

**BOROUGH OF SEA GIRT**  
**AUDIT REPORT FOR THE YEAR**  
**ENDED DECEMBER 31, 2014**



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COUNTY OF MONMOUTH, NEW JERSEY  
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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH**

**PART I**

**INDEPENDENT AUDITOR'S REPORTS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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HOLMAN | FRENIA  
ALLISON, P.C.

*Certified Public Accountants & Consultants*

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333

618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612

912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800

795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090

926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090

[www.hfacpas.com](http://www.hfacpas.com)

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Borough Council  
Borough of Sea Girt  
County of Monmouth  
Sea Girt, New Jersey 08750

### Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Sea Girt, County of Monmouth, State of New Jersey as of December 31, 2014 and 2013, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statements of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2014.

### 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. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to 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; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

As 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 Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Sea Girt, County of Monmouth, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

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 and account group of the Borough of Sea Girt, County of Monmouth, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2014 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. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is also 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 11, 2015, 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. W. Allison', written in a cursive style.

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

June 11, 2015  
Freehold, New Jersey





HOLMAN | FRENIA  
ALLISON, P.C.

*Certified Public Accountants & Consultants*

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333

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[www.hfacpas.com](http://www.hfacpas.com)

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

Honorable Mayor and Members  
of the Borough Council  
Borough of Sea Girt  
County of Monmouth  
Sea Girt, New Jersey 08750

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 Borough"), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 11, 2015. Our report on the financial statements-regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 as Finding 2014-001 in accompanying Comments and Recommendation Section.

### **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 Borough'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 Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**



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

June 11, 2015  
Freehold, New Jersey

**BASIC FINANCIAL STATEMENTS**

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**CURRENT FUND**

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**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES**  
**AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2014 AND 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Current Fund:			
Cash	A-4	\$4,065,692.17	\$3,955,319.48
Cash - Payroll	A	30,982.97	38,789.97
Petty Cash	A-5	100.00	100.00
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	A-6	3,010.90	2,260.90
		<u>4,099,786.04</u>	<u>3,996,470.35</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	214,567.72	267,745.31
Interfund - Dog Trust	B	1,264.80	4,655.16
Interfund - Flexible Spending Account	B	1,700.00	1,700.00
Property Acquired for Taxes	A	3,200.00	3,200.00
Revenue Accounts Receivable	A-8	4,107.58	3,886.12
		<u>224,840.10</u>	<u>281,186.59</u>
Deferred Charges:			
Emergency-NJSA 40:4-53	A-9	172,572.00	690,000.00
Total Regular Funds		<u>4,497,198.14</u>	<u>4,967,656.94</u>
Federal and State Grants:			
Cash	A-4	58,964.83	47,640.40
Grants Receivable	A-19	5,511.65	19,726.70
		<u>64,476.48</u>	<u>67,367.10</u>
Total Assets		<u>\$4,561,674.62</u>	<u>\$5,035,024.04</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  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
<b>Liabilities:</b>			
Appropriation Reserves	A-3,A-11	\$367,669.55	\$310,283.51
Accounts Payable	A	1,361.00	10,429.64
Encumbrances Payable	A-10	201,995.26	198,517.82
Various Reserves	A-13	587,452.32	484,375.01
Due To State of New Jersey	A-14	11,182.77	11,240.66
Prepaid Taxes	A-12	156,239.92	192,286.17
Special Emergency Note Payable	A-18	-	297,818.00
Payroll Taxes Payable	A	30,982.97	38,789.97
Interfund - Library	B	14,377.87	15,874.33
Interfund - General Capital	C	-	525,292.73
County Taxes	A-15	35,242.73	33,794.57
Local School Taxes	A-16	1,223,907.26	1,163,044.26
Tax Overpayments	A-18	-	8,185.31
		<u>2,630,411.65</u>	<u>3,289,931.98</u>
 <b>Reserve for Receivables and Other</b>			
Assets	A	224,840.10	281,186.59
Fund Balance	A-1	<u>1,641,946.39</u>	<u>1,396,538.37</u>
 Total Regular Funds		<u>4,497,198.14</u>	<u>4,967,656.94</u>
 <b>Federal and State Grants:</b>			
Reserve For State Grants:			
Appropriated	A-20	64,417.40	67,367.10
Unappropriated	A-21	<u>59.08</u>	<u>-</u>
		<u>64,476.48</u>	<u>67,367.10</u>
 Total Liabilities, Reserves and Fund Balance		<u>\$4,561,674.62</u>	<u>\$5,035,024.04</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  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN  
FUND BALANCE- REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
Revenue and Other Income Realized:		
Fund Balance Anticipated	\$404,185.47	\$497,087.73
Miscellaneous Revenue Anticipated	889,013.75	797,917.83
Delinquent Taxes	267,745.31	145,822.85
Non-Budget Revenue	48,409.00	132,281.18
Current Taxes	15,624,429.54	15,235,783.05
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	302,516.40	280,675.64
Cancel Accounts Payable	10,429.64	-
Reserves Cancelled	38,147.29	29,641.24
	<hr/>	<hr/>
Total Revenue	17,584,876.40	17,119,209.52
Expenditures:		
Budget Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	2,408,830.26	2,438,198.00
Other Expenses	1,886,910.00	1,887,548.00
Deferred Charges and Statutory Expenditures	614,429.74	700,430.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	25,500.00	25,775.35
Other Expenses	272,907.70	409,018.40
Capital Improvements	100,000.00	50,000.00
Municipal Debt Service	485,413.27	446,955.27
Deferred Charges	219,610.00	429,042.73
County Taxes	6,448,724.90	6,129,134.93
Due County Added Taxes	35,242.61	33,794.57
Local District School Tax	4,214,209.00	4,092,488.00
Other Debits to Income	223,505.43	-
	<hr/>	<hr/>
Total Expenditures	16,935,282.91	16,642,385.25
Excess in Revenue	649,593.49	476,824.27
Add: Expenditures Included Above Which Are By Statute Deferred Charges To Budgets of Succeeding Years	<hr/> -	<hr/> 130,000.00
Statutory Excess To Fund Balance	649,593.49	606,824.27
Fund Balance, January 1	<hr/> 1,396,538.37	<hr/> 1,286,801.83
	2,046,131.86	1,893,626.10
Decreased By:		
Utilized as Anticipated Revenue	<hr/> 404,185.47	<hr/> 497,087.73
Fund Balance, December 31	<hr/> <u>\$1,641,946.39</u>	<hr/> <u>\$1,396,538.37</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 REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Budget Amendments</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	\$ 404,185.47	\$ -	\$ 404,185.47	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	6,000.00	-	10,699.12	4,699.12
Other	58,041.83	-	64,848.77	6,806.94
Fees and Permits	19,000.00	-	55,385.00	36,385.00
Fines and Costs - Municipal Court	54,000.00	-	112,340.38	58,340.38
Interest and Costs on Taxes	35,000.00	-	74,079.40	39,079.40
Interest on Investments and Deposits	3,000.00	-	6,102.70	3,102.70
Energy Receipts	196,340.00	-	196,340.00	-
Uniform Construction Code Fees	60,000.00	-	88,810.00	28,810.00
Trust Fund - Reserve for Library Donation	46,700.00	-	46,700.00	-
FEMA - Superstorm Sandy	219,610.00	-	219,610.00	-
Reserve for Debt Service	6,290.68	-	6,290.68	-
Clean Communities Program	-	6,379.84	6,379.84	-
Body Armor Grant	-	1,427.86	1,427.86	-
				-
Total Miscellaneous Revenues	703,982.51	7,807.70	889,013.75	177,223.54
Receipts From Delinquent Taxes	121,958.17	-	267,745.31	145,787.14
Amount To Be Raised By Taxes For Support of Municipal Budget	5,089,416.40	-	5,239,193.58	149,777.18
Budget Totals	6,319,542.55	7,807.70	6,800,138.11	472,787.86
Non-Budget Revenue	-	-	48,409.00	48,409.00
Total General Revenues	\$ 6,319,542.55	\$ 7,807.70	\$ 6,848,547.11	\$ 521,196.86

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 BASIS  
YEAR ENDED DECEMBER 31, 2014**

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue From Collections	\$ 15,624,429.54
School and County Taxes	<u>10,698,176.51</u>

Balance for Support of Municipal Budget

Appropriations	4,926,253.03
----------------	--------------

Add: "Appropriation Reserve for  
Uncollected Taxes"

312,940.55

Amount for Support of Municipal Budget

Appropriations	<u>\$ 5,239,193.58</u>
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Receipts From Delinquent Taxes:

Delinquent Tax Collections	<u>\$ 267,745.31</u>
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Miscellaneous Revenue Not Anticipated:

Police Off Duty Administration Fees	\$ 10,196.50
Senior Citizen and Veterans Administrative Fee	465.00
Miscellaneous - Other	<u>37,747.50</u>

\$ 48,409.00

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 EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2014**

GENERAL APPROPRIATIONS Operations - Within "CAPS"	Appropriations		Expended		Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	Balance Cancelled
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$118,520.00	\$113,520.00	\$103,227.68	\$10,292.32	\$ -
Other Expenses	4,900.00	4,900.00	3,562.06	1,337.94	-
Mayor and Council:					
Salaries and Wages	25,500.00	25,500.00	25,500.00		-
Other Expenses	500.00	500.00	462.05	37.95	-
Municipal Clerk:					
Salaries and Wages	64,260.00	64,260.00	64,258.20	1.80	-
Other Expenses	58,700.00	58,700.00	52,368.97	6,331.03	-
Financial Administration (Treasury):					
Salaries and Wages	57,120.00	57,120.00	52,795.13	4,324.87	-
Other Expenses	4,000.00	4,000.00	3,998.85	1.15	-
Audit Services:					
Other Expenses	15,000.00	11,150.00	11,148.06	1.94	-
Revenue Administration (Tax Collection):					
Salaries and Wages	52,020.00	52,020.00	46,564.72	5,455.28	-
Other Expenses	2,000.00	2,000.00	447.33	1,552.67	-
Tax Assessment Administration:					
Salaries and Wages	20,000.00	20,000.00	14,999.92	5,000.08	-
Other Expenses	6,400.00	3,900.00	1,085.70	2,814.30	-
Legal Services:					
Other Expenses	135,000.00	185,000.00	180,470.04	4,529.96	-
Engineering Services:					
Contractual	60,000.00	75,000.00	69,998.75	5,001.25	-
LAND USE ADMINISTRATION					
Planning Board:					
Salaries and Wages	2,500.00	2,500.00	2,499.90	0.10	-
Other Expenses	36,600.00	46,600.00	46,544.55	55.45	-
INSURANCE					
General Liability	78,655.00	78,655.00	78,653.88	1.12	-
Workmen's Compensation	106,705.00	106,705.00	106,438.50	266.50	-
Employee Group Health	563,635.00	538,635.00	480,035.96	58,599.04	-
Opt Out Payments	22,500.00	22,500.00	18,000.00	4,500.00	-
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	1,251,635.26	1,261,635.26	1,236,913.27	24,721.99	-
Other Expenses	119,150.00	119,150.00	101,810.12	17,339.88	-
County of Monmouth 911 Services:					
Other Expenses	5,000.00	2,500.00	-	2,500.00	-
Office of Emergency Management:					
Salaries and Wages	4,500.00	4,500.00	4,500.00	-	-
Other Expenses	3,540.00	4,040.00	2,873.91	1,166.09	-
Aid to First Aid:					
Contribution	25,000.00	25,000.00	25,000.00	-	-
Fire Department:					
Other Expenses	30,800.00	30,800.00	27,873.74	2,926.26	-

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 EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2014**

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance:					
Salaries and Wages	613,310.00	602,310.00	560,147.35	42,162.65	-
Other Expenses	73,650.00	73,650.00	63,072.02	10,577.98	-
Shade Tree Program:					
Other Expenses	15,000.00	17,500.00	15,546.00	1,954.00	-
Buildings and Grounds:					
Other Expenses	15,000.00	20,000.00	18,392.81	1,607.19	-
Vehicle Maintenance:					
Salaries and Wages	58,625.00	58,625.00	57,645.25	979.75	-
Other Expenses	35,000.00	45,000.00	36,881.19	8,118.81	-
Snow Removal:					
Salaries and Wages	20,000.00	20,000.00	19,951.94	48.06	-
Other Expenses	10,000.00	13,500.00	12,100.00	1,400.00	-
Property Maintenance Code Official:					
Salaries and Wages	73,330.00	73,330.00	73,242.05	87.95	-
HEALTH AND HUMAN SERVICES					
Public Health Priority Funding Act of 1977					
Contractual Health Services	36,000.00	36,000.00	33,377.00	2,623.00	-
Board of Recreation Commissioners					
Salaries and Wages	23,260.00	23,260.00	19,990.00	3,270.00	-
Other Expenses	9,000.00	9,000.00	8,142.22	857.78	-
Municipal Court:					
Salaries and Wages	25,500.00	26,500.00	26,445.00	55.00	-
Other Expenses	4,875.00	3,875.00	1,624.51	2,250.49	-
Public Defender:					
Salaries and Wages	1,250.00	1,750.00	1,750.00		-
STATE UNIFORM CONSTRUCTION CODE OFFICIALS					
Uniform Fire Safety Act:					
Fire Inspection:					
Salaries and Wages	2,000.00	2,000.00	1,999.92	0.08	-
Other Expenses	2,500.00	2,500.00	673.25	1,826.75	-
UTILITY EXPENSE AND BULK PURCHASES					
Electricity	43,000.00	43,000.00	23,202.76	19,797.24	-
Street Lighting	29,500.00	29,500.00	27,023.97	2,476.03	-
Telephone	33,900.00	33,900.00	27,763.39	6,136.61	-
Water	16,000.00	16,000.00	16,000.00		-
Natural Gas & Propane	15,000.00	15,000.00	14,390.30	609.70	-
Gasoline	87,250.00	92,250.00	92,214.45	35.55	-
Landfill Disposal Costs	67,500.00	67,500.00	67,499.11	0.89	-
UNCLASSIFIED					
Celebration of Public Events	1,000.00	1,000.00	942.86	57.14	-
Accumulated Leave Compensation	38,000.00	38,000.00	38,000.00	-	-
Total Operations Within "CAPS"	4,223,590.26	4,285,740.26	4,020,048.64	265,691.62	-
Contingent	10,000.00	10,000.00	9,350.82	649.18	-
Total Operations Including Contingent Within "CAPS"	4,233,590.26	4,295,740.26	4,029,399.46	266,340.80	-
Detail:					
Salaries and Wages	2,413,330.26	2,408,830.26	2,312,430.33	96,399.93	-
Other Expenses	1,820,260.00	1,886,910.00	1,716,969.13	169,940.87	-

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 EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2014**

GENERAL APPROPRIATIONS	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
Operations - Within "CAPS"					
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"					
Statutory Expenditures:					
Contribution To:					
Public Employees' Retirement System	177,000.00	177,000.00	164,060.32	12,939.68	-
Social Security System (O.A.S.I.)	191,000.00	154,350.00	119,199.54	35,150.46	-
Unemployment Insurance	50,739.74	25,239.74	-	25,239.74	-
Police and Firemen's Retirement System	252,840.00	252,840.00	236,493.00	16,347.00	-
Defined Contribution Retirement Program	5,000.00	5,000.00	2,849.60	2,150.40	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	676,579.74	614,429.74	522,602.46	91,827.28	-
Total General Appropriations for Municipal Purposes Within "CAPS"	4,910,170.00	4,910,170.00	4,552,001.92	358,168.08	-
GENERAL APPROPRIATIONS Operations - Excluded from "CAPS"					
LOSAP	1,000.00	1,000.00	1,000.00	-	-
Group Health Insurance	11,365.00	11,365.00	11,365.00	-	-
Total Other Operations Excluded From "CAPS"	12,365.00	12,365.00	12,365.00	-	-
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Borough of Manasquan					
Community Alliance for Drugs & Alcohol	6,220.00	6,220.00	4,089.33	2,130.67	-
Construction Officials					
Other Expenses	75,000.00	75,000.00	71,407.20	3,592.80	-
County of Monmouth					
Dispatch Services Other	89,315.00	89,315.00	89,315.00	-	-
Township of Wall					
Municipal Court Services	61,000.00	61,000.00	57,222.00	3,778.00	-
Total Interlocal Municipal Service Agreements	231,535.00	231,535.00	222,033.53	9,501.47	-
ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES					
Expenses for Participation in a Free County Library:					
Salaries and Wages	25,500.00	25,500.00	25,500.00	-	-
Other Expenses	16,200.00	16,200.00	16,200.00	-	-
Capital	5,000.00	5,000.00	5,000.00	-	-
Total Additional Appropriations Offset By Revenue	46,700.00	46,700.00	46,700.00	-	-
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
State of New Jersey:					
Clean Communities Program - Recycling	-	6,379.84	6,379.84	-	-
Body Armor Grant	-	1,427.86	1,427.86	-	-
Total Public and Private Programs Offset By Revenue	-	7,807.70	7,807.70	-	-
Total Operations - Excluded From "CAPS"	290,600.00	298,407.70	288,906.23	9,501.47	-
Detail:					
Salaries and Wages	25,500.00	25,500.00	25,500.00	-	-
Other Expenses	265,100.00	272,907.70	263,406.23	9,501.47	-

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 EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2014**

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-
Total Capital Improvements - Excluded From "CAPS"	100,000.00	100,000.00	100,000.00	-	-
	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	198,808.73	198,808.73	198,000.00	-	808.73
Payment of Bond Principal	185,000.00	185,000.00	185,000.00	-	-
Interest on Bonds	89,850.00	89,850.00	89,850.00	-	-
Interest on Notes	12,563.27	12,563.27	12,563.27	-	-
Total Municipal Debt Service - Excluded From "CAPS"	486,222.00	486,222.00	485,413.27	-	808.73
Deferred Charges - Municipal - Excluded From "CAPS"					
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	219,610.00	219,610.00	219,610.00	-	-
Total Deferred Charges - Municipal - Excluded From "CAPS"	219,610.00	219,610.00	219,610.00	-	-
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	1,096,432.00	1,104,239.70	1,093,929.50	9,501.47	808.73
Subtotal General Appropriations	6,006,602.00	6,014,409.70	5,645,931.42	367,669.55	808.73
Reserve for Uncollected Taxes	312,940.55	312,940.55	312,940.55	-	-
Total General Appropriations	\$6,319,542.55	\$6,327,350.25	\$5,958,871.97	\$367,669.55	\$808.73
<u>Analysis of Budget After Modification</u>					
Budget as Adopted		\$6,319,542.55			
Special Item of Revenue		7,807.70			
		<u>\$6,327,350.25</u>			
<u>Analysis of Paid or Charged</u>					
Reserve For:					
Uncollected Taxes			\$312,940.55		
Federal and State Grants			7,807.70		
Various Reserves			1,000.00		
Interfund - Library			2,744.68		
Deferred Charges			219,610.00		
Encumbrances Payable			178,891.04		
Cash Disbursements			5,235,878.00		
			<u>\$5,958,871.97</u>		

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

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**TRUST FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Animal Control Trust Fund:			
Cash	B-1	<u>\$5,064.40</u>	<u>\$8,624.96</u>
Total Animal Control Fund		<u>5,064.40</u>	<u>8,624.96</u>
Trust - Other Fund:			
Cash	B-1	1,176,316.23	1,007,297.08
FSA Contributions Receivable	B	633.67	633.67
Due From :			
Current Fund	A	<u>14,377.87</u>	<u>15,874.33</u>
Total Trust - Other Fund		<u>1,191,327.77</u>	<u>1,023,805.08</u>
Total Assets		<u><u>\$1,196,392.17</u></u>	<u><u>\$1,032,430.04</u></u>
<u>Liabilities, Reserves and Fund Balance</u>			
Animal Control Fund:			
Due to Current Fund			
Statutory Excess	B-2	\$1,264.80	\$4,655.16
Reserve For Animal Control Fund			
Expenditures	B-2	<u>3,799.60</u>	<u>3,969.80</u>
Total Animal Control Fund		<u>5,064.40</u>	<u>8,624.96</u>
Other Trust Funds:			
Due To Current Fund	B-10	1,700.00	1,700.00
Reserve For:			
Law Enforcement	B-4	765.88	765.28
Unemployment Insurance	B-5	35,030.46	63,897.78
Deferred Sick Leave	B-6	59,144.01	87,166.27
Board of Recreation Commission	B-7	114,258.77	97,359.90
Police Escrow	B-8	757.12	756.52
Library Fund	B-9	544,505.15	570,714.23
Various Reserves	B-11	435,067.99	201,347.36
Flex Spending Account	B-12	<u>98.39</u>	<u>97.74</u>
Total Trust - Other Fund		<u>1,191,327.77</u>	<u>1,023,805.08</u>
Total Liabilities and Reserves		<u><u>\$1,196,392.17</u></u>	<u><u>\$1,032,430.04</u></u>

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

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**GENERAL CAPITAL FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Cash	C-2	\$1,537,038.99	\$1,050,314.76
Due From Current Fund	A	-	525,292.73
Deferred Charges to Future Taxation:			
Funded	C-4	2,925,000.00	3,110,000.00
Unfunded	C-5	970,750.00	736,250.00
Total Assets		<u>\$5,432,788.99</u>	<u>\$5,421,857.49</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds	C-6	\$2,925,000.00	\$3,110,000.00
Bond Anticipation Notes	C-7	1,155,000.00	736,000.00
Improvement Authorizations:			
Funded	C-8	169,801.81	321,339.41
Unfunded	C-8	625,550.99	325,803.58
Encumbrances Payable	C-8	152,310.67	332,452.87
Capital Improvement Fund	C-9	79,154.61	41,284.30
Reserve for Debt Service	C-10	224,424.08	448,373.36
Fund Balance	C-1	101,546.83	106,603.97
Total Liabilities, Reserves and Fund Balance		<u>\$5,432,788.99</u>	<u>\$5,421,857.49</u>

There were bonds and notes authorized but not issued on December 31, 2014 of \$500 and on December 31, 2013 was \$250.

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

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**STATEMENT OF FUND BALANCE**  
**REGULATORY BASIS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**

Balance, December 31, 2013	\$ 106,603.97
Increased By:	
I/A Cancelled	<u>203.62</u>
	106,807.59
Decreased By:	
Cash Disbursements	<u>5,260.76</u>
Balance, December 31, 2014	<u><u>\$ 101,546.83</u></u>

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

**WATER-SEWER UTILITY FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Cash - Checking	D-4	\$ 541,846.75	\$ 1,158,901.40
Due From Water Sewer Capital	D	660,299.84	-
Deferred Charge - Overexpenditure	D	34,734.89	34,734.89
Receivables with Full Reserves:			
Rents Receivable	D-6	52,176.88	91,409.47
Total Operating Fund		1,289,058.36	1,285,045.76
Capital Fund:			
Cash - Checking	D-4	630,176.59	560,724.38
Water Infrastructure Grant Rec.	D-11	134,586.00	134,586.00
Due from Water-Sewer Operating	D	-	154,643.06
Deferred Charge - Expenditure - Without Appropriation	D	200,000.00	
Fixed Capital	D-7	2,968,686.50	2,968,686.50
Fixed Capital Authorized and Uncompleted	D-8	10,296,433.68	9,846,433.68
Total Capital Fund		14,229,882.77	13,665,073.62
Total Assets		\$ 15,518,941.13	\$ 14,950,119.38

There were bonds and notes authorized but not issued on December 31, 2014 of \$3,597,044.43 and on December 31, 2013 was \$3,709,663.90.

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 FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Appropriation Reserves	D-3	\$ 77,379.93	\$ 94,455.70
Encumbrances Payable	D-10	12,232.84	44,744.28
Accrued Interest Payable	D-12	33,896.88	36,055.21
Due Water-Sewer Capital	D	-	154,643.06
Accounts Payable	D	5,750.00	27.06
		<u>129,259.65</u>	<u>329,925.31</u>
Reserve for Receivables	D	52,176.88	91,409.47
Fund Balance	D-1	<u>1,107,621.83</u>	<u>863,710.98</u>
		-	-
		<u>1,159,798.71</u>	<u>955,120.45</u>
Total Operating Fund		<u>1,289,058.36</u>	<u>1,285,045.76</u>
Capital Fund:			
Serial Bonds	D-13	1,060,000.00	1,105,000.00
Loan State of New Jersey	D-18	3,158,227.19	3,375,211.30
Due To Water Sewer Operating Fund	D	660,299.84	-
Cash Held to Pay Notes	D	5,500.00	1,500.00
Improvement Authorizations:			
Funded	D-14	183,884.35	668,460.83
Unfunded	D-14	3,377,952.14	3,597,416.31
Capital Improvement Fund	D-15	-	60,973.75
Encumbrances Payable	D-14	428,454.24	255,728.25
Reserve for Amortization	D-16	3,013,686.50	2,968,686.50
Deferred Reserve for Amortization	D-17	2,333,720.39	1,494,912.31
Fund Balance	D-1(a)	<u>8,158.12</u>	<u>137,184.37</u>
Total Capital Fund		<u>14,229,882.77</u>	<u>13,665,073.62</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 15,518,941.13</u>	<u>\$ 14,950,119.38</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**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**  
**REGULATORY BASIS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
Revenue and Other Income Realized:		
Surplus Anticipated	\$ 211,108.97	\$ 23,180.53
Water-Sewer Rents	1,762,818.69	1,603,171.58
Miscellaneous Revenue	43,633.26	28,301.39
Other Credits To Income:		
Prior Year Liability Cancelled	27.06	8,049.99
Appropriation Reserves Lapsed	100,267.00	55,444.91
	<hr/>	<hr/>
Total Revenue	2,117,854.98	1,718,148.40
	<hr/>	<hr/>
Expenditures:		
Operating:		
Salaries and Wages	297,000.00	308,000.00
Other Expenses	729,700.00	686,250.00
Debt Service	370,311.19	404,668.91
Capital Improvements	60,000.00	60,000.00
Deferred Charges and		
Statutory Expenditures	201,823.97	54,680.53
Other Credits To Income:		
Payment to Utility Capital for Reserve		
for Debt Service	4,000.00	-
Interfund Created	-	210,000.00
	<hr/>	<hr/>
	1,662,835.16	1,723,599.44
	<hr/>	<hr/>
(Deficit)/Excess in Revenue	455,019.82	(5,451.04)
	-	-
Adjustment to Income Before Fund Balance:		
Expenditures Included Above Which Are By		
Statute Deferred Charges To Budgets of		
Succeeding Years	-	34,734.89
	<hr/>	<hr/>
Statutory Excess to Fund Balance	455,019.82	29,283.85
Fund Balance, January 1	863,710.98	857,607.66
	<hr/>	<hr/>
	1,318,730.80	886,891.51
Decreased By:		
Utilized as Anticipated Revenue	211,108.97	23,180.53
	<hr/>	<hr/>
Fund Balance, December 31	<u>\$ 1,107,621.83</u>	<u>\$ 863,710.98</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 BASIS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**

Balance, December 31, 2013	\$ 137,184.37
Decreased By:	
Improvement Authorizations	<u>129,026.25</u>
Balance, December 31, 2014	<u><u>\$ 8,158.12</u></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 BASIS  
YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	\$ 211,108.97	\$ 211,108.97	\$ -
Rents - Water	854,000.00	1,175,113.42	321,113.42
Rents - Sewer	600,000.00	587,705.27	(12,294.73)
Miscellaneous	-	43,633.26	43,633.26
	<u>\$ 1,665,108.97</u>	<u>\$ 2,017,560.92</u>	<u>\$ 352,451.95</u>

Analysis of Miscellaneous Revenue Not Anticipated

Interest and Costs on Delinquent Accounts	\$ 3,761.15
Water & Sewer Taps	36,950.00
Miscellaneous - Other	2,922.11
	<u>\$43,633.26</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 BASIS  
YEAR ENDED DECEMBER 31, 2014**

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
	<u>Original Budget</u>	<u>Budget After Modifications</u>			
Operating:					
Salaries and Wages	\$ 315,000.00	\$ 297,000.00	\$ 287,808.49	\$ 9,191.51	\$ -
Other Expenses	253,300.00	271,300.00	231,119.98	40,180.02	-
Other Expenses:					
Legal and Engineering:	35,000.00	35,000.00	34,998.62	1.38	-
South Monmouth Regional Sewerage	258,400.00	258,400.00	258,358.20	41.80	-
NJ Water Supply - MCIA	130,000.00	130,000.00	116,841.56	13,158.44	-
Treatment of Water	35,000.00	35,000.00	27,810.28	7,189.72	-
<b>Total Operating</b>	<b>1,026,700.00</b>	<b>1,026,700.00</b>	<b>956,937.13</b>	<b>69,762.87</b>	<b>-</b>
Capital Improvements:					
Capital Improvement Fund	60,000.00	60,000.00	60,000.00	-	-
<b>Total Capital Improvements</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>-</b>	<b>-</b>
Debt Service:					
Payment of Bond Principal	261,985.00	261,985.00	259,900.63	-	2,084.37
Interest on Bonds	114,600.00	114,600.00	110,410.56	-	4,189.44
<b>Total Debt Service</b>	<b>376,585.00</b>	<b>376,585.00</b>	<b>370,311.19</b>	<b>-</b>	<b>6,273.81</b>
Deferred Charges:					
Funding of:					
Ordinance No. 2011-08	59,204.50	59,204.50	59,204.50	-	-
Ordinance 26-2012	112,619.47	112,619.47	112,619.47	-	-
<b>Total Deferred Charges</b>	<b>171,823.97</b>	<b>171,823.97</b>	<b>171,823.97</b>	<b>-</b>	<b>-</b>
Statutory Expenditures:					
Contributions To:					
Social Security System (O.A.S.I.)	30,000.00	30,000.00	22,382.94	7,617.06	-
<b>Total Statutory Expenditures</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>22,382.94</b>	<b>7,617.06</b>	<b>-</b>
<b>Total Sewer Utility Appropriations</b>	<b>\$ 1,665,108.97</b>	<b>\$ 1,665,108.97</b>	<b>\$ 1,581,455.23</b>	<b>\$ 77,379.93</b>	<b>\$ 6,273.81</b>

Cash Disbursed	\$ 1,571,380.72
Encumbrances Payable	12,232.84
Change in Accrued Interest on Bonds & Loans	(2,158.33)
	<u>\$ 1,581,455.23</u>

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

**BEACH UTILITY FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Cash	E-4	\$ 308,879.03	\$ 303,639.28
Interfund-Beach Capital	E	<u>7.09</u>	<u>9.66</u>
		<u>308,886.12</u>	<u>303,648.94</u>
Deferred Charges:			
Over-expenditure of Current Appropriations	E-3	<u>-</u>	<u>32,813.52</u>
Total Operating Fund		<u>308,886.12</u>	<u>336,462.46</u>
Capital Fund:			
Cash	E-4	152,738.88	145,906.89
Fixed Capital	E-10	2,959,958.38	2,934,155.08
Fixed Capital Authorized and Uncompleted	E-7	<u>2,441,000.00</u>	<u>2,291,000.00</u>
Total Capital Fund		<u>5,553,697.26</u>	<u>5,371,061.97</u>
Total Assets		<u>\$ 5,862,583.38</u>	<u>\$ 5,707,524.43</u>

There were bonds and notes authorized but not issued on December 31, 2014 of \$71,252.50  
and as of December 31, 2013 of \$171,252.50.

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

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**BEACH UTILITY FUND**  
**COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES**  
**AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2014 AND 2013**

<u>Liabilities, Reserves and Fund Balances</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Encumbrances Payable	E-16	\$ 21,637.11	\$ 9,969.82
Appropriation Reserves	E-3	19,897.57	65,815.66
Interfund-General Capital	C	-	-
Reserve for Dune Fund Donations	E	5,814.45	5,314.45
Reserve for Concession Stand	E	26,317.00	-
Reserve for Beach Equipment	E	603.56	10,598.56
Fund Balance	E-1	<u>234,616.43</u>	<u>244,763.97</u>
Total Operating Fund		<u>308,886.12</u>	<u>336,462.46</u>
Capital Fund:			
Bond Anticipation Notes	E-9	224,500.00	2,165,000.00
Improvement Authorizations:			
Funded	E-6	4,053.78	
Unfunded	E-6	25,449.92	117,635.91
Encumbrances Payable	E-6	78,700.82	17,149.05
Interfund-Beach Operating	E	7.09	9.66
Reserve For:			
Cash Held to Pay Notes	E	38,589.81	106,174.81
Amortization	E-13	5,093,228.38	2,876,925.08
Deferred Amortization	E-14	11,977.50	11,977.50
Capital Improvement Fund	E-12	3,000.00	2,000.00
Fund Balance	E-11	<u>74,189.96</u>	<u>74,189.96</u>
Total Capital Fund		<u>5,553,697.26</u>	<u>5,371,061.97</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 5,862,583.38</u>	<u>\$ 5,707,524.43</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**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**  
**REGULATORY BASIS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
Revenue and Other Income Realized:		
Operating Surplus Anticipated	\$ 154,878.52	\$ 17,500.00
Concession at Beach Pavilion	73,519.99	72,799.99
Bathing Beach Fees	1,058,149.75	987,734.55
Miscellaneous Revenues	4,117.05	5,603.51
National Guard Training Center	43,761.71	38,000.00
Other Credits To Income:		
Appropriation Reserves Cancelled	66,041.08	96,611.73
Cancel Unexpended Balances of Current		
Year Appropriations	-	27,525.00
	<hr/>	<hr/>
Total Revenue	1,400,468.10	1,245,774.78
	<hr/>	<hr/>
Expenditures:		
Operating:		
Salaries and Wages	651,700.00	647,000.00
Other Expenses	245,050.00	250,850.00
Debt Service	245,673.60	172,500.00
Capital Improvements	27,000.00	27,000.00
Deferred Charges and		
Statutory Expenditures	78,813.52	50,000.00
Prior Year Refund	7,500.00	-
	<hr/>	<hr/>
	1,255,737.12	1,147,350.00
	<hr/>	<hr/>
Excess in Revenue	144,730.98	98,424.78
Fund Balance, January 1	244,763.97	163,839.19
	<hr/>	<hr/>
	389,494.95	262,263.97
Decreased By:		
Utilized as Anticipated Revenue	154,878.52	17,500.00
	<hr/>	<hr/>
Fund Balance, December 31	\$ 234,616.43	\$ 244,763.97
	<hr/>	<hr/>

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 BASIS  
YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Realized</u>	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 154,878.52	\$ 154,878.52	\$ -
Concession of Beachfront Pavilion	71,000.00	73,519.99	2,519.99
Bathing Beach Fees	985,000.00	1,058,149.75	73,149.75
Miscellaneous Revenue	-	4,117.05	4,117.05
Lifeguard-National Guard Center	38,000.00	43,761.71	5,761.71
	<u>\$ 1,248,878.52</u>	<u>\$ 1,334,427.02</u>	<u>\$ 85,548.50</u>

Analysis of Miscellaneous Revenues

Interest Income	\$ 86.10
Miscellaneous Income	0.95
Kayak Storage	<u>4,030.00</u>
	<u>\$ 4,117.05</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 BASIS  
YEAR ENDED DECEMBER 31, 2014**

	Appropriations		Paid or Charged	Reserved	Cancelled
	Original Budget	Budget After Modifications			
Beachfront Maintenance:					
Salaries and Wages	\$ 456,000.00	\$ 476,000.00	\$ 472,217.25	\$ 3,782.75	\$ -
Other Expenses	85,900.00	84,600.00	78,160.97	6,439.03	-
Police Department:					
Salaries and Wages	60,000.00	60,000.00	60,000.00	-	-
Other Expenses	3,000.00	3,000.00	2,681.89	318.11	-
Financial Administration (Treasury):					
Other Expenses	27,000.00	25,200.00	22,962.10	2,237.90	-
Legal Services:					
Contractual	2,500.00	3,100.00	3,073.33	26.67	-
Road Repairs and Maintenance:					
Salaries and Wages	40,000.00	40,000.00	40,000.00	-	-
Other Expenses	39,000.00	31,300.00	30,361.50	938.50	-
Engineering Services:					
Contractual	25,000.00	25,000.00	24,998.75	1.25	-
Administrative and Executive:					
Salaries and Wages	35,000.00	26,700.00	26,227.33	472.67	-
Other Expenses	150.00	8,450.00	8,298.00	152.00	-
Group Insurance - Other Expenses					
Insurance - Other	45,700.00	40,900.00	40,887.66	12.34	-
Garbage and Trash Removal:					
Salaries and Wages	18,000.00	18,000.00	18,000.00	-	-
Other Expenses	2,500.00	2,500.00	2,500.00	-	-
Operating:					
Sanitary Landfill	19,000.00	19,000.00	19,000.00	-	-
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	-	-
Salaries and Wages - NGTC	38,000.00	31,000.00	30,310.60	689.40	-
Total Operating	898,750.00	896,750.00	881,679.38	15,070.62	-
Capital Improvements:					
Capital Improvement Fund	1,000.00	1,000.00	1,000.00	-	-
Capital Outlay	26,000.00	26,000.00	25,999.30	0.70	-
Total Capital Improvements	27,000.00	27,000.00	26,999.30	0.70	-
Debt Service:					
Payment of Bond Anticipation Notes	216,500.00	216,500.00	216,500.00	-	-
Interest on Notes	23,815.00	29,815.00	29,173.60	-	641.40
Total Debt Service	240,315.00	246,315.00	245,673.60	-	641.40
Deferred Charges:					
Overexpenditure of 2012 Appropriation	32,813.52	32,813.52	32,813.52	-	-
Statutory Expenditures:					
Contributions To:					
Social Security System (O.A.S.I.)	50,000.00	46,000.00	41,173.75	4,826.25	-
Total Statutory Expenditures	50,000.00	46,000.00	41,173.75	4,826.25	-
Total Beach Utility Appropriations	\$ 1,248,878.52	\$ 1,248,878.52	\$ 1,228,339.55	\$ 19,897.57	\$ 641.40
Cash Disbursed			\$1,173,888.92		
Encumbrances Payable			21,637.11		
Deferred Charges			32,813.52		
			<u>\$1,228,339.55</u>		

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

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**GENERAL FIXED ASSETS ACCOUNT GROUP**

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**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES**  
**AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2014 AND 2013**

	<u>Reference</u>	Balance December 31, <u>2014</u>	Balance December 31, <u>2013</u>
Land	F-1	\$ 24,629,527.00	\$ 29,687,000.00
Buildings & Improvements	F-1	5,057,473.00	-
Machinery and Equipment	F-1	<u>3,758,958.00</u>	<u>2,218,094.21</u>
Total General Fixed Assets		<u>33,445,958.00</u>	<u>31,905,094.21</u>
Investment in General Fixed Assets	F-1	<u>\$ 33,445,958.00</u>	<u>\$ 31,905,094.21</u>

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

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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**BOROUGH OF SEA GIRT**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 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 not considered component units under GASB 14. 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 entities 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**

### **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

#### **Note 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.

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.

##### **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:

## BOROUGH OF SEA GIRT

### NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

#### Note 1: Summary of Significant Accounting Policies (continued)

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

###### 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.

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.

## **BOROUGH OF SEA GIRT**

### **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

#### **Note 1: Summary of Significant Accounting Policies (continued)**

##### **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.

##### **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.

## BOROUGH OF SEA GIRT

### NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

#### Note 1: Summary of Significant Accounting Policies (continued)

##### 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.

##### 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>
2014	\$ 158,514.00	\$ 236,493.00
2013	174,627.00	275,496.00
2012	170,790.00	282,097.00

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**

### **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

#### **Note 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.

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.



**BOROUGH OF SEA GIRT**

**NOTES TO FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1: Summary of Significant Accounting Policies (continued)**

**K. Deposits and Investments (continued)**

Investments (continued)

- (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).

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**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 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

### NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

#### Note 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, 2014 and 2013 are insured up to \$250,000.00 in the aggregate by the FDIC for each bank. At December 31, 2014 and 2013, the book values of the Borough's deposits were \$8,507,681.71 and \$8,277,257.90 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, 2014, the Borough's bank balances of \$8,904,505.10, were exposed to Custodial Credit Risk as follows:

Insured under F.D.I.C.	\$ 500,000.00
Uninsured and Uncollateralized	815,527.31
Collateralized Under GUDPA	<u>7,588,977.79</u>
Total	<u>\$ 8,904,505.10</u>

# BOROUGH OF SEA GIRT

## NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

### Note 3: Interfund Balances and Activity

Balances due to/from other funds at December 31, 2014 consist of the following:

	Due From	Due To
Current Fund	\$ 2,964.80	\$ 14,377.87
Trust Other	14,377.87	1,700.00
Animal Control	-	1,264.80
Water & Sewer Operating	660,299.84	-
Water & Sewer Capital	-	660,299.84
Beach Operating	7.09	-
Beach Capital	-	7.09
	<u>\$ 677,649.60</u>	<u>\$ 677,649.60</u>

The purpose of these interfunds is short-term borrowings.

### Note 4: Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year 2014.

	Balance, December 31, <u>2013</u>	Adjustments/ <u>Additions</u>	<u>Deletions</u>	Balance, December 31, <u>2014</u>
Land	\$ 29,687,000.00	(5,057,473.00)		\$ 24,629,527.00
Buildings and Improvements		5,507,473.00		5,057,473.00
Machinery and Equipment	<u>2,218,094.00</u>	<u>1,540,864.00</u>	<u>0.00</u>	<u>3,758,958.00</u>
Total	<u>\$ 31,905,094.00</u>	<u>\$ 1,540,864.00</u>	<u>\$ 0.00</u>	<u>\$ 33,445,958.00</u>

### Note 5: Long-Term Debt

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Issued</u>			
General Capital Fund:			
Bonds and Notes	\$ 4,080,000.00	\$ 3,846,000.00	\$ 6,736,609.00
Water-Sewer Utility Fund:			
Bonds and Notes	1,060,000.00	1,105,000.00	1,927,300.00

# BOROUGH OF SEA GIRT

## NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

### Note 5: Long-Term Debt (continued)

Loans	3,158,227.19	3,375,211.30	3,586,931.42
Beach Utility Fund			
Bonds and Notes	<u>224,500.00</u>	<u>2,165,000.00</u>	<u>553,835.00</u>
Total Issued	<u>8,522,727.19</u>	<u>10,491,211.30</u>	<u>12,804,675.42</u>
Less:			
Fund on Hand to Pay Bonds, Notes and Loans	<u>430,833.64</u>	<u>556,048.17</u>	<u>3,722,873.36</u>
Net Debt Issued	<u>8,091,893.55</u>	<u>9,935,163.13</u>	<u>9,081,802.06</u>

### Authorized But Not Issued

General Capital Fund:			
Bonds and Notes	500.00	250.00	289,042.73
Water-Sewer Utility Fund:			
Bonds and Notes	3,597,044.43	3,709,663.90	3,734,344.43
Beach Utility Fund:			
Bonds and Notes	<u>71,252.50</u>	<u>171,252.50</u>	<u>166,417.50</u>
Total Authorized But Not Issued	<u>3,668,796.93</u>	<u>3,881,166.40</u>	<u>4,189,804.66</u>
Net Bonds and Notes Issued & Authorized But Not Issued	<u>\$ 11,760,690.48</u>	<u>\$ 13,816,329.53</u>	<u>\$ 13,271,606.72</u>

### Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.176%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 4,080,500.00	386,743.83	\$ 3,693,756.17
Water-Sewer Utility Debt	7,815,271.62	\$ 7,815,271.62	
Beach Utility Debt	<u>295,752.50</u>	<u>295,752.50</u>	
	<u>\$ 12,191,524.12</u>	<u>\$ 8,497,767.95</u>	<u>\$ 3,693,756.17</u>

Net Debt of \$3,693,756.17 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$2,081,529,317.00 = 0.177%.

**BOROUGH OF SEA GIRT**

**NOTES TO FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 5: Long-Term Debt (continued)**

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 72,853,526.10
Less: Net Debt	<u>3,693,756.17</u>
Remaining Borrowing Power	<u>\$ 69,159,769.93</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 2,017,560.92
Deductions:		
Operating, Maintenance Costs and Statutory Expenditures	\$ 1,228,523.97	
Debt Service per Water Account	<u>370,311.19</u>	
Total Deductions		<u>1,598,835.16</u>
Excess in Revenues		<u>\$ 418,725.75</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$1,334,427.02
Deductions:		
Operating, Maintenance Costs and Statutory Expenditures	\$ 975,563.52	
Debt Service	<u>245,673.60</u>	
Total Deductions		<u>1,221,237.12</u>
Excess in Revenues		<u>\$ 113,189.90</u>

# BOROUGH OF SEA GIRT

## NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

### Note 5: Long-Term Debt (continued)

The Borough's long-term debt consisted of the following at December 31, 2014:

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, December 31, 2014</u>
<u>General Bonds</u>				
General Improvements	12/19/2012	\$3,280,000.00	Various	<u>\$2,925,000.00</u>
				<u>\$2,925,000.00</u>
<u>Water &amp; Sewer Utility Bonds</u>				
Water & Sewer Improvements	12/19/2012	\$1,145,000.00	Various	<u>\$1,060,000.00</u>
				<u>\$1,060,000.00</u>
<u>Water &amp; Sewer Utility Loans</u>				
Water & Sewer Improvements	11/9/2006	\$4,532,883.00	Various	<u>\$3,158,227.19</u>
				<u>\$3,158,227.19</u>

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>
2015	\$ 185,000.00	\$ 86,150.00	\$ 271,150.00
2016	190,000.00	82,450.00	272,450.00
2017	195,000.00	77,700.00	272,700.00
2018	200,000.00	71,850.00	271,850.00
2019	210,000.00	65,850.00	275,850.00
2020-2024	1,155,000.00	208,950.00	1,363,950.00
2025-2027	<u>790,000.00</u>	<u>34,450.00</u>	<u>824,450.00</u>
	<u>\$ 2,925,000.00</u>	<u>\$ 627,400.00</u>	<u>\$ 3,552,400.00</u>

**BOROUGH OF SEA GIRT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 5: Long-Term Debt (continued)**

Water-Sewer Utility Capital Fund

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 45,000.00	\$ 30,887.50	\$ 75,887.50
2016	45,000.00	29,987.50	74,987.50
2017	45,000.00	28,862.50	73,862.50
2018	50,000.00	27,512.50	77,512.50
2019	50,000.00	26,012.50	76,012.50
2020-2024	280,000.00	101,162.50	381,162.50
2025-2029	325,000.00	57,400.00	382,400.00
2023-2032	<u>220,000.00</u>	<u>11,825.00</u>	<u>231,825.00</u>
	<u>\$ 1,060,000.00</u>	<u>\$ 313,650.00</u>	<u>\$ 1,373,650.00</u>

Loans Payable

Water-Sewer 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 \$1,128,068.31 at 12/31/2014.

\$1,845,000 original loan at variable interest from 4.00% to 5.00% maturing on 8/1/2026 with a balance of \$1,335,000.00 at 12/31/2014.

\$395,000 original loan with semi-annual interest of 5.00% maturing on 8/1/2030 with a balance of \$ 350,000.00 at 12/31/2014.

\$424,258 original loan at 0.00% interest maturing on 8/1/2030 with a balance of \$345,158.88 at 12/31/2014.

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>
2015	\$ 214,224.19	\$ 75,175.00	\$ 289,399.19
2016	219,711.24	72,175.00	291,886.24
2017	225,035.94	64,925.00	289,960.94
2018	230,815.21	60,375.00	291,190.21
2019	241,464.60	55,625.00	297,089.60
2020-2024	1,267,505.30	195,706.26	1,463,211.56
2025-2029	707,898.28	46,137.50	991,295.51
2030	<u>51,572.43</u>	<u>1,500.00</u>	<u>53,072.43</u>
	<u>\$ 3,158,227.19</u>	<u>\$ 571,618.76</u>	<u>\$ 3,729,845.95</u>



# **BOROUGH OF SEA GIRT**

## **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

### **Note 6: 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.

At December 31, 2014, 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	10/30/2015	1.00%	\$ 1,155,000.00
<u>Beach Capital</u>			
Various Beach Improvements	07/13/2015	1.00%	\$ 124,500.00
Various Beach Improvements	10/30/2015	1.00%	100,000.00

### **Note 7: Bonds and Notes Authorized But Not Issued**

At December 31, 2014, the Borough had authorized but not issued bonds and notes of the General Capital Fund in the amount of \$500.00, the Water & Sewer Capital Fund in the amount of \$3,597,044.43 and the Beach Utility Fund in the amount of \$71,252.50.

### **Note 8: Deferred Charges to be Raised In Succeeding Years' Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following funds:

	Balance December 31, 2014	2015 Budget Appropriation
Current Fund:		
Special Emergency -- Superstorm Sandy	\$ 68,572.00	\$ 34,286.00
Revaluation	104,000.00	26,000.00
Water-Sewer Utility Fund:		
Over-expenditure of Appropriation	\$ 34,734.89	\$ 34,734.89
Expenditure without Appropriation	200,000.00	200,000.00

# **BOROUGH OF SEA GIRT**

## **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

### **Note 9: Property Taxes**

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

#### **Comparison of Tax Rate Information**

	2014	2013	2012
Total Tax Rate	<u>\$0.789</u>	<u>\$0.775</u>	<u>\$0.752</u>
Apportionment of Tax Rate:			
County	0.289	0.275	0.258
County Open Space	0.016	0.015	0.015
County Library	0.018	0.018	0.015
Local School	0.211	0.206	0.202
Local Purpose Tax	0.255	0.261	0.262

#### **Net Valuation Taxable:**

2014	<u>\$1,996,734,500</u>	
2013	<u>\$1,989,763,300</u>	
2012		<u>\$1,984,696,826</u>

#### **Comparison of Tax Levies and Collection Currently**

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2014	\$ 15,859,335.50	\$ 15,624,429.54	98.51%
2013	15,505,949.08	15,235,783.05	98.25%
2012	14,975,864.65	14,810,088.39	98.89%

## BOROUGH OF SEA GIRT

### NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

#### Note 9: Property Taxes (continued)

##### Delinquent Taxes and Tax Title Liens

	YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
✓	2014	\$ -	\$ 214,567.72	\$ 214,567.72	1.31%
✓	2013	-	267,745.31	267,745.31	1.73%
✓	2012	1,632.92	148,651.37	150,284.29	1.00%

#### Note 10: Fund Balance Appropriated

##### Current Fund

The Current Fund balance at December 31, 2014 was \$1,641,446.39 of which \$505,903.83 was appropriated and included as anticipated revenue for the year ended December 31, 2015.

##### Water-Sewer Utility Operating Fund

The Water Utility Operating Fund balance at December 31, 2014 was \$1,107,621.83 of which \$314,425.00 was appropriated and included as anticipated revenue for the year ended December 31, 2015.

##### Beach Utility Operating Fund

The Beach Utility Operating Fund balance at December 31, 2014 was \$234,616.43 of which \$152,665.00 was appropriated and included as anticipated revenue for the year ended December 31, 2015.

#### Note 11: Accrued Sick and Vacation Benefits

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, 2014 to be approximately \$674,927.94.

#### Note 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, 2014 and 2013 totaled \$35,030.46 and \$63,897.79 respectively.

## **BOROUGH OF SEA GIRT**

### **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

#### **Note 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, 2014, 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.

#### **Note 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.

#### **Note 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.

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.

## **BOROUGH OF SEA GIRT**

### **NOTES TO FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014**

#### **Note 15: Post Employment Benefits (continued)**

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, 2014 were approximately \$480,035.96, which equaled the required contributions for the year. There were no retired participants eligible at December 31, 2014.

#### **Note 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**

**NOTES TO FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 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>2014</u>	<u>2013</u>
Balance of Tax	\$ 2,107,109.26	\$ 2,046,246.26
Deferred	<u>883,202.00</u>	<u>883,202.00</u>
Tax Payable/ (Receivable)	<u>\$ 1,223,907.26</u>	<u>\$ 1,163,044.26</u>

**Note 18: Subsequent Event**

The Borough has evaluated subsequent events through June 11, 2015, the date the financial statements were available to be issued.

## **SUPPLEMENTARY STATEMENTS**

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**CURRENT FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2013	\$ 3,955,319.48	\$ 47,640.40
Increased By Receipts:		
Miscellaneous Revenue Not Anticipated	\$ 48,409.00	\$ -
Veterans and Senior Citizens	23,250.00	-
Taxes Receivable	15,675,888.68	-
Tax Title Lien Collections	-	-
Revenue Accounts Receivable	661,596.05	-
Prepaid Taxes	156,239.92	-
Tax Overpayments	-	-
Due To State of New Jersey	10,428.73	-
Various Reserves	461,939.17	-
Due From Current	-	1,771.40
Grants Receivable	-	22,022.75
Unappropriated Reserves	-	59.08
	<u>17,037,751.55</u>	<u>23,853.23</u>
	20,993,071.03	71,493.63
Decreased By Disbursements:		
2014 Budget Appropriations	5,235,878.00	
Appropriation Reserves	176,156.55	
County Taxes	6,482,519.35	
Local School Taxes	4,153,346.00	
Tax Overpayments	8,185.31	
Due To State of New Jersey	7,382.40	
Various Reserves	318,848.76	
Due To General Capital	525,292.73	
Due To Grant Fund	19,769.76	
Reserve for Federal and State Grants	-	12,528.80
	<u>16,927,378.86</u>	<u>12,528.80</u>
Balance, December 31, 2014	<u>\$ 4,065,692.17</u>	<u>\$ 58,964.83</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF PETTY CASH  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 and 2013	<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, 2014**

Balance, December 31, 2013		\$	2,260.90
Increased By:			
Senior Citizens' Deductions Per Billing	\$	750.00	
Veterans' Deductions Per Tax Billing		22,250.00	
Veterans' Deductions Per Tax Collector		<u>1,000.00</u>	
			<u>24,000.00</u>
			26,260.90
Decreased By:			
Cash Receipts			<u>23,250.00</u>
Balance, December 31, 2014		\$	<u><u>3,010.90</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, 2014**

Year	Balance December 31, 2013	2014 Levy	Collections		Senior Citizens' and Veterans' Deductions Allowed	Adjustments/ Cancelled	Balance December 31, 2014
			2013	2014			
2013	\$ 267,745.31	\$ -	\$ -	\$ 267,745.31	\$ -	\$ -	\$ -
2014	-	15,859,335.50	192,286.17	15,408,143.37	24,000.00	20,338.24	214,567.72
	<u>\$ 267,745.31</u>	<u>\$ 15,859,335.50</u>	<u>\$ 192,286.17</u>	<u>\$ 15,675,888.68</u>	<u>\$ 24,000.00</u>	<u>\$ 20,338.24</u>	<u>\$ 214,567.72</u>

Analysis of Property Tax LevyTax Yield

## General Purpose Tax:

General Property Tax	\$ 15,773,094.62
Added and Omitted Taxes	86,240.88
	<u>\$ 15,859,335.50</u>

## Tax Levy:

Local District School Tax	\$ 4,214,209.00
County Tax	\$ 6,448,724.90
Added County Taxes	35,242.61
	<u>6,483,967.51</u>

## Local Taxes for Municipal Purposes

Add: Additional Tax Levied	5,089,416.40
	71,742.59
	<u>\$ 15,859,335.50</u>

Analysis of Current Year Tax Collections

2013 Cash Collections of 2014 Taxes	\$ 192,286.17
2014 Cash Collections of 2014 Taxes	15,408,143.37
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions - Net	24,000.00
Revenue From Collections	<u>\$ 15,624,429.54</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	Accrued in <u>2014</u>	<u>Collections</u>	Balance December 31, <u>2014</u>
Licenses:				
Alcoholic Beverages	\$ -	\$ 10,699.12	\$ 10,699.12	\$ -
Other	-	64,848.77	64,848.77	-
Fees & Permits	-	55,385.00	55,385.00	-
Fines and Costs - Municipal Court	4,863.30	111,584.66	112,340.38	4,107.58
Interest and Costs on Taxes	-	74,079.40	74,079.40	-
Interest on Investments	-	6,102.70	6,102.70	-
Energy Receipts	-	196,340.00	196,340.00	-
Uniform Construction Code Fees	-	88,810.00	88,810.00	-
Trust Fund - Reserve for Library Donation	-	46,700.00	46,700.00	-
Reserve for Debt Service	-	6,290.68	6,290.68	-
	<u>\$ 4,863.30</u>	<u>\$ 660,840.33</u>	<u>\$ 661,596.05</u>	<u>\$ 4,107.58</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF DEFERRED CHARGES  
YEAR ENDED DECEMBER 31, 2014**

<u>Year</u>	<u>Description</u>	<u>Amount</u>	Balance December 31, <u>2013</u>	<u>Decreased</u>	Balance December 31, <u>2014</u>
<u>Special Emergency Authorization:</u>					
<u>N.J.S.A. 40A:4-54:</u>					
2012	Superstorm Sandy	\$2,450,000.00	\$ 560,000.00	\$ 491,428.00	\$ 68,572.00
<u>N.J.S.A. 40A:4-53:</u>					
2013	Revaluation Program and Tax Map Update	130,000.00	130,000.00	26,000.00	104,000.00
			<u>\$ 690,000.00</u>	<u>\$ 517,428.00</u>	<u>\$ 172,572.00</u>
Budget Appropriations				\$ 219,610.00	
Emergency Note Payable				<u>297,818.00</u>	
				<u>\$ 517,428.00</u>	



**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF ENCUMBRANCES PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013			\$ 198,517.82
Increased By:			
Various Reserves	\$	20,000.00	
Due to State of New Jersey		3,104.22	
Transferred From 2014 Appropriations		<u>178,891.04</u>	
			<u>201,995.26</u>
			400,513.08
Decreased By:			
Transferred To Appropriation Reserves		181,383.63	
Transferred To Various Reserves		<u>17,134.19</u>	
			<u>198,517.82</u>
Balance, December 31, 2014			<u><u>\$ 201,995.26</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Encumbrances</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>GENERAL GOVERNMENT</b>					
General Administration:					
Salaries and Wages	\$ 19,552.37	\$ -	\$ 19,552.37	\$ -	\$ 19,552.37
Other Expenses	774.48	30.47	804.95	30.47	774.48
Municipal Clerk:					
Salaries and Wages	1,538.45	-	1,538.45	-	1,538.45
Other Expenses	3,944.58	6,398.44	10,343.02	4,843.74	5,499.28
Financial Administration (Treasury):					
Salaries and Wages	0.27	-	0.27	-	0.27
Other Expenses	112.72	1,857.34	1,970.06	1,857.34	112.72
Revenue Administration (Tax Collection):					
Salaries and Wages	4,974.89	-	4,974.89	585.00	4,389.89
Other Expenses	782.74	100.00	882.74	100.00	782.74
Tax Assessment Administration:					
Salaries and Wages	5,000.08	-	5,000.08	-	5,000.08
Other Expenses	1,991.01	-	1,991.01	-	1,991.01
Legal Services:					
Other Expenses	2,024.41	21,461.23	23,485.64	19,356.00	4,129.64
Engineering Services:					
Other Expenses	9,742.50	4,900.00	14,642.50	4,478.75	10,163.75
<b>LAND USE ADMINISTRATION</b>					
Planning and Zoning Board of Adjustment:					
Salaries and Wages	0.10	-	0.10	-	0.10
Other Expenses	3,360.54	6,118.34	9,478.88	1,807.12	7,671.76
<b>INSURANCE</b>					
Employee Group Health	2,082.89	14.85	2,097.74	-	2,097.74
<b>PUBLIC SAFETY</b>					
Police Department:					
Salaries and Wages	38,670.30	-	38,670.30	11,488.91	27,181.39
Other Expenses	7,640.78	21,280.66	28,921.44	16,211.97	12,709.47
Office of Emergency Management					
Other Expenses	762.74	464.84	1,227.58	114.84	1,112.74
Fire:					
Other Expenses	4,569.16	6,072.17	10,641.33	6,000.17	4,641.16

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Encumbrances</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>PUBLIC WORKS</b>					
Streets and Road Maintenance:					
Salaries and Wages	64,541.57	-	64,541.57	2,061.39	62,480.18
Other Expenses	9,115.39	20,059.07	29,174.46	13,787.29	15,387.17
Shade Tree Program					
Other Expenses	2,870.00	6,255.00	9,125.00	5,610.00	3,515.00
Buildings and Grounds:					
Other Expenses	1,014.14	3,781.54	4,795.68	2,447.00	2,348.68
Snow Removal:					
Salaries and Wages	14,572.23	-	14,572.23	14,572.23	-
Vehicle Maintenance:					
Other Expenses	1,387.71	7,557.20	8,944.91	5,005.31	3,939.60
Property Maintenance Code Official					
Salaries and Wages	1,349.68	-	1,349.68	-	1,349.68
<b>HEALTH AND HUMAN SERVICES</b>					
Public Health Priority Funding Act of 1977					
Contraactual Health Services	603.00	549.50	1,152.50	549.50	603.00
<b>PARK AND RECREATION</b>					
Recreation Services and Programs:					
Salaries and Wages	214.00	-	214.00	-	214.00
Other Expenses	992.91	721.71	1,714.62	171.71	1,542.91
Municipal Court:					
Salaries and Wages	55.00	-	55.00	-	55.00
Other Expenses	4,332.40	372.94	4,705.34	91.44	4,613.90
Public Defender:					
Salaries and Wages	1,250.00	-	1,250.00	-	1,250.00
<b>UNIFORM CONSTRUCTION CODE</b>					
Fire Inspector					
Salaries and Wages	440.00	-	440.00	-	440.00
Other Expenses	2,888.26	497.65	3,385.91	-	3,385.91
<b>UTILITY EXPENSE AND BULK PURCHASES</b>					
Electricity	8,220.46	4,887.28	13,107.74	4,887.28	8,220.46
Street Lighting	418.52	6,393.25	6,811.77	4,432.95	2,378.82
Telephone	6,224.83	4,021.74	10,246.57	3,718.25	6,528.32
Water	1,912.20	-	1,912.20	-	1,912.20
Natural Gas & Propane	1,777.20	3,296.25	5,073.45	3,807.83	1,265.62
Gasoline	5,001.78	16,501.19	21,502.97	14,812.54	6,690.43
<b>LANDFILL/SOLID WASTE DISPOSAL COSTS</b>					
Landfill Disposal Costs	1,438.29	6,216.02	7,654.31	4,815.01	2,839.30
<b>UNCLASSIFIED</b>					
Celebration of Public Events	9.18	-	9.18	-	9.18

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, 2013	Encumbrances	Balance After Modifications	Paid or Charged	Balance Lapsed
Contingent	4,619.37	1,574.49	6,193.86	-	6,193.86
Statutory Expenditures:					
Contribution To:					
Social Security System (O.A.S.I.)	33,761.69	-	33,761.69	-	33,761.69
Defined Contribution Retirement Program	1,513.68	-	1,513.68	-	1,513.68
PERS	373.00	-	373.00	-	373.00
PFRS	4.00	-	4.00	-	4.00
OPERATIONS EXCLUDED FROM CAPS					
Group Health Insurance	11,357.00	-	11,357.00	-	11,357.00
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Borough of Manasquan					
Community Alliance for Drugs & Alcohol	2,130.67	-	2,130.67	-	2,130.67
Construction Officials					
Other Expenses	1,964.10	-	1,964.10	-	1,964.10
Township of Wall					
Municipal Court Services	4,900.00	28,050.00	32,950.00	28,050.00	4,900.00
ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES ( N.J.S. 40A:4-45.3h)					
Expenses for Participation in a Free County Library					
Other Expenses	6,506.24	1,950.46	8,456.70	8,456.70	-
Capital	5,000.00	-	5,000.00	5,000.00	-
Total General Appropriations	\$ 310,283.51	\$ 181,383.63	\$ 491,667.14	\$ 189,150.74	\$ 302,516.40
Cash Disbursements				\$ 176,156.55	
Accounts Payable				1,361.00	
Interfund - Library				11,633.19	
Total				\$ 189,150.74	

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF PREPAID TAXES  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 192,286.17
Increased By:	
Cash Receipts:	
Collection of 2015 Taxes	<u>156,239.92</u>
	348,526.09
Decreased By:	
Amount Applied To 2014 Taxes	
Receivable	<u>192,286.17</u>
Balance, December 31, 2014	<u><u>\$ 156,239.92</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF VARIOUS RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2014</u>
Reserve For:				
Off-Duty Police	\$ 13,196.20	\$ 64,000.00	\$ 73,196.20	\$ 4,000.00
Library	828.15	-	-	828.15
Revaluation	148,489.74	-	110,000.00	38,489.74
Tax Appeals	32,220.64	-	-	32,220.64
Debt Service	168,610.43	-	6,290.68	162,319.75
Emergency Road Repair	-	30,229.36	13,095.17	17,134.19
LOSAP	26,519.91	1,000.00	-	27,519.91
Insurance for Repairs	65,449.94	337,509.00	150,000.00	252,958.94
Codification	29,060.00	27,375.00	4,454.00	51,981.00
Workers Compensation	-	19,960.00	19,960.00	-
	<u>\$ 484,375.01</u>	<u>\$ 480,073.36</u>	<u>\$ 376,996.05</u>	<u>\$ 587,452.32</u>
Cash Receipts		\$ 461,939.17		
Budget Appropriations - LOSAP		1,000.00		
Encumbrance		<u>17,134.19</u>		
		<u>\$ 480,073.36</u>		
Cancelled To Operations			\$ 38,147.29	
Encumbrance			20,000.00	
Cash Disbursement			<u>318,848.76</u>	
			<u>\$ 376,996.05</u>	

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE TO STATE OF NEW JERSEY**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2014</u>
Due to State of NJ:				
Construction Surcharge	\$ 5,213.81	\$ 7,402.00	\$ 10,486.62	\$ 2,129.19
Fire Safety	6,026.85	3,026.73	-	9,053.58
	<u>\$ 11,240.66</u>	<u>\$ 10,428.73</u>	<u>\$ 10,486.62</u>	<u>\$ 11,182.77</u>

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF COUNTY TAXES PAYABLE**  
**YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 33,794.57
Increased By:		
2014 Tax Levy:		
County Tax	\$ 5,766,807.04	
County Library Tax	367,461.43	
County Open Space Fund Tax	314,456.43	
Due County for Added Taxes	<u>35,242.61</u>	
		<u>6,483,967.51</u>
		6,517,762.08
Decreased By:		
Cash Disbursements		<u>6,482,519.35</u>
Balance, December 31, 2014		<u><u>\$ 35,242.73</u></u>



**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF LOCAL SCHOOL TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		
School Tax Payable	\$ 1,163,044.26	
School Tax Deferred	<u>883,202.00</u>	2,046,246.26
Increased By:		
Levy (School Year July 1, 2014 to June 30, 2015)		<u>4,214,209.00</u>
		6,260,455.26
Decreased By:		
Cash Disbursements		<u>4,153,346.00</u>
Balance, December 31, 2014		
School Tax Payable	1,223,907.26	
School Tax Deferred	<u>883,202.00</u>	<u>2,107,109.26</u>
<u>2014 Liability for Local District School Tax</u>		
Tax Payable, December 31, 2014		1,223,907.26
Tax Paid		<u>4,153,346.00</u>
		5,377,253.26
Less:		
Tax Payable, December 31, 2013		<u>1,163,044.26</u>
Amount Charged To 2014 Operations		<u>\$ 4,214,209.00</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 8,185.31
Decreased By:	
Cash Disbursed	<u>8,185.31</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE  
YEAR ENDED DECEMBER 31, 2014

Resolution Date	Description	Date of Issue of Original Note	Date of Maturity	Interest Rate	Balance December 31, 2013	Increase	Decrease	Balance December 31, 2014
04/01/13	Extraordinary Expenses Resulting from Damage Caused by Superstorm Sandy	11/29/13	11/28/14	1.05%	\$ 297,818.00	-	\$ 297,818.00	\$ -

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GRANT FUND**  
**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	Increased By Revenue Anticipated <u>2014</u>	Cash <u>Receipts</u>	Balance December 31, <u>2014</u>
Clean Communities Program	\$ -	\$ 6,379.84	\$ 6,379.84	\$ -
Monmouth County National Emergency Grant - Sandy	17,900.30	-	14,215.05	3,685.25
ROID	1,826.40	-	-	1,826.40
Body Armor	-	1,427.86	1,427.86	-
	<u>\$ 19,726.70</u>	<u>\$ 7,807.70</u>	<u>\$ 22,022.75</u>	<u>\$ 5,511.65</u>

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GRANT FUND**  
**SCHEDULE OF RESERVE FOR STATE GRANTS - APPROPRIATED**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, 2013	2014 Authorizations	Adjustment	Expended	Balance December 31, 2014
Alcohol Education and Rehabilitation Fund	\$ 5,018.81	\$ -	\$ -	\$ -	\$ 5,018.81
DWI Enforcement	15,629.03	-	-	10,168.00	5,461.03
Body Armor Fund	6,130.85	1,427.86	1,771.40	1,760.80	7,569.31
Clean Communities Program	22,300.24	6,379.84	-	-	28,680.08
Monmouth County National Emergency Grant - Sandy	9,519.17	-	-	600.00	8,919.17
Stormwater Regulation	8,769.00	-	-	-	8,769.00
	<u>\$ 67,367.10</u>	<u>\$ 7,807.70</u>	<u>\$ 1,771.40</u>	<u>\$ 12,528.80</u>	<u>\$ 64,417.40</u>

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GRANT FUND**  
**SCHEDULE OF RESERVE FOR STATE GRANTS - UNAPPROPRIATED**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance		Transferred	Balance
	December 31,	Cash	to	December 31,
	<u>2013</u>	<u>Receipts</u>	<u>Grants</u>	<u>2014</u>
			<u>Receivable</u>	
DWI Fund	\$ -	\$ 59.08	\$ -	\$ 59.08
	\$ -	\$ 59.08	\$ -	\$ 59.08

## **TRUST FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST FUND  
SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

	Animal Control <u>Fund</u>	Other <u>Trust Funds</u>
Balance, December 31, 2013	\$ \$ 8,624.96	\$ \$ 1,007,297.08
Increased By Receipts:		
Due From Current Fund	-	15,874.33
Reserve for Animal Control	1,498.80	-
State Registration Fees	187.20	-
Law Enforcement	-	0.60
Unemployment Compensation	-	9,990.45
Deferred Sick Leave	-	38,045.79
Board of Recreation Commission	-	117,286.28
Police Escrow	-	0.60
Library fund	-	6,113.05
Various Reserves	-	406,270.38
Flex Spending Account	-	1,000.65
	<u>1,686.00</u>	<u>594,582.13</u>
	<u>10,310.96</u>	<u>1,601,879.21</u>
Decreased By Disbursements:		
Statutory Excess to Current	4,655.16	-
Reserve for Animal Control	404.20	-
State Registration Fees	187.20	-
Law Enforcement	-	-
Unemployment Compensation	-	38,857.77
Deferred Sick Leave	-	66,068.05
Board of Recreation Commission	-	100,387.41
Library fund	-	46,700.00
Various Reserves	-	172,549.75
Flex Spending Account	-	1,000.00
	<u>5,246.56</u>	<u>425,562.98</u>
Balance, December 31, 2014	<u>\$ \$ 5,064.40</u>	<u>\$ \$ 1,176,316.23</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, 2014**

Balance, December 31, 2013		\$ 3,969.80
Increased By:		
Dog License Fees Collected		<u>1,498.80</u>
		5,468.60
Decreased By:		
Expenditures Under R.S. 4:19-15:11	\$ 404.20	
Statutory Excess	<u>1,264.80</u>	
		<u>1,669.00</u>
Balance, December 31, 2014		<u><u>\$ 3,799.60</u></u>

License Fees Collected

2012	\$ 1,855.60
2013	<u>1,944.00</u>
	<u><u>\$ 3,799.60</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, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
Cash Receipts	<u>187.20</u>
	187.20
Decreased By:	
Payments to State	<u>187.20</u>
Balance, December 31, 2014	<u><u>\$ -</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, 2014**

Balance, December 31, 2014 and 2013	<u>\$ 765.88</u>
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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST - OTHER FUND  
SCHEDULE OF RESERVE FOR UNEMPLOYMENT COMPENSATION INSURANCE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 63,897.78
Increased By:	
Cash Receipts	<u>9,990.45</u>
	73,888.23
Decreased By:	
Cash Disbursements	<u>38,857.77</u>
Balance, December 31, 2014	<u>\$ 35,030.46</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST - OTHER FUND  
SCHEDULE OF RESERVE FOR DEFERRED SICK LEAVE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 87,166.27
Increased By:	
Cash Receipts	<u>38,045.79</u>
	125,212.06
Decreased By:	
Cash Disbursements	<u>66,068.05</u>
Balance, December 31, 2014	<u><u>\$ 59,144.01</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, 2014**

Balance, December 31, 2013	\$ 97,359.90
Increased By:	
Cash Receipts	<u>117,286.28</u>
	214,646.18
Decreased By:	
Cash Disbursements	<u>100,387.41</u>
Balance, December 31, 2014	<u><u>\$ 114,258.77</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST - OTHER FUND  
SCHEDULE OF POLICE ESCROW  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 756.52
Increased By:	
Cash Receipts	<u>0.60</u>
Balance, December 31, 2014	<u><u>\$ 757.12</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, 2014**

Balance, December 31, 2013		\$ 570,714.23
Increased By:		
Due From Current Fund	\$ 14,377.87	
Donations	5,000.00	
Interest Accrued	834.91	
Miscellaneous	<u>278.14</u>	
		<u>20,490.92</u>
		591,205.15
Decreased By:		
Cash Disbursements		<u>46,700.00</u>
Balance, December 31, 2014		<u><u>\$ 544,505.15</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST FUND  
SCHEDULE OF DUE TO/(FROM) CURRENT FUND  
YEAR ENDED DECEMBER 31, 2014**

FSA  
Reserve

Balance, December 31, 2014 and 2013	\$ <u>1,700.00</u>
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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST FUND  
SCHEDULE OF VARIOUS TRUST FUND RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Increase</u>	<u>Decrease</u>	Balance December 31, <u>2014</u>
Trust - Other	\$ 9,004.08	\$ 9,275.00	\$ 750.00	\$ 17,529.08
Dune Walkover Fees	5,358.00		2,840.00	2,518.00
Reserve for Tax Sale Premium	-	46,100.00		46,100.00
Reserve for POAA	4.00	6.00		10.00
Snow Removal	44,420.83	18,572.23	17,706.36	45,286.70
Recycling Fees	46,352.69	12,821.27	40,000.00	19,173.96
Marriage License Fees	125.00	250.00	325.00	50.00
Donation	39,990.75	93,238.38	25,011.89	108,217.24
Planning Board Escrow	56,092.01	226,007.50	85,916.50	196,183.01
	<u>\$ 201,347.36</u>	<u>\$ 406,270.38</u>	<u>\$ 172,549.75</u>	<u>\$ 435,067.99</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
TRUST FUND  
SCHEDULE OF RESERVE FOR FLEX SPENDING ACCOUNT  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$	97.74
Increased By:			
FSA Contributions Receivable	\$	-	
Cash Receipts		<u>1,000.65</u>	
			<u>1,000.65</u>
			1,098.39
Decreased By:			
Cash Disbursements		<u>1,000.00</u>	
Balance, December 31, 2014		<u>\$</u>	<u>98.39</u>

**GENERAL CAPITAL FUND**

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**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF CASH - TREASURER**  
**YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 1,050,314.76
Increased By:		
Due from Current Fund	\$ 525,292.73	
Excess Funds Raised for BAN Paydown	4,467.27	
Transfers from Other Funds to		
Fund Ordinances	40,000.00	
DOT Grant	237,500.00	
County Grant	13,900.00	
Contribution from Brielle for Future Debt Service	6,128.54	
Bond Anticipation Note Proceeds	617,000.00	
Capital Improvement Fund	100,000.00	
		<u>\$ 1,544,288.54</u>
		2,594,603.30
Decreased By:		
Improvement Authorizations	751,358.46	
Capital Fund Balance	5,260.76	
Reserve for Debt Service	300,945.09	
		<u>1,057,564.31</u>
Balance, December 31, 2014		<u><u>\$ 1,537,038.99</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, 2014**

	Balance December 31, <u>2014</u>
Fund Balance	\$ 101,546.83
Capital Improvement Fund	79,154.61
Reserve To Pay Debt Service	224,424.08
Excess Financing	184,750.00
<u>Year</u>	<u>Improvement Description</u>
2012-05	Improvements to Philadelphia Blvd 8,050.99
2012-08	Various General Improvements 37,803.28
2013-11	Various General Improvements 24,811.38
2013-19	Roadway Improvements/Recreation Equip. 119,294.09
06-2014	Acquisition of Equipment 111,121.06
07-2014	Road Improvements 624,609.25
08-2014	Purchase Equipment for Recycling Program 1,667.00
16-2014	Various General Improvements 19,806.42
	<hr/>
	\$ 1,537,038.99



**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 3,110,000.00
Decreased By:	
Bonds Paid	<u>185,000.00</u>
Balance, December 31, 2014	<u><u>\$ 2,925,000.00</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, 2014

Ordinance No.	Improvement Description	Balance December 31, 2013	2014 Authorizations	Funded by Budget Appropriation	Grants Received	Balance December 31, 2014	Analysis of Balance		
							Bond Anticipation Notes	Excess Financing	Unexpended Improvement Authorizations
19-2013	Roadway Improvements/Recreation Equip.	\$ 736,250.00	\$ -	\$ 198,000.00	\$ 185,000.00	\$ 353,250.00	\$ 538,000.00	\$ (184,750.00)	\$ -
07-2014	Road Improvements	-	617,500.00	-	-	617,500.00	617,000.00	-	500.00
		<u>\$ 736,250.00</u>	<u>\$ 617,500.00</u>	<u>\$ 198,000.00</u>	<u>\$ 185,000.00</u>	<u>\$ 970,750.00</u>	<u>\$ 1,155,000.00</u>	<u>\$ (184,750.00)</u>	<u>\$ 500.00</u>

Improvement Authorizations - Unfunded

Less: Unexpended Proceeds of Bond Anticipation Notes - Issued:

Ordinance 2012-05

Ordinance 2014-07

\$	625,550.99
8,050.99	
<u>617,000.00</u>	
\$	<u>500.00</u>

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF GENERAL SERIAL BONDS**  
**YEAR ENDED DECEMBER 31, 2014**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2014</u>	<u>Interest Rate</u>	<u>Balance December 31, 2013</u>	<u>Decreased</u>	<u>Balance December 31, 2014</u>
General Improvements	12/19/12	\$ 3,280,000.00	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%			
					\$ 3,110,000.00	\$ 185,000.00	\$ 2,925,000.00
					<u>\$ 3,110,000.00</u>	<u>\$ 185,000.00</u>	<u>\$ 2,925,000.00</u>

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2014

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, 2013	Increase	Decrease	Balance December 31, 2014
19-2013	Roadway Improvements and the	736,000.00	11/01/13	10/31/14	10/30/15	1.00%	\$ 736,000.00	\$ -	\$ 198,000.00	\$ 538,000.00
07-2014	Road Improvements	617,000.00	10/31/14	10/31/14	10/30/15	1.00%	-	617,000.00	-	617,000.00
							<u>\$ 736,000.00</u>	<u>\$ 617,000.00</u>	<u>\$ 198,000.00</u>	<u>\$ 1,155,000.00</u>

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2013		Capital Improvement Fund	Recycling Trust Fund	Deferred Charges To Future Taxation Unfunded	Encumbrances Reclassified	Expended	Reappropriated/Cancelled	Balance December 31, 2014		Encumbered
				Funded	Unfunded							Funded	Unfunded	
06-2010	Beacon Blvd	06/23/10	\$ 1,184,600.00	\$ 27,330.37	\$ -	\$ -	\$ -	\$ -	\$ 2,669.63	\$ -	\$ (30,000.00)	(0.00)	\$ -	\$ -
07-2011	Various General Improvements	04/13/11	374,500.00	14,525.95	804.68	-	-	-	-	15,330.63	-	0.00	-	-
2012-05	Improvements to Philadelphia Blvd	04/25/12	700,000.00	-	10,616.65	-	-	-	-	2,565.66	-	-	8,050.99	-
2012-08	Various General Improvements	04/25/12	300,000.00	81,328.46	-	-	-	-	34,745.67	78,067.23	(203.62)	32,991.28	-	4,812.00
2013-03	Purchase Equipment for Borough Hall	02/13/13	2,500.00	370.31	-	-	-	-	-	-	(370.31)	(0.00)	-	-
2013-11	Various General Improvements	06/12/13	266,750.00	157,784.32	-	-	-	-	85,329.09	98,302.03	(120,000.00)	11,063.22	-	13,748.16
2013-19	Roadway Improvements/Recreation Equip.	07/10/13	775,000.00	-	314,382.25	-	-	-	209,708.48	404,796.64	-	-	-	119,294.09
2013-25	Various General Improvements	10/01/13	40,000.00	40,000.00	-	-	-	-	-	-	(40,000.00)	-	-	-
06-2014	Acquisition of Equipment	03/28/14	190,000.00	-	-	-	-	-	-	78,878.94	190,000.00	111,121.06	-	-
07-2014	Road Improvements	04/18/14	650,000.00	-	-	32,500.00	-	617,500.00	-	24,890.75	-	7,609.25	617,500.00	-
08-2014	Purchase Equipment for Recycling Program	03/28/14	40,000.00	-	-	-	40,000.00	-	-	38,333.00	-	1,667.00	-	-
16-2014	Various General Improvements	10/10/14	30,000.00	-	-	30,000.00	-	-	-	10,193.58	-	5,350.00	-	14,456.42
				\$ 321,339.41	\$ 325,803.58	\$ 62,500.00	\$ 40,000.00	\$ 617,500.00	\$ 332,452.87	\$ 751,358.46	\$ (573.93)	\$ 169,801.81	\$ 625,550.99	\$ 152,310.67

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 41,284.30
Increased By:		
2014 Budget Appropriation	\$ 100,000.00	
Improvement Authorizations Canceled	<u>370.31</u>	
		<u>100,370.31</u>
		141,654.61
Decreased By:		
Improvement Authorizations Funded		<u>62,500.00</u>
Balance, December 31, 2014		<u><u>\$ 79,154.61</u></u>

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF VARIOUS RESERVES**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Increase</u>	<u>Decrease</u>	Balance December 31, <u>2014</u>
Pay Down Notes	\$ 192,606.29	\$ 76,995.81	\$ 45,178.02	\$ 224,424.08
Pay Down Bonds	255,767.07	-	255,767.07	-
	<u>\$ 448,373.36</u>	<u>\$ 76,995.81</u>	<u>300,945.09</u>	<u>\$ 224,424.08</u>

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, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, 2013	2014 <u>Authorizations</u>	BANS <u>Issued</u>	Grant <u>Received</u>	Balance December 31, 2014
19-2013	Roadway Improvements/Recreation Equip.	\$ 250.00	\$ -	\$ -	\$ 250.00	\$ -
07-2014	Road Improvements	-	617,500.00	617,000.00	-	500.00
		<u>\$ 250.00</u>	<u>\$ 617,500.00</u>	<u>\$ 617,000.00</u>	<u>\$ 250.00</u>	<u>\$ 500.00</u>



**WATER-SEWER UTILITY FUNDS**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2013	\$ 1,158,901.40	\$ 560,724.38
Increased By Receipts:		
Miscellaneous Revenue	\$ 42,985.75	\$ -
Consumer Account Receivable	1,762,818.69	-
Water Infrastructure Grant Rec.	-	-
Due From Water Sewer Operating Fund	347.67	818,643.06
Interest Due Water Sewer Operating Fund	-	647.51
Unfunded Ordinances Raised in 2014 Budget	-	171,823.97
Capital Improvement Fund	-	60,000.00
	<u>1,806,152.11</u>	<u>1,051,114.54</u>
	2,965,053.51	1,611,838.92
Decreased By Disbursements:		
Budget Appropriations	1,571,380.72	-
Due to Water Sewer Operating	-	347.67
Due to Water Sewer Capital Fund	818,643.06	-
Appropriation Reserves	33,182.98	-
Deferred Charges - Unfunded Improvement	-	113,935.00
Improvement Authorizations	-	867,379.66
	<u>2,423,206.76</u>	<u>981,662.33</u>
Balance, December 31, 2014	<u><u>\$ 541,846.75</u></u>	<u><u>\$ 630,176.59</u></u>

**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**WATER-SEWER UTILITY CAPITAL FUND**  
**SCHEDULE OF WATER-SEWER UTILITY CAPITAL FUND CASH**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2014</u>
Water Infrastructure Grant Rec.	\$ (134,586.00)
Fund Balance	8,158.12
Interfund - Water - Sewer Operating	660,299.84
Reserve to Pay Bonds	5,500.00
Encumbrances Payable	86,065.00
Excess Financing	(102,441.67)
Deferred Charges - Expenditure without Appropriation	(200,000.00)

<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	(18,194.47)
18-2009	Various Improvements	(58,261.86)
2011-08	Various Improvements	24,077.95
2012-26	Various Improvements	308,262.68
12-2013	Various Improvements	40,415.61
14-2013	Various Improvements	10.00
31-2013	Various Improvements	2.20
05-2014	Various Improvements	151,720.15
		<u>\$ 630,176.59</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 91,409.47
Increased By:	
Water/Sewer Rents Levied	<u>1,723,586.10</u>
	1,814,995.57
Decreased By:	
Collections	<u>1,762,818.69</u>
Balance, December 31, 2014	<u><u>\$ 52,176.88</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2014 and 2013</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><u>\$ 2,968,686.50</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2014**

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Amount</u>	<u>Balance December 31, 2013</u>	<u>Increase</u>	<u>Balance December 31, 2014</u>
895	Various Improvements	\$ 75,000.00	\$ 56,074.06	\$ -	\$ 56,074.06
924	Water System	50,000.00	42,167.98	-	42,167.98
938	Various Improvements	40,000.00	34,535.70	-	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	114,155.94	-	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
12-2013	Various Improvements	60,000.00	60,000.00	-	60,000.00
14-2013	Various Improvements	210,000.00	210,000.00	-	210,000.00
31-2013	Various Improvements	80,000.00	80,000.00	-	80,000.00
05-2014	Various Improvements	190,000.00	-	190,000.00	190,000.00
12-2014	Improvements to Stockton Boulevard	60,000.00	-	60,000.00	60,000.00
18-2014	Improvements to Water Tower	200,000.00	-	200,000.00	200,000.00
			<u>\$ 9,846,433.68</u>	<u>\$ 450,000.00</u>	<u>\$ 10,296,433.68</u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY OPERATING FUND  
SCHEDULE OF APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, 2013	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 14,265.47	\$ 14,665.47	\$ -	\$ 14,665.47
Other Expenses	35,043.35	68,747.06	31,062.36	37,684.70
Legal and Engineering:				
Other Expenses	8,673.82	12,361.82	-	12,361.82
South Monmouth Reg. Sewerage Auth:				
Other Expenses	8,449.60	8,449.60	-	8,449.60
N.J. Water Supply - MCIA:				
Other Expenses	12,575.68	12,575.68	-	12,575.68
Treatment of Water:				
Other Expenses	7,189.70	14,142.27	6,952.57	7,189.70
Statutory Expenditures:				
Contribution To Social Security System (O.A.S.I.)	8,258.08	8,258.08	918.05	7,340.03
	<u>\$ 94,455.70</u>	<u>\$ 139,199.98</u>	<u>\$ 38,932.98</u>	<u>\$ 100,267.00</u>
Appropriation Reserves	\$ 94,455.70			
Encumbrances Payable	<u>44,744.28</u>			
Total	<u>\$ 139,199.98</u>			
Cash Disbursements		\$ 33,182.98		
Accounts Payable		<u>5,750.00</u>		
Total		<u>\$ 38,932.98</u>		



**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY OPERATING FUND  
SCHEDULE OF ENCUMBRANCES PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 44,744.28
Increased By:	
Transferred From 2014 Appropriations	<u>12,232.84</u>
	56,977.12
Decreased By:	
Transferred To Appropriation Reserves	<u>44,744.28</u>
Balance, December 31, 2014	<u><u>\$ 12,232.84</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF NJEIT LOANS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

<u>Description</u>	Balance December 31, <u>2014 and 2013</u>
NJEIT Loans	<u>\$ 134,586.00</u>
	<u><u>\$ 134,586.00</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 36,055.21
Increased By:	
2014 Accrued Interest	<u>33,896.88</u>
	69,952.09
Decreased By:	
Interest Paid	<u>36,055.21</u>
Balance, December 31, 2014	<u><u>\$ 33,896.88</u></u>

Analysis of Balance - December 31, 2014

	Outstanding December 31, <u>2014</u>	Interest <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
NJEIT Loans					
NJEIT Loan - 2010B	\$ 350,000.00	5.00%	8/1/14	12/31/14	\$ 7,291.67
NJEIT Loan - 2006A	1,335,000.00	5.00%	8/1/14	12/31/14	24,031.25
Serial Bonds					
2012 Serial Bonds	1,060,000.00	2.00%	12/1/14	12/31/14	<u>2,573.96</u>
Total Accrued Interest					<u><u>\$ 33,896.88</u></u>

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Decreased	Balance December 31, 2014
			Date	Amount				
Water & Sewer Improvements	12/19/12	\$ 1,145,000.00	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%			
						\$ 1,105,000.00	\$ 45,000.00	\$ 1,060,000.00
						\$ 1,105,000.00	\$ 45,000.00	\$ 1,060,000.00

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Description	Amount	Balance December 31, 2013		Authorized	Encumbrances Reclassified	Expended	Encumbrances	Balance December 31, 2014	
			Funded	Unfunded					Funded	Unfunded
18-2009	Various Improvements	\$ 4,295,000.00	\$ -	\$ 3,425,592.34	\$ -	\$ 248,795.25	\$ 294,650.45	\$ 1,785.00	\$ -	\$ 3,377,952.14
2011-08	Various Improvements	561,000.00	21,694.39	59,204.50	-	6,933.00	63,753.94	12,992.56	11,085.39	-
26-2012	Water Tower Improvements	500,000.00	382,605.53	112,619.47	-	-	186,962.32	308,262.68	-	-
12-2013	Various Improvements	60,000.00	46,915.21	-	-	-	6,499.60	19,349.00	21,066.61	-
14-2013	Various Improvements	210,000.00	210,000.00	-	-	-	209,990.00	-	10.00	-
31-2013	Various Improvements	80,000.00	7,245.70	-	-	-	7,243.50	-	2.20	-
05-2014	Various Improvements	190,000.00	-	-	190,000.00	-	38,279.85	-	151,720.15	-
12-2014	Improvements to Stockton Boulevard	60,000.00	-	-	60,000.00	-	60,000.00	-	-	-
			\$ 668,460.83	\$ 3,597,416.31	\$ 250,000.00	\$ 255,728.25	\$ 867,379.66	\$ 342,389.24	\$ 183,884.35	\$ 3,377,952.14

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 60,973.75
Increased By:	
2014 Budget Appropriation	<u>60,000.00</u>
	120,973.75
Decreased By:	
Improvement Authorization Down Payment	<u>120,973.75</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 2,968,686.50
Increased By:	
Paydown of Bond Principal	<u>45,000.00</u>
Balance, December 31, 2014	<u><u>\$ 3,013,686.50</u></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, 2014**

Balance, December 31, 2013		\$ 1,494,912.31
Increased By:		
Capital Improvement Fund	\$ 120,973.75	
Fund Balance	129,026.25	
Due from Water-Sewer Operating	200,000.00	
Raised by Budget Appropriation	171,823.97	
State of New Jersey Environmental		
Infrastructure Loan Payment	<u>216,984.11</u>	
		<u>838,808.08</u>
Balance, December 31, 2014		<u><u>\$ 2,333,720.39</u></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, 2014**

<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, 2013</u>	<u>Decreased</u>	<u>Balance December 31, 2014</u>
Water Utility General	\$ 1,830,882.00	11/09/06	8/1/14 to 8/1/26	Variable	N/A	\$ 1,223,479.99	\$ 95,411.68	\$ 1,128,068.31
Water Utility General	1,845,000.00	11/09/06	8/1/14 to 8/1/26	Variable	4.00% to 5.00%	1,420,000.00	85,000.00	1,335,000.00
Water Utility General	395,000.00	12/20/10	8/1/14 to 8/1/30	Variable	5.00%	365,000.00	15,000.00	350,000.00
Water Utility General	424,258.00	12/20/10	8/1/14 to 8/1/30	Variable	N/A	366,731.31	21,572.43	345,158.88
						<u>\$ 3,375,211.30</u>	<u>\$ 216,984.11</u>	<u>\$ 3,158,227.19</u>

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, 2014

Ordinance Number	Purpose	Balance December 31, 2013	Raised in Budget	Balance December 31, 2014
924	Improvements to Water Supply System	\$ 36,022.26	\$ -	\$ 36,022.26
938	Various Improvements	4,585.70	-	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	18,194.47	-	18,194.47
18-2009	Various Improvements	3,437,999.00	-	3,437,999.00
26-2012	Water Tower Improvements	112,619.47	112,619.47	-
		<u>\$ 3,709,663.90</u>	<u>\$ 112,619.47</u>	<u>\$ 3,597,044.43</u>

**BEACH UTILITY FUND**

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**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY FUND  
SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2013	\$ 303,639.28	\$ 145,906.89
Increased By Receipts:		
Miscellaneous Revenue	\$ 4,119.62	-
Beach Fees	1,058,149.75	-
Concession - Beach Pavilion	73,519.99	-
National Guard	43,761.71	-
Change Fund	2,000.00	-
Reserve for Dune Donations	500.00	-
Reserve for Concession Stand	26,317.00	-
Note Proceeds	-	\$ 100,000.00
Transfer from Current	-	150,000.00
Interest Due Beach Operating	-	86.10
Capital Improvement Fund	-	1,000.00
	<u>1,208,368.07</u>	<u>251,086.10</u>
	1,512,007.35	396,992.99
Decreased By Disbursements:		
Budget Appropriations	1,173,888.92	-
Appropriation Reserves	9,744.40	-
Reserve for Equipment	9,995.00	-
Change Fund	2,000.00	-
Prior Year Refunds	7,500.00	-
Interfunds Liquidated	-	88.67
Reserve to Pay Notes	-	67,585.00
Improvement Authorizations:	-	176,580.44
	<u>1,203,128.32</u>	<u>244,254.11</u>
Balance, December 31, 2014	<u>\$ 308,879.03</u>	<u>\$ 152,738.88</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, 2014**

		Balance December 31, <u>2014</u>
Capital Improvement Fund		\$ 3,000.00
Reserve for Payment of Notes		38,589.81
Due Beach Operating		7.09
Fund Balance		74,189.96
<u>Ordinance Number</u>	<u>Improvement Description</u>	
873	Various General Improvements	(17,525.00)
925	Various General Improvements	(170.00)
2006-06	Beach Pavilion	21.91
2007-09	Various General Improvements	(1,650.00)
2009-07	Various General Improvements	(19,807.70)
2011-06	Various General Improvements	1,316.48
2013-01	Boardwalk and Pavillion Improvements	(1,809.77)
2014-17	Beach Pavilion Improvements and Acquisition of Equipment	6,576.10
2014-22	Acquisition of Equipment	<u>70,000.00</u>
		<u><u>\$ 152,738.88</u></u>

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Description	Ordinance Date	Amount	Balance December 31, 2013		Authorized	Expended	Encumbrances Returned	Balance December 31, 2014		Encumbered
				Funded	Unfunded				Funded	Unfunded	
2006-06	Beach Pavilion	7/26/06	200,000.00	\$ -	\$ 51,084.78	\$ -	\$ 51,084.78	\$ 21.91	\$ -	\$ 21.91	\$ -
2009-07	2009 Various General Improvements	4/22/09	49,550.00	-	33,358.02	-	13,303.00	7,209.78	-	23,680.02	3,584.78
2011-06	2011 Various General Improvements	6/1/11	92,000.00	-	1,316.48	-	-	-	-	1,316.48	-
2013-01	Boardwalk and Pavillion Improvements	3/6/13	1,750,000.00	-	31,876.63	-	38,768.76	9,917.36	-	431.51	2,593.72
2014-17	Beach Pavilion Improvements and Acquisition of Equipment	7/9/14	80,000.00	-	-	80,000.00	73,423.90	-	760.55	-	5,815.55
2014-22	Acquisition of Equipment	12/10/14	70,000.00	-	-	70,000.00	-	-	3,293.23	-	66,706.77
				\$ -	\$ 117,635.91	\$ 150,000.00	\$ 176,580.44	\$ 17,149.05	\$ 4,053.78	\$ 25,449.92	\$ 78,700.82

BOROUGH OF SEA GIRT  
 COUNTY OF MONMOUTH, NEW JERSEY  
 BEACH UTILITY CAPITAL FUND  
 SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
 YEAR ENDED DECEMBER 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Amount</u>	<u>Balance December 31, 2013</u>	<u>Increase</u>	<u>Balance December 31, 2014</u>
2006-06	Beach Pavilion	200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00
2007-09	Various General Improvements - 2007	107,000.00	107,000.00	-	107,000.00
2009-07	Various General Improvements - 2009	45,550.00	107,000.00	-	107,000.00
2010-04	Various General Improvements - 2010	35,000.00	35,000.00	-	35,000.00
2011-6	Various General Improvements - 2011	92,000.00	92,000.00	-	92,000.00
2013-01	Boardwalk and Pavillion Improvements	1,750,000.00	1,750,000.00	-	1,750,000.00
2014-17	Various General Improvements - 2014	80,000.00	-	80,000.00	80,000.00
2014-22	Various General Improvements - 2014	70,000.00	-	70,000.00	70,000.00
			<u>\$ 2,291,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 2,441,000.00</u>



**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, 2014**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, <u>2013</u>	Notes <u>Issued</u>	Balance December 31, <u>2014</u>
873	2003 Various Beach Improvements	\$ 17,525.00	\$ -	\$ 17,525.00
925	2005 Various Beach Improvements	170.00		170.00
2007-09	2007 Various Beach Improvements	101,650.00	100,000.00	1,650.00
2009-07	2009 Various Beach Improvements	47,072.50		47,072.50
2013-01	Boardwalk and Pavillion Improvements	4,835.00		4,835.00
		<u>\$ 171,252.50</u>	<u>\$ 100,000.00</u>	<u>\$ 71,252.50</u>

BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Purpose	Date of Issue of Original Note	Amount of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2013	Notes Issued	Notes Paid	Balance December 31, 2014
873	Various Beach Improvements	6/15/05	\$ 480,000.00	7/14/14	8/14/14	1.00%	\$ 101,800.00	\$ -	\$ 101,800.00	\$ -
896	Various Beach Improvements	5/25/06	142,500.00	7/14/14	8/14/14	1.00%	49,817.00		49,817.00	
925	Various Beach Improvements	5/25/06	198,000.00	7/14/14	8/14/14	1.00%	67,800.00		67,800.00	
939	Various Beach Improvements	5/25/06	190,000.00	7/14/14	8/14/14	1.00%	68,443.00		68,443.00	
2006-06	Various Beach Improvements	5/25/06	111,750.00	7/14/14	8/14/14	1.00%	38,255.00		38,255.00	
2010-04	Various Beach Improvements	5/22/10	33,250.00	7/14/14	8/14/14	1.00%	23,800.00		23,800.00	
2011-06	Various Beach Improvements	5/21/11	87,400.00	7/14/14	8/14/14	1.00%	69,920.00		69,920.00	
2013-01	Boardwalk and Beach Pavillion	4/15/13	1,750,000.00	7/14/14	7/13/15	1.00%	1,745,165.00		1,620,665.00	124,500.00
2009-07	Various Beach Improvements	10/31/14	100,000.00	10/31/14	10/30/15	1.00%		100,000.00		100,000.00
							\$ 2,165,000.00	\$ 100,000.00	\$ 2,040,500.00	\$ 224,500.00

  

Paid by Budget Appropriation	\$ 216,500.00
Paid with FEMA Funds	1,756,415.00
Paid from Reserve for Debt Service	67,585.00
New Money	100,000.00
Total	100,000.00
	2,040,500.00

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 2,934,155.08
Increased By:	
Capital Outlay	<u>25,803.30</u>
Balance, December 31, 2014 and 2013	<u><u>\$ 2,959,958.38</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY CAPITAL FUND  
COMPARATIVE SCHEDULE OF FUND BALANCE -  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2014 AND 2013**

Balance, December 31, 2014 and 2013

\$ 74,189.96

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 2,000.00
Increased By:	
Operating Budget Appropriation	<u>1,000.00</u>
Balance, December 31, 2014	<u><u>\$ 3,000.00</u></u>

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 2,876,925.08
Increased By:		
Notes Paid By Operating Budget	\$ 216,500.00	
Fund Improvement Authorization	150,000.00	
Capital Outlay	25,803.30	
FEMA Proceeds	1,824,000.00	
		<u>2,216,303.30</u>
Balance, December 31, 2014		<u><u>\$ 5,093,228.38</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, 2014**

Balance, December 31, 2014 and 2013	<u>\$ 11,977.50</u>
-------------------------------------	---------------------

**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY OPERATING FUND  
SCHEDULE OF APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Beachfront Maintenance:				
Salaries and Wages	\$ 9,647.09	\$ 9,647.09	\$ -	\$ 9,647.09
Other Expenses	29,549.65	29,549.65	6,341.90	23,207.75
Police Department:				
Other Expenses	64.00	64.00	-	64.00
Financial Administration (Treasury):				
Other Expenses	680.42	680.42	-	680.42
Legal Services:				
Other Expenses	1.00	1.00	-	1.00
Road Repairs and Maintenance:				
Salaries and Wages	1,931.23	1,931.23	-	1,931.23
Engineering Services:				
Other Expenses	8,683.75	8,683.75	3,402.50	5,281.25
Administrative and Executive:				
Salaries and Wages	1,986.85	1,986.85	-	1,986.85
Water & Sewer Utility				
Salaries and Wages - NGTC	12,286.85	12,286.85	-	12,286.85
Capital Improvements:				
Capital Outlay	6,222.24	6,222.24	-	6,222.24
Statutory Expenditures:				
Contributions To:				
Social Security System (O.A.S.I.)	4,732.40	4,732.40	-	4,732.40
Total Beach Utility Appropriations	<u>\$ 75,785.48</u>	<u>\$ 75,785.48</u>	<u>\$ 9,744.40</u>	<u>\$ 66,041.08</u>
Appropriation Reserves	\$ 65,815.66			
Encumbrances Payable	<u>9,969.82</u>			
Total	<u><u>\$ 75,785.48</u></u>			



**BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
BEACH UTILITY OPERATING FUND  
SCHEDULE OF ENCUMBRANCES PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 9,969.82
Increased By:	
Transferred From 2014 Appropriations	<u>21,637.11</u>
	31,606.93
Decreased By:	
Transferred To Appropriation Reserves	<u>9,969.82</u>
Balance, December 31, 2014	<u><u>\$ 21,637.11</u></u>

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**GENERAL FIXED ASSET ACCOUNT GROUP**

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**BOROUGH OF SEA GIRT**  
**COUNTY OF MONMOUTH, NEW JERSEY**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	Balance December 31, <u>2014</u>
Land	\$ 29,687,000.00	\$ -	\$ -	\$ (5,057,473.00)	\$ 24,629,527.00
Buildings and Improvements	-	-	-	5,057,473.00	5,057,473.00
Machinery and Equipment	2,218,094.00	101,600.00	-	1,439,264.00	3,758,958.00
	<u>\$ 31,905,094.00</u>	<u>\$ 101,600.00</u>	<u>\$ -</u>	<u>\$ 1,439,264.00</u>	<u>\$ 33,445,958.00</u>

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**SINGLE AUDIT SECTION**

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HOLMAN | FRENIA  
ALLISON, P.C.

Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333

618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612

912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800

795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090

926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090

[www.hfacpas.com](http://www.hfacpas.com)

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
OMB CIRCULAR A-133 AND NJ OMB CIRCULAR 04-04**

Honorable Mayor and Members  
of the Borough Council  
Borough of Sea Girt  
County of Monmouth  
Sea Girt, New Jersey 08775

**Report on Compliance for Each Major Federal Program**

We have audited the Borough of Sea Girt's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* and the *New Jersey Grants Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal programs for the year ended December 31, 2014. The Borough of Sea Girt's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

### ***Opinion on Each Major Federal Program***

In our opinion, the complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

### ***Other Matters***

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB Circular 04-04.

### **Report on Internal Control Over Compliance**

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

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

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

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

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and New Jersey OMB Circular 04-04**

We have audited the financial statements of the Borough of Sea Girt as of and for the year ended December 31, 2014, and have issued our report thereon dated June 11, 2015, which contained a unmodified opinion-regulatory basis on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB Circular 04-04 and is not a required part of the 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. The 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 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**

A handwritten signature in black ink, appearing to read 'R. W. Allison', written over a horizontal line.

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

June 11, 2015  
Freehold, New Jersey

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BOROUGH OF SEA GIRT  
COUNTY OF MONMOUTH, NEW JERSEY  
SCHEDULE OF FEDERAL FINANCIAL AWARDS  
YEAR ENDED DECEMBER 31, 2014

Department/Program Title	Federal CFDA Number	State Pass-Through Number	Grant Awards	Grant Period		Balance December 31, 2013	Cash Received	Expenditures	Balance December 31, 2014	Memo Only	
				To	From					Accumulated Cash Receipts	Accumulated Expenditures
Federal Emergency Management Agency (FEMA)											
Department of Homeland Security (DHS)											
Public Assistance Grants											
Superstorm Sandy	97.036	066-1020-100-A92	2,425,206.81	10/01/2012	Open	\$ 2,116,036.88	\$ 1,832,300.72	\$ 1,832,300.72	\$ 283,736.16	\$ 2,141,470.65	\$ 2,141,470.65
Total Department of Homeland Security						2,116,036.88	1,832,300.72	1,832,300.72	283,736.16	2,141,470.65	2,141,470.65
Total Federal Financial Awards						\$ 2,116,036.88	\$ 1,832,300.72	\$ 1,832,300.72	\$ 283,736.16	\$ 2,141,470.65	\$ 2,141,470.65

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**BOROUGH OF SEA GIRT**  
**NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1. General**

The accompanying schedule of expenditures of federal financial assistance presents the activity of federal financial assistance of the Borough of Sea Girt, County of Monmouth, State of New Jersey. The Borough is defined in Note 1 to the Borough's financial statements.

**Note 2. Basis of Accounting**

The accompanying schedule of expenditures of federal financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

**Note 3. Relationship to Financial Statements – Statutory Basis**

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

**Federal**

Current Fund – FEMA	
(Sandy) Cash Receipts	<u>\$1,832,300.72</u>
Total	<u>\$1,832,300.72</u>

All of expenditures on the SEFA are actual cash receipts received during 2014 for expenditures of the Borough in the 2013 year. In accordance with the Federal Emergency Management Agency, expenditures from Hurricane Sandy are recorded only when FEMA funds have been released to Municipality.

**Note 4. Relationship to Federal Financial Report**

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial report.

**Note 5. Major Programs**

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

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**SCHEDULE OF FINDINGS QUESTIONED COSTS**

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**BOROUGH OF SEA GIRT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unmodified – Regulatory Basis</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial Statements noted?	No

**Federal Awards**

Dollar threshold used to distinguish between type A programs:	\$300,000
Auditee qualified as low-risk auditee?	No
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133	No

**Federal CFDA Number**

**Name of Federal Program**

97.036

Disaster Grants – Public Assistance (Presidentially Declared Disasters)

**BOROUGH OF SEA GIRT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014**

**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 through 5.20 of *Government Auditing Standards*.

No Current Year Findings

**Section III – Federal Financial Assistance Finding & Questioned Costs**

This section identifies audit findings required to be reported by section .510(a) of Circular A-133.

No Current Year Findings

**BOROUGH OF SEAGIRT  
COUNTY OF MONMOUTH**

**PART II**

**COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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HOLMAN | FRENIA  
ALLISON, P.C.

Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333

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Honorable Mayor and Members of the  
Borough Council  
Borough of Sea Girt  
Sea Girt, New Jersey 08750

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, 2014.

### 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):**

Boardwalk Railings  
Boardwalk Reconstruction Project, Phase I  
Boardwalk Reconstruction Project, Phase II

A test was conducted to determine that expenditures greater than \$2,625 obtained solicitation of quotes. No exceptions were noted.

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*).

**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 8, 2014 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, 2014 included real estate taxes for 2014 only.

The last tax sale was held on November 27, 2014 and was complete.

Inspection of 2014 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
2014	None
2013	1
2012	1

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 fifteen (15) 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 1<sup>st</sup> 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 2014 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, 2013.
- (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.

**Chief Financial Officer****Finding 2014-001:**

It was noted during our audit that a capital bond ordinance in the water-sewer utility capital fund was not formed within the requirements set forth by New Jersey local bond law.

**Recommendation:**

It is recommended that care be taken in executing capital bond ordinances to ensure compliance with New Jersey local bond law.

**Prior Year Findings**

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings.

## **OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office at December 31, 2014:

<b>NAME</b>	<b>POSITION</b>
F. Ken Farrell	Mayor
Donald Fetzer	Council President
William Foley	Councilman
Fredric Buonocore	Councilman
Anne B. Morris	Councilwoman
Michael Mulroy	Councilman
Paul Cerami	Councilman
Lorraine Carafa	Administrator (effective May 2014) Chief Financial Officer (January 1, – October 1, 2014) Borough Clerk
Joseph V. Zanna	Acting Chief Financial Officer (October 1, – December 31, 2014)
Karen Brisben	Tax Collector

During 2014, the Borough of Sea Girt was provided insurance as part of the Municipal Excess Liability Joint Insurance Fund. The Government Crime Policy is as follows:

Public Employees Bond	\$1,000,000.00
Public Officials Bond	1,000,000.00

**Acknowledgment**

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

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

Robert W. Allison  
Registered Municipal Accountant  
No. CR483

Freehold, New Jersey  
June 11, 2015

