BOROUGH OF POINT PLEASANT

AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2007

BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN

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BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN

PART I

INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2007

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Holman & Frenia, P.C.
Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Point Pleasant
County of Ocean
Point Pleasant, New Jersey 08742

We have audited the accompanying statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Borough of Point Pleasant, State of New Jersey as of December 31, 2007 and 2006, and the related statements of operations and changes in fund balance--regulatory basis for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis and statement of general fixed assets as of December 31, 2007 and 2006. These financial statements are the responsibility of the Borough of Point Pleasant's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, except for the effects on the financial statements of the requirement that the Borough of Point Pleasant prepare its financial statements in accordance with the accounting practices 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 of Point Pleasant, State of New Jersey, as of December 31 2007 and 2006, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Borough of Point Pleasant, State of New Jersey, as of December 31, 2007 and 2006, and the results of its

operations and changes in fund balance of such funds--regulatory basis for the years then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2007 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2008, on our consideration of the Borough of Point Pleasant, State of New Jersey's internal control over financial reporting and 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 read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements of the Borough of Point Pleasant's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

HOLMAN & FRENIA, P.C.

Kevin P. Frenia
Registered Municipal Accountant
CR 435

Medford, New Jersey
June 16, 2008

Holman & Frenia, P.C.
Certified Public Accountants & Consultants

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

The Honorable Mayor and Members
of the Borough Council
Borough of Point Pleasant
County of Ocean
Point Pleasant, New Jersey 08742

We have audited the financial statements of the Borough of Point Pleasant, County of Ocean, State of New Jersey, as of and for the fiscal year ended December 31, 2007, and have issued our report thereon dated June 16, 2008. Our report disclosed that, as described in Note 1 to the financial statements, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Borough of Point Pleasant'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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

A control deficiency 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 significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Borough's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Borough's financial statements that is more than inconsequential will not be prevented or detected by the Borough's internal control. We consider the deficiencies described in the accompanying Comment and Recommendation Section to be significant deficiencies in internal control over financial reporting as Finding No's: 2007-01 and 2007-02.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Borough's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, we noted no matters involving the internal control over financial reporting and it's operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Point Pleasant'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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the accompanying Comment and Recommendation Section as Finding No's: 2007-01.

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

Respectfully submitted,

HOLMAN & FRENIA, P.C.

Kevin P. Frenia
Registered Municipal Accountant
CR 435

Medford, New Jersey
June 16, 2008

FINANCIAL STATEMENTS

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Regular Fund:			
Cash:			
Treasurer	A-4	$11,873,592	11,221,039
Change Fund		550	550
Petty Cash Funds		225	
Due from State of New Jersey for Senior Citizen & Veteran Deductions		8,015	7,927
Total Regular Fund		11,882,382	11,229,516
Receivables & Other Assets With Full Reserves:			
Taxes Receivable	A-5	1,573,115	1,236,789
Tax Title Liens Receivable	A-6	812	684
Revenue Accounts Receivable	A-8	14,448	13,357
Foreclosed Property - Assessed Valuation	A-7	195,200	195,200
Due from Pt. Pleasant Beach		26,700	
Due From Interfunds:			
State & Federal Grant Fund	A-13	36,254	
Trust Other	A-13		21,273
General Capital	A-13		149,242
Payroll	A-13		500
Total Receivables & Other Assets With Full Reserves		1,846,529	1,617,045
Deferred Charges			
Overexpenditure of Prior Year Reserves		766	766
Total Regular Fund, Receivables, Other Assets With Full Reserves & Deferred Charges		13,729,677	12,847,327
State & Federal Grants:			
Cash	A-4		12,586
Grants Receivable	A-14	296,333	269,719
Due from General Capital	C	39,185	
Total State & Federal Grants		335,518	282,305
Total Assets		$14,065,195	13,129,632

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

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2007	2006
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-9	$741,804	690,521
Reserve for Encumbrances	A-3,A-4,A-9	361,568	192,839
Tax Overpayments	A-4,A-5	2,000	497
Unallocated Tax Receipts		21,150	21,150
Prepaid Taxes	A-4,A-5	572,456	476,198
Miscellaneous Reserves	A-12	57,584	42,464
County Tax Payable	A-11	59,200	63,070
Local District School Tax	A-10	7,293,950	6,702,240
Reserve for Recreation Improvements		1,096,742	1,298,154
Due to Municipal Open Space Trust	A-13		67,445
Due to Dog Trust	A-13	639	
Due to Trust Other	A-13	18,879	
Due General Capital Fund	A-13	174,787	
Due to Payroll	A-13	2,097	
Subtotal		10,402,856	9,554,578
Reserve for Receivables & Other Assets		1,846,529	1,617,045
Fund Balance	A-1	1,480,292	1,675,704
Total Regular Fund		13,729,677	12,847,327
State & Federal Grants:			
Reserve for Grants Appropriated	A-15	256,283	210,114
Reserve for Grants Unappropriated	A-16	26,171	31,895
Commitments Payable		14,943	38,429
Due to State of New Jersey		1,645	1,645
Due to County of Ocean		222	222
Due Current Fund	A	36,254	
Total State & Federal Grants		335,518	282,305
Total Liabilities, Reserves & Fund Balance		$14,065,195	13,129,632

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

EXHIBIT A-1

BOROUGH OF POINT PLEASANT
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Revenue & Other Income Realized:		
Fund Balance Utilized	$1,400,000	700,000
Miscellaneous Revenue Anticipated	3,525,326	3,682,436
Receipts From Delinquent Taxes & Tax Title Liens	1,207,491	1,397,774
Receipts From Current Taxes	47,820,984	45,490,072
Nonbudget Revenue	159,118	204,504
Other Credits to Income:		
Interfunds Liquidated	2,894	52,801
Unexpended Balance of Appropriation Reserves	205,161	257,384
Encumbrances Canceled	6,361	38,162
Total	54,327,335	51,823,133
Expenditures:		
Budget Appropriations	14,805,495	13,644,149
Local District School Tax	27,085,313	25,901,894
County Taxes	11,058,830	10,371,219
Municipal Open Space Taxes	68,728	67,445
Interfunds - Advanced	64,534	207,496
Prior Year Encumbrance Adjustment	39,847	
Total Expenditures	53,122,747	50,192,203
Excess/Deficit in Revenue	1,204,588	1,630,930
Fund Balance January 1	1,675,704	744,774
Total	2,880,292	2,375,704
Decreased by: Utilization as Anticipated Revenue	1,400,000	700,000
Fund Balance December 31	$1,480,292	1,675,704

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

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	BUDGET	APPROPRIATED BY N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	$1,400,000		1,400,000	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	12,000		12,890	890
Fees & Permits:				
Uniform Construction Code Fees	230,000		300,767	70,767
Other	45,000		56,538	11,538
Fines & Costs:				
Municipal Court	140,000		149,707	9,707
Interest & Costs on Taxes	225,000		247,262	22,262
Interest on Investments & Deposits	393,000		562,074	169,074
Energy Receipts Tax	1,119,737		1,119,737	
Supplemental Energy Receipts Tax	34,777		34,777	
Municipal Property Tax Assistance	31,953		31,953	
Consolidated Municipal Property Tax Relief Act	437,171		437,171	
Legislative Initiative Municipal Block Grant	79,537		79,537	
Homeland Security Aid	70,000			(70,000)
Click It or Ticket		4,000	4,000	
Clean Communities Grant		24,733	24,733	
Body Armor Replacement	3,105		3,105	
Municipal Court Alcohol Education & Rehabilitation Fund		1,409	1,409	
Drunk Driving Enforcement	13,721	20,991	34,712	
Police Equipment Grant		5,000	5,000	
Municipal Drug Alliance Grant	15,134		15,134	
Pedestrian Safety Education & Enforcement		8,320	8,320	
Stormwater Implementation Grant		12,500	12,500	
Smart Future Growth Grant		6,000	6,000	
Delinquency Preservation & Awareness		4,000	4,000	
Community Development Block Grant		30,000	30,000	
Transportation Trust Fund Authority Act - 2008	175,000		175,000	
Due From Capital Fund	169,000		169,000	
Total Miscellaneous Revenues	3,194,135	116,953	3,525,326	214,238
Receipts From Delinquent Taxes	1,000,000		1,207,491	207,491
Subtotal General Revenues	5,594,135	116,953	6,132,817	421,729
Local Tax for Municipal Purposes	10,940,503		11,154,209	213,706
Budget Totals	16,534,638	116,953	17,287,026	635,435
Nonbudget Revenues			159,118	159,118
Total	$16,534,638	116,953	17,446,144	794,553

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

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	$47,820,984
Less: Allocated for School, County Taxes & Open Space Taxes	38,212,871
Total Allocation of Current Tax Collections	9,608,113
Add: Budget Appropriation - Reserve for Uncollected Taxes	1,546,096
Total Amount for Support of Municipal Budget Appropriation	$11,154,209
Fees & Permits:	
Zoning Board Permits	$9,940
Planning Board Permits	5,965
Board of Health Permits	38,018
Raffle	2,080
Other	535
Total Fees & Permits	$56,538

ANALYSIS OF NONBUDGET REVENUES

Tax Maps/Land Use/Tax Information	$386
Cell Tower Rental	5,340
White Goods	11,317
Fences	4,400
Police Reports	5,326
Police Auction	3,529
Administrative Fee Senior Citizen and Veterans	6,280
Verizon Refund	19,078
Miscellaneous Other	103,462
Nonbudget Revenue	$159,118

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

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED		
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
General Government Functions:					
General Administration:					
Salaries and Wages	$21,019	21,019	21,019		
Other Expenses	76,500	76,500	60,766	15,734	
Mayor & Council:					
Salaries and Wages	14,040	14,040	14,040		
Municipal Clerk:					
Salaries and Wages	135,408	135,408	135,408		
Other Expenses	16,370	16,370	13,404	2,966	
Financial Administration (Treasury):					
Salaries and Wages	102,618	102,618	101,877	741	
Other Expenses	3,811	3,811	1,166	2,645	
Audit Services:					
Annual Audit	50,000	50,000	50,000		
Revenue Administration (Tax Collector):					
Salaries and Wages	84,760	84,760	84,760		
Other Expenses	11,400	11,400	7,332	4,068	
Tax Assessor:					
Salaries and Wages	127,426	121,426	119,679	1,747	
Other Expenses	9,400	9,400	3,443	5,957	
Legal Services:					
Other Expenses	155,000	155,000	129,016	25,984	
Engineering Services & Costs:					
Other Expenses	175,000	175,000	123,515	51,485	
Land Use Administration:					
Planning Board:					
Salaries and Wages	8,500	8,500	8,500		
Other Expenses	41,405	41,405	26,598	14,807	
Zoning Board of Adjustment:					
Salaries and Wages	8,500	8,500	8,500		
Other Expenses	6,200	6,200	4,501	1,699	
Zoning Officer:					
Salaries and Wages	56,466	56,526	56,525	1	
Other Expenses	650	650	597	53	
Insurance:					
Unemployment Insurance	50,000	50,000	50,000		
Public Safety Functions:					
Police:					
Salaries and Wages	3,859,308	3,891,108	3,889,926	1,182	
Other Expenses	204,963	210,463	194,407	16,056	
Dare Program					
Other Expenses	3,000	3,000	2,600	400	
Emergency Management Services:					
Salaries and Wages	3,350	3,350	3,350		
Other Expenses	1,200	800	238	562	

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED		
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Public Safety Functions (continued):					
Aid to Volunteer Fire Companies:					
Other Expenses:					
Board of Fire Officers	10,000	10,000	2,954	7,046	
Company No. 1	84,400	84,400	84,400		
Company No. 2	65,070	65,070	65,070		
Fire Prevention	22,700	22,700	19,922	2,778	
Aid to Volunteer Ambulance Companies:					
Other Expenses	65,200	65,200	65,200		
Public Works Functions:					
Road Repairs & Maintenance:					
Salaries and Wages	858,564	858,564	855,185	3,379	
Other Expenses	59,889	59,889	53,396	6,493	
Other Public Works Functions:					
Recycling:					
Salaries and Wages	4,000	4,000	2,891	1,109	
Other Expenses	346,950	346,950	342,721	4,229	
Solid Waste Collection:					
Contractual	668,000	668,000	668,000		
Building & Grounds:					
Other Expenses	28,900	28,900	26,505	2,395	
Community Services Act:					
Other Expenses	4,000	4,000	1,725	2,275	
Condominium Services Act	130,000	130,000		130,000	
Health & Human Services:					
Board of Health:					
Salaries and Wages	92,133	92,133	92,097	36	
Other Expenses	4,501	4,501	3,132	1,369	
Environmental Commission:					
Salaries and Wages	1,200	1,200	1,200		
Other Expenses	1,355	1,355	1,326	29	
Animal Control Program:					
Other Expenses	20,000	20,000	19,386	614	
Park & Recreation Functions:					
Recreation Services & Programs:					
Salaries and Wages	142,368	142,368	136,179	6,189	
Other Expenses	18,230	18,230	15,626	2,604	
Utility Expense & Bulk Purchases:					
Electricity	64,000	64,000	63,646	354	
Street Lighting	136,000	136,000	135,612	388	
Telephone	40,000	40,000	37,235	2,765	
Gasoline	94,000	94,000	93,159	841	
Gas	18,500	18,500	18,005	495	

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED		
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Landfill/Solid Waste Disposal Costs:					
Landfill Dumping Fees	700,000	700,000	616,981	83,019	
Municipal Court:					
Salaries and Wages	131,000	119,081	109,627	9,454	
Other Expenses	6,600	7,000	5,528	1,472	
Public Defender:					
Other Expenses	5,000	5,000	1,649	3,351	
Insurance:					
Liability Insurance	170,307	167,307	162,176	5,131	
Workers' Compensation Insurance	198,169	183,169	182,832	337	
Employee Group Insurance	1,613,581	1,613,581	1,472,524	141,057	
State Uniform Construction Code:					
Construction Code Official:					
Salaries and Wages	254,308	240,308	236,998	3,310	
Other Expenses	62,300	59,800	49,208	10,592	
Other Common Operating Functions:					
Salary Adjustments	58,225	58,225	30,768	27,457	
Cultural Arts Advisory Committee	12,000	12,000	11,291	709	
Blood Borne Pathogens - Hepatitis B:					
Other Expenses	1,800	1,800	1,180	620	
Contingent	1,000	1,000		1,000	
Total Operations Within "CAPS" Including Contingent	11,420,544	11,405,485	10,796,501	608,984	
Detail:					
Salaries and Wages	5,963,193	5,844,053	5,798,902	45,151	
Other Expenses	5,457,351	5,561,432	4,997,599	563,833	
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":					
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	458,000	473,000	439,456	33,544	
Employees' Retirement System - ERIC	14,922	14,922	14,922		
Police & Firemen's Retirement System - ERIC	72,865	72,865	72,865		
Total Deferred Charges & Statutory Expenditures Within "CAPS"	545,787	560,787	527,243	33,544	
Total General Appropriations for Municipal Purposes Within "CAPS"	11,966,331	11,966,272	11,323,744	642,528	
Operations Excluded From "CAPS":					
Relocation Assistance	750	750		750	
LOSAP	95,000	95,000		95,000	
Employees' Retirement System	82,804	82,804	82,804		
Police & Firemen's Retirement System	413,301	413,301	413,301		
Public & Private Programs Offset by Revenues:					
Matching Fund for Grants	10,000	10,000	6,474	3,526	

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

OPERATIONS - Excluded from "CAPS"	APPROPRIATIONS BUDGET	APPROPRIATIONS BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED RESERVED	EXPENDED CANCELLED
Public & Private Programs Offset by Revenues (continued):					
Drunk Driving Enforcement Fund	13,721	34,712	34,712		
Clean Communities Grant		24,733	24,733		
Body Armor Replacement	3,105	3,105	3,105		
Municipal Court Alcohol Education & Rehabilitation Fund		1,409	1,409		
Municipal Drug Alliance Grant	15,134	15,134	15,134		
Click It or Ticket		4,000	4,000		
Ocean County Delinquency Prev. & Awareness		4,000	4,000		
Community Development Block Grant		30,000	30,000		
Stormwater Implementation Grant		12,500	12,500		
Police Equipment - Special Donation		5,000	5,000		
Smart Future Growth Grant		6,000	6,000		
Pedestrian Safety Education & Enforcement		8,320	8,320		
Total Operations Excluded from "CAPS"	633,815	750,768	651,492	99,276	
Detail:					
Other Expenses	633,815	750,768	651,492	99,276	
Capital Improvements-Excluded from "CAPS":					
Capital Improvement Fund	308,000	308,000	308,000		
Transportation Trust Fund Authority Act - 2008	175,000	175,000	175,000		
Total Capital Improvements Excluded From "CAPS"	483,000	483,000	483,000		
Municipal Debt Service - Excluded From "CAPS":					
Payment of Bond Principal	1,310,000	1,310,000	1,010,000		300,000
Interest on Bonds	422,082	422,141	422,141		
Interest on Notes	103,495	103,495	103,495		
Green Trust Loan Program:					
Loan Repayments for Principal & Interest	55,700	55,700	55,700		
Green Acres Loan Program:					
Payment of Principal	10,679	10,679	10,679		
Payment of Interest	3,440	3,440	3,440		

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED		
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Total Municipal Debt Service Excluded From "CAPS"	1,905,396	1,905,455	1,605,455		300,000
Subtotal General Appropriations	14,988,542	15,105,495	14,063,691	741,804	300,000
Reserve For Uncollected Taxes	1,546,096	1,546,096	1,546,096		
Total General Appropriations	$16,534,638	16,651,591	15,609,787	741,804	300,000

Interfunds:	
Federal & State Grant Fund	$323,914
Reserve for Uncollected Taxes	1,546,096
Encumbrances Payable	312,038
Disbursements	13,427,739
Total	$15,609,787

Adopted Budget	$16,534,638
Appropriated by N.J.S.40A:4-87	116,953
Total	$16,651,591

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

EXHIBIT B

BOROUGH OF POINT PLEASANT
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Assessment Fund:			
Assessments Receivable		$51	51
Dog License Fund:			
Cash	B-1		639
Change Fund		25	25
Due from Current	A	639	
Total Dog License Funds		664	664
Other Trust Fund:			
Cash	B-1	977,943	942,454
Cash Held by Trustee	B-14	1,412,236	1,216,315
Due from Board of Education			726
Interfunds:			
Current Fund	A,B-13	18,879	46,172
Assessment Fund	B-12	51	51
Total Other Trust & Interfunds		2,409,109	2,205,718
Total - All Funds		$2,409,824	2,206,433
LIABILITIES & RESERVES			
Assessment Fund:			
Interfund - Trust - Other Fund	B-13	$51	51
Dog License Fund:			
Cash Deficit	A	458	
Due to State of New Jersey	B-2	206	15
Reserve for Expenditures	B-3		649
Total Dog License Fund		664	664
Other Trust Fund:			
Accounts Payable		6,370	
Reserve For:			
Environmental Reserve	B-9	2,454	1,583
Developer's Escrow	B-10	358,565	345,062
Lien Collections	B-6	220,500	256,310
Miscellaneous Reserves	B-12	121,187	118,301
Recreation	B-7	214,645	191,447
Municipal Open Space	B-8	66,085	67,445
Deferred Compensation Plan	B-14	1,412,236	1,216,315
Municipal Drug Alliance Donations	B-11	7,067	9,255
Total Other Funds		2,409,109	2,205,718
Total - All Funds		$2,409,824	2,206,433

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

EXHIBIT C

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Cash	C-2	$795,871	1,702,279
Grants Receivable		1,015,900	179,968
Deferred Charges to Future Taxation:			
Unfunded	C-5	11,550,482	4,454,294
Funded	C-4	10,481,652	11,622,867
Due from Current Fund	A	174,787	
Total		$24,018,692	17,959,408
LIABILITIES, RESERVES & FUND BALANCE			
Serial Bonds	C-8	$10,160,000	11,170,000
BANS Payable	C-10	2,988,580	2,988,580
Due to Current Fund	A		149,242
Due to State and Federal Grant Fund	A	39,185	
Capital Improvement Fund	C-6	99,404	133,890
Improvement Authorizations:			
Unfunded	C-7	7,749,361	1,432,094
Funded	C-7	815,116	958,221
Reserved	C-7	578,157	428,291
Green Trust Loan	C-9	321,652	452,867
Reserve for Bay Point Harbor		10,000	10,000
Reserve for Police Department		25,000	25,000
Reserve for Payment of Debt		193,338	
Reserve for Grant Receivables		1,015,900	179,968
Fund Balance	C-1	22,999	31,255
Total		$24,018,692	17,959,408

There were bonds and notes authorized but not issued on December 31, 2007 of $8,612,234 and on December 31, 2006 was $1,465,714.

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

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Operating Fund:			
Cash	D-5	$1,325,979	1,276,416
Cash - Change Fund		300	300
Total		1,326,279	1,276,716
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable	D-7	761,409	652,708
Interfund - Water-Sewer Capital Fund	D-10		9,002
Total Receivable & Other Assets With Full Reserves		761,409	661,710
Deferred Charge:			
Overexpenditure of Prior Year Appropriations		84,656	
Overexpended Current Year Appropriations			87,222
Total Operating Fund		2,172,344	2,025,648
Capital Fund:			
Cash	D-5	1,765,966	2,941,374
Fixed Capital Authorized and Uncompleted	D-12	9,453,266	8,626,366
Fixed Capital	D-13	25,518,908	25,518,908
Due From Water-Sewer Operating	D-10	7,671	
Total Capital Fund		36,745,811	37,086,648
Total Operating & Capital Fund		$38,918,155	39,112,296

Bonds and Notes authorized but not issued as of December 31, 2007 was $2,160,550 and as of December 31, 2006 was $1,333,650.

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

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2007	2006
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4,D-9	$459,036	221,208
Reserve for Encumbrances	D-4,D-5	108,299	44,413
Accrued Interest on Bonds and Notes	D-8	105,948	110,687
Due to Water-Sewer Capital	D-10	7,671	
Subtotal		680,954	376,308
Reserve for Receivables	D	761,409	661,710
Fund Balance	D-1	729,981	987,630
Total Operating Fund		2,172,344	2,025,648
Capital Fund:			
Capital Improvement Fund	D-11	323,586	323,586
Serial Bonds	D-17	2,998,000	3,318,000
Bond Anticipation Notes	D-18	2,238,850	2,238,850
Improvement Authorizations:			
Funded	D-16	771,178	785,083
Unfunded	D-16	1,866,672	2,902,223
Reserve for Encumbrances	D-16	971,258	236,287
Reserves for:			
Amortization	D-15	27,065,759	26,745,759
Deferred Amortization	D-14	508,619	508,619
Interfund - Water-Sewer Utility Operating Fund	D-10		9,002
Down Payment on Improvements		600	600
Fund Balance	D-2	1,289	18,639
Total Capital Fund		36,745,811	37,086,648
Total Liabilities, Reserves & Fund Balance		$38,918,155	39,112,296

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

EXHIBIT D-1

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Revenue & Other Income Realized:		
Fund Balance Appropriated	$600,000	300,000
Consumer Accounts Receivable	4,994,722	4,903,625
Interest on Delinquents	26,230	21,989
Miscellaneous	263,663	272,125
Interfund Liquidated	9,001	
Unexpended Balance of Appropriation Reserves	55,148	273,622
Total Income	5,948,764	5,771,361
Expenditures:		
Operating	4,958,408	4,350,591
Deferred Charges & Statutory Expenditures	124,337	106,676
Debt Service	523,668	437,384
Interfund Created		8,763
Total Expenditures	5,606,413	4,903,414
Excess/Deficit in Revenue	342,351	867,947
Subtotal	342,351	867,947
Fund Balance January 1	987,630	419,683
Less: Balance Appropriated	600,000	300,000
Fund Balance December 31	$729,981	987,630

EXHIBIT D-2

STATEMENT OF CAPITAL SURPLUS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$18,639
Less:	
Capitalized Interest	17,350
Balance December 31, 2007	$1,289

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

EXHIBIT D-3

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Rents	$4,813,588	4,994,722	181,134
Interest & Costs on Water-Sewer Rents	20,000	26,230	6,230
Miscellaneous	175,000	263,663	88,663
Total	$5,008,588	5,284,615	276,027

Miscellaneous	
Return Check Charge	$840
Tap Fees	8,710
Meter Sale & Repairs	25,030
Other	2,873
On/Off Charges	7,120
Connection Fees	25,475
Road Openings	15,500
Interest & Costs on Investments	178,115
Total Miscellaneous	$263,663

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

EXHIBIT D-4

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED RESERVED	CANCELED	OVEREXPENDED
Operating:						
Salaries and Wages	$968,080	968,080	929,929	38,151		
Other Expenses	2,250,328	2,250,328	1,946,541	303,787		
Ocean County Utilities Authority	1,740,000	1,740,000	1,623,728	116,272		
Debt Service:						
Payment of Bond Principal	320,000	320,000	320,000			
Interest on Bonds	128,042	128,042	125,867		2,175	
Interest on BANS	77,801	77,801	77,801			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	34,337	34,337	34,337			
Social Security System (O.A.S.I.)	70,000	70,000	69,174	826		
Unemployment Compensation Insurance	20,000	20,000	20,000			
Total Expenditures	$5,608,588	5,608,588	5,147,377	459,036	2,175	

Disbursements	$5,041,252
Encumbrances Payable	108,299
Accrued Interest Adjustment	(2,174)
Total	$5,147,377

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

EXHIBIT E

BOROUGH OF POINT PLEASANT
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS
DECEMBER 31, 2007 AND 2006

ASSETS	2007	2006
Land	$3,413,605	3,413,605
Buildings	3,854,080	3,854,080
Equipment & Machinery	5,359,692	5,359,692
Total	$12,627,377	12,627,377
FUND BALANCE		
Investment in General Fixed Assets	$12,627,377	12,627,377

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

EXHIBIT F

BOROUGH OF POINT PLEASANT
PAYROLL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Cash - Treasurer	F-1	$88,298	57,780
Due from Current		2,097	
Total		$90,395	57,780
LIABILITIES			
Payroll Taxes Payable	F-2	$90,395	57,280
Due to Current			500
Total		$90,395	57,780

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

BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

****

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

B. Descriptions of Funds

The accounting policies of the Borough conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, (the "Division"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

Assessment Trust Fund - used to account for the financing of local improvements deemed to benefit the properties against which assessments are levied.

Dog Trust Fund - dog license revenues and expenditures.

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

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

Water-Sewer Utility Operating Fund - revenue and expenditures necessary to operate a municipally owned water supply system from user fees.

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

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

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

C. Basis of Accounting

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

General Fixed Assets - in accordance with the Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division, the Borough has developed a fixed assets accounting and reporting system. Fixed assets acquired prior to January 1, 1987 are based on an inspection and appraisal prepared by an independent firm. All general fixed assets acquired after January 1, 1987 are recorded at cost. Capital leases are not reported in the General Fixed Assets.

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

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

Utility Fixed Assets - accounting for utility fund "fixed capital" remains unchanged under the requirements of Technical Accounting Directive No. 85-2.

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

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

Comparative Data - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read.

Budgets - the Borough is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10th of the budget year the Borough introduces a budget, which includes proposed expenditures and financing methods.

2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Note 2. Cash and Cash Equivalents and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2007, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	$16,494,973
New Jersey Cash Management Fund	332,218
Total Deposits	$16,827,191
Reconciliation of Statement of Comparative Balance Sheets:	
Current:	
Treasurer	$11,873,592
Dog Trust	(458)
Other Trust	977,943
General Capital	795,871
Payroll Fund	88,298
Water/Sewer Operating	1,325,979
Water/Sewer Capital	1,765,966
Total Reconciliation of Comparative Balance Sheets	$16,827,191

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of $16,692,652 at December 31, 2007. Of the bank

Note 2. Cash and Cash Equivalents and Investments (continued):

balance $100,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and $16,592,652 was secured by a collateral pool held by the bank, but not in the Township's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2007, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2007 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Debt

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

A. Long-Term Debt

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

General Capital Fund	
Bonded Debt:	
4.35% - 4.50% General Improvement Serial Bonds Issued September 1, 1998 Due Through September 1, 2014	$ 3,160,000
3.375% - 3.75% General Improvement Bonds Issued December 15, 2003 Through December 15, 2015	7,000,000
Total	$10,160,000
Green Trust Loan	
1989 Program – 2.00% Due Through August 21, 2020	$105,487
1992 Program – 2.00% Due Through July 27, 2020	216,165
Total	$321,652

Note 4. Debt (continued):

Water-Sewer Utility Capital Fund

4.35% - 4.50% Sewer Bonds Issued September 1, 1998 Through September 1, 2015	$1,275,000
3.375% - 3.625% Water Sewer Utility Bonds Issued December 15, 2003 Through December 15, 2014	1,723,000
Total	$2,998,000

The bonds matured serially in installments to the year 2015. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

GENERAL CAPITAL FUND

	Bonded Debt		Green Trust Loan	
Year	Principal	Interest	Principal	Interest
2008	$ 1,080,000	$ 384,048	$ 21,897	$ 6,433
2009	1,140,000	343,446	22,338	5,995
2010	1,300,000	300,615	22,787	5,548
2011	1,320,000	251,915	23,244	5,093
2012	1,320,000	202,335	23,711	4,628
2013-2017	4,000,000	287,380	125,901	15,832
2018-2020			81,774	3,293
Total	$10,160,000	$1,769,739	$321,652	$46,822

WATER – SEWER UTILITY

Year	Principal	Interest
2008	$ 330,000	$115,090
2009	353,000	103,388
2010	365,000	89,988
2011	395,000	76,078
2012	445,000	60,998
2013-2015	1,110,000	78,355
Total	$2,998,000	$524,716

Note 4. Debt (continued):

C. Bonds and Notes Authorized But Not Issued

At December 31, 2007, the Borough had authorized but not issued bonds and notes as follows:

General Capital	$8,561,901
Water/Sewer Capital	2,160,550

D. Borrowing Power

New Jersey statues limit the debt of a municipality to 3.5% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Borough's statutory net debt at December 31, 2007 was .65%. The Borough's remaining borrowing power is $97,486,530.

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

Note 5. Accrued Sick and Vacation Benefits

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation and sick pay. The Borough permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation, as calculated by the Borough, would approximate $1,596,349 at December 31, 2007 in accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying statements.

Note 6. Fund Balances Appropriated

The municipal budget for 2008 has been introduced and, therefore, the fund balances at December 31, 2007, which are appropriated and included as anticipated revenues in the year ending December 31, 2008 are as follows:

Current Fund	$1,400,000
Water-Sewer Utility Operating Fund	600,000

Note 7. Taxes Collected in Advance

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

Note 7. Taxes Collected in Advance (continued):

	Balance December 31, 2007	2006
Prepaid Taxes	$572,456	$476,198

Note 8. Assessments and Collection of Property Taxes

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

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

Note 9. Deferred Charges to Future Taxation Funded and Unfunded

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

Note 10. Pension

A. Plan Description

The Borough of Point Pleasant contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Plan members are required to contribute 5% of their annual covered salary for P.E.R.S, 8.5% of their annual covered salary for P.F.R.S. and the Borough is required to contribute at an actuarially determined rate. The current rate represents approximately .0% for P.E.R.S. and 4.89% for P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Borough of Point Pleasant are established and may be amended by the plan's board of trustees. The Borough's contributions to P.E.R.S. for the years ending December 31, 2007, 2004 and 2005 were $82,804, $42,558 and $19,736, respectively, equal to the required contributions for each year, and to P.F.R.S. for the years ending December 31, 2007, 2006 and 2005 were $413,301, $268,779 and $124,140, respectively, equal to the required contributions for each year.

Note 11. Other Post-Employment Benefits

In addition to the pension benefits described in Note 9, the Borough provides post-retirement health care benefits, in accordance with a contractual agreement with the P.B.A. The Borough pays health benefits for the employee and family for a period of twelve months after retirement. In addition Borough employees who retire at age 65 or older with at least 35 year of service are entitled to fully paid medical benefits for life.

Note 12. Risk Management

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Borough is a member of the Ocean County Municipal Joint Insurance Fund. The joint insurance pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Joint Insurance Fund will be self-sustaining through member premiums. The Joint Insurance Fund participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance for property.

Note 13. Deferred Compensation

The Borough's Deferred Compensation Program is offered to all Borough employees. The program was created in accordance with Section 457 of the Internal Revenue Code. The Borough through a program administrator, the Nationwide Life Insurance Company, offers the program.

All compensation deferred under the program and all income attributable to these amounts are (until paid or made available to the employee or other beneficiary) solely the property and right of the Borough. The program balances are recorded in the Trust Fund of the Borough.

Note 14. School Taxes

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

In 1993 Section 13, P.L. 1991, C. 63 was amended to provide municipalities with the option to determine the percentage if any of the amount allowable to be deferred to offset the local property tax levy for local purposes.

Note 14. School Taxes (continued):

	Local District School Tax	
	Balance December 31, 2007	Balance December 31, 2006
Tax Payable	$ 7,293,950	$ 6,702,240
Deferred	6,248,707	6,248,707
Total Unpaid School Taxes	$13,542,657	$12,950,947

Note 15. Change in Fixed Assets

The balance of fixed assets carries land and buildings at an assessed value, all other equipment are carried on an original cost basis.

Note 16. Contingent Liabilities

State and Federal Financial Assistance

The Borough receives financial assistance from the State of New Jersey and the U. S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors.

As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2007, the Borough estimates that no material liabilities will result from such audits.

Pending Litigation

There are actions, which have been instituted against the Borough which are either in the discovery stage or whose final outcome cannot be determined at the present time. In the opinion of the administration, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Borough.

It is the opinion of the Borough officials that there is no litigation threatened or pending that would materially affect the financial position of the Borough or adversely affect the Borough's ability to levy,

Note 16. Contingent Liabilities (continued):

collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

The Borough officials believe that negligence and other types of liability suits, of which the Borough is aware, appear to be within the stated policy limits and would be deferred by the respective carriers.

Note 17. Interfunds

The following interfunds remained as of December 31, 2007:

Fund	Debit	Credit
Current Fund		$160,148
Dog License Fund	$ 639	
Trust Other	18,930	
State & Federal Grant	2,931	
Trust Assessment		51
General Capital	135,602	
Payroll Fund	2,097	
Utility Operating		7,671
Utility Capital	7,671	
Total	$167,870	$167,870

The purpose of these interfunds is short-term borrowings.

SUPPLEMENTAL EXHIBITS

CURRENT FUND

EXHIBIT A-4

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2007

	CURRENT		STATE & FEDERAL	
Balance December 31, 2006		$11,221,039		12,586
Increased by Receipts:				
Miscellaneous Reserves	$78,387			
Taxes Receivable	48,281,008			
Interfunds Receivable	340,015		36,256	
Prepaid Taxes	572,456			
Revenue Accounts Receivable	3,032,413			
Due From State of New Jersey - Senior Citizen & Veteran Deductions	314,024			
Nonbudget Revenue	159,118			
Petty Cash	75			
Unappropriated Reserve			18,372	
Grants Receivable			115,123	
Subtotal		52,777,496		169,751
Total		63,998,535		182,337
Decreased by Disbursements:				
2007 Appropriations	13,427,739			
2006 Reserved Appropriations	435,830			
County Taxes	11,062,700			
Local District School Tax	26,493,603			
Miscellaneous Reserves	63,267			
Recreation Improvement	201,412			
Interfunds Payable	172,429		6,106	
Encumbrances Payable	186,478		27,214	
Prior Year Encumbrance Adjustment	39,847			
Petty Cash	300			
Tax Refunds	41,338			
Appropriated Reserves			149,017	
Total Disbursements		52,124,943		182,337
Balance December 31, 2007		$11,873,592		

EXHIBIT A-5

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2005

YEAR	BALANCE DECEMBER 31, 2006	2007 LEVY	ADDED TAXES	COLLECTED 2006	COLLECTED 2007	DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	OVERPAYMENTS CREATED	TRANSFER TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2007
2004	$2,872				1,034						1,838
2005	24,710				5,937						18,773
2006	1,209,207				1,209,444	(7,776)	396	1,544		1,914	6,773
Total	1,236,789				1,216,415	(7,776)	396	1,544		1,914	27,384
2007		49,081,108	341,081	476,198	47,064,593	321,888	250	41,945	128	55,346	1,545,731
Total	$1,236,789	49,081,108	341,081	476,198	48,281,008	314,112	646	43,489	128	57,260	1,573,115

Current Fund	$48,281,008
Total	$48,281,008

ANALYSIS OF 2007 PROPERTY TAX LEVY

General Purpose Tax	$49,081,108	
Penalty Adjustment	18,314	
Added & Omitted Taxes (54:4-6 et seq)	341,081	
Total	$49,422,189	
TAX LEVY:		
Local District School Tax		$27,085,313
General County Tax	$9,053,473	
County Library Tax	1,072,960	
County Open Space	425,427	
County Health Tax	434,704	
Due County for Added & Omitted Taxes	72,266	11,058,830
Local Tax for Municipal Purposes	10,922,189	
Municipal Open Space	68,728	
Add: Additional Taxes Levied	287,129	11,278,046
Total		$49,422,189

EXHIBIT A-6

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$684
Increased by:	
Transfers from Taxes Receivable	128
Balance December 31, 2007	$812

EXHIBIT A-7

STATEMENT OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006 & 2007	$195,200

EXHIBIT A-8

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	ACCRUED IN 2007	REALIZED	BALANCE DECEMBER 31, 2007
Miscellaneous Revenue Anticipated:				
Licenses:				
Alcoholic Beverages		12,890	12,890	
Construction Code Fees		300,767	300,767	
Fees and Permits - Other		56,538	56,538	
Municipal Court	$13,357	150,798	149,707	14,448
Interest on Investments & Deposits		562,074	562,074	
Interest on Costs on Taxes		247,262	247,262	
Energy Receipts Tax		1,119,737	1,119,737	
Supplemental Energy Receipts Tax		34,777	34,777	
Consolidated Municipal Property Tax Relief Aid		437,171	437,171	
Legislative Initiative Municipal Block Grant		79,537	79,537	
Municipal Property Tax Assistance		31,953	31,953	
Total	$13,357	3,033,504	3,032,413	14,448
Cash Receipts			$3,032,413	
Total			$3,032,413	

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2006 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

OPERATIONS WITHIN "CAPS":	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBRANCES CANCELLED	BALANCE LAPSED
General Government Functions:					
General Administration:					
Other Expenses	$14,314	34,514	12,267		22,247
Municipal Clerk:					
Other Expenses	2,390	2,390	2,359		31
Financial Administration (Treasury):					
Other Expenses	2,695	2,695	2,695		
Audit Services:					
Annual Audit	46,205	46,205	25,400		20,805
Revenue Administration (Tax Collector):					
Other Expenses	3,242	3,242	2,067		1,175
Tax Assessor:					
Salaries and Wages	13,498	498			498
Other Expenses	4,025	2,525	2,462		63
Legal Services:					
Other Expenses	12,342	12,342	10,725		1,617
Engineering Services & Costs:					
Other Expenses	7,549	20,549	19,431		1,118
Land Use Administration:					
Planning Board:					
Other Expenses	1,442	20,324	20,144		180
Zoning Board of Adjustment:					
Other Expenses	3,629	3,629	2,077		1,552
Zoning Officer:					
Other Expenses	291	291	290		1
Insurance:					
Employee Group Insurance	47,767	47,767	780		46,987
Public Safety Functions:					
Police:					
Salaries and Wages	56,659	40,427	40,427		
Other Expenses	28,226	28,226	28,186		40
Emergency Management Services:					
Other Expenses	1,190	190	10		180
Board of Fire Officers	5,981	5,981	5,981		

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2006 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

OPERATIONS WITHIN "CAPS":	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBRANCES CANCELLED	BALANCE LAPSED
Public Works Functions:					
Road Repairs & Maintenance:					
Salaries and Wages	7,558	1,558			1,558
Other Expenses	15,204	15,204	11,848		3,356
Other Public Works Functions					
Recycling:					
Salaries and Wages	2,050	50			50
Other Expenses	30,820	30,820	29,425		1,395
Building & Grounds:					
Other Expenses	3,889	3,889	3,340	449	100
Community Services Act	2,000				
Condominium Services Act	145,000	145,000	128,105		16,895
Health & Human Services:					
Board of Health:					
Other Expenses	3,173	3,173	1,616		1,557
Environmental Commission:					
Other Expenses	373	373	362		11
Animal Control Program:					
Other Expenses	176	176	142		34
Park & Recreation Functions:					
Recreation Services & Programs:					
Salaries and Wages	7,151	151	65		86
Other Expenses	5,169	4,169	2,437		1,732
Utility Expense & Bulk Purchases:					
Electricity	10,771	10,771	5,291	4,786	694
Street Lighting	15,494	25,544	25,541		3
Telephone	4,733	5,583	5,583		
Gasoline	1,909	18,909	18,909		
Gas	12,462	12,462	4,945		7,517
Landfill/Solid Waste Disposal Costs:					
Landfill Dumping Fees	52,666	55,616	54,886	710	20
Municipal Court:					
Municipal Court:					
Salaries and Wages	11,186	1,186			1,186
Other Expenses	1,917	1,917	331		1,586
Public Defender	2,433	1,233	417	416	400
State Uniform Construction Code:					
Construction Code Official:					
Other Expenses	41,445	41,445	12,331		29,114
Other Common Operating Functions:					
Salary Adjustments	36,173	14,173	14,173		

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2006 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBRANCES CANCELLED	BALANCE LAPSED
Total General Appropriations for Municipal Purposes Within "CAPS"	665,197	665,197	495,048	6,361	163,788
Operations Excluded From "CAPS":					
LOSAP	181,310	181,310	176,790		4,520
Total Operations Excluded from "CAPS"	181,310	181,310	176,790		4,520
Other Accounts With No Change	36,853	36,853			36,853
Total General Appropriations	$883,360	883,360	671,838	6,361	205,161
Appropriation Reserves	$690,521	690,521	485,360		205,161
Encumbrances Payable	192,839	192,839	186,478	6,361	
Total	$883,360	883,360	671,838	6,361	205,161
Cash Expended			$622,308		
Encumbrances Payable			49,530		
Total			$671,838		

EXHIBIT A-10

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006:		
School Tax Payable	$6,702,240	
School Tax Deferred	6,248,707	$12,950,947
Increased by:		
Calendar Year Levy - 2007 - 2008		27,085,313
Subtotal		40,036,260
Decreased by:		
Cash Disbursements		26,493,603
Balance December 31, 2007:		
School Tax Payable	7,293,950	
School Tax Deferred	6,248,707	
Total		$13,542,657

EXHIBIT A-11

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$63,070
Increased by:		
County Tax	$9,053,473	
County Library Tax	1,072,960	
County Open Space	425,427	
County Health Tax	434,704	
Added & Omitted Taxes	72,266	11,058,830
Subtotal		11,121,900
Decreased by:		
Disbursements		11,062,700
Balance December 31, 2007		$59,200

EXHIBIT A-12

SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	INCREASES	DECREASES	BALANCE DECEMBER 31, 2007
Nonemployee Health Insurance	$41,639	76,062	60,117	57,584
Due State of New Jersey:				
Marriage License Fees	825	2,325	3,150	
Total	$42,464	78,387	63,267	57,584
Cash Expended			$63,267	
Total			$63,267	

EXHIBIT A-13

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	TOTAL	GRANT FUND	TRUST OTHER FUND	OPEN SPACE TRUST FUND	GENERAL CAPITAL FUND	PAYROLL FUND	DOG TRUST FUND
Balance December 31, 2006 Due From/(Due To)	$103,570		21,273	(67,445)	149,242	500	
Increased by:							
Interfunds Created	103,699	36,254		67,445			
Total Increases	103,699	36,254		67,445			
Total Increases & Balances	207,269	36,254	21,273		149,242	500	
Decreased by:							
Interfunds Liquidated	367,417		40,152		324,029	2,597	639
Total Decreases	367,417		40,152		324,029	2,597	639
Balance December 31, 2007 Due From/(Due To)	($160,148)	36,254	(18,879)		(174,787)	(2,097)	(639)

EXHIBIT A-14

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	2007 ANTICIPATED REVENUE	RECEIVED	TRANSFER FROM UNAPPROPRIATED	BALANCE DECEMBER 31, 2007
State Grants:					
Clean Communities		24,733	24,733		
Click It or Ticket	$5,000	4,000	4,000		5,000
Alcohol Education & Rehabilitation Fund Grant - Court		1,410	1,410		
Drunk Driving Enforcement Grant		34,712	13,721	20,991	
Pedestrian Safety Education & Enforcement	601	8,320			8,921
Safe Streets to Schools	50,000				50,000
Smart Future Growth Grant	12,500	6,000			18,500
Municipal Stormwater Regulation	3,007	12,500	15,507		
Body Armor Replacement		3,105		3,105	
Municipal Drug Alliance Grant	6,111	15,134	16,753		4,492
Police Equipment Grant		5,000	5,000		
Delinquency Prevention & Awareness		4,000	4,000		
DOT Trust	192,500	175,000	158,080		209,420
Community Development Block Grant		30,000	30,000		
Total Grant Funds	$269,719	323,914	273,204	24,096	296,333

Cash Received	115,123
Interfunds	158,081
Total	273,204

EXHIBIT A-15

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATE AND FEDERAL GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	TRANSFER FROM 2007 BUDGET APPROPRIATION	EXPENDED	BALANCE DECEMBER 31, 2007
Alcohol Education & Rehabilitation Grant	$5,594	1,410	4,325	2,679
Aggressive Driver Enforcement Grant	8,800			8,800
Drunk Driving Enforcement Grant		34,712	27,499	7,213
Community Development Block Grant		30,000	30,000	
Delinquency Prevention & Awareness		4,000		4,000
Police Equipment Grant		5,000		5,000
Pedestrian Safety Education & Enforcement	351	8,320		8,671
Municipal Drug Alliance Grant	3,745	15,134	14,159	4,720
Municipal Stormwater Regulation	1,582	12,500	1,558	12,524
Emergency Management Assistance	1,550			1,550
Clean Communities Program	1,159	24,733	19,343	6,549
Body Armor Replacement Fund	3,810	3,105	581	6,334
COPS in Shops	1,942			1,942
Click It or Ticket It	400	4,000	3,800	600
Safe Streets to Schools	50,000		50,000	
Smart Future Growth Grant	6,090	6,000	1,480	10,610
DOT Trust	125,000	175,000	125,000	175,000
Ocean County Tobacco Coalition Grant	91			91
Total	$210,114	323,914	277,745	256,283

Cash Expended	$149,017
Commitments Payable	3,728
Interfunds	125,000
Total	$277,745

Original Budget	$206,961
Appropriated by N.J.S.40A:4-87	116,953
Total	$323,914

EXHIBIT A-16

BOROUGH OF POINT PLEASANT
STATE AND FEDERAL GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	RECEIVED 2007	UTILIZED AS REVENUE	BALANCE DECEMBER 31, 2007
Body Armor Replacement Fund	$4,220		3,105	1,115
Clean Communities Program	1,950			1,950
Stormwater Grant		2,772		2,772
COPS In Shops	800	2,000		2,800
DDEF	20,991		20,991	
Emergency Management Assistance	3,934			3,934
"Over the Limit" Grant		4,800		4,800
Aggressive Driving Grant		8,800		8,800
Total	$31,895	18,372	24,096	26,171

TRUST FUND

EXHIBIT B-1

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2007

	OTHER		DOG LICENSE	
Balance December 31, 2006		$942,454		639
Increased by Receipts:				
State Registration Fees			3,654	
License Fees & Others			20,373	
Interfunds	$129,032		151	
Recreation Fund	338,963			
Due From Board of Education	65,583			
Miscellaneous Reserves	299,671			
Reserve for Lien Collections	635,175			
Environmental Reserve	3,604			
Municipal Alliance	954			
Developers' Escrow	210,875			
Municipal Open Space	71,046			
Total Increases		1,754,903		24,178
Total Increases & Balances		2,697,357		24,817
Decreased by Disbursements:				
State Registration Fees			3,463	
Expenditures Under R.S.4:19-15.11			21,663	
Recreation	315,765			
Interfunds	101,739		149	
Miscellaneous Reserves	296,784			
Due From Board of Education	58,487			
Environmental Reserve	2,733			
Reserve for Lien Collections	670,985			
Reserve for Municipal Alliance	3,143			
Reserve for Developers' Escrow	197,372			
Reserve for Municipal Open Space	72,406			
Total Disbursements		1,719,414		25,275
Balance December 31, 2007		$977,943		(458)

EXHIBIT B-2

BOROUGH OF POINT PLEASANT
TRUST FUND - DOG LICENSE FUND
SCHEDULE OF DUE/(FROM) STATE FOR DOG REGISTRATION FEES
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$15
Increased by:	
State Registration Fees	3,654
Subtotal	3,669
Decreased by:	
Disbursements	3,463
Balance December 31, 2007	$206

EXHIBIT B-3

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$649
Increased by:		
Dog License Fees	$20,373	
Interfund Due Current Fund	641	21,014
Subtotal		21,663
Decreased by:		
Expenditures Under R.S. 4:19-15.11		21,663
Balance/(Deficit) December 31, 2007		-

LICENSE FEES COLLECTED

YEAR	AMOUNT
2006	$21,130
2005	16,635
Total	$37,765

EXHIBIT B-4

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND (DOG FUND)
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006 - (Due To)	$ -
Increased by - Interfunds Paid	790
Subtotal	790
Decreased by - Receipts	151
Balance December 31, 2007	$639

EXHIBIT B-5

SCHEDULE OF DUE FROM BOARD OF EDUCATION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$726
Increased by - Disbursements	64,857
Subtotal	65,583
Decreased by - Receipts	65,583
Balance December 31, 2007	$ -

EXHIBIT B-6

SCHEDULE OF RESERVE FOR LIEN/PREMIUM COLLECTIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$256,310
Increased by - Receipts	635,175
Subtotal	891,485
Decreased by - Disbursements:	
Lien Redemptions	670,985
Balance December 31, 2007	$220,500

ANALYSIS OF BALANCE

Premiums on Tax Sale Certificates	220,500
Total	$220,500

EXHIBIT B-7

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF RESERVE FOR RECREATION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$191,447
Increased by:	
Receipts	338,963
Subtotal	530,410
Decreased by:	
Disbursements	315,765
Balance December 31, 2007	$214,645

EXHIBIT B-8

SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$67,445
Increased by:		
Open Space Tax Levied	$68,728	
Interest Earnings	2,318	71,046
Subtotal		138,491
Decreased by:		
Open Space Expenditures		72,406
Balance December 31, 2007		$66,085

EXHIBIT B-9

SCHEDULE OF ENVIRONMENTAL RESERVE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$1,583
Increased by:	
Deposits	3,604
Subtotal	5,187
Decreased by:	
Payments	2,733
Balance December 31, 2007	$2,454

EXHIBIT B-10

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF RESERVE FOR DEVELOPERS' ESCROW
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$345,062
Increased by - Receipts	210,875
Subtotal	555,937
Decreased by - Disbursements	197,372
Balance December 31, 2007	$358,565

Analysis of Balance on File in the Treasurers Office

EXHIBIT B-11

SCHEDULE OF RESERVE FOR MUNICIPAL ALLIANCE DONATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$9,256
Increased by - Receipts	954
Subtotal	10,210
Decreased by - Disbursements	3,143
Balance December 31, 2007	$7,067

EXHIBIT B-12

SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$118,301
Increased by:	
Cash Receipts	299,671
Subtotal	417,972
Decreased by:	
Cash Disbursements	296,785
Balance December 31, 2007	$121,187

ANALYSIS OF BALANCE

Demolition Performance Bonds	$9,000
P.O.A.A.	93
Maintenance Bond	8,919
Zoning Board Escrow	6,477
Planning Board Escrow	46,018
Public Defender	470
Recycling	27,147
Forfeited Funds	3,546
Special Law Enforcement	3,998
Police Outside Work	15,072
Safety Incentive Award	447
Total	$121,187

EXHIBIT B-13

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	TOTAL	CURRENT FUND	ASSESSMENT FUND
Balance December 31, 2006	$46,223	46,172	51
Increased by:			
Cash Disbursements	101,739	101,739	
Total Increases	101,739	101,739	
Subtotal	147,962	147,911	51
Decreased by:			
Cash Receipts	129,032	129,032	
Total Decreases	129,032	129,032	
Balance December 31, 2007	$18,930	18,879	51

EXHIBIT B-14

SCHEDULE OF RESERVE FOR DEFERRED COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$1,216,315
Increased by:	
Investment Gains	195,921
Balance December 31, 2007	$1,412,236

GENERAL CAPITAL FUND

EXHIBIT C-1

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2007 AND 2006

Balance December 31, 2006	$31,255
Add:	
Premiums on 2007 Bond Anticipation Notes	15,264
Subtotal	46,519
Delete:	
Premiums on 2006 Bond Anticipation Notes Utilized to Pay Interest	23,520
Balance December 31, 2007	$22,999

EXHIBIT C-2

SCHEDULE OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$1,702,279
Increased by:		
CDBG - County of Ocean	$17,068	
CDBG - County of Ocean - Due Current Fund	30,000	
BAN Proceeds	2,988,580	
Premiums on BANS	15,264	
Refund of Authorization	17,481	
Capital Improvement Fund	308,000	
Due State & Federal Grant Fund	164,185	
Interest Due Current	57,491	3,598,069
Subtotal		5,300,348
Decreased by:		
Improvement Authorizations	1,080,738	
BAN Redeemed	2,988,580	
Interest on BAN	23,520	
Interest Due Current	63,397	
CDBG - County of Ocean - Due Current Fund	30,000	
Interfund - Current	318,242	4,504,477
Balance December 31, 2007		$795,871

EXHIBIT C-3

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2007

Capital Improvement Fund		$99,404
Fund Balance		22,999
Reserve for Bay Point Harbor		10,000
Reserve for Police Department		25,000
Due From/To Current Fund		(174,787)
Due From/To State and Federal Grant Fund		39,185
Reserve for Encumbrances		578,157
Reserve for Repayment of Debt		193,338
Improvement Authorizations:		
ORDINANCE NUMBER	DESCRIPTION	
98-13/94-4	Reconstruction & Improvements to Beech Street	2,720
98-13/94-11/96-21	Reconstruction & Improvements to Delaware Avenue Phase II & Tyler Avenue	(62,376)
98-13/95-11	Various Improvements	10,648
98-13/96-11	Various Improvements	28,632
98-13/97-12	Acquisition of Recreation Property	81,688
98-08	Improvements to Borough Property	10,000
98-15	Various Improvements	2,448
98-26	Handicapped Ramp	(11,866)
99-16	Various General Improvements	63,945
99-29	Various General Improvements	(2,487)
99-30	Reconstruction of First Avenue	(50,603)
00-07	Various General Improvements	41,893
00-14	Reconstruction First Avenue & Improvements Shady Glen	(77,411)
00-17	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Roa	(20,762)
00-25	Various General Improvements	(79,170)
01-10	Emergency First Aid Communication Equipment	(26,600)
01-12	Various General Improvements	(92,274)
01-14	Acquisition of Land	36,636
01-17	Development & Construction of Park Infrastructure	(26,347)
01-23	Dredging of North & Beach Lagoons	(100,000)
01-27	Installation & Construction of Handicapped Curbs & Sidewalks	6,046
01-28	Acquisition & Installation of New Roof for Public Works Facility	(19,000)
02-03	Acquisition of Land	109,292
02-18	Various Capital Improvements	98,553
02-28	Various Recreation Improvements	20,739
03-17/05-23	General Improvements	243,910
03-23	Improvements to Borough Hall	23,457
04-02	Renovation of Police Department	340
04-08	Removal & Replacement of Roof of First Aid Squad Building	1,514
04-09	Dredging of Beaver Dam	2,023
04-15	Various Capital Improvements	69,103
05-15	Constructing of Curbs & Sidewalks	1,243
05-21	Various Capital Improvements	151,638
06-19	Various Capital Improvements	(357,241)
07-11	Various Capital Improvements	(92,055)
07-16	Reconstruction & Expansion of Municipal Building Parking Lot	17,500
07-17	Dredging of Beaver Dam Creek	(18,967)
07-18	Construction & Improvement of Riverfront Park]	15,766
	Total	$795,871

EXHIBIT C-4

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$11,622,867
Decreased by:		
Budget Appropriation:		
2003 Bond Appropriation	$1,010,000	
1992 Green Trust Appropriation	14,426	
1989 Green Trust Appropriation	7,039	
1983 Green Trust Appropriation	109,750	1,141,215
Balance December 31, 2007		$10,481,652

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2006	2007 AUTHORIZATIONS	FUNDED	AUTHORIZATION CANCELLED	BALANCE DECEMBER 31, 2007	ANALYSIS OF BALANCE DECEMBER 31, 2007 UNEXPENDED BALANCE	ANALYSIS OF BALANCE DECEMBER 31, 2007 EXPENDED BALANCE
97-10	Various Improvements	$3,681			3,681			
98-13/94-11	Reconstruction & Improvements to Delaware Avenue Phase II & Tyler Avenue	62,900			524	62,376		62,376
98-13/97-12	Land Acquisition for Recreation	378				378	378	
98-15	Various Improvements	4,182			4,182			
98-26	Handicapped Ramp	15,089				15,089	3,223	11,866
99-16	Various General Improvements	12			12			
99-29	Various General Improvements	2,753				2,753	266	2,487
99-30	Reconstruction of First Avenue	62,000			11,397	50,603		50,603
00-14	Reconstruction First Avenue & Improvements Shady Glen	78,748				78,748	1,337	77,411
00-17	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Road	21,398				21,398	636	20,762
00-25	Various General Improvements	80,750				80,750	1,580	79,170
01-10	Emergency First Aid Communication Equipment	26,600				26,600		26,600
01-12	Various General Improvements	260,604			51,840	208,764	116,490	92,274
01-17	Development & Construction of Park Infrastructure	26,347				26,347		26,347
01-23	Dredging of North & Beach Lagoons	100,000				100,000		100,000
01-28	Acquisition & Installation of New Roof for Public Works Facility	19,000				19,000		19,000
04-02	Renovation of Police Department	42,750				42,750	340	42,410
04-07	Audio System for Community Park	13,775				13,775		13,775
04-08	Removal & Replacement of Roof of First Aid Squad Building	19,000				19,000	1,514	17,486
04-09	Dredging of Beaver Dam	294,500				294,500	2,023	292,477
04-15	Various Capital Improvements	1,932,249			50,333	1,881,916	18,770	1,863,146
05-15	Constructing of Curbs & Sidewalks	27,421		17,068		10,353	10,353	
05-17	Renovation & Expansion of Police Wing	115,900				115,900		115,900
05-21	Various Capital Improvements	575,352				575,352	156,584	418,768
06-19	Various Capital Improvements	668,905		125,000		543,905	186,664	357,241
07-11	Various Capital Improvements		5,855,236			5,855,236	5,763,181	92,055
07-16	Reconstruction and Expansion of Municipal Parking Lot		332,500			332,500	332,500	
07-17	Dredging of Beaver Dam Creek		19,950			19,950	983	18,967
07-18	Construction and Improvement to Riverfront Park		1,152,539			1,152,539	1,152,539	
	Total	$4,454,294	7,360,225	142,068	121,969	11,550,482	7,749,361	3,801,121

DOT Aid	$125,000
CDBG Aid	17,068
Total	$142,068

EXHIBIT C-6

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$133,890
Increased by:	
Receipts - Current Fund Appropriations	308,000
Subtotal	441,890
Decreased by:	
Appropriated to Finance Improvement Authorizations	342,486
Balance December 31, 2007	$99,404

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2006 RESERVED	BALANCE DECEMBER 31, 2006 FUNDED	BALANCE DECEMBER 31, 2006 UNFUNDED	2007 AUTHORIZATIONS	PAID OR CHARGED	REFUNDS	CANCELLED	BALANCE DECEMBER 31, 2007 RESERVED	BALANCE DECEMBER 31, 2007 FUNDED	BALANCE DECEMBER 31, 2007 UNFUNDED
90-17	D.O.T. Loveland Tonnage	9/18/90	$179,640		878					878			
98-13/93-15i	Construction & Installation of Handicap Facilities - Municipal Building	8/03/93	51,700		412					412			
98-13/94-4	Reconstruction & Improvements to Beech Street	3/01/94	70,000		2,720							2,720	
98-13/94-11	Reconstruction & Improvements												
96-21	to Delaware Avenue Phase II & Tyler Avenue	6/14/94	155,000			524				524			
98-13/95-11	Various Improvements	6/13/95	496,316		10,647					(1)		10,648	
98-13/96-11	Various Improvements		607,377		28,633					1		28,632	
97-10	Various Improvements	7/1/97	924,929		5,472	3,681				9,153			
98-13/97-12	Acquisition of Recreation Property	7/17/97	433,400		81,688	378						81,688	378
98-08	Improvements to Borough Property	3/17/98	10,000		10,000							10,000	
98-15	Various Improvements	8/4/98	620,191	$7,400	39,106	4,182				40,840	7,400	2,448	
98-26	Handicapped Ramp	12/15/98	55,000			3,223							3,223
99-16/01-25	Various General Improvements	7/6/99	1,100,539	63,377	22,851	12				22,295		63,945	
99-29	Various General Improvements	11/23/99	90,000	34,226		267				1	34,226		266
99-30	Reconstruction of First Avenue	11/23/99	160,000			11,395				11,395			
00-05	Improvements & Expansion Municipal Building	4/4/2000	110,100		73						73		
00-07	Various General Improvements	7/11/2000	1,767,586	600	52,941			8,394			3,254	41,893	
00-14	Reconstruction First Avenue & Improvements Shady Glen	8/15/2000	200,000			1,337							1,337
00-17/02-02	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Road	9/5/2000	145,000			636					13,539		636
00-25	Various General Improvements	12/19/2000	85,000	13,539		1,580							1,580

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2006 RESERVED	FUNDED	UNFUNDED	2007 AUTHORIZATIONS	PAID OR CHARGED	REFUNDS	CANCELLED	BALANCE DECEMBER 31, 2007 RESERVED	FUNDED	UNFUNDED
01-12	Various General Improvements	7/10/2001	1,599,824			221,168		49,871		51,840	2,967		116,490
01-14	Acquisition of Land	7/10/2001	250,000		36,638					2		36,636	
01-27	Installation & Construction Handicapped Curbs & Sidewalks	12/4/2001	65,000		6,046							6,046	
01-28	Acquisition & Installation of New Roof for Public Works Facility	12/18/2001	20,000			3,700		3,700					
02-03	Acquisition of Land	3/5/2002	110,000		109,292							109,292	
02-18	Various Capital Improvements	9/17/2002	1,637,194	882	230,382			4,487		128,047	177	98,553	
02-28	Various Recreation Improvements	12/17/2002	45,475		23,190			2,451				20,739	
03-05	New Roof Recreation Center	3/18/2003	80,000	2,600	1,250			3,850					
03-17/05-23	General Improvements	8/8/2003	1,369,281	248,591	271,019			271,167			4,533	243,910	
03-23	Improvements to Borough Hall	9/2/2003	245,000	2,830	24,983			1,526			2,830	23,457	
04-02	Renovation of Police Department	2/17/2004	45,000			10,000		6,200			3,460		340
04-07	Audio System for Community Park	4/6/2004	14,500	128		1,104		1,104			128		
04-08	Removal & Replacement of Roof of First Aid Squad Building	5/4/2004	20,000			2,334		820					1,514
04-09	Dredging of Beaver Dam	5/4/2004	310,000	6,912		1,446		6,747		(412)			2,023
04-15	Various Capital Improvements	8/3/2004	2,033,947	17,677		135,330		76,220		50,333	7,684		18,770
05-15	Constructing of Curbs & Sidewalks	5/3/2005	120,000			11,596						1,243	10,353
05-17	Renovation & Expansion of Police Wing	7/5/2005	122,000			5,817		5,817					
05-21	Various Capital Improvements	9/6/2005	605,634	3,785		359,490		218,427	17,363		5,627		156,584
06-19	Various Capital Improvements	9/19/2006	704,110	25,744		652,894		351,941			140,033		186,664
07-11	Various Capital Improvements	8/21/2007	6,163,406				6,163,406	47,999			352,226		5,763,181
07-16	Reconstruction & Expansion of Municipal Building Parking Lot	10/16/2007	350,000				350,000					17,500	332,500
07-17	Dredging of Beaver Dam Creek	10/16/2007	21,000				21,000	20,017					983
07-18	Construction & Improvement of Riverfront Park	12/18/2007	1,168,305				1,168,305					15,766	1,152,539
Total				$428,291	958,221	1,432,094	7,702,711	1,080,738	17,363	315,308	578,157	815,116	7,749,361

EXHIBIT C-8

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	ISSUED IN 2007	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2007
General Improvements	9/15/98	$5,900,000	09/01/07	$385,000	4.40%	$3,545,000		385,000	3,160,000
			09/01/08	405,000	4.40%				
			09/01/09	425,000	4.40%				
			09/01/10	450,000	4.40%				
			09/01/11	470,000	4.40%				
			09/01/12	470,000	4.40%				
			09/01/13	470,000	4.40%				
			09/01/14	470,000	4.50%				
General Improvements	12/15/2003	9,270,000	12/15/07	625,000	3.375%	7,625,000		625,000	7,000,000
			12/15/08	675,000	3.375%				
			12/15/09	715,000	3.375%				
			12/15/10	850,000	3.400%				
			12/15/11	850,000	3.400%				
			12/15/12	850,000	3.400%				
			12/15/13	1,020,000	3.500%				
			12/15/14	1,020,000	3.625%				
			12/15/15	1,020,000	3.750%				
					Total	$11,170,000		1,010,000	10,160,000

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	ISSUED IN 2007	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2007
1983 Program	8/12/1987	$675,000	1/20/2007	$54,602	2.00%	$109,750		109,750	
			7/20/2007	55,148	2.00%				
1989 Program	11/21/2000	148,836	2/21/2007	3,502	2.00%	112,526		7,039	105,487
			8/21/2007	3,537	2.00%				
			2/21/2008	3,573	2.00%				
			8/20/2008	3,608	2.00%				
			2/20/2009	3,645	2.00%				
			8/21/2009	3,681	2.00%				
			2/21/2010	3,718	2.00%				
			8/21/2010	3,755	2.00%				
			2/21/2011	3,793	2.00%				
			8/21/2011	3,830	2.00%				
			2/21/2012	3,869	2.00%				
			8/20/2012	3,907	2.00%				
			2/20/2013	3,947	2.00%				
			8/21/2013	3,986	2.00%				
			2/21/2014	4,026	2.00%				
			8/21/2014	4,066	2.00%				
			2/21/2015	4,107	2.00%				
			8/21/2015	4,148	2.00%				
			2/21/2016	4,189	2.00%				
			8/20/2016	4,231	2.00%				
			2/20/2017	4,274	2.00%				
			8/21/2017	4,316	2.00%				
			2/21/2018	4,359	2.00%				
			8/21/2018	4,403	2.00%				
			2/21/2019	4,447	2.00%				
			8/21/2019	4,491	2.00%				
			2/21/2020	4,536	2.00%				
			8/20/2020	4,582	2.00%				

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	ISSUED IN 2007	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2007
1992 Program	10/27/2000	305,000	1/27/2007	7,177	2.00%	230,591		14,426	216,165
			7/27/2007	7,249	2.00%				
			1/27/2008	7,321	2.00%				
			7/27/2008	7,395	2.00%				
			1/27/2009	7,469	2.00%				
			7/27/2009	7,543	2.00%				
			1/27/2010	7,619	2.00%				
			7/27/2010	7,695	2.00%				
			1/27/2011	7,772	2.00%				
			7/27/2011	7,849	2.00%				
			1/27/2012	7,928	2.00%				
			7/27/2012	8,007	2.00%				
			1/27/2013	8,087	2.00%				
			7/27/2013	8,168	2.00%				
			1/27/2014	8,250	2.00%				
			7/27/2014	8,332	2.00%				
			1/27/2015	8,416	2.00%				
			7/27/2015	8,500	2.00%				
			1/27/2016	8,585	2.00%				
			7/27/2016	8,671	2.00%				
			1/27/2017	8,757	2.00%				
			7/27/2017	8,845	2.00%				
			1/27/2018	8,933	2.00%				
			7/27/2018	9,023	2.00%				
			1/27/2019	9,113	2.00%				
			7/27/2019	9,204	2.00%				
			1/27/2020	9,296	2.00%				
			7/27/2020	9,389	2.00%				
				Total		$452,867		131,215	321,652

EXHIBIT C-10

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2006	REDEEMED	ISSUED	BALANCE DECEMBER 31, 2007
04-02	02/01/06	02/01/07	01/31/08	4.125%	$2,988,580	2,988,580	2,988,580	2,988,580
04-07								
04-08								
04-09								
04-15								
05-17								
05-21								
				Total	$2,988,580	2,988,580	2,988,580	2,988,580

EXHIBIT C-11

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	
07-11	Various Capital Improvements	$5,855,236
07-16	Reconstruction and Expansion of Municipal Parking Lot	332,500
07-17	Dredging of Beaver Dam Creek	19,950
07-18	Construction and Improvement to Riverfront Park	1,152,539
06-19	Various Capital Improvements	543,905
05-15	Constructing of Curbs & Sidewalks	10,352
05-21	Various Capital Improvements	4,946
01-10	Emergency First Aid Communication Equipment	26,600
01-12	Various General Improvements	208,764
01-17	Development & Construction of Park Infrastructure	26,347
01-23	Dredging of North & Beach Lagoons	100,000
01-28	Acquisition & Installation of New Roof Public Works Facility	19,000
00-14	Reconstruction First Avenue & Improvements Shady Glen	78,748
00-17	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Road	21,398
00-25	Various General Improvements	80,750
99-29	Various General Improvements	2,753
99-30	Reconstruction of First Avenue	50,603
98-26	Handicapped Access - Sidewalks & Ramps	15,089
98-13/97-12	Land Acquisition for Recreation	378
94-11	Delaware Avenue Phase II	62,376
Total		$8,612,234

WATER - SEWER UTILITY FUND

EXHIBIT D-5

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2007

	OPERATING FUND		CAPITAL FUND	
Balance December 31, 2006		$1,276,416		2,941,374
Increased by Receipts:				
Interest to Operating			110,173	
Proceeds from Bond Anticipation Notes			2,238,850	
Miscellaneous Revenues	$263,663			
Consumer Rents	4,994,722			
Interfunds Receivable	16,673			
Interest on Delinquents	26,230			
Subtotal		5,301,288		2,349,023
Total		6,577,704		5,290,397
Decreased by Disbursements:				
Budget Appropriations	5,041,252			
Appropriation Reserves	166,060			
Encumbrances Payable	44,413			
Premium on BAN			17,350	
BAN Redeemed			2,238,850	
Interfunds Payable			126,846	
Improvement Authorizations			1,141,385	
Total Disbursements		5,251,725		3,524,431
Balance December 31, 2007		$1,325,979		1,765,966

EXHIBIT D-6

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH - WATER-SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

Fund Balance	$1,289
Capital Improvement Fund	323,586
Improvement Authorizations:	
98-14/91-35 Various Improvements	12,046
98-14/92-63 Various Improvements	1,593
98-14/94-19/95-18Various Improvements	500
94-30 Issuance Costs - Sewer Refunding Bonds	4,003
98-14/95-06 Various Improvements	10,868
98-14/96-09,97-07 Various Improvements	18,718
98-14/97-09 Various Improvements	21,058
98-16 Various Improvements	(50)
99-17 Various Improvements	2,521
99-31 Various Improvements	10,182
00-08 Various Improvements	3,101
01-13 Various Improvements	73,294
02-20 Main Source Well Riviera Water Treatment Plant	1
03-07 Acquisition of Water Diversion Rights	299,819
03-16 Various Improvements	313,078
04-16 Various Improvements	90,971
04-22 Rehabilitation of Riviera Parkway	98,590
05-22 Various Improvements	929,157
06-08 Interconnect	(61,838)
06-20 Various Improvements	(835,068)
06-26 Improvements to Water Facilities	(178,400)
07-12 Various Improvements	(23,780)
07-13 Various Improvements	(313,460)
Encumbrances Payable	971,258
Reserve for Downpayments on Improvements	600
Interfunds Payable/(Receivable)	(7,671)
Total	$1,765,966

EXHIBIT D-7

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$652,708
Increased by:	
Water-Sewer Charges (Net)	5,103,423
Subtotal	5,756,131
Decreased by:	
Receipts	4,994,722
Balance December 31, 2007	$761,409

EXHIBIT D-8

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$110,687
Accrued Interest 2007:		
Bonds	$21,291	
BANS	84,657	105,948
Subtotal		216,635
Decreased by:		
Disbursements		110,687
Balance December 31, 2007		$105,948

EXHIBIT D-9

SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages	$19,534	19,534	667	18,867
Other Expenses	192,533	192,533	163,266	29,267
Social Security	9,141	9,141	2,127	7,014
Total	$221,208	221,208	166,060	55,148

EXHIBIT D-10

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER-SEWER - CAPITAL INTERFUND
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006 - (Due To)	$9,002
Increased by:	
Interest Received - Utility Capital Fund	110,173
Subtotal	119,175
Decreased by:	
Interfunds Liquidated	126,846
Balance December 31, 2007 - (Due To)	($7,671)

EXHIBIT D-11

SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2007 & 2006	$323,586

EXHIBIT D-12

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2006	IMPROVEMENTS AUTHORIZED	TRANSFERRED TO FIXED CAPITAL	BALANCE DECEMBER 31, 2007
98-14/91-35	Various Improvements	$448,495			448,495
98-14/92-63	Various Improvements	130,400			130,400
98-14/94-19	Various Improvements	393,250			393,250
94-30	Issuance Costs/Sewer Refunding	235,000			235,000
95-26	Various Improvements	247,195			247,195
98-14/96-09/97-07	Various Improvements	244,900			244,900
98-14/97-09	Various Improvements	258,750			258,750
98-16	Various Improvements	153,740			153,740
99-17	Various Improvements	224,350			224,350
99-31	Various Improvements	220,000			220,000
00-08	Various Improvements	261,175			261,175
01-13	Various Improvements	1,315,300			1,315,300
03-07	Acquisition of Water Diversion Rights	300,000			300,000
03-16	Various Improvements	621,361			621,361
04-16	Various Improvements	278,875			278,875
04-22	Rehabilitation of Riviera Parkway	350,000			350,000
05-22	Various Improvements	1,679,975			1,679,975
06-08	Interconnect	85,000			85,000
06-20	Various Improvements	978,600			978,600
06-26	Improvements to Water Facilities	200,000			200,000
07-12	Various Improvements		466,900		466,900
07-13	Various Improvements		360,000		360,000
	Total	$8,626,366	826,900		9,453,266

EXHIBIT D-13

SCHEDULE OF FIXED CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	BALANCE 12/31/2006	AUTHORIZATIONS COMPLETED	BALANCE 12/31/2007
Pumping Station	$1,675		1,675
Wells	1,354,266		1,354,266
Filter System	203,251		203,251
Pumping Station	151,618		151,618
Aerator Tank	42,000		42,000
Elevator Tanks	167,701		167,701
Distribution Mains & Accessories	764,080		764,080
Meters	290,471		290,471
Fire Hydrants	30,735		30,735
Garage	14,582		14,582
Emergency & Inspections	13,826		13,826
Law Expenditures During Construction	5,584		5,584
Interest During Construction	2,550		2,550
Original Sewer System	15,852,747		15,852,747
Deferred Cash	2,278,000		2,278,000
Water-Sewer System Improvements	727,500		727,500
Various Improvements	2,403,534		2,403,534
Sewer Collection System	963,788		963,788
Valve	60,000		60,000
Heavy Equipment	66,000		66,000
Municipal Building Improvements - 1999-2006	125,000		125,000
Total	$25,518,908		25,518,908

EXHIBIT D-14

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	
98-14/91-35,93-01	Various Improvements	$100,737
98-14/92-6	Various Improvements	32,225
90-14/94-19,91-35	Various Improvements	77,814
98-14/95-06	Various Improvements	27,130
95-26	Various Improvements	12,360
98-14/96-09/97-07	Various Improvements	12,245
98-14/97-09	Various Improvements	12,938
98-16	Various Improvements	7,687
99-6	Improvements & Expansion of Municipal Building	125,000
99-17	Various Improvements	11,218
99-31	Various Improvements	11,000
01-13	Various Improvements	28,780
02-19	Various Improvements	11,985
02-20	Main Source Well Riviera Water Treatment Plant	25,000
03-01	Construction of Main Source Well - Riviera Parkway	12,500
	Total	$508,619

EXHIBIT D-15

SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$26,745,759
Increased by:	
Bonds paid by Budget	320,000
Balance December 31, 2007	$27,065,759

EXHIBIT D-16

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AUTHORIZED DATE	AUTHORIZED AMOUNT	BALANCE DECEMBER 31, 2006 FUNDED	BALANCE DECEMBER 31, 2006 UNFUNDED	BALANCE DECEMBER 31, 2006 ENCUMBERED	2007 AUTHORIZATIONS	PAID OR CHARGED	BALANCE DECEMBER 31, 2007 FUNDED	BALANCE DECEMBER 31, 2007 UNFUNDED	BALANCE DECEMBER 31, 2007 ENCUMBERED
98-14/91-35	Various Improvements	08/20/91	$379,250	$12,442					12,442		
98-14/92-63	Various Improvements	09/01/92	131,400	1,593					1,593		
98-14/94-19,95-18	Various Improvements	08/16/94	393,250	500					500		
94-30	Issuance Costs - Sewer Refunding Bonds	12/06/94	235,000	4,003					4,003		
98-14/95-06	Various Improvements	05/16/95	247,195	10,868					10,868		
98-14/96-09,97-07	Various Improvements	5/20/97	244,900	19,074		5,796		356	18,718		5,796
98-14/97-09	Various Improvements	7/1/97	258,750	25,323				4,265	21,058		
99-17	Various Improvements	7/6/99	224,350	2,521					2,521		
99-31	Various Improvements	11/23/99	220,000	10,182					10,182		
00-08	Various Improvements	07/11/00	796,400	3,101					3,101		
01-13	Various Improvements	09/04/01	575,600	75,594		8,800		11,100	73,294		
02-19	Various Improvements	09/17/02	239,700			55,108					55,108
02-20	Main Source Well Riviera Water Treatment Plant	09/17/02	500,000	1					1		
03-07	Acquisition of Water Diversion Rights	05/06/03	300,000	299,819					299,819		
03-16	Various Improvements	08/05/03	621,361	320,062		38,021		5,237	313,078		39,768
04-16	Various Improvements	08/03/04	278,875		122,927			26,001		90,971	5,955
04-22	Rehabilitation of Riviera Parkway	12/21/04	350,000		99,074	94,428		93,706		98,590	1,206
05-22	Various Improvements	09/06/05	1,679,975		1,488,905	34,019		67,961		999,157	455,806
06-08	Interconnect	05/16/06	85,000		45,000			21,838		23,162	
06-20	Various Improvements	09/05/06	978,600		946,317	115		710,495		143,532	92,405
06-26	Improvements to Water Facilities	12/19/06	200,000		200,000			178,400		21,600	
07-12	Various Improvements	08/07/07	466,900				466,900	22,026		443,120	1,754
07-13	Various Improvements	08/29/07	360,000				360,000			46,540	313,460
	Total			$785,083	2,902,223	236,287	826,900	1,141,385	771,178	1,866,672	971,258

EXHIBIT D-17

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2007 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	ISSUED	DECREASED	BALANCE DECEMBER 31, 2007
Sewer Improvements	9/15/98	$2,225,000	9/1/07	$130,000	4.40%	$1,405,000		130,000	1,275,000
			9/1/08	135,000	4.40%				
			9/1/09	145,000	4.40%				
			9/1/10	150,000	4.40%				
			9/1/11	165,000	4.40%				
			9/1/12	170,000	4.40%				
			9/1/13	170,000	4.40%				
			9/1/14	170,000	4.50%				
			9/1/15	170,000	4.50%				
Sewer Improvements	12/15/03	2,408,000	12/15/07	190,000	3.375%	1,913,000		190,000	1,723,000
			12/15/08	195,000	3.375%				
			12/15/09	208,000	3.375%				
			12/15/10	215,000	3.400%				
			12/15/11	230,000	3.400%				
			12/15/12	275,000	3.400%				
			12/15/13	290,000	3.500%				
			12/15/14	310,000	3.625%				
					Total	$3,318,000		320,000	2,998,000

EXHIBIT D-18

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2006	ISSUED	DECREASED	BALANCE DECEMBER 31, 2007
04-16	02/01/06	02/01/07	01/31/08	4.125%	$278,875	278,875	278,875	278,875
04-22	02/01/06	02/01/07	01/31/08	4.125%	350,000	350,000	350,000	350,000
05-22	02/01/06	02/01/07	01/31/08	4.125%	1,609,975	1,609,975	1,609,975	1,609,975
		Total			$2,238,850	2,238,850	2,238,850	2,238,850

PAYROLL FUND

EXHIBIT F-1

BOROUGH OF POINT PLEASANT
PAYROLL FUND
SCHEDULE OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2007

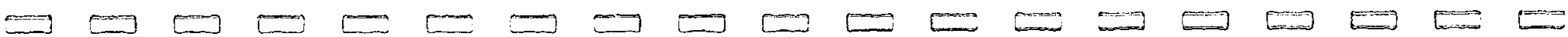
Balance December 31, 2006		$57,780
Increased by Receipts:		
Payroll	$8,543,290	
Due to Current Fund Interest	4,929	8,548,219
Subtotal		8,605,999
Decreased by Disbursements:		
Disbursements		8,517,701
Balance December 31, 2007		$88,298

EXHIBIT F-2

SCHEDULE OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$57,280
Increased by:	
Payroll Deductions	8,543,290
Subtotal	8,600,570
Decreased by:	
Disbursements	8,510,175
Balance December 31, 2007	$90,395

SUPPLEMENTARY DATA



Summary of Statutory Debt
Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .64%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	$16,493,000	16,493,000	
Water-Sewer Utility Debt	5,236,850	5,236,850	
General Debt	22,032,134	193,338	21,838,796
Total	$43,761,984	21,923,188	21,838,796

Net Debt, $21,838,796 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, $3,414,818,972 equals .64%.

Equalized Valuation Basis:

2007	$3,723,078,548
2006	3,496,960,432
2005	3,024,417,937
Average	$3,414,818,972

Borrowing Power Under 40A:2-6:

3 1/2 % of Equalized Valuation Bases (Municipal)	$119,518,664
Net Debt	21,838,796
Remaining Borrowing Power	$97,679,868

Calculation of Self-Liquidating Purpose - Water-Sewer Utility per N.J.S.40A:2-45

Cash Receipts From Fees, Rents & Other Charges		$5,258,385
Deductions:		
Operating & Maintenance Costs	$4,589,372	
Debt Service	445,867	5,035,239
Revenue - (Deficit)		$223,146

Comparative Statement of Operations and Change in Fund Balance - Current Fund

	YEAR 2007		YEAR 2006	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	$1,400,000	2.58%	700,000	1.35%
Miscellaneous - From Other Than Local Property Tax Levies	3,525,326	6.49%	3,682,436	7.11%
Collection of Delinquent Taxes & Tax Title Liens	1,207,491	2.22%	1,397,774	2.70%
Collection of Current Tax Levy	47,820,984	88.02%	45,490,072	87.78%
Nonbudget Revenue	159,118	0.29%	204,504	0.39%
Other Credits to Income	6,361	0.01%	38,162	0.07%
Unexpended Balance of Appropriation Reserves	205,161	0.38%	257,384	0.50%
Interfunds Liquidated	2,894	0.01%	52,801	0.10%
Total Income	54,327,335	100.00%	51,823,133	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	14,805,495	27.87%	13,644,149	27.18%
County Taxes	11,058,830	20.82%	10,371,219	20.66%
Local School Taxes	27,085,313	50.99%	25,901,894	51.61%
Open Space Taxes	68,728	0.13%	67,445	
Other Adjustments to Income	104,381	0.20%	207,496	0.41%
Total Expenditures	53,122,747	100.00%	50,192,203	99.87%
Excess in Revenue	1,204,588		1,630,930	
Excess to Fund Balance	1,204,588		1,630,930	
Fund Balance January 1	1,675,704		744,774	
Total	2,880,292		2,375,704	
Less: Fund Balance Utilized as Revenu	1,400,000		700,000	
Fund Balance December 31	$1,480,292		1,675,704	

Comparison of Tax Levies and Collection Currently

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

		CURRENTLY	
YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2007	$49,081,108	47,820,984	97.43%
2006	46,365,482	45,490,072	98.11%
2005	43,513,281	42,429,211	97.51%

Comparison of Tax Rate Information

	2007	2006	2005
Total Tax Rate	$3.566	$3.400	$3.220
Apportionment of Tax Rate:			
Municipal	0.795	0.738	0.651
Municipal Open Space	0.004	0.004	
County	0.799	0.757	0.740
Local School	1.968	1.901	1.829

Net Valuation Taxable:

2007	$1,376,424,076
2006	$1,363,119,236
2005	$1,351,395,959

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2007	$812	1,573,115	1,573,927	3.207%
2006	684	1,236,789	1,237,473	2.669%
2005	562	1,425,822	1,426,384	3.278%

Property Acquired by Tax Title Lien Liquidation

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

YEAR	AMOUNT
2007	$195,200
2006	195,200
2005	195,200

Comparison of Water-Sewer Utility Levies

YEAR	LEVY	COLLECTION
2007	$5,103,423	4,994,722
2006	4,986,025	4,903,625
2005	3,909,294	3,817,794

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years for Bonded Debt Issued & Outstanding:

YEAR	GENERAL CAPITAL	WATER UTILITY
2005	$1,371,628	424,856
2006	1,423,391	439,396
2007	1,432,081	448,041
2008	1,464,048	445,909
2009	1,483,446	456,388

Comparative Schedule of Fund Balances

Current Fund:	Balance December 31	Utilized in Budget of Succeeding Year
2007	$1,480,292	1,400,000
2006	1,675,704	1,400,000
2005	744,774	700,000
2004	1,742,692	1,600,000
2003	3,054,973	2,451,000
2002	1,763,391	1,400,000

Comparative Schedule of Fund Balance

Water Operating Fund	Balance December 31	Utilized in Budget of Succeeding Year
2007	$729,981	600,000
2006	987,630	600,000
2005	419,683	300,000
2004	400,371	264,020
2003	520,128	100,000
2002	240,092	100,000

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2007:

NAME	POSITION	AMOUNT OF BOND
Martin C. Konkus	Mayor	
Shawn McCarthy	Council President	
John Kaklamanis	Councilman	
Timothy J. Ferrie	Councilman	
Brian McAlindin	Councilman	
Shaun O'Rourke	Councilman	
Shawn McCarthy	Councilman	
David Maffei	Administrator/Borough Clerk/ Assessment Search Officer	$ 25,000
Jerry J. Dasti, Esq.	Attorney	
Judith A. Block	Treasurer/Chief Financial Officer	25,000
Bernadine E. Pearce	Tax Collector/Tax Search Officer/ Water-Sewer Utility Collector	244,000
James A. Liguori	Magistrate	10,000
Susan Burch	Court Administrator	15,000

All of the Bonds were examined and were properly executed.

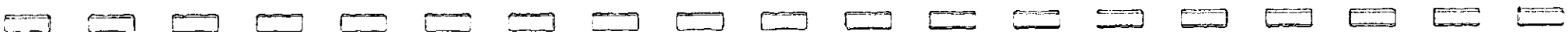
There was an Employees' Blanket Performance Bond in the amount of $25,000 for municipal employees carried by the Ocean County Joint Insurance Fund.

BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN

PART II

COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

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BOROUGH OF POINT PLEASANT
COUNTY OF OCEAN

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(continued)

Delinquent Taxes and Tax Title Liens (continued):

YEAR	NUMBER OF LIENS
2007	2
2006	2
2005	2

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

As part of the test of the municipal court records, no attempt was made to differentiate between fines due the Borough, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

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

Fixed Assets

***Finding 2007-01:**

The fixed assets ledger maintained by the Borough does not accurately reflect all the assets of the Borough.

Recommendation:

An inventory of the Borough's assets should be conducted to identify all assets, the date where acquired by the Borough and their original cost.

Finding 2007-02:

The Chief Financial Officer's monthly Management Report for December 2007 and approved in the Borough minutes, does not agree with the monies actually collected and recorded in the Borough's General Ledger.

Treasurer (continued):

Recommendation:

That the Chief Financial Officer's monthly report accurately report the revenues of the Borough and be in agreement with the General Ledger.

*Prior Year Finding

Follow-up on Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was not taken on prior year findings marked with an asterisk (*).

Acknowledgment

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

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

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P.C.

Kevin P. Frenia
Registered Municipal Accountant
No. CR435

Medford, New Jersey
June 16, 2008