Report of Audit

on the

Financial Statements

of the

Borough of Pine Beach

in the

County of Ocean
New Jersey

for the

Year Ended
December 31, 2014

BOROUGH OF PINE BEACH

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BOROUGH OF PINE BEACH

PART I

INDEPENDENT AUDITOR'S REPORT ON
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

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SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2014

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Pine Beach
County of Ocean
Pine Beach, New Jersey 08741

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of Pine Beach, as of December 31, 2014 and 2013, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Borough of Pine Beach as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2014.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2014 and 2013, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2014 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Pine Beach's regulatory financial statements. The supplementary information and data and schedules of federal awards and state financial assistance listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2015 on our consideration of the Borough of Pine Beach's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Pine Beach's internal control over financial reporting and compliance.

Suplee, Clooney & Company

CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED MUNICIPAL ACCOUNTANT NO. 50

August 24, 2015

CURRENT FUND

BOROUGH OF PINE BEACH

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
ASSETS			
Current Fund:			
Cash - Treasurer	A-4	$ 937,356.36	$ 685,191.08
Cash - Change Fund	A-6	150.00	150.00
Cash - Petty Cash	A-7		13.37
Due from State of New Jersey Ch. 20, P.L. 1971	A-9	407.71	657.71
		937,914.07	686,012.16
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-8	129,704.90	118,145.96
Property Acquired for Taxes - Assessed Valuation	A-10	13,587.00	13,587.00
Revenue Accounts Receivable	A-11	2,708.98	7,004.01
Interfunds Receivable	A-12	15,167.76	48,348.04
Prepaid Regional School Tax	A-20	16,822.31	14,371.47
	A	177,990.95	201,456.48
Deferred Charges:			
Overexpenditure of Appropriations	A-13	1,104.37	1,027.39
Overexpenditure of Appropriation Reserves	A-13	1,533.18	1,073.75
Special Emergency Authorizations (40A:4-53)	A-14	18,000.00	30,000.00
		20,637.55	32,101.14
		1,136,542.57	919,569.78
Grant Fund:			
Interfunds Receivable	A-26	63,086.18	45,539.04
Grants Receivable	A-27	23,461.02	44,623.04
		86,547.20	90,162.08
		$ 1,223,089.77	$ 1,009,731.86

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

BOROUGH OF PINE BEACH

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
LIABILITIES, RESERVES AND FUND BALANCE			
Current Fund:			
Appropriation Reserves	A-3:A-15	$ 194,272.40	$ 79,893.60
Interfunds Payable	A-12	309,087.27	156,320.15
Accounts Payable	A-16	4,838.08	4,785.58
Prepaid Taxes	A-17	62,225.01	53,421.49
Tax Overpayments	A-18		1,416.65
Redemption of Outside Liens		944.08	
County Taxes Payable	A-19	3,905.73	
Encumbrances Payable	A-25	28,145.36	20,666.88
Reserve for:			
Sale of Municipal Assets	A-21	693.30	693.30
Revaluation	A-22	6,970.06	6,970.06
Insurance Proceeds	A-23	13,917.72	792.28
Reassessment	A-24	7,276.72	7,276.72
		632,275.73	332,236.71
Reserves for Receivables	A	177,990.95	201,456.48
Fund Balance	A-1	326,275.89	385,876.59
		1,136,542.57	919,569.78
Grant Fund:			
Reserve for:			
Encumbrances	A-25	2,996.97	5,146.99
Grants Appropriated	A-28	80,151.72	81,658.80
Grants Unappropriated	A-29	3,398.51	3,356.29
		86,547.20	90,162.08
		$ 1,223,089.77	$ 1,009,731.86

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2014	YEAR ENDED DECEMBER 31, 2013
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2	$ 286,192.18	$ 210,000.00
Miscellaneous Revenue Anticipated	A-2	426,458.38	509,242.99
Receipts from Delinquent Taxes	A-2	118,145.96	131,538.76
Receipts from Current Taxes	A-2	4,968,331.17	4,797,788.30
Non-Budget Revenue	A-2	74,614.50	171,730.04
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-15	43,671.47	59,223.81
Reserve for Prepaid Regional School Taxes			831.87
Interfunds Returned		5,460.53	
Reserve for Grants Appropriated Cancelled			8,740.61
Reserve for Grants Unappropriated Cancelled			0.30
Total Income		5,922,874.19	5,889,096.68
EXPENDITURES			
Budget Appropriations:			
Appropriations Within "CAPS"			
Operations	A-3	1,605,104.37	1,583,123.39
Deferred Charges and Statutory Expenditures	A-3	196,655.14	193,304.49
Appropriations Excluded From "CAPS"			
Operations	A-3	82,930.22	69,181.95
Capital Improvements	A-3	10,850.00	10,000.00
Debt Service	A-3	346,107.61	363,943.77
Deferred Charges	A-3	12,000.00	15,765.88
		2,253,647.34	2,235,319.48
County Taxes	A-19	1,115,153.67	1,025,717.87
Due County for Added and Omitted Taxes	A-19	3,905.73	
Regional District School Taxes	A-20	2,322,229.50	2,329,836.26
Interfund Advances Originating in 2013			36,596.00
Reserve for Prepaid Regional School Taxes		2,450.84	
Amount Due from State of New Jersey Canceled			2,000.00
Total Expenditures		5,697,387.08	5,629,469.61
Excess in Revenue		225,487.11	259,627.07
Adjustment to Income before Fund Balance:			
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Year	A-3	1,104.37	1,027.39
Statutory Excess to Fund Balance		226,591.48	260,654.46
Fund Balance			
Balance, January 1	A	385,876.59	335,222.13
		612,468.07	595,876.59
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	286,192.18	210,000.00
Fund Balance, December 31	A	$ 326,275.89	$ 385,876.59

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	REF.	ANTICIPATED BUDGET	SPECIAL N.J.S. 40A: 4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	$ 286,192.18	$	$ 286,192.18	$
Miscellaneous Revenues:					
Licenses:					
A.B.C.	A-11	5,000.00		5,150.00	150.00
Other	A-11	1,000.00		1,260.00	260.00
Municipal Court	A-11	72,500.00		80,759.64	8,259.64
Interest and Costs on Taxes	A-11	18,000.00		20,531.11	2,531.11
Interest on Investments and Deposits	A-11	100.00		263.97	163.97
Boat Slip Rentals	A-11	3,000.00		3,600.00	600.00
Sale of Beach Badges	A-11	3,900.00		3,800.00	(100.00)
Cable TV Franchise Fees	A-11	8,600.00		8,840.63	240.63
Energy Receipts Tax	A-11	207,173.00		207,173.00	
Uniform Construction Code Fees	A-11	2,400.00		1,299.00	(1,101.00)
Lease of Cell Tower	A-11	28,670.92		29,531.06	860.14
Interfund Receivable - Animal Control Trust		3,121.00		3,121.00	
Interfund Receivable - Sewer Utility Operating Fund		24,598.75		24,598.75	
Recycling Tonnage Grant	A-27	1,023.18		1,023.18	
Clean Communities Program	A-27	228.12	4,655.93	4,884.05	
Municipal Alliance on Alcoholism and Drug Abuse:					
State Share	A-27	22,000.00		22,000.00	
Body Armor Replacement Fund	A-27	1,184.99		1,184.99	
OEM Grant (966)	A-27	6,518.00		6,518.00	
Tourism Grant	A-27	920.00		920.00	
Total Miscellaneous Revenues	A-1	409,937.96	4,655.93	426,458.38	11,864.49
Receipts From Delinquent Taxes	A-1	114,000.00		118,145.96	4,145.96
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2	1,612,908.29		1,654,077.77	41,169.48
Budget Totals		2,423,038.43	4,655.93	2,484,874.29	57,179.93
Non-Budget Revenue	A-1;A-2			74,614.50	74,614.50
		$ 2,423,038.43	$ 4,655.93	$ 2,559,488.79	$ 131,794.43
	REF.	A-3	A-3		

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	REF.		
Allocation of Current Tax Collections:			
Revenue From Cash Collections	A-1:A-8	$	4,968,331.17
Allocated to:			
School and County Taxes			3,472,653.40
Balance for Support of Municipal Budget Appropriations			1,495,677.77
Add: Appropriation-" Reserve for Uncollected Taxes"	A-3		158,400.00
Amount for Support of Municipal Budget Appropriations	A-2	$	1,654,077.77
Analysis of Non-Budget Revenues			
Miscellaneous Revenue Not Anticipated:			
Other Fees and Permits		$	5,935.29
Ramp Permits			12,050.00
Parking Permits			2,110.00
DMV Inspection Fees			7,144.50
Metal Recycling			3,672.04
JIF Dividend			7,413.73
Public Defender Fees			2,201.50
Trash Can Lease			2,225.00
Sale of Municipal Assets			14,568.99
Workers Compensation			5,279.12
Traffic Control Fees			2,560.00
Miscellaneous			7,301.65
	A-4		72,461.82
Tax Collector	A-5		762.11
			73,223.93
Animal Control Statutory Excess	A-12		1,390.57
	A-2	$	74,614.50

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVER-EXPENDED
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT						
Administrative and Executive:						
Salaries and Wages	$ 37,000.00	$ 37,000.00	$ 34,217.52	$ 2,782.48	$	$
Other Expenses	2,000.00	2,000.00	1,508.93	491.07		
Borough Clerk:						
Salaries and Wages	52,000.00	52,000.00	51,150.00	850.00		
Other Expenses	6,500.00	6,500.00	6,383.87	116.13		
Financial Administration:						
Salaries and Wages	15,500.00	15,500.00	13,760.16	1,739.84		
Other Expenses	13,000.00	13,000.00	10,737.17	2,262.83		
Audit Services	25,000.00	25,000.00	15,250.00	9,750.00		
Assessment of Taxes:						
Salaries and Wages	16,650.00	16,650.00	16,600.00	50.00		
Other Expenses	400.00	400.00	399.04	0.96		
Collection of Taxes:						
Salaries and Wages	12,200.00	12,200.00	12,060.00	140.00		
Other Expenses	4,500.00	4,500.00	3,657.63	842.37		
Legal Services and Costs:						
Salaries and Wages	100.00	100.00		100.00		
Other Expenses	20,000.00	21,000.00	20,349.93	650.07		
Municipal Court:						
Salaries and Wages	18,000.00	18,000.00	18,411.25			411.25
Other Expenses	3,000.00	3,000.00	1,789.25	1,210.75		
Planning Board:						
Salaries and Wages	900.00	900.00	900.00			
Other Expenses	2,500.00	2,500.00	368.10	2,131.90		
Public Building and Grounds:						
Other Expenses	11,000.00	11,000.00	11,118.12			118.12

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVER-EXPENDED
GENERAL GOVERNMENT (CONTINUED)						
Advertising and Printing:						
Other Expenses	$ 3,200.00	$ 3,700.00	$ 3,440.70	$ 259.30	$	$
Insurance:						
General Liability	31,000.00	31,000.00	30,919.08	80.92		
Workers Compensation	53,000.00	53,000.00	52,751.36	248.64		
Employees Group Health	215,000.00	215,000.00	168,837.85	46,162.15		
Engineering:						
Other Expenses	30,000.00	28,325.00	11,319.86	17,005.14		
PUBLIC SAFETY						
Fire:						
Aid to Volunteer Fire Company	1,000.00	1,000.00	60.00	940.00		
Police:						
Salaries and Wages	548,000.00	555,000.00	546,614.92	8,385.08		
Other Expenses - Miscellaneous	28,000.00	35,000.00	34,488.55	511.45		
Other Expenses - Lease of Police Vehicles	18,900.00	18,900.00	14,729.15	4,170.85		
Safety Officer:						
Salaries and Wages	100.00	100.00		100.00		
Emergency Management Services:						
Salaries and Wages	3,000.00	3,000.00	3,000.00			
Other Expenses	500.00	625.00	621.00	4.00		
Lifeguards:						
Salaries and Wages	8,700.00	8,700.00	6,336.00	2,364.00		
Other Expenses	500.00	500.00	40.08	459.92		
STREETS AND ROADS						
Road Repairs and Maintenance:						
Other Expenses	7,800.00	5,300.00	4,294.74	1,005.26		
Public Works:						
Salaries and Wages	104,000.00	106,500.00	105,851.07	648.93		

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVER-EXPENDED
STREETS AND ROADS (CONTINUED)						
Garbage and Trash Removal:						
Salaries and Wages	$ 46,000.00	$ 46,000.00	$ 42,417.80	$ 3,582.20	$	$
Other Expenses	15,000.00	12,500.00	9,318.13	3,181.87		
Sanitation:						
Sanitary Landfill Costs						
Other Expenses	83,000.00	68,000.00	65,000.00	3,000.00		
Recycling Act (Chapter 278 P.L. 1981)						
Recycling:						
Salaries and Wages	36,000.00	36,000.00	34,890.75	1,109.25		
Other Expenses	5,000.00	2,500.00	873.22	1,626.78		
RECREATION AND EDUCATION						
Beach Front and Dock Maintenance:						
Miscellaneous	3,000.00	3,000.00	749.00	2,251.00		
Parks and Playgrounds:						
Other Expenses	1,000.00	3,550.00	3,536.83	13.17		
Celebration of Public Events:						
Other Expenses	2,500.00	2,500.00	2,424.09	75.91		
HEALTH AND WELFARE						
Environmental Commission :						
Other Expenses	100.00	100.00		100.00		
Health and Welfare:						
Other Expenses	50.00	50.00		50.00		
New Jersey Employee Occupational Safety and Health Act	50.00	50.00	625.00			575.00
Stormwater Management :						
Other Expenses	1,100.00	1,100.00	1,050.00	50.00		
UNIFORM CONSTRUCTION CODE-APPROPRIATION OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)						
Construction Official:						
Salaries and Wages	15,500.00	15,500.00	15,317.41	182.59		
Other Expenses	200.00	200.00	63.24	136.76		

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVER-EXPENDED
UTILITIES						
Gasoline	$ 20,000.00	$ 20,000.00	$ 15,537.12	$ 4,462.88	$	$
Fuel Oil	17,000.00	17,000.00	12,278.19	4,721.81		
Electricity	17,000.00	17,000.00	12,348.70	4,651.30		
Natural Gas	8,000.00	8,000.00	5,827.16	2,172.84		
Street Lighting	24,500.00	24,500.00	22,289.46	2,210.54		
Communications	13,500.00	13,500.00	12,715.45	784.55		
Computer Technology	4,000.00	4,000.00	3,329.70	670.30		
Accumulated Leave Compensation	2,000.00	2,000.00	2,000.00			
TOTAL OPERATIONS WITHIN "CAPS"	1,607,450.00	1,603,950.00	1,464,556.58	140,497.79		1,104.37
CONTINGENT	50.00	50.00		50.00		
TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"	1,607,500.00	1,604,000.00	1,464,556.58	140,547.79		1,104.37
DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL						
Deferred Charges:						
Emergency Authorizations:						
Overexpenditure of 2012 Appropriation Reserves	1,073.75	1,073.75	1,073.75			
Overexpenditure of 2013 Appropriations	1,027.39	1,027.39	1,027.39			
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	39,900.00	39,900.00	39,900.00			
Police and Fireman's Retirement System of NJ	68,000.00	71,500.00	69,150.65	2,349.35		
Social Security System (O.A.S.I.)	78,854.00	78,854.00	78,854.00			
Unemployment Compensation Insurance	4,300.00	4,300.00	3,674.74	625.26		
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":	193,155.14	196,655.14	193,680.53	2,974.61		
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	1,800,655.14	1,800,655.14	1,658,237.11	143,522.40		1,104.37

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVER-EXPENDED
OPERATIONS EXCLUDED FROM "CAPS"						
Length of Service Award Program	$ 15,000.00	$ 15,000.00	$	$ 15,000.00	$	$
Length of Service Award Program - Beachwood Contribution	15,000.00	15,000.00		15,000.00		
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS						
Township of Berkeley - Interlocal Agreement:						
Other Expenses - Dog Regulation	2,700.00	2,700.00		2,700.00		
Borough of Beachwood - Interlocal Agreement:						
Other Expenses - First Aid Services	11,000.00	11,000.00	4,000.00	7,000.00		
Township of Lakewood - Interlocal Agreement:						
Other Expenses - Vehicle Washing	100.00	100.00		100.00		
Township of Berkeley - Interlocal Agreement:						
Other Expenses - Tree Services	100.00	100.00		100.00		
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Clean Communities Grant (40A:4-87 + $4,655.93)	228.12	4,884.05	4,884.05			
Municipal Alliance on Alcoholism and Drug Abuse:						
State Share	22,000.00	22,000.00	22,000.00			
Local Share	2,500.00	2,500.00	2,500.00			
Recycling Tonnage Grant	1,023.18	1,023.18	1,023.18			
Body Armor Replacement Fund	1,184.99	1,184.99	1,184.99			
OEM Grant (966)	6,518.00	6,518.00	6,518.00			
Tourism Grant	920.00	920.00	920.00			
TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES	34,374.29	39,030.22	39,030.22			
TOTAL OPERATIONS EXCLUDED FROM CAPS:	78,274.29	82,930.22	43,030.22	39,900.00		
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Purchase of Police Equipment	10,850.00	10,850.00		10,850.00		
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	10,850.00	10,850.00		10,850.00		

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVER-EXPENDED
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Anticipation Notes	$ 239,400.00	$ 239,400.00	$ 222,650.00	$	$ 16,750.00	$
Interest on Notes	38,117.00	38,117.00	38,116.36		0.64	
Green Acres Loan Program:						
Principal	76,227.00	76,227.00	76,227.00			
Interest	9,115.00	9,115.00	9,114.25		0.75	
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"	362,859.00	362,859.00	346,107.61		16,751.39	
DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"						
Special Emergency Authorizations (5 years)	12,000.00	12,000.00	12,000.00			
TOTAL DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"	12,000.00	12,000.00	12,000.00			
TOTAL GENERAL APPROPRIATIONS - EXCLUDED FROM "CAPS"	463,983.29	468,639.22	401,137.83	50,750.00	16,751.39	
SUB-TOTAL GENERAL APPROPRIATIONS	2,264,638.43	2,269,294.36	2,059,374.94	194,272.40	16,751.39	1,104.37
RESERVE FOR UNCOLLECTED TAXES	158,400.00	158,400.00	158,400.00			
TOTAL GENERAL APPROPRIATIONS	$ 2,423,038.43	$ 2,427,694.36	$ 2,217,774.94	$ 194,272.40	$ 16,751.39	$ 1,104.37
REF.	A-2		A-1	A:A-1		A-1;A-13

	REF.	
Adopted Budget	A-3	$ 2,423,038.43
Appropriation by 40A 4-87	A-2	4,655.93
		$ 2,427,694.36

Deferred Charges:		
Overexpenditures	A-13	$ 2,101.14
Emergency Authorization (40A:4-53)	A-14	12,000.00
Transferred to Encumbrances Payable	A-25	28,145.36
Reserve of Grants Appropriated	A-28	39,030.22
Reserve for Uncollected Taxes	A-2	158,400.00
Disbursed	A-4	1,978,098.22
		$ 2,217,774.94

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

TRUST FUND

BOROUGH OF PINE BEACH

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
ASSETS			
Animal Control Trust Fund:			
Cash	B-1	$ 10,666.57	$ 13,824.79
		10,666.57	13,824.79
Other Funds:			
Cash	B-1	138,445.33	136,508.97
Interfunds Receivable	B-4	63,819.78	18,249.78
		202,265.11	154,758.75
		$ 212,931.68	$ 168,583.54
LIABILITIES, RESERVES AND FUND BALANCES			
Animal Control Trust Fund:			
Interfunds Payable	B-4	$ 1,374.97	$ 4,424.59
Due State of New Jersey	B-3	81.60	69.00
Reserve for Animal Control Trust Fund Expenditures	B-2	9,210.00	9,331.20
		10,666.57	13,824.79
Other Funds:			
Interfunds Payable	B-5	13.93	13.93
Miscellaneous Reserves	B-6	202,251.18	154,744.82
		202,265.11	154,758.75
		$ 212,931.68	$ 168,583.54

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

GENERAL CAPITAL FUND

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
ASSETS			
Cash	C-2	$ 539,074.84	$ 746,265.22
Grants Receivable	C-4	201,890.15	180,000.00
Green Acres Loan Receivable	C-5	273,303.00	273,303.00
Deferred Charges to Future Taxation:			
Funded	C-6	1,298,461.56	1,374,688.31
Unfunded	C-7	4,147,179.10	4,059,829.10
Interfunds Receivable	C-8	170,821.30	92,531.33
		$ 6,630,729.95	$ 6,726,616.96
LIABILITIES, RESERVES AND FUND BALANCE			
Interfunds Payable	C-8	$ 258.11	$
Capital Improvement Fund	C-9	94,061.25	109,061.25
Improvement Authorizations:			
Funded	C-10	80,936.18	269,954.18
Unfunded	C-10	1,142,675.14	2,166,776.51
Bond Anticipation Notes	C-11	3,757,700.00	2,772,100.00
Green Acres Loans Payable	C-12	1,298,461.56	1,374,688.31
Reserve for Preliminary Costs	C-13	5,388.74	5,388.74
Reserve for Debt Service	C-14	21,980.00	21,980.00
Contract Payable	C-15	220,956.00	
Fund Balance	C-1	8,312.97	6,667.97
		$ 6,630,729.95	$ 6,726,616.96

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

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	REF.		
Balance, December 31, 2013	C	$	6,667.97
Increased by:			
Premium on Sale of Bond Anticipation Notes	C-2		1,645.00
Balance, December 31, 2014	C	$	8,312.97

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

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WATER UTILITY FUND

BOROUGH OF PINE BEACH

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
ASSETS			
Operating Fund:			
Cash - Treasurer	D-5	$ 90,039.82	$ 98,193.51
Cash - Change Fund	D-7	25.00	25.00
Interfunds Receivable	D-13	1,403.89	
		91,468.71	98,218.51
Receivables and Inventories with Full Reserves:			
Consumer Accounts Receivable	D:D-9	29,145.40	31,850.24
Deferred Charges:			
Overexpenditure of 2013 Appropriation	D-23		751.17
Overexpenditure of 2012 Appropriation Reserves	D-23		1,721.33
			2,472.50
Total Operating Fund		120,614.11	132,541.25
Capital Fund:			
Cash	D-5:D-8	786,676.44	808,835.45
Fixed Capital	D-14	1,903,718.34	1,903,718.34
Fixed Capital Authorized and Uncompleted	D-15	872,972.00	872,972.00
Interfunds Receivable	D-16	13,360.01	
Total Capital Fund		3,576,726.79	3,585,525.79
		$ 3,697,340.90	$ 3,718,067.04

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

BOROUGH OF PINE BEACH

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-10	$ 11,843.05	$ 23,639.78
Reserve for Encumbrances	D-4:D-10	1,281.01	4,146.78
Overpaid/Prepaid Water Rents	D-11	29,217.39	23,414.73
Accrued Interest on Notes and Loans	D-12	13,358.42	13,355.16
Interfunds Payable	D-13	3,840.47	3,108.51
		59,540.34	67,664.96
Reserve for Receivables	D	29,145.40	31,850.24
Fund Balance	D-1	31,928.37	33,026.05
Total Operating Fund		120,614.11	132,541.25
Capital Fund:			
Interfunds Payable	D-16		1,371.75
Capital Improvement Fund	D-17	63,500.00	61,500.00
Improvement Authorizations:			
Funded	D-18	21,461.50	30,888.75
Unfunded	D-18	826,500.00	826,500.00
Bond Anticipation Notes	D-19	712,500.00	712,500.00
Loan Payable	D-20	799,959.13	820,372.27
Reserve for:			
Amortization	D-21	1,080,009.21	1,059,596.07
Deferred Amortization	D-22	46,472.00	46,472.00
Fund Balance	D-2	26,324.95	26,324.95
Total Capital Fund		3,576,726.79	3,585,525.79
		$ 3,697,340.90	$ 3,718,067.04

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

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	REF.		YEAR ENDED DECEMBER 31, 2014		YEAR ENDED DECEMBER 31, 2013
REVENUE AND OTHER INCOME REALIZED					
Fund Balance Utilized	D-1:D-3	$	13,749.50	$	47,436.00
Rents	D-3		226,769.64		237,675.83
Miscellaneous	D-3		5,673.26		7,262.52
Other Credits to Income:					
Unexpended Balance of Appropriation Reserves	D-10		15,698.44		10,066.82
Overpayment Cancelled	D-11		1,509.62		
TOTAL INCOME		$	263,400.46	$	302,441.17
EXPENDITURES					
Operating		$	155,921.00	$	185,251.17
Capital Improvements			3,579.00		6,500.00
Debt Service			76,076.14		77,985.58
Deferred Charges			2,472.50		
Statutory Expenditures			12,700.00		16,450.00
	D-4		250,748.64		286,186.75
Overexpenditure of Appropriation Reserves					1,721.33
TOTAL EXPENDITURES	D-4	$	250,748.64	$	287,908.08
Excess in Revenue		$	12,651.82	$	14,533.09
Adjustment to Income Before Surplus:					
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years					2,472.50
Statutory Excess to Surplus		$	12,651.82	$	17,005.59
Fund Balance					
Balance, January 1	D		33,026.05		63,456.46
		$	45,677.87	$	80,462.05
Decreased by:					
Utilization by Water Operating Fund Budget	D-1:D-3		13,749.50		47,436.00
Balance, December 31	D	$	31,928.37	$	33,026.05

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

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	REF.	
Balance December 31, 2013 and December 31, 2014	D	$ 26,324.95

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

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	REF.	ANTICIPATED	REALIZED	EXCESS/(DEFICIT)
Fund Balance Anticipated	D-1	$ 13,749.50	$ 13,749.50	$
Rents	D-1:D-3	237,000.00	226,769.64	(10,230.36)
Budget Totals		250,749.50	240,519.14	(10,230.36)
Miscellaneous	D-1:D-3		5,673.26	5,673.26
	D-4	$ 250,749.50	$ 246,192.40	$ (4,557.10)

ANALYSIS OF REALIZED REVENUE

Water Rents:		
Consumer Accounts Receivable:		
Collected	D-9	$ 204,864.53
Overpaid/Prepaid Applied	D-9	21,905.11
	D-3	$ 226,769.64
Miscellaneous:		
Interest on Delinquent Accounts	D-6	$ 3,153.26
Connection Fees	D-6	2,520.00
	D-3	$ 5,673.26

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

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Operating:					
Salaries and Wages	$ 59,000.00	$ 58,421.00	$ 52,597.96	$ 5,823.04	$
Other Expenses	80,000.00	80,000.00	75,162.10	4,837.90	
Audit	7,500.00	7,500.00	7,500.00		
Workers Compensation	10,000.00	10,000.00	10,000.00		
Total Operating	156,500.00	155,921.00	145,260.06	10,660.94	
Capital Improvements:					
Capital Improvement Fund	2,000.00	2,000.00	2,000.00		
Purchase of Water Meters	500.00	1,079.00	1,078.80	0.20	
Purchase of Hydrants	500.00	500.00		500.00	
Total Capital Improvements	3,000.00	3,579.00	3,078.80	500.20	
Debt Service:					
Bond Principal	20,414.00	20,414.00	20,413.14		0.86
Interest on Bonds	45,863.00	45,863.00	45,863.00		
Interest on Notes	9,800.00	9,800.00	9,800.00		
Total Debt Service	76,077.00	76,077.00	76,076.14		0.86
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Overexpenditure of Appropriations	751.17	751.17	751.17		
Overexpenditure of Appropriation Reserves	1,721.33	1,721.33	1,721.33		
Total Deferred Charges	2,472.50	2,472.50	2,472.50		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	7,500.00	7,500.00	7,500.00		
Social Security System (O.A.S.I.)	4,500.00	4,500.00	4,042.06	457.94	
Unemployment Compensation Insurance	700.00	700.00	476.03	223.97	
Total Statutory Expenditures	12,700.00	12,700.00	12,018.09	681.91	
	$ 250,749.50	$ 250,749.50	$ 238,905.59	$ 11,843.05	$ 0.86
	REF. D-3	D-4	D-1	D:D-1	

	REF.	
Accrued Interest on Loans	D-12	$ 55,663.00
Disbursed	D-5	179,489.08
Deferred Charge	D-23	2,472.50
Reserve for Encumbrances	D	1,281.01
		$ 238,905.59

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

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SEWER UTILITY FUND

BOROUGH OF PINE BEACH

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.		BALANCE DECEMBER 31, 2014		BALANCE DECEMBER 31, 2013
ASSETS					
Operating Fund:					
Cash-Treasurer	E-5	$	105,319.93	$	155,502.75
Change Fund	E-7		25.00		25.00
Interfunds Receivable	E-14		5,188.17		5,188.17
			110,533.10		160,715.92
Receivables with Full Reserves:					
Consumer Accounts Receivable	E-9		46,227.57		36,602.76
	E		46,227.57		36,602.76
Deferred Charges:					
Overexpenditure of 2013 Appropriations	E-25				422.86
Total Operating Fund			156,760.67		197,741.54
Capital Fund:					
Cash	E-5:E-8		55,952.78		53,495.69
Fixed Capital	E-16		3,225,163.51		3,225,163.51
Fixed Capital Authorized and Uncompleted	E-17		5,000.00		5,000.00
Interfunds Receivable	E-18				2,457.09
Total Capital Fund			3,286,116.29		3,286,116.29
		$	3,442,876.96	$	3,483,857.83

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

BOROUGH OF PINE BEACH

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.		BALANCE DECEMBER 31, 2014		BALANCE DECEMBER 31, 2013
LIABILITIES, RESERVES AND FUND BALANCE					
Operating Fund:					
Liabilities:					
Appropriation Reserves	E-4:E-10	$	12,515.68	$	10,918.80
Reserve for Encumbrances	E-4:E-10		1,151.39		2,285.68
Overpaid/Prepaid Sewer Rents	E-11		23,030.04		29,931.52
Accounts Payable	E-12		898.46		898.46
Accrued Interest on Loans	E-13		9,577.97		9,573.92
Interfunds Payable	E-14		8,218.03		30,699.04
Reserve for Unemployment Compensation Insurance	E-15		148.19		148.19
			55,539.76		84,455.61
Reserve for Receivables	E		46,227.57		36,602.76
Fund Balance	E-1		54,993.34		76,683.17
Total Operating Fund			156,760.67		197,741.54
Capital Fund:					
Capital Improvement Fund	E-19		25,000.00		25,000.00
Improvement Authorizations:					
Funded	E-20		2,445.00		2,445.00
Loan Payable	E-21		442,556.75		475,968.80
Reserve for:					
Amortization	E-22		2,747,606.76		2,714,194.71
Deferred Amortization	E-23		5,000.00		5,000.00
Replacement Fund	E-24		60,050.00		60,050.00
Fund Balance	E-2		3,457.78		3,457.78
Total Capital Fund			3,286,116.29		3,286,116.29
		$	3,442,876.96	$	3,483,857.83

There were bonds and notes authorized but not issued on December 31, 2014 of $35,000.00 (Schedule E-26).

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

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	REF.		YEAR ENDED DECEMBER 31, 2014		YEAR ENDED DECEMBER 31, 2013
REVENUE AND OTHER INCOME REALIZED					
Fund Balance Utilized	E-1:E-3	$	26,862.86	$	18,509.00
Rents	E-3		389,847.97		400,897.11
Miscellaneous	E-3		10,628.66		8,737.44
Other Credits to Income:					
Unexpended Balance of Appropriation Reserves	E-10		4,193.45		33,367.77
TOTAL INCOME		$	431,532.94	$	461,511.32
EXPENDITURES					
Operating	E-4	$	348,260.00	$	340,000.00
Capital Improvements	E-4		1,000.00		1,000.00
Debt Service	E-4		56,802.05		57,628.08
Deferred Charges and Statutory Expenditures	E-4		20,297.86		15,022.86
TOTAL EXPENDITURES		$	426,359.91	$	413,650.94
Excess in Revenue		$	5,173.03	$	47,860.38
Adjustment to Income Before Fund Balance:					
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Year					422.86
Statutory Excess to Fund Balance		$	5,173.03	$	48,283.24
Fund Balance					
Balance, January 1	E		76,683.17		46,908.93
		$	81,856.20	$	95,192.17
Decreased by:					
Utilization by Sewer Operating Fund Budget	E-1:E-3	$	26,862.86	$	18,509.00
Balance, December 31	E	$	54,993.34	$	76,683.17

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

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	REF.		
Balance, December 31, 2013 and December 31, 2014	E	$	3,457.78

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

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	REF.	ANTICIPATED	REALIZED	EXCESS/(DEFICIT)
Fund Balance Anticipated	E-1	$ 26,862.86	$ 26,862.86	$
Rents	E-1:E-3	395,000.00	389,847.97	(5,152.03)
Miscellaneous	E-1:E-3	4,500.00	10,628.66	6,128.66
	E-4	$ 426,362.86	$ 427,339.49	$ 976.63

ANALYSIS OF REALIZED REVENUE

Sewer Rents:		
Consumer Accounts Receivable:		
Collected	E-9	$ 359,916.45
Overpaid/Prepaid Applied	E-9	29,931.52
	E-3	$ 389,847.97
Miscellaneous:		
Interest on Delinquent Accounts	E-6	$ 5,670.66
Connection Fees	E-6	4,958.00
	E-3	$ 10,628.66

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

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Operating:					
Salaries and Wages	$ 80,000.00	$ 80,000.00	$ 79,564.35	$ 435.65	$
Other Expenses	70,000.00	60,470.00	49,865.38	10,604.62	
Sewerage Treatment Costs	170,000.00	181,290.00	181,289.40	0.60	
Audit	7,500.00	7,500.00	7,500.00		
Workers Compensation	25,000.00	19,000.00	18,820.40	179.60	
Total Operating	352,500.00	348,260.00	337,039.53	11,220.47	
Capital Improvements:					
Reserve for Replacement Fund	1,000.00	1,000.00		1,000.00	
Total Capital Improvements	1,000.00	1,000.00		1,000.00	
Debt Service:					
Payment of Loan Principal	33,415.00	33,415.00	33,412.05		2.95
Interest on Loans	19,775.00	23,390.00	23,390.00		
Total Debt Service	53,190.00	56,805.00	56,802.05		2.95
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Overexpenditure of Appropriations	422.86	422.86	422.86		
Total Deferred Charges	422.86	422.86	422.86		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	13,000.00	13,000.00	13,000.00		
Social Security System (O.A.S.I.)	5,600.00	6,225.00	6,094.16	130.84	
Unemployment Compensation Insurance	650.00	650.00	485.63	164.37	
Total Deferred Charges and Statutory Expenditures	19,250.00	19,875.00	19,579.79	295.21	
	$ 426,362.86	$ 426,362.86	$ 413,844.23	$ 12,515.68	$ 2.95
REF.	E-3			E:E-1	

	REF.	
Accrued Interest on Loans	E-13	$ 23,390.00
Disbursed	E-5	388,879.98
Deferred Charge of Overexpenditure of Appropriations	E-25	422.86
Reserve for Encumbrances	E	1,151.39
	E-1	$ 413,844.23

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

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PUBLIC ASSISTANCE TRUST FUND

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
ASSETS			
Cash	F-1	$ 13,258.08	$ 13,258.08
LIABILITIES AND RESERVES			
Reserve for Public Assistance		$ 9,792.21	$ 9,792.21
Due Sewer Operating Fund		3,465.87	3,465.87
TOTAL LIABILITIES AND RESERVES		$ 13,258.08	$ 13,258.08

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

GENERAL FIXED ASSET ACCOUNT GROUP

BOROUGH OF PINE BEACH

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS

		BALANCE DECEMBER 31, 2014		BALANCE DECEMBER 31, 2013
ASSETS				
General Fixed Assets:				
Land	$	9,726,000.00	$	9,726,000.00
Buildings		748,748.00		748,748.00
Machinery and Equipment		2,408,020.07		2,408,020.07
	$	12,882,768.07	$	12,882,768.07
LIABILITIES AND RESERVES				
Reserves:				
Investments in General Fixed Assets	$	12,882,768.07	$	12,882,768.07

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Pine Beach is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

Except as noted below, the financial statements of the Borough of Pine Beach include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough of Pine Beach, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Pine Beach do not include the operations of the volunteer fire department and first aid squad or the regional school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Borough of Pine Beach conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of Pine Beach are organized on the basis of funds and account groups which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account groups:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund – Revenues and expenditures for governmental operations of a general nature, including federal and state grant funds

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

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

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

Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Sewer utility

Public Assistance Trust Fund - Receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes

General Fixed Asset Account Group - Utilized to account for property, land, buildings and equipment that has been acquired by other governmental funds

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

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

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenues when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31st, are reported as a cash liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders, at December 31st, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C 5:30.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of $5,000.00 or more per unit. 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.

Expenditures for construction in progress are recorded in the Capital Fund 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.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Fixed Capital - Water and Sewer Utility Funds

Accounting for utility fund "fixed capital" remains uncharged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water and Sewer Utility Funds are recorded in the capital accounts at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital funds represent charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be held in accordance with GAAP. The Borough presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

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

A. Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

The Borough of Pine Beach had the following cash and cash equivalents at December 31, 2014:

Fund	Cash in Bank	Reconciling Items	Other	Total
Checking Accounts	$2,679,122.46	($2,332.31)		$2,676,790.15
Change Funds			$200.00	200.00
	$2,679,122.46	($2,332.31)	$200.00	$2,676,990.15

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2014, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on deposit in the bank of $2,679,122.46, $500,000.00 was covered by Federal Depository Insurance, and the remaining $2,179,122.46 was covered under the provisions of NJGUDPA.

B. Investments

The purchase of investments by the Borough is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization;

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;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit 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 date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;

6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization;

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); 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 subsection;

   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. 17:19-41); and

   e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2014, the Borough had no investments.

NOTE 3: DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, based by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF MUNICIPAL DEBT

	YEAR 2014	YEAR 2013	YEAR 2012
Issued:			
General:			
Bonds, Notes and Loans	$5,056,161.56	$4,146,788.11	$3,662,913.00
Water Utility:			
Notes and Loans	$1,512,459.13	$1,532,872.27	$1,552,184.00
Sewer Utility:			
Notes and Loans	442,556.75	475,968.80	507,771.00
Net Debt Issued	$7,011,177.44	$6,155,629.18	$5,722,868.00
Less: Cash on Hands to Pay Notes		16,750.00	34,750.00
Less: Reserve to Pay Bonds	21,980.00	21,980.00	21,980.00
	$6,989,197.44	$6,116,899.18	$5,666,138.00
Authorized but not Issued			
General:			
Bonds and Notes	$389,479.10	$1,304,479.10	$400,245.00
Water Utility:			
Bonds and Notes	$137,750.00	$137,750.00	$23,750.00
Sewer Utility:			
Bonds and Notes	35,000.00	35,000.00	35,000.00
Total Authorized but not Issued	$562,229.10	$1,477,229.10	$458,995.00
Net Bonds and Notes Issued and and Authorized but not issued	$7,551,426.54	$7,594,128.28	$6,125,133.00

NOTE 3: DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION (ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.992%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	$1,033,972.85	$1,033,972.85	-0-
Water Utility Debt	1,650,209.13	1,650,209.13	-0-
Sewer Utility Debt	477,556.75	390,919.75	$86,637.00
General Debt	5,445,640.66	21,980.00	5,423,660.66
	$8,607,379.39	$3,097,081.73	$5,510,297.66

NET DEBT $5,510,297.66 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, $276,631,155.33 EQUALS 1.992%.

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

Equalized Valuation Basis* - December 31, 2014	$276,631,155.33
3-1/2 of Equalized Valuation Basis	9,682,090.44
Net Debt	5,423,660.66
Remaining Borrowing Power	$4,258,429.78

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements and the assessed valuation of class II railroad property of the Borough for the last three, (3) preceding years.

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

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year		$ 252,722.92
Deductions:		
Operating and Maintenance Cost	$ 168,621.00	
Debt Service	76,077.00	
Total Deductions		244,698.00
Excess in Revenue		$ 8,024.92

NOTE 3: DEBT (CONTINUED)

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

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year		$ 420,488.51
Deductions:		
Operating and Maintenance Cost	$ 368,135.00	
Debt Service	56,805.00	
Total Deductions		424,940.00
Deficit in Revenue		$ (4,451.49)

LONG-TERM DEBT

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

General Capital Fund

Green Acres Loan Program

The Borough has four low interest loans (2%) under the New Jersey Department of Environmental Protection's Green Acres Loan Program as follows:

Purpose	Date of Issue	Original Issue	Balance December 31
Admiral Farragut Project	1/26/1998	$1,086,417.00	$195,762.14
Vista Park Development Phases I & II	9/26/2007	138,000.00	97,806.01
Vista Park Development Phases I & II	9/26/2007	148,000.00	104,893.41
Vista Park Development Phases I & II	9/26/2007	900,000.00	900,000.00
			$1,298,461.56

Each Loan includes an interest rate of 2.00%. The Borough must repay the loan in semi-annual installments over twenty years. Loan payments are due through 2027.

Concerning the $900,000.00 loan dated 09/26/07, the Borough has received $626,697.00 in loan proceeds to date however a repayment schedule has not been provided as of the date of this report. Accrued interest, if any, related to this loan is unknown.

NOTE 3: DEBT (CONTINUED)

General Capital Fund

Green Acres Loan Program

The aggregate debt service requirements during the next five calendar years and thereafter are as follows:

CALENDAR YEAR	PRINCIPAL	INTEREST	TOTAL
2015	$77,758.90	$7,582.36	$85,341.26
2016	79,321.84	6,019.43	85,341.27
2017	80,916.21	4,426.05	85,342.26
2018	14,647.97	3,136.42	17,784.39
2019	14,942.40	2,842.00	17,784.40
2020	15,242.74	2,541.65	17,784.39
2021	15,549.13	2,235.27	17,784.40
2022	15,861.66	1,922.73	17,784.39
2023	16,180.48	1,603.82	17,784.30
2024	16,505.70	1,278.69	17,784.39
2025	16,837.47	946.91	17,784.38
2026	17,175.89	608.49	17,784.38
2027	17,521.17	263.25	17,784.42
	398,461.56	35,407.07	433,868.63
Not Final	900,000.00		900,000.00
	$1,298,461.56	$35,407.07	$1,333,868.63

NOTE 3: DEBT (CONTINUED)

Water Utility Capital Fund

USDA Loan

The Borough has a 5.625% loan for water system improvements which was finalized on March 30, 1995. The Borough must repay the loan in semi-annual installments over forty years. The balance at December 31, 2014 was $799,959.13. Loan payments are due through 2035. The aggregate debt service requirements are as follows:

CALENDAR YEAR	PRINCIPAL	INTEREST	TOTAL
2015	$21,577.52	$44,698.48	$66,276.00
2016	22,808.33	43,467.67	66,276.00
2017	24,109.34	42,166.66	66,276.00
2018	25,484.57	40,791.44	66,276.01
2019	26,938.24	39,337.77	66,276.01
2020	28,474.82	37,801.19	66,276.01
2021	30,099.05	36,176.96	66,276.01
2022	31,815.93	34,460.08	66,276.01
2023	33,630.74	32,645.27	66,276.01
2024	35,549.08	30,726.93	66,276.01
2025	37,576.83	28,699.18	66,276.01
2026	39,720.25	26,555.76	66,276.01
2027	41,985.93	24,290.08	66,276.01
2028	44,380.86	21,895.15	66,276.01
2029	46,812.39	19,463.62	66,276.01
2030	49,379.80	16,896.21	66,276.01
2031	52,196.47	14,079.54	66,276.01
2032	55,173.81	11,102.20	66,276.01
2033	58,320.98	7,955.03	66,276.01
2034	61,750.48	4,525.53	66,276.01
2035	32,173.78	964.22	33,138.00
	$799,959.13	$558,698.97	$1,358,658.10

NOTE 3: DEBT (CONTINUED)

Sewer Utility Capital Fund

USDA Loan

The Borough has a 5.00% loan for sewer system improvements which was finalized on September 5, 1984. The Borough must repay the loan in semi-annual installments over forty years. The balance at December 31, 2014 was $442,556.75. Loan payments are due through 2024. The aggregate debt service requirements are as follows:

CALENDAR YEAR	PRINCIPAL	INTEREST	TOTAL
2015	$35,103.54	$21,694.46	$56,798.00
2016	36,880.57	19,917.34	56,797.91
2017	38,747.74	18,050.26	56,798.00
2018	40,709.34	16,088.66	56,798.00
2019	42,770.25	14,027.75	56,798.00
2020	44,935.50	11,862.50	56,798.00
2021	47,210.36	9,587.64	56,798.00
2022	49,600.39	7,197.61	56,798.00
2023	52,111.41	4,686.59	56,798.00
2024	54,487.65	2,310.44	56,798.09
	$442,556.75	$125,423.25	$567,980.00

NOTE 3: DEBT (CONTINUED)

SHORT TERM DEBT

Outstanding Bond Anticipation Notes are summarized as follows:

General Capital Fund:

Ordinance	Date Of Issue Original Note	Date of Issue	Date Of Maturity	Interest Rate	Balance December 31, 2014
01-05	12/14/07	11/06/14	11/06/15	1.375%	$13,500.00
05-03	12/15/05	11/06/14	11/06/15	1.375%	12,600.00
06-09	12/14/06	11/06/14	11/06/15	1.375%	66,500.00
07-01	12/13/07	11/06/14	11/06/15	1.375%	6,500.00
07-02	12/13/07	11/06/14	11/06/15	1.375%	159,000.00
07-02	12/11/08	11/06/14	11/06/15	1.375%	30,000.00
08-07	12/11/08	11/06/14	11/06/15	1.375%	387,400.00
09-02	12/10/09	11/06/14	11/06/15	1.375%	128,950.00
09-07	12/10/09	11/06/14	11/06/15	1.375%	773,750.00
10-08	11/10/10	11/06/14	11/06/15	1.375%	49,000.00
11-05	11/10/11	11/06/14	11/06/15	1.375%	3,500.00
11-05	11/09/12	11/06/14	11/06/15	1.375%	80,000.00
13-06	11/07/13	11/06/14	05/06/15	0.890%	822,000.00
13-10	11/06/14	11/06/14	11/06/15	1.375%	915,000.00
14-09	11/06/14	11/06/14	11/06/15	1.375%	310,000.00
					$3,757,700.00

Water Utility Capital Fund

Ordinance	Date Of Issue Original Note	Date Of Issue	Date Of Maturity	Interest Rate	Balance December 31, 2014
11-06	11/09/12	11/06/14	11/06/15	1.375%	$712,500.00

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2014, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	$ 389,479.10
Water Utility Capital Fund	$ 137,750.00
Sewer Utility Capital Fund	$ 35,000.00

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2014, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2015, were as follows:

Current Fund	$225,000.00
Water Operating Fund	9,140.00
Sewer Operating Fund	19,339.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Borough bills and collects its own property taxes and also taxes for the County and the Regional School District. The collections and remittance of County and School taxes are accounted for in the Current Fund. Borough property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund.

Taxes Collected in Advance - Taxes, water rents and sewer rents collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, 2014	BALANCE DECEMBER 31, 2013
Prepaid Taxes	$62,225.01	$53,421.49

NOTE 6: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the balance sheets of the various funds:

	BALANCE DECEMBER 31, 2014	2015 BUDGET APPROPRIATION	BALANCE TO SUCCEEDING YEARS
Current Fund:			
Emergency Authorization			
N.J.S.A. 40A: 4-53	$18,000.00	$12,000.00	$6,000.00
Overexpenditure of :			
2013 Appropriations Reserves	1,533.18	1,073.75	-0-
2014 Appropriations	1,104.37	1,027.39	-0-
	$20,637.55	$14,101.14	$6,000.00

NOTE 7: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Fireman's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrprts.shtml.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Fireman's Retirement System (PFRS) - The Police and Fireman's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, In which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest alter four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

NOTE 7: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. During 2014 PERS provides for employee contributions of 6.92% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by Slate of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2014, members contributed at a uniform rate of 10.00% of base salary.

Certain portions of the costs are contributed by the employees. The Borough's share of regular pension costs, which is based upon the annual billings received from the State, amounted to $139,253,00 for 2014, $135,614.00 for 2013, and $138,665.00 for 2012.

All contributions were equal to the required contributions for each of the three years, respectively.

Certain Borough employees are also covered by Federal Insurance Contribution Act.

NOTE 8: COMPENSATED ABSENCES

Under the terms of various contracts Borough employees are allowed to accumulate unused vacation and sick pay over the life of their working careers which may be taken as time off or paid at a later date. It is estimated that the current cost of such unpaid compensation would approximate $21,205.35. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2014. The Borough has accumulated $22,500 for this purpose in the Trust Other Fund, has appropriated $2,000 in the 2015 budget, and continues to budget funds to provide for these liabilities as they arise.

NOTE 9: SCHOOL TAXES

Local District School Taxes have been raised and liabilities deferred by statute, resulting in the school taxes prepaid set forth in the Current Fund liabilities as follows:

	Local District School Tax	
	Balance December 31, 2014	Balance December 31, 2013
Balance of Tax	$1,159,974.69	$1,131,061.03
Deferred	1,176,797.00	1,145,432.50
Tax (Prepaid)	($16,822.31)	($14,371.47)

NOTE 10: LITIGATION

The Borough Attorney's letter did not indicate any litigation or claims that are either not covered by the Borough's insurance carrier or would have a material financial impact on the Borough.

NOTE 11: CONTINGENT LIABILITIES

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2014, the Borough does not believe that any material liabilities will result from such audits.

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 participates in a self-insurance program through the Ocean County Joint Insurance Fund covering each of those risks of loss. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Fund is also a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance coverage for each of the various risks noted above. The Borough's contribution to the Fund for claim payments is based on actuarial assumption determined by the Fund's actuary. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough.

NOTE 12: RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the Borough is required to remit an employer's match to the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State.

NOTE 13: LENGTH OF SERVICE AWARDS PROGRAM

The Borough of Pine Beach adopted an ordinance establishing a Length of Service Awards Program for the members of the Borough's Volunteer First Aid Squad pursuant to N.J.S.A. 40A:14-183 et seq.

Under this program, each volunteer that performs the minimum amount of service will have an annual amount of $1,150 deposited into a tax deferred income account that will earn interest for the volunteer. The cost will be provided for annually in the budget of the Borough and is anticipated to be $15,000 per year.

The accompanying financial statements do not include the Borough's Length of Service Awards Program's activities. The Borough's Length of Service Awards Program's financial statements are required to be contained in a separate review report.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2014:

Fund	Interfund Receivable	Interfund Payable
Current Fund	$15,167.76	$309,087.27
Animal Control Trust		1,374.97
Trust Other Fund	63,819.78	
General Capital Fund	170,821.30	258.11
Water Utility Operating Fund	1,403.89	3,840.47
Water Utility Capital Fund	13,360.01	
Sewer Utility Operating Fund	5,188.17	8,218.03
Grant Fund	63,086.18	
Public Assistance Trust Fund 1		3,465.87
Payroll Account	2,977.68	9,580.05
	$335,824.77	$335,824.77

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Borough does not offer Post Retirement Health Benefits to its employees.

NOTE 16: SUBSEQUENT EVENTS

The Borough has evaluated material subsequent events occurring after the financial statement date through August 24, 2015 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that the following subsequent event be disclosed:

Debt Authorized

On July 8, 2015, the Borough of Pine Beach adopted Ordinance 2015-07-731 authorizing the issuance of $101,000.00 of bonds or notes to finance various capital improvements.

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BOROUGH OF PINE BEACH

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2014

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF CASH - TREASURER

	REF.	GRANT FUND		CURRENT FUND	
Balance, December 31, 2013	A	$	-0-	$	685,191.08
Increased by Receipts:					
Miscellaneous Revenue Not Anticipated	A-2			$ 72,461.82	
Collector	A-5			5,146,606.20	
Petty Cash	A-7			13.37	
Revenue Accounts Receivable	A-11			341,677.30	
Reserve for Insurance Proceeds	A-23			62,570.75	
Grants Receivable	A-27	54,068.95			
Reserve for Grants Unappropriated	A-29	3,398.51			
Interfunds	A-26;A-12	42,420.32		3,480,476.01	
Due State of New Jersey	A-9			30,469.86	
			99,887.78		9,134,275.31
			99,887.78		9,819,466.39
Decreased by Disbursements:					
2014 Appropriations	A-3			$ 1,978,098.22	
Redemption of Outside Liens				5,163.85	
Interfunds	A-26;A-12	57,467.46		3,349,588.53	
2013 Appropriation Reserves	A-15			58,369.69	
Tax Overpayments	A-18			1,610.42	
County Taxes	A-19			1,115,153.67	
Regional School Tax	A-20			2,324,680.34	
Reserve for Insurance Proceeds	A-23			49,445.31	
Reserve for Grants Appropriated	A-28	42,420.32			
			99,887.78		8,882,110.03
Balance, December 31, 2014	A	$	-0-	$	937,356.36

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	REF.				
Received:					
Taxes Receivable	A-8	$	4,999,207.35		
Revenue Accounts Receivable	A-11		20,531.11		
Interfunds	A-12		53,950.49		
2015 Taxes Prepaid	A-17		62,225.01		
Tax Overpayments	A-18		3,822.20		
Miscellaneous Revenue not Anticipated	A-2		762.11		
Redemption of Outside Liens			6,107.93		
				$	5,146,606.20
Decreased by Disbursements:					
Payments to Treasurer	A-4			$	5,146,606.20

"A-6"

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

	REF.		
Balance December 31, 2013 and December 31, 2014	A	$	150.00

"A-7"

SCHEDULE OF PETTY CASH

Balance, December 31, 2013	A	$	13.37
Decreased by:			
Cash Receipts	A-4	$	13.37

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2013	2014 LEVY	COLLECTIONS BY CASH 2013	COLLECTIONS BY CASH 2014	OVERPAYMENTS APPLIED	CANCELLED	BALANCE DECEMBER 31, 2014
2012	$ 4,318.59	$	$	$ 4,318.59	$	$	
2013	113,827.37			113,827.37			
	118,145.96			118,145.96			
2014		5,100,301.65	53,421.49	4,911,281.25	3,628.43	2,265.58	129,704.90
	$ 118,145.96	$ 5,100,301.65	$ 53,421.49	$ 5,029,427.21	$ 3,628.43	$ 2,265.58	$ 129,704.90
REF.	A		A-2;A-17	A-2	A-2:A-18		A

	REF.	
Collector	A-5	$ 4,999,207.35
State of New Jersey	A-9	30,219.86
		$ 5,029,427.21

ANALYSIS OF 2014 PROPERTY TAX LEVY

TAX YIELD			
General Purpose Tax			$ 5,082,494.67
Added and Omitted Taxes (54:4-63.1 & 54:4-63.12 et seq.)			17,806.98
			$ 5,100,301.65
TAX LEVY			
Regional School Tax (Abstract)	A-20		$ 2,353,594.00
County Taxes:			
County Tax (Abstract)	A-19	$ 1,115,153.67	
Due County for Added Taxes (54:4-63.1 et. seq.)	A-19	3,905.73	
Total County Taxes			1,119,059.40
Local Tax for Municipal Purposes (Abstract)	A-2	$ 1,612,908.29	
Add: Additional Tax Levied		14,739.96	
			1,627,648.25
			$ 5,100,301.65

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY
CHAPTER 20, P.L. 1971

	REF.				
Balance, December 31, 2013 - (Due From)	A			$	(657.71)
Increased by:					
Senior Citizens and Veterans Deductions Disallowed by Tax Collector		$	1,030.14		
Cash Receipts	A-4		30,469.86		
					31,500.00
					30,842.29
Decreased by:					
Senior Citizens and Veterans Deductions Per Tax Billings		$	31,250.00		
					31,250.00
Balance, December 31, 2014 - (From)	A			$	(407.71)

CALCULATION OF STATE'S SHARE OF
2014 SENIOR CITIZENS DEDUCTIONS
ALLOWED BY COLLECTOR (CHAPTER 20, P.L. 1971)

Senior Citizens Deductions Per Tax Billings		$	5,000.00
Veterans Deductions Per Tax Billings			26,250.00
			31,250.00
Less: Senior Citizens Deductions Disallowed by Collector - 2014 Taxes			1,030.14
	A-8	$	30,219.86

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

	REF.		
Balance, December 31, 2014 and December 31, 2013	A	$	13,587.00

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	REF.	BALANCE DECEMBER 31, 2013	ACCRUED IN 2014	COLLECTED	BALANCE DECEMBER 31, 2014
A.B.C. Licenses	A-2	$	$ 5,150.00	$ 5,150.00	$
Other Licenses	A-2		1,260.00	1,260.00	
Municipal Court	A-2	7,004.01	76,464.61	80,759.64	2,708.98
Interest and Costs on Taxes	A-2		20,531.11	20,531.11	
Interest on Investments and Deposits	A-2		263.97	263.97	
Boat Slip Rentals	A-2		3,600.00	3,600.00	
Sale of Beach Badges	A-2		3,800.00	3,800.00	
Cable TV Franchise Fees	A-2		8,840.63	8,840.63	
Energy Receipts Tax	A-2		207,173.00	207,173.00	
Uniform Construction Code Fees	A-2		1,299.00	1,299.00	
Lease of Cell Tower	A-2		29,531.06	29,531.06	
		$ 7,004.01	$ 357,913.38	$ 362,208.41	$ 2,708.98
	REF.	A			A

Treasurer	A-4	$ 341,677.30
Collector	A-5	20,531.11
		$ 362,208.41

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	ANIMAL CONTROL TRUST FUND	TRUST OTHER FUND	GENERAL CAPITAL FUND	SEWER UTILITY OPERATING FUND	WATER UTILITY OPERATING FUND	WATER UTILITY CAPITAL FUND	GRANT FUND	PAYROLL ACCOUNT
Balance, December 31, 2013:										
Due To	A	$ 156,320.15	$	$ 18,249.78	$ 92,531.33	$	$	$	$ 45,539.04	$
Due From	A	48,348.04	4,424.59			24,598.75	1,129.77	1,371.75		16,823.18
Receipts - Treasurer	A-4	3,480,476.01	4,440.19	230.00	1,792,786.58	362,058.98	173,173.11	22,159.01	15,047.14	1,110,581.00
Receipts - Collector	A-5	53,950.49		48,400.00		2,252.30	3,298.19			
Grants Match		2,500.00							2,500.00	
Disbursements - Treasurer	A-4	3,349,588.53		3,060.00	1,714,496.61	345,007.87	175,459.70	9,427.25		1,102,137.10
Statutory Excess	A-2	1,390.57	1,390.57							
Balance, December 31, 2014:										
Due To	A	309,087.27		63,819.78	170,821.30			11,360.01	63,086.18	
Due From	A	$ 15,167.76	$ 1,374.97	$	$	$ 5,295.34	$ 118.17	$	$	$ 8,379.28

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, 2013	ADDED IN 2014	RAISED IN 2014 BUDGET	BALANCE DECEMBER 31, 2014
Overexpenditure of 2012 Appropriation Reserves	$ 1,073.75	$	$ 1,073.75	$
Overexpenditure of 2013 Appropriations	1,027.39		1,027.39	
Overexpenditure of 2013 Appropriation Reserves		1,533.18		1,533.18
Overexpenditure of 2014 Appropriations		1,104.37		1,104.37
	$ 2,101.14	$ 2,637.55	$ 2,101.14	$ 2,637.55
REF.	A	A-15:A-3	A-3	A

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES
N.J.S.40A:4-53 SPECIAL EMERGENCY

DATE AUTHORIZED	PURPOSE	NET AMOUNT AUTHORIZED	1/5 OF NET AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2013	REDUCED IN 2014	BALANCE DECEMBER 31, 2014
10/22/12	Reassessment of Real Property	$ 30,000.00	$ 6,000.00	$ 30,000.00	$ 12,000.00	$ 18,000.00
				$ 30,000.00	$ 12,000.00	$ 18,000.00
			REF.	A	A-3	A

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED	OVER-EXPENDED
SALARIES AND WAGES:					
Administrative and Executive	$ 3,514.54	$ 3,514.54	$	$ 3,514.54	$
Legal Services and Costs	100.00	100.00		100.00	
Municipal Court	1,420.00	1,420.00		1,420.00	
Police	44.73	44.73		44.73	
Safety Officer	100.00	100.00		100.00	
Life Guards	850.00	850.00		850.00	
Public Works	4,602.47	102.47		102.47	
Recycling	1,030.00	1,030.00		1,030.00	
Construction Official	59.89	59.89		59.89	
Sub-Total Salaries and Wages	11,721.63	7,221.63		7,221.63	
OTHER EXPENSES:					
Administrative and Executive	688.61	823.08	134.47	688.61	
Borough Clerk	854.18	880.03		880.03	
Financial Administration	5,029.07	5,844.21	4,557.80	1,286.41	
Audit Services		7,425.00	7,425.00		
Assessment of Taxes	13.80	13.80		13.80	
Collection of Taxes	10.22	102.22	92.00	10.22	
Legal Services and Costs		9,247.98	10,781.16		1,533.18
Municipal Court	1,446.17	1,496.17	50.00	1,446.17	
Planning Board	2,673.02	173.02	31.25	141.77	
Public Buildings and Grounds	3,734.66	1,464.45	918.33	546.12	
Advertising	49.50	272.00	243.50	28.50	
Insurance:					
General Liability	3,091.19	591.19		591.19	
Workers Compensation	2,751.04	251.04		251.04	
Engineering	98.25	928.25	924.00	4.25	

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED	OVER-EXPENDED
First Aid to Volunteer Fire Co.	$ 10.00	$ 130.00	$ 120.00	$ 10.00	$
Police Department:					
Lease of Police Vehicles	72.52	7,325.63	4,545.59	2,780.04	
Emergency Management	99.00	99.00		99.00	
Life Guards	217.67	217.67		217.67	
Road Repairs and Maintenance	411.52	2,357.01	2,000.29	356.72	
Garbage and Trash Removal	1,299.25	1,379.25	280.36	1,098.89	
Recycling	3,481.45	1,469.23	500.51	968.72	
Beach Front and Dock Maintenance	157.38	249.70	82.50	167.20	
Parks and Playgrounds	1,000.00	1,000.00		1,000.00	
Celebration of Public Events	177.76	177.76	(150.00)	327.76	
Environmental Commission	300.00	300.00		300.00	
Health and Welfare	50.00	50.00		50.00	
Occupational Safety and Health Act	175.00	175.00		175.00	
Stormwater Management	50.00	50.00		50.00	
State Uniform Construction Code:					
Construction Official	0.26	0.26		0.26	
Gasoline	5,139.71	7,587.27	2,447.56	5,139.71	
Fuel Oil	3,187.46	4,789.27	2,280.32	2,508.95	
Electricity	4,386.24	5,921.56	1,535.32	4,386.24	
Natural Gas	3,118.63	3,118.63		3,118.63	
Street Lighting	389.42	389.42		389.42	
Communications	769.63	1,910.21	1,254.13	656.08	
Computer Technology	397.05	1,897.05	1,467.92	429.13	
Contingent	50.00	50.00		50.00	
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	1,602.43	1,602.43		1,602.43	
Unemployment Compensation Insurance	721.17	721.17		721.17	
Length of Service Awards Program (LOSAP)	12,500.00	12,500.00	9,750.00	2,750.00	

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

		BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED	OVER-EXPENDED
Public Employee Retirement System		$ 768.70	$ 768.70	$	$ 768.70	$
Shared Service Agreements:						
Berkeley Dog Regulation		0.01	390.19	150.18	240.01	
Beachwood First Aid Services		7,000.00	7,000.00	7,000.00		
Lakewood Vehicle Washing Services		100.00	100.00		100.00	
Berkeley Tree Services		100.00	100.00		100.00	
Sub-Total Other Expenses		68,171.97	93,338.85	58,422.19	36,449.84	1,533.18
Grand Total		$ 79,893.60	$ 100,560.48	$ 58,422.19	$ 43,671.47	$ 1,533.18
	REF.	A;A-15			A-1	A-13

Appropriation Reserves	A-15		$ 79,893.60
Transferred from Encumbrances Payable	A-25		20,666.88
			$ 100,560.48
Disbursed	A-4	$ 58,369.69	
Transferred to Accounts Payable	A-16	52.50	
		$ 58,422.19	

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

	REF.				
Balance, December 31, 2013	A			$	4,785.58
Increased by:					
Transferred from 2013 Appropriation Reserves	A-15	$	52.50		
					52.50
Balance, December 31, 2014	A			$	4,838.08

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	REF.		
Balance, December 31, 2013	A	$	53,421.49
Increased by:			
Collection - 2015 Taxes	A-5		62,225.01
		$	115,646.50
Decreased by:			
Application to 2014 Taxes Receivable	A-8		53,421.49
Balance, December 31, 2014	A	$	62,225.01

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	REF.		
Balance, December 31, 2013	A		$ 1,416.65
Increased by:			
Cash Receipts	A-5		3,822.20
			$ 5,238.85
Decreased by:			
Overpayments Applied	A-8	$ 3,628.43	
Cash Disbursements	A-4	1,610.42	
			$ 5,238.85

"A-19"

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	REF.				
2014 Tax Levy:					
County Taxes	A-1:A-8	$	939,672.25		
County Library	A-1:A-8		104,755.86		
County Health	A-1:A-8		37,678.20		
County Open Space	A-1:A-8		33,047.36		
Due County for Added and Omitted Taxes	A-1:A-8		3,905.73		
					1,119,059.40
				$	1,119,059.40
Decreased by:					
Cash Disbursements	A-4				1,115,153.67
Balance, December 31, 2014	A			$	3,905.73

"A-20"

SCHEDULE OF REGIONAL SCHOOL TAX PAYABLE

Balance December 31, 2013:					
School Tax Prepaid	A	$	(14,371.47)		
School Taxes Deferred			1,145,432.50		
				$	1,131,061.03
Increased by:					
Levy - School Year July 1, 2014 to June 30, 2015	A-8				2,353,594.00
					3,484,655.03
Decreased by:					
Cash Disbursements	A-4				2,324,680.34
Balance December 31, 2014:					
School Tax Prepaid	A	$	(16,822.31)		
School Taxes Deferred			1,176,797.00		
				$	1,159,974.69
2014 Liability for Regional School Tax:					
Taxes Paid	A-20			$	2,324,680.34
Taxes Prepaid December 31, 2013	A-20				14,371.47
					2,339,051.81
Less: Taxes Prepaid December 31, 2014	A-20				16,822.31
Amount Charged to 2014 Operations	A-1			$	2,322,229.50

"A-21"

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	REF.		
Balance, December 31, 2014 and December 31, 2013	A	$	693.30

"A-22"

SCHEDULE OF RESERVE FOR REVALUATION

Balance, December 31, 2014 and December 31, 2013	A	$	6,970.06

"A-23"

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF RESERVE FOR INSURANCE PROCEEDS

	REF.		
Balance, December 31, 2013	A	$	792.28
Increased by:			
Cash Receipts	A-4		62,570.75
		$	63,363.03
Decreased by:			
Cash Disbursements	A-4		49,445.31
Balance, December 31, 2014	A	$	13,917.72

"A-24"

SCHEDULE OF RESERVE FOR REASSESSMENT

Balance, December 31, 2014 and December 31, 2013	A	$	7,276.72

BOROUGH OF PINE BEACH

CURRENT AND GRANT FUNDS

SCHEDULE OF ENCUMBRANCES PAYABLE

	REF.	TOTAL (MEMO ONLY)	CURRENT FUND	GRANT FUND
Balance, December 31, 2013	A	$ 25,813.87	$ 20,666.88	$ 5,146.99
Increased by:				
Transfer from 2014 Budget	A-3	28,145.36	28,145.36	
Transfer from Grants Appropriated	A-28	2,242.87		2,242.87
		56,202.10	48,812.24	7,389.86
Decreased by:				
Transfer to 2013 Appropriation Reserves	A-15	20,666.88	20,666.88	
Transfer to Reserve for Grants Appropriated	A-28	4,392.89		4,392.89
		25,059.77	20,666.88	4,392.89
Balance, December 31, 2014	A	$ 31,142.33	$ 28,145.36	$ 2,996.97

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

	REF.		
Balance, December 31, 2013	A		$ 45,539.04
Increased by:			
Disbursements	A-4	$ 57,467.46	
2014 Budget Appropriations	A-28	39,030.22	
			96,497.68
			142,036.72
Decreased by:			
Receipts	A-4	$ 42,420.32	
2014 Budget Revenues Realized	A-27	36,530.22	
			78,950.54
Balance, December 31, 2014	A		$ 63,086.18

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2013	2014 BUDGET REVENUE REALIZED	CASH RECEIPTS	UNAPPROPRIATED RESERVE APPLIED	CANCELED	BALANCE DECEMBER 31, 2014
Municipal Alliance on Alcoholism and Drug Abuse	$	$	$	$	$	$
2013	22,000.00		22,000.00			
2014		22,000.00	8,696.88			13,303.12
Community Development Block Grant (CT-1523-12)	5,979.14		5,979.14			
Hazardous Discharge Waste Grant	9,975.50					9,975.50
OEM Grant (966)						
Prior	182.40					182.40
2013	6,486.00		6,219.00		267.00	
2014		6,518.00	6,518.00			
Recycling Tonnage Grant		1,023.18		1,023.18		
Ocean County Tourism Grant		920.00		920.00		
Clean Communities Program		4,884.05	4,655.93	228.12		
Body Armor Replacement Fund		1,184.99		1,184.99		
	$ 44,623.04	$ 36,530.22	$ 54,068.95	$ 3,356.29	$ 267.00	$ 23,461.02
REF.	A	A-2	A-4	A-29	A-28	A

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2013	MODIFIED	TRANSFERRED FROM 2014 BUDGET APPROPRIATIONS	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2014
Body Armor Replacement Fund	$ 464.81	464.81	$ 1,184.99	$	$	$ 1,649.80
Clean Communities Program	7,655.65	8,949.63	4,884.05	7,690.29		6,143.39
Drunk Driving Enforcement Fund	771.21	771.21		245.90		525.31
Hazardous Discharge Waste Grant	40,464.38	40,464.38				40,464.38
Municipal Alliance on Alcoholism and Drug Abuse						
2012:						
Grant Portion	1,798.17	4,824.42		4,824.42		
Matching Portion	641.29	641.29		641.29		
2014:						
Grant Portion			22,000.00	22,000.00		
Matching Portion			2,500.00	1,750.63		749.37
Ocean County Recycling Mini Grant	2,794.14	2,794.14				2,794.14
OEM Grant (966)	182.40	182.40				182.40
OEM Grant (966) - 2013	267.00	267.00			267.00	
OEM Grant (966) - 2014			6,518.00	6,518.00		
Recycling Funds	189.49	189.49				189.49
Recycling Tonnage Grant	26,011.56	26,011.56	1,023.18			27,034.74
Sustainable NJ Small Grant	418.70	491.36		72.66		418.70
Ocean County Tourism Grant			920.00	920.00		
	$ 81,658.80	$ 86,051.69	$ 39,030.22	$ 44,663.19	$ 267.00	$ 80,151.72
REF.	A		A-3		A-27	A

	REF.	
Reserve	A-28	$ 81,658.80
Transferred from Encumbrances Payable	A-25	4,392.89
		$ 86,051.69

Cash Disbursements	A-4	$ 42,420.32
Transferred to Encumbrances Payable	A-25	2,242.87
		$ 44,663.19

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF GRANTS - UNAPPROPRIATED

		BALANCE DECEMBER 31, 2013	CASH RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2014
Body Armor Replacement Fund	$	1,184.99 $	1,006.11 $	1,184.99 $	1,006.11
Clean Communities Program		228.12		228.12	
Ocean County Tourism Grant		920.00		920.00	
Recycling Tonnage Grant		1,023.18	2,392.40	1,023.18	2,392.40
	$	3,356.29 $	3,398.51 $	3,356.29 $	3,398.51
REF.		A	A-4	A-27	A

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF CASH - TREASURER

	REF.	ANIMAL CONTROL		OTHER	
Balance, December 31, 2013	B		$ 13,824.79		$ 136,508.97
Increased by Receipts:					
Animal Control License Fees	B-2	$ 4,649.20	$		
Due State of New Jersey	B-3	580.80			
Interfunds	B-4			3,025.00	
Miscellaneous Reserves	B-6			96,956.26	
			5,230.00		99,981.26
			19,054.79		236,490.23
Decreased by Disbursements:					
Expenditures Under R.S. 4:19-15.11	B-2	$ 3,379.83	$		
Due State of New Jersey	B-3	568.20			
Interfunds	B-4	4,440.19		48,595.00	
Miscellaneous Reserves	B-6			49,449.90	
			8,388.22		98,044.90
Balance, December 31, 2014	B		$ 10,666.57		$ 138,445.33

"B-2"

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

	REF.			
Balance, December 31, 2013	B		$	9,331.20
Increased by:				
Animal Control License Fees Collected	B-1			4,649.20
			$	13,980.40
Decreased by:				
Expenditures under R.S. 4:19-15.11:				
Cash Disbursements	B-1	$ 3,379.83		
Statutory Excess Due Current Fund	B-4	1,390.57		
				4,770.40
Balance, December 31, 2014	B		$	9,210.00

LICENSE FEES COLLECTED

YEAR	AMOUNT
2013	$ 4,598.00
2012	4,612.00
	$ 9,210.00

"B-3"

SCHEDULE OF DUE STATE OF NEW JERSEY

Balance, December 31, 2013 (Due To)	B	$	69.00
Increased by:			
Animal Registration Fees Collected	B-1		580.80
		$	649.80
Decreased by:			
Payments to State Department of Health	B-1		568.20
Balance, December 31, 2014 (Due To)	B	$	81.60

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF INTERFUND - CURRENT FUND

	REF.	ANIMAL CONTROL TRUST FUND	TRUST OTHER FUND
Balance, December 31, 2013			
Due From	B	$ 4,424.59	$
Due To	B		18,249.78
Increased/Decreased by:			
Cash Disbursements	B-1	4,440.19	48,595.00
		4,440.19	48,595.00
Decreased/Increased by:			
Cash Receipts	B-1		3,025.00
Statutory Excess Due Current Fund	B-2	1,390.57	
		1,390.57	3,025.00
Balance, December 31, 2014			
Due From	B	1,374.97	
Due To	B	$	$ 63,819.78

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF INTERFUND - PAYROLL FUND

	REF.		
Balance, December 31, 2014 and December 31, 2013 - Due To	B	$	13.93

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF MISCELLANEOUS RESERVES

	BALANCE DECEMBER 31, 2013	INCREASED	DECREASED	BALANCE DECEMBER 31, 2014
Affordable Housing	$ 40,241.79	$ 3,300.00	$	$ 43,541.79
Compensated Absences	20,500.00	2,000.00		22,500.00
Disposal of Forfeited Property	691.00		195.00	496.00
Escrow Deposits	79,881.55	2,197.81	11,490.66	70,588.70
Marriage Licenses Due State	75.00	175.00	225.00	25.00
Municipal Alliance	9,592.48	40,863.45	34,739.24	15,716.69
Parking Offenses Adjudication Act	363.00	20.00		383.00
Premium on Tax Sale	3,400.00	48,400.00	2,800.00	49,000.00
	$ 154,744.82	$ 96,956.26	$ 49,449.90	$ 202,251.18
REF.	B	B-1	B-1	B

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	REF.				
Balance, December 31, 2013	C			$	746,265.22
Increased by Receipts:					
Fund Balance	C-1	$	1,645.00		
Grants Receivable	C-4		98,109.85		
Interfunds	C-8		2,814,572.21		
Bond Anticipation Notes	C-11		3,757,700.00		
					6,672,027.06
				$	7,418,292.28
Decreased by Disbursements:					
Interfunds	C-8	$	2,892,604.07		
Improvement Authorizations	C-15		1,437,163.37		
Bond Anticipation Notes	C-11		2,549,450.00		
					6,879,217.44
Balance, December 31, 2014	C:C-3			$	539,074.84

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

ANALYSIS OF CASH

		BALANCE DECEMBER 31, 2014
Fund Balance	$	8,312.97
Reserve for Debt Service		21,980.00
Reserve for Preliminary Costs		5,388.74
Capital Improvement Fund		94,061.25
Contract Payable		220,956.00
Interfunds (Net)		(170,563.19)
Green Acres Loan Receivable		(273,303.00)
Grants Receivable		(201,890.15)
Improvement Authorizations:		
Funded as Set Forth on "C-10"		80,936.18
Expended as Set Forth on "C-7"		(144,200.09)
Unexpended Proceeds of Bond Anticipation Notes Issued as Set Forth on "C-7"		897,396.13
	$	539,074.84
REF.		C-2

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

	REF.				
Balance, December 31,2013	C			$	180,000.00
Increased					
Improvement Authorizations (Ord 14-09)	C-10	$	120,000.00		
					120,000.00
				$	300,000.00
Decreased by:					
Cash Receipts	C-2	$	98,109.85		
					98,109.85
Balance, December 31,2014	C			$	201,890.15

ANALYSIS OF BALANCE

ORD. #	PROJECT NAME	AGENCY		
13-10	Various Capital Improvements - Radnor	Federal (State DOT)	$	81,890.15
14-09	Various Capital Improvements	Federal (State DOT)		120,000.00
			$	201,890.15

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOAN RECEIVABLE

	REF.	
Balance, December 31, 2014 and December 31, 2013	C	$ 273,303.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	REF.		
Balance, December 31, 2013	C	$	1,374,688.31
Decreased by:			
2014 Budget Appropriation to Pay Green Acres Loans	C-12		76,226.75
Balance, December 31, 2014	C	$	1,298,461.56

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	ANALYSIS OF BALANCE DECEMBER 31, 2014: FINANCED BY BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
95-14, 00-11	Redevelopment of Admiral Farragut Core Campus	$ 47,924.07	$	$ 47,924.07	$
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan	46,400.00	13,500.00		32,900.00
02-05	Improvements and Rehabilitation of Riverside Drive	28,455.50		28,455.50	
04-03	Construction of Riverwalk	15,000.00		15,000.00	
05-03	Acquisition of a Sanitation Truck	12,600.00	12,600.00		
05-07	Development of Vista Park Along the Waterfront	7,000.00			7,000.00
06-09	Various Capital Improvements	133,000.00	66,500.00	52,820.52	13,679.48
07-01	Reconstruction of Huntington Avenue	6,500.00	6,500.00		
07-02	Various Capital Improvements	295,149.53	159,000.00		136,149.53
08-03	Reconstruction of Avon Road, Merion Avenue, Buhler Avenue and Lincoln Avenue	30,000.00	30,000.00		
08-07	Various Capital Improvements	407,450.00	387,400.00		20,050.00
09-02	Various Capital Improvements	128,950.00	128,950.00		
09-07	Acquisition of Land and Municipal Facility Improvements	773,750.00	773,750.00		
10-08	Various Capital Improvements	63,000.00	49,000.00		14,000.00
11-05	Various Capital Improvements	105,000.00	83,500.00		21,500.00
13-06	Waterfront Public Land	822,000.00	822,000.00		
13-10	Various Capital Improvements	915,000.00	915,000.00		
14-09	Various Capital Improvements	310,000.00	310,000.00		
		$ 4,147,179.10	$ 3,757,700.00	$ 144,200.09	$ 245,279.01
	REF.	C	C-11	C-3	

	REF.	
Improvement Authorizations Unfunded	C-10	$ 1,142,675.14
Less: Unexpended Proceeds of Bond Anticipation Notes Issued	C-3	897,396.13
		$ 245,279.01

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	DUE CURRENT FUND	DUE WATER OPERATING FUND	DUE WATER CAPITAL FUND	DUE PAYROLL FUND
Balance, December 31, 2013						
Due From	C	$ 92,531.33	$ 92,531.33	$	$	$
Increased/Decreased by:						
Cash Receipts	C-2	2,814,572.21	1,714,476.61	10,000.00	1,090,040.61	54.99
Decreased/Increased by:						
Cash Disbursements	C-2	2,892,604.07	1,792,766.58	9,796.88	1,090,040.61	
Balance, December 31, 2014						
Due From	C	$ 170,821.30	$ 170,821.30	$	$	$
Due To	C	258.11		203.12		54.99

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	REF.		
Balance, December 31, 2013	C	$	109,061.25
Decreased by:			
Appropriation to Finance Improvement Authorizations	C-10		15,000.00
Balance, December 31, 2014	C	$	94,061.25

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2013 FUNDED	BALANCE DECEMBER 31, 2013 UNFUNDED	2014 AUTHORIZATIONS	PAID OR CHARGED	BALANCE DECEMBER 31, 2014 FUNDED	BALANCE DECEMBER 31, 2014 UNFUNDED
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan	05/09/01	$ 100,000.00	$	$ 37,900.00	$	$	$	$ 37,900.00
02-09	Improvement of Real Property (Supplemental)	08/14/02	250,000.00	38,048.13				38,048.13	
05-07	Development of Vista Park Along the Waterfront	04/13/05	1,000,000.00	46,906.05	7,000.00		4,018.00	42,888.05	7,000.00
06-09	Various Capital Improvements	05/10/06	260,000.00		80,179.48				80,179.48
07-02	Various Capital Improvements	03/14/07	460,000.00		136,149.53				136,149.53
08-07	Various Capital Improvements	06/11/08	589,000.00		66,014.61				66,014.61
09-02	Various Capital Improvements	06/02/09	306,000.00		23,788.59				23,788.59
09-07	Acquisition of Land and Municipal Facility Improvements	10/06/09	915,000.00		7,096.10				7,096.10
10-08	Various Capital Improvements	09/08/10	240,000.00		47,103.08				47,103.08
11-05	Various Capital Improvements	08/10/11	311,000.00		24,545.12		231.00		24,314.12
13-06	Waterfront Public Land	09/11/13	822,000.00		822,000.00		366,058.95		455,941.05
13-10	Various Capital Improvements	12/11/13	1,105,000.00	185,000.00	915,000.00		1,002,178.01		97,821.99
14-09	Various Capital Improvements	06/11/14	445,000.00			445,000.00	285,633.41		159,366.59
			$	$ 269,954.18	$ 2,166,776.51	$ 445,000.00	$ 1,658,119.37	$ 80,936.18	$ 1,142,675.14
			REF.	C	C		C-15	C:C-3	C:C-7

Capital Improvement Fund	C-9	$ 15,000.00
State Aid Receivable	C-4	120,000.00
Deferred Charges to Future Taxation - Unfunded		310,000.00
		$ 445,000.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2013	INCREASED	DECREASED	BALANCE DECEMBER 31, 2014
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan	12/14/07	11/07/13	11/07/14	1.375%	$ 27,000.00	$	$ 27,000.00	$
		12/14/07	11/06/14	11/06/15	1.375%		13,500.00		13,500.00
03-14	Reconstruction of Roads	12/16/04	11/07/13	11/07/14	1.375%	16,750.00		16,750.00	
05-03	Acquisition of a Sanitation Truck	12/15/05	11/07/13	11/07/14	1.375%	50,000.00		50,000.00	
		12/15/05	11/06/14	11/06/15	1.375%		12,600.00		12,600.00
06-09	Various Capital Improvements	12/14/06	11/07/13	11/07/14	1.375%	99,500.00		99,500.00	
		12/14/06	11/06/14	11/06/15	1.375%		66,500.00		66,500.00
07-01	Reconstruction of Huntington Avenue	12/13/07	11/07/13	11/07/14	1.375%	8,500.00		8,500.00	
		12/13/07	11/06/14	11/06/15	1.375%		6,500.00		6,500.00
07-02	Various Capital Improvements	12/13/07	11/07/13	11/07/14	1.375%	189,000.00		189,000.00	
		12/13/07	11/06/14	11/06/15	1.375%		159,000.00		159,000.00
08-03	Reconstruction of Avon Road, Merion, Buhler and Lincoln Avenue	12/11/08	11/07/13	11/07/14	1.375%	32,500.00		32,500.00	
		12/11/08	11/06/14	11/06/15	1.375%		30,000.00		30,000.00
08-07	Various Capital Improvements	12/11/08	11/07/13	11/07/14	1.375%	427,400.00		427,400.00	
		12/11/08	11/06/14	11/06/15	1.375%		387,400.00		387,400.00
09-02	Various Capital Improvements	12/10/09	11/07/13	11/07/14	1.375%	148,950.00		148,950.00	
		12/10/09	11/06/14	11/06/15	1.375%		128,950.00		128,950.00
09-07	Acquisition of Land and Municipal Facility Improvements	12/10/09	11/07/13	11/07/14	1.375%	803,750.00		803,750.00	
		12/10/09	11/06/14	11/06/15	1.375%		773,750.00		773,750.00
10-08	Various Capital Improvements	11/10/10	11/07/13	11/07/14	1.375%	53,250.00		53,250.00	
		11/10/10	11/06/14	11/06/15	1.375%		49,000.00		49,000.00
11-05	Various Capital Improvements	11/10/11	11/07/13	11/07/14	1.375%	13,500.00		13,500.00	
		11/10/11	11/06/14	11/06/15	1.375%		3,500.00		3,500.00
11-05	Various Capital Improvements	11/09/12	11/07/13	11/07/14	1.375%	80,000.00		80,000.00	
		11/09/12	11/06/14	11/06/15	1.375%		80,000.00		80,000.00
13-06	Waterfront Public Land	11/07/13	11/07/13	11/07/14	1.375%	822,000.00		822,000.00	
		11/07/13	11/06/14	05/06/15	0.890%		822,000.00		822,000.00
13-10	Various Capital Improvements	11/06/14	11/06/14	11/06/15	1.375%		915,000.00		915,000.00
14-09	Various Capital Improvements	11/06/14	11/06/14	11/06/15	1.375%		310,000.00		310,000.00
						$ 2,772,100.00	$ 3,757,700.00	$ 2,772,100.00	$ 3,757,700.00
					REF.	C	C-2:C-7		C

Paid by Cash	C-2	$ 2,549,450.00
Paid by Budget Appropriation		222,650.00
		$ 2,772,100.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOANS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2014 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2013	DECREASED	BALANCE DECEMBER 31, 2014
Admiral Farragut Project	1/26/1998	$ 1,086,417.00	4/28/2015	$ 31,820.82		$	$	$
			10/28/2015	32,139.02				
			4/28/2016	32,460.41				
			10/28/2016	32,785.02				
			4/28/2017	33,112.87				
			10/28/2017	33,444.00	2.00%	258,461.72	62,699.58	195,762.14
Vista Park Development Phases I & II	9/26/2007	138,000.00	1/1/2015	3,312.58				
			7/1/2015	3,345.71				
			1/1/2016	3,379.16				
			7/1/2016	3,412.96				
			1/1/2017	3,447.08				
			7/1/2017	3,481.56				
			1/1/2018	3,516.37				
			7/1/2018	3,551.53				
			1/1/2019	3,587.05				
			7/1/2019	3,622.92				
			1/1/2020	3,659.15				
			7/1/2020	3,695.74				
			1/1/2021	3,732.70				
			7/1/2021	3,770.02				
			1/1/2022	3,807.73				
			7/1/2022	3,845.80				
			1/1/2023	3,884.26				
			7/1/2023	3,923.10				
			1/1/2024	3,962.34				
			7/1/2024	4,001.96				
			1/1/2025	4,041.97				
			7/1/2025	4,082.40				
			1/1/2026	4,123.22				
			7/1/2026	4,164.45				
			1/1/2027	4,206.10				
			7/1/2027	4,248.16	2.00%	104,333.11	6,527.09	97,806.02

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOANS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2014 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2013	DECREASED	BALANCE DECEMBER 31, 2014
Vista Park Development Phases I & II	9/26/2007	$ 148,000.00	1/1/2015	$ 3,552.62		$	$	$
			7/1/2015	3,588.15				
			1/1/2016	3,624.03				
			7/1/2016	3,660.27				
			1/1/2017	3,696.87				
			7/1/2017	3,733.85				
			1/1/2018	3,771.18				
			7/1/2018	3,808.89				
			1/1/2019	3,846.98				
			7/1/2019	3,885.45				
			1/1/2020	3,924.30				
			7/1/2020	3,963.55				
			1/1/2021	4,003.18				
			7/1/2021	4,043.22				
			1/1/2022	4,083.65				
			7/1/2022	4,124.48				
			1/1/2023	4,165.73				
			7/1/2023	4,207.39				
			1/1/2024	4,249.46				
			7/1/2024	4,291.95				
			1/1/2025	4,334.87				
			7/1/2025	4,378.23				
			1/1/2026	4,422.00				
			7/1/2026	4,466.21				
			1/1/2027	4,510.89				
			7/1/2027	4,555.99	2.00%	111,893.48	7,000.08	104,893.40
Vista Park Development Phases I & II	9/26/2007	900,000.00	Loan Not Yet Finalized		2.00%	900,000.00		900,000.00
						$ 1,374,688.31	$ 76,226.75	$ 1,298,461.56
					REF.	C	C-6	C

"C-13"

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PRELIMINARY COSTS

	REF.	
Balance, December 31, 2014 and December 31, 2013	C	$ 5,388.74

"C-14"

SCHEDULE OF RESERVE FOR DEBT SERVICE

Balance, December 31, 2014 and December 31, 2013	C	$ 21,980.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACT PAYABLE

	REF.		
Increased by:			
Contract Payable	C-10	$	1,658,119.37
Decreased by:			
Cash Disbursement	C-2		1,437,163.37
Balance, December 31, 2014	C	$	220,956.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION		BALANCE DECEMBER 31, 2014
95-14, 00-11	Redevelopment of Admiral Farragut Core Campus	$	47,924.07
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan		32,900.00
02-05	Improvements and Rehabilitation of Riverside Drive		28,455.50
04-03	Construction of Riverwalk		15,000.00
05-07	Development of Vista Park Along the Waterfront		7,000.00
06-09	Various Capital Improvements		66,500.00
07-02	Various Capital Improvements		136,149.53
08-07	Various Capital Improvements		20,050.00
10-08	Various Capital Improvements		14,000.00
11-05	Various Capital Improvements		21,500.00
		$	389,479.10

BOROUGH OF PINE BEACH

WATER UTILITY FUND

SCHEDULE OF CASH - TREASURER

	REF.	OPERATING		CAPITAL	
Balance, December 31, 2013	D		$ 98,193.51		$ 808,835.45
Increased by Receipts:					
Collector	D-6	$ 239,755.18	$		
Interfunds	D-13	2,000.00			
Capital Improvement Fund	D-17			2,000.00	
Bond Anticipation Notes	D-19			712,500.00	
			241,755.18		714,500.00
			339,948.69		1,523,335.45
Decreased by Disbursements:					
2014 Appropriations	D-4	$ 179,489.08	$		
2013 Appropriation Reserves	D-10	12,088.12			
Accrued Interest on Loans	D-12	55,659.74			
Interfunds	D-13:D-16	2,671.93		14,731.76	
Improvement Authorizations	D-18			9,427.25	
Bond Anticipation Notes	D-19			712,500.00	
			249,908.87		736,659.01
Balance, December 31, 2014	D		$ 90,039.82		$ 786,676.44

"D-6"

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF CASH - COLLECTOR

	REF.		OPERATING		
Increased by Receipts:					
Interest on Delinquent Accounts	D-3	$	3,153.26		
Connection Fees	D-3		2,520.00		
Consumer Accounts Receivable	D-9		204,864.53		
Overpaid/Prepaid Sewer Rents	D-11		29,217.39		
				$	239,755.18
Decreased by Disbursements:					
Payment to Treasurer	D-5			$	239,755.18

"D-7"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2013 and December 31, 2014	D	$	25.00

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF CASH

		BALANCE DECEMBER 31, 2014
Fund Balance	$	26,324.95
Capital Improvement Fund		63,500.00
Interfunds		(13,360.01)
Improvement Authorizations:		
Ordinance 86-26 Renovation of Well		(137,750.00)
Ordinance 08-06 Improvement of Water Utility Wells		2,972.00
Ordinance 11-06 Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System		844,989.50
	$	786,676.44
REF.		D

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	REF.				
Balance, December 31, 2013	D			$	31,850.24
Increased by:					
Water Rents Levied - Net					224,064.80
				$	255,915.04
Decreased by:					
Collection	D-3:D-6	$	204,864.53		
Overpaid/Prepaid Applied	D-3:D-11		21,905.11		
					226,769.64
Balance, December 31, 2014	D			$	29,145.40

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

		BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	CASH DISBURSEMENTS	BALANCE LAPSED
Operating:					
Other Expenses	$	24,958.19 $	18,808.19 $	3,563.12 $	15,245.07
Audit			7,425.00	7,425.00	
Workmen's Compensation		875.52	0.52		0.52
Capital Improvements:					
Purchase of Water Meters		1,500.00	1,100.00	1,100.00	
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		310.30	310.30		310.30
Unemployment Compensation Insurance		142.55	142.55		142.55
	$	27,786.56 $	27,786.56 $	12,088.12 $	15,698.44
	REF.			D-5	D-1

	REF.		
Appropriation Reserves	D	$	23,639.78
Reserve for Encumbrances	D		4,146.78
		$	27,786.56

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF OVERPAID/PREPAID WATER RENTS

	REF.		TOTAL		OVERPAID		PREPAID
Balance, December 31, 2013	D	$	23,414.73	$	1,540.62	$	21,874.11
Increased by:							
Collector Receipts in 2014	D-6		29,217.39		781.76		28,435.63
		$	52,632.12		2,322.38		50,309.74
Decreased by:							
Application to Consumer Accounts Receivable	D-9		21,905.11		31.00		21,874.11
Cancelled	D-1		1,509.62		1,509.62		
Balance, December 31, 2014	D	$	29,217.39	$	781.76	$	28,435.63

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON NOTES AND LOANS

	REF.		
Balance, December 31, 2013	D	$	13,355.16
Increased by:			
Budget Appropriation for Loans	D-4		55,663.00
		$	69,018.16
Decreased by:			
Interest Paid	D-5		55,659.74
Balance, December 31, 2014	D	$	13,358.42

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	CURRENT FUND	GENERAL CAPITAL FUND	WATER UTILITY CAPITAL FUND	SEWER UTILITY OPERATING FUND	PAYROLL FUND
Balance, December 31, 2013							
Due To	D	$ 3,108.51	$ 1,129.77	$	$	$ 1,722.30	$ 256.44
Increased/Decreased by:							
Cash Receipts	D-5	2,000.00			2,000.00		
Decreased/Increased by:							
Cash Disbursements	D-5	2,671.93	1,011.60	203.12			1,457.21
Balance, December 31, 2014							
Due From	D	1,403.89		203.12			1,200.77
Due To	D	$ 3,840.47	$ 118.17	$	$ 2,000.00	$ 1,722.30	$

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

ACCOUNT		BALANCE DECEMBER 31, 2013 and 2014
Pumping Station Structures	$	17,996.20
Well and Pumping Equipment		68,999.00
Water Storage Tank and Tower		177,480.78
Mains and Accessories		210,854.38
Fire Hydrants		15,212.20
House Connections		31,960.00
Engineering		31,785.84
Legal and Administrative Costs		6,681.14
Water Meters		1,756.97
Improvement of Water Utility Wells		72,028.00
Improvements to Water Tower		116,374.96
Improvements to Water System		1,102,588.87
Water Tower Upgrades		50,000.00
	$	1,903,718.34
	REF.	D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE		BALANCE DECEMBER 31, 2013 and 2014
08-06	Improvement of Water Utility Wells	06/11/08	$	2,972.00
11-06,13-09	Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	11/21/11		750,000.00
		12/11/13		120,000.00
			$	872,972.00
		REF.		D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	CURRENT FUND	WATER UTILITY OPERATING FUND
Balance, December 31, 2013 - Due To	D	$ 1,371.75	$ 1,371.75	$
Decreased by:				
Cash Disbursements	D-5	14,731.76	12,731.76	2,000.00
Balance, December 31, 2014 - Due From	D	$ (13,360.01)	$ (11,360.01)	$ (2,000.00)

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	REF.		
Balance, December 31, 2013	D	$	61,500.00
Increased by:			
2014 Budget Appropriation	D-5		2,000.00
			63,500.00
Balance, December 31, 2014	D	$	63,500.00

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2013 FUNDED	BALANCE DECEMBER 31, 2013 UNFUNDED	PAID OR CHARGED	BALANCE DECEMBER 31, 2014 FUNDED	BALANCE DECEMBER 31, 2014 UNFUNDED
08-06	Improvement of Water Utility Wells	06/11/08	$ 50,000.00	$ 2,972.00	$	$	$ 2,972.00	$
11-06;13-09	Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	11/21/11	750,000.00	27,916.75	826,500.00	9,427.25	18,489.50	826,500.00
			$	$ 30,888.75	$ 826,500.00	$ 9,427.25	$ 21,461.50	$ 826,500.00
			REF.	D	D	D-5	D	D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2013	INCREASED	DECREASED	BALANCE DECEMBER 31, 2014
11-06	Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	11/09/12	11/08/13	11/07/14	1.375%	$ 712,500.00	$	$ 712,500.00	$ 0.00
		11/09/12	11/06/14	11/06/15	1.375%		712,500.00		712,500.00
						$ 712,500.00	$ 712,500.00	$ 712,500.00	$ 712,500.00
					REF.	D	D-5	D-5	D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF LOAN PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2014 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2013	DECREASED	BALANCE DECEMBER 31, 2014
Water System	03/30/95	$ 1,050,000.00	04/01/15	$ 10,639.15	5.625%			
			10/01/15	10,938.37				
			04/01/16	11,246.02				
			10/01/16	11,562.31				
			04/01/17	11,887.50				
			10/01/17	12,221.84				
			04/01/18	12,565.58				
			10/01/18	12,918.98				
			04/01/19	13,282.33				
			10/01/19	13,655.90				
			04/01/20	14,039.97				
			10/01/20	14,434.84				
			04/01/21	14,840.82				
			10/01/21	15,258.22				
			04/01/22	15,687.36				
			10/01/22	16,128.56				
			04/01/23	16,582.18				
			10/01/23	17,048.55				
			04/01/24	17,528.05				
			10/01/24	18,021.02				
			04/01/25	18,527.86				
			10/01/25	19,048.96				
			04/01/26	19,584.71				
			10/01/26	20,135.53				
			04/01/27	20,701.84				
			10/01/27	21,284.08				
			04/01/28	21,882.70				
			10/01/28	22,498.15				
			04/01/29	23,130.91				
			10/01/29	23,681.47				
			04/01/30	24,347.51				
			10/01/30	25,032.28				
			04/01/31	25,736.31				

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF LOAN PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2014 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2013	DECREASED	BALANCE DECEMBER 31, 2014
Water System	03/30/95	$ 1,050,000.00	10/01/31	$ 26,460.15	5.625%			
			04/01/32	27,204.34				
			10/01/32	27,969.46				
			04/01/33	28,756.10				
			10/01/33	29,564.87				
			04/01/34	30,496.38				
			10/01/34	31,254.09				
			04/01/35	32,173.78		$ 820,372.27	$ 20,413.14	$ 799,959.13
						$ 820,372.27	$ 20,413.14	$ 799,959.13
				REF.		D	D-21	D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	REF.		
Balance, December 31, 2013	D	$	1,059,596.07
Increased By:			
Loan Paid by Operating Budget	D-20		20,413.14
Balance, December 31, 2014	D	$	1,080,009.21

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE		BALANCE DECEMBER 31, 2013 and 2014
08-06	Improvement of Water Utility Wells	06/11/08	$	2,972.00
11-06, 13-09	Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	11/21/11 12/11/13		43,500.00
			$	46,472.00
		REF.		D

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF DEFERRED CHARGES

		BALANCE DECEMBER 31, 2013	RAISED IN 2014 BUDGET
Overexpenditure of 2013 Appropriations	$	751.17	$ 751.17
Overexpenditure of 2012 Appropriations Reserves		1,721.33	1,721.33
	$	2,472.50	$ 2,472.50
	REF.	D	D-4

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION		BALANCE DECEMBER 31, 2014
86-26	Renovation of Well	$	23,750.00
13-09	Metering System		114,000.00
		$	137,750.00
		REF.	D

BOROUGH OF PINE BEACH

SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

	REF.	OPERATING		CAPITAL	
Balance, December 31, 2013	E		$ 155,502.75		$ 53,495.69
Increased by Receipts:					
Collector	E-6	$ 393,575.15	$		
Interfunds	E-14:E-18	2,685.95		2,457.09	
			396,261.10		2,457.09
			551,763.85		55,952.78
Decreased by Disbursements:					
2014 Appropriations	E-4	$ 388,879.98	$		
2013 Appropriation Reserves	E-10	9,011.03			
Accrued Interest on Loans	E-13	23,385.95			
Interfunds	E-14	25,166.96		-0-	
			446,443.92		-0-
Balance, December 31, 2014	E		$ 105,319.93		$ 55,952.78

"E-6"

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF CASH - COLLECTOR

	REF.		OPERATING		
Increased by Receipts:					
Interest on Delinquent Accounts	E-3	$	5,670.66		
Connection Fees	E-3		4,958.00		
Consumer Accounts Receivable	E-9		359,916.45		
Overpaid/Prepaid Sewer Rents	E-11		23,030.04		
				$	393,575.15
Decreased by Disbursements:					
Payment to Treasurer	E-5			$	393,575.15

"E-7"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2013 and December 31,2014	E	$	25.00

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF CASH

		BALANCE DECEMBER 31, 2014
Fund Balance	$	3,457.78
Reserve for Replacement Fund		60,050.00
Capital Improvement Fund		25,000.00
Improvement Authorizations:		
Ordinance 92-12 Construction of Sanitary Sewer		(35,000.00)
Ordinance 00-10 Renovation and Upgrade of the Sewer Utility Plant		2,445.00
	$	55,952.78
REF.		E

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	REF.				
Balance, December 31, 2013	E			$	36,602.76
Increased by:					
Sewer Rents Levied - Net					399,472.78
					436,075.54
Decreased by:					
Collection	E-3:E-6	$	359,916.45		
Overpaid/Prepaid Applied	E-3:E-11		29,931.52		
					389,847.97
Balance, December 31, 2014	E			$	46,227.57

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

		BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:					
Salaries and Wages		$ 4,851.70	$ 801.70	$	801.70
Other Expenses		4,661.21	4,661.21	1,586.03	3,075.18
Sewerage Treatment Costs		2,675.48	175.48		175.48
Audit			7,425.00	7,425.00	
Workers Compensation		875.52	0.52		0.52
Statutory Expenditures:					
Contribution to:					
Unemployment Compensation Insurance		140.57	140.57		140.57
		$ 13,204.48	$ 13,204.48	$ 9,011.03	$ 4,193.45
	REF.			E-5	E-1

	REF.	
Appropriation Reserves	E	$ 10,918.80
Reserve for Encumbrances	E	2,285.68
		$ 13,204.48

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF OVERPAID/PREPAID SEWER RENTS

	REF.		TOTAL		OVERPAID		PREPAID
Balance, December 31, 2013	E	$	29,931.52	$	50.01	$	29,881.51
Increased by:							
Collector Receipts in 2014	E-6		23,030.04				23,030.04
		$	52,961.56	$	50.01	$	52,911.55
Decreased by:							
Application to Consumer Accounts Receivable	E-9		29,931.52		50.01		29,881.51
Balance, December 31, 2014	E	$	23,030.04	$		$	23,030.04

"E-12"

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

	REF.		
Balance, December 31, 2013 and December 31, 2014	E	$	898.46

"E-13"

SCHEDULE OF ACCRUED INTEREST ON LOANS

Balance, December 31, 2013	E	$	9,573.92
Increased by:			
Budget Appropriation for Loans	E-4		23,390.00
		$	32,963.92
Decreased by:			
Interest Paid	E-5		23,385.95
Balance, December 31, 2014	E	$	9,577.97

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	CURRENT FUND	PATF	WATER UTILITY OPERATING FUND	SEWER UTILITY CAPITAL FUND	PAYROLL FUND
Balance, December 31, 2013							
Due From	E	$ 5,188.17	$	$ 3,465.87	$ 1,722.30	$	$
Due To	E	30,699.04	24,598.75			2,457.09	3,643.20
Increased/Decreased by:							
Cash Receipts	E-5	2,685.95			2,685.95		
Decreased/Increased by:							
Cash Disbursements	E-5	25,166.96	19,303.41		2,685.95	2,457.09	720.51
Balance, December 31, 2014							
Due From	E	5,188.17		3,465.87	1,722.30		
Due To	E	$ 8,218.03	$ 5,295.34	$	$	$	$ 2,922.69

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF RESERVE FOR UNEMPLOYMENT INSURANCE

	REF.	
Balance, December 31, 2013 and December 31, 2014	E	$ 148.19

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

	REF.	
Balance, December 31, 2014 and December 31, 2013	E	$ 3,225,163.51

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE		BALANCE DECEMBER 31, 2013 AND 2014 FUNDED
00-10	Renovation and Upgrade of the Sewer Utility Plant	06/14/00	$	5,000.00
			$	5,000.00
		REF.		E

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS

	REF.		TOTAL		SEWER UTILITY OPERATING FUND
Balance, December 31, 2013	E	$	2,457.09	$	2,457.09
Decreased by:					
Cash Receipts	E-5	$	2,457.09	$	2,457.09

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	REF.	
Balance, December 31, 2014 and December 31, 2013	E	$ 25,000.00

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2013 AND 2014 FUNDED
00-10	Renovation and Upgrade of the Sewer Utility Plant	06/14/00	$ 5,000.00	$ 2,445.00
				$ 2,445.00
			REF.	E

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF LOAN PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2014 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2013	DECREASED	BALANCE DECEMBER 31, 2014
Sewer Construction	09/05/84	$ 658,000.00	2015	$ 35,103.54				
			2016	36,880.57				
			2017	38,747.74				
			2018	40,709.34				
			2019	42,770.25				
			2020	44,935.50				
			2021	47,210.36				
			2022	49,600.39				
			2023	52,111.41				
			2024	54,487.65	5.00%	$ 475,968.80	$ 33,412.05	$ 442,556.75
					REF.	E	E-22	E

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	REF.		
Balance, December 31, 2013	E	$	2,714,194.71
Increased by:			
Loans Paid by Operating Budget	E-21		33,412.05
Balance, December 31, 2014	E	$	2,747,606.76

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE		BALANCE DECEMBER 31, 2013 AND 2014 FUNDED
00-10	Renovation and Upgrade of the Sewer Utility Plant	06/14/00	$	5,000.00
			$	5,000.00
		REF.		E

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR REPLACEMENT FUND

	REF.		
Balance, December 31, 2013 and December 31, 2014	E	$	60,050.00

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF DEFERRED CHARGES

		BALANCE DECEMBER 31, 2013		RAISED IN 2014 BUDGET
Overexpenditure of 2013 Appropriations	$	422.86	$	422.86
	$	422.86	$	422.86
	REF.	E		E-4

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION		BALANCE DECEMBER 31, 2014
92-12	Construction of Sanitary Sewer	$	35,000.00
		REF.	E

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH - TREASURER

	REF.	P.A.T.F. I	FUND TOTAL
Balance, December 31, 2013 and December 31, 2014	F	$ 13,258.08	$ 13,258.08

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION PER N.J.S.A. 40A:5-5

	REF.		
Balance, December 31, 2014 and June 30, 2015		$	13,258.08

RECONCILIATION - JUNE 30, 2015		P.A.T.F. I ACCOUNT		TOTAL
Balance on Deposit Per Statement of:				
TDBank				
Account #36691453	$	13,258.08	$	13,258.08
Balance, June 30, 2015	$	13,258.08	$	13,258.08

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013 and December 31, 2014	$	13,258.08

RECONCILIATION - DECEMBER 31, 2014		P.A.T.F. I ACCOUNT		TOTAL
Balance on Deposit Per Statement of:				
Commerce Bank				
Account #36691453	$	13,258.08	$	13,258.08
Balance, December 31, 2014	$	13,258.08	$	13,258.08

BOROUGH OF PINE BEACH

PART II

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

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED DECEMBER 31, 2014

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND RECOMMENDATIONS REPORTED UNDER GOVERNMENT AUDITING STANDARDS FOR THE YEAR ENDED DECEMBER 31, 2014

SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
308 East Broad Street, Westfield, New Jersey 07090-2122
Telephone 908-789-9300 Fax 908-789-8535
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and Members
of the Borough Council
Borough of Pine Beach
County of Ocean
Pine Beach, New Jersey 08741

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of Pine Beach, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated August 24, 2015. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Pine Beach prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings, we identified certain deficiencies that we consider to be material weaknesses. We also noted other matters involving internal control that we have reported to the Borough of Pine Beach in the General Comments and Recommendations Section of this report.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough's financial statements will not be prevented, or detected and corrected on a timely basis. We consider deficiency 2014-02 which is described in the accompanying Schedule of Findings to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings as item 2014-01. We also noted other instances of noncompliance which are discussed in Part III, General Comments and Recommendations Section of this report.

Borough of Pine Beach's Response to Findings

The Borough of Pine Beach's response to the findings identified in our audit will be described in the Borough's Corrective Plan on file in the Borough Clerk's Office. We did not audit the Borough's response and, accordingly, we express no opinion on it.

Purpose of This Report

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

Suplee, Clooney & Company
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Cognevich
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

August 24, 2015

SCHEDULE 1

BOROUGH OF PINE BEACH

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED DECEMBER 31, 2014

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTORS NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	RECEIVED FISCAL YEAR 2014	EXPENDITURES FISCAL YEAR 2014	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
U.S. Department of Homeland Security:								
Disaster Grants - Public Assistance								
Recreational	97.036	PA-02-NJ-4086-PW-02816(1)	117,685.94	10/30/2012	4/30/2014	$ -0-	$ 117,685.94	$ 117,685.94
						$ 0.00	$ 117,685.94	$ 117,685.94
Department of Housing and Urban Development:								
Pass Through from County of Ocean:								
Community Development Block Grant	14.218	CT-1523-12	$ 32,500.00	07/01/12	Completion	$ 5,979.14	$ -0-	$ 32,500.00
						$ 5,979.14	$ 0.00	$ 32,500.00
U.S. Department of Transportation								
Federal Highway Administration:								
Pass Through the State of New Jersey								
Division of Highway Traffic Safety:								
Radnor Avenue	20.205	13-480-078-6320-ALL-6010	180,000.00	07/01/13	Completion	$ 98,109.85	$ 180,000.00	$ 180,000.00
Radnor - Hillside Ave to Terminus	20.205	14-480-078-6320-ALW-6010	120,000.00	07/01/14	Completion		120,000.00	120,000.00
						$ 98,109.85	$ 300,000.00	$ 300,000.00
Total Federal Assistance						$ 104,088.99	$ 417,685.94	$ 332,500.00

SCHEDULE 2

BOROUGH OF PINE BEACH

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED DECEMBER 31, 2014

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD FROM	GRANT PERIOD TO	GRANT AWARD AMOUNT	RECEIVED FISCAL YEAR 2014	EXPENDITURES FISCAL YEAR 2014	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
Department of Environmental Protection:							
Clean Communities Program:							
2012	765-042-4900-004-178910	01/01/12	Completion	$ 4,302.80	$ -0-	$ 3,985.48	$ 4,302.80
2013	765-042-4900-004-178910	01/01/13	Completion	4,964.15	-0-	2,006.45	2,006.45
2014	765-042-4900-004-178910	01/01/14	Completion	4,655.93	4,655.93	-0-	-0-
Hazardous Discharge Remediation Fund:							
Prior	Unknown	Prior Years	Completion	41,741.12	-0-	-0-	1,276.74
Recycling Tonnage:							
Prior	752-042-4900-001-178810	Prior Years	Completion	37,334.29	-0-	-0-	15,000.00
2013	752-042-4900-001-178810	01/01/13	Completion	3,677.27	-0-	-0-	-0-
2014	752-042-4900-001-178810	01/01/14	Completion	1,023.18	-0-	-0-	-0-
2015	752-042-4900-001-178810	01/01/15	Completion	2,392.40	2,392.40	-0-	-0-
				$	7,048.33	$ 5,991.93	$ 22,585.99
Department of Law and Public Safety:							
Drunk Driving Enforcement Fund:							
2010	100-078-6400-001-YYYY-xxxx	01/01/10	Completion	2,390.04	$ -0-	$ 245.90	$ 1,864.73
Body Armor Replacement Fund:							
2013	718-066-1020-001-YCJS-6120	01/01/13	Completion	1,025.39	-0-	-0-	560.58
2014	718-066-1020-001-YCJS-6120	01/01/14	Completion	1,184.99	-0-	-0-	-0-
2015	718-066-1020-001-YCJS-6120	01/01/15	Completion	1,006.11	1,006.11	-0-	-0-
966 Reimbursement							
Prior	APU-634	Prior Years	Completion	9,849.00	-0-	-0-	9,666.60
2013	APU-634	01/01/13	Completion	6,219.00	6,219.00	-0-	6,219.00
2013	APU-634	01/01/14	Completion	6,518.00	6,518.00	6,518.00	6,518.00
				$	13,743.11	$ 6,763.90	$ 26,428.91
Department of Health:							
Municipal Alliance	100-046-4230-JJJJ-6310	01/01/13	12/31/2013	22,000.00	$ 22,000.00	$ 4,824.42	$ 22,000.00
	100-046-4230-JJJJ-6310	01/01/14	12/31/2014	22,000.00	8,696.88	21,796.65	21,796.65
				$	30,696.88	$ 26,621.07	$ 43,796.65
Total State Assistance				$	51,488.32	$ 39,376.90	$ 92,811.55

BOROUGH OF PINE BEACH

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2014

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Borough of Pine Beach, County of Ocean, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal and state financial assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other then generally accepted accounting principles. The basis of accounting, with exceptions, is described in Note 1 to the Borough's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

BOROUGH OF PINE BEACH

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2014

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's regulatory basis financial statements. These amounts are reported in the Current. Grant and General Capital Funds.

Revenues:

	Federal	State	Other	Total
Grant Fund				
Appropriated	$ 5,979.14	$ 48,089.81	$	$ 54,068.95
Unappropriated		3,398.51		3,398.51
General Capital Fund	98,109.85			98,109.85
	$ 104,088.99	$ 51,488.32	$	$ 155,577.31

Expenditures:

	Federal	State	Other	Total
Current Fund	$ 117,685.94	$	$	$ 117,685.94
Grant Fund		39,376.90	4,626.87	44,003.77
General Capital Fund	300,000.00			300,000.00
	$ 417,685.94	$ 39,376.90	$ 4,626.87	$ 461,689.71

NOTE 5. OTHER

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

Expenditures reported against the Public Assistance Disaster Grant are reported at 90% of the approved project costs.

BOROUGH OF PINE BEACH
OCEAN COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND RECOMMENDATIONS REPORTED
UNDER GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Internal Control

#2014-01 - General Ledger

General Ledgers were not maintained for the current and sewer utility funds in accordance with the provisions of N.J.A.C. 5:30-5.7. The General Ledger is a permanent fiscal record which provides a summary of all financial transactions as they have been recorded in the books of original entry utilizing a double entry accounting system. Through the use of a general ledger, the books of original entry and supporting subsidiary ledgers, the financial statements would be prepared.

We recommend that General Ledgers be accurately maintained for the current and sewer utility funds.

Compliance

#2014-02

As discussed in detail in finding #2014-01 the Borough of Pine Beach has significant deficiencies in the design and operation of its internal control over financial reporting and was not in compliance with the provisions of N.J.A.C. 5:30-5.7.

BOROUGH OF PINE BEACH

PART III

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

		YEAR 2014			YEAR 2013	
		AMOUNT	%		AMOUNT	%
REVENUE AND OTHER INCOME REALIZED						
Fund Balance Utilized	$	286,192.18	4.83%	$	210,000.00	3.57%
Miscellaneous-From Other Than Local Property Tax Levies		550,204.88	9.29%		749,769.62	12.73%
Collection of Delinquent Taxes and Tax Title Liens		118,145.96	1.99%		131,538.76	2.23%
Collection of Current Tax Levy		4,968,331.17	83.88%		4,797,788.30	81.47%
TOTAL INCOME	$	5,922,874.19	100.00%	$	5,889,096.68	100.00%
EXPENDITURES						
Budget Expenditures:						
Municipal Purposes	$	2,253,647.34	39.56%	$	2,235,319.48	39.71%
County Taxes		1,119,059.40	19.64%		1,025,717.87	18.22%
Regional District School Taxes		2,322,229.50	40.76%		2,329,836.26	41.39%
Other Expenditures		2,450.84	0.04%		38,596.00	0.69%
TOTAL EXPENDITURES	$	5,697,387.08	100.00%	$	5,629,469.61	100.00%
Excess in Revenue	$	225,487.11		$	259,627.07	
Adjustment Before Fund Balance: Expenditures Included Above Which are by Statute Deferred Charges to Budgets of Succeeding Years		1,104.37			1,027.39	
Statutory Excess to Fund Balance	$	226,591.48		$	260,654.46	
Fund Balance, January 1		385,876.59			335,222.13	
	$	612,468.07		$	595,876.59	
Less: Utilization as Anticipated Revenue		286,192.18			210,000.00	
Fund Balance, December 31	$	326,275.89		$	385,876.59	

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

		YEAR 2014			YEAR 2013	
		AMOUNT	%		AMOUNT	%
REVENUE AND OTHER INCOME REALIZED						
Fund Balance Utilized	$	13,749.50	5.22%	$	47,436.00	22.25%
Rents		226,769.64	86.09%		237,675.83	78.59%
Miscellaneous-From Other Than Water Rents		22,881.32	8.69%		17,329.34	5.73%
TOTAL INCOME	$	263,400.46	100.00%	$	302,441.17	100.00%
EXPENDITURES						
Budget Expenditures:						
Operating	$	155,921.00	62.18%	$	185,251.17	64.34%
Capital Improvements		3,579.00	1.43%		6,500.00	2.26%
Debt Service		76,076.14	30.34%		77,985.58	27.09%
Deferred Charges and Statutory Expenditures		15,172.50	6.05%		16,450.00	5.71%
		250,748.64			286,186.75	
Overexpenditure of Appropriation Reserves					1,721.33	0.60%
TOTAL EXPENDITURES	$	250,748.64	100.00%	$	287,908.08	100.00%
Excess in Revenue to Fund Balance	$	12,651.82		$	14,533.09	
Adjustment to Income before Surplus:						
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years					2,472.50	
Statutory Excess to Fund Balance	$	12,651.82		$	17,005.59	
Fund Balance, January 1		33,026.05			63,456.46	
	$	45,677.87		$	80,462.05	
Less: Utilization by Water Operating Budget		13,749.50			47,436.00	
Fund Balance, December 31	$	31,928.37		$	33,026.05	

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

		YEAR 2014			YEAR 2013	
		AMOUNT	%		AMOUNT	%
REVENUE AND OTHER INCOME REALIZED						
Fund Balance Utilized	$	26,862.86	6.22%	$	18,509.00	4.01%
Rents		389,847.97	90.34%		400,897.11	86.87%
Miscellaneous - From Other Than Sewer Rents		14,822.11	3.43%		42,105.21	9.12%
TOTAL INCOME	$	431,532.94	100.00%	$	461,511.32	100.00%
EXPENDITURES						
Budget Expenditures:						
Operating	$	348,260.00	81.68%	$	340,000.00	82.19%
Capital Improvements		1,000.00	0.23%		1,000.00	0.24%
Debt Service		56,802.05	13.32%		57,628.08	13.93%
Deferred Charges and Statutory Expenditures		20,297.86	4.76%		15,022.86	3.63%
TOTAL EXPENDITURES	$	426,359.91	100.00%	$	413,650.94	100.00%
Excess in Revenue	$	5,173.03		$	47,860.38	
Adjustment to Income Before Fund Balance:						
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year					422.86	
Statutory Excess to Fund Balance	$	5,173.03		$	48,283.24	
Fund Balance, January 1		76,683.17			46,908.93	
	$	81,856.20		$	95,192.17	
Less: Utilization by Sewer Operating Fund Budget		26,862.86			18,509.00	
Fund Balance, December 31	$	54,993.34		$	76,683.17	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	2014	2013	2012
Tax Rate	2.079	2.008	1.654
Apportionment of Tax Rate:			
Municipal	0.660	0.650	0.499
County	0.456	0.421	0.370
Local School	0.963	0.937	0.785

ASSESSED VALUATIONS:

2014	$244,468,238.00		
2013		$244,421,380.00	
2012			$301,652,947.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

		CURRENTLY	
YEAR	TAX LEVY	CASH COLLECTION	PERCENTAGE OF COLLECTIONS
2014	$5,100,301.65	$4,968,331.17	97.41%
2013	4,911,914.98	4,797,788.30	97.67%
2012	4,996,626.00	4,844,093.00	96.94%

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.

YEAR	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2014	-0-	$129,704.90	$129,704.90	2.54%
2013	-0-	113,827.37	113,827.37	2.23%
2012	-0-	131,539.00	131,539.00	2.63%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

YEAR	AMOUNT
2014	$13,587
2013	13,587
2012	13,587

COMPARISION OF WATER UTILITY RENTS LEVIED

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$31,928.37	$9,140.00
Water	2013	33,026.05	13,749.50
Utility Operating	2012	63,456.00	46,425.00
Fund	2011	67,666.00	37,635.00
	2010	43,514.00	24,415.00

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$54,993.34	$19,339.00
Sewer	2013	76,683.17	26,862.86
Utility Operating	2012	46,909.00	18,509.00
Fund	2011	26,722.00	14,651.00
	2010	17,051.00	13,000.00

COMPARISION OF SEWER UTILITY RENTS LEVIED

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$31,928.37	$9,140.00
Water	2013	33,026.05	13,749.50
Utility Operating	2012	63,456.00	46,425.00
Fund	2011	67,666.00	37,635.00
	2010	43,514.00	24,415.00

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$54,993.34	$19,339.00
Sewer	2013	76,683.17	26,862.86
Utility Operating	2012	46,909.00	18,509.00
Fund	2011	26,722.00	14,651.00
	2010	17,051.00	13,000.00

EQUALIZED VALUATIONS – REAL PROPERTY

YEAR	AMOUNT
2014	$275,057,294.00
2013	$272,281,908.00
2012	$282,554,264.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$326,275.89	$225,000.00
Current Fund	2013	385,876.59	286,192.18
	2012	335,222.00	210,000.00
	2011	490,730.00	260,000.00
	2010	399,216.00	221,000.00

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$31,928.37	$9,140.00
Water	2013	33,026.05	13,749.50
Utility Operating	2012	63,456.00	46,425.00
Fund	2011	67,666.00	37,635.00
	2010	43,514.00	24,415.00

	YEAR	BALANCE DECEMBER 31	UTILILIZED IN BUDGET OF SUCCEEDING YEAR
	2014	$54,993.34	$19,339.00
Sewer	2013	76,683.17	26,862.86
Utility Operating	2012	46,909.00	18,509.00
Fund	2011	26,722.00	14,651.00
	2010	17,051.00	13,000.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

Name	Title	Amount
Lawrence W. Cuneo	Mayor	*
Richard Polhemus	Council President	*
Matthew Abatemarco	Councilman	*
Robert Budesa	Councilman	*
Susan Coletti	Councilwoman	*
Raymond Newman	Councilman	*
Barry Wieck	Councilman	*
John Sgro	Administrator	*
Charlene Carney	Municipal Clerk	*
Mary Jane Steib	Chief Financial Officer	*
Christine Dehnz	Tax Collector	*
Teri Sgro	Water/Sewer Utility Clerk	*
Phillip Milller	Municipal Court Judge	*
Linda Felton	Court Administrator	*
Richard Kenny	Tax Assessor	*
Michael McKenna	Attorney	*
John J. Mallon	Engineer	*

*The Borough maintains Employee Dishonesty coverage for all municipal employees though the Ocean County Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund in the amount of $1,000,000.00.

All of the Bonds were examined and appear to be properly executed.

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COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

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

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (40A:11-3), except by contract or agreement.

Effective January 1, 2013, the bid threshold in accordance with N.J.S.A. 40A:11-3 is $17,500.00 or up to $36,000.00 if the entity has a Qualified Purchasing Agent. The Borough has a Qualified Purchasing Agent and has elected to increase its bid threshold to $36,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed $36,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Attorney's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Road Improvements
Waterfront Improvements
Installation of Replacement Wells

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.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of $36,000.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-4.

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

Auditor
Bond Counsel
Consultants (Environmental & Planning)
Engineering Services
Legal Services (Affordable Housing, Labor and Municipal)
Municipal Prosecutor
Public Defender

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 1, 2014 adopted the following resolutions authorizing interest to be charged on delinquent taxes and assessments:

> BE IT RESOLVED by the Mayor and Council of Pine Beach that the rate of interest to be charged on delinquent taxes and assessments is to be 8% on the first $1,500.00 and 18% on any amount thereafter. Any amount sold on tax sale is to be charged the entire 18% for the full amount.
>
> BE IT FURTHER RESOLVED that the rate of interest on delinquent water and sewer bills is to be 18% per state statute.
>
> BE IT FURTHER RESOLVED that the grace period allowed for payment of interest shall not exceed 10 calendar days of the due date and thereafter. The interest shall be charged from the date due to the date paid.
>
> BE IT RESOLVED by the Mayor and Council of the Borough of Pine Beach, County of Ocean and State of New Jersey, that in accordance with the amendment to N.J.S.A. 54:4-67, the Tax Collector is hereby authorized to charge an additional penalty of 6% for any delinquency that remains in arrears past December 31, 2014 that is in excess of $10,000.00.

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

TAX TITLE LIENS

The last tax sale was held on November 18, 2014 and was complete.

An examination of the tax sale certificates revealed all certificates were on file and available for audit.

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

YEAR	NUMBER
2014	0
2013	0
2012	0
2011	1
2010	0

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

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:

TYPE	
Payments of 2014 Taxes	25
Delinquent Taxes	25
Payment of Water and Sewer Utility Rents	25
Delinquent Water and Sewer Utility Rents	25

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule, all interfund balances should be closed out as of the end of the year. Interfunds were not closed out as of the end of the year and some of them are of material amounts.

Treasurer

Appropriation, Appropriation Reserve and other subsidiary ledgers were not proven to the cash disbursements on a monthly basis.

As a result we noted the following overexpenditures:

Current Fund:	
2014 Appropriations	$1,104.37
2013 Appropriations Reserves	$1,533.18

We noted during the course of our audit that official Borough records are not always maintained in Borough Hall. For the safety of these records and the security of sensitive employee information all Borough records should be kept in a secure location accessible by only by authorized personnel.

Payroll

Our audit of the payroll account disclosed that a detailed analysis of the account balance was not maintained.

We also noted that monthly employee pension contributions were not remitted in full by the statutory due date as required by N.J.A.C. 17:1-2.5.

RECOMMENDATIONS

That general ledgers be currently and completely maintained for the current and sewer utility funds.

*That the Appropriation, Appropriation Reserve and other subsidiary ledgers be proven to the cash disbursements on a monthly basis.

*That sufficient appropriation and appropriation reserve balances be available prior to the commitment or payment of funds.

*That effort be made to maintain all Borough records in a secure location accessible by only by authorized personnel.

*That an analysis of the balance of funds on deposit in the payroll account be maintained.

That monthly employee pension deductions be remitted in full by the Statutory due date

*Unresolved 2013 Audit Recommendation