

**BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN, NEW JERSEY**

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2017**

**BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN, NEW JERSEY**

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COUNTY OF OCEAN, NEW JERSEY**

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**BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Point Pleasant
Point Pleasant, New Jersey

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Borough of Point Pleasant as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, the related statements of revenues - regulatory basis, and statements of expenditures - regulatory basis for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

The effects on the financial statements of the variances between 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 Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough, as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough, as of December 31, 2017 and 2016, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the statements of revenues - regulatory basis, statements of expenditures - regulatory basis of the various funds, and general fixed assets group of accounts – regulatory basis, for the year ended December 31, 2017 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough’s basic financial statements. The supplemental schedules presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements.

The supplemental schedules presented for the various funds are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the

financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2018, on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Freehold, New Jersey
June 15, 2018

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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**

Honorable Mayor and Members
of the Borough Council
Borough of Point Pleasant
Point Pleasant, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Borough of Point Pleasant, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 15, 2018. Our report indicated that the Borough's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Freehold, New Jersey
June 15, 2018

BASIC FINANCIAL STATEMENTS

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	2017	2016
Current Fund:			
Cash:			
Treasurer	A-4	\$ 22,504,918	\$ 18,731,132
Change Fund	A	550	550
Due from State of New Jersey for Senior Citizen & Veteran Deductions	A-14	18,997	22,008
Total Current Fund		22,524,465	18,753,690
Receivables & Other Assets With Full Reserves:			
Taxes Receivable	A-5	424,520	656,309
Tax Title Liens Receivable	A-6	74,269	45,376
Revenue Accounts Receivable	A-7	12,173	7,195
Due From Interfunds:			
State & Federal Grant Fund	A-16	368,121	87,739
Other Trust	A-16	13	6
Total Receivables & Other Assets With Full Reserves		879,096	796,625
Deferred Charges:			
Community Disaster Loan Program	A	4,113,315	4,113,315
Total Deferred Charges		4,113,315	4,113,315
Total Current Fund, Receivables, Other Assets With Full Reserves & Deferred Charges		27,516,876	23,663,630
State & Federal Grants:			
Cash	A-4	-	4,378
Grants Receivable	A-17	555,291	657,133
Total State & Federal Grants		555,291	661,511
Total Assets		\$ 28,072,167	\$ 24,325,141

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

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2017	2016
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-8	\$ 768,734	\$ 834,311
Reserve for Encumbrances	A-3	553,769	585,111
Accounts Payable	A-13	62,313	62,112
Tax Overpayments	A-15	20,942	20,443
Prepaid Taxes	A-12	3,870,620	561,779
County Tax Payable	A-10	61,657	55,685
Community Disaster Loan Payable	A	4,113,315	4,113,315
Local District School Tax Payable	A-9	10,533,097	10,248,293
Miscellaneous Reserves:			
Reserve For Superstorm Sandy	A-11	210,028	65,623
Reserve For Tax Appeal	A-11	300,000	300,000
Sale of Municipal Assets	A-11	1,403,205	1,603,205
Sale of Liquor License	A-11	255,001	-
Due to State of NJ - Marriage License Fees	A-11	679	557
Due to State of NJ - DCA Training Fees	A-11	6,108	6,222
Subtotal		22,159,468	18,456,656
Reserve for Receivables & Other Assets	A	879,096	796,625
Fund Balance	A-1	4,478,312	4,410,349
Total Current Fund		27,516,876	23,663,630
State & Federal Grants:			
Reserve for Grants Appropriated	A-18	101,141	197,410
Reserve for Grants Unappropriated	A-19	24,536	7,818
Reserve for Encumbrances	A-18	31,165	338,217
Due to Current Fund	A-16	368,121	87,739
Due to Trust Fund	B	30,328	30,327
Total State & Federal Grants		555,291	661,511
Total Liabilities, Reserves & Fund Balance		\$ 28,072,167	\$ 24,325,141

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017	2016
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 2,500,000	\$ 2,200,000
Miscellaneous Revenue Anticipated	2,622,910	2,924,333
Receipts From Delinquent Taxes & Tax Title Liens	653,347	976,053
Receipts From Current Taxes	62,996,199	61,754,268
Nonbudget Revenue	339,572	559,186
Other Credits to Income:		
Interfunds Liquidated	-	79,024
Cancellation of Overpayments	-	77,222
Cancellation of Accounts Payable	8,504	118,325
Unexpended Balance of Appropriation Reserves	891,216	707,229
Total	70,011,748	69,395,640
Expenditures:		
Budget Appropriations Within "CAPS":		
Operations:		
Salaries & Wages	7,658,725	7,341,536
Other Expenses	5,978,052	6,098,634
Deferred Charges & Statutory Expenditures	1,897,840	1,695,793
Excluded From "CAPS":		
Operations:		
Other Expenses	272,208	509,407
Capital Improvements	110,000	110,000
Municipal Debt Service	2,197,388	2,195,602
Deferred Charges	-	40,000
County Taxes	13,718,382	13,818,645
Due County for Added & Omitted Taxes	61,657	56,139
Local District School Tax	35,163,615	34,594,008
Municipal Open Space Tax	64,770	65,508
Interfunds Advanced	280,389	-
Tax Appeal Refund	9,843	9,454
Refund of Prior Year Revenues	11,413	370
Cancellation of Grant	19,503	-
Total Expenditures	67,443,785	66,535,096
Excess/Deficit in Revenue	2,567,963	2,860,544
Fund Balance January 1	4,410,349	3,749,805
Total	6,978,312	6,610,349
Decreased by: Utilization as Anticipated Revenue	2,500,000	2,200,000
Fund Balance December 31	\$ 4,478,312	\$ 4,410,349

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

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUDGET	APPROPRIATED BY N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$ 2,500,000	\$ -	\$ 2,500,000	\$ -
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	13,000	-	19,256	6,256
Fees & Permits:				
Uniform Construction Code Fees	400,000	-	495,352	95,352
Other	40,000	-	56,455	16,455
Fines & Costs:				
Municipal Court	150,000	-	151,053	1,053
Interest & Costs on Taxes	170,000	-	180,818	10,818
Interest on Investments & Deposits	30,000	-	175,192	145,192
Energy Receipts Tax	1,220,709	-	1,226,819	6,110
Consolidated Municipal Property				
Tax Relief Act	6,867	-	757	(6,110)
Clean Communities Program	-	41,303	41,303	-
Cops In Shops	-	1,600	1,600	-
Drunk Driving Enforcement	5,944	6,315	12,259	-
Drive Sober or Get Pulled Over	-	11,000	11,000	-
Body Armor Replacement Grant	-	2,991	2,991	-
Alcohol Education & Rehabilitation Fund	1,873	1,029	2,902	-
Recycling Tonnage Grant	29,653	-	29,653	-
Distracted Driving Crackdown	-	5,500	5,500	-
CDBG - Debris Mgmt Planning	10,000	-	10,000	-
Sale of Municipal Assets	200,000	-	200,000	-
Total Miscellaneous Revenues	2,278,046	69,738	2,622,910	275,126
Receipts From Delinquent Taxes	600,000	-	653,347	53,347
Subtotal General Revenues	5,378,046	69,738	5,776,257	328,473
Local Tax for Municipal Purposes	14,274,073	-	15,580,820	1,306,747
Budget Totals	19,652,119	69,738	21,357,077	1,635,220
Nonbudget Revenues	-	-	339,572	339,572
Total	\$ 19,652,119	\$ 69,738	\$ 21,696,649	\$ 1,974,792

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

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 62,996,199
Less: Allocated for School, County Taxes & Open Space Taxes	<u>49,008,424</u>
Total Allocation of Current Tax Collections	13,987,775
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>1,593,045</u>
Total Amount for Support of Municipal Budget Appropriation	<u><u>\$ 15,580,820</u></u>
Delinquent Property Taxes Receivable	615,150
Tax Title Liens	<u>38,197</u>
Total Receipts From Delinquent Taxes	<u><u>\$ 653,347</u></u>
Planning Board	\$ 14,320
Zoning Board	10,930
Public Health Service	31,175
Other Permits and Fees	<u>30</u>
Total Fees & Permits	<u><u>\$ 56,455</u></u>

ANALYSIS OF NONBUDGET REVENUES

Recycling	\$ 27,881
Miscellaneous Licenses	2,075
DMV Fees	7,801
Cell Tower Rental	1,109
Cable TV Fees	87,974
Grading and Drainage	41,850
Refund of Prior Year Expenditures	70,173
Firearms	1,247
Police Reports	2,792
Sale of Assets	14,832
Premium on Tax Sale & Notes	10,100
Beach Tags	5,414
Miscellaneous Other	<u>66,324</u>
Nonbudget Revenue	<u><u>\$ 339,572</u></u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	DISBURSED	ENCUMBERED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"						
General Government Functions:						
General Administration:						
Salaries and Wages	\$ 75,073	\$ 75,073	\$ 75,069	\$ -	\$ 4	\$ -
Other Expenses	71,200	76,200	71,151	3,273	1,776	-
Mayor & Council:						
Salaries and Wages	33,600	33,600	33,600	-	-	-
Municipal Clerk:						
Salaries and Wages	88,284	88,284	88,117	-	167	-
Other Expenses	17,450	17,450	13,285	3,397	768	-
Elections	2,500	2,500	2,354	-	146	-
Financial Administration (Treasury):						
Salaries and Wages	121,351	121,351	116,811	-	4,540	-
Other Expenses	9,200	14,100	5,476	6,753	1,871	-
Audit Services:						
Annual Audit	30,000	30,000	20,635	3,365	6,000	-
Revenue Administration (Tax Collector):						
Salaries and Wages	85,821	86,571	86,571	-	-	-
Other Expenses	24,300	24,300	15,141	35	9,124	-
Tax Assessor:						
Salaries and Wages	161,097	161,097	161,094	-	3	-
Other Expenses	6,010	6,010	5,140	-	870	-
Cost of Tax Appeals	3,000	3,000	600	2,400	-	-
Legal Services:						
Other Expenses	200,000	202,900	167,688	35,212	-	-
Engineering Services & Costs:						
Other Expenses	100,000	100,000	41,754	21,246	37,000	-
Land Use Administration:						
Planning Board:						
Salaries and Wages	8,500	8,698	8,698	-	-	-
Other Expenses	19,000	19,000	8,338	10,395	267	-
Zoning Board of Adjustment:						
Salaries and Wages	8,500	8,500	8,500	-	-	-
Other Expenses	12,950	12,950	2,968	8,181	1,801	-
Zoning Officer:						
Salaries and Wages	134,009	134,009	117,860	-	16,149	-
Other Expenses	18,500	18,500	7,897	-	10,603	-
Insurance:						
Group Insurance	1,886,000	1,886,000	1,782,527	17,092	86,381	-
Liability Insurance	200,000	200,000	182,140	-	17,860	-
Workers' Compensation Insurance	250,000	240,300	221,393	-	18,907	-
Group Health Waivers	40,000	40,000	19,075	-	20,925	-
Public Safety Functions:						
Police:						
Salaries and Wages	4,740,234	4,740,234	4,628,804	-	111,430	-
Other Expenses	212,028	212,028	146,240	65,526	262	-
Purchase of Police Vehicles	113,000	113,000	78,373	8,455	26,172	-
Emergency Management Services:						
Salaries and Wages	3,500	3,500	3,500	-	-	-
Other Expenses	4,250	4,250	1,225	2,998	27	-
Aid to Volunteer Fire Companies:						
Other Expenses						
Fire Station No. 75	190,000	190,000	150,000	40,000	-	-
Aid to Volunteer Ambulance Companies:						
Other Expenses	95,000	95,000	95,000	-	-	-
Public Works Functions:						
Road Repairs & Maintenance:						
Salaries and Wages	1,309,250	1,309,250	1,232,177	-	77,073	-
Other Expenses	149,250	149,250	132,203	16,267	780	-

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

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	DISBURSED	ENCUMBERED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"						
Other Public Works Functions:						
Recycling:						
Salaries and Wages	4,500	33,891	33,891	-	-	-
Other Expenses	332,800	334,700	302,205	31,803	692	-
Snow Removal:						
Salaries and Wages	80,000	80,000	14,686	-	65,314	-
Other Expenses	53,500	53,500	17,383	13,860	22,257	-
Solid Waste Collection:						
Contractual	706,600	706,600	641,383	58,602	6,615	-
Building & Grounds:						
Other Expenses	52,450	54,950	50,386	3,729	835	-
Community Services Act:						
Other Expenses	80,000	41,959	17,901	-	24,058	-
Health & Human Services:						
Board of Health:						
Salaries and Wages	83,012	83,012	83,012	-	-	-
Other Expenses	2,500	2,500	1,809	461	230	-
Environmental Commission:						
Salaries and Wages	1,200	1,200	1,154	-	46	-
Other Expenses	3,970	3,970	-	799	3,171	-
Animal Control Program:						
Other Expenses	34,000	34,000	34,000	-	-	-
Park & Recreation Functions:						
Recreation Services & Programs:						
Salaries and Wages	260,096	268,096	266,736	-	1,360	-
Other Expenses	26,365	26,365	24,653	797	915	-
Utility Expense & Bulk Purchases:						
Electricity	110,000	110,000	66,824	33,176	10,000	-
Street Lighting	135,000	135,000	103,829	1,171	30,000	-
Telephone	43,720	43,720	29,207	4,112	10,401	-
Gasoline	100,000	100,000	99,402	598	-	-
Natural Gas	14,000	14,000	9,781	219	4,000	-
Landfill/Solid Waste Disposal Costs:						
Landfill Dumping Fees	627,000	627,000	556,409	59,591	11,000	-
Municipal Court:						
Salaries and Wages	28,543	28,543	28,543	-	-	-
Other Expenses	4,900	4,900	100	-	4,800	-
Public Defender:						
Other Expenses	8,000	8,850	7,917	933	-	-
State Uniform Construction Code:						
Construction Code Official:						
Salaries and Wages	401,764	393,816	357,127	-	36,689	-
Other Expenses	18,300	18,300	7,355	4,323	6,622	-
Other Common Operating Functions:						
Salary Adjustments	1,000	-	-	-	-	-
Prior Year Bills:						
Contingent	1,000	1,000	1,000	-	-	-

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

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	DISBURSED	ENCUMBERED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"						
Total Operations Within "CAPS"						
Including Contingent	13,637,077	13,636,777	12,488,097	458,769	689,911	-
Detail:						
Salaries and Wages	7,629,334	7,658,725	7,345,950	-	312,775	-
Other Expenses	6,007,743	5,978,052	5,142,147	458,769	377,136	-
Deferred Charges & Statutory Expenditures						
Municipal Within "CAPS":						
Statutory Expenditures:						
Contributions to:						
Social Security System						
(O.A.S.I.)	600,000	600,000	534,920	-	65,080	-
Public Employees' Retirement						
System	400,000	400,000	396,382	-	3,618	-
Police & Firemen's						
Retirement System	835,440	835,440	835,440	-	-	-
Unemployment Insurance	60,000	60,000	60,000	-	-	-
Defined Contribution						
Retirement Program	2,000	2,300	2,275	-	25	-
Judgements	100	100	-	-	100	-
Total Deferred Charges & Statutory						
Expenditures Within "CAPS"	1,897,540	1,897,840	1,829,017	-	68,823	-
Total General Appropriations for						
Municipal Purposes Within "CAPS"	15,534,617	15,534,617	14,317,114	458,769	758,734	-
Operations Excluded From "CAPS":						
LOSAP	95,000	95,000	-	95,000	-	-
Shared Services Agreement:						
Municipal Court - Borough of						
Point Pleasant Beach	50,000	50,000	50,000	-	-	-
Public & Private Programs Offset						
by Revenues:						
Matching Fund for Grants	10,000	10,000	-	-	10,000	-
Drunk Driving Enforcement	5,944	12,259	12,259	-	-	-
Clean Communities Program	-	41,303	41,303	-	-	-
Drive Sober or Get Pulled Over	-	11,000	11,000	-	-	-
Alcohol Education & Rehabilitation Fund	1,873	2,902	2,902	-	-	-
Recycling Tonnage	29,653	29,653	29,653	-	-	-
CDBG - Debris Management	10,000	10,000	10,000	-	-	-
Body Armor Grant	-	2,991	2,991	-	-	-
Distracted Driving Crackdown	-	5,500	5,500	-	-	-
Cops In Shops	-	1,600	1,600	-	-	-
Total Operations Excluded from "CAPS"	202,470	272,208 #	167,208	95,000	10,000	-
Capital Improvements-Excluded						
from "CAPS":						
Capital Improvement Fund	110,000	110,000	110,000	-	-	-

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

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	DISBURSED	ENCUMBERED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"						
Total Capital Improvements Excluded From "CAPS"	110,000	110,000	110,000	-	-	-
Municipal Debt Service - Excluded From "CAPS":						
Payment of Bond Principal	1,660,000	1,660,000	1,660,000	-	-	-
Interest on Bonds	511,987	511,987	502,485	-	-	9,502
Interest on Notes	40,000	40,000	34,903	-	-	5,097
Total Municipal Debt Service Excluded From "CAPS"	2,211,987	2,211,987	2,197,388	-	-	14,599
Total General Appropriations for Municipal Purposes Excluded from CAPS	2,524,457	2,594,195	2,474,596	95,000	10,000	14,599
Subtotal General Appropriations	18,059,074	18,128,812	16,791,710	553,769	768,734	14,599
Reserve For Uncollected Taxes	1,593,045	1,593,045	1,593,045	-	-	-
Total General Appropriations	<u>\$ 19,652,119</u>	<u>\$ 19,721,857</u>	<u>\$ 18,384,755</u>	<u>\$ 553,769</u>	<u>\$ 768,734</u>	<u>\$ 14,599</u>
Adopted Budget		\$ 19,652,119				
Chapter 159		<u>69,738</u>				
Total		<u>\$ 19,721,857</u>				
Interfunds:						
Federal & State Grant Fund			\$ 117,208			
Reserve for Uncollected Taxes			1,593,045			
Cash Disbursements			<u>16,674,502</u>			
Total			<u>18,384,755</u>			

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

**BOROUGH OF POINT PLEASANT
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	2017	2016
Animal Control Trust Fund:			
Cash	B-1	39,046	\$ 23,271
Change Fund	B	25	25
Total Animal Control Fund		39,071	23,296
Open Space Trust Fund:			
Cash	B-1	225,833	271,117
Total Open Space Trust		225,833	271,117
Other Trust Fund:			
Cash	B-1	1,577,611	1,858,136
Due from Grant Fund	A	30,328	30,328
Total Other Trust		1,607,939	1,888,464
Length of Service Awards Program Fund: (LOSAP) ("LOSAP")			
Funds Held by Trustee	B-7	1,072,827	889,764
Total LOSAP		1,072,827	889,764
Total - All Funds		2,945,670	\$ 3,072,641
LIABILITIES & RESERVES			
Animal Control Trust Fund:			
Due to the State of NJ	B-2	\$ 28	\$ -
Reserve for Expenditures	B-3	39,043	23,296
Total Dog License Fund		39,071	23,296
Open Space Trust Fund:			
Reserve for Open Space	B-4	225,833	271,117
Total Open Space Trust		225,833	271,117
Other Trust Fund:			
Due to Board of Education	B-6	2,321	2,321
Due to Current Fund	B-1	13	6
Various Reserves	B-6	1,605,605	1,886,137
Total Other Trust		1,607,939	1,888,464
Length of Service Awards Program Fund: (LOSAP) ("LOSAP")			
Reserve for Length of Service Awards Program	B-8	1,072,827	889,764
Total LOSAP		1,072,827	889,764
Total - All Funds		\$ 2,945,670	\$ 3,072,641

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

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	2017	2016
Cash	C-2	\$ 645,490	\$ 2,255,835
Grants Receivable	C-11	180,000	-
Deferred Charges to Future Taxation:			
Unfunded	C-5	6,815,168	4,228,765
Funded	C-4	15,096,865	16,788,399
Total		<u>\$ 22,737,523</u>	<u>\$ 23,272,999</u>

LIABILITIES, RESERVES & FUND BALANCE

Serial Bonds	C-9	\$ 14,935,000	\$ 16,595,000
Green Acres Loan Payable	C-10	161,865	193,399
Bond Anticipation Notes Payable	C-7	4,200,000	3,500,000
Capital Improvement Fund	C-6	177,206	204,706
Due to Water/Sewer Capital	C	300,000	-
Improvement Authorizations:			
Unfunded	C-8	1,539,958	1,258,417
Funded	C-8	252,529	278,551
Reserve for Encumbrances	C-8	985,923	1,066,749
Reserve for Debt Service	C	98,228	98,228
Fund Balance	C-1	86,814	77,949
Total		<u>\$ 22,737,523</u>	<u>\$ 23,272,999</u>

There were bonds and notes authorized but not issued on December 31, 2017 of \$2,615,168 and on December 31, 2016 was \$3,839,571.

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 77,949
Add:	
Refunds from Cancelled Ordinance	<u>8,865</u>
Balance December 31, 2017	<u><u>\$ 86,814</u></u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	2017	2016
Operating Fund:			
Cash	D-5	\$ 1,534,249	\$ 1,399,778
Cash - Change Fund	D	300	300
Total		<u>1,534,549</u>	<u>1,400,078</u>
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable	D-7	<u>730,051</u>	<u>435,206</u>
Total Receivable & Other Assets With Full Reserves		<u>730,051</u>	<u>435,206</u>
Deferred Charges:			
Community Disaster Loan Program	D	<u>703,909</u>	<u>703,909</u>
Total Deferred Charges		<u>703,909</u>	<u>703,909</u>
Total Operating Fund		<u>2,968,509</u>	<u>2,539,193</u>
Capital Fund:			
Cash	D-5, D-6	1,707,970	1,847,932
Due from General Capital Fund	C	300,000	-
Fixed Capital Authorized & Uncompleted	D-14	12,636,920	12,269,820
Fixed Capital	D-15	<u>30,197,184</u>	<u>30,197,184</u>
Total Capital Fund		<u>44,842,074</u>	<u>44,314,936</u>
Total Operating & Capital Fund		<u>\$ 47,810,583</u>	<u>\$ 46,854,129</u>

Bonds and Notes authorized but not issued as of December 31, 2017 was \$1,150,645 and as of December 31, 2016 was \$2,483,545.

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2017	2016
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4	\$ 210,774	\$ 138,639
Community Disaster Loan Payable	D	703,909	703,909
Accounts Payable	D-8	17,864	5,183
Reserve for Encumbrances	D-4,D-5	288,691	148,450
Consumer Overpayments	D-10	20,822	16,297
Prepaid Rents	D-11	132,798	89,942
Prepaid - Other Fees	D-5	290	980
Accrued Interest on Bonds & Notes	D-9	69,493	73,025
Subtotal		1,444,641	1,176,425
Reserve for Receivables	D	730,051	435,206
Fund Balance	D-1	793,817	927,562
Total Operating Fund		2,968,509	2,539,193
Capital Fund:			
Serial Bonds	D-19	4,750,000	5,055,000
NJEIT Loan Payable:			
Trust Loan	D-20	360,000	375,000
Fund Loan	D-21	335,822	355,411
Bond Anticipation Notes	D-22	4,900,000	3,200,000
Improvement Authorizations:			
Funded	D-18	342,524	1,036,250
Unfunded	D-18	476,534	895,020
Reserves for:			
Amortization	D-17	32,225,690	31,886,101
Deferred Amortization	D-16	420,816	420,816
Encumbrances	D-18	643,997	836,855
Debt Service	D-6	46,669	46,673
Capital Improvement Fund	D-13	230,642	130,042
Down Payment on Improvements	D-6	13,600	73,600
Fund Balance	D-2	95,780	4,168
Total Capital Fund		44,842,074	44,314,936
Total Liabilities, Reserves & Fund Balance		\$ 47,810,583	\$ 46,854,129

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

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
STATEMENT OF OPERATIONS AND CHANGE
IN OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017	2016
Revenue & Other Income Realized:		
Fund Balance Appropriated	\$ 500,272	\$ 189,634
Consumer Accounts Receivable	6,310,885	6,343,206
Interest on Delinquents	32,210	52,839
Miscellaneous	136,177	107,599
Other Credits to Income		
Unexpended Balance of Appropriation Reserves	158,561	239,901
Cancellation of Accounts Payable	2,028	59,231
Cancellation of Accrued Interest	3,532	-
	<hr/>	<hr/>
Total Income	7,143,665	6,992,410
	<hr/>	<hr/>
Expenditures:		
Operating	5,222,883	5,618,716
Capital Improvement Fund	60,000	60,000
Debt Service	531,759	529,181
Deferred Charges & Statutory Expenditures	962,496	360,078
Decrease in Accrued Interest	-	3,425
	<hr/>	<hr/>
Total Expenditures	6,777,138	6,571,400
	<hr/>	<hr/>
Excess/Deficit in Revenue	366,527	421,010
	<hr/>	<hr/>
Fund Balance January 1	927,562	696,186
Less: Balance Appropriated	500,272	189,634
	<hr/>	<hr/>
Fund Balance December 31	<u>\$ 793,817</u>	<u>\$ 927,562</u>

**STATEMENT OF CAPITAL SURPLUS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 4,168
Increased by:	
Cancellation of Improvement Authorizations	<hr/> 91,612
Balance December 31, 2017	<u>\$ 95,780</u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 500,272	\$ 500,272	\$ -
Rents	6,180,000	6,310,885	130,885
Interest on Delinquent Accounts	50,000	32,210	(17,790)
Miscellaneous	75,000	89,686	14,686
MRNA	-	46,491	46,491
	<hr/>		
Total	\$ 6,805,272	\$ 6,979,544	\$ 174,272
	<hr/>		

Miscellaneous

Tap Fees	\$ 4,550
Readings/Test	12,175
Other	6,361
Return Check Charge	100
Meter Sale & Repairs	24,325
Connection Fees	11,675
Road Openings	30,500
	<hr/>
Total Miscellaneous	\$ 89,686
	<hr/>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	DISBURSED	ENCUMBERED	RESERVED	CANCELED
Operating:						
Salaries and Wages	\$ 555,903	\$ 555,903	\$ 438,942	\$ -	\$ 116,961	\$ -
Other Expenses	844,880	876,080	744,564	129,090	2,426	-
Ocean County Utilities Authority	2,532,000	2,504,000	2,383,517	116,483	4,000	-
Public Works:						
Salaries and Wages	922,400	922,400	896,847	-	25,553	-
Other Expenses	364,500	364,500	324,140	36,250	4,110	-
Debt Service:						
Payment of Bond Principal	305,000	305,000	305,000	-	-	-
Interest on Bonds	169,893	169,893	168,615	-	-	1,278
Interest on Notes	32,000	32,000	31,911	-	-	89
NJET Loan	53,000	53,000	26,233	-	-	26,767
Capital Improvements:						
Downpayment on Improvements	60,000	60,000	60,000	-	-	-
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	150,000	150,000	150,000	-	-	-
Social Security System (O.A.S.I)	100,000	100,000	97,281	-	2,719	-
Unemployment Compensation Insurance	15,000	15,000	15,000	-	-	-
Group Health Insurance	415,696	415,696	367,267	6,868	41,561	-
Liability and Workers Compensation	285,000	281,800	268,356	-	13,444	-
Total Expenditures	<u>\$ 6,805,272</u>	<u>\$ 6,805,272</u>	<u>\$ 6,277,673</u>	<u>\$ 288,691</u>	<u>\$ 210,774</u>	<u>\$ 28,134</u>

Cash Disbursements	\$ 6,274,141
Accrued Interest	<u>3,532</u>
Total	<u>\$ 6,277,673</u>

**BOROUGH OF POINT PLEASANT
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS
DECEMBER 31, 2017 AND 2016**

ASSETS	<u>2017</u>	<u>2016</u>
Land	\$ 22,840,500	\$ 22,840,500
Buildings & Improvements	5,350,400	5,350,400
Equipment & Machinery	3,746,178	4,043,704
Vehicles	<u>7,377,303</u>	<u>6,301,066</u>
Total	<u>\$ 39,314,381</u>	<u>\$ 38,535,670</u>
FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 39,314,381</u>	<u>\$ 38,535,670</u>

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

**BOROUGH OF POINT PLEASANT
PAYROLL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	<u>2017</u>	<u>2016</u>
Cash - Treasurer	F-1	\$ 154,742	\$ 140,839
Total		<u>\$ 154,742</u>	<u>\$ 140,839</u>
LIABILITIES			
Payroll Taxes Payable	F-2	\$ 109,936	\$ 101,682
Payroll Reserve	F	<u>44,806</u>	<u>39,157</u>
Total		<u>\$ 154,742</u>	<u>\$ 140,839</u>

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

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**BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Borough of Point Pleasant, County of Ocean, New Jersey (hereafter referred to as the "Borough") is governed by the Borough form of government, with a mayor and a 6-member Borough Council. Administrative responsibilities are assigned to the Borough Manager. Policy is determined by Council and the Manager is responsible for carrying out such policy.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61 and 80, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Borough are not presented in accordance with GAAP (as discussed below). Therefore, the Borough had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61 and 80.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United State of America applicable to local government units. The more significant differences are explained further in this note.

In accordance with the "Requirements", the Borough accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds – These funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund – This fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Water/Sewer Utility Operating and Capital Funds – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Borough.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Payroll Fund – This fund accounts for the payroll activity of all the funds and the disbursements of payroll with holdings to various cognizant agencies.

Budgets and Budgetary Accounting - The Borough must adopt an annual budget for its Current & Water/Sewer Utility Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Borough's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost with the exception of LOSAP investments which are reported at fair value. Therefore unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by *N.J.S.A.40A:5-14* to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

N.J.S.A.17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Borough requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

Inventories and Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements 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 funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Water/Sewer Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Foreclosed property – Foreclosed Property or “Property Acquired for Taxes” is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Borough to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Fund Balance – Fund Balance included in the Current & Water/Sewer Utility Operating Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Borough’s budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance 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.

Water/Sewer Utility Revenues – Utility charges are levied semi-annually quarterly based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Boroughs utility operating fund.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Borough’s annual budget, but also the amounts required in support of the budgets of the County of Ocean, and the Point Pleasant Borough School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Point Pleasant School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district January 1st to December 31st.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

Reserve for Uncollected Taxes – The inclusion of the “Reserve for Uncollected Taxes” appropriation in the Borough’s annual budget protects the Borough from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis. Appropriations for interest payments on outstanding utility capital bonds and notes are provided on the accrual basis.

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

Long-Term Debt - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General & Water/Sewer Utility Capital Fund. Where an improvement is a “local improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has recently adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements; and there have been no GASB pronouncements effective for the current year that have a significant impact of the Borough’s financial statements.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 2. Deposits and Investments

The Borough is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits may not be returned. Although the Borough does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Borough in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2017, the Borough's bank balance of \$26,553,406 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 25,580,660
Uninsured and Uncollateralized	<u>972,746</u>
	<u><u>\$ 26,553,406</u></u>

Investments

Fair Value Measurement – The fair value measurements of investments are required to be reported based on the hierarchy established by generally accepted accounting principles. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available.

Under regulatory basis of accounting, investments are measured at cost in the Borough's financial statements. However, had the financial statements been prepared in accordance with GAAP, the Borough's fair value, hierarchy level and maturities of its investments at December 31, 2017 would be as followed:

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 2. Deposits and Investments (continued):

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value as of December 31, 2017</u>			<u>Investment Maturities (in Years)</u>
		<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>	<u>Less Than 1 Year</u>
Money Markets	\$ 648,828	\$ 648,828	\$ -	\$ 648,828	\$ 648,828
Mutual Funds	80,030	80,030	-	80,030	80,030
Fixed Account Investment Contract	343,969	-	343,969	343,969	343,969
	<u>\$ 1,072,827</u>	<u>\$ 728,858</u>	<u>\$ 343,969</u>	<u>\$ 1,072,827</u>	<u>\$ 1,072,827</u>
<u>Fund</u>					
Trust Fund - LOSAP	\$ 1,072,827	\$ 728,858	\$ 343,969	\$ 1,072,827	\$ 1,072,827
	<u>\$ 1,072,827</u>	<u>\$ 728,858</u>	<u>\$ 343,969</u>	<u>\$ 1,072,827</u>	<u>\$ 1,072,827</u>

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Borough will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Borough's investment policies place no limit in the amount the Borough may invest in any one issuer. More than 5% of the Borough's investments are in Money Markets, Mutual Funds, & Fixed Account Investment Contracts. These investments represent 100% of the Borough's total investments.

Note 3. Property Taxes

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

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 3. Property Taxes (continued)

Comparison Schedule of Tax Rates

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tax Rate	<u>\$ 1.953</u>	<u>\$ 1.938</u>	<u>\$ 1.915</u>
Apportionment of Tax Rate:			
Municipal	0.441	0.436	0.430
Municipal Open Space	0.002	0.002	0.002
County General	0.424	0.429	0.425
Local School	1.086	1.071	1.058

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017	\$ 3,238,516,710
2016	3,229,232,510
2015	3,211,176,410

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2017	\$ 63,539,239	\$ 62,844,553	98.90%
2016	62,849,396	62,054,268	98.73%
2015	61,853,741	60,751,061	98.21%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2017	\$ 74,269	\$ 424,520	\$ 498,789	0.79%
2016	45,376	656,309	701,685	1.12%
2015	38,355	1,009,436	1,047,791	1.69%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2017	5
2016	5
2015	5

The last tax sale was held on July 10th, 2017.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 4. Property Acquired By Tax Title Lien Liquidation

The Borough had no properties acquired by liquidation of tax title liens as of December 31, 2017.

Note 5. Water/Sewer Utility Service Charges

The following is a three-year comparison of Water/Sewer utility charges (rents) and collections for the current and previous two years.

<u>Year</u>	<u>Beginning Balance</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2017	\$ 435,206.00	\$ 6,659,073.00	\$ 7,094,279.00	\$ 6,310,885.00	88.95%
2016	474,318.00	6,322,706.00	6,797,024.00	6,343,206.00	93.32%
2015	686,512.00	6,296,167.00	6,982,679.00	6,508,085.00	93.20%

Note 6. Fund Balances Appropriated

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2017	\$ 4,478,312.00	\$ 2,400,000.00	53.59%
2016	4,410,349.00	2,500,000.00	56.68%
2015	3,749,805.00	2,200,000.00	58.67%
Water/Sewer Utility Operating Fund:			
2017	\$ 793,817.00	\$ 378,652.00	47.70%
2016	927,562.00	500,272.00	53.93%
2015	696,186.00	189,634.00	27.24%

Note 7. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 8. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2017:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 368,134	\$ -
State and Federal Grant Fund	-	368,121
Trust Other Fund	-	13
Capital Fund	-	300,000
Water/Sewer Utility Capital Fund	<u>300,000</u>	<u>-</u>
	<u><u>\$ 668,134</u></u>	<u><u>\$ 668,134</u></u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ 319,537	\$ -
State and Federal Grant Fund	-	387,263
Trust Other Fund	163,984	96,258
Capital Fund	300,000	-
Water/Sewer Utility Capital Fund	<u>-</u>	<u>300,000</u>
	<u><u>\$ 783,521</u></u>	<u><u>\$ 783,521</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 9. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2017.

Note 9. Fixed Assets (continued):

	Balance December 31, <u>2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	Balance December 31, <u>2017</u>
General Fixed Asset Account Group:					
Land	\$ 22,840,500	\$ -	\$ -	\$ -	\$ 22,840,500
Buildings & Improvements	5,350,400	-	-	-	5,350,400
Equipment & Machinery	4,043,704	820,982	305,006	813,502	3,746,178
Vehicles	6,301,066	288,990	82,500	869,747	7,377,303
	38,535,670	1,109,972	387,506	1,683,249	39,314,381
Water/Sewer Utility Fund:					
Fixed Capital	30,197,184	-	-	-	30,197,184
Fixed Capital Authorized & Uncompleted	12,269,820	367,100	-	-	12,636,920
	42,467,004	367,100	-	-	42,834,104
	\$ 81,002,674	\$ 1,477,072	\$ 387,506	\$ 1,683,249	\$ 82,148,485

Note 10. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62 and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

A. Public Employees' Retirement System (PERS) (continued):

by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2017, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2017, the Borough's contractually required contribution to PERS plan was \$528,591.

Components of Net Pension Liability - At December 31, 2017, the Borough's proportionate share of the PERS net pension liability was \$13,282,431. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The Borough's proportion of the net pension liability was based on the Borough's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Borough's proportion measured as of June 30, 2017, was 0.05706% which was a decrease of 0.00167% from its proportion measured as of June 30, 2016.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

A. Public Employees' Retirement System (PERS) (continued):

Collective Balances at December 31, 2017 and December 31, 2016

	<u>12/31/2017</u>	<u>12/30/2016</u>
Actuarial valuation date (including roll forward)	June 30, 2017	June 30, 2016
Deferred Outflows of Resources	\$ 3,643,997	\$ 5,328,928
Deferred Inflows of Resources	3,018,490	73,799
Net Pension Liability	13,282,431	17,395,077
Borough's portion of the Plan's total net pension Liability	0.05706%	0.05873%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2017, the Borough's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2017 measurement date is \$958,038. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Borough contributed \$528,591 to the plan in 2017.

At December 31, 2017, the Borough reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 312,755	\$ -
Changes of Assumptions	2,675,952	2,666,142
Net Difference between Projected and Actual Earnings on Pension Plan Investments	90,444	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	<u>564,846</u>	<u>352,348</u>
	<u>\$ 3,643,997</u>	<u>\$ 3,018,490</u>

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

A. Public Employees' Retirement System (PERS) (continued):

The Borough will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

A. Public Employees' Retirement System (PERS) (continued):

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending Dec 31,	<u>Amount</u>
2018	\$ 408,311
2019	564,067
2020	361,376
2021	(403,011)
2022	<u>(305,236)</u>
	<u><u>\$ 625,507</u></u>

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	2.25%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2011 - June 30, 2014

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

A. Public Employees' Retirement System (PERS) (continued):

retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

A. Public Employees' Retirement System (PERS) (continued):

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Borough's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Borough's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Borough's Proportionate Share of the Net Pension Liability	\$ 16,477,757	\$ 13,282,431	\$ 10,620,328

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

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

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

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

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2017, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2017, the Borough's contractually required contributions to PFRS plan was \$959,980.

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

Net Pension Liability and Pension Expense - At December 31, 2017 the Borough's proportionate share of the PFRS net pension liability was \$16,745,679. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The Borough's proportion of the net pension liability was based on the Borough's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Borough's proportion measured as of June 30, 2017, was 0.10847%, which was an increase of 0.00600% from its proportion measured as of June 30, 2016.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

Collective Balances at December 31, 2017 and December 31, 2016

	<u>12/31/2017</u>	<u>12/31/2016</u>
Actuarial valuation date (including roll forward)	June 30, 2017	June 30, 2016
Deferred Outflows of Resources	\$ 3,523,485	\$ 4,476,494
Deferred Inflows of Resources	2,840,736	128,307
Net Pension Liability	16,745,679	19,573,466
 Borough's portion of the Plan's total net pension Liability	 0.10847%	 0.10247%

Pension Expense and Deferred Outflows/Inflows of Resources – At December 31, 2017, the Borough's proportionate share of the PFRS expense, calculated by the plan as of the June 30, 2017 measurement date was \$1,518,717. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Borough contributed \$959,980 to the plan in 2017.

At December 31, 2017, the Borough had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 108,636	\$ 98,283
Changes of Assumptions	2,064,929	2,742,453
Net Difference between Projected and Actual Earnings on Pension Plan Investments	319,547	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	1,030,373	-
	<u>\$ 3,523,485</u>	<u>\$ 2,840,736</u>

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

The Borough will amortize the above sources of deferred outflows and inflows related to PFRS over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	-	5.53
June 30, 2016	-	5.58
June 30, 2017	5.59	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	-
June 30, 2015	5.53	-
June 30, 2016	5.58	-
June 30, 2017	-	5.59
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	6.17
June 30, 2015	5.53	5.53
June 30, 2016	5.58	5.58
June 30, 2017	5.59	5.59

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

Year Ending	
<u>Dec 31,</u>	<u>Amount</u>
2018	\$ 443,519
2019	766,596
2020	174,945
2021	(460,370)
2022	<u>(241,941)</u>
	<u><u>\$ 682,749</u></u>

Special Funding Situation – Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the state is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Borough is \$1,875,657 as of December 31, 2017. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The State's proportion of the net pension liability associated with the Borough was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2017 was 0.10847%, which was an increase of 0.00600% from its proportion measured as of June 30, 2016, which is the same proportion as the Borough's. At December 31, 2017, the Borough's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 16,745,679
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>1,875,657</u>
	<u><u>\$ 18,621,336</u></u>

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

At December 31, 2017, the State's proportionate share of the PFRS expense, associated with the Borough, calculated by the plan as of the June 30, 2017 measurement date was \$229,435.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	2.25%
Salary Increases:	
Through 2026	2.10% - 8.98% Based on Age
Thereafter	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2010 - June 30, 2013

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

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

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

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 6.14% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (Continued):

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

Sensitivity of the Borough's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Borough's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.14%) or 1-percentage-point higher (7.14%) than the current rate:

	1% Decrease <u>(5.14%)</u>	Current Discount Rate <u>(6.14%)</u>	1% Increase <u>(7.14%)</u>
Borough's Proportionate Share of the Net Pension Liability	\$ 22,063,811	\$ 16,745,679	\$ 12,376,229
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	<u>2,471,333</u>	<u>1,875,657</u>	<u>1,386,242</u>
	<u><u>\$ 24,535,144</u></u>	<u><u>\$ 18,621,336</u></u>	<u><u>\$ 13,762,471</u></u>

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Borough.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt

The following schedule represents the Borough's summary of debt, as filed in the Borough's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 19,296,865	\$ 20,288,399	\$ 21,949,315
Utility:			
Bonds, Notes and Loans	10,345,822	8,985,411	9,311,317
	<hr/>	<hr/>	<hr/>
Total Debt Issued	29,642,687	29,273,810	31,260,632
	<hr/>	<hr/>	<hr/>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	2,615,168	707,165	1,489,004
Utility:			
Bonds, Notes and Loans	1,150,645	1,628,067	1,577,214
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	3,765,813	2,335,232	3,066,218
	<hr/>	<hr/>	<hr/>
Total Gross Debt	<u><u>\$ 33,408,500</u></u>	<u><u>\$ 31,609,042</u></u>	<u><u>\$ 34,326,850</u></u>
	<hr/>	<hr/>	<hr/>
Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ 98,228	\$ -	\$ 1,839,892
Water/Sewer Utility:			
Self Liquidating Debt	11,496,467	9,890,672	4,974,737
	<hr/>	<hr/>	<hr/>
Total Deductions	11,594,695	9,890,672	6,814,629
	<hr/>	<hr/>	<hr/>
Total Net Debt	<u><u>\$ 21,813,805</u></u>	<u><u>\$ 21,718,370</u></u>	<u><u>\$ 27,512,221</u></u>

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 18,048,000	\$ 18,048,000	\$ -
General Debt	21,912,033	98,228	21,813,805
Utility Debt	11,496,467	11,496,467	-
	<u>\$ 51,456,500</u>	<u>\$ 29,642,695</u>	<u>\$ 21,813,805</u>

Net Debt \$21,813,805 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$3,322,593,726, equals 0.657 %. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2017 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 116,290,780
Net Debt	<u>21,813,805</u>
Remaining Borrowing Power	<u>\$ 94,476,975</u>

Self-Liquidating Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 6,432,782
Deductions:	
Operating and Maintenance Costs	\$ 5,711,924
Debt Service	<u>531,759</u>
Total Deductions	<u>6,243,683</u>
Excess/(Deficit) in Revenue	<u>\$ 189,099</u>

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

General Debt

A. Serial Bonds Payable

In July 2010, the Borough issued \$14,890,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00 % to 4.00 % and mature in 2024.

In November 2015, the Borough issued \$7,300,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00 % to 4.00 % and mature in 2025.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,725,000	\$ 426,557	\$ 2,151,557
2019	1,800,000	375,918	2,175,918
2020	1,850,000	315,980	2,165,980
2021	1,950,000	266,430	2,216,430
2022	2,130,000	213,636	2,343,636
2023-2025	5,480,000	272,132	5,752,132
	<u>\$ 14,935,000</u>	<u>\$ 1,870,653</u>	<u>\$ 16,805,653</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2017:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2017</u>
General Improvements	1/22/2015	1/22/2018	1.000%	<u>\$ 4,200,000</u>
				<u>\$ 4,200,000</u>

The purpose of these short-term borrowings was to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2017, the Borough had \$2,615,168 in various General Capital bonds and notes authorized but not issued.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

D. Loans Payable

Green Acres Loan

In 2000 & 2010 the Borough finalized two loan agreements.

The first loan was in 2000, of \$148,836 to be repaid over a 20 year period at a 2.00 % interest rate. The proceeds of the loan is to provide for the restoration of River and Maxxon Avenue Beach Development.

The second loan was in 2010, of \$113,000 to be repaid over a 20 year period at a 2.00 % interest rate. The proceeds of the loan is to provide for the restoration of Riverfront Park.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 32,170	\$ 3,077	\$ 35,247
2019	32,817	2,431	35,248
2020	33,477	1,771	35,248
2021	5,787	1,239	7,026
2022	5,904	1,123	7,027
2023-2027	31,348	3,786	35,134
2028-2032	20,362	719	21,081
	<u>\$ 161,865</u>	<u>\$ 14,146</u>	<u>\$ 176,011</u>

Water/Sewer Utility Debt

A. Serial Bonds Payable

In July 2010, the Borough issued \$4,980,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00 % to 4.00 % and mature in 2029.

In November 2015, the Borough issued \$1,360,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00 % to 4.00 % and mature in 2029.

Principal and interest due on the outstanding bonds is as follows:

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 380,000	\$ 160,492	\$ 540,492
2019	385,000	148,555	533,555
2020	400,000	135,042	535,042
2021	400,000	123,901	523,901
2022	410,000	112,754	522,754
2023-2027	2,015,000	364,657	2,379,657
2028-2032	760,000	45,600	805,600
	<u>\$ 4,750,000</u>	<u>\$ 1,091,001</u>	<u>\$ 5,841,001</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the Utility Capital Fund at December 31, 2017:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2017</u>
General Improvements	1/22/2015	1/22/2018	1.000%	<u>\$ 4,900,000</u>
				<u>\$ 4,900,000</u>

The purpose of these short-term borrowings was to provide resources for utility capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq.

C. Bonds and Notes Authorized But Not Issued

The Borough had no bonds and notes authorized but not issued in the Utility Capital Fund at December 31, 2017.

D. Loans Payable

New Jersey Environmental Infrastructure Trust

In 2014 the Borough finalized one loan agreements with the State of New Jersey Department of Environmental Protection, pursuant to the New Jersey Environmental Infrastructure Trust Financing Program.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

The first loan consists of two agreements, a Trust Loan Agreement of \$405,000 to be repaid over a 19 year period at interest rates ranging from 3.00% to 5.00%, and a no interest Fund Loan Agreement of \$411,161 to be repaid over a 19 year period. The proceeds of the loans are to provide for the replacement of the Borough's pumping station.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 35,906	\$ 13,513	\$ 49,419
2019	35,906	12,763	48,669
2020	40,906	12,013	52,919
2021	40,906	11,013	51,919
2022	40,906	10,013	50,919
2023-2027	214,533	36,113	250,646
2028-2032	234,533	17,063	251,596
2033-2037	52,226	975	53,201
	<u>\$ 695,822</u>	<u>\$ 113,466</u>	<u>\$ 809,288</u>

Summary of Principal Debt

A summary of the changes in long-term and short term debt of the Borough is as follows:

	Balance December 31, <u>2016</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2017</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 16,595,000	\$ -	\$ 1,660,000	\$ 14,935,000	\$ 1,726,000
Bond Anticipation Notes	3,500,000	4,200,000	3,500,000	4,200,000	4,200,000
Green Acres Loan Payable	193,399	-	31,534	161,865	32,170
	<u>\$ 20,288,399</u>	<u>\$ 4,200,000</u>	<u>\$ 5,191,534</u>	<u>\$ 19,296,865</u>	<u>\$ 5,958,170</u>
Utility Capital:					
Utility Bonds	\$ 5,055,000	\$ -	\$ 305,000	\$ 4,750,000	\$ 380,000
Bond Anticipation Notes	3,200,000	4,900,000	3,200,000	4,900,000	4,900,000
NJEIT Loan Payable	730,411	-	34,589	695,822	52,690
	<u>\$ 8,985,411</u>	<u>\$ 4,900,000</u>	<u>\$ 3,539,589</u>	<u>\$ 10,345,822</u>	<u>\$ 5,332,690</u>

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 12. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017 the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balances of the following funds:

<u>Description</u>	<u>Balance December 31, 2017</u>	<u>2018 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Community Disaster Loan Program	\$ 4,113,315	\$ -	\$ 4,113,315
Water/Sewer Utility Operating Fund:			
Community Disaster Loan Program	\$ 703,909	\$ -	\$ 703,909

Note 13. Deferred School Taxes

School taxes have been raised and the liability deferred by statutes. The balance of unpaid local school taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, are as follows:

<u>Local Taxes</u>	<u>Balance, December 31,</u>	
	<u>2017</u>	<u>2016</u>
Total Balance of Local Tax	\$ 17,581,804	\$ 17,297,000
Deferred Taxes	<u>7,048,707</u>	<u>7,048,707</u>
Local Tax Payable	<u>\$ 10,533,097</u>	<u>\$ 10,248,293</u>

Note 14. Deferred Compensation Salary Account

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 15. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation, sick pay and compensation time. The Borough permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$1,433,258 at December 31, 2017.

Note 16. 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.

Joint Insurance Pool

The Borough is a member of the Ocean County Municipal Joint Insurance Fund (JIF). The joint insurance pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Joint Insurance Fund will be self-sustaining through member premiums. The Joint Insurance Fund participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance for property.

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. The following is a summary of Borough contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's unemployment trust fund for the current and previous two years:

<u>Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 75,293	\$ 55,833	\$ 52,874
2016	75,038	57,468	33,414
2015	55,033	66,409	15,844

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 17. Contingencies

Grantor Agencies

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2017 the Borough estimates that no material liabilities will result from such audits.

Litigation

The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2017.

FEMA Community Disaster Loan

In 2013, the Borough submitted a formal request for a FEMA Community Disaster Loan (CDL) in the amount of \$4,817,224 in relation to Super Storm Sandy losses and expenditures. The interest rate on the loan is the U.S. Treasury rate for 5-year maturities on the date the Promissory Note was executed. The term of the loan is usually 5 years, but may be extended. Interest accrues on the funds as they are disbursed. When applicable, the Assistance Administrator of the Disaster Assistance Directorate may cancel repayment of all or part of the loan if the revenues of the applicant in the three fiscal years following the financial year of the disaster are insufficient to meet the operating budget because of disaster related revenue losses and un-reimbursed disaster related operating expenses.

Note 18. Length of Service Awards Program

The Borough's length of service awards program ("LOSAP") is reported in the Borough's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents of the Borough come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 18. Length of Service Awards Program (continued):

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Borough elected to contribute between \$32 & \$3,214 for the year ended December 31, 2017 per eligible volunteer, into the Plan, depending on how many points the member accrued during the year. During the year ended December 31, 2017, the Borough contributed a total of \$77,136 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the Borough's creditors until distributed as benefit payments, are not available for funding the operations of the Borough. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Variable Annuity Life Insurance Company - VALIC ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2017 payouts of \$17,167 were made to vested participants.

Forfeited Accounts - During the year ended December 31, 2017, no accounts were forfeited.

Plan Information - Additional information about the Borough's length of service awards program can be obtained by contacting the Plan Administrator.

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 19. Other Post-Employment Benefits

Plan Description

The Borough of Point Pleasant provides a single-employee defined benefit healthcare plan administered by Aquarius Capital Solutions Group, LLC and Horizon Blue Cross/Blue Shield of NJ. The Borough provides, pursuant to Council action and as provided by resolution, certain group healthcare and dental benefits for active and certain retired employees and their covered dependents, as well as Medicare Part B reimbursement (for those retirees that receive fully-subsidized benefits). Active employees who retire from the Borough and meet the eligibility criteria are eligible to receive these benefits from the Borough at no cost.

The Borough implemented GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, in 2009.

Funding Policy

The Borough's funding policy is pay-as-you-go.

Annual OPEB Cost and Net OPEB Obligation

The Borough's annual Other Post-Employment Benefits ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially-determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of 30 years. The following table shows the components of the Borough's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Borough's net OPEB obligation:

January 1, Net OPEB Obligation	\$ 25,723,807
Amortization of Unfunded Actuarial	
Accrued Liability	857,460
Interest on Net OPEB Obligation	34,298
Total Service Cost with Interest -	
January 1, - December 31,	<u>778,580</u>
Annual Required Contribution	<u>1,670,338</u>
Projected Contributions Made	<u>(614,330)</u>
Net OPEB Obligations, December 31st	<u><u>\$ 1,056,008</u></u>

**BOROUGH OF POINT PLEASANT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 19. Other Post-Employment Benefits (continued):

The Borough's annual OPEB Cost Summary is as follows:

Year Ended	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2017	1,670,338	36.78%	1,056,008

Actuarial Methods and Assumptions

The assumptions utilized in the computations are as follows:

Discount Rate	4%
Mortality Table	Sex-distinct RP-2014 Mortality Table
Turnover	Standard Turnover Assumptions
Amortization Period	30 Years
Actuarial Cost Method	Projected Unit Credit Method
Amortization Method	Level Percentage of Payroll
Participant Percentage	100%

Other Post Employment Benefit Costs and Obligations

The annual non-pension post-employment benefit ("OPEB") cost is actuarially-determined in accordance with the parameters of the alternative measurement method. It represents the actuarially-determined level of funding that, if paid on an ongoing basis, is projected to cover annual benefit costs and the 30-year amortization of the difference between the actuarial accrued liability and amounts previously recognized. The Borough has not recognized OPEB costs in the past.

The following are the components of the 2017 annual OPEB cost:

Normal Cost	\$ 25,723,807
Amortization Cost	<u>857,460</u>
December 31, 2017 OPEB Obligation	<u>\$ 26,581,267</u>

Funded Status

The Borough provides funding for the annual normal cost of OPEB benefits. The Borough has not provided any funding for its unfunded accrued OPEB obligation.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2017**

	CURRENT	FEDERAL & STATE GRANT FUNDS
Balance December 31, 2016	\$ 18,731,132	\$ 4,378
Increased by Receipts:		
Miscellaneous Reserves	\$ 427,228	
Taxes Receivable	62,919,194	-
Prepaid Taxes	3,870,620	-
Revenue Accounts Receivable	2,305,702	-
Due From State of New Jersey - Senior Citizen & Veteran Deductions	176,838	-
Tax Overpayments	46,857	-
Nonbudget Revenue	339,572	-
Interfunds	120,715	447,117
Unappropriated Grants	-	24,535
Federal & State Grants Receivable	-	165,214
	<u>70,206,726</u>	<u>636,866</u>
	88,937,858	641,244
Decreased by Disbursements:		
2017 Appropriations	16,674,502	-
2016 Reserve Appropriations	515,893	-
Special Emergency Note Payable	-	
County Taxes	13,774,067	-
Local District School Tax	34,878,811	-
Open Space Tax	64,770	-
Miscellaneous Reserves	27,814	-
Accounts Payable	3,608	-
Interfunds	447,117	120,715
Tax Overpayments	46,358	-
Reserve for Federal & State Grant Funds - Appropriated	-	520,529
	<u>66,432,940</u>	<u>641,244</u>
Balance December 31, 2017	<u>\$ 22,504,918</u>	<u>\$ -</u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2017**

YEAR	BALANCE DECEMBER 31, 2016	2017 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	CANCELLATIONS	TRANSFER TO TAX TITLE LIEN	BALANCE DECEMBER 31, 2017
				2016	2017				
2013	\$ 8,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,593	\$ -
2014	9,740	-	-	-	-	-	-	9,740	-
2015	9,972	-	-	-	-	-	-	9,972	-
2016	628,004	-	-	-	622,161	(7,011)	2,764	10,090	-
Total	656,309	-	-	-	622,161	(7,011)	2,764	38,395	-
2017	-	63,220,841	310,671	561,779	62,253,920	180,500	100,925	9,868	424,520
Total	\$ 656,309	\$ 63,220,841	\$ 310,671	\$ 561,779	\$ 62,876,081	\$ 173,489	\$ 103,689	\$ 48,263	\$ 424,520

Cash Receipts \$ 62,919,194
Overpayments (43,113)

Total \$ 62,876,081

ANALYSIS OF 2017 PROPERTY TAX LEVY

General Purpose Tax \$ 63,220,841
Added & Omitted Taxes (54:4-6 et seq) 310,671
Total \$ 63,531,512

TAX LEVY:

Local District School Tax
General County Tax \$ 11,617,325
County Library Tax 1,251,559
County Open Space 395,967
County Health Tax 453,531
Due County for Added & Omitted Taxes 61,657
13,780,039
Local Tax for Municipal Purposes 14,274,073
Municipal Open Space 64,770
Add: Additional Taxes Levied 249,015
14,587,858
Total \$ 63,531,512

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$ 45,376
Increased by:		
Transfers from Taxes Receivable	\$ 48,263	
Transfers from Water Sewer Lien Receivable	1,576	
Tax Title Liens Created	<u>17,251</u>	
		<u>67,090</u>
		112,466
Decreased by:		
Municipal Held Liens Redeemed		<u>38,197</u>
Balance December 31, 2017		<u><u>\$ 74,269</u></u>

**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	ACCRUED IN 2017	REALIZED	BALANCE DECEMBER 31, 2017
Miscellaneous Revenue Anticipated:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 19,256	\$ 19,256	\$ -
Construction Code Fees	-	495,352	495,352	-
Fees and Permits - Other	-	56,455	56,455	-
Municipal Court	7,195	156,031	151,053	12,173
Interest on Investments & Deposits	-	175,192	175,192	-
Interest on Costs on Taxes	-	180,818	180,818	-
Energy Receipts Tax	-	1,226,819	1,226,819	-
Consolidated Municipal Property Tax Relief Aid	<u>-</u>	<u>757</u>	<u>757</u>	<u>-</u>
Total	<u>\$ 7,195</u>	<u>\$ 2,310,680</u>	<u>\$ 2,305,702</u>	<u>\$ 12,173</u>
Cash Receipts			<u>\$ 2,305,702</u>	
Total			<u><u>\$ 2,305,702</u></u>	

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	ENCUMBRANCES	RESERVE	BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
OPERATIONS WITHIN "CAPS":					
General Government Functions:					
General Administration:					
Salaries and Wages	\$ -	2,196	\$ 2,196	\$ -	\$ 2,196
Other Expenses	2,407	211	2,618	1,086	1,532
Municipal Clerk:					
Salaries and Wages	-	14,299	14,299	-	14,299
Other Expenses	8,046	228	8,274	1,861	6,413
Elections:	-	566	566	-	566
Financial Administration (Treasury):					
Salaries and Wages	-	5,453	5,453	-	5,453
Other Expenses	2,104	1,522	3,626	2,103	1,523
Audit Services:					
Annual Audit	450	25,464	25,914	-	25,914
Revenue Administration (Tax Collector):					
Salaries and Wages	-	176	176	-	176
Other Expenses	41	6,437	6,478	67	6,411
Tax Assessor:					
Other Expenses	3,812	286	4,098	3,700	398
Cost of Tax Appeals	-	3,000	3,000	-	3,000
Legal Services:					
Other Expenses	38,089	26,100	64,189	17,767	46,422
Engineering Services & Costs:					
Other Expenses	33,993	4,341	38,334	14,362	23,972
Land Use Administration:					
Planning Board:					
Salaries and Wages	-	9	9	-	9
Other Expenses	6,695	1	6,696	1,798	4,898
Zoning Board of Adjustment:					
Other Expenses	4,641	2,045	6,686	820	5,866
Zoning Officer:					
Salaries and Wages	-	1,423	1,423	105	1,318
Other Expenses	2,151	6,329	8,480	1,688	6,792
Insurance:					
General Liability	-	10,009	10,009	-	10,009
Workers' Compensation Insurance	-	19,012	19,012	-	19,012
Group Health Waivers	-	24,232	24,232	6,259	17,973
Unemployment Insurance	-	70,646	70,646	183	70,463
Public Safety Functions:					
Police:					
Salaries and Wages	-	67,946	67,946	11,739	56,207
Other Expenses	90,068	9,099	99,167	66,168	32,999
Purchase of Police Vehicles					
Office of Emergency Management					
Salaries and Wages	-	3,500	3,500	-	3,500
Other Expenses	2,275	1,359	3,634	2,276	1,358

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	ENCUMBRANCES	RESERVE	BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Public Works Functions:					
Road Repairs & Maintenance:					
Salaries and Wages	-	7,897	6,397	3,155	3,242
Other Expenses	28,260	2,879	31,139	17,636	13,503
Other Public Works Functions					
Recycling:					
Other Expenses	22,734	3,529	27,763	24,521	3,242
Snow Removal					
Salaries and Wages	-	24,704	24,704	-	24,704
Other Expenses	9,977	18,675	28,652	3,178	25,474
Solid Waste Collection:					
Contractual	43,364	17,880	61,244	41,962	19,282
Building & Grounds:					
Other Expenses	6,524	378	6,902	3,052	3,850
Community Services Act					
Other Expenses	36,125	53,320	89,445	30,199	59,246
Health & Human Services:					
Board of Health:					
Other Expenses	127	252	379	127	252
Environmental Commission:					
Salaries and Wages	-	831	831	-	831
Other Expenses	-	1,155	1,155	-	1,155
Park & Recreation Functions:					
Recreation Services & Programs:					
Salaries and Wages	-	1,622	1,622	623	999
Other Expenses	345	7,894	8,239	440	7,799
Utility Expense & Bulk Purchases:					
Electricity	28,224	10,000	38,224	22,465	15,759
Street Lighting	10,373	35,000	45,373	10,371	35,002
Telephone	1,719	16,470	18,189	1,185	17,004
Gasoline	4,328	37,580	41,908	-	41,908
Natural Gas	941	2,000	2,941	679	2,262
Landfill/Solid Waste Disposal Costs:					
Landfill Dumping Fees	69,688	27,000	96,688	47,241	49,447
Municipal Court:					
Other Expenses	-	3,750	3,750	-	3,750
Public Defender					
Other Expenses	2,550	300	2,850	-	2,850
State Uniform Construction Code:					
Construction Code Official:					
Salaries and Wages	-	1,822	3,217	3,217	-
Other Expenses	394	12,358	12,752	394	12,358
Other Common Operating Functions:					
Sick Payouts	-	145,000	145,000	80,650	64,350
Salary Adjustments	-	14,060	12,665	-	12,665
Contingent	-	1,000	1,000	-	1,000
Judgements	-	100	100	-	100

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**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		
School Tax Payable	\$ 10,248,293	
School Tax Deferred	<u>7,048,707</u>	\$ 17,297,000
Increased by:		
Calendar Year Levy - 2017		<u>35,163,615</u>
		52,460,615
Decreased by:		
Cash Disbursements		<u>34,878,811</u>
Balance December 31, 2017		
School Tax Payable	10,533,097	
School Tax Deferred	<u>7,048,707</u>	
Total		<u><u>\$ 17,581,804</u></u>
2017 Liability for Local District School Tax:		
Tax Paid	\$ 34,878,811	
Tax Payable December 31, 2017	<u>10,533,097</u>	
Subtotal		45,411,908
Less: Tax Payable December 31, 2016		<u>10,248,293</u>
Amount Charged to 2017 Operations		<u><u>\$ 35,163,615</u></u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$ 55,685
Increased by:		
County Tax	\$ 11,617,325	
County Library Tax	1,251,559	
County Open Space	395,967	
County Health Tax	453,531	
Added & Omitted Taxes	<u>61,657</u>	
		<u>13,780,039</u>
		13,835,724
Decreased by:		
Disbursements		<u>13,774,067</u>
Balance December 31, 2017		<u><u>\$ 61,657</u></u>

**SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	INCREASES	DECREASES	BALANCE DECEMBER 31, 2017
Reserve for Superstorm Sandy	\$ 65,623	\$ 144,405	\$ -	\$ 210,028
Reserve for Tax Appeal	300,000.00	-	-	300,000
Reserve for Sale of Municipal Assets	1,603,205	-	200,000	1,403,205
Reserve for Sale of Liquor Licenses	-	255,001	-	255,001
Due State of New Jersey:				
Marriage License Fees	557	2,472	2,350	679
DCA Training Fees	6,222	25,350	25,464	6,108
Total	<u>\$ 1,942,013</u>	<u>\$ 427,228</u>	<u>\$ 227,814</u>	<u>\$ 2,175,021</u>
Cash Disbursement			\$ 27,814	
Recognized as Budgeted Revenue			<u>200,000</u>	
			<u><u>\$ 227,814</u></u>	

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 561,779
Increased By:	
Cash Receipts:	
Collection of 2018 Taxes	<u>3,870,620</u>
	4,432,399
Decreased By:	
Amount Applied To 2017 Taxes Receivable	<u>561,779</u>
Balance, December 31, 2017	<u><u>\$ 3,870,620</u></u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$	62,112
Increased By:			
Transfer from Appropriation Reserves			<u>12,313</u>
			74,425
Decreased By:			
Cash Disbursements	\$	3,608	
Cancellations		<u>8,504</u>	
			<u>12,112</u>
Balance, December 31, 2017		\$	<u><u>62,313</u></u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 22,008
Increased By:		
Senior Citizens' Deductions Per Tax Billing	\$ 34,500	
Veterans' Deductions Per Tax Billing	146,000	
Deductions Allowed By Collector:		
2017 Taxes	<u>2,250</u>	
		<u>182,750</u>
		204,758
Decreased By:		
Cash Receipts	\$ 176,838	
2017 Senior Citizens' Deductions		
Disallowed	<u>8,923</u>	
		<u>185,761</u>
Balance, December 31, 2017		<u><u>\$ 18,997</u></u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 20,443
Increased By:	
Overpayments	<u>46,857</u>
	67,300
Decreased By:	
Overpayments Refunded	<u>46,358</u>
Balance, December 31, 2017	<u><u>\$ 20,942</u></u>

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	TOTAL	GRANT FUND	TRUST OTHER FUND
Balance December 31, 2016 Due from/(to)	\$ 87,745	\$ 87,739	\$ 6
Interfunds Created	572,896	572,889	7
Total Increases	572,896	572,889	7
	660,641	660,628	13
Decreased by:			
Interfunds Liquidated	204,768	204,768	-
Prior Year Interfund Received	87,739	87,739	-
Total Decreases	292,507	292,507	-
Balance December 31, 2017 Due from/(to)	\$ 368,134	\$ 368,121	\$ 13

**BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	2017 ANTICIPATED REVENUE	CHAPTER 159	RECEIVED	TRANSFER FROM UNAPPROPRIATED	CANCELLED	BALANCE DECEMBER 31, 2017
State Grants:							
Municipal Alliance on Alcoholism and Drug Abuse	\$ 24,508	\$ -	-	\$ -	-	\$ 24,508	\$ -
Bulletproof Vest Partnership Grant	12,371	-	-	3,056	-	3,428	5,887
Clean Communities Program	-	-	41,303	41,303	-	-	-
Click It or Ticket	1,200	-	-	-	-	1,200	-
Drive Sober or Get Pulled Over	6,150	-	11,000	10,475	-	1,175	5,500
FEMA - Emergency Generator	262,650	-	-	-	-	-	262,650
Hazard Mitigation - Tideflex	77,940	-	-	-	-	-	77,940
CDBG - GIS Study	50,000	-	-	47,778	-	2,222	-
CDBG - Floodplain Management	50,000	-	-	-	-	-	50,000
CDBG - Debris Management	-	10,000	-	9,989	-	11	-
NJ Transportation Trust Fund Authority Act:							
West End Drive - 2008 Municipal Aid	783	-	-	-	-	-	783
Riverwood Avenue	90,744	-	-	-	-	-	90,744
2013 NJ Municipal DOT	50,000	-	-	-	-	-	50,000
Community Development Block Grant:							
CT - 884-09	1,561	-	-	-	-	-	1,561
Recycling Tonnage Grant	-	29,653	-	29,653	-	-	-
Alcohol Education & Rehabilitation	-	1,873	1,029	1,029	1,873	-	-
Cops in Shops	4,000	-	1,600	1,600	-	2,000	2,000
Distracted Driving Crackdown	-	-	5,500	5,500	-	-	-
Pedestrian Safety Grant	11,000	-	-	5,525	-	5,475	-
Drunk Driving Enforcement Grant	-	5,944	6,315	6,315	5,944	-	-
Body Armor Replacement Grant	-	-	2,991	2,991	-	-	-
Smart Future Growth Grant	6,000	-	-	-	-	6,000	-
Strategic Recovery Planning Report	8,226	-	-	-	-	-	8,226
Total Grant Funds	\$ 657,133	\$ 47,470	\$ 69,738	\$ 165,214	\$ 7,817	\$ 46,019	\$ 555,291

**BOROUGH OF POINT PLEASANT
CURRENT FUND
STATE AND FEDERAL GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	TRANSFER FROM 2017 BUDGET APPROPRIATION	CHAPTER 159	EXPENDED	PRIOR YEAR ENCUMBRANCES	CURRENT YEAR ENCUMBRANCES	BALANCE DECEMBER 31, 2017
Clean Communities Program	\$ 17,735	\$ -	\$ 41,303	\$ 48,433	\$ 805	\$ 1,626	\$ 9,784
Alcohol Education Rehabilitation Fund	11,458	1,873	1,029	-	-	-	14,360
Pedestrian Safety Education and Enforcement	16,494	-	-	7,705	-	-	8,789
Body Armor Replacement Grant	6,426	-	2,991	7,645	-	1,746	26
Bullet Proof Partnership Grant	8,411	-	-	1,896	-	-	6,515
Click It or Ticket	1,200	-	-	1,200	-	-	-
Hazard Mitigation - Tideflex	67,400	-	-	72,945	5,545	-	-
FEMA - Generator Project	-	-	-	222,159	232,834	10,675	-
NJ Transportation Trust Fund Authority Act: Riverwood Avenue	22,013	-	-	-	-	-	22,013
Community Development Block Grant: CT - 884-09	3,568	-	-	-	-	-	3,568
Debris Management	-	10,000	-	10,000	-	-	-
CDBG - GIS Study	2,280	-	-	50,000	47,720	-	-
CDBG - Floodplain Mgmt	3,280	-	-	34,812	46,720	15,188	-
Distracted Driving Crackdown Grant	-	-	5,500	5,500	-	-	-
Recycling Tonnage Grant	-	29,653	-	29,910	3,328	665	2,406
Strategic Recovery Planning Report	7,100	-	-	-	1,265	1,265	7,100
Cops in Shops	3,882	-	1,600	3,600	-	-	1,882
Drive Sober Grant	3,375	-	11,000	10,670	-	-	3,705
Drunk Driving Enforcement Fund	18,411	5,944	6,315	14,054	-	-	16,616
Over the Limit Grant	4,377	-	-	-	-	-	4,377
Total	\$ 197,410	\$ 47,470	\$ 69,738	\$ 520,529	\$ 338,217	\$ 31,165	\$ 101,141

**BOROUGH OF POINT PLEASANT
STATE AND FEDERAL GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	RECEIVED 2017	UTILIZED AS REVENUE	BALANCE DECEMBER 31, 2017
Alcohol Education and Rehabilitation Fund	\$ 1,874	\$ -	\$ 1,874	\$ -
Drunk Driving Enforcement	5,944	-	5,944	-
Recycling Tonnage Grant	-	24,535	-	24,535
	<hr/>			
Total	\$ 7,818	\$ 24,535	\$ 7,818	\$ 24,535
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TRUST FUND

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**BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>OTHER</u>	<u>OPEN SPACE</u>	<u>DOG LICENSE</u>
Balance December 31, 2016	\$ 1,858,136	\$ 271,117	\$ 23,271
Increased by Receipts:			
Various Reserves	\$ 2,695,800	\$ -	\$ -
Interfunds	12	64,770	-
Interest Earnings	-	1,967	-
State Registration Fees	-	-	3,137
License Fees & Others	-	-	26,417
	<u>-</u>	<u>-</u>	<u>26,417</u>
Total Increases	<u>2,695,812</u>	<u>66,737</u>	<u>29,554</u>
Total Increases & Balances	<u>4,553,948</u>	<u>337,854</u>	<u>52,825</u>
Decreased by Disbursements:			
Various Reserves	2,976,331	-	-
Interfunds	6	-	-
Reserve for Municipal Open Space	-	112,021	-
State Registration Fees	-	-	3,109
Expenditures Under R.S.4:19-15.11	-	-	10,670
	<u>-</u>	<u>-</u>	<u>10,670</u>
Total Disbursements	<u>2,976,337</u>	<u>112,021</u>	<u>13,779</u>
Balance December 31, 2017	<u>\$ 1,577,611</u>	<u>\$ 225,833</u>	<u>\$ 39,046</u>

**BOROUGH OF POINT PLEASANT
TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE/(FROM) STATE FOR DOG REGISTRATION FEES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ -
Increased by:	
State Registration Fees	<u>3,137</u>
	3,137
Decreased by:	
Disbursements	<u>3,109</u>
Balance December 31, 2017	<u><u>\$ 28</u></u>

**SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 23,296
Increased by:	
Dog License Fees Collected	<u>26,417</u>
	49,713
Decreased by:	
Expenditures Under R.S. 4:19-15.11	<u>10,670</u>
Balance December 31, 2017	<u><u>\$ 39,043</u></u>

LICENSE FEES COLLECTED

YEAR	AMOUNT
2015	21,745
2016	<u>18,683</u>
Total	<u><u>\$ 40,428</u></u>

**BOROUGH OF POINT PLEASANT
OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$	271,117
Increased by:			
Open Space Tax Levied	\$	64,770	
Interest Earnings		<u>1,967</u>	
			<u>66,737</u>
			337,854
Decreased by:			
Open Space Expenditures			<u>112,021</u>
Balance December 31, 2017		\$	<u><u>225,833</u></u>

**SCHEDULE OF INTERFUND RECEIVABLE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$	-
Increased by:			
Open Space Tax Levy			<u>64,770</u>
			64,770
Decreased by:			
Cash Receipts			<u>64,770</u>
Balance December 31, 2017		\$	<u><u>-</u></u>

**BOROUGH OF POINT PLEASANT
TRUST FUND - OTHER
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE DECEMBER 31, 2017
Reserve For:				
Law Enforcement	\$ 31,377	\$ 10,962	\$ 11,489	\$ 30,850
Affordable Housing	97,612	20,712	66,743	51,581
Public Defender	36,547	5,512	-	42,059
Recreation	80,270	443,806	452,257	71,819
POAA Funds	544	72	-	616
Safety Awards	546	-	-	546
Environmental Commission	4,363	5,550	4,389	5,524
Demolition Permits	9,000	28,000	23,000	14,000
Escrow Zoning Board	29,082	49,025	39,925	38,182
Planning Board	37,480	55,781	53,323	39,938
Recycling	4	31,964	29,946	2,022
Police Outside Services	158,079	182,958	194,767	146,270
Lien & Premium Account	1,201,252	1,518,331	2,001,910	717,673
Forfeited Funds	3,168	-	-	3,168
Unemployment Trust	33,414	75,293	55,833	52,874
Engineering Escrow	29,124	26,527	12,630	43,021
Police - Dare, Explorer, Summer	9,111	3,411	4,196	8,326
Grading Escrow	7,120	11,800	9,650	9,270
Performance Bond Escrow	118,043	226,096	16,273	327,866
Due to Board of Education	2,321	-	-	2,321
Total	<u>\$ 1,888,457</u>	<u>\$ 2,695,800</u>	<u>\$ 2,976,331</u>	<u>\$ 1,607,926</u>

**BOROUGH OF POINT PLEASANT
 LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
 SCHEDULE OF INVESTMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$	889,764
Increased by:			
Borough Contributions	\$	77,136	
Appreciation on Investments		118,504	
Interest Earnings		<u>4,590</u>	
			<u>200,230</u>
			1,089,994
Decreased by:			
Withdrawals			<u>17,167</u>
Balance, December 31, 2017		\$	<u><u>1,072,827</u></u>

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GENERAL CAPITAL FUND

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**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$	2,255,835
Increased by:			
Bond Anticipation Notes Issued	\$	4,200,000	
Grants Received		20,000	
Capital Improvement Fund		110,000	
			<u>4,330,000</u>
			6,585,835
Decreased by:			
Bond Anticipation Note Matured		3,200,000	
Improvement Authorizations		2,740,345	
			<u>5,940,345</u>
Balance December 31, 2017		\$	<u><u>645,490</u></u>

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2017**

Fund Balance	\$ 86,814
Capital Improvement Fund	177,206
Reserve for Encumbrances	985,923
Reserve for Debt Service	98,228
Grants Receivable	(180,000)
Due to Water/Sewer Capital	300,000

Improvement Authorizations:

ORDINANCE NUMBER	DESCRIPTION	
01-12	Various General Improvements	1,444
02-18	Various Capital Improvements	1,057
05-21	Various Capital Improvements	8,648
07-11	Various Capital Improvements	3,605
08-10, 09-03, 10-05	Various Capital Improvements	52,942
10-07	Various Capital Improvements	14,837
10-18	Surveillance Equipment at Parks	59,147
11-20	Various Capital Improvements	11
12-15	Various Capital Improvements	99,520
13-19	Various Capital Improvements	11,317
14-08	Various Capital Improvements	157,507
15-18	Various Capital Improvements	313,407
16-07	Various Capital Improvements	217,332
17-05	Renovations to Bay Ave Boat Ramp	(93,309)
17-06	Renovations to Bay Ave Boat Ramp	(95,504)
17-09	Various General Improvements	(1,428,288)
17-22	Heritage Park Renovation	(146,354)
		<hr/>
	Total	\$ 645,490
		<hr/> <hr/>

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$	16,788,399
Decreased by:			
Budget Appropriation:			
Serial Bonds Payable	\$	1,660,000	
Green Acres Loan Payable		31,534	
			<u>1,691,534</u>
Balance, December 31, 2017		\$	<u><u>15,096,865</u></u>

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE DECEMBER 31, 2017				
		BALANCE DECEMBER 31, 2016	2017 AUTHORIZATIONS	BALANCE DECEMBER 31, 2017	BOND ANTICIPATION NOTES	UNEXPENDED BALANCE
13-13	Various Capital Improvements	\$ 8,124	-	\$ 8,124	\$ -	\$ -
13-19	Various Capital Improvements	181,070	-	181,070	-	-
14-08	Various Capital Improvements	1,569,142	-	1,569,142	-	-
15-18	Various Capital Improvements	1,489,004	-	1,489,004	-	-
16-07	Various Capital Improvements	981,425	-	981,425	-	-
17-05	Renovations to Bay Ave Boat Ramp	-	104,500	104,500	-	28,765
17-06	Renovations to Bay Ave Boat Ramp	-	104,500	104,500	-	11,191
17-09	Various General Improvements	-	2,202,603	2,202,603	-	8,996
17-22	Heritage Park Renovation	-	174,800	174,800	-	774,315
					146,354	28,446
Total		\$ 4,228,765	\$ 2,586,403	\$ 6,815,168	\$ 4,200,000	\$ 1,763,455
						\$ 851,713

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 204,706
Increased by:	
Receipts - Current Fund Appropriations	<u>110,000</u>
Subtotal	314,706
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>137,500</u>
Balance December 31, 2017	<u><u>\$ 177,206</u></u>

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2016	INCREASED	DECREASED	BALANCE DECEMBER 31, 2017
13-13	Various Capital Improvements	1/23/16	1/13/17	1/12/18	1.000%	2,040,000	8,124	2,040,000	8,124
13-19	Various Capital Improvements	1/23/16	1/13/17	1/12/18	1.000%	1,260,000	181,070	1,260,000	181,070
14-08	Various Capital Improvements	1/23/16	1/13/17	1/12/18	1.000%	200,000	1,569,142	200,000	1,569,142
15-08	Various Capital Improvements	1/13/17	1/13/17	1/12/18	1.000%	-	1,489,004	-	1,489,004
16-07	Various Capital Improvements	1/13/17	1/13/17	1/12/18	1.000%	-	952,660	-	952,660
						\$ 3,500,000	\$ 4,200,000	\$ 3,500,000	\$ 4,200,000

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVED AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2016		CAPITAL IMPROVEMENT FUND		2017 AUTHORIZATIONS		BONDS AND NOTES		EXPENDED	CANCELLED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2017	
				FUNDED	UNFUNDED	GRANT RECEIVABLE	BUT NOT ISSUED	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	FUNDED	UNFUNDED						
99-1601-25	Various General Improvements	07/06/1999	\$ 1,100,539	\$ 315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
01-12	Various General Improvements	07/10/2001	1,599,824	1,444	-	-	-	-	-	-	-	-	-	-	1,444	-
02-18	Various Capital Improvements	09/17/2002	1,637,194	1,599	-	-	-	-	7	-	-	-	-	7	1,057	-
03-1705-23	General Improvements	08/08/2003	1,369,281	4,568	-	-	-	-	-	-	-	2,625	1,943	-	-	-
05-21	Various Capital Improvements	09/06/2003	605,634	8,648	-	-	-	-	-	-	-	-	-	-	8,648	-
07-11	Various Capital Improvements	08/21/2007	6,163,406	969	-	-	-	-	-	325,186	-	314,675	653	7,222	3,605	-
07-18	Construction & Improvement of Riverton Park	12/18/2007	1,168,205	-	-	-	-	-	-	27,987	-	27,149	-	838	-	-
08-10, 09-03, 10-05	Various Capital Improvements	08/19/2008	58,085	2,314,210	-	-	-	-	-	197,896	-	144,411	5,143	53,485	52,942	-
10-07	Various Capital Improvements	04/02/2010	16,681	684,134	-	-	-	-	-	26,308	-	811	-	3,669	14,837	-
10-18	Surveillance Equipment at Parks	10/05/2010	59,147	60,000	-	-	-	-	-	-	-	-	-	-	59,147	-
11-20	Various Capital Improvements	12/20/2011	1,054,000	1,054	-	-	-	-	-	48,724	-	48,724	-	-	48,724	-
12-15, 15-02	Various Capital Improvements	09/04/2012	1,767,523	90,095	-	-	-	-	-	13,594	-	4,169	-	-	99,520	-
13-13	Various Capital Improvements	08/20/2013	2,970,000	13,13	-	-	-	-	-	333	-	-	-	333	-	-
13-19, 15-03	Various Capital Improvements	11/19/2013	1,519,916	37,530	-	-	-	-	-	57,276	-	82,078	-	1,411	11,317	-
14-08	Various Capital Improvements	09/02/2014	1,862,543	252,353	-	-	-	-	-	105,384	-	175,595	-	24,636	157,506	-
15-18	Various Capital Improvements	07/02/2015	1,567,375	346,716	-	-	-	-	-	182,296	-	182,296	-	994	313,407	-
16-07	Various General Improvements	06/09/2016	1,041,500	659,348	-	-	-	-	-	111,437	-	404,197	-	120,491	246,097	-
17-05	Renovations to Bay Ave Boat Ramp	1/15/17	210,000	-	-	-	-	-	-	104,500	-	75,536	-	122,273	11,191	-
17-06	Various General Improvements	3/15/17	210,000	-	-	-	-	-	-	3,424	-	16,440	-	16,440	-	-
17-09	Various General Improvements	8/17/2017	2,230,000	117,300	-	-	-	-	-	2,202,600	-	1,247,138	-	298,430	724,316	-
17-22	Heritage Park Renovation	8/17/2017	184,000	-	-	-	-	-	-	174,800	-	-	-	155,554	28,446	-
Total				\$ 278,550	\$ 1,258,417	\$ 2,586,403	\$ 1,066,749	\$ 2,740,345	\$ 8,865	\$ 985,923	\$ 252,528	\$ 1,539,938				

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2016	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2017
General Improvements	7/7/2010	14,890,000	7/15/2018	1,025,000	3.250%	\$ 10,025,000	\$ 960,000	\$ 9,065,000
			7/15/2019	1,100,000	3.250%			
			7/15/2020	1,200,000	3.250%			
			7/15/2021	1,300,000	3.250%			
			7/15/2022	1,480,000	3.250%			
			7/15/2023	1,480,000	3.500%			
			7/15/2024	1,480,000	4.000%			
General Improvements	11/15/2015	7,300,000	11/15/2018	700,000	3.000%	6,570,000	700,000.00	5,870,000
			11/15/2019	700,000	4.000%			
			11/15/2020	650,000	2.000%			
			11/15/2021	650,000	2.000%			
			11/15/2022	650,000	2.000%			
			11/15/2023	650,000	2.000%			
			11/15/2024	650,000	2.125%			
			11/15/2025	1,220,000	2.250%			
Total						\$ 16,595,000	\$ 1,660,000	\$ 14,935,000

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2016	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2017
1989 Program	11/21/2000	\$ 148,836	2/21/2018	4,359	2.00%	\$ 35,408	\$ 8,589	\$ 26,819
			8/21/2018	4,403	2.00%			
			2/21/2019	4,447	2.00%			
			8/21/2019	4,491	2.00%			
			2/21/2020	4,536	2.00%			
			8/20/2020	4,582	2.00%			
1992 Program	10/27/2000	305,000	1/27/2018	8,933	2.00%	72,559	17,601	54,958
			7/27/2018	9,023	2.00%			
			1/27/2019	9,113	2.00%			
			7/27/2019	9,204	2.00%			
			1/27/2020	9,296	2.00%			
			7/27/2020	9,387	2.00%			
2010 Program	11/5/2010	113,000	2/5/2018	2,712	2.00%	85,432	5,344	80,088
			8/5/2018	2,740	2.00%			
			2/5/2019	2,767	2.00%			
			8/5/2019	2,795	2.00%			
			2/5/2020	2,823	2.00%			
			8/5/2020	2,851	2.00%			
			2/5/2021	2,879	2.00%			
			8/5/2021	2,908	2.00%			
			2/5/2022	2,937	2.00%			
			8/5/2022	2,966	2.00%			
			2/5/2023	2,996	2.00%			
			8/5/2023	3,026	2.00%			
			2/5/2024	3,056	2.00%			
			8/5/2024	3,087	2.00%			
			2/5/2025	3,118	2.00%			
			8/5/2025	3,149	2.00%			
			2/5/2026	3,181	2.00%			
			8/5/2026	3,212	2.00%			
			2/5/2027	3,245	2.00%			
			8/5/2027	3,277	2.00%			
			2/5/2028	3,310	2.00%			
			8/5/2028	3,343	2.00%			
			2/5/2029	3,376	2.00%			
			8/5/2029	3,410	2.00%			
			2/5/2030	3,444	2.00%			
			8/5/2030	3,479	2.00%			
Total						\$ 193,399	\$ 31,534	\$ 161,865

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ -
Increased By:	
Grants Awarded	<u>200,000.00</u>
	200,000.00
Decreased By:	
Grants Received	<u>20,000.00</u>
Balance, December 31, 2017	<u><u>\$ 180,000.00</u></u>

Analysis of Balance

17-05, 17-06	Investors Foundation Grant	<u>\$ 180,000.00</u>
		<u><u>\$ 180,000.00</u></u>

**BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2016	2017 AUTHORIZATIONS	BAN ISSUED	BALANCE DECEMBER 31, 2017
14-08	Various Capital Improvements	\$ 1,369,142	\$ -	\$ 1,369,142	-
15-08	Various Capital Improvements	1,489,004	-	1,489,004	-
16-07	Various Capital Improvements	981,425	-	952,660	28,765
17-05	Renovations to Bay Ave Boat Ramp	-	104,500	-	104,500
17-06	Renovations to Bay Ave Boat Ramp	-	104,500	-	104,500
17-09	Various General Improvements	-	2,202,603	-	2,202,603
17-22	Heritage Park Renovation	-	174,800	-	174,800
	Total	<u>\$ 3,839,571</u>	<u>\$ 2,586,403</u>	<u>\$ 3,810,806</u>	<u>\$ 2,615,168</u>

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WATER-SEWER UTILITY FUND

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**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>OPERATING FUND</u>	<u>CAPITAL FUND</u>
Balance December 31, 2016	\$ 1,399,778	\$ 1,847,932
Increased by Receipts:		
Miscellaneous Revenues	\$ 136,177	\$ -
Consumer Rents	6,220,943	-
Prepaid Rents	132,798	-
Prepaid - Other	290	-
Interest on Delinquent Accounts	32,210	-
Rent Overpayments	7,049	-
Capital Improvement Fund Budgeted Transfer	-	60,000
Bond Anticipation Note	-	4,900,000
	<u>6,529,467</u>	<u>4,960,000</u>
Subtotal	<u>6,529,467</u>	<u>4,960,000</u>
Total	<u>7,929,245</u>	<u>6,807,932</u>
Decreased by Disbursements:		
Budget Appropriations	6,274,141	-
Appropriation Reserves	110,664	-
Accounts Payable	3,250	-
Refund Overpayments	2,457	-
Refund of Other Charges	4,484	4
Bond Anticipation Note	-	3,200,000
Due from General Capital	-	300,000
Improvement Authorizations	-	1,599,958
	<u>6,394,996</u>	<u>5,099,962</u>
Total Disbursements	<u>6,394,996</u>	<u>5,099,962</u>
Balance December 31, 2017	<u><u>\$ 1,534,249</u></u>	<u><u>\$ 1,707,970</u></u>

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH - WATER-SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

Fund Balance	\$ 95,780
Capital Improvement Fund	230,642
Down Payment on Improvements	13,600
Reserve for Debt Service	46,669
Encumbrances Payable	643,997
Due from General Capital Fund	(300,000)
Overfunded Loan	149,067
Overfunded BAN	1,159,802
Improvement Authorizations:	
02-19 Various Improvements	5,392
03-16 Various Improvements	11,565
04-16 Various Improvements	15,476
05-22 Various Improvements	9,905
06-20, 12-02 Various Improvements	166,362
07-12 Various Improvements	11,246
09-19 Various Improvements	850
10-08 Various Improvements	24,858
10-15, 12-03 Various Improvements	(15,206)
11-21 Purchase of Various Equipment and Various Improvements	20,070
12-04 Various Improvements	10
12-05 Various Improvements	46,012
12-16 Various Improvements	24,653
13-20 Various Improvements	(3,634)
14-10 Various Improvements	(7,954)
15-01 Repair of Sanitary Sewer Line	6,125
15-19 Various Improvements	(46,721)
16-08 Various Improvements	(307,916)
17-10 Various Improvements	(292,680)
	<hr/>
Total	<u><u>\$ 1,707,970</u></u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 435,206
Increased by:	
Water-Sewer Levy	<u>6,659,073</u>
	7,094,279
Decreased by:	
Collections	\$ 6,220,943
Prepaid Rents Applied	89,942
Transfer to Overpayments	67
Transferred to Lien Receivable	1,356
Canceled by Resolution	6,454
Billing Adjustments, Net	<u>45,466</u>
	<u>6,364,228</u>
Balance, December 31, 2017	<u><u>\$ 730,051</u></u>

**SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>BALANCE DECEMBER 31, 2016</u>		BALANCE		
	<u>ENCUMBERED</u>	<u>RESERVED</u>	AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages	\$ 1,294	\$ 75,542	\$ 76,836	\$ 5,048	\$ 71,788
Other Expenses	147,156	26,858	174,014	123,480	50,534
Ocean County Utilities Authority	-	29,638	29,638	-	29,638
Public Employees' Retirement System	-	311	311	-	311
Social Security System	-	6,290	6,290	-	6,290
	<hr/>				
Total	<u>\$ 148,450</u>	<u>\$ 138,639</u>	<u>\$ 287,089</u>	<u>\$ 128,528</u>	<u>\$ 158,561</u>
	<hr/>				
Cash Disbursements				\$ 110,664	
Accounts Payable				<u>17,864</u>	
				<hr/>	
Total Paid or Charged				<u>\$ 128,528</u>	

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 73,025
Increased by:	
Interest Expense	<u>201,893</u>
	274,918
Decreased by:	
Interest Paid	<u>205,425</u>
Balance December 31, 2017	<u><u>\$ 69,493</u></u>

PRINCIPAL OUTSTANDING DECEMBER 31, 2017							
AMOUNT		RATE	FROM	TO	PERIOD	AMOUNT	
2010 Serial Bonds	\$ 3,550,000	Various	7/15/17	12/31/17	5 1/2 Months	\$	60,230
2015 Serial Bonds	1,200,000	Various	11/15/17	12/31/17	1 1/2 Months		3,633
NJEIT Loan	360,000	Various	8/1/17	12/31/17	5 Months		<u>5,630</u>
					Total	\$	<u>69,493</u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
RENT OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$	16,297
Increased By:			
Overpayments			<u>7,049</u>
			23,346
Decreased By:			
Applied to 2017 Rent	\$	67	
Overpayments Refunded		<u>2,457</u>	
			<u>2,524</u>
Balance, December 31, 2017		\$	<u><u>20,822</u></u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
PREPAID RENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 89,942
Increased By:	
2018 Rents Received	<u>132,798</u>
	222,740
Decreased By:	
Applied to 2017 Rents	<u>89,942</u>
Balance, December 31, 2017	<u><u>\$ 132,798</u></u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER-SEWER OPERATING INTERFUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ -
Increased by:	
Budgeted Down Payment on Improvements	<u>60,000</u>
	60,000
Decreased by:	
Interfunds Liquidated	<u>60,000</u>
	-
Balance December 31, 2017	<u><u>\$ -</u></u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 190,042
Increased by:	
Receipts - Utility Fund Appropriation	<u>60,000</u>
	250,042
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>19,400</u>
	19,400
Balance December 31, 2017	<u><u>\$ 230,642</u></u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2016	IMPROVEMENTS AUTHORIZED	BALANCE DECEMBER 31, 2017
01-13	Various Improvements	\$ 28,780	\$ -	\$ 28,780
03-16	Various Improvements	621,361	-	621,361
04-16	Various Improvements	278,875	-	278,875
05-22	Various Improvements	1,679,975	-	1,679,975
06-08	Interconnect	85,000	-	85,000
06-20, 12-02	Various Improvements	1,427,447	-	1,427,447
06-26	Improvements to Water Facilities	200,000	-	200,000
07-12	Various Improvements	466,900	-	466,900
08-11	Various Improvements	213,045	-	213,045
09-19	Various Improvements	101,700	-	101,700
10-08	Various Improvements	283,700	-	283,700
10-15, 12-03	Various Improvements	1,020,505	-	1,020,505
11-21	Purchase of Various Equipment & Various Improvements	473,400	-	473,400
12-04	Drainage Improvements at Powhatan Ave	89,750	-	89,750
12-05	Replacement of Pumping Stations	2,027,500	-	2,027,500
12-16	Various Improvements	243,600	-	243,600
13-20	Various Improvements	1,111,357	-	1,111,357
14-10	Various Improvements	284,350	-	284,350
15-01	Repair of Sanitary Sewer Line	116,375	-	116,375
15-19	Various Improvements	560,025	-	560,025
16-07	Various Improvements	956,175	-	956,175
17-10	Various Improvements	-	367,100	367,100
Total		\$ 12,269,820	\$ 367,100	\$ 12,636,920

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2017 & 2016
Pumping Station	\$ 1,675
Wells	1,354,266
Filter System	203,251
Pumping Station	151,618
Aerator Tank	42,000
Elevator Tanks	167,701
Distribution Mains & Accessories	764,080
Meters	290,471
Fire Hydrants	30,735
Garage	14,582
Emergency & Inspections	13,826
Law Expenditures During Construction	5,584
Interest During Construction	2,550
Original Sewer System	15,852,747
Deferred Cash	2,278,000
Water-Sewer System Improvements	727,500
Various Improvements	4,299,105
Sewer Collection System	963,788
Valve	60,000
Heavy Equipment	66,000
Municipal Building Improvements - 1999-2006	125,000
Various Improvements	2,782,705
	<hr/>
Total	\$ 30,197,184
	<hr/> <hr/>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016 and 2017	<u><u>\$ 420,816</u></u>
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**SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$ 31,886,101
Increased by:		
Serial Bonds Paid by Budget	\$ 305,000	
NJEIT Loans Paid	<u>34,589</u>	
		<u>339,589</u>
Balance December 31, 2017		<u><u>\$ 32,225,690</u></u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AUTHORIZED DATE	AUTHORIZED AMOUNT	BALANCE DECEMBER 31, 2016		CAPITAL IMPROVEMENT FUND		2017 Authorizations BONDS & NOTES AUTHORIZED BUT NOT ISSUED		PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	CANCELLED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2017	
				FUNDED	UNFUNDED	FUNDED	UNFUNDED	FUNDED	UNFUNDED					FUNDED	UNFUNDED
01-13	Various Improvements	09/04/01	\$ 575,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	6,938	\$ -	\$ -	\$ -
02-19	Various Improvements	09/17/02	239,700	19,517	-	-	-	-	-	10,993	23,171	-	1,947	5,392	-
03-16	Various Improvements	08/05/03	621,361	193,139	-	-	-	-	-	31,565	189,307	4,740	19,092	11,565	-
04-16	Various Improvements	08/03/04	278,875	31,989	-	-	-	-	-	-	-	16,513	-	15,476	-
05-22	Various Improvements	09/06/05	1,679,975	21,219	-	-	-	-	-	-	7,998	3,316	-	9,905	-
06-08	Various Improvements	05/16/06	85,000	16,095	-	-	-	-	-	-	-	16,095	-	-	-
06-20, 12-02	Interconnect	03/20/12	1,427,447	186,171	-	-	-	-	-	26,088	13,557	16,147	16,193	166,362	-
	Improvements to Water Facilities	12/19/06	200,000	6,543	-	-	-	-	-	-	-	6,543	-	-	-
06-26	Various Improvements	08/07/07	466,900	318,575	-	-	-	-	-	-	182,826	8,040	116,463	11,246	-
07-12	Various Improvements	08/19/08	213,045	1,359	-	-	-	-	-	-	2,400	1,359	-	-	-
08-11	Various Improvements	10/20/09	101,700	11,369	-	-	-	-	-	-	49,292	8,119	-	850	-
09-19	Various Improvements	08/29/07	283,700	159,737	-	-	-	-	-	40,268	-	3,802	122,053	24,858	-
10-08	Various Improvements	03/20/12	1,020,505	-	54,274	-	-	-	-	-	-	-	-	-	54,274
10-15, 12-03 11-21	Purchase of Various Equipment & Various Improvements	10/20/09	473,400	25,581	-	-	-	-	-	-	2,726	-	2,785	20,070	-
12-04	Drainage Improvements at Powhatan Ave	03/20/12	89,750	10	-	-	-	-	-	-	-	-	-	10	-
12-05	Replacement of Pumping Stations	03/20/12	2,027,500	-	51,572	-	-	-	-	433,894	427,780	-	11,674	46,012	-
12-16	Various Improvements	08/21/12	243,600	31,883	-	-	-	-	-	2,250	8,680	-	800	24,653	-
13-20	Various Improvements	11/19/13	1,169,850	-	60,724	-	-	-	-	3,050	6,051	-	-	-	57,723
14-10	Various Improvements	09/02/14	284,350	-	21,043	-	-	-	-	20	8,794	-	90	-	12,179
15-01	Repair of Sanitary Sewer Line	01/20/15	122,500	6,125	116,375	-	-	-	-	-	21,726	-	-	6,125	116,375
15-19	Various Improvements	07/21/15	589,500	-	18,098	-	-	-	-	24,260	-	-	7,328	-	13,304
16-08	Various Improvements	06/09/16	1,006,500	-	572,934	-	-	-	-	264,467	347,940	-	341,202	-	148,259
17-10	Various Water & Sewer Improvements	03/21/17	386,500	-	-	-	-	367,100	-	-	307,710	-	4,370	-	74,420
Total				\$ 1,036,250	\$ 895,020	\$ 19,400	\$ 367,100	\$ 836,855	\$ 1,599,958	\$ 91,612	\$ 643,997	\$ 342,524	\$ 476,534		

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING 12/31/2017		INTEREST RATE	BALANCE DECEMBER 31, 2016	DECREASED	BALANCE DECEMBER 31, 2017
			DATE	AMOUNT				
Water/Sewer Improvements	7/9/2010	4,980,000	7/14/2018	230,000	3.250%	\$ 3,770,000	\$ 220,000	\$ 3,550,000
			7/14/2019	235,000	3.250%			
			7/13/2020	250,000	3.250%			
			7/13/2021	250,000	3.250%			
			7/13/2022	260,000	3.250%			
			7/13/2023	280,000	3.500%			
			7/12/2024	295,000	4.000%			
			7/12/2025	320,000	4.000%			
			7/12/2026	320,000	4.000%			
			7/12/2027	350,000	4.000%			
Water/Sewer Improvements	11/15/2015	1,360,000	7/11/2028	380,000	4.000%			
			7/11/2029	380,000	4.000%			
			11/15/2018	150,000	3.000%	1,285,000.00	85,000	1,200,000
			11/15/2019	150,000	4.000%			
			11/15/2020	150,000	2.000%			
			11/15/2021	150,000	2.000%			
			11/15/2022	150,000	2.000%			
			11/15/2023	150,000	2.000%			
			11/15/2024	150,000	2.125%			
			11/15/2025	150,000	2.250%			
Total						\$ 5,055,000	\$ 305,000	\$ 4,750,000

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN
FOR THE YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING 12/31/2017		INTEREST RATE	BALANCE DECEMBER 31, 2016	DECREASED	BALANCE DECEMBER 31, 2017
			DATE	AMOUNT				
Water/Sewer Improvements	5/21/2014	\$ 405,000	8/1/2018	15,000	5.000%	\$ 375,000	\$ 15,000	\$ 360,000
			8/1/2019	15,000	5.000%			
			8/1/2020	20,000	5.000%			
			8/1/2021	20,000	5.000%			
			8/1/2022	20,000	5.000%			
			8/1/2023	20,000	5.000%			
			8/1/2024	20,000	5.000%			
			8/1/2025	20,000	3.000%			
			8/1/2026	25,000	3.000%			
			8/1/2027	25,000	3.000%			
			8/1/2028	25,000	3.000%			
			8/1/2029	25,000	3.000%			
			8/1/2030	25,000	3.000%			
			8/1/2031	25,000	3.000%			
			8/1/2032	30,000	3.125%			
			8/1/2033	30,000	3.250%			
Total						\$ 375,000	\$ 15,000	\$ 360,000

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN
FOR THE YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2016	DECREASED	BALANCE DECEMBER 31, 2017
			DATE	AMOUNT				
Water/Sewer Improvements	5/21/2014	\$ 405,000	2/1/2018	6,968.83	0.000%	\$ 355,411	\$ 19,589	\$ 335,822
			8/1/2018	13,937.66	0.000%			
			2/1/2019	6,968.83	0.000%			
			8/1/2019	13,937.66	0.000%			
			2/1/2020	6,968.83	0.000%			
			8/1/2020	13,937.66	0.000%			
			2/1/2021	6,968.83	0.000%			
			8/1/2021	13,937.66	0.000%			
			2/1/2022	6,968.83	0.000%			
			8/1/2022	13,937.66	0.000%			
			2/1/2023	6,968.83	0.000%			
			8/1/2023	13,937.66	0.000%			
			2/1/2024	6,968.83	0.000%			
			8/1/2024	13,937.66	0.000%			
			2/1/2025	6,968.83	0.000%			
			8/1/2025	13,937.66	0.000%			
			2/1/2026	6,968.83	0.000%			
			8/1/2026	13,937.66	0.000%			
			2/1/2027	6,968.83	0.000%			
			8/1/2027	13,937.66	0.000%			
			2/1/2028	6,968.83	0.000%			
			8/1/2028	13,937.66	0.000%			
			2/1/2029	6,968.83	0.000%			
			8/1/2029	13,937.66	0.000%			
			2/1/2030	6,968.83	0.000%			
			8/1/2030	13,937.66	0.000%			
			2/1/2031	6,968.83	0.000%			
			8/1/2031	13,937.66	0.000%			
			2/1/2032	6,968.83	0.000%			
			8/1/2032	13,937.66	0.000%			
			2/1/2033	6,968.83	0.000%			
			8/1/2033	15,255.82	0.000%			
Total						\$ 355,411	\$ 19,589	\$ 335,822

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2016	INCREASED	DECREASED	BALANCE DECEMBER 31, 2017
10-15	Various Improvements	1/13/17	1/13/17	1/12/18	1.000%	\$ -	\$ 900,000	\$ -	\$ 900,000
12-03	Various Improvements	1/22/15	1/13/17	1/12/18	1.000%	500,000	-	500,000	-
12-05	Replacement of Pumping Stations	1/22/15	1/13/17	1/12/18	1.000%	1,700,000	1,700,000	1,700,000	1,700,000.00
13-20	Various Improvements	1/22/15	1/13/17	1/12/18	1.000%	1,000,000	1,050,000	1,000,000	1,050,000.00
14-10	Various Improvements	1/13/17	1/13/17	1/12/18	1.000%	-	250,000	-	250,000.00
15-19	Various Improvements	1/13/17	1/13/17	1/12/18	1.000%	-	500,000	-	500,000.00
16-08	Various Improvements	1/13/17	1/13/17	1/12/18	1.000%	-	500,000	-	500,000
						<u>\$ 3,200,000</u>	<u>\$ 4,900,000</u>	<u>\$ 3,200,000</u>	<u>\$ 4,900,000</u>

**BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2016	2017 AUTHORIZATIONS	BAN ISSUED	BALANCE DECEMBER 31, 2017
10-15, 12-03	Various Improvements	\$ 469,480	\$ -	\$ 400,000	\$ 69,480
13-20	Various Improvements	111,357	-	50,000	61,357
14-10	Various Improvements	270,133	-	250,000	20,133
15-01	Repair of Sanitary Sewer Line	116,375	-	-	116,375
15-19	Various Improvements	560,025	-	500,000	60,025
16-08	Various Improvements	956,175	-	500,000	456,175
17-10	Various Improvements	-	367,100	-	367,100
		<u>\$ 2,483,545</u>	<u>\$ 367,100</u>	<u>\$ 1,700,000</u>	<u>\$ 1,150,645</u>

PAYROLL FUND

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EXHIBIT F-1

**BOROUGH OF POINT PLEASANT
PAYROLL FUND
SCHEDULE OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 140,839
Increased by Receipts:	
Payroll	<u>10,003,330</u>
Subtotal	10,144,169
Decreased by Disbursements:	
Disbursements	<u>9,989,427</u>
Balance December 31, 2017	<u><u>\$ 154,742</u></u>

EXHIBIT F-2

**SCHEDULE OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016	\$ 101,682
Increased by:	
Payroll Deductions	<u>9,989,427</u>
Subtotal	10,091,109
Decreased by:	
Disbursements	<u>9,981,173</u>
Balance December 31, 2017	<u><u>\$ 109,936</u></u>

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BOROUGH OF POINT PLEASANT

PART II

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS -
GOVERNMENT AUDITING STANDARDS**

FOR THE YEAR ENDED DECEMBER 31, 2017

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**BOROUGH OF POINT PLEASANT
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None.

**BOROUGH OF POINT PLEASANT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2017**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding No. 2016-001

Condition:

It was noted during our audit that the monthly activity and ending balances in the tax and water-sewer billing and collection system are not being properly reported and reconciled with the general ledger system.

Current Status:

This finding has been corrected.

Finding No. 2016-002

Condition:

It was noted during our audit that the Police Department uses manual timesheets. Manual timesheets increase the risk of manipulation or misreporting of employees' hours.

Current Status:

This finding has been corrected.

BOROUGH OF POINT PLEASANT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT (continued):
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding No. 2016-003

Condition:

It was noted during our audit that the Borough has not received an accounting of the aid provided to the fire companies, as required per N.J.S.A. 40a:14-34, and the volunteer ambulance companies, as required per N.J.S.A. 40:5-2.

Current Status:

This finding has been corrected.

FEDERAL AWARDS

N/A – No Federal Single Audit in prior year.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

BOROUGH OF POINT PLEASANT

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2017

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2017:

<u>Name</u>	<u>Title</u>
Robert A. Sabosik	Mayor
Joseph Furnato Jr.	Council President
John Wisniewski	Councilmember
William Borowsky	Councilmember
Pamela Snyder	Councilmember
Michael Thulen Jr.	Councilmember
Antoinette DePaola	Councilmember
Frank Pannucci, Jr.	Borough Administrator
Antoinette Jones	Borough Clerk
Christopher J. Dasti, Esq.	Attorney
Himanshu R. Shah	Chief Financial Officer
Jennifer Burr	Tax Collector
James A. Liguori	Magistrate
Tracey McCrystal	Court Administrator

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Honorable Mayor and Members
of the Borough Council
Borough of Point Pleasant
Point Pleasant, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2017.

GENERAL COMMENTS:

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

N.J.S.A.40A:11-4 states every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement.

The bid threshold in accordance with N.J.S.A. 40A:11-4 was \$40,000 for the year ended December 31, 2017.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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 or contracts in excess of the bid threshold “for the performance of any work, or the furnishing of any materials, supplies or labor” other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 7, 2017 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Council of the Borough of Point Pleasant, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Council of the Borough of Point Pleasant, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

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

OTHER COMMENTS (FINDINGS):

None.

RECOMMENDATIONS:

None.

Appreciation

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

June 15, 2018
Freehold, New Jersey