

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

**REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2011**

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN

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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, 2011

Certified Public Accountants

1390 Route 36, Suite 102
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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 - regulatory basis of the various funds and account groups of the Borough of Seaside Park (the "Borough"), as of December 31, 2011 and 2010 and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis for the year ended December 31, 2011. These financial statements - regulatory basis are the responsibility of the Borough's management. Our responsibility is to express opinions on these financial statements based on our audits.

Except as discussed in the following paragraph, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

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 represent 30.79% and 26.90% of the assets and liabilities as of December 31, 2011 and 2010, respectively, of the Borough's Trust Funds.

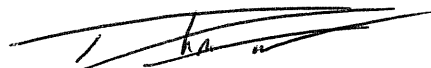
As described more fully in Note 2, the Borough has prepared these financial statements using accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Further, in our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough, as of December 31, 2011 and 2010 or the results of its operations or cash flows of its proprietary fund types and nonexpendable trust funds for the years then ended.

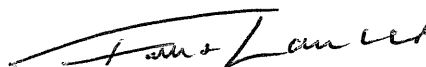
In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund financial statements been audited, the financial statements - regulatory basis present fairly, in all material respects, the financial position - regulatory basis of the various funds and account groups of the Borough, as of December 31, 2011 and 2010, and the results of its operations and the changes in fund balance - regulatory basis of the individual funds for the years then ended and the statements of revenues - regulatory basis, and statements of expenditures - regulatory basis for the year ended December 31, 2011, on the basis of accounting described in Note 2 to the financial statements.

In accordance with Government Auditing Standards, we have also issued our report dated April 27, 2012 on our consideration of the Borough's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements - regulatory basis 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 - regulatory basis. The accompanying schedules of expenditures of federal awards and state financial assistance are 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 Organization, and New Jersey State 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 - regulatory basis. The accompanying financial information listed as supplementary schedules and comments section in the table of contents and the schedules of expenditures 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 - regulatory basis. Except for the LOSAP Fund supplementary schedules, such information has been subjected to the auditing procedures applied in the audit of the financial statements - regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements - regulatory basis or to the financial statements - regulatory basis 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, is fairly presented in all material respects in relation to the financial statements - regulatory basis taken as a whole, on the basis of accounting described in Note 2 to the financial statements - regulatory basis.



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



Fallon & Larsen LLP

April 27, 2012

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 the financial statements - regulatory basis of the Borough of Seaside Park (the "Borough") as of and for the year ended December 31, 2011, and have issued our report thereon dated April 27, 2012 in which 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 to the financial statements, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive 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. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Borough is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Borough's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements - regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

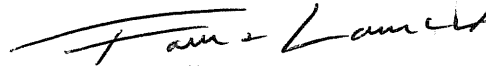
As part of obtaining reasonable assurance about whether the Borough's financial statements - regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

This report is intended solely for the information and use of the governing body, management, others within the Borough, the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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



Fallon & Larsen LLP

April 27, 2012

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	A-4	\$ 3,935,704.21	\$ 3,341,769.60
Cash - Change Fund	A/A-4	1,825.00	1,775.00
		<u>3,937,529.21</u>	<u>3,343,544.60</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	296,997.47	377,469.50
Revenue Accounts Receivable	A-7	25,343.94	10,869.16
Employee Payroll Advance	A-1/A-4	18,614.08	
Interfunds Receivable	A-20	9,366.97	28,932.25
		<u>350,322.46</u>	<u>417,270.91</u>
Deferred Charges:			
Overexpenditure of Appropriation Reserves	A-6		7,507.53
Special Emergency Authorizations (N.J.S. 40A:4-55)	A-8	39,796.00	68,495.00
		<u>39,796.00</u>	<u>76,002.53</u>
		<u>4,327,647.67</u>	<u>3,836,818.04</u>
Federal and State Grant Fund:			
Grants Receivable	A-21	56,698.18	99,133.91
Interfund - Current Fund	A-22	97,703.76	97,514.91
		<u>154,401.94</u>	<u>196,648.82</u>
Total Assets		<u>\$ 4,482,049.61</u>	<u>\$ 4,033,466.86</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,

	Ref.	2011	2010
LIABILITIES, RESERVES AND FUND BALANCE			
Appropriation Reserves	A-3/A-10	\$ 408,253.76	\$ 367,502.62
Reserve for Encumbrances	A-11	232,258.16	166,046.09
Tax Overpayments	A-12	19,882.72	15,568.38
Prepaid Taxes	A-13	192,136.81	164,883.91
County Taxes Payable	A-14	7,046.75	7,385.80
Regional High School Tax Payable	A-15	1,044,327.81	901,302.41
Local District School Tax Payable	A-16		186,251.00
Accounts Payable	A-17	10,048.99	
Various Reserves	A-18	304,667.77	311,357.19
Due to State of New Jersey, Chap. 20 P.L. 1971	A-9	500.00	250.00
Interfund - Federal and State Grant Fund	A-19	97,703.76	97,514.91
Interfunds Payable	A-20	6,795.14	40.15
		<u>2,323,621.67</u>	<u>2,218,102.46</u>
Reserve for Receivables and Other Assets	A	350,322.46	417,270.91
Fund Balance	A-1	<u>1,653,703.54</u>	<u>1,201,444.67</u>
		<u>4,327,647.67</u>	<u>3,836,818.04</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-23	153,891.70	160,397.41
Unappropriated Reserves	A-24		7,560.54
Reserve for Encumbrances	A-25	510.24	28,690.87
		<u>154,401.94</u>	<u>196,648.82</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 4,482,049.61</u>	<u>\$ 4,033,466.86</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>2011</u>	<u>2010</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 343,350.00	\$ 270,000.00
Miscellaneous Revenue Anticipated	A-2	3,405,305.90	3,560,962.96
Receipts from Delinquent Taxes	A-2	376,809.11	406,599.31
Receipts from Current Taxes	A-2	14,231,848.29	13,455,500.91
Non-Budget Revenues	A-2	107,408.98	154,805.74
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	292,194.40	417,564.80
Grants Appropriated Canceled	A-19	83,208.50	140.00
Accounts Payable Canceled			16,398.32
Tax Overpayments Canceled			0.88
Interfunds Returned	A-20	<u>19,565.28</u>	<u>17,618.29</u>
Total Revenue		<u>18,859,690.46</u>	<u>18,299,591.21</u>
Expenditures:			
Budget Appropriations Within Caps:			
Operations:			
Salaries and Wages	A-3	3,498,645.00	3,731,174.50
Other Expenses	A-3	3,107,318.65	3,145,069.50
Deferred Charges and Statutory Expenditures	A-3	812,041.53	788,500.00
Budget Appropriations Excluded from Caps:			
Operations:			
Other Expenses	A-3	410,825.93	386,599.26
Capital Improvements	A-3	89,000.00	
Municipal Debt Service	A-3	414,908.92	435,866.47
Deferred Charges	A-3	<u>28,699.00</u>	<u>25,500.00</u>
		<u>8,361,439.03</u>	<u>8,512,709.73</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,

	Ref.	2011	2010
County Taxes	A-14	\$ 4,373,965.13	\$ 4,063,900.85
Amount Due County for Added and Omitted Taxes	A-14	7,046.75	7,385.80
Regional High School Tax	A-15	4,434,549.27	4,049,457.08
Local District School Tax	A-16	806,169.00	769,530.00
Grants Receivable Canceled	A-19	58,464.49	2,605.81
Prior Year Tax Revenue Refunded	A-12	3,444.68	
Employee Payroll Advance	A/A-4	18,614.08	
Refund Prior Year's Revenue	A-4	389.16	
Decrease in Change Fund			725.00
Total Expenditures		<u>18,064,081.59</u>	<u>17,406,314.27</u>
Excess in Revenue		795,608.87	893,276.94
Add:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Year:			
Special Emergency Authorization			<u>15,995.00</u>
Statutory Excess to Fund Balance		795,608.87	909,271.94
Fund Balance January 1	A	<u>1,201,444.67</u>	<u>562,172.73</u>
		1,997,053.54	1,471,444.67
Decreased by:			
Utilized as Anticipated Revenue	A-1/A-2	<u>343,350.00</u>	<u>270,000.00</u>
Fund Balance December 31	A	<u>\$ 1,653,703.54</u>	<u>\$ 1,201,444.67</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, 2011

	Ref.	Budget	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	\$ 343,350.00		\$ 343,350.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-7	9,800.00		9,980.00	180.00
Other	A-2/A-7	30,000.00		29,026.00	(974.00)
Fees and Permits	A-2/A-7	115,000.00		130,561.64	15,561.64
Fines and Costs:					
Municipal Court	A-7	285,000.00		585,202.28	300,202.28
Interest and Costs on Taxes	A-7	70,000.00		79,297.64	9,297.64
Parking Meters	A-7	475,000.00		457,641.64	(17,358.36)
Interest on Investments and Deposits	A-7	20,000.00		12,731.87	(7,268.13)
Anticipated Utility Operating Surplus	A-7	70,000.00		70,000.00	
Beach Badges	A-7	1,600,000.00		1,600,447.05	447.05
Fire Protection Contract	A-7	26,000.00		26,520.00	520.00
Bathhouse Leases/Consignments	A-7	25,001.00		25,001.00	
Cable Television Franchise Fees	A-7	17,155.00		17,155.00	
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	A-7	206,517.00		206,517.00	
Uniform Construction Code Fees	A-7	12,000.00		11,329.20	(670.80)
Recycling Tonnage Grant	A-21	3,560.54	\$ 5,327.37	8,887.91	
Clean Communities Program	A-21	0.30	8,628.69	8,628.99	

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, 2011

	Ref.	Budget	Anticipated		Realized	Excess or (Deficit)
				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	\$	13,284.50	53,284.50	
Energy Efficiency and Conservation Block Grant	A-21	4,000.00		2,514.46	6,514.46	
Community Development Block Grant	A-21			42,000.00	42,000.00	
County of Ocean:						
Recycling Program	A-21			11,707.51	11,707.51	
Ocean County OEM - FY 12 966 Reimbursement Program	A-21			2,165.40	2,165.40	
Drunk Driving Enforcement Fund	A-21			3,013.91	3,013.91	
NJ Body Armor Fund	A-21			1,692.90	1,692.90	
Total Miscellaneous Revenues	A-1	3,015,033.84		90,334.74	3,405,305.90	\$ 299,937.32
Receipts from Delinquent Taxes	A-1/A-2	377,469.50			376,809.11	(660.39)
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	4,992,153.00			5,152,032.11	159,879.11
Non-Budget Revenues	A-1/A-2	8,728,006.34			9,277,497.12	459,156.04
					107,408.98	107,408.98
Total		\$ 8,728,006.34	\$	90,334.74	\$ 9,384,906.10	\$ 566,565.02

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, 2011

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Revenue from Collections	A-1/A-5	\$ 14,231,848.29
Allocated to School and County Taxes	A-5	<u>9,534,561.15</u>
Balance for Support of Municipal Budget Appropriations		4,697,287.14
Add:		
Reserve for Uncollected Taxes	A-3	<u>454,744.97</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 5,152,032.11</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-2/A-5	<u>\$ 376,809.11</u>
Analysis of Licenses - Other:		
Clerk		\$ 14,496.00
Code Enforcement		<u>14,530.00</u>
	A-2	<u>\$ 29,026.00</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, 2011

Analysis of Realized Revenues (Continued)

Fees and Permits Other:

Clerk	\$	305.96
Code Enforcement - Rental Permits		68,475.00
Code Enforcement - Other		6,700.00
DPW - Natural Gas Opening Permits		4,100.00
DPW - Bulk Trash Fees		8,100.00
DPW - Other		4,474.08
Planning and Zoning		19,905.00
Police		901.60
Boat Ramp Fees		17,600.00
		<hr/>
A-2	\$	<u>130,561.64</u>

Analysis of Non-Budget Revenues:

Clerk	\$	1,120.00
NSF Check Fees		300.00
Code Enforcement		22.55
Police		3,228.64
Homestead Rebate - Administrative Fee		170.40
DPW - Recycling		251.00
FEMA Prior Years		75,090.59
Senior and Veteran Administrative Fee		705.00
Cancel Stale Dated Checks		1,520.80
Snack Bar Lease		11,000.00
Beautification Committee Donations		7,300.00
Insurance Reimbursement		3,768.50
DMV Inspection Fines		1,847.00
Other		1,084.50
		<hr/>
A-2/A-4	\$	<u>107,408.98</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, 2011

	<u>Appropriated</u>		<u>Budget After</u>	<u>Paid or</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended</u>
	<u>Budget</u>		<u>Modification</u>	<u>Charged</u>			<u>Balance</u>
							<u>Canceled</u>
<u>Operations Within CAPS</u>							
General Government:							
Administrative and Executive							
Salaries and Wages	\$ 127,035.00	\$	127,035.00	\$	127,035.00		
Other Expenses	51,925.00		51,925.00	50,805.16	\$	1,119.84	
Mayor and Council							
Salaries and Wages	37,700.00		37,700.00	31,627.80		6,072.20	
Other Expenses	8,700.00		8,700.00	7,285.56		1,414.44	
Financial Administration							
Salaries and Wages	71,869.00		71,869.00	70,574.48		1,294.52	
Other Expenses	23,000.00		23,000.00	17,043.55		5,956.45	
Audit Services							
Other Expenses	25,000.00		25,000.00	25,000.00			
Revenue Administration (Tax Collection)							
Salaries and Wages	24,500.00		24,500.00	21,280.77		3,219.23	
Other Expenses	7,000.00		7,000.00	5,794.30		1,205.70	
Tax Assessment Administration							
Salaries and Wages	15,540.00		15,540.00	15,241.13		298.87	
Other Expenses	80,000.00		25,000.00	8,273.68		16,726.32	
Legal Services							
Other Expenses	150,000.00		371,000.00	354,013.82		16,986.18	
Engineering Services							
Other Expenses	50,000.00		50,000.00	28,641.50		21,358.50	

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, 2011

	<u>Appropriated</u>		<u>Budget After</u>	<u>Paid or</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended</u>
	<u>Budget</u>		<u>Modification</u>	<u>Charged</u>			<u>Balance</u> <u>Canceled</u>
Land Use Administration:							
Planning Board:							
Other Expenses	\$ 22,200.00	\$	7,200.00	\$ 5,370.00	\$	1,830.00	
Zoning Board of Adjustment							
Other Expenses	17,300.00		17,300.00	12,942.01		4,357.99	
Insurances							
General Liability Insurance	194,700.00		418,348.74	386,547.69		31,801.05	
Workers Compensation Insurance	363,048.00		188,694.41	188,694.41			
Employee Group Insurance	635,797.00		635,797.00	595,847.82		39,949.18	
Other	35,309.00		35,309.00	35,309.00			
Health Benefit Waiver	15,000.00		15,000.00	15,000.00			
Public Safety Functions:							
Police							
Salaries and Wages	1,754,607.00		1,626,607.00	1,626,607.00			
Other Expenses	191,950.00		151,950.00	147,745.74		4,204.26	
Office of Emergency Management							
Salaries and Wages	5,070.00		5,070.00	5,070.00			
Other Expenses	4,000.00		4,000.00	2,002.81		1,997.19	
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 - Miscellaneous	64,900.00		64,900.00	64,686.09		213.91	
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, 2011

	Appropriated		Paid or Charged	Expended	Unexpended Balance Canceled
	Budget	Budget After Modification			
Municipal Court					
Salaries and Wages	\$ 175,466.00	\$ 172,466.00	\$ 170,178.81	\$ 2,287.19	
Other Expenses	12,860.00	15,860.00	14,458.88	1,401.12	
Public Defender					
Other Expenses	15,000.00	15,000.00	11,770.61	3,229.39	
Streets and Road Maintenance					
Other Expenses	7,500.00	7,500.00	4,821.69	2,678.31	
Public Works					
Salaries and Wages	783,489.00	810,989.00	810,989.00		
Other Expenses	68,350.00	40,850.00	34,111.50	6,738.50	
Recycling Program					
Other Expenses	2,500.00	2,500.00	2,350.00	150.00	
Public Buildings and Grounds Maintenance					
Vehicle Maintenance	120,000.00	120,000.00	76,393.53	43,606.47	
Other Expenses	95,000.00	95,000.00	93,296.35	1,703.65	
Parking Meter Maintenance					
Salaries and Wages	57,637.00	47,637.00	46,350.13	1,286.87	
Other Expenses	72,550.00	52,550.00	43,409.60	9,140.40	
Health and Human Services					
Environmental Committee					
Other Expenses	3,000.00	3,000.00	2,959.98	40.02	
Animal Control Services					
Other Expenses	900.00	900.00		900.00	
Administration of Public Assistance					
Salaries and Wages	8,051.00	8,051.00	7,520.46	530.54	
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, 2011

	<u>Appropriated</u>		<u>Budget After</u>	<u>Paid or</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended</u>
	<u>Budget</u>		<u>Modification</u>	<u>Charged</u>			<u>Balance</u> <u>Canceled</u>
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	21,420.00		15,420.00	13,375.12	\$	2,044.88	
Other Expenses	3,100.00		5,100.00	3,452.58		1,647.42	
Seasonal Beach Operations							
Salaries and Wages:							
Beach Patrol	252,000.00		253,140.00	253,135.96		4.04	
Beach Control	141,305.00		142,250.00	142,245.04		4.96	
Other Expenses:							
Beach Patrol	25,300.00		23,855.00	23,218.56		636.44	
Beach Control	24,700.00		21,655.00	20,739.59		915.41	
Beach Clean Up	5,000.00						
Beach Bathroom Operations							
Other Expenses	3,000.00		3,000.00	1,637.18		1,362.82	
Beach, Bayfront, Boardwalk and Dock Maintenance							
Other Expenses	30,000.00		15,000.00	12,395.97		2,604.03	
Other Common Operating Functions:							
Accumulated Leave Compensation							
Salaries and Wages	20,000.00		20,000.00	20,000.00			

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, 2011

	<u>Appropriated</u>		<u>Paid or</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
Uniform Construction Code - Appropriations					
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):					
Code Enforcement and Construction					
Salaries and Wages	\$ 98,371.00	\$ 120,371.00	\$ 119,078.66	\$ 1,292.34	
Other Expenses	13,530.00	7,530.00	6,556.99	973.01	
Unclassified:					
Utility Expenses:					
Electricity	103,800.00	103,800.00	65,000.74	38,799.26	
Street Lighting	65,000.00	65,000.00	62,966.62	2,033.38	
Telephone	52,000.00	57,000.00	56,994.76	5.24	
Natural Gas	31,000.00	31,000.00	20,955.80	10,044.20	
Gasoline	114,850.00	114,850.00	100,450.22	14,399.78	
Solid Waste Disposal Costs:					
Garbage and Trash Removal					
Other Expenses	140,000.00	136,869.50	124,104.33	12,765.17	
Total Operations Within CAPS	6,611,204.00	6,604,963.65	6,281,657.98	323,305.67	
Contingent	1,000.00	1,000.00		1,000.00	
Total Operations Including Contingent Within CAPS	6,612,204.00	6,605,963.65	6,281,657.98	324,305.67	
Detail:					
Salaries and Wages	3,594,060.00	3,498,645.00	3,480,309.36	18,335.64	
Other Expenses	3,018,144.00	3,107,318.65	2,801,348.62	305,970.03	

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, 2011

	<u>Appropriated</u>		<u>Budget After</u>	<u>Paid or</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>		<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Balance</u>
						<u>Canceled</u>
<u>Deferred Charges and Statutory Expenditures Within CAPS</u>						
<u>Deferred Charges:</u>						
Overexpenditure of Appropriation Reserves	\$	7,507.53	\$	7,507.53		
<u>Statutory Expenditures:</u>						
Public Employees' Retirement System	183,603.00		183,603.00	178,845.00	\$	4,758.00
Social Security System (O.A.S.I.)	275,638.00		275,638.00	268,276.94		7,361.06
Police & Firemen's Retirement System	305,568.00		305,568.00	302,281.00		3,287.00
Unemployment Insurance	37,725.00		37,725.00	29,559.00		8,166.00
Defined Contribution Retirement Program	2,000.00		2,000.00			2,000.00
<u>Deferred Charges and Statutory Expenditures Within CAPS</u>						
	812,041.53		812,041.53	786,469.47		25,572.06
<u>Total Appropriations Within CAPS</u>	<u>7,424,245.53</u>		<u>7,418,005.18</u>	<u>7,068,127.45</u>		<u>349,877.73</u>
<u>Operations Excluded from CAPS</u>						
<u>LOSAP</u>						
Other Expenses	30,000.00		30,000.00			30,000.00
<u>Interlocal Municipal Service Agreements:</u>						
Seaside Heights Borough - Transportation	5,000.00		5,000.00	5,000.00		
Berkeley Township - Animal Control Service	6,169.00		6,169.00	6,169.00		
<u>Ocean County:</u>						
Board of Health - Animal Shelter Services	800.00		800.00	640.00		160.00
Road Department - Road Materials and Paving	12,000.00		15,900.00	9,267.97		6,632.03
Fire/Police - Dispatch Services	168,621.00		168,621.00	168,621.00		
Long Beach Township Mobile Data Terminals	600.00		600.00	475.00		125.00
Seaside Park Board of Education - Janitorial	6,000.00		8,131.35	8,131.35		
Central Regional School - Technology/Energy	15,000.00		15,209.00	8,750.00		6,459.00
Berkeley Township Flood Plain Manager	15,000.00		15,000.00			15,000.00

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, 2011

	<u>Appropriated</u>		<u>Budget After</u>	<u>Paid or</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	\$	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Balance</u>
Public and Private Programs Offset by Revenues:						<u>Canceled</u>
Clean Communities Grant						
Municipal Alliance on Alcoholism and Drug Abuse						
State Share	0.30	\$	8,628.99	\$ 8,628.99		
Local Share						
Energy Efficiency and Conservation Block Grant	6,000.00		6,000.00	6,000.00		
Ocean County Recycling Program	1,500.00		1,500.00	1,500.00		
Ocean County "Circle of Life" Barnegat Bay	4,000.00		6,514.46	6,514.46		
Sewerage Pump Out Vessel Program			11,707.51	11,707.51		
N.J. Recycling Tonnage Grant	40,000.00		53,284.50	53,284.50		
Community Development Block Grant	3,560.54		8,887.91	8,887.91		
Ocean County OEM - FY 12 966 Reimbursement			42,000.00	42,000.00		
Drunk Driving Enforcement Fund			2,165.40	2,165.40		
NJ Body Armor Fund			3,013.91	3,013.91		
			1,692.90	1,692.90		

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, 2011

	Appropriated Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Canceled
				\$	\$	
Total Operations - Excluded from CAPS	\$ 314,250.84	\$ 410,825.93	\$ 352,449.90	\$ 58,376.03		
Detail:						
Salaries and Wages						
Other Expenses	314,250.84	410,825.93	352,449.90	58,376.03		
<u>Capital Improvements Excluded from CAPS</u>						
Capital Improvement Fund	89,000.00	89,000.00	89,000.00			
<u>Municipal Debt Service Excluded from CAPS</u>						
Payment of Bond Principal	202,566.00	202,566.00	202,566.00			
Interest on Bonds	120,000.00	120,000.00	119,454.12			\$ 545.88
Interest on Notes	4,500.00	4,500.00	4,159.23			340.77
Green Trust Loan Program	90,000.00	90,000.00	88,729.57			1,270.43
Loan Repayments for Principal and Interest						
Total Municipal Debt Service Excluded from CAPS	417,066.00	417,066.00	414,908.92			2,157.08
<u>Deferred Charges - Municipal Excluded from CAPS</u>						
Special Emergency Authorizations -						
5 Years (N.J.S. 40A:4-55)	28,699.00	28,699.00	28,699.00			
Total Deferred Charges - Municipal Excluded from "CAPS"	28,699.00	28,699.00	28,699.00			
Total General Appropriations Excluded from CAPS	849,015.84	945,590.93	885,057.82	58,376.03		2,157.08
Subtotal General Appropriations	8,273,261.37	8,363,596.11	7,953,185.27			2,157.08
Reserve for Uncollected Taxes	454,744.97	454,744.97	454,744.97			
Total General Appropriations	\$ 8,728,006.34	\$ 8,818,341.08	\$ 8,407,930.24	\$ 408,253.76		\$ 2,157.08
	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, 2011

	<u>Ref.</u>	<u>Budget After Modification</u>
Budget	A-2	\$ 8,728,006.34
Added by N.J.S. 40A:4-87	A-2	<u>90,334.74</u>
	A-3	<u>\$ 8,818,341.08</u>
		<u>Paid or Charged</u>
Cash Disbursements	A-4	\$ 7,532,529.17
Reserve for Encumbrances	A-11	232,258.16
Appropriated Reserves for		
Federal and State Grants	A-19/A-23	145,395.58
Reserve for Uncollected Taxes	A-2	454,744.97
Interfunds	A-20	6,795.83
Deferred Charges	A-6	7,507.53
Deferred Charges - Special Emergencies	A-8	<u>28,699.00</u>
	A-3	<u>\$ 8,407,930.24</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,

ASSETS	Ref.	2011	2010
Assessment Trust Fund:			
Cash	B-2	\$ 93,668.02	\$ 93,667.25
Animal Control Trust Fund:			
Cash	B-2	687.81	239.00
Trust Other Fund:			
Cash	B-2	279,238.48	292,800.09
Interfund - Marina Operating	B-8	114.45	
		<u>279,352.93</u>	<u>292,800.09</u>
Length of Service Awards Program (LOSAP)-UNAUDITED:			
Funds Held by Trustee	B-6	166,264.91	141,967.12
Total Assets		<u>\$ 539,973.67</u>	<u>\$ 528,673.46</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>93,668.02</u>	<u>93,667.25</u>
Animal Control Trust Fund:			
Interfund - Current Fund	B-9	0.01	
Due to State of New Jersey	B-4	6.60	6.60
Reserve for Animal Control Expenditures	B-10	681.20	232.40
		<u>687.81</u>	<u>239.00</u>
Trust Other Fund:			
Interfund - Current Fund	B-5	13.60	28,932.25
Sales Tax Payable	B-8	114.45	
Various Reserves	B-11	279,224.88	263,867.84
		<u>279,352.93</u>	<u>292,800.09</u>
Length of Service Awards Program (LOSAP)-UNAUDITED:			
Reserve for Length of Service Awards Program	B-12	166,264.91	141,967.12
Total Liabilities, Reserves and Fund Balance		<u>\$ 539,973.67</u>	<u>\$ 528,673.46</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, 2011

	<u>Ref.</u>	
Balance, December 31, 2010 and 2011	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>2011</u>	<u>2010</u>
Cash	C-2	\$ 1,828,510.52	\$ 1,068,628.83
Grants Receivable	C-6	87,385.57	529,476.32
Deferred Charges to Future Taxation:			
Funded	C-4	3,804,011.72	4,078,275.86
Unfunded	C-5	<u>3,720,855.19</u>	<u>1,359,775.32</u>
		<u>\$ 9,440,763.00</u>	<u>\$ 7,036,156.33</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds	C-8	\$ 3,006,302.00	\$ 3,208,868.00
Bond Anticipation Notes	C-9	2,519,500.00	463,424.00
Green Trust Loans Payable	C-10	797,709.72	869,407.86
Interfund - Current Fund	C-7	15.03	
Reserve for Encumbrances	C-11	949,952.10	124,366.98
Improvement Authorizations:			
Funded	C-11	150,843.02	186,164.27
Unfunded	C-11	1,489,745.33	1,078,829.66
Capital Improvement Fund	C-12	53,557.50	130,787.50
Reserve for Preliminary Improvement Costs	C-13	16,675.31	1,948.39
Reserve for Grants Receivable	C-14	87,385.57	529,476.32
Reserve to Pay Bonds	C	214,505.60	214,505.60
Fund Balance	C-1	<u>154,571.82</u>	<u>228,377.75</u>
		<u>\$ 9,440,763.00</u>	<u>\$ 7,036,156.33</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$1,201,355.19
 (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, 2010	C	\$ 228,377.75
Increased by:		
Improvement Authorizations Canceled	C-11	<u>9,363.07</u>
		237,740.82
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-11	<u>83,169.00</u>
Balance, December 31, 2011	C	\$ <u>154,571.82</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,

ASSETS	Ref.	2011	2010
<u>Operating Fund</u>			
Cash	D-5	\$ 1,583,239.22	\$ 1,073,342.54
Change Fund	D	200.00	200.00
Interfunds Receivable	D-10	9.82	81.21
		<u>1,583,449.04</u>	<u>1,073,623.75</u>
Receivables and Other Assets with Full Reserves:			
Consumer Accounts Receivable	D-7	<u>363,273.83</u>	<u>462,023.58</u>
		<u>363,273.83</u>	<u>462,023.58</u>
Total Operating Fund		<u>1,946,722.87</u>	<u>1,535,647.33</u>
<u>Capital Fund</u>			
Cash	D-5	971,947.80	755,760.80
Due from New Jersey Environmental Infrastructure Trust			
Fund	D-8	1,165,026.00	3,073,988.00
Performance Deposit - N.J. DOT	D	50,000.00	50,000.00
Fixed Capital	D-15	7,748,681.01	7,709,065.01
Fixed Capital Authorized and Uncompleted	D-16	<u>17,281,275.00</u>	<u>9,619,475.00</u>
Total Capital Fund		<u>27,216,929.81</u>	<u>21,208,288.81</u>
Total Assets		<u>\$ 29,163,652.68</u>	<u>\$ 22,743,936.14</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>2011</u>	<u>2010</u>
LIABILITIES, RESERVES AND FUND BALANCE			
<u>Operating Fund</u>			
Appropriation Reserves	D-4/D-11	\$ 70,430.07	\$ 163,837.54
Reserve for Encumbrances	D-12	54,515.04	17,188.91
Customer Overpayments	D-13	4,744.06	7,369.38
Interfunds Payable	D-10	11,071.28	
Accrued Interest on Bonds, Notes and Loans	D-14	98,652.51	102,885.92
		<u>239,412.96</u>	<u>291,281.75</u>
Reserve for Receivables and Other Assets	D	363,273.83	462,023.58
Fund Balance	D-1	<u>1,344,036.08</u>	<u>782,342.00</u>
Total Operating Fund		<u>1,946,722.87</u>	<u>1,535,647.33</u>
<u>Capital Fund</u>			
Bond Anticipation Notes	D-18	1,231,275.00	623,275.00
Serial Bonds	D-19	2,414,876.00	2,577,584.00
State of New Jersey			
Environmental Infrastructure Loan Payable	D-20	6,950,642.62	7,311,814.34
Improvement Authorizations:			
Funded	D-21	464,561.23	1,220,984.10
Unfunded	D-21	8,203,750.15	757,122.51
Reserve for Encumbrances	D-21	807,260.57	2,481,813.75
Capital Improvement Fund	D-22	11,480.00	23,480.00
Interfunds Payable	D-17	9.82	1.41
Reserve for Capital Project - Phase II	D-5	712,960.00	356,480.00
Reserve for Preliminary Expenses	D-9	885.00	
Reserve for Amortization	D-23	5,333,805.01	5,131,481.01
Deferred Reserve for Amortization	D-24	1,006,321.38	645,149.66
Reserve for Debt Service		34,077.92	34,077.92
Fund Balance	D-2	<u>45,025.11</u>	<u>45,025.11</u>
Total Capital Fund		<u>27,216,929.81</u>	<u>21,208,288.81</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 29,163,652.68</u>	<u>\$ 22,743,936.14</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$ 8,093,036.00
(Exhibit D-25)

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>2011</u>	<u>2010</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-3	\$ 43,074.00	\$
Water - Sewer Rents	D-3	3,130,900.37	3,085,096.27
Fire Hydrant Service	D-3	7,500.00	5,000.00
Elevated Tank Lease	D-3	212,976.96	193,702.48
Miscellaneous	D-3	61,185.62	55,390.94
Other Credits to Income:			
Lawsuit Settlement - Phase I	D-3	32,500.00	
Accounts Payable Canceled			2,008.54
Customer Overpayments Canceled	D-13	1.72	
Unexpended Balance of Appropriation Reserves	D-11	<u>164,712.35</u>	<u>160,304.22</u>
Total Revenue		<u>3,652,851.02</u>	<u>3,501,502.45</u>
Expenditures:			
Operating	D-4	1,841,777.00	1,751,000.00
Capital Improvements	D-4	356,480.00	356,480.00
Debt Service	D-4	790,755.94	827,874.45
Deferred Charges and Statutory Expenditures	D-4	<u>59,070.00</u>	<u>53,663.20</u>
Total Expenditures		<u>3,048,082.94</u>	<u>2,989,017.65</u>
Statutory Excess to Fund Balance		604,768.08	512,484.80
Fund Balance January 1	D	<u>782,342.00</u>	<u>269,857.20</u>
		1,387,110.08	782,342.00
Decreased by:			
Utilization as Anticipated Revenue	D-1/D-3	<u>43,074.00</u>	
Fund Balance December 31	D	\$ <u><u>1,344,036.08</u></u>	\$ <u><u>782,342.00</u></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, 2010 and 2011	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, 2011

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	D-1	\$ 43,074.00	\$ 43,074.00	
Water - Sewer Rents	D-1/D-3	2,800,000.00	3,130,900.37	\$ 330,900.37
Fire Hydrant Service	D-1/D-5	7,500.00	7,500.00	
Elevated Tank Lease	D-1/D-5	175,000.00	212,976.96	37,976.96
Miscellaneous	D-1/D-3	32,500.00	61,185.62	28,685.62
Lawsuit Settlement - Phase I	D-1/D-5		32,500.00	
		<u>\$ 3,058,074.00</u>	<u>\$ 3,488,136.95</u>	<u>\$ 397,562.95</u>
	<u>Ref.</u>	<u>D-4</u>		
Analysis of Water - Sewer Rents:				
Collections	D-7		\$ 3,123,532.71	
Overpayments Applied	D-7		<u>7,367.66</u>	
	D-3		<u>\$ 3,130,900.37</u>	
Analysis of Miscellaneous Revenue:				
Interest on Investments and Deposits			\$ 6,273.69	
Water Tap Fees			4,940.00	
Service Disconnect			400.00	
Interest on Delinquent Accounts			41,631.93	
Sewer Lateral Fees			1,720.00	
Contribution from Marina			6,000.00	
NSF Fees			120.00	
Termination of Service			<u>100.00</u>	
	D-3		<u>\$ 61,185.62</u>	
Cash Receipts	D-5		\$ 61,175.80	
Interfunds	D-10		<u>9.82</u>	
	D-3		<u>\$ 61,185.62</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, 2011

	<u>Appropriated</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>			<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 339,156.00	\$ 339,156.00	\$ 314,270.96	\$	24,885.04	
Other Expenses	443,621.00	443,621.00	430,848.47		12,772.53	
Ocean County Utilities Authority	1,014,000.00	1,014,000.00	990,486.60		23,513.40	
Accumulated Leave Compensation						
Salaries and Wages	45,000.00	45,000.00	45,000.00			
Capital Improvements:						
Reserve for Phase II Utility Improvements	356,480.00	356,480.00	356,480.00			
Debt Service:						
Payment of Bond Principal	162,725.00	162,725.00	162,708.00	\$	17.00	
Interest on Bonds	97,850.00	97,850.00	94,327.38		3,522.62	
Interest on Notes	11,000.00	11,000.00	6,205.51		4,794.49	
Wastewater Treatment Loan Principal	361,172.00	361,172.00	361,171.72		0.28	
Wastewater Treatment Loan Interest	168,000.00	168,000.00	166,343.33		1,656.67	
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	26,048.00	26,048.00	26,048.00			
Social Security System (O.A.S.I.)	29,388.00	29,388.00	23,762.90		5,625.10	
Unemployment Compensation Insurance	3,634.00	3,634.00			3,634.00	
	<u>\$ 3,058,074.00</u>	<u>\$ 3,058,074.00</u>	<u>\$ 2,977,652.87</u>	<u>\$</u>	<u>70,430.07</u>	<u>\$ 9,991.06</u>
Ref.	D-3	D-3	D-1	D/D-1		
Analysis of Paid or Charged:						
Cash Disbursements			\$ 2,645,190.33			
Reserve for Encumbrances			54,515.04			
Interfunds			11,071.28			
Accrued Interest on Bonds, Notes and Loans			266,876.22			
			<u>\$ 2,977,652.87</u>			
D-4						

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,

ASSETS	Ref.	2011	2010
<u>Operating Fund</u>			
Cash	E-4	\$ 418,100.15	\$ 393,942.12
Change Fund	E-4	200.00	
Interfunds Receivable	E-8	1.26	
Total Operating Fund		<u>418,301.41</u>	<u>393,942.12</u>
<u>Capital Fund</u>			
Cash	E-4	154,251.75	385,448.11
Fixed Capital	E-9	2,348,395.96	2,348,395.96
Fixed Capital Authorized and Uncompleted	E-10	714,424.73	714,424.73
Total Capital Fund		<u>3,217,072.44</u>	<u>3,448,268.80</u>
Total Assets		<u>\$ 3,635,373.85</u>	<u>\$ 3,842,210.92</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>2011</u>	<u>2010</u>
LIABILITIES, RESERVES AND FUND BALANCE			
<u>Operating Fund</u>			
Appropriation Reserves	E-3/E-11	\$ 42,760.80	\$ 20,177.36
Reserve for Encumbrances	E-12	1,471.67	1,683.77
Prepaid Slip Rental Fees	E-7	183,912.02	154,924.55
Interfunds Payable	E-8	649.74	
Accrued Interest on Bonds and Loans	E-14	6,369.77	6,766.14
		<u>235,164.00</u>	<u>183,551.82</u>
Fund Balance	E-1	<u>183,137.41</u>	<u>210,390.30</u>
Total Operating Fund		<u>418,301.41</u>	<u>393,942.12</u>
<u>Capital Fund</u>			
Green Trust Loans Payable	E-13	964,585.76	1,046,370.66
Serial Bonds	E-15	366,822.00	391,548.00
Improvement Authorizations:			
Funded	E-16	47,234.89	301,507.27
Unfunded	E-16	500.00	500.00
Reserve for Encumbrances	E-16	52,440.15	29,365.39
Capital Improvement Fund	E-17	54,575.45	54,575.45
Reserve for Amortization	E-18	1,383,810.20	1,302,025.30
Deferred Reserve for Amortization	E-20	347,102.73	322,376.73
Interfund - Marina Operating	E-19	1.26	
Total Capital Fund		<u>3,217,072.44</u>	<u>3,448,268.80</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 3,635,373.85</u>	<u>\$ 3,842,210.92</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$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>2011</u>	<u>2010</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	E-2	\$ 118,562.00	\$ 220,000.00
Boat Slip Rental Fees	E-2	324,964.49	328,996.70
Miscellaneous Anticipated	E-2	34,647.75	25,907.26
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-11	<u>19,161.10</u>	<u>57,584.27</u>
Total Revenue		<u>497,335.34</u>	<u>632,488.23</u>
Expenditures:			
Operating	E-3	186,264.00	135,920.00
Debt Service	E-3	141,210.23	141,954.95
Deferred Charges and Statutory Expenditures	E-3	8,552.00	23,925.00
Surplus (General Budget)	E-3	<u>70,000.00</u>	<u>200,000.00</u>
Total Expenditures		<u>406,026.23</u>	<u>501,799.95</u>
Excess in Revenue		91,309.11	130,688.28
Fund Balance January 1	E	<u>210,390.30</u>	<u>299,702.02</u>
		301,699.41	430,390.30
Decreased by:			
Utilization as Anticipated Revenue	E-1/E-2	<u>118,562.00</u>	<u>220,000.00</u>
Fund Balance December 31	E	<u>\$ 183,137.41</u>	<u>\$ 210,390.30</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, 2011

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	E-1	\$ 118,562.00	\$ 118,562.00	
Boat Slip Rental Fees	E-1/E-6	280,000.00	324,964.49	\$ 44,964.49
Miscellaneous	E-1/E-2/E-4	<u>10,000.00</u>	<u>34,647.75</u>	<u>24,647.75</u>
		\$ <u>408,562.00</u>	\$ <u>478,174.24</u>	\$ <u>69,612.24</u>

Ref. E-3

Analysis of Miscellaneous Revenue

Interest on Deposits	\$ 2,313.60
Summer Storage	16,701.63
Winter Storage	12,112.52
Other	<u>3,520.00</u>

E-2 \$ 34,647.75

Cash Receipts	E-4	\$ 34,646.49
Interfund - Marina Utility		
Capital Fund	E-8	<u>1.26</u>

\$ 34,647.75

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, 2011

	<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	\$ 59,725.00	\$ 59,725.00	\$ 58,037.20	\$ 1,687.80	
Other Expenses	128,289.00	126,539.00	86,249.44	40,289.56	
Debt Service:					
Payment of Bond Principal	24,726.00	24,726.00	24,726.00		
Interest on Bonds	15,070.00	15,070.00	14,327.92		\$ 742.08
Green Trust Loan Program	102,200.00	103,950.00	102,156.31		1,793.69
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	3,332.00	3,332.00	3,332.00		
Social Security System (O.A.S.I.)	4,569.00	4,569.00	4,436.56	132.44	
Unemployment Compensation Insurance	651.00	651.00		651.00	
Surplus (General Budget)	70,000.00	70,000.00	70,000.00		
	<u>\$ 408,562.00</u>	<u>\$ 408,562.00</u>	<u>\$ 363,265.43</u>	<u>\$ 42,760.80</u>	<u>\$ 2,535.77</u>
Analysis of Paid or Charged:	<u>Ref.</u>	<u>E-2</u>	<u>E-2</u>	<u>E-1</u>	<u>E/E1</u>
Cash Disbursements	E-4				
Reserve for Encumbrances	E-12		\$ 326,559.14		
Interfund - Current Fund	E-8		1,471.67		
Interfund - Payroll Fund	E-8		534.36		
Accrued Interest on Bonds and Loans	E-14		0.93		
			<u>34,699.33</u>		
	E-3		<u>\$ 363,265.43</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>2011</u>	<u>2010</u>
Cash	\$ 52,045.94	\$ 54,517.97
Interfund - Current Fund	6,795.14	40.15
Interfund - Water/Sewer Utility Operating Fund	2,268.08	
Interfund - Marina Utility Operating Fund	<u>0.93</u>	<u> </u>
	<u>\$ 61,110.09</u>	<u>\$ 54,558.12</u>
 LIABILITIES		
Due to Various Agencies	\$ 36,814.81	\$ 31,636.18
Interfund - Water-Sewer Utility Operating		79.80
Miscellaneous	<u>24,295.28</u>	<u>22,842.14</u>
	<u>\$ 61,110.09</u>	<u>\$ 54,558.12</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>2011</u>	<u>2010</u>
ASSETS			
Cash	G-1	\$ 3,937.50	\$ 8,648.35
State Aid Receivable	G-3	<u>6,882.66</u>	<u>2,418.66</u>
		<u>\$ 10,820.16</u>	<u>\$ 11,067.01</u>
LIABILITIES AND RESERVES			
Reserve for Public Assistance	G-2	\$ <u>10,820.16</u>	\$ <u>11,067.01</u>
		<u>\$ 10,820.16</u>	<u>\$ 11,067.01</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>2011</u>	<u>2010</u>
General Fixed Assets:			
Land	H-1	\$ 22,271,252.82	\$ 6,890,932.00
Riparian Grants - Land	H-1	121,992,200.00	
Buildings	H-1	7,909,885.00	
Machinery, Equipment and Vehicles	H-1	<u>3,427,210.45</u>	<u>3,675,091.78</u>
		<u>\$155,600,548.27</u>	<u>\$ 10,566,023.78</u>
Investments in General Fixed Assets	H-1	<u>\$155,600,548.27</u>	<u>\$ 10,566,023.78</u>

The accompanying notes are an integral part of this statement.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

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, 2011

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, 2011**

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, 2011**

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, 2011**

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, 2011 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, 2011**

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, 2011**

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, 2011, the Borough had funds or deposits in checking and statement savings.

At December 31, 2011, the Borough's deposits had a carrying amount of \$9,323,556.40 and a bank balance of \$9,910,986.21. Of the bank balance \$461,728.45 was covered by federal depository insurance, and the remainder was covered by the Governmental Unit Deposit Protection Act.

All bank deposits as of the balance sheet date are entirely insured or covered by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act (see Note 2 - Cash, Cash Equivalents and Investments).

Custodial Credit Risk - Deposits

Custodial Credit Risk is the risk that, in the event of bank failure, the government's deposits may not be returned to it. The Borough does not have a formal policy for custodial credit risk.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Investments

As of December 31, 2011, the Borough had the following investments:

	<u>Book Value</u>	<u>Fair Value</u>
LOSAP	\$166,264.91	\$166,264.91

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.

NOTE 4 BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2011 the Borough of Seaside Park had authorized but not issued bonds and notes as follows:

General Capital Fund:

Bonds and Notes	\$1,201,355.19
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Water-Sewer Utility Capital Fund:

Bonds and Notes	8,093,036.00
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Marina Utility Capital Fund:

Bonds and Notes	500.00
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BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

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 \$202,566.00 to \$283,075.00 through 2023, interest rates ranging from 3.000% to 4.250%

\$3,006,302.00

Total General Capital Fund Bonds Payable

\$3,006,302.00

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>
2012	\$ 202,566.00	\$ 113,377.13	\$ 315,943.13
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
2017-2021	1,326,035.00	283,501.91	1,609,536.91
2022-2023	<u>558,359.00</u>	<u>35,760.92</u>	<u>594,119.92</u>
Total	\$ <u>3,006,302.00</u>	\$ <u>818,847.02</u>	\$ <u>3,825,149.02</u>

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

NOTE 5 LONG-TERM DEBT (continued)

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 \$162,708.00 to \$227,496.00 through 2023, interest rates ranging from 3.000% to 4.250%

\$2,414,876.00

Total Water-Sewer Utility Capital Fund Bonds Payable \$2,414,876.00

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>
2012	\$ 162,708.00	\$ 91,073.22	\$ 253,781.22
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
2017-2021	1,065,112.00	227,743.22	1,292,855.22
2022-2023	<u>448,612.00</u>	<u>28,734.60</u>	<u>477,346.60</u>
Total	\$ <u>2,414,876.00</u>	\$ <u>657,785.22</u>	\$ <u>3,072,661.22</u>

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 \$24,726.00 to \$34,429.00 through 2023, interest rates ranging from 3.000% to 4.250%

\$366,822.00

Total Marina Utility Capital Fund Bonds Payable \$366,822.00

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

NOTE 5 LONG-TERM DEBT (continued)

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>
2012	\$ 24,726.00	\$ 13,833.40	\$ 38,559.40
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
2017-2021	161,853.00	34,577.36	196,430.36
2022-2023	<u>68,029.00</u>	<u>8,631.72</u>	<u>76,660.72</u>
Total	\$ <u>366,822.00</u>	\$ <u>104,161.24</u>	\$ <u>470,983.24</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 \$5,926.17 to \$6,611.64 through 2017, interest rate 2.00%.

\$ 75,158.67

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 \$3,442.20 to \$3,878.75 through 2018, interest rate 2.00%.

47,534.42

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 \$4,097.85 to \$4,617.56 through 2018, interest rate 2.00%.

56,588.60

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

General Capital Fund Loans Payable (continued)

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 \$8,161.41 to \$10,158.64 through 2023, interest rate 2.00%. \$ 209,881.36

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 \$13,151.79 to \$16,533.94 through 2023, interest rate 2.00%. 354,749.26

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 \$1,608.27 to \$2,125.00 through 2026, interest rate 2.00%. 53,797.41

Total General Capital Fund Loans Payable \$ 797,709.72

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>
2012	\$ 73,139.25	\$ 15,590.55	\$ 88,729.80
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
2017-2021	303,293.95	26,863.01	330,156.96
2022-2026	<u>113,719.98</u>	<u>3,174.08</u>	<u>116,894.06</u>
Total	\$ <u>797,709.72</u>	\$ <u>92,989.50</u>	\$ <u>890,699.22</u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

Water-Sewer Utility Capital Fund Loans Payable (continued)

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 loan is due in annual installments ranging from \$372,600.88 to \$523,595.04 through 2027. \$ 6,950,642.62

Total Water-Sewer Utility Capital Fund Loans Payable \$ 6,950,642.62

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>
2012	\$ 372,600.88	\$ 161,822.50	\$ 534,423.38
2013	377,212.34	156,212.50	533,424.84
2014	381,609.93	150,262.50	531,872.43
2015	385,783.11	143,962.50	529,745.61
2016	396,418.30	134,962.50	531,380.80
2017-2021	2,118,536.37	529,212.50	2,647,748.87
2022-2026	2,394,886.65	256,337.50	2,651,224.15
2027	<u>523,595.04</u>	<u>13,387.50</u>	<u>536,982.54</u>
Total	\$ <u>6,950,642.62</u>	\$ <u>1,546,160.00</u>	\$ <u>8,496,802.62</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 \$41,506.85 to \$50,646.25 through 2022, interest rate 2.00%. \$ 964,585.76

Total Marina Capital Loan Payable \$ 964,585.76

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

NOTE 5 LONG-TERM DEBT (continued)

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>
2012	\$ 83,428.77	\$ 18,876.65	\$ 102,305.42
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
2017-2021	479,686.02	31,841.08	511,527.10
2022	<u>50,646.24</u>	<u>506.46</u>	<u>51,152.70</u>
Total	\$ <u>964,585.76</u>	\$ <u>109,621.14</u>	\$ <u>1,074,206.90</u>

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

NOTE 5 LONG-TERM DEBT (continued)

Changes in Outstanding Long-Term Debt

Transactions for the year ended December 31, 2011 are summarized as follows:

	Balance Dec. 31, 2010	<u>Additions</u>	<u>Deductions</u>	Balance Dec. 31, 2011
<u>General Capital Fund</u>				
Bonds Payable	\$ 3,208,868.00	\$ -	\$ 202,566.00	\$ 3,006,302.00
Loans Payable	<u>869,407.86</u>	<u>-</u>	<u>71,698.14</u>	<u>797,709.72</u>
	<u>4,078,275.86</u>	<u>-</u>	<u>274,264.14</u>	<u>3,804,011.72</u>
<u>Water - Sewer Utility Capital Fund</u>				
Bonds Payable	2,577,584.00	-	162,708.00	2,414,876.00
Loans Payable	<u>7,311,814.34</u>	<u>-</u>	<u>361,171.72</u>	<u>6,950,642.62</u>
	<u>9,889,398.34</u>	<u>-</u>	<u>523,879.72</u>	<u>9,365,518.62</u>
<u>Marina Utility Capital Fund</u>				
Bonds Payable	391,548.00	-	24,726.00	366,822.00
Loans Payable	<u>1,046,370.66</u>	<u>-</u>	<u>81,784.90</u>	<u>964,585.76</u>
	<u>1,437,918.66</u>	<u>-</u>	<u>106,510.90</u>	<u>1,331,407.76</u>
Total	\$ <u>15,405,592.86</u>	\$ <u>-</u>	\$ <u>904,654.76</u>	\$ <u>14,500,938.10</u>

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, 2011 was .60%. The Borough's remaining borrowing power is 2.90%.

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.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

NOTE 6 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, 2011, 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 2008 Capital Improvements	12-12-11	12-11-12	\$ 27,494.37	1.27%
Various Roadway Improvements to 7 th Avenue	12-12-11	12-11-12	51,500.00	1.27%
Road Improvement to 9 th Avenue	12-12-11	12-11-12	145,005.63	1.27%
Acquisition of Real Property	12-12-11	12-11-12	785,000.00	1.27%
Renovations to Bathhouse and Parking Lot	12-12-11	12-11-12	137,750.00	1.27%
Various Improvements	12-12-11	12-11-12	<u>1,372,750.00</u>	1.27%
			<u>\$ 2,519,500.00</u>	

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
<u>Water - Sewer Utility Capital Fund</u>				
Design Portion of Phase II of the Water and Sewer Infrastructure Improvements	12-12-11	12-11-12	\$ 500,000.00	1.27%
Various Water and Sewer Infrastructure Improvements	12-12-11	12-11-12	<u>731,275.00</u>	1.27%
			<u>\$ 1,231,275.00</u>	

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

NOTE 6 BOND ANTICIPATION NOTES (continued)

Changes in Bond Anticipation Notes

Transactions for the year ended December 31, 2011 are summarized as follows:

	Balance Dec. 31, 2010	Additions	Deductions	Balance Dec. 31, 2011
General Capital Fund	\$ 463,424.00	\$ 2,519,500.00	\$ 463,424.00	\$ 2,519,500.00
Water-Sewer Utility Capital Fund	<u>623,275.00</u>	<u>608,000.00</u>	<u>-</u>	<u>1,231,275.00</u>
	<u>\$ 1,086,699.00</u>	<u>\$ 3,127,500.00</u>	<u>\$ 463,424.00</u>	<u>\$ 3,750,775.00</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, 2011 the following deferred charges are shown on the Balance Sheets of the various funds:

	Balance December 31, 2011	2012 Budget Appropriation	Balance Succeeding Budgets
Current Fund:			
Special Emergency Authorizations N.J.S. 40A:4-55	\$ <u>39,796.00</u>	\$ <u>16,699.00</u>	\$ <u>23,097.00</u>
Total	\$ <u>39,796.00</u>	\$ <u>16,699.00</u>	\$ <u>23,097.00</u>

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

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>2011</u>	<u>2010</u>
Prepaid Taxes	\$ 192,136.81	\$ 164,883.91

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, 2011

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>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Balance of Tax	\$ 239,600.00	\$ 513,020.00	\$ 1,721,850.81	\$ 1,578,825.41
Deferred	<u>239,600.00</u>	<u>326,769.00</u>	<u>677,523.00</u>	<u>677,523.00</u>
Taxes Payable	\$ <u>-</u>	\$ <u>186,251.00</u>	\$ <u>1,044,327.81</u>	\$ <u>901,302.41</u>

NOTE 12 FUND BALANCES APPROPRIATED

Fund Balances at December 31, 2011, which are appropriated and included as anticipated revenue in the 2012 municipal budgets for the year ended December 31, 2012 were as follows:

Current Fund	\$ 1,021,384.88
Water/Sewer Utility Operating Fund	-
Marina Utility Operating Fund	103,942.00

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, 2011**

NOTE 13 PENSIONS AND RETIREMENT PLANS (continued)

Funding Policy

Employee contributions are currently five and one-half (5 ½%) and eight and one-half percent (8 ½%) 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>
2011	\$ 208,225.00	\$ 302,281.00
2010	174,601.00	266,325.00
2009	143,915.00	253,996.00

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

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 or by visiting their website.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

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>
2011	\$ 12,409.87	3
2010	-	0
2009	-	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, 2011**

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, 2011

NOTE 16 INTERFUND BALANCES

The composition of interfund balances as of December 31, 2011 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
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	Trust Other Fund	13.60
Current Fund	Marina Operating Fund	534.36
Current Fund	Animal Control Fund	<u>0.01</u>
		<u>9,366.97</u>
Federal and State Grant Fund	Current Fund	<u>97,703.76</u>
Trust Other Fund	Marina Utility Operating Fund	<u>114.45</u>
Water-Sewer Utility Operating Fund	Water-Sewer Utility Capital Fund	<u>9.82</u>
Marina Utility Operating Fund	Marina Utility Capital Fund	<u>1.26</u>
Payroll Fund	Water-Sewer Utility Operating Fund	2,268.08
Payroll Fund	Marina Utility Operating Fund	0.93
Payroll Fund	Current Fund	<u>6,795.14</u>
		<u>9,064.15</u>
		<u>\$ 116,260.41</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, 2011

NOTE 17 INTERFUND TRANSFERS

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Current Fund	Payroll Fund	\$ 6,754.89
Current Fund	Trust Other Fund	28,918.65
General Capital Fund	Current Fund	15.03
Water-Sewer Operating Fund	Current Fund	8,803.20
Assessment Trust Fund	Current Fund	0.77
Marina Utility Operating Fund	Current Fund	534.36
Animal Control Trust Fund	Current Fund	0.01
Current Fund	Federal and State Grant Fund	188.85
Water-Sewer Utility Capital Fund	Water-Sewer Utility Operating Fund	9.82
Water-Sewer Utility Operating Fund	Payroll Fund	2,268.08
Marina Utility Operating Fund	Trust Other Fund	114.45
Marina Utility Operating Fund	Marina Utility Capital Fund	1.26
Marina Utility Operating Fund	Payroll 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, 2011

NOTE 18 FIXED ASSETS AND FIXED CAPITAL

Fixed asset and fixed capital activity for the year ended December 31, 2011 was as follows:

Fixed Assets

	Balance Dec. 31, 2010	Additions	Disposals	Balance Dec. 31, 2011
Land	\$ 6,890,932.00	\$ 15,380,320.82	\$ -	\$ 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>3,675,091.78</u>	<u>-</u>	<u>247,881.33</u>	<u>3,427,210.45</u>
Fixed Assets	<u>\$ 10,566,023.78</u>	<u>\$ 145,282,405.82</u>	<u>\$ 247,881.33</u>	<u>\$ 155,600,548.27</u>

During 2011 the Borough did a fixed asset inventory. Land and building have been updated to the 2011 assessed values. Riparian grants have also been added which were previously not in the inventory.

Fixed Capital - Water-Sewer Utility

	Balance Dec. 31, 2010	Additions	Disposals	Balance Dec. 31, 2011
Water-Sewer System	<u>\$ 7,709,065.01</u>	<u>\$ 39,616.00</u>	<u>\$ -</u>	<u>\$ 7,748,681.01</u>

Fixed Capital - Marina Utility

	Balance Dec. 31, 2010	Additions	Disposals	Balance Dec. 31, 2011
Marina	<u>\$ 2,348,395.96</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,348,395.96</u>

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

NOTE 19 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 2011, 2010 and 2009.

NOTE 20 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. The total amount of the liability upon retirement, based upon the above data and limitations, is approximately \$617,000 at December 31, 2011. 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, 2011 was \$9,289.28.

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, 2011**

NOTE 20 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, 2011, the Borough estimates that no material liabilities will result from such audits.

NOTE 21 SUBSEQUENT EVENTS

On January 26, 2012 the Borough adopted a water/sewer bond ordinance which authorized bonds and notes of \$500,000 for Phase II of the water/sewer infrastructure improvements.

On April 12, 2012 the Borough adopted a marina utility bond ordinance which authorized bonds and notes of \$285,000 for various marina utility improvements.

On April 26, 2012 the Borough adopted a general bond ordinance which authorized \$912,475 in bonds and notes for various capital improvements and acquisition of various equipment.

On April 26, 2012 the Borough adopted a water/sewer bond ordinance which authorized \$768,000 in bonds and notes for various water/sewer utility improvements.

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance, December 31, 2010	A	\$	3,341,769.60
Increased by Receipts:			
State of New Jersey (Ch. 20, P.L. 1971)	A-9	\$	35,250.00
Taxes Receivable	A-5		14,407,375.92
Revenue Accounts Receivable	A-7		3,261,380.22
Interfund - Federal and State Grant Fund	A-19		120,306.28
Non-Budget Revenues	A-2		107,408.98
Interfunds	A-20		28,932.25
Prepaid Taxes	A-13		190,815.32
Due State of New Jersey - Marriage Licenses	A-4		350.00
Accounts Payable	A-17		6,050.24
Tax Overpayments	A-12		10,474.06
			<u>18,168,343.27</u>
			21,510,112.87
Decreased by Disbursements:			
2011 Budget Appropriations	A-3		7,532,529.17
2010 Appropriation Reserves	A-10		237,355.56
Tax Overpayments	A-12		6,885.34
County Taxes Payable	A-14		4,381,350.93
Regional High School Tax	A-15		4,291,523.87
Local District School Tax	A-16		992,420.00
Interfund - Federal and State Grant Fund	A-19		96,873.42
Various Reserves	A-18		6,689.42
Interfunds	A-20		9,377.71
Employee Payroll Advance	A/A-1		18,614.08
Refund Prior Year's Revenue	A-1		389.16
Change Fund	A		50.00
Due State of New Jersey - Marriage Licenses	A-4		350.00
			<u>17,574,408.66</u>
Balance, December 31, 2011	A	\$	<u>3,935,704.21</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES

	Balance <u>Dec. 31, 2010</u>	Budget <u>Appropriation</u>
Overexpenditure of Appropriation Reserves	\$ <u>7,507.53</u>	\$ <u>7,507.53</u>
	\$ <u>7,507.53</u>	\$ <u>7,507.53</u>
Ref.	A	A-3

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2010	Accrued in 2011	Collected	Balance Dec. 31, 2011
Licenses:					
Alcoholic Beverages	A-2		\$ 9,980.00	\$ 9,980.00	
Other	A-2		29,026.00	29,026.00	
Fees and Permits	A-2		130,561.64	130,561.64	
Fines and Costs:					
Municipal Court	A-2	\$ 10,869.16	599,677.06	585,202.28	\$ 25,343.94
Interest and Costs on Taxes	A-2		79,297.64	79,297.64	
Parking Meters	A-2		457,641.64	457,641.64	
Interest on Investments and Deposits	A-2		12,731.87	12,731.87	
Anticipated Utility Operating Surplus	A-2		70,000.00	70,000.00	
Beach Badges	A-2		1,600,447.05	1,600,447.05	
Fire Protection Contract	A-2		26,520.00	26,520.00	
Bathhouse Leases/Consignments	A-2		25,001.00	25,001.00	
Cable Television Franchise Fees	A-2		17,155.00	17,155.00	
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	A-2		206,517.00	206,517.00	
Uniform Construction Code Fees	A-2		11,329.20	11,329.20	
		<u>\$ 10,869.16</u>	<u>\$ 3,275,885.10</u>	<u>\$ 3,261,410.32</u>	<u>\$ 25,343.94</u>
	Ref.	A			A
Cash Receipts	A-4			\$ 3,261,380.22	
Interfunds Receivable	A-20			<u>30.10</u>	
	A-7			<u>\$ 3,261,410.32</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, 2010	Budget Appropriation	Balance Dec. 31, 2011
10-25-06	Reassessment	\$ 60,000.00	\$ 12,000.00	\$ 12,000.00	12,000.00	
2008	Preparation of Master Plan	67,500.00	13,500.00	40,500.00	13,500.00	\$ 27,000.00
06-24-10	Codification of Ordinances	15,995.00	3,199.00	15,995.00	3,199.00	12,796.00
				<u>\$ 68,495.00</u>	<u>\$ 28,699.00</u>	<u>\$ 39,796.00</u>
	<u>Ref.</u>			A	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, 2010	A	\$	250.00
Increased by:			
Received from State of New Jersey	A-4	\$	35,250.00
Deductions Disallowed by Collector - 2011 Taxes	A-5		<u>500.00</u>
			<u>35,750.00</u>
			36,000.00
Decreased by:			
Deductions per Tax Duplicate:			
Senior Citizens			3,000.00
Veterans			32,250.00
Deductions Allowed by Collector - 2011 Taxes			<u>250.00</u>
	A-5		<u>35,500.00</u>
Balance, December 31, 2011	A	\$	<u><u>500.00</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2010	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
<u>Operations Within CAPS</u>					
General Government:					
Administrative and Executive					
Salaries and Wages	\$ 3,822.62	\$	\$ 3,822.62	\$	\$ 3,822.62
Other Expenses	2,646.31	1,552.70	4,199.01	928.17	3,270.84
Codification of Ordinances		11,996.25	11,996.25	11,996.25	
Mayor and Council					
Salaries and Wages	270.36		270.36		270.36
Other Expenses	235.01		235.01	35.80	199.21
Financial Administration					
Salaries and Wages	871.06		871.06	816.36	54.70
Other Expenses	1,371.04	2,184.96	3,556.00	2,932.36	623.64
Audit Services					
Other Expenses			450.00	428.55	21.45
Revenue Administration (Tax Collection)					
Salaries and Wages	349.04		349.04		349.04
Other Expenses	952.22	27.75	979.97	176.87	803.10
Tax Assessment Administration					
Salaries and Wages	50.02		50.02		50.02
Other Expenses	551.32	540.00	1,091.32	99.16	992.16
Legal Services					
Other Expenses	90,459.05	14,096.25	104,555.30	37,711.92	66,843.38
Engineering Services					
Other Expenses	6,879.65	4,152.25	11,031.90	4,461.00	6,570.90
Land Use Administration					
Planning Board					
Salaries and Wages	330.16		330.16		330.16
Other Expenses	346.35	2,250.94	2,597.29	73.00	2,524.29
Zoning Board of Adjustment					
Salaries and Wages	332.74		332.74		332.74
Other Expenses		789.96	789.96	667.54	122.42

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2010	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Insurance					
General Liability	\$ 1,264.75	\$	\$ 31,264.75	\$ 30,000.00	\$ 1,264.75
Worker's Compensation	2,564.65		2,564.65		2,564.65
Employee Group Health	12,228.09	\$ 1,218.07	8,346.16		8,346.16
Other	3,880.28	53.76	3,934.04		3,934.04
Public Safety:					
Police					
Salaries and Wages	14,921.82		14,921.82	14,921.82	
Other Expenses	1,132.76	17,000.05	18,132.81	11,117.80	7,015.01
Office of Emergency Management					
Salaries and Wages	66.50		66.50	66.50	
Other Expenses	305.93	29.91	335.84	42.85	292.99
Fire Department					
Other Expenses:					
Clothing Allowance	146.50		146.50		146.50
Miscellaneous	4,445.05	21,849.04	26,294.09	17,466.12	8,827.97
Municipal Court					
Salaries and Wages	10,298.26		10,298.26		10,298.26
Other Expenses	1,931.65	10,090.83	12,022.48	10,847.75	1,174.73
Public Defender					
Other Expenses	163.01	831.59	994.60	994.60	
Public Works Functions:					
Streets and Road Maintenance					
Other Expenses	8,720.79	1,952.69	10,673.48		10,673.48
Public Works					
Salaries and Wages	30,036.05		22,036.05	10,824.78	11,211.27
Other Expenses	8,434.37	4,580.76	13,015.13	1,017.54	11,997.59
Recycling Program					
Other Expenses	2,631.00		2,631.00		2,631.00
Public Buildings and Grounds Maintenance					
Other Expenses	3,406.84	14,703.77	18,110.61	1,953.50	16,157.11
Vehicle Maintenance					
Other Expenses	2,214.22	11,808.94	14,023.16	4,949.05	9,074.11
Parking Meter Maintenance					
Other Expenses	9,006.79	6,393.07	15,399.86	4,457.45	10,942.41

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Reserve</u> <u>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>
Health and Human Services:					
Animal Control Services					
Other Expenses	\$ 900.00	\$	900.00		\$ 900.00
Administration of Public Assistance					
Salaries and Wages	32.08		32.08		32.08
Other Expenses	75.00		75.00		75.00
Aid to Domestic Violence Shelter (N.J.S.A. 14-11)					
Other Expenses	130.00	\$ 320.00	450.00	420.00	30.00
Parks and Recreation Functions:					
Recreation					
Salaries and Wages	3,598.58		3,598.58		3,598.58
Other Expenses	408.68	654.01	1,062.69	200.00	862.69
Seasonal Beach Operations					
Salaries and Wages:					
Beach Patrol	18.95		18.95		18.95
Beach Control	72.49		72.49		72.49
Other Expenses:					
Beach Patrol	2,079.39	1,350.10	3,429.49	1,306.67	2,122.82
Beach Control	325.38		325.38		325.38
Beach Clean Up	253.00		253.00		253.00
Beach Concession Operations					
Salaries and Wages	17.84		17.84		17.84
Other Expenses	146.09		146.09		146.09
Beach Bathroom Operations					
Salaries and Wages	347.60		347.60		347.60
Other Expenses	824.96		824.96		824.96
Beach, Bayfront, Boardwalk and Dock Maintenance					
Other Expenses	1,370.13	420.92	1,791.05	237.36	1,553.69
Other Common Operating Functions:					
Accumulated Leave Compensation					
Salaries and Wages	2.62		2.62	2.62	
Uniform Construction Code - Appropriations					
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):					
Code Enforcement and Construction					
Salaries and Wages:	341.80		341.80		341.80
Other Expenses	1,038.65	426.73	1,465.38	388.87	1,076.51

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2010	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Unclassified:					
Utilities:					
Electricity	\$ 2,173.10	\$ 187.93	\$ 9,111.03	\$ 8,911.39	\$ 199.64
Street Lighting	2,010.63		2,010.63	125.63	1,885.00
Telephone	3,165.98	1,200.32	4,366.30	264.75	4,101.55
Natural Gas	5,473.27	133.30	5,606.57		5,606.57
Gasoline	10,923.58	2,103.17	13,026.75	5,038.54	7,988.21
Solid Waste Disposal Costs:					
Other Expenses	33,501.13	11,009.95	12,511.08		12,511.08
Contingent	450.04		450.04		450.04
Total Operations (Including Contingent) Within CAPS	296,947.23	145,909.97	434,957.20	185,882.57	249,074.63
Deferred Charges and Statutory Expenditures Within CAPS					
Contribution to:					
Public Employees' Retirement System	9,459.00		9,459.00		9,459.00
Social Security System	14,905.15		9,705.15	2,680.76	7,024.39
Police & Firemen's Retirement System	5,175.00		5,175.00		5,175.00
Unemployment Insurance Taxes		17,398.78	25,398.78	25,398.78	
Total Deferred Charges and Statutory Expenditures	29,539.15	17,398.78	49,737.93	28,079.54	21,658.39
Total General Appropriations Within CAPS	326,486.38	163,308.75	484,695.13	213,962.11	270,733.02
Appropriations Excluded from CAPS					
LOSAP					
Other Expenses	21,270.00		26,370.00	26,299.00	71.00
Interlocal Service Agreements:					
County of Ocean:					
Board of Health - Animal Shelter Services	160.00		160.00		160.00
Road Department - Road Materials and Paving		2,537.34	2,537.34	904.41	1,632.93
Long Beach Township Mobile Data Terminals	175.00		175.00		175.00
Toms River Board of Education - Food Supplies	14,095.49		14,095.49		14,095.49
Seaside Park Board of Education - Janitorial	315.75	200.00	515.75	188.79	326.96

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

Public and Private Programs Offset by Revenues:
 Matching Funds For Grants
Total Appropriations Excluded from CAPS

	Balance Dec. 31, 2010	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
	\$ 5,000.00	\$ 2,737.34	\$ 5,000.00	\$ 27,392.20	\$ 5,000.00
	<u>41,016.24</u>	<u>\$ 2,737.34</u>	<u>48,853.58</u>	<u>\$ 27,392.20</u>	<u>21,461.38</u>
	<u>\$ 367,502.62</u>	<u>\$ 166,046.09</u>	<u>\$ 533,548.71</u>	<u>\$ 241,354.31</u>	<u>\$ 292,194.40</u>
Ref.	A	A-11			A-1
Cash Disbursements				\$ 237,355.56	
Accounts Payable				<u>3,998.75</u>	
				<u>\$ 241,354.31</u>	

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 166,046.09
Increased by:		
Current Appropriations Charged	A-3	232,258.16
		<u>398,304.25</u>
Decreased by:		
Transferred to Appropriation Reserves	A-10	166,046.09
		<u>166,046.09</u>
Balance, December 31, 2011	A	\$ <u>232,258.16</u>

SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 15,568.38
Increased by:		
Receipts	A-4	\$ 10,474.06
Charges to Operations	A-1	<u>3,444.68</u>
		13,918.74
		<u>29,487.12</u>
Decreased by:		
Refunds	A-4	6,885.34
Applied to Taxes Receivable	A-5	1,397.57
Applied to Prepaid Taxes	A-13	<u>1,321.49</u>
		9,604.40
Balance, December 31, 2011	A	\$ <u>19,882.72</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>		
Balance, December 31, 2010	A	\$	164,883.91
Increased by:			
Collections, 2011 Taxes	A-4	\$	190,815.32
Tax Overpayments Applied	A-12		<u>1,321.49</u>
			<u>192,136.81</u>
			357,020.72
Decreased by:			
Applied to Taxes Receivable	A-5		<u>164,883.91</u>
Balance, December 31, 2011	A	\$	<u><u>192,136.81</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 7,385.80
Increased by:		
County Tax	A-5	\$ 3,638,843.54
County Library Tax	A-5	421,846.85
County Health Tax	A-5	157,891.77
County Open Space Tax	A-5	155,382.97
Due County for Added and Omitted Taxes	A-5	<u>7,046.75</u>
	A-1	4,381,011.88
		<u>4,388,397.68</u>
Decreased by:		
Payments	A-4	<u>4,381,350.93</u>
Balance, December 31, 2011	A	\$ <u>7,046.75</u>

Exhibit A-15

SCHEDULE OF REGIONAL HIGH SCHOOL TAXES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2010:		
School Tax Payable	A	\$ 901,302.41
School Tax Deferred		<u>677,523.00</u>
		\$ 1,578,825.41
Increased by:		
Levy - School Year July 1, 2011 to June 30, 2012	A-5	<u>4,434,549.27</u>
		6,013,374.68
Decreased by:		
Payments	A-4	<u>4,291,523.87</u>
Balance, December 31, 2011:		
School Tax Payable	A	1,044,327.81
School Tax Deferred		<u>677,523.00</u>
		\$ <u>1,721,850.81</u>
<u>2011 Liability for Regional High School Tax</u>		
Tax Paid		\$ 4,291,523.87
Taxes Payable December 31, 2011	A	<u>1,044,327.81</u>
		5,335,851.68
Less: Taxes Payable December 31, 2010		<u>901,302.41</u>
Amount Charged to 2011 Operations	A-1	\$ <u>4,434,549.27</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, 2010:			
School Tax Payable	A	\$ 186,251.00	
School Tax Deferred		<u>326,769.00</u>	
			\$ 513,020.00
Increased by:			
Levy - School Year July 1, 2011 to June 30, 2012	A-5	<u>719,000.00</u>	
			1,232,020.00
Decreased by:			
Payments	A-4	<u>992,420.00</u>	
Balance, December 31, 2011:			
School Tax Payable	A		
School Tax Deferred		<u>239,600.00</u>	
			\$ <u>239,600.00</u>
<u>2011 Liability for Local District School Tax</u>			
Tax Paid			\$ 992,420.00
Taxes Payable December 31, 2011	A	<u>992,420.00</u>	
			186,251.00
Less: Taxes Payable December 31, 2010	A		
Amount Charged to 2011 Operations	A-1		\$ <u>806,169.00</u>

Exhibit A-17

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>		
Increased by:			
Transfer from Appropriation Reserves	A-10	\$ 3,998.75	
Cash Receipts	A-4	<u>6,050.24</u>	
			<u>10,048.99</u>
Balance, December 31, 2011	A		\$ <u>10,048.99</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF VARIOUS RESERVES

	Balance <u>Dec. 31, 2010</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2011</u>
Reserve for:			
Reassessment	\$ 20,711.98		\$ 20,711.98
Sale of Municipal Assets	282,800.00		282,800.00
Revaluation	7,003.94	\$ 6,689.42	314.52
Master Plan	<u>841.27</u>		<u>841.27</u>
	\$ <u>311,357.19</u>	\$ <u>6,689.42</u>	\$ <u>304,667.77</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, 2010	A	\$	97,514.91
Increased by:			
Deposited in Current Fund:			
Grants Receivable	A-4	\$	120,306.28
Grants Receivable Canceled	A-1		58,464.49
2011 Budget Appropriations	A-3		<u>145,395.58</u>
			324,166.35
			<u>421,681.26</u>
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves	A-4		96,873.42
Grants Appropriated Canceled	A-1		83,208.50
2011 Anticipated Revenue	A-2		<u>143,895.58</u>
			323,977.50
			<u>323,977.50</u>
Balance, December 31, 2011	A	\$	<u><u>97,703.76</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
Balance, December 31, 2010:									
Interfunds Receivable	A	\$ 28,932.25		\$ 28,932.25					
Interfunds Payable	A	(40.15)	\$ (40.15)						
Increased by:									
Revenue Accounts Receivable	A-7	30.10	0.69	13.60	\$ 15.03	\$ 8,803.20	\$ 0.77	\$ 534.36	\$ 0.01
Cash Disbursed	A-4	9,377.71	40.15	13.60	15.03	8,803.20	0.77	534.36	0.01
		9,407.81	40.84						
Sub - Total		38,299.91	0.69	28,945.85	15.03	8,803.20	0.77	534.36	0.01
Decreased by:									
Budget Appropriations	A-3	6,795.83	6,795.83						
Receipts	A-4	28,932.25		28,932.25					
		35,728.08	6,795.83	28,932.25					
Balance, December 31, 2011:									
Interfunds Receivable	A	\$ 9,366.97		\$ 13.60	\$ 15.03	\$ 8,803.20	\$ 0.77	\$ 534.36	\$ 0.01
Interfunds Payable	A	(6,795.14)	\$ (6,795.14)						
Analysis of Net Charge to Operations									
Interfunds Receivable:									
Balance, December 31, 2011	Above	\$ 9,366.97							
Balance, December 31, 2010	Above	28,932.25							
Net Credit to Operations	A-1	\$ (19,565.28)							

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE**

<u>Grant</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Anticipated Revenue</u>	<u>Cash Received</u>	<u>Transfer from Unappropriated Reserves</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2011</u>
Barnegat Bay Estuary Program	\$ 3,500.00	\$	\$ 3,500.00			
Clean Communities Program		8,628.99	8,628.69		0.30	
Energy Efficiency and Conservation Block Grant		6,514.46	2,514.46	\$ 4,000.00		
Community Development Block Grant	27,644.06		23,797.00			\$ 3,847.06
Community Development Block Grant - Handicapped Access Curb Ramps		42,000.00				42,000.00
Emergency Management Grant	3,502.00				3,502.00	
New Jersey Office of Emergency Management	7,410.00				7,410.00	
Municipal Alliance on Alcoholism and Drug Abuse	1,786.83		1,786.83			
Municipal Alliance on Alcoholism and Drug Abuse		6,000.00	1,183.29		2,307.85	2,508.86
Drunk Driving Enforcement Fund		3,013.91	3,013.91			
NJ Body Armor Fund		1,692.90	1,692.90			
Ocean County "Circle of Life" Barnegat Bay Sewerage Pump Out Vessel Program	10,000.00	53,284.50	43,929.22		13,178.42	6,176.86
Ocean County Recycling Program		11,707.51	11,707.51			
Ocean County OEM - FY 11 966 Reimbursement Program	8,253.00		8,248.60		4.40	
Ocean County OEM - FY 12 966 Reimbursement Program		2,165.40				2,165.40
Recycling Tonnage Grant		8,887.91	5,327.37	3,560.54		
FEMA	32,038.02				32,038.02	
Urban Coast Community Sustainability and Resiliency Program	5,000.00		4,976.50		23.50	
	<u>\$ 99,133.91</u>	<u>\$ 143,895.58</u>	<u>\$ 120,306.28</u>	<u>\$ 7,560.54</u>	<u>\$ 58,464.49</u>	<u>\$ 56,698.18</u>
<u>Ref.</u>	A	A-2/A-22	A-22	A-24	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, 2010	A	\$	97,514.91
Increased by:			
Deposited in Current Fund:			
Grants Receivable	A-21	\$	120,306.28
Grants Receivable Canceled	A-21		58,464.49
2011 Budget Appropriations	A-23		<u>145,395.58</u>
			<u>324,166.35</u>
			421,681.26
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves	A-23		96,873.42
Grants Appropriated Canceled	A-23		83,208.50
2011 Anticipated Revenue	A-21		<u>143,895.58</u>
			<u>323,977.50</u>
Balance, December 31, 2011	A	\$	<u><u>97,703.76</u></u>

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

Grant	Balance Dec. 31, 2010	Transfer from 2011 Budget Appropriation	Transfer from Reserve for Encumbrances	Expended	Transfer to Reserve for Encumbrances	Canceled	Balance Dec. 31, 2011
Alcohol Education and Rehabilitation	\$ 2,392.13		\$	1,361.20		\$	1,030.93
Barnegat Bay Estuary Program	6,807.28		581.68	6,338.96	300.00	750.00	
Body Armor Fund	5,440.39	\$ 1,692.90		721.00			6,412.29
Clean Communities Program	15,466.46	8,628.99		1,573.71		0.30	22,521.44
Community Development Block Grant	3,269.06		24,375.00	23,797.00			3,847.06
Community Development Block Grant - Handicapped Access Curb Ramps		42,000.00					42,000.00
Drunk Driving Enforcement Fund	7,361.45	3,013.91		3,408.00		70.00	6,967.36
Emergency Management Grant	70.00						
FEMA - November 2009 Storm:							
Federal Share	32,038.02					32,038.02	
Local Share	28,732.22					28,732.22	
Municipal Alliance on Alcoholism and Drug Abuse	56.17		234.19	290.36			
Municipal Alliance on Alcoholism and Drug Abuse	1,852.75	7,500.00		3,863.68	156.10	5,332.97	
Ocean County "Circle of Life" Barnegat Bay Sewerage Pump Out Vessel Program	6,120.78	53,284.50	1,500.00	48,604.66	43.53	12,257.09	
Ocean County Mini Recycling Grant	38,340.46	11,707.51		639.39	10.61		49,397.97
Ocean County Recycling Program	4.40					4.40	
Ocean County OEM - FY 11 966 Reimbursement		2,165.40					2,165.40
Ocean County OEM - FY 12 966 Reimbursement	11,345.84	8,887.91		684.50			19,549.25
Recycling Tonnage Grant		6,514.46		2,514.46		4,000.00	
Energy Efficiency and Conservation Block Grant							
Urban Coast Community Sustainability and Resiliency Program	1,100.00		2,000.00	3,076.50		23.50	
	\$ 160,397.41	\$ 145,395.58	\$ 28,690.87	\$ 96,873.42	\$ 510.24	\$ 83,208.50	\$ 153,891.70

Ref.

A

A-3/A-22

A-25

A-22

A-25

A-22

A

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

<u>Grant</u>	Balance <u>Dec. 31, 2010</u>	Transfer to Grants <u>Receivable</u>
Energy Efficiency and Conservation Block Grant	\$ 4,000.00	\$ 4,000.00
Recycling Tonnage Grant	<u>3,560.54</u>	<u>3,560.54</u>
	<u>\$ 7,560.54</u>	<u>\$ 7,560.54</u>
<u>Ref.</u>	A	A-21

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, 2010	A	\$ 28,690.87
Increased by:		
Charged to Appropriated Reserves	A-23	<u>510.24</u>
		29,201.11
Decreased by:		
Transferred to Appropriated Reserves	A-23	<u>28,690.87</u>
Balance, December 31, 2011	A	\$ <u><u>510.24</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, 2010	B	\$ 93,667.25	\$ 239.00	\$ 292,800.09
Increased by Receipts:				
Reserve for Animal Control				
Trust Fund Expenditures	B-10		\$ 448.80	
Interfund - Current Fund	B-5/B-7/B-9	\$ 320.14	1.81	\$ 442.90
Various Reserves	B-11			471,117.78
Due to State of New Jersey	B-4		97.20	
		320.14		471,560.68
		93,987.39	547.81	764,360.77
Decreased by Disbursements:				
Due to State of New Jersey	B-4		97.20	
Animal Control Trust Fund				
Expenditures (R.S. 4:19-15.11)	B-10			455,760.74
Various Reserves	B-11			29,361.55
Interfund - Current Fund	B-5/B-7/B-9	319.37	1.80	
		319.37	99.00	485,122.29
Balance, December 31, 2011	B	\$ 93,668.02	\$ 687.81	\$ 279,238.48

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>2011</u>
Fund Balance	B	\$ 93,667.25
Interfund - Current Fund	B-7	<u>0.77</u>
	B	<u>\$ 93,668.02</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, 2010	B	\$ 6.60
Increased by:		
Cash Receipts	B-2	<u>97.20</u>
		103.80
Decreased by:		
Cash Disbursed	B-2	<u>97.20</u>
Balance, December 31, 2011	B	<u>\$ 6.60</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF INTERFUND CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2010 - Due To	B	\$ 28,932.25
Increased by:		
Cash Receipts	B-2	<u>442.90</u>
		29,375.15
Decreased by:		
Cash Disbursements	B-2	<u>29,361.55</u>
Balance, December 31, 2011 - Due To	B	\$ <u><u>13.60</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, 2010	B	\$ 141,967.12
Increased by:		
Borough Contributions	B-12	<u>26,299.00</u>
		168,266.12
Decreased by:		
Investment Losses		\$ 1,401.21
Fees		<u>600.00</u>
	B-12	<u>2,001.21</u>
Balance, December 31, 2011	B	\$ <u><u>166,264.91</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ASSESSMENT TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Increased by:		
Cash Receipts	B-2	\$ <u>320.14</u>
		320.14
Decreased by:		
Cash Disbursed	B-2	<u>319.37</u>
Balance, December 31, 2011	B	\$ <u><u>0.77</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF SALES TAX PAYABLE

	<u>Ref.</u>	
Increased by:		
Interfund - Marina Operating	B	\$ <u>114.45</u>
Balance, December 31, 2011	B	\$ <u><u>114.45</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Increased by:		
Cash Receipts	B-2	\$ <u>1.81</u>
		1.81
Decreased by:		
Cash Disbursed	B-2	<u>1.80</u>
Balance, December 31, 2011	B	\$ <u><u>0.01</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, 2010	B	\$ 232.40
Increased by:		
Dog License Fees Collected	B-2	<u>448.80</u>
Balance, December 31, 2011	B	<u>\$ 681.20</u>

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2010	\$ 353.60
2009	<u>326.40</u>
	<u>\$ 680.00</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF VARIOUS RESERVES

	Balance <u>Dec. 31, 2010</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>Dec. 31, 2011</u>
Unemployment Trust	\$ 17,017.63	\$ 63.59	\$ 7,791.94	\$ 9,289.28
Developer's Escrow	26,831.34	13,976.00	31,525.42	9,281.92
Police Off-Duty	33,247.41	99,916.71	87,802.49	45,361.63
POAA	19,120.88	3,967.00	20,292.51	2,795.37
Special Law Enforcement	6,450.19	837.49	490.00	6,797.68
Tax Sale Premiums	49,600.00	95,100.00	58,100.00	86,600.00
Third Party Tax Title Lien				
Redemptions	28,131.38	163,769.84	163,742.84	28,158.38
Sick Leave	33,598.14	45,002.62	30,725.80	47,874.96
Public Defender	840.50	1,900.00	294.79	2,445.71
Recreation	49,030.37	46,584.53	54,994.95	40,619.95
	<u>\$ 263,867.84</u>	<u>\$ 471,117.78</u>	<u>\$ 455,760.74</u>	<u>\$ 279,224.88</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, 2010	B	\$ 141,967.12
Increased by:		
Borough Contributions	B-6	<u>26,299.00</u>
		168,266.12
Decreased by:		
Investment Losses		\$ 1,401.21
Fees		<u>600.00</u>
	B-6	<u>2,001.21</u>
Balance, December 31, 2011	B	\$ <u><u>166,264.91</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$ 1,068,628.83
Increased by Receipts:			
Budget Appropriation:			
Capital Improvement Fund	C-12	\$ 89,000.00	
Grants Receivable	C-6	331,864.50	
Bond Anticipation Notes	C-9	2,519,500.00	
Interfund - Current Fund	C-7	<u>15.03</u>	
			<u>2,940,379.53</u>
			4,009,008.36
Decreased by Disbursements:			
Bond Anticipation Notes	C-9	463,424.00	
Improvement Authorizations	C-11	1,694,070.76	
Reserve for Preliminary Improvement Costs	C-13	<u>23,003.08</u>	
			<u>2,180,497.84</u>
Balance, December 31, 2011	C		<u>\$ 1,828,510.52</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH

	Balance Dec. 31, 2011
Fund Balance	\$ 154,571.82
Capital Improvement Fund	53,557.50
Reserve for Preliminary Improvement Costs	16,675.31
Reserve to Pay Bonds	214,505.60
Grants Receivable	(87,385.57)
Reserve for Grants Receivable	87,385.57
Interfund - Current Fund	15.03
Reserve for Encumbrances	949,952.10
Improvement Authorizations:	
Ordinance	
<u>Number</u>	<u>Improvement Description</u>
1326	Various Capital Improvements 24,288.22
1332/1413	Reconstruction of "N" Street and 1st Avenue 5,068.28
1439	Improvements to 1st, 2nd, and 3rd Avenues and the Acquisition of a Beach Cleaner and Tractor 24,185.63
1446/1469	Various 2008 Capital Improvements 90,357.43
1486	Various Road Improvements to 7th Avenue 274.07
1540	Road Improvements to 9th Avenue 361.09
1551	Acquisition of Real Property 9,247.18
1557	Renovations to the Bathhouse, Concession Buildings, and Parking Lots on Ocean Avenue 34,351.46
1562/1584	Various Capital Improvements and Equipment Acquisition 244,156.34
1570	Acquisition and Installation of a Municipal Clock 6,943.46
	<u>\$ 1,828,510.52</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, 2010	C	\$	4,078,275.86
Decreased by:			
Budget Appropriation to Pay Serial Bonds	C-8	\$	202,566.00
Budget Appropriation to Pay Loans	C-10		<u>71,698.14</u>
			<u>274,264.14</u>
Balance, December 31, 2011	C	\$	<u><u>3,804,011.72</u></u>

Ordinance Number	Improvement Description	2011		Analysis of Balance, December 31, 2011	
		Balance Dec. 31, 2010	2011 Authorizations	Bond Anticipation Notes	Unexpended Improvement Authorizations
			Canceled	Grant Received	Balance Dec. 31, 2011

[illegible]

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 529,476.32
Decreased by:		
Cash Receipts	C-2	\$ 331,864.50
Canceled	C-14	<u>110,226.25</u>
		<u>442,090.75</u>
Balance, December 31, 2011	C	\$ <u>87,385.57</u>

Detail:

<u>Ordinance Number</u>	<u>Description</u>	
1540	NJ DOT - Improvements to 9th Avenue	\$ <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>	
Increased by:		
Cash Receipts	C-2	\$ <u>15.03</u>
Balance, December 31, 2011	C	\$ <u><u>15.03</u></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, 2011	Interest Rate	Balance Dec. 31, 2010	Paid by Budget Appropriation	Balance Dec. 31, 2011
General Improvement	09-04-08	\$ 3,614,000.00	\$ 202,566.00	3.000%	\$ 3,208,868.00	\$ 202,566.00	\$ 3,006,302.00
	09-01-12		\$ 202,566.00	3.000%			
	09-01-13		223,343.00	3.125%			
	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>\$ 3,208,868.00</u>	<u>\$ 202,566.00</u>	<u>\$ 3,006,302.00</u>
					Ref. C	C-4	C

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Issued for Cash	Decreased	Balance Dec. 31, 2011
1295/1422	F" Street, 13th Ave. and "K" Street Improvements	12-15-10	12-12-11	12-11-12	1.27%	\$ 13,424.00	\$ 27,494.37	\$ 13,424.00	\$ 27,494.37
1486	Various Road Improvements to 7th Avenue	12-23-09	12-12-11	12-11-12	1.27%	150,000.00	51,500.00	150,000.00	51,500.00
1540	Road Improvements to 9th Avenue	12-15-10	12-12-11	12-11-12	1.27%	300,000.00	145,005.63	300,000.00	145,005.63
1551	Acquisition of Real Property	12-12-11	12-12-11	12-11-12	1.27%		785,000.00		785,000.00
1557	Renovations to the Bathhouse, Concession Buildings, and Parking Lots on Ocean Avenue	12-12-11	12-12-11	12-11-12	1.27%		137,750.00		137,750.00
1562/1584	Various Capital Improvements and Equipment	12-12-11	12-12-11	12-11-12	1.27%		1,372,750.00		1,372,750.00
						<u>\$ 463,424.00</u>	<u>\$ 2,519,500.00</u>	<u>\$ 463,424.00</u>	<u>\$ 2,519,500.00</u>
					Ref.	C	C-2	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, 2010	C	\$ 869,407.86
Decreased by:		
Paid by Budget Appropriation	C-4	<u>71,698.14</u>
Balance, December 31, 2011	C	\$ <u><u>797,709.72</u></u>

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2010		Increased by		Decreased by		Balance Dec. 31, 2011	
				Funded	Unfunded	2011 Authorizations	Reserve for Encumbrances	Reserve for Encumbrances	Canceled	Funded	Unfunded
1190	Improvements to Municipal Facilities	08-03-95	\$ 618,000.00	\$ 190.33						\$ 190.33	
1217	Various Capital Improvements	07-17-97	846,000.00	9.32	\$ 15,000.00					15,009.32	
1273/1423	Various Road Improvements	03-15-01	185,000.00	408.37						408.37	
1278	Boardwalk Improvements	07-05-01	500,000.00	8,924.22						8,752.34	
1295/1422	"F" Street, 13th Ave. and "K" Street Improvements	03-28-02	550,000.00		5.63			\$ 171.88		5.63	
1326	Various Capital Improvements	10-02-03	426,000.00	24,288.22						\$ 24,288.22	
1332/1413	Reconstruction of "N" Street and 1st Avenue	03-24-04	376,000.00	5,068.28						5,068.28	
1353	Various Capital Improvements	09-08-04	655,000.00	2.71						2.71	
1439	Improvements to 1st, 2nd, and 3rd Avenues and the Acquisition of a Beach Cleaner and Tractor	04-23-08	409,600.00	24,363.27	570.00			177.64		24,185.63	\$ 570.00
1446/1469	Various 2008 Capital Improvements	05-28-08	2,201,050.00	122,909.55	500,429.00			32,533.12	\$ 19.00	90,357.43	500,429.00
1486	Various Road Improvements to 7th Avenue	07-09-09	436,800.00		96,220.11		\$ 49,792.48	50,212.27			95,800.32
1540	Road Improvements to 9th Avenue	08-26-10	550,000.00		466,604.92		74,574.50	340,592.08	7,846.31		192,741.03
1551	Acquisition of Real Property	03-24-11	85,000.00		\$ 850,000.00			818,252.82			31,747.18
1557	Renovations to the Bathroom, Concession Buildings, and Parking Lots on Ocean Avenue	04-14-11	145,000.00			145,000.00		102,522.67	8,125.87		34,351.46
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		1,575,000.00			320,551.74	886,791.92		367,656.34
1579	Purchase of Two Light Duty Trucks	07-28-11	36,000.00		36,000.00			29,056.54		6,943.46	
1579		10-13-11	47,169.00		47,169.00				47,169.00		
1586	Acquisition of a Regenerative Air Sweeper Truck	12-27-11	266,450.00		266,450.00						266,450.00
				\$ 186,164.27	\$ 1,078,829.66	\$ 2,919,619.00	\$ 124,366.98	\$ 1,694,070.76	\$ 949,952.10	\$ 24,368.70	\$ 1,489,745.33
				C	C		C	C-2	C	C	C
Detail:				Ref.							
Deferred Charges to Future Taxation - Unfunded				C-5		\$ 2,707,950.00				\$ 15,005.63	
Capital Improvement Fund				C-12		128,500.00					
Capital Fund Balance				C-1		83,169.00				9,363.07	
						\$ 2,919,619.00				\$ 24,368.70	

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 130,787.50
Increased by:		
2011 Budget Appropriation	C-2	89,000.00
		<u>219,787.50</u>
Decreased by:		
Appropriated to Finance Improvement		
Authorizations	C-11	\$ 128,500.00
Reserve for Preliminary Improvement Costs	C-13	<u>37,730.00</u>
		<u>166,230.00</u>
Balance, December 31, 2011	C	\$ <u>53,557.50</u>

SCHEDULE OF RESERVE FOR PRELIMINARY IMPROVEMENT COSTS

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 1,948.39
Increased by:		
Appropriated from Capital Improvement Fund	C-12	37,730.00
		<u>39,678.39</u>
Decreased by:		
Cash Disbursed	C-2	<u>23,003.08</u>
Balance, December 31, 2011	C	\$ <u>16,675.31</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, 2010	C	\$	529,476.32
Decreased by:			
Grant Received	C-5	\$	331,864.50
Grant Canceled	C-6		110,226.25
			<u>442,090.75</u>
Balance, December 31, 2011	C	\$	<u><u>87,385.57</u></u>
Detail:			
<u>Description</u>		<u>Ordinance Number</u>	
NJ DOT - Improvements to 9th Avenue		1540	\$ <u><u>87,385.57</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

Ordinance Number	Improvement Description	Increased by			Decreased by			
		Balance Dec. 31, 2010	2011 Authorizations	Bond Anticipation Notes	Bond Anticipation Notes	Grant Received	Canceled	Balance Dec. 31, 2011
1217	Various Improvements	\$ 15,000.00						
1295/1422	"F" Street, 13th Ave. and "K" Street Improvements	14,076.00		\$ 13,424.00	\$ 27,494.37		\$ 15,000.00	
1439	Improvements to 1st, 2nd, and 3rd Avenues and the Acquisition of a Beach Cleaner and Tractor	570.00					5.63	
1446/1469	Various 2008 Capital Improvements	500,429.00						\$ 570.00
1486	Various Roadway Improvements to 7th Avenue	116,276.32		150,000.00	51,500.00	\$ 119,250.07		500,429.00
1540	Road Improvements to 9th Avenue	250,000.00		300,000.00	145,005.63	212,614.43		95,526.25
1551	Acquisition of Real Property		\$ 807,500.00		785,000.00			192,379.94
1557	Renovations to the Bathhouse, Concession Buildings, and Parking Lots on Ocean Avenue		137,750.00		137,750.00			22,500.00
1562/1584	Various Capital Improvements and Various Equipment Acquisitions		1,496,250.00		1,372,750.00			123,500.00
1586	Acquisition of a Regenerative Air Sweeper Truck		266,450.00					266,450.00
		\$ 896,351.32	\$ 2,707,950.00	\$ 463,424.00	\$ 2,519,500.00	\$ 331,864.50	\$ 15,005.63	\$ 1,201,355.19

Ref.

(Footnote C)

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, 2009	D	\$ 1,073,342.54	\$ 755,760.80
Increased by Receipts:			
Consumer Accounts Receivable	D-7	\$ 3,123,532.71	
Fire Hydrant Service	D-3	7,500.00	
Elevated Tank Lease	D-3	212,976.96	
Miscellaneous	D-3	61,175.80	
Lawsuit Settlement - Phase I	D-3	32,500.00	
Customer Overpayments	D-13	4,744.06	
Interfunds	D-10/D-17	81.21	\$ 2,417.02
Reserve for Capital Project - Phase II	D		356,480.00
Due From New Jersey Environmental Trust			
Fund	D-8		1,908,962.00
Bond Anticipation Notes	D-18		608,000.00
		<u>3,442,510.74</u>	<u>2,875,859.02</u>
		4,515,853.28	3,631,619.82
Decreased by Disbursements:			
2011 Appropriations	D-4	2,645,190.33	
Appropriation Reserves	D-11	16,314.10	
Accrued Interest on Bonds, Notes and Loans	D-14	271,109.63	
Interfunds	D-17		2,408.61
Improvement Authorizations	D-21		2,646,148.41
Reserve for Preliminary Expenses	D-9		11,115.00
		<u>2,932,614.06</u>	<u>2,659,672.02</u>
Balance, December 31, 2010	D	\$ 1,583,239.22	\$ 971,947.80

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

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

		Balance <u>Dec. 31, 2011</u>
Fund Balance		\$ 45,025.11
Capital Improvement Fund		11,480.00
Due from New Jersey Environmental Infrastructure Trust Fund		(1,165,026.00)
Reserve for Encumbrances		807,260.57
Performance Deposit - NJDOT		(50,000.00)
Interfunds Payable		9.82
Reserve for Debt Service		34,077.92
Reserve for Capital Project Phase II		712,960.00
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	Design Portion of Phase II of the Water and Sewer Infrastructure Improvements	50,437.69
1497/1569	Various Water and Sewer Infrastructure Improvements	<u>60,276.46</u>
		\$ <u>971,947.80</u>
<u>Ref.</u>		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, 2010	D	\$ 462,023.58
Increased by:		
Water-Sewer Rents Levied		<u>3,032,150.62</u>
		3,494,174.20
Decreased by:		
Collections	D-3/D-5	\$ 3,123,532.71
Overpayments Applied	D-3/D-13	<u>7,367.66</u>
		<u>3,130,900.37</u>
Balance, December 31, 2011	D	\$ <u><u>363,273.83</u></u>

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

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 3,073,988.00
Decreased by:		
Cash Receipts	D-5	<u>1,908,962.00</u>
Balance, December 31, 2011	D	\$ <u><u>1,165,026.00</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>	
Increased by:		
Charges to Capital Improvement Fund	D-22	\$ <u>12,000.00</u>
		12,000.00
Decreased by:		
Cash Disbursements	D-5	<u>11,115.00</u>
Balance, December 31, 2011	D	\$ <u><u>885.00</u></u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	Ref.	Total	Water -Sewer Utility Capital Fund	Current Fund	Payroll Fund
Balance, December 31, 2010:					
Interfund Receivable	D	\$ 81.21	\$ 1.41		\$ 79.80
Increased by:					
Miscellaneous Revenues Anticipated	D-3	9.82	9.82		
		9.82	9.82		
Sub - Total		91.03	11.23		79.80
Decreased by:					
Budget Appropriations	D-4	11,071.28		\$ 8,803.20	2,268.08
Cash Receipts	D-5	81.21	1.41		79.80
		81.21	1.41	8,803.20	2,347.88
Balance, December 31, 2011:					
Interfund Receivable	D	\$ 9.82	\$ 9.82		
Interfunds Payable	D	\$ (11,071.28)		\$ (8,803.20)	\$ (2,268.08)

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance Dec. 31, 2010</u>	<u>Reserve for Encumbrances</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 12,416.97	\$	12,416.97	\$ 2,152.54	\$ 10,264.43
Other Expenses	54,928.54	\$ 17,188.91	72,117.45	13,996.89	58,120.56
Ocean County Utilities Authority	95,206.00		95,206.00		95,206.00
Social Security	1,286.03		1,286.03	164.67	1,121.36
	<u>\$ 163,837.54</u>	<u>\$ 17,188.91</u>	<u>\$ 181,026.45</u>	<u>\$ 16,314.10</u>	<u>\$ 164,712.35</u>

Ref.

D

D-12

D-5

D-1

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, 2010	D	\$ 17,188.91
Increased by:		
Transferred from Budget Appropriations	D-4	54,515.04
		<u>71,703.95</u>
Decreased by:		
Transferred to Appropriation Reserves	D-11	17,188.91
		<u>17,188.91</u>
Balance, December 31, 2011	D	\$ <u>54,515.04</u>

SCHEDULE OF CUSTOMER OVERPAYMENTS

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 7,369.38
Increased by:		
Cash Received	D-5	4,744.06
		<u>12,113.44</u>
Decreased by:		
Applied to Customer Accounts Receivable	D-7	\$ 7,367.66
Canceled	D-1	1.72
		<u>7,369.38</u>
Balance, December 31, 2011	D	\$ <u>4,744.06</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, 2010	D	\$ 102,885.92
Increased by:		
Budget Appropriations	D-4	266,876.22
		<u>369,762.14</u>
Decreased by:		
Interest Paid	D-5	271,109.63
		<u>271,109.63</u>
Balance, December 31, 2011	D	\$ <u>98,652.51</u>

Analysis of Accrued Interest December 31, 2011

Principal Outstanding Dec. 31, 2011	Interest Rate	From	To	Period	Amount
Serial Bonds Payable:					
\$ 2,414,876.00	Various	09-01-11	12-31-11	4 Months	\$ 30,357.74
Loans Payable:					
6,950,642.62	Various	08-01-11	12-31-11	5 Months	67,426.04
Bond Anticipation Notes:					
1,231,275.00	1.27%	12-12-11	12-31-11	20 Days	<u>868.73</u>
					\$ <u>98,652.51</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, 2010	D	\$ 7,709,065.01
Increased by:		
Capital Outlay Expenditures	D-23	<u>39,616.00</u>
		7,748,681.01
Balance, December 31, 2011	D	\$ <u>7,748,681.01</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2011</u>
1418/1543	Various Water and Sewer Improvements	05-23-07/10-28-10	\$ 8,550,000.00	\$ 8,550,000.00			\$ 8,550,000.00
1485/1496	Sanitary Sewer and Water Improvements to 7th Avenue	07-09-09 11-12-09	246,200.00	246,200.00		\$ 246,200.00	
1493/1569	Design Portion of Phase II of the Water and Sewer Infrastructure Improvements	09-10-09 07-29-11	92,000.00	92,000.00	\$ 7,908,000.00		8,000,000.00
1497	Various Water and Sewer Infrastructure Improvements	11-12-09	731,275.00	731,275.00			731,275.00
				<u>\$ 9,619,475.00</u>	<u>\$ 7,908,000.00</u>	<u>\$ 246,200.00</u>	<u>\$ 17,281,275.00</u>
			<u>Ref.</u>	D	D-21	D-21	D

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, 2010	D	\$ <u>1.41</u>
Increased by:		
Cash Receipts	D-5	<u>2,417.02</u>
Decreased by:		
Cash Disbursed	D-5	<u>2,408.61</u>
Balance, December 31, 2011	D	\$ <u><u>9.82</u></u>

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Increased	Balance Dec. 31, 2011
1493/1569	Design Portion of Phase II of the Water and Sewer Infrastructure Improvements	12-23-09	12-12-11	12-11-12	1.270%	\$ 92,000.00		\$ 92,000.00
1493/1569	Design Portion of Phase II of the Water and Sewer Infrastructure Improvements	12-23-11	12-12-11	12-11-12	1.270%		\$ 408,000.00	408,000.00
1497	Various Water and Sewer Infrastructure Improvements	12-23-09	12-12-11	12-11-12	1.270%	531,275.00		531,275.00
1497	Various Water and Sewer Infrastructure Improvements	12-23-11	12-12-11	12-11-12	1.270%		200,000.00	200,000.00
						\$ 623,275.00	\$ 608,000.00	\$ 1,231,275.00
					Ref.	D	D-5/D-25	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 Outstanding December 31, 2011</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
Water - Sewer Improvements	09-04-08	\$ 2,903,000.00	09-01-12 \$ 162,708.00	3.000%			
			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%			
					\$ 2,577,584.00	\$ 162,708.00	\$ 2,414,876.00
					<u>\$ 2,577,584.00</u>	<u>\$ 162,708.00</u>	<u>\$ 2,414,876.00</u>
				<u>Ref.</u>	D	D-23	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, 2010	D	\$ 7,311,814.34
Decreased by;		
Paid by Budget Appropriation	D-24	<u>361,171.72</u>
Balance, December 31, 2011	D	\$ <u>6,950,642.62</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, 2010		Increased by:		Decreased by:		Balance Dec. 31, 2011		
				Funded	Unfunded	2011 Authorizations	Reserve for Encumbrances	Paid or Charged	Reserve for Encumbrances	Cancellations	Funded	Unfunded
1418/1543	Various Water and Sewer Improvements	05-23-07/ 10-28-10	\$ 8,550,000.00	\$ 1,220,984.10	\$ 593,036.00		\$ 1,771,956.72	\$ 2,083,140.00	\$ 427,417.27	\$ 17,822.32	\$ 464,561.23	\$ 593,036.00
1485/1496	Sanitary Sewer and Water Improvements to 7th Avenue	07-09-09 11-12-09	246,200.00		27,421.18		200,956.50			228,377.68		
1493/1569	Design Portion of Phase II of the Water and Sewer Infrastructure Improvements	09-10-09/ 07-29-11	8,000,000.00		9,406.09	\$ 7,908,000.00	20,921.00	60,199.05	327,690.35			7,550,437.69
1497	Various Water and Sewer Infrastructure Improvements	11-12-09	731,275.00		127,259.24		487,979.53	502,809.36	52,152.95			60,276.46
				\$ 1,220,984.10	\$ 757,122.51	\$ 7,908,000.00	\$ 2,481,813.75	\$ 2,646,148.41	\$ 807,260.57	\$ 246,200.00	\$ 464,561.23	\$ 8,203,750.15
	Ref.			D	D	D-16/D-25	D	D-5	D	D-16	D	D

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, 2010	D	\$ 23,480.00
Decreased by:		
Reserve for Preliminary Expenses-Phase II		
Water Sewer Improvement Program	D-9	12,000.00
Balance, December 31, 2011	D	\$ <u>11,480.00</u>

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 5,131,481.01
Increased by:		
Serial Bonds Paid by Operating Budget	D-19	\$ 162,708.00
Capital Outlay	D-15	<u>39,616.00</u>
		202,324.00
		<u>5,333,805.01</u>
Balance, December 31, 2011	D	\$ <u>5,333,805.01</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

WATER - SEWER 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, 2010</u>	<u>Loan Paid from Operating Budget</u>	<u>Balance Dec. 31, 2011</u>
1418/1543	Various Water and Sewer Improvements	05-23-07	\$ 645,149.66	\$ 361,171.72	\$ 1,006,321.38
			D	D-20	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, 2010	2011 Authorizations	Bond Anticipation Notes Issued	Canceled	Balance Dec. 31, 2011
1418/1543	Various Water and Sewer Improvements	\$ 593,036.00		\$ 408,000.00		\$ 185,036.00
1485/1496	Sanitary Sewer and Water Improvements to 7th Avenue	246,200.00			\$ 246,200.00	
1497	Various Water and Sewer Infrastructure Improvements	200,000.00		200,000.00		
1493/1569	Design Portion of Phase II of the Water and Sewer Infrastructure Improvements		\$ 7,908,000.00			7,908,000.00
		<u>\$ 1,039,236.00</u>	<u>\$ 7,908,000.00</u>	<u>\$ 608,000.00</u>	<u>\$ 246,200.00</u>	<u>\$ 8,093,036.00</u>
Ref.			D-21	D-5	D-21	(Footnote D)

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY FUND
SCHEDULE OF CASH

	Ref.	Operating	Capital
Balance, December 31, 2010	E	\$ 393,942.12	\$ 385,448.11
Increased by Receipts:			
Accounts Receivable - Boat Slip Rental Fees	E-6	\$ 170,039.94	
Prepaid Slip Rental Fees	E-7	183,912.02	
Miscellaneous Anticipated	E-2	34,646.49	
Interfund - Trust Other	E-8	114.45	
Interfund - Marina Utility Operating	E-19		\$ 1.26
		<u>388,712.90</u>	<u>1.26</u>
		782,655.02	385,449.37
Decreased by Disbursements:			
2011 Appropriations	E-3	326,559.14	
Appropriation Reserves	E-11	2,700.03	
Accrued Interest on Bonds and Loans	E-14	35,095.70	
Change Fund	E	200.00	
Improvement Authorizations	E-16		231,197.62
		<u>364,554.87</u>	<u>231,197.62</u>
Balance, December 31, 2011	E	\$ 418,100.15	\$ 154,251.75

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
ANALYSIS OF MARINA UTILITY CAPITAL CASH

		Balance <u>Dec. 31, 2011</u>
Capital Improvement Fund		\$ 54,575.45
Reserve for Encumbrances		52,440.15
Interfund - Marina Operating		1.26
Ordinance		
<u>Number</u>	<u>Improvement Description</u>	
1445/1683	Various Marina Utility Improvements	41,059.66
1483	Various Marina Utility Improvements	<u>6,175.23</u>
		\$ <u>154,251.75</u>
<u>Ref.</u>		E

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		\$	324,964.49
Decreased by:			
Collections	E-4	\$	170,039.94
Prepays Applied	E-7		<u>154,924.55</u>
	E-2	\$	<u><u>324,964.49</u></u>

Exhibit E-7

SCHEDULE OF PREPAID SLIP RENTAL FEES

	<u>Ref.</u>		
Balance, December 31, 2010	E	\$	154,924.55
Increased by:			
Collections	E-4		<u>183,912.02</u>
			338,836.57
Decreased by:			
Applied to Accounts Receivable	E-6		<u>154,924.55</u>
Balance, December 31, 2011	E	\$	<u><u>183,912.02</u></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
Increased by:						
Miscellaneous Revenues Anticipated	E-2	\$ 1.26	\$ 1.26			
Sub - Total		1.26	1.26			
Decreased by:						
Cash Receipts	E-4	114.45		\$ 114.45		
Budget Appropriations	E-3	535.29		\$ 534.36	\$ 0.93	
		649.74		534.36	114.45	0.93
Balance, December 31, 2011:						
Interfund Receivable	E	\$ 1.26	\$ 1.26			
Interfunds Payable	E	\$ (649.74)		\$ (534.36)	\$ (114.45)	\$ (0.93)

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance, December 31, 2010 and 2011	E	\$ <u>2,348,395.96</u>
Analysis:		
Miscellaneous		\$ 64,520.69
Ordinance 1245 - Acquisition of Berkeley Harbor Marina Property		<u>2,283,875.27</u>
		\$ <u>2,348,395.96</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2010 and Dec. 31, 2011</u>
		<u>Date</u>	<u>Amount</u>	
1445/ 1563	Various Marina Utility Improvements	05-28-08 05-12-11	\$ 441,500.00	\$ 441,500.00
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	<u>56,800.00</u>
				<u>\$ 714,424.73</u>
			<u>Ref.</u>	E

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2010</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	\$ 4,368.37		\$ 4,368.37	\$ 200.00	\$ 4,168.37
Other Expenses	15,288.38	\$ 1,683.77	16,972.15	2,500.03	14,472.12
Statutory Expenditures:					
Social Security System	<u>520.61</u>		<u>520.61</u>		<u>520.61</u>
	<u>\$ 20,177.36</u>	<u>\$ 1,683.77</u>	<u>\$ 21,861.13</u>	<u>\$ 2,700.03</u>	<u>\$ 19,161.10</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, 2010	E	\$ 1,683.77
Increased by:		
Transferred from Budget Appropriations	E-3	1,471.67
		<u>3,155.44</u>
Decreased by:		
Transferred to Appropriation Reserves	E-11	1,683.77
		<u>1,683.77</u>
Balance, December 31, 2011	E	\$ <u><u>1,471.67</u></u>

MARINA UTILITY CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2010	E	\$ 1,046,370.66
Decreased by:		
Budget Appropriation	E-18	81,784.90
		<u>81,784.90</u>
Balance, December 31, 2011	E	\$ <u><u>964,585.76</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, 2010	E	\$ 6,766.14
Increased by:		
Budget Appropriations	E-3	34,699.33
		<u>41,465.47</u>
Decreased by:		
Interest Paid	E-4	35,095.70
		<u>35,095.70</u>
Balance, December 31, 2011	E	\$ <u>6,369.77</u>

Analysis of Accrued Interest December 31, 2011

Principal Outstanding <u>Dec. 31, 2011</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Green Trust Loan Program:					
\$ 964,585.76	2.00%	11-29-11	12-31-11	33 Days	\$ 1,758.64
Bonds Payable:					
366,822.00	Various	09-01-11	12-31-11	4 Months	<u>4,611.13</u>
					\$ <u>6,369.77</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, 2011</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
Marina Improvements	09-04-08	\$ 441,000.00	\$ 24,726.00	3.000%			
			27,261.00	3.125%			
			27,261.00	3.250%			
			27,261.00	3.375%			
			30,431.00	3.500%			
			30,431.00	3.750%			
			30,622.00	3.875%			
			33,600.00	4.100%			
			33,600.00	4.125%			
			33,600.00	4.125%			
			33,600.00	4.250%			
			34,429.00	4.250%			
					\$ 391,548.00	\$ 24,726.00	\$ 366,822.00
					<u>\$ 391,548.00</u>	<u>\$ 24,726.00</u>	<u>\$ 366,822.00</u>
				<u>Ref.</u>	<u>E</u>	<u>E-20</u>	<u>E</u>

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, 2010		Increased by Reserve for Encumbrances	Decreased by		Balance Dec. 31, 2011	
				Funded	Unfunded		Paid or Charged	Reserve for Encumbrances	Funded	Unfunded
1445/ 1563	Various Marina Utility Improvements	05-28-08 05-12-11	\$ 441,500.00	\$ 121,241.00	\$ 500.00	\$ 11,224.55	\$ 47,885.87	\$ 43,520.02	\$ 41,059.66	\$ 500.00
1477	Various Marina Utility Improvements	04-09-09	216,124.73	135,063.19		18,140.84	144,283.90	8,920.13		
1483	Various Marina Utility Improvements	06-25-09	56,800.00	45,203.08			39,027.85		6,175.23	
				<u>\$ 301,507.27</u>	<u>\$ 500.00</u>	<u>\$ 29,365.39</u>	<u>\$ 231,197.62</u>	<u>\$ 52,440.15</u>	<u>\$ 47,234.89</u>	<u>\$ 500.00</u>
			<u>Ref.</u>	E	E	E	E-4	E	E	E

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Ref.

Balance, December 31, 2010 and 2011	E	\$ <u>54,575.45</u>
-------------------------------------	---	---------------------

SCHEDULE OF RESERVE FOR AMORTIZATION

Ref.

Balance, December 31, 2010	E	\$ 1,302,025.30
Increased by:		
Loans Paid by Operating Budget	E-13	<u>81,784.90</u>
Balance, December 31, 2011	E	\$ <u>1,383,810.20</u>

SCHEDULE OF INTERFUND - MARINA OPERATING FUND

Ref.

Increased by:		
Cash Receipts	E-4	\$ <u>1.26</u>
Balance, December 31, 2011	E	\$ <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, 2010</u>	<u>Increases</u>	<u>Balance Dec. 31, 2011</u>
1445 1563	Various Marina Utility Improvements	05-28-08 05-12-11	\$ 49,452.00	\$ 24,726.00	\$ 74,178.00
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>\$ 322,376.73</u>	<u>\$ 24,726.00</u>	<u>\$ 347,102.73</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

		Balance, December 31, 2010 and 2011
<u>Ordinance</u>	<u>Improvement Description</u>	
<u>Number</u>		
1445	Various Marina Utility Improvements	\$ <u>500.00</u>

(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, 2010:			
Trust Fund I		\$ 100.00	
Trust Fund II		<u>8,548.35</u>	
	G		\$ 8,648.35
Increased by Receipts:			
State Aid	G-3	18,300.00	
Cancel Ourstanding Checks	G-3	<u>674.00</u>	
			<u>18,974.00</u>
			27,622.35
Decreased by Disbursements:			
Reserve for Public Assistance	G-2	246.85	
Public Assistance Expenditures	G-3	<u>23,438.00</u>	
			<u>23,684.85</u>
Balance, December 31, 2011:			
Trust Fund I		100.00	
Trust Fund II		<u>3,837.50</u>	
	G		\$ <u>3,937.50</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, 2010	G	\$ 11,067.01
Decreased by:		
Cash Disbursed	G-1	<u>246.85</u>
Balance, December 31, 2011	G	\$ <u>10,820.16</u>

SCHEDULE OF STATE AID RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2010	G	\$ 2,418.66
Increased by:		
Eligible Expenditures - Public Assistance at 100%	G-1	<u>23,438.00</u>
		25,856.66
Decreased by:		
State Aid	G-1	\$ 18,300.00
Cancel Outstanding Checks	G-1	<u>674.00</u>
		<u>18,974.00</u>
Balance, December 31, 2011	G	\$ <u>6,882.66</u>

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS

General Fixed Assets:						
Land	\$	6,890,932.00	\$	15,380,320.82	\$	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		3,675,091.78	\$	247,881.33		3,427,210.45
	\$	<u>10,566,023.78</u>	\$	<u>145,282,405.82</u>	\$	<u>155,600,548.27</u>
Ref.		H				H

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2011

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2011</u>	<u>2010</u>	<u>*2009</u>
Tax Rate (Per \$100 Assessed Valuation)	<u>\$1.251</u>	<u>\$1.194</u>	<u>\$1.226</u>

Apportionment of Tax Rate

Municipality	.430	.430	.430
County	.377	.350	.359
Regional High School	.382	.348	.338
Local District School	.062	.066	.099

Assessed Valuation

2011	\$1,161,079,711.00		
2010		\$1,161,925,908.00	
2009			*\$1,160,605,332.00

*Revaluation

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>
2011	\$14,554,319.35	\$14,231,848.29	97.78%
2010	13,907,984.97	13,455,500.91	96.74%
2009	14,257,771.01	13,792,918.91	96.73%

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</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
<u>December 31</u>				
2011	\$ -	\$296,997.47	\$296,997.47	2.04%
2010	-	377,469.50	377,469.50	2.71%
2009	-	409,925.74	409,925.74	2.88%

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>
2011	\$ -
2010	-
2009	-

COMPARISON OF WATER-SEWER UTILITY RENTS LEVIED

<u>Year</u>	<u>Levy</u>	<u>Prior Year Delinquent</u>	<u>Cash Collections</u>
2011	\$3,032,150.62	\$462,023.58	\$3,130,900.37
2010	3,272,772.66	274,347.19	3,085,096.27
2009	2,181,648.22	278,333.82	2,185,634.85

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>Current Fund</u>		
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
2007	450,005.76	300,000.00

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Water-Sewer Utility Fund</u>		
2011	\$1,344,036.08	\$ -
2010	782,342.00	43,074.00
2009	269,857.20	-
2008	470,970.76	450,000.00
2007	148,658.15	100,000.00

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>
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
2007	138,352.16	20,000.00

SUMMARY OF MUNICIPAL DEBT

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Issued</u>			
General:			
Bonds, Notes and Loans	\$ 6,323,511.72	\$4,541,699.86	\$4,813,579.79
Water-Sewer Utility:			
Bonds, Notes and Loans	10,596,793.62	10,512,673.34	12,809,140.05
Marina Utility:			
Bonds, Notes and Loans	<u>1,331,407.77</u>	<u>1,437,918.66</u>	<u>1,542,818.07</u>
Net Debt	<u>18,251,713.11</u>	<u>16,492,291.86</u>	<u>19,165,537.91</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,548,225.32	896,351.32	589,599.00
Water-Sewer Utility:			
Bonds and Notes	8,093,036.00	1,039,236.00	8,200.00
Marina Utility:			
Bonds and Notes	<u>500.00</u>	<u>500.00</u>	<u>500.00</u>
	<u>9,641,761.32</u>	<u>1,936,087.32</u>	<u>598,299.00</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$27,893,474.43</u>	<u>\$18,428,379.18</u>	<u>\$19,763,836.91</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 .60%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional High School District Debt	\$1,215,926.97	\$ 1,215,926.97	\$ None
Local District School	-	-	None
General Debt	7,871,737.04	301,891.17	7,569,845.87
Water-Sewer Utility Debt	18,689,829.62	18,689,829.62	None
Marina Utility Debt	<u>1,331,907.77</u>	<u>1,331,907.77</u>	<u>None</u>
	<u>\$29,109,401.40</u>	<u>\$21,539,555.53</u>	<u>\$7,569,845.87</u>

Net Debt \$7,569,845.87 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$1,264,375,897.33 equals .60%.

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

3-1/2% Equalized Valuation Basis Municipal	\$44,253,156.41
Net Debt	<u>7,569,845.87</u>
Remaining Borrowing Power	<u>\$36,683,310.54</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	\$3,488,136.95
Deductions:	
Operating and Maintenance Costs	\$2,257,327.00
Debt Service Per Water Account	<u>790,755.94</u>
Total Deductions	<u>3,048,082.94</u>
Excess in Revenue	<u>\$ 440,054.01</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	\$478,174.24
Deductions:	
Operating and Maintenance Costs	\$194,816.00
Debt Service Per Sewer Account	<u>141,210.23</u>
Total Deductions	<u>336,026.23</u>
Excess in Revenue	<u>\$142,148.01</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>
Thomas E. Connors	Mayor
David Meyer	Council President
Andrew Kelly	Councilman
Nancy Koury	Councilwoman
Jason Martucci	Councilman
Jack Moyse	Councilman
Michael Tierney	Councilman
Robert Martucci	Administrator
Eugenia Bermudez	Chief Financial Officer
Ann L. Rice	Tax Collector
Philip Miller	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, 2011

FALLON & LARSEN LLP

Certified Public Accountants

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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB 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

Compliance

We have audited the Borough of Seaside Park's (the "Borough") compliance with the types of compliance requirements described in 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, 2011. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Borough's management. Our responsibility is to express an opinion on the Borough's compliance based on our audit.

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; the provisions of the State Treasury Circular Letter 04-04 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards, 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. Our audit does not provide a legal determination on the Borough's compliance with those requirements.

In our opinion, the Borough complied, in all material respects, with the 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, 2011.

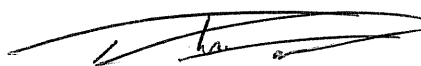
Internal Control Over Compliance

Management of the Borough is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Borough's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State Circular Letter 04-04 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over compliance.

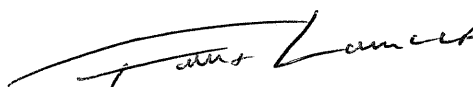
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the governing body, management, others within the Borough, the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the appropriate state and federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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



Fallon & Larsen LLP

April 27, 2012

BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN
STATE OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2011

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 42-4860-510-022	66.458	11/01/07 - Completion	\$ 1,953,106.00	\$ 632,075.00	\$ 505,041.20	\$ 1,561,927.93
Capitalization Grants for Drinking Water State Revolving Funds	1527001-001 42-4840-707-013	66.468	11/01/07 - Completion	1,908,858.00	387,377.00 1,019,452.00	545,439.86 1,050,481.06	1,853,596.74 3,415,524.67
Total Department of Environmental Protection							
U.S. Department of Interior: Pass-through programs from: State of New Jersey Department of Environmental Protection:							
Barnegat Bay Estuary Program	42-4885-100-085	15.616	04/01/10 - 03/31/11	5,250.00	3,500.00 3,500.00	4,754.22 4,754.22	5,250.00 5,250.00
U.S. Department of Housing and Urban Development: Pass-through programs from: County of Ocean:							
Community Development Block Grant Program - Handicap Ramp Improvements	CT-886-09	14 UNK	07/17/09 - 01/17/11	46,000.00	23,797.00	23,797.00	42,152.94
Handicap Ramp Improvements	CT-941-11	14 UNK	07/01/11 - 01/01/13	42,000.00	23,797.00	23,797.00	42,152.94
Total U.S. Department of Housing and Urban Development							
U.S. Department of Energy: Pass-through programs from: New Jersey Board of Public Utilities: Energy Efficiency and Conservation Block Grant Program (ARRA Funds)							
	HU00316EECBG	81.128	Expires 08/01/12	2,514.46	2,514.46 2,514.46	2,514.46 2,514.46	2,514.46 2,514.46
U.S. Department of Transportation: Pass-through programs from: New Jersey Department of Transportation: Highway Planning and Construction: 7th Avenue Road Improvements 9th Avenue Road Improvements							
	78-6320-480 78-6320-480	20.205 20.205	Open Open	400,000.00 300,000.00	119,250.07 212,614.43 331,864.50	49,724.98 296,920.40 346,645.38	289,773.25 296,920.40 586,693.65

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 FEDERAL AWARDS

For The Year Ended December 31, 2011

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 Homeland Security: Pass-through programs from: State of New Jersey Department of Law and Public Safety:							
FEMA - Stafford Act Disaster Relief	66-1200-100	97.036	Various	\$ 96,685.99	\$ 91,199.56	\$ 5,486.43	\$ 96,685.99
Total U.S. Department of Homeland Security					<u>91,199.56</u>	<u>5,486.43</u>	<u>96,685.99</u>
U.S. Department of Commerce: Pass-through programs from: Urban Coast Institute - Monmouth University: Urban Coast Community Sustainability and Resiliency Program	NA08NOS4730443	11.473	09/01/08 - 08/31/10	5,000.00	4,976.50	3,076.50	4,976.50
					<u>4,976.50</u>	<u>3,076.50</u>	<u>4,976.50</u>
Total Federal Expenditures					<u>\$ 1,477,304.02</u>	<u>\$ 1,436,755.05</u>	<u>\$ 4,153,798.21</u>

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, 2011

State Grantor / Pass - Through Grantor / Program	State Account Number or Grant Number	Grant Period	Grant/Loan Award	Cash Received	Program Expenditures	Cumulative Expenditures
<u>N.J. Department of Law and Public Safety:</u>						
Drunk Driving Enforcement Fund	6400-100-078-6400	Open	\$ 10,375.36	\$ 3,013.91	\$ 3,408.00	\$ 3,408.00
Body Armor Replacement Grant	1020-718-066-001	Open	7,133.29	1,692.90	721.00	721.00
Total N.J. Department of Law and Public Safety			17,508.65	4,706.81	4,129.00	4,129.00
<u>N.J. Department of Health and Senior Services:</u>						
Alcohol Education and Rehabilitation	760-046-4240-001	Open	2,392.13		1,361.20	1,361.20
Total N.J. Department of Health and Senior Services			2,392.13		1,361.20	1,361.20
<u>N.J. Department of Human Services:</u>						
Payments to Municipalities for Costs of Work						
First New Jersey General Assistance	100-054-7550-121	Open	24,600.00	24,600.00	23,438.00	23,438.00
Pass through County of Ocean						
Municipal Alliance Grant	2000-475-995120-60	01/01/10 - 12/31/10	6,000.00	1,786.83	290.36	6,000.00
Municipal Alliance Grant	2000-475-995120-60	01/01/11 - 12/31/11	6,000.00	1,183.29	3,863.68	3,863.68
Total N.J. Department of Human Services			36,600.00	27,570.12	27,592.04	33,301.68
<u>N.J. Department of Environmental Protection:</u>						
Clean Communities Program	4900-765-042-4900-004	Open	24,095.15	8,628.69	1,573.71	1,573.71
Recycling Tonnage Grant	4900-752-042-001	Open	20,233.75	5,327.37	684.50	684.50
Barnegat Bay Estuary Program	42-4885-100-085	04/01/10 - 03/31/11	1,750.00	875.00	1,584.74	1,750.00
Environmental Infrastructure Trust Financing						
Program:						
Clean Water	S340083-01/42-4860-510-022	11/01/07 - Completion	2,031,230.00	564,049.00	505,041.20	1,056,886.73
Drinking Water	1527001-001/42-4840-707-013	11/01/07 - Completion	1,985,212.00	325,461.00	545,439.86	1,308,156.86
Subtotal Environmental Infrastructure Trust Financing Program			4,016,442.00	889,510.00	1,050,481.06	2,365,043.59
Total N.J. Department of Environmental Protection			4,062,520.90	904,341.06	1,054,324.01	2,369,051.80
Total State Financial Assistance			\$ 4,119,021.68	\$ 936,617.99	\$ 1,087,406.25	\$ 2,407,843.68

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

**BOROUGH OF SEASIDE PARK
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011**

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, 2011**

Section I - Summary of Auditors' Results

Financial Statements Section

Type of auditors' report issued:

Generally Accepted Accounting Principles	<u>Adverse</u>
Regulatory Basis	<u>Qualified</u>

Internal control over financial reporting:

Material weakness identified? Yes X No

Significant deficiency identified not considered
to be material weaknesses? Yes X No

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 program:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Grant Number</u>
66.458	Capitalization Grants for Clean Water - State Revolving Funds	S340083-01
66.468	Capitalization Grants for Drinking Water - State Revolving Funds	1527001-001

Dollar threshold used to distinguish between
Type A and Type B Programs: \$300,000.00

Auditee qualified as a low-risk auditee? Yes X No

BOROUGH OF SEASIDE PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I - Summary of Auditors' Results (continued)

Financial Statements Section (continued)

b) State Financial Assistance

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 04-04 OMB? _____ Yes X No

Identification of major state programs:

<u>Account Number(s) or Grant Number(s)</u>	<u>Name of State Program or Cluster</u>
S340083-01	Environmental Infrastructure Trust Financing Program:
1527001-001	Clean Water
	Drinking Water

Dollar threshold used to distinguish between
Type A and Type B Programs: \$300,000.00

Auditee qualified as low-risk auditee? X Yes _____ No

**BOROUGH OF SEASIDE PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Section II - Financial Statement Findings

None reported.

**BOROUGH OF SEASIDE PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

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, 2011**

Financial Statement Findings

2010-1 General Fixed Asset Account Group

Comment: The Borough's general fixed asset account group was not updated in a timely manner.

Current Status: The recommendation was implemented in 2011. There were no similar findings in the 2011 audit.

BOROUGH OF SEASIDE PARK

COUNTY OF OCEAN

PART III

COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2011

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:

Marina Breakwater Improvement Project
Roadway Reconstruction of 9th Avenue
Roadway Bathhouse Renovations
Purchase of 4x4 Work Machine
Purchase of New 2011 Caterpillar 938H
(Or Equal) Wheel Loader
Howard Replica/Seth Thomas Four Dial
Post Clock

Improvements to Bulkhead and Parking
Lot at 14th Avenue Pier
Management Consulting Services
Used Dump Truck
Boardwalk Reconstruction from 7th
to 9th Avenue
Removal and Replacement of Roofing
System on the Public Safety Building
and the Public Works Administration
Building

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 6, 2011, 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 2011 and prior years is being properly carried in the Tax Collector's records. An abstract taken from these records as of December 31, 2011, 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>
2011	0
2010	0
2009	0

The detail of all unpaid water-sewer rents for 2011 and prior years is being properly carried in the Utility Collector's records. An abstract taken from these records as of December 31, 2011, 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 November 4, 2011 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, 2011 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	13	2
Dates of Payment of Water-Sewer Utility Charges	25	17
Delinquent Water-Sewer Utility Charges	39	17

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, 2011.

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, 2011.

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

Comment: Section 44A-3.7 F of the Borough code states that each boat slip and/or trailer storage permit shall be evidenced by a decal which shall be prominently displayed at all times the boat or trailer is located within the Marina site. The Borough is currently not utilizing the decals for boat slips. The Marina operator checks the file to see if a slip is paid for before the boat is allowed to enter the slip and subsequently rely on the operator to identify which boats belong in the slips.

Recommendation: That the Borough utilize decals to identify boats that have paid the appropriate fees to utilize marina facilities or the ordinance be amended to not require decals providing appropriate controls are in place to determine all boats utilizing the facilities have paid the appropriate fee.

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 2011 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, 2011.

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.

An examination was made of the employees' compensation records for the year 2011 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, 2011.

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

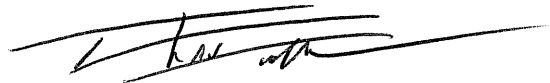
It is recommended:

- 11-1. That all interfunds be liquidated prior to year end.
- 11-2. That the Borough utilize decals to identify boats or trailers that have paid the appropriate fees to utilize marina facilities or the ordinance be amended to not require decals providing appropriate controls are in place to determine all boats utilizing the facilities have paid the appropriate fees.

Of the above recommendations, number 11-1 and 11-2 are similar to those reported in the 2010 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,



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

For the Firm
FALLON & LARSEN LLP