

BOROUGH OF MANASQUAN

COUNTY OF MONMOUTH

NEW JERSEY

REPORT OF AUDIT

YEARS ENDED DECEMBER 31, 2017 AND 2016

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, State of New Jersey, as of December 31, 2017 and 2016, 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, 2017, 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, 2017 and 2016, or changes in the financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The financial statements of the Length of Service Award Program Fund ("LOSAP") Trust Fund has not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough's financial statements as of and for the years ended December 31, 2017 and 2016. The LOSAP Trust Fund financial activities are included in the Borough's Trust Fund, and represent 15.50% and 13.28% of the assets and liabilities, respectively, of the Borough's Trust Funds as of December 31, 2017 and 2016.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets as of December 31, 2017 and 2016, the regulatory basis statements of operations and changes in fund balances for the years then ended, and the regulatory basis statements of revenues and expenditures and related notes to financial statements for the year ended December 31, 2017 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

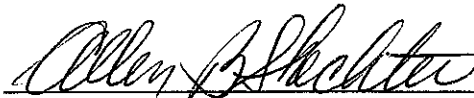
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Manasquan's basic financial statements. The supplementary information listed in the table of contents and the comments and recommendations section, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, *"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 supplementary information listed in the table of contents, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 supplementary 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 August 10, 2018 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

Neptune, New Jersey
August 10, 2018

CURRENT FUND

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

A
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	<u>Ref.</u>	Balance Dec. 31 <u>2017</u>	Balance Dec. 31 <u>2016</u>
<u>Assets</u>			
Cash	A-4	7,303,763.54	5,791,551.14
Cash - Change Funds	A-10	450.00	450.00
Notes Receivable - General Capital	C-19	<u>3,918,806.00</u>	<u>4,560,451.00</u>
		<u>11,223,019.54</u>	<u>10,352,452.14</u>
<u>Receivable with Full Reserves</u>			
Delinquent Property Taxes Receivable	A-15	380,566.81	338,432.18
Tax Title Liens Receivable	A-16	7,716.33	4,821.41
Property Acquired for Taxes - Assessed Valuation	A-18	209,040.00	209,040.00
Revenue Accounts Receivable	A-22	89,905.14	84,573.14
Interfund Due from General Capital Fund	A-39	<u>.00</u>	<u>30,622.05</u>
		<u>687,228.28</u>	<u>667,488.78</u>
<u>Deferred Charges</u>			
Community Disaster Loan	A	1,340,058.71	1,322,515.39
Special Emergency Authorizations (40A:4-55)	A-24	108,921.00	362,295.90
Overexpenditure of Appropriation Reserves	A-23	<u>.00</u>	<u>860.58</u>
		<u>1,448,979.71</u>	<u>1,685,671.87</u>
		<u>13,359,227.53</u>	<u>12,705,612.79</u>
<u>Federal and State Grant Fund</u>			
Federal and State Grants Receivable	A-27	72,243.95	40,565.40
Interfund - Due from Current Fund	A-26	63,760.47	104,635.98
Deferred Charges			
Expenditure Without Appropriation	A	<u>.00</u>	<u>31,392.19</u>
		<u>136,004.42</u>	<u>176,593.57</u>
<u>Total Assets</u>		<u><u>\$13,495,231.95</u></u>	<u><u>12,882,206.36</u></u>

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

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

A
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	<u>Ref.</u>	Balance Dec. 31 <u>2017</u>	Balance Dec. 31 <u>2016</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Liabilities</u>			
Tax Overpayments	A-4:A-30	3,559.09	51,357.25
Appropriation Reserves	A-3:A-25	824,772.65	592,817.23
Reserve for Encumbrances	A-3:A-25	70,459.84	56,919.33
Prepaid Taxes	A-4	2,879,469.70	232,603.75
Due to Lien Holder	A-4	.00	30.00
Spending Reserve - Special Emergency Sandy	A-4	61,430.76	145,889.46
Due to State of New Jersey	A-43	17,117.85	16,367.85
Local District School Tax Payable	A-37	2,887,222.50	5,397,646.00
County Tax Payable	A-35	14,127.13	20,502.70
Special Emergency Note Payable	A-4	.00	457,000.00
Prepaid Dock Fees	A-4	3,300.00	.00
Prepaid Bungalow Rent	A-4	3,992.44	.00
Refund of Anticipated Revenue	A-4	4,537.00	.00
Refund of MRNA Revenue	A-4	650.00	.00
Interfund Due to Federal and State Grants	A-26	63,760.47	104,635.98
Interfund Due to Public Defender Fund	A-4:B	100.00	.00
Reserve for LOSAP - Spending	A:A-3	23,639.82	5,539.82
Reserve for FEMA Reimbursements - Unappropriated	A:A-4	536,127.70	43,043.03
Reserve for Sale of Assets	A-4	31,078.53	.00
Reserve for Private Donation - Dare Program			
- Appropriated	A	2,397.45	2,397.45
- Unappropriated	A-4	750.00	.00
Reserve for Private Donation - Beach Lifesaving Station Building -			
- Appropriated	A-3	2,726.76	.00
Community Disaster Loan Payable	A	1,275,000.00	1,275,000.00
Community Disaster Loan - Accrued Interest	A	65,058.71	47,515.39
		8,771,278.40	8,449,265.24
Reserve for Receivables	A	687,228.28	667,488.78
Fund Balance	A-1	3,900,720.85	3,588,858.77
		<u>13,359,227.53</u>	<u>12,705,612.79</u>
<u>Federal and State Grant Fund</u>			
Appropriated Reserves for Grants	A-28	106,460.91	130,443.61
Unappropriated Reserves for Grants	A-29	29,543.51	46,149.96
		<u>136,004.42</u>	<u>176,593.57</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$13,495,231.95</u>	<u>12,882,206.36</u>

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

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

Revenue and Other Income	Ref.	Year 2017	Year 2016
Fund Balance Utilized	A-2	1,150,000.00	1,150,000.00
Miscellaneous Revenue Anticipated	A-2	2,040,575.19	1,963,496.14
Receipts from Delinquent Taxes	A-2	335,279.26	461,348.49
Receipts from Current Taxes	A-2	28,732,648.40	27,916,590.05
Non-Budget Revenue	A-2	527,884.99	422,634.27
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-25	538,968.11	305,169.20
Interfund Returned General Capital	A-39	30,622.05	.00
Interfund Returned Municipal Open Space Trust Fund	A:A-4:B-41	.00	206,963.03
Interfund Returned Traffic Trust Fund	A-4	.00	2,553.00
Interfund Returned Tree Escrow Trust Fund	A-4	.00	3,000.00
Cancelled Grant Appropriated Reserves	A-28	.00	2,610.77
Total Income		33,355,978.00	32,434,364.95
Expenditures			
Budget Appropriations			
Operations			
Salaries and Wages	A-3	3,930,812.50	3,866,725.24
Other Expenses	A-3	3,449,793.37	3,336,264.70
Capital Improvements	A-3	.00	.00
Debt Service	A-3	908,792.05	746,626.43
Deferred Charges and Statutory Expenditures	A-3	1,254,147.43	1,167,011.91
County Taxes	A-15	6,052,954.99	5,992,453.24
Special District Taxes	A-15	822,532.00	774,494.00
Local District School Taxes	A-37	15,365,790.00	14,819,969.00
Municipal Open Space Taxes	A-15	98,973.26	98,724.93
Prior Year Municipal Open Space Taxes	A-4:B-41	.00	10.86
Prior Year Revenue Returned	A-4	5,225.00	20,458.88
Prior Year Taxes Returned	A-4:A-30:A-43	5,095.32	6,403.54
Cancelled Grant Receivable	A-4:A-27	.00	1,985.69
Interfund Advanced General Capital Fund	A-39	.00	648.74
Total Expenditures		31,894,115.92	30,831,777.16
Excess (Deficit) in Revenue		1,461,862.08	1,602,587.79
Adjustments to Income Before Fund Balance			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Succeeding Year Revenue	A-3	.00	.00
Statutory Excess to Surplus Revenue		1,461,862.08	1,602,587.79
Fund Balance - January 1	A:A-1	3,588,858.77	3,136,270.98
		5,050,720.85	4,738,858.77
Decreased by			
Utilized as Anticipated Revenue	A-1	1,150,000.00	1,150,000.00
Balance - December 31	A	\$ 3,900,720.85	3,588,858.77

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

Borough of Manasquan, NJ
Current Fund
Statement of Revenues - Regulatory Basis - 2017

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	<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>Fund Balance Appropriated</u>	A-1	<u>1,150,000.00</u>	<u>.00</u>	<u>1,150,000.00</u>	<u>.00</u>
<u>Miscellaneous Revenues</u>					
Licenses					
Alcoholic Beverages	A-22	18,000.00	.00	22,351.00	4,351.00
Other	A-22	17,000.00	.00	19,020.00	2,020.00
Fees and Permits	A-22	100,000.00	.00	113,543.44	13,543.44
Fines and Costs					
Municipal Court	A-22	400,000.00	.00	428,144.43	28,144.43
Interest and Costs on Taxes	A-4	70,000.00	.00	81,422.92	11,422.92
Energy Receipts Tax	A-4	390,257.00	.00	390,257.00	.00
Dock Mooring	A-22	225,000.00	.00	215,310.00	(9,690.00)
Planning Board - Subdivision Fees	A-22	10,000.00	.00	13,800.00	3,800.00
Cable Television Franchise Fees	A-22	71,888.00	.00	71,888.00	.00
Uniform Construction Code Fees	A-22	279,000.00	.00	245,979.90	(33,020.10)
Rent - Beach Garage	A-22	24,000.00	.00	24,000.00	.00
Anticipated Utility Operating Surplus	A-4	102,000.00	.00	102,000.00	.00
Special Items - Anticipated with Prior Written Consent of Local Government Services					
Body Armor Fund	A-29	1,863.38	.00	1,863.38	.00
Recycling Tonnage Grant	A-29	9,291.76	.00	9,291.76	.00
Municipal Court - Brielle	A-4	128,344.78	.00	128,344.78	.00
Municipal Alliance on Alcoholism and Drug Abuse	A-27:A-29	73,608.06	.00	73,608.06	.00
Clean Communities Program	A-29	19,750.52	.00	19,750.52	.00
New Jersey Community Forestry Grant	A-4	30,000.00	.00	30,000.00	.00
Private Donation - Squan Beach Lifesaving Station Building	A-4	<u>.00</u>	<u>50,000.00</u>	<u>50,000.00</u>	<u>.00</u>
<u>Total Miscellaneous Revenue</u>	A-1	<u>1,970,003.50</u>	<u>50,000.00</u>	<u>2,040,575.19</u>	<u>20,571.69</u>

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

Borough of Manasquan, NJ
Current Fund
Statement of Revenues - Regulatory Basis - 2017

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	<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>Receipts From Delinquent Taxes</u>	A-1:A-2	<u>300,000.00</u>	<u>.00</u>	<u>335,279.26</u>	<u>35,279.26</u>
Amounts to be Raised by Taxes for Support of Municipal Budget Appropriations Local Tax for Municipal Purposes	A-2-A-15	<u>6,713,946.50</u>	<u>.00</u>	<u>7,032,717.41</u>	<u>318,770.91</u>
<u>Budget Totals</u>	A-3	<u>10,133,950.00</u>	<u>50,000.00</u>	<u>10,558,571.86</u>	<u>374,621.86</u>
<u>Non-Budget Revenue</u>	A-2	<u>.00</u>	<u>.00</u>	<u>527,884.99</u>	
		<u>10,133,950.00</u>	<u>50,000.00</u>	<u>11,086,456.85</u>	
Budget Adopted	A-3	<u>10,133,950.00</u>			
Budget Appropriations					
N.J.S. 40A:4-87	A-3	<u>50,000.00</u>			
		<u>\$10,183,950.00</u>			

Analysis of Realized Revenues

	<u>Ref.</u>	
<u>Receipts From Delinquent Taxes</u>		
Delinquent Tax Collections	A-15	335,279.26
Tax Title Lien Collections	A-16	<u>.00</u>
	A-1	<u>\$335,279.26</u>
<u>Allocation of Current Tax Collections</u>		
Revenue from Collections	A-15:A-1	28,732,648.40
Allocated to School, County and Special District and Municipal Open Space Taxes	A-15	<u>22,340,250.25</u>
Balance for Support of Municipal Appropriations		6,392,398.15
Add: Appropriation Reserve for Uncollected Taxes	A-3	<u>640,319.26</u>
<u>Amount for Support of Municipal Budget Appropriations</u>	A-2	<u>\$ 7,032,717.41</u>

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

Borough of Manasquan, NJ
Current Fund
Statement of Revenues - Regulatory Basis - 2017

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	<u>Ref.</u>		
<u>Analysis of Miscellaneous Revenue Not Anticipated</u>			
Revenue Accounts Receivable			
Rents	A-22	75,011.61	
Interest on Investments	A-22	9,658.78	
Spring Lake, Sea Girt and Brielle - Drug Alliance	A-22	<u>12,268.00</u>	
			96,938.39
Variance Lists and Applications		380.00	
Voided Old Outstanding Checks		73.00	
Police Reports		395.31	
Copies & Video Tapes		37.75	
Street Openings		57,425.00	
Registrars Fees		8,562.00	
Prior Year Budget Reimbursements		32,136.34	
Assessment and Tax Searches		10.00	
Bench Memorials		1,000.00	
Bid Specifications		1,725.00	
Bounced Check Charges		20.00	
Recycling		430.45	
Emergency Management Performance Grant		7,000.00	
Cable - Right of Way		136,301.03	
FEMA Storm Reimbursement		25,342.57	
DMV State Fines		7,916.00	
Encroachment License		6,517.03	
Sale of Mailing Labels		75.00	
Winter Boat/Modular Home Storage		2,550.00	
Dividends - Insurance		141,336.20	
Use of Borough Hall		400.00	
Miscellaneous		<u>1,313.92</u>	
	A-4		<u>430,946.60</u>
	A-1:A-2		<u>\$527,884.99</u>

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

Borough of Manasquan, NJ

Current Fund

Statement of Expenditures - Regulatory Basis - 2017

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	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over- Expended
	Budget	Budget After Modification		Encumbered	Reserved		
General Government Functions							
General Administration							
Salaries and Wages	30,600.00	30,600.00	29,893.81	.00	706.19	.00	.00
Other Expenses	55,415.00	25,177.50	17,667.30	.00	7,510.20	.00	.00
Mayor and Council							
Salaries and Wages	9,950.00	9,950.00	9,950.00	.00	.00	.00	.00
Other Expenses	3,000.00	3,150.00	3,004.77	30.00	115.23	.00	.00
Municipal Clerks Office							
Salaries and Wages	105,375.00	124,875.00	104,711.24	.00	20,163.76	.00	.00
Other Expenses	60,150.00	58,150.00	36,326.36	8,733.82	13,089.82	.00	.00
Financial Administration							
Salaries and Wages	70,925.00	80,512.50	76,840.26	.00	3,672.24	.00	.00
Other Expenses	9,215.00	9,215.00	7,873.69	.00	1,341.31	.00	.00
Audit Services	25,465.65	25,465.65	24,465.65	.00	1,000.00	.00	.00
Revenue Administration							
Salaries and Wages	25,050.00	26,050.00	24,787.96	.00	1,262.04	.00	.00
Other Expenses	12,750.00	12,750.00	8,957.34	592.79	3,199.87	.00	.00
Tax Assessment Administration							
Salaries and Wages	37,350.00	37,350.00	24,054.61	.00	13,295.39	.00	.00
Other Expenses	10,800.00	10,800.00	3,768.07	82.01	6,949.92	.00	.00
Legal Services & Costs							
Other Expenses	155,000.00	155,000.00	86,994.23	.00	68,005.77	.00	.00
Municipal Court							
Salaries and Wages	111,225.00	111,225.00	100,793.51	.00	10,431.49	.00	.00
Other Expenses	85,777.09	85,777.09	40,152.09	717.92	44,907.08	.00	.00
Public Defender							
Other Expenses	3,000.00	3,000.00	2,000.00	.00	1,000.00	.00	.00
Engineering Services							
Other Expenses	70,000.00	70,000.00	46,916.30	.00	23,083.70	.00	.00
Historical Sites Office							
Other Expenses	700.00	700.00	95.00	.00	605.00	.00	.00
	<u>881,747.74</u>	<u>879,747.74</u>	<u>649,252.19</u>	<u>10,156.54</u>	<u>220,339.01</u>	<u>.00</u>	<u>.00</u>
Land Use Administration							
Planning Board							
Salaries and Wages	23,525.00	23,525.00	19,793.25	.00	3,731.75	.00	.00
Other Expenses	40,765.00	40,765.00	37,185.92	76.52	3,502.56	.00	.00
	<u>64,290.00</u>	<u>64,290.00</u>	<u>56,979.17</u>	<u>76.52</u>	<u>7,234.31</u>	<u>.00</u>	<u>.00</u>
Code Enforcement and Administration							
Code Enforcement							
Salaries and Wages	86,825.00	89,325.00	85,712.15	.00	3,612.85	.00	.00
Other Expenses	18,172.50	18,172.50	12,861.07	.00	5,311.43	.00	.00
Zoning Office							
Salaries and Wages	20,150.00	20,150.00	19,733.74	.00	416.26	.00	.00
	<u>125,147.50</u>	<u>127,647.50</u>	<u>118,306.96</u>	<u>.00</u>	<u>9,340.54</u>	<u>.00</u>	<u>.00</u>

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

Borough of Manasquan, NJ

Current Fund

Statement of Expenditures - Regulatory Basis - 2017

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	<u>Budget</u>	<u>Appropriations Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>	<u>Over- Expended</u>
<u>Parks and Recreation Functions</u>							
Recreation Services and Programs							
Salaries and Wages	40,250.00	40,250.00	39,005.05	.00	1,244.95	.00	.00
Other Expenses	3,325.00	3,325.00	2,000.00	.00	1,325.00	.00	.00
Maintenance of Parks							
Salaries and Wages	115,225.00	115,225.00	106,352.16	.00	8,872.84	.00	.00
Other Expenses	26,000.00	26,000.00	14,269.33	800.00	10,930.67	.00	.00
Senior Citizens Transportation							
Other Expenses	500.00	800.00	652.00	.00	148.00	.00	.00
	<u>185,300.00</u>	<u>185,600.00</u>	<u>162,278.54</u>	<u>800.00</u>	<u>22,521.46</u>	<u>.00</u>	<u>.00</u>
<u>Unclassified</u>							
Waterways							
Salaries and Wages	25.00	25.00	.00	.00	25.00	.00	.00
Other Expenses	8,075.00	10,075.00	7,549.81	1,636.69	888.50	.00	.00
Tourism							
Salaries and Wages	50.00	50.00	.00	.00	50.00	.00	.00
Other Expenses	4,000.00	4,000.00	4,000.00	.00	.00	.00	.00
Accumulated Leave Compensation	28,100.00	28,100.00	28,100.00	.00	.00	.00	.00
Celebration of Public Events							
Other Expenses	1,000.00	1,000.00	.00	.00	1,000.00	.00	.00
	<u>41,250.00</u>	<u>43,250.00</u>	<u>39,649.81</u>	<u>1,636.69</u>	<u>1,963.50</u>	<u>.00</u>	<u>.00</u>
<u>Uniform Construction Code - Appropriations Offset By Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>							
Construction Official							
Salaries and Wages	105,775.00	105,775.00	100,282.49	.00	5,492.51	.00	.00
Other Expenses	41,701.50	39,201.50	23,348.24	1,120.00	14,733.26	.00	.00
Sub-Code Officials							
Electrical Inspector	18,250.00	18,250.00	15,335.16	.00	2,914.84	.00	.00
Salaries and Wages							
Plumbing Inspector	16,500.00	16,500.00	9,314.90	.00	7,185.10	.00	.00
Salaries and Wages							
Fire Inspector	2,000.00	2,000.00	1,983.50	.00	16.50	.00	.00
Salaries and Wages	184,226.50	181,726.50	150,264.29	1,120.00	30,342.21	.00	.00
	<u>225,000.00</u>	<u>225,000.00</u>	<u>145,755.21</u>	<u>.00</u>	<u>79,244.79</u>	<u>.00</u>	<u>.00</u>
<u>Unclassified</u>							
Utilities							

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

Borough of Manasquan, NJ
Current Fund

Statement of Expenditures - Regulatory Basis - 2017

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	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over- Expended
	Budget	Budget After Modification		Encumbered	Reserved		
Unclassified - continued							
Landfill/Solid Waste Disposal Costs							
Other Expenses	308,650.00	308,650.00	283,751.55	.00	24,898.45	.00	.00
Total Operations	6,793,108.74	6,793,108.74	6,038,675.22	66,322.40	688,111.12	.00	.00
Contingent	1,000.00	1,000.00	365.31	.00	634.69	.00	.00
Total Operations Within "CAPS"	6,794,108.74	6,794,108.74	6,039,040.53	66,322.40	688,745.81	.00	.00
Detail							
Salaries and Wages	3,894,725.00	3,930,812.50	3,706,266.43	.00	224,546.07	.00	.00
Other Expenses	2,899,383.74	2,863,296.24	2,332,774.10	66,322.40	464,199.74	.00	.00
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"							
Emergency Authorizations	.00	.00	.00	.00	.00	.00	.00
Overexpenditure of Appropriations	.00	.00	.00	.00	.00	.00	.00
Overexpenditure of Appropriation Reserves	860.58	860.58	860.58	.00	.00	.00	.00
Expenditure Without Appropriation - Drug Alliance	31,392.19	31,392.19	31,392.19	.00	.00	.00	.00
Statutory Expenditures							
Contribution to:							
Public Employees' Retirement System	133,072.73	133,072.73	133,072.73	.00	.00	.00	.00
Social Security System (O.A.S.I.)	173,010.03	173,010.03	149,856.33	.00	23,153.70	.00	.00
Police & Firemen's Retirement System of N.J.	492,416.00	492,416.00	492,416.00	.00	.00	.00	.00
Unemployment Compensation Insurance (N.J.S.A. 43:21-3et.seq.)	10,000.00	10,000.00	10,000.00	.00	.00	.00	.00
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	840,751.53	840,751.53	817,597.83	.00	23,153.70	.00	.00
Total General Appropriations for Municipal Purposes Within "CAPS"	7,634,860.27	7,634,860.27	6,856,638.36	66,322.40	711,899.51	.00	.00
Operations - Excluded From "CAPS"							
Employee Group Health Insurance	.00	.00	.00	.00	.00	.00	.00
Aid to Privately Owned Library (N.J.S.A. 40:54-35)	100,000.00	100,000.00	100,000.00	.00	.00	.00	.00
Total Other Operations - Excluded From "CAPS"	100,000.00	100,000.00	100,000.00	.00	.00	.00	.00

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

Borough of Manasquan, NJ

Current Fund

Statement of Expenditures - Regulatory Basis - 2017

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	Appropriations		Expended		Unexpended	Over-
	Budget	Budget After Modification	Paid or Charged	Encumbered	Balance Cancelled	Expended
Interlocal Municipal Service Agreements						
Gasoline - Brielle	130,000.00	130,000.00	32,922.85	4,137.44	.00	.00
Municipal Court - Brielle	128,344.78	128,344.78	128,344.78	.00	.00	.00
Police Mandated 911 Emergency Service	6,658.69	6,658.69	6,658.69	.00	.00	.00
Police Tactical Teams Fee (Swat)	1,000.00	1,000.00	1,000.00	.00	.00	.00
Range Use - Howell	1,250.00	1,250.00	1,250.00	.00	.00	.00
LOSAP	15,000.00	15,000.00	15,000.00	.00	.00	.00
Snow Removal - Brielle/Sea Girt	30,000.00	30,000.00	10,166.57	.00	19,833.43	.00
Total Interlocal Municipal Service Agreements	312,253.47	312,253.47	195,342.89	4,137.44	112,773.14	.00
Public and Private Programs Offset by Revenues						
Recycling Tonnage Grant	9,291.76	9,291.76	9,291.76	.00	.00	.00
Alliance to Prevent Alcoholism & Drug Abuse	61,340.00	61,340.00	61,340.00	.00	.00	.00
Body Armor Fund	1,863.38	1,863.38	1,863.38	.00	.00	.00
Matching Funds for Grants	100.00	100.00	.00	.00	100.00	.00
NJDEP - Clean Communities Grant	19,750.52	19,750.52	19,750.52	.00	.00	.00
New Jersey Community Forestry Council Grant	30,000.00	30,000.00	30,000.00	.00	.00	.00
SFSP Fire District Payment	1,898.00	1,898.00	1,898.00	.00	.00	.00
Private Donation - Squan Beach Lifesaving Station Building	.00	50,000.00	50,000.00	.00	.00	.00
Total Public and Private Programs Offset by Revenues	124,243.66	174,243.66	174,143.66	.00	100.00	.00
Total Operations - Excluded From "CAPS"	536,497.13	586,497.13	469,486.55	4,137.44	112,873.14	.00
Detail						
Salaries and Wages	.00	.00	.00	.00	.00	.00
Other Expenses	536,497.13	586,497.13	469,486.55	4,137.44	.00	.00
Capital Improvements - Excluded from "CAPS"						
Down Payments on Improvements	.00	.00	.00	.00	.00	.00
Capital Improvement Fund	.00	.00	.00	.00	.00	.00
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Anticipation Notes and Capital Notes	641,645.00	641,645.00	641,645.00	.00	.00	.00
Interest on Notes - Special Emergency	4,570.00	4,570.00	4,570.00	.00	.00	.00
New Jersey Environmental Infrastructure Trust Loan						
Loan Repayments for Principal	244,446.81	244,446.81	244,446.81	.00	.00	.00
Loan Repayments for Interest	18,215.63	18,215.63	18,130.24	.00	85.39	.00
Total Municipal Debt Service - Excluded From "CAPS"	908,877.44	908,877.44	908,792.05	.00	85.39	.00

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

Borough of Manasquan, NJ

Current Fund

Statement of Expenditures - Regulatory Basis - 2017

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	Appropriations		Expended		Unexpended	Over-
	Budget	Budget After Modification	Paid or Charged	Encumbered	Balance Cancelled	Expended
Deferred Charges - Municipal - Excluded From "CAPS"						
Deferred Charges:						
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)						
Deferred Charges to Future Taxation - Unfunded						
Ordin. #2083 - OEM Siren	253,374.90	253,374.90	253,374.90	.00	.00	.00
Ordin. #1881/2011 - Coast Guard Building	1,960.79	1,960.79	1,960.79	.00	.00	.00
Ordin. #2084/2104 - Blakey Ave Street Improvements	403.00	403.00	403.00	.00	.00	.00
Ordin. #2112 - Various Improvements Borough Property	139,069.35	139,069.35	139,069.35	.00	.00	.00
	18,587.86	18,587.86	18,587.86	.00	.00	.00
Total Deferred Charges - Municipal - Excluded From "CAPS"	413,395.90	413,395.90	413,395.90	.00	.00	.00
Total General Appropriations - Excluded From "CAPS"	1,858,770.47	1,908,770.47	1,791,674.50	4,137.44	112,873.14	.00
Sub-Total General Appropriations	9,493,630.74	9,543,630.74	8,648,312.86	70,459.84	85.39	.00
Reserve for Uncollected Taxes	640,319.26	640,319.26	640,319.26	.00	.00	.00
Total General Appropriations	\$10,133,950.00	10,183,950.00	9,288,632.12	70,459.84	85.39	.00
	A-2		A	A	A	A
Appropriation by 40A:4-47		50,000.00				
Budget		10,133,950.00				
		\$10,183,950.00				
Appropriated Reserves for Federal and State Grants						
Deferred Charges						
Deferred Charge - Special Emergency	A-28		122,245.66			
Reserve for Private Donation - Beach Lifesaving	A-23		32,252.77			
Station Building	A-24		253,374.90			
Reserve for LOSAP	A		2,726.76			
Bond Anticipation Notes	A		15,000.00			
Reserve for Uncollected Taxes	C-19		641,645.00			
Cash Disbursed	A-2		640,319.26			
	A-4		7,581,067.77			
			\$9,288,632.12			

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

TRUST FUND

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

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	<u>Ref.</u>	<u>Balance Dec. 31 2017</u>	<u>Balance Dec. 31 2016</u>
<u>Assets</u>			
<u>Animal Control Fund</u>			
Cash	B-4	1,299.33	936.65
Due from Current Fund	B-23	35.20	35.20
		<u>1,334.53</u>	<u>971.85</u>
<u>Miscellaneous Fund</u>			
Cash	B-4	394,698.84	451,796.34
<u>Street Opening Deposit Fund</u>			
Cash	B-4	20,000.00	21,500.00
<u>Developers' Bond Trust</u>			
Cash	B-4	21,914.52	35,041.86
<u>Recreation Commission Fund</u>			
Cash	B-4	289,559.83	282,182.31
<u>Developers' Escrow Fund</u>			
Cash	B-4	54,495.98	53,233.61
<u>Manasquan Law Enforcement Fund</u>			
Cash	B-4	18,008.65	19,975.90
<u>Municipal Community Alliance Commission</u>			
Cash	B-4	1,814.41	2,609.36
<u>Manasquan Traffic Trust Fund</u>			
Cash	B-4	5,392.00	10,333.70
<u>Assessment Fund</u>			
Assessments Receivable	B-37	14,608.68	14,608.68
<u>Public Defender Fund</u>			
Cash	B-4	655.98	8,542.47
Interfund Due from Current Fund	A	100.00	.00
		<u>755.98</u>	<u>8,542.47</u>
<u>Affordable Housing Trust Fund</u>			
Cash	B-4	350,825.16	301,430.24
<u>Accumulated Leave Compensation Trust Fund</u>			
Cash	B-4	48,571.09	75,058.47
<u>Junior Lifeguards Fund</u>			
Cash	B-4	23,375.70	12,272.10
<u>Municipal Open Space Trust Fund</u>			
Cash	B-4	170,611.07	143,427.88
<u>Municipal Tree Escrow Fund</u>			
Cash	B-4	4,243.95	3,737.87
<u>Manasquan Senior Citizen Organization Fund</u>			
Cash	B-4	10,897.28	10,786.43
<u>Tax Map Maintenance Fund</u>			
Cash	B-4	4,500.72	4,193.80
<u>Unemployment Trust Fund</u>			
Cash	B-4	62,690.94	56,468.02
Due from Payroll Service Vendor	B	254.88	254.88
Due from State of New Jersey	B	1,763.64	1,763.64
		<u>64,709.46</u>	<u>58,486.54</u>
<u>Tourism Trust Fund</u>			
Cash	B-4	29,703.86	43,625.77
<u>COAH Escrow Trust Fund</u>			
Cash	B-4	.17	2,064.04
<u>Tax Title Lien Redemption Trust Fund</u>			
Cash	B-4	.00	.00
<u>Length of Service Awards Program (LOSAP - UNAUDITED)</u>			
Funds Held by Trustee	B-38	280,644.41	238,224.60
<u>Total Assets</u>		<u>\$1,810,666.29</u>	<u>1,794,103.82</u>

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

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

B
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	<u>Ref.</u>	<u>Balance Dec. 31 2017</u>	<u>Balance Dec. 31 2016</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Animal Control Fund</u>			
Reserve for Dog Fund Expenditures	B-23	<u>1,334.53</u>	<u>971.85</u>
<u>Miscellaneous Fund</u>			
Reserve for Miscellaneous Fund	B-28	<u>394,698.84</u>	<u>451,796.34</u>
<u>Street Opening Deposit Fund</u>			
Reserve for Street Opening Fund	B-27	<u>20,000.00</u>	<u>21,500.00</u>
<u>Developers Bond Trust</u>			
Reserve for Developers Bond Trust	B-30	<u>21,914.52</u>	<u>35,041.86</u>
<u>Recreation Commission Fund</u>			
Reserve for Recreation Fund	B-29	<u>289,559.83</u>	<u>282,182.31</u>
<u>Developers Escrow Fund</u>			
Reserve for Developers Escrow Fund	B-31	<u>54,495.98</u>	<u>53,233.61</u>
<u>Manasquan Law Enforcement Fund</u>			
Reserve for Manasquan Law Enforcement Fund	B-33	<u>18,008.65</u>	<u>19,975.90</u>
<u>Municipal Community Alliance Commission</u>			
Reserve for Municipal Community Alliance Commission	B-34	<u>1,814.41</u>	<u>2,609.36</u>
<u>Manasquan Traffic Trust Fund</u>			
Reserve for Manasquan Traffic Trust Fund	B-32	<u>5,392.00</u>	<u>10,333.70</u>
<u>Assessment Fund</u>			
Interfund Due to General Capital Fund	C-7	<u>14,608.68</u>	<u>14,608.68</u>
<u>Public Defender Fund</u>			
Reserve for Public Defender Fund	B-35	<u>755.98</u>	<u>8,542.47</u>
<u>Affordable Housing Trust Fund</u>			
Reserve for Affordable Housing Trust Fund	B-36	<u>350,825.16</u>	<u>301,430.24</u>
<u>Accumulated Leave Compensation Trust Fund</u>			
Reserve for Accumulated Leave Compensation Trust Fund	B-39	<u>48,571.09</u>	<u>75,058.47</u>
<u>Junior Lifeguard Fund</u>			
Reserve for Junior Lifeguards Fund	B-40	<u>23,375.70</u>	<u>12,272.10</u>
<u>Municipal Open Space Trust Fund</u>			
Reserve for Municipal Open Space Trust Fund	B-41	<u>170,611.07</u>	<u>143,427.88</u>
<u>Municipal Tree Escrow Fund</u>			
Reserve for Municipal Tree Escrow Fund	B-42	<u>4,243.95</u>	<u>3,737.87</u>
<u>Manasquan Senior Citizen Organization Fund</u>			
Reserve for Manasquan Senior Citizen Organization Fund	B-43	<u>10,897.28</u>	<u>10,786.43</u>
<u>Tax Map Maintenance Fund</u>			
Reserve for Tax Map Maintenance Fund	B-44	<u>4,500.72</u>	<u>4,193.80</u>
<u>Unemployment Trust Fund</u>			
Reserve for Unemployment Trust Fund	B-45	<u>64,709.46</u>	<u>58,486.54</u>
<u>Tourism Trust Fund</u>			
Reserve for Tourism Trust Fund	B-46	<u>29,703.86</u>	<u>43,625.77</u>
<u>COAH Escrow Trust Fund</u>			
Reserve for COAH Escrow Trust Fund	B-47	<u>.17</u>	<u>2,064.04</u>
<u>Tax Title Lien Redemption Trust Fund</u>			
Reserve for Tax Title Lien Redemption Trust Fund	B-48	<u>.00</u>	<u>.00</u>
<u>Length of Service Awards Program (LOSAP-UNAUDITED)</u>			
Reserve for Length of Services Awards Program	B-48	<u>280,644.41</u>	<u>238,224.60</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$1,810,666.29</u>	<u>1,794,103.82</u>

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

GENERAL CAPITAL FUND

WATER AND SEWER UTILITY FUND

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

C

	<u>Ref.</u>	Balance Dec. 31 <u>2017</u>	Balance Dec. 31 <u>2016</u>
<u>Assets</u>			
Cash	C-4	33,542.55	.00
Deferred Charges to Future Taxation -			
Funded	C-9	6,033,037.61	8,057,073.22
Unfunded	C-10	6,596,946.00	4,894,971.33
State Aid Receivable - D.O.T. Grant	C	435,000.00	450,000.00
Federal Aid Receivable - CDBG	C-6	.00	146,091.00
Loan Proceeds Receivable - N.J.E.I.T.	C	592,643.00	953,243.00
Interfund Due from Assessment Fund	C-7	14,608.68	14,608.68
Interfund Due from Water and Sewer Capital Fund	D-30	<u>778,585.40</u>	<u>778,585.40</u>
<u>Total Assets</u>		<u>\$14,484,363.24</u>	<u>15,294,572.63</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes	C-19	3,918,806.00	4,560,451.00
Loans Payable	C-21	6,033,037.61	4,894,971.33
Improvement Authorizations -			
Funded	C-14	32,771.42	543,141.37
Unfunded	C-14	2,939,972.82	3,975,358.79
Interfund Due to Current Fund	C-6	.00	30,622.05
Reserve for N.J.E.I.T. Loan Proceeds	C	21,160.00	21,160.00
Reserve for D.O.T. Grant - Bond Anticipation Note			
Ord. #2167	C	.00	450,000.00
Reserve for Debt	C	450,000.00	.00
Reserve for Grant Receivable	C	435,000.00	.00
Reserve for CDBG Receivable	C	.00	146,091.00
Capital Improvement Fund	C-12	.00	.00
Fund Balance	C-1	<u>653,615.39</u>	<u>672,777.09</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$14,484,363.24</u>	<u>15,294,572.63</u>

Note: There were bonds and notes authorized but not issued on December 31, 2017 in the amount of \$2,678,140.00 per Exhibit C-22.

Statement of Fund Balance - Regulatory Basis

C-1

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	C	672,777.09
<u>Increased by</u>		
Improvement Authorizations Cancelled	C-14	<u>9,088.30</u>
		681,865.39
<u>Decreased by</u>		
Appropriation to Finance Improvement Authorizations	C-14	<u>28,250.00</u>
<u>Balance</u> - December 31, 2017	C	<u>\$653,615.39</u>

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

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

D
(Page 1 of 2)

	<u>Ref.</u>	<u>Balance Dec. 31 2017</u>	<u>Balance Dec. 31 2016</u>
<u>Assets</u>			
<u>Operating Fund</u>			
Cash	D-8	340,485.67	668,086.04
Interfund Due from Water and Sewer Capital Fund	D-31	<u>482,160.48</u>	<u>118,463.73</u>
		<u>822,646.15</u>	<u>786,549.77</u>
Receivable with Full Reserves			
Consumer Accounts Receivable	D-14	374,467.59	93,863.70
Other Accounts Receivable	D-15	.00	.00
Water & Sewer Utility Liens	D-16	<u>532.00</u>	<u>.00</u>
		<u>374,999.59</u>	<u>93,863.70</u>
Deferred Charges			
Community Disaster Loan	D	<u>758,076.49</u>	<u>748,139.15</u>
		<u>758,076.49</u>	<u>748,139.15</u>
<u>Total Operating Fund</u>		<u>1,955,722.23</u>	<u>1,628,552.62</u>
<u>Capital Fund</u>			
Cash	D-8	100.00	.00
Loan Proceeds Receivable - N.J.E.I.T.	D	152,403.00	278,351.00
Fixed Capital	D-28	7,901,297.51	7,901,297.51
Fixed Capital Authorized and Uncompleted	D-29	<u>10,607,813.00</u>	<u>10,607,813.00</u>
<u>Total Capital Fund</u>		<u>18,661,613.51</u>	<u>18,787,461.51</u>
<u>Total Assets</u>		<u>\$20,617,335.74</u>	<u>20,416,014.13</u>

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

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

D
(Page 2 of 2)

	<u>Ref.</u>	<u>Balance Dec. 31 2017</u>	<u>Balance Dec. 31 2016</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Operating Fund</u>			
Appropriation Reserves	D-5:D-34	120,627.92	154,880.13
Reserve for Encumbrances	D-5:D-34	50,078.90	23,934.73
Prepaid Rents	D-8	15,609.23	9,318.25
Accrued Interest on Bonds	D-36	19,463.54	21,338.54
Community Disaster Loan Payable	D	722,218.36	722,218.36
Community Disaster Loan - Accrued Interest	D	35,858.13	25,920.79
Reserve for Sale of Borough Assets	D-8	24,377.00	.00
		<u>988,233.08</u>	<u>957,610.80</u>
Reserve for Receivables	D	374,999.59	93,863.70
Operating Fund Balance	D-1	<u>592,489.56</u>	<u>577,078.12</u>
<u>Total Operating Fund</u>		<u>1,955,722.23</u>	<u>1,628,552.62</u>
<u>Capital Fund</u>			
Loans Payable	D-54	4,294,459.22	4,685,379.44
Improvement Authorizations - Funded	D-43	10,500.00	10,500.00
Improvement Authorizations - Unfunded	D-43	1,725,808.25	2,388,697.69
Capital Improvement Fund	D-45	239,582.00	174,582.00
Reserve for Amortization	D-49	7,901,297.51	7,901,297.51
Deferred Reserve for Amortization	D-50	3,020,619.78	2,521,354.87
Interfund Due to Water and Sewer Operating Fund	D-31	482,160.48	118,463.73
Interfund Due to General Capital Fund	D-30	778,585.40	778,585.40
Reserve for N.J.E.I.T. Loan Receivable	D	9,721.00	9,721.00
Fund Balance	D-3	<u>198,879.87</u>	<u>198,879.87</u>
<u>Total Capital Fund</u>		<u>18,661,613.51</u>	<u>18,787,461.51</u>
<u>Total Liabilities, Reserves and Fund Balance</u>		<u>\$20,617,335.74</u>	<u>20,416,014.13</u>

Note: There were bonds and notes authorized but not issued on December 31, 2017 of \$3,292,734.00 as per Exhibit D-56.

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

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 2017</u>	<u>Year 2016</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-4	284,349.00	265,000.00
Water and Sewer Rents	D-4	2,724,108.46	2,731,092.66
Other Credits to Income			
Miscellaneous Revenue not Anticipated	D-4	80,139.36	41,259.27
Unexpended Balance of Appropriation Reserves	D-34	<u>147,544.94</u>	<u>71,404.31</u>
<u>Total Income</u>		<u>3,236,141.76</u>	<u>3,108,756.24</u>
<u>Expenditures</u>			
Operating	D-5	2,062,372.52	2,012,608.48
Capital Improvements	D-5	110,000.00	115,000.00
Debt Service	D-5	488,069.27	427,540.05
Deferred Charges and Statutory Expenditures	D-5	275,939.53	293,170.09
Refund Prior Year Revenue	D-13	<u>.00</u>	<u>224.00</u>
<u>Total Expenditures</u>		<u>2,936,381.32</u>	<u>2,848,542.62</u>
<u>Excess in Revenue</u>		299,760.44	260,213.62
<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>		299,760.44	260,213.62
<u>Fund Balance</u>			
Balance - January 1	D:D-1	<u>577,078.12</u>	<u>581,864.50</u>
		876,838.56	842,078.12
<u>Decreased by</u>			
Utilized as Anticipated Revenue	D-1	<u>284,349.00</u>	<u>265,000.00</u>
<u>Balance - December 31</u>	D	<u>\$ 592,489.56</u>	<u>577,078.12</u>

Statement of Capital Fund Balance - Regulatory Basis

D-3

	<u>Ref.</u>	
<u>Balance - December 31, 2016 and December 31, 2017</u>	D	<u>\$198,879.87</u>
No change during 2017		

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

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Statement of Revenue - Regulatory Basis -2017
Water & Sewer Operating Fund

D-4

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance	D-1	284,349.00	284,349.00	.00
Water and Sewer Rents	D-1	2,672,850.00	2,724,108.46	51,258.46
		<u>\$2,957,199.00</u>	<u>3,008,457.46</u>	<u>51,258.46</u>
	<u>Ref.</u>	D-5		

Analysis of Realized Revenues - 2017

	<u>Ref.</u>	
<u>Rents</u>		
Consumer Accounts Receivable		
Rents Collected	D-14	2,714,790.21
Prepaid Rents Applied	D:D-14	9,318.25
		<u>\$2,724,108.46</u>

Analysis of Non-Budget Revenue - 2017

	<u>Ref.</u>	
Permits and Taps		6,250.00
After Hours Charge		150.00
Return Check Charge		80.00
Meter Replacement		<u>200.32</u>
	D-15	6,680.32
Fire Hydrant Use		50.00
Interest on Delinquent Accounts		22,780.92
Interest on Investments		578.12
Construction Water Use		50.00
Legal Settlement		<u>50,000.00</u>
	D-1:D-8	<u>\$80,139.36</u>

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

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Statement of Expenditures - Regulatory Basis - 2017

D-5

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
Operating					
Salaries and Wages	527,911.00	527,911.00	508,373.44	.00	.00
Other Expenses	510,862.35	510,862.35	377,170.78	50,078.90	.00
Contractual Payments to South Monmouth Regional Sewerage Authority	1,023,599.17	1,023,599.17	1,023,599.16	.01	.00
Capital Improvements					
Capital Improvement Fund	65,000.00	65,000.00	65,000.00	.00	.00
Fire Hydrants	20,000.00	20,000.00	14,600.00	.00	.00
Tools and Equipment	5,000.00	5,000.00	.00	.00	.00
Valve Replacements	20,000.00	20,000.00	15,540.00	.00	.00
Debt Service					
Interest on Notes	1.00	1.00	.00	.00	1.00
New Jersey Environmental Infrastructure Trust Loan:					
Loan Payments for Principal	390,920.22	390,920.22	390,920.22	.00	.00
Loan Payments for Interest	49,337.50	49,337.50	28,520.82	.00	20,816.68
South Monmouth Regional Sewerage Auth. Debt Service Amortization Contractual	68,628.23	68,628.23	68,628.23	.00	.00
Deferred Charges and Statutory Expenditures					
Deferred Charges					
Cost of Improvements Authorized					
Ordn. #2097/2124 - Sewer Lines - Glimmer Glass	108,344.69	108,344.69	108,344.69	.00	.00
Statutory Expenditures					
Public Employees' Retirement System	122,209.65	122,209.65	122,209.65	.00	.00
Social Security System (O.A.S.I.)	40,385.19	40,385.19	37,767.51	.00	.00
Unemployment Compensation Insurance	5,000.00	5,000.00	5,000.00	.00	.00
	<u>\$2,957,199.00</u>	<u>2,957,199.00</u>	<u>2,765,674.50</u>	<u>50,078.90</u>	<u>20,817.68</u>
	D-4			D	D-1
Due to Water and Sewer Capital Fund			108,344.69		
Accrued Interest on Bonds			28,520.82		
Cash Disbursed			<u>2,628,808.99</u>		
			<u>\$2,765,674.50</u>		

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

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 2017</u>	<u>Balance Dec. 31, 2016</u>
<u>Operating Fund</u>			
Cash	E-8	1,548,050.56	1,460,106.83
Cash - Change Fund	E-10	.00	.00
		<u>1,548,050.56</u>	<u>1,460,106.83</u>
Deferred Charges - Community Disaster Loan	E	<u>138,457.07</u>	<u>136,651.28</u>
Total Operating Fund		<u>1,686,507.63</u>	<u>1,596,758.11</u>
<u>Capital Fund</u>			
Cash	E-8	34,253.47	.00
Fixed Capital	E-28	2,137,097.01	2,137,097.01
Fixed Capital Authorized and Uncompleted	E-29	4,825,000.00	4,825,000.00
Interfund Due from Beach Operating Fund	E-31	.00	34,253.47
Total Capital Fund		<u>6,996,350.48</u>	<u>6,996,350.48</u>
Total Assets		<u>\$8,682,858.11</u>	<u>8,593,108.59</u>
<u>Liabilities, Reserves and Fund Balance</u>			
<u>Operating Fund</u>			
Prepaid Beach Revenue	E-8	196,857.50	194,870.00
Appropriation Reserves	E-5:E-34	104,880.37	110,400.46
Reserve for Encumbrances	E-5:E-34	14,753.51	2,375.94
Reserve for Private Donation - Walkways - Appropriated	E	12,000.00	12,000.00
Reserve for Sale of Assets	E-8	4,365.60	.00
Reserve for FEMA - Notes Payable	E-8	130,789.70	16,401.15
Accrued Interest on Notes	E-36	3,952.98	3,168.23
Interfund Due to Beach Capital Fund	E-31	.00	34,253.47
Community Disaster Loan Payable	E	131,240.00	131,240.00
Community Disaster Loan - Accrued Interest	E	<u>7,217.07</u>	<u>5,411.28</u>
		606,056.73	510,120.53
Fund Balance	E-1	<u>1,080,450.90</u>	<u>1,086,637.58</u>
Total Operating Fund		<u>1,686,507.63</u>	<u>1,596,758.11</u>
<u>Capital Fund</u>			
Bond Anticipation Notes	E-53	682,000.00	982,000.00
Improvement Authorization - Funded	E-43	.00	.00
Improvement Authorization - Unfunded	E-43	603,032.41	603,032.41
Reserve for Amortization	E-49	2,137,097.01	2,137,097.01
Deferred Reserve for Amortization	E-50	3,549,332.35	3,249,332.35
Capital Improvement Fund	E-45	8,750.00	8,750.00
Fund Balance	E-3	<u>16,138.71</u>	<u>16,138.71</u>
Total Capital Fund		<u>6,996,350.48</u>	<u>6,996,350.48</u>
Total Liabilities, Reserves and Fund Balance		<u>\$8,682,858.11</u>	<u>8,593,108.59</u>

There were bonds and notes authorized but not issued on December 31, 2017 of \$593,667.65 as per E-56.

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

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 2017</u>	<u>Year 2016</u>
Fund Balance Utilized	E-4	527,695.64	500,092.12
Beach Revenue	E-4	1,986,042.50	1,963,070.50
Other Credits to Income			
Miscellaneous Revenue not Anticipated	E-4	52,968.28	29,665.38
Unexpended Balance of Appropriation Reserves	E-34	<u>100,667.33</u>	<u>69,522.60</u>
<u>Total Income</u>		<u>2,667,373.75</u>	<u>2,562,350.60</u>
<u>Expenditures</u>			
Operating	E-5	1,644,111.00	1,570,388.03
Debt Service	E-5	309,819.15	309,709.63
Deferred Charges and Statutory Expenditures	E-5	89,934.64	87,704.09
Surplus (General Budget)	E-5	102,000.00	102,000.00
Refund Prior Year Revenue	E-8	<u>.00</u>	<u>2,327.94</u>
<u>Total Expenditures</u>		<u>2,145,864.79</u>	<u>2,072,129.69</u>
<u>Excess in Revenue</u>		521,508.96	490,220.91
<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>		521,508.96	490,220.91
<u>Fund Balance</u> - Balance - January 1	E-1	<u>1,086,637.58</u>	<u>1,096,508.79</u>
		1,608,146.54	1,586,729.70
<u>Decreased by</u>			
Utilized as Anticipated Revenue	E-1	<u>527,695.64</u>	<u>500,092.12</u>
<u>Balance</u> - December 31	E	<u>\$1,080,450.90</u>	<u>1,086,637.58</u>

Statement of Capital Fund Balance - Regulatory Basis

E-3

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016 and December 31, 2017	E	<u>\$16,138.71</u>
No change during 2017		

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

Borough of Manasquan, NJ
Beach Utility Fund
Statement of Revenues - Regulatory Basis - 2017
Beach Operating Fund

E-4

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Utilized	E-1	527,695.64	527,695.64	.00
Beach Revenues	E-1	<u>1,619,000.00</u>	<u>1,986,042.50</u>	<u>367,042.50</u>
	E-5	<u>\$2,146,695.64</u>	<u>2,513,738.14</u>	<u>367,042.50</u>

Analysis of Realized Income - 2017

Beach Revenues		
Beach Badges - Seasonal		971,107.50
- Weekly and Daily		686,035.00
Parking Lot Receipts and Stickers		301,455.00
Lockers		<u>27,445.00</u>
		<u>\$1,986,042.50</u>
	<u>Ref.</u>	
Beach Revenues Collected	E-8	1,791,172.50
Prepaid Beach Revenue Applied	E	<u>194,870.00</u>
	E-4	<u>\$1,986,042.50</u>

Analysis of Non-Budget Income - 2017

	<u>Ref.</u>	
Sea Watch Rent - Concessions		16,510.00
Beach Use Fee		4,350.00
FEMA Storm Reimbursements		29,831.50
Bounced Check Charge		60.00
Miscellaneous Receipts and Reimbursements		<u>25.00</u>
	E-8:E-44	50,776.50
Interest on Investments	E-8	<u>2,191.78</u>
	E-1	<u>\$52,968.28</u>

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

Borough of Manasquan, NJ
Beach Utility Fund

Statement of Expenditures - Regulatory Basis - 2017

E-5

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance</u>	
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>	
<u>Operating</u>							
Salaries and Wages	996,961.00	996,961.00	975,828.41	.00	21,132.59	.00	.00
Other Expenses	647,150.00	647,150.00	552,554.48	14,753.51	79,842.01	.00	.00
<u>Debt Service</u>							
Payment of Bond Anticipation Notes	300,000.00	300,000.00	300,000.00	.00	.00	.00	.00
Interest on Notes	10,650.00	10,650.00	9,819.15	.00	.00	830.85	
<u>Deferred Charges and Statutory Expenditures</u>							
Statutory Expenditures							
Public Employees' Retirement System	16,294.62	16,294.62	16,294.62	.00	.00	.00	.00
Social Security System (O.A.S.I.)	73,590.02	73,590.02	69,684.25	.00	3,905.77	.00	.00
Unemployment Compensation Insurance	50.00	50.00	50.00	.00	.00	.00	.00
Surplus (General Budget)	102,000.00	102,000.00	102,000.00	.00	.00	.00	.00
	<u>\$2,146,695.64</u>	<u>2,146,695.64</u>	<u>2,026,230.91</u>	<u>14,753.51</u>	<u>104,880.37</u>	<u>830.85</u>	
<u>Ref.</u>	E-4	E-5		E	E	E-1	
Accrued Interest on Notes			9,819.15				
Cash Disbursed			<u>2,016,411.76</u>				
			<u>\$2,026,230.91</u>				

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

GENERAL FIXED ASSETS

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

H

	Balance <u>Dec. 31, 2017</u>	Balance <u>Dec. 31, 2016</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	1,646,354.44	1,260,110.55
Vehicles	<u>1,358,228.93</u>	<u>1,199,474.93</u>
	<u>\$38,912,823.37</u>	<u>38,367,825.48</u>
<u>Investment in General Fixed Assets</u>	<u>\$38,912,823.37</u>	<u>38,367,825.48</u>

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

NOTES TO FINANCIAL STATEMENTS

Borough of Manasquan, NJ
Notes to Financial Statements
Year Ended December 31, 2017

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, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

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, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

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, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

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.

Depreciation expense is not calculated on fixed assets.

Encumbrances are reported as a liability in the financial statement.

Net pension liability not recorded as a liability in the financial statements.

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

NOTE 2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include petty cash, change funds, and cash or deposit with public depositories.

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, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 2 CASH AND CASH EQUIVALENTS (Cont'd)

The Borough's deposits held at December 31, 2017 and reported at fair value, are as follows:

<u>Type</u>	<u>Cost</u>
Deposits:	
Demand deposits	<u>10,773,455.27</u>
Total deposits	<u><u>\$10,773,455.27</u></u>

The Borough's Cash and Cash Equivalents are Reported as follows:

Current Fund	7,303,763.54
Trust Funds	1,513,259.48
General Capital	33,542.55
Water and Sewer Utility Operating Fund	340,485.67
Water and Sewer Utility Capital Fund	100.00
Beach Utility Operating Fund	1,548,050.56
Beach Utility Capital Fund	<u>34,253.47</u>
Total Cash and Cash Equivalents	<u><u>\$10,773,455.27</u></u>

Custodial Credit Risk - Deposits in financial institutions reported as components of cash and cash equivalents, had a bank balance of \$12,864,495.13 at December 31, 2017. Of the bank balance \$327,404.61 was fully insured by depository insurance and \$12,537,090.52 was secured by a collateral pool held by the bank, but not in the Borough's name, as required by New Jersey statutes.

NOTE 3 INVESTMENTS

A. Custodial Credit Risk

For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Borough and are held by either the counterparty or the counterparty's trust department or agent but not in the Borough's name. All of the Borough's investments are held in the name of the Borough and are collateralized by GUDPA.

B. Investment Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. The Borough has no formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investments held at December 31, 2017, are provided in the below schedule.

C. Investment Credit Risk

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

- Bonds or other obligations of the United States or obligations guaranteed by the United States of America;
- Government money market mutual funds;

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 3 INVESTMENTS (Cont'd)

C. Investment Credit Risk (Cont'd)

- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Borough or bonds or other obligations of the local unit or units within which the Borough is located;
- Local Government investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section I of P.L. 1977, c.281 or;
- Agreements for the repurchase of fully collateralized securities.

As of December 31, 2017 the Borough had the following investments:

	<u>Fair Value (LOSAP)</u>	<u>Book Value</u>	<u>Total Reported Value</u>
Uninsured and Collateralized:			
Institution's Trust Department in the Borough's name	<u>\$280,644.41</u>	<u>\$280,644.41</u>	<u>\$280,644.41</u>

NOTE 4 MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds to finance general Borough capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds. The Borough's full faith and credit taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Issued</u>			
General			
Bonds, Notes and Loans	9,951,843.61	9,455,422.33	6,383,090.43
Water and Sewer Utility			
Bonds, Notes and Loans	4,294,459.22	4,685,379.44	4,739,973.70
Beach Utility			
Bonds and Notes	<u>682,000.00</u>	<u>982,000.00</u>	<u>1,393,330.00</u>
<u>Net Debt Issued</u>	<u>14,928,302.83</u>	<u>15,122,801.77</u>	<u>12,516,394.13</u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	2,678,140.00	3,496,622.22	6,395,983.44
Water and Sewer Utility			
Bonds and Notes	3,292,734.00	2,135,176.69	3,805,047.08
Beach Utility:			
Bonds and Notes	<u>593,667.65</u>	<u>593,667.65</u>	<u>482,337.65</u>
<u>Total Authorized But Not Issued</u>	<u>6,565,541.65</u>	<u>6,225,466.56</u>	<u>10,683,368.17</u>
<u>Bonds, Notes and Loans Issued and Authorized But Not Issued</u>	<u>\$21,492,844.48</u>	<u>21,348,268.33</u>	<u>23,199,762.30</u>

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 4 MUNICIPAL DEBT (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Current and Prior Years

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Serial Bonds:				
General Capital Fund	.00	.00	.00	.00
Bond Anticipation Notes:				
General Capital Fund	4,560,451.00	.00	641,645.00	3,918,806.00
Beach Utility	982,000.00	.00	300,000.00	682,000.00
NJEIT Loans Payable:				
General Capital Fund	4,894,971.33	1,421,981.00	283,914.72	6,033,037.61
Water & Sewer Utility	4,685,379.44	.00	390,920.22	4,294,459.22
	<u>\$15,122,801.77</u>	<u>1,421,981.00</u>	<u>1,616,479.94</u>	<u>14,928,302.83</u>

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Serial Bonds:				
General Capital Fund	146,000.00	.00	146,000.00	.00
Bond Anticipation Notes:				
General Capital Fund	4,557,267.00	760,000.00	756,816.00	4,560,451.00
Beach Utility	1,393,330.00	.00	411,330.00	982,000.00
NJEIT Loans Payable:				
General Capital Fund	1,679,823.43	3,368,399.00	153,251.10	4,894,971.33
Water & Sewer Utility	4,739,973.70	1,529,163.00	1,583,757.26	4,685,379.44
	<u>\$12,516,394.13</u>	<u>5,657,562.00</u>	<u>3,051,154.36</u>	<u>15,122,801.77</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 .617%

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	16,593,754.00	16,593,754.00	.00
Utility Debt	8,862,860.87	8,862,860.87	.00
General Debt	<u>12,629,983.61</u>	<u>.00</u>	<u>12,629,983.61</u>
	<u>\$38,086,598.48</u>	<u>25,456,614.87</u>	<u>12,629,983.61</u>

Net debt \$12,629,983.61 divided by equalized valuation basis per N.J.S. 40A:2-2 as amended \$2,046,347,655.67 = .617%.

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

4% of Average Equalized Valuation Basis	81,853,906.23
Net Debt	<u>12,629,983.61</u>
Remaining Borrowing Power	<u>\$69,223,922.62</u>

Borrowing Power Available Under N.J.S. 40A:2-7(f)

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 4 MUNICIPAL DEBT (Cont'd)

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, 2016 under R.S. 40:1-16(d) as shown on Annual Debt Statement	None
Deduct: Net amount authorized in 2017	<u>None</u>
Remaining balance of debt incurring capacity under R.S. 40:1-16(d) at December 31, 2017	<u>\$None</u>

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	3,038,516.82
Deductions	
Operating and Maintenance Costs	2,298,595.59
Debt Services per Sewer Account	<u>619,579.78</u>
Total Deductions	<u>2,918,175.37</u>
Excess (Deficit) in Revenue	\$ <u>120,341.45</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	2,536,814.92
Deductions	
Operating and Maintenance Costs	1,734,045.64
Debt Services per Beach Account	<u>357,040.31</u>
Total Deductions	<u>2,091,085.95</u>
Excess in Revenue	\$ <u>445,728.97</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount, or the total amount of debt service for that fund, whichever is less.

At December 31, 2017, the Borough had capital debt issued and outstanding described as follows:

General Capital Bond Anticipation Notes

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>
Various Capital Improvements	12/29/18	0.000%	\$ <u>3,918,806.00*</u>

*Due to Current Fund

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 4 MUNICIPAL DEBT (Cont'd)

At December 31, 2017, the Borough had capital debt issued and outstanding described as follows:
(Cont'd)

Beach Utility Capital Bond Anticipation Notes

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>
Beach Capital Improvements	08/25/18	1.640%	<u>\$682,000.00</u>

General Capital NJ Environmental Infrastructure Trust (NJEIT) Loans

<u>Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>
Fund Loan - Purchase Sea Watch Property	08/01/25	0.000%	937,104.42
Trust Loan - Purchase Sea Watch Property	08/01/25	4.250%-4.375%	425,000.00
Fund Loan - Infrastructure Protection & Stormwater Conveyance Project	08/01/35	0.000%	2,258,952.19
Trust Loan - Infrastructure Protection & Stormwater Conveyance Project	08/01/35	2.000%-5.000%	990,000.00
Temporary Supplemental Loan - Infrastructure Protection & Stormwater Conveyance Project	05/22/18	0.000%	<u>1,421,981.00</u>
			<u>\$6,033,037.61</u>

Water & Sewer Utility Capital NJ Environmental Infrastructure Trust (NJEIT) Loans

<u>Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>
Wastewater Treatment Plan Upgrades:			
Fund Loan - Water Plant Improvements	08/01/27	0.000%	2,003,361.18
Trust Loan - Water Plan Improvements	08/01/26	3.000%-5.000%	835,000.00
Fund Loan - Advanced Metering Infrastructure Program	08/01/31	0.000%	1,101,098.04
Trust Loan - Advanced Metering Infrastructure Program	08/01/31	2.000%-5.000%	<u>355,000.00</u>
			<u>\$4,294,459.22</u>

TOTAL DEBT ISSUED AND OUTSTANDING \$14,928,302.83

**Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and
Thereafter for Bonded Debt and Loans Issued and Outstanding**

<u>Calendar Year</u>	<u>General</u>		<u>Water & Sewer Utility</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	1,809,827.86	53,218.76	422,452.70	46,712.50
2019	338,492.27	49,306.26	427,452.70	41,962.50
2020	334,606.77	45,181.26	427,452.70	37,762.50
2021	335,492.71	40,931.25	432,452.70	32,762.50
2022	345,635.28	36,493.76	442,452.70	29,212.50
Thereafter	<u>2,868,982.72</u>	<u>197,728.24</u>	<u>2,142,195.72</u>	<u>73,587.50</u>
	<u>\$6,033,037.61</u>	<u>422,859.53</u>	<u>4,294,459.22</u>	<u>262,000.00</u>

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 5 FUND BALANCES (SURPLUS) APPROPRIATED

Fund balances (surplus) at December 31, 2017 which were appropriated and included as anticipated revenue for the year ending December 31, 2018 were as follows:

Current Fund	\$1,160,000.00
Water and Sewer Utility Operating Fund	288,516.21
Beach Utility Operating Fund	544,112.18

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

	Balance Dec. 31 <u>2017</u>	Balance 2018 <u>Budget</u>	To Future <u>Budgets</u>
Current Fund			
Special Emergency Authorizations	108,921.00	36,307.00	72,614.00
Community Disaster Loan	<u>1,340,058.71</u>	<u>.00</u>	<u>1,340,058.71</u>
	<u>\$1,448,979.71</u>	<u>36,307.00</u>	<u>1,412,672.71</u>
Water and Sewer			
Community Disaster Loan	<u>\$ 758,076.49</u>	<u>.00</u>	<u>758,076.49</u>
Beach			
Community Disaster Loan	<u>\$ 138,457.07</u>	<u>.00</u>	<u>138,457.07</u>

The appropriations in the 2018 Budget are not less than that required by statute at the time and the remaining amounts if any, will be raised in subsequent budgets.

NOTE 7 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:

	Balance December 31 <u>2017</u>	<u>2016</u>
Balance of Tax	2,887,222.50	5,397,646.00
Deferred	<u>2,012,340.00</u>	<u>2,012,340.00</u>
Balance Payable	<u>\$4,899,562.50</u>	<u>7,409,986.00</u>

NOTE 8 DISCOUNTS ARE NOT ALLOWED ON PREPAID TAXES

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 9 PENSION PLANS

Borough employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS). New Jersey municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30-6.1(c)(2) requires municipalities to disclose GASB 68 information in the Notes to Financial Statements.

A. Public Employees' Retirement System (PERS)

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

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have a least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in the State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. The Borough's contributions to PERS amounted to \$271,577.00 for 2017, \$240,463.76 for 2016 and \$223,779.00 for 2015.

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 9 PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

The employee contribution rate was 7.20% effective July 1, 2016 and increased to 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities and Pension Expense - Although the Borough does not report net pension liability related to PERS, at December 31, 2017, the Borough's liability was \$6,679,699.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the Borough's proportion was 0.0286948349%, which was a decrease of 0.0017830302% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Borough recognized actual pension expense in the amount of \$271,577.00.

Actuarial Assumptions - The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65% - 4.15% based on age
Thereafter	2.65% - 5.15% based on age
Investment Rate of Return	7.00%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2013 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

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

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

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 9 PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

Long-Term Expected Rate of Return (cont'd) - Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non - U.S. developed markets equity	11.50%	9.00%
Emerging market equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

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

Sensitivity of the Borough's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Borough's proportionate share of the collective net pension liability as of December 31, 2017 calculated using the discount rate as disclosed below, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>Year Ended December 31, 2017</u>		
	<u>1% Decrease (4.00%)</u>	<u>Current Discount Rate (5.00%)</u>	<u>1% Increase (6.00%)</u>
Borough's proportionate share of the Net Pension Liability	\$8,014,026.00	\$6,679,699.00	\$5,569,479.00

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 9 PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (cont'd)

Pension Plan Fiduciary Net Position - PERS - Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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

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

Benefits Provided - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service. The following represents the membership tiers for PFRS:

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

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

The Borough's contributions to PFRS amounted to \$492,416.00 for 2017, \$458,775.48 for 2016 and \$410,885.00 for 2015.

Special Funding Situation - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. The June 30, 2017 State special funding situation net pension liability amounts are the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2017 State special funding situation pension expense is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2017. The pension expense is deemed to be a State administrative expense due to the special funding situation. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific funded amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 9 PENSION PLANS (Cont'd)

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

Special Funding Situation (cont'd) - Borough contributions to PFRS amounted to \$492,416.00 for the year ended December 31, 2017. During the fiscal year ended June 30, 2017, the State of New Jersey contributed \$48,301.00 to the PFRS for normal pension benefits on behalf of the Borough, which is less than the contractually required contribution of \$118,155.00.

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

Pension Liabilities and Pension Expense - At December 31, 2017, the Borough's liability for its proportionate share of the net pension liability was \$8,623,734.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the Borough's proportion was 0.0558601909%, which was a decrease of 0.0045337113% from its proportion measured as of June 30, 2016. The Borough has rolled forward the net pension liability to December 31, 2017 with no adjustments.

Additionally, the State's proportionate share of the net pension liability attributable to the Borough is \$965,931.00 as of December 31, 2017. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The State's proportionate share of the net pension liability associated with the Borough was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the State's proportion was 0.0558601909%, which was a decrease of 0.0045337113% from its proportion measured as of June 30, 2016 which is the same proportion as the Borough's.

Borough's Proportionate Share of the Net Pension Liability	\$8,623,734.00
State's Proportionate Share of the Net Pension Liability Associated with the Borough	<u>965,931.00</u>
Total Net Pension Liability	<u>\$9,589,665.00</u>

For the year ended December 31, 2017, the Borough recognized total pension expense of \$492,416.00.

Actuarial Assumptions - The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	2.10% - 8.98% based on age
Thereafter	3.10% - 9.98% based on age
Investment Rate of Return	7.00%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

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

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 9 PENSION PLANS (Cont'd)

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on pension plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2017 is summarized in the table below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non - U.S. developed markets equity	11.50%	9.00%
Emerging market equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

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

Sensitivity of the Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Borough) to Changes in the Discount Rate - The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Borough) as of December 31, 2017 calculated using the discount rate as disclosed below, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Year Ended December 31, 2017

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<u>(5.14%)</u>	<u>(6.14%)</u>	<u>(7.14%)</u>

Borough's proportionate share of the NPL and
the State's proportionate share of the Net Pension
Liability associated with the Borough

\$12,373,049.00 \$9,589,665.00 \$7,303,482.00

Pension Plan Fiduciary Net Position - PFRS - Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 10 FIXED ASSETS

The following is a summarization of general fixed assets for the year ended December 31, 2017 and 2016:

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Land	29,499,600.00	.00	.00	29,499,600.00
Buildings	6,408,640.00	.00	.00	6,408,640.00
Furnishings and Equipment	1,260,110.55	386,243.89	.00	1,646,354.44
Vehicles	<u>1,199,474.93</u>	<u>208,263.00</u>	<u>49,509.00</u>	<u>1,358,228.93</u>
	<u>\$38,367,825.48</u>	<u>594,506.89</u>	<u>49,509.00</u>	<u>38,912,823.37</u>

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Land	29,499,600.00	.00	.00	29,499,600.00
Buildings	6,408,640.00	.00	.00	6,408,640.00
Furnishings and Equipment	1,260,110.55	.00	.00	1,260,110.55
Vehicles	<u>1,199,474.93</u>	<u>.00</u>	<u>.00</u>	<u>1,199,474.93</u>
	<u>\$38,367,825.48</u>	<u>.00</u>	<u>.00</u>	<u>38,367,825.48</u>

NOTE 11 COMPENSATED ABSENCES

Under the existing policies and labor agreements of the Borough, employees are allowed to accumulate (with certain restrictions) unused vacation benefits and sick leave over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$828,095.84 and \$875,455.73 at December 31, 2017 and 2016, respectively. Payments are made as required. The above amounts are not required to be recorded on the financial statements per requirements of the Division of Local Government Services, Division of Community Affairs, State of New Jersey.

NOTE 12 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.

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 12 DEFERRED COMPENSATION PROGRAM (Cont'd)

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>2017</u>	<u>2016</u>
Nationwide Retirement Solutions, Inc.	\$441,653.70	402,208.29
Great-West Life & Annuity Insurance Co.	\$120,324.66	99,828.91
Axa Equitable Life Assurance Society of the United States	\$2,168,063.00	2,026,615.55

NOTE 13 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 14 CONTINGENT LIABILITIES

From time to time, the Borough is a defendant in legal proceedings relating to its operations as a municipality. In the best judgment of the Borough's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

Federal and State Awards - The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of December 31, 2017 and 2016, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Borough.

NOTE 15 FEMA COMMUNITY DISASTER LOAN

As a result of Super Storm Sandy, the Borough applied for and received approval for a loan up to 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 was able to access these funds by drawing down upon the associated line of credit. Through the year ended December 31, 2017 the Borough has used \$2,128,458.36 of this credit line and no additional funds are available for use.

Borough of Manasquan, NJ
Notes to Financial Statements (Continued)
Year Ended December 31, 2017

NOTE 15 FEMA COMMUNITY DISASTER LOAN (Cont'd)

The interest rate on the loan is the U.S. Treasury rate for 5-year maturities on the date the Promissory Note is executed, in this case July 17, 2013 when the interest rate was 1.375%. The term of the loan is usually 5 years, but may be extended. Interest accrues on the funds as they are disbursed. When applicable, the Assistance Administrator of the Disaster Assistance Directorate may cancel repayment of all or part of the loan if the revenues of the applicant in the three fiscal years following the financial year of the disaster are insufficient to meet the operating budget because of disaster related revenue losses and un-reimbursed disaster related operating expenses. This loan was subject to FEMA review in 2016 and the Borough is waiting for a final determination to be made. As of December 31, 2017, the Current Fund has recorded a loan payable in the amount of \$1,275,000.00 with \$65,078.61 of accrued interest, the Water and Sewer Utility fund has recorded a loan payable in the amount of \$722,218.36 with \$35,858.13 of accrued interest and the Beach Utility fund has recorded a loan payable in the amount of \$131,240.00 with \$7,217.08 of accrued interest.

NOTE 16 INTERFUND BALANCES

The composition of interfund balances as of December 31, 2017 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Current Fund	Public Defender Fund	100.00
Federal and State Grant Fund	Current Fund	63,760.47
Capital Fund	Assessment Trust Fund	14,608.68
Capital Fund	Water & Sewer Utility Capital Fund	778,585.40
Water & Sewer Utility Operating Fund	Water & Sewer Utility Capital Fund	482,160.48
		<u>\$1,339,116.03</u>

The purpose of these interfunds was short-term borrowings.

NOTE 17 LOSAP PROGRAM (Unaudited)

The Borough has established a Length of Service Award Program (LOSAP) Deferred Compensation Plan. The LOSAP is an incentive award program for first aid volunteers who meet specified service criteria and is a qualified plan under Internal Revenue Code Section 457(e). Funding for the plan is provided via Borough budget appropriations and the Borough has authorized VALIC, as the plan provider. As of December 31, 2017 and 2016, the cumulative balance of the Length of Service Award Program was \$280,644.41 and \$238,224.60, respectively and is recorded in the Trust Fund of the Borough.

In accordance with N.J.A.C. 5:30-14, the funds held in the LOSAP remain the assets of the Borough until they are distributed and as such are subject to the claims of the Borough's general creditors.

NOTE 18 SUBSEQUENT EVENTS

On August 10, 2017 the Borough received a draft version of the CDL Cancellation Financial Analysis for review. The draft analysis is in final Quality Control Review with FEMA now. Based on the draft analysis received there will be no CDL cancellation for the Borough. The total loan amount drawn of \$2,128,458.36 plus accrued interest is now due. The Borough plans to file a Time Extension Request once the Quality Control Review is completed.

SUPPLEMENTARY INFORMATION

Borough of Manasquan, NJ
Officials in Office and Surety Bonds - 2017

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>
Edward Donovan	Mayor	(1)	
Michael W. Mangan	President of Council	(1)	
James Walsh	Councilmember	(1)	
Gregg Olivera	Councilmember	(1)	
Richard E. Read	Councilmember	(1)	
Jeffrey Lee	Councilmember	(1)	
Joe Bossone	Councilmember	(1)	
Thomas Flarity	Municipal Administrator	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Amy Spera	Chief Financial Officer	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Courtney Hogan	Collector of Taxes and Water & SewerRents/Official Tax Searcher	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		
Robert Mannix Maser Consulting PA	Borough Engineer		
Ronald Sage	Borough Prosecutor		
James Carton IV	Alternate Borough Prosecutor/Hearing Officer		
Timothy Wintrode	Public Defender		
David Gardner	Alternate Public Defender		

Borough of Manasquan, NJ
Officials in Office and Surety Bonds - 2017
(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>
John Ducey	Conflict Council		
McManimon & Scotland, LLC	Bond Council		
Kevin Starkey	Labor Council		
Jeffrey R. Surenian	Special Council (COAH)		
Paul J. Capotorto	Borough Magistrate	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Frank DiRoma	Code Enforcement Officer/ Zoning Officer Supervisor	(1)	
Robin A. Palughi	Assessor	(1)	
Albert Ratz	Construction Official	(1)	
Beach Employees	Tracy Sullivan - Beach Clerk Supervisor Eileen McFadden - Beach Clerk Supervisor Wally Wall - Beach Manager Cashiers Parking Lot Attendants	(1) (1) (1) (1) (1)	
Marie Higgins	Court Administrator and Violations Clerk	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Helen A. Fitzsimmons	Deputy Court Administrator	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund
Ann Longendyck	Court Clerk	1,000,000.00 1,000.00 (Deductible)	Municipal Excess Liability Joint Insurance Fund

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)

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

A-4

	<u>Ref.</u>	<u>Regular</u>
<u>Balance - December 31, 2016</u>	A	5,791,551.14
<u>Increased by Receipts</u>		
Interest and Costs on Taxes	A-2	81,422.92
Property Taxes Receivable	A-15	28,723,966.66
Prepaid 2018 Taxes	A-31	2,879,469.70
Revenue Accounts Receivable	A-22	1,250,975.16
Petty Cash Fund	A-11	200.00
Taxes Overpaid	A-30	21,560.46
Miscellaneous Revenue not Anticipated	A-2	430,946.60
State Senior Citizens Allotments	A-43	60,750.00
Contra Items	A-4	592,515.15
Reserve for Private Donation - Dare	A	750.00
Reserve for Sale of Assets	A	31,078.53
Unappropriated Reserves Federal and State Grants	A-29	38,835.27
Municipal Court - Brielle	A-2	128,344.78
Interfund Capital Fund	A-39	2,860,951.42
Reserve for FEMA Reimbursements	A	493,084.67
Federal and State Grants Receivable	A-26:A-27	47,393.45
Prepaid Dock Fees	A	3,300.00
Energy Receipts Tax	A-2	390,257.00
Refund of Anticipated Revenue	A	4,537.00
Interfund Water and Sewer Utility Operating Fund	A-4	400,000.00
Refund of Miscellaneous Revenue	A-4	650.00
Due to Lien Holder	A-4	44,364.90
Anticipated Utility Operating Surplus	A-2	102,000.00
Interfund Public Defender Fund	A	100.00
Tax Title Lien Redemption Trust Fund	A-4:B-4	100.00
Private Donation Squan Beach Lifesaving Station Building	A-2	50,000.00
Prepaid Bungalow Rent	A	3,992.44
		<u>38,641,546.11</u>
		44,433,097.25
<u>Decreased by Disbursements</u>		
Appropriation Expenditures	A-3	7,581,067.77
2016 Appropriation Reserves and Reserve for Encumbrances	A-25	107,668.45
Refund of Tax Overpayments	A-30	18,001.37
Refund Prior Year Revenue	A-1	5,225.00
Petty Cash Fund	A-11	200.00
County Taxes	A-35	6,059,330.56
Local District School Tax	A-37	17,876,213.50
Special District Taxes	A-34	822,532.00
Municipal Open Space Tax	A-1	98,973.26
Appropriated Reserves Federal and State Grants	A-26	146,228.36
Interfund Due from Capital Fund	A-39	2,830,329.37
Contra Items	A-4	592,515.15
Interfund Water and Sewer Operating Fund	A-4	400,000.00
Refund Prior Year Taxes	A-1	5,095.32
Special Emergency Note Payable	A	457,000.00
Spending Reserve - Special Emergency Sandy	A	84,458.70
Due to Lien Holder	A	44,394.90
Interfund Tax Title Lien Redemption Trust Fund	A-4:B-4	100.00
		<u>37,129,333.71</u>
<u>Balance - December 31, 2017</u>	A	<u>\$ 7,303,763.54</u>

Borough of Manasquan, NJ
Current Fund
Schedule of Change Funds

A-10

	<u>Ref.</u>	
<u>Office - Collector and Clerk</u>		
<u>Balance</u> - December 31, 2016 and December 31, 2017	A	<u>\$450.00</u>
No change during 2017		

Schedule of Petty Cash Funds

A-11

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	A	.00
<u>Increased by</u>		
Cash Disbursed	A-4	<u>200.00</u>
		200.00
<u>Decreased by</u>		
Cash Received	A-4	<u>200.00</u>
<u>Balance</u> - December 31, 2017	A	<u>\$.00</u>

Borough of Manasquan, NJ

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy

A-15

Year	Balance Dec. 31 2016	2017 Levys	Added Taxes	Collection by Cash	Overpayments Applied	Cancelled	Transferred To Tax Title Liens	Balance Dec. 31 2017
2011	373.11	.00	.00	373.11	.00	.00	.00	.00
2012	1,576.58	.00	.00	1,576.58	.00	.00	.00	.00
2016	336,482.49	.00	.00	333,329.57	.00	.00	3,152.92	.00
2017	.00	29,122,853.21	.00	28,448,687.40	51,357.25	9,638.00	.00	380,566.81
	<u>338,432.18</u>	<u>29,122,853.21</u>	<u>.00</u>	<u>28,783,966.66</u>	<u>51,357.25</u>	<u>9,638.00</u>	<u>3,152.92</u>	<u>380,566.81</u>
Ref.	A	A-15		A-31	A-30		A-16	A
A-4	Collection by Cash - 2017							
A-15A	Veterans and S.C. Allowance							
				28,723,966.66				
				<u>60,000.00</u>				
				<u>\$28,783,966.66</u>				

Analysis of 2017 Property Tax Levy

Tax Yield

General Purpose and Business Property Taxes
Special District
Added Tax (54:4-63.1 et. seq.)
Omitted Tax (54:4-63.2 et. seq.)

Ref.

28,224,982.32
830,146.51
61,068.00
6,655.58

\$29,122,852.41

Tax Levy

Local District School Tax (Abstract)

15,365,790.00

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

106,030.92
5,255,789.66
368,260.88
308,746.40
14,127.13

6,052,954.99

Fire District No. 1 Tax

822,532.00

Municipal Open Space Tax

98,973.26

Local Tax for Municipal Purposes
(Abstract)

6,713,946.50
53,601.85
15,053.81

Add: Added Taxes
Add: Excess in Yield

6,782,602.16

\$29,122,852.41

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	4,000.00
Veterans Deductions per Tax Billings	A-43	56,250.00
Senior Citizens Deductions Allowed by Tax Collector	A-43	250.00
Veterans Deductions Allowed by Tax Collector	A-43	<u>250.00</u>
		60,750.00
Less:		
Senior Citizens Deductions Disallowed by Tax Collector	A-43	250.00
Veterans Deductions Disallowed by Tax Collector	A-43	<u>500.00</u>
		<u>750.00</u>
	A-15	<u>\$60,000.00</u>

Schedule of Tax Title Liens

A-16

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	A	4,821.41
<u>Increased by</u>		
Transfers from Taxes Receivable	A-15	<u>3,152.92</u>
Interest and Costs - 2017 Tax Sale		7,974.33
<u>Decreased by</u>		
Other - Water & Sewer Utility Lien	D-16	<u>258.00</u>
<u>Balance</u> - December 31, 2017	A	<u>\$7,716.33</u>

Schedule of Property Acquired for Taxes

(At Assessed Valuation)

A-18

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016 and December 31, 2017	A	<u>\$209,040.00</u>

No change during 2017

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

A-22

	<u>Ref.</u>	<u>Balance Dec. 31 2016</u>	<u>Accrued In 2017</u>	<u>Collected by Treasurer</u>	<u>Balance Dec. 31 2017</u>
Licenses					
Alcoholic Beverages	A-2	.00	22,351.00	22,351.00	.00
Food Handling	A-2	.00	5,990.00	5,990.00	.00
Raffle and Bingo	A-2	.00	3,280.00	3,280.00	.00
Amusement	A-2	.00	1,600.00	1,600.00	.00
Taxi and Taxi Driver	A-2	.00	8,150.00	8,150.00	.00
Fees and Permits					
Certificates of Occupancy	A-2	.00	98,110.00	98,110.00	.00
Zoning Fees	A-2	.00	11,575.00	11,575.00	.00
Other Fees	A-2	.00	3,858.44	3,858.44	.00
Municipal Court					
Fines and Costs	A-2	12,685.14	430,273.43	428,144.43	14,814.14
Rent - Beach Garage	A-2	.00	24,000.00	24,000.00	.00
Uniform Construction Code Fees	A-2	.00	245,979.90	245,979.90	.00
Interest on Investments	A-2	.00	9,658.78	9,658.78	.00
Dock Mooring Receipts	A-2	.00	215,310.00	215,310.00	.00
Rents	A-2	.00	75,011.61	75,011.61	.00
Planning Board - Subdivision Fee	A-2	.00	13,800.00	13,800.00	.00
Cable Television Franchise Fees	A-2	71,888.00	75,091.00	71,888.00	75,091.00
Spring Lake, Sea Girt & Brielle-Drug Alliance	A-2	.00	12,268.00	12,268.00	.00
		<u>\$84,573.14</u>	<u>1,256,307.16</u>	<u>1,250,975.16</u>	<u>89,905.14</u>
	<u>Ref.</u>	A		A-4	A

Schedule of Deferred Charges

A-23

	<u>Balance Dec. 31 2016</u>	<u>Added In 2017</u>	<u>Raised In Budget</u>	<u>Balance Dec. 31 2017</u>
Current Fund:				
Overexpenditure of Appropriation Reserves	860.58	.00	860.58	.00
Federal and State Grant Fund:				
Expenditure Without Appropriation	<u>31,392.19</u>	<u>.00</u>	<u>31,392.19</u>	<u>.00</u>
	<u>\$32,252.77</u>	<u>.00</u>	<u>32,252.77</u>	<u>.00</u>
	<u>Ref.</u>	A	A-25	A-3

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, 2016</u>	<u>Increased</u> <u>2017</u>	<u>Reduced</u> <u>2017</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
11/19/12	Hurricane Sandy	900,977.40					
12/03/12	Hurricane Sandy	2,223,745.44					
12/17/12	Hurricane Sandy	264,500.00					
12/17/12	Hurricane Sandy	1,080,000.00					
02/09/13	Hurricane Sandy	190,000.00					
06/03/13	Hurricane Sandy	650,000.00					
Total Hurricane Sandy		5,309,222.84	217,067.90*	217,067.90	.00	217,067.90	.00
03/16/15	Revaluation Pro-gram	181,535.00	36,307.00	145,228.00	.00	36,307.00	108,921.00
Total		\$5,490,757.84	253,374.90*	362,295.90	.00	253,374.90	108,921.00
<u>Ref.</u>				A	A-3	A-3	A

*1/3 of balance remaining after reducing amount authorized by cancellations and budget payments which included FEMA reimbursements.

Schedule of Appropriation Reserves and
Reserve for Encumbrances - 2016

A-25
(Page 1 of 3)

	<u>Ref.</u>	Balances				
		2016 <u>Balances</u>	After <u>Transfers</u>	<u>Expended</u>	Unexpended <u>Balances</u>	Over- <u>Expended</u>
Administrative and Executive	S&W	62.02	62.02	.00	62.02	.00
Administrative and Executive	OE	26,282.61	26,282.61	2,722.04	23,560.57	.00
Mayor and Council	S&W	141.17	141.17	.00	141.17	.00
Mayor and Council	OE	16.08	16.08	.00	16.08	.00
Municipal Clerks Office	S&W	48.53	48.53	.00	48.53	.00
Municipal Clerks Office	OE	10,735.41	10,735.41	6,093.07	4,642.34	.00
Financial Administration	S&W	4,223.29	4,223.29	.00	4,223.29	.00
Financial Administration	OE	367.32	367.32	48.83	318.49	.00
Audit Services	OE	25.00	1,000.00	1,000.00	.00	.00
Revenue Administration	S&W	537.60	537.60	.00	537.60	.00
Revenue Administration	OE	772.70	772.70	22.95	749.75	.00
Tax Assessment Administration	S&W	7,477.20	7,477.20	.00	7,477.20	.00
Tax Assessment Administration	OE	8,696.39	8,696.39	.00	8,696.39	.00
Legal Services and Costs	OE	36,244.44	35,269.44	3,521.25	31,748.19	.00
Municipal Court	S&W	2,727.29	2,727.29	.00	2,727.29	.00
Municipal Court	OE	10,138.83	10,138.83	1,229.00	8,909.83	.00
Public Defender	S&W	1,743.69	1,743.69	250.00	1,493.69	.00
Engineering Services and Costs	OE	46,571.99	46,571.99	2,695.00	43,876.99	.00
Historical Sites Office	OE	700.00	700.00	.00	700.00	.00
		157,511.56	157,511.56	17,582.14	139,929.42	.00

Borough of Manasquan, NJ**Current Fund****Schedule of Appropriation Reserves and Reserve for Encumbrances - 2016**A-25
(Page 2 of 3)

		2016	Balances		Unexpended	Over-
	Ref.	Balances	After	Expended	Balances	Expended
Planning Board	S&W	916.67	916.67	.00	916.67	.00
Planning Board	OE	8,184.41	8,184.41	187.50	7,996.91	.00
		<u>9,101.08</u>	<u>9,101.08</u>	<u>187.50</u>	<u>8,913.58</u>	<u>.00</u>
Code Enforcement	S&W	199.75	199.75	.00	199.75	.00
Code Enforcement	OE	2,213.96	2,213.96	456.75	1,757.21	.00
Zoning Office	S&W	88.01	88.01	.00	88.01	.00
		<u>2,501.72</u>	<u>2,501.72</u>	<u>456.75</u>	<u>2,044.97</u>	<u>.00</u>
Insurance - Employee Group Health	OE	24,289.34	24,289.34	1,300.28	22,988.96	.00
Insurance - Health Benefit Waiver	OE	83.53	83.53	.00	83.53	.00
		<u>24,372.87</u>	<u>24,372.87</u>	<u>1,300.28</u>	<u>23,072.49</u>	<u>.00</u>
Police	S&W	55,908.08	55,908.08	.00	55,908.08	.00
Police	OE	17,648.46	17,648.46	8,370.25	9,278.21	.00
Emergency Management Services	S&W	1,526.50	1,526.50	.00	1,526.50	.00
Emergency Management Services	OE	2,210.88	2,210.88	1,863.69	347.19	.00
Municipal Prosecutor's Office	OE	24,050.00	24,050.00	24,000.00	50.00	.00
		<u>101,343.92</u>	<u>101,343.92</u>	<u>34,233.94</u>	<u>67,109.98</u>	<u>.00</u>
Streets and Roads	S&W	28,804.41	28,804.41	.00	28,804.41	.00
Streets and Roads	OE	22,263.54	22,263.54	5,646.61	16,616.93	.00
Shade Tree Commission	OE	211.31	211.31	.00	211.31	.00
Traffic Lights	OE	426.59	426.59	149.10	277.49	.00
Solid Waste Collection	S&W	532.34	532.34	.00	532.34	.00
Solid Waste Collection	OE	1,643.68	1,643.68	.00	1,643.68	.00
Public Buildings and Grounds	OE	10,800.38	10,800.38	1,594.44	9,205.94	.00
Maintenance of Borough Vehicles	OE	8,567.98	8,567.98	356.50	8,211.48	.00
		<u>73,250.23</u>	<u>73,250.23</u>	<u>7,746.65</u>	<u>65,503.58</u>	<u>.00</u>
Board of Health	S&W	624.00	624.00	.00	624.00	.00
Board of Health	OE	25.00	25.00	.00	25.00	.00
Environmental Commission	OE	1,005.00	1,005.00	.00	1,005.00	.00
Animal Control Services	OE	2,544.00	2,544.00	2,464.00	80.00	.00
		<u>4,198.00</u>	<u>4,198.00</u>	<u>2,464.00</u>	<u>1,734.00</u>	<u>.00</u>
Recreation Services and Programs	S&W	1.00	1.00	.00	1.00	.00
Recreation Services and Programs	OE	1,325.00	1,325.00	.00	1,325.00	.00
Maintenance of Parks	S&W	1,849.27	1,849.27	.00	1,849.27	.00
Maintenance of Parks	OE	6,180.22	6,180.22	343.11	5,837.11	.00
Senior Citizens Transportation	OE	2.00	2.00	.00	2.00	.00
		<u>9,357.49</u>	<u>9,357.49</u>	<u>343.11</u>	<u>9,014.38</u>	<u>.00</u>
Construction Official	S&W	458.34	458.34	.00	458.34	.00
Construction Official	OE	13,390.52	13,390.52	5,774.39	7,616.13	.00
Electrical Inspector	S&W	496.01	496.01	.00	496.01	.00
Plumbing Inspector	S&W	485.10	485.10	.00	485.10	.00
Fire Inspector	S&W	713.94	713.94	.00	713.94	.00
		<u>15,543.91</u>	<u>15,543.91</u>	<u>5,774.39</u>	<u>9,769.52</u>	<u>.00</u>

Borough of Manasquan, NJ

Current Fund

Schedule of Appropriation Reserves and Reserve for Encumbrances - 2016

A-25
(Page 3 of 3)

		2016	Balances		Unexpended	Over-
	Ref.	Balances	After	Expended	Balances	Expended
Waterways	S&W	25.00	25.00	.00	25.00	.00
Waterways	OE	3,878.32	3,878.32	.00	3,878.32	.00
Tourism	S&W	50.00	50.00	.00	50.00	.00
Tourism	OE	603.03	603.03	603.03	.00	.00
Celebration of Public Events	OE	681.88	681.88	.00	681.88	.00
		<u>5,238.23</u>	<u>5,238.23</u>	<u>603.03</u>	<u>4,635.20</u>	<u>.00</u>
Utilities	OE	<u>79,520.23</u>	<u>79,520.23</u>	<u>4,472.59</u>	<u>75,047.64</u>	<u>.00</u>
Landfill/Solid Waste Disposal Costs	OE	<u>22,541.92</u>	<u>22,541.92</u>	<u>10,459.09</u>	<u>12,082.83</u>	<u>.00</u>
Contingent		<u>1,000.00</u>	<u>1,000.00</u>	<u>.00</u>	<u>1,000.00</u>	<u>.00</u>
Public Employee's Retirement System		30.76	30.76	.00	30.76	.00
Social Security System		5,358.94	5,358.94	2,552.71	2,806.23	.00
Police & Fire Retirement System		.52	.52	.00	.52	.00
		<u>5,390.22</u>	<u>5,390.22</u>	<u>2,552.71</u>	<u>2,837.51</u>	<u>.00</u>
Snow Removal - Brielle/Sea Girt		23,140.17	23,140.17	.00	23,140.17	.00
Gasoline - Brielle		95,525.01	95,525.01	4,042.17	91,482.84	.00
LOSAP		<u>15,000.00</u>	<u>15,000.00</u>	<u>15,000.00</u>	<u>.00</u>	<u>.00</u>
		<u>133,665.18</u>	<u>133,665.18</u>	<u>19,042.17</u>	<u>114,623.01</u>	<u>.00</u>
Matching Funds for Grants		100.00	100.00	.00	100.00	.00
Squan Beach Lifesaving Station		<u>5,100.00</u>	<u>5,100.00</u>	<u>3,550.00</u>	<u>1,550.00</u>	<u>.00</u>
		<u>5,200.00</u>	<u>5,200.00</u>	<u>3,550.00</u>	<u>1,650.00</u>	<u>.00</u>
		<u>\$649,736.56</u>	<u>649,736.56</u>	<u>110,768.45</u>	<u>538,968.11</u>	<u>.00</u>
	Ref.				A-1	A-23
Appropriation Reserves	A	592,817.23				
Reserve for Encumbrances	A	<u>56,919.33</u>				
		<u>\$649,736.56</u>				
Cash Disbursed	A-4			107,662.45		
Reserve for LOSAP	A			<u>3,100.00</u>		
				<u>\$110,768.45</u>		

Schedule of Interfund With Federal and State Grant Fund

A-26

	Ref.	
<u>Balance</u> - December 31, 2016	A	104,635.98
(Due to Federal and State Grant Fund)		
<u>Increased by</u>		
Deposited in Current Fund:		
Grants Receivable	A-4:A-27	47,393.45
Unappropriated Reserves	A-4:A-29	38,835.27
2017 Budget Appropriations	A-3:A-28	122,245.66
Deferred Change Expenditure Without Appropriation	A	<u>31,392.19</u>
		<u>239,866.57</u>
		344,502.55
<u>Decreased by</u>		
Disbursed by Current Fund:		
Appropriated Reserves	A-4:A-28	146,228.36
2017 Anticipated Revenue	A-27:A-29	<u>134,513.72</u>
		<u>280,742.08</u>
<u>Balance</u> - December 31, 2017	A	<u>\$63,760.47</u>
(Due to Federal and State Grant Fund)		

Borough of Manasquan, NJ

Current Fund

Schedule of Grants Receivable - Federal and State Grant Fund

A-27

<u>Grant</u>	<u>Balance</u>	<u>2017</u>	<u>Transfer from</u>	<u>Cancelled</u>	<u>Balance</u>
	<u>Dec. 31, 2016</u>	<u>Budget</u> <u>Revenue</u>	<u>Unappropriated</u> <u>Reserves</u>		<u>Dec. 31, 2017</u>
Recreational Trails Program	1,516.00	.00	.00	.00	1,516.00
Municipal Alliance on Alcoholism and Drug Abuse	37,469.78	49,072.00	.00	.00	39,148.33
Bullet Proof Vest Fund	1,579.62	.00	.00	.00	1,579.62
N.J. Community Forestry Grant	.00	30,000.00	.00	.00	30,000.00
	<u>\$40,565.40</u>	<u>79,072.00</u>	<u>47,393.45</u>	<u>.00</u>	<u>72,243.95</u>
	A	A-2:A-26	A-4:A-26	A-1	A

Ref.

Schedule of Appropriated Reserves for Grants - Federal and State Grant Fund

A-28

<u>Grant</u>	<u>Balance</u>	<u>Transfer from</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u>
	<u>Dec. 31, 2016</u>	<u>2017 Budget</u> <u>Appropriations</u>			<u>Dec. 31, 2017</u>
Drunk Driving Enforcement Fund	6,723.34	.00	3,388.32	.00	3,335.02
Alcohol Education Rehabilitation Fund	195.91	.00	.00	.00	195.91
Municipal Alliance on Alcoholism and Drug Abuse	28,504.09	61,340.00	59,819.14	.00	30,024.95
Body Armor Fund	8,738.56	1,863.38	850.00	.00	9,751.94
Clean Communities Grant	34,808.51	19,750.52	33,166.98	.00	21,392.05
Recreational Trails Program	706.00	.00	.00	.00	706.00
New Jersey Community Forestry Grant	3,000.00	30,000.00	.00	.00	33,000.00
Recycling Tonnage Grant	44,088.52	9,291.76	49,003.92	.00	4,376.36
Bullet Proof Vest Fund	<u>3,678.68</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>3,678.68</u>
	<u>\$130,443.61</u>	<u>122,245.66</u>	<u>146,228.36</u>	<u>.00</u>	<u>106,460.91</u>
	A	A-3	A-26	A-1	A

Ref.

Original Budget	109,977.66
Local Match	<u>12,268.00</u>
	<u>\$122,245.66</u>

Borough of Manasquan, NJ

Current Fund

Schedule of Unappropriated Reserves for Grants - Federal and State Grant Fund

A-29

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Transfer to</u> <u>2017 Budget</u> <u>Appropriations</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Municipal Alliance on Alcohol and Drug Abuse	24,536.06	24,536.06	.00	.00
Clean Communities Grant	19,750.52	19,750.52	16,779.30	16,779.30
Body Armor Fund	1,863.38	1,863.38	1,865.87	1,865.87
Recycling Tonnage Grant	.00	9,291.76	20,190.10	10,898.34
	<u>\$46,149.96</u>	<u>55,441.72</u>	<u>38,835.27</u>	<u>29,543.51</u>
<u>Ref.</u>	<u>A</u>	<u>A-28</u>	<u>A-4:A-26</u>	<u>A</u>

-59-

Schedule of Tax Overpayments

A-30

<u>Balance - December 31, 2016</u>	<u>Ref.</u>	
	A	51,357.25
<u>Increased by</u>		
Overpayments in 2017	A-4	<u>21,560.46</u>
		72,917.71
<u>Decreased by</u>		
Refunds in 2017	A-4	18,001.37
Applied to Taxes Receivable	A-15	<u>51,357.25</u>
		<u>69,358.62</u>
<u>Balance - December 31, 2017</u>	<u>A</u>	<u>\$ 3,559.09</u>

Borough of Manasquan, NJ
Current Fund
Schedule of Prepaid Taxes

A-31

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	A	232,603.75
<u>Increased by</u>		
Collection - 2018 Taxes	A-4	<u>2,879,469.70</u>
		3,112,073.45
<u>Decreased by</u>		
Applied to 2017 Taxes Receivable	A-15	<u>232,603.75</u>
<u>Balance</u> - December 31, 2017	A	<u>\$2,879,469.70</u>

Payroll Agency Account

A-32

	Balance Dec. 31 <u>2016</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance Dec. 31 <u>2017</u>
Public Employees' Retirement System	12,697.98	206,252.87	203,735.12	15,215.73
State Withholding Tax	.00	176,295.57	176,246.14	49.43
Federal Withholding, Social Security and Medicare Tax	97.50	1,208,570.04	1,208,670.82	(3.28)
Police and Fire Retirement System	15,507.37	199,907.57	198,441.51	16,973.43
Flexible Spending Accounts	11,528.55	20,147.80	18,535.78	13,140.57
Unemployment Escrow Trust Fund	.00	8,232.19	8,232.19	.00
New Jersey UI, WF, HC, DI & FLI	.00	7,020.42	6,610.80	409.62
Credit Union	(1,865.00)	6,480.00	6,480.00	(1,865.00)
Dues	705.00	15,425.00	15,425.00	705.00
Disability and Life Insurance	(2,362.10)	26,962.95	26,960.83	(2,359.98)
Deferred Compensation	25.00	197,882.89	197,882.89	25.00
Employee Share Group Insurance	521.30	201,261.13	201,261.14	521.29
Garnishment	176.83	.00	.00	176.83
Miscellaneous	(.80)	.00	.00	(.80)
	<u>\$37,031.63</u>	<u>2,274,438.43</u>	<u>2,268,482.22</u>	<u>42,987.84</u>

Borough of Manasquan, NJ

Current Fund

Payroll Account

A-33

Balance - December 31, 2016 .00

Increased by

Receipts 3,686,173.83
3,686,173.83

Decreased by

Disbursements 3,686,173.83

Balance - December 31, 2017 \$.00

Schedule of Special District Taxes Payable

A-34

Balance - December 31, 2016 Ref.
A .00

Increased by

2017 Levy - Fire District No. 1 A-1 822,532.00
822,532.00

Decreased by

Payments A-4 822,532.00

Balance - December 31, 2017 A \$.00

Schedule of County Taxes Payable

A-35

Balance - December 31, 2016 Ref.
A 20,502.70

Increased by

2017 Levy
County Health Tax A-15 106,030.92
County General Tax A-15 5,255,789.66
County Library Tax A-15 368,260.88
County Open Space Preservation A-15 308,746.40
2017 Added and Omitted County Taxes A-15 14,127.13
6,052,954.99
6,073,457.69

Decreased by

Payments A-4 6,059,330.56

Balance - December 31, 2017 A \$ 14,127.13

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

A-37

	<u>Ref.</u>		
<u>Balance - December 31, 2016</u>			
School Tax Payable	A	5,397,646.00	
School Tax Deferred		<u>2,012,340.00</u>	
			7,409,986.00
<u>Increased by</u>			
Levy - School Year			
July 1, 2017 to July 30, 2018	A-15	<u>15,365,790.00</u>	
			22,775,776.00
<u>Decreased by</u>			
Payments	A-4	<u>17,876,213.50</u>	
<u>Balance - December 31, 2017</u>			
School Tax Payable	A	2,887,222.50	
School Tax Deferred		<u>2,012,340.00</u>	
			<u>\$ 4,899,562.50</u>

2017 Liability for Local District School Tax

	<u>Ref.</u>		
Tax Paid	A-37	17,876,213.50	
Tax Payable - December 31, 2017	A-37	<u>2,887,222.50</u>	
			20,763,436.00
Less: Tax Payable - December 31, 2016	A-37	<u>5,397,646.00</u>	
Amount Charged to 2017 Operations	A-1	<u>\$15,365,790.00</u>	

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

A-39

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016			
(Due from Capital Fund)	A:C		30,622.05
<u>Increased by</u>			
Improvement Authorizations	A-4	2,474,528.40	
Disbursements	A-4	<u>355,800.97</u>	
			<u>2,830,329.37</u>
			2,860,951.42
<u>Decreased by</u>			
N.J.E.I.T. Loans	A-4	1,782,581.00	
State Aid Receivable - DOT Grant	A-4	450,000.00	
Federal Aid Receivable - CDBG	A-4	146,091.00	
Receipts	A-4	<u>482,279.42</u>	
			<u>2,860,951.42</u>
<u>Balance</u> - December 31, 2017			
(Due from Capital Fund)	A:C		<u>\$.00</u>

Schedule of Due To or From State of New Jersey

A-43

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016			
(Due to State of New Jersey)	A		16,367.85
<u>Increased by</u>			
Veterans Exemptions per Billings		56,250.00	
Senior Citizens Deductions per Billings		4,000.00	
Veterans Deductions Allowed by Tax Collector		250.00	
Senior Citizens Deductions Allowed by Tax Collector		<u>250.00</u>	
	A-15A		<u>60,750.00</u>
			44,382.15
<u>Decreased by</u>			
Received in Cash from State	A-4	60,750.00	
Senior Citizens Disallowed by Tax Collector	A-15A	250.00	
Veterans Deductions Disallowed by Tax Collector	A-15A	<u>500.00</u>	
			<u>61,500.00</u>
<u>Balance</u> - December 31, 2017			
(Due to State of New Jersey)	A		<u>\$17,117.85</u>

Borough of Manasquan, NJ

Trust Fund

Schedule of Trust Cash - Treasurer

B-4

Ref.	Tax Map Maint. Fund	Tax Title Lien Redemption Trust	Animal Control Fund	Misc. Trust Fund	Street Opening Fund	Manasquan Senior Citizens Organization	Tourism Trust	Developers Bond Trust	Recreation Commission Fund	Developers Escrow Fund	Manasquan Law Enforce. Fund	Muni. Comm. Alliance Commission	Manasquan Traffic Trust	Public Defender Fund	Affordable Housing Trust	Accum. Leave Compn. Trust	Junior Lifeguard Fund	Muni. Open Space Trust	Muni. Tree Escrow Fund	Unem. Payment Trust	COAH Escrow Trust
B	4,193.80	.00	936.65	451,796.34	21,500.00	10,786.43	43,625.77	35,041.86	282,182.31	53,233.61	19,975.90	2,609.36	10,333.70	8,542.47	301,430.24	75,058.47	12,272.10	143,427.88	3,737.87	36,468.02	2,064.04
Increased by Receipts																					
B-45	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	8,232.19	.00
B-47	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-48	.00	234,367.23	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-46	.00	.00	.00	.00	.00	.00	33,229.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-43	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-44	300.00	.00	.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	.00	.00
B-33	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.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	.00	.00
B-32	.00	.00	.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	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-4	6.92	28.20	4.74	536.21	33.16	.00	67.09	33.15	560.32	87.09	27.75	4.05	8.52	98	513.40	2.53	36.78	170.88	6.08	85.17	1.61
B-23	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-27	.00	.00	.00	.00	.00	.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	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-35	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-28	.00	.00	.00	.00	.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	.00	.00
B-31	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-34	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-36	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B	.00	100.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.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	.00	.00	.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	.00	.00
B-42	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-42	306.92	234,495.43	6,319.74	120,896.21	3,033.16	19,156.00	33,296.09	3,924.00	309,186.32	54,580.39	27.75	754.05	74,772.80	1,405.98	64,939.69	48,102.53	39,423.78	99,144.14	506.08	23,367.36	1.61
B-42	4,500.72	234,495.43	7,256.39	572,692.55	24,533.16	29,942.43	76,921.86	38,965.86	591,368.63	107,814.00	20,003.65	3,363.41	85,106.50	9,948.45	356,369.93	123,161.00	51,695.88	242,572.02	4,243.95	79,835.38	2,065.65
Decreased by Disbursements																					
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 B-47:																					
B	.00	234,367.23	5,957.06	177,457.50	4,500.00	19,045.15	47,218.00	17,051.34	301,808.80	53,230.93	1,995.00	1,549.00	79,714.50	9,292.47	15,544.77	74,589.91	28,320.18	71,960.95	.00	17,144.44	2,065.48
B	.00	100.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-4	.00	28.20	.00	536.21	33.16	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
B-4	.00	234,495.43	5,957.06	177,993.71	4,533.16	19,045.15	47,218.00	17,051.34	301,808.80	53,318.02	1,995.00	1,549.00	79,714.50	9,292.47	15,544.77	74,589.91	28,320.18	71,960.95	.00	17,144.44	2,065.48
B	\$4,500.72	.00	1,299.33	394,698.84	20,000.00	10,897.28	29,703.86	21,914.52	289,559.83	54,495.98	18,008.65	1,814.41	5,392.00	655.98	350,825.16	48,571.09	23,375.70	170,611.07	4,243.95	62,690.94	1.7
Balance - December 31, 2017																					

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

B-23

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	B	971.85
<u>Increased by</u>		
License Fees Collected - Dog		5,432.00
License Fees Collected - Cats		186.00
Late Fees		697.00
Interest		<u>4.74</u>
	B:B-4	<u>6,319.74</u>
		7,291.59
<u>Decreased by</u>		
Expenditure Under R.S. 4:19-15.11		5,343.86
Due to State of New Jersey		<u>613.20</u>
	B:B-4	<u>5,957.06</u>
<u>Balance</u> - December 31, 2017	B	<u>\$1,334.53</u>

Dog License Fees Collected

<u>Year</u>	<u>Amount</u>
2016	4,988.00
2017	<u>5,432.00</u>

\$10,420.00 No Statutory Excess Exists

Schedule of Reserve for Street Opening Deposits

B-27

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	B	21,500.00
<u>Increased by</u>		
Cash Received	B-4	3,000.00
Interest	B-4	<u>33.16</u>
		<u>3,033.16</u>
		24,533.16
<u>Decreased by</u>		
Expenditures	B-4	4,500.00
Interest Transferred to Current Fund	B-4	<u>33.16</u>
		<u>4,533.16</u>
<u>Balance</u> - December 31, 2017	B	<u>\$20,000.00</u>

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

B-28

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	B	451,796.34
<u>Increased by</u>		
Miscellaneous Trust Items	B-4	120,360.00
Interest	B-4	<u>536.21</u>
		<u>120,896.21</u>
		572,692.55
<u>Decreased by</u>		
Expenditures	B-4	177,457.50
Interest Transferred to Current Fund	B-4	<u>536.21</u>
		<u>177,993.71</u>
<u>Balance</u> - December 31, 2017	B	<u>\$394,698.84</u>

Schedule of Reserve for Recreation Commission Fund

B-29

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	B	282,182.31
<u>Increased by</u>		
Recreation Fees	B-4	308,626.00
Interest	B-4	<u>560.32</u>
		<u>309,186.32</u>
		591,368.63
<u>Decreased by</u>		
Expenditures	B-4	<u>301,808.80</u>
<u>Balance</u> - December 31, 2017	B	<u>\$289,559.83</u>

Schedule of Reserve for Developers' Bond Trust Fund

B-30

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	B	35,041.86
<u>Increased by</u>		
Developers Bonds	B-4	3,890.85
Interest	B-4	<u>33.15</u>
		<u>3,924.00</u>
		38,965.86
<u>Decreased by</u>		
Expenditures	B-4	<u>17,051.34</u>
<u>Balance</u> - December 31, 2017	B	<u>\$21,914.52</u>

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

B-31

<u>Balance</u> - December 31, 2016	<u>Ref.</u> B		53,233.61
<u>Increased by</u>			
Developers' Escrow	B:B-4	54,493.30	
Interest	B-4	<u>87.09</u>	
			<u>54,580.39</u>
			107,814.00
<u>Decreased by</u>			
Expenditures	B-4	53,230.93	
Interest Transferred to Current Fund	B-4	<u>87.09</u>	
			<u>53,318.02</u>
<u>Balance</u> - December 31, 2017	B		<u>\$ 54,495.98</u>

Schedule of Reserve for Manasquan Traffic Trust

B-32

<u>Balance</u> - December 31, 2016	<u>Ref.</u> B		10,333.70
<u>Increased by</u>			
Law Enforcement Funds	B-4	74,764.28	
Interest	B-4	<u>8.52</u>	
			<u>74,772.80</u>
			85,106.50
<u>Decreased by</u>			
Expenditures	B-4		<u>79,714.50</u>
<u>Balance</u> - December 31, 2017	B		<u>\$ 5,392.00</u>

Schedule of Reserve for Manasquan Law Enforcement Fund

B-33

<u>Balance</u> - December 31, 2016	<u>Ref.</u> B		19,975.90
<u>Increased by</u>			
Law Enforcements Funds	B-4	.00	
Interest	B-4	<u>27.75</u>	
			<u>27.75</u>
			20,003.65
<u>Decreased by</u>			
Expenditures	B-4		<u>1,995.00</u>
<u>Balance</u> - December 31, 2017	B		<u>\$18,008.65</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, 2016	B		2,609.36
<u>Increased by</u>			
Community Alliance Funds	B-4	750.00	
Interest	B-4	<u>4.05</u>	
			<u>754.05</u>
			3,363.41
<u>Decreased by</u>			
Expenditures	B-4		<u>1,549.00</u>
<u>Balance</u> - December 31, 2017	B		<u>\$1,814.41</u>

Schedule of Reserve for Public Defender Fund

B-35

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		8,542.47
<u>Increased by</u>			
Public Defender Funds	B-4	1,505.00	
Interest		<u>.98</u>	
			<u>1,505.98</u>
			10,048.45
<u>Decreased by</u>			
Expenditures	B-4	750.00	
Excess Funds Paid to Criminal Disposition and Review Collection Fund	B-4	<u>8,542.47</u>	
			<u>9,292.47</u>
<u>Balance</u> - December 31, 2017	B		<u>\$ 755.98</u>

Schedule of Reserve for Affordable Housing Trust Fund

B-36

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		301,430.24
<u>Increased by</u>			
Affordable Housing Funds	B-4	64,426.29	
Interest	B-4	<u>513.40</u>	
			<u>64,939.69</u>
			366,369.93
<u>Decreased by</u>			
Expenditures	B-4		<u>15,544.77</u>
<u>Balance</u> - December 31, 2017	B		<u>\$350,825.16</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Assessments Receivable

B-37

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Confirmed in 2017</u>			<u>Balance Pledged To</u>		
					<u>Balance Dec. 31, 2016</u>	<u>General Capital Fund</u>	<u>Due</u>	<u>Balance Dec. 31, 2017</u>	<u>General Capital Fund</u>	<u>Due</u>
2084/2104 2096	Blakey Ave. Street Improvements Glimmer Glass Drainage Improvements	03/18/13	3	03/18/13-15	745.90	.00	.00	745.90	745.90	
		08/04/14	3	08/05/14-16	13,862.78	.00	.00	13,862.78	13,862.78	
					<u>\$14,608.68</u>	<u>.00</u>	<u>.00</u>	<u>14,608.68</u>	<u>14,608.68</u>	
		<u>Ref.</u>			B	C-7	C-4	B	C-7	

Borough of Manasquan, NJ
Trust Fund
Length of Service Award Program Fund ("LOSAP")
Schedule of Funds Held by Trustee

B-38
(UNAUDITED)

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		238,224.60
<u>Increased by</u>			
Borough Contributions	B-49	11,900.00	
Appreciation on Investments	B-49	41,185.94	
Interest Earned	B-49	<u>691.30</u>	
			<u>53,777.24</u>
			292,001.84
<u>Decreased by</u>			
Distributions	B-47		<u>11,357.43</u>
<u>Balance</u> - December 31, 2017	B		<u>\$280,644.41</u>

Schedule of Reserve for Accumulated Leave
Compensation Trust Fund

B-39

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		75,058.47
<u>Increased by</u>			
Budget Contribution - Current	A-3:B-4	28,100.00	
Budget Contribution - Water & Sewer	B-4	20,000.00	
Interest	B-4	<u>2.53</u>	
			<u>48,102.53</u>
			123,161.00
<u>Decreased by</u>			
Expenditures	B-4		<u>74,589.91</u>
<u>Balance</u> - December 31, 2017	B		<u>\$ 48,571.09</u>

Schedule of Reserve for Junior Lifeguards Fund

B-40

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		12,272.10
<u>Increased by</u>			
Junior Lifeguards Funds	B-4	39,387.00	
Interest	B-4	<u>36.78</u>	
			<u>39,423.78</u>
			51,695.88
<u>Decreased by</u>			
Expenditures	B-4		<u>28,320.18</u>
<u>Balance</u> - December 31, 2017	B		<u>\$23,375.70</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Municipal Open Space Trust Fund

B-41

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		143,427.88
<u>Increased by</u>			
Amount Raised by Taxation	A-15	98,973.26	
Interest	B-4	<u>170.88</u>	
			<u>99,144.14</u>
			242,572.02
<u>Decreased by</u>			
Expenditures	B-4		<u>71,960.95</u>
<u>Balance</u> - December 31, 2017	B		<u>\$170,611.07</u>

Schedule of Reserve for Municipal Tree Escrow Fund

B-42

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		3,737.87
<u>Increased by</u>			
Tree Escrow Funds	B-4	500.00	
Interest	B-4	<u>6.08</u>	
			<u>506.08</u>
			4,243.95
<u>Decreased by</u>			
Expenditures	B-4		<u>.00</u>
<u>Balance</u> - December 31, 2017	B		<u>\$4,243.95</u>

Schedule of Reserve for Manasquan Senior Citizen Organization Fund

B-43

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		10,786.43
<u>Increased by</u>			
Senior Citizen Organization Funds	B-4	<u>19,156.00</u>	
			29,942.43
<u>Decreased by</u>			
Expenditures	B-4		<u>19,045.15</u>
<u>Balance</u> - December 31, 2017	B		<u>\$10,897.28</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for Tax Map Maintenance Fund

B-44

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		4,193.80
<u>Increased by</u>			
Tax Map Maintenance Funds	B-4	300.00	
Interest	B-4	<u>6.92</u>	
			<u>306.92</u>
			4,500.72
<u>Decreased by</u>			
Expenditures	B-4		<u>.00</u>
<u>Balance</u> - December 31, 2017	B		<u>\$4,500.72</u>

Schedule of Reserve for Unemployment Trust Fund

B-45

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		58,486.54
<u>Increased by</u>			
Employee Payroll Deductions	B:B-4	8,232.19	
Interest	B-4	85.17	
Budget Contribution	A-3:D-5	<u>15,050.00</u>	
			<u>23,367.36</u>
			81,853.90
<u>Decreased by</u>			
Expenditures	B-4		<u>17,144.44</u>
<u>Balance</u> - December 31, 2017	B		<u>\$64,709.46</u>

Schedule of Reserve for Tourism Trust Fund

B-46

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		43,625.77
<u>Increased by</u>			
Tourism Funds	B-4	33,229.00	
Interest	B-4	<u>67.09</u>	
			<u>33,296.09</u>
			76,921.86
<u>Decreased by</u>			
Expenditures	B-4		<u>47,218.00</u>
<u>Balance</u> - December 31, 2017	B		<u>\$29,703.86</u>

Borough of Manasquan, NJ
Trust Fund
Schedule of Reserve for COAH Trust Escrow

B-47

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		2,064.04
<u>Increased by</u>			
COAH Escrow Funds	B-4	.00	
Interest	B-4	<u>1.61</u>	
			<u>1.61</u>
			2,065.65
<u>Decreased by</u>			
Expenditures	B-4		<u>2,065.48</u>
<u>Balance</u> - December 31, 2017	B		<u>\$.17</u>

Schedule of Reserve for Tax Title Lien Redemption Trust Fund

B-48

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		.00
<u>Increased by</u>			
Tax Title Lien Redemption Funds	B-4	234,367.23	
Interest	B-4	<u>28.20</u>	
			<u>224,395.43</u>
			224,395.43
<u>Decreased by</u>			
Expenditures	B-4	234,367.23	
Interest Transferred to Current Fund	B-4	<u>28.20</u>	
			<u>224,395.43</u>
<u>Balance</u> - December 31, 2017	B		<u>\$.00</u>

Length of Service Award Program Fund ("LOSAP")
Schedule of Reserve for Length of Service Award Program

B-49
(UNAUDITED)

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	B		238,224.60
<u>Increased by</u>			
Borough Contributions	B-38	11,900.00	
Appreciation on Investments	B-38	41,185.94	
Interest Earned	B-38	<u>691.30</u>	
			<u>53,777.24</u>
			292,001.84
<u>Decreased by</u>			
Distributions	B-38		<u>11,357.43</u>
<u>Balance</u> - December 31, 2017	B		<u>\$280,644.41</u>

Borough of Manasquan, NJ
Capital Fund
Analysis of General Capital Cash

C-4

	Receipts		Disbursements		Balance Dec. 31 2017
	Balance Dec. 31 2016	Bond	Improvement Authorization	Miscellaneous	
		Anticipation Notes			
Fund Balance	672,777.09	.00	.00	.00	653,615.39
Interfund Due to Current Fund	30,622.05	355,800.97	.00	482,279.42	28,250.00
State Aid Receivable - D.O.T.	(450,000.00)	.00	.00	.00	2,378,672.00
Federal Aid Receivable - CDBG	(146,091.00)	.00	.00	.00	435,000.00
Interfund Due from Assessment Trust	(14,608.68)	.00	.00	.00	146,091.00
Interfund Due to Water and Sewer Capital Fund	(778,585.40)	.00	.00	.00	.00
Loan Proceeds Receivable - N.J.E.I.T.	(953,243.00)	.00	.00	.00	(14,608.68)
Reserve for DOT Grant - Bond Anticipation Note - Ordn. #2167	450,000.00	.00	.00	.00	(778,585.40)
Reserve for Debt	.00	.00	.00	.00	(592,643.00)
Reserve for Grant Receivable	.00	.00	.00	.00	.00
Reserve for CDBG Receivable	146,091.00	.00	.00	.00	450,000.00
Reserve for N.J.E.I.T. Loan Proceeds	21,160.00	.00	.00	.00	435,000.00
Improvement Authorizations:					.00
Renovate Coast Guard Building - Ordn. #1881	(403.00)	403.00	.00	.00	21,160.00
Public Works Equipment - Ordn. #2010	19,755.21	.00	.00	.00	.00
Technology Purchases - Ordn. #2028	417.10	.00	.00	.00	.00
Sidewalk Repairs - Ordn. #2029	9,374.16	.00	.00	.00	.00
Roadway Paving - Ordn. #2030	63,352.65	.00	.00	.00	.00
Improvements to Public Property - Ordn. #2052	119,661.23	.00	.00	.00	21,942.27
Bulkhead Repair - Third Ave. - Ordn. #2065	175,188.25	.00	.00	.00	.00
Dump Trucks - Ordn. #2082	1,128.32	.00	.00	.00	.00
OEM Siren - Ordn. #2083	(1,960.79)	1,960.79	.00	.00	.00
Blakey Ave. Street Improvements - Ordn. #2084/2104	(139,069.35)	139,069.35	.00	.00	.00
Glimmer Glass Drainage - Ordn. #2096	14,246.57	.00	.00	.00	.00
Various Improvements of Borough Hall - Ordn. #2112	(28,500.00)	18,587.86	.00	.00	.00
Improvements to Little League Bldg. - Ordn. #2113	(7,662.28)	.00	.00	.00	.00
Roadway Paving - Ordn. #2126	839.79	.00	.00	.00	.00
Various Capital Improvements - Ordn. #2128	177,748.53	.00	.00	.00	.00
ADA Doors - Ordn. #2136	(11,410.73)	.00	.00	.00	.00

Borough of Manasquan, NJ
Capital Fund
Analysis of General Capital Cash

C-4
(Continued)

	Balance Dec. 31 2016	Receipts		Disbursements	Transfers		Balance Dec. 31 2017
		Bond Anticipation Notes	Miscellaneous		To	From	
Improvement Authorizations (Continued):							
Tennis Courts - Ordn. #2140	2,791.80	.00	.00	.00	.00	2,791.80	.00
Improvements Code Department - Ordn. #2144	2,161.88	.00	.00	.00	.00	2,161.88	.00
Various Storm Related Improvements - Ordn. #2154	3,634.16	.00	.00	.00	.00	3,634.16	.00
Public Works Vehicles - Ordn. #2161	(77,900.00)	.00	.00	.00	.00	.00	(77,900.00)
Public Works Riding Lawnmower - Ordn. #2162	500.46	.00	.00	.00	.00	500.46	.00
Street Reconstruction and Resurfacing - Ordn. #2163	(280,333.97)	.00	.00	.00	.00	.00	(280,333.97)
Old Squan Village - Street Resurfacing - Ordn. #2164	5,250.24	.00	.00	.00	.00	.00	5,250.24
Technology Improvements - Ordn. #2165	74,440.64	.00	.00	.00	.00	13,376.45	61,064.19
Brielle Road Reconstruction - Ordn. #2167	68,238.96	.00	.00	.00	.00	.00	68,238.96
Brielle Road Reconstruction - Ordn. #2169	78,452.71	.00	.00	.00	.00	72.50	78,380.21
Public Works Asphalt Hot Patcher - Ordn. #2176	2,443.00	.00	.00	.00	.00	.00	2,443.00
Infrastructure Protection & Stormwater Conveyance Project - Ordn. #2189/2215	487,096.65	.00	.00	.00	1,421,981.00	1,730,449.59	178,628.06
Public Works Vehicles & Equipment - Ordn. #2190	(72,669.00)	.00	.00	.00	.00	.00	(72,669.00)
Reconstruction of Sidewalks - Safe Streets & Schools - Ordn. #2191	9,685.48	.00	.00	.00	.00	1,000.00	8,685.48
Municipal Buildings & Grounds Improvements - Ordn. #2194	146,349.34	.00	.00	.00	.00	29,840.00	116,509.34
Mallard Park Improvements - Ordn. #2196	122,753.33	.00	.00	.00	.00	5,860.99	116,892.34
Emergency Mobile Generator - Ordn. #2197	9,827.94	.00	.00	.00	.00	.00	9,827.94
Public Works Pickup Truck & Plow - Ordn. #2198	(36,501.00)	.00	.00	.00	.00	.00	(36,501.00)
Pedestrian Safety & Installation of ADA Roadway & Infrastructure Improvements - Ordn. #2212	(9,878.81)	.00	.00	.00	146,091.00	313,422.94	(177,210.75)
Street Reconstruction & Resurfacing - Ordn. #2214	67,828.47	.00	.00	.00	.00	29,757.16	38,071.31
Acquisition of Public Works Equipment - Ordn. #2221	25,000.00	.00	.00	.00	.00	312,371.50	(287,371.50)
Roadway Improvements - Stockton Lake Blvd. Phase 1 & 2 - Ordn. #2247	.00	.00	.00	.00	28,250.00	16,435.00	11,815.00
	\$.00	515,821.97	.00	482,279.42	7,343,610.70	7,343,610.70	33,542.55
	C	C-19	C-2	C-2,C-14			C
Ref.							

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

C-6

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016			
(Due to Current Fund)	C		30,622.05
<u>Increased by</u>			
Improvement Authorizations	C-14	2,474,528.40	
Cash Receipts	C-4	<u>355,800.97</u>	
			<u>2,830,329.37</u>
			2,860,951.42
<u>Decreased by</u>			
Loan Proceeds Receivable - N.J.E.I.T.	C	953,243.00	
Loans Issued - N.J.E.I.T.	C:C-21	829,338.00	
State Aid Receivable - Department of Transportation	C	450,000.00	
Federal Aid Receivable - CDBG	C	146,091.00	
Cash Disbursed	C-4	<u>482,279.42</u>	
			<u>2,860,951.42</u>
<u>Balance</u> - December 31, 2017			
(Due to Current Fund)	C		\$ <u>.00</u>

Schedule of Interfund with Assessment Fund

C-7

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016			
(Due from Assessment Fund)	C		14,608.68
<u>Decreased by</u>			
Assessments Collected	C-6		<u>.00</u>
<u>Balance</u> - December 31, 2017			
(Due from Assessment Fund)	C		<u>\$14,608.68</u>

Schedule of Deferred Charges to Future Taxation - Funded

C-9

	<u>Ref.</u>		
<u>Balance</u> - December 31, 2016	C		4,894,971.33
<u>Increased by</u>			
Loans Issued	C-21	<u>1,421,981.00</u>	
			6,316,952.33
<u>Decreased by</u>			
Budget Appropriations to Pay Loans	C-21		<u>283,914.72</u>
<u>Balance</u> - December 31, 2017	C		<u>\$6,033,037.61</u>

Borough of Manasquan, NJ
Capital Fund

Schedule of Deferred Charges to Future Taxation - Unfunded

C-10

Ordinance Number	Improvement Description	Balance Dec. 31 2016	Authorizations	Notes Paid By Budget Appropriation	Funded By Budget Appropriation	Other	Cancelled	Balance Dec. 31 2017	Notes Payable	Expenditures	Unexpended Improvement Authorizations
1881/2011	Renovate Coast Guard Building	8,252.28	.00	.00	403.00	.00	.00	7,849.28	.00	.00	7,849.28
2000	Bulkhead and Playground Equipment	50,892.00	.00	50,892.00	.00	.00	.00	.00	.00	.00	.00
2010	Public Works Equipment	31,213.00	.00	15,607.00	.00	.00	.00	15,606.00	15,606.00	.00	.00
2028	Technology Purchases	54,285.00	.00	27,143.00	.00	.00	.00	27,142.00	27,142.00	.00	.00
2029	Sidewalk Repairs	54,285.00	.00	27,143.00	.00	.00	.00	27,142.00	27,142.00	.00	.00
2030	Roadway Paving	101,783.00	.00	33,929.00	.00	.00	.00	67,854.00	67,854.00	.00	.00
2036	Virginia Avenue Phase II	57,230.54	.00	.00	.00	.00	57,230.54	.00	.00	.00	.00
2046	Public Works and Police Equipment	126,282.96	.00	39,286.00	.00	.00	.00	83,926.00	83,926.00	.00	.00
2052	Improvement to Public Property	112,106.00	.00	22,322.00	.00	.00	.00	89,784.00	89,784.00	.00	500.00
2065	Bulkhead Repair - Third Ave.	203,570.00	.00	40,715.00	.00	.00	.00	162,855.00	162,855.00	.00	.00
2082	Dump Trucks	116,713.00	.00	29,179.00	.00	.00	.00	87,534.00	87,534.00	.00	.00
2083	OEM Siren	1,960.79	.00	.00	1,960.79	.00	.00	.00	.00	.00	.00
2084/2104	Blakey Ave. Street Improvements	139,069.35	.00	.00	139,069.35	.00	.00	.00	.00	.00	.00
2096	Glimmer Glass Drainage	200,000.00	.00	50,000.00	.00	.00	.00	150,000.00	150,000.00	.00	.00
2105	Squan Plaza Improvements	1,010,000.00	.00	126,250.00	.00	.00	.00	883,750.00	883,750.00	.00	.00
2112	Various Improvements of Borough Hall	28,500.00	.00	.00	18,587.86	.00	.00	9,912.14	.00	9,912.14	.00
2113	Improvements to Little League Bldg.	9,500.00	.00	.00	.00	.00	1,837.72	7,662.28	.00	7,662.28	.00
2126	Roadway Paving	145,892.00	.00	29,179.00	.00	.00	.00	116,713.00	116,713.00	.00	.00
2128	Various Capital Improvements	305,533.57	.00	37,500.00	.00	.00	.00	268,033.57	262,500.00	.00	5,533.57
2136	ADA Doors	11,410.73	.00	.00	.00	.00	.00	11,410.73	.00	11,410.73	.00
2161	Public Works Vehicles	77,900.00	.00	.00	.00	.00	.00	77,900.00	.00	77,900.00	.00
2163	Street Reconstruction and Resurfacing	285,000.00	.00	.00	.00	.00	.00	285,000.00	.00	280,333.97	4,666.03
2164	Old Squan Village - Street Resurfacing	199,500.00	.00	.00	.00	.00	.00	199,500.00	199,500.00	.00	.00
2165	Technology Improvements	142,500.00	.00	.00	.00	.00	.00	142,500.00	142,500.00	.00	.00
2167	Brielle Road Reconstruction	610,000.00	.00	112,500.00	.00	.00	.00	497,500.00	495,000.00	.00	2,500.00
2169	Brielle Road Reconstruction	285,000.00	.00	.00	.00	.00	.00	285,000.00	285,000.00	.00	.00
2189/2215	Infrastructure Protection & Stormwater Conveyance Project	1,536,519.00	.00	.00	.00	1,421,981.00	.00	114,538.00	.00	.00	114,538.00
2190	Public Works Vehicles & Equipment	72,675.00	.00	.00	.00	.00	.00	72,675.00	.00	72,669.00	6.00
2191	Reconstruction of Sidewalks - Safe Streets & Schools	237,500.00	.00	.00	.00	.00	.00	237,500.00	.00	.00	237,500.00
2194	Municipal Buildings & Ground Improvements	190,000.00	.00	.00	.00	.00	.00	190,000.00	190,000.00	.00	.00
2196	Mallard Park Improvements	332,500.00	.00	.00	.00	.00	.00	332,500.00	157,500.00	.00	175,000.00

Borough of Manasquan, NJ
Capital Fund

Schedule of Deferred Charges to Future Taxation - Unfunded

C-10
(Continued)

Ordinance Number	Improvement Description	Balance Dec. 31 2016	Authorizations	Notes Paid By Budget Appropriation	Funded By Budget Appropriation	Other	Cancelled	Balance Dec. 31 2017	Notes Payable	Expenditures	Unexpended Improvement Authorizations
2198	Public Works Pickup Truck & Plow	37,000.00	.00	.00	.00	.00	.00	37,000.00	.00	36,501.00	499.00
2212	Pedestrian Safety & Installation of ADA Roadway & Infrastructure Improvements	332,500.00	.00	.00	.00	146,091.00	.00	186,409.00	.00	177,210.75	9,198.25
2214	Street Reconstruction & Resurfacing	475,000.00	.00	.00	.00	.00	.00	475,000.00	475,000.00	.00	.00
2221	Acquisition of Public Works Equipment	475,000.00	.00	.00	.00	.00	.00	475,000.00	.00	287,371.50	187,628.50
2247	Roadway Improvements - Stockton Lake Blvd. - Phase 1 & 2	.00	971,750.00	.00	.00	.00	.00	971,750.00	.00	.00	971,750.00
		<u>\$8,057,073.22</u>	<u>971,750.00</u>	<u>641,645.00</u>	<u>160,021.00</u>	<u>1,568,072.00</u>	<u>62,139.22</u>	<u>6,596,946.00</u>	<u>3,918,806.00</u>	<u>960,971.37</u>	<u>1,717,168.63</u>
Ref.	C		C-14	C-19:A-3	A-3		C-14:C-22	C	C-19	C-4	
C-C-6	Federal Aid - CDBG					146,091.00					2,939,972.82
C-21	N.J.E.I.T. - Loans Issued					1,421,981.00					1,222,804.19
						<u>\$1,568,072.00</u>					<u>\$1,717,168.63</u>
C-14	Improvement Authorizations - Unfunded										
C-4	Less: Unexpended Proceeds of Bond Anticipation Notes										

Schedule of Capital Improvement Fund

C-12

Ref.

Balance - December 31, 2016 and December 31, 2017

No change during 2017

\$.00

Borough of Manasquan, NJ
Capital Fund
Schedule of Improvement Authorizations - General Capital

C-14

Ordinance Number	Improvement Description	Date	Amount	Balance		2017 Authorizations		Paid or Charged	Cancelled	Balance	
				December 31, 2016		Down Payment or Capital Surplus	Deferred To Future Taxation			December 31, 2017	
				Funded	Unfunded					Funded	Unfunded
1881/2010	Renovate Coast Guard Building	06/03/02	1,050,000.00	.00	7,849.28	.00	.00	.00	.00	.00	7,849.28
2010	Public Works Equipment	08/06/07	115,000.00	.00	19,755.21	.00	.00	.00	.00	.00	19,755.21
2028	Technology Purchases	05/19/08	200,000.00	.00	417.10	.00	.00	.00	.00	.00	417.10
2029	Sidewalk Repairs	05/19/08	200,000.00	.00	9,374.16	.00	.00	.00	.00	.00	9,374.16
2030	Roadway Paving	05/19/08	250,000.00	.00	63,352.65	.00	.00	21,942.27	.00	.00	41,410.38
2036	Virginia Avenue Phase II	08/04/08	450,000.00	.00	57,230.54	.00	.00	.00	57,230.54	.00	.00
2046	Public Works and Police Equipment	03/09/09	400,000.00	.00	3,070.96	.00	.00	.00	3,070.96	.00	.00
2052	Improvements to Public Property	05/18/09	165,000.00	.00	120,161.23	.00	.00	.00	.00	.00	120,161.23
2065	Bulkhead Repair - Third Ave.	03/08/10	340,000.00	.00	175,188.25	.00	.00	.00	.00	.00	175,188.25
2082	Dump Trucks	06/06/11	215,000.00	.00	1,128.32	.00	.00	.00	.00	.00	1,128.32
2096	Glimmer Glass Drainage	10/17/11	425,000.00	.00	14,246.57	.00	.00	.00	.00	.00	14,246.57
2113	Improvements to Little League Building	05/21/12	10,000.00	.00	1,837.72	.00	.00	.00	1,837.72	.00	.00
2126	Roadway Paving	10/15/12	215,000.00	.00	839.79	.00	.00	.00	.00	.00	839.79
2128	Various Capital Improvements	12/27/12	5,548,000.00	.00	183,282.10	.00	.00	.00	.00	.00	183,282.10
2140	Tennis Courts	09/16/13	15,000.00	2,791.80	.00	.00	.00	.00	2,791.80	.00	.00
2144	Improvements Code Department	12/02/13	22,000.00	2,161.88	.00	.00	.00	.00	2,161.88	.00	.00
2154	Various Storm Related Improvements	04/21/14	47,000.00	3,634.16	.00	.00	.00	.00	3,634.16	.00	.00
2162	Public Works Riding Lawnmower	07/21/14	10,000.00	500.46	.00	.00	.00	.00	500.46	.00	.00
2163	Street Reconstruction and Resurfacing	07/21/14	300,000.00	.00	4,666.03	.00	.00	.00	.00	.00	4,666.03
2164	Old Squan Village - Street Resurfacing	07/21/14	210,000.00	.00	5,250.24	.00	.00	.00	.00	.00	5,250.24
2165	Technology Improvements	07/21/14	150,000.00	.00	74,440.64	.00	.00	13,376.45	.00	.00	61,064.19
2167	Brielle Road Reconstruction	09/15/14	950,000.00	.00	70,738.96	.00	.00	.00	.00	.00	70,738.96
2169	Brielle Road Reconstruction	10/20/14	300,000.00	.00	78,452.71	.00	.00	72.50	.00	.00	78,380.21
2176	Public Works Asphalt Hot Patcher	04/06/15	35,000.00	2,443.00	.00	.00	.00	.00	.00	2,443.00	.00
2189/2215	NJ/EIT Stormwater Conveyance Project	08/01/16	5,700,000.00	487,096.65	1,536,519.00	.00	.00	1,730,449.59	.00	.00	293,166.06
2190	Public Works Vehicles & Equipment	08/17/15	76,500.00	.00	6.00	.00	.00	.00	.00	.00	6.00
2191	Reconstruction of Sidewalks - Safe Streets & Schools	09/21/15	250,000.00	9,685.48	237,500.00	.00	.00	1,000.00	.00	8,685.48	237,500.00
2194	Municipal Building & Grounds Improvements	09/21/15	200,000.00	.00	146,349.34	.00	.00	29,840.00	.00	.00	116,509.34
2196	Mallard Park Improvements	09/21/15	350,000.00	.00	297,753.33	.00	.00	5,860.99	.00	.00	291,892.34
2197	Emergency Mobile Generator	09/21/15	40,000.00	9,827.94	.00	.00	.00	.00	.00	9,827.94	.00
2198	Public Works Pickup Truck & Plow	09/21/15	39,518.00	.00	499.00	.00	.00	.00	.00	.00	499.00
2212	Pedestrian Safety & Installation of ADA	09/06/16	350,000.00	.00	322,621.19	.00	.00	313,422.94	.00	.00	9,198.25
2214	Roadway & Infrastructure Improvements	08/01/16	500,000.00	.00	67,828.47	.00	.00	29,757.16	.00	.00	38,071.31
2221	Street Reconstruction & Resurfacing	12/05/16	500,000.00	25,000.00	475,000.00	.00	.00	312,371.50	.00	.00	187,628.50
2247	Acquisition of Public Works Equipment										
	Roadway Improvements - Stockton Blvd. - Phase 1 & 2	10/16/17	1,000,000.00	.00	.00	28,250.00	971,750.00	16,435.00	.00	11,815.00	971,750.00
				\$543,141.37	3,975,358.79	28,250.00	971,750.00	2,474,528.40	71,227.52	32,771.42	2,939,972.82
			Ref.	C	C	C-1	C-10	C-6	C-22	C	C

Borough of Manasquan, NJ
Capital Fund
Schedule of Bond Anticipation Notes

C-19

Purpose	Ordinance Number	Original Date Issued	Date Issued	Due Date	Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
Bulkhead and Playground Equipment	2000	12/28/08	12/28/16	12/29/17	None	50,892.00	.00	50,892.00	.00*
Public Works Equipment	2010	12/28/09	12/28/17	12/29/18	None	31,213.00	.00	15,607.00	15,606.00*
Technology Purchases	2028	12/28/09	12/28/17	12/29/18	None	54,285.00	.00	27,143.00	27,142.00*
Sidewalk and Repairs	2029	12/28/09	12/28/17	12/29/18	None	54,285.00	.00	27,143.00	27,142.00*
Roadway Paving	2030	12/28/10	12/28/17	12/29/18	None	101,783.00	.00	33,929.00	67,854.00*
Public Works and Police Equipment	2046	12/28/10	12/28/17	12/29/18	None	123,212.00	.00	39,286.00	83,926.00*
Purchase of Dump Truck	2082	12/28/11	12/28/17	12/29/18	None	116,713.00	.00	29,179.00	87,534.00*
Glimmer Glass Drainage and Roadway Improvements	2096	12/28/11	12/28/17	12/29/18	None	200,000.00	.00	50,000.00	150,000.00*
Improvement to Public Property	2052	12/27/12	12/28/17	12/29/18	None	111,606.00	.00	22,322.00	89,284.00*
Bulkhead Repair - Third Ave.	2065	12/27/12	12/28/17	12/29/18	None	203,570.00	.00	40,715.00	162,855.00*
Roadway Paving	2126	12/27/12	12/28/17	12/29/18	None	145,892.00	.00	29,179.00	116,713.00*
Squan Plaza Improvements	2105	12/30/14	12/28/17	12/29/18	None	1,010,000.00	.00	126,250.00	883,750.00*
Various Capital Improvements	2128	12/30/14	12/28/17	12/29/18	None	300,000.00	.00	37,500.00	262,500.00*
Brielle Road Reconstruction	2167	12/30/14	12/28/17	12/29/18	None	607,500.00	.00	112,500.00	495,000.00*
Old Squan Village - Street Resurfacing	2164	12/30/15	12/28/17	12/29/18	None	199,500.00	.00	.00	199,500.00*
Technology Improvements	2165	12/30/15	12/28/17	12/29/18	None	142,500.00	.00	.00	142,500.00*
Municipal Buildings & Grounds Improvements	2194	12/30/15	12/28/17	12/29/18	None	190,000.00	.00	.00	190,000.00*
Mallard Park Improvements	2196	12/30/15	12/28/17	12/29/18	None	157,500.00	.00	.00	157,500.00*
Brielle Road Reconstruction	2169	12/30/16	12/28/17	12/29/18	None	285,000.00	.00	.00	285,000.00*
Street Reconstruction & Resurfacing	2214	12/30/16	12/28/17	12/29/18	None	475,000.00	.00	.00	475,000.00*
						<u>\$4,560,451.00</u>	<u>.00</u>	<u>641,645.00</u>	<u>3,918,806.00</u>
			Ref.			C	C-6	A-3	C

* Due to Current Fund

Borough of Manasquan, NJ

Capital Fund

Schedule of Loans Issued

C-21

<u>Purpose</u>	<u>Date Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds O/S December 31, 2017</u>	<u>Interest Rate</u>	<u>Balance December 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2017</u>
Purchase Sea Watch Property	11/10/05	2,280,967.00	8/01/2018 116,176.65	.000%	1,056,572.33	.00	119,467.91	937,104.42
(Issued by New Jersey Environmental Infrastructure Trust - Fund Loan)			8/01/2019 121,822.06	.000%				
			8/01/2020 117,936.56	.000%				
			8/01/2021 113,822.50	.000%				
			8/01/2022 118,965.07	.000%				
			8/01/2023 114,565.31	.000%				
			8/01/2024 119,307.92	.000%				
			8/01/2025 114,508.35	.000%				
			8/01/2026 114,508.35	.000%				
Purchase Sea Watch Property	11/10/05	815,000.00	8/01/2018 45,000.00	4.250%	470,000.00	.00	45,000.00	425,000.00
(Issued by New Jersey Environmental Infrastructure Trust - Trust Loan)			8/01/2019 50,000.00	4.250%				
			8/01/2020 50,000.00	4.500%				
			8/01/2021 50,000.00	4.375%				
			8/01/2022 55,000.00	4.375%				
			8/01/2023 55,000.00	4.375%				
			8/01/2024 60,000.00	4.375%				
			8/01/2025 60,000.00	4.375%				
			8/01/2026 60,000.00	4.375%				
Infrastructure Protection & Stormwater Conveyance Project	05/26/16	2,343,399.00	8/01/2018 126,670.21	.000%	2,343,399.00	.00	84,446.81	2,258,952.19
(Issued by New Jersey Environmental Infrastructure Trust - Fund Loan)			8/01/2019 126,670.21	.000%				
			8/01/2020 126,670.21	.000%				
			8/01/2021 126,670.21	.000%				
			8/01/2022 126,670.21	.000%				
			8/01/2023 126,670.21	.000%				
			8/01/2024 126,670.21	.000%				
			8/01/2025 126,670.21	.000%				
			8/01/2026 126,670.21	.000%				
			8/01/2027 126,670.21	.000%				
			8/01/2028 126,670.21	.000%				
			8/01/2029 126,670.21	.000%				
			8/01/2030 126,670.21	.000%				
			8/01/2031 126,670.21	.000%				
			8/01/2032 126,670.21	.000%				
			8/01/2033 126,670.21	.000%				
			8/01/2034 126,670.21	.000%				
			8/01/2035 105,558.62	.000%				
			8/01/2036 105,558.62	.000%				

Borough of Manasquan, NJ

Capital Fund

Schedule of Loans Issued

C-21
(Continued)

<u>Purpose</u>	<u>Date Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds O/S December 31, 2017</u>	<u>Interest Rate</u>	<u>Balance December 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2017</u>
Infrastructure Protection & Stormwater Conveyance Project	05/26/16	1,025,000.00	8/01/2018	5.000%	1,025,000.00	.00	35,000.00	990,000.00
(Issued by New Jersey Environmental Infrastructure Trust - Fund Loan)			8/01/2019	5.000%				
			8/01/2020	5.000%				
			8/01/2021	5.000%				
			8/01/2022	5.000%				
			8/01/2023	5.000%				
			8/01/2024	4.000%				
			8/01/2025	4.000%				
			8/01/2026	4.000%				
			8/01/2027	4.000%				
			8/01/2028	2.000%				
			8/01/2029	2.000%				
			8/01/2030	2.000%				
			8/01/2031	2.125%				
			8/01/2032	3.000%				
			8/01/2033	3.000%				
			8/01/2034	3.000%				
			8/01/2035	3.000%				
			8/01/2036	3.000%				
Infrastructure Protection & Stormwater Conveyance Project	08/16/17	1,421,981.00	5/22/2018	0.000%	.00	1,421,981.00	.00	1,421,981.00
(Issued by New Jersey Environmental Infrastructure Trust - Temporary Supplemental Loan)					\$4,894,971.33	1,421,981.00	283,914.72	6,033,037.61
		<u>Ref.</u>			C	C-20	C	C
		A-3	Paid by Budget Appropriation - Current Fund				244,446.81	
		B-41	Paid by Budget Appropriation - Municipal Open Space Trust Fund				39,467.91	
							<u>\$283,914.72</u>	

Borough of Manasquan, NJ
Capital Fund

C-22

Bonds and Notes Authorized But Not Issued

<u>Purpose</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31 2016</u>	<u>Authorized</u>	<u>N.J.E.I.T. Loans</u>	<u>Federal Aid CDBG</u>	<u>Funded By Budget Appropriation</u>	<u>Cancelled</u>	<u>Balance Dec. 31 2017</u>
Renovate Coast Guard Building	1881/2010	8,252.28	.00	.00	.00	403.00	.00	7,849.28
Virginia Avenue Phase II	2036	57,230.54	.00	.00	.00	.00	57,230.54	.00
Public Works and Police Equipment	2046	3,070.96	.00	.00	.00	.00	3,070.96	.00
Improvement to Public Property	2052	500.00	.00	.00	.00	.00	.00	500.00
OEM Siren	2083	1,960.79	.00	.00	.00	1,960.79	.00	.00
Blakey Ave. Street Improvements	2084/2104	139,069.35	.00	.00	.00	139,069.35	.00	.00
Various Improvements of Borough Hall	2112	28,500.00	.00	.00	.00	18,587.86	.00	9,912.14
Improvements to Little League Bldg.	2113	9,500.00	.00	.00	.00	.00	1,837.72	7,662.28
Various Capital Improvements	2128	5,533.57	.00	.00	.00	.00	.00	5,533.57
Various Capital Improvements	2136	11,410.73	.00	.00	.00	.00	.00	11,410.73
ADA Doors	2161	77,900.00	.00	.00	.00	.00	.00	77,900.00
Public Works Vehicles	2163	285,000.00	.00	.00	.00	.00	.00	285,000.00
Street Reconstruction and Resurfacing	2167	2,500.00	.00	.00	.00	.00	.00	2,500.00
Brielle Road Reconstruction								
Infrastructure Protection & Stormwater Conveyance Project	2189/2215	1,536,519.00	.00	1,421,981.00	.00	.00	.00	114,538.00
Public Works Vehicles & Equipment	2190	72,675.00	.00	.00	.00	.00	.00	72,675.00
Reconstruction of Sidewalks - Safe Streets & Schools	2191	237,500.00	.00	.00	.00	.00	.00	237,500.00
Mallard Park Improvements	2196	175,000.00	.00	.00	.00	.00	.00	175,000.00
Public Works Pick Up Truck & Plow	2198	37,000.00	.00	.00	.00	.00	.00	37,000.00
Pedestrian Safety & Installation of ADA Roadway & Infrastructure Improvements	2212	332,500.00	.00	.00	146,091.00	.00	.00	186,409.00
Acquisition of Public Works Equipment	2221	475,000.00	.00	.00	.00	.00	.00	475,000.00
Roadway Improvements - Stockton Lake Blvd. - Phase 1 & 2	2247	.00	971,750.00	.00	.00	.00	.00	971,750.00
		<u>\$3,496,622.22</u>	<u>971,750.00</u>	<u>1,421,981.00</u>	<u>146,091.00</u>	<u>160,021.00</u>	<u>62,139.22</u>	<u>2,678,140.00</u>

Footnote
C

Footnote
C

Ref.

C:10:C-14

C-21

C-10

C-10

C-10

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, 2016	D	<u>668,086.04</u>	<u>.00</u>
<u>Increased by Receipts</u>			
Prepaid Rents	D	15,609.23	.00
Consumer Accounts Receivable	D-14	2,714,790.51	.00
Miscellaneous Revenue not Anticipated	D-4	80,139.36	.00
Contra - Miscellaneous	D-8	285,003.95	.00
Interfund Due from Current Fund	D-8	400,000.00	.00
Interfund Due from Water and Sewer Capital	D-31	190,948.00	100.00
Interfund Due from Beach Operating Fund	D-8	275,000.00	.00
Water & Sewer Rent Overpayments	D-8	650.37	.00
Budget Appropriation - Capital Improvement Fund	D-45	.00	65,000.00
Reserve for Sale of Borough Assets	D	<u>24,377.00</u>	<u>.00</u>
		<u>3,986,518.42</u>	<u>65,100.00</u>
		<u>4,654,604.46</u>	<u>65,100.00</u>
<u>Decreased by Disbursements</u>			
2017 Appropriations	D-5	2,628,808.99	.00
2016 Appropriation Reserves and			
Reserve for Encumbrances	D-34	31,269.92	.00
Contra Miscellaneous	D-8	285,003.95	.00
Interfund Due to Water and Sewer Capital	D-31	662,989.74	65,000.00
Accrued Interest Payable	D-36	30,395.82	.00
Interfund Due to Current Fund	D-8	400,000.00	.00
Interfund Due to Beach Operating Fund	D-8	275,000.00	.00
Water & Sewer Rent Overpayments Refunded	D-8	<u>650.37</u>	<u>.00</u>
		<u>4,314,118.79</u>	<u>65,000.00</u>
<u>Balance</u> - December 31, 2017	D	<u>\$ 340,485.67</u>	<u>100.00</u>

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

D-13

	Balance Dec. 31 2016	Receipts	Disburse- ments	To	From	Balance Dec. 31 2017
Fund Balance	198,879.87	.00	.00	.00	.00	198,879.87
Capital Improvement Fund	174,582.00	65,000.00	.00	.00	.00	239,582.00
Interfund With General Capital Fund	778,585.40	.00	.00	.00	.00	778,585.40
Interfund With Water and Sewer Operating Fund	118,463.73	100.00	65,000.00	662,889.44	234,292.69	482,160.48
Improvement Authorizations:						
Water Plant Improvements #2049/2055	(216,589.44)	.00	.00	.00	472,630.13	(689,219.57)
Blow-Off Hydrant #2080	10,500.00	.00	.00	.00	.00	10,500.00
Sewer Lines - Glimmer Glass #2097/2124	(108,448.63)	.00	.00	108,344.69	.00	(103.94)
Improvement of Water and Sewer Facilities #2129	(64,294.12)	.00	.00	.00	8,934.36	(73,228.48)
Purchase of Truck #2137	(55,932.43)	.00	.00	.00	21.08	(55,953.51)
Improvements of Various Water Mains #2138	(500,627.70)	.00	.00	.00	.00	(500,627.70)
Life Station Improvements #2166	(277,660.15)	.00	.00	.00	21,296.72	(298,956.87)
Advanced Metering Infrastructure Program #2188	(57,458.53)	.00	.00	125,948.00	160,007.15	(91,517.68)
	<u>\$.00</u>	<u>65,100.00</u>	<u>65,000.00</u>	<u>897,182.13</u>	<u>897,182.13</u>	<u>100.00</u>
<u>Ref.</u>	D	D-8	D-8			D

Schedule of Consumer Accounts Receivable

D-14

<u>Balance</u> - December 31, 2016	<u>Ref.</u> D	93,863.70
<u>Increased by</u>		
Water and Sewer Rents		<u>3,004,986.65</u> 3,098,850.35
<u>Decreased by</u>		
Collections - 2017	D-4:D-8	2,714,790.51
Prepaid Rents Applied	D:D-1:D-4	9,318.25
Transfer to Water Sewer Liens	D-16	<u>274.00</u>
		<u>2,724,382.76</u>
<u>Balance</u> - December 31, 2017	D	<u>\$ 374,467.59</u>

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

D-15

	Balance Dec. 31 <u>2016</u>	Accrued in <u>2017</u>	<u>Collected</u>	Balance Dec. 31 <u>2017</u>
Return Check Charge	.00	80.00	80.00	.00
After Hours Charge	.00	150.00	150.00	.00
Permits and Taps	.00	6,250.00	6,250.00	.00
Meter Replacement	<u>.00</u>	<u>200.32</u>	<u>200.32</u>	<u>.00</u>
	\$ <u>.00</u>	<u>6,680.32</u>	<u>6,680.32</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, 2016	D		.00
<u>Increased by</u>			
Transfers from Consumer Accounts Receivable	D-14	274.00	
Other - From Current Tax Title Liens	A-16	<u>258.00</u>	
			<u>532.00</u>
<u>Balance</u> - December 31, 2017	D		<u>\$532.00</u>

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

D-28

<u>Water</u>	Balance Dec. 31 2016	<u>Additions</u>	Balance Dec. 31 2017
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	346,181.36	.00	346,181.36
Water and Sewer Lines - Colby Ave.	498,363.05	.00	498,363.05
Water and Sewer Lines - Parker Ave.	381,395.04	.00	381,395.04
Water Main - Perrine Blvd.	301,715.67	.00	301,715.67
Water and Sewer Lines - Virginia Ave.	236,431.74	.00	236,431.74
	<u>\$5,715,153.65</u>	<u>.00</u>	<u>5,715,153.65</u>

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

D-28
(Continued)

	Balance Dec. 31 2016	Additions
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	175,000.00	.00
Sewer Replacement - Marcellus Avenue	197,148.16	.00
Sewer Replacement - Ocean Avenue	200,000.00	.00
Sewer Replacement - Morris Avenue	197,329.84	.00
Sewer Lines - Atlantic Avenue	2,186,143.86	.00
	<u>\$7,901,297.51</u>	<u>D-29</u>
	<u>D</u>	

Ref.

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	Balance Dec. 31 2016	2017 Authorizations Deferred Reserve To Amortization	Charges to Future Revenue	Costs to Fixed Capital	Authorizations Cancelled	Balance Dec. 31 2017
2049/2055	Water Plant Improvements	03/23/09	6,700,000.00	6,700,000.00	.00	.00	.00	.00	6,700,000.00
2064	Sewer Lines - Central Ave.	03/08/10	260,000.00	260,000.00	.00	.00	.00	.00	260,000.00
2080	Blow-Off Hydrant	05/16/11	10,500.00	10,500.00	.00	.00	.00	.00	10,500.00
2085	Sewer Lines - Blakey Ave.	06/20/11	106,000.00	106,000.00	.00	.00	.00	.00	106,000.00
2097/2124	Sewer Lines - Glimmer Glass	10/17/11	225,000.00	255,000.00	.00	.00	.00	.00	255,000.00
2129	Improvement of Water and Sewer Facilities	12/27/12	528,000.00	528,000.00	.00	.00	.00	.00	528,000.00
2137	Purchase of Truck	08/05/13	60,000.00	60,000.00	.00	.00	.00	.00	60,000.00
2138	Improvements of Various Water Mains	08/19/13	645,000.00	645,000.00	.00	.00	.00	.00	645,000.00
2166	Lift Station Improvements	07/21/14	300,000.00	300,000.00	.00	.00	.00	.00	300,000.00
2188	Advanced Metering Infrastructure Program	08/17/15	1,743,313.00	1,743,313.00	.00	.00	.00	.00	1,743,313.00
				<u>\$10,607,813.00</u>	<u>D-43</u>	<u>D-43</u>	<u>D-28</u>	<u>D-43</u>	<u>D</u>

Ref.

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, 2016 and December 31, 2017	D	<u>\$778,585.40</u>
No change during 2017		

Schedule of Interfund With Water and Sewer Operating Fund
Water and Sewer Capital Fund

D-31

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016 (Due to Water and Sewer Operating Fund)	D	118,463.73
<u>Increased by</u>		
Improvement Authorizations	D-43	<u>662,989.44</u> 781,453.17
<u>Decreased by</u>		
Budget Authorizations - Deferred Charges	D-5	108,344.69
Loan Proceeds - N.J.E.I.T.	D-8	125,948.00
Cash Disbursed	D-8	<u>65,000.00</u>
		<u>299,292.69</u>
<u>Balance</u> - December 31, 2017 (Due to Water and Sewer Operating Fund)	D	<u>\$482,160.48</u>

Borough of Manasquan, NJ
Water and Sewer Utility Fund
Schedule of 2016 Appropriation Reserves and
Reserve for Encumbrances

D-34

		Balance Dec. 31 <u>2016</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages		50,732.29	50,732.29	.00	50,732.29
Other Expenses		92,766.27	92,766.27	29,693.90	63,072.37
Capital Improvements		30,074.05	30,074.05	.00	30,074.05
Public Employees Retirement System		1.31	1.31	.00	1.31
Social Security System		<u>5,240.94</u>	<u>5,240.94</u>	<u>1,576.02</u>	<u>3,664.92</u>
		<u>\$178,814.86</u>	<u>178,814.86</u>	<u>31,269.92</u>	<u>147,544.94</u>
	<u>Ref.</u>			D-8	D-1
Appropriation Reserves	A	154,880.13			
Reserves for Encumbrances	A	<u>23,934.73</u>			
		<u>\$178,814.86</u>			

Schedule of Interest on Bonds and Notes and Loans

Analysis of Balance - December 31, 2017

D-36

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	D	21,338.54
<u>Increased by</u>		
Accrued Interest - Budget Appropriations	D-5	<u>28,520.82</u> 49,859.36
<u>Decreased by</u>		
Cash Disbursed	D-8	<u>30,395.82</u>
<u>Balance</u> - December 31, 2017	D	<u>\$19,463.54</u>

Analysis of Accrued Interest - December 31, 2017

Principal Outstanding <u>December 31, 2017</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
N.J. Environmental Infrastructure Trust - Fund Loans:					
\$835,000.00 - Water Plant Improvements	5.00%	08/01/17	12/31/17	153 Days	13,989.58
\$355,000.00 - Advanced Metering Infra- structure Programs	5.00%	08/01/17	12/31/17	153 Days	<u>5,473.96</u>
					<u>\$19,463.54</u>

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

D-43

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance December 31, 2016		2017 Authorizations		Paid or Charged	Balance December 31, 2017	
				Funded	Unfunded	Down Payment or Capital Improvement Fund	Deferred Charges To Future Revenue Cancelled		Funded	Unfunded
2049/2055	Water Plant Improvements	03/23/09	6,700,000.00	.00	1,475,062.56	.00	.00	472,630.13	.00	1,002,432.43
2064	Sewer Lines - Central Ave.	03/08/10	260,000.00	.00	163,806.82	.00	.00	.00	.00	163,806.82
2080	Blow-Off Hydrant	05/16/11	10,500.00	10,500.00	.00	.00	.00	.00	10,500.00	.00
2085	Sewer Lines - Blakey Ave.	06/20/11	106,000.00	.00	4,884.88	.00	.00	.00	.00	4,884.88
2129	Improvement of Water and Sewer Facilities	12/27/12	528,000.00	.00	151,842.24	.00	.00	8,934.36	.00	142,907.88
2137	Purchase Truck	08/05/13	60,000.00	.00	1,067.57	.00	.00	21.08	.00	1,046.49
2138	Improvements of Various Water Mains	08/19/13	645,000.00	.00	144,372.30	.00	.00	.00	.00	144,372.30
2166	Lift Station Improvements	07/21/14	300,000.00	.00	22,339.85	.00	.00	21,296.72	.00	1,043.13
2188	Advanced Metering Infrastructure Program	08/17/15	1,743,313.00	.00	425,321.47	.00	.00	160,007.15	.00	265,314.32
				\$10,500.00	2,388,697.69	.00	.00	662,889.44	10,500.00	1,725,808.25

Ref.

D D D-29 D-31 D

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

D-45

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	D	174,582.00
<u>Increased by</u>		
Budget Appropriation	D-5:D-8	<u>65,000.00</u>
<u>Balance</u> - December 31, 2017	D	<u>\$239,582.00</u>

Schedule of Reserve for Amortization

D-49

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016 and December 31, 2017	D	<u>\$7,901,297.51</u>
No change during 2017		

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

D-50

Paid From Operating Budget

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31 2016	Improvement Authorizations	Cost of Improvements Authorized	Bonds and Notes	To Reserve for Amortization Fixed Capital	Balance Dec. 31 2017
2049/2055	Water Plant Improvements	03/23/09	6,700,000.00	1,852,131.56	.00	.00	317,855.26	.00	2,169,986.82
2064	Sewer Lines - Central Ave.	03/08/10	260,000.00	96,193.18	.00	.00	.00	.00	96,193.18
2080	Blow-Off Hydrant	05/16/11	10,500.00	10,500.00	.00	.00	.00	.00	10,500.00
2085	Sewer Lines - Blakey Ave.	06/20/11	106,000.00	101,115.12	.00	.00	.00	.00	101,115.12
2097/2124	Sewer Lines - Glimmer Glass	10/17/11	255,000.00	146,551.37	.00	108,344.69	.00	.00	254,896.06
2129	Improvement of Water and Sewer Facilities	12/27/12	528,000.00	311,863.64	.00	.00	.00	.00	311,863.64
2137	Purchase of Truck	08/05/13	60,000.00	3,000.00	.00	.00	.00	.00	3,000.00
2188	Advanced Metering Infrastructure Program	08/07/15	1,743,313.00	.00	.00	.00	73,064.96	.00	73,064.96
				<u>\$2,521,354.87</u>	<u>.00</u>	<u>108,344.69</u>	<u>390,920.22</u>	<u>.00</u>	<u>3,020,619.78</u>

Ref.

D-28

D-5

D-5

D-43

D

Schedule of Loans Issued

D-54

Purpose	Date Issue	Original Issue	Maturities of Bonds O/S December 31, 2017	Interest Rate	Balance December 31, 2016	Increased	Decreased	Balance December 31, 2017
Water Plant Improvements	03/10/10	1,565,000.00	8/01/2018 75,000.00	5.000%	905,000.00	.00	70,000.00	835,000.00
(Issued by New Jersey Environmental Infrastructure Trust - Trust Loan)			8/01/2019 80,000.00	4.000%				
			8/01/2020 80,000.00	5.000%				
			8/01/2021 85,000.00	3.000%				
			8/01/2022 90,000.00	4.000%				
			8/01/2023 90,000.00	4.000%				
			8/01/2024 95,000.00	4.000%				
			8/01/2025 100,000.00	4.000%				
			8/01/2026 105,000.00	3.500%				
			8/01/2027 35,000.00	4.000%				
			8/01/2028 35,000.00	4.000%				
Water Plant Improvements	03/10/10	4,709,250.00	8/01/2018 247,855.26	.000%	2,251,216.44	.00	247,855.26	2,003,361.18
(Issued by New Jersey Environmental Infrastructure Trust - Fund Loan)			8/01/2019 247,855.26	.000%				
			8/01/2020 247,855.26	.000%				
			8/01/2021 247,855.26	.000%				
			8/01/2022 247,855.26	.000%				
			8/01/2023 247,855.26	.000%				
			8/01/2024 247,855.26	.000%				
			8/01/2025 247,855.26	.000%				
			8/01/2026 20,519.10	.000%				
			8/01/2027 20,519.10	.000%				

D-54
(Continued)

-94-

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	Adjusted Balance December 31, 2016	Paid From		Authorizations Cancelled	Balance December 31, 2017
			Loans Issued	Operating Budget Cost of Improvements Authorized		
2049/2055	Water Plant Improvements	1,691,652.00	.00	.00	.00	1,691,652.00
2064	Sewer Lines - Central Ave.	163,806.82	.00	.00	.00	163,806.82
2085	Sewer Lines - Blakey Ave.	4,884.88	.00	.00	.00	4,884.88
2097/2124	Sewer Lines - Glimmer Glass	108,448.63	.00	108,344.69	.00	103.94
2129	Improvement of Water and Sewer Facilities	216,136.36	.00	.00	.00	216,136.36
2137	Purchase of Truck	57,000.00	.00	.00	.00	57,000.00
2138	Improvements of Various Water Mains	645,000.00	.00	.00	.00	645,000.00
2166	Lift Station Improvements	300,000.00	.00	.00	.00	300,000.00
2188	Advanced Metering Infrastructure Program	214,150.00	.00	.00	.00	214,150.00
		<u>\$3,401,078.69</u>	<u>.00</u>	<u>108,344.69</u>	<u>.00</u>	<u>3,292,734.00</u>
	Ref.	Footnote D	D-54	D-50	D-3:D-43	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, 2016	E	<u>1,460,106.83</u>	<u>.00</u>
<u>Increased by</u>			
Beach Revenues	E-4	1,791,172.50	.00
Miscellaneous Revenue not Anticipated	E-4	50,776.50	.00
Change Fund	E-8	13,100.00	.00
Contra Items	E-8	712,791.32	.00
Interest on Investments	E-4	2,191.78	.00
Prepaid Beach Revenue	E	196,857.50	.00
Reserve for Sale of Assets	E	4,365.60	.00
Interfund Beach Operating Fund	E-31	.00	34,253.47
Interfund Water & Sewer Capital Fund	E-8	275,000.00	.00
Reserve for FEMA - Notes Payable	E	<u>114,388.55</u>	<u>.00</u>
		<u>3,160,643.75</u>	<u>34,253.47</u>
		<u>4,620,750.58</u>	<u>34,253.47</u>
<u>Decreased by</u>			
2017 Appropriations	E-5	2,016,411.76	.00
2016 Appropriation Reserves and Reserve for Encumbrances	E-34	12,109.07	.00
Change Fund	E-8	13,100.00	.00
Contra Items	E-8	712,791.32	.00
Interfund Beach Capital Fund	E-31	34,253.47	.00
Accrued Interest Payable	E-36	9,034.40	.00
Interfund Water & Sewer Capital Fund	E-8	<u>275,000.00</u>	<u>.00</u>
		<u>3,072,700.02</u>	<u>.00</u>
<u>Balance</u> - December 31, 2017	E	<u>\$1,548,050.56</u>	<u>34,253.47</u>

Schedule of Change Fund

E-10

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	E	.00
<u>Increased by</u>		
Cash Disbursed	E-8	<u>13,100.00</u>
		13,100.00
<u>Decreased by</u>		
Cash Disbursed	E-8	<u>13,100.00</u>
<u>Balance</u> - December 31, 2017	E	<u>\$.00</u>

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

E-13

	<u>Balance</u> <u>Dec. 31</u> <u>2016</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>To</u>	<u>From</u>	<u>Balance</u> <u>Dec. 31</u> <u>2017</u>
Capital Improvement Fund	8,750.00	.00	.00	.00	.00	8,750.00
Interfund with Beach Operating Fund	(34,253.47)	34,253.47	.00	.00	.00	.00
Capital Surplus - Fund Balance	16,138.71	.00	.00	.00	.00	16,138.71
Improvement Authorizations:						
Beach Office - Ordn. #2095	154,828.63	.00	.00	.00	.00	154,828.63
Emergency Reconstruction & Improvement of Beach Facilities-						
Ordn. #2127	100,630.33	.00	.00	.00	.00	100,630.33
2 nd Avenue Parking Lot -						
Ordn. #2187	(227,116.20)	.00	.00	.00	.00	(227,116.20)
2 nd Avenue Parking Lot -						
Ordn. #2193	<u>(18,978.00)</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>(18,978.00)</u>
	<u>\$.00</u>	<u>34,253.47</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>34,253.47</u>

Ref.

E

E

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

E-28

	Balance Dec. 31	2016	2017
Beachfront and Parking Lot Facilities and Equipment	12,501.00	.00	.00
Improvement Beachfront Facilities - 1973	57,747.88	.00	.00
Improvement Beachfront - 1974	28,970.00	.00	.00
Lighting and Telephone Facilities - 1974	10,680.46	.00	.00
Beach Cleaning Vehicle - 1974	13,366.25	.00	.00
Equipment - 1975	7,248.75	.00	.00
Truck - 1977	5,951.00	.00	.00
Beachfront Ambulance - 1978	2,724.00	.00	.00
Truck - 1977	6,723.00	.00	.00
Construction and Replacement - 1978	85,892.51	.00	.00
Installation of Fence - 1980	12,157.90	.00	.00
Reconstruction of Riddle Way Groin - 1998	47,685.45	.00	.00
Reconstruction of Comfort Station, Badge Booth, Locker Room, First Aid Station and Related Site Improvements - 1985	125,000.00	.00	.00
Property - 1985	40,000.00	.00	.00
Gasoline Powered Tract Vehicle - 1985	23,477.50	.00	.00
Resurfacing Tennis Courts - 1985	425.00	.00	.00
Various Beach Improvements - 2000	44,999.85	.00	.00
Reconstruction of Equipment Storage Bldg. Floor - 2001	35,000.00	.00	.00
Reconstruction of Beach Access Roadway - 1984	95,034.03	.00	.00
Construction of Ticket Office, Life Guard Area, Equipment Storage Area and Restroom Facilities - 1985	40,367.35	.00	.00
Purchase of Tractor - 1985	98,486.04	.00	.00
Purchase of Fences and Improvements - 1986	16,268.21	.00	.00
Purchase of Tractor - 1987	54,362.47	.00	.00
Beach Replenishment - 1999	322,026.59	.00	.00
Rehabilitation Comfort Station - 2001	75,597.39	.00	.00
Beach Rake - 2001	43,301.08	.00	.00
Tractor - 2007	51,889.13	.00	.00
Construction of Inlet Comfort Station - 2003	476,328.11	.00	.00
Comfort Station and Beach Rake	302,886.06	.00	.00
	<u>\$2,137,097.01</u>		

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

E

Schedule of Fixed Capital Authorized and Uncompleted

E-29

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31 2016	Deferred Reserve for Amortization	Deferred Charges to Future Revenue	Costs to Fixed Capital	Authorizations Cancelled	Balance Dec. 31 2017
2095	Improvements Main Beach Office	09/20/11	1,600,000.00	1,600,000.00	.00	.00	.00	.00	1,600,000.00
2127	Emergency Reconstruction and Improvement of Beach Facilities	12/27/12	7,400,000.00	2,900,000.00	.00	.00	.00	.00	2,900,000.00
2187	2 nd Avenue Parking Lot	08/17/15	232,500.00	232,500.00	.00	.00	.00	.00	232,500.00
2193	2 nd Avenue Parking Lot	09/21/15	92,500.00	92,500.00	.00	.00	.00	.00	92,500.00
				<u>\$4,825,000.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>4,825,000.00</u>
				<u>E</u>	<u>E-43</u>	<u>E-43</u>	<u>E-28</u>	<u>E-43</u>	<u>E</u>

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Interfund with Beach Operating Fund - Beach Capital Fund

E-31

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016		
(Due from Beach Operating Fund)	E	34,253.47
<u>Decreased by</u>		
Cash Received	E-8	<u>34,253.47</u>
<u>Balance</u> - December 31, 2017		
(Due from Beach Operating Fund)	E	\$ <u>.00</u>

Schedule of 2016 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>2016</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Lapsed</u>	<u>Expended</u>
Salaries and Wages	58,240.59	58,240.59	.00	58,240.59	.00
Other Expenses	43,421.84	43,421.84	10,533.04	32,888.80	.00
Social Security System	11,113.80	11,113.80	1,576.03	9,537.77	.00
Public Employees Retirement System	.17	.17	.00	.17	.00
	<u>\$112,776.40</u>	<u>112,776.40</u>	<u>12,109.07</u>	<u>100,667.33</u>	<u>.00</u>
	<u>Ref.</u>		E-8	E-1	E
Appropriation Reserves	E	110,400.46			
Reserve for Encumbrances	E	<u>2,375.94</u>			
		<u>\$112,776.40</u>			

Schedule of Interest on Notes
Analysis of Balance - December 31, 2016

E-36

	<u>Ref.</u>	
<u>Balance</u> - December 31, 2016	E	3,168.23
<u>Increased by</u>		
Accrued Interest - Budget Appropriations	E-5	<u>9,819.15</u>
		12,987.38
<u>Decreased by</u>		
Cash Disbursed	E-8	<u>9,034.40</u>
<u>Balance</u> - December 31, 2017	D	\$ <u>3,952.98</u>

Analysis of Accrued Interest - December 31, 2017

Principal Outstanding December 31, 2017	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Bond Anticipation Notes					
\$682,000.00	1.64%	08/25/17	12/31/17	127 Days	<u>\$3,952.98</u>

E-43

E-45

Ref.

E-45

Borough of Manasquan, NJ
Beach Utility Fund
Schedule of Reserve for Amortization

E-49

Balance - December 31, 2016 Ref. E 2,137,097.01

Increased by
 Transfer from Deferred Reserve for Amortization

E-50 .00

Balance - December 31, 2017

E \$2,137,097.01

E-50

Schedule of Deferred Reserve for Amortizations

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31 2016	Authorizations	Paid from Operating Budget Bonds and Notes	To Reserve For Amortization Fixed Capital	Authorization Cancelled	Balance Dec. 31 2017
2095	Improvements Main Beach Office	09/26/11	1,600,000.00	985,000.00	.00	200,000.00	.00	.00	1,185,000.00
2127	Emergency Reconstruction and Improvement of Beach Facilities	12/27/12	7,400,000.00	2,264,332.35	.00	100,000.00	.00	.00	2,364,332.35
			\$3,249,332.35	<u>E</u>	<u>E-43</u>	<u>E-5</u>	<u>E-49</u>	<u>E-1</u>	<u>E</u>

Schedule of Beach Capital Bond Anticipation Notes

E-53

Purpose	Ordinance Number	Original Date Issued	Date Issued	Due Date	Interest Rate	Balance Dec. 31 2016	Increased	Decreased	Balance Dec. 31 2017
Improvement Main Beach Office	2095	08/26/13	08/25/17	08/24/18	1.64%	615,000.00	.00	200,000.00	415,000.00
Emergency Reconstruction and Improvement Beach Facilities	2127	08/26/13	08/25/17	08/24/18	1.64%	367,000.00	.00	100,000.00	267,000.00
						<u>\$982,000.00</u>	<u>E-31</u>	<u>E-5</u>	<u>E</u>

Schedule of Bonds and Notes Authorized But Not Issued

E-56

Ordinance Number	Improvement Description	Balance Dec. 31 2016	Authorizations	Improvements Authorized	Notes Issued	Authorizations Cancelled	Balance Dec. 31 2017
2127	Emergency Reconstruction & Improvement of Beach Facilities	268,667.65	.00	.00	.00	.00	268,667.65
2187	2nd Avenue Parking Lot	232,500.00	.00	.00	.00	.00	232,500.00
2193	2nd Avenue Parking Lot	92,500.00	.00	.00	.00	.00	92,500.00
		<u>\$593,667.65</u>	<u>E-43</u>	<u>E-6:E-50</u>	<u>E-53</u>	<u>E-43</u>	<u>\$593,667.65</u>
		Footnote E					Footnote E

Ref.

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2017

COMPARATIVE STATEMENT OF OPERATIONS AND FUND BALANCES - CURRENT FUND

	<u>Year 2017</u>		<u>Year 2016</u>	
<u>Revenue (Cash Basis)</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Fund Balance Utilized	1,150,000.00	3.44	1,150,000.00	3.55
Miscellaneous - From other than				
Local Property Tax Levies	3,138,050.34	9.41	2,906,426.41	8.96
Collection of Delinquent Taxes and Tax Title Liens	335,279.26	1.01	461,348.49	1.42
Collection of Current Tax Levy	<u>28,732,648.40</u>	<u>86.14</u>	<u>27,916,590.05</u>	<u>86.07</u>
<u>Total Funds</u>	<u>\$33,355,978.00</u>	<u>100.00</u>	<u>32,434,364.95</u>	<u>100.00</u>
<u>Expenditures (Accrual Basis)</u>				
Budget Expenditures				
Municipal Purposes	9,543,545.35	29.92	9,116,628.28	29.57
County Taxes	6,052,954.99	18.98	5,992,453.24	19.44
Special District Taxes	822,532.00	2.58	774,494.00	2.51
Local District School Taxes	15,365,790.00	48.18	14,819,969.00	48.07
Municipal Open Space	98,973.26	.31	98,724.93	.32
Other Expenditures	<u>10,320.32</u>	<u>.03</u>	<u>29,507.71</u>	<u>.09</u>
<u>Total Expenditures</u>	<u>31,894,115.92</u>	<u>100.00</u>	<u>30,831,777.16</u>	<u>100.00</u>
Less: Expenditures to be				
Raised by Future Taxes	<u>.00</u>		<u>.00</u>	
<u>Total Adjusted Expenditures</u>	<u>31,894,115.92</u>		<u>30,831,777.16</u>	
<u>Excess in Revenue</u>	<u>1,461,862.08</u>		<u>1,602,587.79</u>	
<u>Fund Balance - January 1</u>	<u>3,588,858.77</u>		<u>3,136,270.98</u>	
	5,050,072.85		4,738,858.77	
<u>Less: Utilized as Anticipated Revenue</u>	<u>1,150,000.00</u>		<u>1,150,000.00</u>	
<u>Fund Balance - December 31</u>	<u>\$ 3,900,720.85</u>		<u>3,588,858.77</u>	

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

	<u>Year 2017</u>		<u>Year 2016</u>	
<u>Revenue (Cash Basis)</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Fund Balance Utilized	284,349.00	8.79	265,000.00	8.52
Collection of Rents	2,724,108.46	84.18	2,731,092.66	87.85
Miscellaneous - From other than				
Water and Sewer Rents	<u>227,684.30</u>	<u>7.03</u>	<u>112,663.58</u>	<u>3.63</u>
<u>Total Funds</u>	<u>\$3,236,141.76</u>	<u>100.00</u>	<u>3,108,756.24</u>	<u>100.00</u>

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2017

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

	<u>Year 2017</u>		<u>Year 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue (Cash Basis)</u>				
<u>Expenditures (Accrual Basis)</u>				
Budget Expenditures				
Operating	2,062,372.52	70.24	2,012,608.48	70.65
Capital Purposes	110,000.00	3.75	115,000.00	4.04
Debt Service	488,069.27	16.62	427,540.05	15.01
Deferred Charges and Statutory Expenditures	275,939.53	9.39	293,170.09	10.30
Other Expenditures	<u>.00</u>	<u>.00</u>	<u>224.00</u>	<u>.00</u>
<u>Total Expenditures</u>	2,936,381.32	<u>100.00</u>	2,848,542.62	<u>100.00</u>
Less: Expenditures to be Raised by Future Taxes	<u>.00</u>		<u>.00</u>	
<u>Total Adjusted Expenditures</u>	<u>2,936,381.32</u>		<u>2,848,542.62</u>	
Excess in Revenue	299,760.44		260,213.62	
Fund Balance - January 1	<u>577,078.12</u>		<u>581,864.50</u>	
	876,838.56		842,078.12	
Less: Utilized in Current Fund Budget	<u>284,349.00</u>		<u>265,000.00</u>	
<u>Fund Balance - December 31</u>	<u>\$ 592,489.56</u>		<u>577,078.12</u>	

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

	<u>Year 2017</u>		<u>Year 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue (Cash Basis)</u>				
Fund Balance Utilized	527,695.64	19.79	500,092.12	19.52
Collection of Beach Revenue	1,986,042.50	74.46	1,963,070.50	76.61
Miscellaneous - From other than Beach Revenues	<u>153,635.61</u>	<u>5.75</u>	<u>99,187.98</u>	<u>3.87</u>
<u>Total Funds</u>	<u>\$2,667,373.75</u>	<u>100.00</u>	<u>2,562,350.60</u>	<u>100.00</u>
<u>Expenditures (Accrual Basis)</u>				
Budget Expenditures				
Operating	1,644,111.00	75.79	1,570,388.03	75.79
Debt Service	309,819.15	14.95	309,709.63	14.95
Deferred Charges and Statutory Expenditures	89,934.64	4.23	87,704.09	4.23
Surplus (General Budget)	102,000.00	4.92	102,000.00	4.92
Other Expenditures	<u>.00</u>	<u>.11</u>	<u>2,327.94</u>	<u>.11</u>
<u>Total Expenditures</u>	2,145,864.79	<u>100.00</u>	2,072,129.69	<u>100.00</u>

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2017

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

<u>Expenditures (Accrual Basis)</u>	<u>Year 2017</u>		<u>Year 2016</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>2,145,864.79</u>		<u>2,072,129.69</u>	
<u>Excess in Revenue</u>	<u>521,508.96</u>		<u>490,220.91</u>	
<u>Fund Balance - January 1</u>	<u>1,086,637.58</u>		<u>1,096,508.79</u>	
	<u>1,608,146.54</u>		<u>1,586,729.70</u>	
<u>Less: Utilized in Budget</u>	<u>527,695.64</u>		<u>500,092.12</u>	
<u>Fund Balance - December 31</u>	<u>\$1,080,450.90</u>		<u>1,086,637.58</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>
2017	29,122,853.21	28,732,648.40	98.66%
2016	28,259,899.60	27,916,590.05	98.78%
2015	27,311,650.01	26,824,913.91	98.22%

COMPARISON OF TAX RATE INFORMATION

<u>Tax Rate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
(Adjusted) General Per \$100 of Valuation	<u>\$1.47</u>	<u>1.43</u>	<u>1.71</u>
<u>Apportionment of Tax Rate</u>			
Municipal General	<u>.34</u>	<u>.33</u>	<u>.40</u>
County	<u>.30</u>	<u>.30</u>	<u>.38</u>
Local School	<u>.78</u>	<u>.75</u>	<u>.87</u>
Special	<u>.04</u>	<u>.04</u>	<u>.05</u>
Municipal Open Space	<u>.01</u>	<u>.01</u>	<u>.01</u>

Borough of Manasquan, NJ
Comparative Data
Year Ended December 31, 2017

COMPARISON OF TAX RATE INFORMATION (continued)

Assessed Valuations

2017	<u>\$1,979,465,275</u>
2016	<u>1,968,026,875</u>
2015	<u>1,591,130,100</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>
2017	3,900,720.85	1,157,000.00	593,489.56	288,516.21	1,080,450.90	544,112.18
2016	3,588,858.77	1,150,000.00	577,078.12	284,349.00	1,086,637.58	527,695.64
2015	3,136,270.98	1,150,000.00	581,864.50	265,000.00	1,096,508.79	500,092.12

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, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Borough of Manasquan, in the County of Monmouth, State of New Jersey; (herein referred to as "the Borough"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated August 10, 2018. In that report we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and a qualified opinion on the regulatory basis since we did not audit and the Division does not require the Length of Service Award Program (LOSAP) to be audited.

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.

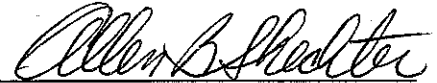
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We noted certain matters 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
August 10, 2018

ALVINO & SHECHTER, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM: REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND NEW JERSEY OMB CIRCULAR 15-08**

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

Report on Compliance for Each Major Federal and State Program

We have audited the Borough of Manasquan's, in the County of Monmouth, State of New Jersey (the "Borough") compliance with the types of compliance requirements described in the OMB *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 federal and state programs for the year ended December 31, 2017. The Borough's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and New Jersey OMB Circular 15-08, "*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*". Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and 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 federal and state program. However, our audit does not provide a legal determination of the Borough's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Borough complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended December 31, 2017.

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 federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over compliance.

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

Our consideration of 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 of the testing based on the requirements of the Uniform Guidance and New Jersey OMB Circular 15-08. 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

August 10, 2018
Neptune, New Jersey

Borough of Manasquan, NJ
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

Schedule A

Federal Grantor/Pass - Through Grantor/Program Title	Federal C.F.D.A./Number	Grantor Number	Grant Period From/To	Program or Award Amount	MEMO Cash Receipts	Program Expenditures	MEMO Cumulative Total Expenditures
U.S. Department of Transportation: N.J. Department of Transportation: Recreational Trails Program Total Department of Transportation	20.219	N/A	01/01/10 - Completion	1,516.00	.00 .00	.00 .00	810.00 810.00
U.S. Department of Environmental Protection: N.J. Department of Environmental Protection: Capitalization Grants for Drinking Water State Revolving Fund Advanced Metering Infrastructure Program Total Department of Environmental Protection	66.468	042-4840-707-043	05/26/16 - Completion	1,154,163.00	94,461.00 94,461.00	94,461.00 94,461.00	1,039,861.00 1,039,861.00
U.S. Department of Justice: N.J. Department of Law & Public Safety: Bulletproof Vest Partnership Program Bulletproof Vest Partnership Program Bulletproof Vest Partnership Program Total Department of Justice	16.607 16.607 16.607	N/A N/A N/A	01/01/15 - 12/31/15 01/01/14 - 12/31/14 01/01/13 - 12/31/13	1,579.62 1,289.73 809.33	.00 .00 .00	.00 .00 .00	.00 .00 .00
U.S. Department of Homeland Security: N.J. Department of Law & Public Safety: Division of State Police: Disaster Grants - Public Assistance Hurricane Sandy Severe Winter Storm & Snow Emergency Management Performance Grants Non Terrorism Total Department of Homeland Security	97.036 97.036 97.042	066-1200-100-A92 066-1200-100-B80 066-1200-100-726	10/30/12 - Completion 01/22/16 - Completion 08/01/17 - Completion	22,626.14 55,174.07 7,000.00	22,626.14 55,174.07 7,000.00	22,626.14 55,174.07 7,000.00	22,626.14 55,174.07 7,000.00
U.S. Department of Housing and Urban Development: N.J. Department of Community Affairs: Hurricane Sandy Community Development Block Grant Disaster Recovery Hurricane Sandy Community Development Block Grant Disaster Recovery Hurricane Sandy Community Development Block Grant Disaster Recovery Total Department of Housing and Urban Development Total Federal Awards	14.269 14.269 14.269	022-8022-100-004 022-8022-100-004 022-8022-100-004	10/30/12 - Completion 10/30/12 - Completion 10/30/12 - Completion	566,803.49 26,221.24 1,822.35	556,803.49 26,221.24 1,822.35	556,803.49 26,221.24 1,822.35	556,803.49 26,221.24 1,822.35

The accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Borough of Manasquan, NJ
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2017

Schedule B

State Grantor/Program Title	Grant Number	Grant Period From/To	Program or Award Amount	MEMO	
				Cash Receipts	Program Expenditures
Department of Law and Public Safety:					
Drunk Driving Enforcement Fund	100-078-6400	01/01/16 - 12/31/16	8,541.32	.00	3,388.32
Total Drunk Driving Enforcement Fund				.00	3,388.32
Body Armor Replacement Fund	066-1020-718-001	01/01/17 - 12/31/17	1,865.87	1,865.87	.00
Body Armor Replacement Fund	066-1020-718-001	01/01/16 - 12/31/16	1,863.38	.00	.00
Body Armor Replacement Fund	066-1020-718-001	01/01/15 - 12/31/15	1,931.30	.00	.00
Body Armor Replacement Fund	066-1020-718-001	01/01/14 - 12/31/14	1,933.97	.00	.00
Body Armor Replacement Fund	066-1020-718-001	01/01/13 - 12/31/13	2,440.81	.00	.00
Body Armor Replacement Fund	066-1020-718-001	01/01/12 - 12/31/12	1,988.62	.00	406.14
Body Armor Replacement Fund	066-1020-718-001	01/01/11 - 12/31/11	1,863.32	.00	1,863.32
Total Body Armor Replacement Fund				1,865.87	406.14
Total Department of Law and Public Safety				1,865.87	4,238.32
Department of Environmental Protection:					
Recycling Tonnage Grant	042-4910-100-224	01/01/17 - 12/31/17	10,898.34	10,898.34	.00
Recycling Tonnage Grant	042-4910-100-224	01/01/16 - 12/31/16	9,291.76	9,291.76	4,915.40
Recycling Tonnage Grant	042-4910-100-224	01/01/15 - 12/31/15	10,140.23	.00	10,140.23
Recycling Tonnage Grant	042-4910-100-224	01/01/14 - 12/31/14	10,553.29	.00	10,553.29
Recycling Tonnage Grant	042-4910-100-224	01/01/13 - 12/31/13	13,337.40	.00	13,337.40
Recycling Tonnage Grant	042-4910-100-224	01/01/10 - 12/31/10	14,046.44	.00	10,057.60
Total Recycling Tonnage Grant				20,190.10	49,003.92
Clean Communities Program	042-4900-765-004	01/01/17 - 12/31/17	16,779.30	16,779.30	.00
Clean Communities Program	042-4900-765-004	01/01/16 - 12/31/16	19,750.52	.00	.00
Clean Communities Program	042-4900-765-004	01/01/15 - 12/31/15	17,275.56	.00	15,634.03
Clean Communities Program	042-4900-765-004	01/01/14 - 12/31/14	14,212.76	.00	14,212.76
Clean Communities Program	042-4900-765-004	01/01/13 - 12/31/13	15,155.56	.00	3,320.19
Total Clean Communities Program				16,779.30	33,166.98
Public Wastewater Facilities State Revolving Loan					
Infrastructure Protection and Stormwater					
Conveyance Project					
Fund Loan					
Principal Forgiveness					
Total Public Wastewater Facilities State Revolving Loan					
Community Forestry Grant	042-4860-510-009	05/26/16 - Completion	2,343,399.00	533,816.00	533,816.00
Community Forestry Grant	042-4860-510-009	05/26/16 - Completion	795,082.00	181,116.00	181,116.00
Total Community Forestry Grant				714,932.00	714,932.00
Community Forestry Grant	042-4870-100-038	01/01/17 - 12/31/17	30,000.00	.00	.00
Community Forestry Grant	042-4870-100-038	01/01/15 - 12/31/15	3,000.00	.00	.00
Total Community Forestry Grant				751,901.40	797,102.90
Total Department of Environmental Protection					
Department of Health and Senior Services:					
Alcohol Education & Rehabilitation Fund	046-4240-760-001	01/01/03 - 12/31/03	1,099.24	.00	.00
Total Department of Health and Senior Services				.00	.00
Department of Transportation:					
Local Aid, Infrastructure Fund	078-6320-480-ALX	01/01/17 - 12/31/17	450,000.00	450,000.00	450,000.00
Total Department of Transportation				450,000.00	450,000.00
Governor's Council on Alcoholism and Drug Abuse:					
Passed-Through County of Monmouth	N/A	07/01/17 - 06/30/18	49,072.00	10,641.87	26,751.40
Municipal Alliance Grant	N/A	07/01/16 - 06/30/17	49,072.00	36,751.58	48,353.80
Municipal Alliance Grant				47,393.25	75,105.20
Total Governor's Council on Alcoholism and Drug Abuse				\$1,251,160.62	3,769,421.36
Total State Financial Assistance					

The accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Borough of Manasquan, NJ
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended December 31, 2017

NOTE 1 GENERAL

The accompanying schedule of expenditures of federal awards and state financial assistance present the activity of all federal award and state financial assistance programs of the Borough of Manasquan, County of Monmouth, State of New Jersey. The Borough is defined in Note 1 to the Borough's statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and expenditures state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and expenditures of state financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Governments Services, which is described in the Notes to the Financial Statements, Note 1. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200 - *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Of the federal expenditures and expenditures of state financial assistance presented in the schedules of expenditures of federal awards and expenditures of state financial assistance, the Borough of Manasquan did not provide any awards to sub-recipients.

The Borough of Manasquan has not elected to use the 10% de minimis cost rate allowed by the Uniform Guidance.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's financial statements. Expenditures from awards are reported in the Borough's 2017 financial statements as follows:

	<u>State</u>	<u>Federal</u>	<u>Total</u>
Current Fund	.00	555,258.74*	555,258.74
Grant Fund	138,711.15	.00	138,711.15
General Capital Fund	1,164,932.00	.00	1,164,932.00
Water and Sewer Capital Fund	.00	94,461.00*	94,461.00
Beach Operating Fund	.00	114,388.55*	114,388.55
	<u>\$1,303,643.15</u>	<u>764,108.29</u>	<u>2,067,751.44</u>

* Federal monies in current fund, water and sewer capital fund and beach operating fund, represent \$77,800.21 in FEMA monies and \$584,847.08 in Community Development Block Grants for Disaster Recovery monies received in 2017 for prior year expenditures, respectively. In accordance with the Federal Emergency Management Agency, expenditures for Disaster Grants and Recovery Grants are recorded only when funds have been released to the Municipality.

NOTE 4 OTHER

Matching contributions expended by the Borough in accordance with terms of the various grants are not reported in the accompanying schedule.

NOTE 5 MAJOR PROGRAMS

Major programs are identified in the Schedule of Findings and Questioned Costs section.

Borough of Manasquan, NJ
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended December 31, 2017

Section I - Summary of Auditor's Report

Financial Statements

Type of auditor's report issued:

Qualified -
Regulatory Basis

Internal control over financial reporting

1) Material weakness(es) identified? _____ yes X no

2) Significant deficiencies identified that are
not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to general-purpose financial statements noted? _____ yes X no

Federal Awards

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

\$750,000.00

Auditee qualified as low-risk auditee? _____ yes X 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) Significant deficiencies 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 OMB Uniform Guidance and listed in Section III on this schedule? _____ yes X no

Identification of major programs:

Federal CFDA Number(s)

14.269

Name of Federal Program

Hurricane Sandy Community Block Grant
Disaster Recovery

State Awards

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

\$750,000.00

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) Significant deficiencies 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 15-08? _____ yes X no

Identification of major programs:

Account Number(s)

042-4860-510-099

Name of State Program

Public Wastewater Facilities State Revolving Loan

Section II - Financial Statement Findings

None Reported

Section III - Schedule of Findings and Questioned Costs

a) Federal Awards

None Reported

b) State Financial Assistance

None Reported

Borough of Manasquan, NJ
Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2017

STATUS OF PRIOR YEAR AUDIT FINDINGS

Not Applicable

PART III

GENERAL COMMENTS AND RECOMMENDATIONS

Borough of Manasquan, NJ
General Comments
Year Ended December 31, 2017

An audit of the financial accounts and transactions of the Borough of Manasquan, in the County of Monmouth, for the year ended December 31, 2017, 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". Effective July 1, 2017 and thereafter the bid threshold was raised in accordance with N.J.S.A. 40A:11-3 to \$40,000.00 with a qualified purchasing agent.

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:

Solid Waste Collection Services
Collection Removal and Disposal of Recyclable Materials
Exterior Painting of Borough Hall

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 \$6,000.00 and the bid limit.

Borough of Manasquan, NJ
General Comments
Year Ended December 31, 2017

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

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

In as much as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed and my examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the bid limit "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously adopted under the provision of N.J.S. 40A:11-6.

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 3, 2017 adopted a resolution authorizing interest to be charged on delinquent taxes as follows:

Delinquent Taxes - 8% per annum for first \$1,500.00 of delinquency and
18% per annum on any amount in excess of \$1,500.00
Delinquent Water and Sewer Charges - 8%
Tax Title Liens - 18%

In addition thereto the Collector of Taxes and Water and Sewer Rents was authorized to charge a 6% penalty on the sum of all delinquent taxes, interest and municipal charges on a given parcel of property in excess of \$10,000.00.

Also the Collector of Taxes and Water and Sewer Rents was authorized to waive interest charges on taxes, if payment is made within ten days after the date on which the taxes become payable.

It appears from an examination of the Collector's records on a test-check basis that interest was collected in accordance with the foregoing resolution.

Borough of Manasquan, NJ
General Comments
Year Ended December 31, 2017

TAX TITLE LIENS

The last tax sale was held on December 7, 2017 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>
2017	1
2016	1
2015	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 2017.

<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>
2017	7,716.33	380,566.81	388,283.14	1.33%
2016	4,821.41	338,432.18	343,353.59	1.21%
2015	4,821.41	462,473.82	467,295.23	1.71%

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>
2017	209,040.00
2016	209,040.00
2015	209,040.00

Borough of Manasquan, NJ
Recommendations
Year Ended December 31, 2017

Chief Financial Officer's Office

During the course of the audit we noted the following:

2017-1 *Interfunds existed at year end.

We recommend:

2017-1 *That Interfund Accounts Receivables and Payables be eliminated by the transfer of cash.

*This recommendation existed in prior year audit.

Borough of Manasquan, NJ
Status of Prior Year's Recommendations

A review was performed on all prior year's recommendations. Corrective action was not taken on the following prior year recommendation:.

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

The problems and weaknesses noted in this review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Appreciation

We wish to express our appreciation of the assistance and courtesies rendered by the Borough officials during the course of the audit.



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

ALVINO & SHECHTER, L.L.C.

Certified Public Accountants

Neptune, New Jersey
August 10, 2018