

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE

BOROUGH OF BRADLEY BEACH

**701 Main Street
Bradley Beach, New Jersey 07720**

FOR THE YEAR ENDED DECEMBER 31, 2009

Presented by

**Joyce M. Wilkins
Chief Financial Officer
Borough of Bradley Beach**

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INTRODUCTORY SECTION

April 27, 2009

The Comprehensive Annual Financial Report for the Borough of Bradley Beach, County of Monmouth, State of New Jersey for the year ended December 31, 2009 is submitted herewith and includes financial statements and supplemental schedules. I believe it is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the Borough of Bradley Beach as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain an understanding of the Borough's financial affairs have been included.

The Comprehensive Annual Financial Report (CAFR) is presented in four (4) sections: Introductory, Financial, Statistical and Auditor's Comments and Recommendations. The Introductory Section includes this transmittal letter, the Borough's organizational chart and a roster of officials. The Financial Section includes the annual financial statements and individual fund financial schedules, as well as the independent auditors' report. The Statistical Section includes select financial, economic and demographic information, generally presented on a multi-year basis. The Single Audit Section includes the auditor's report on the internal control structure and compliance with applicable laws and regulations, the schedule of expenditures of state financial assistance and findings and recommendations. The fifth and final section is prepared by the Independent Auditor and contains their required annual comments and recommendations, if any, to the Mayor and Council. Responsibility for completeness and clarity of the report, including disclosures, rests with the Chief Financial Officer and ultimately with the Mayor and Council.

The financial statements have been audited by David A. Kaplan, CPA, RMA of DAK CPA, Certified Public Accountants, whose opinion is expressed in the Financial Section. Please note that the independent auditors' report is unqualified and states that the financial statements are presented fairly in conformity with the regulatory basis of accounting as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

PRESENT AND FUTURE CHALLENGES

In 2009, our Current Fund, which encompasses the general government functions of the Borough, had revenues exclusive of surplus utilized of \$7,245,427.52, expenditures of \$7,758,277.54 and a decrease of \$234,145.40 in fund balance at year-end. The Current Fund revenues increased approximately .29% or \$22,520.56 over 2009. Below is a comparison of the Current Fund revenues.

	<u>2009</u>	<u>2008</u>	<u>Increase/ (Decrease)</u>	<u>%</u>
Local Sources:				
Surplus Utilized	\$ 636,000.00	\$ 725,000.00	\$ (89,000.00)	(12.28)
Taxes (1)	5,790,339.69	5,460,995.79	329,343.90	6.03
Delinquent Taxes	132,383.83	137,198.86	(4,815.03)	(3.51)
Miscellaneous	805,486.53	961,869.57	(156,383.04)	(16.26)
Non-budget Revenues and Other Items	<u>21,625.43</u>	<u>26,850.35</u>	<u>(5,224.92)</u>	<u>(19.46)</u>
Total Revenues from Local Sources	\$ 7,385,835.48	\$ 7,311,914.57	\$ 73,920.91	1.01
State Aid	455,208.00	495,500.00	(40,292.00)	(8.13)
State and Federal Grants	<u>40,384.04</u>	<u>51,492.39</u>	<u>(11,108.35)</u>	<u>(21.57)</u>
Total Current Fund Revenues	<u>\$ 7,881,427.52</u>	<u>\$ 7,858,906.96</u>	<u>\$ 22,520.56</u>	<u>0.29</u>

1. Current and Delinquent Taxes - These are the collections on taxes levied on all property owners residing in the Borough.
2. State Aid, Federal and State Grants - This represents funds received from the State of New Jersey or the Federal Government in the form of grants or direct aid.
3. Miscellaneous Revenues Anticipated - This represents all of the miscellaneous revenues of the Borough including fees, fines, licenses, interest and other direct charges, except those detailed separately above.
4. Non-Budget Revenue and Other Credits - These are items that are not budgeted as revenue items, however, are included in the overall revenue.

The increase in expenditures in 2009 over 2008 was approximately 4.15% as follows:

	<u>2009</u>	<u>2008</u>	<u>Increase/ (Decrease)</u>	<u>%</u>
General Government	\$ 626,143.00	\$ 522,953.76	\$ 103,189.24	19.73
Land Use	26,300.00	23,750.00	2,550.00	10.74
Code Enforcement	130,357.00	120,822.00	9,535.00	7.89
Insurance	876,820.00	841,180.00	35,640.00	4.24
Public Safety	2,236,717.09	2,258,798.36	(22,081.27)	(0.98)
Public Works	939,529.91	895,292.00	44,237.91	4.94
Health and Human Services	24,235.00	19,515.00	4,720.00	24.19
Parks and Recreation	120,115.00	113,100.00	7,015.00	6.20
Education	388,693.22	379,425.00	9,268.22	2.44
Utility Expenses and Bulk Purchases	333,100.00	342,050.00	(8,950.00)	(2.62)
Contingent	3,700.00	3,700.00		
Deferred Charges and Statutory Expenditures	579,476.75	576,220.47	3,256.28	0.57
State and Federal Grants	49,103.35	54,992.39	(5,889.04)	(10.71)
Capital Improvements	50,000.00	50,000.00		
Debt Service	1,037,091.62	915,225.62	121,866.00	13.32
Reserve for Uncollected Taxes	336,895.60	332,037.64	4,857.96	1.46
	<u>\$ 7,758,277.54</u>	<u>\$ 7,449,062.24</u>	<u>\$ 309,215.30</u>	<u>4.15</u>

Our Sewer Utility Operating Fund generated revenues exclusive of Fund Balance appropriated of \$1,516,519.16 and incurred expenses of \$1,634,894.00 resulting in a net decrease of \$75,903.22 in fund balance. The increase in revenues from 2008 to 2009 was 4.07%

Our Beach Utility Operating Fund generated revenues exclusive of Fund Balance appropriated of \$1,347,973.44 and incurred expenses of \$1,370,246.00 resulting in a net decrease of \$23,886.76 in fund balance. The increase in expenses from 2008 to 2009 was 5.81% increase.

The remainder of this transmittal letter will provide greater details relating to our progress during 2009 and some of our plans for the future.

STATUTORY AUTHORITY

The Borough is organized and administered in accordance with the provisions of New Jersey State Law and consists of an elected Mayor and a four (4) member Council responsible for providing all basic governmental services, except education, to its 4,793 local residents.

The Borough, pursuant to law, has the authority to levy taxes and issue debt.

In accordance with generally accepted accounting principles, as prescribed by the Governmental Accounting Standards Board, the Borough, for reporting purposes, is considered an independent government entity.

CASH MANAGEMENT

Bank balances are insured up to \$250,000.00 in the aggregate by the Federal Deposit Insurance Corporation for each bank. In addition, the State of New Jersey Governmental Unit Deposit Protection Act insures the remaining balance of funds on deposit in registered depositories.

The Borough invests all surplus funds for appropriate periods of time as determined by the Chief Financial Officer. During 2009, idle funds were invested in certificates of deposit as well as interest bearing checking accounts. All such investments fall within the guidelines set forth by the statutes. Historically, the rate of return on investments is consistent with market rates in this locality.

ACCOUNTING AND BUDGET INFORMATION

Accounting

The Borough maintains an on-line, real-time computerized accounting system to record all financial transactions including tax and sewer receipts and billing, beach revenue, miscellaneous revenue, budget and general ledger and for payroll.

In developing and evaluating the Borough's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed the benefits expected to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

During the calendar year, financial reports are prepared monthly. The reports detail the monthly transactions and summarize the balance in the appropriations allocated for goods and services.

Management of the Borough is responsible for establishing and maintaining an adequate internal control structure.

Budget

The Local Budget Law for the State of New Jersey requires every local unit to adopt an Operating Budget in the form required by the Division of Local Government Services Department of Community Affairs of the State of New Jersey (the "Division"). Certain items of revenue and appropriation are regulated by law and the proposed budget must be certified by the Director of the Division prior to final adoption. The Local Budget Law requires each local unit to appropriate sufficient funds for the payment of current debt service, and the Director is required to review the adequacy of such appropriations, unless a specific amount is required by law. The review function, focusing on anticipated revenues, serves to protect the solvency of all local units.

Section 5:30-4 of the New Jersey Administrative Code provides that every local unit that proposes to spend \$25,000.00 or more on capital equipment, construction or improvements must prepare a Capital Budget. If the Borough's population is less than 10,000, the Capital Improvement Program shall include by title all projects anticipated for the bud get year and the two succeeding years, with the estimated costs and the anticipated financing by sources and amounts. A three year Capital Improvement Program was adopted as part of the 2009 Budget.

A Capital Budget Section included with the Annual Budget does not in itself confer any authorization to raise or expend funds. Rather, it is a document used as part of the local unit's planning and management program. Specific authorization to expend funds for purposes described in the Capital Budget must be granted separately, through the adoption of a bond ordinance, by appropriating funds from the Capital Improvement Fund, or other lawful means.

The budget of the Borough is categorized into appropriations by function. Each appropriation represents a service program or division within the Borough. Funds are appropriated to each of the budget lines by the Mayor and Council in accordance with procedures prescribed by the State of New Jersey Local Budget Law.

Distinct appropriations are required for "salaries and wages" and for "other expenses". The Borough delineates each appropriation into sub accounts by budget codes.

The Business Administrator and Chief Financial Officer monitor expenditures throughout the fiscal year to ensure that spending remains within the amounts of funds authorized. Budget modifications are processed in the last two months of the year to transfer funds from one area to another as needed.

DEBT ADMINISTRATION

The authorized bonded indebtedness of municipalities in the State of New Jersey is limited by statute to an amount equal to 3½% of their equalized value. The equalized valuation basis of the Borough is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements and certain railroad property within its boundaries as annually determined by the State Board of Taxation.

The Borough has managed its debt well and has outstanding net debt equal to 0.619% of its averaged equalized value.

The Borough annually appropriates funds to meet its bonded indebtedness.

PRESENT AND FUTURE CHALLENGES

During the 2009 calendar year, the Borough of Bradley Beach has made progress in a number of operational and financial areas; however, this administration is clearly aware of the issues and problems that continue to demand our attention and improvement. While we take pride in the accomplishments of the past year, we are mindful of the issues that continue to face us.

MAJOR ACTIVITIES AFFECTING BUDGETING/FINANCIAL CONDITIONS

The Borough comprises an area of approximately .70 square miles. Bradley Beach is a shore residential and commercial community.

ACCOUNTABILITY ON 2009 INITIATIVES

Municipal spending was tightened in every department and regular review was conducted in the Finance Department. In addition, the Borough reached agreement in collective bargaining to freeze salary increases in the upcoming year and provide for staff participation in health care premiums for most employees.

Road and intersection improvements at various locations are ongoing each year through State Department of Transportation Grants and Monmouth County Community Development Block Grants combined with local funds.

The Borough continues to maintain agreements with the Monmouth County Improvement Authority ("MCIA") to lease equipment for the Borough at a low interest rate.

The Borough continues to maintain annually all the buildings at the beachfront including the gazebo, concession stands, tag booths, bathroom facilities, miniature golf course and bocce ball courts. In addition, the Borough also purchased lifeguard equipment necessary for safety and welfare for the public.

The Borough maintains and operates the miniature golf course at the beachfront. This contributes revenues in the Beach Utility Budget with a low operating cost.

Revised cash handling procedures were implemented at beachfront locations to reduce staff overtime and increase availability of coin supply for parking meters. In addition, restructuring of staffing operations provided increased managerial presence during peak hours of beachfront operations. Internal processes were improved to provide for additional levels of monitoring of daily beach sales activity.

Located in the Borough of Bradley Beach are several restaurants that have been rated as "four star".

In summer months, musical concerts are held at the beachfront gazebo for every age group.

Borough parks and playgrounds are maintained annually.

The Borough maintained solar panel arrays on municipal headquarters and at its recreation center to reduce energy costs and energy increase compliances with sustainable energy programs. In addition, plans are in progress to install solar panels on additional Borough buildings to include the firehouse and public works buildings.

The Borough has undertaken various initiatives to improve municipal facilities. In addition to the solar panels, improvements include a new roof for the library and an expansion of the public works garage to support beach operations.

Additionally, the Borough has financed the acquisition of two major pieces of equipment that will reduce ongoing operational costs in municipal beachfront operations.

Construction was completed on two major mixed-use developments within the commercial district which will have a positive impact on ratables and supports emerging trends for sustainable development in downtown environments.

The Borough has completed Phase IV of the Sylvan Lake Bulkhead construction project.

The Borough has initiated a multi-year program to upgrade and expand its technology infrastructure. Improvements include system hardware, office applications, automated fuel monitoring system, financial system, and connectivity to remote locations.

PROSPECTS FOR THE FUTURE

The Borough presently has had a positive effect on the budget in the following areas:

1. Contract with Middlesex County JIF has been a significant savings to the Borough.
2. We also engaged in Interlocal Service Agreements with other towns to cut costs and are exploring additional agreements to include dispatch, police services, regional solid waste handling, construction and code, and public works functions.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Administration Department and the Finance Department. I would also like to express my appreciation to the firm of DAK CPA for their help and assistance in preparation of the Borough's Comprehensive Annual Financial Report.

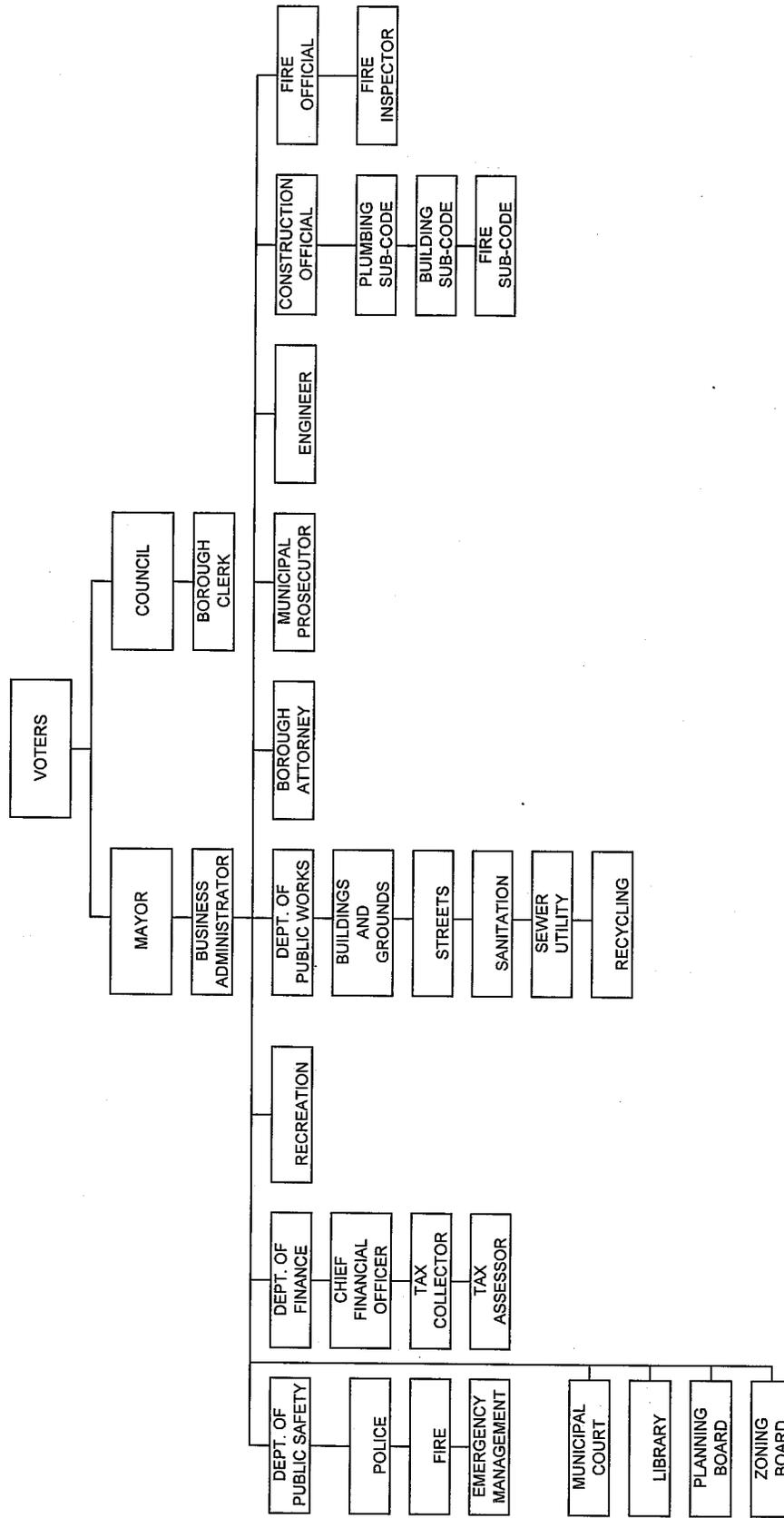
Respectfully submitted,

Joyce M. Wilkins

Joyce M. Wilkins

Chief Financial Officer

BOROUGH OF BRADLEY BEACH
TABLE OF ORGANIZATION



BOROUGH OF BRADLEY BEACH

ROSTER OF OFFICIALS

DECEMBER 31, 2009

Governing Body

Julie Schreck, Mayor
Gary Englestad, Council President
Lorraine Marchak, Councilwoman
Harold Cotler, Councilman
Salvatore A. Galassetti, Councilman

Other Officials

Gail O'Reilly, Business Administrator
Mary Ann Solinski, Borough Clerk, Registrar of Vital Statistics and Assessment Search Officer
Joyce M. Wilkins, Chief Financial Officer, Tax Collector, Sewer Collector and Tax Search Officer
Gail Krzyzczuk, Assistant Chief Financial Officer
Edward Mullane, Tax Assessor
Robert Cahn, Assistant Tax Assessor
Anna Sutphin, Beach Registrar
Bruce Koch, Borough Engineer (effective July 1, 2008)
Mark T. Apostolou, Magistrate
Jason E. Shamy, Borough Prosecutor
Kelly Barrett, Court Administrator
Patrick Diegnan, Borough Attorney
Michele Mortimer, Deputy Tax Collector, Deputy Sewer Collector, Deputy Registrar of Vital Statistics

BOROUGH OF BRADLEY BEACH

CONSULTANTS AND ADVISORS

DECEMBER 31, 2009

AUDIT FIRM

David A. Kaplan, CPA, RMA

DAK CPA

ATTORNEY

Patrick Diegnan, Esq.

BOND COUNSEL

Wilentz, Goldman & Spitzer, PA

OFFICIAL DEPOSITORIES

Chase Bank

Bank of America

PNC Bank

Central Jersey Trust

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough of Bradley Beach Council
Borough of Bradley Beach
County of Monmouth
State of New Jersey

To the Honorable Mayor and Members of the Borough of Bradley Beach Council:

We have audited the accompanying financial statements – regulatory basis of the various funds and accounts of the Borough of Bradley Beach (the “Borough”) as of and for the year ended December 31, 2009 as listed in the accompanying table of contents. These financial statements are the responsibility of the Borough’s management. Our responsibility is to express opinions on these financial statements based on our audit. The financial statements of the Borough as of December 31, 2008 were audited by other auditors whose report dated July 22, 2009 expressed a qualified opinion on those financial statements. That qualification was in response to the Borough's policy to prepare its financial statements on the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and auditing 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described in Note 1, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive regulatory basis of accounting other than accounting principles generally accepted in the United States of America.

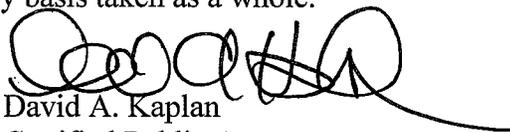
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

In our opinion, because of the Borough's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2009, or the results of its operations for the year then ended.

However, in our opinion, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and accounts of the Borough as of December 31, 2009, and the results of operations and changes in fund balance – regulatory basis of such funds for the year then ended and the statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2009 on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2010, on our consideration of the Borough of Bradley Beach's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements – regulatory basis, that collectively comprise the Borough's basic financial statements. The accompanying supplementary schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements, but is presented as additional analytical data as required by the Local Finance Board. Such information has been subjected to the auditing procedures applied in the audit of the financial statements – regulatory basis and, in our opinion, is fairly stated in all material respects in relation to the financial statements – regulatory basis taken as a whole.


David A. Kaplan
Certified Public Accountant
Registered Municipal Accountant #433

DAK CPA
DAK CPA, Certified Public Accountants

Long Branch, New Jersey
April 27, 2010

GENERAL PURPOSE FINANCIAL STATEMENTS

BOROUGH OF BRADLEY BEACH
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE -
ALL FUND TYPES AND ACCOUNTS - REGULATORY BASIS
DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)

	Governmental Funds				Trust Funds	Utilities Operating	Utilities Capital	General Fixed Assets Account	Totals	
	Current	General Capital	\$	\$					2009	2008
ASSETS AND OTHER DEBITS										
Cash and Cash Equivalents	\$ 1,626,540.14		\$ 937,053.87	\$ 412,769.47		\$ 746,023.91			\$ 4,558,212.19	\$ 4,894,526.32
Intergovernmental Accounts Receivable			40,000.00						281,769.00	595,769.00
Receivables and Other Assets:										
Delinquent Property Taxes	173,804.32								173,804.32	141,148.83
Consumer Accounts Receivable	274.68					55,942.26			55,942.26	48,167.42
Liens Receivable	12,377.56			50.00					274.68	267.50
Other Accounts Receivable	1,319.00			1,782.99					12,427.56	16,136.59
Interfunds Receivable									3,101.99	1,212.08
Obligations Under Capital Lease - Unfunded										
Deferred Charges	15,000.00		576,200.00						576,200.00	354,000.00
Assessments Receivable			7,580,912.92						7,595,912.92	7,830,914.16
Fixed Capital				37,316.90					37,316.90	78,589.92
Fixed Assets						7,297,027.92			7,297,027.92	7,157,966.83
Federal and State Grant Fund:								11,310,803.86	11,310,803.86	11,258,000.86
Federal and State Grants Receivable	33,897.33								33,897.33	28,892.43
Deferred Charges	1,485.59								1,485.59	
Interfund Receivable	18,811.67								18,811.67	30,959.47
Total Assets and Other Debits	\$ 1,883,510.29		\$ 9,134,166.79	\$ 451,919.36		\$ 801,966.17	\$ 8,374,621.72	\$ 11,310,803.86	\$ 31,956,988.19	\$ 32,436,551.41

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE -
ALL FUND TYPES AND ACCOUNTS - REGULATORY BASIS
DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)

	Governmental Funds				Trust Funds	Utilities		General Fixed Assets Account	Totals	
	Current	General Capital	Operating	Capital		2009	2008			
LIABILITIES, RESERVES AND FUND BALANCE										
Liabilities and Reserves:										
Appropriation Reserves	\$ 321,530.68	\$ 373,943.70	\$ 44,986.61	\$ 82,900.01	\$ 367,600.36	\$ 44,986.61	\$ 82,900.01	\$ 366,517.29	\$ 294,174.01	
Other Liabilities and Reserves	744,414.25	997,333.31	302,170.06	1,075,656.11		302,170.06	1,075,656.11	1,871,028.38	1,986,220.96	
Improvement Authorizations				3,138,282.14			3,138,282.14	2,072,989.42	2,267,165.56	
Reserve for Amortization				1,912,291.82			1,912,291.82	3,138,282.14	2,809,105.38	
Deferred Reserve for Amortization								1,912,291.82	1,914,630.45	
Interfunds Payable	20,344.66			1,319.00				21,663.66	32,171.55	
Serial Bonds		6,516,354.00		83,000.00				8,480,000.00	9,254,000.00	
Bond Anticipation Notes		328,000.00						328,000.00		
Loans Payable		316,058.92						316,058.92	337,145.16	
Capital Lease Obligations Payable		576,200.00						576,200.00	354,000.00	
Reserve for Receivables and Other Assets	187,775.56		55,942.26	241,769.00				485,486.82	482,983.40	
Federal and State Grant Fund:										
Reserve for Encumbrances	3,000.00							3,000.00	3,000.00	
Unappropriated/Appropriated Reserves	51,194.59							51,194.59	56,851.90	
Total Liabilities and Reserves	1,328,259.74	9,107,889.93	403,098.93	8,331,545.08	451,919.36	403,098.93	8,331,545.08	19,622,713.04	19,791,448.37	
Equity and Other Credits:										
Investment in General Fixed Assets								11,310,803.86	11,310,803.86	
Fund Balance	555,250.55	26,276.86	398,867.24	43,076.64		398,867.24	43,076.64	1,023,471.29	1,387,102.18	
Total Equity and Other Credits	555,250.55	26,276.86	398,867.24	43,076.64		398,867.24	43,076.64	12,334,275.15	12,645,103.04	
Total Liabilities, Reserves and Fund Balance	\$ 1,883,510.29	\$ 9,134,166.79	\$ 801,966.17	\$ 8,374,621.72	\$ 451,919.36	\$ 801,966.17	\$ 8,374,621.72	\$ 31,956,988.19	\$ 32,436,551.41	

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CURRENT, BEACH UTILITY AND SEWER UTILITY OPERATING FUNDS - REGULATORY BASIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

	Current Fund		Variance Favorable (Unfavorable)	Utility Operating Funds (1)			Variance Favorable (Unfavorable)
	Final Budget	Actual		Final Budget	Actual		
Revenues:							
Fund Balance Anticipated	\$ 636,000.00	\$ 636,000.00	\$	\$ 278,540.00	\$ 278,540.00	\$	
Rents	890,861.26	805,486.53	(85,374.73)	2,537,000.00	2,668,483.27	131,483.27	
Miscellaneous Revenues	455,208.00	455,208.00		189,600.00	182,141.45	(7,458.55)	
State Aid	40,384.04	40,384.04					
Federal and State Grants							
	2,022,453.30	1,937,078.57	(85,374.73)	3,005,140.00	3,129,164.72	124,024.72	
Receipts from Delinquent Taxes	135,000.00	132,383.83	(2,616.17)				
Amount to be Raised by Taxes for Support of Municipal Budget:							
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	5,600,824.24	5,790,339.69	189,515.45				
	7,758,277.54	7,859,802.09	101,524.55	3,005,140.00	3,129,164.72	124,024.72	
Budget Totals							
Non-budget Revenues		21,625.03	21,625.03		13,867.88	13,867.88	
Other Credits to Income		414,477.92	414,477.92		88,630.94	88,630.94	
Taxes Allocated to School and County		7,871,868.67	7,871,868.67				
	\$ 7,758,277.54	\$ 16,167,773.71	\$ 8,409,496.17	\$ 3,005,140.00	\$ 3,231,663.54	\$ 226,523.54	
Total Revenues							

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CURRENT, BEACH UTILITY AND SEWER UTILITY OPERATING FUNDS - REGULATORY BASIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

	Current Fund			Utility Operating Funds (1)			Variance Favorable (Unfavorable)
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	
Expenditures:							
Current:							
Within "CAPS":							
General Government	\$ 626,143.00	\$ 626,143.00	\$	\$	\$	\$	
Land Use	26,300.00	26,300.00					
Code Enforcement	130,357.00	130,357.00					
Insurance	876,820.00	876,820.00					
Public Safety	2,227,517.09	2,227,517.09					
Public Works	939,529.91	939,529.91					
Health and Human Services	24,235.00	24,235.00					
Parks and Recreation	120,115.00	120,115.00					
Utility Expenses and Bulk Purchases	333,100.00	333,100.00					
Contingent	3,700.00	3,700.00					
Deferred Charges and Statutory							
Expenditures	564,476.75	564,476.75					
Excluded from "CAPS":							
General Government							
Public Safety	9,200.00	9,200.00					
Education	388,693.22	388,693.22					
State and Federal Grants	49,103.35	49,103.35					
Operating							
Capital Improvements	50,000.00	50,000.00		2,421,891.50	2,421,891.50		
Debt Service	1,037,091.62	1,037,091.62		44,000.00	44,000.00		
Deferred Charges and Statutory Expenditures	15,000.00	15,000.00		416,710.50	416,710.50		
Reserve for Uncollected Taxes	336,895.60	336,895.60		122,538.00	122,538.00		
Total Budget Expenditures	\$ 7,758,277.54	\$ 7,758,277.54	\$	\$ 3,005,140.00	\$ 3,005,140.00	\$	

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CURRENT, BEACH UTILITY AND SEWER UTILITY OPERATING FUNDS - REGULATORY BASIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

	Current Fund		Variance Favorable (Unfavorable)	Utility Operating Funds (1)		
	Final Budget	Actual		Final Budget	Actual	Variance Favorable (Unfavorable)
County and School Taxes	\$	\$ 8,002,600.26	\$ (8,002,600.26)	\$	\$	\$
Other Expenses		<u>5,041.01</u>	<u>(5,041.01)</u>			
Total Expenditures	<u>7,758,277.54</u>	<u>15,765,918.81</u>	<u>(8,007,641.27)</u>	<u>3,005,140.00</u>	<u>3,005,140.00</u>	
Excess in Revenues over Expenditures/ Statutory Excess to Fund Balance		401,854.90	401,854.90		226,523.54	226,523.54
Fund Balance, January 1, 2009		<u>789,395.65</u>	<u>789,395.65</u>		<u>450,883.70</u>	<u>450,883.70</u>
		1,191,250.55	1,191,250.55		677,407.24	677,407.24
Decreased By:						
Utilization as Anticipated Revenue		<u>636,000.00</u>	<u>636,000.00</u>		<u>278,540.00</u>	<u>278,540.00</u>
Fund Balance, December 31, 2009	\$	<u>\$ 555,250.55</u>	<u>\$ 555,250.55</u>	\$	<u>\$ 398,867.24</u>	<u>\$ 398,867.24</u>

(1) Beach and Sewer Utility Operating.

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

<u>BALANCE, DECEMBER 31, 2008</u>		\$ 106,276.86
<u>DECREASED BY</u>		
Appropriated to Finance Improvement Authorization	\$ 30,000.00	
Transferred to Current Fund as Anticipated Revenue	<u>50,000.00</u>	<u>80,000.00</u>
<u>BALANCE, DECEMBER 31, 2009</u>		\$ <u>26,276.86</u>

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
BEACH UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

BALANCE, DECEMBER 31, 2008 AND
DECEMBER 31, 2009

\$ 12,262.67

See Notes to Financial Statements.

BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

<u>BALANCE, DECEMBER 31, 2008</u>	\$ 28,283.30
<u>INCREASED BY</u>	
Cancellation of Funded Improvement Authorization	<u>2,530.67</u>
<u>BALANCE, DECEMBER 31, 2009</u>	\$ <u>30,813.97</u>

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

Note 1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. Reporting Entity - The Borough of Bradley Beach (the "Borough") is located in Monmouth County, along the New Jersey coastline, approximately 60 miles south of the City of New York. The population, according to the 2000 census, is 4,793. The Borough operates under the small mayor-council form of government. The Mayor is a voting member of the Governing Body.
- B. Description of Funds - The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles. The GASB establishes fund types 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 accounting policies of the Borough conform to the accounting principles applicable to municipalities that have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this regulatory method of accounting, the Borough accounts for its financial transactions through the following separate funds that differ from the fund structure required by accounting principles generally accepted in the United States of America.

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Fund - The receipt, disbursement and custodianship of monies in accordance with the purpose for which each reserve was created are maintained in Trust Funds. These include the Animal Control Trust Fund and Trust Other Fund.

General Capital Fund - The receipt and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as related long-term debt accounts.

Utilities Funds - Sewer and Beach Utilities are treated as separate entities. Each maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. **Description of Funds (Continued)**

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes are maintained in the Public Assistance Trust Fund.

Payroll Trust Fund - Net salaries, certain payroll deductions and social security contributions of municipal and utility operations are deposited into bank accounts of the Payroll Fund. Other deductions are retained by the operating funds and paid directly there from. A Payroll Fund does not exist under GAAP.

General Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Borough as discussed under the caption of "Basis of Accounting".

- C. **Basis of Accounting** - The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from accounting principles generally accepted in the United States of America. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as:

Property Taxes and Other Revenue - Property Taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

Expenditures - Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts that may have been canceled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures (Continued)

Grant appropriations are charged upon budget adoption to create spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Reserve for Encumbrances - As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31 are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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

Compensated Absences - Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Property Acquired for Taxes - Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the general fixed assets account at market value on the date of acquisition.

Interfund Accounts Receivable - Interfund Accounts Receivable in the Current Fund are generally recorded with offsetting reserves that are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfund Accounts Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfund Accounts Receivable of one fund are offset with Interfund Accounts Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies - Materials and supplies purchased by all funds are recorded as expenditures. An annual inventory of materials and supplies for the Sewer and Beach utilities is required, by regulation, to be prepared by Borough personnel for inclusion on the Sewer and Beach Utility Operating Fund balance sheets. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Fixed Assets

General - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Borough has developed a fixed asset accounting and reporting system. GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Asset Account. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Assets (Continued)

General (Continued)

Acquisition of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Borough.

Utilities - Capital acquisitions, including utility infrastructure costs of the Sewer and Beach Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital account of the utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include moveable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Fixed Asset Group of Accounts. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

C. **Basis of Accounting (Continued)**

Total Columns on Combined Statements - Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

D. **Basic Financial Statements** - The GASB Codification also defines the financial statements of a governmental unit to be presented in the general-purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

Note 2. **CASH, CASH EQUIVALENTS AND INVESTMENTS**

A. **Cash and Cash Equivalents**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities that mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities that mature within two years provided, however, the arbitrage maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

A. Cash and Cash Equivalents (Continued)

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey ("GUDPA"), public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

B. Investments

New Jersey statutes permit the Borough to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.

- Government money market mutual funds.

- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.

- Bonds or other obligations of the local unit or school districts of which the local unit is a part.

- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.

- Local government investment pools, such as New Jersey CLASS and the New Jersey Arbitrage Rebate Management Program.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 2. **CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

B. **Investments (Continued)**

- New Jersey State Cash Management Fund.

- Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of State laws permit local governments to invest in a wide range of obligations issued by State governments and its agencies.

C. **Risk Category**

As of December 31, 2009, the Borough had funds on deposit in checking, statement savings accounts and a Certificate of Deposit. The amount of the Borough's Cash and Cash Equivalents as of December 31, 2009 was \$4,558,212.19. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 3 as amended by GASB Statement No. 40. There was no securities categorized as investments as defined by GASB Statements No. 3 and 40.

The deposits of the Borough are covered by the FDIC up to \$250,000 per account and where applicable by GUDPA.

The Borough places no limit on the amount they may invest in any on issuer.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 3. **TAXES AND TAX TITLE LIENS RECEIVABLE**

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Borough, County, Special Improvement District and Schools purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the Board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and is calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes became in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

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

Comparative Schedule of Tax Rates

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Tax Rate	<u>\$ 1.195</u>	<u>\$ 1.183</u>	<u>\$ 1.139</u>	<u>\$ 1.092</u> *	<u>\$ 2.483</u>
Apportionment of Tax Rates:					
Municipal	0.497	0.470	0.428	0.409	0.909
County Open Space	0.016	0.015	0.014	0.012	0.029
County Regular	0.238	0.230	0.226	0.212	0.482
County Health	0.005	0.004	0.005	0.004	N/A
Local School	0.439	0.464	0.466	0.455	1.063

* Revaluation effective 2006.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 3. **TAXES AND TAX TITLE LIENS RECEIVABLE (CONTINUED)**

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2009	\$ 1,126,734,335.00
2008	1,123,415,854.00
2007	1,118,702,991.00
2006	1,115,364,925.00 *
2005	445,169,128.00

*Revaluation Effective 2006

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collections</u>
2009	\$ 13,464,479.97	\$ 13,282,316.24	98.65%
2008	13,318,243.93	13,172,421.06	98.91%
2007	12,792,723.14	12,629,086.23	98.72%
2006	12,268,270.67	12,027,402.29	98.04%
2005	11,116,893.12	11,005,787.16	99.00%

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>
2009	\$ 274.68	\$ 173,804.19	\$ 174,078.87	1.29%
2008	267.50	141,148.83	141,416.33	1.06%
2007	260.40	134,596.94	134,857.34	1.05%
2006	253.56	196,941.27	197,194.83	1.61%
2005	247.01	107,106.22	107,353.23	0.96%

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 4. **UTILITY RECEIVABLES AND COLLECTIONS**

The Borough operates a Sewer Utility and a Beach Utility.

Comparison of Sewer Utility Levies and Collections

The Borough's Sewer Utility customers are billed based on usage quarterly on a cycle basis.

<u>Year</u>	<u>Levy</u>	<u>Cash Collections*</u>
2009	\$ 1,513,644.99	\$ 1,505,870.15
2008	1,439,976.00	1,456,618.88
2007	1,439,109.00	1,442,238.43
2006	1,438,236.79	1,422,541.24
2005	1,433,477.86	1,429,915.28

* Cash collections include amounts that were levied in prior years.

Any unpaid levies are subject to the same provision as unpaid taxes under the provision of the New Jersey Statutes.

The Borough last increased their sewer user rates in 2009.

Comparison of Beach Utility Collections

The Borough's Beach Utility customers pay for daily and seasonal badges.

<u>Year</u>	<u>Cash Collections</u>
2009	\$ 1,162,187.10
2008	992,805.00
2007	954,708.00
2006	893,238.00
2005	950,658.00

The Borough last increased their badge rates in 2009.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 5. FUND BALANCES APPROPRIATED

The following schedule details the amount of fund balances available at the end of each year and the amounts utilized in the subsequent year's budget.

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Transferred to Current Fund as Revenue in Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>				
2009	\$ 555,250.55	\$ N/A	\$ N/A	N/A
2008	789,395.65	636,000.00	N/A	80.57%
2007	898,905.34	725,000.00	N/A	80.65%
2006	777,384.42	626,000.00	N/A	80.53%
2005	560,720.60	380,000.00	N/A	67.77%
<u>Sewer Utility Operating Fund</u>				
2009	\$ 200,155.60	\$ N/A	\$ N/A	N/A
2008	276,058.82	117,894.00	N/A	42.71%
2007	285,989.22	103,805.00	15,000.00	41.54%
2006	326,882.06	45,000.00	150,000.00	59.65%
2005	410,993.05	40,000.00	200,000.00	58.40%
<u>Beach Utility Operating Fund</u>				
2009	\$ 198,711.64	\$ N/A	\$ N/A	N/A
2008	174,824.88	160,646.00	None	91.89%
2007	207,131.47	162,886.00	None	78.63%
2006	219,106.76	194,919.00	None	88.96%
2005	280,085.64	202,312.00	None	72.23%

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 6. PENSION PLANS

Description of Systems

Substantially all of the Borough's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Pension Fund (PFRS). In addition, the Borough contributes to the Consolidated Police and Firemen's Pension Fund. These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System are considered cost sharing multiple-employer plans.

Public Employees' Retirement System

The Public Employees' Retirement System (PERS) was established January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after eight to ten years of service and twenty-five years for health care coverage. Members are eligible for retirement at age sixty with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age sixty with twenty-five or more years of credited service. Anyone who retires early and is under age fifty-five receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age fifty-five).

Police and Firemen's Retirement System

The Police and Firemen's Retirement System (PFRS) was established July 1, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 6. PENSION PLANS (CONTINUED)

Consolidated Police and Firemen's Pension Fund

The Consolidated Police and Firemen's Retirement System (CPFRS) is a closed system with no active members and was established in January 1952 to provide coverage to municipal police and firemen who were appointed prior to July 1, 1944.

Contributions Required to be Made

Employee contributions for 2009 were five and one-half percent (5.5%) of the employee's base wages for PERS and eight and one-half percent (8.5%) for PFRS. Employer's contributions are actuarially determined annually by the Division of Pensions. The Borough's contributions to the plan for the past three (3) years were all made timely and are as follows:

PERS					
Borough					
<u>Year</u>	<u>Liability</u>		Less:	<u>Net Cost</u>	<u>Employees</u>
	<u>Normal</u>	<u>Accrued</u>	<u>Pension Credits *</u>		
2009	\$ 45,068.00	\$ 52,127.00	\$ None	\$ 97,195.00	\$ 76,148.46
2008	60,183.00	46,380.00	21,312.60	85,250.40	75,737.04
2007	50,538.00	26,244.00	30,712.80	46,069.20	85,518.12

PFRS					
Borough					
<u>Year</u>	<u>Liability</u>		Less:	<u>Net Cost</u>	<u>Employees</u>
	<u>Normal</u>	<u>Accrued</u>	<u>Pension Credit Security Act and Chapter 428 Funding Credit</u>		
2009	\$ 197,208.00	\$ 136,451.00	\$ None	\$ 333,659.00	\$ 137,582.62
2008	225,520.00	133,266.00	None	358,786.00	139,931.22
2007	268,224.00	89,286.00	53,644.80	303,865.20	113,805.09

* Legislation was enacted that changed the actuarial assumptions and valuation method of the System and, as a result, credits were applied to the Borough's liability.

Post Employment Retirement Benefits

The Public Employees Retirement System and Police and Firemen's Retirement System provide certain post employment retirement benefits.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 7. **OTHER POST EMPLOYMENT RETIREMENT BENEFITS**

In addition to the pension benefits described in Note 6, the Borough provides post retirement healthcare benefits for employees who retire with 25 years or more of service and their dependents. Benefits consist of full medical coverage as if the individuals were still employed, until they become eligible for Medicare, at which time Medicare becomes the primary insurer and the Borough plan becomes the secondary insurer.

Plan Description – New Jersey State Health Benefits Program (“NJSHBP”)

The NJSHBP as of June 30, 2008, the last valuation date, had “local employees” statewide of 412,106 active and 117,546 retired members. The Borough had 40 active and 27 retired employees for a total of 67.

The Borough contributes to the NJSHBP, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. NJSHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. NJSHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. In accordance with GASB Statement No's. 43 and 45, the NJSHBP has been determined to be a cost-sharing multiple-employer plan. GASB Statement No. 45 does not required the accrual of reserves to fund the ultimate payment of the retirees health benefit obligation that is being earned.

The NJSHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the NJSHBP. In the early 1980's, the Borough authorized participation in the NJSHBP's post-retirement benefit program through resolution.

The New Jersey State Health Benefits (“NJSHB”) Commission is the executive body established by statute to be responsible for the operation of the NJSHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the NJSHBP and an annual actuarial valuation report. Those reports may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 7 **OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)**

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. The NJSHB Commission sets the employer contribution rate based on the annual required contribution (ARC) of the employers as established in an annual rate recommendation report.

Contributions to pay for the health premiums of participating retirees in the NJSHBP are billed to the Borough on a monthly basis. The number of employees covered and approximate cost for the past three years were as follows:

<u>Fiscal Year</u>	<u>Number of Employees</u>	<u>Employer's Cost</u>
2009	27	\$ 280,728.09
2008	27	291,509.16
2007	26	327,141.05

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or refunded by the issuance of bonds.

Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2009</u>	<u>Year 2008</u>	<u>Year 2007</u>
Issued:			
Assessment:			
Bonds	\$ 83,000.00	\$ 166,000.00	\$ 249,000.00
General:			
Bonds and Loans	6,832,412.92	7,398,914.16	7,829,684.93
Bond Anticipation Notes	328,000.00		
Sewer Utility:			
Bonds	1,127,646.00	1,289,231.00	1,447,131.00
Beach Utility:			
Bonds	<u>753,000.00</u>	<u>903,000.00</u>	<u>1,048,000.00</u>
Total Issued	<u>9,124,058.92</u>	<u>9,757,145.16</u>	<u>10,573,815.93</u>
Less:			
State of New Jersey, Department of Transportation Grant	None	None	42,500.00
NJ Board of Public Utilities	None	None	88,000.00
County of Monmouth Community Development Block Grant	None	None	None
Reserve for Payment of Bonds	71,457.45	None	None
Trust Assessment Cash	<u>80,244.62</u>	<u>121,980.06</u>	<u>152,498.81</u>
Total Deductions	<u>151,702.07</u>	<u>121,980.06</u>	<u>282,998.81</u>
Net Debt Issued	<u>8,972,356.85</u>	<u>9,635,165.10</u>	<u>10,290,817.12</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	91,500.00	402,000.00	224,500.00
Sewer Utility:			
Bonds and Notes	None	None	None
Beach Utility:			
Bonds and Notes	<u>366,000.00</u>	<u>242,000.00</u>	<u>242,300.00</u>
Total Authorized But Not Issued	<u>457,500.00</u>	<u>644,000.00</u>	<u>466,800.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 9,429,856.85</u>	<u>\$ 10,279,165.10</u>	<u>\$ 10,757,617.12</u>

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. MUNICIPAL DEBT (CONTINUED)

Summary of Statutory Debt Condition, Annual Debt Statement

The summarized statement of debt condition that follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 0.619%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 1,868,000.00	\$ 1,868,000.00	\$ None
Sewer Utility Debt	1,127,646.00	1,127,646.00	None
Beach Utility Debt	1,119,000.00	1,119,000.00	None
General Debt	7,251,912.92	71,457.45	7,180,455.47
Assessment Debt	<u>83,000.00</u>	<u>80,244.62</u>	<u>2,755.38</u>
	<u>\$ 11,449,558.92</u>	<u>\$ 4,266,348.07</u>	<u>\$ 7,183,210.85</u>

Net Debt \$7,183,210.85 divided by Equalized Valuation basis per N.J.S. 40A:2-2 As Amended, \$1,160,418,239 equals 0.619%. The Annual Debt Statement has been amended.

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

3½% of Equalized Valuation Basis (Municipal)	\$ 40,614,638.37
Net Debt	<u>7,183,210.85</u>
Remaining Borrowing Power	<u>\$ 33,431,427.52</u>

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. **MUNICIPAL DEBT (CONTINUED)**

School Debt Deduction

School debt is deductible up to the extent of 3.0% of the Average Equalized Assessed Valuation of real property for the Local School District.

Calculation of "Self-Liquidating Purpose", Sewer Utility Per N.J.S. 40A:2-45

Cash Receipts for Fees, Rents or Other Charges for the Year		\$ 1,575,758.58
Deductions:		
Operating and Maintenance Costs	\$ 1,265,841.00	
Debt Service	<u>223,895.33</u>	<u>1,489,736.33</u>
Excess in Revenue		<u>\$ 86,022.25</u>

Calculation of "Self-Liquidating Purpose", Beach Utility Per N.J.S. 40A:2-45

Cash Receipts for Fees, Rents or Other Charges for the Year		\$ 1,356,251.77
Deductions:		
Operating and Maintenance Costs	\$ 1,038,899.00	
Debt Service	<u>195,712.70</u>	<u>1,234,611.70</u>
Excess in Revenue		<u>\$ 121,640.07</u>

There being an excess in revenue for both the Beach and Sewer Utilities, the funds were self liquidating and therefore, all the related debt is deductible for purposes of the annual debt statement and resultant net debt calculation.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. **MUNICIPAL DEBT (CONTINUED)**

There were bond anticipation notes outstanding as follows:

	<u>Interest Rate</u>	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Amount</u>
General Capital Fund	2.00%	08/11/09	08/10/10	\$ <u>328,000.00</u>
				\$ <u><u>328,000.00</u></u>

Long Term Debt

General Capital Fund:

\$3,573,000.00 General Improvement Bonds, Series 2000 through the Monmouth County Improvement Authority (MCIA) Final annual maturity of \$250,000.00 in December, 2010 at an interest rate of 4.8%. \$ 250,000.00

\$913,200.00 General Refunding 2002 Bonds, Series 2006 through the MCIA - Annual maturities from \$91,200.00 to \$105,000.00 through August 2015 at interest rates ranging from 3.5% to 5%. 578,800.00

\$1,916,919.00 General Refunding 2000 Bonds, Series 2007 through the MCIA - Annual maturities from \$5,417.00 to \$316,000.00 through December 2016 at interest rates ranging from 4% to 5%. 1,872,554.00

\$3,733,000 General Improvement Bonds, Series 2007 through the MCIA - Annual maturities from \$216,000.00 to \$363,000.00 through December 2021 at interest rates ranging from 4% to 5.25%. 3,432,000.00 **

\$383,000.00 General Improvement Term Bond, Series 2007 - through the MCIA of \$383,000.00 due in December 2022 at an annual interest rate of 4.25%. 383,000.00

\$ 6,516,354.00

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. **MUNICIPAL DEBT (CONTINUED)**

Long Term Debt (Continued)

Beach Utility Capital Fund:

\$837,000.00 Beach Improvement Bonds, Series 2000 through the MCIA -Final annual maturity of \$107,000.00 in December 2010 at an interest rate of 4.875%. \$ 107,000.00

\$746,000.00 Beach Improvement Bonds, Series 2007 through the MCIA - Annual maturities from \$50,000.00 to \$98,000.00 through December 2017 at interest rates of 5%. 646,000.00

\$ 753,000.00

Sewer Utility Capital Fund:

\$1,181,000.00 Sewer Improvement Bonds, Series 2000 through the MCIA -Final annual maturity of \$90,000.00 in December 2010 an interest rate of 4.875%. \$ 90,000.00

\$152,800.00 Sewer Refunding 2002 Bonds, Series 2006 through the MCIA - Annual maturities from \$22,800.00 to \$23,000.00 through August 2012 at interest rates ranging from 3.5% to 5%. 69,200.00

\$584,000.00 Sewer Improvement Bonds, Series 2007 through the MCIA - Annual maturities from \$68,000.00 to \$86,000.00 through December 2015 at interest rates of 5%. 460,000.00

\$523,081.00 Sewer Refunding 2000 Bonds, Series 2007 through the MCIA - Annual maturities from \$1,853.00 to \$110,000.00 through December 2015 at interest rates ranging from 4% to 5%. 508,446.00

\$ 1,127,646.00

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. MUNICIPAL DEBT (CONTINUED)

Long Term Debt (Continued)

Trust Assessment Fund:

\$750,000.00 Assessment Trust Bonds, Series 2000
through the MCIA -Final annual maturity of \$83,000.00
in December, 2010 at an interest rate
of 4.875%.

\$ 83,000.00

\$ 8,480,000.00

Redemption

** Optional Redemption – The Series 2007 Bonds maturing on or before December 1, 2017 shall not be subject to redemption prior to their respective maturity dates. The Series 2007 Bonds maturing on or after December 1, 2018 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2017 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. **MUNICIPAL DEBT (CONTINUED)**

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

Calendar Year	General Capital Fund			Trust Assessment Fund		
	Principal	Interest	Total	Principal ⁽¹⁾	Interest	Total
2010	\$ 562,347.00	\$ 306,305.32	\$ 868,652.32	\$ 83,000.00	\$ 4,046.26	\$ 87,046.26
2011	600,874.00	279,919.94	880,793.94			
2012	608,014.00	253,848.98	861,862.98			
2013	646,000.00	226,228.44	872,228.44			
2014	710,957.00	196,928.44	907,885.44			
sub-total	<u>3,128,192.00</u>	<u>1,263,231.12</u>	<u>4,391,423.12</u>	<u>\$ 83,000.00</u>	<u>4,046.26</u>	<u>87,046.26</u>
2015	727,162.00	161,380.62	888,542.62			
2016	606,000.00	125,022.50	731,022.50			
2017	304,000.00	94,722.50	398,722.50			
2018	319,000.00	79,522.40	398,522.40			
2019	336,000.00	62,775.00	398,775.00			
sub-total	<u>2,292,162.00</u>	<u>523,423.02</u>	<u>2,815,585.02</u>			
2020	350,000.00	49,335.00	399,335.00			
2021	363,000.00	35,335.00	398,335.00			
2022	383,000.00	16,277.50	399,277.50			
sub-total	<u>1,096,000.00</u>	<u>100,947.50</u>	<u>1,196,947.50</u>			
	<u>\$ 6,516,354.00</u>	<u>\$ 1,887,601.64</u>	<u>\$ 8,403,955.64</u>	<u>\$ 83,000.00</u>	<u>\$ 4,046.26</u>	<u>\$ 87,046.26</u>

Calendar Year	Beach Utility Capital Fund			Sewer Utility Capital Fund			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	
2010	\$ 157,000.00	\$ 37,516.26	\$ 194,516.26	\$ 182,653.00	\$ 52,689.68	\$ 235,342.68	\$ 1,385,557.52
2011	73,000.00	29,800.00	102,800.00	186,126.00	44,030.06	230,156.06	1,213,750.00
2012	77,000.00	26,150.00	103,150.00	188,986.00	35,933.52	224,919.52	1,189,932.50
2013	81,000.00	22,300.00	103,300.00	188,000.00	27,394.06	215,394.06	1,190,922.50
2014	85,000.00	18,250.00	103,250.00	191,043.00	19,094.06	210,137.06	1,221,272.50
sub-total	<u>473,000.00</u>	<u>134,016.26</u>	<u>607,016.26</u>	<u>936,808.00</u>	<u>179,141.38</u>	<u>1,115,949.38</u>	<u>6,201,435.02</u>
2015	89,000.00	14,000.00	103,000.00	190,838.00	9,541.88	200,379.88	1,191,922.50
2016	93,000.00	9,550.00	102,550.00				833,572.50
2017	98,000.00	4,900.00	102,900.00				501,622.50
2018							398,522.40
2019							907,885.44
sub-total	<u>280,000.00</u>	<u>28,450.00</u>	<u>308,450.00</u>	<u>190,838.00</u>	<u>9,541.88</u>	<u>200,379.88</u>	<u>3,833,525.34</u>
2020							399,335.00
2021							398,335.00
2022							399,277.50
sub-total							<u>1,196,947.50</u>
	<u>\$ 753,000.00</u>	<u>\$ 162,466.26</u>	<u>\$ 915,466.26</u>	<u>\$ 1,127,646.00</u>	<u>\$ 188,683.26</u>	<u>\$ 1,316,329.26</u>	<u>\$ 11,231,907.86</u>

Note 1: Trust Assessment principal is paid for by assessment of properties and is paid through a Trust Fund as opposed to a budget appropriation.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. **MUNICIPAL DEBT (CONTINUED)**

Green Trust Loan Agreements

The Borough has indebtedness related to the State of New Jersey Green Trust Loan Program. The repayments are at a 2% interest rate and are as follows:

Year	Fitness Park		Park Improvements		Total
	Principal	Interest	Principal	Interest	
2010	\$ 1,663.24	\$ 16.63	\$ 18,166.95	\$ 6,197.53	\$ 26,044.35
2011			18,532.10	5,832.38	24,364.48
2012			18,904.60	5,459.88	24,364.48
2013			19,284.58	5,079.90	24,364.48
2014			19,672.20	4,692.27	24,364.47
sub-total	<u>1,663.24</u>	<u>16.63</u>	<u>94,560.43</u>	<u>27,261.96</u>	<u>123,502.26</u>
2015			20,067.62	4,296.86	24,364.48
2016			20,470.97	3,893.51	24,364.48
2017			20,882.44	3,482.04	24,364.48
2018			21,302.18	3,062.30	24,364.48
2019			21,730.35	2,634.13	24,364.48
sub-total			<u>104,453.56</u>	<u>17,368.84</u>	<u>121,822.40</u>
2020			22,167.13	2,197.35	24,364.48
2021			22,612.68	1,751.79	24,364.47
2022			23,067.20	1,297.28	24,364.48
2023			23,530.85	833.63	24,364.48
2024			24,003.83	240.04	24,243.87
sub-total			<u>115,381.69</u>	<u>6,320.09</u>	<u>121,701.78</u>
	<u>\$ 1,663.24</u>	<u>\$ 16.63</u>	<u>\$ 314,395.68</u>	<u>\$ 50,950.89</u>	<u>\$ 367,026.44</u>

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 8. **MUNICIPAL DEBT (CONTINUED)**

Bonds and Notes Authorized but not Issued

At December 31, 2009, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	\$	91,500.00
Beach Utility Capital Fund		366,000.00
Sewer Utility Capital Fund		<u>None</u>
	\$	<u><u>457,500.00</u></u>

Continuing Disclosure Requirements

As a result of the bond agreements with the Monmouth County Improvement Authority, the Borough is obligated to comply with the Securities and Exchange Commission Rule 15c2-12 related to the Annual Continuing Disclosure Requirement, which has been done for 2009.

Note 9. **INTERFUND RECEIVABLES AND PAYABLES**

The following are reflected as interfund receivables and payables on the various balance sheets:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 1,319.00	\$ 20,594.66
Federal and State Grant	18,811.67	
Trust Other	<u>1,782.99</u>	<u>1,319.00</u>
	<u><u>\$ 21,913.66</u></u>	<u><u>\$ 21,913.66</u></u>

The interfund between the Current and Federal and State Grant Funds arose from the grant activity and the relationship between these two funds.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 10. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2009, the following deferred charges are shown on the Balance Sheets as follows:

	Balance December 31, <u>2009</u>	2010 Budget Appropriation	Balance to Succeeding <u>Budgets</u>
Current Fund:			
Special Emergency Authorization Per N.J.S.A. 40A:4-53	\$ <u>15,000.00</u>	\$ <u>15,000.00</u>	\$ <u> </u>
Federal and State Grant Fund:			
Overexpenditure of Appropriated Reserve	\$ <u>1,485.99</u>	\$ <u>1,485.99</u>	\$ <u> </u>

The appropriations in the 2010 budget shall be as required by statute.

Note 11. LOCAL DISTRICT SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough raises its share of Local District School Taxes on a school year basis and has elected to defer these taxes as follows:

	Local District School Taxes		
	Balance, December 31		
	<u>2009</u>	<u>2008</u>	<u>Increase/ (Decrease)</u>
Balance of Tax	\$ 2,641,260.00	\$ 2,779,512.00	\$ (138,252.00)
Deferred Portion	<u>2,476,184.00</u>	<u>2,605,793.00</u>	<u>(129,609.00)</u>
Tax Payable	<u>\$ 165,076.00</u>	<u>\$ 173,719.00</u>	<u>\$ (8,643.00)</u>

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 12. LEASES

Monmouth County Improvement Authority (MCIA) – The Borough entered into various capital equipment lease programs with MCIA. The leases are for various equipment that is owned by the MCIA and to which the Borough has a bargain purchase option at the end of the lease period in the amount of \$1.00.

The Borough is obligated under five (5) separate lease agreements with the MCIA entered into in the years 2001, 2003, 2005, 2007 and 2009. Interest and principal are provided for in the Current Fund budget excluded from CAPS as part of the debt service appropriation.

Year Ending Dec. 31,	Appropriated in the Current Fund - Debt Service Appropriation Excluded from "CAPS"			
	Prior to July 1, 2007		Subsequent to July 1, 2007	
	Principal	Interest	Principal	Interest
2010	\$ 81,400.00	\$ 8,115.12	\$ 69,600.00	\$ 11,874.23
2011	47,800.00	4,626.50	67,400.00	10,888.50
2012	32,400.00	2,862.60	69,000.00	9,312.50
2013	33,600.00	1,680.00	31,000.00	7,482.50
2014			33,000.00	5,932.50
2015			21,000.00	4,612.50
Thereafter			90,000.00	9,722.50
	<u>\$ 195,200.00</u>	<u>\$ 17,284.22</u>	<u>\$ 381,000.00</u>	<u>\$ 59,825.23</u>

Year Ending Dec. 31,	Appropriated in the Current Fund - Debt Service Appropriation Excluded from "CAPS"		
	Principal	Interest	Total
2010	\$ 151,000.00	\$ 19,989.35	\$ 170,989.35
2011	115,200.00	15,515.00	130,715.00
2012	101,400.00	12,175.10	113,575.10
2013	64,600.00	9,162.50	73,762.50
2014	33,000.00	5,932.50	38,932.50
2015	21,000.00	4,612.50	25,612.50
Thereafter	90,000.00	9,722.50	99,722.50
	<u>\$ 576,200.00</u>	<u>\$ 77,109.45</u>	<u>\$ 653,309.45</u>

Continuing Disclosure Requirements

As a result of the 2001, 2003, 2005, 2007 and 2009 lease agreements with the Monmouth County Improvement Authority, the Borough is obligated to comply with the Securities and Exchange Commission Rule 15c2-12 related to the Annual Continuing Disclosure Requirement, which has been done for 2009.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

NOTE 13. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If an eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and adjusted for membership earnings or loses. It is a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employee's Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge. Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain in PERS.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

NOTE 13. **DEFINED CONTRIBUTION RETIREMENT PROGRAM (CONTINUED)**

Contributions Required and Made

Contributions made by employees for DCRP are currently 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

Contributions to the plan were as follows:

<u>Fiscal Year</u>	<u>Employer</u>	<u>Employee</u>
2009	\$ 1,800.00	\$ 3,300.00
2008	N/A	N/A
2007	N/A	N/A

The plan had one employee enrolled in DCRP in 2009.

Note 14. **DEFERRED COMPENSATION PLAN**

The Borough offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:3-37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The plan was adopted by Resolution on September 22, 1998.

The administrators for the Borough's Deferred Compensation Plan is the Public Employees Benefit Service Company (PEBSCO) and MetLife.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 15. **RISK MANAGEMENT**

The Borough, together with other governmental units, are members of the Middlesex County Municipal Joint Insurance Fund (the "Fund"). The Fund, which is organized and operated pursuant to the regulatory authority of the Departments of Insurance and Community Affairs, State of New Jersey, provides for a pooling of risks, subject to established limits and deductibles. In addition, the Fund has obtained cost effective reinsurance and excess liability coverages for participant local units.

For the year ended December 31, 2009, the Fund provided coverage for Property, Boiler and Machinery, Automobile Liability, General Liability, Workmen's Compensation and a Public Employee Blanket Bond.

The Borough has contracted with a private insurance carrier related to public officials' surety bond coverage and public officials' liability insurance. The coverage is subject to certain policy limits and deductible amounts. The coverage is designed to minimize the impact of any potential losses to the Borough for matters that may have been caused or related to the Borough or its employees.

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees 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, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and prior two years:

<u>Year Ended</u> <u>December 31,</u>	<u>Interest</u> <u>Earned</u>	<u>Borough and</u> <u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2009	\$ 45.86	\$ 25,000.00	\$ 32,972.80	\$ 35,065.59
2008	53.58	25,000.00	22,248.40	42,992.53
2007	38.28	54,000.00	25,181.83	40,187.35

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 16. **SERVICE AGREEMENT AND REQUIRED RESERVE**

In accordance with the service agreement with the Township of Neptune Sewerage Authority (the "TNSA"), which the Borough assumed in its creation by the Township of Neptune, the Borough remits an additional 2% of its annual obligation to the TNSA. This additional 2% is a reserve held and invested by the TNSA on behalf of the Borough. The 2% reserve payments will be made to the TNSA until the required minimum balance is equal to the next two quarterly payments due to the TNSA.

The total sewer rent reserve increased by interest earned of \$16,268.46 bringing the total reserve balance at December 31, 2009 to \$426,511.26 which is in excess of the 2009 requirement.

The Rent Reserve on deposit at TNSA is not under the Borough's control nor is the reserve an asset of the Borough and, therefore, it is not included on the Borough's Balance Sheet.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 17. SEGMENT INFORMATION FOR UTILITY OPERATING ENTERPRISE FUNDS

The Borough maintains two enterprise funds that provide sewer service and beachfront operations. Segment information for the year ended December 31, 2009 is as follows:

	<u>Beach Utility</u>	<u>Sewer Utility</u>	<u>Total Enterprise Fund</u>
Revenue and Other Income Realized:			
Operating Fund Balance Appropriated	\$ 160,646.00	\$ 117,894.00	\$ 278,540.00
Rents	1,162,187.10	1,506,296.17	2,668,483.27
Miscellaneous Revenues	182,141.45		182,141.45
	<u>1,504,974.55</u>	<u>1,624,190.17</u>	<u>3,129,164.72</u>
Budget Totals			
	1,504,974.55	1,624,190.17	3,129,164.72
Other Credits to Income:			
Non-budget Revenue	3,644.89	10,222.99	13,867.88
Unexpended Balance of Appropriation Reserves	11,604.32	2,198.62	13,802.94
Current Appropriations Canceled	34,555.00	40,273.00	74,828.00
	<u>1,554,778.76</u>	<u>1,676,884.78</u>	<u>3,231,663.54</u>
Total Revenues			
	1,554,778.76	1,676,884.78	3,231,663.54
Expenditures:			
Operating	1,090,450.00	1,331,441.50	2,421,891.50
Debt Service	194,818.00	221,892.50	416,710.50
Deferred Charges and Statutory Expenditures	65,978.00	56,560.00	122,538.00
Capital Improvements	19,000.00	25,000.00	44,000.00
	<u>1,370,246.00</u>	<u>1,634,894.00</u>	<u>3,005,140.00</u>
Total Expenditures			
	1,370,246.00	1,634,894.00	3,005,140.00
Statutory Excess to Fund Balance			
	184,532.76	41,990.78	226,523.54
Fund Balance, January 1			
	<u>174,824.88</u>	<u>276,058.82</u>	<u>450,883.70</u>
	359,357.64	318,049.60	677,407.24
Decreased by:			
Transferred to Current Fund as Anticipated Revenue	None	None	None
Utilization as Anticipated Revenue	160,646.00	117,894.00	278,540.00
	<u>160,646.00</u>	<u>117,894.00</u>	<u>278,540.00</u>
Fund Balance, December 31			
	<u>\$ 198,711.64</u>	<u>\$ 200,155.60</u>	<u>\$ 398,867.24</u>

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 18. CONTINGENT LIABILITIES

A. Compensated Absences

The Borough has contractual agreements with two (2) separate collective bargaining units and also an ordinance covering non-union employees for compensation of unused sick pay, upon retirement, they are as follows:

Public Works Employees and Non-Union Employees - Each unused sick day shall be capped at \$150.00 per unused sick day. Employees will receive upon their twenty-five (25) year retirement of \$150.00 per day for each day of unused sick time not to exceed fifty (50) days.

Police – The cash at separation for accumulated sick time for employees hired after January 1, 2001 shall not exceed 150 days value and shall be paid at the pay scale of the individual officer at the time of retirement of said officer. This limitation shall not apply to any bargaining unit member hired prior to January 1, 2001.

Liability - The Borough's total liability for sick time as of December 31, 2009, based on contractual limits, is \$874,564.86. Although not an immediate liability of the Borough, the likelihood of all of this amount becoming due and payable at any time in the near future is remote.

Additional Liability - In addition, the potential exists that the Borough may have in the event that an employee is out of work on an extended illness and because of the nature of their position may have to be temporarily replaced which could potentially result ultimately in additional cost to the Borough.

B. Litigation

The Borough Attorney's representation has revealed that there are no matters of litigation pending that in the event of an adverse outcome that would have a material impact on the financial condition of the Borough.

BOROUGH OF BRADLEY BEACH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009

Note 18. CONTINGENT LIABILITIES (CONTINUED)

C. Health Benefits

The Borough is a participant in the New Jersey State Health Benefits Plan (the "Plan") for medical coverage for its employees and their families. In 1992, the Plan allowed participating municipalities the option to defer one month's premium payment until such time when the municipality elected to terminate the Plan coverage. The Borough of Bradley Beach elected to defer the one-month payment and did not provide for twelve payments in the 1992 Municipal Budget. It is our opinion that this deferred payment represents a contingent liability of the Borough. The Borough has not terminated its Plan coverage as of the date of this report.

D. Grants

The Borough of Bradley Beach participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Borough is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

E. Reserve for State Tax Appeals

The Borough has a Reserve for State Tax Appeals at December 31, 2009 of \$15,000.00, which represents an estimate for several tax appeals that are pending for 2009. In the event the appeals are awarded in excess of that amount, then a charge to Fund Balance/(Operations) will be needed.

**COMBINING AND INDIVIDUAL FUND
AND ACCOUNT GROUP STATEMENTS**

CURRENT FUND

BOROUGH OF BRADLEY BEACH
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 1,626,540.14	\$ 1,887,222.55
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes	173,804.32	141,148.83
Tax Title Liens Receivable	274.68	267.50
Revenue Accounts Receivable	12,377.56	15,848.59
Interfunds Receivable:		
Due from Animal Control Trust Fund	1,319.00	1,212.08
Deferred Charges	<u>15,000.00</u>	<u>30,000.00</u>
 Total Current Fund	 <u>1,829,315.70</u>	 <u>2,075,699.55</u>
 Federal and State Grant Fund:		
Federal and State Grants Receivable	33,897.33	28,892.43
Deferred Charges	1,485.59	
Interfund Receivable - Due from Current Fund	<u>18,811.67</u>	<u>30,959.47</u>
 Total Federal and State Grant Fund	 <u>54,194.59</u>	 <u>59,851.90</u>
 Total Assets	 <u>\$ 1,883,510.29</u>	 <u>\$ 2,135,551.45</u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
<u>LIABILITIES, RESERVES AND</u>		
<u>FUND BALANCE</u>		
Current Fund:		
Liabilities:		
Appropriation Reserves	\$ 321,280.68	\$ 280,435.38
Prepaid Taxes	148,300.78	135,288.28
Prepaid Concession Rents		33,500.00
Tax Overpayments	467.16	10,766.17
Due County for Added and Omitted Taxes	11,029.54	5,584.79
Reserve for Encumbrances	138,007.17	139,930.94
Due to State of New Jersey:		
Per Ch. 20, P.L. 1971	2,600.03	4,358.27
Other	1,480.00	1,314.00
Various Reserves	262,453.57	281,970.60
Reserve for State Tax Appeals	15,000.00	30,000.00
Local District School Tax Payable	165,076.00	173,719.00
Interfunds Payable:		
Due to Trust Other Fund	1,782.99	
Due to Federal and State Grant Fund	18,811.67	30,959.47
	1,086,289.59	1,127,826.90
Reserve for Receivables and Other Assets	187,775.56	158,477.00
Fund Balance	555,250.55	789,395.65
Total Current Fund	1,829,315.70	2,075,699.55
Federal and State Grant Fund:		
Reserve for Federal and State Grants:		
Appropriated	44,523.54	53,536.27
Unappropriated	6,671.05	3,315.63
Reserve for Encumbrances	3,000.00	3,000.00
	54,194.59	59,851.90
Total Federal and State Grant Fund	54,194.59	59,851.90
Total Liabilities, Reserves and Fund Balance	\$ 1,883,510.29	\$ 2,135,551.45

BOROUGH OF BRADLEY BEACH
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Revenues and Other Income Realized:		
Fund Balance Utilized	\$ 636,000.00	\$ 725,000.00
Miscellaneous Revenues Anticipated	805,486.53	961,869.57
State Aid	455,208.00	495,500.00
Federal and State Grants	40,384.04	51,492.39
Receipts from Delinquent Taxes	132,383.83	137,198.86
Amount to be Raised by Taxation for Support of Municipal Budget	5,790,339.69	5,460,995.79
Non-Budget Revenues	21,625.03	26,850.35
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	91,846.72	98,121.50
Current Appropriations Canceled	280,287.14	98,177.41
Interfund Liquidation	1,212.08	3,296.04
Tax Overpayments Canceled	11,049.01	16.78
Cancellation of Reserve for State Tax Appeals	29,084.24	18,881.96
Cancellation of Federal and State Grant Appropriation Reserves	998.73	
Taxes Allocated to School and County Taxes	<u>7,871,868.67</u>	<u>8,013,462.91</u>
 Total Income	 <u>16,167,773.71</u>	 <u>16,090,863.56</u>
 Expenditures:		
Budget and Emergency Appropriations:		
Within "CAPS":		
General Government	626,143.00	511,428.00
Land Use	26,300.00	23,750.00
Code Enforcement	130,357.00	120,822.00
Insurance	876,820.00	841,180.00
Public Safety	2,227,517.09	2,240,504.00
Public Works	939,529.91	895,292.00
Health and Human Services	24,235.00	19,515.00
Park and Recreation	120,115.00	113,100.00
Utility Expenses and Bulk Purchases	333,100.00	342,050.00
Deferred Charges and Statutory Expenditures	564,476.75	138,496.67
Contingent	3,700.00	3,700.00
Excluded from "CAPS":		
General Government		11,525.76
Public Safety	9,200.00	18,294.36
Education	388,693.22	379,425.00
State and Federal Grants	49,103.35	54,992.39
Capital Improvements	50,000.00	50,000.00
Municipal Debt Service	1,037,091.62	915,224.62
Deferred Charges and Statutory Expenditures	15,000.00	437,723.80
Reserve for Uncollected Taxes	336,895.60	332,037.64

BOROUGH OF BRADLEY BEACH
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Expenditures (Continued):		
County Taxes	\$ 2,919,500.67	\$ 2,796,386.49
Due to County for Added and Omitted Taxes:		
Prior Year's Portion	1,122.59	5,584.79
Local District School Taxes	5,081,977.00	5,213,211.00
Senior Citizens' Deductions Disallowed		2,250.00
Interfund Advanced		1,212.08
Cancellation of Federal and State Grant Receivable	2,186.86	
Refund of Prior Years Revenue	<u>2,854.15</u>	<u>7,667.65</u>
Total Expenditures	<u>15,765,918.81</u>	<u>15,475,373.25</u>
Excess in Revenue Over Expenditures	<u>401,854.90</u>	<u>615,490.31</u>
Statutory Excess to Fund Balance	401,854.90	615,490.31
Fund Balance, January 1	<u>789,395.65</u>	<u>898,905.34</u>
	1,191,250.55	1,514,395.65
Decreased by:		
Utilized as Anticipated Revenue	<u>636,000.00</u>	<u>725,000.00</u>
Fund Balance, December 31	<u>\$ 555,250.55</u>	<u>\$ 789,395.65</u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	Budget As Modified	Added by N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 636,000.00	\$ _____	\$ 636,000.00	\$ _____
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	20,000.00		20,250.00	250.00
Other	9,000.00		13,824.00	4,824.00
Fees and Permits:				
Other	65,000.00		61,972.16	(3,027.84)
Construction Code Official Fees	176,000.00		123,607.75	(52,392.25)
Fines and Costs:				
Municipal Court	273,800.00		237,053.33	(36,746.67)
Interest and Costs on Taxes	30,000.00		33,332.30	3,332.30
Interest on Investments	30,781.45		21,499.29	(9,282.16)
Cable Television Fees	18,600.00		18,677.00	77.00
Concession Rents	37,300.00		38,500.00	1,200.00
Parking Meters	25,000.00		25,000.00	
	<u>685,481.45</u>	<u>_____</u>	<u>593,715.83</u>	<u>(91,765.62)</u>
State Aid Without Offsetting Appropriations:				
Consolidated Municipal Property Tax Relief Aid	64,980.00		64,980.00	
Energy Receipts Tax	390,228.00		390,228.00	
	<u>455,208.00</u>	<u>_____</u>	<u>455,208.00</u>	<u>_____</u>
Special Items of Revenue Offset with Appropriations:				
Clean Communities Program	7,838.35		7,838.35	
Alliance to Prevent Alcohol and Drug Abuse	13,038.00		13,038.00	
Green Acres Lot Parking Meters Fees	9,425.00		7,207.69	(2,217.31)
Community Forestry Survey		12,300.00	12,300.00	
	<u>30,301.35</u>	<u>12,300.00</u>	<u>40,384.04</u>	<u>(2,217.31)</u>
Special Items of Revenue with Prior Consent of the Director:				
Uniform Fire Safety Act	4,162.50		3,812.90	(349.60)
General Capital Fund Balance	50,000.00		50,000.00	
Cell Tower Rental Fees	29,000.00		37,957.80	8,957.80
2008 Appropriation Reserves Lapsed	120,000.00		120,000.00	
	<u>203,162.50</u>	<u>_____</u>	<u>211,770.70</u>	<u>8,608.20</u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	Budget As <u>Modified</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Receipts from Delinquent Taxes	\$ <u>135,000.00</u>	\$ _____	\$ <u>132,383.83</u>	\$ <u>(2,616.17)</u>
Amount to be Raised by Taxation for Support of Municipal Budget:				
Local Tax for Municipal Purposes	<u>5,600,824.24</u>	_____	<u>5,790,339.69</u>	<u>189,515.45</u>
Budget Totals	<u>7,745,977.54</u>	<u>12,300.00</u>	<u>7,859,802.09</u>	<u>101,524.55</u>
Non-Budget Revenue	_____	_____	<u>21,625.43</u>	<u>21,625.43</u>
	<u>\$ 7,745,977.54</u>	<u>\$ 12,300.00</u>	<u>\$ 7,881,427.52</u>	<u>\$ 123,149.98</u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
GENERAL GOVERNMENT FUNCTIONS						
General Administration:						
Salaries and Wages	\$ 90,691.00	\$ 90,691.00	\$ 89,167.14	\$ 3,715.26	\$ 1,523.86	\$ 93.12
Other Expenses	5,750.00	5,750.00	1,941.62			
Human Resources:						
Salaries and Wages	22,500.00	22,500.00	9,704.30	704.00	91.70	12,000.00
Other Expenses						
Mayor and Council:						
Salaries and Wages	14,400.00	14,400.00	14,400.00		170.00	5,450.00
Other Expenses	14,400.00	7,158.00	1,538.00			
Municipal Clerk:						
Salaries and Wages	96,587.00	96,062.00	94,037.49		624.51	1,400.00
Other Expenses	37,883.00	37,883.00	29,585.94	3,729.44	1,917.62	2,650.00
Codification of Ordinances						
Financial Administration:						
Salaries and Wages	38,826.00	38,826.00	38,078.39		747.61	
Other Expenses	20,649.00	23,649.00	17,318.21	4,825.19	375.60	1,130.00
Audit Services:						
Other Expenses	12,165.00	12,165.00		12,165.00		
Revenue Administration:						
Salaries and Wages	46,771.00	46,771.00	46,672.00		99.00	
Other Expenses	10,755.00	10,755.00	10,065.80	53.24	35.96	600.00
Tax Assessment Administration:						
Salaries and Wages	22,323.00	22,373.00	22,368.00		5.00	
Other Expenses	2,600.00	2,550.00	1,328.67	259.80	146.53	815.00
Reassessment of Real Property						
Legal Services:						
Salaries and Wages	60,000.00	59,345.00	57,000.00		5.00	2,345.00
Other Expenses		655.00	650.00			
Engineering Services and Costs:						
Other Expenses	16,000.00	16,000.00	6,470.50	408.75	20.75	9,100.00
LAND USE ADMINISTRATION						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board:						
Salaries and Wages	6,000.00	6,000.00	4,800.00			1,200.00
Other Expenses	5,250.00	5,250.00	2,750.31		54.69	2,445.00
Zoning Board of Adjustment:						
Salaries and Wages	7,500.00	7,500.00	4,945.00			2,555.00
Other Expenses	7,550.00	7,550.00	3,803.35	123.50	353.15	3,270.00
CODE ENFORCEMENT AND ADMINISTRATION						
Other Code Enforcement Functions (Code						
Enforcement Officer):	121,782.00	122,853.00	122,849.64		3.36	
Salaries and Wages	9,575.00	7,504.00	6,340.03	367.77	501.20	295.00
Other Expenses						

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>
INSURANCE						
Surety Bond Premium	\$ 1,000.00	\$ 1,000.00	\$ 860.00	\$	\$ 140.00	\$
Liability Insurance	83,365.00	83,365.00	83,365.00			
Worker Compensation Insurance	144,350.00	144,350.00	144,350.00			
Employee Group Insurance	643,370.00	643,105.00	571,464.03		71,640.97	
Unemployment Insurance	5,000.00	5,000.00	5,000.00			
PUBLIC SAFETY FUNCTIONS						
Police:						
Salaries and Wages	1,714,665.00	1,714,665.00	1,698,624.49		16,040.51	
Other Expenses	83,700.00	83,700.00	77,663.80	\$ 3,722.95	2,313.25	
Police Dispatch/911:						
Salaries and Wages	137,200.00	137,200.00	133,904.93		3,295.07	
Other Expenses	3,500.00	3,500.00	2,020.30	1,479.65	0.05	
Office of Emergency Management:						
Salaries and Wages	2,000.00	2,000.00	1,999.92		0.08	
Other Expenses	3,100.00	3,100.00	1,390.64	1,666.00	43.36	
Aid to Volunteer Ambulance Company	25,000.00	25,000.00	25,000.00			
Fire:						
Salaries and Wages	500.00	691.09	300.00		391.09	
Other Expenses	49,675.00	50,213.00	36,484.85	13,625.86	102.29	
Fire Hydrants:						
Other Expenses	50,000.00	50,000.00	37,545.37	3,158.54	296.09	9,000.00
Uniform Fire Safety Act (Ch. 383 P.L. 1983):						
Other Expenses	100.00	100.00	100.00			
Fire Prevention Bureau:						
Salaries and Wages	4,320.00	4,400.00	4,399.92		0.08	
Other Expenses	500.00	420.00	332.64		87.36	
Municipal Prosecutor:						
Salaries and Wages	17,000.00	17,000.00	16,999.92		0.08	
Municipal Court:						
Salaries and Wages	102,878.00	102,878.00	100,738.25		1,139.75	1,000.00
Other Expenses	30,650.00	30,650.00	26,498.59	2,090.25	1,761.16	300.00
Public Defender:						
Salaries and Wages	2,000.00	2,000.00	1,782.99		217.01	

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>
PUBLIC WORKS FUNCTIONS						
Road Repair and Maintenance:						
Salaries and Wages	\$ 295,446.00	\$ 295,446.00	\$ 275,044.09	\$	\$ 12,401.91	\$ 8,000.00
Other Expenses	70,550.00	71,550.00	55,181.05	11,648.88	1,720.07	3,000.00
Solid Waste Collection:						
Garbage and Trash Removal:						
Other Expenses	353,400.00	353,400.00	321,284.72	3,230.80	24,684.48	4,200.00
Recycling (P.L. 1987 Ch. 74):						
Salaries and Wages	6,720.00	6,720.00	6,720.00			
Other Expenses	45,009.00	45,009.00	43,849.99		59.01	1,100.00
PUBLIC WORKS FUNCTIONS (CONTINUED)						
Buildings and Grounds:						
Salaries and Wages	5,959.00	5,959.00	5,784.00		175.00	
Other Expenses	46,475.00	66,475.00	48,979.70	4,232.54	2,667.76	10,595.00
Vehicle Maintenance:						
Other Expenses	74,500.00	83,770.91	54,230.90	9,657.61	426.26	19,456.14
Community Services Act:						
Other Expenses	10,200.00	10,200.00	10,200.00			
PEOSHA - Hepatitis "B" Immunization	1,000.00	1,000.00				1,000.00
HEALTH AND HUMAN SERVICES FUNCTIONS						
Shade Tree Commission:						
Other Expenses	1,850.00	2,850.00				2,850.00
Environmental Commission:						
Other Expenses	2,800.00	2,900.00	454.66	2,385.00	60.34	
Animal Control Services:						
Other Expenses	11,985.00	11,985.00	10,984.05	1,000.95		
Contribution to Social Services Agencies:						
Other Expenses	6,500.00	6,500.00	4,488.00	2,012.00		
PARK AND RECREATION FUNCTIONS						
Recreation:						
Salaries and Wages	45,835.00	46,360.00	46,056.82		303.18	
Other Expenses	35,000.00	35,000.00	33,046.98	1,883.82	69.20	
Senior Citizen	1,000.00	1,000.00	1,000.00			
Celebration of Public Events:						
Salaries and Wages	1,000.00	900.00				900.00
Other Expenses	5,400.00	5,400.00	4,981.14		18.86	400.00
Maintenance of Parks:						
Salaries and Wages	8,755.00	8,755.00	8,755.00			
Other Expenses	22,700.00	22,700.00	9,187.31	10,803.96	508.73	2,200.00

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	\$ 85,000.00	\$ 85,000.00	\$ 18,049.78	\$ 4,098.14	\$ 852.08	\$ 62,000.00
Street Lighting	115,000.00	95,000.00	55,188.32	14,210.65	101.03	25,500.00
Telephone	40,000.00	40,000.00	26,017.62	1,805.20	177.18	12,000.00
Heat - Gas	40,000.00	40,000.00	21,832.60	1,110.71	556.69	16,500.00
Heat - Oil						
Gasoline	70,000.00	70,000.00	27,627.17	2,795.99	576.84	39,000.00
Telecommunication Costs	3,100.00	3,100.00	3,064.08		35.92	
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS						
OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)						
Construction Code Department:						
Salaries and Wages	111,735.00	111,735.00	108,222.84		3,512.16	
Other Expenses	6,875.00	6,875.00	5,071.61	276.01	227.38	1,300.00
Total Operations within "CAPS"	5,297,624.00	5,304,117.00	4,761,942.46	123,247.46	153,370.94	265,556.14
CONTINGENT	3,700.00	3,700.00	1,011.44		2,688.56	
Total Operations Including Contingent - within "CAPS"	5,301,324.00	5,307,817.00	4,762,953.90	123,247.46	156,059.50	265,556.14
Detail:						
Salaries and Wages	2,960,893.00	2,961,530.09	2,903,650.83		40,479.26	17,400.00
Other Expenses (Including Contingent)	2,340,431.00	2,346,286.91	1,859,303.07	123,247.46	115,580.24	248,156.14
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	81,957.75	81,957.75	81,877.00		80.75	
Social Security System (O.A.S.I.)	121,529.14	111,529.14	101,125.99		403.15	10,000.00
Consolidated Police and Firemen's Pension Fund	19,500.00	19,500.00	19,495.92		4.08	
Police and Firemen's Retirement System of New Jersey	347,379.00	347,379.00	347,379.00			
Deferred Contribution Retirement Plan	4,000.00	4,000.00	3,300.00		700.00	
Administrative Fees (PFRS)	110.86	110.86	110.86			
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	574,476.75	564,476.75	553,288.77		1,187.98	10,000.00
Total General Appropriations for Municipal Purposes within "CAPS"	5,875,800.75	5,872,293.75	5,316,242.67	123,247.46	157,247.48	275,556.14

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
OPERATIONS - EXCLUDED FROM "CAPS"						
Other Operations - Excluded from "CAPS":						
Maintenance of Free Public Library	\$ 388,693.22	\$ 388,693.22	\$ 209,901.11	\$ 14,759.71	\$ 164,032.40	\$
Total Other Operations - Excluded from "CAPS"	388,693.22	388,693.22	209,901.11	14,759.71	164,032.40	
Interlocal Municipal Service Agreements:						
County of Monmouth - 911 Services (P.S.A.P.)	4,200.00	4,200.00	4,199.20		0.80	
Computer Answering Network	5,000.00	5,000.00	5,000.00			
Total Interlocal Municipal Service Agreements	9,200.00	9,200.00	9,199.20		0.80	
Public and Private Programs Offset by Revenues:						
2009 Alliance to Prevent Alcoholism & Drug Abuse:						
Grant Portion:						
Match Portion:	13,038.00	13,038.00	13,038.00			
Clean Communities Program	3,260.00	3,260.00	3,260.00			
Community Forestry Grant:	7,838.35	7,838.35	7,838.35			
Grant Portion						
Matching Portion	12,300.00	12,300.00	12,300.00			
Green Acres Lot, Parking Meters, Parks and Playgrounds	9,425.00	9,425.00	7,207.69			2,217.31
Total Public and Private Programs Offset by Revenues	33,561.35	49,103.35	46,886.04			2,217.31
Total Operations - Excluded from "CAPS"	431,454.57	446,996.57	265,986.35	14,759.71	164,033.20	2,217.31
Detail:						
Other Expenses	431,454.57	446,996.57	265,986.35	14,759.71	164,033.20	2,217.31
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund						
Capital Outlay :						
Aerator at Sylvan Lake	16,500.00	16,500.00	16,500.00			
Interlocal Service Agreement - Salt Dome	4,500.00	4,500.00	4,500.00			
Acquisition of Cushman Vehicle	12,000.00	12,000.00	12,000.00			
	17,000.00	17,000.00	17,000.00			
Total Capital Improvements Excluded from "CAPS"	50,000.00	50,000.00	50,000.00			

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 545,415.00	\$ 545,415.00	\$ 545,415.00	\$	\$	\$
Interest on Bonds	339,789.00	340,054.00	340,017.30			36.70
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	27,724.25	27,724.25	27,724.25			
Capital Lease Obligations Approved Prior to 7/1/2007:						
Principal	85,300.00	85,300.00	85,300.00			
Interest	13,587.37	13,567.37	11,413.24			2,154.13
Capital Lease Obligations Approved After 7/1/2007:						
Principal	21,500.00	21,500.00	21,500.00			
Interest	3,531.00	3,531.00	3,208.14			322.86
Total Municipal Debt Service - Excluded from "CAPS"	<u>1,036,826.62</u>	<u>1,037,091.62</u>	<u>1,034,577.93</u>			<u>2,513.69</u>
DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	15,000.00	15,000.00	15,000.00			
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>15,000.00</u>	<u>15,000.00</u>	<u>15,000.00</u>			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>1,533,281.19</u>	<u>1,549,088.19</u>	<u>1,365,564.28</u>	<u>14,759.71</u>	<u>164,033.20</u>	<u>4,731.00</u>
Total General Appropriations - Excluded from "CAPS"	<u>1,533,281.19</u>	<u>1,549,088.19</u>	<u>1,365,564.28</u>	<u>14,759.71</u>	<u>164,033.20</u>	<u>4,731.00</u>
Subtotal General Appropriations	7,409,081.94	7,421,381.94	6,681,806.95	138,007.17	321,280.68	280,287.14
RESERVE FOR UNCOLLECTED TAXES						
Total General Appropriations	<u>\$ 7,745,977.54</u>	<u>\$ 7,758,277.54</u>	<u>\$ 7,018,702.55</u>	<u>\$ 138,007.17</u>	<u>\$ 321,280.68</u>	<u>\$ 280,287.14</u>
Detail:						
Adopted Budget	\$ 7,745,977.54					
Added by N.J.S.A. 40A:4-87		12,300.00				
		<u>\$ 7,758,277.54</u>				

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance December 31, 2008	Tax Levy	Added Taxes	Collections 2008	Collections 2009	State Share Senior Citizens and Veterans Deductions Allowed	Transferred to Tax Title Liens Receivable	Adjusted, Remitted, or Canceled	Balance December 31, 2009
2008	\$ 141,148.83	\$	\$ 4,406.97	\$	\$ 132,383.83	\$	\$	\$	\$ 13,171.97
	141,148.83		4,406.97		132,383.83				13,171.97
2009		13,464,479.97	49,482.65	133,690.60	13,143,875.64	44,750.00	7.18	31,006.85	160,632.35
	\$ 141,148.83	\$ 13,464,479.97	\$ 53,889.62	\$ 133,690.60	\$ 13,276,259.47	\$ 44,750.00	\$ 7.18	\$ 31,006.85	\$ 173,804.32

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

ANALYSIS OF 2009 PROPERTY TAX LEVY

Tax Yield:	
General Purpose Tax	\$ 13,464,479.97
Added Taxes (54:4-63.1 et. seq.)	46,194.02
Penalties Added	<u>3,288.63</u>
	<u>\$ 13,513,962.62</u>

TAX LEVY

Local School District Tax:	
Levy School Year July 1, 2009 to June 30, 2010	\$ 4,952,368.00
County Taxes:	
County Tax	\$ 2,682,322.64
County Open Space Tax	176,107.02
County Health Tax	51,164.06
Due County for Added Taxes	<u>9,906.95</u>
	<u>2,919,500.67</u>
Total County Taxes	\$ 7,871,868.67
Local Tax for Municipal Purposes	\$ 5,600,824.24
Additional Tax Levied	<u>31,248.54</u>
	<u>5,632,072.78</u>
Total Local Tax for Municipal Purposes Levied	<u>5,632,072.78</u>
Total Tax Levy	<u>\$ 13,503,941.45</u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF TAX TITLE LIENS RECEIVABLE

<u>BALANCE, DECEMBER 31, 2008</u>	\$	267.50
<u>INCREASED BY</u>		
Transferred from Taxes Receivable		<u>7.18</u>
<u>BALANCE, DECEMBER 31, 2009</u>	\$	<u><u>274.68</u></u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF DEFERRED CHARGES

<u>Date</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance December 31, 2008</u>	<u>Raised in 2009</u>	<u>Balance December 31, 2009</u>
3/22/2005	Special Emergency Authorization (N.J.S.A. 40A:4-53)	\$ 75,000.00	\$ 15,000.00	\$ 30,000.00	\$ 15,000.00	\$ 15,000.00
				\$ 30,000.00	\$ 15,000.00	\$ 15,000.00

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	Balance December 31, 2008	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Appropriation Reserves</u>	<u>Reserve for Encumbrances</u>	<u>Transfers</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Salaries and Wages:						
Operations Within "CAPS":						
General Administration	\$ 0.49	\$		\$ 0.49		\$ 0.49
Mayor and Council	428.78			428.78	159.52	269.26
Municipal Clerk	1,177.98			1,177.98		1,177.98
Financial Administration	1.32			1.32		1.32
Revenue Administration	0.48			0.48		0.48
Tax Assessment Administration	1.04			1.04		1.04
Legal Services	0.04			0.04		0.04
Zoning Board of Adjustment	454.07			454.07	174.00	280.07
Other Code Enforcement Functions (Code Enforcement Officer)	1,078.76			1,078.76		1,078.76
Police	17,650.18		(4,000.00)	13,650.18	182.00	13,468.18
Police Dispatch/911	870.78			870.78		870.78
Office of Emergency Management	0.08			0.08		0.08
Fire	500.00			500.00		500.00
Municipal Prosecutor	0.08			0.08		0.08
Municipal Court	80.82			80.82		80.82
Public Defender (P.L. 1997, C. 256)	250.00			250.00		250.00
Road Repair and Maintenance	3,509.16			3,509.16	1,571.56	1,937.60
Buildings and Grounds	242.00			242.00		242.00
Recreation	1,080.48			1,080.48	599.00	481.48
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Department	1,605.95			1,605.95		1,605.95
Total Salaries and Wages	\$ 28,932.49	\$	\$ (4,000.00)	\$ 24,932.49	\$ 2,686.08	\$ 22,246.41

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	Balance December 31, 2008	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Appropriation Reserves</u>	<u>Encumbrances</u>	<u>Transfers</u>	<u>Transfers</u>	<u>Charged</u>	<u>Lapsed</u>
Other Expenses:						
Operations Within "CAPS":						
General Administration	\$ 576.69	\$ 3,929.32		\$ 4,506.01	\$ 3,929.32	\$ 576.69
Mayor and Council	261.00			261.00		261.00
Municipal Clerk	4,278.43	649.39		4,927.82	579.15	4,348.67
Codification of Ordinances	412.43	1,662.27		1,662.27		1,662.27
Financial Administration	174.67	5,564.02		5,976.45	5,349.02	627.43
Audit Services	76.04	18,300.00		18,300.00	18,300.00	
Revenue Administration	3,438.75	149.64		324.31	149.64	174.67
Tax Assessment Administration				76.04		76.04
Engineering Services and Costs				3,451.75		3,451.75
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board	1,325.12	752.94		2,078.06	800.44	1,277.62
Zoning Board of Adjustment	32.36	1,268.70		1,301.06	1,078.70	222.36
Other Code Enforcement Functions (Code Enforc	416.76	20.97		437.73	20.10	417.63
Liability Insurance	3.75			3.75		3.75
Worker Compensation Insurance	4.25			4.25		4.25
Surety Bond Premium	40.00			40.00		40.00
Employee Group Insurance	33,202.70			33,202.70	29,014.19	4,188.51
Police	565.44	11,785.28	4,000.00	16,350.72	12,201.24	4,149.48
Police Dispatch/911	706.88	101.98		808.86	101.98	706.88
Office of Emergency Management	27.68	1,682.28		1,709.96	1,617.93	92.03
Fire	2,813.24	4,968.80		7,782.04	7,781.46	0.58
Fire Hydrants	1,019.45	5,500.29		6,519.74	5,500.29	1,019.45
Municipal Court	1,069.41	1,553.40		2,622.81	2,606.86	15.95
Public Defender (P.L. 1997, C. 256)	100.00			100.00		100.00
Road Repair and Maintenance	13.01	3,309.09		3,322.10	3,030.37	291.73
Solid Waste Collection:						
Garbage and Trash Removal	11,602.63	391.60		11,994.23	8,616.46	3,377.77
Recycling	1.42			1.42		1.42
Buildings and Grounds	76.67	7,250.14		7,326.81	5,865.31	1,461.50
Vehicle Maintenance	290.59	23,056.36		23,346.95	22,953.71	393.24
PEOSHA Hepatitis B Immunization	10.00			10.00		10.00

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	Balance December 31, 2008	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Balance Lapsed
Environmental Commission	3.88	2,552.80		2,556.68	2,552.80	3.88
Animal Control Services		899.41		899.41	898.69	0.72
Contribution to Social Services Agencies		2,144.80		2,144.80	1,439.36	705.44
Recreation	1,830.28	797.21		2,627.49	609.71	2,017.78
Celebration of Public Events	455.41	150.00		605.41	150.00	455.41
Maintenance of Parks	858.83	7,175.28		8,034.11	7,018.28	1,015.83
Electricity	9,562.50			9,562.50		9,562.50
Street Lighting	2,667.81	7,387.92		10,055.73	7,387.92	2,667.81
Telephone	1,100.65	2,502.13		3,602.78	2,502.13	1,100.65
Heat - Gas	91.32	6,253.78		6,345.10	6,253.78	91.32
Gasoline	2,928.69	993.15		3,921.84	1,458.15	2,463.69
Telecommunication Costs	35.92			35.92		35.92
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Department	44.47	657.84		702.31	42.44	659.87
Contingent	3,700.00			3,700.00		3,700.00
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	15,081.82			15,081.82		15,081.82
Deferred Contribution Retirement Plan	2,000.00			2,000.00	1,965.00	35.00
Maintenance of Free Public Library	147,551.94	15,415.19		162,967.13	42,967.13	120,000.00
NJ DEP Stormwater Management	950.00			950.00		950.00
Public and Private Programs Offset by Revenues:						
Tower Opticles	100.00			100.00		100.00
Total Other Expenses	\$ 251,502.89	\$ 138,838.98	\$ 4,000.00	\$ 394,341.87	\$ 204,741.56	\$ 189,600.31
Grand Total	\$ 280,435.38	\$ 138,838.98	\$	\$ 419,274.36	\$ 207,427.64	\$ 211,846.72

Detail:
 Anticipated as Revenue \$ 120,000.00
 Lapsed to Operations 91,846.72
\$ 211,846.72

BOROUGH OF BRADLEY BEACH
CURRENT FUND
STATEMENT OF LOCAL DISTRICT SCHOOL TAX PAYABLE

BALANCE, DECEMBER 31, 2008

School Taxes Payable	\$ 173,719.00	
Deferred School Taxes	<u>2,605,793.00</u>	\$ 2,779,512.00

INCREASED BY

Levy - School Year July 1, 2009 to June 30, 2010		<u>4,952,368.00</u>
		7,731,880.00

DECREASED BY

Cash Disbursed		<u>5,090,620.00</u>
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BALANCE, DECEMBER 31, 2009

School Taxes Payable	\$ 165,076.00	
Deferred School Taxes	<u>2,476,184.00</u>	\$ <u>2,641,260.00</u>

2009 LIABILITY FOR LOCAL DISTRICT SCHOOL TAX

2009 School Taxes Paid		\$ 5,090,620.00
Less: School Taxes Payable, December 31, 2008		<u>173,719.00</u>
		4,916,901.00
Add: School Taxes Payable, December 31, 2009		<u>165,076.00</u>

AMOUNT CHARGED TO OPERATIONS

		\$ <u>5,081,977.00</u>
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BOROUGH OF BRADLEY BEACH
FEDERAL AND STATE GRANT FUND
STATEMENT OF GRANTS RECEIVABLE

<u>Grant</u>	Balance December 31, 2008	2009 Budget Revenue Realized	Added By N.J.S.A. 40A:4-87	Receipt	Canceled	Balance December 31, 2009
State:						
New Jersey Department of Environmental Protection:						
2000	\$ 4,250.00	\$	\$	\$	\$	\$ 4,250.00
Coastal Dune Grant	386.86			386.86		
Cool Cities Community Stewardship Tree Planting Grant	3,750.00			3,750.00		
Green Communities Grant	3,000.00			3,000.00		
Alliance to Prevent Alcoholism and Drug Abuse:						
2008	14,000.57			13,366.44		634.13
2009		13,038.00		247.11		12,790.89
Municipal Stormwater Regulation Program:						
2005	1,705.00				1,800.00	1,705.00
Community Forestry Management Grant	1,800.00					
Clean Communities Grant		7,838.35		7,838.35		
Green Acres Lot Parking Meter Fees		9,425.00		7,207.69		2,217.31
NJ Community Forestry Grant			12,300.00			12,300.00
Total Grants Receivable	<u>\$ 28,892.43</u>	<u>\$ 30,301.35</u>	<u>\$ 12,300.00</u>	<u>\$ 35,409.59</u>	<u>\$ 2,186.86</u>	<u>\$ 33,897.33</u>

**BOROUGH OF BRADLEY BEACH
FEDERAL AND STATE GRANT FUND
STATEMENT OF APPROPRIATED RESERVES**

	Balance December 31, 2008	2009 Budget Appropriations	Transferred from	Appropriation by 40A.4-87	Expended	Canceled	Balance December 31, 2009	Overexpended
State:								
Drunk Driving Enforcement Fund	\$ 19,309.25	\$		\$	\$ 6,532.75		\$ 12,776.50	\$
Clean Communities Grant		7,838.35		770.50			7,067.85	
Alcohol Education and Rehabilitation Fund	117.80						117.80	
Green Communities Grant					685.00			
Fletcher Lake - Phase I	8,135.00						7,450.00	
New Jersey Department of Environmental Protection:								
Coastal Dune:								
Matching Portion - 2006	773.73					773.73		
Community Stewardship Incentive Program:								
Grant Portion - 2003	225.00					225.00		
Alliance to Prevent Alcoholism and Drug Abuse:								
Grant Portion	1,947.35			13,038.00	13,246.49		1,738.86	
Matching Portion				3,260.00	3,259.00		1.00	
SLAHEOP Grant	315.00						315.00	
Body Armor Replacement	2,077.01				3,562.60			1,485.59
Cool Cities Community Stewardship								
Tree Planting Grant	15,636.13				15,456.00		180.13	
Cablevision Grant	5,000.00				2,522.15		2,477.85	
Green Acres Lot Parking Meter Fees				9,425.00	7,207.69		2,217.31	
NJ Community Forestry Grant				12,300.00	2,118.76		10,181.24	
	\$ 53,536.27	\$ 33,561.35		\$ 12,300.00	\$ 55,360.94	\$ 998.73	\$ 44,523.54	\$ 1,485.59

BOROUGH OF BRADLEY BEACH
FEDERAL AND STATE GRANT FUND
STATEMENT OF UNAPPROPRIATED RESERVES

<u>Grant</u>	<u>Balance</u> December 31, 2008	<u>Receipt</u>	<u>Balance</u> December 31, 2009
Clean Communities Grant	\$ 1,560.08	\$	\$ 1,560.08
Clean Communities Grant - 2009		2,161.92	2,161.92
COPS Grant - 2005		1,193.50	1,193.50
Body Armor Replacement Program	<u>1,755.55</u>		<u>1,755.55</u>
	\$ <u>3,315.63</u>	\$ <u>3,355.42</u>	\$ <u>6,671.05</u>

TRUST FUNDS

BOROUGH OF BRADLEY BEACH
TRUST FUNDS
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND RESERVES -
REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>Payroll</u>		<u>Animal Control</u>		<u>Other</u>	
<u>ASSETS</u>						
Cash and Cash Equivalents	\$ 6,317.09	\$ 4,778.32	\$ 5,613.00	\$ 5,107.08	\$ 290,755.87	\$ 305,803.01
Interfund Receivable:						
Due from Current Fund					1,782.99	
Other Receivable					50.00	288.00
Assessments Receivable						
Total Assets	<u>\$ 6,317.09</u>	<u>\$ 4,778.32</u>	<u>\$ 5,613.00</u>	<u>\$ 5,107.08</u>	<u>\$ 292,588.86</u>	<u>\$ 306,091.01</u>
<u>LIABILITIES AND RESERVES</u>						
Other Liabilities and Reserves:						
Interfund Payable:						
Due to Current Fund	\$		\$ 1,319.00	\$ 1,212.08		\$
Due to Employee		483.89				
Serial Bonds						
Reserve for New Jersey Unemployment Compensation					35,065.59	42,992.53
Payroll Deductions Payable	6,317.09	4,294.43				
Due to Employee Reserves			4,294.00	3,895.00	257,523.27	263,098.48
Reserve for Assessments Receivable						
Total Liabilities and Reserves	<u>\$ 6,317.09</u>	<u>\$ 4,778.32</u>	<u>\$ 5,613.00</u>	<u>\$ 5,107.08</u>	<u>\$ 292,588.86</u>	<u>\$ 306,091.01</u>

BOROUGH OF BRADLEY BEACH
TRUST FUNDS
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND RESERVES -
REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	Public Assistance		Trust Assessment		Tourism		Totals	
	2009	2008	2009	2008	2009	2008	2009	(Memorandum Only) 2008
<u>ASSETS</u>								
Cash and Cash Equivalents	\$ 4,887.44	\$ 4,887.44	\$ 80,244.62	\$ 121,980.06	\$ 24,951.45	\$ 13,408.85	\$ 412,769.47	\$ 455,964.76
Interfund Receivable:								
Due from Current Fund							1,782.99	288.00
Other Receivable							50.00	78,589.92
Assessments Receivable			37,316.90	78,589.92			37,316.90	
Total Assets	<u>\$ 4,887.44</u>	<u>\$ 4,887.44</u>	<u>\$ 117,561.52</u>	<u>\$ 200,569.98</u>	<u>\$ 24,951.45</u>	<u>\$ 13,408.85</u>	<u>\$ 451,919.36</u>	<u>\$ 534,842.68</u>
<u>LIABILITIES AND RESERVES</u>								
Other Liabilities and Reserves:								
Interfund Payable:								
Due to Current Fund	\$	\$	\$	\$	\$	\$	\$ 1,319.00	\$ 1,212.08
Due to Employee								483.89
Serial Bonds			83,000.00	166,000.00			83,000.00	166,000.00
Reserve for New Jersey Unemployment Compensation								
Payroll Deductions Payable							35,065.59	42,992.53
Due to Employee							6,317.09	4,294.43
Reserves	4,887.44	4,887.44	34,561.52		24,951.45	13,408.85	326,217.68	285,289.77
Reserve for Assessments Receivable				34,569.98				34,569.98
Total Liabilities and Reserves	<u>\$ 4,887.44</u>	<u>\$ 4,887.44</u>	<u>\$ 117,561.52</u>	<u>\$ 200,569.98</u>	<u>\$ 24,951.45</u>	<u>\$ 13,408.85</u>	<u>\$ 451,919.36</u>	<u>\$ 534,842.68</u>

BOROUGH OF BRADLEY BEACH
TRUST ASSESSMENT FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS

	Balance December 31, 2008	Cash Receipts	Cash Disbursements	Balance December 31, 2009
Due (from)/to Current Fund	\$	\$ 5,264.71	\$ 5,264.71	\$
Ordinance Number				
98-18/99-04/ 02-01	121,980.06	41,264.56	83,000.00	80,244.62
	\$ 121,980.06	\$ 46,529.27	\$ 88,264.71	\$ 80,244.62

**BOROUGH OF BRADLEY BEACH
TRUST OTHER FUND
STATEMENT OF VARIOUS RESERVES**

	Balance December 31, <u>2008</u>	Increased by <u>Receipts</u>	Decreased by <u>Disbursements</u>	Balance December 31, <u>2009</u>
Reserve for:				
Recycling Program (per N.J.S. 40A:4-39)	\$ 5,130.22	\$ 5,424.10		\$ 10,554.32
Insurance Commission (per N.J.S.A. 40A:4-39)	1,364.07	1.29		1,365.36
Public Library	9,983.26	4,639.58	415.00	14,207.84
Parking Offenses Adjudication Act (per N.J.S.A. 40A:4-39)	312.99	876.00	825.46	363.53
Escrow Fees (per N.J.S. 40A:4-39)	144,722.71	40,750.60	121,762.23	63,711.08
Alcohol and Drug Abuse Alliance (per N.J.S. 40A:4-39)	416.63	0.63		417.26
Law Enforcement Trust	5,807.41	4,936.82		10,744.23
Relocation Assistance (N.J.S.A. 40A:4-39)	1,042.33	5.20		1,047.53
Fire Prevention Fees (N.J.S.A. 40A:4-39)	6,792.45	34.64		6,827.09
Public Defender Fees (N.J.S.A. 40A:4-39)	807.97	1,409.04	2,217.01	
Shade Tree	2,346.01	1,008.00	908.00	2,446.01
Cell Tower Lease Deposit	4,425.73			4,425.73
Redemption of Tax Title Liens	6,299.67	41,346.80	41,346.80	6,299.67
Tax Sale Premiums	10,175.00	72,525.00	39,500.00	43,200.00
Street Opening Deposit	12,500.00	500.00	500.00	12,500.00
Building Rental	875.00			875.00
Bid Monies	7,950.00	500.00		8,450.00
Insurance	9,470.36	30,044.81	4,305.12	35,210.05
Reserve for Auto Accidents	133.58			133.58
Security Deposits	5,175.71			5,175.71
Light Pole	33.00			33.00
Library Renovation	24,465.02	302.92		24,767.94
Scholarships		1,651.26		1,651.26
Miscellaneous	2,869.36	655.12	3,095.83	428.65
Memorial Day Parade/Craft Fair		16,319.49	13,631.06	2,688.43
	<u>\$ 263,098.48</u>	<u>\$ 222,931.30</u>	<u>\$ 228,506.51</u>	<u>\$ 257,523.27</u>

BOROUGH OF BRADLEY BEACH
TRUST OTHER FUND
STATEMENT OF RESERVE FOR NEW JERSEY UNEMPLOYMENT
COMPENSATION INSURANCE

<u>BALANCE, DECEMBER 31, 2008</u>		\$	42,992.53
 <u>INCREASED BY</u>			
Budget Appropriation	\$	25,000.00	
Interest Earned on Investments and Deposits		45.86	25,045.86
			68,038.39
 <u>DECREASED BY</u>			
Unemployment Compensation Claims Paid			32,972.80
 <u>BALANCE, DECEMBER 31, 2009</u>		 \$	 35,065.59

BOROUGH OF BRADLEY BEACH
TRUST FUND
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

<u>BALANCE, DECEMBER 31, 2008</u>		\$	3,895.00
 <u>INCREASED BY</u>			
Dog License Fees Collected	\$	2,247.00	
Late Fees and Other		<u>945.30</u>	<u>3,192.30</u>
			7,087.30
 <u>DECREASED BY</u>			
Expenditures Under R.S. 4:19-15.11	\$	1,474.30	
Statutory Excess - Due to Current Fund		<u>1,319.00</u>	<u>2,793.30</u>
 <u>BALANCE, DECEMBER 31, 2009</u>		\$	<u><u>4,294.00</u></u>

LICENSES COLLECTED

<u>Year</u>	<u>Amount</u>
2007	\$ 2,117.00
2008	<u>2,177.00</u>
	<u><u>\$ 4,294.00</u></u>

AUDITOR'S NOTE

R.S. 4:19-15.11

"There shall be transferred from such special account to the general funds of the Municipality any amounts then in such account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding."

**BOROUGH OF BRADLEY BEACH
TRUST ASSESSMENT FUND
STATEMENT OF ASSESSMENTS RECEIVABLE**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Balance December 31, 2008</u>	<u>Decreased By</u>		<u>Balance December 31, 2009</u>	<u>Detail of Balance</u>	
						<u>Collections</u>	<u>Adjustments/Cancelled</u>		<u>Pledged</u>	<u>Unpledged</u>
98-18/99-04/ 02-01	Road and Sidewalk Improvements	04/01/01	10	06/01/09-10	\$ 78,589.92	\$ 41,264.56	\$ 8.46	\$ 37,316.90	\$ 2,755.38	\$ 34,561.52

BOROUGH OF BRADLEY BEACH
TRUST ASSESSMENT FUND
STATEMENT OF SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Maturity of Bonds Outstanding December 31, 2009</u>	<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Decreased</u>	<u>Balance December 31, 2009</u>
Assessment Bonds	12/14/00	\$ 750,000.00	12/1/10	83,000.00	4.875%	\$ 166,000.00	\$ 83,000.00	\$ 83,000.00
						\$ 166,000.00	\$ 83,000.00	\$ 83,000.00

BOROUGH OF BRADLEY BEACH
TRUST OTHER FUND
STATEMENT OF RESERVE FOR TOURISM

<u>BALANCE, DECEMBER 31, 2008</u>		\$ 13,408.85
 <u>INCREASED BY</u>		
Cash Receipts	\$ 44,777.22	
Interest Earned	<u>33.74</u>	<u>44,810.96</u>
		\$ 58,219.81
 <u>DECREASED BY</u>		
Cash Disbursed		<u>34,927.84</u>
 <u>BALANCE, DECEMBER 31, 2009</u>		 <u><u>\$ 23,291.97</u></u>

GENERAL CAPITAL FUND

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	<u>Balance December 31, 2009</u>	<u>Balance December 31, 2008</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ <u>937,053.87</u>	\$ <u>935,300.69</u>
Intergovernmental Accounts Receivable	<u>40,000.00</u>	<u>354,000.00</u>
Deferred Charges to Future Taxation:		
Funded	6,832,412.92	7,398,914.16
Unfunded	<u>748,500.00</u>	<u>402,000.00</u>
	<u>7,580,912.92</u>	<u>7,800,914.16</u>
Obligations Under Capital Lease - Unfunded	<u>576,200.00</u>	<u>354,000.00</u>
Total Assets	\$ <u><u>9,134,166.79</u></u>	\$ <u><u>9,444,214.85</u></u>

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	Balance December 31, 2009	Balance December 31, 2008
<u>LIABILITIES, RESERVES AND</u> <u>FUND BALANCE</u>		
Serial Bonds	\$ 6,516,354.00	\$ 7,061,769.00
Bond Anticipation Notes	328,000.00	
Capital Lease Obligations Payable - Principal	576,200.00	354,000.00
Due to State of New Jersey - Green Trust Loan	316,058.92	337,145.16
Other Liabilities and Reserves:		
Capital Improvement Fund	41,340.51	69,340.51
Reserve for Encumbrances	204,998.60	96,333.84
Reserve for Lake Terrace Improvements, Unappropriated	10,000.00	10,000.00
Reserve for Fletcher Lake Improvements, Unappropriated	10,000.00	10,000.00
Reserve for Recreation Building, Unappropriated	1,231.86	1,231.86
Reserve for Payment of Bonds	71,457.45	50,530.50
Reserve of Sylvan Lake Aerator	4,500.00	
Reserve for Interlocal Agreement - Salt Dome	12,000.00	
Reserve for Preliminary Costs - Solar Panels	500.00	
Reserve for Regional Contribution Agreement - Interest Income	17,915.28	18,242.60
	373,943.70	255,679.31
Improvement Authorizations:		
Funded	543,014.26	927,344.52
Unfunded	454,319.05	402,000.00
	997,333.31	1,329,344.52
Fund Balance	26,276.86	106,276.86
Total Liabilities, Reserves and Fund Balance	\$ 9,134,166.79	\$ 9,444,214.85

There were Bonds and Notes Authorized But Not Issued of \$91,500.00 at December 31, 2009.

**BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS**

Ordinance Number	Description	Receipts			Disbursements			Balance December 31, 2009
		Grant Proceeds	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers	
						From	To	
	Capital Fund Balance	\$ 106,276.86	\$	\$	\$	\$	\$	\$ 26,276.86
	Capital Improvement Fund	69,340.51		50,000.00	17,000.00	61,000.00		41,340.51
	Reserve for Regional Contribution Agreement - Interest Income	18,242.60		182.68	510.00			17,915.28
	Due to Current Fund			5,498.03	5,498.03			
	Due from State of New Jersey - Department of Transportation	(160,000.00)	120,000.00					(40,000.00)
	Due from County of Monmouth - Community Development Block Grant	(194,000.00)	194,000.00					
	Reserve for Encumbrances	96,333.84					143,623.71	204,998.60
	Reserve for Payment of Bonds	50,530.50		20,926.95	34,958.95			71,457.45
	Reserve for Interlocal Agreement - Salt Dome Reserve for Sylvan Lake Aerator							12,000.00
	Reserve for Solar Panels							4,500.00
	Reserve for Lake Terrace Imp., Unappropriated	10,000.00						500.00
	Reserve for Fletcher Lake Imp., Unappropriated	10,000.00						10,000.00
	Reserve for Recreation Building, Unappropriated	1,231.86						10,000.00
								1,231.86
98-04	Development and Implementation of a Housing Rehabilitation Program	93,839.76						93,839.76
03-23/04-12 06-16	Renovation of the Police and Administration Areas	332,735.15			29,987.15			302,748.00
04-05	Repair and/or Replacement of the Flume at Fletcher Lake and the Extension of the Outfall Pipe	12,534.64						12,534.64
05-07/ 06-06	Upgrades to the Emergency Communication System	33,927.68						33,927.68

**BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS**

Ordinance Number	Description	Balance December 31, 2008	Receipts			Disbursements			Transfers From	To	Balance December 31, 2009
			Grant Proceeds	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous				
05-22/ 06-07/06-18	Various Road Improvements - Fifth Avenue	\$ 1,443.15	\$	\$	\$	\$	\$	\$		\$ 1,443.15	
06-19	Fletcher Lake Flume Improvements	2,877.46								2,877.46	
06-20	Various Improvements to Fourth Avenue	48,057.16								48,057.16	
06-21	Sylvan Lake Bulk Heading Phase II	7,691.64								7,691.64	
07-16/ 09-05	Acquisition and Installation of Solar Panels	59,843.74				3,582.42		75,099.50	30,000.00	11,161.82	
08-06	Replacement of the Sylvan Lake Bulkhead - Phase IV	172,292.13		195,000.00		336,746.06		6,238.40		24,307.67	
08-07	Various 2008 Roadway Improvements	162,102.01		133,000.00		223,304.82		62,285.81		9,511.38	
09-13	Acquisition of Load and Pack Vehicle					767.05			2,000.00	1,232.95	
09-10	Monmouth County Improvement Authority Lease Program								27,500.00	27,500.00	
		\$ 935,300.69	\$ 314,000.00	\$ 328,000.00	\$ 76,607.66	\$ 594,387.50	\$ 122,466.98	\$ 234,623.71	\$ 234,623.71	\$ 937,053.87	

Bracketed () Amount Denotes Deficit.

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF INTERGOVERNMENTAL ACCOUNTS RECEIVABLE

	<u>Total</u>	<u>State of New Jersey Dept. of Transportation</u>	<u>Community Development Block Grant</u>
		<u>(Ord. # 08-07)</u>	<u>(Ord. # 08-06)</u>
<u>BALANCE, DECEMBER 31, 2008</u>	\$ 354,000.00	\$ 160,000.00	\$ 194,000.00
<u>DECREASED BY</u>			
Cash Receipt	<u>314,000.00</u>	<u>120,000.00</u>	<u>194,000.00</u>
<u>BALANCE, DECEMBER 31, 2009</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$</u>
Detail:			
Unreserved	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$</u>
	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$</u>

**BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION, UNFUNDED**

Ordinance Date/ Number	Improvements	Balance December 31, 2008	2009 Authorizations	Cancelled	Balance December 31, 2009	Analysis of Balance December 31, 2009	
						Bond Anticipation Notes	Unexpended Improvement Authorizations
07-09	Capital Lease Guarantee	\$ 73,500.00	\$	\$ 21,500.00	\$ 52,000.00	\$	\$ 52,000.00
08-06	Replacement of Sylvan Head Bulkhead - Phase IV	195,500.00			195,500.00	195,000.00	500.00
08-07	Various 2008 Roadway Improvements	133,000.00			133,000.00	133,000.00	
09-13	Acquisition of Load and Pack Vehicle		39,000.00		39,000.00		39,000.00
09-10	Monmouth County Improvement Authority Lease Program		550,000.00	221,000.00	329,000.00		329,000.00
		<u>\$ 402,000.00</u>	<u>\$ 589,000.00</u>	<u>\$ 242,500.00</u>	<u>\$ 748,500.00</u>	<u>\$ 328,000.00</u>	<u>\$ 420,500.00</u>

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Decreased</u>	<u>Balance December 31, 2009</u>
			<u>Date</u>	<u>Amount</u>				
General Improvement Bonds	12/14/00	\$ 3,573,000.00	12/1/10	\$ 250,000.00	4.80%	\$ 500,000.00	\$ 250,000.00	\$ 250,000.00
Refunding - 2002 Bonds	04/03/06	913,200.00	8/1/10	91,200.00	3.50%	663,600.00	84,800.00	578,800.00
			8/1/11	93,600.00	3.75%			
			8/1/12	92,000.00	5.00%			
			8/1/13	96,000.00	5.00%			
			8/1/14	101,000.00	5.00%			
8/1/15	105,000.00	5.00%						
Refunding - 2000 Bonds	04/15/07	1,916,919.00	12/1/10	5,147.00	4.00%	1,877,169.00	4,615.00	1,872,554.00
			12/1/11	280,274.00	4.00%			
			12/1/12	278,014.00	4.00%			
			12/1/13	300,000.00	4.00%			
			12/1/14	346,957.00	5.00%			
			12/1/15	346,162.00	5.00%			
12/1/16	316,000.00	5.00%						

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance December 31, 2008	Decreased	Balance December 31, 2009
			Date	Amount				
General Improvements Bonds	12/13/07	\$ 3,733,000.00	12/1/10	\$ 216,000.00	5.00%	\$		\$
			12/1/11	227,000.00	5.00%			
			12/1/12	238,000.00	5.00%			
			12/1/13	250,000.00	5.00%			
			12/1/14	263,000.00	5.00%			
			12/1/15	276,000.00	5.00%			
			12/1/16	290,000.00	5.00%			
			12/1/17	304,000.00	5.00%			
			12/1/18	319,000.00	5.25%			
			12/1/19	336,000.00	4.00%			
			12/1/20	350,000.00	4.00%			
			12/1/21	363,000.00	5.25%			
						3,638,000.00	206,000.00	3,432,000.00
General Improvement Term Bond	12/13/07	383,000.00	12/1/22	383,000.00	4.25%	383,000.00		383,000.00
						\$ 7,061,769.00	\$ 545,415.00	\$ 6,516,354.00

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF DUE TO STATE OF NEW JERSEY - GREEN TRUST LOAN

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date</u>	<u>Maturity of Loan Outstanding</u> <u>December 31, 2009</u>	<u>Interest Rate</u>	<u>Balance</u> <u>December 31, 2008</u>	<u>Decreased</u>	<u>Balance</u> <u>December 31, 2009</u>
Construction of Fitness Park - Green Trust Loan	3/27/86, 4/5/90	\$ 31,677.54	1/16/2010	\$ 1,663.24	2.00%	\$ 4,940.50	\$ 3,277.26	\$ 1,663.24
Parks, Playground and Recreation Improvements - Green Trust Loan	9/22/04	400,000.00	3/22/2010	9,038.28	2.00%	332,204.66	17,808.98	314,395.68
			9/22/2010	9,128.67				
			3/22/2011	9,219.95				
			9/22/2011	9,312.15				
			3/22/2012	9,405.27				
			9/22/2012	9,499.33				
			3/22/2013	9,594.32				
			9/22/2013	9,690.26				
			3/22/2014	9,787.16				
			9/22/2014	9,885.04				
			3/22/2015	9,983.89				
			9/22/2015	10,083.73				
			3/22/2016	10,184.56				

**BOROUGH OF BRADLEY BEACH
 GENERAL CAPITAL FUND
 STATEMENT OF DUE TO STATE OF NEW JERSEY - GREEN TRUST LOAN**

Purpose	Date of Issue	Amount of Issue	Maturity of Loan Outstanding		Interest Rate	Balance December 31, 2008	Balance December 31, 2009
			Date	Amount			
			9/22/2016	\$ 10,286.41			
			3/22/2017	10,389.27			
			9/22/2017	10,493.17			
			3/22/2018	10,598.10			
			9/22/2018	10,704.08			
			3/22/2019	10,811.12			
			9/22/2019	10,919.23			
			3/22/2020	11,028.42			
			9/22/2020	11,138.71			
			3/22/2021	11,250.09			
			9/22/2021	11,362.59			
			3/22/2022	11,476.22			
			9/22/2022	11,590.98			
			3/22/2023	11,706.89			
			9/22/2023	11,823.96			
			3/22/2024	11,942.20			
			9/22/2024	12,061.63			
						\$ 337,145.16	\$ 316,058.92
						\$ 21,086.24	

Parks, Playground and
 Recreation Improvements -
 Green Trust Loan (Continued)

**BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Description	Ordinance Date	Ordinance Amount	Balance December 31, 2008		Deferred Charges to Future Taxation	Capital Improvement Fund	Capital Fund Balance	MCI/A Lease Program	Paid or Charged	Cancellation	Balance December 31, 2009	
				Funded	Unfunded							Funded	Unfunded
98-04	Development and Implementation of a Housing Rehabilitation Program	05/18/98	\$ 1,900,000.00	\$ 93,839.76	\$	\$	\$	\$		\$	\$	\$ 93,839.76	\$
03-23/ 04-12/ 06-16	Renovation of the Police and Administration Areas (CDBG) \$194,662	11/25/03, 11/23/04, 07/25/06	2,875,000.00	332,735.15						29,987.15		302,748.00	
04-05	Repair and/or Replacement of the Flume at Fletcher Lake and the Extension of the Outfall Pipe	03/22/04	14,500.00	12,534.64								12,534.64	
05-07/ 06-06	Upgrades to the Emergency Communication System (Contingency Fund \$275,000)	02/22/05, 02/28/06	570,000.00	33,927.68								33,927.68	
05-22/ 06-07/ 06-18	Various Roadway Intersection Fifth Avenue Improvements (NJ DOT \$265,000)	06/28/05, 02/28/06, 11/28/06	750,000.00	1,443.15								1,443.15	
06-19	Fletcher Lake Flume Improvements	11/28/06	125,000.00	2,877.46								2,877.46	
06-20	Various Improvements to Fourth Avenue (NJ DOT \$170,000)	12/29/06	365,000.00	48,057.16								48,057.16	

**BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Description	Date	Ordinance Amount	Balance December 31, 2008		Deferred Charges to Future Taxation	Capital Improvement Fund	Capital Fund Balance	MCI/A Lease Program	Paid or Charged	Cancellation	Balance December 31, 2009	
				Funded	Unfunded							Funded	Unfunded
06-21	Sylvan Lake Bulk Heading Phase III	12/29/06	\$ 150,000.00	\$ 7,691.64	\$ 73,500.00					\$	\$	7,691.64	\$ 52,000.00
07-09	Capital Lease Guarantee	07/24/07	120,000.00								21,500.00		
07-16 / 09-05	Acquisition and Installation of Solar Panels (NJ BPU \$88,000)	10/09/07	240,000.00	59,843.74			30,000.00			78,681.92		11,161.82	
08-06	Replacement of Sylvan Head Bilkhead - Phase IV (CDBG \$194,000)	06/10/08	400,000.00	172,292.13	195,500.00					342,984.46			24,807.67
08-07	Various 2008 Roadway Improvements (NJDOT \$160,000)	06/10/08	330,000.00	162,102.01	133,000.00					285,590.83			9,511.38
09-13	Acquisition of Load and Pack Vehicle	11/10/09	41,000.00			39,000.00				767.05			1,232.95
09-10	Monmouth County Improvement Authority Lease Program	07/28/09	577,500.00				27,500.00	550,000.00			221,000.00	27,500.00	329,000.00
				<u>\$ 927,344.52</u>	<u>\$ 402,000.00</u>	<u>\$ 39,000.00</u>	<u>\$ 29,500.00</u>	<u>\$ 30,000.00</u>	<u>\$ 550,000.00</u>	<u>738,011.41</u>	<u>\$ 242,500.00</u>	<u>\$ 543,014.26</u>	<u>\$ 454,319.05</u>

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND

<u>BALANCE, DECEMBER 31, 2008</u>		\$ 69,340.51
<u>INCREASED BY</u>		
2009 Budget Appropriation		<u>16,500.00</u>
		85,840.51
<u>DECREASED BY</u>		
Appropriated to Finance Improvement Authorizations	\$ 29,500.00	
Preliminary Costs - Solar Panels	<u>15,000.00</u>	<u>44,500.00</u>
<u>BALANCE, DECEMBER 31, 2009</u>		<u>\$ 41,340.51</u>

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Original Date Issued</u>	<u>Date Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Increased</u>	<u>Balance December 31, 2009</u>
08-06	Replacement of Sylvan Head Bulkhead - Phase IV	08/11/09	08/11/09	08/10/10	2.00%	\$ 195,000.00	\$ 195,000.00
08-07	Various 2008 Roadway Improvements	08/11/09	08/10/10	08/10/10	2.00%	133,000.00	133,000.00
						<u>\$ 328,000.00</u>	<u>\$ 328,000.00</u>

BOROUGH OF BRADLEY BEACH
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvements</u>	<u>Balance December 31, 2008</u>	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance December 31, 2009</u>
			<u>2009 Authorizations</u>	<u>Monm. County Impr. Auth Lease Issued</u>	<u>Monm. County Impr. Auth Lease Issued</u>	<u>Bond Anticipation Notes Issued</u>	
07-09	Capital Lease Guarantee	\$ 73,500.00	\$	\$	\$	\$ 21,500.00	\$ 52,000.00
08-06	Replacement of Sylvan Head Bulkhead - Phase IV	195,500.00			195,000.00		500.00
08-07	Various 2008 Roadway Improvements	133,000.00			133,000.00		
09-13	Acquisition of Load and Pack Vehicle		39,000.00				39,000.00
09-10	Monmouth County Improvement Authority Lease Program		550,000.00	329,000.00		221,000.00	
		<u>\$ 402,000.00</u>	<u>\$ 589,000.00</u>	<u>\$ 329,000.00</u>	<u>\$ 328,000.00</u>	<u>\$ 242,500.00</u>	<u>\$ 91,500.00</u>

UTILITY OPERATING FUNDS - COMBINED STATEMENTS

**BOROUGH OF BRADLEY BEACH
COMBINED COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - BEACH UTILITY AND SEWER UTILITY OPERATING FUNDS - STATUTORY BASIS
AS OF DECEMBER 31, 2009 AND 2008**

	Beach Utility		Sewer Utility		Totals (Memorandum Only)	
	2009	2008	2009	2008	2009	2008
ASSETS						
Operating Fund:						
Cash and Cash Equivalents	\$ 416,676.86	\$ 413,342.61	\$ 329,347.05	\$ 366,103.86	\$ 746,023.91	\$ 779,446.47
Consumer Accounts Receivable			55,942.26	48,167.42	55,942.26	48,167.42
Total Assets	\$ 416,676.86	\$ 413,342.61	\$ 385,289.31	\$ 414,271.28	\$ 801,966.17	\$ 827,613.89
LIABILITIES, RESERVES AND FUND BALANCE						
Operating Fund:						
Liabilities:						
Appropriation Reserves	\$ 5,048.44	\$ 11,341.39	\$ 39,938.17	\$ 2,397.24	\$ 44,986.61	\$ 13,738.63
Other Liabilities and Reserves:						
Reserve for Encumbrances	16,335.80	16,298.96	21,766.21	20,256.82	38,102.01	36,555.78
Prepaid Concession Fees		24,600.00				24,600.00
Prepaid Bathing Badges	183,910.00	175,335.00			183,910.00	175,335.00
Sewer Rent Overpayments			61,273.99	3,139.23		3,139.23
Prepaid Sewer Rents	3,739.68	3,734.69	6,213.08	58,038.67	61,273.99	58,038.67
Accrued Interest on Bonds and Notes	8,931.30	7,207.69		6,213.08	9,952.76	9,947.77
Various Reserves					8,931.30	7,207.69
Reserve for Receivables			89,253.28	87,647.80	302,170.06	314,824.14
Fund Balance		174,824.88	55,942.26	48,167.42	55,942.26	48,167.42
Total Liabilities, Reserves and Fund Balance	\$ 416,676.86	\$ 413,342.61	\$ 385,289.31	\$ 414,271.28	\$ 801,966.17	\$ 827,613.89

BEACH UTILITY OPERATING FUND

BOROUGH OF BRADLEY BEACH
BEACH UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Revenue and Other Income Realized:		
Operating Fund Balance Appropriated	\$ 160,646.00	\$ 162,886.00
Bathing Badges	1,112,187.10	992,805.00
Concession Rents	40,600.00	41,100.00
Parking Meters	29,833.83	34,204.94
Beach Locker Fees	28,800.00	28,750.01
Miniature Golf Course Fees	66,396.00	68,873.85
Interest on Investments	5,729.62	19,610.69
Lifeguard Tournament Fees	10,782.00	5,624.00
Increase in Daily Badges	50,000.00	
Non-budget Revenue	3,644.89	2,493.76
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	11,604.32	9,766.89
Cancellation of Current Appropriations	34,555.00	59,472.27
	<hr/>	<hr/>
Total Income	1,554,778.76	1,425,587.41
Expenditures:		
Operating:		
Salaries and Wages	717,401.04	635,778.00
Other Expenses	373,048.96	381,721.00
Capital Improvements	19,000.00	18,300.00
Debt Service	194,818.00	195,787.00
Deferred Charges and Statutory Expenditures	65,978.00	63,400.00
Change Fund Discrepancies		22.00
	<hr/>	<hr/>
Total Expenditures	1,370,246.00	1,295,008.00
Statutory Excess to Fund Balance	184,532.76	130,579.41
Fund Balance, January 1	174,824.88	207,131.47
	<hr/>	<hr/>
	359,357.64	337,710.88
Decreased by:		
Utilization as Anticipated Revenue	160,646.00	162,886.00
	<hr/>	<hr/>
Fund Balance, December 31	\$ 198,711.64	\$ 174,824.88
	<hr/>	<hr/>

BOROUGH OF BRADLEY BEACH
BEACH UTILITY OPERATING FUND
STATEMENT OF REVENUES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 160,646.00	\$ 160,646.00	
Bathing Badges	970,000.00	1,112,187.10	\$ 142,187.10
Lifeguard Tournament Fees	5,600.00	10,782.00	5,182.00
Concession Rents	39,300.00	40,600.00	1,300.00
Locker Rental Maintenance Fees	28,750.00	28,800.00	50.00
Parking Meters	34,150.00	29,833.83	(4,316.17)
Miniature Golf Course Fees	68,800.00	66,396.00	(2,404.00)
Interest on Investments	13,000.00	5,729.62	(7,270.38)
Increase in Daily Badges	<u>50,000.00</u>	<u>50,000.00</u>	
	1,370,246.00	1,504,974.55	134,728.55
Non-Budget Revenue		<u>3,644.89</u>	<u>3,644.89</u>
	<u>\$ 1,370,246.00</u>	<u>\$ 1,508,619.44</u>	<u>\$ 138,373.44</u>

ANALYSIS OF NON-BUDGET REVENUE

Rental of Gazebo	\$ 1,500.00
Veteran Badge Fee	35.00
ATM Machine Fees	1,954.89
Miscellaneous	<u>155.00</u>
	<u>\$ 3,644.89</u>

BOROUGH OF BRADLEY BEACH
BEACH UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>
OPERATING						
Salaries and Wages	\$ 699,200.00	\$ 717,401.04	\$ 693,455.60		\$ 965.44	\$ 22,980.00
Other Expenses	<u>391,860.00</u>	<u>373,048.96</u>	<u>346,757.56</u>	<u>14,745.80</u>	<u>2,470.60</u>	<u>9,075.00</u>
Total Operating	<u>1,091,060.00</u>	<u>1,090,450.00</u>	<u>1,040,213.16</u>	<u>14,745.80</u>	<u>3,436.04</u>	<u>32,055.00</u>
CAPITAL IMPROVEMENTS						
Capital Outlay	<u>19,000.00</u>	<u>19,000.00</u>	<u>17,591.76</u>		<u>1,408.24</u>	
Total Capital Improvements	<u>19,000.00</u>	<u>19,000.00</u>	<u>17,591.76</u>		<u>1,408.24</u>	
DEBT SERVICE						
Payment of Bond Principal	150,000.00	150,000.00	150,000.00			
Interest on Bonds	<u>44,208.00</u>	<u>44,818.00</u>	<u>44,818.00</u>			
Total Debt Service	<u>194,208.00</u>	<u>194,818.00</u>	<u>194,818.00</u>			
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	55,978.00	55,978.00	53,273.84		204.16	2,500.00
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	<u>10,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>			
Total Deferred Charges and Statutory Expenditures	<u>65,978.00</u>	<u>65,978.00</u>	<u>63,273.84</u>		<u>204.16</u>	<u>2,500.00</u>
Total Beach Utility Appropriations	<u>\$ 1,370,246.00</u>	<u>\$ 1,370,246.00</u>	<u>\$ 1,315,896.76</u>	<u>\$ 14,745.80</u>	<u>\$ 5,048.44</u>	<u>\$ 34,555.00</u>

**BOROUGH OF BRADLEY BEACH
 BEACH UTILITY OPERATING FUND
STATEMENT OF 2008 APPROPRIATION RESERVES**

	<u>Balance</u> December 31, 2008	<u>Balance</u> After Transfers	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Appropriation</u> <u>Reserves</u>	<u>Reserve for</u> <u>Encumbrances</u>		
<u>OPERATING</u>				
Salaries and Wages	\$ 2,727.98		\$ 784.00	\$ 1,943.98
Other Expenses	7,750.65	16,298.96	15,252.03	8,797.58
<u>DEFERRED CHARGES AND STATUTORY</u> <u>EXPENDITURES</u>				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	<u>862.76</u>			<u>862.76</u>
	<u>\$ 11,341.39</u>	<u>\$ 16,298.96</u>	<u>\$ 16,036.03</u>	<u>\$ 11,604.32</u>

BOROUGH OF BRADLEY BEACH
BEACH UTILITY OPERATING FUND
STATEMENT OF ACCRUED INTEREST ON BONDS

<u>BALANCE, DECEMBER 31, 2008</u>	\$ 3,734.69
 <u>INCREASED BY</u>	
Budget Appropriations:	
Interest on Bonds	<u>44,818.00</u>
	\$ 48,552.69
 <u>DECREASED BY</u>	
Cash Disbursed	<u>44,813.01</u>
 <u>BALANCE, DECEMBER 31, 2009</u>	 <u><u>\$ 3,739.68</u></u>

ANALYSIS OF BALANCE

	<u>Amount</u> <u>Outstanding</u> <u>December 31,</u> <u>2009</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Accrual</u> <u>Period</u>	<u>Accrual</u>
Serial Bonds - 2000	\$ 107,000.00	Various	12/01/09	12/31/09	1 Month	\$ 434.69
Serial Bonds - 2007	646,000.00	5.00%	12/01/09	12/31/09	1 Month	<u>2,691.67</u>
						3,126.36
Add: Excess to be Utilized in Subsequent Year's Budget						<u>613.33</u>
						 <u><u>\$ 3,739.68</u></u>

SEWER UTILITY OPERATING FUND

BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Revenue and Other Income Realized:		
Operating Fund Balance Appropriated	\$ 117,894.00	\$ 103,805.00
Rents	1,434,296.17	1,456,618.88
Rents Rate Increase	72,000.00	
Other Credits to Income:		
Non-budget Revenue	10,222.99	15,436.70
Unexpended Balance of Appropriation Reserves	2,198.62	22,740.44
Cancellation of Current Appropriations	40,273.00	56,068.67
Cancellation of Sewer Overpayments		9.91
	<hr/>	<hr/>
Total Income	1,676,884.78	1,654,679.60
	<hr/>	<hr/>
Expenditures:		
Operating:		
Salaries and Wages	259,726.00	219,522.00
Other Expenses	1,071,715.50	1,027,760.00
Capital Improvements	25,000.00	25,000.00
Debt Service	221,892.50	224,210.00
Deferred Charges and Statutory Expenditures	56,560.00	49,313.00
	<hr/>	<hr/>
Total Expenditures	1,634,894.00	1,545,805.00
	<hr/>	<hr/>
Excess in Revenue/Statutory Excess to Fund Balance	41,990.78	108,874.60
Fund Balance, January 1	276,058.82	285,989.22
	<hr/>	<hr/>
	318,049.60	394,863.82
	<hr/>	<hr/>
Decreased by:		
Transferred to Current Fund as Prior Year - Anticipated Surplus		103,805.00
Utilization as Anticipated Revenue	117,894.00	15,000.00
	<hr/>	<hr/>
	117,894.00	118,805.00
	<hr/>	<hr/>
Fund Balance, December 31	\$ 200,155.60	\$ 276,058.82
	<hr/>	<hr/>

BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>Anticipated</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 117,894.00	\$ 117,894.00	\$
Rents	1,445,000.00	1,434,296.17	(10,703.83)
Rents Rate Increase	<u>72,000.00</u>	<u>72,000.00</u>	<u> </u>
	1,634,894.00	1,624,190.17	(10,703.83)
Non-Budget Revenue	<u> </u>	<u>10,222.99</u>	<u>10,222.99</u>
	<u>\$ 1,634,894.00</u>	<u>\$ 1,634,413.16</u>	<u>\$ (480.84)</u>

ANALYSIS OF NON-BUDGET REVENUE

Interest on Investments	\$ 2,127.13
Interest on Delinquent Accounts	<u>8,095.86</u>
	<u>\$ 10,222.99</u>

UTILITY CAPITAL FUNDS - COMBINED STATEMENTS

**BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2009**

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>
OPERATING						
Salaries and Wages	\$ 259,726.00	\$ 259,726.00	\$ 244,078.31	\$	\$ 12,147.69	\$ 3,500.00
Other Expenses	277,616.00	276,715.50	234,906.87	21,766.21	2,302.42	17,740.00
Sewer Service Agreement with the Neptune Township Sewerage Authority	795,000.00	795,000.00	775,967.00			19,033.00
Total Operating	<u>1,332,342.00</u>	<u>1,331,441.50</u>	<u>1,254,952.18</u>	<u>21,766.21</u>	<u>14,450.11</u>	<u>40,273.00</u>
CAPITAL IMPROVEMENTS						
Capital Outlay	25,000.00	25,000.00			25,000.00	
Total Capital Improvements	<u>25,000.00</u>	<u>25,000.00</u>			<u>25,000.00</u>	
DEBT SERVICE						
Payment of Bond Principal	160,200.00	160,200.00	160,200.00			
Interest on Bonds	60,792.00	61,692.50	61,692.50			
Total Debt Service	<u>220,992.00</u>	<u>221,892.50</u>	<u>221,892.50</u>			
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	27,400.00	27,400.00	27,400.00			
Social Security System (O.A.S.I.)	19,160.00	19,160.00	18,671.94		488.06	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	10,000.00	10,000.00	10,000.00			
Total Deferred Charges and Statutory Expenditures	<u>56,560.00</u>	<u>56,560.00</u>	<u>56,071.94</u>		<u>488.06</u>	
Total Sewer Utility Appropriations	<u>\$ 1,634,894.00</u>	<u>\$ 1,634,894.00</u>	<u>\$ 1,532,916.62</u>	<u>\$ 21,766.21</u>	<u>\$ 39,938.17</u>	<u>\$ 40,273.00</u>

BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND
STATEMENT OF CONSUMER ACCOUNTS RECEIVABLE

<u>BALANCE, DECEMBER 31, 2008</u>		\$ 48,167.42
<u>INCREASED BY</u>		
Sewer Charges Levied		<u>1,513,644.99</u>
		1,561,812.41
<u>DECREASED BY</u>		
Receipts	\$ 1,444,692.25	
Prepayments Applied	58,038.67	
Overpayments Applied	<u>3,139.23</u>	<u>1,505,870.15</u>
<u>BALANCE, DECEMBER 31, 2009</u>		<u>\$ 55,942.26</u>

BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	<u>Balance</u>	<u>December 31, 2008</u>	<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Appropriation</u>	<u>Reserve for</u>	<u>After</u>	<u>Charged</u>	<u>Lapsed</u>
	<u>Reserves</u>	<u>Encumbrances</u>	<u>Transfers</u>	<u></u>	<u></u>
<u>OPERATING</u>					
Salaries and Wages	\$ 7.79	\$	7.79	\$	7.79
Other Expenses	488.85	20,256.82	20,745.67	18,555.24	2,190.43
	\$	\$	\$	\$	\$
<u>DEFERRED CHARGES AND</u>					
<u>STATUTORY EXPENDITURES</u>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	1,900.20		0.40		0.40
Public Employees' Retirement System					
	\$ 2,397.24	\$ 20,256.82	\$ 20,753.86	\$ 18,555.24	\$ 2,198.62

BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND
STATEMENT OF ACCRUED INTEREST ON BONDS

<u>BALANCE, DECEMBER 31, 2008</u>	\$ 6,213.08
 <u>INCREASED BY</u>	
Budget Appropriation	
Interest on Bonds	<u>61,692.50</u>
	67,905.58
 <u>DECREASED BY</u>	
Cash Disbursed	<u>61,692.50</u>
 <u>BALANCE, DECEMBER 31, 2009</u>	 <u>\$ 6,213.08</u>

ANALYSIS OF BALANCE

	Amount Outstanding December 31, <u>2009</u>	Interest <u>Rate</u>	From	To	Accrual <u>Period</u>	<u>Accrual</u>
Serial Bonds - 2000	\$ 90,000.00	Various	12/01/09	12/31/09	1 Month	\$ 365.63
Serial Bonds - 2006	69,200.00	Various	08/01/09	12/31/09	5 Months	833.96
Serial Bonds - 2007	508,446.00	Various	12/01/09	12/31/09	1 Month	2,012.60
Serial Bonds - 2007	460,000.00	5.00%	12/01/09	12/31/09	1 Month	<u>1,916.67</u>
						5,128.85
 Add: Excess to be utilized in succeeding year's budget						 <u>1,084.23</u>
						 <u>\$ 6,213.08</u>

**BOROUGH OF BRADLEY BEACH
COMBINED COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND RESERVES -
BEACH UTILITY AND SEWER UTILITY CAPITAL FUNDS - STATUTORY BASIS
AS OF DECEMBER 31, 2009 AND 2008**

	Beach Utility Capital Fund 2009	Beach Utility Capital Fund 2008	Sewer Utility Capital Fund 2009	Sewer Utility Capital Fund 2008	Total (Memorandum Only) 2009	Total (Memorandum Only) 2008
ASSETS						
Cash and Cash Equivalents	\$ 641,958.00	\$ 642,725.05	\$ 193,866.80	\$ 193,866.80	\$ 835,824.80	\$ 836,591.85
Due from County of Monmouth	241,769.00	241,769.00			241,769.00	241,769.00
Fixed Capital	2,480,732.48	2,463,140.72	3,219,949.05	3,219,949.05	5,700,681.53	5,683,089.77
Fixed Capital Authorized and Uncompleted	1,516,375.50	1,392,375.50	80,162.93	82,501.56	1,596,538.43	1,474,877.06
	3,997,107.98	3,855,516.22	3,300,111.98	3,302,450.61	7,297,219.96	7,157,966.83
Total Assets	\$ 4,880,834.98	\$ 4,740,010.27	\$ 3,493,978.78	\$ 3,496,317.41	\$ 8,374,813.76	\$ 8,236,327.68
LIABILITIES, RESERVES AND FUND BALANCE						
Serial Bonds	\$ 753,000.00	\$ 903,000.00	\$ 1,127,646.00	\$ 1,289,231.00	\$ 1,880,646.00	\$ 2,192,231.00
Improvement Authorizations:						
Funded	630,452.27	626,293.77	79,970.89	69,527.27	710,423.16	695,821.04
Unfunded	365,232.95	242,000.00			365,232.95	242,000.00
	995,685.22	868,293.77	79,970.89	69,527.27	1,075,656.11	937,821.04
Capital Improvement Fund Reserve for Encumbrances Retained % Due Contractor	10.11	10.11	82,251.94	82,251.94	82,262.05	82,262.05
		4,158.50	830.00	830.00	830.00	830.00
Reserve for Amortization	10.11	4,168.61	83,081.94	96,056.23	83,092.05	100,224.84
Deferred Reserve for Amortization	965,816.16	798,224.40	2,172,465.98	2,010,880.98	3,138,282.14	2,809,105.38
Reserve for Receivables	1,912,291.82	1,912,291.82		2,338.63	1,912,291.82	1,914,630.45
Fund Balance	241,769.00	241,769.00			241,769.00	241,769.00
	12,262.67	12,262.67	30,813.97	28,283.30	43,076.64	40,545.97
Total Liabilities, Reserves and Fund Balance	\$ 4,880,834.98	\$ 4,740,010.27	\$ 3,493,978.78	\$ 3,496,317.41	\$ 8,374,813.76	\$ 8,236,327.68

There were Bonds and Notes Authorized but not issued in the Beach Utility Capital Fund of \$366,000.00 and there were no Bonds and Notes Authorized but not issued in the Sewer Utility Capital Fund as of December 31, 2009.

BEACH UTILITY CAPITAL FUND

**BOROUGH OF BRADLEY BEACH
BEACH UTILITY CAPITAL FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<u>Balance</u> December 31, 2008	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> December 31, 2009
		<u>Miscellaneous</u>	<u>Improvement Authorizations</u> <u>Miscellaneous</u>	<u>From</u> <u>To</u>	
Capital Fund Balance	\$ 12,262.67	\$	\$	\$	\$ 12,262.67
Capital Improvement Fund	10.11				10.11
Reserve for Encumbrances	4,158.50			4,158.50	
Due (from)/to Beach Utility Operating Fund		4,814.98	4,814.98		
<u>Ordinance Number</u>					
	<u>Description</u>				
00-09	Beach Erosion Control Project				391,730.81
06-17	Various Beachfront Improvements			4,158.50	238,721.46
09-14	Acquisition of a Load and Pack Vehicle		767.05		(767.05)
		<u>\$ 642,725.05</u>	<u>\$ 4,814.98</u>	<u>\$ 4,158.50</u>	<u>\$ 641,958.00</u>

Bracketed () Amount Denotes Deficit.

BOROUGH OF BRADLEY BEACH
BEACH UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL

<u>BALANCE, DECEMBER 31, 2008</u>	\$ 2,463,140.72
<u>INCREASED BY</u>	
Capital Outlay 2009 Appropriations	<u>17,591.76</u>
<u>BALANCE, DECEMBER 31, 2009</u>	\$ <u>2,480,732.48</u>

Detail:

Beach Cleaning Equipment	\$ 75,000.00
Pavilion Roof	9,169.17
Computer System	6,500.00
Improvement to the Public Beach Front - 1993	1,850,154.00
Modification to Groin Fields	285,352.05
Improvement to Second Ave. Pump Station	80,000.00
Improvement to the Public Beach Front - 1999	30,000.00
Repair and/or Replacement of the Flume at Fletcher Lake and the Extension of the Outfall Pipe	41,124.50
Acquisition of a Beach Tractor	30,357.74
Capital Outlay - 2002 Appropriations	8,311.89
Capital Outlay - 2003 Appropriations	8,000.00
Capital Outlay - 2004 Appropriations	4,070.00
Capital Outlay - 2005 Appropriations	5,000.00
Capital Outlay - 2006 Appropriations	22,000.00
Capital Outlay - 2007 Appropriations	7,199.34
Capital Outlay - 2008 Appropriations	902.03
Capital Outlay - 2009 Appropriations	<u>17,591.76</u>
	 \$ <u>2,480,732.48</u>

**BOROUGH OF BRADLEY BEACH
 BEACH UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED**

<u>Ordinance Number</u>	<u>Description</u>	<u>Date Authorized</u>	<u>Amount</u>	<u>Balance December 31, 2008</u>	<u>Fixed Capital Authorized</u>	<u>Balance December 31, 2009</u>
00-09	Beach Erosion Control Project	8/8/2000	\$ 640,000.00	\$ 640,000.00	\$	\$ 640,000.00
04-05	Repair and/or Replacement of the Flume at Fletcher Lake and the Extension of the Outfall Pipe	3/22/2004	43,500.00	2,375.50		2,375.50
06-17	Various Beachfront Improvements	11/28/2006	750,000.00	750,000.00		750,000.00
09-14	Acquisition of a Load and Pack Vehicle	11/10/2009	124,000.00		124,000.00	124,000.00
				<u>\$ 1,392,375.50</u>	<u>\$ 124,000.00</u>	<u>\$ 1,516,375.50</u>

BOROUGH OF BRADLEY BEACH
BEACH UTILITY CAPITAL FUND
STATEMENT OF SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Decreased</u>	<u>Balance December 31, 2009</u>
			<u>Date</u>	<u>Amount</u>				
Beach Improvement Bonds	12/14/00	\$ 837,000.00	12/01/10	\$ 107,000.00	4.875%	\$ 207,000.00	\$ 100,000.00	\$ 107,000.00
Beach Improvement Bonds	12/13/07	746,000.00	12/01/10	50,000.00	5.000%			
			12/01/11	73,000.00				
			12/01/12	77,000.00				
			12/01/13	81,000.00				
			12/01/14	85,000.00				
			12/01/15	89,000.00				
			12/01/16	93,000.00				
			12/01/17	98,000.00				
						<u>696,000.00</u>	<u>50,000.00</u>	<u>646,000.00</u>
						<u>\$ 903,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 753,000.00</u>

**BOROUGH OF BRADLEY BEACH
BEACH UTILITY CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Description	Ordinance Date	Amount	Balance December 31, 2008		2009 Authorizations Deferred Charges to Future Revenue	Paid or Charged	Reserve for Encumbrances Canceled	Balance December 31, 2009	
				Funded	Unfunded				Funded	Unfunded
00-09	Beach Erosion Control Project (County of Monmouth Grant - \$241,769.00)	8/8/2000	\$ 640,000.00	\$ 391,730.81	\$ 242,000.00	\$	\$	\$ 391,730.81	\$ 242,000.00	
06-17	Various Beachfront Improvements	11/28/2006	750,000.00	234,562.96			4,158.50	238,721.46		
09-14	Acquisition of a Load and Pack Vehicle	11/10/2009	124,000.00			124,000.00	767.05		123,232.95	
				\$ 626,293.77	\$ 242,000.00	\$ 124,000.00	\$ 767.05	\$ 630,452.27	\$ 365,232.95	

BOROUGH OF BRADLEY BEACH
BEACH UTILITY CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND

BALANCE, DECEMBER 31, 2008 AND
DECEMBER 31, 2009

\$ 10.11

SEWER UTILITY CAPITAL FUND

BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS

	Balance December 31, 2008	Receipts		Disbursed Miscellaneous	Transfers		Balance December 31, 2009
		Miscellaneous			From	To	
Fund Balance	\$ 28,283.30	\$		\$	\$ 2,530.67	\$	30,813.97
Capital Improvement Fund	82,251.94						82,251.94
Due (from)/to Sewer Utility Operating Fund	12,974.29	1,399.78		1,399.78		\$ 12,974.29	
Reserve for Encumbrances	830.00						830.00
Retained % Due Contractor							
<u>Ordinance</u>							
<u>Number</u>							
01-06/07-12	Improvements to the Sanitary Sewer System	14,003.53			4,153.42		18,156.95
06-10	Sanitary Sewer Pump Station Rehabilitation			2,530.67	2,530.67		
06-11/07-15	Sewer Evaluation, Cleaning and Rehabilitation	55,523.74			6,290.20		61,813.94
		<u>\$ 193,866.80</u>	<u>\$ 1,399.78</u>	<u>\$ 1,399.78</u>	<u>\$ 15,504.96</u>	<u>\$ 15,504.96</u>	<u>\$ 193,866.80</u>

BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL

<u>BALANCE, DECEMBER 31, 2009 AND 2008</u>	<u>\$ 3,219,949.05</u>
 Detail:	
Improvement of Sewer System, Stage I - 1973	\$ 100,000.00
Improvement of Sewer System, Stage II - 1976	690,267.47
Improvement of Sewer System, Stage II - 1981	30,718.44
Improvement of Sewer System, Stage II - 1981	257,244.41
Improvement of Sewer System - 1998	73,257.61
Purchase of Equipment - 1994	39,814.00
Purchase of Jet Sewer Cleaner - 1992	19,000.00
Computer System - 1995	9,750.00
Improvement to Municipal Sewer Building	35,543.02
Improvements to the Pump Station- 1996	294,666.45
Improvements to the Pump Station- 1997	93,665.00
Sewer Utility Improvements - 1999	282,005.65
Sewer Utility Improvements - 2000	297,425.54
Improvement of Sewer System - 2000	200,000.00
Improvement of Sewer System - 2001	211,843.05
Sanitary Sewer Pump Station Reahabilitation - 2006	322,469.33
Sewer Evaluation, Cleaning and Rehabilitation	223,186.06
Capital Outlay - 2006 Appropriations	25,542.40
Capital Outlay - 2007 Appropriations Reserves	<u>13,550.62</u>
	<u>\$ 3,219,949.05</u>

BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ordinance Number</u>	<u>Description</u>	<u>Date Authorized</u>	<u>Amount</u>	<u>Balance December 31, 2008</u>	<u>Canceled</u>	<u>Balance December 31, 2009</u>
01-06/07-12	Improvements to the Sanitary Sewer System	07/10/01, 08/14/07	\$ 230,000.00	\$ 18,156.95	\$	\$ 18,156.95
06-10	Sanitary Sewer Pump Station Rehabilitation	04/11/06	325,000.00	2,530.67	2,338.63	192.04
06-11/07-15	Sewer Evaluation, Cleaning and Rehabilitation	05/09/06, 10/09/07	285,000.00	61,813.94		61,813.94
				<u>\$ 82,501.56</u>	<u>\$ 2,338.63</u>	<u>\$ 80,162.93</u>

BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Decreased</u>	<u>Balance December 31, 2009</u>
			<u>Date</u>	<u>Amount</u>				
Sewer Improvements Bonds	12/14/00	\$ 1,181,000.00	12/01/10	\$ 90,000.00	4.875%	\$ 165,000.00	\$ 75,000.00	\$ 90,000.00
Sewer Refunding - 2002 Bonds	04/03/06	152,800.00	08/01/10	22,800.00	3.50%	90,400.00	21,200.00	69,200.00
			08/01/11	23,400.00	3.75%			
			08/01/12	23,000.00	5.00%			
Sewer Refunding - 2000 Bonds	04/15/07	523,081.00	12/01/10	1,853.00	4.00%	509,831.00	1,385.00	508,446.00
			12/01/11	91,726.00	4.00%			
			12/01/12	90,986.00	4.00%			
			12/01/13	110,000.00	4.00%			
			12/01/14	109,043.00	5.00%			
			12/01/15	104,838.00	5.00%			
Sewer Improvements Bonds	12/13/07	584,000.00	12/01/10	68,000.00	5.00%	524,000.00	64,000.00	460,000.00
			12/01/11	71,000.00	5.00%			
			12/01/12	75,000.00	5.00%			
			12/01/13	78,000.00	5.00%			
			12/01/14	82,000.00	5.00%			
			12/01/15	86,000.00	5.00%			
						<u>\$ 1,289,231.00</u>	<u>\$ 161,585.00</u>	<u>\$ 1,127,646.00</u>

**BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Description	Ordinance		Balance December 31, 2008 Funded	Reserve for Encumbrances		Balance December 31, 2009 Funded
		Date	Amount		Canceled	Canceled	
01-06/07-12	Improvements to the Sanitary Sewer System	07/10/01, 08/14/07	\$ 230,000.00	\$ 14,003.53	\$ 4,153.42	\$	\$ 18,156.95
06-10	Sanitary Sewer Pump Station Rehabilitation	04/11/06	325,000.00		2,530.67	2,530.67	
06-11/07-15	Sewer Evaluation, Cleaning and Rehabilitation	05/09/06, 10/09/07	285,000.00	55,523.74	6,290.20		61,813.94
				\$ 69,527.27	\$ 12,974.29	\$ 2,530.67	\$ 79,970.89

BOROUGH OF BRADLEY BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND

BALANCE, DECEMBER 31, 2008 AND
DECEMBER 31, 2009

\$ 82,251.94

GENERAL FIXED ASSETS

BOROUGH OF BRADLEY BEACH
GENERAL FIXED ASSETS ACCOUNT
COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS

	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
General Fixed Assets:		
Land	\$ 3,708,400.00	\$ 3,708,400.00
Buildings	5,289,677.86	5,289,677.86
Equipment	879,714.00	859,525.00
Vehicles	<u>1,433,012.00</u>	<u>1,400,398.00</u>
	<u>\$ 11,310,803.86</u>	<u>\$ 11,258,000.86</u>
Investment in General Fixed Assets	<u>\$ 11,310,803.86</u>	<u>\$ 11,258,000.86</u>
	<u>\$ 11,310,803.86</u>	<u>\$ 11,258,000.86</u>

STATISTICAL SECTION

**BOROUGH OF BRADLEY BEACH
CURRENT FUND EXPENDITURES BY FUNCTION
FOR THE LAST TEN (10) FISCAL YEARS
(ABSTRACTED FROM ANNUAL AUDIT OF BOROUGH RECORDS)**

Function	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General Government	\$ 626,143.00	\$ 522,953.76	\$ 511,335.16	\$ 485,738.67	\$ 561,354.69	\$ 476,535.56	\$ 430,850.00	\$ 463,056.00	\$ 599,036.83	\$ 517,727.70
Land Use	26,300.00	23,750.00	22,150.00	23,450.00	18,400.00	17,500.00	11,250.00	12,300.00	11,100.00	11,855.00
Code Enforcement	130,357.00	120,822.00	117,090.00	107,966.00	95,363.00	88,033.00	81,899.50	78,413.00	77,149.00	71,664.00
Insurance	876,820.00	841,180.00	850,282.00	827,114.00	808,976.00	840,534.00	694,857.00	598,269.54	588,987.00	580,980.00
Public Safety	2,236,717.09	2,258,798.36	2,126,430.41	2,112,182.00	2,072,849.04	1,921,895.00	1,805,714.50	1,770,637.00	1,769,387.11	1,594,214.00
Public Works	939,529.91	895,292.00	958,277.00	916,209.00	880,717.46	802,510.00	753,434.63	739,164.85	733,212.52	663,418.50
Health and Human Services	24,235.00	19,515.00	16,340.00	13,573.00	41,092.00	40,785.10	39,129.00	37,797.00	30,697.00	28,917.00
Parks and Recreation	120,115.00	113,100.00	111,100.00	103,685.00	95,185.00	88,885.00	85,635.00	104,985.00	112,450.00	119,718.00
Education	388,693.22	379,425.00	349,268.30	293,587.00	235,886.40	191,998.63	156,361.52	120,807.34	105,556.65	100,564.10
Utility Expenses and Bulk Purchases	333,100.00	342,050.00	256,100.00	236,100.00	230,100.00	186,700.00	173,700.00	182,100.00	177,127.00	169,265.00
Deferred Charges and Statutory Expenditures	579,476.75	576,220.47	422,892.85	341,844.00	257,007.02	165,412.24	120,775.48	133,563.24	230,094.72	208,466.20
State and Federal Grants	49,103.35	54,992.39	22,884.02	15,129.61	20,417.58	22,940.09	20,895.80	65,562.52	404,396.62	109,697.99
Capital Improvements	50,000.00	50,000.00	20,000.00	107,500.00	73,000.00	60,000.00	30,000.00	30,000.00	21,339.00	202,161.00
Debt Service	1,037,091.62	915,224.62	854,748.00	666,683.00	627,047.00	626,900.30	594,802.50	467,985.00	463,654.36	309,126.78
Reserve for Uncollected Taxes	336,895.60	332,037.64	316,869.18	292,704.42	275,893.57	260,841.55	252,089.25	231,135.69	211,133.96	253,384.56
Contingent	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00
	<u>\$ 7,758,277.54</u>	<u>\$ 7,449,061.24</u>	<u>\$ 6,959,476.92</u>	<u>\$ 6,547,165.70</u>	<u>\$ 6,296,988.76</u>	<u>\$ 5,795,170.47</u>	<u>\$ 5,255,094.18</u>	<u>\$ 5,039,476.18</u>	<u>\$ 5,539,021.77</u>	<u>\$ 4,944,859.83</u>

Appropriations divided between inside "CAPS" and outside "CAPS" have been combined.

**BOROUGH OF BRADLEY BEACH
SEWER UTILITY OPERATING FUND EXPENDITURES BY FUNCTION
FOR THE LAST TEN (10) FISCAL YEARS
(ABSTRACTED FROM ANNUAL AUDIT OF BOROUGH RECORDS)**

Function	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Operating	\$ 1,331,441.50	\$ 1,247,282.00	\$ 1,154,781.00	\$ 1,120,861.00	\$ 1,052,072.00	\$ 1,041,964.00	\$ 1,039,727.00	\$ 926,953.00	\$ 887,000.35	\$ 850,444.00
Capital Improvements	25,000.00	25,000.00	45,000.00	60,000.00	40,000.00	30,000.00	10,000.00	10,000.00		20,000.00
Debt Service	221,892.50	224,210.00	168,175.00	144,195.00	138,330.00	141,850.00	134,000.00	127,561.00	117,627.59	33,243.00
Deferred Charges and Statutory Expenditures	56,560.00	49,313.00	38,718.00	33,701.00	22,200.00	15,500.00	15,000.00	14,000.00	14,500.00	12,600.00
Other			203.64							
	<u>\$ 1,634,894.00</u>	<u>\$ 1,545,805.00</u>	<u>\$ 1,406,877.64</u>	<u>\$ 1,358,757.00</u>	<u>\$ 1,252,602.00</u>	<u>\$ 1,229,314.00</u>	<u>\$ 1,196,727.00</u>	<u>\$ 1,078,514.00</u>	<u>\$ 1,019,127.94</u>	<u>\$ 916,287.00</u>

**BOROUGH OF BRADLEY BEACH
BEACH UTILITY OPERATING FUND EXPENDITURES BY FUNCTION
FOR THE LAST TEN (10) FISCAL YEARS
(ABSTRACTED FROM ANNUAL AUDIT OF BOROUGH RECORDS)**

Function	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Operating	\$ 1,090,450.00	\$ 1,017,499.00	\$ 979,805.00	\$ 985,996.00	\$ 813,580.00	\$ 819,146.00	\$ 791,925.00	\$ 700,948.00	\$ 678,506.00	\$ 729,906.00
Capital Improvements	19,000.00	18,300.00	18,563.00	32,000.00	5,000.00	5,000.00	13,000.00	10,000.00		20,000.00
Debt Service	194,818.00	195,787.00	148,851.00	117,416.00	116,327.00	107,739.00	107,157.00	110,181.00	103,136.00	10,321.00
Deferred Charges and Statutory Expenditures	65,978.00	63,400.00	54,200.00	46,000.00	38,000.00	41,000.00	38,000.00	35,100.00	112,203.42	48,756.00
Other		22.00	714.00		123.56		4,106.49			
	<u>\$ 1,370,246.00</u>	<u>\$ 1,295,008.00</u>	<u>\$ 1,202,133.00</u>	<u>\$ 1,181,412.00</u>	<u>\$ 973,030.56</u>	<u>\$ 972,885.00</u>	<u>\$ 954,188.49</u>	<u>\$ 856,229.00</u>	<u>\$ 893,845.42</u>	<u>\$ 808,983.00</u>

BOROUGH OF BRADLEY BEACH
CURRENT FUND REVENUES BY SOURCE
FOR THE LAST TEN (10) FISCAL YEARS
(ABSTRACTED FROM ANNUAL AUDIT OF BOROUGH RECORDS)

Source	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Surplus Anticipated	\$ 636,000.00	\$ 725,000.00	\$ 626,000.00	\$ 380,000.00	\$ 380,000.00	\$ 465,000.00	\$ 379,000.00	\$ 457,000.00	\$ 536,000.00	\$ 496,549.00
Taxes (1)	5,790,339.69	5,460,995.79	4,958,175.24	4,660,318.37	4,259,728.91	3,771,402.79	3,731,785.01	3,260,123.54	3,074,002.89	3,150,555.29
Delinquent Taxes	132,383.83	137,198.86	200,769.40	109,748.86	136,720.49	143,352.18	143,393.42	155,119.52	178,468.18	206,085.54
Miscellaneous	805,486.53	961,869.57	1,042,053.03	958,823.71	1,075,036.27	1,070,467.31	683,881.29	638,238.78	868,974.39	696,744.53
State Aid	455,208.00	495,500.00	532,298.00	547,208.00	547,208.00	547,226.00	507,618.54	504,695.00	505,173.00	495,549.00
State and Federal Grants	40,384.04	51,492.39	22,894.02	10,629.61	20,417.58	22,940.09	18,895.80	63,312.52	404,396.62	108,697.99
Non-budget Revenues and Other Items	21,625.03	26,850.35	264,114.44	311,809.65	162,510.81	179,317.79	199,581.97	113,895.43	289,165.75	103,547.54
	<u>\$ 7,881,427.12</u>	<u>\$ 7,858,906.96</u>	<u>\$ 7,646,304.13</u>	<u>\$ 6,978,538.20</u>	<u>\$ 6,581,622.06</u>	<u>\$ 6,199,706.16</u>	<u>\$ 5,664,156.03</u>	<u>\$ 5,192,384.79</u>	<u>\$ 5,856,180.83</u>	<u>\$ 5,257,728.89</u>

(1) Excludes tax allocated to county and school.

BOROUGH OF BRADLEY BEACH
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
FOR THE LAST TEN (10) FISCAL YEARS

<u>Year</u>	<u>Municipal</u>	<u>Regular</u>	<u>County Open Space</u>	<u>Health</u>	<u>School</u>	<u>Total</u>	<u>Collection Rates Current</u>	<u>Delinquent Taxes as Percent of Levy</u>
2009	\$ 0.497	\$ 0.238	\$ 0.016	\$ 0.005	\$ 0.439	\$ 1.195	98.94%	1.06%
2008	0.470	0.230	0.015	0.004	0.464	1.183	98.91%	1.06%
2007	0.428	0.226	0.014	0.005	0.466	1.139	98.72%	1.05%
2006 *	0.409	0.212	0.012	0.004	0.455	1.092	98.04%	1.61%
2005	0.909	0.482	0.029		1.063	2.483	99.00%	0.96%
2004	0.819	0.439	0.027		1.045	2.330	98.66%	1.26%
2003	0.826	0.398	0.026		1.101	2.351	98.44%	1.40%
2002 *	0.728	0.335	0.015		1.050	2.128	98.33%	1.53%
2001	1.157	0.522	0.024		1.635	3.338	98.26%	1.80%
2000	1.185	0.475	0.024		1.571	3.255	97.99%	2.07%

Source: Tax Collector.

* Revaluation Effective for 2002 and 2006.

BOROUGH OF BRADLEY BEACH
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN (10) FISCAL YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Total</u> <u>Tax Levy</u>	<u>Current Tax</u> <u>Collections</u>	<u>Percentage</u> <u>of Collections</u>
2009	\$ 13,464,479.97	\$ 13,322,316.24	98.94%
2008	13,318,243.93	13,172,421.06	98.91%
2007	12,792,723.14	12,629,086.23	98.72%
2006	12,268,270.67	12,027,402.29	98.04%
2005	11,116,893.12	11,005,787.16	99.00%
2004	10,326,816.19	10,188,421.43	98.66%
2003	10,348,321.40	10,187,175.70	98.44%
2002	9,355,912.55	9,200,710.29	98.33%
2001	8,647,174.57	8,497,733.21	98.26%
2000	8,383,178.57	8,215,452.00	97.99%

BOROUGH OF BRADLEY BEACH
DELINQUENT TAXES AND TAX TITLE LIENS
FOR THE LAST TEN (10) FISCAL YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Amount of</u> <u>Tax Title Liens</u>	<u>Amount of</u> <u>Delinquent</u> <u>Taxes</u>	<u>Total</u> <u>Delinquent</u>	<u>Percentage</u> <u>of Tax Levy</u>
2009	\$ 274.68	\$ 173,804.19	\$ 174,078.87	1.06%
2008	267.50	141,148.83	141,416.33	1.06%
2007	260.40	134,596.94	134,857.34	1.05%
2006	253.56	196,941.27	197,194.83	0.96%
2005	247.01	107,106.22	107,353.23	1.26%
2004	234.60	130,140.72	130,375.32	1.40%
2003	222.95	144,399.92	144,622.87	1.53%
2002	211.20	142,837.41	143,048.61	1.80%
2001	200.56	155,084.40	155,284.96	2.07%
2000	7,367.01	166,257.62	173,624.63	2.63%

BOROUGH OF BRADLEY BEACH
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FOR THE LAST TEN (10) FISCAL YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Aggregate</u> <u>Assessed</u> <u>Valuations</u> <u>of Real</u> <u>Property</u>	<u>Estimated</u> <u>Full Cash</u> <u>Valuations</u>	<u>Percentage of</u> <u>Net Assessed</u> <u>to Estimated</u> <u>Full Cash</u> <u>Valuations</u>
2009	\$ 1,126,294,100	\$ 1,177,639,168	95.64%
2008	1,123,044,400	1,165,709,363	96.34%
2007	1,118,334,200	1,137,906,186	98.28%
2006*	1,115,000,500	1,047,440,582	106.45%
2005	444,922,400	880,511,379	50.53%
2004	440,392,700	707,344,523	62.26%
2003	437,905,000	575,584,911	76.08%
2002*	438,472,800	468,654,126	93.56%
2001	257,329,000	362,078,233	71.07%
2000	256,534,400	316,318,619	81.10%

Source: Table of Equalized Valuations, State of New Jersey, Division of Taxation.

* Revaluation Effective for 2002 and 2006.

BOROUGH OF BRADLEY BEACH
SCHEDULE OF TEN LARGEST TAXPAYERS

<u>Taxpayer</u>	<u>Assessed Value - 2009</u>	<u>As a Percent of Net Assessed Valuation Taxable</u>
Bardis, Spyros and Angela	\$ 4,844,100	0.43%
Mac Innes, Janet	3,511,500	0.31%
Mariner 5 Associates, LLC	3,300,000	0.29%
Simonsen, Richard and Francine	3,213,100	0.29%
Terrace Lake Apartments, LLC	2,930,000	0.26%
Sitt, Eddie and Anita % Baby Togs	2,855,000	0.25%
Seacrest Apartments, LLC	2,800,000	0.25%
G & D Properties, LLC	2,765,400	0.25%
Ocean Beach Apartments, LLC	2,625,000	0.23%
Point Properties 2003, LLC	<u>2,600,000</u>	<u>0.23%</u>
	<u>\$ 31,444,100</u>	<u>2.80%</u>

Source: Municipal Tax Collector.

**BOROUGH OF BRADLEY BEACH
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009**

Average Equalized Valuation Basis	\$ <u>1,160,418,239.00</u>
Borrowing Margin - 3½% of Average Equalized Valuation	\$ 40,614,638.37
Net Debt	<u>7,204,710.85</u>
Remaining Borrowing Power	\$ <u>33,409,927.52</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
	\$ <u>11,471,058.92</u>	\$ <u>4,266,348.07</u>	\$ 7,204,710.85

	<u>Net Debt</u>	<u>Overlapping Percentage</u>	
Overlapping Debt Apportioned to the Municipality: County of Monmouth (1)	\$ 467,533,612.41	0.93906%	<u>4,390,442.54</u>
			\$ <u>11,595,153.39</u>

Source: (1) County of Monmouth

BOROUGH OF BRADLEY BEACH
RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES AND
LOANS TO EQUALIZED VALUE AND DEBT PER CAPITA
FOR THE LAST TEN (10) FISCAL YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Borough</u> <u>Population (1)</u>	<u>Equalized</u> <u>Valuation (2)</u>	<u>Net</u> <u>Debt (3)</u>	<u>Ratio of</u> <u>Net Debt to</u> <u>Equalized</u> <u>Valuation</u>	<u>Net</u> <u>Debt Per</u> <u>Capita</u>
2009	4,793	\$ 1,177,639,168.00	\$ 7,183,210.85	0.61%	\$ 1,498.69
2008	4,793	1,165,709,363.00	7,844,934.10	0.67%	1,636.75
2007	4,793	1,137,906,186.00	8,020,186.12	0.70%	1,673.31
2006	4,793	1,047,440,582.00	8,339,749.77	0.80%	1,739.99
2005	4,793	880,511,379.00	5,369,932.28	0.61%	1,120.37
2004	4,793	707,344,523.00	5,427,933.80	0.77%	1,132.47
2003	4,793	575,584,911.00	7,513,966.13	1.31%	1,567.70
2002	4,793	468,654,126.00	7,287,426.20	1.55%	1,520.43
2001	4,793	362,078,233.00	7,160,439.45	1.98%	1,493.94
2000	4,793	316,318,619.00	6,727,144.85	2.13%	1,403.54

(1) Based on the US 2000 Census.

(2) Per the State of New Jersey only Real Property included.

(3) Per Annual Debt Statement - Includes Self-Liquidating Net Debt.

BOROUGH OF BRADLEY BEACH
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR BONDED DEBT, BOND ANTICIPATION NOTES AND LOANS (1)
FOR THE LAST TEN (10) FISCAL YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Debt</u> <u>Service</u>	<u>Total</u> <u>Current Fund</u> <u>Governmental</u> <u>Fund Expenditures</u>	<u>Ratio of</u> <u>Debt Service to</u> <u>Current Fund</u> <u>Expenditures</u>
2009	\$ 658,853.00	\$ 361,103.55	\$ 1,019,956.55	\$ 7,758,277.54	13.15%
2008	533,570.77	375,636.44	909,207.21	7,449,061.24	12.21%
2007	495,413.48	347,064.59	842,478.07	6,959,476.92	12.11%
2006	418,758.19	241,438.48	660,196.67	6,547,165.70	10.08%
2005	366,066.27	258,614.77	624,681.04	6,296,988.76	9.92%
2004	343,660.33	258,059.41	601,719.74	5,795,170.47	10.38%
2003	331,201.88	253,694.38	584,896.26	5,255,094.18	11.13%
2002	201,444.57	252,767.86	454,212.43	5,039,476.18	9.01%
2001	154,113.75	307,920.58	462,034.33	5,539,021.77	8.34%
2000	101,859.54	115,820.18	217,679.72	4,944,859.83	4.40%

(1) Excludes Sewer and Beach Utilities and Special Assessment Debt.

BOROUGH OF BRADLEY BEACH
CALCULATION OF "SELF-LIQUIDATING PURPOSE" PER N.J.S. 40A:2-45
SEWER UTILITY OPERATING FUND

Cash Receipts from Fees, Rents or Other Charges		\$ 1,634,413.16
Deductions:		
Operating and Maintenance Cost	\$ 1,347,728.50	
Debt Service	<u>221,892.50</u>	
Total Deductions		<u>1,569,621.00</u>
Excess in Revenue		<u>\$ 64,792.16</u>

BOROUGH OF BRADLEY BEACH
CALCULATION OF "SELF-LIQUIDATING PURPOSE" PER N.J.S. 40A:2-45
BEACH UTILITY OPERATING FUND

Cash Receipts from Fees, Rents or Other Charges		\$ 1,508,619.44
Deductions:		
Operating and Maintenance Cost	\$ 1,121,873.00	
Debt Service	<u>194,818.00</u>	
Total Deductions		<u>1,316,691.00</u>
Excess in Revenue		<u><u>\$ 191,928.44</u></u>

BOROUGH OF BRADLEY BEACH
DEMOGRAPHIC STATISTICS
FOR THE LAST TEN (10) FISCAL YEARS
UNAUDITED

<u>Year Ended</u> <u>December 31,</u>	<u>Population</u>	<u>Unemployment</u> <u>Rate</u> (1)	<u>Per Capita</u> <u>Income</u> (1)
2009	4,793	N/A	\$ 25,438
2008	4,793	7.0%	25,438
2007	4,793	5.8%	25,438
2006	4,793	6.3%	25,438
2005	4,793	6.5%	25,438
2004	4,793	6.3%	25,438
2003	4,793	7.5%	25,438
2002	4,793	7.5%	25,438
2001	4,793	5.2%	25,438
2000	4,793	4.7%	25,438

(1) Monmouth County Planning Board (Census).

BOROUGH OF BRADLEY BEACH
MISCELLANEOUS STATISTICS
DECEMBER 31, 2009

Date of Incorporation	March 1893
Form of Government	Small Municipality
Area	0.70 square miles
Employees:	
Administrative	7
Police	16
Public Works	8
Volunteer Firemen	45
Volunteer First Aid Squad	10
Other	<u>51</u>
Total Employees	<u><u>137</u></u>

Source: Borough Records.

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

The Honorable Mayor and Members of the
Borough of Bradley Beach Council
Borough of Bradley Beach
County of Monmouth
State of New Jersey

To the Honorable Mayor and Members of the Borough Council:

We have audited the financial statements - regulatory basis of the Borough of Bradley Beach, (the "Borough") as of and for the year ended December 31, 2009, and have issued our report thereon dated April 27, 2010. 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 the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

As described in Note 1, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive regulatory basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of the Borough as of and for the year ended December 31, 2009 in accordance with auditing standards generally accepted in the United States of America, we considered the Borough's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion 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.

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 - (CONTINUED)

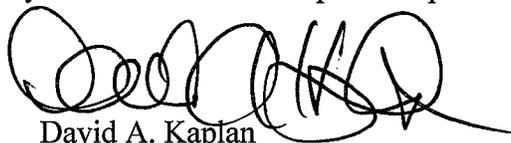
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies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

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

Compliance and Other Matters

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

This communication is intended solely for the information and use of the members of the Borough's governing body and its management and for filing with the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not intended to be and should not be used by anyone other than these specified parties.



David A. Kaplan
Certified Public Accountant
Registered Municipal Accountant #433

DAK CPA

DAK CPA, Certified Public Accountants

Long Branch, New Jersey
April 27, 2010

AUDITOR'S COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS
DECEMBER 31, 2009

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

N.J.S. 40A:11-4 states "every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only 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 of \$21,000.00 except by contract or agreement."

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000.00 within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

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

Recycling Contract	Solar Panel Installation
Cushman Vehicle	Hook and Lift Vehicle
Sylvan Lake Bulkhead Replacement	Fourth Avenue Phase II Improvements

In addition, the various items were purchased under State Contract.

Command Vehicle	Tires and Tubes
Computer Hardware Systems	Gasoline/Fuel Oil
Recreation Equipment	Office Supplies

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$21,000.00 "for the performance of any work or the furnishing or hiring of any materials or supplies" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

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

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2009

Collection of Interest on Delinquent Taxes, Sewer Charges and Assessments

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

The Borough adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the Council of the Borough of Bradley Beach as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears after December 31st, an additional penalty of 6% shall be charged against the delinquency, all such payments to be calculated from the date the tax, assessment or charge was payable until the date of actual payment. This shall apply to all existing tax sale certificates held by the Borough of Bradley Beach.
2. As to Tax Sale Certificates, the Tax Collector is hereby authorized and directed to collect 2% when the taxes, interest and costs shall exceed the sum of \$200.00. When the taxes, interest and costs shall exceed the sum of \$5,000.00, such additional sum shall be equal to 4% of such amount paid; and when that sum exceeds \$10,000.00, such additional sum shall be equal to 6% of such amount paid. This shall apply to all existing tax sale certificates held by the Borough of Bradley Beach.

The Borough also adopted the following resolution authorizing interest to be charged on delinquent Sewer charges:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the Council of the Borough of Bradley Beach as follows:

1. The Sewer Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of Sewer Utility charges becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears after December 31st, an additional penalty of 6% shall be charged against the delinquency, all such payments to be calculated from the date the tax, assessment or charge was payable until the date of actual payment. This shall apply to all existing tax sale certificates held by the Borough of Bradley Beach.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2009

Collection of Interest on Delinquent Taxes, Sewer Charges and Assessments (Continued)

2. As to Tax Sale Certificates, the Tax Collector is hereby authorized and directed to collect 2% when the taxes, interest and costs shall exceed the sum of \$200.00. When the taxes, interest and costs shall exceed the sum of \$5,000.00, such additional sum shall be equal to 4% of such amount paid; and when that sum exceeds \$10,000.00, such additional sum shall be equal to 6% of such amount paid. This shall apply to all existing tax sale certificates held by the Borough of Bradley Beach.

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

Delinquent Taxes and Tax Title Liens

The detail of all unpaid taxes for 2009 and prior years and tax title liens is being properly carried in the Tax Collector's records. An abstract taken from these records as of December 31, 2009, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

The last tax sale was held on April 23, 2009 and the sale was complete.

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

The number of tax title liens receivable on December 31st of the last three (3) years (2007-2009) was two (2) for each year.

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis. However, these liens are minimal and probably unknown property owners. All of the liens at December 31, 2009 have been in existence for greater than three years.

Delinquent Sewer Rents

The detail of all unpaid Sewer rents for 2009 and Sewer liens is being properly carried in the Sewer Collector's records. An abstract taken from these records as of December 31, 2009, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

Beach Utility Revenue

The revenues for bathing badges for seasonal, half season, daily and other were verified to the cash receipts records. The unused badges retained for audit purposes were verified to the Borough's control detail and compared to total badges purchased for sale by the Borough and to the net revenues generated, a minor overall discrepancy was noted. The miniature golf course revenues were reviewed and verified for accuracy. Ticket stubs were retained for audit purposes.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2009

Cash and Cash Equivalents

The cash balances in all funds were verified by independent certifications obtained for the depositories as at December 31, 2009. Supplemental bank reconciliations were reviewed as of February 28, 2010.

Cash counts were made at various dates in all departments of the Borough and bank balances were independently reconciled to the books and records.

The change funds and petty cash funds were counted.

Revenues

Receipts from licenses, fees, fines and costs, etc., for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary. Minor exceptions were noted.

Expenditures

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute. Our examination of expenditures revealed minor deficiencies such as invoices dated before purchase orders, however, for the most part, compliance with procedures and requirements have been adhered to. These matters have been discussed with the responsible individuals.

Finding:

Condition: The Appropriated Reserve for Body Armor Replacement in the Federal and State Grant Fund was over expended by \$1,485.59.

Criteria: Expenditures must be curtailed to funds available. Expenditures in excess of funds available constitute over expenditures, which are prohibited by New Jersey statutes.

Cause: A misunderstanding about the timing and availability of budgetary resources on this multi-year grant caused this over expenditure.

Management's Response: Management is aware of the condition and it's cause. The over expenditure will be raised in the Borough's 2010 Current Fund budget. Available budgetary resources will be clearly defined.

Recommendation: It is recommended that grant fund expenditures be limited to budgetary resources available.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2009

Expenditures-(Continued)

Finding:

Condition: Expenditures for street lighting were inappropriately charged to the electricity budget line item.

Criteria: Charging the appropriate budget account for goods or services provided is an integral part of the Borough's internal control system.

Cause: Change in personnel overseeing this function.

Management's Response: Management is aware of the condition and it's cause.

Recommendation: It is recommended that expenditures for utilities be charged to the appropriate budgetary line items.

Payroll

An examination was made of the employees' compensation records for the year 2009 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance.

The Borough uses an outside vendor for processing of both net pay and withholdings. A (SAS#70/88) Report on Internal Control of Service Organizations was on file in the Finance office.

Our examination of the payroll did not cover verification of the validity and reasonableness of the allocation of salaries for individuals whose job encompasses activities that relate to more than one of the Borough's Operating Funds or Departments. The allocation of salaries for individuals whose duties encompass more than one fund or appropriation is done at the sole discretion of the management of the Borough. It is proper and legal to allocate salaries amongst funds as long as the duties of the individuals relate to the costs charged to the fund or appropriation.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2009

Payroll-(Continued)

Finding:

Condition: Payments to police officers that worked for outside contractors in an off-duty capacity on special details were charged to the Current Fund budget appropriation for police salaries. Similarly, receipts from contractors that paid for this off-duty work were deposited as contra receipts or refunds to the appropriation account.

Criteria: Off-duty police services must be accounted for in an approved Dedication by Rider in the Borough's Trust Other Fund.

Cause: Past practice.

Management's Response: Management is aware of the need to properly account for off-duty police remuneration. Approval for a Dedication by Rider for this purpose will be completed.

Recommendation: It is recommended that a Dedication by Rider for Off-Duty Police Services be requested.

Miscellaneous Comments

The confirmation received from the Local School District Board of Education verified the current school taxes payable at December 31, 2009.

Construction Code Official

Our examination of the Uniform Construction Code Annual Report revealed the revenues for 2009 in accordance with the report were \$123,607.75 and expenditures were \$113,294.45. The Borough appears to be in compliance with the NJAC 5:23-4.17.

Regional Contribution Agreement

The Borough has entered into an agreement with the Township of Wall to rehabilitate ninety-five (95) housing units over the next five (5) years. The agreement provides for \$1,900,000.00 to be contributed by the Township of Wall, all of which has been received.

Library

The Borough provides, annually, budget appropriations for the "Maintenance of the Free Public Library", Salaries and Wages and Other Expenses. The Borough retains the funds for all appropriations and disburses the claims only when approved by the Library Board of Trustees and in accordance with the local payment of claims ordinance. With the State and Public Library's consent, \$120,000.00 of 2008 Appropriation Reserves in the Maintenance of Free Public Library account was cancelled to the Borough's Current Fund Balance.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2009

Miscellaneous Comments-(Continued)

Trust Other Fund

The Trust Other Fund various reserves reflect a Miscellaneous Reserve that includes minor amounts of funds related to security deposits and other refundable items. All other reserves appear to be properly authorized by Dedication by Rider pursuant to N.J.S.A. 40A:4-39.

Surety Bonds

The surety bonds covering the Tax Collector, Sewer and Beach Utility Revenue Collectors and Municipal Court employees were tested for adequacy of coverage and were determined to be sufficient. Continuation notices were also examined for each surety bond in effect during 2009 and for the blanket honesty coverage.

Federal and State Grants

There are several grants receivable and appropriated reserves that are in excess of two (2) years old that should be reviewed for utilization or refund to the grant source. This matter should be reviewed by the Business Administrator, the Chief Financial Officer and the specific grant coordinators.

Other Matters

It is suggested that the various matters referred throughout this report, which require definite action, be referred to the officials directly concerned.

A formal exit conference, in accordance with auditing standards generally accepted in the United States of America requirements, has been held with appropriate Borough Officials and Employees.

Summary Status of Prior Year's Audit Recommendations

There were two audit recommendations cited in the 2008 audit. The governing body approved a corrective action plan which was successfully implemented and corrected both conditions cited.

Appreciation

I desire to express my appreciation for the cooperation received from the Borough Officials and Employees and the courtesies extended to us during the course of the audit.

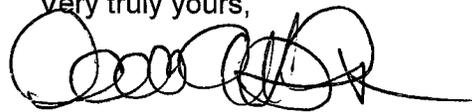
RECOMMENDATIONS
DECEMBER 31, 2009

It is recommended:

- 2009-1. That grant fund expenditures be limited to budgetary resources available.
- 2009-2. That expenditures for utilities be charged to the appropriate budgetary line items.
- 2009-3. That a Dedication by Rider for Off-Duty Police Services be requested.

The problems and weaknesses noted in my audit were not of such a magnitude that they would affect my ability to express an opinion of the financial statements taken as a whole.

Very truly yours,



David A. Kaplan
Certified Public Accountant
Registered Municipal Accountant #433

For The Firm
DAK CPA, Certified Public Accountants