BOROUGH OF POINT PLEASANT

AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2008

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, 2008

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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, 2008 and 2007, 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, 2008 and 2007. 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 2008 and 2007, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, except for the requirements of disclosure for other post-employment benefits, 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, 2008 and 2007, 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, 2008 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 3, 2009, 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 3, 2009

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, 2008, and have issued our report thereon dated June 3, 2009. 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: 2008-01, 2008-02, 2008-03 and 2008-04.

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, of the significant deficiencies described above, we consider finding no. 2008-04 to be a material weakness.

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. 2008-04.

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 3, 2009

FINANCIAL STATEMENTS

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2008 AND 2007

ASSETS	REFERENCE	2008	2007
Regular Fund:			
Cash:			
Treasurer	A-4	$12,319,204	11,873,592
Change Fund		550	550
Petty Cash Funds		200	225
Due from State of New Jersey for Senior Citizen & Veteran Deductions		11,557	8,015
Total Regular Fund		12,331,511	11,882,382
Receivables & Other Assets With Full Reserves:			
Taxes Receivable	A-5	1,828,810	1,573,115
Tax Title Liens Receivable	A-6	5,279	812
Revenue Accounts Receivable	A-8	14,074	14,448
Foreclosed Property - Assessed Valuation	A-7		195,200
Due from Pt. Pleasant Beach			26,700
Due From Interfunds:			
State & Federal Grant Fund	A-13	64,064	36,254
Dog Trust	A-13	1	
Total Receivables & Other Assets With Full Reserves		1,912,228	1,846,529
Deferred Charges			
Special Emergency Authorizations		375,300	
Overexpenditure of Prior Year Reserves			766
Total Deferred Charges		375,300	766
Total Regular Fund, Receivables, Other Assets With Full Reserves & Deferred Charges		14,619,039	13,729,677
State & Federal Grants:			
Grants Receivable	A-15	593,886	296,333
Due from General Capital	C	123,606	39,185
Total State & Federal Grants		717,492	335,518
Total Assets		$15,336,531	14,065,195

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, 2008 AND 2007

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2008	2007
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-9	$802,727	741,804
Reserve for Encumbrances	A-3,A-9,A-14	1,538,757	361,568
Tax Overpayments	A-4,A-5	4,469	2,000
Unallocated Tax Receipts			21,150
Prepaid Taxes	A-4,A-5	513,740	572,456
Miscellaneous Reserves	A-12	7,515	57,584
County Tax Payable	A-11	86,507	59,200
Local District School Tax	A-10	7,695,631	7,293,950
Reserve for Recreation Improvements	A-14	15,928	1,096,742
Reserve for Revaluation		468,900	
Due to Dog Trust	A-13		639
Due to Trust Other	A-13	16,851	18,879
Due General Capital Fund	A-13	176,743	174,787
Due to Payroll	A-13	2,567	2,097
Subtotal		11,330,335	10,402,856
Reserve for Receivables & Other Assets		1,912,228	1,846,529
Fund Balance	A-1	1,376,476	1,480,292
Total Regular Fund		14,619,039	13,729,677
State & Federal Grants:			
Reserve for Grants Appropriated	A-16	627,769	256,283
Reserve for Grants Unappropriated	A-17	20,313	26,171
Commitments Payable		3,479	14,943
Due to State of New Jersey		1,645	1,645
Due to County of Ocean		222	222
Due Current Fund	A	64,064	36,254
Total State & Federal Grants		717,492	335,518
Total Liabilities, Reserves & Fund Balance		$15,336,531	14,065,195

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, 2008 AND 2007

	2008	2007
Revenue & Other Income Realized:		
Fund Balance Utilized	$1,400,000	1,400,000
Miscellaneous Revenue Anticipated	3,328,137	3,525,326
Receipts From Delinquent Taxes & Tax Title Liens	1,534,759	1,207,491
Receipts From Current Taxes	49,393,149	47,820,984
Nonbudget Revenue	545,004	159,118
Other Credits to Income:		
Interfunds Liquidated	2,666	2,894
Unexpended Balance of Appropriation Reserves	339,198	205,161
Encumbrances Canceled	124,789	6,361
Cancel Prior Year Unknown Tax Receipts	21,150	
Cancel Prior Year Reserves	59,958	
Total	56,748,810	54,327,335
Expenditures:		
Budget Appropriations	16,237,435	14,805,495
Local District School Tax	27,888,675	27,085,313
County Taxes	11,707,014	11,058,830
Municipal Open Space Taxes	69,382	68,728
Interfunds - Advanced	19,020	64,534
Prior Year Encumbrance Adjustment		39,847
Total Expenditures	55,921,526	53,122,747
Excess/Deficit in Revenue	827,284	1,204,588
Adjustments to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year	468,900	
Statutory Excess to Fund Balance	1,296,184	
Fund Balance January 1	1,480,292	1,675,704
Total	2,776,476	2,880,292
Decreased by: Utilization as Anticipated Revenue	1,400,000	1,400,000
Fund Balance December 31	$1,376,476	1,480,292

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, 2008

	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		15,720	3,720
Fees & Permits:				
Uniform Construction Code Fees	245,000		380,080	135,080
Other	50,000		48,319	(1,681)
Fines & Costs:				
Municipal Court	140,000		202,022	62,022
Interest & Costs on Taxes	225,000		312,789	87,789
Interest on Investments & Deposits	450,000		218,481	(231,519)
Energy Receipts Tax	1,220,673		1,220,673	
Consolidated Municipal Property Tax Relief Act	356,068		362,045	5,977
Homeland Security Aid	70,000		70,000	
Click It or Ticket		4,000	4,000	
Clean Communities Grant	27,709		27,709	
Cops In Shops	2,800		2,800	
Body Armor Replacement	4,662	3,397	8,059	
Municipal Court Alcohol Education & Rehabilitation Fund	1,446		1,446	
Aggressive Driving Grant	8,800	7,000	15,800	
Over The Limit Grant	4,800		4,800	
Municipal Drug Alliance Grant	14,834		14,834	
Drunk Driving Enforcement	7,240		7,240	
Pedestrian Safety Education & Enforcement		8,320	8,320	
Barnegat Bay Estuary Program		3,000	3,000	
Transportation Trust Fund Authority Act - 2008		250,000	250,000	
Transportation Trust Fund Authority Act - 2009	150,000		150,000	
Total Miscellaneous Revenues	2,991,032	275,717	3,328,137	61,388
Receipts From Delinquent Taxes	1,400,000		1,534,759	134,759
Subtotal General Revenues	5,791,032	275,717	6,262,896	196,147
Local Tax for Municipal Purposes	11,298,115		11,324,018	25,903
Budget Totals	17,089,147	275,717	17,586,914	222,050
Nonbudget Revenues			545,004	545,004
Total	$17,089,147	275,717	18,131,918	767,054

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, 2008

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	$49,393,149
Less: Allocated for School, County Taxes & Open Space Taxes	39,665,071
Total Allocation of Current Tax Collections	9,728,078
Add: Budget Appropriation - Reserve for Uncollected Taxes	1,595,940
Total Amount for Support of Municipal Budget Appropriation	$11,324,018
Fees & Permits:	
Zoning Board Permits	$10,230
Planning Board Permits	5,130
Board of Health Permits	30,294
Raffle	2,270
Other	395
Total Fees & Permits	$48,319

ANALYSIS OF NONBUDGET REVENUES

Tax Maps/Land Use/Tax Information	$2,109
Cell Tower Rental	132,659
White Goods	21,566
Cable TV Fees	83,566
Settlement of Lawsuit	296,971
Miscellaneous Other	8,133
Nonbudget Revenue	$545,004

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, 2008

	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	91,700	81,700	60,282	21,418	
Mayor & Council:					
Salaries and Wages	11,120	11,120	10,953	167	
Municipal Clerk:					
Salaries and Wages	131,658	131,658	131,609	49	
Other Expenses	15,200	15,200	8,216	6,984	
Financial Administration (Treasury):					
Salaries and Wages	81,880	81,880	81,841	39	
Other Expenses	3,711	3,711	3,704	7	
Audit Services:					
Annual Audit	50,000	50,000	50,000		
Revenue Administration (Tax Collector):					
Salaries and Wages	84,654	84,654	82,031	2,623	
Other Expenses	9,325	9,325	4,118	5,207	
Tax Assessor:					
Salaries and Wages	95,852	95,852	94,905	947	
Other Expenses	9,050	9,050	3,985	5,065	
Legal Services:					
Other Expenses	145,000	155,000	142,127	12,873	
Engineering Services & Costs:					
Other Expenses	140,000	140,000	103,830	36,170	
Land Use Administration:					
Planning Board:					
Salaries and Wages	8,500	8,500	8,500		
Other Expenses	33,700	33,700	32,887	813	
Zoning Board of Adjustment:					
Salaries and Wages	8,500	8,500	8,500		
Other Expenses	5,775	5,775	5,075	700	
Zoning Officer:					
Salaries and Wages	60,610	60,610	60,602	8	
Other Expenses	750	750	551	199	
Insurance:					
Unemployment Insurance	55,000	55,000	55,000		
Liability Insurance	167,334	167,334	103,989	63,345	
Workers' Compensation Insurance	189,216	189,216	172,548	16,668	
Employee Group Insurance	1,762,430	1,755,430	1,735,568	19,862	
Public Safety Functions:					
Police:					
Salaries and Wages	4,136,546	4,136,546	4,136,546		
Other Expenses	222,085	229,085	204,083	25,002	
Dare Program					
Other Expenses	2,500	2,500		2,500	
Emergency Management Services:					
Salaries and Wages	3,350	3,350	3,350		
Other Expenses	1,200	1,200		1,200	

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	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	5,000	5,000		5,000	
Company No. 1	70,000	70,000	70,000		
Company No. 2	55,000	55,000	55,000		
Fire Prevention	15,200	15,200	13,555	1,645	
Aid to Volunteer Ambulance Companies:					
Other Expenses	60,000	60,000	60,000		
Public Works Functions:					
Road Repairs & Maintenance:					
Salaries and Wages	856,954	856,954	845,346	11,608	
Other Expenses	61,484	61,484	50,867	10,617	
Other Public Works Functions:					
Recycling:					
Salaries and Wages	4,000	4,000	3,538	462	
Other Expenses	358,900	358,900	351,247	7,653	
Solid Waste Collection:					
Contractual	685,000	685,000	681,000	4,000	
Building & Grounds:					
Other Expenses	28,300	28,300	24,114	4,186	
Community Services Act:					
Other Expenses					
Condominium Services Act	130,000	130,000	7,578	122,422	
Health & Human Services:					
Board of Health:					
Salaries and Wages	92,897	92,897	92,847	50	
Other Expenses	3,865	3,865	3,784	81	
Environmental Commission:					
Salaries and Wages	1,200	1,200	1,200		
Other Expenses	1,355	1,355	1,324	31	
Animal Control Program:					
Other Expenses	23,000	23,000	15,454	7,546	
Park & Recreation Functions:					
Recreation Services & Programs:					
Salaries and Wages	189,597	189,597	187,535	2,062	
Other Expenses	18,180	18,180	13,837	4,343	
Utility Expense & Bulk Purchases:					
Electricity	64,000	58,000	53,820	4,180	
Street Lighting	140,000	146,000	145,777	223	
Telephone	45,000	45,000	44,856	144	
Gasoline	135,443	135,443	93,043	42,400	
Gas	19,000	19,000	18,563	437	

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED		
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Landfill/Solid Waste Disposal Costs:					
Landfill Dumping Fees	740,000	740,000	619,406	120,594	
Municipal Court:					
Salaries and Wages	104,449	104,449	102,890	1,559	
Other Expenses	9,750	9,750	5,011	4,739	
Public Defender:					
Other Expenses	5,000	5,000	2,757	2,243	
State Uniform Construction Code:					
Construction Code Official:					
Salaries and Wages	290,498	240,498	236,684	3,814	
Other Expenses	37,000	87,000	62,693	24,307	
Other Common Operating Functions:					
Salary Adjustments	215,121	215,121	158,235	56,886	
Blood Borne Pathogens - Hepatitis B:					
Other Expenses	1,500	1,500		1,500	
Contingent	1,000	1,000		1,000	
Total Operations Within "CAPS" Including Contingent	12,015,358	12,015,358	11,347,780	667,578	
Detail:					
Salaries and Wages	6,398,405	6,243,956	6,165,241	78,715	
Other Expenses	5,616,953	5,771,402	5,182,539	588,863	
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":					
Deferred Charge:					
Overexpenditure of Prior Year Reserves	766	766	766		
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	490,000	490,000	460,601	29,399	
Employees' Retirement System - ERIC	15,519	15,519	15,519		
Total Deferred Charges & Statutory Expenditures Within "CAPS"	506,285	506,285	476,886	29,399	
Total General Appropriations for Municipal Purposes Within "CAPS"	12,521,643	12,521,643	11,824,666	696,977	
Operations Excluded From "CAPS":					
Relocation Assistance	750	750		750	
LOSAP	95,000	95,000		95,000	
Employees' Retirement System	134,905	134,905	134,905		
Police & Firemen's Retirement System	666,311	666,311	666,311		
Township Revaluation Program		468,900	468,900		
Public & Private Programs Offset by Revenues:					
Matching Fund for Grants	10,000	10,000		10,000	

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

OPERATIONS - Excluded from "CAPS"	APPROPRIATIONS BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	RESERVED	CANCELLED
Public & Private Programs Offset by Revenues (continued):					
Drunk Driving Enforcement Fund	7,240	7,240	7,240		
Clean Communities Grant	27,709	27,709	27,709		
Body Armor Replacement	4,662	8,059	8,059		
Municipal Court Alcohol Education & Rehabilitation Fund	1,446	1,446	1,446		
Municipal Drug Alliance Grant	14,834	14,834	14,834		
Click It or Ticket		4,000	4,000		
Pedestrian Safety Education & Enforcement		8,320	8,320		
Cops In Shops	2,800	2,800	2,800		
Barnegat Bay Estuary Program		3,000	3,000		
Aggressive Driving Grant	8,800	15,800	15,800		
Over The Limit Grant	4,800	4,800	4,800		
Total Operations Excluded from "CAPS"	979,257	1,473,874	1,368,124	105,750	
Detail:					
Other Expenses	979,257	1,473,874	1,368,124	105,750	
Capital Improvements-Excluded from "CAPS":					
Capital Improvement Fund	133,160	133,160	133,160		
Transportation Trust Fund Authority Act - 2008		250,000	250,000		
Transportation Trust Fund Authority Act - 2009	150,000	150,000	150,000		
Total Capital Improvements Excluded From "CAPS"	283,160	533,160	533,160		
Municipal Debt Service - Excluded From "CAPS":					
Payment of Bond Principal	1,080,000	1,080,000	1,080,000		
Interest on Bonds	384,048	384,048	384,048		
Interest on Notes	123,279	123,279	122,890		389
Green Acres Loan Program:					
Payment of Principal	21,897	21,897	21,897		
Payment of Interest	6,323	6,323	6,323		

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

OPERATIONS	APPROPRIATIONS BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	RESERVED	CANCELLED
Total Municipal Debt Service Excluded From "CAPS"	1,615,547	1,615,547	1,615,158		389
Deferred Charges - Municipal - Excluded from "CAPS":					
Deferred Charge:					
Special Emergency Authorization	93,600	93,600	93,600		
Total Deferred Charges - Municipal - Excluded from "CAPS":	93,600	93,600	93,600		
Subtotal General Appropriations	15,493,207	16,237,824	15,434,708	802,727	389
Reserve For Uncollected Taxes	1,595,940	1,595,940	1,595,940		
Total General Appropriations	$17,089,147	17,833,764	17,030,648	802,727	389

Interfunds:	
Federal & State Grant Fund	$498,008
Reserve for Uncollected Taxes	1,595,940
Encumbrances Payable	617,301
Deferred Charges	94,366
Special Emergency for Revaluation	468,900
Disbursements	13,756,133
Total	$17,030,648

Adopted Budget	$17,089,147
Emergency Appropriation	468,900
Appropriated by N.J.S.40A:4-87	275,717
Total	$17,833,764

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, 2008 AND 2007

ASSETS	REFERENCE	2008	2007
Assessment Fund:			
Assessments Receivable			51
Dog License Fund:			
Cash	B-1	$2,144	
Change Fund		25	25
Due from Current	A		639
Total Dog License Funds		2,169	664
Other Trust Fund:			
Cash	B-1	783,917	977,943
Cash Held by Trustee	B-13	1,154,422	1,412,236
Interfunds:			
Current Fund	A,B-12	16,851	18,879
Assessment Fund	B-12		51
Total Other Trust & Interfunds		1,955,190	2,409,109
Total - All Funds		$1,957,359	2,409,824
LIABILITIES & RESERVES			
Assessment Fund:			
Interfund - Trust - Other Fund	B-12		51
Dog License Fund:			
Cash Deficit			458
Due to Current Fund	A,B-4	$1	
Due to State of New Jersey	B-2	20	206
Reserve for Expenditures	B-3	2,148	
Total Dog License Fund		2,169	664
Other Trust Fund:			
Accounts Payable		9,697	6,370
Reserve For:			
Environmental Reserve	B-8	4,174	2,454
Developer's Escrow	B-9	296,666	358,565
Lien Collections	B-5	119,500	220,500
Miscellaneous Reserves	B-11	134,369	121,187
Recreation	B-6	120,120	214,645
Municipal Open Space	B-7	111,016	66,085
Deferred Compensation Plan	B-13	1,154,422	1,412,236
Municipal Drug Alliance Donations	B-10	5,226	7,067
Total Other Funds		1,955,190	2,409,109
Total - All Funds		$1,957,359	2,409,824

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, 2008 AND 2007

ASSETS	REFERENCE	2008	2007
Cash	C-2	$1,115,393	795,871
Grants Receivable		1,015,900	1,015,900
Deferred Charges to Future Taxation:			
Unfunded	C-5	13,651,569	11,550,482
Funded	C-4	9,379,755	10,481,652
Due from Current Fund	A	176,743	174,787
Due from Point Pleasant Beach Borough		127,772	
Total		$25,467,132	24,018,692
LIABILITIES, RESERVES & FUND BALANCE			
Serial Bonds	C-8	$9,080,000	10,160,000
BANS Payable	C-10	5,657,485	2,988,580
Due to State & Federal Grant Fund	A	123,606	39,185
Capital Improvement Fund	C-6	116,853	99,404
Improvement Authorizations:			
Unfunded	C-7	3,938,262	7,749,361
Funded	C-7	434,356	815,116
Reserved	C-7	4,239,842	578,157
Green Trust Loan	C-9	299,755	321,652
Reserve for Bay Point Harbor		10,000	10,000
Reserve for Police Department		25,000	25,000
Reserve for Payment of Debt		193,338	193,338
Reserve for Grant Receivables		1,015,900	1,015,900
Fund Balance	C-1	332,735	22,999
Total		$25,467,132	24,018,692

There were bonds and notes authorized but not issued on December 31, 2008 of $7,994,084 and on December 31, 2007 was $8,561,901.

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, 2008 AND 2007

ASSETS	REFERENCE	2008	2007
Operating Fund:			
Cash	D-5	$1,175,904	1,325,979
Cash - Change Fund		300	300
Total		1,176,204	1,326,279
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable	D-7	725,251	761,409
Total Receivable & Other Assets With Full Reserves		725,251	761,409
Deferred Charge:			
Overexpenditure of Prior Year Appropriations		77,799	84,656
Total Operating Fund		1,979,254	2,172,344
Capital Fund:			
Cash	D-5	2,424,473	1,765,966
Fixed Capital Authorized & Uncompleted	D-12	7,335,241	9,453,266
Fixed Capital	D-13	27,414,479	25,518,908
Due From Water-Sewer Operating	D-10	11,688	7,671
Total Capital Fund		37,185,881	36,745,811
Total Operating & Capital Fund		$39,165,135	38,918,155

Bonds and Notes authorized but not issued as of December 31, 2008 was $1,109,995 and as of December 31, 2007 was $2,160,550.

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, 2008 AND 2007

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2008	2007
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4,D-9	$334,653	459,036
Reserve for Encumbrances	D-4,D-5	134,668	108,299
Accrued Interest on Bonds & Notes	D-8	99,301	105,948
Due to Water-Sewer Capital	D-10	11,688	7,671
Subtotal		580,310	680,954
Reserve for Receivables	D	725,251	761,409
Fund Balance	D-1	673,693	729,981
Total Operating Fund		1,979,254	2,172,344
Capital Fund:			
Capital Improvement Fund	D-11	323,586	323,586
Serial Bonds	D-17	2,668,000	2,998,000
Bond Anticipation Notes	D-18	3,502,450	2,238,850
Improvement Authorizations:			
Funded	D-16	367,832	771,178
Unfunded	D-16	1,750,302	1,866,672
Reserve for Encumbrances	D-16	657,173	971,258
Reserves for:			
Amortization	D-15	26,960,656	27,065,759
Deferred Amortization	D-14	508,619	508,619
Premiums on BAN's		10,271	
Reserve for Payment of BAN Principal		99,795	
Down Payment on Improvements		600	600
Fund Balance	D-2	336,597	1,289
Total Capital Fund		37,185,881	36,745,811
Total Liabilities, Reserves & Fund Balance		$39,165,135	38,918,155

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, 2008 AND 2007

	2008	2007
Revenue & Other Income Realized:		
Fund Balance Appropriated	$600,000	600,000
Consumer Accounts Receivable	4,947,697	4,994,722
Interest on Delinquents	30,549	26,230
Miscellaneous	148,351	263,663
Interfund Liquidated		9,001
Unexpended Balance of Appropriation Reserves	384,013	55,148
Unexpended Balance of Encumbrances Payable	11,131	
Total Income	6,121,741	5,948,764
Expenditures:		
Operating	4,869,127	4,958,408
Deferred Charges & Statutory Expenditures	170,640	124,337
Debt Service	538,262	523,668
Total Expenditures	5,578,029	5,606,413
Excess/Deficit in Revenue	543,712	342,351
Subtotal	543,712	342,351
Fund Balance January 1	729,981	987,630
Less: Balance Appropriated	600,000	600,000
Fund Balance December 31	$673,693	729,981

EXHIBIT D-2

STATEMENT OF CAPITAL SURPLUS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$1,287
Add:	
Funded Authorizations Cancelled	335,310
Balance December 31, 2008	$336,597

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, 2008

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Rents	$4,783,029	4,947,697	164,668
Interest & Costs on Water - Sewer Rents	20,000	30,549	10,549
Miscellaneous	175,000	148,351	(26,649)
Total	$4,978,029	5,126,597	148,568

Miscellaneous

Return Check Charge	$960
Tap Fees	7,315
Meter Sale & Repairs	15,810
Other	4,659
On/Off Charges	8,565
Connection Fees	21,305
Road Openings	16,200
Interest & Costs on Investments	73,537
Total Miscellaneous	$148,351

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, 2008

	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED RESERVED
Operating:				
Salaries and Wages	$1,022,443	1,022,443	930,855	91,588
Other Expenses	2,106,684	2,106,684	1,887,069	219,615
Ocean County Utilities Authority	1,740,000	1,740,000	1,722,240	17,760
Debt Service:				
Payment of Bond Principal	330,000	330,000	330,000	
Interest on Bonds	115,909	115,909	115,909	
Interest on BANS	92,353	92,353	92,353	
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System	72,640	72,640	72,640	
Social Security System (O.A.S.I.)	77,000	77,000	71,310	5,690
Unemployment Compensation Insurance	21,000	21,000	21,000	
Total Expenditures	$5,578,029	5,578,029	5,243,376	334,653

Disbursements	$5,108,498
Encumbrances Payable	134,668
Accrued Interest Adjustment	210
Total	$5,243,376

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, 2008 AND 2007

ASSETS	2008	2007
Land	$4,348,111	3,413,605
Building & Improvements	4,427,014	3,854,080
Equipment & Machinery	2,832,652	5,359,692
Vehicles	1,493,607	
Total	$13,101,384	12,627,377
FUND BALANCE		
Investment in General Fixed Assets	$13,101,384	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, 2008 AND 2007

ASSETS	REFERENCE	2008	2007
Cash - Treasurer	F-1	$118,544	88,298
Due from Current	A	2,567	2,097
Total		$121,111	90,395

LIABILITIES

Payroll Taxes Payable	F-2	$121,111	90,395
Total		$121,111	90,395

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, 2008

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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, 2008, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	$17,599,126
New Jersey Cash Management Fund	340,453
Investments:	
Deferred Compensation Investments	1,154,422
Total Deposits	$19,094,001
Reconciliation of Statement of Comparative Balance Sheets:	
Current:	
Treasurer	$12,319,204
Dog Trust	2,144
Other Trust	1,938,339
General Capital	1,115,393
Payroll Fund	118,544
Water/Sewer Operating	1,175,904
Water/Sewer Capital	2,424,473
Total Reconciliation of Comparative Balance Sheets	$19,094,001

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of $17,688,419 at December 31, 2008. Of the bank

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

balance $250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation), $17,438,419 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), and $1,154,422 was held by a trustee in employee deferred compensation plans and was uninsured. 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, 2008, 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 2008 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	$2,755,000
3.375% - 3.75% General Improvement Bonds Issued December 15, 2003 Through December 15, 2015	6,325,000
Total	$9,080,000
Green Trust Loan	
1989 Program – 2.00% Due Through August 21, 2020	$ 98,306
1992 Program – 2.00% Due Through July 27, 2020	201,449
Total	$299,755

Note 4. Debt (continued):

Water-Sewer Utility Capital Fund

4.35% - 4.50% Sewer Bonds Issued September 1, 1998 Through September 1, 2015	$1,140,000
3.375% - 3.625% Water Sewer Utility Bonds Issued December 15, 2003 Through December 15, 2014	1,528,000
Total	$2,668,000

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
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	1,490,000	152,755	24,188	4,154
2014-2018	2,510,000	134,625	128,431	13,314
2019-2020			55,056	1,657
Total	$ 9,080,000	$1,385,691	$299,755	$40,389

WATER – SEWER UTILITY

Year	Principal	Interest
2009	$ 353,000	$103,388
2010	365,000	89,988
2011	395,000	76,078
2012	445,000	60,998
2013	460,000	44,168
2014-2015	50,000	34,188
Total	$2,668,000	$408,808

Note 4. Debt (continued):

C. Bonds and Notes Authorized But Not Issued

At December 31, 2008, the Borough had authorized but not issued bonds and notes as follows:

General Capital	$7,994,084
Water/Sewer Capital	1,109,995

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, 2008 was .62%. The Borough's remaining borrowing power is $105,483,578.

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 $1,648,328 at December 31, 2008 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 2009 has been introduced and, therefore, the fund balances at December 31, 2008, which are appropriated and included as anticipated revenues in the year ending December 31, 2009 are as follows:

Current Fund	$971,228
Water-Sewer Utility Operating Fund	595,800

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, 2008	2007
Prepaid Taxes	$513,740	$572,456

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% through June 30, 2008 and 5.5% thereafter 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, 2008, 2007 and 2006 were $134,905, $82,804 and $42,558, respectively, equal to the required contributions for each year, and to P.F.R.S. for the years ending December 31, 2008, 2007 and 2006 were $666,311, $413,301 and $268,779, respectively, equal to the required contributions for each year.

Note 11. 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 12. 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 13. 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 13. School Taxes (continued):

	Local District School Tax	
	Balance December 31, 2008	Balance December 31, 2007
Tax Payable	$ 7,695,631	$ 7,293,950
Deferred	6,248,707	6,248,707
Total Unpaid School Taxes	$13,944,338	$13,542,657

Note 14. 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. The Township underwent a full fixed assets inventory during 2009. The following schedule is a summarization of General Fixed Assets:

	Balance December 31, 2007	**Adjustment to Physical Inventory**	**Balance December 31, 2008**
Land	$ 3,413,605	$ 934,506	$ 4,348,1111
Building & Improvements	3,854,080	572,934	4,427,014
Equipment & Machinery	5,359,692	(2,527,040)	2,832,652
Vehicles		1,493,607	1,493,607
Total	$12,627,377	$ 474,007	$13,101,384

Note 15. 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.

Note 15. Contingent Liabilities (continued):

As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2008, 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, 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 16. Interfunds

The following interfunds remained as of December 31, 2008:

Fund	Debit	Credit
Current Fund		132,096
Dog License Fund		1
Trust Other	$ 16,851	
State & Federal Grant	59,542	
General Capital	53,137	
Payroll Fund	2,567	
Utility Operating		11,688
Utility Capital	11,688	
Total	$143,785	$143,785

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, 2008

	CURRENT		STATE & FEDERAL	
Balance December 31, 2007		$11,873,592		
Increased by Receipts:				
Miscellaneous Reserves	$81,523			
Taxes Receivable	50,097,604			
Interfunds Receivable			16,593	
Prepaid Taxes	513,740			
Revenue Accounts Receivable	2,830,129			
Due From State of New Jersey - Senior Citizen & Veteran Deductions	295,531			
Nonbudget Revenue	545,004			
Petty Cash	253			
Unappropriated Reserve			13,607	
Grants Receivable			88,251	
Subtotal		54,363,784		118,451
Total		66,237,376		118,451
Decreased by Disbursements:				
2008 Appropriations	13,756,133			
2007 Reserved Appropriations	402,606			
County Taxes	11,679,707			
Local District School Tax	27,486,994			
Miscellaneous Reserves	71,634			
Recreation Improvement	159,358			
Interfunds Payable	69,382			
Due to State and Federal Grant	16,593			
Encumbrances Payable	236,779		3,728	
Petty Cash	228			
Tax Refunds	38,758			
Appropriated Reserves			114,723	
Total Disbursements		53,918,172		118,451
Balance December 31, 2008		$12,319,204		-

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, 2008

YEAR	BALANCE DECEMBER 31, 2007	2008 LEVY	ADDED TAXES	COLLECTED 2007	COLLECTED 2008	DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	OVERPAYMENTS CREATED	TRANSFER TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2008
2004	$1,838										1,838
2005	18,773										18,773
2006	6,773				2,064						4,709
2007	1,545,731				1,551,633			19,522	1,764	4,856	7,000
Total	1,573,115				1,553,697			19,522	1,764	4,856	32,320
2008		50,872,401	379,178	572,456	48,543,907	313,238	2,083	38,535	2,703	59,237	1,796,490
Total	$1,573,115	50,872,401	379,178	572,456	50,097,604	313,238	2,083	58,057	4,467	64,093	1,828,810

Current Fund	$50,097,604
Total	$50,097,604

ANALYSIS OF 2008 PROPERTY TAX LEVY

General Purpose Tax	$50,872,401	
Added & Omitted Taxes (54:4-6 et seq)	379,178	
Total	$51,251,579	
TAX LEVY:		
Local District School Tax		$27,888,675
General County Tax	$9,584,907	
County Library Tax	1,124,917	
County Open Space	452,685	
County Health Tax	457,998	
Due County for Added & Omitted Taxes	86,507	11,707,014
Local Tax for Municipal Purposes	11,298,115	
Municipal Open Space	69,382	
Add: Additional Taxes Levied	288,393	11,655,890
Total		$51,251,579

EXHIBIT A-6

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$812
Increased by:	
Transfers from Taxes Receivable	4,467
Balance December 31, 2008	$5,279

EXHIBIT A-7

STATEMENT OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$195,200
Unknown Property Cancelled	195,200
Balance December 31, 2008	-

EXHIBIT A-8

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE DECEMBER 31, 2007	ACCRUED IN 2008	REALIZED	BALANCE DECEMBER 31, 2008
Miscellaneous Revenue Anticipated:				
Licenses:				
Alcoholic Beverages		15,720	15,720	
Construction Code Fees		380,080	380,080	
Fees and Permits - Other		48,319	48,319	
Municipal Court	$14,448	201,648	202,022	14,074
Interest on Investments & Deposits		218,481	218,481	
Interest on Costs on Taxes		312,789	312,789	
Energy Receipts Tax		1,220,673	1,220,673	
Consolidated Municipal Property Tax Relief Aid		362,045	362,045	
Homeland Security Aid		70,000	70,000	
Total	$14,448	2,829,755	2,830,129	14,074
Cash Receipts			$2,830,129	
Total			$2,830,129	

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2007 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2008

OPERATIONS WITHIN "CAPS":	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBRANCES CANCELLED	BALANCE LAPSED
General Government Functions:					
General Administration:					
Other Expenses	$19,565	103,754	46,853	2,600	54,301
Financial Administration (Treasury):					
Other Expenses	6,670	6,670	4,702	382	1,586
Audit Services:					
Annual Audit	46,560	46,560	26,400	20,160	
Revenue Administration (Tax Collector):					
Other Expenses	4,068	4,068	2,361		1,707
Tax Assessor:					
Other Expenses	8,686	2,786	2,734		52
Legal Services:					
Other Expenses	36,843	36,843	16,756		20,087
Engineering Services & Costs:					
Other Expenses	81,485	81,485	8,405	21,595	51,485
Land Use Administration:					
Planning Board:					
Other Expenses	23,619	13,619	5,211	4,204	4,204
Zoning Board of Adjustment:					
Other Expenses	2,782	1,782	652	768	362
Insurance:					
Employee Group Insurance	141,057	41,057	1,419		39,638
Public Safety Functions:					
Police:					
Salaries and Wages	5,981	75,981	54,631		21,350
Other Expenses	42,055	41,455	34,140	308	7,007
Dare Program:					
Other Expenses	2,000	2,600	2,600		
Fire Prevention	5,371	5,371	5,065		306
Board of Fire Officers	7,546	7,546	500		7,046

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2007 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2008

OPERATIONS WITHIN "CAPS":	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBRANCES CANCELLED	BALANCE LAPSED
Public Works Functions:					
Road Repairs & Maintenance:					
Other Expenses	10,374	8,374	5,990	6	2,378
Other Public Works Functions					
Recycling:					
Other Expenses	32,412	32,412	27,200		5,212
Solid Waste Collection:					
Other Expenses	55,667	55,667	55,667		
Building & Grounds:					
Other Expenses	8,485	8,485	7,699		786
Community Services Act					
Condominium Services Act	130,000	130,000	130,000		
Health & Human Services:					
Board of Health:					
Other Expenses	2,382	2,382	1,979		403
Environmental Commission:					
Other Expenses	383	383	330	25	28
Animal Control Program:					
Other Expenses	641	641	641		
Park & Recreation Functions:					
Recreation Services & Programs:					
Other Expenses	5,819	4,819	3,960		859
Utility Expense & Bulk Purchases:					
Electricity	26,450	26,450	9,552		16,898
Street Lighting	9,860	9,860	9,637		223
Telephone	4,583	4,583	3,330	823	430
Gasoline	32,542	32,542	7,313	24,388	841
Gas	5,618	5,618	4,306		1,312
Landfill/Solid Waste Disposal Costs:					
Landfill Dumping Fees	83,019	83,019	47,119		35,900
Municipal Court:					
Municipal Court:					
Other Expenses	2,363	2,363	1,291		1,072
State Uniform Construction Code:					
Construction Code Official:					
Other Expenses	10,592	10,592	10,019		573
Deferred Charges & Statutory Expenditures:					
Statutory Expenditures:					
Social Security System (O.A.S.I)	33,544	33,544	7,631		25,913

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF 2007 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2008

	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBRANCES CANCELLED	BALANCE LAPSED
Total General Appropriations for Municipal Purposes Within "CAPS"	889,022	923,311	546,093	75,259	301,959
Operations Excluded From "CAPS":					
LOSAP	95,000	95,000	92,224		2,776
Public & Private Programs Offset by Revenues:					
Matching Fund for Grants	3,526	3,526	1,068		2,458
Total Operations Excluded from "CAPS"	98,526	98,526	93,292		5,234
Other Accounts With No Change	115,824	81,535		49,530	131,065
Total General Appropriations	$1,103,372	1,103,372	639,385	124,789	438,258
Appropriation Reserves	$741,804	741,804	402,606		339,198
Encumbrances Payable	361,568	361,568	236,779	124,789	
Total	$1,103,372	1,103,372	639,385	124,789	339,198
Cash Expended			$639,385		
Total			$639,385		

EXHIBIT A-10

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007:		
School Tax Payable	$7,293,950	
School Tax Deferred	6,248,707	$13,542,657
Increased by:		
Calendar Year Levy - 2008 - 2009		27,888,675
Subtotal		41,431,332
Decreased by:		
Cash Disbursements		27,486,994
Balance December 31, 2008:		
School Tax Payable	7,695,631	
School Tax Deferred	6,248,707	
Total		$13,944,338

EXHIBIT A-11

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$59,200
Increased by:		
County Tax	$9,584,907	
County Library Tax	1,124,917	
County Open Space	452,685	
County Health Tax	457,998	
Added & Omitted Taxes	86,507	11,707,014
Subtotal		11,766,214
Decreased by:		
Disbursements		11,679,707
Balance December 31, 2008		$86,507

EXHIBIT A-12

SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE DECEMBER 31, 2007	INCREASES	DECREASES	BALANCE DECEMBER 31, 2008
Nonemployee Health Insurance	$56,809	79,373	129,092	7,090
Due State of New Jersey:				
Marriage License Fees	775	2,150	2,500	425
Total	$57,584	81,523	131,592	7,515

Cash Expended	$71,634
Cancel Unknown Balances	59,958
Total	$131,592

EXHIBIT A-13

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	TOTAL	GRANT FUND	TRUST OTHER FUND	GENERAL CAPITAL FUND	PAYROLL FUND	DOG TRUST FUND
Balance December 31, 2007 Due From/(Due To)	($160,148)	36,254	(18,879)	(174,787)	(2,097)	(639)
Increased by:						
Interfunds Created	145,337	27,810	78,347	38,415		765
Total Increases	145,337	27,810	78,347	38,415		765
Total Increases & Balances	(14,811)	64,064	59,468	(136,372)	(2,097)	126
Decreased by:						
Interfunds Liquidated	117,285		76,319	40,371	470	125
Total Decreases	117,285		76,319	40,371	470	125
Balance December 31, 2008 Due From/(Due To)	($132,096)	64,064	(16,851)	(176,743)	(2,567)	1

EXHIBIT A-14

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF RESERVE FOR RECREATION IMPROVEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$1,096,742
Decreased by:	
Disbursements	159,358
Encumbrances	921,456
Total Expended	1,080,814
Balance December 31, 2008	$15,928

EXHIBIT A-15

BOROUGH OF POINT PLEASANT
CURRENT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE DECEMBER 31, 2007	2008 ANTICIPATED REVENUE	RECEIVED	TRANSFER FROM UNAPPROPRIATED	CANCEL	BALANCE DECEMBER 31, 2008
State Grants:						
Clean Communities		27,709	25,759	1,950		
Click It or Ticket	$5,000	4,000	4,000			5,000
Alcohol Education & Rehabilitation Fund Grant - Court		1,446	1,446			
Drunk Driving Enforcement Grant		7,240	7,240			
Pedestrian Safety Education & Enforcement	8,921	8,320	8,320		8,320	601
Safe Streets to Schools	50,000		50,000			
Smart Future Growth Grant	18,500		12,500			6,000
Body Armor Replacement		8,059	6,944	1,115		
Cops In Shops		2,800		2,800		
Aggressive Driver Enforcement Grant		15,800	7,000	8,800		
"Over the Limit" Grant		4,800		4,800		
Municipal Drug Alliance Grant	4,492	14,835	12,042			7,285
Barnegat Bay Estuary Grant		3,000	3,000			
Delinquency Prevention & Awareness						
DOT Trust	209,420	400,000	34,420			575,000
Total Grant Funds	$296,333	498,009	172,671	19,465	8,320	593,886

Cash Received	$88,251
Interfunds	84,420
Total	$172,671

EXHIBIT A-16

BOROUGH OF POINT PLEASANT
CURRENT FUND
STATE AND FEDERAL GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE DECEMBER 31, 2007	TRANSFER FROM 2008 BUDGET APPROPRIATION	EXPENDED	CANCEL	BALANCE DECEMBER 31, 2008
Alcohol Education & Rehabilitation Grant	$2,679	1,446	4,125		
Aggressive Driver Enforcement Grant	8,800	15,800	7,200		17,400
Drunk Driving Enforcement Grant	7,213	7,240	14,449		4
Delinquency Prevention & Awareness	4,000		4,000		
Police Equipment Grant	5,000		4,907		93
Pedestrian Safety Education & Enforcement	8,671	8,320	8,570	8,320	101
Municipal Drug Alliance Grant	4,720	14,834	11,820		7,734
Municipal Stormwater Regulation	12,524		11,695		829
Emergency Management Assistance	1,550				1,550
Clean Communities Program	6,549	27,709	27,062		7,196
Body Armor Replacement Fund	6,334	8,059	1,434		12,959
COPS in Shops	1,942	2,800	2,000		2,742
Click It or Ticket It	600	4,000	4,000		600
"Over the Limit" Grant		4,800	4,350		450
Smart Future Growth Grant	10,610		9,590		1,020
DOT Trust	175,000	400,000			575,000
Barnegat Bay Estuary Grant		3,000	3,000		
Ocean County Tobacco Coalition Grant	91				91
Total	$256,283	498,008	118,202	8,320	627,769

Cash Expended	$114,723
Commitments Payable	3,479
Total	$118,202

Original Budget	$222,291
Appropriated by N.J.S.40A:4-87	275,717
Total	$498,008

EXHIBIT A-17

BOROUGH OF POINT PLEASANT
STATE AND FEDERAL GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE DECEMBER 31, 2007	RECEIVED 2008	UTILIZED AS REVENUE	BALANCE DECEMBER 31, 2008
Body Armor Replacement Fund	$1,115		1,115	
Clean Communities Program	1,950		1,950	
Stormwater Grant	2,772	9,257		12,029
COPS In Shops	2,800		2,800	
Emergency Management Assistance	3,934			3,934
"Over the Limit" Grant	4,800	4,350	4,800	4,350
Aggressive Driving Grant	8,800		8,800	
Total	$26,171	13,607	19,465	20,313

TRUST FUND

EXHIBIT B-1

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2008

	OTHER		DOG LICENSE	
Balance December 31, 2007		$977,943	(458)	
Increased by Receipts:				
State Registration Fees			3,487	
License Fees & Others			20,109	
Interfunds	$78,398		765	
Recreation Fund	347,968			
Due From Board of Education	81,567			
Miscellaneous Reserves	318,618			
Reserve for Lien Collections	408,262			
Environmental Reserve	6,621			
Municipal Alliance	811			
Developers' Escrow	197,501			
Municipal Open Space	82,231			
Total Increases		1,521,977		23,903
Total Increases & Balances		2,499,920		23,903
Decreased by Disbursements:				
State Registration Fees			3,673	
Expenditures Under R.S.4:19-15.11			17,961	
Recreation	442,493			
Interfunds	76,319		125	
Miscellaneous Reserves	305,435			
Due From Board of Education	78,241			
Environmental Reserve	4,901			
Reserve for Lien Collections	509,262			
Reserve for Municipal Alliance	2,652			
Reserve for Developers' Escrow	259,400			
Reserve for Municipal Open Space	37,300			
Total Disbursements		1,716,003		21,759
Balance December 31, 2007		$783,917		2,144

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, 2008

Balance December 31, 2007	$206
Increased by:	
State Registration Fees	3,487
Subtotal	3,693
Decreased by:	
Disbursements	3,673
Balance December 31, 2008	$20

EXHIBIT B-3

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$ -
Increased by:	
Dog License Fees	20,109
Subtotal	20,109
Decreased by:	
Expenditures Under R.S. 4:19-15.11	17,961
Balance/(Deficit) December 31, 2008	$2,148

LICENSE FEES COLLECTED

YEAR	AMOUNT
2007	$20,373
2006	21,130
Total	$41,503

EXHIBIT B-4

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND (DOG FUND)
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007 - (Due To)	$639
Increased by:	
Interfunds Paid	125
Subtotal	764
Decreased by:	
Receipts	765
Balance December 31, 2008	($1)

EXHIBIT B-5

SCHEDULE OF RESERVE FOR LIEN/PREMIUM COLLECTIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$220,500
Increased by:	
Receipts	408,262
Subtotal	628,762
Decreased by - Disbursements:	
Lien Redemptions	509,262
Balance December 31, 2008	$119,500

ANALYSIS OF BALANCE

Premiums on Tax Sale Certificates	$119,500
Total	$119,500

EXHIBIT B-6

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF RESERVE FOR RECREATION
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$214,645
Increased by:	
Receipts	347,968
Subtotal	562,613
Decreased by:	
Disbursements	442,493
Balance December 31, 2008	$120,120

ANALYSIS OF BALANCE

Pre 2008 Recreation Funds Unexpended	$41,240
Recreation Trust Established 2008	78,880
Total	$120,120

EXHIBIT B-7

SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$66,085
Increased by:		
Open Space Tax Levied	$69,897	
Grant Reserves	11,000	
Interest Earnings	1,334	82,231
Subtotal		148,316
Decreased by:		
Open Space Expenditures		37,300
Balance December 31, 2008		$111,016

EXHIBIT B-8

SCHEDULE OF ENVIRONMENTAL RESERVE
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$2,454
Increased by:	
Deposits	6,621
Subtotal	9,075
Decreased by:	
Payments	4,901
Balance December 31, 2008	$4,174

EXHIBIT B-9

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF RESERVE FOR DEVELOPERS' ESCROW
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$358,565
Increased by - Receipts	197,501
Subtotal	556,066
Decreased by - Disbursements	259,400
Balance December 31, 2008	$296,666

Analysis of Balance on File in the Treasurers Office

EXHIBIT B-10

SCHEDULE OF RESERVE FOR MUNICIPAL ALLIANCE DONATIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$7,067
Increased by - Receipts	811
Subtotal	7,878
Decreased by - Disbursements	2,652
Balance December 31, 2008	$5,226

EXHIBIT B-11

SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$121,187
Increased by:	
Cash Receipts	318,618
Subtotal	439,805
Decreased by:	
Cash Disbursements	305,436
Balance December 31, 2008	$134,369

ANALYSIS OF BALANCE

Demolition Performance Bonds	$3,000
P.O.A.A.	120
Maintenance Bond	8,919
Zoning Board Escrow	5,592
Planning Board Escrow	43,791
Public Defender	386
Recycling	47,558
Forfeited Funds	3,546
Special Law Enforcement	4,436
Police Outside Work	16,574
Safety Incentive Award	447
Total	$134,369

EXHIBIT B-12

BOROUGH OF POINT PLEASANT
TRUST FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	TOTAL	CURRENT FUND	ASSESSMENT FUND
Balance December 31, 2007	$18,930	18,879	51
Increased by:			
Cash Disbursements	76,319	76,319	
Total Increases	76,319	76,319	
Subtotal	95,249	95,198	51
Decreased by:			
Cash Receipts	78,398	78,347	51
Total Decreases	78,398	78,347	51
Balance December 31, 2008	$16,851	16,851	

EXHIBIT B-13

SCHEDULE OF RESERVE FOR DEFERRED COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$1,412,236
Increased by:		
Payroll Deferral & Account Transfers		201,815
Subtotal		1,614,051
Decreased by:		
Withdrawals & Account Transfers	$150,175	
Investment Losses	309,454	459,629
Balance December 31, 2008		$1,154,422

GENERAL CAPITAL FUND

EXHIBIT C-1

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008 AND 2007

Balance December 31, 2007		$22,999
Add:		
Premiums on 2008 Bond Anticipation Notes	$21,606	
Funded Authorizations Cancelled	288,130	309,736
Balance December 31, 2008		$332,735

EXHIBIT C-2

SCHEDULE OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$795,871
Increased by:		
BAN Proceeds	$5,657,485	
Premiums on BANS	21,606	
Interfund - Current	122,934	
Capital Improvement Fund	133,160	
Due State & Federal Grant Fund	84,420	
Interest Due Current	38,415	6,058,020
Subtotal		6,853,891
Decreased by:		
Improvement Authorizations	2,586,613	
BAN Redeemed	2,988,580	
Interest on BAN	122,934	
Interest Due Current	40,371	5,738,498
Balance December 31, 2008		$1,115,393

EXHIBIT C-3

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2008

Capital Improvement Fund		$116,853
Fund Balance		332,735
Reserve for Bay Point Harbor		10,000
Reserve for Police Department		25,000
Due from Point Pleasant Beach Borough		(127,772)
Due From/To Current Fund		(176,743)
Due From/To State and Federal Grant Fund		123,606
Reserve for Encumbrances		4,239,842
Reserve for Repayment of Debt		193,338
Improvement Authorizations:		
ORDINANCE NUMBER	DESCRIPTION	
98-13/94-11/96-21	Reconstruction & Improvements to Delaware Avenue Phase II & Tyler Avenue	(62,376)
98-13/96-11	Various Improvements	7,349
98-08	Improvements to Borough Property	10,000
98-15	Various Improvements	7,478
98-26	Handicapped Ramp	(11,866)
99-16	Various General Improvements	63,377
99-29	Various General Improvements	26,541
99-30	Reconstruction of First Avenue	(50,603)
00-07	Various General Improvements	24,013
00-14	Reconstruction First Avenue & Improvements Shady Glen	(77,411)
00-17	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Road	(20,762)
00-25	Various General Improvements	(65,632)
01-10	Emergency First Aid Communication Equipment	(26,600)
01-12	Various General Improvements	(93,883)
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 for Public Works Facility	(19,000)
02-18	Various Capital Improvements	83,837
03-17/05-23	General Improvements	188,901
03-23	Improvements to Borough Hall	22,860
04-15	Various Capital Improvements	13,465
05-21	Various Capital Improvements	75,185
06-19	Various Capital Improvements	21,527
07-11	Various Capital Improvements	(2,567,416)
07-16	Reconstruction & Expansion of Municipal Building Parking Lot	(37,500)
07-17	Dredging of Beaver Dam Creek	(18,967)
07-18	Construction & Improvement of Riverfront Park	(852,999)
08-10	Various Capital Improvements	(134,637)
	Total	$1,115,393

EXHIBIT C-4

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$10,481,652
Decreased by:		
Budget Appropriation:		
2003 Bond Appropriation	$1,080,000	
1992 Green Trust Appropriation	14,716	
1989 Green Trust Appropriation	7,181	1,101,897
Balance December 31, 2008		$9,379,755

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2008

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2007	2008 AUTHORIZATIONS	AUTHORIZATION CANCELLED	BALANCE DECEMBER 31, 2008	ANALYSIS OF BALANCE DECEMBER 31, 2008 UNEXPENDED BALANCE	ANALYSIS OF BALANCE DECEMBER 31, 2008 EXPENDED BALANCE
98-13/94-11	Reconstruction & Improvements to Delaware Avenue Phase II & Tyler Avenue	$62,376			62,376		62,376
98-13/97-12	Land Acquisition for Recreation	378		378			
98-26	Handicapped Ramp	15,089		3,223	11,866		11,866
99-29	Various General Improvements	2,753		266	2,487	2,487	
99-30	Reconstruction of First Avenue	50,603			50,603		50,603
00-14	Reconstruction First Avenue & Improvements Shady Glen	78,748		1,337	77,411		77,411
00-17	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Road	21,398		636	20,762		20,762
00-25	Various General Improvements	80,750			80,750	15,118	65,632
01-10	Emergency First Aid Communication Equipment	26,600			26,600		26,600
01-12	Various General Improvements	208,764		2,162	206,602	112,719	93,883
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		42,750
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		1,513	17,487		17,487
04-09	Dredging of Beaver Dam	294,500		2,023	292,477		292,477
04-15	Various Capital Improvements	1,881,916		61	1,881,855	13,466	1,868,389
05-15	Constructing of Curbs & Sidewalks	10,353		10,353			
05-17	Renovation & Expansion of Police Wing	115,900			115,900		115,900
05-21	Various Capital Improvements	575,352		57,785	517,567	75,185	442,382
06-19	Various Capital Improvements	543,905		16,693	527,212	21,527	505,685
07-11	Various Capital Improvements	5,855,236			5,855,236	1,039,357	4,815,879
07-16	Reconstruction and Expansion of Municipal Parking Lot	332,500			332,500	295,000	37,500
07-17	Dredging of Beaver Dam Creek	19,950		983	18,967		18,967
07-18	Construction & Improvement to Riverfront Park	1,152,539			1,152,539	299,540	852,999
08-10	Various Capital Improvements		2,198,500		2,198,500	2,063,863	134,637
	Total	$11,550,482	2,198,500	97,413	13,651,569	3,938,262	9,713,307

EXHIBIT C-6

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$99,404
Increased by:	
Receipts - Current Fund Appropriations	133,160
Subtotal	232,564
Decreased by:	
Appropriated to Finance Improvement Authorizations	115,711
Balance December 31, 2008	$116,853

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2007 RESERVED	BALANCE DECEMBER 31, 2007 FUNDED	BALANCE DECEMBER 31, 2007 UNFUNDED	2008 AUTHORIZATIONS	PAID OR CHARGED	REFUNDS	CANCELLED	BALANCE DECEMBER 31, 2008 RESERVED	BALANCE DECEMBER 31, 2008 FUNDED	BALANCE DECEMBER 31, 2008 UNFUNDED
98-13/94-4	Reconstruction & Improvements to Beech Street	3/01/94	$70,000		2,720					2,720			
98-13/95-11	Various Improvements	6/13/95	496,316		10,648					10,648			
96-11	Various Improvements		607,377		28,632			21,283				7,349	
98-13/97-12	Acquisition of Recreation Property	7/17/97	433,400		81,688	378				82,066			
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	2,448					2,370		7,478	
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		63,945					568		63,377	
99-29	Various General Improvements	11/23/99	90,000	34,226		266				266	5,198	26,541	2,487
99-30	Reconstruction of First Avenue	11/23/99	160,000										
00-05	Improvements & Expansion Municipal Building	4/4/2000	110,100	73						73			
00-07	Various General Improvements	7/11/2000	1,767,586	3,254	41,893			11,501		9,633		24,013	
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				636			
00-25	Various General Improvements	12/19/2000	85,000	13,538		1,580							15,118
01-12	Various General Improvements	7/10/2001	1,599,824	2,967		116,490		4,491		2,161	86		112,719
01-14	Acquisition of Land	7/10/2001	250,000		36,636					36,636			
01-27	Installation & Construction Handicapped Curbs & Sidewalks	12/4/2001	65,000		6,046					6,046			
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	177	98,553			10,348		4,545		83,837	
02-28	Various Recreation Improvements	12/17/2002	45,475		20,739					20,739			
03-05	New Roof Recreation Center	3/18/2003	80,000										
03-17/05-23	General Improvements	8/8/2003	1,369,281	4,534	243,910			54,526		1,802	3,215	188,901	
03-23	Improvements to Borough Hall	9/2/2003	245,000	2,830	23,457			597			2,830	22,860	
04-02	Renovation of Police Department	2/17/2004	45,000	3,460		340		3,800					
04-07	Audio System for Community Park	4/6/2004	14,500	128						128			
04-08	Removal & Replacement of Roof of First Aid Squad Building	5/4/2004	20,000			1,514				1,514			
04-09	Dredging of Beaver Dam	5/4/2004	310,000			2,023				2,023			
04-15	Various Capital Improvements	8/3/2004	2,033,947	7,684		18,770		12,290		61	637		13,466
05-15	Constructing of Curbs & Sidewalks	5/3/2005	120,000		1,243	10,353				11,596			
05-21	Various Capital Improvements	9/6/2005	605,634	5,627		156,584		29,241		57,785			75,185
06-19	Various Capital Improvements	9/19/2006	704,110	140,033		186,664		268,801		16,692	19,677		21,527
07-11	Various Capital Improvements	8/21/2007	6,163,406	352,226		5,763,181		1,061,904	127,772		4,141,918		1,039,357
07-16	Reconstruction & Expansion of Municipal Building Parking Lot	10/16/2007	350,000		17,500	332,500					55,000		295,000
07-17	Dredging of Beaver Dam Creek	10/16/2007	21,000			983				983			
07-18	Construction & Improvement of Riverfront Park	12/18/2007	1,168,305		15,766	1,152,539		868,765					299,540
08-10	Various Capital Improvements	8/19/2008	2,314,210				2,314,210	239,066			11,281		2,063,863
Total				$578,157	815,116	7,749,361	2,314,210	2,586,613	127,772	385,543	4,239,842	434,356	3,938,262

EXHIBIT C-8

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2008

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2007	ISSUED IN 2008	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2008
General Improvements	9/15/98	$5,900,000	09/01/09	$425,000	4.40%	$3,160,000		405,000	2,755,000
			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	12/15/09	715,000	3.375%	7,000,000		675,000	6,325,000
			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	$10,160,000		1,080,000	9,080,000

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2008

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2007	ISSUED IN 2008	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2008
1989 Program	11/21/2000	$148,836	2/20/2009	$3,645	2.00%	$105,487		7,181	98,306
			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, 2008

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2007	ISSUED IN 2008	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2008
1992 Program	10/27/2000	305,000	1/27/2009	7,469	2.00%	$216,165		14,716	201,449
			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		$321,652		21,897	299,755

EXHIBIT C-10

BOROUGH OF POINT PLEASANT
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2008

ORDINANCE NUMBER	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2007	REDEEMED	ISSUED	BALANCE DECEMBER 31, 2008
04-02	02/01/06	01/30/08	01/28/09	2.500%	$2,988,580	2,988,580	5,657,485	5,657,485
04-07								
04-08								
04-09								
04-15								
05-17								
05-21								
06-19								
07-11								
				Total	$2,988,580	2,988,580	5,657,485	5,657,485

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, 2008

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	
08-10	Various Capital Improvements	$2,198,500
07-11	Various Capital Improvements	3,606,773
07-16	Reconstruction and Expansion of Municipal Parking Lot	332,500
07-17	Dredging of Beaver Dam Creek	18,968
07-18	Construction and Improvement to Riverfront Park	1,152,539
01-10	Emergency First Aid Communication Equipment	26,600
01-12	Various General Improvements	206,603
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	77,411
00-17	Installation & Construction Handicapped Curbs & Sidewalks Beaver Dam Road	20,761
00-25	Various General Improvements	80,750
99-29	Various General Improvements	2,487
99-30	Reconstruction of First Avenue	50,603
98-26	Handicapped Access - Sidewalks & Ramps	11,866
94-11	Delaware Avenue Phase II	62,376
Total		$7,994,084

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, 2008

	OPERATING FUND		CAPITAL FUND	
Balance December 31, 2007		$1,325,979		1,765,966
Increased by Receipts:				
Interest to Operating			46,009	
Proceeds from Bond Anticipation Notes			3,502,450	
Miscellaneous Revenues	$148,351			
Consumer Rents	4,947,697			
Interfunds Receivable	4,017			
Premium on BAN			10,271	
Interest on Delinquents	30,549			
Subtotal		5,130,614		3,558,730
Total		6,456,593		5,324,696
Decreased by Disbursements:				
Budget Appropriations	5,108,498			
Appropriation Reserves	75,023			
Encumbrances Payable	97,168			
BAN Redeemed			2,238,850	
Interfunds Payable			50,026	
Improvement Authorizations			611,347	
Total Disbursements		5,280,689		2,900,223
Balance December 31, 2008		$1,175,904		2,424,473

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, 2008

Fund Balance	$336,597
Capital Improvement Fund	323,586
Improvement Authorizations:	
98-14/92-63 Various Improvements	1,593
98-14/95-06 Various Improvements	1,232
98-14/96-09,97-07 Various Improvements	10,628
98-14/97-09 Various Improvements	18,671
98-16 Various Improvements	(50)
00-08 Various Improvements	18
01-13 Various Improvements	54,434
03-16 Various Improvements	281,256
04-16 Various Improvements	89,448
05-22 Various Improvements	922,445
06-08 Interconnect	20,130
06-20 Various Improvements	99,732
06-26 Improvements to Water Facilities	14,796
07-12 Various Improvements	(63,692)
07-13 Various Improvements	(315,864)
08-11 Various Improvements	(126,638)
Encumbrances Payable	657,173
Premiums on BAN's	10,271
Reserve for Payment of BAN Principal	99,795
Reserve for Downpayments on Improvements	600
Interfunds Payable/(Receivable)	(11,688)
Total	$2,424,473

EXHIBIT D-7

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$761,409
Increased by:	
Water-Sewer Charges (Net)	4,911,539
Subtotal	5,672,948
Decreased by:	
Receipts	4,947,697
Balance December 31, 2008	$725,251

EXHIBIT D-8

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$105,948
Accrued Interest 2008:		
Bonds	$19,037	
BANS	80,264	99,301
Subtotal		205,249
Decreased by:		
Disbursements		105,948
Balance December 31, 2008		$99,301

EXHIBIT D-9

SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE DECEMBER 31, 2007	BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages	$38,151	38,151		38,151
Other Expenses	420,059	420,059	75,023	345,036
Social Security	826	826		826
Total	$459,036	459,036	75,023	384,013

EXHIBIT D-10

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER-SEWER - CAPITAL INTERFUND
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007 - (Due To)	($7,671)
Increased by:	
Interest Received - Utility Capital Fund	46,009
Subtotal	38,338
Decreased by:	
Interfunds Liquidated	50,026
Balance December 31, 2008 - (Due To)	($11,688)

EXHIBIT D-11

SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2008 & 2007	$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, 2008

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2007	IMPROVEMENTS AUTHORIZED	AUTHORIZATIONS CANCELLED	TRANSFERRED TO FIXED CAPITAL	BALANCE DECEMBER 31, 2008
98-14/91-35	Various Improvements	$448,495		12,443	436,052	
98-14/92-63	Various Improvements	130,400				130,400
98-14/94-19	Various Improvements	393,250		500	392,750	
94-30	Issuance Costs/Sewer Refunding	235,000		4,003	230,997	
95-26	Various Improvements	247,195				247,195
98-14/96-09/97-07	Various Improvements	244,900		719		244,181
98-14/97-09	Various Improvements	258,750				258,750
98-16	Various Improvements	153,740			153,740	
99-17	Various Improvements	224,350		2,521	221,829	
99-31	Various Improvements	220,000		10,182	209,818	
00-08	Various Improvements	261,175				261,175
01-13	Various Improvements	1,315,300		5,516		1,309,784
03-07	Acquisition of Water Diversion Rights	300,000		299,819	181	
03-16	Various Improvements	621,361				621,361
04-16	Various Improvements	278,875				278,875
04-22	Rehabilitation of Riviera Parkway	350,000		99,796	250,204	
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
08-11	Various Improvements		213,045			213,045
	Total	$9,453,266	213,045	435,499	1,895,571	7,335,241

EXHIBIT D-13

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	BALANCE 12/31/2007	AUTHORIZATIONS COMPLETED	BALANCE 12/31/2008
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	1,895,571	4,299,105
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	1,895,571	27,414,479

EXHIBIT D-14

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

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, 2008

Balance December 31, 2007	$27,065,759
Increased by:	
Bonds paid by Budget	330,000
Subtotal	27,395,759
Decreased by:	
Authorizations Cancelled	435,103
Balance December 31, 2008	$26,960,656

EXHIBIT D-16

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AUTHORIZED DATE	AUTHORIZED AMOUNT	BALANCE DECEMBER 31, 2007 FUNDED	BALANCE DECEMBER 31, 2007 UNFUNDED	BALANCE DECEMBER 31, 2007 ENCUMBERED	2008 AUTHORIZATIONS	PAID OR CHARGED	CANCELLED	BALANCE DECEMBER 31, 2008 FUNDED	BALANCE DECEMBER 31, 2008 UNFUNDED	BALANCE DECEMBER 31, 2008 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				3,946		1,232		5,690
98-14/96-09,97-07	Various Improvements	5/20/97	244,900	18,718		5,796		4,899	719	10,628		8,268
98-14/97-09	Various Improvements	7/1/97	258,750	21,058				2,387		18,671		
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				3,083		18		
01-13	Various Improvements	09/04/01	575,600	73,294				8,544	5,516	54,434		4,800
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	313,078		39,768		28,618		281,256		42,972
04-16	Various Improvements	08/03/04	278,875		90,971	5,955		7,478			89,448	
04-22	Rehabilitation of Riviera Parkway	12/21/04	350,000		98,590	1,206			99,796			
05-22	Various Improvements	09/06/05	1,679,975		999,157	455,806		381,912			992,445	80,606
06-08	Interconnect	05/16/06	85,000		23,162			3,032			20,130	
06-20	Various Improvements	09/05/06	978,600		143,532	92,405		104,928			99,732	31,277
06-26	Improvements to Water Facilities	12/19/06	200,000		21,600			6,804			14,796	
07-12	Various Improvements	08/07/07	466,900		443,120	1,754		30,423			403,208	11,243
07-13	Various Improvements	08/29/07	360,000		46,540	313,460					44,136	315,864
08-11	Various Improvements	08/19/08	213,045				213,045	25,293			86,407	101,345
	Total			$771,178	1,866,672	971,258	213,045	611,347	435,499	367,832	1,750,302	657,173

EXHIBIT D-17

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2008

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2008 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2007	ISSUED	DECREASED	BALANCE DECEMBER 31, 2008
Sewer Improvements	9/15/98	$2,225,000	9/1/09	$145,000	4.40%	$1,275,000		135,000	1,140,000
			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	12/15/09	208,000	3.375%	1,723,000		195,000	1,528,000
			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	$2,998,000		330,000	2,668,000

EXHIBIT D-18

BOROUGH OF POINT PLEASANT
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2008

ORDINANCE NUMBER	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2007	ISSUED	DECREASED	BALANCE DECEMBER 31, 2008
04-16	02/01/06	01/30/08	01/28/09	2.500%	$278,875	278,875	278,875	278,875
04-22	02/01/06	01/30/08	01/28/09	2.500%	350,000	350,000	350,000	350,000
05-22	02/01/06	01/30/08	01/28/09	2.500%	1,609,975	1,609,975	1,609,975	1,609,975
06-08	01/30/08	01/30/08	01/28/09	2.500%		85,000		85,000
06-20	01/30/08	01/30/08	01/28/09	2.500%		978,600		978,600
06-26	01/30/08	01/30/08	01/28/09	2.500%		200,000		200,000
		Total			$2,238,850	3,502,450	2,238,850	3,502,450

PAYROLL FUND

EXHIBIT F-1

BOROUGH OF POINT PLEASANT
PAYROLL FUND
SCHEDULE OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007		$88,298
Increased by Receipts:		
Payroll	$9,462,832	
Due to Current Fund Interest	3,334	9,466,166
Subtotal		9,554,464
Decreased by Disbursements:		
Disbursements		9,435,920
Balance December 31, 2008		$118,544

EXHIBIT F-2

SCHEDULE OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2008

Balance December 31, 2007	$90,395
Increased by:	
Payroll Deductions	9,462,832
Subtotal	9,553,227
Decreased by:	
Disbursements	9,432,116
Balance December 31, 2008	$121,111

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 .62%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt			
Water-Sewer Utility Debt	$6,170,450	6,170,450	
General Debt	23,031,324	193,338	22,837,986
Total	$29,201,774	6,363,788	22,837,986

Net Debt, $22,837,981 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, $3,666,330,259 equals .62%.

Equalized Valuation Basis:

2008	$3,778,951,797
2007	3,723,078,548
2006	3,496,960,432
Average	$3,666,330,259

Borrowing Power Under 40A:2-6:

3 1/2 % of Equalized Valuation Bases (Municipal)	$128,321,559
Net Debt	22,837,986
Remaining Borrowing Power	$105,483,573

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

Cash Receipts From Fees, Rents & Other Charges		$5,096,048
Deductions:		
Operating & Maintenance Costs	$4,632,474	
Debt Service	445,909	5,078,383
Revenue - (Deficit)		$17,665

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

	YEAR 2008		YEAR 2007	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	$1,400,000	2.47%	1,400,000	2.58%
Miscellaneous - From Other Than Local Property Tax Levies	3,328,137	5.86%	3,525,326	6.49%
Collection of Delinquent Taxes & Tax Title Liens	1,534,759	2.70%	1,207,491	2.22%
Collection of Current Tax Levy	49,393,149	87.04%	47,820,984	88.02%
Nonbudget Revenue	545,004	0.96%	159,118	0.29%
Other Credits to Income	205,897	0.36%	6,361	0.01%
Unexpended Balance of Appropriation Reserves	339,198	0.60%	205,161	0.38%
Interfunds Liquidated	2,666	0.00%	2,894	0.01%
Total Income	56,748,810	100.00%	54,327,335	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	16,237,435	29.04%	14,805,495	27.87%
County Taxes	11,707,014	20.93%	11,058,830	20.82%
Local School Taxes	27,888,675	49.87%	27,085,313	50.99%
Open Space Taxes	69,382	0.12%	68,728	0.13%
Other Adjustments to Income	19,020	0.03%	104,381	0.20%
Total Expenditures	55,921,526	100.00%	53,122,747	100.00%
Excess in Revenue	827,284		1,204,588	
Adjustments to Income Before Fund Balance: Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year	468,900			
Statutory Excess to Fund Balance	1,296,184		1,204,588	
Fund Balance January 1	1,480,292		1,675,704	
Total	2,776,476		2,880,292	
Less: Fund Balance Utilized as Revenue	1,400,000		1,400,000	
Fund Balance December 31	$1,376,476		1,480,292	

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
2008	$50,872,401	49,393,149	97.09%
2007	49,081,108	47,820,984	97.43%
2006	46,365,482	45,490,072	98.11%

Comparison of Tax Rate Information

	2008	2007	2006
Total Tax Rate	$3.662	$3.566	$3.400
Apportionment of Tax Rate:			
Municipal	0.813	0.795	0.738
Municipal Open Space	0.005	0.004	0.004
County	0.836	0.799	0.757
Local School	2.008	1.968	1.901

Net Valuation Taxable:

2008	$1,389,197,202		
2007		$1,376,424,076	
2006			$1,363,119,236

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
2008	$5,279	1,828,810	1,834,089	3.605%
2007	812	1,573,115	1,573,927	3.207%
2006	684	1,236,789	1,237,473	2.521%

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
2008	-0-
2007	195,200
2006	195,200

Comparison of Water-Sewer Utility Levies

YEAR	LEVY	COLLECTION
2008	$4,911,539	4,947,697
2007	5,103,423	4,994,722
2006	4,986,025	4,903,625

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

YEAR	GENERAL CAPITAL	WATER UTILITY
2006	$1,423,391	439,396
2007	1,432,081	448,041
2008	1,464,048	445,909
2009	1,483,446	456,388
2010		

Comparative Schedule of Fund Balances

Current Fund:	Balance December 31	Utilized in Budget of Succeeding Year
2008	$1,376,476	
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

Comparative Schedule of Fund Balance

Water Operating Fund	Balance December 31	Utilized in Budget of Succeeding Year
2008	$673,693	
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

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2008:

NAME	POSITION	AMOUNT OF BOND
Martin C. Konkus	Mayor	
A. Roger Pyrtko	Council President	
William Dikun	Councilman	
John Kaklamanis	Councilman	
Brian McAlindin	Councilman	
Shaun O'Rourke	Councilman	
Susan Rogers	Councilwoman	
David Maffei	Administrator/Borough Clerk/ Assessment Search Officer	$ 25,000
Jerry J. Dasti, Esq.	Attorney	
Judith A. Block	Treasurer/Chief Financial Officer	1,000,000
Bernadine E. Pearce	Tax Collector/Tax Search Officer/ Water-Sewer Utility Collector	1,000,000
James A. Liguori	Magistrate	
Susan Burch	Court Administrator	1,000,000

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, 2008

****

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

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

We have audited the financial statements of the Borough of Point Pleasant in the County of Ocean for the year ended December 31, 2008.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and Council and the records of the various outside departments.

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

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Borough Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Borough records.

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

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate $21,000 except by contract or agreement.

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

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

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

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

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of $3,150 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 6, 2008 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> "**BE IT RESOLVED** that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars ($1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred Dollars ($1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable."

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 19, 2008 and was complete.

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

Delinquent Taxes and Tax Title Liens (continued):

YEAR	NUMBER OF LIENS
2008	5
2007	2
2006	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.

Treasurer

Finding 2008-01:

1. Receipts for construction code fees collected in August 2008 were incorrectly posted as health insurance reserves in the Borough's General Ledger.

2. $84,420 was received and deposited to the General Capital Fund for receivables set up in the State and Federal Grant Fund.

Recommendation:

All receipts should be properly posted to the Boroughs ledgers

Capital Fund

Finding 2008-02:

Two old grant receivables exist where the authorization has been expended and the monies have not been received from the state.

Recommendation:

The Borough pursue collecting outstanding balances for grants previously approved by the State.

Finding 2008-03:

Expenses in the amount of $15,947.67 were incorrectly charged to general capital ordinance 2007-11. These expenses should have been posted to the Interlocal road project due from Point Pleasant Beach Borough.

Recommendation:

All expenditures be properly posted to the Borough's ledger.

Implementation of GASB 45 – Disclosure of Liabilities for Other Post-Employment Benefits

Finding 2008-04:

The Borough did not calculate and disclose the long term liability of the other post-employment benefits at year end as required by Government Accounting Standards Board statement 45 and described by the Division of Local Government Services in Local Finance Notice 2007-15.

Recommendation:

That the Borough contract with an actuary to calculate the long-term liability of the other post-employment benefits offered by the Borough and provide appropriate disclosure in accordance with *N.J.A.C. 5:30-6.1.*

Follow-up on Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action has been taken on all prior year findings.

Acknowledgment

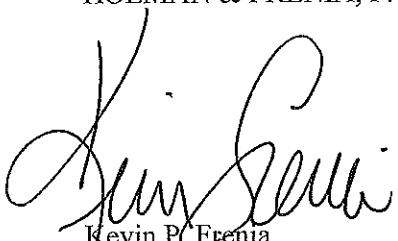
We express our appreciation for the assistance and courtesies extended to the members of the audit team.

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 3, 2009