
BOROUGH OF MANASQUAN

COUNTY OF MONMOUTH

NEW JERSEY

REPORT OF AUDIT

YEARS ENDED DECEMBER 31, 2012 AND 2011

BOROUGH OF MANASQUAN

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PART I

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
Borough of Manasquan
County of Monmouth
Manasquan, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds of the Borough of Manasquan in the County of Monmouth, as of December 31, 2012 and 2011, the related statement of operations and changes in fund balance-regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets as of December 31, 2012 and 2011, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2012 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

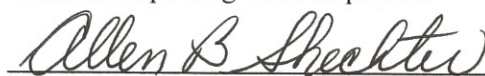
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Manasquan's basic financial statements. The supplementary information listed in the table of contents, the comments and recommendations section, the schedule of expenditures of federal awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance as required by New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents, the schedules of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, the schedule of federal awards and the schedule of state expenditures are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2013 on our consideration of the Borough of Manasquan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Manasquan's internal control over financial reporting and compliance.



Allen B. Shechter, R.M.A. #509
ALVINO & SHECHTER, L.L.C.
Certified Public Accountants

CURRENT FUND

Borough of Manasquan, NJ
Current Fund
Comparative Balance Sheet - Regulatory Basis

A

	<u>Ref.</u>	Balance Dec. 31 <u>2012</u>	Balance Dec. 31 <u>2011</u>
<u>Assets</u>			
Cash	A-4	5,166,174.03	4,311,553.45
Cash - Change Funds	A-10	450.00	450.00
Notes Receivable - General Capital	C-19	2,887,132.85	2,506,887.00
Alliance to Prevent Drug and Alcohol Abuse Receivable	A-4	24,589.91	8,567.96
Safe and Secure Communities Program Receivable	A-2.1:A-4	.00	14,417.50
Recreational Trails Program Receivable	A-2.1:A-4	1,516.00	1,516.00
Hurricane Sandy National Emergency Grant Receivable	A-2.1	42,807.00	.00
Internal Revenue Service Levy Receivable	A-4	<u>11,675.37</u>	<u>11,675.37</u>
		<u>8,134,345.16</u>	<u>6,855,067.28</u>
<u>Receivable with Full Reserves</u>			
Delinquent Property Taxes Receivable	A-15	342,699.38	296,915.56
Tax Title Liens Receivable	A-16	32,687.04	22,776.83
Property Acquired for Taxes - Assessed Valuation	A-18	209,040.00	209,040.00
Revenue Accounts Receivable	A-22	82,365.68	87,885.24
Interfund Due from General Capital Fund	A-39	.00	35,168.46
Interfund Due from Municipal Open Space Trust Fund	B-41	.00	212,381.93
Interfund Due from Traffic Trust Fund	A-4	2,000.00	.00
Interfund Due from Unemployment Trust Fund	A-4:B	<u>.00</u>	<u>10,000.00</u>
		<u>668,792.10</u>	<u>874,168.02</u>
<u>Deferred Charges</u>			
Emergency Authorizations (40A:4-47)	A-23	.00	.00
Special Emergency Authorizations (40A:4-55)	A-24	4,469,222.84	.00
Overexpenditure of Appropriations	A-3	<u>.00</u>	<u>8,255.09</u>
		<u>4,469,222.84</u>	<u>8,255.09</u>
<u>Total Assets</u>		<u><u>\$13,272,360.10</u></u>	<u><u>7,737,490.39</u></u>

See financial notes

Borough of Manasquan, NJ
Current Fund
Comparative Balance Sheet - Regulatory Basis

A
(completed)

	<u>Ref.</u>	Balance Dec. 31 <u>2012</u>	Balance Dec. 31 <u>2011</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Liabilities</u>			
Tax Overpayments	A-4:A-30	.00	25,088.71
Appropriation Reserves	A-3:A-25	215,083.61	129,944.87
Reserve for Encumbrances	A-3:A-25	135,879.46	61,110.81
Prepaid Taxes	A-4	225,278.13	271,340.55
Accounts Payable - LOSAP	A-25	14,000.00	14,000.00
Reserve for TTL Installment Payments	A-4	5,502.08	1,375.52
Reserve for Tax Map	A	1,122.00	1,122.00
Spending Reserve - Special Emergency Sandy	A-3	4,043,014.37	.00
Due to State of New Jersey	A-43	13,695.25	12,804.15
Local District School Tax Payable	A-37	4,847,577.48	4,484,683.50
County Tax Payable	A-35	19,841.92	23,797.25
Interfund Due to Municipal Open Space Trust Fund	A:A-4:B-41	256,854.76	.00
Reserve for Alcohol Education and Rehabilitation Fund			
- Appropriated	A	195.91	195.91
Reserve for Body Armor Fund			
- Appropriated	A:A-3	2,943.86	2,699.19
- Unappropriated	A-4	1,988.62	1,863.32
Reserve for Clean Communities Grant			
- Appropriated	A-3:A-4	8,771.68	13,125.05
Reserve for Drunk Driving Enforcement Program			
- Appropriated	A-3	1,289.81	232.25
- Unappropriated	A-4	.00	.00
Reserve for Tonnage Grant			
- Appropriated	A-3	18,995.86	.00
- Unappropriated	A-4	14,046.44	18,995.86
Reserve for Recreational Trails Program			
- Appropriated	A	706.00	706.00
Reserve for Hurricane Sandy National Emergency Grant			
- Appropriated	A-3	41,170.72	.00
Reserve for Municipal Alliance on Alcoholism and Drug Abuse			
- Appropriated	A-3:A-4	2,929.88	1,958.51
Reserve for Donation - Dare Program			
- Appropriated	A:A-3	1,212.36	562.36
- Unappropriated	A-4	.00	650.00
Reserve for FEMA Reimbursements - Sandy			
- Unappropriated	A-4	400,593.75	.00
Reserve for LOSAP	A	6,039.82	6,039.82
Interfund Due to Beach Utility Operating Fund	A-4:E-44	190,726.10	250,000.00
Interfund Due to Unemployment Trust	A-4:B	10,050.00	.00
Interfund Due to General Capital Fund	A-39	377,311.32	.00
Interfund Due to Water & Sewer Operating Fund	A-4	114,104.77	.00
		10,970,925.96	5,322,295.63
Reserve for Receivables	A	668,792.10	874,168.02
Fund Balance	A-1	<u>1,632,642.04</u>	<u>1,541,026.74</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$13,272,360.10</u>	<u>7,737,490.39</u>

See financial notes

Borough of Manasquan, NJ**Current Fund****Comparative Statement of Operations and Change in Fund Balance - Regulatory Basis****A-1**

<u>Revenue and Other Income</u>	<u>Ref.</u>	<u>Year 2012</u>	<u>Year 2011</u>
Fund Balance Utilized	A-2.1	1,000,000.00	1,110,004.00
Miscellaneous Revenue Anticipated	A-2.1	1,903,455.30	1,670,572.76
Receipts from Delinquent Taxes	A-2.1	297,759.27	266,277.51
Receipts from Current Taxes	A-2.2	25,969,762.51	25,539,770.05
Non-Budget Revenue	A-2.2	348,365.39	514,503.74
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-25	100,442.36	176,606.51
Interfund Returned General Capital Fund	A-4:E-44	35,168.46	29,222.77
Interfund Returned Municipal Open Space Trust Fund	A:B-41	212,381.93	.00
Interfund Returned Beach Utility Operating Fund	A:A-4	.00	50,000.00
Interfund Returned Unemployment Trust Fund	A-4	10,000.00	.00
<u>Total Income</u>		<u>29,877,335.22</u>	<u>29,356,957.34</u>
<u>Expenditures</u>			
Budget Appropriations			
Operations			
Salaries and Wages	A-3	3,593,644.67	3,585,569.00
Other Expenses	A-3	7,383,595.97	2,985,006.29
Capital Improvements	A-3	264,500.00	.00
Debt Service	A-3	555,554.11	485,347.65
Deferred Charges and Statutory Expenditures	A-3	847,116.27	916,895.04
County Taxes	A-15	6,076,116.98	6,249,621.46
Special District Taxes	A-15	713,621.00	692,628.00
Local District School Taxes	A-37	13,719,834.00	13,237,482.00
Municipal Open Space Taxes	A-15	80,592.85	80,545.77
Omitted Prior Year Taxes - Due to County	A-35	594.96	221.88
Prior Year Municipal Open Space Taxes	A-4:A-15:B-41	7.65	2.98
Prior Year Revenue Returned	A-4	36.60	51,394.95
Prior Year Taxes Returned	A-4	13,540.70	.00
Interfund Advanced Municipal Open Space Trust Fund	A:B-41	.00	212,381.93
Interfund Advanced Traffic Trust Fund	A-4	2,000.00	.00
Interfund Advanced Unemployment Trust Fund	A-4	.00	10,000.00
Cancelled State Aid Receivable - Safe & Secure	A:A-4	4,187.00	.00
<u>Total Expenditures</u>		<u>33,254,942.76</u>	<u>28,507,096.95</u>
<u>Excess (Deficit) in Revenue</u>		<u>(3,377,607.54)</u>	<u>849,860.39</u>
<u>Adjustments to Income Before Fund Balance</u>			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Succeeding Year Revenue	A-3	4,469,222.84	.00
<u>Statutory Excess to Surplus Revenue</u>		<u>1,091,615.30</u>	<u>849,860.39</u>
<u>Fund Balance</u> - January 1	A:A-1	<u>1,541,026.74</u>	<u>1,801,170.35</u>
		<u>2,632,642.04</u>	<u>2,651,030.74</u>
<u>Decreased by</u>			
Utilized as Anticipated Revenue	A-1	<u>1,000,000.00</u>	<u>1,110,004.00</u>
<u>Balance</u> - December 31	A	<u>\$ 1,632,642.04</u>	<u>1,541,026.74</u>

See financial notes

Borough of Manasquan, NJ
Current Fund
Statement of Revenues - Regulatory Basis - 2012

A-2.1

	<u>Ref.</u>	<u>Budget</u>	Added by N.J.S. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Fund Balance Appropriated</u>	A-1	<u>1,000,000.00</u>	<u>.00</u>	<u>1,000,000.00</u>	<u>.00</u>
<u>Miscellaneous Revenues</u>					
Licenses					
Alcoholic Beverages	A-22	20,000.00	.00	20,940.00	940.00
Other	A-22	11,000.00	.00	18,910.00	7,910.00
Fees and Permits	A-22	85,000.00	.00	104,159.30	19,159.30
Fines and Costs					
Municipal Court	A-22	380,000.00	.00	467,793.82	87,793.82
Interest and Costs on Taxes	A-4	60,000.00	.00	59,324.19	(675.81)
Energy Receipts Tax	A-4	390,257.00	.00	390,257.00	.00
Dock Mooring	A-22	200,000.00	.00	214,957.24	14,975.24
Planning Board - Subdivision Fees	A-22	10,000.00	.00	14,987.50	4,987.50
Cable Television Franchise Fees	A-22	76,729.00	.00	76,729.00	.00
Uniform Construction Code Fees	A-22	120,000.00	.00	149,955.51	29,955.51
Rent - Beach Garage	A-22	24,000.00	.00	24,000.00	.00
Special Items - Anticipated with Prior Written Consent of Local Government Services					
Recycling Tonnage Grant	A	18,995.86	.00	18,995.86	.00
Municipal Court - Brielle	A-4	116,245.80	.00	119,245.80	3,000.00
Drunk Driving Enforcement Fund	A	.00	6,382.88	6,382.88	.00
Municipal Alliance on Alcoholism and Drug Abuse	A:A-4	48,835.00	.00	48,835.00	.00
Body Armor Fund	A	1,863.32	.00	1,863.32	.00
Private Donation - Dare Program	A	650.00	.00	650.00	.00
Clean Communities Program	A-4	13,163.88	.00	13,163.88	.00
Utility Operating Surplus of Prior Year	A:E-5	50,000.00	.00	50,000.00	.00
Local Government Energy Audit	A-4	.00	22,287.00	22,287.00	.00
Hurricane Sandy National Emergency Grant	A	<u>.00</u>	<u>80,000.00</u>	<u>80,000.00</u>	<u>.00</u>
<u>Total Miscellaneous Revenue</u>	A-1	<u>1,626,739.86</u>	<u>108,669.88</u>	<u>1,903,455.30</u>	<u>168,045.56</u>

See financial notes

Borough of Manasquan, NJ
Current Fund
Statement of Revenues Regulatory Basis - 2012

A-2.1
(completed)

	<u>Ref.</u>	<u>Budget</u>	<u>Added by N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Receipts From Delinquent Taxes</u>	A-1:A-2.2	<u>275,000.00</u>	<u>.00</u>	<u>297,759.27</u>	<u>22,759.27</u>
Amounts to be Raised by Taxes for Support of Municipal Budget Appropriations Local Tax for Municipal Purposes	A-2.2:A-15	<u>5,830,749.45</u>	<u>.00</u>	<u>6,045,568.65</u>	<u>214,819.20</u>
<u>Budget Totals</u>	A-3	<u>8,732,489.31</u>	<u>108,669.88</u>	<u>9,246,783.22</u>	<u>405,624.03</u>
<u>Non-Budget Revenue</u>	A-2.2	<u>.00</u>	<u>.00</u>	<u>348,365.39</u>	
		<u>8,732,489.31</u>	<u>108,669.88</u>	<u>9,595,148.61</u>	
Budget Adopted	A-3	<u>8,732,489.31</u>			
Budget Appropriations N.J.S. 40A:4-87	A-3	<u>108,669.88</u>			
		<u>\$8,841,159.19</u>			

Statement of Revenues - Regulatory Basis - 2012

Analysis of Realized Revenues

A-2.2

	<u>Ref.</u>	
<u>Receipts From Delinquent Taxes</u>		
Delinquent Tax Collections	A-15	297,759.27
Tax Title Lien Collections	A-16	<u>.00</u>
	A-1	<u>\$297,759.27</u>
<u>Allocation of Current Tax Collections</u>		
Revenue from Collections	A-15:A-1	25,969,762.51
Allocated to School, County and Special District and Municipal Open Space Taxes	A-15	<u>20,590,164.83</u>
Balance for Support of Municipal Appropriations		5,379,597.68
Add: Appropriation Reserve for Uncollected Taxes	A-3	<u>665,970.97</u>
<u>Amount for Support of Municipal Budget Appropriations</u>	A-2.1	<u>\$ 6,045,568.65</u>

See financial notes

Borough of Manasquan, NJ
Current Fund
Statement of Revenues - Regulatory Basis - 2012
Analysis of Realized Revenues

A-2.2
(completed)

	<u>Ref.</u>		
<u>Miscellaneous Revenue Not Anticipated</u>			
Revenue Accounts Receivable			
Rents	A-22	125,749.47	
Interest on Investments	A-22	8,115.83	
Assessment and Tax Searches	A-22	10.00	
Spring Lake, Sea Girt and Brielle - Drug Alliance	A-22	<u>12,209.10</u>	
			146,084.40
Interest on Assessments		945.49	
Variance Lists and Applications		350.00	
Bid Specifications		25.00	
Police Reports		191.70	
Copies & Video Tapes		84.78	
Street Openings		25,250.00	
Registrars Fees		11,441.00	
Prior Year Budget Reimbursements		14,667.88	
Police Found Money		1.59	
Bench Memorials		1,740.00	
Administration Fees - Traffic Control		3,712.34	
Interlocal Mantaloking - Recycling Coordinator		75.00	
Sale of Flags		75.00	
Use of Borough Hall		400.80	
Administration Fee - Senior Citizens and Veterans Deductions		1,512.50	
Cable - Right of Way		99,390.63	
Duplicate Tax Bills		27.00	
DMV State Fines		5,602.00	
Encroachment License		4,483.09	
Bounced Check Charges		100.00	
Sale of Mailing Labels		125.00	
Winter Boat/Modular Home Storage		600.00	
Subpoena Fee		8.00	
Hurricane Irene 2011 Reimbursements		<u>31,472.19</u>	
	A-4		<u>202,280.99</u>
	A-1:A-2.1		<u>\$348,365.39</u>
See financial notes			

Borough of Manasquan, NJ

Current Fund

A-3.1

Statement of Expenditures - Regulatory Basis - 2012

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over- Expended
	Budget	Budget After Modification		Encumbered	Reserved		
General Government Functions							
General Administration							
Salaries and Wages	22,000.00	26,000.00	25,921.67	.00	78.33	.00	.00
Other Expenses	1,050.00	1,550.00	1,051.12	.00	498.88	.00	.00
Mayor and Council							
Salaries and Wages	9,829.00	9,829.00	9,384.91	.00	444.09	.00	.00
Other Expenses	2,400.00	2,349.66	1,540.56	.00	809.10	.00	.00
Municipal Clerks Office							
Salaries and Wages	83,416.11	85,416.11	84,824.13	.00	591.98	.00	.00
Other Expenses	35,400.00	25,400.00	16,949.71	4,209.54	4,240.75	.00	.00
Financial Administration							
Salaries and Wages	43,590.43	48,090.43	47,792.65	.00	297.78	.00	.00
Other Expenses	9,722.00	9,722.00	6,419.10	324.35	2,978.55	.00	.00
Audit Services	20,950.00	20,950.00	19,950.00	.00	1,000.00	.00	.00
Revenue Administration							
Salaries and Wages	33,714.55	33,714.55	33,302.18	.00	412.37	.00	.00
Other Expenses	10,040.00	10,040.00	8,678.04	190.47	1,171.49	.00	.00
Tax Assessment Administration							
Salaries and Wages	27,034.70	27,034.70	26,934.70	.00	100.00	.00	.00
Other Expenses	2,050.00	2,050.00	768.14	100.43	1,181.43	.00	.00
Legal Services & Costs							
Other Expenses	75,000.00	89,000.00	85,962.34	.00	3,037.66	.00	.00
Municipal Court							
Salaries and Wages	100,029.00	100,029.00	93,932.19	.00	6,096.81	.00	.00
Other Expenses	105,265.02	105,265.02	102,262.46	1,393.91	1,608.65	.00	.00
Public Defender							
Salaries and Wages	3,000.00	3,000.00	2,000.00	.00	1,000.00	.00	.00
Engineering Services							
Other Expenses	27,000.00	27,000.00	20,326.57	.00	6,673.43	.00	.00
Historical Sites Office							
Other Expenses	700.00	700.00	100.00	.00	600.00	.00	.00
	<u>612,190.81</u>	<u>627,140.47</u>	<u>588,100.47</u>	<u>6,218.70</u>	<u>32,821.30</u>	<u>.00</u>	<u>.00</u>
Land Use Administration							
Planning Board							
Salaries and Wages	20,053.46	20,203.46	20,160.92	.00	42.54	.00	.00
Other Expenses	8,670.00	8,670.00	7,247.41	300.00	1,122.59	.00	.00
	<u>28,723.46</u>	<u>28,873.46</u>	<u>27,408.33</u>	<u>300.00</u>	<u>1,165.13</u>	<u>.00</u>	<u>.00</u>
Code Enforcement and Administration							
Code Enforcement							
Salaries and Wages	95,996.82	96,496.82	96,318.82	.00	178.00	.00	.00
Other Expenses	4,425.00	5,225.00	4,135.31	1,013.35	76.34	.00	.00
Zoning Office							
Salaries and Wages	21,290.97	21,290.97	20,650.69	.00	640.28	.00	.00
	<u>121,712.79</u>	<u>123,012.79</u>	<u>121,104.82</u>	<u>1,013.35</u>	<u>894.62</u>	<u>.00</u>	<u>.00</u>

Borough of Manasquan, NJ

Current Fund

Statement of Expenditures - Regulatory Basis - 2012

A-3.2

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over- Expended
	Budget	Budget After Modification		Encumbered	Reserved		
<u>Insurance</u>							
General Liability	63,665.51	63,665.51	63,665.49	.00	.02	.00	.00
Workmen's Compensation	72,505.98	72,505.98	72,505.98	.00	.00	.00	.00
Employee Group Health	862,640.06	842,640.06	842,392.49	.00	247.57	.00	.00
	<u>998,811.55</u>	<u>978,811.55</u>	<u>978,563.96</u>	<u>.00</u>	<u>247.59</u>	<u>.00</u>	<u>.00</u>
<u>Public Safety Functions</u>							
Police Department							
Salaries and Wages	2,485,778.24	2,527,778.24	2,525,507.08	.00	2,271.16	.00	.00
Other Expenses	102,934.00	102,934.00	64,663.99	34,362.08	3,907.93	.00	.00
Office of Emergency Management							
Salaries and Wages	6,650.00	6,980.00	6,978.01	.00	1.99	.00	.00
Other Expenses	7,500.00	76,745.44	69,499.41	.00	7,246.03	.00	.00
Aid to First Aid Organization	20,000.00	20,000.00	20,000.00	.00	.00	.00	.00
Municipal Prosecutor's Office							
Other Expenses	24,050.00	24,050.00	16,500.00	.00	7,550.00	.00	.00
	<u>2,646,912.24</u>	<u>2,758,487.68</u>	<u>2,703,148.49</u>	<u>34,362.08</u>	<u>20,977.11</u>	<u>.00</u>	<u>.00</u>
<u>Public Works Functions</u>							
Streets and Roads Maintenance							
Salaries and Wages	352,267.61	339,267.61	334,053.79	.00	5,213.82	.00	.00
Other Expenses	49,950.00	44,950.00	32,248.85	7,818.68	4,882.47	.00	.00
Other Public Works Equipment							
Shade Tree Commission	45,000.00	101,000.00	39,642.59	61,222.76	134.65	.00	.00
Traffic Lights	4,000.00	3,000.00	2,533.62	.00	466.38	.00	.00
Solid Waste Collection							
Recycling							
Salaries and Wages	6,120.00	3,120.00	3,090.00	.00	30.00	.00	.00
Other Expenses	324,150.00	3,700,127.40	3,695,133.40	.00	4,994.00	.00	.00
Building and Grounds							
Other Expenses	55,072.00	58,072.00	50,401.51	6,110.15	1,560.34	.00	.00
Maintenance of Borough Vehicles							
Other Expenses	47,000.00	57,000.00	41,511.65	15,010.52	477.83	.00	.00
	<u>883,559.61</u>	<u>4,306,537.01</u>	<u>4,198,615.41</u>	<u>90,162.11</u>	<u>17,759.49</u>	<u>.00</u>	<u>.00</u>
<u>Health and Human Services Functions</u>							
Board of Health							
Salaries and Wages	3,250.00	1.00	.00	.00	1.00	.00	.00
Other Expenses	25.00	25.00	.00	.00	25.00	.00	.00
Environmental Commission							
Other Expenses	1,500.00	1,500.00	445.72	500.00	554.28	.00	.00
Animal Control Services							
Other Expenses	13,200.00	14,688.00	13,056.00	.00	1,632.00	.00	.00
	<u>17,975.00</u>	<u>16,214.00</u>	<u>13,501.72</u>	<u>500.00</u>	<u>2,212.28</u>	<u>.00</u>	<u>.00</u>

Borough of Manasquan, NJ
Current Fund

Statement of Expenditures - Regulatory Basis - 2012

A-3.3

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>	<u>Over- Expended</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>		
<u>Parks and Recreation Functions</u>							
Recreation Services and Programs							
Salaries and Wages	28,500.00	28,500.00	26,122.48	.00	2,377.52	.00	.00
Other Expenses	1,325.00	1,325.00	.00	.00	1,325.00	.00	.00
Maintenance of Parks							
Salaries and Wages	105,921.78	115,921.78	115,784.81	.00	136.97	.00	.00
Other Expenses	25,800.00	25,800.00	21,988.13	2,318.72	1,493.15	.00	.00
Senior Citizens Transportation							
Other Expenses	500.00	500.00	183.00	.00	317.00	.00	.00
	<u>162,046.78</u>	<u>172,046.78</u>	<u>164,078.42</u>	<u>2,318.72</u>	<u>5,649.64</u>	<u>.00</u>	<u>.00</u>
<u>Unclassified</u>							
Prior Years Bills							
Ameripay Settlement	31,764.00	31,764.00	31,764.00	.00	.00	.00	.00
Waterways							
Salaries and Wages	25.00	25.00	.00	.00	25.00	.00	.00
Other Expenses	4,500.00	4,500.00	4,500.00	.00	.00	.00	.00
Tourism							
Salaries and Wages	50.00	50.00	.00	.00	50.00	.00	.00
Other Expenses	3,500.00	3,500.00	2,621.37	.00	878.63	.00	.00
Accumulated Leave Compensation	100.00	8,574.16	8,550.00	.00	24.16	.00	.00
Celebration of Public Events							
Other Expenses	1,000.00	1,530.00	474.00	1,004.50	51.50	.00	.00
	<u>40,939.00</u>	<u>49,943.16</u>	<u>47,909.37</u>	<u>1,004.50</u>	<u>1,029.29</u>	<u>.00</u>	<u>.00</u>
<u>Uniform Construction Code - Appropriations Offset</u>							
<u>By Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>							
Construction Official							
Salaries and Wages	82,600.00	82,600.00	82,012.73	.00	587.27	.00	.00
Other Expenses	2,808.00	3,408.00	2,890.50	.00	517.50	.00	.00
Sub-Code Officials							
Electrical Inspector	9,100.00	9,800.00	9,750.00	.00	50.00	.00	.00
Salaries and Wages							
Plumbing Inspector	9,250.00	9,250.00	8,999.90	.00	250.10	.00	.00
Salaries and Wages							
Fire Inspector							
Salaries and Wages	2,621.00	2,246.00	2,014.21	.00	231.79	.00	.00
	<u>106,379.00</u>	<u>107,304.00</u>	<u>105,667.34</u>	<u>.00</u>	<u>1,636.66</u>	<u>.00</u>	<u>.00</u>
<u>Unclassified</u>							
Utilities	217,900.00	161,300.00	143,058.30	.00	18,241.70	.00	.00

Borough of Manasquan, NJ
Current Fund

Statement of Expenditures - Regulatory Basis - 2012

A-3.4

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>	<u>Over- Expended</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>		
<u>Unclassified - continued</u>							
Landfill/Solid Waste Disposal Costs							
Other Expenses	313,500.00	1,013,500.00	961,922.42	.00	51,577.58	.00	.00
<u>Total Operations</u>	6,150,650.24	10,343,170.90	10,053,079.05	.00	154,212.39	.00	.00
<u>Contingent</u>	1,000.00	1,500.00	869.19	.00	630.81	.00	.00
<u>Total Operations Within "CAPS"</u>	6,151,650.24	10,344,670.90	10,053,948.24	135,879.46	154,843.20	.00	.00
<u>Detail</u>							
Salaries and Wages	3,549,088.67	3,593,644.67	3,573,535.87	.00	20,108.80	.00	.00
Other Expenses	2,602,561.57	6,751,026.23	6,480,412.37	135,879.46	134,734.40	.00	.00
<u>Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"</u>							
Overexpenditure of Appropriations	8,255.09	8,255.09	8,255.09	.00	.00	.00	.00
<u>Statutory Expenditures</u>							
Contribution to:							
Public Employees' Retirement System	104,849.00	104,849.00	104,849.00	.00	.00	.00	.00
Social Security System (O.A.S.I.)	149,254.00	156,254.00	153,958.45	.00	2,295.55	.00	.00
Police & Firemen's Retirement System of N.J.	429,923.00	429,923.00	429,923.00	.00	.00	.00	.00
Unemployment Compensation							
Insurance (N.J.S.A.43:21-3et.seq.)	50.00	4,752.18	4,750.00	.00	2.18	.00	.00
<u>Total Deferred Charges and Statutory Expenditures</u>							
<u>Expenditures - Municipal Within "CAPS"</u>	692,331.09	704,033.27	701,735.54	.00	2,297.73	.00	.00
<u>Total General Appropriations for Municipal Purposes Within "CAPS"</u>	6,843,981.33	11,048,704.17	10,755,683.78	135,879.46	157,140.93	.00	.00
<u>Operations - Excluded From "CAPS"</u>							
Employee Group Health Insurance	49,527.00	49,527.00	49,527.00	.00	.00	.00	.00
Aid to Privately Owned Library (N.J.S.A.-40:54-35)	128,878.00	128,878.00	128,878.00	.00	.00	.00	.00
<u>Total Other Operations - Excluded From "CAPS"</u>	178,405.00	178,405.00	178,405.00	.00	.00	.00	.00

Borough of Manasquan, NJ

Current Fund

Statement of Expenditures - Regulatory Basis - 2012

A-3.5

	Appropriations		Expended		Unexpended Balance Cancelled	Over- Expended
	Budget	Budget After Modification	Paid or Charged	Encumbered		
<u>Interlocal Municipal Service Agreements</u>						
Gasoline - Brielle	90,000.00	90,000.00	63,658.03	.00	26,341.97	.00
Municipal Court - Brielle	116,245.80	116,245.80	116,245.80	.00	.00	.00
Police Mandated 911 Emergency Service	7,784.00	7,784.00	7,783.29	.00	.71	.00
Police Tactical Teams Fee (Swat)	1,000.00	1,000.00	1,000.00	.00	.00	.00
Domestic Violence - CIT	1,500.00	1,500.00	.00	.00	1,500.00	.00
Range Use - Howell	1,250.00	1,250.00	1,250.00	.00	.00	.00
LOSAP	10,000.00	10,000.00	.00	.00	10,000.00	.00
Snow Removal - Brielle/Sea Girt	20,000.00	20,000.00	.00	.00	20,000.00	.00
Total Interlocal Municipal Service Agreements	247,779.80	247,779.80	189,937.12	.00	57,842.68	.00
<u>Public and Private Programs Offset by Revenues</u>						
Recycling Tonnage Grant	18,995.86	18,995.86	18,995.86	.00	.00	.00
Alliance to Prevent Alcoholism & Drug Abuse	61,044.00	61,044.00	61,044.00	.00	.00	.00
Body Armor	1,863.32	1,863.32	1,863.32	.00	.00	.00
Drunk Driving Enforcement Fund	.00	6,382.88	6,382.88	.00	.00	.00
Matching Funds for Grants	100.00	100.00	.00	.00	100.00	.00
NJDEP - Clean Communities Program	13,163.88	13,163.88	13,163.88	.00	.00	.00
Hurricane Sandy National Emergency Grant - Labor Assistance	.00	80,000.00	80,000.00	.00	.00	.00
SFSP Fire District Payment	1,898.00	1,898.00	1,898.00	.00	.00	.00
Private Donation - Dare Program	650.00	650.00	650.00	.00	.00	.00
Local Government Energy Audit Program	.00	22,287.00	22,287.00	.00	.00	.00
Total Public and Private Programs Offset by Revenues	97,715.06	206,384.94	206,284.94	.00	100.00	.00
<u>Total Operations - Excluded From "CAPS"</u>	523,899.86	632,569.74	574,627.06	.00	57,942.68	.00
<u>Detail</u>						
Salaries and Wages	.00	.00	.00	.00	.00	.00
Other Expenses	523,899.86	632,569.74	574,627.06	.00	57,942.68	.00
Capital Improvements - Excluded from "CAPS"						
Down Payments on Improvements	.00	264,500.00	264,500.00	.00	.00	.00
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	131,000.00	131,000.00	131,000.00	.00	.00	.00
Payment of Bond Anticipation Notes and Capital Notes	265,254.15	265,254.15	265,254.15	.00	.00	.00
Interest on Bonds	34,300.00	34,300.00	34,299.96	.00	.04	.00
Loan Repayments for Principal	125,000.00	125,000.00	125,000.00	.00	.00	.00
Total Municipal Debt Service - Excluded From "CAPS"	555,554.15	555,554.15	555,554.11	.00	.04	.00

Borough of Manasquan, NJ
Current Fund

Statement of Expenditures - Regulatory Basis - 2012

A-3.6

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over- Expended
	Budget	Budget After Modification		Encumbered	Reserved		
Deferred Charges							
Deferred Charges to Future Taxation - Unfunded							
Ordin. #1942 - Sea Watch	4,422.50	4,422.50	4,422.50	.00	.00	.00	.00
Ordin. #1949 - Parker Ave	112,691.45	112,691.45	112,691.45	.00	.00	.00	.00
Ordin. #1952 - Salt Dome	15,886.05	15,886.05	15,886.05	.00	.00	.00	.00
Ordin. #2117 - Purchase Police SUV's	10,083.00	10,083.00	10,083.00	.00	.00	.00	.00
Total Deferred Charges - Municipal - Excluded From "CAPS"	<u>143,083.00</u>	<u>143,083.00</u>	<u>143,083.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
Total General Appropriations - Excluded From "CAPS"	<u>1,222,537.01</u>	<u>1,595,706.89</u>	<u>1,537,764.17</u>	<u>.00</u>	<u>57,942.68</u>	<u>.04</u>	<u>.00</u>
Sub-Total General Appropriations	<u>8,066,518.34</u>	<u>12,644,411.06</u>	<u>12,293,447.95</u>	<u>135,879.46</u>	<u>215,083.61</u>	<u>.04</u>	<u>.00</u>
Reserve for Uncollected Taxes	<u>665,970.97</u>	<u>665,970.97</u>	<u>665,970.97</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
Total General Appropriations	<u>\$8,732,489.31</u>	<u>13,310,382.03</u>	<u>12,959,418.92</u>	<u>135,879.46</u>	<u>215,083.61</u>	<u>.04</u>	<u>.00</u>
				A	A		A
Special Emergency N.J.S.A. 40A:4-55		4,469,222.84					
Budget Amendment N.J.S.A. 40A:4-87		108,669.88					
Budget		<u>8,732,489.31</u>					
		<u>\$13,310,383.03</u>					
Reserve for Body Armor Fund			244.67				
Reserve for Hurricane Sandy National Emergency Grant			78,363.72				
Reserve for Tonnage Grant			18,995.86				
Reserve for Alliance on Alcoholism & Drug Abuse			1,471.88				
Reserve for Drunk Driving Enforcement Fund			1,289.81				
Reserve for Clean Communities Program			10,983.32				
Reserve for Private Donation - Dare Program			650.00				
Deferred Charge - Overexpenditure of Appropriations			8,255.09				
Interfund Due from Capital Fund			407,583.00				
Bond Anticipation Notes			265,254.15				
Spending Reserve - Special Emergency Sandy			4,043,014.37				
Reserve for Uncollected Taxes			665,970.97				
Cash Disbursed			<u>7,457,342.08</u>				
			<u>\$12,959,418.92</u>				

See financial notes

TRUST FUND

Borough of Manasquan, NJ
Trust Fund
Comparative Balance Sheet - Regulatory Basis

			<u>B</u>
		Balance	Balance
		Dec. 31	Dec. 31
	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assets</u>			
<u>Animal Control Fund</u>			
Cash	B-4	302.08	1,232.29
Due from State of New Jersey	B-23	15.00	.00
		<u>317.08</u>	<u>1,232.29</u>
<u>Miscellaneous Fund</u>			
Cash	B-4	63,492.42	98,597.07
<u>Street Opening Deposit Fund</u>			
Cash	B-4	5,901.02	12,428.01
<u>Developers' Bond Trust</u>			
Cash	B-4	41,522.78	69,366.30
<u>Recreation Commission Fund</u>			
Cash	B-4	376,653.46	349,506.02
<u>Developers' Escrow Fund</u>			
Cash	B-4	52,389.03	47,874.06
<u>Manasquan Law Enforcement Fund</u>			
Cash	B-4	8,342.00	8,043.98
Due from Miscellaneous Trust Fund	B	918.44	.00
		<u>9,260.44</u>	<u>8,043.98</u>
<u>Municipal Community Alliance Commission</u>			
Cash	B-4	1,654.96	934.73
<u>Manasquan Traffic Trust Fund</u>			
Cash	B-4	4,050.41	3,910.46
<u>Assessment Fund</u>			
Assessments Receivable	B-37	15,200.09	57,223.73
<u>Public Defender Fund</u>			
Cash	B-4	4,731.49	3,688.83
<u>Affordable Housing Trust Fund</u>			
Cash	B-4	252,911.20	231,658.43
<u>Accumulated Leave Compensation Trust Fund</u>			
Cash	B-4	10,518.26	95,927.17
<u>Junior Lifeguards Fund</u>			
Cash	B-4	12,178.68	9,066.80
<u>Municipal Open Space Trust Fund</u>			
Cash	B-4	200,394.88	399,999.14
Interfund Due from Current Fund	A	256,854.76	.00
		<u>457,249.64</u>	<u>399,999.14</u>
<u>Municipal Tree Escrow Fund</u>			
Cash	B-4	2,656.58	2,152.13
<u>Manasquan Senior Citizen Organization Fund</u>			
Cash	B-4	8,031.70	4,656.09
<u>Tax Map Maintenance Fund</u>			
Cash	B-4	3,995.46	2,889.31
Due from Traffic Trust Fund	B	150.00	.00
		<u>4,145.46</u>	<u>2,889.31</u>
<u>Unemployment Trust Fund</u>			
Cash	B-4	5,885.94	10,892.98
Due from Payroll Service Vendor	B	1,176.83	1,176.83
Due from Agency Fund	B	.00	7,997.76
Due from Current Fund	B	10,050.00	.00
		<u>17,112.77</u>	<u>20,067.57</u>
<u>Tourism Trust Fund</u>			
Cash	B-4	41,023.81	.00
<u>Total Assets</u>		<u>\$1,381,001.28</u>	<u>1,419,222.12</u>

See financial notes

Borough of Manasquan, NJ
Trust Fund
Comparative Balance Sheet - Regulatory Basis

			<u>B</u> (completed)
	<u>Ref.</u>	<u>Balance Dec. 31 2012</u>	<u>Balance Dec. 31 2011</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Animal Control Fund</u>			
Reserve for Dog Fund Expenditures	B-23	317.08	549.49
Due to State of New Jersey	B-23	.00	682.80
		<u>317.08</u>	<u>1,232.29</u>
<u>Miscellaneous Fund</u>			
Reserve for Miscellaneous Fund	B-28	62,573.98	98,597.07
Due to Manasquan Law Enforcement Fund	B-4	918.44	.00
		<u>63,492.42</u>	<u>98,597.07</u>
<u>Street Opening Deposit Fund</u>			
Reserve for Street Opening Fund	B-27	5,901.02	12,428.01
<u>Developers Bond Trust</u>			
Reserve for Developers Bond Trust	B-30	41,522.78	69,366.30
<u>Recreation Commission Fund</u>			
Reserve for Recreation Fund	B-29	376,653.46	349,506.02
<u>Developers Escrow Fund</u>			
Reserve for Developers Escrow Fund	B-31	52,389.03	47,874.06
<u>Manasquan Law Enforcement Fund</u>			
Reserve for Manasquan Law Enforcement Fund	B-33	9,260.44	8,043.98
<u>Municipal Community Alliance Commission</u>			
Reserve for Municipal Community Alliance Commission	B-34	1,654.96	934.73
<u>Manasquan Traffic Trust Fund</u>			
Reserve for Manasquan Traffic Trust Fund	B-32	1,900.41	3,910.46
Due to Current Fund	B-4	2,000.00	.00
Due to Tax Map Fund	B-4	150.00	.00
		<u>4,050.41</u>	<u>3,910.46</u>
<u>Assessment Fund</u>			
Interfund Due to General Capital Fund	C-7	15,200.09	57,223.73
<u>Public Defender Fund</u>			
Reserve for Public Defender Fund	B-35	4,731.49	3,688.83
<u>Affordable Housing Trust Fund</u>			
Reserve for Affordable Housing Trust Fund	B-36	252,911.20	231,658.43
<u>Accumulated Leave Compensation Trust Fund</u>			
Reserve for Accumulated Leave Compensation Trust Fund	B-39	10,518.26	95,927.17
<u>Junior Lifeguard Fund</u>			
Reserve for Junior Lifeguards Fund	B-40	12,178.68	9,066.80
<u>Municipal Open Space Trust Fund</u>			
Reserve for Municipal Open Space Trust Fund	B-41	457,249.64	187,617.21
Interfund Due to Current Fund	A	.00	212,381.93
		<u>457,249.64</u>	<u>399,999.14</u>
<u>Municipal Tree Escrow Fund</u>			
Reserve for Municipal Tree Escrow Fund	B-42	2,656.58	2,152.13
<u>Manasquan Senior Citizen Organization Fund</u>			
Reserve for Manasquan Senior Citizen Organization Fund	B-43	8,031.70	4,656.09
<u>Tax Map Maintenance Fund</u>			
Reserve for Tax Map Maintenance Fund	B-44	4,145.46	2,889.31
<u>Unemployment Trust Fund</u>			
Reserve for Unemployment Trust Fund	B-45	17,112.77	10,067.57
Due to Current Fund	B	.00	10,000.00
		<u>17,112.77</u>	<u>20,067.57</u>
<u>Tourism Trust Fund</u>			
Reserve for Tourism Trust Fund	B-46	41,023.81	.00
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$1,381,001.28</u>	<u>1,419,222.12</u>

See financial notes

GENERAL CAPITAL FUND

Borough of Manasquan, NJ
Capital Fund
Comparative Balance Sheet - Regulatory Basis

C

	<u>Ref.</u>	<u>Balance Dec. 31 2012</u>	<u>Balance Dec. 31 2011</u>
<u>Assets</u>			
Cash	C-2	.00	.00
Deferred Charges to Future Taxation -			
Funded	C-9	2,699,724.76	2,982,815.65
Unfunded	C-10	11,446,190.71	5,582,170.69
State Aid Receivable - D.O.T.	C-6:C-10	40,000.00	56,250.00
Interfund Due from Current Fund	C-6:A-39	377,311.32	.00
Interfund Due from Assessment Fund	C-7	15,200.09	57,223.73
Interfund Due from Water & Sewer Capital Fund	D-30	<u>435,042.40</u>	<u>351,917.40</u>
<u>Total Assets</u>		<u>\$15,013,469.28</u>	<u>9,030,377.47</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes	C-19	3,187,132.85	3,006,887.00
Serial Bonds Payable	C-20	555,000.00	686,000.00
Loans Payable	C-21	2,144,724.76	2,296,815.65
Interfund Due to Current Fund	C-6	.00	35,168.46
Improvement Authorizations -			
Funded	C-14	282,046.25	28,317.36
Unfunded	C-14	8,177,845.02	2,457,742.77
Capital Improvement Fund	C-12	.00	.00
Down Payments on Improvements	C-13	.00	.00
Fund Balance	C-1	<u>666,720.40</u>	<u>519,446.23</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$15,013,469.28</u>	<u>9,030,377.47</u>

Note: There were bonds and notes authorized but not issued on December 31, 2012 in the amount of \$8,259,057.86 per Exhibit C-22.

Statement of Fund Balance - Regulatory Basis

C-1

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	C	519,446.23
<u>Increased by</u>		
Excess Reimbursements - Funded Authorizations	C-6	9,643.30
Excess Confirmations	C-7	6,735.25
Funded Improvement Authorizations Cancelled	C-14	<u>130,895.62</u>
		<u>147,274.17</u>
<u>Balance</u> - December 31, 2012	C	<u>\$666,720.40</u>

See financial notes

WATER AND SEWER UTILITY FUND

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Comparative Balance Sheet - Regulatory Basis

D

	<u>Ref.</u>	<u>Balance Dec. 31 2012</u>	<u>Balance Dec. 31 2011</u>
<u>Assets</u>			
<u>Operating Fund</u>			
Cash	D-8	1,100,315.44	1,174,730.95
Interfund Due from Current Fund	D-8	<u>114,104.77</u>	<u>.00</u>
		<u>1,214,420.21</u>	<u>1,174,730.95</u>
Receivable with Full Reserves			
Consumer Accounts Receivable	D-14	45,850.99	16,224.50
Water & Sewer Liens Receivable	D-16	1,427.70	759.34
Other Accounts Receivable	D-15	<u>.00</u>	<u>686.25</u>
		<u>47,278.69</u>	<u>17,670.09</u>
Deferred Charges			
Emergency Authorizations	D-5	.00	.00
Overexpenditure of Appropriations	D-5	<u>.00</u>	<u>.00</u>
		<u>.00</u>	<u>.00</u>
<u>Total Operating Fund</u>		<u>1,261,698.90</u>	<u>1,192,401.04</u>
<u>Capital Fund</u>			
Cash	D-8	.00	.00
Loan Proceeds Receivable - N.J.E.I.T.	D-31	1,495,582.00	1,789,639.00
Fixed Capital	D-28	6,895,387.77	5,367,732.65
Fixed Capital Authorized and Uncompleted	D-29	8,984,500.00	10,051,500.00
Interfund Due from Water and Sewer Operating Fund	D-31	<u>771,794.22</u>	<u>605,358.68</u>
<u>Total Capital Fund</u>		<u>18,147,263.99</u>	<u>17,814,230.33</u>
<u>Total Assets</u>		<u>\$19,408,962.89</u>	<u>19,006,631.37</u>

See financial notes

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Comparative Balance Sheet - Regulatory Basis

D
(completed)

	<u>Ref.</u>	Balance Dec. 31 <u>2012</u>	Balance Dec. 31 <u>2011</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Operating Fund</u>			
Appropriation Reserves	D-5:D-34	64,243.84	48,022.21
Reserve for Encumbrances	D-5:D-34	128,418.55	86,700.57
Prepaid Rents	D-8	11,716.20	5,946.30
Accrued Interest on Bonds	D-36	25,703.15	27,035.17
Interfund Due to Current Fund	D-44	.00	.00
Interfund Due to Water and Sewer Capital Fund	D-31	<u>771,794.22</u>	<u>605,358.68</u>
		1,001,875.96	773,062.93
Reserve for Receivables	D	47,278.69	17,670.09
Operating Fund Balance	D-1	<u>212,544.25</u>	<u>401,668.02</u>
<u>Total Operating Fund</u>		<u>1,261,698.90</u>	<u>1,192,401.04</u>
<u>Capital Fund</u>			
Bond Anticipation Notes	D-53	123,500.00	186,250.00
Loans Payable	D-54	5,668,539.48	5,971,394.74
Improvement Authorizations - Funded	D-43	10,500.00	10,500.00
Improvement Authorizations - Unfunded	D-43	3,129,639.10	2,938,562.83
Capital Improvement Fund	D-45	303,625.00	328,250.00
Down Payments on Improvements	D-46	.00	.00
Reserve for Amortization	D-49	6,895,387.77	5,367,732.65
Deferred Reserve for Amortization	D-50	1,407,150.37	2,495,189.20
Interfund Due to Water and Sewer Operating Fund	D-31	.00	.00
Interfund Due to General Capital Fund	D-30	435,042.40	351,917.40
Fund Balance	D-3	<u>173,879.87</u>	<u>164,433.51</u>
<u>Total Capital Fund</u>		<u>18,147,263.99</u>	<u>17,814,230.33</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$19,408,962.89</u>	<u>19,006,631.37</u>

Note: There were bonds and notes authorized but not issued on December 31, 2012 of \$1,785,310.15 as per Exhibit D-56.

See financial notes

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Comparative Statement of Operations and
Change in Fund Balance - Regulatory Basis

D-1

	<u>Ref.</u>	<u>Year 2012</u>	<u>Year 2011</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-4	267,948.22	234,330.94
Water and Sewer Rents	D-4	2,552,979.23	2,641,677.62
Other Credits to Income			
Miscellaneous Revenue not Anticipated	D-4	17,877.63	32,695.27
Unexpended Balance of Appropriation Reserves	D-34	<u>57,456.82</u>	<u>59,879.70</u>
<u>Total Income</u>		<u>2,896,261.90</u>	<u>2,968,583.53</u>
<u>Expenditures</u>			
Operating	D-5	1,983,236.69	1,854,298.34
Capital Improvements	D-5	113,000.00	106,500.00
Debt Service	D-5	499,836.26	573,800.50
Deferred Charges and Statutory Expenditures	D-8	<u>221,364.50</u>	<u>203,439.68</u>
<u>Total Expenditures</u>		<u>2,817,437.45</u>	<u>2,738,038.52</u>
<u>Excess in Revenue</u>		78,824.45	230,545.01
<u>Adjustments to Income Before Fund Balance</u>			
Expenditures included above which are By Statute			
Deferred Charges to Budget of Succeeding Year	D	<u>.00</u>	<u>.00</u>
<u>Statutory Excess to Operating Surplus</u>		78,824.45	230,545.01
<u>Fund Balance</u>			
Balance - January 1	D:D-1	<u>401,668.02</u>	<u>405,453.95</u>
		480,492.47	635,998.96
<u>Decreased by</u>			
Utilized as Anticipated Revenue	D-1	<u>267,948.22</u>	<u>234,330.94</u>
<u>Balance</u> - December 31	D	<u>\$ 212,544.25</u>	<u>401,668.02</u>

Statement of Capital Fund Balance - Regulatory Basis

D-3

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	D	164,433.51
<u>Increased by</u>		
Funded Improvement Authorizations Cancelled	D-50	<u>9,446.36</u>
<u>Balance</u> - December 31, 2012	D	<u>\$173,879.87</u>

See financial notes

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Statement of Revenue - Regulatory Basis -2012
Water & Sewer Operating Fund

D-4

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance	D-1	267,948.22	267,948.22	.00
Water and Sewer Rents	D-1	<u>2,560,000.00</u>	<u>2,552,979.23</u>	<u>7,020.77*</u>
		<u>\$2,827,948.22</u>	<u>2,820,927.45</u>	<u>7,020.77</u>
	<u>Ref.</u>	D-5		

Analysis of Realized Revenues - 2012

Rents

	<u>Ref.</u>	
Consumer Accounts Receivable		
Rents Collected	D-14	2,547,032.93
Prepaid Rents Applied	D-14	<u>5,946.30</u>
		<u>\$2,552,979.23</u>

Analysis of Non-Budget Revenue - 2012

	<u>Ref.</u>	
Permits and Taps		7,450.00
Meter Repairs and Parts		250.00
After Hours Charge		750.00
Emergency Turn Off and Turn On Charges		1,676.25
Construction Use		200.00
Return Check Charge		<u>160.00</u>
	D-15	10,486.25
Reimbursement Prior Year Expenditures		68.74
Interest on Delinquent Accounts		5,154.39
Interest on Investments		<u>2,168.25</u>
	D-1:D-8	<u>\$17,877.63</u>

See financial notes

**Borough of Manasquan, NJ
Water and Sewer Utility Fund**

Statement of Expenditures - Regulatory Basis - 2012

D-5

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>Operating</u>						
Salaries and Wages	516,560.00	539,560.00	538,259.79	.00	1,300.21	.00
Other Expenses	635,043.00	603,492.38	444,852.08	99,730.85	58,909.45	.00
Contractual Payments to South Monmouth Regional Sewerage Authority	840,184.31	840,184.31	840,184.31	.00	.00	.00
<u>Capital Improvements</u>						
Capital Improvement Fund	65,000.00	65,000.00	65,000.00	.00	.00	.00
Improvement of Borough Property	5,000.00	5,000.00	.00	2,000.00	.00	3,000.00
Fire Hydrants	20,000.00	20,000.00	.00	17,000.00	.00	3,000.00
Tools & Equipment	5,000.00	5,000.00	696.00	998.70	305.30	3,000.00
Valve Replacements	15,000.00	15,000.00	15,000.00	.00	.00	.00
Snow Plows	12,000.00	12,000.00	.00	8,689.00	3,311.00	.00
<u>Debt Service</u>						
Payment of Bond Anticipation Notes	62,750.00	62,750.00	62,750.00	.00	.00	.00
Interest on Notes	2,600.00	2,600.00	2,235.03	.00	.00	364.97
New Jersey Environmental Infrastructure Trust Loan:						
Loan Payments for Principal	302,855.26	302,855.26	302,855.26	.00	.00	.00
Loan Payments for Interest	64,375.00	64,375.00	63,229.20	.00	.00	1,145.80
South Monmouth Regional Sewerage Auth. Debt Service Amortization Contractual	68,766.77	68,766.77	68,766.77	.00	.00	.00
<u>Deferred Charges and Statutory Expenditures</u>						
Deferred Charges						
Cost of Improvements Authorized						
Ordin. #2009 - Water & Sewer Lines - Virginia Ave.	15,347.44	15,347.44	15,347.44	.00	.00	.00
Ordin. #2048 - Sewer Lines Atlantic Ave.	61,609.95	61,609.95	61,609.95	.00	.00	.00
Statutory Expenditures						
Public Employees' Retirement System	96,289.65	96,289.65	96,289.65	.00	.00	.00
Social Security System (O.A.S.I.)	39,516.84	42,116.84	41,699.58	.00	417.26	.00
Unemployment Compensation Insurance	50.00	6,000.62	6,000.00	.00	.62	.00
	<u>\$2,827,948.22</u>	<u>2,827,948.22</u>	<u>2,624,775.06</u>	<u>128,418.55</u>	<u>64,243.84</u>	<u>10,510.77</u>
	D-4	D-5		D	D	D-1
Due to Water and Sewer Capital Fund			141,957.39			
Accrued Interest on Bonds			25,703.15			
Cash Disbursed			<u>2,457,114.52</u>			
			<u>\$2,624,775.06</u>			

See financial notes

BEACH UTILITY FUND

Borough of Manasquan, NJ
Beach Utility Fund
Comparative Balance Sheet - Regulatory Basis

E

<u>Assets</u>	<u>Ref.</u>	<u>Balance Dec. 31 2012</u>	<u>Balance Dec. 31, 2011</u>
<u>Operating Fund</u>			
Cash	E-8	941,569.35	889,515.41
Interfund Due from Current Fund	E-44	190,726.10	250,000.00
Interfund Due from Payroll Agency	E-8	21,730.00	.00
		<u>1,154,025.45</u>	<u>1,139,515.41</u>
Receivable with Full Reserves			
Revenue Accounts Receivable	E	.00	.00
Deferred Charges			
Emergency Authorizations	E-5	.00	.00
<u>Total Operating Fund</u>		<u>1,154,025.45</u>	<u>1,139,515.41</u>
<u>Capital Fund</u>			
Cash	E-8	.00	.00
Fixed Capital	E-28	1,357,882.84	1,357,882.84
Fixed Capital Authorized and Uncompleted	E-29	9,825,000.00	2,425,000.00
Interfund Due from Current Fund	E-30	.00	123,401.79
Interfund Due from Beach Operating Fund	E-31	345,798.97	.00
<u>Total Capital Fund</u>		<u>11,528,681.81</u>	<u>3,906,284.63</u>
<u>Total Assets</u>		<u>\$12,682,707.26</u>	<u>5,045,800.04</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Operating Fund</u>			
Prepaid Beach Revenue	E-8	182,825.00	175,012.50
Appropriation Reserves	E-5:E-34	18,223.44	14,545.70
Reserve for Encumbrances	E-5:E-34	18,871.08	42,391.83
Reserve for Private Donation - Walkways - Appropriated	E-5	12,000.00	
Reserve for Private Donation - Walkways - Unappropriated	E	.00	12,000.00
Interfund Due to Current Fund	E-44	.00	.00
Interfund Due to Beach Capital Fund	E-31	345,798.97	123,401.79
		<u>577,718.49</u>	<u>367,351.82</u>
Reserve for Receivables	E	.00	.00
Fund Balance	E-1	576,306.96	772,163.59
<u>Total Operating Fund</u>		<u>1,154,025.45</u>	<u>1,139,515.41</u>
<u>Capital Fund</u>			
Interfund Due to Beach Operating Fund	E-31	.00	.00
Improvement Authorization - Funded	E-43	.00	98,513.08
Improvement Authorization - Unfunded	E-43	8,881,696.09	1,545,785.83
Reserve for Amortization	E-49	1,357,882.84	1,357,882.84
Deferred Reserve for Amortization	E-50	1,270,886.06	885,886.06
Capital Improvement Fund	E-45	8,750.00	8,750.00
Down Payments on Improvements	E-46	.00	.00
Fund Balance	E-3	9,466.82	9,466.82
<u>Total Capital Fund</u>		<u>11,528,681.81</u>	<u>3,906,284.63</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$12,682,707.26</u>	<u>5,045,800.04</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$8,554,113.94 as per E-56.

See financial notes

Borough of Manasquan, NJ**Beach Utility Fund****Statement of Operations and Change in Fund Balance - Regulatory Basis****E-1**

<u>Revenue and Other Income</u>	<u>Ref.</u>	<u>Year 2012</u>	<u>Year 2011</u>
Fund Balance Utilized	E-4	669,822.78	669,822.78
Beach Revenue	E-4	1,733,684.00	1,764,847.00
Reserve for Private Donation - Walkways	E-4	12,000.00	.00
Other Credits to Income			
Miscellaneous Revenue not Anticipated	E-4	4,775.71	6,137.07
Unexpended Balance of Appropriation Reserves	E-34	<u>20,786.44</u>	<u>46,394.87</u>
<u>Total Income</u>		<u>2,441,068.93</u>	<u>2,487,201.72</u>
<u>Expenditures</u>			
Operating	E-5	1,424,018.00	1,393,207.00
Capital Improvements	E-5	12,000.00	100,000.00
Deferred Charges and Statutory Expenditures	E-5	480,804.78	362,615.78
Surplus (General Budget)	E-5	50,000.00	50,000.00
Prior Year Revenue Returned	E-8	<u>280.00</u>	<u>.00</u>
<u>Total Expenditures</u>		<u>1,967,102.78</u>	<u>1,905,822.78</u>
<u>Excess in Revenue</u>		473,966.15	581,378.94
<u>Adjustments to Income Before Fund Balance</u>			
Expenditures included above which are By			
Statute Deferred Charges to Budget of			
Succeeding Year	E-5	<u>.00</u>	<u>.00</u>
<u>Statutory Excess to Fund Balance</u>		473,966.15	581,378.94
<u>Fund Balance</u> - Balance - January 1	E-1	<u>772,163.59</u>	<u>860,607.43</u>
		1,246,129.74	1,441,986.37
<u>Decreased by</u>			
Utilized as Anticipated Revenue	E-1	<u>669,822.78</u>	<u>669,822.78</u>
<u>Balance</u> - December 31	E	<u>\$ 576,306.96</u>	<u>772,163.59</u>

Statement of Capital Fund Balance - Regulatory Basis**E-3**

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011 and December 31, 2012	E	<u>\$9,466.82</u>

No Change during 2012

See financial notes

Borough of Manasquan, NJ
Beach Utility Fund
Statement of Revenues - Regulatory Basis - 2012
Beach Operating Fund

E-4

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Utilized	E-1	669,822.78	669,822.78	.00
Beach Revenues	E-1	1,349,000.00	1,733,684.00	384,684.00
Reserve for Private Donation - Walkways	E-1	<u>12,000.00</u>	<u>12,000.00</u>	<u>.00</u>
	E-5	<u>\$2,030,822.78</u>	<u>2,415,506.78</u>	<u>384,684.00</u>

Analysis of Realized Income - 2012

Beach Revenues		
Beach Badges - Seasonal		841,660.00
- Weekly and Daily		666,346.00
Parking Lot Receipts and Stickers		<u>225,678.00</u>
		<u>\$1,733,684.00</u>

	<u>Ref.</u>	
Beach Revenues Collected	E-8	1,558,671.50
Prepaid Beach Revenue Applied	E	<u>175,012.50</u>
	E-4	<u>\$1,733,684.00</u>

Analysis of Non-Budget Income - 2012

	<u>Ref.</u>	
Beach Use Fee		1,850.00
Prior Year Budget Reimbursements		<u>1,252.00</u>
	E-8:E-43	3,102.00
Interest on Investments	E-8	<u>1,673.71</u>
	E	<u>\$4,775.71</u>

See financial notes

Borough of Manasquan, NJ
Beach Utility Fund

Statement of Expenditures - Regulatory Basis - 2012

E-5

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
<u>Operating</u>						
Salaries and Wages	887,792.91	887,792.91	884,741.07	.00	3,051.84	.00
Other Expenses	615,225.09	600,225.09	504,761.47	18,871.08	12,592.54	64,000.00
<u>Capital Improvements</u>						
Capital Improvement Fund	12,000.00	12,000.00	12,000.00	.00	.00	.00
<u>Deferred Charges and Statutory Expenditures</u>						
Deferred Charges						
Cost of Improvement Authorized Ordin. #2095 - Improvements to Main Beach Office	385,000.00	385,000.00	385,000.00	.00	.00	.00
Statutory Expenditures						
Public Employees' Retirement System	12,838.62	12,838.62	12,838.35	.00	.27	.00
Social Security System (O.A.S.I.)	67,916.16	67,916.16	65,387.37	.00	2,528.79	.00
Unemployment Compensation Insurance	50.00	15,050.00	15,000.00	.00	50.00	.00
Surplus (General Budget)	<u>50,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>\$2,030,822.78</u>	<u>2,030,822.78</u>	<u>1,929,728.26</u>	<u>18,871.08</u>	<u>18,223.44</u>	<u>64,000.00</u>
<u>Ref.</u>	E-4			E	E	E-1
Emergency Appropriations		.00				
Budget Amendment N.J.S.A. 40A:4-87		.00				
Budget		<u>2,030,822.78</u>				
		<u>\$2,030,822.78</u>				
Due to Beach Capital Fund			385,000.00			
Cash Disbursed			1,482,728.26			
Reserve for Private Donation - Walkways			12,000.00			
Due to Current Fund			<u>50,000.00</u>			
			<u>\$1,929,728.26</u>			

See financial notes

GENERAL FIXED ASSETS

Borough of Manasquan, NJ
Comparative Statement of General Fixed Assets - Regulatory Basis

H

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
<u>General Fixed Assets</u>		
Land	29,499,600.00	29,499,600.00
Buildings	6,408,640.00	6,408,640.00
Furnishings and Equipment	1,196,867.44	1,196,867.44
Vehicles	<u>1,117,146.93</u>	<u>1,117,146.93</u>
	<u>\$38,222,254.37</u>	<u>38,222,254.37</u>
<u>Investment in General Fixed Assets</u>	<u>\$38,222,254.37</u>	<u>38,222,254.37</u>

See financial notes

NOTES TO FINANCIAL STATEMENTS

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Borough of Manasquan include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Manasquan, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Borough of Manasquan do not include the operations of the municipal library.

B. Description of Funds

The accounting policies of the Borough of Manasquan conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 of Manasquan accounts for its financial transactions through the following separate funds and accounts as presented below. This presentation differs from the seven fund, two account group presentation as required by GAAP.

Current Fund - revenues and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Water and Sewer Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned Water and Sewer Utilities.

Beach Operating and Capital Funds - account for the operations and acquisition of the municipally-owned Beach Utility.

General Fixed Assets - To account for fixed assets in government operations.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the Current Fund, Sewer Operating Fund and Beach Operating Fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40-A:4 et. seq.

The Borough is not required to adopt budgets for the following funds:

General Capital Fund Trust Funds Sewer Capital Fund Beach Capital Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Cont'd)

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the budget.

Receivables for property taxes and consumer accounts receivable are recorded with offsetting reserves on the balance sheet of the respective fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. Fund balance utilized to balance the budget is recorded as revenue and budgeted transfers from other funds are also recorded as revenue when anticipated in the budget.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Grant appropriations are charged upon budget adoption to create separate spending reserves. Budgeted transfers to other funds are recorded as expenditures when the budget is adopted to the extent permitted or required by law. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Property Taxes - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1. The amounts of the first and second installments are determined as one half of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15, and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on November 11 in the current year, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Cont'd)

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

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 realized. Interfund receivables in the other funds are not offset by reserves.

Insurance - Cost of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

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

General Fixed Assets - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Borough has developed a fixed assets accounting and reporting system.

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

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

No depreciation has been provided for in the financial statements.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Accounting for utility fund "fixed capital" remains unchanged under the Requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the Utility Funds are recorded in the capital accounts at cost and are adjusted for dispositions and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortizations accounts in the utility capital fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The utilities do not record depreciation of fixed assets.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax Appeals and Other Contingent Losses - Losses which arise from tax appeals and other contingent losses are recognized at the time an unfavorable decision is rendered by an administrative or judicial body.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Cont'd)

Departures from Generally Accepted Accounting Principles - The accounting principles and practices followed by the Borough of Manasquan differ in some respects, which in some instances may be material, from generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

Taxes and other receivables are fully reserved.

Interfund receivables in the Current Fund are fully reserved and recognized as revenue in the year of liquidation.

Unexpended and uncommitted appropriations are reflected as expenditures.

Overexpended appropriations and emergency appropriations are deferred to the succeeding years' operations.

No provision is made for accumulated vested vacation and sick leave.

Undetermined contributions to state-administered pension plans applicable to the six months ended December 31 are not accrued.

Estimated losses arising from tax appeals and other contingencies are not recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

Depreciations expense is not calculated on fixed assets.

Encumbrances are reported as a liability in the financial statement.

It was not practicable to determine the effect of such differences.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agency of the United States that insures deposits. N.J.S.A. 17:9-42 requires New Jersey governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are protected from loss under the provisions of the Government Unit Deposit Protection Act ("GUDPA"), which is a multiple financial institution collateral pool. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

The Borough's deposits and investments held at December 31, 2012 and reported at cost, are as follows:

<u>Type</u>	<u>Rating</u>	<u>Maturities</u>	<u>Cost</u>
Deposits:			
Demand deposits			8,304,694.98
Investments:			
	N/A	N/A	<u>N/A</u>
Total deposits and investments			<u>\$8,304,694.98</u>

Custodial Credit Risk - Deposits in financial institutions reported as components of cash, cash equivalents, and investments had a bank balance of \$8,547,345.99 at December 31, 2012. Of the bank balance \$508,031.70 was fully insured by depository insurance and \$8,039,314.29 was secured by a collateral pool held by the bank, but not in the Borough's name, as required by New Jersey statutes.

Investment Interest Rate Risk - The Borough has no formal investment policy that limits investment maturities as a means of managing its exposure to value losses arising from increasing interest rates. Maturities of investments held at December 31, 2012, are provided in the above schedule.

Investment Credit Risk - The Borough has no investments policy that limits its investment choices other than the limitation of state law as follows:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than 397 day from the date of purchase.
- c. Bonds or other obligations of the Borough or bonds or other obligations of the Borough school district.
- d. Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e. Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- f. Repurchase agreements (repos) of fully collateralized securities, subject to conditions, as indicated in N.J.S.A.40A:5-15.1(a).
- g. Certificates of deposit at federally insured banks.

Concentration of Investment Credit Risk - The Borough places no limit on the amount it may invest in any one issuer. The Borough did not have any investments on December 31, 2012.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

**NOTE 3 SUMMARY OF MUNICIPAL DEBT - (EXCLUDING CURRENT
AND OPERATING DEBT AND TYPE I SCHOOL DEBT)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Issued</u>			
General			
Bonds, Notes and Loans	5,886,857.61	5,989,702.65	6,211,103.53
Water and Sewer Utility			
Bonds, Notes and Loans	5,792,039.48	6,157,644.74	6,598,750.00
Beach Utility			
Bonds and Notes	<u>.00</u>	<u>.00</u>	<u>.00</u>
<u>Net Debt Issued</u>	<u>11,678,897.09</u>	<u>12,147,347.39</u>	<u>12,809,853.53</u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	8,259,057.86	2,575,283.69	2,651,926.42
Water and Sewer Utility			
Bonds and Notes	1,785,310.15	1,398,666.06	1,257,057.84
Beach Utility:			
Bonds and Notes	<u>8,554,113.94</u>	<u>1,539,113.94</u>	<u>325,750.00</u>
<u>Total Authorized But Not Issued</u>	<u>18,598,481.95</u>	<u>5,513,063.69</u>	<u>4,234,734.26</u>
<u>Bonds, Notes and Loans Issued and Authorized But Not Issued</u>	<u>\$30,277,379.04</u>	<u>17,660,411.08</u>	<u>17,044,587.79</u>

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .68%

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	8,392,000.00	8,392,000.00	.00
Utility Debt	16,131,463.57	16,131,463.57	.00
General Debt	<u>14,145,915.47</u>	<u>.00</u>	<u>14,145,915.47</u>
	<u>\$38,669,379.04</u>	<u>24,523,463.57</u>	<u>14,145,915.47</u>

Net debt \$14,145,915.47 divided by equalized valuation basis per N.J.S. 40A:2-2 as amended \$2,079,790,729.67 = .68%.

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

4% of Average Equalized Valuation Basis	83,191,629.19
Net Debt	<u>14,145,915.47</u>
Remaining Borrowing Power	<u>\$69,045,713.72</u>

BORROWING POWER AVAILABLE UNDER N.J.S. 40A:2-7(f)

**ACCUMULATED BORROWING POWER UNDER R.S. 40:1-16(d) (WHICH IS
AVAILABLE ONLY WHEN THE PERCENTAGE OF NET DEBT EXCEEDS 3 1/2%)**

Balance of Debt Incurring Capacity as of December 31, 2011 under R.S. 40:1-16(d) as shown on Annual Debt Statement	None
Deduct: Net amount authorized in 2012	<u>None</u>
Remaining balance of debt incurring capacity under R.S. 40:1-16(d) at December 31, 2012	<u>\$None</u>

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 3 SUMMARY OF MUNICIPAL DEBT - (EXCLUDING CURRENT AND OPERATING DEBT AND TYPE I SCHOOL DEBT) (Cont'd)

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

Total Cash Receipts from fees, rents or other charges for year	2,838,736.34
Deductions	
Operating and Maintenance Costs	2,036,052.18
Debt Services per Sewer Account	<u>538,513.69</u>
Total Deductions	<u>2,574,565.87</u>
Excess (Deficit) in Revenue	<u>\$ 264,170.47</u>

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

Total Cash Receipts from fees, rents or other charges for year	2,407,030.49
Deductions	
Operating and Maintenance Costs	1,418,728.26
Debt Services per Beach Account	<u>565,042.11</u>
Total Deductions	<u>1,983,770.37</u>
Excess in Revenue	<u>\$ 423,260.12</u>

NOTE 4 FUND BALANCES (SURPLUS) APPROPRIATED

Fund balances (surplus) at December 31, 2012 which were appropriated and included as anticipated revenue for the year ending December 31, 2013 were as follows:

Current Fund	\$800,000.00
Water and Sewer Utility Operating Fund	200,000.00
Beach Utility Operating Fund	200,000.00

NOTE 5 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

	Balance Dec. 31 <u>2012</u>	Balance 2013 <u>Budget</u>	To Future <u>Budgets</u>
Current Fund			
Emergency Authorizations	.00	.00	.00
Special Emergency Authorization	4,469,222.84	1,061,844.56	3,407,378.28
Overexpenditure of Appropriations	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>\$4,469,222.84</u>	<u>1,061,844.56</u>	<u>3,407,378.28</u>
Water and Sewer			
Emergency Authorizations	.00	.00	.00
Special Emergency Authorizations	.00	.00	.00
Overexpenditure of Appropriations	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>\$.00</u>	<u>.00</u>	<u>.00</u>
Beach			
Emergency Authorizations	.00	.00	.00
Operating Deficit	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>\$.00</u>	<u>.00</u>	<u>.00</u>
Assessment Fund			
Cancelled Assessments	<u>\$.00</u>	<u>.00</u>	<u>.00</u>

The appropriations in the 2013 Budget are not less than that required by statute at the time and the remaining amounts if any, will be raised in subsequent budgets.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 6 LOCAL DISTRICT SCHOOL TAXES

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

The Borough of Manasquan has elected to defer school taxes as follows:

	<u>Balance December 31</u>	
	<u>2012</u>	<u>2011</u>
Balance of Tax	4,847,577.48	4,484,683.50
Deferred	<u>2,012,340.00</u>	<u>2,012,340.00</u>
Balance Payable	<u>\$6,859,917.48</u>	<u>6,497,023.50</u>

NOTE 7 DISCOUNTS ARE NOT ALLOWED ON PREPAID TAXES

NOTE 8 PENSION SYSTEMS

Description of Plan - All required employees of the Borough are covered by either the Public Employee's Retirement System or the Police and Firemen's Retirement System which have been established by state statute and are administered by the New Jersey Department of Pension and Benefits. According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the retirement systems. This report may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Public Employee's Retirement System (PERS) - The Public Employee's Retirement System was established in January, 1955 under the provisions of N.J.S.A.43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer contributory defined benefit plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. Members are eligible for retirement at age 60 with an annual benefit generally determined to be the number of years of service divided by 55, times the final average salary. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Early retirement is available to those under age 60 with 25 or more years of credited service, or may elect deferred retirement after achieving eight to ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement.

Chapter 103, P.L. 2007 amended the early retirement formula for members hire on or after July 1, 2007 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from 60 to age 62 for members hired on or after November 1, 2008; increased the minimum annual compensation required for membership eligibility for new members. Also, it amended the early retirement reduction formula for members hired on or after November 1, 2008 and retiring with 25 years of service to be reduced by 1% for every year between 55 and 62, plus 3% for every year under 55.

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS from the amount of compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60 from 1/55, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal year 2012.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 8 PENSION SYSTEMS (Cont'd)

Public Employee's Retirement System (PERS) - Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 78, P.L. 2011, provides that new members of PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable services and age 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. Tier 5 member will be eligible for a service retirement benefit at age 65.

Police and Fireman's Retirement System (PFRS) - The Police and Firemen's Retirement System was established in July, 1944 under the provision of N.J.S.A.43:16A to provide retirement, death and disability benefits coverage to substantially all full-time county or municipal police, fire-fighters and State fire-fighters or officer employees with police powers appointed after June 30, 1944. The Police and Firemen's Retirement System is a cost-sharing multiple-employer contributory defined benefit plan. Enrollment is required for permanent, full-time employees appointed to positions in law enforcement or fire fighting in the State of New Jersey. Members are eligible for retirement at age 55 with a benefit equal to two percent of final compensation for each year of creditable service up to thirty years plus 1% for each year of service in excess of 30 years. Members with at least twenty years but less than twenty five years of service credit will receive fifty percent of final compensation. Special retirement is available to those with twenty five years of service credit or they may elect deferred retirement after achieving ten years of service. The annual benefit calculation is equal to sixty five percent of final compensation plus one percent for each year of creditable service over twenty five years but not to exceed 30 years. The maximum allowance is therefore 70% of final compensation.

The systems provided for employee contributions of 5 1/2% of employees' base salary for PERS and 8 1/2% for PFRS of employees' annual base salary. Under the provisions of Chapter 78, P.L. 2011, the PERS employee pension contribution rate will increase from 5.5% to 6.5% of salary effective with the first payroll amount to be paid on or after October 1, 2011. The second phase of the contribution rate increase from 6.5% to 7.5% is to be phased in equally over a seven year period beginning July 2012.

The contribution rate will increase by 0.14% each year with the first payroll of July until 7.5% contribution rate is reached in July 2018. Under these same provisions of Chapter 78, P.L. 2011, the PFRS employee pension contribution rate will increase from 8.5% to 10% of salary effective with the first payroll amount to be paid on or after October 1, 2011. Funding by the State and the Borough are determined by the annual actuarial valuation. The State's annual contribution approximates the actuarially determined pension cost for the year. Significant actuarial assumptions used to compute the pension contribution requirements are the same as those used to determine the pension benefit obligation.

Pension costs for the years ended December 31, 2012 and 2011 were as follows:

	<u>2012</u>	<u>2011</u>
Public Employees Retirement System	\$213,977.00	198,212.00
Police & Firemen's Retirement System	\$429,923.00	516,349.00

NOTE 9 CONTINGENT OR OTHER LIABILITIES

There are no liabilities, contingent or otherwise, which would not be covered by appropriation or insurance protection except as follows:

The contingent liability for unused sick, vacation time and compensated absences is \$888,789.67 for December 31, 2011 and \$879,020.69 for 2012. The amounts due have not been funded. Payments are made as required. The above amounts are not required to be recorded on the financial statements per requirements prescribed by the Division of Local Government Services, Division of Community Affairs, State of New Jersey.

Borough of Manasquan
Notes to Financial Statements
Year Ended December 31, 2012

NOTE 10 DEFERRED COMPENSATION PROGRAM

The Borough offers its employees a deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code of 1986, as amended. The deferred compensation is not available to employees or beneficiaries until termination of employment, retirement, death or occurrence of an unforeseeable emergency. Earnings of the Plan and contributions by employees are invested and are exempt from income taxes until distributed to the participating employees.

The "Small Business Job Protection Act of 2000 changed Section 457 of the Federal Internal Revenue Code to require that all funds deferred be held in trust, custodial account or annuity contract for the exclusive benefit of the plan participants and their beneficiaries. The plan assets would not be subject to the employer's creditors.

This requirement has been translated into New Jersey law with an amendment to N.J.S.A. 43:15B-5 which now requires that the funds be held in a trust, custodial account or annuity contract for the exclusive benefit of participating employees and their beneficiaries. This condition applies to all plans implemented subsequent to August 20, 1999. For plans in existence prior to August 20, 2000, the local government units had until January 1, 2001 to implement the "exclusive benefit" requirement of the Code revisions. However, until the revisions were made, the assets deferred were still subject to the local government's general creditors.

The plan was amended effective January 1, 1998 to comply with the above requirements. Accordingly, plan assets and the related liability are not included in the balance sheet of the trust fund of the Borough.

The plan administrators and amount of funds are as follows:

	<u>2012</u>	<u>2011</u>
Nationwide Retirement Solutions, Inc.	\$356,474.90	390,220.66
Great-West Life & Annuity Insurance Co.	\$391,295.42	368,040.44
Axa Equitable Life Assurance Society of the United States	\$1,805,323.83	1,648,775.17

NOTE 11 RISK MANAGEMENT

The Borough is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance - The Borough maintains commercial insurance coverage for property, liability, accident and surety bonds.

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. A schedule of the Unemployment Compensation Fund can be found in the Trust Fund section of the Financial Statements.

NOTE 12 FEMA COMMUNITY DISASTER LOAN

As a result of Super Storm Sandy, the Borough applied for and received approval for a loan in the amount of \$2,769,837.00. The purpose of this loan is to carry on existing essential local government functions of the municipality or to expand such functions to meet disaster - related needs. The funds cannot be used to (1) finance capital improvements, including debt service related to capital outlays, (2) repairs or restore damaged public facilities, and (3) cover the non-federal cost share of any federal loan. The Borough can access these funds by drawing down upon the associated line of credit. The Borough received no funds for the year ending December 31, 2012.

NOTE 13 SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through December 26, 2012, the date which the financial statements were available to be issued and no items were noted for disclosure.

SUPPLEMENTARY INFORMATION

Borough of Manasquan, NJ
Officials in Office and Surety Bonds - 2012

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate or Personal Surety</u>
George R. Dempsey Jr.	Mayor	(1)	
Edward Donovan	President of Council	(1)	
Michael W. Mangan	Councilmember	(1)	
Owen McCarthy	Councilmember	(1)	
Patricia Connolly	Councilmember	(1)	
Donald Grasso	Councilmember (Resigned 04/23/12)	(1)	
Joseph Bossone	Councilmember	(1)	
Marilyn Jacobson	Councilmember (Effective 05/21/12)	(1)	
Joseph DeIorio	Municipal Administrator/ Chief Financial Officer/Finance Office Department Head	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Valarie Bills	Collector of Taxes and Water - Sewer Rents Official Tax Searcher Tax Assessor Assistant	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Barbara Ilaria	Borough Clerk/Municipal Registrar	(1)	
Mark Kitrick	Borough Attorney		
Charles Rooney, T&M Associates	Borough Engineer		
Ronald Sage	Borough Prosecutor		
James Carton IV	Alternate Borough Prosecutor/Hearing Officer		
Kenneth Fortier	Public Defender		
Dennis Cantoli	Conflict Council		
McManimon & Scotland, LLC	Bond Council		
James Hozapfel	Labor Council		

Borough of Manasquan, NJ
Officials in Office and Surety Bonds - 2012
(completed)

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate or Personal Surety</u>
Jeffrey R. Surenian	Special Council (COAH)		
Paul J. Capotorto	Borough Magistrate	1,000,000.00	Municipal Excess Liability
		1,000.00	Joint Insurance Fund
		(Deductible)	
Patrick K. Callahan	Code Enforcement Officer/ Zoning Officer Supervisor		
Robin A. Palughi	Assessor		
Albert Ratz	Construction Official	(1)	
Beach Employees	Tracy Sullivan - Beach Clerk Supervisor	(1)	
	Eileen McFadden - Beach Clerk Supervisor	(1)	
	Beach Manager - Wally Wall	(1)	
	Cashiers	(1)	
	Parking Lot Attendants	(1)	
Marie Higgins	Court Administrator and Violations Clerk	1,000,000.00	Municipal Excess Liability
		1,000.00	Joint Insurance Fund
		(Deductible)	
Helen A. Fitzsimmons	Deputy Court Administrator	1,000,000.00	Municipal Excess Liability
		1,000.00	Joint Insurance Fund
		(Deductible)	
Ann Longendyck	Court Clerk	1,000,000.00	Municipal Excess Liability
		1,000.00	Joint Insurance Fund
		(Deductible)	

All of the Bonds were examined and properly executed

(1) Public Employees Dishonesty & Faithful Performance Coverage	1,000,000.00
Borough of Manasquan issued by Municipal Excess Liability	1,000.00
Joint Insurance Fund	(Deductible)

CURRENT FUND

Borough of Manasquan, NJ
Current Fund
Schedule of Current Fund Cash - Collector and Treasurer

A-4

	Ref.	Regular
<u>Balance</u> - December 31, 2011	A	4,311,553.45
<u>Increased by Receipts</u>		
Interest and Costs on Taxes	A-2.1	59,324.19
Property Taxes Receivable	A-15	25,921,497.33
Prepaid 2013 Taxes	A-31	225,278.13
Revenue Accounts Receivable	A-22	1,238,534.77
Petty Cash Fund	A-11	200.00
Taxes Overpaid	A-30	5,600.24
Miscellaneous Revenue not Anticipated	A-2.2	202,280.99
State Senior Citizens Allotments	A-43	76,375.00
Contra Items	A-4	778,334.55
Interfund Municipal Open Space Trust Fund	A	450,000.00
State Library Aid	A-40	468.00
Reserve for Tonnage Grant	A	14,046.44
Municipal Alliance on Alcoholism and Drug Abuse	A:A-2.1	32,357.54
Municipal Court - Brielle	A-2.1	119,245.80
Interfund Due from Capital Fund	A-39	233,852.19
Safe and Secure Communities Program	A:A-2.1	10,230.50
Clean Communities Program	A-2.1	12,908.45
Reserve for Body Armor Fund	A	1,988.62
Drunk Driving Enforcement Fund	A-2.1	6,382.88
Energy Receipts Tax	A-2.1	390,257.00
Interfund Unemployment Trust Fund	A	35,652.80
Interfund Beach Utility Operating Fund	A	355.00
Interfund Water & Sewer Utility Operating Fund	A-4:B-41	123,500.00
Reserve for TTL Installment Payments	A	4,126.56
Reserve for FEMA Reimbursements - Sandy	A	400,593.75
Local Government Energy Audit	A-2.1	22,287.00
		<u>30,365,677.73</u>
		34,677,231.18
<u>Decreased by Disbursements</u>		
Appropriation Expenditures	A-3	7,457,342.08
Payment of Library Aid	A-40	468.00
2011 Appropriation Reserves and Reserve for Encumbrances	A-25	90,613.32
Refund of Tax Overpayments	A-30	30,688.95
Petty Cash Fund	A-11	200.00
County Taxes	A-35	6,080,667.27
Local District School Tax	A-37	13,356,940.02
Special District Taxes	A-34	713,621.00
Reserve for Drunk Driving Enforcement Fund	A	232.25
Interfund Due from Capital Fund	A-39	875,255.41
Contra Items	A-4	778,334.55
Reserve for Municipal Alliance on Alcoholism and Drug Abuse	A	45.00
Interfund Water & Sewer Operating Fund	A-4:B-41	9,395.23
Interfund Beach Operating Fund	A	9,628.90
Interfund Due to Municipal Open Space Trust	A	61,363.81
Refund Prior Year Taxes	A-1	13,540.70
Prior Year Revenue	A-1	36.60
Interfund Unemployment Trust Fund	A	15,602.80
Reserve for Clean Communities Grant	A	15,081.26
Interfund Traffic Trust	A	2,000.00
		<u>29,511,057.15</u>
<u>Balance</u> - December 31, 2012	A	<u>\$ 5,166,174.03</u>

Borough of Manasquan, NJ
Current Fund
Schedule of Change Funds

A-10

Ref.

Office - Collector and Clerk

Balance - December 31, 2011 and December 31, 2012

A

\$450.00

No Change During 2012

Schedule of Petty Cash Funds

A-11

Ref.

Balance - December 31, 2011

A

.00

Increased by

Cash Disbursed

A-4

200.00

200.00

Decreased by

Cash Received

A-4

200.00

Balance - December 31, 2012

A

\$.00

Borough of Manasquan, NJ

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy

A-15

Year	Dec. 31 2011	2012 Levy	Added Taxes	Collection by Cash 2011	2012	Overpayments Applied	Refund Prior Year Taxes Applied	Cancelled	Transferred To Tax Title Liens	Balance Dec. 31 2012
2011	296,915.56	.00	2,467.27	.00	297,759.27	.00	.00	283.18	.00	1,340.38
2012	.00	26,498,939.25	.00	270,540.55	25,699,221.96	.00	.00	177,923.53	9,894.21	341,359.00
	<u>296,915.56</u>	<u>26,498,939.25</u>	<u>2,467.27</u>	<u>270,540.55</u>	<u>25,996,981.23</u>	<u>.00</u>	<u>.00</u>	<u>178,206.71</u>	<u>9,894.21</u>	<u>342,699.38</u>
Ref.	A	A-15		A-31		A-30	A-1		A-16	A
A-4	Collection by Cash - 2012									
A-15A	Veterans and S.C. Allowance									
					25,921,497.33					
					<u>75,483.90</u>					
					<u>\$25,996,981.23</u>					

Analysis of 2011 Property Tax Levy

Tax Yield

Ref.

General Purpose and Business Property Taxes
Special District
Added Tax (54:4-63.1 et. seq.)

25,691,962.15
723,045.93
83,931.17

\$26,498,939.25

Tax Levy

Local District School Tax (Abstract)

13,719,834.00

County Health Tax (Abstract)
County General Tax (Abstract)
County Library Tax (Abstract)
County Open Space Taxes
Due County for Added Taxes

106,321.03
5,331,328.66
310,123.13
309,097.20
19,246.96

6,076,116.98

Fire District No. 1 Tax

713,621.00

Municipal Open Space Tax
Added Municipal Open Space Tax

80,337.59
255.26

80,592.85
20,590,164.83

Local Tax for Municipal Purposes
(Abstract)
Add: Added Taxes
Add: Excess in Yield

5,830,749.45
64,428.95
13,596.02

5,908,774.42

\$26,498,939.25

Borough of Manasquan, NJ
Current Fund
Schedule of Senior Citizens and Veterans Deductions Allowed

A-15A

	<u>Ref.</u>	
Senior Citizens Deductions per Tax Billings	A-43	6,250.00
Veterans Deductions per Tax Billings	A-43	68,750.00
Senior Citizens Deductions Allowed by Tax Collector	A-43	.00
Veterans Deductions Allowed by Tax Collector	A-43	<u>1,000.00</u>
		76,000.00
Less:		
Senior Citizens Deductions Disallowed by Tax Collector	A-43	516.10
Veterans Deductions Disallowed by Tax Collector	A-43	<u>.00</u>
		<u>516.10</u>
	A-15	<u><u>\$75,483.90</u></u>

Schedule of Tax Title Liens

A-16

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	A	22,776.83
<u>Increased by</u>		
Transfers from Taxes Receivable	A-15	9,894.21
Interest and Costs - 2012 Tax Sale		<u>16.00</u>
		<u>9,910.21</u>
		32,687.04
<u>Decreased by</u>		
Collections	A-4	<u>.00</u>
<u>Balance</u> - December 31, 2012	A	<u><u>\$32,687.04</u></u>

Schedule of Property Acquired for Taxes

(At Assessed Valuation)

A-18

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011 and December 31, 2012	A	<u><u>\$209,040.00</u></u>
No Charge During 2012		

Borough of Manasquan, NJ
Current Fund
Schedule of Revenue Accounts Receivable

A-22

	<u>Ref.</u>	<u>Balance Dec. 31 2011</u>	<u>Accrued In 2012</u>	<u>Collected by Treasurer</u>	<u>Balance Dec. 31 2012</u>
Licenses					
Alcoholic Beverages	A-2.1	.00	20,940.00	20,940.00	.00
Food Handling	A-2.1	.00	6,600.00	6,600.00	.00
Raffle and Bingo	A-2.1	.00	3,220.00	3,220.00	.00
Amusement	A-2.1	.00	450.00	450.00	.00
Massage Therapy	A-2.1	.00	200.00	200.00	.00
Taxi and Taxi Driver	A-2.1	.00	8,440.00	8,440.00	.00
Fees and Permits					
Certificates of Occupancy	A-2.1	.00	88,951.00	88,951.00	.00
Parking Lot Permits	A-2.1	.00	138.00	138.00	.00
Zoning & Other	A-2.1	.00	15,070.30	15,070.30	.00
Municipal Court					
Fines and Costs	A-2.1	11,156.24	469,218.26	467,793.82	12,580.68
Rent - Beach Garage	A-2.1	.00	24,000.00	24,000.00	.00
Uniform Construction Code Fees	A-2.1	.00	149,955.51	149,955.51	.00
Interest on Investments	A-2.2	.00	8,115.83	8,115.83	.00
Dock Mooring Receipts	A-2.1	.00	214,975.24	214,975.24	.00
Assessment and Tax Searches	A-2.2	.00	10.00	10.00	.00
Rents	A-2.2	.00	125,749.47	125,749.47	.00
Planning Board - Subdivision Fee	A-2.1	.00	14,987.50	14,987.50	.00
Cable Television Franchise Fees	A-2.1	76,729.00	69,785.00	76,729.00	69,785.00
Spring Lake, Sea Girt & Brielle-Drug Alliance	A-2.2	.00	12,209.10	12,209.10	.00
		<u>\$87,885.24</u>	<u>1,233,015.21</u>	<u>1,238,534.77</u>	<u>82,365.68</u>
	<u>Ref.</u>	A		A-4	A

Schedule of Deferred Charges

A-23

	Balance Dec. 31 <u>2011</u>	Added In <u>2012</u>	Raised In <u>Budget</u>	Balance Dec. 31 <u>2012</u>
Emergency Authorization (40A:4-47)	.00	.00	.00	.00
Expenditure Without Appropriation	.00	.00	.00	.00
Overexpenditure of Appropriations	<u>8,255.09</u>	<u>.00</u>	<u>8,255.09</u>	<u>.00</u>
	<u>\$8,255.09</u>	<u>.00</u>	<u>8,255.09</u>	<u>.00</u>
	<u>Ref.</u>	A	A-1	A-3
				A

Borough of Manasquan, NJ
Current Fund
Schedule of Deferred Charges
N.J.S.A. 40A:4-55 Special Emergency - Flood or Hurricane Damage

A-24

		1/5				
<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Increased</u> <u>2012</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
11/19/12	Hurricane Sandy	900,977.40	180,195.48	.00	900,977.40	900,977.40
12/03/12	Hurricane Sandy	2,223,745.44	444,749.08	.00	2,223,745.44	2,223,745.44
12/17/12	Hurricane Sandy	264,500.00	52,900.00	.00	264,500.00	264,500.00
12/27/12	Hurricane Sandy	<u>1,080,000.00</u>	<u>216,000.00</u>	<u>.00</u>	<u>1,080,000.00</u>	<u>1,080,000.00</u>
		<u>\$4,469,222.84</u>	<u>893,844.56</u>	<u>.00</u>	<u>4,469,222.84</u>	<u>4,469,222.84</u>
<u>Ref.</u>				A	A-3	A

Schedule of Appropriation Reserves and
Reserve for Encumbrances - 2011

A-25

	<u>Ref.</u>	<u>2011</u> <u>Balances</u>	<u>Balances</u> <u>After</u> <u>Transfers</u>	<u>Unexpended</u> <u>Expended</u>	<u>Unexpended</u> <u>Balances</u>
Administrative and Executive	S&W	479.98	479.98	.00	479.78
Administrative and Executive	OE	3.69	3.69	.00	3.69
Mayor and Council	S&W	81.32	81.32	.00	81.32
Mayor and Council	OE	343.30	343.30	210.00	133.30
Municipal Clerks Office	S&W	206.40	206.40	.00	206.40
Municipal Clerks Office	OE	8,490.99	8,490.99	6,527.32	1,963.67
Financial Administration	S&W	1,564.66	1,564.66	1,216.36	348.30
Financial Administration	OE	1,277.37	1,277.37	715.10	562.27
Audit Services	OE	5,987.50	5,987.50	5,987.50	.00
Revenue Administration	S&W	40.64	40.64	.00	40.64
Revenue Administration	OE	1,433.47	1,433.47	1,324.92	108.55
Tax Assessment Administration	S&W	41.84	41.84	.00	41.84
Tax Assessment Administration	OE	604.37	604.37	9.42	594.95
Legal Services and Costs	OE	8,058.85	8,058.85	.00	8,058.85
Municipal Court	S&W	1,645.30	1,645.30	.00	1,645.30
Municipal Court	OE	4,979.00	4,979.00	285.48	4,693.52
Public Defender	S&W	95.00	95.00	.00	95.00
Engineering Services and Costs	OE	3,694.92	3,694.92	941.87	2,753.05
Historical Sites Office	OE	<u>610.00</u>	<u>610.00</u>	<u>.00</u>	<u>610.00</u>
		<u>39,638.60</u>	<u>39,638.60</u>	<u>17,217.97</u>	<u>22,420.63</u>

Borough of Manasquan, NJ**Current Fund****Schedule of Appropriation Reserves and Reserve for Encumbrances - 2011****A-25**

		2011	Balances		Unexpended
	Ref.	Balances	After	Expended	Balances
			Transfers		
Planning Board	S&W	11.18	11.18	.00	11.18
Planning Board	OE	2,150.31	2,150.31	789.08	1,361.23
		<u>2,161.49</u>	<u>2,161.49</u>	<u>789.08</u>	<u>1,372.41</u>
Code Enforcement	S&W	44.47	44.47	.00	44.47
Code Enforcement	OE	2,318.98	2,318.98	1,300.20	1,018.78
Zoning Office	S&W	174.85	174.85	.00	174.85
		<u>2,538.30</u>	<u>2,538.30</u>	<u>1,300.20</u>	<u>1,238.10</u>
Insurance - General	OE	.52	.52	.00	.52
Insurance - Workmen's Compensation	OE	4.77	4.77	.00	4.77
Insurance - Employee Group Health	OE	6,189.74	6,189.74	.00	6,189.74
		<u>6,195.03</u>	<u>6,195.03</u>	<u>.00</u>	<u>6,195.03</u>
Police	S&W	11,673.06	11,673.06	1,832.81	9,840.25
Police	OE	13,262.38	13,262.38	9,738.51	3,523.87
Emergency Management Services	S&W	177.40	177.40	.00	177.40
Emergency Management Services	OE	1,567.10	1,567.10	575.58	991.52
Municipal Prosecutor's Office	OE	50.00	50.00	50.00	.00
		<u>26,729.94</u>	<u>26,729.94</u>	<u>12,196.90</u>	<u>14,533.04</u>
Streets and Roads	S&W	6,084.60	6,084.60	.00	6,084.60
Streets and Roads	OE	3,804.71	3,804.71	3,253.72	550.99
Shade Tree Commission	OE	4,775.00	4,775.00	.00	4,775.00
Traffic Lights	OE	1,463.28	1,463.28	231.60	1,231.68
Solid Waste Collection	S&W	350.00	350.00	.00	350.00
Solid Waste Collection	OE	2,551.66	2,551.66	.00	2,551.66
Public Buildings and Grounds	OE	15,887.83	15,887.83	8,114.71	7,773.12
Maintenance of Borough Vehicles	OE	2,479.40	2,479.40	771.55	1,707.85
		<u>37,396.48</u>	<u>37,396.48</u>	<u>12,371.58</u>	<u>25,024.90</u>
Board of Health	S&W	827.75	827.75	.00	827.75
Board of Health	OE	25.00	25.00	.00	25.00
Environmental Commission	OE	952.91	952.91	500.00	452.91
Animal Control Services	OE	2,000.00	2,000.00	684.00	1,316.00
		<u>3,805.66</u>	<u>3,805.66</u>	<u>1,184.00</u>	<u>2,621.66</u>
Recreation Services & Programs	OE	3,325.00	3,325.00	.00	3,325.00
Maintenance of Parks	S&W	742.44	742.44	.00	742.44
Maintenance of Parks	OE	497.78	497.78	496.99	.79
Senior Citizens Transportation	OE	838.00	838.00	.00	838.00
		<u>5,403.22</u>	<u>5,403.22</u>	<u>496.99</u>	<u>4,906.23</u>
Construction Official	S&W	63.12	63.12	.00	63.12
Construction Official	OE	289.04	289.04	261.52	27.52
Electrical Inspector	S&W	6.78	6.78	.00	6.78
Plumbing Inspector	S&W	250.10	250.10	.00	250.10
Fire Inspector	S&W	636.94	636.94	.00	636.94
		<u>1,245.98</u>	<u>1,245.98</u>	<u>261.52</u>	<u>984.46</u>

Borough of Manasquan, NJ

Current Fund

Schedule of Appropriation Reserves and Reserve for Encumbrances - 2011

A-25
(completed)

		2011	Balances After	Expended	Unexpended
	<u>Ref.</u>	<u>Balances</u>	<u>Transfers</u>		<u>Balances</u>
Waterways	S&W	25.00	25.00	.00	25.00
Waterways	OE	7.80	7.80	.00	7.80
Tourism	S&W	50.00	50.00	.00	50.00
Tourism	OE	638.75	638.75	.00	638.75
Celebration of Public Events	OE	865.50	865.50	791.00	74.50
		<u>1,587.05</u>	<u>1,587.05</u>	<u>791.00</u>	<u>796.05</u>
Utilities	OE	<u>16,623.53</u>	<u>16,623.53</u>	<u>16,623.53</u>	<u>.00</u>
Landfill/Solid Waste Disposal Costs	OE	<u>18,290.43</u>	<u>18,290.43</u>	<u>12,528.58</u>	<u>5,761.85</u>
Contingent		<u>1,000.00</u>	<u>1,000.00</u>	<u>200.00</u>	<u>800.00</u>
Public Employees Retirement System		.12	.12	.00	.12
Social Security System		<u>572.42</u>	<u>572.42</u>	<u>.00</u>	<u>572.42</u>
		<u>572.54</u>	<u>572.54</u>	<u>.00</u>	<u>572.54</u>
Snow Removal - Brielle/Sea Girt		200.55	200.55	.00	200.55
Gasoline - Brielle		15,183.17	15,183.17	14,651.97	531.20
Domestic Violence - CIT		1,500.00	1,500.00	.00	1,500.00
Police Mandated 911 Emergency Service		.71	.71	.00	.71
LOSAP		10,000.00	10,000.00	.00	10,000.00
Police Tactical Teams Fee (Swat)		<u>50.00</u>	<u>50.00</u>	<u>.00</u>	<u>50.00</u>
		<u>26,934.43</u>	<u>26,934.43</u>	<u>14,651.97</u>	<u>12,282.46</u>
Matching Funds for Grants		100.00	100.00	.00	100.00
SFSP Fire District Payment		<u>833.00</u>	<u>833.00</u>	<u>.00</u>	<u>833.00</u>
		<u>933.00</u>	<u>933.00</u>	<u>.00</u>	<u>933.00</u>
		<u>\$191,055.68</u>	<u>191,055.68</u>	<u>90,613.32</u>	<u>100,442.36</u>
	<u>Ref.</u>			A-4	A-1
Appropriation Reserves	A	129,944.87			
Reserve for Encumbrances	A	<u>61,110.81</u>			
		<u>\$191,055.68</u>			

Schedule of Tax Overpayments

A-30

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	A	25,088.71
<u>Increased by</u>		
Overpayments in 2012	A-4	<u>5,600.24</u>
		30,688.95
<u>Decreased by</u>		
Refunds in 2012	A-4	30,688.95
Applied to Taxes Receivable	A-15	<u>.00</u>
		<u>30,688.95</u>
<u>Balance</u> - December 31, 2012	A	<u>\$.00</u>

Borough of Manasquan, NJ
Current Fund
Schedule of Prepaid Taxes

A-31

<u>Balance</u> - December 31, 2011	<u>Ref.</u> A	271,340.55
<u>Increased by</u>		
Collection - 2013 Taxes	A-4	<u>225,278.13</u>
		496,618.68
<u>Decreased by</u>		
Applied to 2012 Taxes Receivable	A-15	270,540.55
Interfund - General Capital - 2011 Assessments	A-39	<u>800.00</u>
		271,340.55
<u>Balance</u> - December 31, 2012	A	<u>\$225,278.13</u>

Payroll Agency Account

A-32

	Balance Dec. 31 2011	Receipts	Disbursements/ Adjustments	Balance Dec. 31 2012
Public Employees' Retirement System	18,725.39	182,980.04	189,846.78	11,858.65
State Withholding Tax	6,807.47	177,820.17	175,878.77	8,748.87
Federal Withholding, Social Security and Medicare Tax	47,425.10	1,150,629.98	1,147,391.76	50,663.32
Police and Fire Retirement System	22,488.72	188,614.46	198,411.07	12,692.11
Flexible Spending Accounts	(11,033.21)	21,233.47	15,540.87	(5,340.61)
Unemployment Escrow Trust Fund	8,126.56	10,149.02	18,132.56	143.02
New Jersey WFD & FLI	160.13	3,250.55	3,198.22	212.46
Credit Union	2,114.00	21,268.00	23,382.00	.00
Dues	665.00	15,976.50	15,936.50	705.00
Disability and Life Insurance	1,815.17	31,506.90	30,872.21	2,449.86
Deferred Compensation	25.00	166,685.00	166,685.00	25.00
Child Support	.00	1,632.00	1,632.00	.00
Employee Share Group Insurance	206.57	41,591.60	41,592.33	205.84
Council Group Insurance	5,976.00	.00	.00	5,976.00
Dental and Medical Insurance	6,464.58	4,780.10	.00	11,244.68
Due to Beach Operating Fund	.00	24,145.25	2,415.25	21,730.00
Contra	.00	11,154.69	11,154.69	.00
Garnishment	.00	427.26	.00	427.26
Miscellaneous	50.78	168.07	207.22	11.63
	<u>\$110,017.26</u>	<u>2,054,013.06</u>	<u>2,042,277.23</u>	<u>121,753.09</u>

Borough of Manasquan, NJ
Current Fund
Payroll Account

A-33

Balance - December 31, 2011 .00

Increased by

Receipts 3,720,563.67
3,720,563.67

Decreased by

Disbursements 3,720,563.67

Balance - December 31, 2012 \$.00

Schedule of Special District Taxes Payable

A-34

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	A	.00

Increased by

2012 Levy - Fire District No. 1	A-1	713,621.00
		713,621.00

Decreased by

Payments	A-4	713,621.00
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Balance - December 31, 2012 \$.00

Schedule of County Taxes Payable

A-35

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	A	23,797.25

Increased by

2012 Levy		
County Health Tax	A-15	106,321.03
County General Tax	A-15	5,331,328.66
County Library Tax	A-15	310,123.13
County Open Space	A-15	309,097.20
2012 Added and Omitted County Taxes	A-15	19,246.96
2011 Added and Omitted County Taxes	A-1	594.96
		<u>6,076,711.94</u>
		6,100,509.19

Decreased by

Payments	A-4	6,080,667.27
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Balance - December 31, 2012 \$ 19,841.92

Borough of Manasquan, NJ
Current Fund
Schedule of Local District School Tax

A-37

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011			
School Tax Payable	A	4,484,683.50	
School Tax Deferred		<u>2,012,340.00</u>	
			6,497,023.50
<u>Increased by</u>			
Levy - School Year			
July 1, 2012 to July 30, 2013	A-15		<u>13,719,834.00</u>
			20,216,857.50
<u>Decreased by</u>			
Payments	A-4		<u>13,356,940.02</u>
<u>Balance</u> - December 31, 2012			
School Tax Payable	A	4,847,577.48	
School Tax Deferred		<u>2,012,340.00</u>	
			<u>\$ 6,859,917.48</u>

2012 Liability for Local District School Tax

	<u>Ref.</u>		
Tax Paid	A-37	13,356,940.02	
Tax Payable - December 31, 2012	A-37	<u>4,847,577.48</u>	
			18,204,517.50
Less: Tax Payable - December 31, 2012	A-37		<u>4,484,683.50</u>
Amount Charged to 2012 Operations	A-1		<u>\$13,719,834.00</u>

Schedule of Interfund With Capital Fund

A-39

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011			
(Due from Capital Fund)	A:C		35,168.46
<u>Increase by</u>			
Cash Disbursed	A-4		<u>875,255.41</u>
			910,423.87
<u>Decreased by</u>			
Budget Appropriations	A-3	407,583.00	
Cash Received	A-4	233,852.19	
Bond Anticipation Note	C-6:C-19	645,500.00	
Prepaid Assessments - 2011	A-31	<u>800.00</u>	
			<u>1,287,735.19</u>
<u>Balance</u> - December 31, 2012			
(Due to Capital Fund)	A:C		<u>\$ 377,311.32</u>

Borough of Manasquan, NJ
Current Fund
Schedule of Reserve for Aid to Library With State Aid
(N.J.S.A. 40:54-35)

A-40

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	A	.00
<u>Increased by</u>		
State Library Aid Received in 2012	A-4	<u>468.00</u>
		468.00
<u>Decreased by</u>		
Payment to Library	A-4	<u>468.00</u>
<u>Balance</u> - December 31, 2012	A	\$ <u>.00</u>

Schedule of Due To or From State of New Jersey

A-43

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011			
(Due to State of New Jersey)	A		12,804.15
<u>Increased by</u>			
Veterans Exemptions per Billings		68,750.00	
Senior Citizens Deductions per Billings		6,250.00	
Veterans Deductions Allowed by Tax Collector		1,000.00	
Senior Citizens Deductions Allowed by Tax Collector		<u>.00</u>	
	A-15A		<u>76,000.00</u>
			63,195.85
<u>Decreased by</u>			
Received in Cash from State	A-4	75,625.00	
Veteran's Deductions Disallowed Tax Collector - 2012	A-15A	.00	
Senior Citizens Disallowed by Tax Collector - 2012	A-15A	516.10	
Senior Citizens Disallowed by Tax Collector - 2011	A-4	<u>750.00</u>	
			<u>76,891.10</u>
<u>Balance</u> - December 31, 2012			
(Due to State of New Jersey)	A		\$ <u>13,695.25</u>

Borough of Manasquan, NJ **Trust Fund**

Schedule of Trust Cash - Treasurer

B-4

Ref.	Tax Map Maint. Fund	Animal Control Fund	Misc. Trust Fund	Street Opening Fund	Manasquan Senior Citizens Organization	Tourism	Developers Bond Trust	Recreation Commission Fund	Developers Escrow Fund	Manasquan Law Enforc. Fund	Muni. Comm. Alliance Commission	Manasquan Traffic Trust Fund	Public Defender Fund	* Affordable Housing Trust	Accum. Leave Compens. Trust Fund	Junior Lifeguard Fund	Muni. Open Space Trust Fund	Muni. Tree Escrow Fund	Unemployment Trust
B	2,889.31	1,232.29	98,597.07	12,428.01	4,656.09	.00	69,366.30	349,506.02	47,874.06	8,043.98	934.73	3,910.46	3,688.83	231,658.43	95,927.17	9,066.80	399,999.14	2,152.13	10,892.98
Increased by Receipts																			
B-46	.00	.00	.00	.00	.00	109,793.67	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-45	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-43	.00	.00	.00	.00	11,633.23	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	7,705.99
B-44	1,100.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-39	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-33	.00	.00	.00	.00	.00	.00	.00	.00	.00	283.00	.00	.00	.00	.00	8,550.00	.00	.00	.00	.00
B-32	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-29	.00	.00	.00	.00	.00	.00	.00	133,279.53	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-4	6.15	3.49	136.22	20.77	.00	.00	123.46	1,593.75	97.93	15.02	2.23	15.87	7.66	440.45	61.88	30.30	395.74	4.45	7.86
B-23	.00	6,858.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-27	.00	.00	.00	4,600.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-35	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	1,035.00	.00	.00	.00	.00	.00	.00
B-28	.00	.00	28,450.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-30	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-31	.00	.00	.00	.00	.00	.00	.00	.00	54,901.01	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-34	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	1,045.00	.00	.00	.00	.00	.00	.00	.00	.00
B-36	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	31,864.75	.00	.00	.00	.00	.00
B	.00	.00	918.44	.00	.00	.00	.00	.00	.00	.00	.00	2,150.00	.00	.00	.00	.00	.00	.00	.00
B-40	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	37,540.00	.00	.00	.00
B-41	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-42	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-42-B-43:	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	500.00	.00
B-29	1,106.15	6,861.49	29,504.66	4,620.77	11,633.23	109,793.67	123.46	134,873.28	54,998.94	298.02	1,047.23	58,661.13	1,042.66	32,305.20	8,611.88	1,286.00	395.74	504.45	57,064.41
	3,995.46	8,093.78	128,101.73	17,048.78	16,289.32	109,793.67	69,489.76	484,379.30	102,873.00	8,342.00	1,981.96	62,571.59	4,731.49	263,963.63	104,539.05	47,923.10	400,394.88	2,656.58	67,957.39
Decreased by Disbursements																			
Expenditures																			
B-23-B-27:																			
B-28-B-29:																			
B-30-B-31:																			
B-32-B-34:																			
B-35-B-39:																			
B-40-B-41:																			
B-42-B-43:																			
B-44-B-45:																			
B-46	.00	7,791.70	64,434.81	11,122.00	8,257.62	68,769.86	27,966.98	107,725.84	50,372.35	.00	327.00	58,521.18	.00	11,052.43	94,020.79	35,744.42	200,000.00	.00	26,418.65
B	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-4	.00	.00	174.50	25.76	.00	.00	.00	.00	111.62	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
	.00	7,791.70	64,609.31	11,147.76	8,257.62	68,769.86	27,966.98	107,725.84	50,483.97	.00	327.00	58,521.18	4,731.49	11,052.43	94,020.79	35,744.42	200,000.00	.00	62,071.45
B	\$3,995.46	302.08	63,492.42	5,901.02	8,031.70	41,023.81	41,522.78	376,653.46	52,389.03	8,342.00	1,654.96	4,050.41	4,731.49	252,911.20	10,518.26	12,178.68	200,394.88	2,656.58	5,885.94
Balance - December 31, 2012																			

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Animal Control Fund Expenditures

B-23

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		549.49
<u>Increased by</u>			
License Fees Collected - Dog		5,879.00	
License Fees Collected - Cats		399.00	
Late Fees		580.00	
Interest		<u>3.49</u>	
	B-4		<u>6,861.49</u>
			7,410.98
<u>Decreased by</u>			
Expenditure Under R.S. 4:19-15.11		6,413.50	
Due to State of New Jersey	B-4	<u>680.40</u>	
			<u>7,093.90</u>
<u>Balance</u> - December 31, 2012	B		<u>\$ 317.08</u>

Dog License Fees Collected

<u>Year</u>	<u>Amount</u>
2011	5,926.00
2012	<u>5,879.00</u>

\$11,805.00 No Statutory Excess Exists

Schedule of Reserve for Street Opening Deposits

B-27

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		12,428.01
<u>Increased by</u>			
Cash Received	B-4	4,600.00	
Interest	B-4	<u>20.77</u>	
			<u>4,620.77</u>
			17,048.78
<u>Decreased by</u>			
Expenditures	B-4	11,122.00	
Interest Transferred to Current Fund	B-4	<u>25.76</u>	
			<u>11,147.76</u>
<u>Balance</u> - December 31, 2012	B		<u>\$ 5,901.02</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Miscellaneous Trust Fund

B-28

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		98,597.07
<u>Increased by</u>			
Miscellaneous Trust Items	B-4	28,450.00	
Interest	B-4	<u>136.22</u>	
			<u>28,586.22</u>
			127,183.29
<u>Decreased by</u>			
Expenditures	B-4	51,835.50	
Interest Transferred to Current Fund	B-4	174.50	
Transfer to Tourism Trust Fund	B-4	<u>12,599.31</u>	
			<u>64,609.31</u>
<u>Balance</u> - December 31, 2012	B		\$ <u>62,573.98</u>

Schedule of Reserve for Recreation Commission Fund

B-29

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		349,506.02
<u>Increased by</u>			
Recreation Fees	B-4	133,279.53	
Interest	B-4	<u>1,593.75</u>	
			<u>134,873.28</u>
			484,379.30
<u>Decreased by</u>			
Expenditures	B-4		<u>107,725.84</u>
<u>Balance</u> - December 31, 2012	B		\$ <u>376,653.46</u>

Schedule of Reserve for Developers' Bond Trust Fund

B-30

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		69,366.30
<u>Increased by</u>			
Developers Bonds	B-4	.00	
Interest	B-4	<u>123.46</u>	
			<u>123.46</u>
			69,489.76
<u>Decreased by</u>			
Expenditures	B-4		<u>27,966.98</u>
<u>Balance</u> - December 31, 2012	B		\$ <u>41,522.78</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Developers' Escrow Fund

B-31

<u>Balance</u> - December 31, 2011	<u>Ref.</u> B		47,874.06
<u>Increased by</u>			
Developers' Escrow	B-4	54,901.01	
Interest	B-4	<u>97.93</u>	
			<u>54,998.94</u>
			102,873.00
<u>Decreased by</u>			
Expenditures	B-4	50,372.35	
Interest Transferred to Current Fund	B-4	<u>111.62</u>	
			<u>50,483.97</u>
<u>Balance</u> - December 31, 2012	B		\$ <u>52,389.03</u>

Schedule of Reserve for Manasquan Traffic Trust

B-32

<u>Balance</u> - December 31, 2011	<u>Ref.</u> B		3,910.46
<u>Increased by</u>			
Law Enforcement Funds	B-4	56,495.26	
Interest	B-4	<u>15.87</u>	
			<u>56,511.13</u>
			60,421.59
<u>Decreased by</u>			
Expenditures	B-4		<u>58,521.18</u>
<u>Balance</u> - December 31, 2012	B		\$ <u>1,900.41</u>

Schedule of Reserve for Manasquan Law Enforcement Fund

B-33

<u>Balance</u> - December 31, 2011	<u>Ref.</u> B		8,043.98
<u>Increased by</u>			
Law Enforcements Funds	B-4	1,201.44	
Interest	B-4	<u>15.02</u>	
			<u>1,216.46</u>
			9,260.44
<u>Decreased by</u>			
Expenditures	B-4		<u>.00</u>
<u>Balance</u> - December 31, 2012	B		\$ <u>9,260.44</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Municipal Community
Alliance Commission

B-34

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		934.73

Increased by

Community Alliance Funds	B-4	1,045.00	
Interest	B-4	<u>2.23</u>	
			<u>1,047.23</u>
			1,981.96

Decreased by

Expenditures	B-4		<u>327.00</u>
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<u>Balance</u> - December 31, 2012	B		<u>\$1,654.96</u>
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Schedule of Reserve for Public Defender Fund

B-35

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		3,688.83

Increased by

Public Defender Funds	B-4	1,035.00	
Interest		<u>7.66</u>	
			<u>1,042.66</u>
			4,731.49

Decreased by

Expenditures	B-4		<u>.00</u>
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<u>Balance</u> - December 31, 2012	B		<u>\$4,731.49</u>
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Schedule of Reserve for Affordable Housing Trust Fund

B-36

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		231,658.43

Increased by

Affordable Housing Funds	B-4	31,864.75	
Interest	B-4	<u>440.45</u>	
			<u>32,305.20</u>
			263,963.63

Decreased by

Expenditures	B-4		<u>11,052.43</u>
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<u>Balance</u> - December 31, 2012	B		<u>\$252,911.20</u>
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Borough of Manasquan, NJ
Trust Fund
Schedule of Assessments Receivable

B-37

Ordinance Number	Improvement Description	Date of Confirmation	Annual Installments	Due Dates	Balance Dec. 31, 2011	Confirmed in 2012		Balance Pledged To	
						Due General Capital Fund		Due General Capital Fund	
							Collected	Cancelled	Balance Dec. 31, 2012
2036	Virginia Avenue Phase II	04/02/11	3	08-04-11-13	4,314.43	.00	3,940.38	.00	374.05
2039	Glimmer Glass Drainage Improvement	06/20/11	3	06-20-11-13	3,233.23	.00	2,779.07	.00	454.16
2071	Central Ave. Street Improvements	12/05/11	3	12-05-11-13	28,935.12	.00	20,474.10	.00	8,461.02
2096	Glimmer Glass Drainage Improvement	12/05/11	3	12-05-11-13	20,740.95	.00	16,862.71	.00	3,878.24
2102	Glimmer Glass Drainage Improvement - Phase III	09/07/12	3	09-07-12-14	.00	6,735.25	4,702.63	.00	2,032.62
					<u>\$57,223.73</u>	<u>6,735.25</u>	<u>48,758.89</u>	<u>.00</u>	<u>15,200.09</u>
					B	C-7	C-4		B
									C-7

Ref.

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Accumulated Leave
Compensation Trust Fund

B-39

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		95,927.17
<u>Increased by</u>			
Budget Contribution - Current	A-3:B-4	8,550.00	
Interest	B-4	<u>61.88</u>	
			<u>8,611.88</u>
			104,539.05
<u>Decreased by</u>			
Expenditures	B-4		<u>94,020.79</u>
<u>Balance</u> - December 31, 2012	B		<u>\$ 10,518.26</u>

Schedule of Reserve for Junior Lifeguards Fund

B-40

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		9,066.80
<u>Increased by</u>			
Junior Lifeguards Funds	B-4	37,540.00	
Interest	B-4	30.30	
Voided Checks	B-4	<u>1,286.00</u>	
			<u>38,856.30</u>
			47,923.10
<u>Decreased by</u>			
Expenditures	B-4		<u>35,744.42</u>
<u>Balance</u> - December 31, 2012	B		<u>\$12,178.68</u>

Schedule of Reserve for Municipal Open Space Trust Fund

B-41

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		187,617.21
<u>Increased by</u>			
Amount Raised by Taxation	A-15	80,592.85	
Added Municipal Open Space Tax - 2011	A-1	7.65	
Green Acres Program	B-4	450,000.00	
Interest	B-4	<u>395.74</u>	
			<u>530,996.24</u>
			718,613.45
<u>Decreased by</u>			
Expenditures	B-4	200,000.00	
Expenditures Paid by Current Fund	B	<u>61,363.81</u>	
			<u>261,363.81</u>
<u>Balance</u> - December 31, 2012	B		<u>\$457,249.64</u>

Schedule of Reserve for Municipal Tree Escrow Fund

B-42

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		2,152.13
<u>Increased by</u>			
Tree Escrow Funds	B-4	500.00	
Interest	B-4	<u>4.45</u>	
			<u>504.45</u>
			2,656.58
<u>Decreased by</u>			
Expenditures	B-4		<u>.00</u>
<u>Balance</u> - December 31, 2012	B		<u>\$2,656.58</u>

Borough of Manasquan, NJ

Trust Fund

Schedule of Reserve for Manasquan Senior Citizen Organization Fund

B-43

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	B	4,656.09
<u>Increased by</u>		
Senior Citizen Organization Funds	B-4	<u>11,633.23</u>
		16,289.32
<u>Decreased by</u>		
Expenditures	B-4	<u>8,257.62</u>
<u>Balance</u> - December 31, 2012	B	<u>\$ 8,031.70</u>

Schedule of Reserve for Tax Map Maintenance Fund

B-44

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		2,889.31
<u>Increased by</u>			
Tax Map Maintenance Funds	B-4	1,250.00	
Interest	B-4	<u>6.15</u>	
			<u>1,256.15</u>
			4,145.46
<u>Decreased by</u>			
Expenditures	B-4		<u>.00</u>
<u>Balance</u> - December 31, 2012	B		<u>\$4,145.46</u>

Schedule of Reserve for Unemployment Trust Fund

B-45

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		10,067.57
<u>Increased by</u>			
Employee Payroll Deductions	B:B-4	7,705.99	
Interest	B-4	7.86	
Budget Contribution	A-3	<u>25,750.00</u>	
			<u>33,463.85</u>
			43,531.42
<u>Decreased by</u>			
Expenditures	B-4		<u>26,418.65</u>
<u>Balance</u> - December 31, 2012	B		<u>\$17,112.77</u>

Schedule of Reserve for Tourism Trust Fund

B-46

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	B		.00
<u>Increased by</u>			
Tourism Funds	B-4	97,194.36	
Transfer from Miscellaneous Trust Fund	B-4	<u>12,599.31</u>	
			<u>109,793.67</u>
			109,793.67
<u>Decreased by</u>			
Expenditures	B		<u>68,769.86</u>
<u>Balance</u> - December 31, 2012	B		<u>\$ 41,023.81</u>

C-2

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C-4

Ref.

Borough of Manasquan, NJ
Capital Fund
Schedule of Interfund with Current Fund

C-6

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011			
(Due to Current Fund)	C		35,168.46
<u>Increased by</u>			
Improvement Authorizations	C-14		<u>875,255.41</u>
			910,423.87
<u>Decreased by</u>			
Budget Appropriations	A-3	407,583.00	
Assessments Collected	C-4	48,758.89	
State Aid Receivable - D.O.T.	C	56,250.00	
Bond Anticipation Notes	C-19	645,500.00	
State Aid	C-10	120,000.00	
Excess Reimbursements - Funded Authorizations	C-1	<u>9,643.30</u>	
			<u>1,287,735.19</u>
<u>Balance</u> - December 31, 2012			
(Due to Current Fund)	C		<u>\$ 377,311.32</u>

Schedule of Interfund with Assessment Fund

C-7

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011			
(Due from Assessment Fund)	C		57,223.73
<u>Increased by</u>			
Excess Confirmations	C-1		<u>6,735.25</u>
			63,958.98
<u>Decreased by</u>			
Assessments Collected	C-6		<u>48,758.89</u>
<u>Balance</u> - December 31, 2012			
(Due from Assessment Fund)	C		<u>\$ 15,200.09</u>

Schedule of Deferred Charges to Future Taxation - Funded

C-9

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	C		2,982,815.65
<u>Increased by</u>			
Serial Bonds Issued	C-10		<u>.00</u>
			2,982,815.65
<u>Decreased by</u>			
Budget Appropriations to Pay Bonds	C-20	131,000.00	
Budget Appropriations to Pay Loans	C-21	<u>152,090.89</u>	
			<u>283,090.89</u>
<u>Balance</u> - December 31, 2012	C		<u>\$2,699,724.76</u>

Borough of Manasquan, NJ

Capital Fund

Schedule of Deferred Charges to Future Taxation - Unfunded

C-10

Ordinance Number	Improvement Description	Balance Dec. 31 2011	Authorizations	Notes Paid By Budget	Funded By Budget Appropriation	Authorizations Cancelled	Federal & State Aid	Assessments Confirmed	Balance Dec. 31 2012	Notes Payable	Expenditures	Unexpended Improvement Authorizations
1765/1901/1909	Underground Storage Tank Remediation	64,068.98	.00	.00	.00	64,068.98	.00	.00	.00	.00	.00	.00
1837/1857	Street & Sidewalk Improve. - N. Main St.	18,393.25	.00	.00	.00	18,393.25	.00	.00	.00	.00	.00	.00
1844/1850	Acquisition of Borough Hall	14,698.99	.00	.00	.00	14,698.99	.00	.00	.00	.00	.00	.00
1876	Reconstruction of Roads - Ocean Ave.	41,593.17	.00	.00	.00	41,593.17	.00	.00	.00	.00	.00	.00
1880	Office Equipment and Computer Upgrades	57,140.00	.00	14,287.15	.00	.00	.00	.00	42,852.85	42,852.85	.00	.00
1881/2011	Renovate Coast Guard Building	778,312.00	.00	31,250.00	.00	.00	.00	.00	747,062.00	62,500.00	669,586.45	14,975.55
1905	Construction of Sidewalks - Third Ave.	24,276.02	.00	.00	.00	24,276.02	.00	.00	.00	.00	.00	.00
1912	Improvement to Roads - Morris Ave.	63,211.93	.00	.00	.00	63,211.93	.00	.00	.00	.00	.00	.00
1916/1929	Improvement to Railroad Station	4,275.49	.00	.00	.00	4,275.49	.00	.00	.00	.00	.00	.00
1942	Purchase Sea Watch Property	568,381.10	.00	200,000.00	4,422.50	.00	.00	.00	363,958.60	300,000.00	3,612.88	60,345.72
1949	Improvements to Parker Avenue	333,033.08	.00	.00	112,691.45	.00	.00	.00	220,341.63	.00	220,341.63	.00
1952	Salt Dome & Snow Removal Equipment	75,000.00	.00	.00	15,886.05	.00	.00	.00	59,113.95	.00	53,404.41	5,709.54
1966	Glimmer Glass Drainage Improvement	409,820.00	.00	81,965.00	.00	.00	.00	.00	327,855.00	.00	.00	.00
1967	Refunding Bond Ordinance	43,779.49	.00	.00	.00	.00	.00	.00	43,779.49	.00	.00	43,779.49
1988	Purchase Dump Truck/Lawn Mower	84,820.00	.00	16,965.00	.00	.00	.00	.00	67,855.00	.00	.00	.00
2000	Bulkhead & Playground Equipment	305,357.00	.00	50,893.00	.00	.00	.00	.00	254,464.00	.00	.00	.00
2010	Public Works Equipment	109,250.00	.00	15,608.00	.00	.00	.00	.00	93,642.00	.00	.00	.00
2028	Technology Purchases	190,000.00	.00	27,143.00	.00	.00	.00	.00	162,857.00	.00	.00	.00
2029	Sidewalk Repairs	190,000.00	.00	27,143.00	.00	.00	.00	.00	162,857.00	.00	.00	.00
2030	Roadway Paving	237,500.00	.00	.00	.00	.00	.00	.00	237,500.00	.00	.00	.00
2036	Virginia Avenue Phase II	237,461.23	.00	.00	.00	.00	.00	.00	237,461.23	.00	180,230.69	57,230.54
2046	Public Works & Police Equipment	288,964.92	.00	.00	.00	.00	.00	.00	288,964.92	.00	.00	13,964.92
2052	Improvement to Public Property	156,750.00	.00	.00	.00	.00	.00	.00	156,750.00	.00	.00	500.00
2065	Bulkhead Repair - Third Ave.	285,000.00	.00	.00	.00	.00	.00	.00	285,000.00	.00	.00	.00
2071	Central Avenue Street Improvements	75,731.70	.00	.00	.00	.00	.00	.00	75,731.70	.00	75,731.70	233.57
2081	Police SUV	23,750.00	.00	.00	.00	.00	.00	.00	23,750.00	.00	23,516.43	.00
2082	Dump Trucks	204,250.00	.00	.00	.00	.00	.00	.00	204,250.00	.00	.00	.00
2083	OEM Siren	33,250.00	.00	.00	.00	.00	.00	.00	33,250.00	.00	29,090.00	4,160.00
2084/2104	Blakey Ave. Street Improvements	285,000.00	38,000.00	.00	.00	.00	160,000.00	.00	163,000.00	.00	163,000.00	.00
2096	Glimmer Glass Drainage	379,102.34	.00	.00	.00	.00	.00	.00	379,102.34	.00	.00	29,102.34
2105	Squan Plaza Improvements	.00	1,235,000.00	.00	.00	.00	.00	.00	1,235,000.00	.00	120,487.43	1,114,512.57
2112	Various Improvements of Borough Hall	.00	28,500.00	.00	.00	.00	.00	.00	28,500.00	.00	27,915.94	584.06
2113	Improvements to Little League Bldg.	.00	9,500.00	.00	.00	.00	.00	.00	9,500.00	.00	.00	9,500.00
2117	Purchase - Police SUV's	.00	64,125.00	.00	10,083.00	.00	.00	.00	54,042.00	.00	54,042.00	.00
2126	Roadway Paving	.00	204,250.00	.00	.00	.00	.00	.00	204,250.00	.00	204,250.00	.00
2128	Various Capital Improvements	.00	5,283,500.00	.00	.00	.00	.00	.00	5,283,500.00	.00	.00	5,283,500.00
		<u>\$5,582,170.69</u>	<u>6,862,875.00</u>	<u>465,254.15</u>	<u>143,083.00</u>	<u>230,517.83</u>	<u>160,000.00</u>	<u>.00</u>	<u>11,446,190.71</u>	<u>3,187,132.85</u>	<u>1,400,617.93</u>	<u>6,858,439.93</u>

Ref.

C-14
C-4

Improvement Authorizations - Unfunded
Less: Unexpended Proceeds of Bond Anticipation Notes

C-4

8,177,845.02
1,319,405.09
\$6,858,439.93

Borough of Manasquan, NJ
Capital Fund
Schedule of Capital Improvement Fund

C-12

	<u>Ref.</u>	<u>Total</u>
<u>Balance</u> - December 31, 2011	C	.00
<u>Increased by</u>		
Budget Appropriations	A-3	.00
From Water and Sewer Capital Improvement Fund	D-30	<u>83,125.00</u>
		<u>83,125.00</u>
		83,125.00
<u>Decreased by</u>		
Appropriation to Finance Authorizations	C-14	<u>83,125.00</u>
<u>Balance</u> - December 31, 2012	C	\$ <u>.00</u>

Schedule of Down Payments on Improvements

C-13

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	C	.00
<u>Increased by</u>		
Emergency Appropriation	A-3	<u>264,500.00</u>
		264,500.00
<u>Decreased by</u>		
Appropriation to Finance Authorizations	C-14	<u>264,500.00</u>
<u>Balance</u> - December 31, 2012	C	\$ <u>.00</u>

Borough of Manasquan, NJ
Capital Fund

Schedule of Improvement Authorizations - General Capital

C-14

Ordinance Number	Improvement Description	Date	Amount	2012 Authorizations				Paid or Charged	Cancelled	Balance December 31, 2012	
				Balance December 31, 2011		Down Payment or Capital Improvement Fund	Deferred To Future Taxation Unfunded			Funded	Unfunded
				Funded	Unfunded						
1649/1816	Funding of Affordable Housing	12/04/00	150,000.00	.00	22,030.50	.00	.00	.00	22,030.50	.00	.00
1839											
1724/1844	Acquisition of Borough Hall	06/26/97	2,800,000.00	.00	14,698.99	.00	.00	.00	14,698.99	.00	.00
1850											
1765/1901/ 1909	Underground Storage Tank Remediation	10/05/98	530,000.00	.00	113,940.22	.00	.00	.00	113,940.22	.00	.00
1837/1857	Street & Sidewalk Improve. - N. Main St.	12/04/00	265,000.00	.00	56,851.43	.00	.00	.00	56,851.43	.00	.00
1876	Reconstruction of Roads - Ocean Ave.	04/01/02	300,000.00	.00	41,593.17	.00	.00	.00	41,593.17	.00	.00
1879/1919											
1955	Stockton Lake Improvements	04/15/02	425,000.00	.00	150.00	.00	.00	.00	150.00	.00	.00
1881/2010	Renovate Coast Guard Building	06/03/02	300,000.00	.00	15,007.50	.00	.00	31.95	.00	.00	14,975.55
1905	Construction of Sidewalks - Third Ave.	03/03/03	135,000.00	.00	24,276.02	.00	.00	.00	24,276.02	.00	.00
1912	Improvement to Roads - Morris Ave.	05/19/03	275,000.00	.00	63,211.93	.00	.00	.00	63,211.93	.00	.00
1916/1929	Improvement to Railroad Station	11/03/03	350,000.00	.00	22,813.29	.00	.00	.00	22,813.29	.00	.00
1942	Purchase Sea Watch Property	02/07/05	6,200,000.00	.00	63,958.60	.00	.00	3,612.88	.00	.00	60,345.72
1949	Improvements to Parker Avenue	04/18/05	800,000.00	.00	220,341.63	.00	.00	.00	.00	.00	220,341.63
1952	Salt Dome & Snow Removal Equipment	06/15/05	100,000.00	.00	5,709.54	.00	.00	.00	.00	.00	5,709.54
1967	Refunding Bond Ordinance	11/21/05	100,000.00	.00	43,779.49	.00	.00	.00	.00	.00	43,779.49
1989	Railroad Station Canopy	11/20/06	150,000.00	.00	1,847.90	.00	.00	.00	1,847.90	.00	.00
2010	Public Works Equipment	08/06/07	115,000.00	.00	24,127.89	.00	.00	.00	.00	.00	24,127.89
2028	Technology Purchases	05/19/08	200,000.00	.00	91,731.09	.00	.00	32,384.21	.00	.00	59,346.88
2029	Sidewalk Repairs	05/19/08	200,000.00	.00	176,112.16	.00	.00	700.00	.00	.00	175,412.16
2030	Roadway Paving	05/19/08	250,000.00	.00	134,587.84	.00	.00	.00	.00	.00	134,587.84
2036	Virginia Avenue Phase II	08/04/08	450,000.00	.00	57,230.54	.00	.00	.00	.00	.00	57,230.54
2046	Public Works & Police Equipment	03/09/09	400,000.00	.00	21,308.11	.00	.00	.00	.00	.00	21,308.11
2052	Improvements to Public Property	05/18/09	165,000.00	.00	120,396.43	.00	.00	.00	.00	.00	120,396.43
2065	Bulkhead Repair - Third Ave.	03/08/10	340,000.00	.00	230,744.70	.00	.00	12,079.98	.00	.00	218,664.72
2081	Police SUV	05/16/11	25,000.00	.00	233.57	.00	.00	.00	.00	.00	233.57
2082	Dump Trucks	06/06/11	215,000.00	10,596.32	204,250.00	.00	.00	213,718.00	.00	.00	1,128.32
2083	OEM Siren	06/06/11	35,000.00	.00	10,120.00	.00	.00	5,960.00	.00	.00	4,160.00
2084/2104	Blakey Ave. Street Improvements	06/20/11	340,000.00	.00	272,940.23	2,000.00	.00	312,940.23	.00	.00	.00
2096	Glimmer Glass Drainage	10/17/11	425,000.00	17,721.04	403,750.00	.00	.00	11,424.79	.00	6,296.25	403,750.00
2105	Squan Plaza Improvements	03/19/12	1,300,000.00	.00	.00	65,000.00	1,235,000.00	185,487.43	.00	.00	1,114,512.57
2112	Various Improvements of Borough Hall	05/21/12	30,000.00	.00	.00	1,500.00	28,500.00	29,415.94	.00	.00	584.06
2113	Improvements to Little League Bldg.	05/21/12	10,000.00	.00	.00	500.00	9,500.00	.00	.00	500.00	9,500.00
2117	Purchase - Police SUV's	07/02/12	67,500.00	.00	.00	3,375.00	64,125.00	67,500.00	.00	.00	.00
2126	Roadway Paving	10/15/12	215,000.00	.00	.00	10,750.00	204,250.00	.00	.00	10,750.00	204,250.00
2128	Various Capital Improvements	12/27/12	5,548,000.00	.00	.00	264,500.00	5,283,500.00	.00	.00	264,500.00	5,283,500.00
				\$28,317.36	2,457,742.77	347,625.00	6,862,875.00	875,255.41	361,413.45	282,046.25	8,177,845.02

Borough of Manasquan, NJ

Capital Fund

Schedule of Bond Anticipation Notes

C-19

<u>Purpose</u>	<u>Ordinance Number</u>	<u>Original Date Issued</u>	<u>Date Issued</u>	<u>Due Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2012</u>
Renovate Coast Guard Building	1881	12/27/04	12/27/12	12/27/13	None	93,750.00	.00	31,250.00	62,500.00*
Office Equipment	1880	12/27/06	12/27/12	12/27/13	None	57,140.00	.00	14,287.15	42,852.85*
Purchase Sea Watch Property	1942	04/01/05	02/05/12	02/05/13	1.15%	500,000.00	.00	200,000.00	300,000.00
Glimmer Glass Drainage Improvement	1966	12/28/07	12/27/12	12/27/13	None	409,820.00	.00	81,965.00	327,855.00*
Purchase Dump Truck	1988	12/28/07	12/27/12	12/27/13	None	84,820.00	.00	16,965.00	67,855.00*
Bulkhead & Playground Equipment	2000	12/28/08	12/27/12	12/27/13	None	305,357.00	.00	50,893.00	254,464.00*
Public Works Equipment	2010	12/28/09	12/27/12	12/27/13	None	109,250.00	.00	15,608.00	93,642.00*
Technology Purchases	2028	12/28/09	12/27/12	12/27/13	None	190,000.00	.00	27,143.00	162,857.00*
Sidewalk & Repairs	2029	12/28/09	12/27/12	12/27/13	None	190,000.00	.00	27,143.00	162,857.00*
Roadway Paving	2030	12/28/10	12/27/12	12/27/13	None	237,500.00	.00	.00	237,500.00*
Public Works & Police Equipment	2046	12/28/10	12/27/12	12/27/13	None	275,000.00	.00	.00	275,000.00*
Purchase of Dump Truck	2082	12/28/11	12/27/12	12/27/13	None	204,250.00	.00	.00	204,250.00*
Glimmer Glass Drainage & Roadway Improvements	2096	12/28/11	12/27/12	12/27/13	None	350,000.00	.00	.00	350,000.00*
Improvement to Public Property	2052	12/27/12	12/27/12	12/27/13	None	.00	156,250.00	.00	156,250.00*
Bulkhead Repair - Third Ave.	2065	12/27/12	12/27/12	12/27/13	None	.00	285,000.00	.00	285,000.00*
Roadway Paving	2126	12/27/12	12/27/12	12/27/13	None	.00	204,250.00	.00	204,250.00*
						<u>\$3,006,887.00</u>	<u>645,500.00</u>	<u>465,254.15</u>	<u>3,187,132.85</u>
					<u>Ref.</u>	<u>C</u>	<u>C-6</u>		<u>C</u>
* Due to Current Fund					A-3	265,254.15	265,254.15	200,000.00	
					B-41				
								\$465,254.15	

C-20

Schedule of Bonds Issued

<u>Purpose</u>	<u>Date Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds O/S December 31, 2011</u>	<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2012</u>
Acquisition of Borough Hall	04/03/06	1,413,000.00	8/01/2013 132,000.00 8/01/2014 137,000.00 8/01/2015 140,000.00 8/01/2016 146,000.00	5.000% 5.000% 5.000% 5.000%	686,000.00	.00	131,000.00	555,000.00
(Issued by the Monmouth County Improvement Authority Pooled Government Loan Revenue Refunding Revenue Bond Program)								
					<u>\$686,000.00</u>	<u>.00</u>	<u>131,000.00</u>	<u>555,000.00</u>
					<u>C</u>	<u>C-22</u>	<u>A-3</u>	<u>C</u>

Borough of Manasquan, NJ

Capital Fund

Schedule of Loans Issued

C-21

Purpose	Date Issue	Original Issue	Maturities of Bonds O/S December 31, 2012	Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
Purchase Sea Watch Property	11/10/05	2,280,967.00	8/01/2013 113,891.07 8/01/2014 119,833.60 8/01/2015 116,176.66 8/01/2016 113,251.10 8/01/2017 119,467.91 8/01/2018 116,176.65 8/01/2019 121,822.06 8/01/2020 117,936.56 8/01/2021 113,822.50 8/01/2022 118,965.07 8/01/2023 114,565.31 8/01/2024 119,307.92 8/01/2025 114,508.35	.000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000%	1,636,815.65	.00	117,090.89	1,519,724.76
(Issued by New Jersey Environmental Infrastructure Trust - Trust Loan)								
Purchase Sea Watch Property	11/10/05	815,000.00	8/01/2013 35,000.00 8/01/2014 40,000.00 8/01/2015 40,000.00 8/01/2016 40,000.00 8/01/2017 45,000.00 8/01/2018 45,000.00 8/01/2019 50,000.00 8/01/2020 50,000.00 8/01/2021 50,000.00 8/01/2022 55,000.00 8/01/2023 55,000.00 8/01/2024 60,000.00 8/01/2025 60,000.00	5.000% 5.000% 4.000% 4.000% 4.000% 4.250% 4.250% 4.500% 4.375% 4.375% 4.375% 4.375% 4.375%	660,000.00	.00	35,000.00	625,000.00
(Issued by New Jersey Environmental Infrastructure Trust - Fund Loan)								
	Ref.				\$2,296,815.65 C	.00 C-20	152,090.89 C-20	2,144,724.76 C
	A-3	Paid by Budget Appropriation - Current Fund					125,000.00	
	B-41	Paid by Budget Appropriation - Municipal Open Space Trust Fund					27,090.89	
							\$152,090.89	

Borough of Manasquan, NJ

Capital Fund

Bonds and Notes Authorized But Not Issued

C-22

Purpose	Ordinance Number	Balance Dec. 31 2011	Authorized	Bond Anticipation Notes Issued	Federal & State Aid	Funded By Budget Appropriation	Cancelled	Assessments Confirmed	Balance Dec. 31 2012
Underground Storage Tank Remediation	1765/1901/1909	64,068.98	.00	.00	.00	.00	64,068.98	.00	.00
Street & Sidewalk Improvement - N. Main St.	1837/1857	18,393.25	.00	.00	.00	.00	18,393.25	.00	.00
Acquisition of Borough Hall	1844/1850	14,698.99	.00	.00	.00	.00	14,698.99	.00	.00
Reconstruction of Roads - Ocean Ave.	1876	41,593.17	.00	.00	.00	.00	41,593.17	.00	.00
Renovate Coast Guard Building	1881/2010	684,562.00	.00	.00	.00	.00	.00	.00	684,562.00
Construction of Sidewalks - Thirds Ave.	1905	24,276.02	.00	.00	.00	.00	24,276.02	.00	.00
Improvement to Roads - Morris Ave.	1912	63,211.93	.00	.00	.00	.00	63,211.93	.00	.00
Improvement to Railroad Station	1916/1929	4,275.49	.00	.00	.00	.00	4,275.49	.00	.00
Purchase Sea Watch Property	1942	68,381.10	.00	.00	.00	4,422.50	.00	.00	63,958.60
Improvements to Parker Avenue	1949	333,033.08	.00	.00	.00	112,691.45	.00	.00	220,341.63
Salt Dome & Snow Removal Equipment	1952	75,000.00	.00	.00	.00	15,886.05	.00	.00	59,113.95
Refunding Bond Ordinance	1967	43,779.49	.00	.00	.00	.00	.00	.00	43,779.49
Virginia Avenue Phase II	2036	237,461.23	.00	.00	.00	.00	.00	.00	237,461.23
Public Works & Police Equipment	2046	13,964.92	.00	.00	.00	.00	.00	.00	13,964.92
Improvement to Public Property	2052	156,750.00	.00	156,250.00	.00	.00	.00	.00	500.00
Bulkhead Repair - Third Ave.	2065	285,000.00	.00	285,000.00	.00	.00	.00	.00	.00
Central Ave. - Street Improvements	2071	75,731.70	.00	.00	.00	.00	.00	.00	75,731.70
Police SUV	2081	23,750.00	.00	.00	.00	.00	.00	.00	23,750.00
OEM Siren	2083	33,250.00	.00	.00	.00	.00	.00	.00	33,250.00
Blakey Ave. Street Improvements	2084/2104	285,000.00	38,000.00	.00	160,000.00	.00	.00	.00	163,000.00
Glimmer Glass Drainage	2096	29,102.34	.00	.00	.00	.00	.00	.00	29,102.34
Squan Plaza Improvements	2105	.00	1,235,000.00	.00	.00	.00	.00	.00	1,235,000.00
Various Improvements of Borough Hall	2112	.00	28,500.00	.00	.00	.00	.00	.00	28,500.00
Improvements to Little League Bldg.	2113	.00	9,500.00	.00	.00	.00	.00	.00	9,500.00
Purchase - Police SUV's	2117	.00	64,125.00	.00	.00	.00	.00	.00	54,042.00
Roadway Paving	2126	.00	204,250.00	204,250.00	.00	10,083.00	.00	.00	.00
Various Capital Improvements	2128	.00	5,283,500.00	.00	.00	.00	.00	.00	5,283,500.00
		<u>\$2,575,283.69</u>	<u>6,862,875.00</u>	<u>645,500.00</u>	<u>160,000.00</u>	<u>143,083.00</u>	<u>230,517.83</u>	<u>.00</u>	<u>8,259,057.86</u>

Footnote
C

Footnote
C

C-10

C-14

C-10

C-10

C-19

C:10-C-14

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Water and Sewer Utility Cash

D-8

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
<u>Balance</u> - December 31, 2011	D	<u>1,174,730.95</u>	<u>.00</u>
 <u>Increased by Receipts</u>			
Prepaid Rents	D	11,716.20	.00
Consumer Accounts Receivable	D-14	2,547,032.93	.00
Miscellaneous Revenue not Anticipated	D-4	17,877.63	.00
Contra - Miscellaneous	D-8	42,292.70	.00
Interfund Due to Water and Sewer Capital	D-31	<u>294,057.00</u>	<u>.00</u>
		<u>2,912,976.46</u>	<u>.00</u>
		 <u>4,087,707.41</u>	 <u>.00</u>
 <u>Decreased by Disbursements</u>			
2012 Appropriations	D-5	2,457,114.52	.00
2011 Appropriation Reserves and Reserve for Encumbrances	D-34	77,265.96	.00
Contra Miscellaneous	D-8	42,292.70	.00
Interfund Due to Water and Sewer Capital	D-31	269,578.85	.00
Accrued Interest Payable	D-36	27,035.17	.00
Interfund Due from Current Fund	D-44	<u>114,104.77</u>	<u>.00</u>
		<u>2,987,391.97</u>	<u>.00</u>
 <u>Balance</u> - December 31, 2012	 D	 <u><u>\$1,100,315.44</u></u>	 <u><u>.00</u></u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Analysis of Water and Sewer Capital Fund Cash

D-13

	Balance Dec. 31 2011	Receipts	Disburse- ments	To	From	Balance Dec. 31 2012
Fund Balance	164,433.51	.00	.00	9,446.36	.00	173,879.87
Capital Improvement Fund	328,250.00	.00	.00	65,000.00	89,625.00	303,625.00
Interfund With General Capital Fund	351,917.40	.00	.00	83,125.00	.00	435,042.40
Interfund With Water and Sewer Operating Fund	(605,358.68)	.00	.00	269,578.85	436,014.39	(771,794.22)
Improvement Authorizations:						
Construction of Water & Sewer Lines - Colby Ave. #1818	1,636.95	.00	.00	.00	1,636.95	.00
Water & Sewer Lines - Parker Ave. #1954	7,809.41	.00	.00	.00	7,809.41	.00
Water & Sewer Lines - Virginia Ave. #2009	(15,347.44)	.00	.00	15,347.44	.00	.00
Sewer Lines - Atlantic Ave. #2048	(184,829.84)	.00	.00	61,609.95	.00	(123,219.89)
Water Plant Improvements #2049/2055	30,792.16	.00	.00	294,057.00	117,234.26	207,614.90
Sewer Lines - Central Ave. #2065	(79,283.04)	.00	.00	.00	3,910.14	(83,193.18)
Blow-Off Hydrant - #2080	10,500.00	.00	.00	.00	.00	10,500.00
Sewer Lines - Blakey Ave. -#2085	(4,411.95)	.00	.00	.00	89,237.42	(93,649.37)
Sewer Lines - Glimmer Glass - #2097/2124	(6,108.48)	.00	.00	.00	59,197.03	(58,805.51)
Improvement of Water & Sewer Facilities #2129	.00	.00	.00	6,500.00	.00	.00
	<u>\$.00</u>	<u>.00</u>	<u>.00</u>	<u>804,664.60</u>	<u>804,664.60</u>	<u>.00</u>
<u>Ref.</u>	D	D-8	D-8			D

Schedule of Consumer Accounts Receivable

D-14

<u>Balance</u> - December 31, 2011	<u>Ref.</u> D	16,224.50
<u>Increased by</u>		
Water and Sewer Rents		2,583,274.08
		2,599,498.58
<u>Decreased by</u>		
Collections - 2012	D-4:D-8	2,547,032.93
Prepaid Rents Applied	D:D-1:D-4	5,946.30
Transfer to Water & Sewer Lines	D-16	<u>668.36</u>
		2,553,647.59
<u>Balance</u> - December 31, 2012	D	<u>\$ 45,850.99</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Statements of Other Accounts Receivable

D-15

	Balance Dec. 31 <u>2011</u>	Accrued in <u>2012</u>	<u>Collected</u>	Balance Dec. 31 <u>2012</u>
Turn Off and Turn On Charge	626.25	1,050.00	1,676.25	.00
Return Check Charge	60.00	100.00	160.00	.00
Meter Repairs and Parts	.00	250.00	250.00	.00
Construction Use	.00	200.00	200.00	.00
After Hours Charge	.00	750.00	750.00	.00
Permits and Taps	.00	7,450.00	7,450.00	.00
Meter Replacement	.00	.00	.00	.00
Labor Charge - Service Repair	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>\$686.25</u>	<u>9,800.00</u>	<u>10,486.25</u>	<u>.00</u>
<u>Ref.</u>	D		D-4	D

Schedule of Water & Sewer Utility Liens

D-16

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2011	D		759.34
<u>Increased by</u>			
Transfers from Accounts Receivable	D-14	668.36	
Penalties and Costs	D-16	<u>.00</u>	
			<u>668.36</u>
			1,427.70
<u>Decreased by</u>			
Collections	D-8		<u>.00</u>
<u>Balance</u> - December 31, 2012	D		<u>\$1,427.70</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Fixed Capital

D-28

<u>Water</u>	Balance Dec. 31 <u>2011</u>	<u>Ordinance</u>	Balance Dec. 31 <u>2012</u>
Plant - Prior to 1929	132,000.00	.00	132,000.00
Water Mains	144,776.83	.00	144,776.83
Work Shop Buildings	2,224.30	.00	2,224.30
Office Equipment	133.59	.00	133.59
Wells	6,515.03	.00	6,515.03
Electric Panel	4,740.00	.00	4,740.00
Water and Chlorination Equipment and Installation	8,597.62	.00	8,597.62
Pumping Equipment	5,746.02	.00	5,746.02
Elevated Standpipe	59,456.23	.00	59,456.23
Springs and Wells	22,264.50	.00	22,264.50
Pumping Station	39,459.41	.00	39,459.41
Distribution Mains and Accessories	27,338.83	.00	27,338.83
Emergency Diesel Generating Plant	11,236.00	.00	11,236.00
Engineer	4,326.65	.00	4,326.65
Legal Costs During Construction	1,656.65	.00	1,656.65
Interest	504.78	.00	504.78
Lime Feeding Machine	37,592.00	.00	37,592.00
Water Main on Taylor Avenue	93,331.05	.00	93,331.05
Water Meters	2,020.00	.00	2,020.00
Reconstruction Well #5	20,000.00	.00	20,000.00
Fire Hydrants	4,281.25	.00	4,281.25
Replacement of Well #1	98,493.86	.00	98,493.86
Rehabilitation of Water Tower	27,253.79	.00	27,253.79
Installation of Water and Sewer Lines	201,416.14	.00	201,416.14
Water Main	287,150.24	.00	287,150.24
Water Meters	250,000.00	.00	250,000.00
Water Distribution System Improvement	40,000.00	.00	40,000.00
Water Main on Pickell Avenue	20,000.00	.00	20,000.00
Water Distribution System Improvement	173,020.65	.00	173,020.65
Repair Water Tower	600,000.00	.00	600,000.00
Water and Fire Hydrants	330,734.43	.00	330,734.43
Rehabilitation of Water System	401,381.67	.00	401,381.67
Water Well Meters	68,249.96	.00	68,249.96
Water Mains - 2 nd Avenue	75,775.32	.00	75,775.32
Paint Water Tank	17,203.05	.00	17,203.05
Water Mains	660,525.05	.00	660,525.05
Water Well Meters	71,661.89	.00	71,661.89
Update Electrical Panel	.00	346,181.36	346,181.36
Water & Sewer Lines - Colby Ave.	.00	498,363.05	498,363.05
Water & Sewer Lines - Parker Ave.	.00	381,395.04	381,395.04
Water Main - Perrine Blvd.	.00	301,715.67	301,715.67
	<u>\$3,951,066.79</u>	<u>1,527,655.12</u>	<u>5,478,721.91</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Fixed Capital

D-28
(completed)

	Balance Dec. 31 2011	Ordinance
Sewer	139,338.30	.00
Sewer Plant	835.00	.00
Chlorination	231,863.36	.00
Sewer Main Extension	41,453.86	.00
Sewer Outfall Main	45,111.23	.00
Construction and Alteration to Sewerage Treatment Plant	44,823.50	.00
Installation of Two Pumping Station	8,504.05	.00
Sewer Maintenance Equipment	27,263.06	.00
Construction of Sewer Main	10,075.55	.00
Survey of Sewer System	31,402.50	.00
Sewer Cleaner	33,382.00	.00
Improvement of Sewer System	311,900.84	.00
Replacement of Sewer Lines	187,892.35	.00
Sewer Replacement - 3 rd Avenue	152,820.26	.00
Rehabilitation Sewer Lines - 2 nd Avenue	150,000.00	.00
Construction of Sewer Lines	1,416,665.86	.00
	<u>\$5,367,732.65</u>	<u>1,527,655.12</u>
	D	D-29
		<u>6,895,387.77</u>
		D

The fixed capital reported is taken from the Municipal records and does not necessarily reflect the true condition and amount of such fixed capital.

Water and Sewer Utility Fund
Schedule of Fixed Capital Authorized and Uncompleted

D-29

Ordinance Number	Improvement Description	Date	Amount	2012 Authorizations			Costs to Fixed Capital	Authorizations Cancelled	Balance Dec. 31 2012
				Balance Dec. 31 2011	Deferred Reserve for Amortization	Charges to Future Revenue			
1778/1817	Update Electrical Panel	03/06/00	500,000.00	500,000.00	.00	.00	.00	500,000.00	.00
1818	Construction of Water & Sewer Line - Colby Ave.	03/20/00	500,000.00	500,000.00	.00	.00	.00	500,000.00	.00
1871	Sewer Replacement - Marcellus Ave.	03/18/02	175,000.00	175,000.00	.00	.00	.00	.00	175,000.00
1885	Sewer Replacement - Ocean Ave.	06/03/02	250,000.00	250,000.00	.00	.00	.00	.00	250,000.00
1912	Sewer Lines - Morris Ave.	05/19/03	200,000.00	200,000.00	.00	.00	.00	.00	200,000.00
1954	Water & Sewer Lines - Parker Ave.	06/20/05	400,000.00	400,000.00	.00	.00	.00	.00	.00
1971	Water Main - Perrine Blvd.	03/20/06	325,000.00	325,000.00	.00	.00	.00	400,000.00	.00
2009	Water & Sewer Lines - Virginia Ave.	07/23/07	250,000.00	250,000.00	.00	.00	.00	325,000.00	.00
2048	Sewer Lines - Atlantic Ave.	03/23/09	250,000.00	250,000.00	.00	.00	.00	.00	250,000.00
2049/2055	Water Plant Improvements	03/23/09	6,700,000.00	6,700,000.00	.00	.00	.00	.00	250,000.00
2064	Sewer Lines - Central Ave.	03/08/10	260,000.00	260,000.00	.00	.00	.00	.00	6,700,000.00
2080	Blow-Off Hydrant	05/16/11	10,500.00	10,500.00	.00	.00	.00	.00	260,000.00
2085	Sewer Lines - Blakey Ave.	06/20/11	106,000.00	106,000.00	.00	.00	.00	.00	10,500.00
2097/2124	Sewer Lines - Glimmer Glass	10/17/11	225,000.00	125,000.00	6,500.00	123,500.00	.00	.00	106,000.00
2129	Improvement of Water & Sewer Facilities	12/27/12	528,000.00	.00	.00	528,000.00	.00	.00	255,000.00
			<u>\$10,051,500.00</u>	<u>6,500.00</u>	<u>6,500.00</u>	<u>651,500.00</u>	<u>.00</u>	<u>1,725,000.00</u>	<u>528,000.00</u>
			D	D-43	D-43	D-43	D-28	D-43	D

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Interfund With General Capital Fund

Water and Sewer Capital Fund

D-30

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011		
(Due to General Capital Fund)	D	351,917.40

Increased by

Appropriation to Finance Improvement			
Authorizations of General Capital Fund	D-45:D-46	83,125.00	
Improvement Authorizations	D-43	<u>.00</u>	
			<u>83,125.00</u>
			435,042.40

Decreased by

Interfund Due to Water and Sewer Operating Fund	D-31	<u>.00</u>
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<u>Balance</u> - December 31, 2012		
(Due to General Capital Fund)	D	<u>\$435,042.40</u>

Schedule of Interfund With Water and Sewer Operating Fund

Water and Sewer Capital Fund

D-31

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011		
(Due from Water and Sewer Operating Fund)	D	605,358.68

Increased by

N.J.E.I.T. - Loans Proceeds	D-8	294,057.00	
Budget Appropriations	D-5	<u>141,957.39</u>	
			<u>436,014.39</u>
			1,041,373.07

Decreased by

Improvement Authorizations	D-43	<u>269,578.85</u>
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<u>Balance</u> - December 31, 2012		
(Due from Water and Sewer Operating Fund)	D	<u>\$ 771,794.22</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of 2011 Appropriation Reserves and
Reserve for Encumbrances

D-34

		Balance Dec. 31 2011	Balance After Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages		8,808.34	8,808.34	2,700.00	6,108.34
Other Expenses		112,388.36	112,388.36	74,565.96	37,822.40
SMRSA - Contractual		8,503.70	8,503.70	.00	8,503.70
Capital Improvements		4,393.13	4,393.13	.00	4,393.13
Social Security System		629.25	629.25	.00	629.25
		<u>\$134,722.78</u>	<u>134,722.78</u>	<u>77,265.96</u>	<u>57,456.82</u>
	<u>Ref.</u>			D-8	D-1
Appropriation Reserves	A	48,022.21			
Reserves for Encumbrances	A	<u>86,700.57</u>			
		<u>\$134,722.78</u>			

Schedule of Interest on Bonds and Notes and Loans

Analysis of Balance - December 31, 2012

D-36

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	D	27,035.17
<u>Increased by</u>		
Accrued Interest - Budget Appropriations	D-5	<u>25,703.15</u> 52,738.32
<u>Decreased by</u>		
Cash Disbursed	D-8	<u>27,035.17</u>
<u>Balance</u> - December 31, 2012	D	<u>\$25,703.15</u>

Analysis of Accrued Interest - December 31, 2012

Principal Outstanding December 31, 2012	Interest Rate	From	To	Period	Amount
Bond Anticipation Notes					
\$40,250.00	.70%	12-21-12	12-31-12	11 Days	8.49
\$35,750.00	.70%	12-21-12	12-31-12	11 Days	7.54
\$47,500.00	.70%	12-21-12	12-31-12	11 Days	<u>10.02</u>
					26.05
N.J. Environmental Infrastructure Trust - Fund Loan					
\$1,455,000.00	5.00%	08/01/12	12/31/12	153 Days	<u>25,677.10</u>
					<u>\$25,703.15</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Improvement Authorizations

D-43

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2011		2012 Authorizations			Paid or Charged	Balance December 31, 2012	
		Date	Amount	Funded	Unfunded	Down Payment or Capital Improvement Fund	Deferred Charges To Future Revenue	Authorization Cancelled		Funded	Unfunded
1778/1817	Update Electrical Panel	03/06/00	500,000.00	.00	153,818.64	.00	.00	153,818.64	.00	.00	.00
1818	Construction of Water & Sewer Line - Colby Ave.	03/20/00	500,000.00	.00	1,636.95	.00	.00	1,636.95	.00	.00	.00
1885	Sewer Replacement - Ocean Ave.	06/03/02	250,000.00	.00	52,851.84	.00	.00	.00	.00	.00	52,851.84
1954	Water & Sewer Lines - Parker Ave.	06/20/05	400,000.00	.00	18,604.96	.00	.00	18,604.96	.00	.00	.00
1971	Water Main - Perrine Blvd.	03/20/06	325,000.00	.00	23,284.33	.00	.00	23,284.33	.00	.00	.00
2009	Water & Sewer Lines - Virginia Ave.	07/23/07	250,000.00	.00	13,568.26	.00	.00	.00	.00	.00	13,568.26
2048	Sewer Lines - Atlantic Ave.	03/23/09	250,000.00	.00	52,670.16	.00	.00	.00	.00	.00	52,670.16
2049/2055	Water Plant Improvements	03/23/09	6,700,000.00	.00	2,246,181.16	.00	.00	.00	117,234.26	.00	2,128,946.90
2064	Sewer Lines - Central Ave.	03/08/10	260,000.00	.00	167,716.96	.00	.00	.00	3,910.24	.00	163,806.82
2080	Blow-Off Hydrant	05/16/11	10,500.00	10,500.00	.00	.00	.00	.00	.00	10,500.00	.00
2085	Sewer Lines - Blakey Ave.	06/20/11	106,000.00	.00	95,588.05	.00	.00	.00	89,237.42	.00	6,350.63
2097/2124	Sewer Lines - Glimmer Glass	10/17/11	255,000.00	.00	112,641.52	.00	.00	123,500.00	59,197.03	.00	183,444.49
2129	Improvement of Water & Sewer Facilities	12/27/12	528,000.00	.00	.00	.00	.00	528,000.00	.00	.00	528,000.00
				\$10,500.00	2,938,562.83	6,500.00	651,500.00	197,344.88	269,578.95	10,500.00	3,129,639.10

Ref.

D D D-29 D-29 D-30:D-31 D D

Schedule of Interfund Due with Current Fund

Water and Sewer Operating Fund

D-44

Ref.

Balance - December 31, 2011
(Due to Current Fund)

D .00

Increased by

Cash Received

D-8 .00

Decreased by

Cash Disbursed

D-8 .00

Balance - December 31, 2012
(Due to Current Fund)

D \$.00

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Capital Improvement Fund

D-45

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	D	328,250.00
<u>Increased by</u>		
Budget Appropriation	D-5	<u>65,000.00</u>
		393,250.00
<u>Decreased by</u>		
Appropriation to Finance Improvement Authorizations	D-50	6,500.00
Appropriation to Finance Improvement Authorizations - General Capital	D-30	<u>83,125.00</u>
		<u>89,625.00</u>
<u>Balance</u> - December 31, 2012	D	<u>\$303,625.00</u>

Schedule of Down Payments on Improvements

D-46

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011		.00
<u>Increased by</u>		
Emergency Appropriation	D-5	<u>.00</u>
		.00
<u>Decreased by</u>		
Appropriation to Finance Improvement Authorizations	D-50	<u>.00</u>
<u>Balance</u> - December 31, 2012		<u>\$.00</u>

Schedule of Reserve for Amortization

D-49

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011	D	5,367,732.65
<u>Increased by</u>		
Transfer from Deferred Reserve for Amortization	D-50	<u>1,527,655.12</u>
<u>Balance</u> - December 31, 2012	D	<u>\$6,895,387.77</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Deferred Reserve for Amortization

D-50

Ordinance Number	Improvement Description	Paid From Operating Budget						
		Date	Amount	Balance Dec. 31 2011	Improvement Authorizations	Cost of Improvements Authorized	Bonds and Notes	State Aid
								Authorizations Cancelled
								Balance Dec. 31 2012
1778/1817	Update Electrical Panel	03/06/00	500,000.00	346,181.36	.00	.00	.00	.00
1818	Construction of Water & Sewer Line - Colby Ave.	03/20/00	500,000.00	500,000.00	.00	.00	.00	.00
1871	Sewer Replacement - Marcellus Ave.	03/18/02	175,000.00	113,750.00	.00	.00	21,000.00	.00
1885	Sewer Replacement - Ocean Ave.	06/03/02	250,000.00	143,398.16	.00	.00	18,000.00	.00
1912	Sewer Lines - Morris Ave.	05/19/03	200,000.00	128,750.00	.00	.00	23,750.00	.00
1954	Water & Sewer Lines - Parker Ave.	06/20/05	400,000.00	389,204.45	.00	.00	.00	.00
1971	Water Main - Perrine Blvd.	03/20/06	325,000.00	301,715.67	.00	.00	.00	.00
2009	Water & Sewer Lines - Virginia Ave.	07/23/07	250,000.00	221,084.30	.00	15,347.44	.00	.00
2048	Sewer Lines - Atlantic Ave.	03/23/09	250,000.00	12,500.00	.00	61,609.95	.00	.00
2049/2055	Water Plant Improvements	03/23/09	6,700,000.00	302,855.26	.00	.00	302,855.26	.00
2064	Sewer Lines - Central Ave.	03/08/10	260,000.00	13,000.00	.00	.00	.00	.00
2080	Blow-Off Hydrant	05/16/11	10,500.00	10,500.00	.00	.00	.00	.00
2085	Sewer Lines - Blakey Ave.	06/20/11	106,000.00	6,000.00	.00	.00	.00	.00
2097/2124	Sewer Lines - Glimmer Glass	10/17/11	255,000.00	6,250.00	6,500.00	.00	.00	.00
2129	Improvement of Water & Sewer Facilities	12/27/12	528,000.00	.00	.00	.00	.00	.00
			\$2,495,189.20		6,500.00	76,957.39	365,605.26	
								1,537,101.48
								1,407,150.37

Ref.

D

D-43

D-5

D-5

D-D-31

D-3

D

Schedule of Water and Sewer Capital Bond Anticipation Notes

D-53

Purpose	Ordinance Number	Original Date Issued	Date Issued	Due Date	Interest Rate	Balance	
						Dec. 31 2011	Dec. 31 2012
						Increased	Decreased
Sewer Replacement - Marcellus Ave.	1871	11/23/04	12/21/12	12/20/13	.70%	61,250.00	21,000.00
Sewer Replacement - Ocean Ave.	1885	11/23/04	12/21/12	12/20/13	.70%	53,750.00	18,000.00
Sewer Lines - Morris Ave.	1912	11/23/04	12/21/12	12/20/13	.70%	71,250.00	23,750.00
						\$186,250.00	62,750.00
							123,500.00

D

Ref.

D

D-31

D-5

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of Loans Issued

D-54

Purpose	Date Issue	Original Issue	Maturities of Bonds O/S December 31, 2012	Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
Water Plant Improvements	03/10/10	1,565,000.00	8/01/2013 60,000.00 8/01/2014 60,000.00 8/01/2015 65,000.00 8/01/2016 70,000.00 8/01/2017 70,000.00 8/01/2018 75,000.00 8/01/2019 80,000.00 8/01/2020 80,000.00 8/01/2021 85,000.00 8/01/2022 90,000.00 8/01/2023 90,000.00 8/01/2024 95,000.00 8/01/2025 100,000.00 8/01/2026 105,000.00 8/01/2027 105,000.00 8/01/2028 110,000.00 8/01/2029 115,000.00	5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 4.000% 4.000% 3.000% 4.000% 4.000% 4.000% 4.000% 3.500% 4.000% 4.000%	1,510,000.00	.00	55,000.00	1,455,000.00
(Issued by New Jersey Environmental Infrastructure Trust - Trust Loan)								
Water Plant Improvements	03/10/10	4,709,250.00	8/01/2013 247,855.26 8/01/2014 247,855.26 8/01/2015 247,855.26 8/01/2016 247,855.26 8/01/2017 247,855.26 8/01/2018 247,855.26 8/01/2019 247,855.26 8/01/2020 247,855.26 8/01/2021 247,855.26 8/01/2022 247,855.26 8/01/2023 247,855.26 8/01/2024 247,855.26 8/01/2025 247,855.26 8/01/2026 247,855.26 8/01/2027 247,855.26 8/01/2028 247,855.26 8/01/2029 247,855.32	.000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000% .000%	4,461,394.74	.00	247,855.26	4,213,539.48
(Issued by New Jersey Environmental Infrastructure Trust - Fund Loan)								
					\$5,971,394.74	.00	302,855.26	5,668,539.48
Ref.					D	D-31	D-5	D

Borough of Manasquan, NJ
Water and Sewer Utility Capital Fund
Schedule of Bonds and Notes Authorized But Not Issued

D-56

Ordinance Number	Improvement Description	Balance December 31, 2011	Authorizations	Paid From			State Aid	Balance December 31, 2012
				Loans Issued	Operating Budget Cost of Improvements Authorized	Authorizations Cancelled		
1778/1817	Update Electrical Panel	153,818.64	.00	.00	.00	153,818.64	.00	.00
1885	Sewer Replacement - Ocean Ave.	52,851.84	.00	.00	.00	.00	.00	52,851.84
1954	Water & Sewer Lines - Parker Ave.	10,795.55	.00	.00	.00	10,795.55	.00	.00
1971	Water Main - Perrine Blvd.	23,284.33	.00	.00	.00	23,284.33	.00	.00
2009	Water & Sewer Lines - Virginia Ave.	28,915.70	.00	.00	15,347.44	.00	.00	13,568.26
2048	Sewer Lines - Atlantic Ave.	237,500.00	.00	.00	61,609.95	.00	.00	175,890.05
2049/2055	Water Plant Improvements	425,750.00	.00	.00	.00	.00	.00	425,750.00
2064	Sewer Lines - Central Ave.	247,000.00	.00	.00	.00	.00	.00	247,000.00
2085	Sewer Lines - Blakey Ave.	100,000.00	.00	.00	.00	.00	.00	100,000.00
2097/2124	Sewer Lines - Glimmer Glass	118,750.00	123,500.00	.00	.00	.00	.00	242,250.00
2129	Improvement of Water & Sewer Facilities	.00	528,000.00	.00	.00	.00	.00	528,000.00
		<u>\$1,398,666.06</u>	<u>651,500.00</u>	<u>.00</u>	<u>76,957.39</u>	<u>187,898.52</u>	<u>.00</u>	<u>1,785,310.15</u>
Ref.	Footnote D		D-43	D-54	D-50	D-3:D-43	D-31	Footnote D

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Beach Utility Cash

E-8

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
<u>Balance</u> - December 31, 2011	E	<u>889,515.41</u>	<u>.00</u>
<u>Increased by</u>			
Beach Revenues	E-4	1,558,671.50	.00
Miscellaneous Revenue not Anticipated	E-4	2,747.00	.00
Change Fund	E-8	15,600.00	.00
Contra Items	E-8	9,664.27	.00
Interest on Investments	E-4	1,673.71	.00
Prepaid Beach Revenue	E	182,825.00	.00
Interfund Due to Current Fund	E-44	<u>9,628.90</u>	<u>.00</u>
		<u>1,780,810.38</u>	<u>.00</u>
		<u>2,670,325.79</u>	<u>.00</u>
<u>Decreased by</u>			
2012 Appropriations	E-5	1,482,728.26	.00
2011 Appropriation Reserves and Reserve for Encumbrances	E-34	36,151.09	.00
Change Fund	E-8	15,600.00	.00
Contra Items	E-8	9,664.27	.00
Interfund Due from Beach Capital Fund	E-31	162,602.82	.00
Interfund Due to Current Fund	E-44	.00	.00
Interfund Due from Payroll Agency	E	21,730.00	.00
Prior Year Revenue Returned	E-1	<u>280.00</u>	<u>.00</u>
		<u>1,728,756.44</u>	<u>.00</u>
<u>Balance</u> - December 31, 2012	E	<u>\$ 941,569.35</u>	<u>.00</u>

Borough of Manasquan, NJ
Beach Utility Fund
Analysis of Beach Capital Fund Cash

E-13

	Balance Dec. 31 2011	Receipts	Disburse- ments	To	From	Balance Dec. 31 2012
Capital Improvement Fund	8,750.00	.00	.00	.00	.00	8,750.00
Down Payments on Improvements	.00	.00	.00	.00	.00	.00
Interfund with Current Fund	.00	.00	.00	.00	.00	.00
Interfund with Beach Operating Fund	(123,401.79)	.00	.00	162,602.82	385,000.00	(345,798.97)
Capital Surplus - Fund Balance	9,466.82	.00	.00	.00	.00	9,466.82
Improvement Authorizations:						
Comfort Station - Ordn. #1910	6,671.89	.00	.00	.00	.00	6,671.89
Beach Office - Ordn. #2095	98,513.08	.00	.00	385,000.00	162,602.82	320,910.26
Emergency Reconstruction & Improvement of Beach Facilities - Ordn. #2127	.00	.00	.00	.00	.00	.00
	<u>\$.00</u>	<u>.00</u>	<u>.00</u>	<u>547,602.82</u>	<u>547,602.82</u>	<u>.00</u>

Ref.

E

E

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Fixed Capital

E-28

	Balance Dec. 31 2011	Additions	Balance Dec. 31 2012
Beachfront and Parking Lot Facilities and Equipment	12,501.00	.00	12,501.00
Improve Beachfront Facilities - 1973	57,747.88	.00	57,747.88
Improve Beachfront - 1974	28,970.00	.00	28,970.00
Lighting and Telephone Facilities - 1974	10,680.46	.00	10,680.46
Beach Cleaning Vehicle - 1974	13,366.25	.00	13,366.25
Equipment - 1975	7,248.75	.00	7,248.75
Truck - 1977	5,951.00	.00	5,951.00
Beachfront Ambulance - 1978	2,724.00	.00	2,724.00
Truck - 1977	6,723.00	.00	6,723.00
Construction and Replacement - 1978	85,892.51	.00	85,892.51
Installation of Fence - 1980	12,157.90	.00	12,157.90
Reconstruction of Riddle Way Groin - 1998	47,685.45	.00	47,685.45
Construction of Comfort Station, Badge Booth, Locker Room, First Aid Station and Related Site Improvements - 1985	125,000.00	.00	125,000.00
Property - 1985	40,000.00	.00	40,000.00
Gasoline Powered Tract Vehicle - 1985	23,477.50	.00	23,477.50
Resurfacing Tennis Courts - 1985	425.00	.00	425.00
Various Beach Improvements - 2000	44,999.85	.00	44,999.85
Reconstruction of Equipment Storage Bldg. Floor - 2001	35,000.00	.00	35,000.00
Reconstruction of Beach Access Roadway - 1984	95,034.03	.00	95,034.03
Construction of Ticket Office, Life Guard Area, Equipment Storage Area and Restroom Facilities - 1985	40,367.35	.00	40,367.35
Purchase of Tractor - 1985	98,486.04	.00	98,486.04
Purchase of Fences and Improvements - 1986	16,268.21	.00	16,268.21
Purchase of Tractor - 1987	54,362.47	.00	54,362.47
Beach Replenishment - 1999	322,026.59	.00	322,026.59
Rehabilitation Comfort Station - 2001	75,597.39	.00	75,597.39
Beach Rake - 2001	43,301.08	.00	43,301.08
Tractor - 2007	51,889.13	.00	51,889.13
	<u>\$1,357,882.84</u>	<u>.00</u>	<u>1,357,882.84</u>

The fixed capital reported from the Municipal records does not necessarily reflect the true condition and amounts of such fixed capital.

Ref.

E-29

E

Schedule of Fixed Capital Authorized and Uncompleted

E-29

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31 2011	Deferred Reserve for Amortization	Deferred Charges to Future Revenue	Costs to Fixed Capital	Authorizations Cancelled	Balance Dec. 31 2012
1910	Construction of Inlet Comfort Station	04/21/03	500,000.00	500,000.00	.00	.00	.00	.00	500,000.00
2001/2013	Comfort Station & Beach Rake	04/02/07	325,000.00	325,000.00	.00	.00	.00	.00	325,000.00
2095	Improvements Main Beach Office	09/26/11	1,600,000.00	1,600,000.00	.00	.00	.00	.00	1,600,000.00
2127	Emergency Reconstruction & Improvement of Beach Facilities	12/27/12	7,400,000.00	.00	.00	7,400,000.00	.00	.00	7,400,000.00
				<u>\$2,425,000.00</u>	<u>.00</u>	<u>7,400,000.00</u>	<u>.00</u>	<u>.00</u>	<u>9,825,000.00</u>
				<u>E</u>	<u>E-43</u>	<u>E-43</u>	<u>E-28</u>	<u>E-43</u>	<u>E</u>

Ref.

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Interfund Due to Current Fund - Beach Capital Fund

E-30

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011		
(Due from Current Fund)	E	.00
<u>Decreased by</u>		
Interfund Due to Beach Operating Fund	E-31	.00
<u>Balance</u> - December 31, 2012		
(Due from Current Fund)	E	\$ <u>.00</u>

Schedule of Interfund with Beach Operating Fund

Beach Capital Fund

E-31

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2011		
(Due from Beach Operating Fund)	E	123,401.79
<u>Increased by</u>		
Budget Appropriations	E-5	385,000.00
		508,401.79
<u>Decreased by</u>		
Improvement Authorizations	E-8	162,602.82
<u>Balance</u> - December 31, 2012		
(Due from Beach Operating Fund)	E	\$ <u>345,798.97</u>

Schedule of 2011 Appropriation Reserves

and Reserve for Encumbrances

E-34

	<u>Dec. 31</u>	<u>After</u>	<u>Cash</u>	<u>Balance</u>	<u>Over -</u>
	<u>2011</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Lapsed</u>	<u>Expended</u>
Salaries and Wages	712.71	712.71	442.32	270.39	.00
Other Expenses	54,851.25	54,851.25	35,708.77	19,142.48	.00
Social Security System	1,373.57	1,373.57	.00	1,373.57	.00
	<u>\$56,937.53</u>	<u>56,937.53</u>	<u>36,151.09</u>	<u>20,786.44</u>	<u>.00</u>
	<u>Ref.</u>		E-8	E-1	
Appropriation Reserves	E	14,545.70			
Reserve for Encumbrances	E	<u>42,391.83</u>			
		<u>\$56,937.53</u>			

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Improvement Authorizations

E-43

Number	Improvement Description	Date	2012 Authorizations									
			Amount		Balance		Down Payment		or Capital		Charges to	
			Funded	Unfunded	Funded	Unfunded	Fund	Improvement	Future	Revenue	Cancelled	Paid or
												Charged
1910	Construction of Inlet Comfort Station	04/21/03	500,000.00	23,671.89	.00	23,671.89	.00	.00	.00	.00	.00	.00
2001/2013	Comfort Station & Beach Rake	04/02/07	325,000.00	22,113.94	.00	22,113.94	.00	.00	.00	.00	.00	.00
2095	Improvements Main Beach Office	09/26/11	1,600,000.00	1,500,000.00	.00		.00	.00	.00	.00	162,602.82	
2127	Emergency Reconstruction & Improvement of Beach Facilities	12/27/12	7,400,000.00	.00	.00		.00	7,400,000.00	.00	.00	.00	
			<u>\$ 98,513.08</u>	<u>1,545,785.83</u>	<u>.00</u>		<u>.00</u>	<u>7,400,000.00</u>	<u>.00</u>	<u>162,602.82</u>		
Ref.			E	E	E-29:E-50	E-29:E-56	E-29	E-31	E	E		

Schedule of Interfund With Current Fund

Beach Operating Fund

E-44

<u>Balance - December 31, 2011</u> (Due from Current Fund)	Ref.	E	250,000.00
<u>Increased by</u> Prior Year Budget Reimbursements	E-4		355.00
			<u>250,355.00</u>
<u>Decreased by</u> Cash Disbursed Surplus (General Budget)	E-8 E-5	9,628.90 <u>50,000.00</u>	<u>59,628.90</u>
<u>Balance - December 31, 2012</u> (Due from Current Fund)	E		<u>\$190,726.10</u>
<u>Balance - December 31, 2011</u>	Ref.	E	8,750.00
<u>Increased by</u> Budget Contribution	E-5		.00
			<u>8,750.00</u>
<u>Decreased by</u> Appropriation to Finance Improvement Authorizations	E-50		.00
<u>Balance - December 31, 2012</u>	E		<u>\$ 8,750.00</u>

Schedule of Capital Improvement Fund

E-45

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Down Payments on Improvements

E-46

<u>Balance - December 31, 2011</u>	<u>Ref.</u>	
	E	.00

<u>Increased by</u> Emergency Appropriations	E-5	.00 .00
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<u>Decreased by</u> Appropriation to Finance Improvement Authorizations	E-50	.00
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<u>Balance - December 31, 2012</u>	E	\$.00 E-49
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Schedule of Reserve for Amortization

<u>Balance - December 31, 2011</u>	<u>Ref.</u>	1,357,882.84 E
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<u>Increased by</u> Transfer from Deferred Reserve for Amortization	E-50	.00
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<u>Balance - December 31, 2012</u>	E	\$1,357,882.84 E-50
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Schedule of Deferred Reserve for Amortizations

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31 2011	Authorizations 2012	Paid from			Balance Dec. 31 2012
						Operating Budget	Cost of Improvements Authorized	To Reserve For Amortization Fixed Capital	
1910	Construction of Inlet Comfort Station	04/21/03	500,000.00	483,000.00	.00	.00	.00	.00	483,000.00
2001/2013	Comfort Station & Beach Rake	04/02/07	325,000.00	302,886.06	.00	.00	.00	.00	302,886.06
2095	Improvements Main Beach Office	09/26/11	1,600,000.00	100,000.00	.00	385,000.00	.00	.00	485,000.00
2127	Emergency Reconstruction & Improvement of Beach Facilities	12/27/12	7,400,000.00	.00	.00	.00	.00	.00	.00
				\$885,886.06	.00	385,000.00	.00	.00	1,270,886.06
				E	E-43	E-5	E-49	E-45	E
									E-56

Schedule of Bonds and Notes Authorizations But Not Issued

Ordinance Number	Improvement Description	Balance Dec. 31 2011	Authorizations 2012	Paid from		Balance Dec. 31 2012
				Operating Budget	Cost of Improvements Authorized	
1910	Construction of Inlet Comfort Station	17,000.00	.00	.00	.00	17,000.00
2001/2013	Comfort Station & Beach Rake	22,113.94	.00	.00	.00	22,113.94
2095	Improvements Main Beach Office	1,500,000.00	.00	385,000.00	.00	1,115,000.00
2127	Emergency Reconstruction & Improvement of Beach Facilities	.00	7,400,000.00	.00	.00	7,400,000.00
		\$1,539,113.94	7,400,000.00	385,000.00	.00	8,554,113.94
		Footnote E	E-43	E-6;E-50	E-43	Footnote E
						E

COMPARATIVE DATA

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2012

COMPARATIVE STATEMENT OF OPERATIONS AND FUND BALANCES- CURRENT FUND

	<u>Year 2012</u>		<u>Year 2011</u>	
<u>Revenue (Cash Basis)</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Fund Balance Utilized	1,000,000.00	3.35	1,110,004.00	3.78
Miscellaneous - From other than				
Local Property Tax Levies	2,609,813.44	8.73	2,440,905.78	8.31
Collection of Delinquent Taxes and Tax Title Liens	297,759.27	1.00	266,277.51	.91
Collection of Current Tax Levy	<u>25,969,762.51</u>	<u>86.92</u>	<u>25,539,770.05</u>	<u>87.00</u>
<u>Total Funds</u>	<u>\$29,877,335.22</u>	<u>100.00</u>	<u>29,356,957.34</u>	<u>100.00</u>
<u>Expenditures (Accrual Basis)</u>				
Budget Expenditures				
Municipal Purposes	12,644,411.02	38.02	7,972,817.98	27.97
County Taxes	6,076,116.98	18.27	6,249,621.46	21.92
Special District Taxes	713,621.00	2.15	692,628.00	2.43
Local District School Taxes	13,719,834.00	41.26	13,237,482.00	46.44
Municipal Open Space	80,592.85	.24	80,545.77	.28
Other Expenditures	<u>20,366.91</u>	<u>.06</u>	<u>274,001.74</u>	<u>.96</u>
<u>Total Expenditures</u>	<u>33,254,942.76</u>	<u>100.00</u>	<u>28,507,096.95</u>	<u>100.00</u>
Less: Expenditures to be				
Raised by Future Taxes	<u>4,469,222.84</u>		<u>.00</u>	
<u>Total Adjusted Expenditures</u>	<u>28,785,719.92</u>		<u>28,507,096.95</u>	
<u>Excess in Revenue</u>	1,091,615.30		849,860.39	
<u>Fund Balance - January 1</u>	<u>1,541,026.74</u>		<u>1,801,170.35</u>	
	2,632,642.04		2,651,030.74	
<u>Less: Utilized as Anticipated Revenue</u>	<u>1,000,000.00</u>		<u>1,110,004.00</u>	
<u>Fund Balance - December 31</u>	<u>\$ 1,632,642.04</u>		<u>1,541,026.74</u>	

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

	<u>Year 2012</u>		<u>Year 2011</u>	
<u>Revenue (Cash Basis)</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Fund Balance Utilized	267,948.22	9.25	234,330.94	7.89
Collection of Rents	2,552,979.23	88.15	2,641,677.62	88.99
Miscellaneous - From other than				
Water and Sewer Rents	<u>75,334.45</u>	<u>2.60</u>	<u>92,574.97</u>	<u>3.12</u>
<u>Total Funds</u>	<u>\$2,896,261.90</u>	<u>100.00</u>	<u>2,968,583.53</u>	<u>100.00</u>

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2012

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - WATER AND SEWER OPERATING FUND - (continued)

	Year 2012		Year 2011	
	Amount	%	Amount	%
<u>Revenue (Cash Basis)</u>				
<u>Expenditures (Accrual Basis)</u>				
Budget Expenditures				
Operating	1,983,236.69	70.39	1,854,298.34	67.72
Capital Purposes	113,000.00	4.01	106,500.00	3.89
Debt Service	499,836.26	17.74	573,800.50	20.96
Deferred Charges and Statutory Expenditures	221,364.50	7.86	203,439.68	7.43
Other Expenditures	.00	.00	.00	.00
<u>Total Expenditures</u>	2,817,437.45	<u>100.00</u>	2,738,038.52	<u>100.00</u>
Less: Expenditures to be Raised by Future Taxes	.00		.00	
<u>Total Adjusted Expenditures</u>	2,817,437.45		2,738,038.52	
Excess in Revenue	78,824.45		230,545.01	
Fund Balance - January 1	<u>401,668.02</u>		<u>405,453.95</u>	
	480,492.47		635,998.96	
Less: Utilized in Current Fund Budget	<u>267,948.22</u>		<u>234,330.94</u>	
<u>Fund Balance - December 31</u>	<u>\$ 212,544.25</u>		<u>401,668.02</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - BEACH UTILITY OPERATING FUND

	Year 2012		Year 2011	
	Amount	%	Amount	%
<u>Revenue (Cash Basis)</u>				
Fund Balance Utilized	669,822.78	27.44	669,822.78	26.93
Collection of Beach Revenue	1,733,684.00	71.02	1,764,847.00	70.96
Miscellaneous - From other than Beach Revenues	<u>37,562.15</u>	<u>1.54</u>	<u>52,531.94</u>	<u>2.11</u>
<u>Total Funds</u>	<u>\$2,441,068.93</u>	<u>100.00</u>	<u>2,487,201.72</u>	<u>100.00</u>
<u>Expenditures (Accrual Basis)</u>				
Budget Expenditures				
Operating	1,424,018.00	72.39	1,393,207.00	73.10
Capital Improvements	12,000.00	.61	100,000.00	5.25
Deferred Charges and Statutory Expenditures	480,804.78	24.44	362,615.78	19.03
Other Expenditures	<u>50,280.00</u>	<u>2.56</u>	<u>50,000.00</u>	<u>2.62</u>
<u>Total Expenditures</u>	1,967,102.78	<u>100.00</u>	1,905,822.78	<u>100.00</u>

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2012

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - BEACH UTILITY OPERATING FUND - (continued)

<u>Expenditures (Accrual Basis)</u>	<u>Year 2012</u>		<u>Year 2011</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Less: Expenditures to be Raised by Future Revenue	<u>.00</u>		<u>.00</u>	
<u>Total Adjusted Expenditures</u>	<u>1,967,102.78</u>		<u>1,905,822.78</u>	
<u>Excess in Revenue</u>	<u>473,966.15</u>		<u>581,378.94</u>	
<u>Fund Balance - January 1</u>	<u>772,163.59</u>		<u>860,607.43</u>	
	<u>1,246,129.74</u>		<u>1,441,986.37</u>	
<u>Less: Utilized in Budget</u>	<u>669,822.78</u>		<u>669,822.78</u>	
<u>Fund Balance - December 31</u>	<u>\$ 576,306.96</u>		<u>772,163.59</u>	

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of the tabulation will 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 tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collection</u>
2012	26,498,939.25	26,157,580.25	98.71%
2011	25,928,985.67	25,632,070.11	98.49%
2010	25,543,647.80	25,274,214.94	98.81%

COMPARISON OF TAX RATE INFORMATION

<u>Tax Rate</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
(Adjusted) General Per \$100 of Valuation	<u>\$1.65</u>	<u>1.61</u>	<u>1.59</u>
<u>Apportionment of Tax Rate</u>			
Municipal General	<u>.36</u>	<u>.35</u>	<u>.34</u>
County	<u>.38</u>	<u>.38</u>	<u>.37</u>
Local School	<u>.86</u>	<u>.83</u>	<u>.83</u>
Special	<u>.04</u>	<u>.04</u>	<u>.04</u>
Municipal Open Space	<u>.01</u>	<u>.01</u>	<u>.01</u>

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2012

COMPARISON OF TAX RATE INFORMATION (continued)

Assessed Valuations

2012	\$ <u>1,606,751,754</u>
2011	<u>1,605,420,340</u>
2010	<u>1,601,395,414</u>

COMPARISON OF CURRENT FUND BALANCE

<u>Year</u>	<u>Current Fund</u>	<u>Utilized In Succeeding Year's Budget</u>	<u>Water & Sewer Utility Operating Fund</u>	<u>Utilized in Succeeding Year's Budget</u>	<u>Beach Utility Fund</u>	<u>Utilized in Succeeding Year's Budget</u>
2012	1,632,642.04	800,000.00	212,544.25	200,000.00	576,306.96	200,000.00
2011	1,541,026.74	1,000,000.00	401,668.02	267,948.22	772,163.59	669,822.78
2010	1,801,170.35	1,110,004.00	405,453.95	234,330.94	860,607.43	669,822.78

PART II

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

To the Honorable Mayor and Council
Borough of Manasquan
County of Monmouth
Manasquan, New Jersey

We have audited the financial statements - regulatory basis of the Borough of Manasquan, in the County of Monmouth (the "Borough") as of and for the year ended December 31, 2012, and have issued our report thereon dated December 26, 2013 in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America. As described in Note 1 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. 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

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

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

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

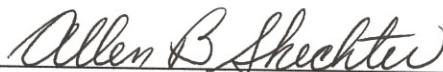
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant 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 immaterial instances of noncompliance that we have reported to the management of the Borough of Manasquan in the accompanying comments and recommendations section of this report.

Purpose of this Report

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



Allen B. Shechter, R.M.A. #509

ALVINO & SHECHTER, L.L.C.

Certified Public Accountants

Neptune, New Jersey
December 26, 2013

ALVINO & SHECHTER, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM:
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

INDEPENDENT AUDITOR'S REPORT

The Honorable President Mayor and Council
Borough of Manasquan
County of Monmouth
Manasquan, New Jersey

Report on Compliance for Each Major State Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; U.S. OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards and Circulars 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 state program occurred. An audit includes examining, on a test basis, evidence about the Borough's compliance with those requirements and performing such other procedure as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

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


Report on Internal Control Over Compliance

Management of the Borough is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular 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 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 state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Allen B. Shechter R.M.A. #509

Alvino & Shechter, L.L.C.

Certified Public Accountants

December 26, 2013
Neptune, New Jersey

Borough of Manasquan, NJ
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2012

Schedule A

Federal Grantor/Pass-Through Grantor/Program Title	Federal C.F.D.A./Number	Program or Award Amount	Grant Period From/To	12/31/11		Cash Receipts	Program Expenditures	12/31/12		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance			(Receivable)	Reserve Balance	
U.S. Department of Transportation: Federal Highway Administration Recreational Trails Program	20.219	1,516.00	1/1/10-12/31/10	(1,516.00)	706.00	.00	.00	(1,516.00)	706.00	810.00
U.S. Department of Environmental Protection: NJ Environmental Infrastructure Trust - Fund Loan (DW - Traditional)	66.458	4,709,250.00	1/1/10-12/31/10	(1,345,792.00)	1,345,792.00	220,543.00	220,543.00	(1,125,249.00)	1,125,249.00	3,584,001.00
U.S. Department of Labor: Employment Training Administration County of Monmouth N.J. Hurricane Sandy National Emergency Grant	17.284	42,807.00	10/25/12-12/31/12	.00	.00	42,807.00	1,636.28	.00	41,170.72	1,636.28
Total Federal Expenditures				<u>\$(1,347,308.00)</u>	<u>1,346,498.00</u>	<u>263,350.00</u>	<u>222,179.28</u>	<u>(1,126,765.00)</u>	<u>1,167,125.72</u>	<u>3,586,447.28</u>

Note: This schedule was not subject to an audit in accordance with Federal OMB Circular A-133.

Borough of Manasquan, NJ

**Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2012**

Schedule B

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From/To	12/31/11		Cash Received	Program Expenditures	Cancelled	12/31/12		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance				(Receivable)	Reserve Balance	
Department of Law and Public Safety:											
Drunk Driving Enforcement Fund	6400-100-078-6400	6,383.88	1/1/12-12/31/12	.00	.00	6,382.88	5,093.07	.00	.00	1,289.81	5,093.07
Drunk Driving Enforcement Fund	6400-100-078-6400	4,428.22	1/1/10-12/31/10	.00	232.25	.00	232.25	.00	.00	.00	4,428.22
Body Armor Replacement Fund	1020-718-066-1020	1,988.62	1/1/12-12/31/12	.00	.00	1,988.62	.00	.00	.00	1,988.62	.00
Body Armor Replacement Fund	1020-718-066-1020	1,863.32	1/1/11-12/31/11	.00	1,863.32	.00	.00	.00	.00	1,863.32	.00
Body Armor Replacement Fund	1020-718-066-1020	1,840.40	1/1/10-12/31/10	.00	1,840.40	.00	759.86	.00	.00	1,080.54	759.86
Body Armor Replacement Fund	1020-718-066-1020	939.52	1/1/09-12/31/09	.00	858.79	.00	858.79	.00	.00	.00	939.52
Safe & Secure Communities Program	1020-100-066-1020	28,835.00	1/1/09-12/31/09	(14,417.50)	.00	10,230.50	.00	4,187.00	.00	.00	28,835.00
Total Department of Law and Public Safety				(14,417.50)	4,794.76	18,602.00	6,943.97	4,187.00	.00	6,222.29	40,055.67
Department of Environmental Protection:											
Recycling Tonnage Grant	4900-752-042-4900	18,995.86	1/1/10-12/31/10	.00	.00	18,995.86	.00	.00	.00	18,995.86	.00
Recycling Tonnage Grant	4900-752-042-4900	5,755.09	1/1/09-12/31/09	.00	5,755.09	.00	.00	.00	.00	5,755.09	.00
Recycling Tonnage Grant	4900-752-042-4900	13,240.77	1/1/08-12/31/08	.00	13,240.77	.00	.00	.00	.00	13,240.77	.00
Green Acres Program - Sea Watch	4800-582-042-4800	450,000.00	1/1/12-12/31/12	.00	.00	450,000.00	200,000.00	.00	.00	250,000.00	200,000.00
Environmental Infrastructure Trust Loan											
(DW- Traditional)	4840-707-031-4840	1,565,000.00	1/1/10-12/31/10	(443,847.00)	443,847.00	73,514.00	73,514.00	.00	(370,333.00)	370,333.00	1,194,667.00
Clean Communities Program	4900-765-042-4900	13,163.88	1/1/12-12/31/12	.00	.00	12,908.45	4,136.77	.00	.00	8,771.68	4,136.77
Clean Communities Program	4900-765-042-4900	13,125.50	1/1/11-12/31/11	.00	13,125.50	.00	13,125.05	.00	.00	.00	13,125.05
Total Department of Environmental Protection				(443,847.00)	475,967.91	555,418.31	290,775.82	.00	(370,333.00)	667,096.40	1,411,928.82
Department of Transportation											
Municipal Aid Program - Blakey Ave.	6320-480-078-6320	160,000.00	1/1/12-12/31/12	.00	.00	120,000.00	160,000.00	.00	(40,000.00)	.00	160,000.00
Municipal Aid Program - Central Ave.	6320-480-078-6320	225,000.00	1/1/10-12/31/10	(56,250.00)	.00	56,250.00	.00	.00	.00	.00	225,000.00
Total Department of Transportation				(56,250.00)	.00	176,250.00	160,000.00	.00	(40,000.00)	.00	385,000.00
Department of Health and Senior Services											
Alcohol Education & Rehabilitation Fund	9735-760-06000-60	1,099.24	1/1/03-12/31/03	.00	195.91	.00	.00	.00	.00	195.91	903.33
Council Alliance to Prevent Alcohol & Drug Abuse	N/A	48,835.00	1/1/12-12/31/12	.00	.00	23,789.58	48,379.49	.00	(24,589.91)	.00	48,379.49
Council Alliance to Prevent Alcohol & Drug Abuse	N/A	48,835.00	1/1/11-12/31/11	(8,567.96)	.00	8,567.96	.00	.00	.00	.00	48,835.00
Total Department of Health and Senior Services				(8,567.96)	195.91	32,357.54	48,379.49	.00	(24,589.91)	195.91	98,117.82
Total State Financial Assistance				\$(523,082.46)	480,958.58	782,627.85	506,099.28	4,187.00	(434,922.91)	673,514.60	1,935,102.31

Borough of Manasquan, NJ
Notes to the Schedule of Awards and Financial Assistance
Year Ended December 31, 2012

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

The Borough of Manasquan, State of New Jersey 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 the Administrator's Office 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 in the Borough's financial records.

Basis of Accounting

The Borough of Manasquan grants are presented on the modified accrual basis of accounting utilizing the following methods:

Current Fund Grants

- I In accordance with a directive from the State Department of Community Affairs, Division of Local Government Services, all grant revenues and expenditures are fully realized within the current fund budget and corresponding receivables and spending reserves are recorded to account for grant activity.

Trust Fund and Capital Fund Grants

In accordance with accounting principles prescribed by the State of New Jersey, grant receivables are offset with grant spending reserves.

Local Contributions

Local matching contributions, if required, are raised in the current fund budget. The percentage of matching contributions varies with each program.

Expenditures

Expenditures, as reported on the accompanying schedule of federal and state financial assistance, reflect actual cash disbursements charged directly to a grant program and, in certain instances, do not include allocated expenses or accrued expenses. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, are transferred to current fund balance when the grant is closed out.

2. CONTINGENCIES

Each of the grantor agencies reserve 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.

3. STATE LOANS OUTSTANDING

The Borough's state loans outstanding at December 31, 2012, which are not required to be reported on the schedules of expenditures of federal awards and state financial assistance, are as follows:

<u>Loan Program</u>	<u>Total</u>
New Jersey Environmental Infrastructure Trust	\$2,144,724.76

Borough of Manasquan
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended December 31, 2012

Section I - Summary of Auditor's Report

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting

1) Material weakness(es) identified?

_____ yes X no

2) Reportable condition(s) identified that are
not considered to be material weaknesses?

_____ yes X none reported

Noncompliance material to general-purpose financial statements noted?

_____ yes X no

State Awards

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

\$300,000.00

Auditee qualified as low-risk auditee?

 X yes _____ no

Type of auditor's report issued on compliance for major programs:

Unmodified

Internal Control over major programs:

1) Material weakness(es) identified?

_____ yes X no

2) Reportable condition(s) identified that are not considered to be material weaknesses?

_____ yes X none reported

Any audit findings disclosed that are required to be reported in
accordance with NJOMB Circular Letter 04-04?

_____ yes X no

Identification of major programs:

GMIS Number(s)

6320-480-078-6320

4800-582-042-4800

Name of State Program

D.O.T. Municipal Aid Program

Green Acres Program - Sea Watch

Section II - Financial Statement Findings

NONE

Section III - State Financial Assistance Findings and Questioned Costs

NONE

Borough of Manasquan, NJ
Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2012

STATUS OF PRIOR YEAR FINDINGS

There were no prior year findings since all areas of Federal and State financial assistance for the prior year were found to be in compliance.

PART III

GENERAL COMMENTS AND RECOMMENDATIONS

Borough of Manasquan, NJ
General Comments
Year Ended December 31, 2012

An audit of the financial accounts and transactions of the Borough of Manasquan, in the County of Monmouth, for the year ended December 31, 2012, has recently been completed. The results of the audit are herewith set forth.

SCOPE OF AUDIT

The audit covered the financial transactions of the Chief Financial Officer's office, the activities of the Mayor and Council and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

Cash balances were reconciled with independent certifications obtained directly from the depositories.

Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with generally accepted auditing standards and in compliance with the requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and Government Auditing Standards, issued by the Comptroller General of the United States. Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S. 40A:11-4

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding the aggregate \$17,500.00, except by contract or agreement".

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the limits within the fiscal year. Where question arises 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:

Squan Plaza Improvements

The minutes and vouchers indicate compliance with the Local Public Contract Law N.J.S. 40A:11-6.1 for the purchase of materials and services between \$2,625.00 and the bid limit.

Borough of Manasquan, NJ
General Comments
Year Ended December 31, 2012

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on September 3, 2012 and was complete.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number Of Liens</u>
2012	2
2011	2
2010	1

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

ORDINANCES

There were no ordinances which should be reviewed at this time for cancellation.

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 including 2012.

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Taxes Delinquent</u>	<u>Percentage of Tax Levy</u>
2012	32,687.04	342,699.38	375,386.42	1.42%
2011	22,776.83	296,915.56	319,692.39	1.23%
2010	8,154.64	269,432.86	277,587.50	1.09%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2012	209,040.00
2011	209,040.00
2010	209,040.00

**SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST
FOR THE NEXT FIVE YEARS FOR BONDED DEBT ISSUED AND OUTSTANDING**

<u>Calendar Year</u>	<u>General</u>	<u>Utilities</u>	<u>Total</u>
2013	349,803.57	369,480.26	719,283.83
2014	341,821.10	366,480.26	708,301.36
2015	334,014.16	368,480.26	702,494.42
2016	330,488.60	370,230.26	700,718.86
2017	184,805.41	366,730.26	551,535.67

Borough of Manasquan, NJ
Recommendations
Year Ended December 31, 2012

Chief Financial Officer's Office

During the course of the audit we noted the following:

- * Interfunds existed at year end.

That the bank accounts were not being reconciled monthly on a timely basis.

We recommend:

That Interfund Accounts Receivables and Payables be eliminated by the transfer of cash.

That the bank accounts be reconciled monthly on a timely basis.

Recreation Commission

During the course of the audit we noted the following:

The Commission started collecting electronic receipts without a resolution by the Borough's governing body authorizing the action.

We recommend:

That the Borough pass a resolution authorizing the acceptance of electronic payments and specifying both the type of local unit obligations approved for electronic receipt, and the types of electronic receipt that shall be permitted.

*This reportable condition existed in prior year audit.