

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
YEARS ENDED DECEMBER 31, 2012 AND 2011

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION

with

INDEPENDENT AUDITOR'S REPORTS

and

COMMENTS AND RECOMMENDATIONS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Sea Girt
County of Monmouth
Sea Girt, New Jersey

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Borough of Sea Girt, County of Monmouth, State of New Jersey as of December 31, 2012, and the related statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, the statement of general fixed assets group of accounts, and the related notes to the financial statements for the year ended December 31, 2012. The financial statements as of December 31, 2011, were audited by other auditors whose report dated June 29, 2012 expressed a qualified opinion on those statement.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note 1 to the financial statements, the Borough prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the effects of the matters, as discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Sea Girt, County of Monmouth, State of New Jersey, as of December 31, 2012, or the results of its operations or its cash flows for the year then ended.

Opinion on Regulatory Basis of Accounting

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Borough of Sea Girt, County of Monmouth, State of New Jersey, as of December 31, 2012, and the results of its operations and changes in fund balance of such funds--regulatory basis for the year then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2012 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

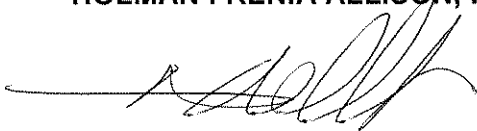
Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2013, on our consideration of the Borough of Sea Girt'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Sea Girt's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', with a long horizontal line extending to the left.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
CR 483

June 28, 2013
Freehold, New Jersey

FINANCIAL STATEMENTS

CURRENT FUND
EXHIBITS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Fund Balance Anticipated	A-2	\$ 450,000.00	\$ 460,324.50
Miscellaneous Revenue Anticipated	A-2	581,377.54	540,450.84
Delinquent Taxes	A-2	220,071.70	248,499.22
Non-Budget Revenue	A-2	158,776.37	171,487.94
Current Taxes	A-2,4-A	14,810,088.39	14,515,907.75
Other Credits To Income:			
Unexpended Balance of Appropriation			
Reserves	8-A	352,801.52	201,111.88
Cancel Accounts Payable	A-1	269.59	70,669.51
Reserve Cancelled	10-A	1,380.04	
Prior Years Interfunds Returned in 2012		<u>184,127.78</u>	
Total Revenue		<u>16,758,892.93</u>	<u>16,208,451.64</u>
Expenditures:			
Budget Appropriations Within "CAPS":			
Operations:			
Salaries and Wages	A-3	2,497,244.00	2,652,025.92
Other Expenses	A-3	4,164,148.00	1,871,882.08
Deferred Charges and Statutory Expenditures	A-3	638,150.00	650,719.00
Appropriations Excluded From "CAPS":			
Operations:			
Salaries and Wages	A-3	21,593.28	21,703.82
Other Expenses	A-3	234,452.54	239,829.44
Capital Improvements	A-3	40,000.00	40,000.00
Municipal Debt Service	A-3	792,265.04	632,963.50
Deferred Charges	A-3	20,000.00	
County Taxes	12-A	5,710,927.76	5,462,983.12
Due County Added Taxes	12-A	22,154.58	15,167.01
Local District School Tax	13-A	4,012,243.00	3,939,365.00
Interfunds Advanced	A,1-A	<u>2,726.92</u>	
Total Expenditures		<u>18,155,905.12</u>	<u>15,526,638.89</u>
Excess in Revenue		(1,397,012.19)	681,812.75
Add: Expenditures Included Above Which Are By Statute Deferred Charges To Budgets of Succeeding Years		<u>2,450,000.00</u>	<u>20,000.00</u>
Statutory Excess To Fund Balance		1,052,987.81	701,812.75
Fund Balance, January 1	A	<u>683,814.02</u>	<u>442,325.77</u>
		1,736,801.83	1,144,138.52
Decreased By:			
Utilized as Anticipated Revenue	A-2	<u>450,000.00</u>	<u>460,324.50</u>
Fund Balance, December 31	A	<u>\$ 1,286,801.83</u>	<u>\$ 683,814.02</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-2
Page 1 of 2

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 450,000.00	\$ 450,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	6-A	6,000.00	7,458.12	\$ 1,458.12
Other	6-A	55,000.00	82,185.27	27,185.27
Fees and Permits	6-A	1,300.00	1,324.00	24.00
Fines and Costs - Municipal Court	6-A	65,000.00	86,297.82	21,297.82
Interest and Costs on Taxes	6-A	35,000.00	51,232.87	16,232.87
Interest on Investments and Deposits	6-A	3,000.00	2,877.64	(122.36)
Energy Receipts	6-A	187,313.00	187,313.00	
Consolidated Municipal Property Tax				
Relief Aid	6-A	9,027.00	9,027.00	
Uniform Construction Code Fees	6-A	50,000.00	97,536.00	47,536.00
Trust Fund - Reserve for Library Donations	6-A	48,200.00	48,200.00	
Clean Communities Program	15-A	5,895.26	5,895.26	
Body Armor Grant	15-A	1,437.28	1,437.28	
Alcohol Education and Rehabilitation Fund	15-A	593.28	593.28	
Total Miscellaneous Revenues	A-1	467,765.82	581,377.54	113,611.72
Receipts From Delinquent Taxes	A-1	125,000.00	220,071.70	95,071.70
Amount To Be Raised By Taxes For Support of Municipal Budget	A-2	5,198,540.00	5,347,733.05	149,193.05
Budget Totals	A-3	6,241,305.82	6,599,182.29	357,876.47
Non-Budget Revenue	A-1		158,776.37	158,776.37
Total General Revenues		\$ 6,241,305.82	\$ 6,757,958.66	\$ 516,652.84

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

Reference

Analysis of Realized Revenue

Allocation of Current Tax Collections:		
Revenue From Collections	A-1,4-A	\$ 14,810,088.39
School and County Taxes	11-A,12-A,13-A	<u>9,745,355.34</u>
Balance for Support of Municipal Budget		
Appropriations		5,064,733.05
Add: "Appropriation Reserve for		
Uncollected Taxes"	A-3	<u>283,000.00</u>
Amount for Support of Municipal Budget		
Appropriations	A-2	<u>\$ 5,347,733.05</u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	A-2,4-A	<u>\$ 220,071.70</u>
Miscellaneous Revenue Not Anticipated:		
Planning Board Fees		\$ 6,100.00
Registrar Fees		894.00
Interest		1,596.26
Protested Checks		3,660.00
Zoning Fees		18,372.50
Police Off Duty Administration Fees		6,193.39
Senior Citizen and Veterans Administrative Fee		535.00
Miscellaneous - Other		<u>121,425.22</u>
	A-1,1-A	<u>\$ 158,776.37</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS Operations - Within "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$ 87,000.00	\$ 87,000.00	\$ 82,042.86	\$ 4,957.14	
Other Expenses	4,900.00	4,900.00	4,628.03	271.97	
Mayor and Council:					
Salaries and Wages	23,130.00	23,130.00	22,950.00	180.00	
Other Expenses	500.00	500.00	212.00	288.00	
Municipal Clerk:					
Salaries and Wages	67,000.00	68,800.00	58,456.24	10,343.76	
Other Expenses	55,500.00	53,700.00	50,502.28	3,197.72	
Financial Administration (Treasury):					
Salaries and Wages	68,000.00	68,000.00	66,925.10	1,074.90	
Other Expenses	3,000.00	3,000.00	2,334.00	666.00	
Audit Services:					
Other Expenses	15,000.00	15,000.00	15,000.00		
Revenue Administration (Tax Collection):					
Salaries and Wages	51,000.00	51,000.00	44,450.26	6,549.74	
Other Expenses	2,250.00	2,250.00	537.25	1,712.75	
Tax Assessment Administration:					
Salaries and Wages	20,000.00	20,000.00	14,886.68	5,113.32	
Other Expenses	6,500.00	6,500.00	2,950.36	3,549.64	
Legal Services:					
Other Expenses	85,000.00	125,000.00	125,000.00	0.00	
Engineering Services:					
Other Expenses	50,000.00	50,000.00	46,354.76	3,645.24	
LAND USE ADMINISTRATION					
Planning Board:					
Salaries and Wages	2,500.00	2,500.00	2,499.90	0.10	
Other Expenses	8,500.00	13,500.00	11,914.59	1,585.41	
INSURANCE					
General Liability	75,425.00	72,425.00	71,806.15	618.85	
Workmen's Compensation	113,138.00	112,638.00	112,593.00	45.00	
Employee Group Health	585,000.00	545,000.00	529,944.86	15,055.14	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	1,345,862.00	1,349,362.00	1,301,723.03	47,638.97	
Other Expenses	73,860.00	71,360.00	69,552.07	1,807.93	
County of Monmouth 911 Services:					
Other Expenses	5,500.00	4,500.00	4,102.35	397.65	
PUBLIC SAFETY (CONTINUED)					
Office of Emergency Management:					
Salaries and Wages	4,500.00	4,500.00	4,500.00		
Other Expenses	2,950.00	2,950.00	2,365.56	584.44	
Aid to First Aid:					
Other Expenses	25,000.00	25,000.00	25,000.00		
Fire Department:					
Other Expenses	29,000.00	29,000.00	15,783.37	13,216.63	
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance:					
Salaries and Wages	625,500.00	625,500.00	621,528.25	3,971.75	
Other Expenses	68,250.00	68,250.00	62,058.02	6,191.98	
Shade Tree Program:					
Other Expenses	12,000.00	12,000.00	11,999.72	0.28	
Buildings and Grounds:					
Other Expenses	15,000.00	2,465,000.00	2,460,113.77	4,886.23	
Vehicle Maintenance:					
Salaries and Wages	52,700.00	52,700.00	52,682.76	17.24	
Other Expenses	38,500.00	38,500.00	38,270.79	229.21	
Snow Removal:					
Salaries and Wages	20,000.00	20,000.00	20,000.00		
Other Expenses	10,000.00	10,000.00	9,874.00	126.00	
Property Maintenance Code Official:					
Salaries and Wages	73,242.00	73,242.00	71,946.02	1,295.98	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS Operations - Within "CAPS"					
HEALTH AND HUMAN SERVICES Public Health Priority Funding Act of 1977					
Contractual Health Services	36,000.00	36,000.00	34,573.00	1,427.00	
Board of Recreation Commissioners	23,260.00	23,260.00	18,000.00	5,260.00	
Salaries and Wages	9,000.00	9,000.00	6,721.24	2,278.76	
Other Expenses					
Municipal Court:					
Salaries and Wages	25,000.00	25,000.00	18,762.94	6,237.06	
Other Expenses	4,875.00	3,875.00	777.75	3,097.25	
Public Defender:					
Salaries and Wages	1,250.00	1,250.00	1,250.00		
STATE UNIFORM CONSTRUCTION CODE OFFICIALS Uniform Fire Safety Act:					
Fire Inspection:					
Salaries and Wages	2,500.00	2,000.00	1,560.00	440.00	
Other Expenses	1,000.00				
UTILITY EXPENSE AND BULK PURCHASES					
Electricity	40,000.00	40,000.00	39,996.80	3.20	
Street Lighting	56,000.00	49,000.00	41,505.19	7,494.81	
Telephone	29,700.00	29,700.00	28,952.93	747.07	
Water	9,100.00	14,100.00	11,876.70	2,223.30	
Natural Gas & Propane	20,000.00	14,000.00	11,249.15	2,750.85	
Gasoline	75,000.00	82,000.00	79,803.28	2,196.72	
Landfill Disposal Costs	65,000.00	65,000.00	64,998.61	1.39	
UNCLASSIFIED					
Celebration of Public Events	1,000.00	1,000.00	721.40	278.60	
Accumulated Leave Compensation	38,000.00	38,000.00	38,000.00		
Total Operations Within "CAPS"	4,161,892.00	6,609,892.00	6,436,237.02	173,654.98	
Contingent	51,500.00	51,500.00	51,499.90	0.10	
Total Operations Including Contingent Within "CAPS"	4,213,392.00	6,661,392.00	6,487,736.92	173,655.08	
Detail:					
Salaries and Wages	2,492,444.00	2,497,244.00	2,404,164.04	93,079.96	
Other Expenses	1,720,948.00	4,164,148.00	4,083,572.88	80,575.12	

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"					
Statutory Expenditures:					
Contribution To:					
Public Employees' Retirement System	170,800.00	170,800.00	170,790.00	10.00	
Social Security System (O.A.S.I.)	182,000.00	180,000.00	155,479.29	24,520.71	
Consolidated Police & Firemen's Pension Fund					
Police and Firemen's Retirement System	282,100.00	282,100.00	282,097.00	3.00	
Defined Contribution Retirement Program	5,250.00	5,250.00	4,727.90	522.10	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	640,150.00	638,150.00	613,094.19	25,055.81	
Total General Appropriations for Municipal Purposes Within "CAPS"	4,853,542.00	7,299,542.00	7,100,831.11	198,710.89	
LOSAP	7,700.00	7,700.00	7,700.00		
Total Other Operations Excluded From "CAPS"	7,700.00	7,700.00	7,700.00		
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Borough of Manasquan	6,220.00	6,220.00	4,069.70	2,150.30	
Community Alliance for Drugs & Alcohol					
Construction Officials	75,000.00	75,000.00	71,407.20	3,592.80	
Other Expenses					
Township of Wall	50,000.00	50,000.00	25,000.00	25,000.00	
Recycling Services - Other					
Township of Wall	61,000.00	61,000.00	55,000.00	6,000.00	
Municipal Court Services					
Total Interlocal Municipal Service Agreements	192,220.00	192,220.00	155,476.90	36,743.10	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS Operations - Excluded From "CAPS"					
ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES					
Expenses for Participation in a Free County Library:					
Salaries and Wages	21,000.00	21,000.00	20,999.94	0.06	
Other Expenses	22,200.00	22,200.00	11,297.34	10,902.66	
Capital	5,000.00	5,000.00		5,000.00	
Total Additional Appropriations Offset By Revenue	48,200.00	48,200.00	32,297.28	15,902.72	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
State of New Jersey:					
Clean Communities Program - Recycling	5,895.26	5,895.26	5,895.26		
Alcohol Education and Rehabilitation Fund	593.28	593.28	593.28		
Body Armor Grant	1,437.28	1,437.28	1,437.28		
Total Public and Private Programs Offset By Revenue	7,925.82	7,925.82	7,925.82		
Total Operations - Excluded From "CAPS"	256,045.82	256,045.82	203,400.00	52,645.82	
Detail:					
Salaries and Wages	21,593.28	21,593.28	21,593.22	0.06	
Other Expenses	234,452.54	234,452.54	181,806.78	52,645.76	
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	40,000.00	40,000.00	40,000.00		
Total Capital Improvements - Excluded From "CAPS"	40,000.00	40,000.00	40,000.00		

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS					
Operations - Excluded From "CAPS"					
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Anticipation Notes and Capital Notes Interest on Notes	708,700.00 80,018.00	708,700.00 84,018.00	708,700.00 83,565.04		\$ 452.96
Total Municipal Debt Service - Excluded From "CAPS"	788,718.00	792,718.00	792,265.04		452.96
Deferred Charges - Municipal - Excluded From "CAPS"					
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	20,000.00	20,000.00	20,000.00		
Total Deferred Charges - Municipal - Excluded From "CAPS"	20,000.00	20,000.00	20,000.00		
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	1,104,763.82	1,108,763.82	1,055,665.04	52,645.82	452.96
Subtotal General Appropriations	5,958,305.82	8,408,305.82	8,156,496.15	251,356.71	452.96
Reserve for Uncollected Taxes	283,000.00	283,000.00	283,000.00		
Total General Appropriations	\$ 6,241,305.82	\$ 8,691,305.82	\$ 8,439,496.15	\$ 251,356.71	\$ 452.96
	Reference	A-3			A-3
Budget as Adopted	A-2	\$ 6,241,305.82			
Deferred Charges:					
Special Emergency Authorization	A-2	2,450,000.00			
		\$ 8,691,305.82			
Analysis of Paid or Charged:					
Reserve For:					
Uncollected Taxes	A-2	\$ 283,000.00			
Federal and State Grants	16-A	7,925.82			
LOSAP	10-A	7,700.00			
Deferred Charges	A-2	1,906,846.02			
Encumbrances Payable	9-A	827,158.26			
Cash Disbursements	1-A	5,406,866.05			
		\$ 8,439,496.15			

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

TRUST FUND

EXHIBITS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Animal Control Trust Fund:				Animal Control Fund:			
Cash	1-B	\$ 7,293.96	\$ 6,071.56	Due to Current Fund	2-B	\$ 2,903.96	
				Statutory Excess			
				Reserve For Animal Control Fund			
				Expenditures	2-B	4,389.00	\$ 6,070.56
				Due to State Board of Health	3-B	1.00	1.00
Total Animal Control Fund		7,293.96	6,071.56	Total Animal Control Fund		7,293.96	6,071.56
Trust - Other Fund:				Other Trust Funds:			
Cash	1-B	905,985.52	971,663.97	Due To Current Fund	10-B	1,700.00	
FSA Contributions Receivable	12-B	633.67		Reserve For:			
Due From :				Law Enforcement	4-B	1,664.15	2,561.74
Library Fund	10-B		87,419.65	Unemployment Insurance	5-B	3,524.96	23,901.54
				Deferred Sick Leave	6-B	144,614.78	126,778.41
				Board of Recreation Commission	7-B	51,659.90	150,905.35
				Police Escrow	8-B	349.08	323.98
				Library Fund	9-B	586,115.09	615,268.68
				Various Reserves	11-B	116,385.35	139,343.92
				Flex Spending Account	12-B	605.88	
Total Trust - Other Fund		906,619.19	1,059,083.62	Total Trust - Other Fund		906,619.19	1,059,083.62
Total Assets		\$ 913,913.15	\$ 1,065,155.18	Total Liabilities and Reserves		\$ 913,913.15	\$ 1,065,155.18

GENERAL CAPITAL FUND
EXHIBITS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Cash				Serial Bonds			
Due From Current Fund	1-C	\$ 5,827,574.85	\$ 528,608.49	Bond Anticipation Notes	5-C	\$ 3,280,000.00	
Due From Grant Fund	A	236,250.00		Improvement Authorizations:	6-C	3,456,609.00	\$ 3,500,309.00
Due From Beach Operating	1-C		561,250.00	Funded	7-C	401,046.73	75,729.96
Deferred Charges to Future Taxation:	1-C	16,976.44	33,023.56	Unfunded	7-C	16,885.27	937,471.47
Funded				Encumbrances Payable	7-C	655,420.95	
Unfunded				Due To Water-Sewer Capital Fund	D	1,212,336.83	
				Due To Current Fund	1-C		184,127.78
	3-C	3,280,000.00		Capital Improvement Fund	8-C	32,534.30	27,534.30
	4-C	367,266.84	3,686,184.00	Various Reserves	9-C	344,488.47	16,771.40
				Fund Balance	C-1	328,746.58	67,122.14
Total Assets		<u>\$ 9,728,068.13</u>	<u>\$ 4,809,066.05</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 9,728,068.13</u>	<u>\$ 4,809,066.05</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

	<u>Reference</u>		
Balance, December 31, 2011	C		\$ 67,122.14
Increased By:			
I/A Cancelled	7-C	\$ 369,986.02	
Premium on Sale of General Obligation Bonds	1-C	<u>176,638.42</u>	
			<u>546,624.44</u>
			613,746.58
Decreased By:			
Funding of Improvement Authorization	7-C		<u>285,000.00</u>
Balance, December 31, 2012	C		<u><u>\$ 328,746.58</u></u>

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

WATER-SEWER UTILITY FUND

EXHIBITS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER-SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Operating Fund:				Operating Fund:			
Cash - Checking	1-D	\$ 964,941.66	\$ 618,616.99	Appropriation Reserves	D-3,6-D	\$ 61,363.16	\$ 241,144.25
Due From Water Sewer Capital	D,1-D	511.42	295,352.86	Encumbrances Payable	7-D	33,982.26	20,102.66
Receivables with Full Reserves:				Accounts Payable-Contacts	D	12,500.00	12,500.00
Rents Receivable	3-D	111,635.88	40,367.94			107,845.42	273,746.91
Total Operating Fund		1,077,088.96	954,337.79	Reserve for Receivables	D	111,635.88	40,367.94
				Fund Balance	D-1	857,607.66	640,222.94
						969,243.54	680,590.88
				Total Operating Fund		1,077,088.96	954,337.79
Capital Fund:				Capital Fund:			
Cash - Checking	1-D,2-D	277,617.76	494,373.94	Serial Bonds	9-D	1,145,000.00	
Water Infrastructure Grant Rec.	8-D	342,093.34	1,614,663.34	Loan State of New Jersey	15-D	3,586,546.02	3,822,055.47
Due From General Capital Fund	C	1,212,336.83		Bond Anticipation Notes	14-D	782,300.00	933,225.00
Fixed Capital	4-D	2,968,686.50	2,968,686.50	Due To Grant Fund	D,1-D		122,000.00
Fixed Capital Authorized and				Due To Beach Operating Fund	D,1-D		100,000.00
Uncompleted	5-D	9,496,433.68	9,161,500.00	Due To Water Sewer Operating Fund	D,1-D	511.42	295,352.86
				Cash Held to Pay Notes	D	1,500.00	1,500.00
				Improvement Authorizations:			
				Funded	10-D	524,137.83	330,305.44
				Unfunded	10-D	3,609,822.97	4,910,286.45
				Capital Improvements Fund	11-D	60,973.75	10,973.75
				Encumbrances Payable	10-D	441,130.03	
				Reserve for Amortization	12-D	2,968,686.50	2,968,686.50
				Deferred Reserve for Amortization	13-D	973,998.40	744,798.25
				Fund Balance	D-1(a)	202,561.19	40.06
Total Capital Fund		14,297,168.11	14,239,223.78	Total Capital Fund		14,297,168.11	14,239,223.78
Total Assets		\$ 15,374,257.07	\$ 15,193,561.57	Total Liabilities, Reserves and Fund Balance		\$ 15,374,257.07	\$ 15,193,561.57

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY OPERATING FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Surplus Anticipated	D-2		\$ 228,604.00
Water-Sewer Rents	D-2	\$ 1,495,996.68	1,583,618.18
Miscellaneous Revenue	D-2	52,637.92	32,708.25
Other Credits To Income:			
Current Appropriations Cancelled			65,000.00
Adjustments to Interfund	D	511.42	2,659.69
Cancelled Encumbrances			30,369.85
Prepayments Applied			7,668.62
Appropriation Reserves Lapsed	6-D	<u>242,208.74</u>	<u>99,944.42</u>
Total Revenue		<u>1,791,354.76</u>	<u>2,050,573.01</u>
Expenditures:			
Operating:			
Salaries and Wages	D-3	336,965.00	343,965.00
Other Expenses	D-3	670,010.50	936,089.00
Debt Service	D-3	468,794.54	344,800.00
Capital Improvements	D-3	56,000.00	30,000.00
Deferred Charges and Statutory Expenditures	D-3	<u>42,200.00</u>	<u>42,200.00</u>
		<u>1,573,970.04</u>	<u>1,697,054.00</u>
Excess in Revenue		217,384.72	353,519.01
Fund Balance, January 1	D	<u>640,222.94</u>	<u>515,307.93</u>
		857,607.66	868,826.94
Decreased By:			
Utilized as Anticipated Revenue	D-1	<u> </u>	<u>228,604.00</u>
Fund Balance, December 31	D	<u>\$ 857,607.66</u>	<u>\$ 640,222.94</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE -
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

Reference

Balance, December 31, 2011	D	\$	40.06
Increased By:			
Premium on Bond Sale		\$	39,286.83
Improvement Authorizations Cancelled:			
895	10-D		18,925.94
938	10-D		5,464.30
08-2009	10-D		<u>165,844.06</u>
			<u>229,521.13</u>
			229,561.19
Decreased By:			
Improvement Authorizations	10-D		<u>27,000.00</u>
Balance, December 31, 2012	D	\$	<u>202,561.19</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Rents - Water	\$ 880,500.00	\$ 836,058.34	\$ (44,441.66)
Rents - Sewer	697,000.00	659,938.34	(37,061.66)
Miscellaneous		52,637.92	52,637.92
	<u>\$ 1,577,500.00</u>	<u>\$ 1,548,634.60</u>	<u>\$ (28,865.40)</u>

Reference

D-3

D-2

D-2

Analysis of Miscellaneous Revenue Not Anticipated

Interest and Costs on Delinquent Accounts	\$ 1,879.60
Water & Sewer Taps	29,150.00
Miscellaneous - Other	<u>21,608.32</u>
1-D	<u>\$ 52,637.92</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Paid or Charged	Reserved	Cancelled
	Original Budget	Budget After Modifications			
Operating:					
Salaries and Wages	\$ 335,465.00	\$ 336,965.00	\$ 336,731.30	\$ 233.70	
Other Expenses	220,510.50	219,010.50	188,353.18	30,657.32	
Other Expenses:					
Legal and Engineering:	35,000.00	35,000.00	19,636.68	15,363.32	
South Monmouth Regional Sewerage	256,000.00	256,000.00	251,434.28	4,565.72	
NJ Water Supply - MCIA	130,000.00	130,000.00	128,708.44	1,291.56	
Treatment of Water	30,000.00	30,000.00	27,886.44	2,113.56	
Total Operating	1,006,975.50	1,006,975.50	952,750.32	54,225.18	
Capital Improvements:					
Capital Improvement Fund	60,000.00	56,000.00	56,000.00		
Total Capital Improvements	60,000.00	56,000.00	56,000.00		
Debt Service:					
Payment of Bond Principal	206,000.00	206,000.00	205,522.99		\$ 477.01
Payment of BAN's	150,925.00	150,925.00	150,925.00		
Interest on Bonds	92,735.00	92,735.00	89,770.55		2,964.45
Interest on Notes	18,664.50	22,664.50	22,576.00		88.50
Total Debt Service	468,324.50	472,324.50	468,794.54		3,529.96
Statutory Expenditures:					
Contributions To:					
Social Security System (O.A.S.I.)	42,200.00	42,200.00	35,062.02	7,137.98	
Total Statutory Expenditures	42,200.00	42,200.00	35,062.02	7,137.98	
Total Sewer Utility Appropriations	\$ 1,577,500.00	\$ 1,577,500.00	\$ 1,512,606.88	\$ 61,363.16	\$ 3,529.96
	Reference	D-2	D-3	D	D-3
Cash Disbursed	1-D		\$ 1,478,624.62		
Encumbrances Payable	7-D		33,982.26		
			\$ 1,512,606.88		

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

BEACH UTILITY FUND

EXHIBITS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
BEACH UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities, Reserves and Fund Balances</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Operating Fund:				Operating Fund:			
Cash	1-E	\$ 288,959.90	\$ 113,325.88	Encumbrances Payable	13-E	\$ 18,702.13	\$ 17,177.95
Interfund-Beach Capital	E	57.56	184.08	Appropriation Reserves	E-3	106,400.21	43,344.55
Interfund-Water-Sewer Capital	D		100,000.00	Interfund-General Capital	C	16,976.44	33,023.56
Total Operating Fund		<u>289,017.46</u>	<u>213,509.94</u>	Reserve for Dune Fund Donations	E	5,314.45	5,314.45
Deferred Charges:				Reserve for Beach Equipment	E	10,598.56	10,598.56
Over-expenditure of Current Appropriations	E-3	<u>32,813.52</u>		Fund Balance	E-1	<u>163,839.19</u>	<u>104,050.87</u>
Total Deferred Charges		<u>32,813.52</u>		Total Operating Fund		<u>321,830.98</u>	<u>213,509.94</u>
Total Operating Fund		<u>321,830.98</u>	<u>213,509.94</u>	Capital Fund:			
Capital Fund:				Bond Anticipation Notes	5-E	553,835.00	687,835.00
Cash	1-E	56,216.24	58,897.56	Improvement Authorizations:			
Interfund-Water-Sewer Capital	3-E			Unfunded	3-E	176,682.34	180,237.16
Fixed Capital	7-E	2,608,925.08	2,608,925.08	Interfund-Beach Operating	E	57.56	184.06
Fixed Capital Authorized and				Reserve For:			
Uncompleted	4-E	<u>866,230.00</u>	<u>866,230.00</u>	Cash Held to Pay Notes		35,289.39	35,289.39
Total Capital Fund		<u>3,531,371.32</u>	<u>3,534,052.64</u>	Amortization	10-E	2,742,925.08	2,608,925.08
Total Assets		<u>\$ 3,853,202.30</u>	<u>\$ 3,747,562.58</u>	Deferred Amortization	11-E	11,977.50	11,977.50
				Capital Improvement Fund	9-E	1,000.00	
				Fund Balance	8-E	<u>9,604.45</u>	<u>9,604.45</u>
				Total Capital Fund		<u>3,531,371.32</u>	<u>3,534,052.64</u>
				Total Liabilities, Reserves and Fund Balances		<u>\$ 3,853,202.30</u>	<u>\$ 3,747,562.58</u>

There were bonds and notes authorized but not issued on December 31, 2012 and 2011 of \$166,417.50.

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY OPERATING FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Operating Surplus Anticipated	E-2	\$ 20,095.00	\$ 20,765.50
Concession at Beach Pavilion	E-2	71,000.00	88,089.88
Bathing Beach Fees	E-2	887,357.00	872,514.00
Miscellaneous Revenues	E-2	86,182.56	89,322.62
National Guard Training Center	E-2	38,000.00	38,000.00
Other Credits To Income:			
Appropriation Reserves Cancelled	12-E	41,494.81	25,133.20
Accounts Payable Cancelled		5,691.39	3,347.58
Prior Year Revenue			2,964.26
Cancel Unexpended Balances of Current Year Appropriations	E-3	<u>74.12</u>	<u>30,000.00</u>
Total Revenue		<u>1,149,894.88</u>	<u>1,170,137.04</u>
Expenditures:			
Operating:			
Salaries and Wages	E-3	626,000.00	581,915.00
Other Expenses	E-3	235,395.00	276,869.37
Debt Service	E-3	150,525.88	141,730.00
Capital Improvements	E-3	27,000.00	27,000.00
Deferred Charges and Statutory Expenditures	E-3	48,000.00	46,435.50
National Guard - Lifeguards	E-3		23,825.63
Interfund Created - General Capital	C	<u>15,904.20</u>	
		<u>1,102,825.08</u>	<u>1,097,775.50</u>
Excess in Revenue		47,069.80	72,361.54
Adjustment to Income Before Fund Balance:			
Expenditures Included Above Which Are By Statute Deferred Charges To Budgets of Succeeding Years	E	<u>32,813.52</u>	
Statutory Excess to Fund Balance		79,883.32	72,361.54
Fund Balance, January 1	E-1	<u>104,050.87</u>	<u>52,454.83</u>
		183,934.19	124,816.37
Decreased By:			
Utilized as Anticipated Revenue	E-1	<u>20,095.00</u>	<u>20,765.50</u>
Fund Balance, December 31	E	<u>\$ 163,839.19</u>	<u>\$ 104,050.87</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Operating Surplus Anticipated	\$ 20,095.00	\$ 20,095.00	
Concession of Beachfront Pavilion	85,000.00	71,000.00	\$ (14,000.00)
Bathing Beach Fees	865,000.00	887,357.00	22,357.00
Miscellaneous Revenue	78,900.00	86,182.56	7,282.56
Lifeguard-National Guard Camp	<u>38,000.00</u>	<u>38,000.00</u>	
	<u>\$ 1,086,995.00</u>	<u>\$ 1,102,634.56</u>	<u>\$ 15,639.56</u>

<u>Reference</u>	E-3	E-1	E-2
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Analysis of Miscellaneous Revenues

Concessions	\$ 78,925.00
Interest Income	57.56
Kayak Storage	<u>7,200.00</u>
	<u>\$ 86,182.56</u>

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Paid or Charged	Reserved	Cancelled	Over- Expenditure
	Original Budget	Budget After Modifications				
Beachfront Maintenance:						
Salaries and Wages	\$ 456,000.00	\$ 456,000.00	\$ 488,813.52			\$ 32,813.52
Other Expenses	84,700.00	84,700.00	38,730.17	\$ 45,969.83		
Police Department:						
Salaries and Wages	60,000.00	60,000.00	60,000.00			
Other Expenses	3,700.00	3,700.00	690.96	3,009.04		
Financial Administration (Treasury):						
Other Expenses	12,000.00	12,000.00	10,285.49	1,714.51		
Legal Services:						
Other Expenses	2,500.00	2,500.00	1,099.55	1,400.45		
Road Repairs and Maintenance:						
Salaries and Wages	40,000.00	40,000.00	31,155.00	8,845.00		
Other Expenses	39,000.00	39,000.00	37,000.00	2,000.00		
Engineering Services:						
Other Expenses	25,000.00	23,400.00	3,717.00	19,683.00		
Administrative and Executive:						
Salaries and Wages	35,000.00	35,000.00	35,000.00			
Other Expenses	150.00	150.00		150.00		
Group Insurance - Other Expenses	7,445.00	7,445.00	7,445.00			
Insurance - Other	39,000.00	39,000.00	38,999.39	0.61		
Garbage and Trash Removal:						
Salaries and Wages	35,000.00	35,000.00	32,695.04	2,304.96		
Other Expenses	2,500.00	2,500.00	2,446.85	53.15		
Operating:						
Sanitary Landfill	14,000.00	14,000.00	14,000.00			
Solid Waste Disposal Fees	1,000.00	1,000.00	1,000.00			
Water and Sewer to Utility	1,000.00	1,000.00	1,000.00			
Accounting	5,000.00	5,000.00	5,000.00			
Total Operating	<u>862,995.00</u>	<u>861,395.00</u>	<u>809,077.97</u>	<u>85,130.55</u>		<u>32,813.52</u>
Capital Improvements:						
Capital Improvement Fund	1,000.00	1,000.00	1,000.00			
Capital Outlay	<u>26,000.00</u>	<u>26,000.00</u>	<u>8,107.65</u>	<u>17,892.35</u>		
Total Capital Improvements	<u>27,000.00</u>	<u>27,000.00</u>	<u>9,107.65</u>	<u>17,892.35</u>		
Debt Service:						
Payment of Bond Anticipation Notes	134,000.00	134,000.00	134,000.00			
Interest on Notes	<u>15,000.00</u>	<u>16,600.00</u>	<u>16,525.88</u>		<u>\$ 74.12</u>	
Total Debt Service	<u>149,000.00</u>	<u>150,600.00</u>	<u>150,525.88</u>		<u>74.12</u>	
Statutory Expenditures:						
Contributions To:						
Social Security System (O.A.S.I.)	<u>48,000.00</u>	<u>48,000.00</u>	<u>44,622.69</u>	<u>3,377.31</u>		
Total Statutory Expenditures	<u>48,000.00</u>	<u>48,000.00</u>	<u>44,622.69</u>	<u>3,377.31</u>		
Total Beach Utility Appropriations	<u>\$ 1,086,995.00</u>	<u>\$ 1,086,995.00</u>	<u>\$ 1,013,334.19</u>	<u>\$ 106,400.21</u>	<u>\$ 74.12</u>	<u>\$ 32,813.52</u>
	Reference	E-3	E-3	E	E-1	E
Cash Disbursed	1-E		\$ 1,018,116.45			
Encumbrances Payable	13-E		18,702.13			
Refunds	1-E		(23,484.39)			
			<u>\$ 1,013,334.19</u>			

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

PUBLIC ASSISTANCE FUND

EXHIBIT

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

PUBLIC ASSISTANCE FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Reserves</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Cash	1-F	<u>\$ 7,645.94</u>	<u>\$ 8,145.94</u>	Reserve for Public Assistance I Expenditures	2-F	<u>\$ 6,277.70</u>	<u>\$ 6,777.70</u>
				Reserve for Public Assistance II Expenditures	2-F	<u>1,368.24</u>	<u>1,368.24</u>
Total Assets		<u><u>\$ 7,645.94</u></u>	<u><u>\$ 8,145.94</u></u>	Total Reserves		<u><u>\$ 7,645.94</u></u>	<u><u>\$ 8,145.94</u></u>

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

GENERAL FIXED ASSETS ACCOUNT GROUP

EXHIBIT

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS -
REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

	<u>Reference</u>	Balance December 31, <u>2012</u>	Balance December 31, <u>2011</u>
Buildings & Land	1-G	\$ 29,687,000.00	\$ 29,687,000.00
Machinery and Equipment	1-G	<u>2,218,094.21</u>	<u>2,041,255.21</u>
Total General Fixed Assets	1-G	<u>\$ 31,905,094.21</u>	<u>\$ 31,728,255.21</u>
Investment in General Fixed Assets	1-G	<u>\$ 31,905,094.21</u>	<u>\$ 31,728,255.21</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

The Borough of Sea Girt, County of Monmouth, New Jersey ("Borough") operates under the Borough form of New Jersey municipal government, and is governed mayor and a 6-member borough council. The financial statements of the Borough include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Borough, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit and are considered component units under GAAP. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Funds

GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with GAAP.

The accounting policies of the Borough conform to the accounting principles and practices applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The accompanying financial statements are presented in the format prescribed by the State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and are a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds:

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

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

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

Water Operating and Capital Funds - accounts for the operations and acquisition of capital facilities of the municipally-owned Water Utility.

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

Public Assistance Fund – receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of the New Jersey Statutes.

General Fixed Assets Account Group - The Borough has complied with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services. Technical Accounting Directive No. 85-2 utilizes the following accounting policies:

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 is provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

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

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services differ in certain respects from GAAP applicable to local government units. The more significant differences follow.

A modified accrual basis of accounting is followed by the Borough. Modifications from the accrual basis follow:

Revenues

Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and federal grants for operating purposes are realized as revenues when anticipated in the Borough budget. Receivables for property taxes are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Borough which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable.

Expenditures

- (a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase;
- (b) Prepaid expenses are not recorded;
- (c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid;
- (d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Borough's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

Appropriation reserves are recorded at December 31 for unexpended appropriation balances except for amounts which, according to state statutes, may be cancelled by the governing body. The appropriation reserves are available to satisfy specific claims, commitments or contracts incurred during the preceding fiscal year. At the end of the succeeding fiscal year, the remaining unexpended balances lapse to fund balance through other credits to revenue.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Had the Borough's financial statements been prepared under generally accepted accounting principles, the encumbrance method of accounting would be followed for expenditures presently reflected on a paid or charged basis, appropriation reserves would not be recorded, revenues susceptible to accrual would have been reflected without offsetting reserves and inventories would not be reflected as expenditures at the time of purchase.

Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

D. 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. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services in accordance with N.J.S.A. 40A:4 et seq.

E. Grants

Current Fund - State and federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs.

Trust Fund - State and federal grants and assistance awards are dedicated by rider in the Trust Fund. A receivable and corresponding spending reserve are recorded when the grant is awarded.

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations or are established as receivables with an offsetting reserve.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

F. Assessment and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Local Unit, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Local Unit Tax Collector on or before May 13. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

Taxes are levied on an annual basis and are due quarterly on February 1, May 1, August 1, and November 1. Any taxes not paid as of December 31 are subject to tax sale and lien in the subsequent year, with the exception of bankruptcies. The date of tax sale is at the discretion of the tax collector.

G. Foreclosed Property

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved.

H. Interfund Receivables

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

I. Deferred Charges to Future Taxation Funded and Unfunded

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

Substantially, all Borough employees participate in the Public Employees' Retirement System ("PERS") and the Police and Fireman's Retirement System ("PFRS"). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The plans are cost-sharing multiple-employer defined benefit plans and as such do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Borough is not available. The Division of Pensions issues publicly-available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Borough annually at an actuarially determinable rate for its required contribution.

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2012	\$170,790.00	\$282,097.00
2011	169,439.00	304,280.00

Under the provisions of Chapter 78, P.L. 2011, employee pension contribution rates increased during 2011 by the following amounts:

- For PERS members, the employee pension contribution rate increased from 5.5% to 6.5% of salary. An additional increase to be phased over the next 7 years will bring the total pension contribution rate to 7.5% of salary.

For PERS Prosecutors Part members, the employee pension contribution rate increased from 8.5% to 10% of salary.

- For PFRS members, the employee pension contribution rate increased from 8.5% to 10% of salary.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)
- J. Pension Plans (continued)

For local government employees and State employees who are not paid through the State Centralized Payroll Unit or not reported on a biweekly payroll schedule, the increase was effective with the first payroll amount to be paid on or after October 1, 2011.

The second phase of the employee contribution increase from 6.5% to 7.5% applies to PERS members. This increase is to be phased in equally over a 7-year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July, 2018.

- K. Deposits and Investments

Deposits

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 agencies of the United States that insure deposits, the State of New Jersey Cash Management Fund and government money market mutual funds through registered broker/dealers and banks. The New Jersey Governmental Unit Deposit Protection Act ("GUDPA") requires 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.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Deposits (continued)

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. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required.

Investments

New Jersey statutes establish the following securities as eligible for the investment of Borough funds:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) Any obligation that a federal agency or a 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 obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the Borough, or bonds or other obligations of school districts of which the Borough is a part or within which the school district is located.
- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Investments (continued)

Repurchase agreements (15.1(a)(8)) must comply with the following conditions:

- (a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.
- (b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.
- (c) The maturity of the agreement is not more than 30 days.
- (d) The underlying securities are purchased through a GUDPA bank.
- (e) A master repurchase agreement providing for the custody and security of collateral is executed.

Local Government Investment Pools ("LGIP") (15.1(e)(2)) are subject to the following requirements:

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).
- (b) It is rated in the highest category by a nationally recognized statistical rating organization.
- (c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Investments (continued)

Every local unit must have a Cash Management Plan ("Plan"); the Plan is subject to audit. In addition, when the Plan permits investments for more than one year, the investment must approximate the prospective use of funds. This primarily relates to U.S. securities and local bond issue purchases. The law also requires that cash management plans provide for the CFO to give the governing body a monthly report that summarizes:

- (a) All investments made or redeemed over the past month.
- (b) Each organization holding local unit funds.
- (c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.
- (d) Other information that may be required by the governing body.

The Borough is permitted to invest public funds in accordance with N.J.S.A. 40A:5-15.1. These investments include bonds or other obligations of the United States or obligations guaranteed by the United States, Government Money Market Mutual Funds, bond or other obligations of the Borough or bonds or other obligations of the school district, local government investment pools, and agreements for the repurchase of fully-collateralized securities, if purchased in accordance with N.J.S.A. 40A:5-15.1. The Borough is also permitted to invest Length of Service Award Program ("LOSAP") funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. These investments include interest-bearing accounts or securities in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

L. Inventories of Supplies

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

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

2. Deposits and Investments

The Borough considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

Deposits

The Borough's deposits are insured through either the Federal Deposit Insurance Corporation ("FDIC") or New Jersey's Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by FDIC.

Bank balances at December 31, 2012 and 2011 are insured up to \$250,000.00 in the aggregate by the FDIC for each bank. At December 31, 2012 and 2011, the book values of the Borough's deposits were \$12,019,323.81 and \$6,312,902.93 respectively.

Custodial Credit Risk Related to Deposits

Custodial Credit Risk is the risk that, in the event of a bank failure, the Borough's deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the FDIC. Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

At December 31, 2012 and 2011, the Borough's bank balances of \$12,019,323.81 and \$6,312,902.93 respectively, were exposed to Custodial Credit Risk as follows:

	<u>2012</u>	<u>2011</u>
Insured	\$ 500,000.00	\$ 250,000.00
Uninsured and Uncollateralized	<u>11,519,323.81</u>	<u>6,062,902.93</u>
	<u>\$ 12,019,323.81</u>	<u>\$ 6,312,902.93</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

3. Interfund Balances and Activity

Balances due to/from other funds at December 31, 2012 consist of the following:

	<u>Due From</u>	<u>Due To</u>
Current Fund	\$ 4,603.96	\$ 236,250.00
Trust Other		1,700.00
Animal Control		2,903.96
General Capital	253,226.44	1,212,336.83
Water & Sewer Operating	511.42	
Water & Sewer Capital	1,212,336.83	511.42
Beach Operating	57.56	16,976.44
Beach Capital		57.56
	<u>\$ 1,470,736.21</u>	<u>\$ 1,470,736.21</u>

4. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the years 2012.

	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Deletions</u>	Balance, December 31, <u>2012</u>
Buildings and Land	\$ 29,687,000.00			\$ 29,687,00.00
Machinery and Equipment	<u>2,041,255.00</u>	<u>\$ 176,839.00</u>		<u>2,218,094.00</u>
Total	<u>\$ 31,728,255.00</u>	<u>\$ 176,839.00</u>	<u>\$ 0.00</u>	<u>\$ 31,905,094.00</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt

Summary of Municipal Debt (Excluding
Current and Operating Debt and Type I School Debt)

	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Issued</u>			
General Capital Fund:			
Bonds, Notes and Loans	\$ 6,736,609.00	\$ 3,500,309.00	\$ 3,895,867.50
Water Utility Fund:			
Bonds and Notes	1,927,300.00	933,225.00	462,850.00
Loans	3,586,931.42	3,822,055.47	3,150,554.47
Beach Utility Fund			
Bonds and Notes	<u>553,835.00</u>	<u>687,835.00</u>	<u>725,110.00</u>
Total Issued	<u>12,804,675.42</u>	<u>8,943,424.47</u>	<u>8,234,381.97</u>
Less:			
Fund on Hand to Pay Bonds, Notes and Loans	<u>344,488.47</u>	<u> </u>	<u> </u>
Net Debt Issued	<u>12,460,186.95</u>	<u>8,943,424.47</u>	<u>8,234,381.97</u>
 <u>Authorized But Not Issued</u>			
General Capital Fund:			
Bonds and Notes	289,042.73	385,875.00	294,549.50
Water Utility Fund:			
Bonds and Notes	3,734,344.43	3,661,421.28	4,518,422.28
Beach Utility Fund:			
Bonds and Notes	<u>166,417.50</u>	<u>166,417.50</u>	<u>166,417.50</u>
Total Authorized But Not Issued	<u>4,189,804.66</u>	<u>4,213,713.78</u>	<u>4,979,389.28</u>
Net Bonds and Notes Issued & Authorized But Not Issued	<u>\$ 16,864,452.22</u>	<u>\$13,157,138.25</u>	<u>\$13,213,771.25</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

6. Long-Term Debt (continued)

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 0.34%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 7,025,651.73	\$ 344,488.47	\$ 6,681,163.26
Water Utility Debt	9,248,575.85	9,248,575.85	
Beach Utility Debt	<u>720,525.50</u>	<u>720,525.50</u>	
	<u>\$ 16,994,753.08</u>	<u>\$ 10,062,339.82</u>	<u>\$ 6,681,163.26</u>

Net Debt \$6,681,163.26 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$1,969,156,382.67 = 0.34%.

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 68,920,473.67
Less: Net Debt	<u>6,681,163.26</u>
Remaining Borrowing Power	<u>\$ 62,239,310.41</u>

Calculation of Self-Liquidating Purpose - Water Utility Fund per NJS 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 1,548,634.60
Deductions:		
Operating, Maintenance Costs and Statutory Expenditures	\$ 1,049,175.50	
Debt Service per Water Account	<u>468,794.54</u>	
Total Deductions		<u>1,517,970.04</u>
Excess in Revenues		<u>\$ 30,664.56</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

6. Long-Term Debt (continued)

Calculation of Self-Liquidating Purpose - Beach Utility Fund per NJS 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$1,082,539.56
Deductions:		
Operating, Maintenance Costs and Statutory Expenditures	\$ 926,371.44	
Debt Service per Beach Account	<u>150,525.88</u>	
Total Deductions		<u>1,076,897.32</u>
Excess in Revenues		<u>\$ 5,642.24</u>

The Borough's long-term debt consisted of the following at December 31, 2012:

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, December 31, 2012</u>
<u>General Bonds</u>				
General Improvements	12/19/2012	\$3,280,000.00	Various	<u>\$3,280,000.00</u>
				<u>\$3,280,000.00</u>
<u>Water& Sewer Utility Bonds</u>				
Water & Sewer Improvements	12/19/2012	\$1,145,000.00	Various	<u>\$1,145,000.00</u>
				<u>\$1,145,000.00</u>
<u>Water& Sewer Utility Loans</u>				
Water & Sewer Improvements	11/9/2006	\$4,532,883	Various	<u>\$3,586,931.42</u>
				<u>\$3,586,931.42</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

6. Long-Term Debt (continued)

Debt Service requirements for bonded debt during the next several years are as follows:

General Capital Fund

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 170,000.00	\$ 88,587.50	\$ 258,587.50
2014	185,000.00	89,850.00	274,850.00
2015	185,000.00	86,150.00	271,150.00
2016	190,000.00	82,450.00	272,450.00
2017-2021	1,400,000.00	325,900.00	1,725,900.00
2022-2026	1,240,000.00	127,500.00	1,367,500.00
2027	<u>270,000.00</u>	<u>5,400.00</u>	<u>275,400.00</u>
	<u>\$ 3,280,000.00</u>	<u>\$ 805,837.50</u>	<u>\$ 4,085,837.50</u>

Water Utility Capital Fund

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 40,000.00	\$ 30,958.13	\$ 70,958.13
2014	45,000.00	31,787.50	76,787.50
2015	45,000.00	30,887.50	75,887.50
2016	45,000.00	29,987.50	74,987.50
2017-2021	250,000.00	129,412.50	379,412.50
2022-2026	300,000.00	81,362.50	381,362.50
2027-2031	345,000.00	40,125.00	385,125.00
2032	<u>75,000.00</u>	<u>1,875.00</u>	<u>76,875.00</u>
	<u>\$ 1,145,000.00</u>	<u>\$ 376,395.63</u>	<u>\$ 1,521,395.63</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

6. Long-Term Debt (continued)

Loans Payable

Water Improvement loans with the State of N.J. are as follows:

\$1,830,882 original loan at 0.00% interest maturing on 8/1/2026 with a balance of \$1,318,242.28 at 12/31/12.

\$1,845,000 original loan at variable interest from 4.00% to 5.00% maturing on 8/1/2026 with a balance of \$1,500,000.00 at 12/31/12.

\$395,000 original loan with semi-annual interest of 5.00% maturing on 8/1/2030 with a balance of \$ 380,000.00 at 12/31/12.

\$424,248 original loan at 0.00% interest maturing on 8/1/2030 with a balance of \$388,303.74 at 12/31/12.

Debt Service requirements for loans during the next several years are as follows:

Utility Capital Fund

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 211,334.72	\$ 84,925.00	\$ 296,259.72
2014	216,984.11	80,175.00	297,159.11
2015	214,224.19	75,175.00	289,399.19
2016	219,711.24	72,175.00	291,886.24
2017-2021	1,196,673.60	276,375.00	1,473,048.60
2022-2026	1,326,328.44	133,143.76	1,459,472.20
2027-2030	<u>201,289.72</u>	<u>14,750.00</u>	<u>216,039.72</u>
	<u>\$3,586,546.02</u>	<u>\$736,718.76</u>	<u>\$4,323,264.78</u>

7. Bond Anticipation Notes

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

7. Bond Anticipation Notes (continued)

At December 31, 2012, the Borough had the following outstanding bond anticipation notes:

<u>Purpose</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
<u>General Capital</u>			
Various General Improvements	5/20/2013	1.00%	\$ 3,456,609.00
<u>Water & Sewer Capital</u>			
Various Water Improvements	5/20/2013	1.00%	\$ 782,300.00
<u>Beach Capital</u>			
Various Beach Improvements	5/20/2013	1.00%	\$ 553,835.00

8. Bonds and Notes Authorized But Not Issued

At December 31, 2012, the Borough had authorized but not issued bonds and notes of the General Capital Fund in the amount of \$289,042.73, the Water & Sewer Capital Fund in the amount of \$3,734,344.43 and the Beach Utility Fund in the amount of \$166,417.50.

9. Deferred Charges to be Raised In Succeeding Years' Budgets

As noted in Note 2, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012,

	Balance December 31, 2012	2013 Budget Appropriation
Current Fund:		
Special Emergency – Superstorm Sandy	\$2,450,000.00	\$0.00
Utility Fund:		
Over-expenditure of Appropriation	\$ 32,813.52	\$0.00

The Borough expects to be reimbursed at least 90% of costs related to Superstorm Sandy from the Federal Emergency Management Agency (FEMA).

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

10. Fund Balance Appropriated

Current Fund

The Current Fund balance at December 31, 2012 was \$1,286,801.83 of which \$497,087.73 was appropriated and included as anticipated revenue for the year ended December 31, 2013.

Water Utility Operating Fund

The Water Utility Operating Fund balance at December 31, 2012 was \$857,607.66 of which \$23,180.53 was appropriated and included as anticipated revenue for the year ended December 31, 2013.

Beach Utility Operating Fund

The Beach Utility Operating Fund balance at December 31, 2012 was \$163,839.19 of which \$17,500 was appropriated and included as anticipated revenue for the year ended December 31, 2013.

11. Accrued Sick and Vacation Benefits - Unaudited

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation and sick pay. Effective for financial statements dated December 31, 1987, the State has required all municipalities to disclose the estimated current cost of unused sick and vacation benefits at year-end.

The Borough has permitted employees to accrue unused vacation and sick leave, which may be taken off or paid at a later date with the exception of sick leave. The Borough estimated the current cost of such unpaid compensation as of December 31, 2012 to be approximately \$144,614.78. The amount is not reported either as an expenditure or liability.

12. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Borough has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2012 and 2011 totaled \$3,524.96 and \$23,901.54 respectively.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

13. Contingent Liabilities

State and Federal Grants

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

Pending Litigation

There are actions which have been instituted against the Borough which are either in the discovery stage or whose final outcome cannot be determined at the present time. In the opinion of the administration, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Borough.

14. Risk Management

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Borough is a member of the Monmouth County Municipal Joint Insurance Fund. The joint insurance pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Joint Insurance Fund will be self-sustaining through member premiums. The Joint Insurance Fund participates in the Municipal Excess Liability Program which has a contract for excess liability insurance for property, general liability, auto liability, public official liability, law enforcement liability and workman's compensation.

15. Post Employment Benefits

The Borough contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. The Borough authorized participation in the SHBP's post-retirement benefit program through resolution. Eligibility to participate in the SHBP's post-retirement benefit program begins after 25 years of credited service with the Borough.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

15. Post Employment Benefits (continued)

Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly-available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

Funding Policy

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. Plan members or beneficiaries receiving benefits do not make any contributions.

The Borough's contributions to SHBP for the year ended December 31, 2012 were approximately \$0, which equaled the required contributions for the year. There were approximately no retired participants eligible at December 31, 2012.

16. Deferred Compensation Program

The Borough has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Borough has engaged a private contractor to administer the Plan.

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

17. Local District School and Regional High School Taxes

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

	Local District School Tax	
	<u>2012</u>	<u>2011</u>
Balance of Tax	\$2,006,129.26	\$1,969,689.26
Deferred	<u>883,202.00</u>	<u>883,202.00</u>
Tax Payable/ (Receivable)	<u>\$1,122,927.26</u>	<u>\$1,086,487.26</u>

SUPPLEMENTARY SCHEDULES

CURRENT FUND
SCHEDULES

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR/TREASURER

Year ended December 31, 2012

	Reference	Current Fund	Federal and State Grant Fund
Balance, December 31, 2011	A	\$ 2,734,693.15	\$ 500,873.12
Increased By Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	\$ 158,776.37	
Veterans and Senior Citizens	3-A	26,750.00	
Taxes Receivable	4-A	14,752,675.20	
Revenue Accounts Receivable	6-A	573,451.72	
Prepaid Taxes	11-A	172,859.82	
Tax Overpayments	14-A	7,468.33	
Various Reserves	10-A	106,896.85	
Interfund - General Capital	1-A	435,377.78	
Interfund - Water Sewer Capital	A		\$ 122,000.00
Interfund - Current	A		2,726.92
Reserve for Federal and State Grants:			
Unappropriated	17-A		7,472.80
		16,234,256.07	132,199.72
		18,968,949.22	633,072.84
Decreased By Disbursements:			
2012 Budget Appropriations	A-3	5,406,866.05	
Appropriation Reserves	8-A	144,739.18	
County Taxes	12-A	5,726,094.77	
Local School Taxes	13-A	3,975,803.00	
Tax Overpayments	14-A	23,508.96	
Various Reserves	10-A	61,342.23	
Interfund - Grant Fund	A	2,726.92	
Interfund - General Capital	A		561,250.00
Interfund - Library	A	88,799.69	
Reserve for Federal and State Grants	16-A		16,434.19
		15,429,880.80	577,684.19
Balance, December 31, 2012	A	\$ 3,539,068.42	\$ 55,388.65

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PETTY CASH

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 1,125.00
Decreased By:		
Adjustment		<u>1,025.00</u>
Balance, December 31, 2012	A	<u><u>\$ 100.00</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	A		\$ 1,750.90
Increased By:			
Senior Citizens' Deductions Per Billing		\$ 1,000.00	
Veterans' Deductions Per Tax Billing		25,250.00	
Veterans' Deductions Per Tax Collector		<u>625.00</u>	
	4-A		<u>26,875.00</u>
			28,625.90
Decreased By:			
Cash Receipts	1-A		<u>26,750.00</u>
Balance, December 31, 2012	A		<u><u>\$ 1,875.90</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2012

Year	Balance December 31, 2011	2012 Levy	Collections		Senior Citizens' and Veterans' Deductions Allowed	Transfer to Liens	Cancelled	Balance December 31, 2012
			2011	2012				
2011	\$ 220,145.67	\$ 14,975,864.65	\$ 250,609.89	\$ 220,071.70	\$ 26,875.00	\$ 771.87	\$ 73.97	\$ 148,651.37
2012				14,532,603.50			16,353.02	
	\$ 220,145.67	\$ 14,975,864.65	\$ 250,609.89	\$ 14,752,675.20	\$ 26,875.00	\$ 771.87	\$ 16,426.99	\$ 148,651.37
<u>Reference</u>	<u>A</u>	<u>4-A</u>	<u>11-A</u>	<u>1-A</u>	<u>3-A</u>	<u>5-A</u>	<u>4-A</u>	<u>A</u>
<u>Analysis of Property Tax Levy</u>								
<u>Tax Yield</u>								
General Purpose Tax:								
General Property Tax								
Added and Omitted Taxes								
					\$ 14,917,973.18			
					57,891.47			
					<u>\$ 14,975,864.65</u>			
Tax Levy:								
Local District School Tax								
County Tax								
Added County Taxes								
			13-A		\$ 4,012,243.00			
			12-A	\$ 5,710,957.76				
			12-A	22,154.58	5,733,112.34			
					<u>5,198,540.00</u>			
Local Taxes for Municipal Purposes								
Add: Additional Tax Levied								
			A-2		31,969.31			
			4-A		<u>\$ 14,975,864.65</u>			
<u>Analysis of Current Year Tax Collections</u>								
2011 Cash Collections of 2012 Taxes								
2012 Cash Collections of 2012 Taxes								
Due From State of New Jersey -								
Senior Citizens' and Veterans' Deductions - Net								
			4-A		26,875.00			
Revenue From Collections								
			A-1,A-2		<u>\$ 14,810,088.39</u>			

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 1,277.87
Increased By:		
Transfers From Taxes Receivable	4-A	<u>771.87</u>
		2,049.74
Decreased By:		
Adjustment	5-A	<u>416.82</u>
Balance, December 31, 2012	A	<u><u>\$ 1,632.92</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	Accrued in <u>2012</u>	<u>Collections</u>	Balance December 31, <u>2012</u>
Licenses:				
Alcoholic Beverages		\$ 7,458.12	\$ 7,458.12	
Other		82,185.27	82,185.27	
Fees & Permits		1,324.00	1,324.00	
Fines and Costs - Municipal Court	\$ 3,533.43	87,627.69	86,297.82	\$ 4,863.30
Interest and Costs on Taxes		51,232.87	51,232.87	
Interest on Investments		2,877.64	2,877.64	
Energy Receipts		187,313.00	187,313.00	
Consolidated Municipal Property Tax				
Relief Aid		9,027.00	9,027.00	
Uniform Construction Code Fees		97,536.00	97,536.00	
Trust Fund - Reserve for Library Donation		48,200.00	48,200.00	
	<u>\$ 3,533.43</u>	<u>\$ 574,781.59</u>	<u>\$ 573,451.72</u>	<u>\$ 4,863.30</u>
<u>Reference</u>	A	6-A	1-A	A

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

Year ended December 31, 2012

<u>Year</u>	<u>Description</u>	<u>Amount</u>	<u>Balance December 31, 2011</u>	<u>Increased</u>	<u>Raised in 2012 Budget</u>	<u>Balance December 31, 2012</u>
<u>Special Emergency Authorization:</u>						
<u>N.J.S.A. 40A:4-54:</u>						
2012	Superstorm Sandy	\$ 2,450,000.00		\$ 2,450,000.00		\$ 2,450,000.00
<u>Emergency Authorization:</u>						
2011	Hurricane Irene	20,000.00	\$ 20,000.00		\$ 20,000.00	
			\$ 20,000.00	\$ 2,450,000.00	\$ 20,000.00	\$ 2,450,000.00
	<u>Reference</u>		A		A-3	A

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

	Balance December 31, 2011	Encumbrances	Balance After Modifications	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$ 1,524.70		\$ 1,524.70	\$ 1,167.50	\$ 357.20
Other Expenses	1,610.96		1,610.96	1,514.46	96.50
Mayor and Council:					
Salaries and Wages	199.76		199.76		199.76
Other Expenses	173.00		173.00		173.00
Municipal Clerk:					
Other Expenses	15,373.31		15,373.31	7,491.75	7,881.56
Financial Administration (Treasury):					
Salaries and Wages	1,723.85	\$ 38.65	1,762.50	1,762.50	
Other Expenses	18.44		18.44		18.44
Revenue Administration (Tax Collection):					
Salaries and Wages	5,406.31		5,406.31	445.00	4,961.31
Other Expenses	2,269.07		2,269.07	200.00	2,069.07
Audit Expenses:					
Other Expenses	500.00		500.00		
Tax Assessment Administration:					
Salaries and Wages	2,876.56		2,876.56		2,876.56
Other Expenses	1,741.73		1,741.73	1,234.08	507.65
Legal Services:					
Other Expenses	15,982.62	6,147.26	22,129.88	22,129.88	
Engineering Services:					
Other Expenses	6,224.99		6,224.99	6,183.16	41.83
LAND USE ADMINISTRATION					
Planning and Zoning Board of Adjustment:					
Salaries and Wages	0.10		0.10		0.10
Other Expenses	3,933.34		3,933.34	1,500.40	2,432.94
Shade Tree Commission:					
Other Expenses	1,825.00	4,200.00	6,025.00	6,025.00	
INSURANCE					
General Liability	7,533.11		7,533.11		7,533.11
Workmen's Compensation	41,888.11		41,888.11		41,888.11
Employee Group Health	73,068.34		73,068.34		73,068.34
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	58,127.45		58,127.45	4,998.97	53,128.48
Other Expenses	8,108.03	2,422.27	10,530.30	10,530.30	
Emergency Management Services:					
Other Expenses	551.44	2,460.31	3,011.75	3,011.75	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Encumbrances</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
PUBLIC SAFETY (continued)					
Fire:					
Other Expenses	7,142.90		7,142.90	5,816.47	1,326.43
PUBLIC WORKS					
Streets and Road Maintenance:					
Salaries and Wages	17,292.79		17,292.79	3,815.80	13,476.99
Other Expenses	17,737.23		17,737.23	8,438.38	9,298.85
Buildings and Grounds:					
Other Expenses	26,171.06		26,171.06	14,570.35	11,600.71
Solid Waste Disposal:					
Snow Removal:					
Salaries and Wages	0.35		0.35		0.35
Other Expenses	0.29		0.29		0.29
Vehicle Maintenance:					
Salaries and Wages	2,306.24		2,306.24		2,306.24
Other Expenses	9,076.44		9,076.44	8,724.49	351.95
HEALTH AND HUMAN SERVICES					
Public Health Services (Board of Health):					
Other Expenses	393.00	191.10	584.10	549.50	34.60
PARK AND RECREATION					
Recreation Services and Programs:					
Other Expenses	1,026.66		1,026.66		1,026.66
Celebration of Public Events	5,700.72		5,700.72		5,700.72
Municipal Court:					
Salaries and Wages	25,761.94		25,761.94		25,761.94
Other Expenses	5,768.60		5,768.60	71.00	5,697.60
Public Defender:					
Salaries and Wages	250.00		250.00	250.00	
UNIFORM CONSTRUCTION CODE					
Construction Code Official:					
Other Expenses	28.14	171.86	200.00	200.00	
Fire Marshall:					
Salaries and Wages	940.00		940.00		940.00
Other Expenses	2,000.00		2,000.00		2,000.00
UTILITY EXPENSE AND BULK PURCHASES					
Electricity	5,463.18	1,423.71	6,886.89	6,886.89	
Street Lighting	3,080.83	4,003.23	7,084.06	7,084.06	
Telephone	11,443.75		11,443.75	1,834.66	9,609.09
Water	2,442.80		2,442.80		2,442.80
Natural Gas & Propane	6,928.37		6,928.37	2,971.33	3,957.04
Gasoline	1.22	7,429.50	7,430.72	7,430.72	
LANDFILL/SOLID WASTE DISPOSAL COSTS					
Landfill Disposal Costs	2,478.22	1,793.02	4,271.24	4,271.24	
Contingent	18,332.26		18,332.26	2,057.65	16,274.61

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

	Balance December 31, 2011	<u>Encumbrances</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Statutory Expenditures:					
Contribution To:					
Social Security System (O.A.S.I.)	10,775.64		10,775.64		10,775.64
Defined Contribution Retirement Program	634.04		634.04	155.68	478.36
OPERATIONS EXCLUDED FROM CAPS					
LOSAP	7,700.00		7,700.00	7,700.00	
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Monmouth County 911 Program	322.17		322.17		322.17
Borough of Manasquan					
Community Alliance for Drugs & Alcohol	2,042.17		2,042.17		2,042.17
Construction Officials					
Other Expenses	3,592.80		3,592.80		3,592.80
Township of Wall					
Municipal Court Services	6,000.00		6,000.00		6,000.00
ADDITIONAL APPROPRIATIONS OFFSET					
BY REVENUES (N.J.S. 40A:4-45.3h)					
Expenses for Participation in a Free County Library					
Other Expenses	15,465.76		15,465.76	1,416.21	14,049.55
Capital	6,000.00		6,000.00		6,000.00
Total General Appropriations	<u>\$ 474,959.79</u>	<u>& 30,280.91</u>	<u>\$ 505,240.70</u>	<u>\$ 152,439.18</u>	<u>\$ 352,801.52</u>
	<u>Reference</u>	A		1-A	A-1
Cash Disbursements	4-A			\$ 144,739.18	
LOSAP - Reserve	10-A			<u>7,700.00</u>	
Total				<u>\$ 152,439.18</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

Reference

Balance, December 31, 2011	A	\$ 30,280.91
Increased By:		
Transferred From 2012 Appropriations	A-3	<u>827,158.26</u>
		857,439.17
Decreased By:		
Transferred To Appropriation Reserves	8-A	<u>30,280.91</u>
Balance, December 31, 2012	A	<u><u>\$ 827,158.26</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2012</u>
Due to State of NJ:				
Construction Surcharge	\$ 2,422.84	\$ 11,045.00	\$ 7,857.91	\$ 5,609.93
Fire Safety		3,085.92		3,085.92
Reserve For:				
Off-Duty Police	388.00	60,000.00	34,496.32	25,891.68
Library	256.00	572.15		828.15
Payroll	992.04		992.04	
Revaluation	18,489.74			18,489.74
Tax Appeals	32,220.64			32,220.64
Emergency Road Repair	28,807.94		3,500.00	25,307.94
LOSAP	26,919.91	15,400.00		42,319.91
Insurance for Repairs	11,390.38		4,080.00	7,310.38
Codification		16,250.00	11,796.00	4,454.00
Workers Compensation		15,943.78		15,943.78
	<u>\$ 121,887.49</u>	<u>\$ 122,296.85</u>	<u>\$ 62,722.27</u>	<u>\$ 181,462.07</u>

	<u>Reference</u>	A	1-A	A
Cash Receipts	8-A		\$ 106,896.85	
Budget Appropriations - LOSAP			<u>15,400.00</u>	
			<u>\$ 122,296.85</u>	
Cancelled To Operations	A-1		\$ 1,380.04	
Cash Disbursement	1-A		<u>61,342.23</u>	
			<u>\$ 62,722.27</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID TAXES

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 250,609.89
Increased By:		
Cash Receipts:		
Collection of 2013 Taxes	1-A	<u>172,859.82</u>
		423,469.71
Decreased By:		
Amount Applied To 2012 Taxes		
Receivable	4-A	<u>250,609.89</u>
Balance, December 31, 2012	A	<u><u>\$ 172,859.82</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	A		\$ 15,167.01
Increased By:			
2012 Tax Levy:			
County Tax	A-1,4-A	\$ 5,116,579.09	
County Library Tax	A-1,4-A	297,618.36	
County Open Space Fund Tax	A-1,4-A	296,730.31	
Due County for Added Taxes	A-1,4-A	<u>22,154.58</u>	
			<u>5,733,082.34</u>
			5,748,249.35
Decreased By:			
Cash Disbursements	1-A		<u>5,726,094.77</u>
Balance, December 31, 2012	A		<u>\$ 22,154.58</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF LOCAL SCHOOL TAXES PAYABLE

Year ended December 31, 2012

Reference

Balance, December 31, 2011:			
School Tax Payable	A	\$ 1,086,487.26	
School Tax Deferred	13-A	<u>883,202.00</u>	\$ 1,969,689.26
Increased By:			
Levy (School Year July 1, 2012 to June 30, 2013)	A-1,4-A	<u>4,012,243.00</u>	
			5,981,932.26
Decreased By:			
Levy Reserve for School Tax Levy Cash Disbursements	1-A	<u>3,975,803.00</u>	
Balance, December 31, 2012:			
School Tax Payable	A	1,122,927.26	
School Tax Deferred	13-A	<u>883,202.00</u>	\$ <u>2,006,129.26</u>
<u>2012 Liability for Local District School Tax</u>			
Tax Payable, December 31, 2012	A	\$ 1,122,927.26	
Tax Paid	1-A	<u>3,975,803.00</u>	
			5,098,730.26
Less:			
Tax Payable, December 31, 2011	13-A	<u>1,086,487.26</u>	
Amount Charged To 2012 Operations	A-1	<u>\$ 4,012,243.00</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 7,093.03
Increased By:		
Adjustment		12,175.37
Cash Receipts	1-A	<u>7,468.33</u>
		26,736.73
Decreased By:		
Tax Overpayments Refunded	1-A	<u>23,508.96</u>
Balance, December 31, 2012	A	<u><u>\$ 3,227.77</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Year ended December 31, 2012

	Balance December 31, 2011	Increased By Revenue Anticipated 2012	Transferred From Grants Unappropriated	Canceled	Balance December 31, 2012
Clean Communities Program		\$ 5,895.26	\$ 5,895.26		
Alcohol Education and Rehabilitation Fund		593.28	593.28		
County of Monmouth:					
CDBG - Beach Access Project	\$ 110,000.00			\$ 110,000.00	
Body Armor	1,446.16	1,437.28	1,437.28	1,446.16	
	<u>\$ 111,446.16</u>	<u>\$ 7,925.82</u>	<u>\$ 7,925.82</u>	<u>\$ 111,446.16</u>	<u>\$ 0.00</u>
<u>Reference</u>	A	A-2	A	17-A	A

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR STATE GRANTS - APPROPRIATED

Year ended December 31, 2012

	Balance December 31, 2011	2012 Authorizations	Expended	Cancelled	Balance December 31, 2012
Alcohol Education and Rehabilitation Fund	\$ 3,650.18	\$ 593.28			\$ 4,243.46
DWI Enforcement	20,673.23		\$ 2,637.00		18,036.23
Body Armor Fund	5,831.45	1,437.28	1,560.00	\$ 156.52	5,552.21
Clean Communities Program	17,656.88	5,895.26	12,237.19		11,314.95
Community Development Block Grant	110,000.00			110,000.00	
Stormwater Regulation	8,769.00				8,769.00
	<u>\$ 166,580.74</u>	<u>\$ 7,925.82</u>	<u>\$ 16,434.19</u>	<u>\$ 110,156.52</u>	<u>\$ 47,915.85</u>
<u>Reference</u>	A	A-3		16-A	A

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR STATE GRANTS - UNAPPROPRIATED

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	Cash <u>Receipts</u>	<u>Adjustment</u>	Transferred to Grants <u>Receivable</u>	Balance December 31, <u>2012</u>
Clean Communities Grant	\$ 5,895.26	\$ 5,793.74		\$ 5,895.26	\$ 5,793.74
Alcohol Education & Rehabilitation	593.28	215.84		593.28	215.84
Body Armor Grant		<u>1,463.22</u>	<u>\$ 1,437.28</u>	<u>1,437.28</u>	<u>1,463.22</u>
	<u>\$ 6,488.54</u>	<u>\$ 7,472.80</u>	<u>\$ 1,437.28</u>	<u>\$ 7,925.82</u>	<u>\$ 7,472.80</u>
<u>Reference</u>	A	1-A	16-A	16-A	A

TRUST FUND
SCHEDULES

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2012

	<u>Reference</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance, December 31, 2011	B	<u>\$ 6,071.56</u>	<u>\$ 971,663.97</u>
Increased By Receipts:			
Reserve for Animal Control	2-B	2,055.80	
State Registration Fees	3-B	237.60	
Unemployment Compensation	5-B		10,424.04
Deferred Sick Leave	6-B		38,126.37
Board of Recreation Commission	7-B		107,625.55
Police Escrow	8-B		25.10
Library fund	9-B		19,057.06
Library Trust Interfund - Due From Current	10-B		87,419.65
FSA - Due From Current Fund	10-B		3,200.00
Various Reserves	11-B		81,621.92
Flex Spending Account	12-B		7,600.00
		<u>2,293.40</u>	<u>355,102.10</u>
		<u>8,364.96</u>	<u>1,326,766.07</u>
Decreased By Disbursements:			
Reserve for Animal Control	2-B	833.40	
State Registration Fees	3-B	237.60	
Unemployment Compensation	5-B		30,800.62
Deferred Sick Leave	6-B		20,290.00
Board of Recreation Commission	7-B		206,871.00
Library fund	9-B		48,210.65
FSA - Due From Current Fund	10-B		1,500.00
Various Reserves	11-B		104,580.49
Flex Spending Account	12-B		7,627.79
		<u>1,071.00</u>	<u>420,780.55</u>
Balance, December 31, 2012	B	<u><u>\$ 7,293.96</u></u>	<u><u>\$ 905,985.52</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	B		\$ 6,070.56
Increased By:			
Dog License Fees Collected	1-B	\$ 1,855.60	
Miscellaneous	1-B	<u>200.20</u>	
			<u>2,055.80</u>
			8,126.36
Decreased By:			
Expenditures Under R.S. 4:19-15:11	1-B	833.40	
Statutory Excess	B	<u>2,903.96</u>	
			<u>3,737.36</u>
Balance, December 31, 2012	B		<u><u>\$ 4,389.00</u></u>

License Fees Collected

2010	\$ 2,275.00
2011	<u>2,114.00</u>
	<u><u>\$ 4,389.00</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF DUE TO STATE BOARD OF HEALTH

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 1.00
Increased By:		
Cash Receipts	1-B	<u>237.60</u>
		238.60
Decreased By:		
Payments to State	1-B	<u>237.60</u>
Balance, December 31, 2012	B	<u><u>\$ 1.00</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR LAW ENFORCEMENT TRUST

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2012 and 2011	B	<u>\$ 2,561.74</u>
Increased By:		
Cash Receipts	1-B	<u>2.41</u>
		2,564.15
Decreased By:		
Cash Disbursements	1-B	<u>900.00</u>
Balance, December 31, 2012	B	<u>\$ 1,664.15</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR UNEMPLOYMENT COMPENSATION INSURANCE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 23,901.54
Increased By:		
Cash Receipts	1-B	<u>10,424.04</u>
		34,325.58
Decreased By:		
Cash Disbursements	1-B	<u>30,800.62</u>
Balance, December 31, 2012	B	<u><u>\$ 3,524.96</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR DEFFERED SICK LEAVE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 126,778.41
Increased By:		
Cash Receipts	1-B	<u>38,126.37</u>
		164,904.78
Decreased By:		
Cash Disbursements	1-B	<u>20,290.00</u>
Balance, December 31, 2012	B	<u><u>\$ 144,614.78</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR BOARD OF RECREATION COMMISSION

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 150,905.35
Increased By:		
Cash Receipts	1-B	<u>107,625.55</u>
		258,530.90
Decreased By:		
Cash Disbursements	1-B	<u>206,871.00</u>
Balance, December 31, 2012	B	<u><u>\$ 51,659.90</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF POLICE ESCROW

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 323.98
Increased By:		
Cash Receipts	1-B	<u>25.10</u>
		<u>349.08</u>
Balance, December 31, 2012	B	<u><u>\$ 349.08</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR LIBRARY TRUST FUND

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 615,268.68
Increased By:		
Donations	1-B	\$ 17,855.91
Interest Accrued	1-B	<u>1,201.15</u>
Donations	1-B	<u>19,057.06</u>
		634,325.74
Decreased By:		
Cash Disbursements	1-B, 11-B	<u>48,210.65</u>
Balance, December 31, 2012	B	<u><u>\$ 586,115.09</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF DUE TO/(FROM) CURRENT FUND

Year ended December 31, 2012

	<u>Reference</u>	<u>Total</u>	<u>FSA Reserve</u>	<u>Library Trust</u>
Balance, December 31, 2011	B	\$ (87,419.65)		\$ (87,419.65)
Increased By:				
Cash Receipts	1-B	<u>90,619.65</u>	<u>\$ 3,200.00</u>	<u>87,419.65</u>
		3,200.00	3,200.00	
Decreased By:				
Disbursed To Current Fund	1-B	<u>1,500.00</u>	<u>1,500.00</u>	
Balance, December 31, 2012	B	<u><u>\$ 1,700.00</u></u>	<u><u>\$ 1,700.00</u></u>	<u><u>\$ 0.00</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF VARIOUS TRUST FUND RESERVES

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Increase</u>	<u>Decrease</u>	Balance December 31, <u>2012</u>
Trust - Other	\$ 4,909.58	\$ 1,750.00	\$ 200.00	\$ 6,459.58
Snow Removal	34,766.00			34,766.00
Recycling Fees	75,428.27	15,578.67	51,647.86	39,359.08
Marriage License Fees	100.00	200.00	275.00	25.00
Donation	225.00	10,000.00		10,225.00
Planning Board Escrow	<u>23,915.07</u>	<u>54,093.25</u>	<u>52,457.63</u>	<u>25,550.69</u>
	<u>\$ 139,343.92</u>	<u>\$ 81,621.92</u>	<u>\$ 104,580.49</u>	<u>\$ 116,385.35</u>
<u>Reference</u>	B	1-B	1-B	B

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF RESERVE FOR FLEX SPENDING ACCOUNT

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	B		\$ 0.00
Increased By:			
FSA Contributions Receivable	B	\$ 633.67	
Cash Receipts	1-B	<u>7,600.00</u>	
			<u>8,233.67</u>
			8,233.67
Decreased By:			
Cash Disbursements			<u>7,627.79</u>
Balance, December 31, 2012	B		<u><u>\$ 605.88</u></u>

GENERAL CAPITAL FUND
SCHEDULES

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	C		\$ 528,608.49
Increased By:			
Due Current Fund	C	\$ 15,000.00	
Transfers from Other Funds for			
Payment of BAN Principal and Interest	C	1,116,291.92	
Due From Grant Fund	C	561,250.00	
Due From Beach Operating	C	33,023.56	
Bond Sale Premiums	1-C	176,638.42	
Serial Bonds	5-C	3,280,000.00	
Bond Anticipation Note Proceeds	6-C	8,920,488.00	
Bond Proceeds Due Water-Sewer Utility	C	1,184,286.83	
Recycling Trust Fund	7-C	50,000.00	
Recreation Trust Fund	7-C	132,000.00	
Capital Improvement Fund	8-C	<u>40,000.00</u>	
			<u>15,508,978.73</u>
			16,037,587.22
Decreased By:			
Improvement Authorizations	7-C	637,128.23	
Due from Beach Utility Fund		16,976.44	
Due To Current Fund	C	184,127.79	
Bond Anticipation Notes	6-C	<u>9,371,779.91</u>	
			<u>10,210,012.37</u>
Balance, December 31, 2012	C,2-C		<u><u>\$ 5,827,574.85</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF CASH AND INVESTMENTS

Year ended December 31, 2012

	Balance December 31, 2012
Fund Balance	\$ 328,746.58
Capital Improvement Fund	32,534.30
Due From Current Fund	(236,250.00)
Due From Beach Operating	(16,976.44)
Due To Water-Sewer Capital Fund	1,212,336.83
Reserve To Pay Debt Service	344,488.47
Excess Financing - BANs	3,378,384.89

<u>Year</u>	<u>Improvement Description</u>	
741	Underground Storage Tanks	(37,930.00)
894	Various General Improvements	(64,787.23)
2008-03	Site & Soil Remediation	(186,325.50)
06-2010	Beacon Blvd	142,761.48
07-2011	Various General Improvements	80,451.24
2012-04	Tennis Court Improvements	18,488.75
2012-05	Improvements to Philadelphia Blvd	642,700.00
2012-08	Various General Improvements	183,691.23
2012-10	Improvements to Recycling Center	5,260.25
		<u>\$ 5,827,574.85</u>

Reference C, 1-C

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 0.00
Increased By:		
Issuance of General		
Improvement Bonds	5-C	<u>3,280,000.00</u>
Balance, December 31, 2012	C	<u><u>\$ 3,280,000.00</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2012

Ordinance No.	Improvement Description	Balance December 31, 2011	2012 Authorizations	Transferred To Deferred Charges To Future Taxation Funded	Bond Anticipation Note Paid By Budget	Cancelled	Balance December 31, 2012	Analysis of Balance				Unexpended Improvement Authorizations
								Bond Anticipation Notes	Excess Financing BANS	Expended		
741	Underground Storage Tanks	\$ 37,930.00			\$ 82,320.00		\$ 37,930.00			\$ 37,930.00		
871	Various General Improvements	82,320.00			100,613.00	\$ 6,487.27						
894	Various General Improvements	171,887.50			101,918.00	12,744.57	64,787.23	\$ 249,438.00	\$ 249,438.00	64,787.23		
923	Various General Improvements	351,356.00		\$ 236,693.43	87,662.50	17,915.81		350,650.00	350,650.00			
937	Various General Improvements	438,312.50		332,734.19	20,000.00	7,452.96		145,870.00	145,870.00			
07-07	Various General Improvements	165,870.00		138,417.04	37,240.50	58.40	17,085.62	335,153.00	318,087.38	186,325.50		
07-13	New York Blvd	372,393.50		318,028.98	62,956.25		186,325.50					
2008-03	Site & Soil Remediation	249,281.75			23,084.00		10,576.28		196,423.72			
03-09	First Ave Reconstruction	230,084.00		196,423.72	56,430.75	55,075.22		290,650.00	290,650.00			
09-09	Various General Improvements	387,305.75		275,789.78				887,848.00	887,848.00			
06-10	Various General Improvements	837,968.00		837,968.00	36,475.00		16,605.27	325,000.00	308,394.73			
07-11	Improvements to Municipal Facilities	361,475.00		308,394.73			33,976.94	665,000.00	631,023.06			
05-2012	Improvements to Philadelphia Blvd		\$ 665,000.00	631,023.06								
			<u>\$ 665,000.00</u>	<u>\$ 3,275,482.93</u>	<u>\$ 608,700.00</u>	<u>\$ 99,734.23</u>	<u>\$ 387,266.84</u>	<u>\$ 3,456,609.00</u>	<u>\$ 3,378,384.89</u>	<u>\$ 289,042.73</u>		<u>\$ 0.00</u>
			7-C	3-C	1-C	7-C	C	6-C	2-C	2-C		7-C
		Reference										

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2011</u>	<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Increased</u>	<u>Balance December 31, 2012</u>
General Improvements	12/19/12	\$ 3,280,000.00	12/01/13 \$ 170,000.00	2.00%			
			12/01/14 185,000.00	2.00%			
			12/01/15 185,000.00	2.00%			
			12/01/16 190,000.00	2.50%			
			12/01/17 195,000.00	3.00%			
			12/01/18 200,000.00	3.00%			
			12/01/19 210,000.00	3.00%			
			12/01/20 215,000.00	4.00%			
			12/01/21 220,000.00	4.00%			
			12/01/22 230,000.00	4.00%			
			12/01/23 240,000.00	4.00%			
			12/01/24 250,000.00	2.00%			
			12/01/25 255,000.00	3.00%			
			12/01/26 265,000.00	2.00%			
			12/01/27 270,000.00	2.00%			
					<u>\$ 0.00</u>	<u>\$ 3,280,000.00</u>	<u>\$ 3,280,000.00</u>
					<u>\$ 0.00</u>	<u>\$ 3,280,000.00</u>	<u>\$ 3,280,000.00</u>
				<u>Reference</u>	<u>C</u>	<u>1-C</u>	<u>C</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2012

Ordinance Number	Improvement Description	Amount of Original Issue	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Increase	Decrease	Balance December 31, 2012
871	Various General Improvements	\$ 418,000.00	06/19/02				\$ 82,320.00		\$ 82,320.00	
894	Various General Improvements	379,439.00	06/19/02	11/16/12	2/15/13	1.00%	100,613.00	\$ 249,438.00	100,613.00	\$ 249,438.00
923	Various General Improvements	816,525.00	06/19/02	11/16/12	2/15/13	1.00%	351,356.00	\$ 351,356.00	351,356.00	\$ 351,356.00
937	Various General Improvements	817,475.00	06/19/02	11/16/12	2/15/13	1.00%	438,312.50	350,650.00	438,312.50	350,650.00
2007-07	Various General Improvements	87,187.00	12/31/08	11/16/12	2/15/13	1.00%	165,870.00	145,870.00	165,870.00	145,870.00
2007-13	New York Blvd	403,437.00	12/31/08	11/16/12	2/15/13	1.00%	372,393.50	335,153.00	372,393.50	335,153.00
2008-03	Elementary School Site	228,000.00	12/23/08	11/16/12	2/15/13	1.00%	62,956.25		62,956.25	
03-2009	Various General Improvements	266,000.00	12/21/09	11/16/12	2/15/13	1.00%	230,084.00	207,000.00	230,084.00	207,000.00
09-2009	Various General Improvements	329,500.00	12/21/09	11/16/12	2/15/13	1.00%	347,080.75	290,650.00	347,080.75	290,650.00
06-2010	Various General Improvements	1,075,250.00	5/21/10	11/16/12	2/15/13	1.00%	987,848.00	887,848.00	987,848.00	887,848.00
07-2011	Various General Improvements	361,475.00	5/20/11	11/16/12	2/15/13	1.00%	361,475.00	325,000.00	361,475.00	325,000.00
05-2012	Reconstruction of Philadelphia Blvd.	665,000.00	11/16/12	11/16/12	2/15/13	1.00%		665,000.00		665,000.00
							<u>\$ 3,500,309.00</u>	<u>\$ 3,456,609.00</u>	<u>\$ 3,500,309.00</u>	<u>\$ 3,456,609.00</u>
						Reference	C	1-C,4-C	1-C	C
							Paid by Budget Appropriation		\$ 708,700.00	
							Rollover		<u>2,791,609.00</u>	
							Total		<u>\$ 3,500,309.00</u>	

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2012

Ordinance Number	Improvement Description	2012 Authorizations										Recycling Trust Fund	Recreation Trust Fund	Deferred Charges To Future Taxation Undfunded	Capital Improvement Fund	Capital Fund Balance	Balance December 31,		Expended	Cancelled	Balance December 31,		Encumbered		
		Date	Amount	Balance December 31, 2011		Capital Fund Balance	Capital Improvement Fund	Capital Fund Balance	Charges To Future Taxation Undfunded	Recreation Trust Fund	Recycling Trust Fund						Expended	Cancelled			Funded	Undfunded			
				Funded	Undfunded																			Funded	Undfunded
816	Various General Improvements		\$ 286,000.00	\$ 1,587.23								\$ 1,567.23								\$ 1,567.23					
830	Various General Improvements	05/31/00	545,400.00	19,503.04																	19,503.04				
842	Various General Improvements	04/25/01	613,600.00	3,574.60																	3,574.60				
853	Various General Improvements	04/30/02	620,000.00	19,563.65																	19,563.65				
871	Various General Improvements	04/09/03	440,000.00	18,283.96																	18,283.96				
884	Various General Improvements	04/07/04	132,330.00		\$ 6,487.27																6,487.27				
923	Various General Improvements	04/13/05	859,500.00		28,457.70																28,457.70				
928	Library Furniture	07/15/05	5,000.00	1,669.58																	1,669.58				
937	Various General Improvements	04/28/06	860,500.00		118,047.42																108,276.94				
07-07	Various General Improvements	05/16/07	104,000.00		37,156.66																37,156.66				
07-13	New York Blvd	09/30/07	975,000.00		58.40																58.40				
08-2009	Open Space & Soil Remediation	10/21/08	335,000.00		2,000.00																2,000.00				
09-2010	Various General Improvements	04/22/09	529,500.00		223,116.02																223,116.02				
09-2010	Beacon Blvd	06/23/10	1,184,600.00	2,000.00	191,760.80																				\$ 4,088.66
07-2011	Various General Improvements	04/13/11	374,500.00	9,567.90	330,365.00																				
2012-04	Tennis Court Improvements	04/25/12	132,000.00						\$ 35,000.00																
2012-05	Improvements to Philadelphia Blvd	04/25/12	700,000.00											\$ 665,000.00										260.00	642,420.00
2012-08	Various General Improvements	04/25/12	300,000.00							\$ 285,000.00														174,779.14	8,912.09
2012-10	Improvements to Recycling Center	04/25/12	50,000.00																\$ 50,000.00					5,260.25	
				\$ 75,729.96	\$ 937,471.47			\$ 665,000.00	\$ 35,000.00	\$ 285,000.00				\$ 637,128.23	\$ 409,720.25	\$ 401,046.73	\$ 16,885.27				\$ 409,720.25			\$ 656,420.95	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 27,534.30
Increased By:		
2012 Budget Appropriation	1-C	<u>40,000.00</u>
		67,534.30
Decreased By:		
Improvement Authorizations Funded	7-C	<u>35,000.00</u>
Balance, December 31, 2012	C	<u><u>\$ 32,534.30</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Increase</u>	<u>Decrease</u>	Balance December 31, <u>2012</u>
Pay Down Notes	\$ 16,771.40	\$ 100,000.00	\$ 28,050.00	\$ 88,721.40
Pay Down Bonds	<u> </u>	<u>255,767.07</u>	<u> </u>	<u>255,767.07</u>
	<u>\$ 16,771.40</u>	<u>\$ 355,767.07</u>	<u>\$ 28,050.00</u>	<u>\$ 344,488.47</u>
<u>Reference</u>	C			C

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2011</u>	<u>2012 Authorizations</u>	<u>Bonds Issued</u>	<u>BANS Issued</u>	<u>Cancelled</u>	<u>Balance December 31, 2012</u>
741	Underground Storage Tanks	\$ 37,930.00					\$ 37,930.00
894	Various General Improvements	71,274.50				\$ 6,487.27	64,787.23
06-10	Various General Improvements	50,120.00		\$ 50,120.00			
09-09	Various General Improvements	40,225.00				40,225.00	
02,03-08	School Site & Remediation	186,325.50					186,325.50
2012-05	Improvements to Philadelphia Blvd		\$ 665,000.00		\$ 665,000.00		
		<u>\$ 385,875.00</u>	<u>\$ 665,000.00</u>	<u>\$ 50,120.00</u>	<u>\$ 665,000.00</u>	<u>\$ 46,712.27</u>	<u>\$ 289,042.73</u>
<u>Reference</u>		10-C	4-C,10-C	5-C	6-C	7-C	10-C

WATER-SEWER UTILITY FUND
SCHEDULES

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2012

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2011	D	\$ 618,616.99	\$ 494,373.94
Increased By Receipts:			
Miscellaneous Revenue	D-2	\$ 52,637.92	
Due From Water Sewer Capital	D	295,352.86	
Due To Water Sewer Operating Fund			\$ 511.42
Consumer Account Receivable	3-D	1,495,996.68	
Water Infrastructure Grant Rec.	8-D		1,272,570.00
Bond Anticipation Notes	14-D		782,300.00
Capital Improvement Fund	11-D		56,000.00
		<u>1,843,987.46</u>	<u>2,111,381.42</u>
		2,462,604.45	2,605,755.36
Decreased By Disbursements:			
Budget Appropriations	D-3	1,478,624.62	
Due To Grant Fund	D,1-D		122,000.00
Due To Beach Operating Fund	D,1-D		100,000.00
Due To Water Sewer Operating Fund	D,1-D		295,352.86
Due From General Capital Fund			28,050.00
Appropriation Reserves	6-D	19,038.17	
Bond Anticipation Notes	14-D		782,300.00
Improvement Authorizations	10-D		1,000,434.74
		<u>1,497,662.79</u>	<u>2,328,137.60</u>
Balance, December 31, 2012	D	<u>\$ 964,941.66</u>	<u>\$ 277,617.76</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SEWER UTILITY CAPITAL FUND CASH

Year ended December 31, 2012

		Balance December 31, <u>2012</u>
Capital Improvement Fund		\$ 60,973.75
Water Infrastructure Grant Rec.		(342,093.34)
Fund Balance		202,561.19
Interfund - General Capital		(1,212,336.83)
Interfund - Water - Sewer Operating		511.42
Reserve to Pay Bonds		1,500.00
Excess Financing		725,755.17
<u>Ord No.</u>	<u>Improvement Description</u>	
924	Water Supply System	(36,022.26)
938	Water Improvements	(4,585.70)
839	Various Improvements	(26,125.00)
601/949	Water System	(74,118.00)
07-08	Various Improvements	(42,875.00)
21-2009	Rehabilitation of Wells	2,296.09
18-2009	Various Improvements	253,228.04
05-2010	Water Improvements	22,933.79
2011-08	Various Improvements	335,428.26
09-2012	Various Improvements	22,580.00
23-2012	Purchase of Equipment	625.65
26-2012	Water Tower Improvements	387,380.53
		<u>\$ 277,617.76</u>

Reference D,1-D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 40,367.94
Increased By:		
Water/Sewer Rents Levied	3-D	<u>1,567,264.62</u>
		1,607,632.56
Decreased By:		
Collections	1-D	<u>1,495,996.68</u>
Balance, December 31, 2012	D	<u><u>\$ 111,635.88</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2012

	Balance December 31, <u>2012 and 2011</u>
Water System:	
Pumping Station, Equipment and Wells	\$ 538,070.87
Reservoirs, Tanks and Standpipes	105,544.96
Meters, Hydrants and General Equipment	108,273.68
Water Mains	1,264,950.89
Service Pipes and Stops	1,465.14
Land, Pumping Station, etc.	2,568.35
Water Filtration Plant	271,000.00
Sewer System:	
Sanitary Sewer:	
Collection System	656,812.61
Infrastructure Improvements	<u>20,000.00</u>
	<u>\$ 2,968,686.50</u>
<u>Reference</u>	D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND INCOMPLETE

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Amount</u>	<u>Balance December 31, 2011</u>	<u>Increase</u>	<u>Cancelled</u>	<u>Transferred To Fixed Capital</u>	<u>Balance December 31, 2012</u>
895	Various Improvements	\$ 75,000.00	\$ 75,000.00		\$ 18,925.94		\$ 56,074.06
924	Water System	50,000.00	50,000.00		7,832.02		42,167.98
938	Various Improvements	40,000.00	40,000.00		5,464.30		34,535.70
601	Water System	3,750,000.00	3,750,000.00				3,750,000.00
21-2009	Well Rehabilitation	75,000.00	75,000.00				75,000.00
08-2009	Various Improvements	280,000.00	280,000.00		165,844.06		114,155.94
18-2009	Various Improvements	4,295,000.00	4,295,000.00				4,295,000.00
2011-08	Various Improvements	561,000.00	561,000.00				561,000.00
05-2010	Water System	160,000.00	35,500.00				35,500.00
07-2012	Various Improvements	27,000.00		\$ 27,000.00			27,000.00
23-2012	Purchase of Equipment	6,000.00		6,000.00			6,000.00
26-2012	Water Tower Improvements	500,000.00		500,000.00			500,000.00
			<u>\$ 9,161,500.00</u>	<u>\$ 533,000.00</u>	<u>\$ 198,066.32</u>	<u>\$ 0.00</u>	<u>\$ 9,496,433.68</u>
	<u>Reference</u>		D	10-D	10-D	4-D	D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

Year ended December 31, 2012

	Balance December 31, 2011	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 7,329.08	\$ 9,361.71	\$ 2,032.63	\$ 7,329.08
Other Expenses	146,541.87	164,431.90	17,005.54	147,426.36
Legal and Engineering:				
Other Expenses	3,986.35	3,986.35		3,986.35
South Monmouth Reg. Sewerage Auth:				
Other Expenses	30,987.16	30,987.16		30,987.16
N.J. Water Supply - MCIA:				
Other Expenses	135.00	315.00		315.00
Treatment of Water:				
Other Expenses	47,636.46	47,636.46		47,636.46
Statutory Expenditures:				
Contribution To Social Security				
System (O.A.S.I.)	<u>4,528.33</u>	<u>4,528.33</u>		<u>4,528.33</u>
	<u>\$ 241,144.25</u>	<u>\$ 261,246.91</u>	<u>\$ 19,038.17</u>	<u>\$ 242,208.74</u>
Reference	D		1-D	D-1
Appropriation Reserves		\$ 241,144.25		
Encumbrances Payable		<u>20,102.66</u>		
		<u>\$ 261,246.91</u>		

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 20,102.66
Increased By:		
Transferred From 2012 Appropriations	D-3	<u>33,982.26</u>
		54,084.92
Decreased By:		
Transferred To Appropriation Reserves	6-D	<u>20,102.66</u>
Balance, December 31, 2012	D	<u><u>\$ 33,982.26</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF NJEIT LOANS RECEIVABLE

Year ended December 31, 2012

<u>Date of</u> <u>Description</u>	Balance December 31, <u>2011</u>	<u>Decreased</u>	Balance December 31, <u>2012</u>
NJEIT Loans	<u>\$ 1,614,663.34</u>	<u>\$ 1,272,570.00</u>	<u>\$ 342,093.34</u>
	<u><u>\$ 1,614,663.34</u></u>	<u><u>\$ 1,272,570.00</u></u>	<u><u>\$ 342,093.34</u></u>
<u>Reference</u>	D	1-D	D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2012

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2011	Increased	Balance December 31, 2012
			Date	Amount				
Water & Sewer Improvements	12/19/12	\$ 1,145,000.00	12/01/13	\$ 40,000.00	2.00%			
			12/01/14	45,000.00	2.00%			
			12/01/15	45,000.00	2.00%			
			12/01/16	45,000.00	2.50%			
			12/01/17	45,000.00	3.00%			
			12/01/18	50,000.00	3.00%			
			12/01/19	50,000.00	3.00%			
			12/01/20	50,000.00	4.00%			
			12/01/21	55,000.00	4.00%			
			12/01/22	55,000.00	4.00%			
			12/01/23	60,000.00	4.00%			
			12/01/24	60,000.00	2.00%			
			12/01/25	60,000.00	3.00%			
			12/01/26	65,000.00	2.00%			
			12/01/27	65,000.00	2.00%			
			12/01/28	65,000.00	2.25%			
			12/01/29	70,000.00	3.50%			
			12/01/30	70,000.00	3.50%			
			12/01/31	75,000.00	2.50%			
			12/01/32	75,000.00	2.50%			
							\$ 1,145,000.00	\$ 1,145,000.00
						\$ 0.00	\$ 1,145,000.00	\$ 1,145,000.00
	Reference	D					9-D	D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2012

Ordinance Number	Description	Amount	Balance December 31, 2011		Authorized	Expended	Cancelled	Balance December 31, 2012		Encumbrances
			Funded	Unfunded				Funded	Unfunded	
895	Various Improvements	\$ 75,000.00		\$ 18,925.94			\$ 18,925.94			
924	Water System	50,000.00		7,832.02			7,832.02			
938	Various Improvements	40,000.00		5,464.30			5,464.30			
601/949	Water System	3,750,000.00	\$ 328,009.35	74,118.00		\$ 402,127.35				
21-2009	Well Rehabilitation	75,000.00	2,296.09					\$ 2,296.09		
08-2009	Various Improvements	280,000.00		165,844.06			165,844.06			
18-2009	Various Improvements	4,295,000.00		4,088,260.99				59,855.12	\$ 3,437,999.00	\$ 193,372.92
05-2010	Water System	160,000.00		26,167.39				6,906.79		16,027.00
2011-08	Various Improvements	561,000.00		523,673.75				50,456.65	59,204.50	225,767.11
09-2012	Various Improvements	27,000.00			\$ 27,000.00			16,617.00		5,963.00
23-2012	Purchase of Equipment	6,000.00			6,000.00			625.65		
26-2012	Water Tower Improvements	500,000.00			500,000.00			387,380.53	112,619.47	
			\$ 330,305.44	\$ 4,910,286.45	\$ 533,000.00	\$ 1,000,434.74	\$ 198,066.32	\$ 524,137.83	\$ 3,609,822.97	\$ 441,130.03
	Reference		D	D	5-D	1-D	5-D	D	D	D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 10,973.75
Increased By:		
2012 Budget Appropriation	D-3,1-D	<u>56,000.00</u>
		66,973.75
Decreased By:		
Improvement Authorization Down Payment	10-D	<u>6,000.00</u>
Balance, December 31, 2012	D	<u><u>\$ 60,973.75</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2012 and 2011	D	<u>\$ 2,968,686.50</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	D		\$ 744,798.25
Increased By:			
Capital Improvement Fund	12-D	\$ 6,000.00	
Fund Balance	D-1a	27,000.00	
Bond Anticipation Notes	14-D	150,925.00	
Adjustment to NJEIT Loans Payable	15-D	29,986.48	
State of New Jersey Environmental Infrastructure Loan Payment	15-D	<u>205,522.97</u>	
			<u>419,434.45</u>
Decreased By:			1,164,232.70
Improvement Authorizations Cancelled:			
938	10-D	5,464.30	
08-2009	10-D	165,844.06	
895	10-D	<u>18,925.94</u>	<u>190,234.30</u>
Balance, December 31, 2012	D		<u>\$ 973,998.40</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2012

<u>Improvement Description</u>	<u>Original Issue Date</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2012</u>
05-2010 Water System					\$ 136,800.00	\$ 122,800.00	\$ 136,800.00	\$ 122,800.00
21-2009 Well Rehabilitation					61,250.00		61,250.00	
2011-08 Various Improvements					532,950.00	479,600.00	532,950.00	479,600.00
08-2009 Various Improvements					202,225.00	179,900.00	202,225.00	179,900.00
					<u>\$ 933,225.00</u>	<u>\$ 782,300.00</u>	<u>\$ 933,225.00</u>	<u>\$ 782,300.00</u>
		<u>Reference</u>			<u>D</u>	<u>1-D</u>		<u>D</u>
		14-D					\$ 150,925.00	
		1-D					<u>782,300.00</u>	
							<u>\$ 933,225.00</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS

Year ended December 31, 2012

<u>Improvement Description</u>	<u>Amount</u>	<u>Date of Loan</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Decreased</u>	<u>Adjustment</u>	<u>Balance December 31, 2012</u>
Water Utility General	\$ 1,830,882.00	11/09/06	8/1/12 to 8/1/26	Variable	N/A	\$ 1,412,578.01	\$ 93,950.54	\$ (385.19)	\$ 1,318,242.28
Water Utility General	1,845,000.00	11/09/06	8/1/12 to 8/1/26	Variable	4.00% to 5.00%	1,575,000.00	75,000.00		1,500,000.00
Water Utility General	395,000.00	12/20/10	8/1/12 to 8/1/30	Variable	5.00%	424,611.08	15,000.00	(29,611.08)	380,000.00
Water Utility General	424,258.00	12/20/10	8/1/12 to 8/1/30	Variable	N/A	409,866.38	21,572.43	9.79	388,303.74
						<u>\$ 3,822,055.47</u>	<u>\$ 205,522.97</u>	<u>\$ (29,986.48)</u>	<u>\$ 3,596,546.02</u>
					<u>Reference</u>	D	13-D	13-D	D

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance December 31, 2011</u>	<u>Increased</u>	<u>Serial Bonds Issued</u>	<u>Cancelled</u>	<u>Balance December 31, 2012</u>
924	Improvements to Water Supply System	\$ 43,854.28			\$ 7,832.02	\$ 36,022.26
938	Various Improvements	10,050.00			5,464.30	4,585.70
839	Various Improvements	26,125.00				26,125.00
601	Water System	74,118.00				74,118.00
07-08	Various Improvements	42,875.00			26,400.00	42,875.00
08-2009	Various Improvements	26,400.00				
18-2009	Various Improvements	3,437,999.00				3,437,999.00
26-2012	Water Tower Improvements		\$ 500,000.00	\$ 387,380.53		112,619.47
		<u>\$ 3,661,421.28</u>	<u>\$ 500,000.00</u>	<u>\$ 387,380.53</u>	<u>\$ 39,696.32</u>	<u>\$ 3,734,344.43</u>
<u>Reference</u>	<u>D</u>	<u>10-D</u>	<u>9-D</u>	<u>10-D</u>	<u>16-D</u>	

BEACH UTILITY FUND
SCHEDULES

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2012

	<u>Reference</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2011	E	\$ 113,325.88	\$ 58,897.56
Increased By Receipts:			
Miscellaneous Revenue	E-2	\$ 86,125.00	
Beach Fees	E-2	887,357.00	
Concession - Beach Pavilion	E-2	71,000.00	
National Guard	E-2	38,000.00	
Refunds	E-3	23,484.39	
Change Fund	E	2,000.00	
Interfunds	E	134,143.94	
Interest Due Beach Operating	E		\$ 57.56
Capital Improvement Fund	9-E		<u>1,000.00</u>
		<u>1,242,110.33</u>	<u>1,057.56</u>
		1,355,436.21	59,955.12
Decreased By Disbursements:			
Budget Appropriations	E-3	1,018,116.45	
Appropriation Reserves	12-E	13,336.30	
Change Fund	E	2,000.00	
Interfunds Liquidated	E	33,023.56	184.06
Improvement Authorizations:	3-E		<u>3,554.82</u>
		<u>1,066,476.31</u>	<u>3,738.88</u>
Balance, December 31, 2012	E	<u>\$ 288,959.90</u>	<u>\$ 56,216.24</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF BEACH UTILITY CAPITAL FUND CASH

Year ended December 31, 2012

		Balance December 31, <u>2012</u>
Capital Improvement Fund		\$ 1,000.00
Reserve for Payment of Notes		35,289.39
Due Beach Operating		57.56
Fund Balance		9,604.45
<u>Ordinance Number</u>	<u>Improvement Description</u>	
873	Various General Improvements	(16,771.50)
896	Various General Improvements	176.82
925	Various General Improvements	(170.00)
939	Various General Improvements	18.17
2006-06	Beach Pavilion	83,346.44
2007-09	Various General Improvements	(62,777.50)
2009-07	Various General Improvements	2,477.50
2011-06	Various General Improvements	<u>3,964.91</u>
		<u><u>\$ 56,216.24</u></u>
		<u>Reference</u> E

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2012

Ordinance Number	Description	Date	Ordinance Amount	Balance December 31,		Paid or Charged	Balance December 31,	
				Funded	Unfunded		Funded	Unfunded
873	2003 Various General Improvements	4/9/03	\$ 750,000.00		753.50		\$	753.50
896	2004 Various General Improvements	6/16/04	150,000.00		176.82			176.82
939	2006 Various General Improvements	3/8/06	200,000.00		18.17			18.17
2006-06	Beach Pavilion	7/26/06	200,000.00		83,346.44			83,346.44
2007-09	2007 Various General Improvements	6/23/07	107,000.00		38,872.50			38,872.50
2009-07	2009 Various General Improvements	4/22/09	49,550.00		49,550.00			49,550.00
2011-06	2011 Various General Improvements	6/1/11	92,000.00		7,519.73	\$ 3,554.82		3,964.91
				\$ 0.00	\$ 180,237.16	\$ 3,554.82	\$ 0.00	\$ 176,682.34

Reference

E

E

1-E

E

E

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Amount</u>	<u>Balance December 31, 2012 and 2011</u>
896	Various General Improvements - 2004	\$ 125,230.00	\$ 125,230.00
939	Various General Improvements - 2006	200,000.00	200,000.00
2006-06	Beach Pavilion	200,000.00	200,000.00
2007-09	Various General Improvements - 2007	107,000.00	107,000.00
2009-07	Various General Improvements - 2009	45,550.00	107,000.00
2010-04	Various General Improvements - 2010	35,000.00	35,000.00
2011-6	Various General Improvements - 2011	92,000.00	92,000.00
			<u>\$ 866,230.00</u>
		<u>Reference</u>	E

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Date of Maturity</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Notes Issued</u>	<u>Notes Paid</u>	<u>Balance December 31, 2012</u>
873	Various Beach Improvements	2/15/13	\$ 480,000.00	1.00%	\$ 205,000.00	\$ 153,400.00	\$ 205,000.00	\$ 153,400.00
896	Various Beach Improvements	2/15/13	142,500.00	1.00%	80,487.00	65,152.00	80,487.00	65,152.00
925	Various Beach Improvements	2/15/13	198,000.00	1.00%	113,400.00	90,600.00	113,400.00	90,600.00
939	Various Beach Improvements	2/15/13	190,000.00	1.00%	111,023.00	89,733.00	111,023.00	89,733.00
2006-06	Various Beach Improvements	2/15/13	111,750.00	1.00%	60,425.00	49,340.00	60,425.00	49,340.00
2010-04	Various Beach Improvements	2/15/13	33,250.00	1.00%	30,100.00	26,950.00	30,100.00	26,950.00
2011-06	Various Beach Improvements	2/15/13	87,400.00	1.00%	87,400.00	78,660.00	87,400.00	78,660.00
					<u>\$ 687,835.00</u>	<u>\$ 553,835.00</u>	<u>\$ 687,835.00</u>	<u>\$ 553,835.00</u>

Reference

E

E

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2012 and 2011</u>
873	2003 Various Beach Improvements	\$ 17,525.00
925	2005 Various Beach Improvements	170.00
2007-09	2007 Various Beach Improvements	101,650.00
2009-07	2009 Various Beach Improvements	<u>47,072.50</u>
		<u>\$ 166,417.50</u>
	<u>Reference</u>	E

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011	E	<u>\$ 2,608,925.08</u>
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BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

	<u>Reference</u>	
Balance, December 31, 2012 and 2011	E	<u>\$ 9,604.45</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	E	\$ 0.00
Increased By:		
Operating Budget Appropriation	1-E	<u>1,000.00</u>
Balance, December 31, 2012	E	<u>\$ 1,000.00</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	E	\$ 2,608,925.08
Increased By:		
Notes Paid By Operating Budget	E-3	<u>134,000.00</u>
Balance, December 31, 2012	E	<u><u>\$ 2,742,925.08</u></u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011	E	<u>\$ 11,977.50</u>
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BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

Year ended December 31, 2012

	Balance December 31, 2011	Balance After Modifications	Paid or Charged	Balance Lapsed
Beachfront Maintenance:				
Salaries and Wages	\$ 4.81	\$ 4.81		\$ 4.81
Other Expenses	12,737.34	12,737.34	\$ 5,912.41	6,824.93
Police Department:				
Other Expenses	2,244.08	2,244.08		2,244.08
Financial Administration (Treasury):				
Other Expenses	23.24	23.24		23.24
Legal Services:				
Other Expenses	3,041.94	3,041.94		3,041.94
Road Repairs and Maintenance:				
Other Expenses	3,920.00	3,920.00		3,920.00
Engineering Services:				
Other Expenses	15,772.00	15,772.00		15,772.00
Administrative and Executive:				
Salaries and Wages	83.78	83.78		83.78
Other Expenses	6.99	6.99		6.99
Insurance:				
Other Insurance	42.86	42.86		42.86
Garbage and Trash Removal:				
Salaries and Wages	932.78	6,110.73	1,403.75	4,706.98
Water & Sewer Utility	1,000.00	1,000.00		1,000.00
Capital Improvements:				
Capital Outlay	964.92	12,964.92	11,711.53	1,253.39
Statutory Expenditures:				
Contributions To:				
Social Security System (O.A.S.I.)	2,569.81	2,569.81		2,569.81
Total Beach Utility Appropriations	<u>\$ 43,344.55</u>	<u>\$ 60,522.50</u>	<u>\$ 19,027.69</u>	<u>\$ 41,494.81</u>
	Reference	E	E-1/1-E	E-1
Appropriation Reserves	12-E	\$ 43,344.55		
Encumbrances Payable	13-E	<u>17,177.95</u>		
		<u>\$ 60,522.50</u>		

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

BEACH UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	E	\$ 17,177.95
Increased By:		
Transferred From 2012 Appropriations	E-3	<u>18,702.13</u>
		35,880.08
Decreased By:		
Transferred To Appropriation Reserves	12-E	<u>17,177.95</u>
Balance, December 31, 2012	E	<u><u>\$ 18,702.13</u></u>

PUBLIC ASSISTANCE FUND
SCHEDULES

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

PUBLIC ASSISTANCE FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Year ended December 31, 2012

Reference

Public Assistance Trust Fund I	F	\$ 6,277.70
Public Assistance Trust Fund II	F	<u>1,368.24</u>
Balance, December 31, 2012 and 2011	F	<u>\$ 7,645.94</u>

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

PUBLIC ASSISTANCE FUND

SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE EXPENDITURES

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	F	\$ 8,145.94
Less:		
Disbursements	2-F	<u>500.00</u>
Balance, December 31, 2012	F	<u>\$ 7,645.94</u>

GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE OF GENERAL FIXED ASSETS

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2012</u>
Buildings and Land	\$ 29,687,000.00			\$ 29,687,000.00
Machinery and Equipment	<u>2,041,255.21</u>	<u>\$ 176,839.00</u>	<u> </u>	<u>2,218,094.21</u>
	<u><u>\$ 31,728,255.21</u></u>	<u><u>\$ 176,839.00</u></u>	<u><u>\$ 0.00</u></u>	<u><u>\$ 31,905,094.21</u></u>
<u>Reference</u>	G			G

COMMENTS SECTION

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Comparative Statement of Operations and
Change in Fund Balance - Current Fund

	<u>YEAR 2012</u>		<u>YEAR 2011</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 450,000.00	2.69%	\$ 460,324.50	2.84%
Miscellaneous - From Other Than				
Local Property Tax Levies	740,153.91	4.42%	711,938.78	4.39%
Collection of Delinquent Taxes &				
Tax Title Liens	220,071.70	1.31%	248,499.22	1.53%
Collection of Current Tax Levy	14,810,088.39	88.37%	14,515,907.75	89.56%
Unexpended Balance of				
Appropriation Reserves	352,801.52	2.11%	201,111.88	1.24%
Cancellation of Prior Year Liability	1,649.63	0.01%	70,669.51	0.44%
Interfunds Liquidated	184,127.78	1.10%		
	<u>16,758,892.93</u>	<u>100.00%</u>	<u>16,208,451.64</u>	<u>100.00%</u>
<u>Expenditures</u>				
Budget Expenditures -				
Municipal Purposes	8,407,852.86	46.31%	6,109,123.76	39.35%
County Taxes	5,733,082.34	31.58%	5,478,150.13	35.28%
Local School Taxes	4,012,243.00	22.10%	3,939,365.00	25.37%
Interfunds Created	2,726.92	0.02%		
	<u>18,155,905.12</u>	<u>100.00%</u>	<u>15,526,638.89</u>	<u>100.00%</u>
Add: Expenditures Included Above Which				
Are by Statute Deferred Charges to				
Budgets of Succeeding Years	2,450,000.00		20,000.00	
Regulatory Excess to Fund Balance	1,052,987.81		701,812.75	
Fund Balance January 1	683,814.02		442,325.77	
Total	1,736,801.83		1,144,138.52	
Less: Fund Balance Utilized as Revenue	450,000.00		460,324.50	
Fund Balance December 31	<u>\$ 1,286,801.83</u>		<u>\$ 683,814.02</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Comparative Statement of Operations and
Change in Surplus - Water-Sewer Utility Operating Fund

<u>Revenue and Other Income Realized</u>	<u>YEAR 2012</u>		<u>YEAR 2011</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Surplus Utilized			\$ 228,604.00	13.40%
Collection of Rents	\$ 1,495,996.68	83.51%	1,583,618.18	72.39%
Miscellaneous - From Other Than				
Sewer Rents	52,637.92	2.94%	32,708.25	14.21%
Appropriation Reserves Lapses	242,208.74	13.52%	99,944.42	
Other Credits to Income	511.42	0.03%	105,698.16	
	<u>1,791,354.76</u>	<u>100.00%</u>	<u>2,050,573.01</u>	<u>100.00%</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	1,006,975.50	63.98%	1,280,054.00	75.43%
Debt Service	468,794.54	29.78%	344,800.00	20.32%
Capital Improvements	56,000.00	3.56%	30,000.00	1.77%
Deferred Charges & Statutory				
Expenditures	42,200.00	2.68%	42,200.00	2.49%
	<u>1,573,970.04</u>	<u>100.00%</u>	<u>1,697,054.00</u>	<u>100.00%</u>
Total Expenditures				
Excess in Revenue	217,384.72		353,519.01	
Surplus Balance January 1	640,222.94		515,307.93	
Total Surplus	857,607.66		868,826.94	
Less: Utilization as Anticipated				
Revenue			228,604.00	
Surplus Balance December 31	<u>\$ 857,607.66</u>		<u>\$ 640,222.94</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Comparative Statement of Operations and
Change in Surplus - Beach Utility Operating Fund

	<u>YEAR 2012</u>		<u>YEAR 2011</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
<u>Revenue and Other Income Realized</u>				
Operating Surplus Anticipated	\$ 20,095.00	1.75%	\$ 20,765.50	1.77%
Operating Revenues	1,082,539.56	94.14%	1,087,926.50	92.97%
Other Credits to Income	<u>47,260.32</u>	<u>4.11%</u>	<u>61,445.04</u>	<u>5.25%</u>
Total Revenue	<u>1,149,894.88</u>	<u>100.00%</u>	<u>1,170,137.04</u>	<u>100.00%</u>
 <u>Expenditures</u>				
Budget Expenditures:				
Operating	861,395.00	78.11%	858,784.37	78.23%
Debt Service	150,525.88	13.65%	141,730.00	12.91%
Capital Improvements	27,000.00	2.45%	27,000.00	2.46%
Deferred Charges & Statutory				
Expenditures	48,000.00	4.35%	70,261.13	6.40%
Interfunds Created	<u>15,904.20</u>	<u>1.44%</u>		
Total Expenditures	<u>1,102,825.08</u>	<u>100.00%</u>	<u>1,097,775.50</u>	<u>100.00%</u>
 Add: Expenditures Included Above Which Are by Statute Deferred Charges to Budgets of Succeeding Years	<u>32,813.52</u>			
Statutory Excess to Fund Balance	79,883.32		72,361.54	
Surplus Balance January 1	<u>104,050.87</u>		<u>52,454.83</u>	
 Decreased by:				
Utilized as Anticipated Revenue	<u>20,095.00</u>		<u>20,765.50</u>	
Surplus Balance December 31	<u>\$ 163,839.19</u>		<u>\$ 104,050.87</u>	

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Comparison of Tax Levies and Collection Currently

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2012	\$ 14,975,864.65	\$ 14,810,088.39	98.89%
2011	14,753,094.47	14,515,907.75	98.39%
2010	14,840,861.82	14,580,665.38	98.25%

Comparison of Tax Rate Information

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Tax Rate	\$ 0.752	\$ 0.743	\$ 0.748
Apportionment of Tax Rate:			
Municipal	0.262	0.268	0.264
County	0.258	0.247	0.248
Local School	0.202	0.199	0.206
Open Space Fund	0.015	0.015	0.016
County Library	0.015	0.014	0.014

Net Valuation Taxable:

2012	\$ 1,984,696,826		
2011		\$ 1,980,042,843	
2010			\$ 1,975,554,155

Delinquent Taxes and Tax Title Liens

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2012	\$ 1,632.92	\$ 148,651.37	\$ 150,284.29	1.004%
2011	861.05	220,145.67	221,006.72	1.498%
2010		245,766.89	245,766.89	1.656%

BOROUGH OF SEA GIRT
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended Decemeber 31, 2012

Property Acquired by Tax Title Lien Liquidation

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

<u>YEAR</u>	<u>AMOUNT</u>
2012	\$ 3,200.00
2011	3,200.00
2010	3,200.00

Comparison of Water-Sewer Utility Levies

<u>Year</u>	<u>Levy</u>	<u>Current Collections</u>	<u>Percentage of Collection</u>
2012	\$ 1,607,632.56	\$ 1,495,996.68	93.06%
2011	1,623,986.12	1,583,618.18	97.51%
2010	1,535,021.62	1,458,450.45	95.01%

Honorable Mayor and Members of the
Borough Council
Borough of Sea Girt
Sea Girt, New Jersey

We have audited the financial statements – statutory basis of the Borough of Sea Girt in the County of Monmouth for the year ended December 31, 2012.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and Council and the records of the various outside departments.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Borough Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Borough records.

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or 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 by the governing body of the contracting unit 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 in the aggregate \$17,500 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year.

Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made. The minutes indicate that bids were requested by public advertising for the following items:

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4) (continued):

Emergency repairs to boardwalk, Utility improvements to Philadelphia Blvd., ADA upgrades to municipal building, tennis court improvements, improvements to Philadelphia Blvd., automatic meter reading system.

A test was conducted to determine that expenditures greater than \$2,625 obtained solicitation of quotes. Exceptions were noted, see Finding 2012-01 below.

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

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Borough Council.

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

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A. 40A:11-6*.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A. 40A:11-6.1*).

Finding 2012-01:

It was noted during our testing of Borough purchasing that it appears there is a lack of control surrounding the compliance with state purchasing statutes. The following was noted:

- Various purchases appear to have been made before the date of approved requisitions and purchase orders.
- One instance of testing noted that two of the three quotes obtained were subsequent to the payment for services performed.
- Reimbursement for employee cell phone expenses is not supported by any formal documentation.

Recommendation:

That Borough purchasing internal controls are evaluated and improved to ensure compliance with State regulations.

Management response:

The Borough agrees with this finding and will correct it accordingly.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, as amended, 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 4, 2012 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One

Collection of Interest on Delinquent Taxes and Assessments (continued):

Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable."

The Borough also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2012 included real estate taxes for 2012 only.

No tax sale was held during 2012.

Inspection of 2012 tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

YEAR	NUMBER OF LIENS
2012	1
2011	1
2010	None

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

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of the Borough employees.

Municipal Court

A separate report for the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the municipal court records, no attempt was made to differentiate between fines due the Borough, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

A test sample was selected of five (5) traffic and criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

A review of the partial payment system indicated that collection procedures are being enforced to collect delinquent balances.

Tax Collector's Annual Report

N.J.S.54:4-91 requires that on or before May 1st of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2012 with the governing body.

Construction Code Office

- (1) **Indirect Costs** – Indirect costs are not allocated to the Construction Code Budget Appropriation.
- (2) **Annual Report** – An annual report of revenue, expenditures and a recommendation for any fee increase or decrease was filed with the governing body by February 10, 2012.
- (3) **Construction Code Costs** – A test was conducted to determine that all revenues collected for construction code fees are applied to pay for municipal costs of enforcing the Uniform Construction Code [N.J.A.C.5:23.17(c)2]. No exceptions were discovered as a result of the test that would indicate that construction code revenues were not being applied to pay for costs related to enforcement of the Uniform Construction Code.
- (4) **Construction Code Permits** – A test of the fees charged for construction code permits disclosed no exceptions regarding charges being levied in accordance with the Borough Ordinances in effect.

Beach Utility

Finding 2012-02:

It was noted during our audit that there was an over-expenditure of current year appropriations.

Recommendation:

That the budget be properly monitored and any transfers made in order to avoid over-expenditures.

Management Response:

The Borough agrees with this finding and will correct it accordingly.

Finding 2012-03:

It was noted during our audit of beach revenue that the Borough summary of beach wristbands sold did not agree to the receipts collected for 9 out of 25 days examined.

Recommendation:

That internal controls related to the reconciliation of wristbands sold to the amount of cash collected be improved and any differences in daily collections be investigated and reconciled.

Management Response:

The borough agrees with this finding and will correct it accordingly.

Prior Year Findings

There were no prior year findings.

Acknowledgment

We express our appreciation for the assistance and courtesies extended to the members of the audit team. The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

A handwritten signature in black ink, appearing to read 'R. Allison', with a long horizontal flourish extending to the left.

Robert W. Allison
Registered Municipal Accountant
No. CR483

Freehold, New Jersey
June 28, 2013

INTERNAL CONTROL SECTION

**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**

Honorable Mayor and Members
of the Borough Council
Borough of Sea Girt
County of Monmouth
Sea Girt, 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 of the Borough of Sea Girt (herein referred to as "the Municipality"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements, and have issued our report thereon dated June 28, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Municipality'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 Municipality's internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Comment and Recommendation Section, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies, which are described in the accompanying Comment and Recommendation Section as Findings No. 2012-01 and 2012-03.

Compliance and Other Matters

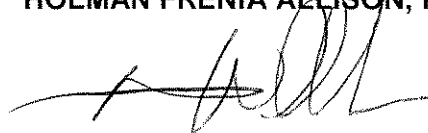
As part of obtaining reasonable assurance about whether the Municipality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 four instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the General Comments Section as Finding No's: 2012-01, 2012-02, and 2012-03.

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', is written over the printed name.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
CR 483

June 28, 2013
Freehold, New Jersey