevated Tank Lease	D-3	206,673.67	
Miscellaneous	D-3	46,910.85	
Capital Reserve for Phase II Project	D-3	556,000.00	
Customer Overpayments	D-14	4,259.73	
Interfunds	D-11/D-20	9.82	
Special Emergency Notes Payable	D-17	500,000.00	
Due From New Jersey Environmental Trust Fund	D-9		\$ 2,224,816.00
Capital Improvement Fund	D-25		135,000.00
Bond Anticipation Notes	D-21		310,000.00
		<u>4,060,715.54</u>	<u>2,669,816.00</u>
		5,643,954.76	3,641,763.80
Decreased by Disbursements:			
2012 Appropriations	D-4	2,948,212.17	
Appropriation Reserves	D-12	49,204.10	
Accrued Interest on Bonds, Notes and Loans	D-15	290,177.74	
Due from Ocean County Utilities Authority	D		2,000.00
Interfunds	D-11/D-20	11,071.28	9.82
Improvement Authorizations	D-24		1,683,887.89
Reserve for Capital Project Phase II	D		556,000.00
		<u>3,298,665.29</u>	<u>2,241,897.71</u>
Balance, December 31, 2012	D	\$ 2,345,289.47	\$ 1,399,866.09

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
ANALYSIS OF WATER - SEWER UTILITY CAPITAL CASH

Balance
Dec. 31, 2012

Fund Balance	\$	45,025.11
Capital Improvement Fund		111,480.00
Due from New Jersey Environmental Infrastructure Trust Fund		(3,305,951.00)
Reserve for Encumbrances		6,645,026.83
Performance Deposit - NJDOT		(50,000.00)
Performance Deposit - Ocean County Utilities Authority		(2,000.00)
Reserve for Debt Service		34,077.92
Reserve for Capital Project Phase II		156,960.00
Reserve for Preliminary Expenses		885.00

Ordinance

<u>Number</u>	<u>Improvement Description</u>	
1418/1543	Various Water and Sewer Improvements	464,561.23
1493/1569/ 1587	Phase II of the Water and Sewer Infrastructure Improvements	(2,772,769.01)
1497	Various Water and Sewer Infrastructure Improvements	34,382.51
1593/1601	Various Water and Sewer Improvements	<u>38,187.50</u>
		\$ <u>1,399,866.09</u>

Ref. D

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 363,273.83
Increased by:		
Water-Sewer Rents Levied		<u>2,742,673.52</u>
		3,105,947.35
Decreased by:		
Collections	D-3/D-5	\$ 2,739,361.47
Overpayments Applied	D-3/D-14	<u>4,744.06</u>
		<u>2,744,105.53</u>
Balance, December 31, 2012	D	\$ <u><u>361,841.82</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED CHARGES
N.J.S. 40A: 4-55 SPECIAL EMERGENCY

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Authorized</u> <u>in 2012</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
11-20-12	Hurricane Sandy	\$ 500,000.00	\$ 100,000.00	\$ 500,000.00	\$ 500,000.00
				\$ 500,000.00	\$ 500,000.00
				D-1/D-4	D
			<u>Ref.</u>		

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE FROM NEW JERSEY ENVIRONMENTAL TRUST FUND

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 1,165,026.00
Increased by:		
Awards Granted		<u>4,365,741.00</u>
		5,530,767.00
Decreased by:		
Cash Receipts	D-5	<u>2,224,816.00</u>
Balance, December 31, 2012	D	\$ <u><u>3,305,951.00</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR PRELIMINARY EXPENSES

	<u>Ref.</u>	
Balance, December 31, 2011 and 2012	D	\$ <u>885.00</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	<u>Total</u>	<u>Water -Sewer Utility Capital Fund</u>	<u>Current Fund</u>	<u>Payroll Fund</u>
Balance, December 31, 2011:					
Interfund Receivable	D	\$ 9.82	\$ 9.82		
Interfund Payable	D	(11,071.28)		(8,803.20)	(2,268.08)
Increased by:					
Cash Disbursed	D-5	11,071.28		8,803.20	2,268.08
		11,071.28		8,803.20	2,268.08
Sub - Total		9.82	9.82		
Decreased by:					
Cash Receipts	D-5	9.82	9.82		
Balance, December 31, 2012	D	\$	\$	\$	\$

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2011	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	\$ 24,885.04	\$	24,885.04	\$ 2,246.72	\$ 22,638.32
Other Expenses	12,772.53	\$ 54,515.04	67,287.57	50,021.58	17,265.99
Ocean County Utilities Authority	23,513.40		23,513.40		23,513.40
Social Security	5,625.10		5,625.10	171.80	5,453.30
Unemployment Compensation Insurance	3,634.00		3,634.00		3,634.00
	<u>\$ 70,430.07</u>	<u>\$ 54,515.04</u>	<u>\$ 124,945.11</u>	<u>\$ 52,440.10</u>	<u>\$ 72,505.01</u>
Ref.	D	D-13			D-1
Cash Disbursements				\$ 49,204.10	
Accounts Payable				<u>3,236.00</u>	
				<u>\$ 52,440.10</u>	

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 54,515.04
Increased by:		
Transferred from Budget Appropriations	D-4	122,881.70
		<u>177,396.74</u>
Decreased by:		
Transferred to Appropriation Reserves	D-12	54,515.04
		<u>54,515.04</u>
Balance, December 31, 2012	D	\$ <u>122,881.70</u>

SCHEDULE OF CUSTOMER OVERPAYMENTS

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 4,744.06
Increased by:		
Cash Received	D-5	4,259.73
		<u>9,003.79</u>
Decreased by:		
Applied to Customer Accounts Receivable	D-7	\$ 4,744.06
Canceled	D-1	1.83
		<u>4,745.89</u>
Balance, December 31, 2012	D	\$ <u>4,257.90</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 98,652.51
Increased by:		
Budget Appropriations	D-4	313,620.26
		<u>412,272.77</u>
Decreased by:		
Interest Paid	D-5	290,177.74
		<u>290,177.74</u>
Balance, December 31, 2012	D	\$ <u>122,095.03</u>

Analysis of Accrued Interest December 31, 2012

Principal Outstanding <u>Dec. 31, 2012</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bonds Payable:					
\$ 2,252,168.00	Various	09-01-12	12-31-12	4 Months	\$ 28,730.66
Loans Payable:					
9,865,141.28	Various	08-01-12	12-31-12	5 Months	92,658.33
Bond Anticipation Notes:					
966,275.00	1.27%	12-11-12	12-31-12	20 Days	<u>706.04</u>
					\$ <u>122,095.03</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>	
Increased by:		
Transferred from Appropriation Reserves	D-12	\$ <u>3,236.00</u>
Balance, December 31, 2012	D	\$ <u><u>3,236.00</u></u>

SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE

	<u>Ref.</u>	
Increased by:		
Cash Receipts	D-5	\$ <u>500,000.00</u>
Balance, December 31, 2012	D	\$ <u><u>500,000.00</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 7,748,681.01
Increased by:		
Capital Outlay	D-26	<u>39,616.00</u>
Balance, December 31, 2012	D	\$ <u><u>7,788,297.01</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2011	2012 Authorizations	Balance Dec. 31, 2012
1418/1543	Various Water and Sewer Improvements	05-23-07/10-28-10	\$ 8,550,000.00	\$ 8,550,000.00	\$ 500,000.00	\$ 8,550,000.00
1493/1569 1587	Phase II of the Water and Sewer Infrastructure Improvements	09-10-09/07-29-11 01-26-12	8,500,000.00	8,000,000.00	\$ 500,000.00	8,500,000.00
1497	Various Water and Sewer Infrastructure Improvements	11-12-09	731,275.00	731,275.00		731,275.00
1593/1601	Various Water and Sewer Improvements	04-26-12/06-14-12	768,000.00		803,000.00	803,000.00
				<u>\$ 17,281,275.00</u>	<u>\$ 1,303,000.00</u>	<u>\$ 18,584,275.00</u>
			<u>Ref.</u>	<u>D</u>	<u>D-24</u>	<u>D</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	Water -Sewer Operating <u>Fund</u>
Balance, December 31, 2011	D	\$ <u>9.82</u>
Decreased by:		
Cash Disbursed	D-5	\$ <u><u>9.82</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER - SEWER UTILITY BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Increased	Decreased	Balance Dec. 31, 2012
1493/1569 1587	Phase II of the Water and Sewer Infrastructure Improvements	12-23-09	12-11-12	12-11-13	1.270%	\$ 92,000.00	\$	92,000.00	
1493/1569 1587	Phase II of the Water and Sewer Infrastructure Improvements	12-23-11	12-11-12	12-11-13	1.270%	408,000.00		408,000.00	
1497	Various Water and Sewer Infrastructure Improvements	12-23-09	12-11-12	12-11-13	1.270%	531,275.00		55,000.00	\$ 476,275.00
1497	Various Water and Sewer Infrastructure Improvements	12-23-11	12-11-12	12-11-13	1.270%	200,000.00		20,000.00	180,000.00
1593/1601	Various Water and Sewer Improvements	12-11-12	12-11-12	12-11-13	1.270%		\$ 310,000.00		310,000.00
						<u>\$ 1,231,275.00</u>	<u>\$ 310,000.00</u>	<u>\$ 575,000.00</u>	<u>\$ 966,275.00</u>
		Ref.	D		D-5/D-28	D-26			D

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER - SEWER UTILITY SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by</u>		<u>Balance Dec. 31, 2012</u>
			<u>Outstanding December 31, 2012</u>	<u>December 31, 2012</u>			<u>Budget Appropriation</u>	<u>Balance</u>	
Water - Sewer Improvements	09-04-08	\$ 2,903,000.00	09-01-13	\$ 179,396.00	3.125%				
			09-01-14	179,396.00	3.250%				
			09-01-15	179,396.00	3.375%				
			09-01-16	200,256.00	3.500%				
			09-01-17	200,256.00	3.750%				
			09-01-18	201,508.00	3.875%				
			09-01-19	221,116.00	4.100%				
			09-01-20	221,116.00	4.125%				
			09-01-21	221,116.00	4.125%				
			09-01-22	221,116.00	4.250%				
			09-01-23	227,496.00	4.250%				
						\$ 2,414,876.00	\$ 162,708.00	\$ 2,252,168.00	
						<u>\$ 2,414,876.00</u>	<u>\$ 162,708.00</u>	<u>\$ 2,252,168.00</u>	
			<u>Ref.</u>			D	D-26		D

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF STATE OF NEW JERSEY
ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 6,950,642.62
Increased by:		
Loans Awarded	D-28	<u>3,346,296.00</u>
		10,296,938.62
Decreased by:		
Paid by Budget Appropriation	D-27	<u>431,797.34</u>
Balance, December 31, 2012	D	<u><u>\$ 9,865,141.28</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Number	Ordinance Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2011		Increased by:		Decreased by:		Balance Dec. 31, 2012	
				Funded	Unfunded	2012 Authorizations	Reserve for Encumbrances	Paid or Charged	Reserve for Encumbrances	Funded	Unfunded
1418/1543	Various Water and Sewer Improvements	05-23-07/ 10-28-10	\$ 8,550,000.00	\$ 464,561.23	\$ 593,036.00	\$ 427,417.27	\$ 69,217.87	\$ 358,199.40	\$ 69,217.87	\$ 464,561.23	\$ 593,036.00
1493/1569/ 1587	Phase II of the Water and Sewer Infrastructure Improvements	09-10-09/07-29-11/ 01/26/12	8,500,000.00		7,550,437.69	\$ 500,000.00	327,690.35	1,161,372.54	6,355,265.51		861,489.99
1497	Various Water and Sewer Infrastructure Improvements	11-12-09	731,275.00		60,276.46		52,152.95	27,881.95	50,164.95		34,382.51
1593/1601	Various Water and Sewer Improvements	04-26-12/06-14-12	803,000.00			803,000.00		136,434.00	170,378.50		496,187.50
				<u>\$ 464,561.23</u>	<u>\$ 8,203,750.15</u>	<u>\$ 1,303,000.00</u>	<u>\$ 807,260.57</u>	<u>\$ 1,683,887.89</u>	<u>\$ 6,645,026.83</u>	<u>\$ 464,561.23</u>	<u>\$ 1,985,096.00</u>
	Ref.			D	D		D	D-5	D	D	D
	Bonds and Notes Authorized but Not Issued Capital Improvement Fund	D-28 D-25/D-27				\$ 1,268,000.00 35,000.00					
	Fixed Capital Authorized and Uncompleted	D-19				<u>\$ 1,303,000.00</u>					

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 11,480.00
Increased by:		
Budget Appropriation	D-5	135,000.00
		<u>146,480.00</u>
Decreased by:		
Appropriated to Fund Improvement Authorization	D-24	35,000.00
		<u>35,000.00</u>
Balance, December 31, 2012	D	\$ <u>111,480.00</u>

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 5,333,805.01
Increased by:		
Serial Bonds Paid by Operating Budget	D-22	\$ 162,708.00
Capital Outlay	D-18	<u>39,616.00</u>
		<u>202,324.00</u>
Balance, December 31, 2012	D	\$ <u>5,536,129.01</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2011	Fixed Capital Authorized	Loan Paid from Operating Budget	Notes Paid from Operating Budget	Loan Forgiveness	Balance Dec. 31, 2012
1418/1543	Various Water and Sewer Improvements	05-23-07/10-28-10	\$ 1,006,321.38		\$ 372,600.88			\$ 1,378,922.26
1493/1569 1587	Phase II of the Water and Sewer Infrastructure Improvements	09-10-09/07-29-11 01-26-12			59,196.46	\$ 500,000.00	\$ 257,448.00	816,644.46
1497	Various Water and Sewer Infrastructure Improvements	11-12-09				75,000.00		75,000.00
1593/1601	Various Water and Sewer Improvements	04-26-12/06-14-12		\$ 35,000.00				35,000.00
			<u>\$ 1,006,321.38</u>	<u>\$ 35,000.00</u>	<u>\$ 431,797.34</u>	<u>\$ 575,000.00</u>	<u>\$ 257,448.00</u>	<u>\$ 2,305,566.72</u>
			D	D-24	D-23	D-21	D	

BOROUGH OF SEASIDE PARK
COUNTY OF MONMOUTH, NEW JERSEY

WATER - SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2011	2012 Authorizations	Loans Issued	Bond Anticipation Notes Issued	Canceled	Balance Dec. 31, 2012
1418/1543	Various Water and Sewer Improvements	\$ 593,036.00					\$ 593,036.00
1493/1569/ 1587	Phase II of the Water and Sewer Infrastructure Improvements	7,500,000.00	\$ 500,000.00	\$ 3,346,296.00		\$ 1,019,445.00	3,634,259.00
1593/1601	Various Water and Sewer Improvements		768,000.00		\$ 310,000.00		458,000.00
		<u>\$ 8,093,036.00</u>	<u>\$ 1,268,000.00</u>	<u>\$ 3,346,296.00</u>	<u>\$ 310,000.00</u>	<u>\$ 1,019,445.00</u>	<u>\$ 4,685,295.00</u>
Ref.			D-24	D-23	D-5/D-24		(Footnote D)

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY FUND
SCHEDULE OF CASH

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2011	E	\$ 418,100.15	\$ 154,251.75
Increased by Receipts:			
Accounts Receivable - Boat Slip Rental Fees	E-6	\$ 162,662.01	
Prepaid Slip Rental Fees	E-7	126,941.05	
Miscellaneous Anticipated	E-2	32,838.00	
Interfunds	E-8	1.26	
Capital Improvement Fund	E-17		\$ 20,000.00
		<u>322,442.32</u>	<u>20,000.00</u>
Decreased by Disbursements:		<u>740,542.47</u>	<u>174,251.75</u>
2012 Appropriations	E-3	323,488.18	
Appropriation Reserves	E-11	2,861.49	
Accrued Interest on Bonds and Loans	E-14	32,710.05	
Interfunds	E-8	649.74	
Interfund - Marina Utility Operating	E-19		1.26
Improvement Authorizations	E-16		<u>42,104.10</u>
		<u>359,709.46</u>	<u>42,105.36</u>
Balance, December 31, 2012	E	\$ <u>380,833.01</u>	\$ <u>132,146.39</u>

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
ANALYSIS OF MARINA UTILITY CAPITAL CASHBalance
Dec. 31, 2012

Capital Improvement Fund	\$	74,575.45
Reserve for Encumbrances		11,581.05

Ordinance

<u>Number</u>	<u>Improvement Description</u>
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1445/1683	Various Marina Utility Improvements	40,779.66
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1483	Various Marina Utility Improvements	6,175.23
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1591	Various Marina Utility Improvements	<u>(965.00)</u>
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\$	<u>132,146.39</u>
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<u>Ref.</u>	E
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BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS RECEIVABLE - BOAT SLIP RENTAL FEES

	<u>Ref.</u>		
Increased by:			
Charges			\$ 346,574.03
Decreased by:			
Collections	E-4	\$ 162,662.01	
Prepays Applied	E-7	183,912.02	
	E-2	<u> </u>	\$ <u>346,574.03</u>

SCHEDULE OF PREPAID SLIP RENTAL FEES

	<u>Ref.</u>		
Balance, December 31, 2011	E		\$ 183,912.02
Increased by:			
Collections	E-4	<u>126,941.05</u>	
		310,853.07	
Decreased by:			
Applied to Accounts Receivable	E-6	<u>183,912.02</u>	
Balance, December 31, 2012	E		\$ <u>126,941.05</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	Ref.	Total	Marina Utility Capital Fund	Current Fund	Trust Other Fund	Payroll Fund
Balance, December 31, 2011:						
Interfund Receivable	E	\$ 1.26	\$ 1.26			
Interfunds Payable	E	(649.74)		\$ (534.36)	\$ (114.45)	\$ (0.93)
Increased by:						
Cash Disbursed	E-4	649.74		534.36	114.45	0.93
Sub - Total		1.26	1.26			
Decreased by:						
Cash Receipts	E-4	\$ 1.26	\$ 1.26	\$	\$	\$

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 2,348,395.96
Increased by:		
Capital Outlay	E-18	<u>7,599.00</u>
Balance, December 31, 2012	E	\$ <u>2,355,994.96</u>
Analysis:		
Miscellaneous		\$ 64,520.69
Ordinance 1245 - Acquisition of Berkeley Harbor Marina Property		2,283,875.27
Boat Acquisition 2012		<u>7,599.00</u>
		\$ <u>2,355,994.96</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Improvement Description	<u>Ordinance</u>		Balance Dec. 31, 2011	Improvement Authorization	Balance Dec. 31, 2012
		Date	Amount			
1445/ 1563	Various Marina Utility Improvements	05-28-08 05-12-11	\$ 441,500.00	\$ 441,500.00		\$ 441,500.00
1477	Various Marina Utility Improvements	04-09-09	216,124.73	216,124.73		216,124.73
1483	Various Marina Utility Improvements	06-25-09	56,800.00	56,800.00		56,800.00
1591	Various Marina Utility Improvements	04-12-12	285,000.00		\$ 285,000.00	285,000.00
				\$ 714,424.73	\$ 285,000.00	\$ 999,424.73
		<u>Ref.</u>		E	E-16	E

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 1,687.80		\$ 1,687.80	\$ 745.23	\$ 942.57
Other Expenses	40,289.56	\$ 1,471.67	41,761.23	2,059.25	39,701.98
Statutory Expenditures:					
Social Security System	132.44		132.44	57.01	75.43
Unemployment Insurance	<u>651.00</u>		<u>651.00</u>		<u>651.00</u>
	<u>\$ 42,760.80</u>	<u>\$ 1,471.67</u>	<u>\$ 44,232.47</u>	<u>\$ 2,861.49</u>	<u>\$ 41,370.98</u>
<u>Ref.</u>	E	E-12		E-4	E-1

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 1,471.67
Increased by:		
Transferred from Budget Appropriations	E-3	5,490.77
		<u>6,962.44</u>
Decreased by:		
Transferred to Appropriation Reserves	E-11	1,471.67
		<u>1,471.67</u>
Balance, December 31, 2012	E	\$ <u><u>5,490.77</u></u>

MARINA UTILITY CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 964,585.76
Decreased by:		
Budget Appropriation	E-18	83,428.77
		<u>83,428.77</u>
Balance, December 31, 2012	E	\$ <u><u>881,156.99</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND LOANS

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 6,369.77
Increased by:		
Budget Appropriations	E-3	32,310.68
		<u>38,680.45</u>
Decreased by:		
Interest Paid	E-4	32,710.05
		<u>32,710.05</u>
Balance, December 31, 2012	E	\$ <u>5,970.40</u>

Analysis of Accrued Interest December 31, 2012

Principal Outstanding <u>Dec. 31, 2012</u>	Interest Rate	From	To	Period	<u>Amount</u>
Green Trust Loan Program:					
\$ 881,156.99	2.00%	11-29-12	12-31-12	33 Days	\$ 1,606.53
Bonds Payable:					
342,096.00	Various	09-01-12	12-31-12	4 Months	<u>4,363.87</u>
					\$ <u>5,970.40</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF MARINA UTILITY SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2012</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
Marina Improvements	09-04-08	\$ 441,000.00	09-01-13 \$ 27,261.00	3.125%			
			09-01-14 27,261.00	3.250%			
			09-01-15 27,261.00	3.375%			
			09-01-16 30,431.00	3.500%			
			09-01-17 30,431.00	3.750%			
			09-01-18 30,622.00	3.875%			
			09-01-19 33,600.00	4.100%			
			09-01-20 33,600.00	4.125%			
			09-01-21 33,600.00	4.125%			
			09-01-22 33,600.00	4.250%			
			09-01-23 34,429.00	4.250%			
					\$ 366,822.00	\$ 24,726.00	\$ 342,096.00
					<u>\$ 366,822.00</u>	<u>\$ 24,726.00</u>	<u>\$ 342,096.00</u>
				<u>Ref.</u>	E	E-20	E

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2011		Increased by Reserve for Encumbrances		Decreased by Paid or Charged		Reserve for Encumbrances		Balance Dec. 31, 2012	
				Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
1445/ 1563	Various Marina Utility Improvements	05-28-08 05-12-11	\$ 441,500.00	\$ 41,059.66	\$ 500.00	\$ 43,520.02		\$ 32,575.47	\$ 11,224.55	\$ 40,779.66	\$ 500.00		
1477	Various Marina Utility Improvements	04-09-09	216,124.73			8,920.13		8,563.63	356.50				
1483	Various Marina Utility Improvements	06-25-09	56,800.00	6,175.23						6,175.23			
1591	Various Marina Utility Improvements	04-12-12	285,000.00					965.00			284,035.00		
				\$ 47,234.89	\$ 500.00	\$ 52,440.15	\$ 285,000.00	\$ 42,104.10	\$ 11,581.05	\$ 46,954.89	\$ 284,535.00		
Ref.				E	E	E	E-10	E-4	E	E	E		E

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 54,575.45
Increased by:		
Cash Receipts	E-4	<u>20,000.00</u>
Balance, December 31, 2012	E	\$ <u>74,575.45</u>

Exhibit E-18

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 1,383,810.20
Increased by:		
Loans Paid by Operating Budget	E-13	\$ 83,428.77
Capital Outlay	E-9	<u>7,599.00</u>
		<u>91,027.77</u>
Balance, December 31, 2012	E	\$ <u>1,474,837.97</u>

Exhibit E-19

SCHEDULE OF INTERFUND - MARINA OPERATING FUND

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 1.26
Decreased by:		
Cash Disbursed	E-4	\$ <u>1.26</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2011</u>	<u>Increases</u>	<u>Balance Dec. 31, 2012</u>
1445 1563	Various Marina Utility Improvements	05-28-08 05-12-11	\$ 74,178.00	\$ 24,726.00	\$ 98,904.00
1477	Various Marina Utility Improvements	04-09-09	216,124.73		216,124.73
1483	Various Marina Utility Improvements	06-25-09	56,800.00		56,800.00
			<u>\$ 347,102.73</u>	<u>\$ 24,726.00</u>	<u>\$ 371,828.73</u>
		<u>Ref.</u>	E	E-15	E

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

Ordinance		Balance, December 31, 2011	2012 Authorizations	Balance, December 31, 2012
<u>Number</u>		<u>Improvement Description</u>		
1445	Various	Marina Utility Improvements	\$ 500.00	\$ 500.00
1591	Various	Marina Utility Improvements	\$ 285,000.00	285,000.00
			<u>\$ 285,000.00</u>	<u>\$ 285,500.00</u>
			E-16	(Footnote E)

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

PUBLIC ASSISTANCE TRUST FUND
 SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance, December 31, 2011:			
Trust Fund I		\$ 100.00	
Trust Fund II		<u>3,837.50</u>	
	G		\$ 3,937.50
Increased by Receipts:			
State Aid	G-3	56,000.00	
Cancel Outstanding Checks	G-3	<u>210.00</u>	
			<u>56,210.00</u>
			60,147.50
Decreased by Disbursements:			
Reserve for Public Assistance	G-2	195.70	
Public Assistance Expenditures	G-3	<u>39,631.82</u>	
			<u>39,827.52</u>
Balance, December 31, 2012:			
Trust Fund I			
Trust Fund II		<u>20,319.98</u>	
	G		\$ <u><u>20,319.98</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

PUBLIC ASSISTANCE TRUST FUND
SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE

	<u>Ref.</u>	
Balance, December 31, 2011	G	\$ 10,820.16
Decreased by:		
Cash Disbursed	G-1	<u>195.70</u>
Balance, December 31, 2012	G	\$ <u>10,624.46</u>

SCHEDULE OF STATE AID RECEIVABLE / (PREPAID STATE AID)

	<u>Ref.</u>	
Balance, December 31, 2011	G	\$ 6,882.66
Increased by:		
Eligible Expenditures - Public Assistance at 100%	G-1	<u>39,631.82</u>
		46,514.48
Decreased by:		
State Aid	G-1	\$ 56,000.00
Cancel Outstanding Checks	G-1	<u>210.00</u>
		<u>56,210.00</u>
Balance, December 31, 2012	G	\$ <u>(9,695.52)</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS

	Balance <u>Dec. 31, 2011</u>	<u>Additions</u>	Balance <u>Dec. 31, 2012</u>
General Fixed Assets:			
Land	\$ 22,271,252.82		\$ 22,271,252.82
Riparian Grants - Land	121,992,200.00		121,992,200.00
Buildings	7,909,885.00		7,909,885.00
Machinery, Equipment and Vehicles	<u>3,427,210.45</u>	\$ <u>114,045.40</u>	<u>3,541,255.85</u>
	\$ <u>155,600,548.27</u>	\$ <u>114,045.40</u>	\$ <u>155,714,593.67</u>
<u>Ref.</u>	H		H

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2012

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate (Per \$100 Assessed Valuation)	<u>\$1.254</u>	<u>\$1.251</u>	<u>\$1.194</u>

Apportionment of Tax Rate

Municipality	.429	.430	.430
County	.394	.377	.350
Regional High School	.371	.382	.348
Local District School	.060	.062	.066

Assessed Valuation

2012	\$1,162,243,382.00	
2011	\$1,161,079,711.00	
2010		\$1,161,925,908.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2012	\$14,643,117.63	\$14,090,655.00	96.22%
2011	14,554,319.35	14,231,848.29	97.78%
2010	13,907,984.97	13,455,500.91	96.74%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Year Ended December 31</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2012	\$ -	\$522,539.67	\$522,539.67	3.57%
2011	-	296,997.47	296,997.47	2.04%
2010	-	377,469.50	377,469.50	2.71%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2012	\$ -
2011	-
2010	-

COMPARISON OF WATER-SEWER UTILITY RENTS LEVIED

<u>Year</u>	<u>Levy</u>	<u>Prior Year Delinquent</u>	<u>Cash Collections</u>
2012	\$2,742,673.52	\$363,273.83	\$2,744,105.53
2011	3,032,150.62	462,023.58	3,130,900.37
2010	3,272,772.66	274,347.19	3,085,096.27

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u> <u>Current Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
2012	\$1,468,819.57	\$752,841.00
2011	1,653,703.54	1,021,384.88
2010	1,201,444.67	343,350.00
2009	562,172.73	270,000.00
2008	756,678.66	450,000.00

<u>Year</u> <u>Water-Sewer Utility Fund</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
2012	\$1,554,383.37	\$24,188.00
2011	1,344,036.08	-
2010	782,342.00	43,074.00
2009	269,857.20	-
2008	470,970.76	450,000.00

COMPARATIVE SCHEDULE OF FUND BALANCES (continued)

<u>Year</u>	<u>Balance</u>	<u>Utilized in</u> <u>Budget of</u>
<u>Marina Utility Fund</u>	<u>December 31</u>	<u>Succeeding Year</u>
2012	\$190,712.97	\$90,000.00
2011	183,137.41	103,942.00
2010	210,390.30	118,562.00
2009	299,702.02	220,000.00
2008	247,917.97	20,000.00

SUMMARY OF MUNICIPAL DEBT

	<u>Year 2012</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Issued</u>			
General:			
Bonds, Notes and Loans	\$ 6,312,806.47	\$6,323,511.72	\$4,541,699.86
Water-Sewer Utility:			
Bonds, Notes and Loans	13,083,584.28	10,596,793.62	10,512,673.34
Marina Utility:			
Bonds, Notes and Loans	<u>1,223,252.99</u>	<u>1,331,407.76</u>	<u>1,437,918.66</u>
Net Debt	<u>20,619,643.74</u>	<u>18,251,713.10</u>	<u>16,492,291.86</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	631,694.37	1,548,225.32	896,351.32
Water-Sewer Utility:			
Bonds and Notes	4,685,295.00	8,093,036.00	1,039,236.00
Marina Utility:			
Bonds and Notes	<u>285,500.00</u>	<u>500.00</u>	<u>500.00</u>
	<u>5,602,489.37</u>	<u>9,641,761.32</u>	<u>1,936,087.32</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$26,222,133.11</u>	<u>\$27,893,474.42</u>	<u>\$18,428,379.18</u>

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarization statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a Statutory Net Debt of .903%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional High School District Debt	\$1,093,852.08	\$ 1,093,852.08	\$ None
Local District School	-	-	None
General Debt	6,944,500.84	114,505.60	6,829,995.24
Water-Sewer Utility Debt	17,768,879.28	13,225,688.28	4,543,191.00
Marina Utility Debt	<u>1,508,752.99</u>	<u>1,508,752.99</u>	<u>None</u>
	<u>\$27,315,985.19</u>	<u>\$15,942,798.95</u>	<u>\$11,373,186.24</u>

Net Debt \$11,373,186.24 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$1,259,673,620.00 equals .903%.

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

3-1/2% Equalized Valuation Basis Municipal	\$44,088,576.70
Net Debt	<u>11,373,186.24</u>
Remaining Borrowing Power	<u>\$32,715,390.46</u>

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

Cash Receipts From Fees, Rents or Other	
Charges for the Year	\$3,561,190.05
Deductions:	
Operating and Maintenance Costs	\$2,305,224.00
Debt Service Per Water Account	<u>1,483,125.60</u>
Total Deductions	<u>3,788,349.60</u>
Deficit in Revenue	\$(<u>227,159.55</u>)
Gross Water-Sewer Utility Debt	\$17,768,879.28
Less: Deficit Capitalized at 5%	
\$227,159.55 x 20	<u>4,543,191.00</u>
Allowable Deduction	<u>\$13,225,688.28</u>

CALCULATION OF “SELF-LIQUIDATING PURPOSE” - MARINA UTILITY PER N.J.S. 40A:2-45

Cash Receipts From Fees, Rents or Other		
Charges for the Year		\$483,354.03
Deductions:		
Operating and Maintenance Costs	\$186,742.00	
Debt Service Per Sewer Account	<u>140,465.45</u>	
Total Deductions		<u>327,207.45</u>
Excess in Revenue		<u>\$156,146.58</u>

The Chief Financial Officer should file an amended debt statement.

OFFICIALS IN OFFICE AND SURETY BONDS

The following Officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>
Robert W. Matthies	Mayor
Jack Moyse	Council President
Gale Coleman	Councilwoman
Jean Contessa	Councilwoman
Nancy Koury	Councilwoman
David Nicola	Councilman
Michael Tierney	Councilman
Robert Martucci	Administrator
Eugenia Poulos	Chief Financial Officer
Ann L. Rice	Tax Collector
James A. Liguori	Municipal Court Judge
Kathy Smith	Court Administrator

There were Employee's Blanket Performance Bonds in the amount of \$50,000 for Borough employees and court personnel carried by the Ocean County Joint Insurance Fund and \$950,000 carried by the Municipal Excess Liability Joint Insurance Fund.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN

PART II

SINGLE AUDIT SECTION

FOR THE YEAR ENDED DECEMBER 31, 2012

FALLON & LARSEN LLP

Certified Public Accountants
Registered Municipal Accountants

1390 Route 36, Suite 102
Hazlet, New Jersey 07730-1716
Telephone: (732) 888-2070
FAX: (732) 888-6245

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CIRCULAR A-133 AND STATE TREASURY CIRCULAR LETTER 04-04 OMB

To the Honorable Mayor
and Members of the Borough Council
Borough of Seaside Park
County of Ocean
Seaside Park, New Jersey

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

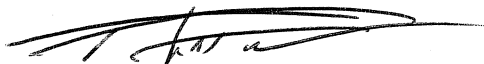
Report on Internal Control Over Compliance

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


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

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

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



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

July 9, 2013

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN
STATE OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2012

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Grant Number/ Pass Through Grant Number	Federal CFDA Number	Grant Period	Grant/Loan Award	Cash Received	Federal Expenditures	Cumulative Expenditures
U.S. Department of Environmental Protection: Pass-through programs from: State of New Jersey Department of Environmental Protection:							
Capitalization Grants for Clean Water State Revolving Funds	S340083-01	66.458	11/01/07 - Completion	\$ 1,953,106.00	\$ 271,309.00	\$ 166,367.16	\$ 1,898,156.00
Capitalization Grants for Clean Water State Revolving Funds	S340083-02	66.458	07/01/12 - Completion	1,415,384.00	351,360.00	308,743.33	351,360.00
Subtotal CFDA Number 66.458				3,368,490.00	622,669.00	475,110.49	2,249,516.00
Capitalization Grants for Drinking Water State Revolving Funds	1527001-001	66.468	11/01/07 - Completion	1,908,858.00	197,481.00	12,732.55	1,850,085.00
Capitalization Grants for Drinking Water State Revolving Funds	1527001-002	66.468	07/01/12 - Completion	1,204,061.00	420,982.00	378,901.95	420,982.00
Subtotal CFDA Number 66.468				3,112,919.00	618,463.00	391,634.50	2,271,067.00
Total U.S. Department of Environmental Protection				6,481,409.00	1,241,132.00	866,744.99	4,520,583.00
U.S. Department of Energy: Pass-through programs from: New Jersey Board of Public Utilities: Energy Efficiency and Conservation Block Grant Program (ARRA Funds)	Various	81.128	Various	16,166.05	16,166.05	16,166.05	16,166.05
Total U.S. Department of Energy				16,166.05	16,166.05	16,166.05	16,166.05
U.S. Department of Transportation: Pass-through programs from: New Jersey Department of Transportation: Highway Planning and Construction: 9th Avenue Road Improvements	6320-480	20.205	Open	300,000.00	87,385.57	3,079.60	300,000.00
Total U.S. Department of Transportation:				300,000.00	87,385.57	3,079.60	300,000.00
Total Federal Expenditures				\$ 6,797,575.05	\$ 1,344,683.62	\$ 885,990.64	\$ 4,836,749.05

See accompanying notes to the schedules of expenditures of federal awards and state financial assistance.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN
STATE OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the Year Ended December 31, 2012

State Grantor / Pass - Through Grantor / Program	State Account Number or Grant Number	Grant Period	Grant/Loan Award	Cash Received	Program Expenditures	Cumulative Expenditures
N.J. Department of Law and Public Safety:						
Drunk Driving Enforcement Fund	6400-100-078-6400	Open	\$ 6,967.36	\$	3,605.07	\$ 3,605.07
Body Armor Replacement Grant	1020-718-001	Open	8,138.21	1,725.92		
Total N.J. Department of Law and Public Safety			15,105.57	1,725.92	3,605.07	3,605.07
N.J. Department of Health and Senior Services:						
Alcohol Education and Rehabilitation	760-046-4240-001	Open	2,392.13			1,361.20
Total N.J. Department of Health and Senior Services			2,392.13			1,361.20
N.J. Department of Human Services:						
Payments to Municipalities for Costs of Work						
First New Jersey General Assistance	100-054-7550-121	Open	49,700.00	49,700.00	39,631.82	39,631.82
Pass through County of Ocean						
Municipal Alliance Grant	Not Made Available	01/01/12 - 12/31/12	6,000.00	938.99	3,045.55	3,045.55
Total N.J. Department of Human Services			55,700.00	50,638.99	42,677.37	42,677.37
N.J. Department of Environmental Protection:						
Clean Communities Program	4900-765-042-004	Open	31,013.77	8,492.33	8,172.39	8,172.39
Recycling Tonnage Grant	4900-752-042-001	Open	25,886.13	6,336.88	1,442.59	1,442.59
Environmental Infrastructure Financing Program:						
Capitalization Grants for Clean Water State						
Revolving Funds						
Capitalization Grants for Clean Water State	S340083-01/4860-510-022	11/01/07 - Completion	2,031,230.00	271,309.00	166,367.16	1,976,280.00
Revolving Funds						
Capitalization Grants for Clean Water State	S340083-02/4860-510-022	07/01/12 - Completion	943,589.00	234,240.00	205,828.89	234,240.00
Revolving Funds						
Capitalization Grants for Drinking Water State	1527001-001/4840-707	11/01/07 - Completion	1,985,212.00	197,481.00	12,732.55	1,926,439.00
Revolving Funds						
Capitalization Grants for Drinking Water State	1527001-002/4840-707	07/01/12 - Completion	802,707.00	280,654.00	252,600.63	280,654.00
Subtotal Environmental Infrastructure Trust Financing Program			5,762,738.00	983,684.00	637,529.23	4,417,613.00
Total N.J. Department of Environmental Protection			5,819,637.90	998,513.21	647,144.21	4,427,227.98
Total State Financial Assistance			\$ 5,892,835.60	\$ 1,050,878.12	\$ 693,426.65	\$ 4,474,871.62

See accompanying notes to the schedules of expenditures of federal awards and state financial assistance.

TOWNSHIP OF SEASIDE PARK
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 ORGANIZATION AND BASIS OF PRESENTATION

A. Organization

The Borough of Seaside Park is the prime sponsor and recipient of various federal and state grant funds. The Borough has delegated the administration of grant programs and the reporting function to various departments within the Borough. Substantially all grant and program cash funds are commingled with the Borough's other funds, although each grant is accounted for separately within the Borough's financial records. The Borough's Department of Finance performs the accounting functions for all grants.

B. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the Borough of Seaside Park and is presented on the cash basis of accounting. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, for grants accounted for in the Federal and State Grant Fund are transferred to the Current Fund balance when the grant is closed out. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Treasury Circular Letter 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 2 CONTINGENCIES

Each of the grantor agencies reserves the right to conduct additional audits of the Borough's grant programs for economy, efficiency and program results. However, Borough management does not believe such audits would result in material amounts of disallowed costs.

**BOROUGH OF SEASIDE PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Section I - Summary of Auditors' Results

Financial Statements Section

Type of auditors' report issued:

Generally Accepted Accounting Principles
Regulatory Basis

Adverse
Qualified

Internal control over financial reporting:

Material weakness identified?

___ Yes X No

Significant deficiency identified not considered
to be material weaknesses?

___ Yes NONE REPORTED

Noncompliance material to financial statements noted?

___ Yes X No

a) Federal Awards

Internal Control over major programs:

Material weakness identified?

___ Yes X No

Significant deficiency identified not considered
to be material weakness?

___ Yes NONE REPORTED

Type of auditors' report issued on compliance
for major programs:

Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Circular A-133,
Section 510(a)?

___ Yes X No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>G r a n t N u m b e r</u>
66.458	Capitalization Grants for Clean Water - State Revolving Funds	S340083-01/02
66.468	Capitalization Grants for Drinking Water - State Revolving Funds	1527001-001/002

Dollar threshold used to distinguish between
Type A and Type B programs:

\$300,000.00

Auditee qualified as low risk auditee?

___ Yes X No

**BOROUGH OF SEASIDE PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Section II - Financial Statement Findings

None reported.

**BOROUGH OF SEASIDE PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Section III

a) Federal Award Findings and Questioned Costs

There were no findings or questioned costs related to federal programs.

b) State Award Findings and Questioned Costs

There were no findings or questioned costs related to state programs.

**BOROUGH OF SEASIDE PARK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012**

a) Schedule of Federal Prior Year Audit Findings

None reported.

b) Schedule of State Prior Year Audit Findings

None reported.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN

PART III

COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

GENERAL COMMENTS

Contracts and Agreements Required To Be Advertised for N.J.S. 40A:11-4

N.J.S. 40-A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law".

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

- Exterior Resurfacing of the Public Works Administration Building & Garage
- Phase II Water Main Distribution and Sanitary Sewer Improvements
- Info-Cop E-Ticketing Turnkey System
- Purchase of a Regenerative Air Street Sweeper
- New Bathrooms/Storage Building at the Marina
- Installation of a 100 KW Standby Generator
- Redevelopment of Well No. 8

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

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

Our examination of expenditures did not reveal individual payments in excess of the bid threshold "for the provision or performance of any goods or services" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c. 198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered".

GENERAL COMMENTS (continued)

Collection of Interest on Delinquent Taxes, Water Utility Rents, Sewer Utility Rents and Assessments

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

The Governing Body, on January 1, 2012, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

WHEREAS, N.J.S.A. 54:4-67 authorizes the governing body of a municipality by resolution to fix the rate of interest to be charged on delinquent taxes; and

WHEREAS, the same statute also authorizes the governing body to provide that no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same became payable.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Seaside Park, in the County of Ocean, State of New Jersey, as follows:

1. In accordance with N.J.S.A. 54:4-67 as amended, the rate of interest to be charged for the nonpayment of taxes on or before the date when they would become delinquent is hereby fixed at eight percent (8%) per annum on the first \$1,500.00 of the delinquency and eighteen percent (18%) per annum on any amount in excess of \$1,500.00, to be calculated from the date the tax was payable until the date of actual payment, and if the delinquency is in excess of \$10,000 and remains in arrears beyond December 31, an additional penalty of six percent (6%) shall be charged against the delinquency.
2. In accordance with N.J.S.A. 54:4-67, no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same became payable.
3. The Municipal Clerk is hereby directed to forward a certified copy of this Resolution to the Borough Tax Collector.

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

Delinquent Taxes, Tax Title Liens, and Delinquent Water-Sewer Rents

The detail of all unpaid taxes for 2012 and prior years is being properly carried in the Tax Collector's records. An abstract taken from these records as of December 31, 2012, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

GENERAL COMMENTS (continued)

Delinquent Taxes, Tax Title Liens, and Delinquent Water-Sewer Rents (continued)

The following comparison is made of the number of tax title liens receivable on December 31st of the last three (3) years.

<u>Year</u>	<u>Number of Liens</u>
2012	0
2011	0
2010	0

The detail of all unpaid water-sewer rents for 2012 and prior years is being properly carried in the Utility Collector's records. An abstract taken from these records as of December 31, 2012, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

The last tax sale was held on October 26, 2012 and it was complete.

Verification of Delinquent Taxes and Other Charges

Verification of delinquent charges and current payments was done for the period under audit in accordance with the regulations of the Division of Local Government Services, on December 31, 2012 and consisted of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>	<u>Number Returned</u>
Dates of Payments of Taxes	25	11
Delinquent Taxes	18	3
Dates of Payment of Water-Sewer Utility Charges	25	11
Delinquent Water-Sewer Utility Charges	34	9

Through examination of those notices that were returned, and by alternative procedures for notices unreturned, no irregularities were noted.

OTHER COMMENTS

Cash and Cash Equivalents Balances

The cash balances in all funds were verified by independent certifications obtained from the depositories as of December 31, 2012.

Cash counts were made at various dates in all departments of the Borough and bank balances were independently reconciled to the books and records or to such schedules of receipts and disbursements provided for audit.

The change funds and petty cash funds were counted.

OTHER COMMENTS (continued)

Revenues

Receipts from licenses, fees, fines and costs, etc. for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary.

Financial Administration

Comment: Interfunds receivable and payable are reflected on the various balance sheets of the funds at December 31, 2012.

Recommendation: That all interfunds be liquidated prior to year end.

Expenditures

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute.

Payroll

An examination was made of the employees' compensation records for the year 2012 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance. Vouchers for overtime and part-time wages were checked.

Miscellaneous Comments

The confirmations sent to the Regional High School and Local District Board of Education verified the correct school tax payable at December 31, 2012.

Appreciation

I desire to express my appreciation for the cooperation received from the Borough Officials and Employees and the courtesies extended during the course of the audit.

RECOMMENDATIONS


It is recommended:

12-1. That all interfunds be liquidated prior to year end.

The above recommendation is similar to the one reported in the 2011 audit.

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to call me.

Very truly yours,

A handwritten signature in black ink, appearing to read 'T. Fallon', with a long horizontal flourish extending to the right.

Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant # 465

For the Firm
FALLON & LARSEN LLP