

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

REPORT OF AUDIT

DECEMBER 31, 2010

WILLIAM E. ANTONIDES AND COMPANY
Certified Public Accountants

506 Hooper Avenue, Suite B
Toms River, NJ 08753

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

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BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

PART I

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YEAR ENDED DECEMBER 31, 2010

William E. Antonides and Company

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Ocean
Borough of Barnegat Light
County of Ocean
Barnegat Light, New Jersey

We have audited the accompanying balance sheets - regulatory basis of the various funds and account groups of the Borough of Barnegat Light (the "Borough"), as of December 31, 2010 and 2009, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2010. These financial statements are the responsibility of the Borough's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit 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 in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements of the Length of Service Awards Program Fund ("LOSAP") of the Borough have not been audited, and we were not required by the Division to audit nor were we engaged to audit LOSAP financial statements as part of our audit of the Borough's financial statements. However, the LOSAP financial activities are included in the Borough's Trust Funds, and represent 51% and 54% of the assets and liabilities as of December 31, 2010 and 2009, respectively, of the Borough's Trust Funds.

As described more fully in Note 1, the Borough prepares its financial statements on a regulatory basis of accounting prescribed by the Division, as required by state statute, that demonstrates compliance with a modified accrual basis of accounting, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2010 and 2009, the changes in financial position, or, where applicable, its cash flows for the years then ended. Further, the Borough has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

However, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP financial statements been audited, the financial statements referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account groups of the Borough, as of December 31, 2010 and 2009 and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2010 on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2011, on our consideration of the Borough's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements of the Borough taken as a whole. The accompanying supplementary schedules and the comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements, but is required by the Division. 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 taken as a whole, on the basis of accounting described in Note 1.

William E. Antonides and Company
Independent Auditors

William E. Antonides
Certified Public Accountant
Registered Municipal Accountant
R.M.A. Number 14

September 9, 2011

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|---|--------------------|------------------------|------------------------|
| <u>Assets</u> | | | |
| Current Fund: | | | |
| Cash and Cash Equivalents | A-4 | \$ 2,062,899.40 | \$ 2,050,358.55 |
| Change Fund | | 500.00 | 500.00 |
| | | <u>2,063,399.40</u> | <u>2,050,858.55</u> |
| Receivables with Full Reserves: | | | |
| Property Taxes | A-5 | 79,927.19 | 84,704.39 |
| 6% Year-end Penalty Receivable | A-5 | 1,510.07 | 811.46 |
| Property Acquired for Taxes at Assessed Valuation | | 38,250.00 | 38,250.00 |
| Revenue Accounts Receivable | A-9 | 213.50 | 599.00 |
| Interfunds | A-16 | 5,291.00 | 960.08 |
| | | <u>125,191.76</u> | <u>125,324.93</u> |
| Deferred Charges: | | | |
| Overexpenditure of Appropriations | A-3 | | 11,116.24 |
| | | <u>2,188,591.16</u> | <u>2,187,299.72</u> |
| Federal and State Grant Fund: | | | |
| Cash and Cash Equivalents | A-4 | 33,168.69 | 28,564.87 |
| Interfunds | A-17 | 3,274.86 | 2,000.00 |
| Grants Receivable | A-18 | 5,041.00 | 6,041.00 |
| | | <u>41,484.55</u> | <u>36,605.87</u> |
| | | <u>\$ 2,230,075.71</u> | <u>\$ 2,223,905.59</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|--|-------------|------------------------|------------------------|
| <u>Liabilities, Reserves and Fund Balance</u> | | | |
| Current Fund: | | | |
| Appropriation Reserves | A-3,13 | \$ 278,870.08 | \$ 178,582.14 |
| Third Party Inspection Fees | A-4 | 4,684.80 | 5,345.10 |
| Deferred Revenue: | | | |
| Garden State Trust Fund | A-4 | | 1,926.59 |
| Reserve for Beach Chair Donations | A-4 | 1,715.00 | 1,425.00 |
| Boat Slips | A-4 | 64,000.00 | 68,000.00 |
| Reserve for Contribution to Health Benefits | A-4 | 3,866.85 | |
| Due to State of New Jersey | A-6 | 2,687.03 | 1,781.85 |
| Tax Overpayments | A-7 | 755.97 | 1,655.71 |
| Prepaid Taxes | A-8 | 119,513.50 | 135,930.10 |
| Due County - Added and Omitted Taxes | A-10 | 22,291.49 | 6,310.85 |
| Local District School Tax Payable | A-11 | 93,061.79 | 109,195.95 |
| Regional School Tax Payable | A-12 | 523,792.21 | 653,448.79 |
| Reserve for: | | | |
| Contribution to P.E.R.S. | A-4 | | 5,000.00 |
| Encumbrances | A-14 | 36,137.85 | 3,295.61 |
| Revaluation | A-1, 15 | | 3,535.00 |
| Tax Appeals Pending | A-1 | | 21,151.30 |
| Interfunds | A-16, 17 | 3,405.24 | 100.00 |
| | | <u>1,154,781.81</u> | <u>1,196,683.99</u> |
| Reserve for Receivables | | 125,191.76 | 125,324.93 |
| Fund Balance | A-1 | 908,617.59 | 865,290.80 |
| | | <u>2,188,591.16</u> | <u>2,187,299.72</u> |
| Federal and State Grant Fund: | | | |
| Reserve for Encumbrances | A-14 | 135.14 | |
| Appropriated Reserves | A-19 | 38,074.54 | 36,394.09 |
| Unappropriated Reserves | A-20 | 3,274.87 | 211.78 |
| | | <u>41,484.55</u> | <u>36,605.87</u> |
| | | <u>\$ 2,230,075.71</u> | <u>\$ 2,223,905.59</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE **Sheet 1 of 2**

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|---|--------------------|---------------------|---------------------|
| <u>Revenue and Other Income Realized</u> | | | |
| Fund Balance Utilized | A-2 | \$ 563,500.00 | \$ 570,500.00 |
| Miscellaneous Revenue Anticipated | A-2 | 806,656.28 | 841,397.02 |
| Receipts from Delinquent Taxes | A-2 | 85,515.85 | 75,143.49 |
| Receipts from Current Taxes | A-2 | 7,698,120.02 | 7,992,710.55 |
| Non-Budget Revenues | A-2 | 67,408.40 | 56,096.93 |
| Other Credits to Income: | | | |
| Cancelled Tax Overpayments | A-7 | 139.93 | |
| Unexpended Balance of Appropriation Reserves | A-13 | 143,069.95 | 111,383.80 |
| Cancelled Encumbrances | A-14 | 38.35 | |
| Cancelled Reserve for Revaluation | A-15 | 3,535.00 | |
| Cancelled Reserve for Tax Appeals Pending | | 21,151.30 | |
| Due County - Construction Inspection Fees Cancelled | | | 4,544.10 |
| Interfund Returns | | | 4,581.09 |
| Total Income | | <u>9,389,135.08</u> | <u>9,656,356.98</u> |
| <u>Expenditures</u> | | | |
| Budget Appropriations: | | | |
| Salaries and Wages | | 647,477.96 | 602,044.99 |
| Other Expenses | | 1,420,844.83 | 1,404,527.07 |
| Capital Improvements | | 52,280.00 | 44,500.00 |
| Municipal Debt Service | | 325,001.52 | 314,135.80 |
| Deferred Charges and Statutory Expenditures | | 94,973.67 | 72,811.89 |
| | A-3 | <u>2,540,577.98</u> | <u>2,438,019.75</u> |
| Refund of Prior Year Revenue | A-4 | 1,356.13 | 371.49 |
| Municipal Open Space Preservation | A-5 | 100,247.98 | 108,137.38 |
| County Taxes | A-10 | 3,530,119.90 | 3,502,570.58 |
| Added Taxes Due County | A-10 | 22,291.49 | 6,310.85 |
| Local District School Taxes | A-11 | 410,723.59 | 442,991.91 |
| Regional School Taxes | A-12 | 2,172,660.30 | 2,448,612.97 |
| Interfund Advances | | 4,330.92 | |
| Total Expenditures | | <u>8,782,308.29</u> | <u>8,947,014.93</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE Sheet 2 of 2

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|---|--------------------|----------------------|----------------------|
| Excess in Revenue | | \$ 606,826.79 | \$ 709,342.05 |
| Adjustments to Income Before Fund Balance | | | |
| Expenditures Included Above which are by | | | |
| Statute Deferred Charges to Budget of | | | |
| Succeeding Year | A-3 | | 11,116.24 |
| Statutory Excess to Fund Balance | | 606,826.79 | 720,458.29 |
| Fund Balance January 1 | A | 865,290.80 | 715,332.51 |
| | | <u>1,472,117.59</u> | <u>1,435,790.80</u> |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | A-1 | 563,500.00 | 570,500.00 |
| Fund Balance December 31 | A | <u>\$ 908,617.59</u> | <u>\$ 865,290.80</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 1 of 2

| | <u>Ref.</u> | <u>Anticipated Budget</u> | <u>Realized</u> | <u>Excess or (Deficit)</u> |
|---|-------------|-------------------------------|------------------------|--------------------------------|
| Fund Balance Anticipated | A-1 | \$ 563,500.00 | \$ 563,500.00 | |
| <u>Miscellaneous Revenues</u> | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | A-9 | 5,500.00 | 5,500.00 | |
| Fees and Permits | A-9 | 145,700.00 | 174,653.37 | 28,953.37 |
| Fines and Costs - Municipal Court | A-9 | 9,100.00 | 6,714.75 | (2,385.25) |
| Interest and Costs on Taxes | A-9 | 15,900.00 | 20,963.26 | 5,063.26 |
| Interest on Investments and Deposits | A-9 | 2,600.00 | 19,515.03 | 16,915.03 |
| Beach Badge Fees | A-9 | 197,600.00 | 230,145.00 | 32,545.00 |
| Energy Receipts Tax | A-9 | 84,709.00 | 84,709.00 | |
| Garden State Trust Fund | A-9 | 1,927.00 | 1,926.59 | (.41) |
| Uniform Construction Code Fees | A-9 | 34,100.00 | 36,290.35 | 2,190.35 |
| Post Office Rental | A-9 | 12,650.00 | 13,800.00 | 1,150.00 |
| Water Tower Rental | A-9 | 95,500.00 | 103,451.05 | 7,951.05 |
| General Capital Surplus | A-9 | 99,150.00 | 99,150.00 | |
| Reserve for Contribution to P.E.R.S. | A-9 | 5,000.00 | 5,000.00 | |
| Clean Communities (C. 87, P.L. 1986) | A-17 | 4,626.10 | 4,626.10 | |
| Recycling Tonnage Grant | A-17 | 211.78 | 211.78 | |
| | A-1 | <u>714,273.88</u> | <u>806,656.28</u> | <u>92,382.40</u> |
| Receipts from Delinquent Taxes | A-1,5 | <u>59,800.00</u> | <u>85,515.85</u> | <u>25,715.85</u> |
| Amount to be Raised by Taxation for Support of Municipal Budget | A-2 | 1,541,735.31 | 1,650,678.69 | 108,943.38 |
| Budget Totals | | <u>2,879,309.19</u> | <u>3,106,350.82</u> | <u>227,041.63</u> |
| Non-Budget Revenues | A-1,2 | | 67,408.40 | 67,408.40 |
| | | <u>\$ 2,879,309.19</u> | <u>\$ 3,173,759.22</u> | <u>\$ 294,450.03</u> |
| | Ref. | A-3 | | |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 2 of 2

| | <u>Ref.</u> | <u>Amount</u> |
|--|-------------|------------------------|
| <u>Analysis of Realized Revenue</u> | | |
| Current Tax Collections | A-1,5 | \$ 7,698,120.02 |
| Appropriation "Reserve for Uncollected Taxes" | A-3 | 188,601.93 |
| | | <u>7,886,721.95</u> |
| Less: Allocated to School, Open Space and County Taxes | A-5 | <u>6,236,043.26</u> |
| | A-2 | <u>\$ 1,650,678.69</u> |
| <u>Analysis of Non-Budget Revenue</u> | | |
| Cable TV Fees | | \$ 10,934.22 |
| Certificate of Occupancy | | 392.00 |
| Copies/Fax Receipts | | 167.76 |
| Property Owners List | | 60.00 |
| Recycling | | 652.80 |
| Street Opening Permits | | 3,000.00 |
| Vendor Permits | | 2,420.00 |
| Vital Statistics | | 604.50 |
| Yard Sales | | 132.00 |
| Zoning Fees | | 3,051.50 |
| Planning/Zoning Board Fees | | 800.00 |
| Administrative Fees - Senior Citizen and Veteran's Deductions | | 425.00 |
| Tax Labels | | 18.25 |
| Tax Bill Fee | | 155.00 |
| Reimbursements and Refunds | | 3,268.85 |
| Public Access Records Money | | 36.50 |
| Town Wide Garage Sale | | 141.00 |
| Skate Park Badges | | 222.00 |
| Court Overpayments | | 1.00 |
| Void Check - Municipal Court | | 17.00 |
| Miscellaneous Other | | <u>40,909.02</u> |
| | A-2,4 | <u>\$ 67,408.40</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 1 of 6

| | Appropriated | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--|--------------|---------------------------|-----------------|------------|-----------|------------------------------|
| | Budget | Budget After Modification | | Encumbered | Reserved | |
| <u>OPERATIONS WITHIN CAPS</u> | | | | | | |
| <u>Administrative and Executive</u> | | | | | | |
| Mayor and Council | \$ 15,800.00 | \$ 15,800.00 | \$ 15,133.33 | \$ | \$ 666.67 | \$ |
| Salaries and Wages | 1,200.00 | 1,200.00 | 586.63 | | 613.37 | |
| Other Expenses | | | | | | |
| Municipal Clerk | 81,061.30 | 81,061.30 | 80,831.53 | | 229.77 | |
| Salaries and Wages | 12,600.00 | 12,600.00 | 11,013.94 | 515.04 | 1,071.02 | |
| Other Expenses | | | | | | |
| Advertising | 1,600.00 | 1,600.00 | 625.51 | 33.74 | 940.75 | |
| Other Expenses | | | | | | |
| Financial Administration | 40,707.25 | 40,707.25 | 34,718.16 | | 5,989.09 | |
| Salaries and Wages | 3,500.00 | 3,500.00 | 3,148.90 | 59.70 | 291.40 | |
| Other Expenses | 6,000.00 | 6,000.00 | 4,680.00 | | 1,320.00 | |
| Other Expenses - Special Accounting Services | | | | | | |
| Audit Services | 18,000.00 | 18,000.00 | 16,075.00 | | 1,925.00 | |
| Other Expenses | | | | | | |
| Tax Collection | 32,556.75 | 33,756.75 | 33,049.61 | | 707.14 | |
| Salaries and Wages | 3,600.00 | 3,600.00 | 3,471.65 | 36.90 | 91.45 | |
| Other Expenses | | | | | | |
| Tax Assessment | 14,419.00 | 14,419.00 | 14,418.82 | | .18 | |
| Salaries and Wages | 6,700.00 | 6,700.00 | 6,148.90 | 503.13 | 47.97 | |
| Other Expenses | | | | | | |
| Legal Services | 18,000.00 | 18,000.00 | 11,850.00 | 480.00 | 5,670.00 | |
| Other Expenses | | | | | | |
| Engineering Services | 13,500.00 | 13,500.00 | 7,279.50 | | 6,220.50 | |
| Other Expenses | 1,000.00 | 1,000.00 | | | 1,000.00 | |
| OC LED Maintenance | | | | | | |
| Contribution to Chamber of Commerce | 100.00 | 100.00 | | | 100.00 | |
| Other Expenses | | | | | | |
| <u>Land Use Administration</u> | | | | | | |
| Planning Board | 3,000.00 | 3,000.00 | 2,943.82 | | 56.18 | |
| Salaries and Wages | 3,000.00 | 3,000.00 | 896.23 | 22.35 | 2,081.42 | |
| Other Expenses | | | | | | |
| Zoning Board of Adjustment | 12,096.50 | 12,096.50 | 10,594.99 | | 1,501.51 | |
| Salaries and Wages | | | | | | |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

Sheet 2 of 6

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| | <u>Appropriated</u> | | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Expended</u> | | <u>Unexpended Balance Cancelled</u> |
|--|---------------------|---------------|--------------------------------------|----------------------------|-------------------|-----------------|---|
| | <u>Budget</u> | <u>Budget</u> | | | <u>Encumbered</u> | <u>Reserved</u> | |
| Zoning Board of Adjustment (Continued) | | | | | | | |
| Other Expenses | \$ 2,400.00 | \$ 2,400.00 | \$ 2,400.00 | \$ 1,439.96 | \$ 207.61 | \$ 752.43 | \$ |
| Insurance | | | | | | | |
| Liability Insurance | 19,900.00 | 19,900.00 | 19,900.00 | 10,940.55 | | 8,959.45 | |
| Workers Compensation Insurance | 20,000.00 | 20,000.00 | 20,000.00 | 10,812.63 | | 9,187.37 | |
| Employee Group Insurance | 136,792.00 | 136,792.00 | 136,792.00 | 94,098.39 | | 42,693.61 | |
| <u>Public Safety Functions</u> | | | | | | | |
| Emergency Management Services | | | | | | | |
| Salaries and Wages | 3,000.00 | 3,000.00 | 3,000.00 | 2,999.97 | | .03 | |
| Other Expenses | 4,700.00 | 4,700.00 | 4,700.00 | 1,872.46 | 706.78 | 2,120.76 | |
| Aid to Volunteer Fire Company | 38,450.00 | 38,450.00 | 38,450.00 | 31,161.00 | | 7,289.00 | |
| Aid to Volunteer Ambulance Company | 16,977.00 | 16,977.00 | 16,977.00 | 16,977.00 | | | |
| Fire | | | | | | | |
| Other Expenses | 377.00 | 377.00 | 377.00 | | | 377.00 | |
| Municipal Court | | | | | | | |
| Salaries and Wages | 12,953.00 | 12,953.00 | 12,953.00 | 12,735.78 | | 217.22 | |
| Other Expenses | 3,400.00 | 3,400.00 | 3,400.00 | 2,459.00 | 21.05 | 919.95 | |
| Public Defender (Ch. 256, P.L. 1997) | | | | | | | |
| Other Expenses | 300.00 | 300.00 | 300.00 | | | 300.00 | |
| Municipal Prosecutor | | | | | | | |
| Other Expenses | 4,800.00 | 4,800.00 | 4,800.00 | 4,800.00 | | | |
| <u>Public Works Functions</u> | | | | | | | |
| Streets and Road Maintenance | | | | | | | |
| Salaries and Wages | 102,025.09 | 102,025.09 | 102,025.09 | 33,963.44 | | 68,061.65 | |
| Other Expenses | 10,800.00 | 8,632.53 | 8,632.53 | 6,796.65 | 596.72 | 1,239.16 | |
| Ocean County Road Department | 1,500.00 | 3,667.47 | 3,667.47 | 3,667.47 | | | |
| Garbage and Trash Removal | | | | | | | |
| Other Expenses | | | | | | | |
| Garbage and Recycling Collection | 179,000.00 | 167,500.00 | 167,500.00 | 148,840.12 | 13,530.92 | 5,128.96 | |
| Sanitary Landfill Fees | 82,981.00 | 84,181.00 | 84,181.00 | 79,530.34 | 3,016.97 | 1,633.69 | |
| Recycling (Ch. 74, P.L. 1987) | | | | | | | |
| Salaries and Wages | 2,000.00 | 4,000.00 | 4,000.00 | 3,000.00 | | 1,000.00 | |
| Other Expenses | 1,000.00 | 1,600.00 | 1,600.00 | 1,205.98 | 23.34 | 370.68 | |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 3 of 6

| | <u>Appropriated</u> | | <u>Paid or</u> | <u>Expended</u> | | <u>Unexpended</u> |
|---|---------------------|---------------------|----------------|-----------------|-------------------|-------------------|
| | <u>Budget</u> | <u>Budget After</u> | | <u>Charged</u> | <u>Encumbered</u> | |
| | | <u>Modification</u> | | | <u>Reserved</u> | <u>Cancelled</u> |
| Public Buildings and Grounds | \$ 21,270.22 | \$ 21,270.22 | \$ 19,338.62 | \$ 563.98 | \$ 1,931.60 | \$ |
| Salaries and Wages | | | 29,453.32 | | 1,582.70 | |
| Other Expenses | 26,600.00 | 31,600.00 | | | | |
| <u>Health and Human Services</u> | | | | | | |
| Board of Health | | | | | | |
| Other Expenses | 2,400.00 | 2,400.00 | 120.00 | | 2,280.00 | |
| Animal Control Services | | | | | | |
| Other Expenses | 6,100.00 | 7,100.00 | 6,093.55 | 225.00 | 781.45 | |
| Aid to Health Care Facilities (N.J.S.A. 44:55-2) | | | | | | |
| Other Expenses | 1,000.00 | 1,000.00 | 1,000.00 | | | |
| Mental Health Program | 100.00 | 100.00 | | 70.00 | 30.00 | |
| <u>Park and Recreation Functions</u> | | | | | | |
| Contribution to Senior Citizen Center (R.S. 40:48-94) | | | | | | |
| Other Expenses | 1,500.00 | 1,500.00 | 1,500.00 | | | |
| Parks and Playgrounds | | | | | | |
| Salaries and Wages | 14,000.00 | 14,000.00 | 7,018.90 | | 6,981.10 | |
| Other Expenses | 3,000.00 | 3,000.00 | 2,979.37 | | 20.63 | |
| Lifeguards | | | | | | |
| Salaries and Wages | 165,000.00 | 165,000.00 | 154,701.70 | | 10,298.30 | |
| Other Expenses | 12,000.00 | 12,000.00 | 11,126.33 | 637.40 | 236.27 | |
| Beachfront Maintenance | | | | | | |
| Salaries and Wages | 71,540.40 | 71,540.40 | 59,436.20 | | 12,104.20 | |
| Other Expenses | 17,500.00 | 18,000.00 | 17,801.71 | 111.07 | 87.22 | |
| Public Docks | | | | | | |
| Salaries and Wages | 11,000.00 | 11,000.00 | 10,288.35 | | 711.65 | |
| Other Expenses | 2,000.00 | 2,000.00 | 1,875.50 | 39.11 | 85.39 | |
| Celebration of Public Events, Anniversaries and Holidays and Holidays | | | | | | |
| | 8,000.00 | 8,000.00 | 7,376.63 | | 623.37 | |
| <u>Uniform Construction Code - Appropriations Offset</u> | | | | | | |
| <u>by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u> | | | | | | |
| Construction Code Official | | | | | | |
| Salaries and Wages | 10,513.45 | 10,513.45 | 6,933.98 | | 3,579.47 | |
| Other Expenses | 6,000.00 | 6,000.00 | 2,165.88 | 31.80 | 3,802.32 | |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

Exhibit A-3

CURRENT FUND

Sheet 4 of 6

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| | Appropriated | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|------------------------------------|--------------|---------------------------|-----------------|------------|------------|------------------------------|
| | Budget | Budget After Modification | | Encumbered | Reserved | |
| Unclassified: | | | | | | |
| Utility Expenses | \$ 41,761.15 | \$ 41,761.15 | \$ 40,908.33 | \$ | \$ 852.82 | \$ |
| Electricity | 19,000.00 | 19,000.00 | 17,576.91 | | 1,423.09 | |
| Street Lighting | 12,000.00 | 12,000.00 | 7,589.93 | 567.32 | 3,842.75 | |
| Telephone | 9,000.00 | 9,000.00 | 4,133.98 | 938.38 | 3,927.64 | |
| Natural Gas | 8,000.00 | 8,000.00 | 6,052.09 | | 1,947.91 | |
| Gasoline | 31,335.00 | 31,335.00 | 20,835.00 | | 10,500.00 | |
| Salary Settlements and Adjustments | 1,432,416.11 | 1,432,416.11 | 1,161,073.54 | 22,938.31 | 248,404.26 | |
| Total Operations within Caps | | | | | | |
| Detail: | | | | | | |
| Salaries and Wages | 644,277.96 | 647,477.96 | 522,942.20 | | 124,535.76 | |
| Other Expenses | 788,138.15 | 784,938.15 | 638,131.34 | 22,938.31 | 123,868.50 | |

DEFERRED CHARGES WITHIN CAPS

| | | | | | | |
|----------------------------------|-----------|-----------|-----------|--|--|--|
| Overexpended 2009 Appropriations | 11,116.24 | 11,116.24 | 11,116.24 | | | |
|----------------------------------|-----------|-----------|-----------|--|--|--|

STATUTORY EXPENDITURES WITHIN CAPS

| | | | | | | |
|---|--------------|--------------|--------------|-----------|------------|--|
| Contribution to: | | | | | | |
| Unemployment Insurance | 10,000.00 | 10,000.00 | 2,764.48 | | 7,235.52 | |
| Public Employees Retirement System | 25,000.00 | 25,000.00 | 24,314.85 | | 685.15 | |
| Social Security System (O.A.S.I.) | 48,857.43 | 48,857.43 | 39,722.59 | | 9,134.84 | |
| Total Deferred Charges and Statutory Expenditures within Caps | 94,973.67 | 94,973.67 | 77,918.16 | | 17,055.51 | |
| Total Appropriations within Caps | 1,527,389.78 | 1,527,389.78 | 1,238,991.70 | 22,938.31 | 265,459.77 | |

OPERATIONS EXCLUDED FROM CAPS

| | | | | | | |
|-------------------------------------|------------|------------|------------|-----------|----------|--|
| Contribution to: | | | | | | |
| Length of Service Award Program: | | | | | | |
| Fire Company | 19,824.00 | 19,824.00 | 19,824.00 | | | |
| First Aid Squad | 7,536.00 | 7,536.00 | 6,908.00 | | 628.00 | |
| Shared Service Agreements: | | | | | | |
| Construction Code Services | 26,400.00 | 26,400.00 | 5,471.94 | 12,877.14 | 8,050.92 | |
| Legal Services and Costs (Lobbyist) | 3,000.00 | 3,000.00 | | | 3,000.00 | |
| Public Safety Functions | | | | | | |
| Police | | | | | | |
| Other Expenses | 537,401.80 | 537,401.80 | 537,401.80 | | | |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

Sheet 5 of 6

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| | Appropriated | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|------------------------|---------------------------|------------------------|---------------------|----------------------|------------------------------|
| | Budget | Budget After Modification | | Encumbered | Reserved | |
| Shared Service Agreements (Continued): | | | | | | |
| Health and Human Services | | | | | | |
| Board of Health | | | | | | |
| Other Expenses (Ch. 329, P.L. 1975) | \$ 36,407.00 | \$ 36,407.00 | \$ 35,175.61 | \$ 1,231.39 | \$ | |
| Environmental Commission | | | | | | |
| Other Expenses | 500.00 | 500.00 | | 500.00 | | |
| Public and Private Programs Offset by Revenues | | | | | | |
| Clean Communities (C. 87, P.L. 1986) | 4,626.10 | 4,626.10 | 4,626.10 | | | |
| Recycling Tonnage Grant | 211.78 | 211.78 | 211.78 | | | |
| Total Operations excluded from Caps | <u>635,906.68</u> | <u>635,906.68</u> | <u>609,619.23</u> | <u>12,877.14</u> | <u>13,410.31</u> | |
| Detail: | | | | | | |
| Other Expenses | 635,906.68 | 635,906.68 | 609,619.23 | 12,877.14 | 13,410.31 | |
| CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS | | | | | | |
| Capital Improvement Fund | 202,280.00 | 202,280.00 | 52,280.00 | | | 150,000.00 |
| MUNICIPAL DEBT SERVICE EXCLUDED FROM CAPS | | | | | | |
| Payment of Bond Anticipation Notes and Capital Notes | 263,650.00 | 263,650.00 | 263,650.00 | | | 129.27 |
| Interest on Notes | 45,935.00 | 45,935.00 | 45,805.73 | | | |
| Green Trust Loan Program: | | | | | | |
| Loan Repayment for Principal and Interest | 15,545.80 | 15,545.80 | 15,545.79 | | | .01 |
| Total Municipal Debt Service excluded from Caps | <u>325,130.80</u> | <u>325,130.80</u> | <u>325,001.52</u> | | | <u>129.28</u> |
| Total General Appropriations excluded from Caps | <u>1,163,317.48</u> | <u>1,163,317.48</u> | <u>986,900.75</u> | <u>12,877.14</u> | <u>13,410.31</u> | <u>150,129.28</u> |
| Subtotal General Appropriations | 2,690,707.26 | 2,690,707.26 | 2,225,892.45 | 35,815.45 | 278,870.08 | 150,129.28 |
| Reserve for Uncollected Taxes | 188,601.93 | 188,601.93 | 188,601.93 | | | |
| | <u>\$ 2,879,309.19</u> | <u>\$ 2,879,309.19</u> | <u>\$ 2,414,494.38</u> | <u>\$ 35,815.45</u> | <u>\$ 278,870.08</u> | <u>\$ 150,129.28</u> |

Ref.

A-2

A-3

A-14

A

A-1

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 6 of 6

| | <u>Ref.</u> | <u>Expended Paid or Charged</u> |
|-----------------------------------|--------------------|--|
| Deferred Charges: | | |
| Overexpenditure of Appropriations | A | \$ 11,116.24 |
| Reserve for Uncollected Taxes | A-2 | 188,601.93 |
| Disbursements | A-4 | 2,209,938.33 |
| Interfund - Grant Fund | A-17 | <u>4,837.88</u> |
| | A-3 | <u>\$ 2,414,494.38</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - TRUST FUND

Exhibit B

REGULATORY BASIS

DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|--|--------------------|----------------------|----------------------|
| <u>Assets</u> | | | |
| Animal Control Trust Fund: | | | |
| Cash and Cash Equivalents | B-1 | \$ 213.22 | \$ 930.81 |
| Interfunds: | | | |
| Current Fund | B-4 | 30.38 | |
| | | <u>243.60</u> | <u>930.81</u> |
| Trust - Other Fund: | | | |
| Cash and Cash Equivalents | B-1 | 320,294.54 | 216,262.51 |
| Interfunds: | | | |
| Payroll Fund | B-4 | | 7,264.65 |
| | | <u>320,294.54</u> | <u>223,527.16</u> |
| Length of Service Award Program Fund (LOSAP) - Unaudited: | | | |
| LOSAP Investments Held by Trustee | B-6 | 340,218.08 | 260,133.97 |
| | | <u>\$ 660,756.22</u> | <u>\$ 484,591.94</u> |
| <u>Liabilities and Reserves</u> | | | |
| Animal Control Trust Fund: | | | |
| Reserve for Animal Control Trust Fund Expenditures | B-2 | \$ 222.00 | \$ 684.00 |
| Due State of New Jersey | B-3 | 21.60 | 4.20 |
| Interfund - Current Fund | B-4 | | 242.61 |
| | | <u>243.60</u> | <u>930.81</u> |
| Trust - Other Fund: | | | |
| Interfund - Current Fund | B-4 | 177.24 | 286.34 |
| Miscellaneous Reserves | B-5 | 320,117.30 | 223,240.82 |
| | | <u>320,294.54</u> | <u>223,527.16</u> |
| Length of Service Award Program Fund (LOSAP) - Unaudited: | | | |
| Net Assets Available for LOSAP Program Benefits | B-6 | 340,218.08 | 260,133.97 |
| | | <u>\$ 660,756.22</u> | <u>\$ 484,591.94</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - GENERAL CAPITAL FUND

Exhibit C

REGULATORY BASIS

DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|--|-------------|------------------------|------------------------|
| <u>Assets</u> | | | |
| Cash and Cash Equivalents | C-2 | \$ 867,298.58 | \$ 331,638.30 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-4 | 59,475.73 | 73,619.50 |
| Unfunded | C-5 | 2,442,865.31 | 2,592,515.31 |
| Grants Receivable | C-6 | 130,029.77 | 200,000.00 |
| | | <u>\$ 3,499,669.39</u> | <u>\$ 3,197,773.11</u> |
| <u>Liabilities, Reserves and Fund Balance</u> | | | |
| Interfund - Current Fund | C-7 | \$.01 | \$ 431.13 |
| Interfund - Grant Fund | C-7 | | 2,000.00 |
| Improvement Authorizations: | | | |
| Funded | C-8 | 63,427.72 | 42,924.71 |
| Unfunded | C-8 | 763,878.34 | 774,522.49 |
| Green Trust Loan Payable | C-9 | 59,475.73 | 73,619.50 |
| Bond Anticipation Notes Payable | C-11 | 2,158,500.00 | 1,852,150.00 |
| Capital Improvement Fund | C-12 | 54,805.92 | 24,525.92 |
| Reserve for: | | | |
| Retirement of Debt | C-13 | 169,970.23 | |
| Encumbrances | C-14 | 3,202.00 | 27,800.00 |
| Grants Receivable | C-15 | 130,029.77 | 200,000.00 |
| Miscellaneous Reserves | C-16 | 39,514.41 | 80,421.29 |
| Fund Balance | C-1 | 56,865.26 | 119,378.07 |
| | | <u>\$ 3,499,669.39</u> | <u>\$ 3,197,773.11</u> |

There were bonds and notes authorized but not issued on December 31, 2010 of \$284,365.31 (Schedule C-17).

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-1

STATEMENT OF FUND BALANCE - REGULATORY BASIS

| | <u>Ref.</u> | | |
|------------------------------------|-------------|------------------|---------------------|
| Balance December 31, 2009 | C | | \$ 119,378.07 |
| Increased by: | | | |
| Premium on Bond Anticipation Notes | C-2 | \$ 560.00 | |
| Miscellaneous Reserves Cancelled | C-16 | <u>36,077.19</u> | |
| | | | <u>36,637.19</u> |
| | | | 156,015.26 |
| Decreased by: | | | |
| Utilization as Anticipated Revenue | | | <u>99,150.00</u> |
| Balance December 31, 2010 | C | | \$ <u>56,865.26</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - WATER-SEWER UTILITY FUND

Exhibit D

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|--|-------------|------------------------|------------------------|
| <u>Assets</u> | | | |
| Operating Fund: | | | |
| Cash and Cash Equivalents | D-5 | \$ 602,109.16 | \$ 423,248.89 |
| Change Fund | | 50.00 | 50.00 |
| Interfunds: | | | |
| Current Fund | | 100.00 | 100.00 |
| Utility Capital Fund | D-16 | .01 | |
| | | <u>602,259.17</u> | <u>423,398.89</u> |
| Receivables with Full Reserves: | | | |
| Water Rents Receivable | D-7 | 8,863.36 | 6,451.63 |
| Sewer Rents Receivable | D-8 | 12,786.77 | 9,759.82 |
| | | <u>21,650.13</u> | <u>16,211.45</u> |
| Total Operating Fund | | <u>623,909.30</u> | <u>439,610.34</u> |
| Capital Fund: | | | |
| Cash and Cash Equivalents | D-5 | 155,596.68 | 145,541.75 |
| Fixed Capital | D-14 | 4,715,725.16 | 4,555,459.99 |
| Fixed Capital Authorized and Uncompleted | D-15 | 100,234.83 | 260,500.00 |
| Total Capital Fund | | <u>4,971,556.67</u> | <u>4,961,501.74</u> |
| | | <u>\$ 5,595,465.97</u> | <u>\$ 5,401,112.08</u> |
| <u>Liabilities, Reserves and Fund Balance</u> | | | |
| Operating Fund: | | | |
| Appropriation Reserves | D-4, 9 | \$ 238,922.61 | \$ 138,240.29 |
| Water Overpayments | D-10 | 579.06 | 633.73 |
| Sewer Overpayments | D-10 | 958.00 | 483.60 |
| Prepaid Water Rents | D-10 | | 138.32 |
| Prepaid Sewer Rents | D-10 | | 159.81 |
| Reserve for Contribution to P.E.R.S. | D-11 | | 2,000.00 |
| Accrued Interest on Bonds and Notes | D-12 | 2,304.43 | 6,091.48 |
| Reserve for Encumbrances | D-13 | 2,118.64 | 17,160.73 |
| | | <u>244,882.74</u> | <u>164,907.96</u> |
| Reserve for Receivables | D | 21,650.13 | 16,211.45 |
| Fund Balance | D-1 | 357,376.43 | 258,490.93 |
| Total Operating Fund | | <u>623,909.30</u> | <u>439,610.34</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - WATER-SEWER UTILITY FUND

Exhibit D

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|--|-------------|------------------------|------------------------|
| <u>Liabilities, Reserves and Fund Balance (Continued)</u> | | | |
| Capital Fund: | | | |
| Reserve for Encumbrances | D-13 | \$ 31,815.10 | \$ 41,265.10 |
| Interfund - Utility Operating Fund | D-16 | .01 | |
| Improvement Authorizations: | | | |
| Funded | D-17 | 47,461.72 | 42,256.36 |
| Unfunded | D-17 | 46,173.11 | 75,518.39 |
| Capital Improvement Fund | D-18 | 23,546.74 | 11,546.74 |
| Bond Anticipation Notes Payable | D-19 | 188,100.00 | 297,850.00 |
| Reserve for: | | | |
| Amortization | D-20 | 4,573,798.27 | 4,396,609.99 |
| Deferred Amortization | D-21 | 54,061.72 | 83,500.00 |
| Retirement of Debt | D-22 | | 155.80 |
| Installation of Manhole Inserts | D-23 | 6,600.00 | 12,000.00 |
| Fund Balance | D-2 | | 799.36 |
| Total Capital Fund | | <u>4,971,556.67</u> | <u>4,961,501.74</u> |
| | | <u>\$ 5,595,465.97</u> | <u>\$ 5,401,112.08</u> |

There were no bonds and notes authorized but not issued on December 31, 2010.

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

| | <u>Ref.</u> | <u>2010</u> | <u>2009</u> |
|--|--------------------|----------------------|----------------------|
| <u>Revenue and Other Income</u> | | | |
| Fund Balance Utilized | D-3 | \$ 71,452.00 | \$ 115,000.00 |
| Water-Sewer Rents | D-3 | 1,160,045.08 | 1,118,721.83 |
| Miscellaneous | D-3 | 8,555.84 | 5,578.70 |
| Reserve for Retirement of Debt | D-3 | 155.80 | |
| W/S Utility Capital Surplus | D-3 | 799.36 | |
| Reserve for Contribution to P.E.R.S. | D-3 | 2,000.00 | |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | D-9 | 146,864.88 | 58,774.27 |
| Cancelled Encumbrances | D-13 | 58.65 | |
| | | <u>1,389,931.61</u> | <u>1,298,074.80</u> |
| <u>Expenditures</u> | | | |
| Operating | | 983,465.00 | 902,810.00 |
| Capital Improvements | | 12,000.00 | 12,000.00 |
| Debt Service | | 113,329.11 | 116,633.82 |
| Deferred Charges | | 38,000.00 | 36,000.00 |
| Statutory Expenditures | | 72,800.00 | 66,800.00 |
| Surplus (General Budget) | | | 20,000.00 |
| | D-4 | <u>1,219,594.11</u> | <u>1,154,243.82</u> |
| Statutory Excess to Fund Balance | | 170,337.50 | 143,830.98 |
| Fund Balance January 1 | D | 258,490.93 | 229,659.95 |
| | | <u>428,828.43</u> | <u>373,490.93</u> |
| Less: Utilized as Anticipated Revenue | D-1 | <u>71,452.00</u> | <u>115,000.00</u> |
| Fund Balance December 31 | D | <u>\$ 357,376.43</u> | <u>\$ 258,490.93</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

Exhibit D-2

STATEMENT OF UTILITY CAPITAL FUND BALANCE

REGULATORY BASIS

| | | |
|------------------------------------|------------------|------------------|
| Balance December 31, 2009 | <u>Ref.</u> D | \$ 799.36 |
| Decreased by: | | |
| Utilization as Anticipated Revenue | D-3 | \$ <u>799.36</u> |

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

WATER-SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS

Exhibit D-3

| | <u>Ref.</u> | <u>Anticipated</u> | <u>Realized</u> | <u>Excess or (Deficit)</u> |
|---|-------------|------------------------|------------------------|----------------------------|
| Surplus Anticipated | D-1 | \$ 71,452.00 | \$ 71,452.00 | \$ |
| <u>Miscellaneous Revenues</u> | | | | |
| Rents - Water | D-1,7 | \$ 738,138.47 | \$ 744,938.65 | \$ 6,800.18 |
| Rents - Sewer | D-1,8 | 408,615.00 | 415,106.43 | 6,491.43 |
| Miscellaneous | D-1, 3 | 3,109.37 | 8,555.84 | 5,446.47 |
| Reserve for Retirement of Debt | D-1, 22 | 155.80 | 155.80 | |
| Water-Sewer Utility Capital Surplus | D-1, 2 | 799.36 | 799.36 | |
| Reserve for Contribution to P.E.R.S. | D-1, 11 | 2,000.00 | 2,000.00 | |
| | | <u>\$ 1,224,270.00</u> | <u>\$ 1,243,008.08</u> | <u>\$ 18,738.08</u> |
| | <u>Ref.</u> | D-4 | | |
| <u>Analysis of Miscellaneous Revenue</u> | | | | |
| Interest on Investments | | | \$ 4,620.12 | |
| Interest on Delinquent User Charges | | | 2,685.79 | |
| Other | | | <u>1,249.93</u> | |
| | D-3 | | <u>\$ 8,555.84</u> | |

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

TOWNSHIP OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-4

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--|------------------------|---------------------------|----------------------|--------------------|----------------------|------------------------------|
| | Budget | Budget After Modification | | Encumbered | Reserved | |
| | | | | | | |
| Operating: | | | | | | |
| Salaries and Wages | \$ 366,970.00 | \$ 366,970.00 | \$ 280,576.15 | \$ 86,393.85 | \$ | |
| Other Expenses | 616,495.00 | 616,495.00 | 482,970.01 | 2,118.64 | 131,406.35 | |
| Capital Improvements: | | | | | | |
| Capital Improvement Fund | 12,000.00 | 12,000.00 | 12,000.00 | | | |
| Debt Service: | | | | | | |
| Payment of Bond Anticipation and Capital Notes | 109,750.00 | 109,750.00 | 109,750.00 | | | 4,675.89 |
| Interest on Notes | 8,255.00 | 8,255.00 | 3,579.11 | | | |
| Deferred Charges: | | | | | | |
| Costs of Improvements Authorized: | | | | | | |
| Water System Improvements (10/09/79) | 11,000.00 | 11,000.00 | 11,000.00 | | | |
| Water System Improvements (05/05/80) | 27,000.00 | 27,000.00 | 27,000.00 | | | |
| Statutory Expenditures: | | | | | | |
| Contribution to: | | | | | | |
| Public Employees Retirement System | 37,600.00 | 37,600.00 | 29,718.15 | | 7,881.85 | |
| Social Security System (O.A.S.I.) | 33,000.00 | 33,000.00 | 20,540.61 | | 12,459.39 | |
| Unemployment Compensation Insurance | 2,200.00 | 2,200.00 | 1,418.83 | | 781.17 | |
| | <u>\$ 1,224,270.00</u> | <u>\$ 1,224,270.00</u> | <u>\$ 978,552.86</u> | <u>\$ 2,118.64</u> | <u>\$ 238,922.61</u> | <u>\$ 4,675.89</u> |
| Ref. | D-1, 3 | | | D-13 | D | D-1 |
| Disbursements | | | \$ 974,973.75 | | | |
| Accrued Interest on Bonds and Notes | | | <u>3,579.11</u> | | | |
| | | | <u>\$ 978,552.86</u> | | | |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

BALANCE SHEET - PAYROLL FUND

Exhibit G

REGULATORY BASIS

DECEMBER 31, 2010 AND 2009

| | <u>2010</u> | <u>2009</u> |
|---------------------------|--------------------|---------------------|
| <u>Assets</u> | | |
| Cash and Cash Equivalents | \$ <u>9,480.30</u> | \$ <u>11,731.14</u> |
| <u>Liabilities</u> | | |
| Payroll Liabilities | \$ 4,366.55 | \$ 4,466.49 |
| Interfunds: | | |
| Current Fund | 5,113.75 | |
| Trust Fund | | <u>7,264.65</u> |
| | <u>\$ 9,480.30</u> | <u>\$ 11,731.14</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN
BALANCE SHEET - GENERAL FIXED ASSETS ACCOUNT GROUP **Exhibit H**
REGULATORY BASIS
DECEMBER 31, 2010 AND 2009

| | <u>2010</u> | <u>2009</u> |
|------------------------------------|-------------------------|-------------------------|
| General Fixed Assets: | | |
| Land and Buildings | \$ 46,351,651.00 | \$ 48,048,902.01 |
| Equipment and Vehicles | <u>1,048,134.55</u> | <u>1,042,239.55</u> |
| | <u>\$ 47,399,785.55</u> | <u>\$ 49,091,141.56</u> |
| Investment in General Fixed Assets | <u>\$ 47,399,785.55</u> | <u>\$ 49,091,141.56</u> |

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

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the Borough of Barnegat Light, County of Ocean, New Jersey (the "Borough"), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough as required by N.J.S. 40A:5-5. The financial statements of the Borough do not include the operations of the Board of Education, first aid organization or volunteer fire companies which are subject to separate audits.

The Governmental Accounting Standards Board ("GASB") Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The criteria differ from the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") requirements where certain boards, commissions, and agencies of the Borough, by statute or other directive, report separately on their financial statements. The Borough had no component units during 2010.

B. Descriptions of Funds

The GASB is the recognized standard-setting body for establishing governmental generally accepted accounting and financial reporting principles.

The accounting policies of the Borough conform to the accounting principles applicable to municipalities which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds which differs from the fund structure required by generally accepted accounting principles ("GAAP"):

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

Animal Control Trust Fund - animal license revenues and expenditures.

Trust Other Funds - sundry deposits held for satisfactory completion of specific work; receipts and disbursements for dedicated purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Descriptions of Funds (Continued)

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

Water-Sewer Utility Operating Fund - revenues and expenditures necessary to operate municipally-owned water supply and sewer collection systems from user fees.

Water-Sewer Utility Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of water-sewer capital facilities, other than those acquired through the Water-Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

Payroll Fund - receipt and disbursement for payroll costs and payroll taxes.

General Fixed Assets Account Group - used to account for fixed assets used in general government operations.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's budget. Federal and State grant revenues received for purposes of capital projects financed by capital ordinances are recognized when received. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Expenditures - unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - contractual orders at December 31, are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Appropriation Reserves - are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Deferred Charges - the regulatory basis of accounting utilized by the Borough requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. There were no deferred charges at December 31, 2010.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount which would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation. The expenditures in the Water-Sewer Utility Operating Fund would be on a full accrual basis. The compensated absence liability at December 31, 2010 is set forth in Note 4.

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded at its market value.

Sale of Municipal Assets - Cash proceeds from the sale of Borough owned property may be reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year end balances of such proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of sales contracts become legally enforceable.

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires that the cost of inventories be reflected on the balance sheet until utilized and expended.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - In accordance with the New Jersey Administrative Code, as promulgated by the Division, which differs in certain respects from GAAP, the Borough has developed a fixed assets accounting and reporting system.

GAAP does not require utilization of a general fixed asset account group.

Fixed assets used in governmental operations (general fixed assets) are required to be 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.

Depreciation is not recorded in the General Fixed Assets Account Group.

Expenditures for construction in progress are required to be 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 have not been accounted for separately.

Utility Fixed Assets - Accounting for utility fund “fixed capital” remains unchanged.

Property and equipment purchased by the Water-Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Water-Sewer Utility Fund are not depreciated. Principal payments for Water-Sewer Utility debt are recorded as expenditures in the Water-Sewer Utility Statement of Operations.

During 2010 the following changes occurred in the fixed assets of the Borough:

| | <u>Balance</u> <u>Jan. 1, 2010</u> | <u>Prior</u> <u>Period</u> <u>Adjustment</u> | <u>Transfers</u> | <u>Balance</u> <u>Dec. 31, 2010</u> |
|--|---------------------------------------|--|------------------|--|
| General Fixed Assets Account Group: | | | | |
| Land and Buildings | \$ 48,048,902 | \$ (1,697,251) | \$ | \$ 46,351,651 |
| Equipment and Vehicles | 1,042,240 | 5,895 | | 1,048,135 |
| Water-Sewer Utility Fund: | | | | |
| Fixed Capital | 4,555,460 | | 160,265 | 4,715,725 |
| Fixed Capital Authorized and Uncompleted | 260,500 | | (160,265) | 100,235 |
| | <u>\$ 53,907,102</u> | <u>\$ (1,691,356)</u> | <u>\$</u> | <u>\$ 52,215,746</u> |

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Financial Statements

The GASB Codification requires the financial statements of a governmental unit to be presented in accordance with GAAP. The Borough presents its financial statements in accordance with another comprehensive basis of accounting as promulgated by the Division which differs from the financial statements required by GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from GAAP.

E. 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 Division in accordance with applicable statutes.

NOTE 2. CASH AND CASH EQUIVALENTS

A. 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 or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

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

If the public funds deposited exceed 75 percent of the 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 Borough considers certain short-term investments permitted by statute to be cash equivalents if they mature within three months or may be withdrawn in cash upon notice from a pool of eligible investments in a participation arrangement with a bank that meets the insurance and collateral requirements of the statute.

At year-end, the carrying amount of the Borough's deposits was \$4,051,611 and the bank balance amount was \$4,213,467. Of this amount \$732,169 was covered by federal depository insurance and a collateral pool under New Jersey's Governmental Unit Deposit Protection Act covered the remaining \$3,481,298.

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, the Borough may use available funds for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the Borough:

- (1) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (2) Government money market mutual funds.
- (3) 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.
- (4) 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.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investments, New Jersey Department of the Treasury.
- (6) Municipal investment pools.
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281; or
- (8) Agreements for the repurchase of fully collateralized securities, if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41);
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

b. Any investment instruments in which the security is not physically held by the Borough shall be covered by a third party custodial agreement, which shall provide for the designation of such investments in the name of the Borough and prevent unauthorized use of such investments.

c. Investments are further regulated and restricted in accordance with N.J.S. 40A:5-15.1.

Other than cash equivalents that would otherwise qualify as investments, except for their maturity or the withdrawal provisions of their deposit, the Borough had no investments in qualified securities at December 31, 2010.

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

C. Cash Management Plan

In accordance with N.J.S. 40A:5-14, every municipality shall adopt a cash management plan and shall deposit and invest its funds pursuant to that plan. The plan shall be approved annually by majority vote of the governing body and may be modified from time to time in order to reflect changes in federal or state law or regulations. The chief financial officer shall be charged with administering the plan.

When an investment in bonds maturing in more than one year is authorized, the maturity of those bonds shall approximate the prospective use of the funds invested.

The plan also requires a monthly report to the governing body summarizing all investments made or redeemed since the previous report and shall include, at a minimum, the specific detailed information as set forth in the statute.

D. Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following categories described below:

| <u>Depository Account</u> | <u>Bank Balance</u> | |
|---------------------------|---------------------|---------------------|
| | <u>2010</u> | <u>2009</u> |
| Insured: | | |
| FDIC | \$ 732,169 | \$ 729,359 |
| GUDPA | <u>3,481,298</u> | <u>2,437,634</u> |
| | \$ <u>4,213,467</u> | \$ <u>3,166,993</u> |

Custodial Credit Risk - Deposits

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

State law limits investments as noted above.

During the year, the Borough had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Borough.

NOTE 3. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital and utility capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full, faith and credit of the Borough. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

A. Long-Term Debt

The Borough's long-term debt is summarized as follows:

Green Trust Loan Program

The Borough has a low interest loan (2%) under the New Jersey Department of Environmental Protection's Green Trust Loan Program. The \$250,000 loan for waterfront development was finalized on November 23, 1994. The Borough must repay the loan in semi-annual installments over twenty years. The balance December 31, 2010 was \$59,476. Loan payments are due through 2014.

Debt service requirements during the next four fiscal years are as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> |
|-------------|------------------|-----------------|
| 2011 | \$ 14,428 | \$ 1,118 |
| 2012 | 14,718 | 828 |
| 2013 | 15,014 | 532 |
| 2014 | <u>15,316</u> | <u>229</u> |
| Total | \$ <u>59,476</u> | \$ <u>2,707</u> |

NOTE 3. DEBT (CONTINUED)

B. Short-Term Debt

On December 31, 2010, the Borough's outstanding Bond Anticipation Notes were as follows:

General Capital Fund

| <u>Ordinance Number</u> | <u>Description</u> | <u>Amount</u> | <u>Interest Rate</u> |
|-------------------------|---|---------------------|----------------------|
| 01-03, 01-22 | Acquisition and Renovation of Coast Guard Building | \$ 16,200 | 1.5% |
| 02-02 | Reconstruction and Renovation of Coast Guard Building Phase II | 443,625 | 1.5% |
| 03-09 | Reconstruction of the Borough Bulkhead | 203,900 | 1.5% |
| 06-03 | Reconstruction and Renovation of Coast Guard Building Phase III | 612,435 | 1.5% |
| 06-06 | Purchase of a Beach Tractor | 20,925 | 1.5% |
| 06-15 | Resurfacing of the Basketball Courts | 34,875 | 1.5% |
| 07-08 | Reconstruction of 12 th Street | 11,250 | 1.5% |
| 08-04 | Purchase of a Public Works Fuel Tank | 32,490 | 1.5% |
| 08-05 | Purchase of a Beach Vehicle | 34,200 | 1.5% |
| 08-09 | Reconstruction of West 17 th Street | 91,200 | 1.5% |
| 08-12 | Reconstruction and Renovation of Coast Guard Building Phase IV | 76,000 | 1.5% |
| 08-14 | Improvements to the Beach Access | 11,400 | 1.5% |
| 09-03 | Reconstruction of East 5 th and 11 th Streets | 142,500 | 1.5% |
| 09-04 | Reconstruction of Borough Bulkhead | <u>427,500</u> | 1.5% |
| | | <u>\$ 2,158,500</u> | |

Water-Sewer Utility Capital Fund

| <u>Ordinance Number</u> | <u>Description</u> | <u>Amount</u> | <u>Interest Rate</u> |
|-------------------------|---|-------------------|----------------------|
| 01-16 | Repairs to the Borough Water Well #3 | \$ 12,075 | 1.49% |
| 02-05 | Improvements to the Borough Water Main | 18,225 | 1.49% |
| 08-07 | Purchase of a Fuel Tank for Well #4 | 10,800 | 1.49% |
| 08-08 | Repair of the Roof Rack and Siding at Well #4 | 22,500 | 1.49% |
| 08-17 | Improvement of Well #4 | 112,500 | 1.49% |
| 08-19 | Rehabilitation of the South Pump Station Pump and the Purchase of Control and Revival Equipment | <u>12,000</u> | 1.49% |
| | | <u>\$ 188,100</u> | |

NOTE 3. DEBT (CONTINUED)

C. Bonds and Notes Authorized but not Issued

At December 31, 2010 the Borough had authorized but not issued bonds and notes as follows:

| | |
|----------------------------------|------------|
| General Capital Fund | \$ 284,365 |
| Water-Sewer Utility Capital Fund | -0- |

D. Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.5% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Borough's statutory net debt at December 31, 2010 was .19%. The Borough's remaining borrower power is 3.31%.

The summary of municipal debt for the last three years and the calculation of statutory net debt is presented in the Supplementary Data section of this report.

E. Summary of Debt Activity

During 2010 the following changes occurred in the outstanding debt of the Borough:

| | <u>Balance</u> <u>Dec. 31, 2009</u> | <u>Issued</u> | <u>Retired</u> | <u>Balance</u> <u>Dec. 31, 2010</u> |
|-------------------------|--|-------------------|-------------------|--|
| General Capital Fund | | | | |
| Bond Anticipation Notes | \$ 1,852,150 | \$ 570,000 | \$ 263,650 | \$ 2,158,500 |
| Green Trust Loans | 73,620 | | 14,144 | 59,476 |
| Water-Sewer Fund | | | | |
| Bond Anticipation Notes | 297,850 | | 109,750 | 188,100 |
| | <u>\$ 2,223,620</u> | <u>\$ 570,000</u> | <u>\$ 387,544</u> | <u>\$ 2,406,076</u> |

NOTE 4. 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. The Borough permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation approximates \$40,283 at December 31, 2010. In accordance with New Jersey accounting principles this amount is not reported as an expenditure or liability in the accompanying financial statements.

NOTE 5. FUND BALANCES APPROPRIATED

The fund balances at December 31, 2010 which were appropriated and included as anticipated revenue in the budgets for the year ending December 31, 2011 were as follows:

| | |
|--------------------------|------------|
| Current Fund | \$ 650,800 |
| Water-Sewer Utility Fund | 77,570 |

NOTE 6. TAXES AND WATER-SEWER CHARGES COLLECTED IN ADVANCE

Taxes and water-sewer charges collected in advance set forth as cash liabilities in the financial statements, are as follows:

| | <u>Balance December 31</u> | |
|---------------------|----------------------------|-------------|
| | <u>2010</u> | <u>2009</u> |
| Prepaid Taxes | \$ 119,514 | \$ 135,930 |
| Prepaid Water Rents | -0- | 138 |
| Prepaid Sewer Rents | -0- | 160 |

NOTE 7. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Borough Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Borough, Local School District, Regional High School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Borough Tax Collector (the "Collector") on or before May 13th.

Tax bills are prepared then mailed by the Collector of the Borough annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The N.J. Statutes allow a grace period of 10 days for each payment period and the Borough granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 8. DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

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

NOTE 9. LENGTH OF SERVICE AWARD PROGRAM

On November 6, 2001 the voters of the Borough approved the creation of a Length of Service Award Program (“LOSAP”). Subsequently, the Division approved the Borough’s LOSAP plan, provided by Lincoln Financial Group. The purpose of this plan is to enhance the Borough’s ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

Lincoln Financial Group will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall provide for a fixed annual contribution of \$708 for the fire company and \$314 for the first aid squad to each eligible volunteer who accumulates a minimum of 50 service points based on criteria established by Borough Ordinances No. 01-018 and No. 01-019. The Borough’s contribution shall be included in the current year’s budget.

All amounts awarded under a length of service award program shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency’s general creditors until distributed to any or all participants.

Borough contributions for the year ended December 31, 2009 totaling \$26,732 were disbursed in April of 2010. The Borough’s contribution for the year ended December 31, 2010 is \$27,520 and was paid out in March of 2011. We have reviewed the plan for the year ended December 31, 2010 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement of Standards for Accounting and Review Services in conjunction with the 2010 audit of the Borough’s financial statements.

NOTE 10. PENSION PLANS

The Borough contributes to a cost-sharing multiple-employer defined benefit pension plan, the Public Employees’ Retirement System (“PERS”), which is administered by the New Jersey Division of Pensions and Benefits. This plan provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. The plan has a Board of Trustees that implements benefit provisions which are established and amended by State statute. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

The contribution requirements of plan members are determined by State statute. Plan members enrolled in the PERS are required to contribute 5.5% of their annual covered salary. The Borough’s net contributions to the plan, including non-contributory group life insurance, equal to the required contributions for each year, were as follows:

| <u>Year</u> | <u>PERS</u> |
|-------------|-------------|
| 2010 | \$ 70,695 |
| 2009 | 54,033 |
| 2008 | 49,332 |

NOTE 11. SCHOOL TAXES

Regional and Local District School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 required that any municipality that levied school taxes on a school year basis shall defer from the 1991 municipal purposes tax levy at least 25% of the amount allowable to be deferred (which is 50% (fifty percent) of the levy). The remainder of the allowable amount shall be deferred from the levy in each of the next three years (1992-1994). The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes. In 1992 at least 50% of the amount allowable to be deferred from the 1992 tax levy was required to offset the 1993 local property tax levy and the total amount of deferral at December 31, 1993 was 75% of the amount allowable to be deferred based on the 1993 tax levy.

In 1994 Section 13, P.L. 1991, C. 63 was amended to provide municipalities with the option to determine the percentage if any of the amount allowable to be deferred to offset the local property tax levy for local purposes.

| | <u>Regional High School Tax</u> | | <u>Local District School Tax</u> | |
|----------------|---------------------------------|-------------------|----------------------------------|-------------------|
| | <u>Balance December 31</u> | | <u>Balance December 31</u> | |
| | <u>2010</u> | <u>2009</u> | <u>2010</u> | <u>2009</u> |
| Balance of Tax | \$ 1,040,537 | \$ 1,170,194 | \$ 206,362 | \$ 222,496 |
| Deferred | <u>516,745</u> | <u>516,745</u> | <u>113,300</u> | <u>113,300</u> |
| Tax Payable | \$ <u>523,792</u> | \$ <u>653,449</u> | \$ <u>93,062</u> | \$ <u>109,196</u> |

NOTE 12. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance programs for municipalities within the state. The Borough pays an actuarially determined annual assessment to Ocean County Municipal Joint Insurance Fund for its insurance coverage and that of the Municipal Excess Liability Fund. Supplemental assessments may be levied to supplement the funds. The Borough has not been notified on any supplemental assessments.

Settled claims resulting from these risks, if any, have not exceeded insurance coverage in any of the past three years.

NOTE 13. CONTINGENT LIABILITIES

State and Federal Financial Assistance

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 financial assistance 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, 2010, the Borough estimates that no material liabilities will result from such audits.

NOTE 13. CONTINGENT LIABILITIES (CONTINUED)

Pending Litigation

Borough Counsel’s letter to the auditor indicated the following:

There is no anticipated or pending tort claim litigation which will result in any direct and uninsured liability of the Borough. Counsel is aware of no recognized unasserted possible claim or assessment that may call for a financial disclosure under the requirements of Statement of Financial Accounting Standard Number 5.

However, the Borough did receive in 2010, a Charge of Discriminatory Employment Practices by a former employee, which was docketed by the U.S.E.E.O.C. The case has evolved into a lawsuit filed in U.S. District Court. The case is in its’ earliest stages and insurance has yet to take over in the defense of the Borough. The Borough intends to vigorously defend this suit. An evaluation of the likelihood of an unfavorable outcome is not possible at this early stage in the case nor can the amount of potential loss be reasonably estimated at this time.

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2010:

| | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|------------------------------------|--|-------------------------------------|
| Current Fund | \$ 5,291 | \$ 3,405 |
| Grant Fund | 3,275 | |
| Animal Control Trust Fund | 30 | |
| Trust-Other Fund | | 177 |
| Water-Sewer Utility Operating Fund | 100 | |
| Payroll Fund | <u> </u> | <u>5,114</u> |
| | <u>\$ 8,696</u> | <u>\$ 8,696</u> |

NOTE 15. SUBSEQUENT EVENT - DEBT AUTHORIZED

The Borough adopted capital ordinances through September 9, 2011:

| <u>Ordinance Number</u> | <u>Project</u> | <u>Amount of Debt Authorized</u> |
|------------------------------------|-----------------------|---|
| N/A | None | N/A |

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

PART II

SUPPLEMENTARY DATA

SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2010

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

| | | | |
|---------------------------|------------------------------|------------------------------|------------------------------|
| Tax Rate | <u>2010</u> \$ <u>.78</u> | <u>2009</u> \$ <u>.75</u> | <u>2008</u> \$ <u>.74</u> |
| Apportionment of Tax Rate | | | |
| Municipal | .16 | .15 | .14 |
| County | .36 | .33 | .34 |
| Local School | .04 | .04 | .04 |
| Regional High School | .22 | .23 | .22 |
| Assessed Valuation | | | |
| 2010 | \$ 996,097,363 | | |
| 2009 | | \$ 1,079,463,085 | |
| 2008 | | | \$1,072,238,936 |

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

| <u>Year</u> | <u>Tax Levy</u> | <u>Currently</u> | |
|-------------|-----------------|----------------------------|---|
| | | <u>Cash Collection</u> | <u>Percentage of Collection</u> |
| 2010 | \$ 7,808,938 | \$ 7,698,120 | 98.58% |
| 2009 | 8,088,895 | 7,992,711 | 98.81% |
| 2008 | 8,016,690 | 7,938,751 | 99.02% |

DELINQUENT TAXES AND TAX TITLE LIENS

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

| <u>Year Ended December 31</u> | <u>Amount of Tax Title Liens</u> | <u>Amount of Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-----------------------------------|--|---|-----------------------------|---------------------------------------|
| 2010 | \$ None | \$ 79,927 | \$ 79,927 | 1.02% |
| 2009 | None | 84,704 | 84,704 | 1.05% |
| 2008 | None | 75,143 | 75,143 | .94% |

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties were acquired in 2010 by foreclosure as a result of liquidation tax title liens.

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2010 | \$ 38,250 |
| 2009 | 38,250 |
| 2008 | 38,250 |

COMPARISON OF WATER-SEWER UTILITY LEVIES

| <u>Year</u> | <u>Levy</u> | <u>Cash Collection</u> |
|-------------|--------------|------------------------|
| 2010 | \$ 1,165,484 | \$ 1,160,045 |
| 2009 | 1,121,504 | 1,118,722 |
| 2008 | 1,074,102 | 1,074,643 |

COMPARATIVE SCHEDULE OF FUND BALANCES

| <u>Year</u> | <u>Balance December 31</u> | <u>Utilized in Budget of Succeeding Year</u> |
|--------------------------------|----------------------------|--|
| <u>Current Fund</u> | | |
| 2010 | \$ 908,618 | \$ 650,800 |
| 2009 | 865,291 | 563,500 |
| 2008 | 715,333 | 570,500 |
| 2007 | 541,743 | 316,150 |
| 2006 | 398,555 | 200,000 |
| <u>Water-Sewer Fund</u> | | |
| 2010 | \$ 357,376 | \$ 77,570 |
| 2009 | 258,491 | 71,452 |
| 2008 | 229,660 | 115,000 |
| 2007 | 109,885 | -0- |
| 2006 | 65,210 | -0- |

SUMMARY OF MUNICIPAL DEBT

| | <u>Year 2010</u> | <u>Year 2009</u> | <u>Year 2008</u> |
|---|---------------------|---------------------|---------------------|
| <u>Issued</u> | | | |
| General Bonds and Notes | \$ 2,217,976 | \$ 1,925,770 | \$ 1,900,685 |
| Water-Sewer Utility Bonds and Notes | <u>188,100</u> | <u>297,850</u> | <u>230,600</u> |
| Total Issued | <u>2,406,076</u> | <u>2,223,620</u> | <u>2,131,285</u> |
| Less: | | | |
| Funds Temporarily Held to Pay Bonds and Notes, Accounts Receivable and Self Liquidating Purpose | <u>547,576</u> | <u>609,470</u> | <u>788,000</u> |
| Net Debt Issued | <u>1,858,500</u> | <u>1,614,150</u> | <u>1,343,285</u> |
| <u>Authorized but not Issued</u> | | | |
| General Bonds and Notes | 284,365 | 740,365 | 492,465 |
| Water-Sewer Utility Bonds and Notes | <u>-0-</u> | <u>38,000</u> | <u>251,000</u> |
| | <u>284,365</u> | <u>778,365</u> | <u>743,465</u> |
| Net Bonds and Notes Issued and Authorized but not Issued | \$ <u>2,142,865</u> | \$ <u>2,392,515</u> | \$ <u>2,086,750</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 .19%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|--|---------------------|---------------------|---------------------|
| Local, Regional and/or Consolidated School District Debt | \$ 516,442 | \$ 516,442 | \$ -0- |
| General Debt | 2,502,341 | 359,476 | 2,142,865 |
| Water-Sewer Utility Debt | <u>188,100</u> | <u>188,100</u> | <u>-0-</u> |
| | \$ <u>3,206,883</u> | \$ <u>1,064,018</u> | \$ <u>2,142,865</u> |

Net Debt \$2,142,865 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended \$1,130,203,761 = .19%.

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

| | |
|-----------------------------------|----------------------|
| 3.5% of Equalized Valuation Basis | \$ 39,557,132 |
| Net Debt | <u>2,142,865</u> |
| Remaining Borrowing Power | \$ <u>37,414,267</u> |

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

| | | |
|--|----------------|------------------|
| Cash Receipts from Fees, Rents or Other Charges for the Year | | \$ 1,241,758 |
| Deductions: | | |
| Operating and Maintenance Cost | \$ 1,106,265 | |
| Debt Service per Water-Sewer Account | <u>113,329</u> | |
| Total Deductions | | <u>1,219,594</u> |
| Excess in Revenue | | \$ <u>22,164</u> |

The forgoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2010:

| <u>Name</u> | <u>Position</u> | <u>Amount of Bond</u> | <u>Name of Corporate Surety</u> |
|---------------------------|--|----------------------------------|--|
| Kirk O. Larson | Mayor | | |
| Michael W. Spark | President of Council | | |
| David E. Bossi | Councilman | | |
| Frank Mikuletzky | Councilman | | |
| James E. Morrison | Councilman (to 08/21/10) | | |
| Dorothy Reynolds | Councilwoman | | |
| George M. Warr | Councilman | | |
| Gail J. Wetmore | Borough Clerk, Administrator Vital Statistics, Registrar, Improvement Search Officer | | |
| Kathleen Flanagan | Chief Financial Officer | \$ 1,000,000 | MEL/JIF |
| Joan M. Marcus | Tax Collector, Tax Search Officer and Water-Sewer Collector | 1,000,000 | MEL/JIF |
| Frank Salzer | Municipal Court Judge | 1,000,000 | JIF Blanket Bond |
| Helen-Jean Robinson | Court Administrator | 1,000,000 | JIF Blanket Bond |
| Carol Miller | Deputy Court Administrator | 1,000,000 | JIF Blanket Bond |
| Terry F. Brady | Attorney | | |
| Owen, Little & Associates | Engineer | | |

Borough employees, other than the Chief Financial Officer, Tax/Utility Collector, Judge, Court Administrator and Deputy Court Administrator were covered by a blanket bond of the Joint Insurance Fund in the amount of \$1,000,000.

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND AND GRANT FUNDS

Exhibit A-4

SCHEDULE OF CASH - TREASURER

| | Current Fund | Federal and State Grant Fund |
|--------------------------------------|-------------------------|---|
| Balance December 31, 2009 | \$ <u>2,050,358.55</u> | \$ <u>28,564.87</u> |
| Increased by Receipts: | | |
| Petty Cash | 200.00 | |
| Change Fund | 900.00 | |
| Third Party Inspection Fees | 27,269.40 | |
| Deferred Revenue: | | |
| Reserve for Beach Chair Donations | 290.00 | |
| Boat Slips | 64,000.00 | |
| Contribution to Health Benefits | 3,866.85 | |
| Non-Budget Revenue | 67,408.40 | |
| Taxes Receivable | 7,626,142.64 | |
| Due State of New Jersey | 25,769.25 | |
| Tax Overpayments | 1,561.33 | |
| Prepaid Taxes | 120,596.63 | |
| Revenue Accounts Receivable | 801,818.40 | |
| Interfunds | 4,088.13 | 2,000.01 |
| Federal and State Grants Receivable | | 5,626.10 |
| Unappropriated Reserves | | 3,274.87 |
| Total Increases | <u>8,743,911.03</u> | <u>10,900.98</u> |
| Total Increases and Balances | <u>10,794,269.58</u> | <u>39,465.85</u> |
| Decreased by Disbursements: | | |
| Petty Cash | 200.00 | |
| Change Fund | 900.00 | |
| Refund of Prior Year Revenue | 1,356.13 | |
| Reserve for Contribution to P.E.R.S. | 5,000.00 | |
| Third Party Inspection Fees | 27,929.70 | |
| Deferred Revenue: | | |
| Garden State Trust Fund | 1,926.59 | |
| Boat Slips | 68,000.00 | |
| Budget Appropriations | 2,209,938.33 | |
| Due State of New Jersey | 4,384.07 | |
| Tax Overpayments | 2,321.14 | |
| Municipal Open Space Preservation | 100,247.98 | |
| County Taxes | 3,536,430.75 | |
| Local District School Taxes | 426,857.75 | |
| Regional School Taxes | 2,302,316.88 | |
| Appropriation Reserves | 38,447.05 | |
| Interfunds | 5,113.81 | 3,274.87 |
| Appropriated Reserves | | 3,022.29 |
| Total Decreases | <u>8,731,370.18</u> | <u>6,297.16</u> |
| Balance December 31, 2010 | \$ <u>2,062,899.40</u> | \$ <u>33,168.69</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-5

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| Year | Balance | 2010 Levy | Collected | | Tax Appeals | Veterans and Senior Citizens Deductions | Balance Dec. 31, 2010 |
|-----------|---------------|-----------------|-----------------|---------------|--------------|---|-----------------------|
| | Dec. 31, 2009 | | 2010 | 2009 | | | |
| 2009 | \$ 84,704.39 | \$ | \$ 84,704.39 | \$ | \$ | \$ | \$ |
| 6% Y.E.P. | 811.46 | 1,510.07 | 811.46 | | | | 1,510.07 |
| | 85,515.85 | 1,510.07 | 85,515.85 | | | | 1,510.07 |
| 2010 | | 7,808,938.47 | 7,540,626.79 | 137,013.23 | 30,891.26 | 20,480.00 | 79,927.19 |
| | \$ 85,515.85 | \$ 7,810,448.54 | \$ 7,626,142.64 | \$ 137,013.23 | \$ 30,891.26 | \$ 20,480.00 | \$ 81,437.26 |

Analysis of 2010 Property Tax Levy

| | |
|---------------------|------------------------|
| Tax Yield: | |
| General Purpose Tax | \$ 7,759,599.04 |
| Added Taxes | 49,339.43 |
| | <u>\$ 7,808,938.47</u> |

| | |
|--|---------------------|
| Tax Levy: | |
| Local District School Tax (Abstract) | \$ 410,723.59 |
| Regional School Tax (Abstract) | 2,172,660.30 |
| County Tax (Abstract) | \$ 3,047,604.53 |
| County Library Tax (Abstract) | 348,016.31 |
| County Open Space Preservation (Abstract) | 134,499.06 |
| Due County Added Taxes | 22,291.49 |
| | <u>3,552,411.39</u> |
| Total School and County Taxes | <u>6,135,795.28</u> |
| Municipal Open Space Preservation (Abstract) | 100,247.98 |
| Local Tax for Municipal Purposes | 1,541,735.31 |
| Added Taxes | 31,159.90 |
| Total Municipal Taxes | <u>1,673,143.19</u> |

\$ 7,808,938.47

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-6

SCHEDULE OF DUE FROM/TO STATE OF NEW JERSEY

| | | | | |
|--------------------------------------|------------------|---------------------------------|----------------------|----------------------|
| Balance December 31, 2009 - (Due To) | Total | Uniform Construction Code | Marriage Licenses | Ch. 20, P.L. 1971 |
| | \$ (1,781.85) | \$ (1,199.32) | \$ (25.00) | \$ (557.53) |
| Increased by: | | | | |
| Deductions: | | | | |
| Per Billings | 20,250.00 | | | 20,250.00 |
| Allowed by Tax Collector (Net) | 230.00 | | | 230.00 |
| Total Deductions | <u>20,480.00</u> | | | <u>20,480.00</u> |
| Disbursements | 4,384.07 | 4,109.07 | 275.00 | |
| Total Increases | <u>24,864.07</u> | <u>4,109.07</u> | <u>275.00</u> | <u>20,480.00</u> |
| Total Increases and Balances | <u>23,082.22</u> | <u>2,909.75</u> | <u>250.00</u> | <u>19,922.47</u> |
| Decreased by: | | | | |
| Receipts | <u>25,769.25</u> | 4,194.25 | 325.00 | 21,250.00 |
| Balance December 31, 2010 - (Due To) | \$ (2,687.03) | \$ (1,284.50) | \$ (75.00) | \$ (1,327.53) |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF TAX OVERPAYMENTS

| | | | |
|---------------------------|----|---------------|----------------------|
| Balance December 31, 2009 | | \$ | 1,655.71 |
| Increased by: | | | |
| Collection | | | <u>1,561.33</u> |
| | | | 3,217.04 |
| Decreased by: | | | |
| Disbursements | \$ | 2,321.14 | |
| Cancelled | | <u>139.93</u> | |
| | | | <u>2,461.07</u> |
| Balance December 31, 2010 | | \$ | <u><u>755.97</u></u> |

SCHEDULE OF PREPAID TAXES

Exhibit A-8

| | | | |
|---------------------------|--|----|--------------------------|
| Balance December 31, 2009 | | \$ | 135,930.10 |
| Increased by: | | | |
| Collection | | | <u>120,596.63</u> |
| | | | 256,526.73 |
| Decreased by: | | | |
| Applied to 2010 Taxes | | | <u>137,013.23</u> |
| Balance December 31, 2010 | | \$ | <u><u>119,513.50</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-9

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

| | <u>Balance Dec. 31, 2009</u> | <u>Accrued in 2010</u> | <u>Collected</u> | <u>Balance Dec. 31, 2010</u> |
|--------------------------------------|----------------------------------|----------------------------|------------------|----------------------------------|
| Licenses: | \$ | \$ 5,500.00 | \$ 5,500.00 | \$ |
| Alcoholic Beverages | | 174,653.37 | 174,653.37 | |
| Fees and Permits | 599.00 | 6,329.25 | 6,714.75 | 213.50 |
| Fines and Costs - Municipal Court | | 20,963.26 | 20,963.26 | |
| Interest and Costs on Taxes | | 19,515.03 | 19,515.03 | |
| Interest on Investments and Deposits | | 230,145.00 | 230,145.00 | |
| Beach Badge Fees | | 84,709.00 | 84,709.00 | |
| Energy Receipts Tax | | 1,926.59 | 1,926.59 | |
| Garden State Trust Fund | | 36,290.35 | 36,290.35 | |
| Uniform Construction Code Fees | | 13,800.00 | 13,800.00 | |
| Post Office Rental | | 103,451.05 | 103,451.05 | |
| Water Tower Rental | | 99,150.00 | 99,150.00 | |
| General Capital Surplus | | 5,000.00 | 5,000.00 | |
| Reserve for Contribution to P.E.R.S. | \$ 599.00 | \$ 801,432.90 | \$ 801,818.40 | \$ 213.50 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-10

SCHEDULE OF COUNTY TAXES PAYABLE

| | | | |
|--------------------------------|----|------------------|-------------------------|
| Balance December 31, 2009 | | \$ | 6,310.85 |
| Increased by: | | | |
| General County Tax | \$ | 3,047,604.53 | |
| County Library Tax | | 348,016.31 | |
| County Open Space Preservation | | 134,499.06 | |
| Added Taxes | | <u>22,291.49</u> | |
| | | | <u>3,552,411.39</u> |
| | | | <u>3,558,722.24</u> |
| Decreased by: | | | |
| Disbursements | | | <u>3,536,430.75</u> |
| Balance December 31, 2010 | | \$ | <u><u>22,291.49</u></u> |

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Exhibit A-11

| | | | |
|--|----|-------------------|-----------------------------|
| Balance December 31, 2009: | | | |
| School Tax Payable | \$ | 109,195.95 | |
| School Tax Deferred | | <u>113,300.00</u> | |
| | | | \$ 222,495.95 |
| Increased by: | | | |
| Levy School Year July 1, 2010 to June 30, 2011 | | | <u>410,723.59</u> |
| | | | <u>633,219.54</u> |
| Decreased by: | | | |
| Payments | | | <u>426,857.75</u> |
| Balance December 31, 2010: | | | |
| School Tax Payable | | 93,061.79 | |
| School Tax Deferred | | <u>113,300.00</u> | |
| | | | \$ <u><u>206,361.79</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-12

SCHEDULE OF REGIONAL SCHOOL TAX

| | | | |
|--|-------------------|--|------------------------|
| Balance December 31, 2009 | | | |
| School Tax Payable | \$ 653,448.79 | | |
| School Tax Deferred | <u>516,745.00</u> | | |
| | | | \$ 1,170,193.79 |
| Increased by: | | | |
| Levy School Year July 1, 2010 to June 30, 2011 | | | <u>2,172,660.30</u> |
| | | | <u>3,342,854.09</u> |
| Decreased by: | | | |
| Payments | | | <u>2,302,316.88</u> |
| Balance December 31, 2010 | | | |
| School Tax Payable | 523,792.21 | | |
| School Tax Deferred | <u>516,745.00</u> | | |
| | | | \$ <u>1,040,537.21</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF APPROPRIATION RESERVES

Sheet 1 of 5

OPERATIONS WITHIN CAPS

Administrative and Executive

| | <u>Balance Dec. 31, 2009</u> | <u>Balance After Transfer</u> | <u>Paid or Charged</u> | <u>Balance Lapsed</u> |
|---------------------------------------|----------------------------------|---------------------------------------|----------------------------|---------------------------|
| Mayor and Council | \$ 580.34 | \$ 580.34 | \$ | \$ 580.34 |
| Other Expenses | | | | |
| Municipal Clerk | 196.16 | 196.16 | | 196.16 |
| Salaries and Wages | | | | |
| Other Expenses | 4,099.87 | 4,099.87 | 506.33 | 3,593.54 |
| Advertising | | | | |
| Other Expenses | 12.84 | 12.84 | | 12.84 |
| Financial Administration | | | | |
| Other Expenses | 65.66 | 65.66 | 37.13 | 28.53 |
| Audit Services | | | | |
| Other Expenses | 1,925.00 | 1,925.00 | | 1,925.00 |
| Tax Collection | | | | |
| Salaries and Wages | | | | |
| Other Expenses | 76.22 | 76.22 | | 76.22 |
| Tax Assessment | 641.37 | 641.37 | 170.51 | 470.86 |
| Other Expenses | | | | |
| Legal Services | 1,067.49 | 1,067.49 | 1,067.49 | |
| Other Expenses | | | | |
| Engineering Services | 6,585.00 | 6,585.00 | 1,485.00 | 5,100.00 |
| Other Expenses | | | | |
| OC LED Maintenance | 10,962.43 | 10,962.43 | | 10,962.43 |
| <u>Land Use Administration</u> | 1,000.00 | 1,000.00 | | 1,000.00 |
| Planning Board | | | | |
| Salaries and Wages | 2.00 | 2.00 | | 2.00 |
| Other Expenses | 2,974.53 | 2,974.53 | 33.98 | 2,940.55 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF APPROPRIATION RESERVES

Sheet 2 of 5

| | <u>Balance Dec. 31, 2009</u> | <u>Balance After Transfer</u> | <u>Paid or Charged</u> | <u>Balance Lapsed</u> |
|---------------------------------------|---|--|-----------------------------------|----------------------------------|
| Zoning Board of Adjustment | \$ 1,757.45 | \$ 1,757.45 | \$ 128.51 | \$ 1,628.94 |
| Other Expenses | | | | |
| Insurance | | | | |
| Liability Insurance | 2,639.99 | 2,639.99 | | 2,639.99 |
| Workers Compensation Insurance | 2,896.00 | 2,896.00 | | 2,896.00 |
| Employee Group Insurance | 1,092.04 | 1,092.04 | | 1,092.04 |
| <u>Public Safety Functions</u> | | | | |
| Emergency Management Services | | | | |
| Other Expenses | 8.48 | 83.48 | 40.19 | 43.29 |
| Municipal Court | | | | |
| Salaries and Wages | 174.17 | 174.17 | | 174.17 |
| Other Expenses | 4,029.38 | 4,029.38 | 303.92 | 3,725.46 |
| Public Defender (C256, P.L. 1997) | | | | |
| Other Expenses | 300.00 | 300.00 | | 300.00 |
| Municipal Prosecutor | | | | |
| Other Expenses | 400.00 | 400.00 | | 400.00 |
| <u>Public Works Functions</u> | | | | |
| Streets and Road Maintenance | | | | |
| Salaries and Wages | 5,606.80 | 5,606.80 | 1,901.76 | 3,705.04 |
| Other Expenses | 2,841.97 | 2,166.97 | 351.70 | 1,815.27 |
| Ocean County Road Department | 1,500.00 | 1,500.00 | | 1,500.00 |
| Garbage and Trash Removal | | | | |
| Other Expenses | | | | |
| Sanitary Landfill Fees | 10,581.69 | 10,581.69 | 4,562.00 | 6,019.69 |
| Garbage and Recycling Collection | 43,288.13 | 43,288.13 | 13,262.33 | 30,025.80 |
| Recycling (C. 74, P.L. 1987) | | | | |
| Other Expenses | 45.67 | 45.67 | 39.56 | 6.11 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF APPROPRIATION RESERVES

Sheet 3 of 5

| | <u>Balance Dec. 31, 2009</u> | <u>Balance After Transfer</u> | <u>Paid or Charged</u> | <u>Balance Lapsed</u> |
|--|---|--|-----------------------------------|----------------------------------|
| Public Buildings and Grounds | | | | |
| Salaries and Wages | \$ 200.72 | \$ 200.72 | | \$ 200.72 |
| Other Expenses | 404.57 | 1,004.57 | 974.20 | 30.37 |
| <u>Health and Human Services</u> | | | | |
| Board of Health | | | | |
| Other Expenses | 400.00 | 400.00 | | 400.00 |
| Animal Control Services | | | | |
| Other Expenses | 612.83 | 612.83 | 260.00 | 352.83 |
| <u>Parks and Recreation Functions</u> | | | | |
| Parks and Playgrounds | | | | |
| Salaries and Wages | 3,226.14 | 3,226.14 | | 3,226.14 |
| Other Expenses | 1,404.33 | 1,404.33 | 17.20 | 1,387.13 |
| Lifeguards | | | | |
| Salaries and Wages | 11,116.24 | 11,116.24 | | 11,116.24 |
| Other Expenses | 1,023.47 | 1,023.47 | 585.79 | 437.68 |
| Beachfront Maintenance | | | | |
| Salaries and Wages | 4,287.50 | 4,287.50 | | 4,287.50 |
| Other Expenses | 7,317.68 | 7,317.68 | 180.53 | 7,137.15 |
| Public Docks | | | | |
| Salaries and Wages | 1,671.62 | 1,671.62 | | 1,671.62 |
| Other Expenses | 121.70 | 121.70 | 121.70 | |
| Celebration of Public Events, Anniversary or Holiday | | | | |
| Other Expenses | 2,545.15 | 2,545.15 | 129.84 | 2,415.31 |
| <u>Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u> | | | | |
| Construction Code Official | | | | |
| Salaries and Wages | 660.46 | 660.46 | | 660.46 |
| Other Expenses | 325.87 | 325.87 | 209.40 | 116.47 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF APPROPRIATION RESERVES

Sheet 4 of 5

| | <u>Balance Dec. 31, 2009</u> | <u>Balance After Transfer</u> | <u>Paid or Charged</u> | <u>Balance Lapsed</u> |
|--|----------------------------------|---------------------------------------|----------------------------|---------------------------|
| Utility Expenses: | | | | |
| Electricity | \$ 6,343.57 | \$ 6,343.57 | | \$ 6,343.57 |
| Street Lighting | 255.49 | 255.49 | | 255.49 |
| Telephone | 3,072.90 | 3,072.90 | 1,110.32 | 1,962.58 |
| Natural Gas | 3,287.55 | 3,287.55 | 1,422.30 | 1,865.25 |
| Gasoline | 10,306.27 | 10,306.27 | 852.04 | 9,454.23 |
| <u>STATUTORY EXPENDITURES WITHIN CAPS</u> | | | | |
| Contribution to: | | | | |
| Unemployment Insurance | 3,890.01 | 3,890.01 | | 3,890.01 |
| Public Employees Retirement System | 0.60 | 0.60 | | .60 |
| Social Security System (O.A.S.I.) | 179.22 | 179.22 | | 179.22 |
| Total Appropriations within Caps | <u>170,004.57</u> | <u>170,004.57</u> | <u>29,753.73</u> | <u>140,250.84</u> |

OPERATIONS EXCLUDED FROM CAPS

| | | | | |
|---|------------------|------------------|-----------------|-----------------|
| Shared Services Agreements | | | | |
| Construction Code Services | 9,975.83 | 9,975.83 | | 960.11 |
| Health and Human Services | | | 9,015.72 | |
| Board of Health | | | | |
| Other Expenses (Ch. 329, P.L. 1975) | 1,359.00 | 1,359.00 | | 1,359.00 |
| Environmental Commission | | | | |
| Other Expenses | 500.00 | 500.00 | | 500.00 |
| Total Appropriations excluded from Caps | <u>11,834.83</u> | <u>11,834.83</u> | <u>9,015.72</u> | <u>2,819.11</u> |
| | \$ 181,839.40 | \$ 181,839.40 | \$ 38,769.45 | \$ 143,069.95 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF APPROPRIATION RESERVES

Sheet 5 of 5

| | Balance After Transfers |
|-------------------------------|--|
| Appropriation Reserves - 2009 | \$ 178,582.14 |
| Reserve for Encumbrances | <u>3,257.26</u> |
| | <u>\$ 181,839.40</u> |
| | |
| | Paid or Charged |
| Disbursements | \$ 38,447.05 |
| Reserve for Encumbrances | <u>322.40</u> |
| | <u>\$ 38,769.45</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF RESERVE FOR ENCUMBRANCES

| | Total (Memo Only) | Current Fund | Federal and State Grant Fund |
|---|------------------------------|-------------------------|---|
| Balance December 31, 2009 | \$ <u>3,295.61</u> | \$ <u>3,295.61</u> | \$ <u> </u> |
| Increased by: | | | |
| Transfer from 2010 Budget Appropriations | 35,815.45 | 35,815.45 | |
| Transfer from 2009 Appropriation Reserves | 322.40 | 322.40 | |
| Transfer from Appropriated Reserves | 135.14 | | 135.14 |
| Total Increases | <u>36,272.99</u> | <u>36,137.85</u> | <u>135.14</u> |
| Total Increases and Balances | <u>39,568.60</u> | <u>39,433.46</u> | <u>135.14</u> |
| Decreased by: | | | |
| Transfer to 2009 Appropriation Reserves | 3,257.26 | 3,257.26 | |
| Cancelled | 38.35 | 38.35 | |
| Total Decreases | <u>3,295.61</u> | <u>3,295.61</u> | <u> </u> |
| Balance December 31, 2010 | \$ <u>36,272.99</u> | \$ <u>36,137.85</u> | \$ <u>135.14</u> |

SCHEDULE OF RESERVE FOR REVALUATION

Exhibit A-15

| | |
|---------------------------|--------------------|
| Balance December 31, 2009 | \$ 3,535.00 |
| Decreased by: | |
| Cancelled | \$ <u>3,535.00</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-16

SCHEDULE OF INTERFUNDS

| | <u>Total (Memo Only)</u> | <u>Animal Control Trust</u> | <u>Trust Other</u> | <u>General Capital</u> | <u>Water-Sewer Utility Operating</u> | <u>Payroll</u> |
|--|------------------------------|-------------------------------------|------------------------|----------------------------|--|--------------------|
| Balance December 31, 2009 - Due From/(Due To) | \$ 860.08 | \$ 242.61 | \$ 286.34 | \$ 431.13 | \$ (100.00) | \$ |
| Increased/Decreased by: | | | | | | |
| Disbursements | 5,113.80 | .01 | .03 | .01 | | 5,113.75 |
| | <u>5,973.88</u> | <u>242.62</u> | <u>286.37</u> | <u>431.14</u> | <u>(100.00)</u> | <u>5,113.75</u> |
| Decreased/Increased by: | | | | | | |
| Receipts | 813.26 | 273.00 | 109.13 | 431.13 | | |
| | <u>813.26</u> | <u>273.00</u> | <u>109.13</u> | <u>431.13</u> | | |
| Balance December 31, 2010 - Due From/(Due To) | \$ <u>5,160.62</u> | \$ <u>(30.38)</u> | \$ <u>177.24</u> | \$ <u>.01</u> | \$ <u>(100.00)</u> | \$ <u>5,113.75</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-17

FEDERAL AND STATE GRANT FUND

SCHEDULE OF INTERFUNDS

| | Total (Memo Only) | Current Fund | General Capital Fund |
|---|------------------------------|---------------------------|-------------------------------------|
| Balance December 31, 2009 - Due From/(Due To) | \$ <u>2,000.00</u> | \$ <u> </u> | \$ <u>2,000.00</u> |
| Increased by: | | | |
| Disbursements | 3,274.87 | 3,274.87 | |
| 2010 Budget Revenues Realized | <u>4,837.88</u> | <u>4,837.88</u> | |
| Total Increases | <u>8,112.75</u> | <u>8,112.75</u> | |
| Total Increases and Balances | <u>10,112.75</u> | <u>8,112.75</u> | <u>2,000.00</u> |
| Decreased by: | | | |
| Receipts | 2,000.01 | .01 | 2,000.00 |
| 2010 Budget Appropriations | <u>4,837.88</u> | <u>4,837.88</u> | |
| Total Decreases | <u>6,837.89</u> | <u>4,837.89</u> | <u>2,000.00</u> |
| Balance December 31, 2010 - Due From/(Due To) | \$ <u><u>3,274.86</u></u> | \$ <u><u>3,274.86</u></u> | \$ <u><u> </u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-18

FEDERAL AND STATE GRANT FUND

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

| | <u>Balance Dec. 31, 2009</u> | <u>2010 Budget Revenue Realized</u> | <u>Received</u> | <u>Realized from Unappropriated Reserves</u> | <u>Balance Dec. 31, 2010</u> |
|--------------------------------------|----------------------------------|---|--------------------|--|----------------------------------|
| Clean Communities (C. 87, P.L. 1986) | \$ | \$ 4,626.10 | \$ 4,626.10 | \$ | \$ |
| Recycling Tonnage Grant | | 211.78 | | 211.78 | |
| Stormwater Regulation Program | 6,041.00 | | 1,000.00 | | 5,041.00 |
| | <u>\$ 6,041.00</u> | <u>\$ 4,837.88</u> | <u>\$ 5,626.10</u> | <u>\$ 211.78</u> | <u>\$ 5,041.00</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-19

FEDERAL AND STATE GRANT FUND

SCHEDULE OF APPROPRIATED RESERVES

| | <u>Balance Dec. 31, 2009</u> | <u>2010 Budget Appropriation</u> | <u>Paid or Charged</u> | <u>Balance Dec. 31, 2010</u> |
|---|----------------------------------|--------------------------------------|----------------------------|----------------------------------|
| Alcohol Education and Rehabilitation Fund | \$ 2,351.97 | | \$ 90.00 | \$ 2,261.97 |
| Clean Communities (C. 87, P.L. 1986) | 12,952.87 | 4,626.10 | 305.52 | 17,273.45 |
| Comcast Grant | 65.68 | | | 65.68 |
| EMPG Exercise Improvement Grant | 12,000.00 | | | 12,000.00 |
| Joint Insurance Fund Incentive Awards | 799.57 | | | 799.57 |
| Recycling Tonnage Grant | 3,400.22 | 211.78 | 550.08 | 3,061.92 |
| Stormwater Mapping Grant | 51.33 | | | 51.33 |
| Stormwater Regulation Program | <u>4,772.45</u> | | <u>2,211.83</u> | <u>2,560.62</u> |
| | \$ 36,394.09 | \$ 4,837.88 | \$ 3,157.43 | \$ 38,074.54 |
| Disbursements | | | <u>3,022.29</u> | |
| Reserve for Encumbrances (Net) | | | <u>135.14</u> | |
| | | | <u>\$ 3,157.43</u> | |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-20

FEDERAL AND STATE GRANT FUND

SCHEDULE OF UNAPPROPRIATED RESERVES

| | Balance Dec. 31, 2009 | Receipts | Utilization as Anticipated Revenue | Balance Dec. 31, 2010 |
|-------------------------------|--------------------------|-------------|--|--------------------------|
| Recycling Tonnage Grant | \$ 211.78 | \$ | \$ 211.78 | \$ |
| Recycling Revenue and Residue | | 3,274.87 | | 3,274.87 |
| | \$ 211.78 | \$ 3,274.87 | \$ 211.78 | \$ 3,274.87 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

TRUST FUND

Exhibit B-1

SCHEDULE OF CASH

| | Animal Control Trust Fund | Trust - Other Fund |
|-----------------------------|--|-------------------------------|
| Balance December 31, 2009 | \$ <u>930.81</u> | \$ <u>216,262.51</u> |
| Increased by Receipts: | | |
| Animal Control License Fees | 418.00 | |
| State Registration Fees | 177.00 | |
| Interfunds | .01 | 7,264.68 |
| Miscellaneous Reserves | | 153,001.86 |
| Total Receipts | <u>595.01</u> | <u>160,266.54</u> |
| Total Receipts and Balances | <u>1,525.82</u> | <u>376,529.05</u> |
| Decreased by Disbursements: | | |
| Animal Control Expenditures | 880.00 | |
| State Registration Fees | 159.60 | |
| Interfunds | 273.00 | 109.13 |
| Miscellaneous Reserves | | 56,125.38 |
| Total Disbursements | <u>1,312.60</u> | <u>56,234.51</u> |
| Balance December 31, 2010 | \$ <u><u>213.22</u></u> | \$ <u><u>320,294.54</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

TRUST FUND

Exhibit B-2

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

TRUST FUND EXPENDITURES

| | |
|---------------------------------------|-------------------------|
| Balance December 31, 2009 | \$ 684.00 |
| Increased by: | |
| Animal Control License Fees Collected | 418.00 |
| | <u>1,102.00</u> |
| Decreased by: | |
| Expenditures Under R.S. 4:19-15.11: | |
| Disbursements | <u>880.00</u> |
| Balance December 31, 2010 | <u><u>\$ 222.00</u></u> |

License Fees Collected

| <u>Year</u> | <u>Amount</u> |
|--------------------|-------------------------|
| 2009 | \$ <u>326.80</u> |
| 2008 | <u>315.40</u> |
| | <u><u>\$ 642.20</u></u> |

SCHEDULE OF DUE STATE OF NEW JERSEY

Exhibit B-3

| | |
|---|------------------------|
| Balance December 31, 2009 | \$ 4.20 |
| Increased by: | |
| Receipts - State Registration Fees | 177.00 |
| | <u>181.20</u> |
| Decreased by: | |
| Disbursements - State Registration Fees | <u>159.60</u> |
| Balance December 31, 2010 | <u><u>\$ 21.60</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

TRUST FUND

Exhibit B-4

SCHEDULE OF INTERFUNDS

| | <u>Animal Control Trust Fund Current Fund</u> | <u>Total (Memo Only)</u> | <u>Trust - Other Fund Current Fund</u> | <u>Payroll Fund</u> |
|---|---|------------------------------|--|-------------------------|
| Balance December 31, 2009 - Due From/(Due To) | \$ (242.61) | \$ 6,978.31 | \$ (286.34) | \$ 7,264.65 |
| Increased/Decreased by: | | | | |
| Disbursements | <u>273.00</u> | <u>109.13</u> | <u>109.13</u> | <u>7,264.65</u> |
| Decreased/Increased by: | | | | |
| Receipts | <u>30.39</u> | <u>7,087.44</u> | <u>(177.21)</u> | <u>7,264.65</u> |
| | <u>.01</u> | <u>7,264.68</u> | <u>.03</u> | <u>7,264.65</u> |
| Balance December 31, 2010 - Due From/(Due To) | \$ <u>30.38</u> | \$ <u>(177.24)</u> | \$ <u>(177.24)</u> | \$ <u> </u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

TRUST FUND

Exhibit B-5

SCHEDULE OF MISCELLANEOUS RESERVES

| | <u>Balance</u> | <u>Increased</u> | <u>Decreased</u> | <u>Balance</u> |
|-----------------------------------|----------------------|----------------------|---------------------|----------------------|
| | <u>Dec. 31, 2009</u> | | | <u>Dec. 31, 2010</u> |
| Performance Bonds | \$ 11,836.66 | | | \$ 11,836.66 |
| Engineering and Attorney Fees | 45,601.34 | 206.01 | 11,700.95 | 34,106.40 |
| Street Opening Deposits | 23,900.00 | 1,000.00 | 1,000.00 | 23,900.00 |
| Parking Offense Adjudication Act | 256.00 | 16.00 | | 272.00 |
| Public Defender Fees | 382.63 | | | 382.63 |
| Memory Bench Donations | | 4,048.00 | 4,048.00 | |
| 100th Anniversary Donations | 615.00 | | | 615.00 |
| Recreation Trust Fund | 3,424.97 | 12,820.00 | 9,000.34 | 7,244.63 |
| Welcome Sign Donations | 700.00 | | | 700.00 |
| Accumulated Absences | 26,471.55 | 24,685.41 | 23,001.00 | 28,155.96 |
| Open Space | 108,216.22 | 101,001.44 | 750.99 | 208,466.67 |
| Lifeguard Fundraisers & Equipment | 1,836.45 | 6,690.00 | 4,531.94 | 3,994.51 |
| Borough Gardens | | 1,050.00 | 1,050.00 | |
| Dog Plaque | | 1,485.00 | 1,042.16 | 442.84 |
| | <u>\$ 223,240.82</u> | <u>\$ 153,001.86</u> | <u>\$ 56,125.38</u> | <u>\$ 320,117.30</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

TRUST FUND

Exhibit B-6

SCHEDULE OF LENGTH OF SERVICE AWARD PROGRAM (LOSAP)

(UNAUDITED)

| | | |
|---------------------------|------------------|-----------------------------|
| Balance December 31, 2009 | | \$ 260,133.97 |
| Increased by: | | |
| Contributions | \$ 57,500.00 | |
| Earnings (Net) | <u>32,270.48</u> | |
| | | <u>89,770.48</u> |
| | | 349,904.45 |
| Decreased by: | | |
| Withdrawals | | <u>9,686.37</u> |
| Balance December 31, 2010 | | <u><u>\$ 340,218.08</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-2

SCHEDULE OF CASH

| | | |
|----------------------------|-------------------|-----------------------------|
| Balance December 31, 2009 | | \$ 331,638.30 |
| Increased by: | | |
| Fund Balance | \$ 560.00 | |
| Grants Receivable | 169,970.23 | |
| Capital Improvement Fund | 52,280.00 | |
| Interfunds | .01 | |
| Bond Anticipation Notes | <u>570,000.00</u> | |
| | | 792,810.24 |
| | | <u>1,124,448.54</u> |
| Decreased by: | | |
| Improvement Authorizations | 153,941.14 | |
| Interfunds | 2,431.13 | |
| Miscellaneous Reserves | 1,627.69 | |
| Fund Balance | <u>99,150.00</u> | |
| | | <u>257,149.96</u> |
| Balance December 31, 2010 | | \$ <u><u>867,298.58</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-3

ANALYSIS OF CASH

| | Balance Dec. 31, 2009 | Receipts | Disbursements | Transfers | | Balance Dec. 31, 2010 |
|--|--------------------------|---------------|---------------|--------------|--------------|--------------------------|
| | | | | To | From | |
| Fund Balance | \$ 119,378.07 | \$ 560.00 | \$ 99,150.00 | \$ 36,077.19 | \$ 39,279.19 | \$ 56,865.26 |
| Miscellaneous Reserves | 80,421.29 | | 1,627.69 | | | 39,514.41 |
| Reserve for: | | | | | | |
| Encumbrances | 27,800.00 | | | 3,202.00 | 27,800.00 | 3,202.00 |
| Retirement of Debt | | 169,970.23 | | | | 169,970.23 |
| Capital Improvement Fund | 24,525.92 | 52,280.00 | | | 22,000.00 | 54,805.92 |
| Interfund - Grant Fund | 2,000.00 | | 2,000.00 | | | |
| Interfund - Current Fund | 431.13 | .01 | 431.13 | | | .01 |
| Improvement Authorizations: | | | | | | |
| Ordinance | | | | | | |
| Number | | | | | | |
| 98-06 | | | | | | |
| Resurfacing Basketball Court | 416.62 | | | | | 416.62 |
| Repair and Rehabilitation of Municipal Basketball Courts | 542.06 | | | | | 542.06 |
| 02-02 | | | | | | |
| Reconstruction and Renovation of Coast Guard Building Phase II | 68.23 | | | | | 68.23 |
| 03-09 | | | | | | |
| Reconstruction of the Borough Bulkhead | (27,863.20) | | 27,800.00 | | | (27,863.20) |
| 04-08 | | | | | | |
| Reconstruction of West 6th and 7th Streets | (5,000.00) | | | | | (5,000.00) |
| 04-09 | | | | | | |
| Construction of a Spill Prevention and Containment System | 4,011.18 | | | | | 4,011.18 |
| 05-12 | | | | | | |
| Reconstruction of West 17th, 28th and 29th Streets | (16,961.27) | | | | | (16,961.27) |
| 05-14 | | | | | | |
| Purchase of a Public Works Truck | 13,625.05 | | | | | 13,625.05 |
| 06-03 | | | | | | |
| Reconstruction and Renovation of Coast Guard Building Phase III | 1,210.83 | | | | | 1,210.83 |
| 06-04 | | | | | | |
| Reconstruction of West 6th and 29th Streets | (14,858.16) | | | | | (14,858.16) |
| 06-06 | | | | | | |
| Purchase of a Beach Tractor | (70.35) | | | | | (70.35) |
| 06-14 | | | | | | |
| Fire Hydrant Repairs and Equipment Upgrades | 429.80 | | | | | 429.80 |
| 06-15 | | | | | | |
| Resurfacing of the Basketball Courts | (828.13) | | | | | (828.13) |
| 07-08 | | | | | | |
| Reconstruction of 12th Street | | | | | | |
| 08-04 | | | | | | |
| Purchase of a Public Works Fuel Tank | 36,000.00 | | | | | 36,000.00 |
| 08-05 | | | | | | |
| Purchase of a Beach Vehicle | 2,816.11 | | | | | 2,816.11 |
| 08-06 | | | | | | |
| Purchase of Computer Equipment | | | | | | |
| 08-09 | | | | | | |
| Reconstruction of West 17th Street | 34,353.45 | | | | | 34,353.45 |
| 08-12 | | | | | | |
| Reconstruction and Renovation of Coast Guard Building Phase IV | 27,601.06 | | 4,340.01 | | | 23,261.05 |
| 08-14 | | | | | | |
| Improvements to the Beach Access | 3,603.00 | | | | | 3,603.00 |
| 09-03 | | | | | | |
| Reconstruction of East 5th and 11th Streets | (12,514.39) | 142,500.00 | 110,194.14 | | | 19,791.47 |
| 09-04 | | | | | | |
| Reconstruction of the Borough Bulkhead | 22,500.00 | 427,500.00 | | | | 450,000.00 |
| 09-05 | | | | | | |
| Improvement of the Borough Playground | 8,000.00 | | | | | 8,000.00 |
| 10-05 | | | | | | |
| Construction of Finger Piers at Municipal Dock | | | 4,317.99 | | | 4,317.99 |
| 10-06 | | | | | | |
| Purchase of an ATV | | | 7,289.00 | | | 7,289.00 |
| 10-07 | | | | | | |
| Reconstruction of West 14th Street | | | | 6,000.00 | | 6,000.00 |
| | \$ 331,638.30 | \$ 792,810.24 | \$ 257,149.96 | \$ 89,079.19 | \$ 89,079.19 | \$ 867,298.58 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-4

SCHEDULE OF DEFERRED CHARGES TO FUTURE

TAXATION - FUNDED

| | |
|---|---------------------|
| Balance December 31, 2009 | \$ 73,619.50 |
| Decreased by: | |
| 2010 Budget Appropriation to Pay Loans: | |
| Green Trust Loan Program | <u>14,143.77</u> |
| Balance December 31, 2010 | <u>\$ 59,475.73</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-6

SCHEDULE OF GRANTS RECEIVABLE

| | |
|------------------------------------|----------------------|
| Balance December 31, 2009 | \$ 200,000.00 |
| Increased by: | |
| Current Year Awards | <u>100,000.00</u> |
| | 300,000.00 |
| Decreased by: | |
| Receipts | <u>169,970.23</u> |
| Balance December 31, 2010 | <u>\$ 130,029.77</u> |
| <u>Analysis of Balance</u> | |
| Reconstruction of West 17th Street | \$ 30,029.77 |
| Reconstruction of West 14th Street | <u>100,000.00</u> |
| | <u>\$ 130,029.77</u> |

SCHEDULE OF INTERFUNDS

Exhibit C-7

| | Total (Memo Only) | Current Fund | Federal and State Grant Fund |
|--------------------------------------|------------------------------|-------------------------|---|
| Balance December 31, 2009 - (Due To) | \$ <u>(2,431.13)</u> | \$ (431.13) | \$ <u>(2,000.00)</u> |
| Increased by: | | | |
| Receipts | <u>.01</u> | <u>.01</u> | <u>(2,000.00)</u> |
| | (2,431.14) | (431.14) | |
| Decreased by: | | | |
| Disbursements | <u>2,431.13</u> | <u>431.13</u> | <u>2,000.00</u> |
| Balance December 31, 2010 - (Due To) | <u>\$ (.01)</u> | <u>\$ (.01)</u> | <u>\$</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-9

SCHEDULE OF GREEN TRUST LOAN PAYABLE

| | |
|------------------------------|----------------------------|
| Balance December 31, 2009 | \$ 73,619.50 |
| Decreased by: | |
| Paid by Budget Appropriation | <u>14,143.77</u> |
| Balance December 31, 2010 | \$ <u><u>59,475.73</u></u> |

MATURITY SCHEDULE - WATERFRONT DEVELOPMENT

\$250,000 GREEN TRUST

Exhibit C-10

| <u>Due</u> | <u>Loan Balance</u> | <u>Principal</u> | <u>Interest</u> | <u>Payment</u> |
|-------------------|--------------------------------|----------------------------|---------------------------|----------------------------|
| 02/23/11 | \$ 59,475.73 | \$ 7,178.14 | \$ 594.76 | \$ 7,772.90 |
| 08/23/11 | 52,297.59 | 7,249.92 | 522.98 | 7,772.90 |
| 02/23/12 | 45,047.67 | 7,322.42 | 450.48 | 7,772.90 |
| 08/23/12 | 37,725.25 | 7,395.65 | 377.25 | 7,772.90 |
| 02/23/13 | 30,329.60 | 7,469.60 | 303.30 | 7,772.90 |
| 08/23/13 | 22,860.00 | 7,544.30 | 228.60 | 7,772.90 |
| 02/23/14 | 15,315.70 | 7,619.74 | 153.16 | 7,772.90 |
| 08/23/14 | 7,695.94 | 7,695.94 | 76.96 | 7,772.90 |
| Subtotal | | <u>59,475.71</u> | <u>2,707.49</u> | <u>62,183.20</u> |
| Rounding | | <u>.02</u> | <u>(.02)</u> | |
| Total | | \$ <u><u>59,475.73</u></u> | \$ <u><u>2,707.47</u></u> | \$ <u><u>62,183.20</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-11

SCHEDULE OF BOND ANTICIPATION NOTES

| Ordinance Number | Note Number | Improvement Description | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2009 | Increased | Decreased | Balance Dec. 31, 2010 |
|------------------|-------------|---|---------------|------------------|---------------|-----------------------|---------------|---------------|-----------------------|
| 01-03, 01-22 | 2010-01 | Acquisition and Renovation of Coast Guard Building | 03/04/10 | 03/03/11 | 1.50% | \$ 32,400.00 | \$ | \$ 16,200.00 | \$ 16,200.00 |
| 02-02 | 2010-01 | Reconstruction and Renovation of Coast Guard Building Phase II | 03/04/10 | 03/03/11 | 1.50% | 140,000.00 | | 35,000.00 | 105,000.00 |
| 03-09 | 2010-01 | Reconstruction of the Borough Bulkhead | 03/04/10 | 03/03/11 | 1.50% | 150,000.00 | | 30,000.00 | 120,000.00 |
| 02-02 | 2010-01 | Reconstruction and Renovation of Coast Guard Building Phase II | 03/04/10 | 03/03/11 | 1.50% | 406,350.00 | | 67,725.00 | 338,625.00 |
| 04-11 | | Purchase of an AVS-RC30 Tractor with Attachments | | | | 5,500.00 | | 5,500.00 | |
| 05-05 | | Purchase of a Dump Truck | | | | 7,500.00 | | 7,500.00 | |
| 05-14 | | Purchase of a Public Works Truck | | | | 6,600.00 | | 6,600.00 | |
| 06-03 | 2010-01 | Reconstruction and Renovation of Coast Guard Building Phase III | 03/04/10 | 03/03/11 | 1.50% | 617,900.00 | | 5,465.00 | 612,435.00 |
| 03-09 | 2010-01 | Reconstruction of the Borough Bulkhead | 03/04/10 | 03/03/11 | 1.50% | 94,400.00 | | 10,500.00 | 83,900.00 |
| 06-06 | 2010-01 | Purchase of a Beach Tractor | 03/04/10 | 03/03/11 | 1.50% | 27,900.00 | | 6,975.00 | 20,925.00 |
| 06-15 | 2010-01 | Resurfacing of the Basketball Courts | 03/04/10 | 03/03/11 | 1.50% | 46,500.00 | | 11,625.00 | 34,875.00 |
| 07-08 | 2010-01 | Reconstruction of 12th Street | 03/04/10 | 03/03/11 | 1.50% | 15,000.00 | | 3,750.00 | 11,250.00 |
| 08-04 | 2010-01 | Purchase of a Public Works Fuel Tank | 03/04/10 | 03/03/11 | 1.50% | 36,100.00 | | 3,610.00 | 32,490.00 |
| 08-05 | 2010-01 | Purchase of a Beach Vehicle | 03/04/10 | 03/03/11 | 1.50% | 42,750.00 | | 8,550.00 | 34,200.00 |
| 08-09 | 2010-01 | Reconstruction of West 17th Street | 03/04/10 | 03/03/11 | 1.50% | 114,000.00 | | 22,800.00 | 91,200.00 |
| 08-12 | 2010-01 | Reconstruction and Renovation of Coast Guard Building Phase IV | 03/04/10 | 03/03/11 | 1.50% | 95,000.00 | | 19,000.00 | 76,000.00 |
| 08-14 | 2010-01 | Improvements to the Beach Access | 03/04/10 | 03/03/11 | 1.50% | 14,250.00 | | 2,850.00 | 11,400.00 |
| 09-03 | 2010-01 | Reconstruction of East 5th and 11th Streets | 03/04/10 | 03/03/11 | 1.50% | | 142,500.00 | | 142,500.00 |
| 09-04 | 2010-01 | Reconstruction of the Borough Bulkhead | 03/04/10 | 03/03/11 | 1.50% | | 427,500.00 | | 427,500.00 |
| | | | | | | \$ 1,852,150.00 | \$ 570,000.00 | \$ 263,650.00 | \$ 2,158,500.00 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-12

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | |
|--|---------------------|
| Balance December 31, 2009 | \$ 24,525.92 |
| Increased by: | |
| 2010 Budget Appropriation | <u>52,280.00</u> |
| Decreased by: | <u>76,805.92</u> |
| Appropriation to Finance Improvement Authorizations | <u>22,000.00</u> |
| Balance December 31, 2010 | <u>\$ 54,805.92</u> |

SCHEDULE OF RESERVE FOR RETIREMENT OF DEBT

Exhibit C-13

| | |
|---|----------------------|
| Increased by: | |
| Transfer from Reserve for Grants Receivable | <u>\$ 169,970.23</u> |
| Balance December 31, 2010 | <u>\$ 169,970.23</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-14

SCHEDULE OF RESERVE FOR ENCUMBRANCES

| | |
|--|--------------------|
| Balance December 31, 2009 | \$ 27,800.00 |
| Increased by: | |
| Transfer from Miscellaneous Reserves | <u>3,202.00</u> |
| | 31,002.00 |
| Decreased by: | |
| Transfer to Improvement Authorizations | <u>27,800.00</u> |
| Balance December 31, 2010 | <u>\$ 3,202.00</u> |

SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE

Exhibit C-15

| | |
|--|----------------------|
| Balance December 31, 2009 | \$ 200,000.00 |
| Increased by: | |
| Current Year Awards | <u>100,000.00</u> |
| | 300,000.00 |
| Decreased by: | |
| Transfer to Reserve for Retirement of Debt | <u>169,970.23</u> |
| Balance December 31, 2010 | <u>\$ 130,029.77</u> |
| <u>Analysis of Balance</u> | |
| Reconstruction of West 17th Street | \$ 30,029.77 |
| Reconstruction of West 14th Street | <u>100,000.00</u> |
| | <u>\$ 130,029.77</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-16

SCHEDULE OF MISCELLANEOUS RESERVES

| <u>Purpose</u> | <u>Balance Dec. 31, 2009</u> | <u>Net Increase/ (Decrease)</u> | <u>Balance Dec. 31, 2010</u> |
|--|----------------------------------|---|----------------------------------|
| Restoration of Dunes and Beaches/Walkover Mats | \$ 17,500.00 | \$ (3,202.00) | \$ 14,298.00 |
| Lifeguard Housing Improvements | 12,557.09 | (1,627.69) | 10,929.40 |
| Emergency Management Communications | 2,550.00 | | 2,550.00 |
| Electrical Renovations - Post Office | 4,988.70 | | 4,988.70 |
| Purchase of Sound Equipment and Chairs | 1,783.36 | (1,783.36) | |
| Purchase of Poles/Trash Receptacles | 1,523.61 | (1,523.61) | |
| Renovations to Skate Park | 2,121.71 | (2,121.71) | |
| Painting of Bathrooms at Docks | 3,000.00 | (3,000.00) | |
| Grout Brick Work Museum | 2,500.00 | (2,500.00) | |
| Trailer RC30 Beach/Boardwalk Loader | 2,593.00 | (2,593.00) | |
| Handicapped Walkway 29th Street Beach | 1,500.00 | | 1,500.00 |
| Dog Park Fencing | 504.00 | (504.00) | |
| Surface Ground Cover | 8,000.00 | (8,000.00) | |
| Road Overlay West 16th Street | 10,000.00 | (10,000.00) | |
| Mower Deck for Commercial Mower | 3,000.00 | (3,000.00) | |
| Roof Replacement for Building #2 | 4,000.00 | | 4,000.00 |
| Repairs to Vehicle #6 | 1,051.51 | (1,051.51) | |
| Install Pilings at Kelly Property for Boat Slips | 1,248.31 | | 1,248.31 |
| | <u>\$ 80,421.29</u> | <u>\$ (40,906.88)</u> | <u>\$ 39,514.41</u> |
| Disbursements | | \$ (1,627.69) | |
| Reserve for Encumbrances | | (3,202.00) | |
| Cancelled to Fund Balance | | <u>(36,077.19)</u> | |
| | | <u>\$ (40,906.88)</u> | |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-17

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Balance Dec. 31, 2010</u> |
|------------------------------------|--|---|
| 03-09 | Reconstruction of the Borough Bulkhead | \$ 33,100.00 |
| 04-08 | Reconstruction of West 6th and 7th Streets | 5,000.00 |
| 05-12 | Reconstruction of West 17th, 28th and 29th Streets | 70,265.31 |
| 06-04 | Reconstruction of West 6th and 29th Streets | 39,500.00 |
| 06-06 | Purchase of a Beach Tractor | 10,100.00 |
| 06-14 | Fire Hydrant Repairs and Equipment Upgrades | 11,400.00 |
| 06-15 | Resurfacing of the Basketball Courts | 1,000.00 |
| 10-07 | Reconstruction of West 14th Street | 114,000.00 |
| | | <u>\$ 284,365.31</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

Exhibit D-5

SCHEDULE OF WATER-SEWER UTILITY CASH

| | <u>Operating</u> | <u>Capital</u> |
|--------------------------------------|-----------------------------|-----------------------------|
| Balance December 31, 2009 | \$ <u>423,248.89</u> | \$ <u>145,541.75</u> |
| Increased by Receipts: | | |
| Petty Cash | 100.00 | |
| Water Rents | 744,938.65 | |
| Sewer Rents | 415,106.43 | |
| Miscellaneous Revenue Anticipated | 8,555.84 | |
| Reserve for Retirement of Debt | 155.80 | |
| W/S Utility Capital Surplus | 799.36 | |
| Reserve for Contribution to P.E.R.S. | 2,000.00 | |
| Overpayments and Prepaid Rents | 2,062.14 | |
| Interfund - Utility Operating Fund | | .01 |
| Capital Improvement Fund | | 12,000.00 |
| Cost of Improvements Authorized | | 38,000.00 |
| Total Receipts | <u>1,173,718.22</u> | <u>50,000.01</u> |
| Total Receipts and Balances | <u>1,596,967.11</u> | <u>195,541.76</u> |
| Decreased by Disbursements: | | |
| Petty Cash | 100.00 | |
| Budget Appropriations | 974,973.75 | |
| Appropriation Reserves | 8,477.49 | |
| Overpayments and Prepaid Rents | 1,940.54 | |
| Reserve for Contribution to P.E.R.S. | 2,000.00 | |
| Accrued Interest on Bonds and Notes | 7,366.16 | |
| Interfund - Utility Capital Fund | .01 | |
| Improvement Authorizations | | 33,589.92 |
| Reserve for: | | |
| Retirement of Debt | | 155.80 |
| Installation of Manhole Inserts | | 5,400.00 |
| Fund Balance | | 799.36 |
| Total Disbursements | <u>994,857.95</u> | <u>39,945.08</u> |
| Balance December 31, 2010 | \$ <u><u>602,109.16</u></u> | \$ <u><u>155,596.68</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

Exhibit D-6

ANALYSIS OF UTILITY CAPITAL CASH

| | Balance | | Receipts | Disbursements | Transfers | | Balance Dec. 31, 2010 |
|---|--|---------------|--------------|---------------|--------------|--------------|--------------------------|
| | Dec. 31, 2009 | | | | To | From | |
| Fund Balance | \$ 799.36 | \$ | | 799.36 | | \$ | |
| Reserve for Installation of Manhole Inserts | 12,000.00 | | | 5,400.00 | | | 6,600.00 |
| Reserve for Retirement of Debt | 155.80 | | | 155.80 | | | 23,546.74 |
| Capital Improvement Fund | 11,546.74 | | 12,000.00 | | | | .01 |
| Interfund - Utility Operating Fund | | | .01 | | | | |
| Reserve for Encumbrances | 41,265.10 | | | | 41,265.10 | | 31,815.10 |
| Improvement Authorizations: | | | | | | | |
| Ordinance | | | | | | | |
| Number | Improvement Description | | | | | | |
| 10/09/79 | Water System Improvements | (11,000.00) | 11,000.00 | | | | 6,000.00 |
| 05/05/80 | Water System Improvements | (27,000.00) | 27,000.00 | | | | 12,316.36 |
| 01-11 | Repairs to the Sewer Station Pump | 6,000.00 | | | | | 8,000.00 |
| 02-04 | Installation of an Upgraded Telemetry System | 12,316.36 | | | | | 2,500.00 |
| 04-13 | Improvements to Sewer Pump | 8,000.00 | | | | | 11,730.00 |
| 04-14 | Improvements to Roof Over Well #4 | 2,500.00 | | | | | 25,000.00 |
| 08-07 | Purchase of a Fuel Tank for Well #4 | 11,730.00 | | | | | 24,949.21 |
| 08-08 | Repair of the Roof, Deck and Siding at Well #4 | 25,000.00 | | | | | 13,440.00 |
| 08-17 | Improvement of Well #4 | 24,949.21 | | 33,526.10 | 41,265.10 | 31,815.10 | 873.11 |
| 08-18 | Engineering Study/Report on a 200,000 Gallon Elevated Water Tank | 13,440.00 | | | | | 13,440.00 |
| 08-19 | Rehabilitation of the Sewer Pump Station Pump, and the Purchase of Control and Retrieval Equipment | 13,839.18 | | 63.82 | | | 13,775.36 |
| | | \$ 145,541.75 | \$ 50,000.01 | \$ 39,945.08 | \$ 73,080.20 | \$ 73,080.20 | \$ 155,596.68 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-7

SCHEDULE OF WATER RENTS RECEIVABLE

| | |
|---------------------------|---------------------------|
| Balance December 31, 2009 | \$ 6,451.63 |
| Increased by: | |
| Water Rents Levied | <u>747,350.38</u> |
| | 753,802.01 |
| Decreased by: | |
| Collection | <u>744,938.65</u> |
| Balance December 31, 2010 | \$ <u><u>8,863.36</u></u> |

SCHEDULE OF SEWER RENTS RECEIVABLE

Exhibit D-8

| | |
|---------------------------|----------------------------|
| Balance December 31, 2009 | \$ 9,759.82 |
| Increased by: | |
| Sewer Rents Levied | <u>418,133.38</u> |
| | 427,893.20 |
| Decreased by: | |
| Collection | <u>415,106.43</u> |
| Balance December 31, 2010 | \$ <u><u>12,786.77</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

Exhibit D-9

WATER-SEWER UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

| | <u>Balance Dec. 31, 2009</u> | <u>Balance After Transfers</u> | <u>Paid or Charged</u> | <u>Balance Lapsed</u> |
|-------------------------------------|----------------------------------|--|----------------------------|---------------------------|
| Operating: | | | | |
| Salaries and Wages | \$ 23,720.92 | \$ 23,720.92 | \$ 1,901.76 | \$ 21,819.16 |
| Other Expenses | 117,499.20 | 117,499.20 | 6,575.73 | 110,923.47 |
| Statutory Expenditures: | | | | |
| Contribution to: | | | | |
| Public Employees Retirement System | 7,567.40 | 7,567.40 | | 7,567.40 |
| Social Security System (O.A.S.I.) | 5,549.82 | 5,549.82 | | 5,549.82 |
| Unemployment Compensation Insurance | 1,005.03 | 1,005.03 | | 1,005.03 |
| | <u>\$ 155,342.37</u> | <u>\$ 155,342.37</u> | <u>\$ 8,477.49</u> | <u>\$ 146,864.88</u> |
| Appropriation Reserves - 2009 | \$ 138,240.29 | | | |
| Reserve for Encumbrances | <u>17,102.08</u> | | | |
| | <u>\$ 155,342.37</u> | | | |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-10

SCHEDULE OF OVERPAYMENTS AND PREPAID RENTS

| | Total | Water | | Sewer | |
|---------------------------|--------------------|------------------|----------------------|------------------|----------------------|
| | (Memo Only) | Overpaid | Prepaid | Overpaid | Prepaid |
| Balance December 31, 2009 | \$ 1,415.46 | \$ 633.73 | \$ 138.32 | \$ 483.60 | \$ 159.81 |
| Increased by: | | | | | |
| Receipts | 2,062.14 | 1,104.14 | | 958.00 | |
| | <u>3,477.60</u> | <u>1,737.87</u> | <u>138.32</u> | <u>1,441.60</u> | <u>159.81</u> |
| Decreased by: | | | | | |
| Disbursements | 1,940.54 | 1,158.81 | 138.32 | 483.60 | 159.81 |
| Balance December 31, 2010 | \$ <u>1,537.06</u> | \$ <u>579.06</u> | \$ <u> </u> | \$ <u>958.00</u> | \$ <u> </u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-11

SCHEDULE OF RESERVE FOR CONTRIBUTION TO P.E.R.S.

| | |
|------------------------------------|--------------------|
| Balance December 31, 2009 | \$ 2,000.00 |
| Decreased by: | |
| Utilization as Anticipated Revenue | \$ <u>2,000.00</u> |

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

Exhibit D-12

| | |
|--|--------------------|
| Balance December 31, 2009 | \$ 6,091.48 |
| Increased by: | |
| Budget Appropriation for Interest on Notes | <u>3,579.11</u> |
| | 9,670.59 |
| Decreased by: | |
| Interest Paid | <u>7,366.16</u> |
| Balance December 31, 2010 | \$ <u>2,304.43</u> |

SCHEDULE OF RESERVE FOR ENCUMBRANCES

Exhibit D-13

| | <u>Operating Fund</u> | <u>Capital Fund</u> |
|--|----------------------------------|--------------------------------|
| Balance December 31, 2009 | \$ <u>17,160.73</u> | \$ <u>41,265.10</u> |
| Increased by: | | |
| Transfer from 2010 Budget Appropriations | 2,118.64 | |
| Transfer from Improvement Authorizations | | <u>31,815.10</u> |
| Total Increases | <u>2,118.64</u> | <u>31,815.10</u> |
| Total Increases and Balances | <u>19,279.37</u> | <u>73,080.20</u> |
| Decreased by: | | |
| Transfer to 2009 Appropriation Reserves | 17,102.08 | |
| Cancelled | 58.65 | |
| Transfer to Improvement Authorizations | | <u>41,265.10</u> |
| Total Decreases | <u>17,160.73</u> | <u>41,265.10</u> |
| Balance December 31, 2010 | \$ <u>2,118.64</u> | \$ <u>31,815.10</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-14

SCHEDULE OF FIXED CAPITAL

| | Balance Dec. 31, 2009 | Fixed Capital Authorized and Uncompleted | Balance Dec. 31, 2010 |
|---|----------------------------------|---|----------------------------------|
| Plant Tower and Truck | \$ 728,869.30 | \$ | \$ 728,869.30 |
| Distribution Mains and Accessories | 270,850.63 | | 270,850.63 |
| Pumping Station - Structure and Wells | 237,143.20 | | 237,143.20 |
| Reservoir | 12,018.49 | | 12,018.49 |
| Meters and Meter Accessories | 104,002.85 | | 104,002.85 |
| Power Pumping Equipment | 5,134.96 | | 5,134.96 |
| Fire Hydrants | 2,615.92 | | 2,615.92 |
| Miscellaneous Equipment | 45,687.90 | | 45,687.90 |
| Office Equipment | 12,903.06 | | 12,903.06 |
| Sewer Collection System | 1,900,726.53 | | 1,900,726.53 |
| Test Well | 38,723.28 | | 38,723.28 |
| Backhoe | 32,075.00 | | 32,075.00 |
| Front End Loader | 40,000.00 | | 40,000.00 |
| Construction of Public Works Garage | 107,750.00 | | 107,750.00 |
| Engineering Plans for a New Water Tower | 16,639.03 | | 16,639.03 |
| Pump Station on 11th Street | 236,684.66 | | 236,684.66 |
| Water Tower Rehabilitation | 142,553.15 | | 142,553.15 |
| Sewer Line Maintenance Project | 10,000.00 | | 10,000.00 |
| Repairs to the Borough Water Well #3 | 264,292.29 | | 264,292.29 |
| Installation of a Chlorine Alarm System | 2,428.19 | | 2,428.19 |
| Maintenance Work to Municipal Sewer Lines | 5,488.32 | | 5,488.32 |
| Installation of a New Telemetry and Alarm System | 46,000.00 | | 46,000.00 |
| Inspections and Repairs to the Borough Water Well #4 | 40,000.00 | | 40,000.00 |
| Improvements to Sewer Pump #2 | 5,000.00 | | 5,000.00 |
| Purchase of a Pipe Locator | 1,099.52 | | 1,099.52 |
| Improvements to the 28th Street Water Main | 39,660.00 | | 39,660.00 |
| Purchase of a Utility Generator and Fuel Tank | 56,475.33 | | 56,475.33 |
| Repairs to the Borough Dry Well | 19,450.00 | | 19,450.00 |
| Improvements to the Borough Water Main | 65,392.91 | | 65,392.91 |
| Improvements to the Borough Master Water Meter | 360.80 | | 360.80 |
| Purchase of a Utility Truck | 28,065.63 | | 28,065.63 |
| Purchase and Install Bypass Sewer Pump | 20,506.00 | | 20,506.00 |
| Electrical Upgrades and Repairs to Well #4 | 9,844.20 | | 9,844.20 |
| Repair of Well #3 | 3,649.00 | | 3,649.00 |
| Generator Load Testing and Maintenance | 1,488.00 | | 1,488.00 |
| Manhole Inserts | 1,881.84 | | 1,881.84 |
| Installation of an Upgraded Telemetry System | | 27,683.64 | 27,683.64 |
| Purchase of a Fuel Tank for Well #4 | | 270.00 | 270.00 |
| Improvement of Well #4 | | 124,126.89 | 124,126.89 |
| Engineering Study/Report on a 200,000 Gallon Elevated Water Tank | | 1,560.00 | 1,560.00 |
| Rehabilitation of the Sewer Pump Station Pump, and the Purchase of Control and Retrieval Equipment | | 1,224.64 | 1,224.64 |
| Installation of Manhole Inserts | | 5,400.00 | 5,400.00 |
| | <u>\$ 4,555,459.99</u> | <u>\$</u> | <u>\$ 4,715,725.16</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-15

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

| Ordinance Number | Improvement Description | Ordinance | | Balance Dec. 31, 2009 | Costs to Fixed Capital | Balance Dec. 31, 2010 |
|------------------|--|-----------|-------------|-----------------------|------------------------|-----------------------|
| | | Date | Amount | | | |
| 01-11 | Repairs to the Sewer Station Pump | 03/21/01 | \$ 6,000.00 | \$ 6,000.00 | \$ | \$ 6,000.00 |
| 02-04 | Installation of an Upgraded Telemetry System | 03/20/02 | 40,000.00 | 40,000.00 | 27,683.64 | 12,316.36 |
| 04-13 | Improvements to Sewer Pump | 05/21/04 | 8,000.00 | 8,000.00 | | 8,000.00 |
| 04-14 | Improvements to Roof Over Well #4 | 05/21/04 | 2,500.00 | 2,500.00 | | 2,500.00 |
| 08-07 | Purchase of a Fuel Tank for Well #4 | 04/16/08 | 12,000.00 | 12,000.00 | 270.00 | 11,730.00 |
| 08-08 | Repair of the Roof, Deck and Siding at Well #4 | 04/16/08 | 25,000.00 | 25,000.00 | | 25,000.00 |
| 08-17 | Improvement of Well #4 | 12/17/08 | 125,000.00 | 125,000.00 | 124,126.89 | 873.11 |
| 08-18 | Engineering Study/Report on a 200,000 Gallon Elevated Water Tank | 12/17/08 | 15,000.00 | 15,000.00 | 1,560.00 | 13,440.00 |
| 08-19 | Rehabilitation of the Sewer Pump Station Pump, and the Purchase of Control and Retrieval Equipment | 12/17/08 | 15,000.00 | 15,000.00 | 1,224.64 | 13,775.36 |
| N/A | Installation of Manhole Inserts | 06/24/09 | 12,000.00 | 12,000.00 | 5,400.00 | 6,600.00 |
| | | | | \$ 260,500.00 | \$ 160,265.17 | \$ 100,234.83 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-16

SCHEDULE OF INTERFUNDS

| | Utility Operating Fund |
|---|---------------------------------------|
| Increased/Decreased by: | |
| Receipts | \$ <u>.01</u> |
| Balance December 31, 2010 - Due From/(Due To) | \$ <u><u>(.01)</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

Exhibit D-17

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| Ordinance Number | Improvement Description | Ordinance Date | Ordinance Amount | Balance Dec. 31, 2009 | | Increased | Decreased | Balance Dec. 31, 2010 | |
|------------------|--|----------------|------------------|-----------------------|--------------|--------------|--------------|-----------------------|--------------|
| | | | | Funded | Unfunded | | | Funded | Unfunded |
| 01-11 | Repairs to the Sewer Station Pump | 03/21/01 | \$ 6,000.00 | \$ 6,000.00 | \$ | \$ | \$ | \$ 6,000.00 | \$ |
| 02-04 | Installation of an Upgraded Telemetry System | 03/20/02 | 40,000.00 | 12,316.36 | | | | 12,316.36 | |
| 04-13 | Improvements to Sewer Pump | 05/21/04 | 8,000.00 | 8,000.00 | | | | 8,000.00 | |
| 04-14 | Improvements to Roof Over Well #4 | 05/21/04 | 2,500.00 | 2,500.00 | | | | 2,500.00 | |
| 08-07 | Purchase of a Fuel Tank for Well #4 | 04/16/08 | 12,000.00 | | | | | 930.00 | 10,800.00 |
| 08-08 | Repair of the Roof, Deck & Siding at Well #4 | 04/16/08 | 25,000.00 | | | | | 2,500.00 | 22,500.00 |
| 08-17 | Improvement of Well #4 | 12/17/08 | 125,000.00 | | | 41,265.10 | 65,341.20 | | 873.11 |
| 08-18 | Engineering Study/Report on a 200,000 Gallon Elevated Water Tank | 12/17/08 | 15,000.00 | 13,440.00 | | | | 13,440.00 | |
| 08-19 | Rehabilitation of the Sewer Pump Station Pump, and the Purchase of Control and Retrieval Equipment | 12/17/08 | 15,000.00 | | 13,839.18 | | 63.82 | 1,775.36 | 12,000.00 |
| | | | | \$ 42,256.36 | \$ 75,518.39 | \$ 41,265.10 | \$ 65,405.02 | \$ 47,461.72 | \$ 46,173.11 |
| | Disbursements | | | | | \$ | \$ 33,589.92 | | |
| | Reserve for Encumbrances | | | | | 41,265.10 | 31,815.10 | | |
| | | | | | | \$ 41,265.10 | \$ 65,405.02 | | |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-18

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | |
|---------------------------|---------------------|
| Balance December 31, 2009 | \$ 11,546.74 |
| Increased by: | |
| 2010 Budget Appropriation | <u>12,000.00</u> |
| Balance December 31, 2010 | <u>\$ 23,546.74</u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

Exhibit D-19

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

| Ordinance Number | Note Number | Improvement Description | Date of Issue of Original Note | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2009 | Decreased | Balance Dec. 31, 2010 |
|-----------------------------|------------------------|---|---|--------------------------|-----------------------------|--------------------------|----------------------------------|----------------------|----------------------------------|
| 01-16 | 2010-02 | Repairs to the Borough Water Well #3 | 07/19/01 | 03/04/10 | 03/03/11 | 1.49% | \$ 90,000.00 | \$ 77,925.00 | \$ 12,075.00 |
| 02-05 | 2010-02 | Improvements to the Borough Water Main | 03/14/03 | 03/04/10 | 03/03/11 | 1.49% | 24,300.00 | 6,075.00 | 18,225.00 |
| 04-12 | 2010-02 | Purchase and Install Bypass Sewer Pump | 03/11/05 | 03/04/10 | 03/03/11 | 1.49% | 3,700.00 | 3,700.00 | |
| 05-13 | 2010-02 | Electric Upgrades and Repairs to Well #4 | 09/23/05 | 03/04/10 | 03/03/11 | 1.49% | 2,850.00 | 2,850.00 | 10,800.00 |
| 08-07 | 2010-02 | Purchase of a Fuel Tank for Well #4 | 03/05/09 | 03/04/10 | 03/03/11 | 1.49% | 12,000.00 | 1,200.00 | 22,500.00 |
| 08-08 | 2010-02 | Repair of the Roof, Deck and Siding at Well #4 | 03/05/09 | 03/04/10 | 03/03/11 | 1.49% | 25,000.00 | 2,500.00 | 112,500.00 |
| 08-17 | 2010-02 | Improvement of Well #4 | 03/05/09 | 03/04/10 | 03/03/11 | 1.49% | 125,000.00 | 12,500.00 | |
| 08-19 | 2010-02 | Rehabilitation of the Sewer Pump Station Pump, and the Purchase of Control and Retrieval Equipment | 03/05/09 | 03/04/10 | 03/03/11 | 1.49% | 15,000.00 | 3,000.00 | 12,000.00 |
| | | | | | | | <u>\$ 297,850.00</u> | <u>\$ 109,750.00</u> | <u>\$ 188,100.00</u> |
| | | | | | | | | <u>\$ 109,750.00</u> | |

Reserve for Amortization

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-20

SCHEDULE OF RESERVE FOR AMORTIZATION

| | | |
|--|-------------------|-------------------------------|
| Balance December 31, 2009 | | \$ 4,396,609.99 |
| Increased by: | | |
| Budget Appropriation - Costs of Improvements | | |
| Authorized - Water System Improvements | \$ 38,000.00 | |
| Bond Anticipation Notes Paid by Operating Budget | 109,750.00 | |
| | <u>147,750.00</u> | |
| From Deferred Reserve for Amortization | 29,438.28 | |
| | | <u>177,188.28</u> |
| Balance December 31, 2010 | | <u><u>\$ 4,573,798.27</u></u> |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

Exhibit D-21

WATER - SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Date of Ordinance</u> | <u>Balance Dec. 31, 2009</u> | <u>To Reserve for Amortization Fixed Capital</u> | <u>Balance Dec. 31, 2010</u> |
|-------------------------|--|--------------------------|------------------------------|--|------------------------------|
| 01-11 | Repairs to the Sewer Station Pump | 03/21/01 | \$ 6,000.00 | | \$ 6,000.00 |
| 02-04 | Installation of an Upgraded Telemetry System | 03/20/02 | 40,000.00 | 27,683.64 | 12,316.36 |
| 04-13 | Improvements to Sewer Pump | 05/21/04 | 8,000.00 | | 8,000.00 |
| 04-14 | Improvements to Roof Over Well #4 | 05/21/04 | 2,500.00 | | 2,500.00 |
| 08-07 | Purchase of a Fuel Tank for Well #4 | 04/16/08 | | (930.00) | 930.00 |
| 08-08 | Repair of the Roof, Deck & Siding at Well #4 | 04/16/08 | | (2,500.00) | 2,500.00 |
| 08-18 | Engineering Study/Report on a 200,000 Gallon Elevated Water Tank | 12/17/08 | 15,000.00 | 1,560.00 | 13,440.00 |
| 08-19 | Rehabilitation of the Sewer Pump Station Pump, and the Purchase of Control and Retrieval Equipment | 12/17/08 | | (1,775.36) | 1,775.36 |
| N/A | Installation of Manhole Inserts | 06/24/09 | 12,000.00 | 5,400.00 | 6,600.00 |
| | | | \$ 83,500.00 | \$ 29,438.28 | \$ 54,061.72 |

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-22

SCHEDULE OF RESERVE FOR RETIREMENT OF DEBT

| | |
|--|------------------|
| Balance December 31, 2009 | \$ 155.80 |
| Decreased by: | |
| Payment to Operating Fund as Anticipated Revenue | \$ <u>155.80</u> |

SCHEDULE OF RESERVE FOR INSTALLATION

OF MANHOLE INSERTS

Exhibit D-23

| | |
|---------------------------|--------------------|
| Balance December 31, 2009 | \$ 12,000.00 |
| Decreased by: | |
| Disbursements | <u>5,400.00</u> |
| Balance December 31, 2010 | \$ <u>6,600.00</u> |

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

PART III

REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

AND ON COMPLIANCE AND OTHER MATTERS

YEAR ENDED DECEMBER 31, 2010

William E. Antonides and Company

CERTIFIED PUBLIC ACCOUNTANTS

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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 Ocean
Borough of Barnegat Light
County of Ocean
Barnegat Light, New Jersey

We have audited the financial statements of the Borough of Barnegat Light (the "Borough"), as of and for the year ended December 31, 2010, and have issued our report thereon dated September 9, 2011. Our report disclosed that, as described in Note 1 to the regulatory basis financial statements, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America and a qualified opinion since the Division does not require the Length of Service Award Program ("LOSAP") to be audited. Except as noted in the preceding sentence, we conducted our audit 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 in accordance with audit requirements prescribed by the Division.

Internal Control Over Financial Reporting

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

Internal Control Over Financial Reporting (Continued)

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the Borough's management, the Borough Council, others within the organization, the Division, and federal and state awarding agencies and pass through entities, and is not intended to be and should not be used by anyone other than these specified parties.

William E. Antonides and Company
Independent Auditors

September 9, 2011

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

PART IV

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

An audit of the financial accounts and transactions of the Borough of Barnegat Light, in the County of Ocean, for the year ended December 31, 2010, has recently been completed. The results of the audit are herewith set forth.

SCOPE OF AUDIT

The audit covered the financial transactions of the Chief Financial Officer, Tax/Utility Collector, the activities of the Mayor and Council, and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. These details were necessarily covered by the internal review and control before approval of such claims by the governing body.

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 Statement of Revenues and Schedule of Revenue Accounts Receivable are presented as recorded in the Borough records.

All material items of revenue and receipts were established and verified as to source and amount where practical.

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised per N.J.S. 40A:11-4a

N.J.S. 40A:11-4a states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law." The Borough's purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C. 198 (C. 40A:11-9) thereby enabling the governing body of the contracting unit to establish a bid threshold of up to \$29,000 through June 30, 2010 and \$36,000 thereafter. The Borough Council has elected to avail the Borough of this provision in the statute and have set the bid threshold at the respective sums as permitted by law.

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the above statutory limitation within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute the Borough Counsel's opinion should be sought before a commitment is made.

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

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.

Contracts and Agreements Required to be Advertised per N.J.S. 40A:11-4a (Continued)

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit 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:11-4.

Change Orders Pursuant to N.J.A.C. 5:30-11.9 et seq.

None

Contracts or Agreements not Required to be Advertised per N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states "For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount... the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable."

We conducted a compliance review of the procedures and policies for securing quotations for purchases referred to above which indicated that the procedures were implemented to ensure statutory compliance and that quotes had been solicited as required by the statute.

Collection of Interest on Delinquent Taxes and Water-Sewer Rents

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, assessments or water-sewer rents on or before the date when they would become delinquent.

The governing body on January 7, 2010 adopted the following resolution authorizing interest to be charged on delinquent taxes, assessments and water-sewer rents:

"BE IT RESOLVED that the governing body of the Borough of Barnegat Light set the rate of interest to be charged on delinquent water and sewer accounts and delinquent taxes at 8% per annum on the first \$1,500 of the delinquency and 18% per annum on any amount in excess of \$1,500 and 6% to be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year. A 10 day grace period shall be permitted as provided by N.J.S.A. 54:4-67."

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

Delinquent Taxes and Tax Title Liens

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

| <u>Year</u> | <u>Number of Liens</u> |
|-------------|------------------------|
| 2010 | None |
| 2009 | None |
| 2008 | None |

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

| <u>Type</u> | <u>Number Mailed</u> |
|---|-----------------------------|
| Payment of 2010 Taxes | 15 |
| Payment of 2010 Water-Sewer Utility Rents | 15 |
| Delinquent Taxes | 7 |
| Delinquent Water-Sewer Utility Rents | 7 |

The results of the test are not yet known, but a separate report will be issued if any irregularities are developed. For those verification notices which were not returned by taxpayers, we examined subsequent cash collections as an alternative procedure where possible.

Miscellaneous

All sums of outstanding checks, reflected in cash reconciliations herein, are in agreement with the records of the Chief Financial Officer, as well as with independent lists made part of this audit.

A report summarizing collections of Dog License Fees and remittance of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

A statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Borough Clerk.

Individual payments of the Local, Regional and/or Consolidated School District Taxes by the municipality were confirmed as received by the Secretaries of the Boards of Education for the year 2010.

In our verification of expenditures, no attempt was made to establish proof of rendition, character or extent of services nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

The propriety of deductions from individual employee salaries for pensions, withholding tax, social security and other purposes was not verified as part of this examination. Remittances to authorized agencies, however, were ascertained.

A summary or synopsis of this report was prepared for publication and filed with the Borough Clerk.

FOLLOW-UP OF PRIOR YEAR FINDINGS

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings.

Finding 09-01, relating to payroll and the resultant over expenditure of the lifeguard salaries budget line item, has been resolved. The 2009 over expenditure was raised in the 2010 budget. In addition, the amount appropriated for 2010 was increased from that which was appropriated in 2009 and the hours worked and rates of pay are now more closely monitored by the lifeguard captain.

Finding 09-02, pertaining to deferred charges to future taxation unfunded balances has been resolved. The 2011 budget contained line items which funded these previously unfunded balances.

Finding 09-03, which referenced the fixed asset listing, is currently being addressed. Some adjustments were made to the inventory in 2010, others in 2011. Prior to year-end 2011, a physical inventory is planned that will determine required adjustments to the fixed asset listing.

FINDINGS/RECOMMENDATIONS

None

ACKNOWLEDGEMENT

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

The foregoing comments are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments, please contact us at your earliest opportunity.

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

LENGTH OF SERVICE AWARD PROGRAM

DECEMBER 31, 2010

WILLIAM E. ANTONIDES AND COMPANY
Certified Public Accountants

506 Hooper Avenue, Suite B
Toms River, NJ 08753

BOROUGH OF BARNEGAT LIGHT

COUNTY OF OCEAN

LENGTH OF SERVICE AWARD PROGRAM

DECEMBER 31, 2010

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

LENGTH OF SERVICE AWARD PROGRAM

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William E. Antonides and Company

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Honorable Mayor and Members
of the Borough Council
Borough of Barnegat Light
County of Ocean
Barnegat Light, NJ 08006

We have reviewed the accompanying Statement of Net Assets Available for Program Benefits for the Borough of Barnegat Light (the "Borough"), Length of Service Awards Program, as of December 31, 2010 and 2009, and the related Statement of Changes in Net Assets Available for Program Benefits for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Borough personnel. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The Borough's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

William E. Antonides and Company
Independent Auditors

September 9, 2011

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

LENGTH OF SERVICE AWARD PROGRAM

Exhibit 1

STATEMENT OF NET ASSETS AVAILABLE

FOR PROGRAM BENEFITS

| | <u>2010</u> | <u>2009</u> |
|---|----------------------|----------------------|
| <u>Assets</u> | | |
| Investments Held by Trustee | \$ <u>340,218.08</u> | \$ <u>260,133.97</u> |
| <u>Liabilities</u> | | |
| Net Assets Available for Program Benefits | \$ <u>340,218.08</u> | \$ <u>260,133.97</u> |

See accompanying Notes to Financial Statements and Independent Accountants' Review Report.

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

LENGTH OF SERVICE AWARD PROGRAM

Exhibit 2

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE

FOR PROGRAM BENEFITS

| | <u>2010</u> | <u>2009</u> |
|---|----------------------|----------------------|
| <u>Increases in Program Assets</u> | | |
| Principal Contributions | \$ 57,500.00 | \$ 51,750.00 |
| Program Earnings - Net | 32,270.48 | 34,259.95 |
| Total Increase in Net Assets | <u>89,770.48</u> | <u>86,009.95</u> |
| <u>Decreases in Program Assets</u> | | |
| Withdrawals | <u>9,686.37</u> | <u>3,003.68</u> |
| Excess in Program Assets | 80,084.11 | 83,006.27 |
| <u>Net Assets Available for Program Benefits</u> | | |
| Beginning of Year | <u>260,133.97</u> | <u>177,127.70</u> |
| End of Year | <u>\$ 340,218.08</u> | <u>\$ 260,133.97</u> |

See accompanying Notes to Financial Statements and Independent Accountants' Review Report.

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

LENGTH OF SERVICE AWARD PROGRAM

NOTES TO FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF THE PROGRAM

On November 6, 2001 the voters of the Borough approved the creation of a Length of Service Award Program ("LOSAP"). Subsequently, the Division approved the Borough's LOSAP program, provided by Lincoln Financial Group. The purpose of this program is to enhance the Borough's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

Lincoln Financial Group will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The program shall provide for a fixed annual contribution of \$708 for the fire company and \$314 for the first aid squad to each eligible volunteer who accumulates a minimum of 50 service points based on criteria established by Borough Ordinances No. 01-018 and No. 01-019. The Borough's contribution shall be included in the current year's budget.

All amounts awarded under a length of service award program shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

The Borough's contribution for the year ended December 31, 2009 of \$26,732 was paid out in April of 2010. Contributions for the year ended December 31, 2010 in the amount of \$27,520 were disbursed in March of 2011.

NOTE 2. PROGRAM INVESTMENTS

Upon enrollment, the participants in the Program select various investment options as to how the deferred amounts are invested. The investment option may be changed by the participant at any time. The Lincoln Financial Group reports the Program's pro rata share of the investment income, consisting of gains and losses on transactions, appreciation or depreciation of the market value of the account investments and interest and dividends, recorded by the separate investment accounts maintained by the Program administrator. All investments are at fair market value.

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN

Exhibit 3

LENGTH OF SERVICE AWARD PROGRAM

SCHEDULE OF INVESTMENT PROGRAM ACTIVITY

| | <u>Balance</u> <u>Dec. 31, 2009</u> | <u>Increased by</u> <u>Contributions</u> | <u>Earnings</u> | <u>Decreased by</u> <u>Withdrawals</u> | <u>Balance</u> <u>Dec. 31, 2010</u> |
|--|--|---|---------------------|---|--|
| <u>Investments</u> | | | | | |
| <u>Lincoln Financial Group</u> | | | | | |
| Total Programs Including but not Limited to the Following: | | | | | |
| FIXED ACCOUNT, DWS EQUITY 500, LVIP SSGA EM M, | | | | | |
| LVIP DEL SP OP, AF INTL, AF GROWTH, MFS UTILITIES, | | | | | |
| LVIP DEL G&I, LVIP JAN CA AP, DEL REIT, DEL SMID CP GR, | | | | | |
| LVIP DEL G&I, LVIP BAR GR OP, DWS SM CAP IND, LVIP | | | | | |
| FID CONTRA FUND, LVIP MNY MKT, DEL SM CAP VAL, DEL DVRSFD | | | | | |
| DEL BOND, LVIP WF INT VL, AB GLBL THEM, LVIP TRP | | | | | |
| INC, FID GROWTH, LVIP WF INT VL, AB GLBL THEM, LVIP TRP | | | | | |
| MC GR, NB MID CAP, LVIP DEL BOND, AC INFLTN PROT, | | | | | |
| BLKRRK GLB ALLC | | | | | |
| | <u>\$ 260,133.97</u> | <u>\$ 57,500.00</u> | <u>\$ 32,270.48</u> | <u>\$ 9,686.37</u> | <u>\$ 340,218.08</u> |

Activity for the Lincoln Financial Group was combined because the data was unavailable on a per fund basis.

See Independent Accountants' Review Report.

BOROUGH OF BARNEGAT LIGHT - COUNTY OF OCEAN
LENGTH OF SERVICE AWARAD PROGRAM
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2010

FINDINGS/RECOMMENDATIONS

This section identifies any instances of noncompliance with applicable statutes and regulations governing Length of Service Award Programs disclosed during our review.

None.

ACKNOWLEDGEMENT

We desire to express our appreciation for the assistance and courtesies rendered by the Borough officials and employees during the course of the review engagement.