

ANNUAL FINANCIAL STATEMENT FOR THE SFY YEAR 2012
(UNAUDITED)

SFY

POPULATION LAST CENSUS	5,097
NET VALUATION TAXABLE 2011	607,765,927
MUNICODE	1317

FIVE DOLLARS PER DAY PENALTY IF NOT FILED BY:

MUNICIPALITIES - AUGUST 10, 2012

ANNUAL FINANCIAL STATEMENT REQUIRED TO BE FILED UNDER NEW JERSEY STATUTES ANNOTATED 40A:5-12, AS AMENDED, COMBINED WITH INFORMATION REQUIRED PRIOR TO CERTIFICATION OF BUDGETS BY THE DIRECTOR OF THE DIVISION OF LOCAL GOVERNMENT SERVICES.

BOROUGH of HIGHLANDS, County of MONMOUTH

SEE BACK COVER FOR INDEX AND INSTRUCTIONS.
DO NOT USE THESE SPACES

	Date	Examined By:	
1			Primary Check
2			Examined

I hereby certify that the debt shown on Sheets 31 to 34, 49 to 51 and 63 to 65 are complete, were computed by me and can be supported upon demand by a register or other detailed analysis.

Signature Stephen Pfeffer
Title CHIEF FINANCIAL OFFICER

(This MUST be signed by Chief Financial Officer, Comptroller, Auditor or Registered Municipal Accountant.)

REQUIRED CERTIFICATION BY THE CHIEF FINANCIAL OFFICER:

I hereby certify that I am responsible for filing this verified Annual Financial Statement, (which I have prepared) ~~or (which I have not prepared) [eliminate one]~~ and information required also included herein and that this Statement is an exact copy of the original on file with the clerk of the governing body, that all calculations, extensions and additions are correct, that no transfers have been made to or from emergency appropriations and all statements contained herein are in proof; I further certify that this statement is correct insofar as I can determine from all the books and records kept and maintained in the Local Unit.

Further, I do hereby certify that I, STEPHEN PFEFFER, am the Chief Financial Officer, License #N-0026, of the BOROUGH of HIGHLANDS, County of MONMOUTH and that the statements annexed hereto and made a part hereof are true statements of the financial condition of the Local Unit as at June 30, 2012, completely in compliance with N.J.S. 40A:5-12, as amended. I also give complete assurances as to the veracity of required information included herein, needed prior to certification by the Director of Local Government Services, including verification of cash balances as of June 30, 2012.

Signature Stephen Pfeffer
Title CHIEF FINANCIAL OFFICER
Address 171 BAY AVENUE, HIGHLANDS, NJ 07732
Phone Number (732) 542-3400 EXT. 224
Fax Number (732) 935-9105

IT IS HEREBY INCUMBENT UPON THE CHIEF FINANCIAL OFFICER, WHEN NOT PREPARED BY SAID, AT A MINIMUM MUST REVIEW THE CONTENTS OF THIS ANNUAL FINANCIAL STATEMENT WITH THE PREPARER, SO AS TO BE FAMILIAR WITH THE REPRESENTATIONS AND ASSERTIONS MADE HEREIN.

THE REQUIRED CERTIFICATION BY AN RMA IS AS FOLLOWS:

Preparation by Registered Municipal Accountant (Statement of Statutory Auditor Only)

I have prepared the post-closing trial balances, related statements and analyses included in the accompanying Annual Financial Statement from the books of account and records made available to me by the _____ of _____ as of June 30, _____ and have applied certain agreed-upon procedures thereon as promulgated by the Division of Local Government Services, solely to assist the Chief Financial Officer in connection with the filing of the Annual Financial Statement for the year then ended as required by N.J.S. 40A:5-12, as amended.

Because the agreed-upon procedures do not constitute an examination of accounts made in accordance with generally accepted auditing standards, I do not express an opinion on any of the post-closing trial balances, related statements and analyses. In connection with the agreed-upon procedures, (except for circumstances as set forth below, no matters) or (no matters) [eliminate one] came to my attention that caused me to believe that the Annual Financial Statement for the year ended _____ is not in substantial compliance with the requirements of the State of New Jersey, Department of Community Affairs, Division of Local Government Services. Had I performed additional procedures or had I made an examination of the financial statements in accordance with generally accepted auditing standards, other matters might have come to my attention that would have been reported to the governing body and the Division. This Annual Financial Statement relates only to the accounts and items prescribed by the Division and does not extend to the financial statements of the municipality/county, taken as a whole.

Listing of agreed-upon procedures not performed and/or matters coming to my attention of which the Director should be informed:

NOT APPLICABLE

Certified by me

this _____ day of _____, 2012.

(Registered Municipal Accountant)

(Firm Name)

(Address)

(Address)

(Phone Number)

(Fax Number)

**UNIFORM CONSTRUCTION CODE CERTIFICATION
BY CONSTRUCTION CODE OFFICIAL**

The undersigned *certifies* that the municipality has complied with the regulations governing revenues generated by uniform construction code fees and expenditures for construction code operations for SFY 2012 as required under N.J.A.C. 5:23-4.17.

Printed name: Paul Vitale

Signature: 

Certificate #: 007490

Date: 7/24/12

21-6000720
 Fed I.D. #
Borough of Highlands
 Municipality
Monmouth
 County

Report of Federal and State Financial Assistance

Expenditure of Awards

Fiscal Year Ending: 6/30/2012

	(1) Federal Programs Expended (administered by the State)	(2) State Programs Expended	(3) Other Federal Programs Expended
TOTAL	\$ <u>117,847.19</u>	\$ <u>659,548.50</u>	\$ <u>-</u>

Type of Audit Required by OMB A-133 and OMB 04-04:

- ☒ Single Audit
☐ Program Specific Audit
☐ Financial Statement Audit Performed in Accordance
 With Government Auditing Standards (Yellow Book)

Note: All local governments, who are recipients of federal and state awards (financial assistance), must report the total amount of federal and state funds expended during its fiscal year and the type of audit required to comply with OMB A-133 (Revised June 27, 2003) and OMB 04-04. The single audit threshold has been increased to \$500,000 beginning with the Fiscal Year ending after 12/31/03. Expenditures are defined in Section 205 of OMB A-133.

- (1) Report expenditures from federal pass-through programs received directly from state government. Federal pass-through funds can be identified by the Catalog of Federal Domestic Assistance (CFDA) number reported in the State's grant/contract agreements.
- (2) Report expenditures from state programs received directly from state government or indirectly from pass-through entities. **Exclude state aid (i.e., CMPTRA, Energy Receipts tax, etc.) since there are no compliance requirements.**
- (3) Report expenditures from federal programs received directly from federal government or indirectly from entities other than state government.


 Signature of Chief Financial Officer

07/24/12
 Date

IMPORTANT!
READ INSTRUCTIONS

INSTRUCTION

The following certification is to be used ONLY in the event there is NO municipally operated utility.

If there is a utility operated by the municipality or if a "utility fund" existed on the books of account, do not sign this statement and do not remove any of the UTILITY sheets from the document.

CERTIFICATION

I hereby certify that there was no "utility fund" on the books of account and there was no utility owned and operated by the _____ of _____ County of _____ during the year SFY 2012 and that sheets 40 to 68 are unnecessary.

I have therefore removed from this statement the sheets pertaining only to utilities.

Name _____

Title _____

(This must be signed by the Chief Financial Officer, Comptroller, Auditor or Registered Municipal Accountant.)

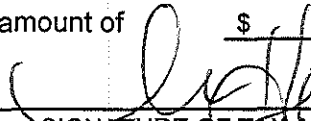
NOTE:

When removing the utility sheets, please be sure to refasten the "index" sheet (the last sheet in the statement) in order to provide a protective cover sheet to the back document.

MUNICIPAL CERTIFICATION OF TAXABLE PROPERTY AS OF OCTOBER 1, 2011

Certification is hereby made that the Net Valuation Taxable of property liable to taxation for the tax year 2012 and filed with the County Board of Taxation on January 10, 2012 in accordance with the requirement of N.J.S.A. 54:4-35, was in the amount of

\$ 606,348,709



SIGNATURE OF TAX ASSESSOR
Borough of Highlands

MUNICIPALITY
County of Monmouth

COUNTY

NOTE THAT A TRIAL BALANCE IS REQUIRED AND NOT A BALANCE SHEET

**POST CLOSING
TRIAL BALANCE - CURRENT FUND**
AS AT JUNE 30, 2012

Cash Liabilities Must Be Subtotalled and Subtotal Must Be Marked With "C" -- Taxes Receivable Must Be Subtotalled

Title of Account	Debit	Credit
Cash	1,632,764.20	
Due from State of NJ - Senior Citizens & Veterans	294.09	
Receivables with Offsetting Reserves:		
Taxes Receivable	511,858.96	
Tax Title Liens Receivable	36,052.55	
Property Acquired for Taxes - Assessed Valuation	215,100.00	
Deferred Charges:		
Emergency Authorization N.J.S. 40A:4-46		
Special Emergency Authorization N.J.S. 40A:4-53	202,000.00	
School Taxes Deferred:		
Local	1,517,641.00	
Regional High School	2,059,959.42	

(Do not crowd - add additional sheets)

NOTE THAT A TRIAL BALANCE IS REQUIRED AND NOT A BALANCE SHEET

**POST CLOSING
TRIAL BALANCE - CURRENT FUND (CONT'D)**
AS AT JUNE 30, 2012

Cash Liabilities Must Be Subtotalled and Subtotal Must Be Marked With "C" -- Taxes Receivable Must Be Subtotalled

Title of Account	Debit	Credit
Appropriation Reserves		378,000.32
Reserve for Encumbrances		191,109.60
Accounts Payable		80,922.48
Tax Overpayments		90,550.85
Due to State of NJ:		
Marriage Licenses		
State Training Fees		
Prepaid Taxes		28,696.96
Regional School Taxes Payable		
BID Taxes Payable		555.00
Excess Special Emergency Notes		30,000.00
Subtotal		799,835.21
Special Emergency Notes		202,000.00
Deferred School Taxes:		
Local		1,517,641.00
Regional High School		2,059,959.42
Reserve for Receivables		763,011.51
Fund Balance		833,223.08
	6,175,670.22	6,175,670.22

"C"

(Do not crowd - add additional sheets)

POST CLOSING TRIAL BALANCE - FEDERAL AND STATE GRANTS

AS AT JUNE 30, 2012

[illegible]

(Do not crowd - add additional sheets)

**POST CLOSING
TRIAL BALANCE - TRUST FUNDS**
(Assessment Section Must Be Separately Stated)
AS AT JUNE 30, 2012

Title of Account	Debit	Credit
Cash	866,303.23	
Street Opening Deposits		8,500.00
Tax Sale Premium		230,700.00
Deposits - Sale of Property		22,350.00
Deposits - Baymen Association		5,000.00
Deposits - Damages to Recreation Facilities		250.00
Reserve for:		
Recycling Rider #420965 Approved 8/19/94		3,509.96
Outside Lien		2,311.97
Library Donations Rider #1272651 Approved 10/22/08		7,003.32
Recreation Rider #420969 Approved 5/05/00		94.00
Public Defender Fees Rider #420967 Approved 7/8/98		2,727.67
Rider - Police Explorers Rider #1204718 Approved 11/30/06		7,408.52
POAA Rider #420964 Approved 7/24/02		207.00
Off Duty Police Rider #1093574 Approved 11/15/04		9,756.00
Uniform Fire Penalties Rider #420966 Approved 9/10/99		3,602.06
Uniform Fire Penalties (Fire Dept.) Rider #420970 Approved 9/10/99		688.64
Unemployment		179,518.17
Escrow Deposits Rider #420963 Approved 4/11/94		27,603.93
Engineering Fees Rider #420963 Approved 4/11/94		47,430.71
Engineering Fees - Prior 1992 Rider #420963 Approved 4/11/94		31,508.10
Engineering Fees - Pelekanous Rider #420963 Approved 4/11/94		1,817.72
Engineering Fees - Shadow Lawn Rider #420963 Approved 4/11/94		157.25
Performance Bonds Rider #420963 Approved 4/11/94		132,638.30
Maintenance Bonds Rider #420963 Approved 4/11/94		1,785.20
Legal Fees Rider #420963 Approved 4/11/94		1,000.00
Accumulated Leave Rider #1034204 Approved 3/23/04		28,531.04
Open Space Rider #1317554 Approved 4/27/09		100,746.89
Law Enforcement Trust Rider #420968 Approved 7/24/02		9,456.78
	866,303.23	866,303.23

(Do not crowd - add additional sheets)

**POST CLOSING
TRIAL BALANCE - TRUST FUNDS**
(Assessment Section Must Be Separately Stated)
AS AT JUNE 30, 2012

[illegible]

(Do not crowd - add additional sheets)

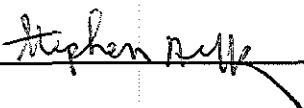
**MUNICIPAL PUBLIC DEFENDER
CERTIFICATION**
Public Law 1997, c. 256

Municipal Public Defender Expended Prior Year (SFY 2011)	(1)	4,055.89	
	x	<u>1,013.97</u>	25%
	(2)	5,069.86	
Municipal Public Defender Trust Cash Balance			
(from fee generation only) June 30, 2012	(3)	2,727.67	

Note: If the amount of money in a dedicated fund established pursuant to this section exceeds by more than 25% the amount which the municipality expended during the prior year providing the services of a municipal public defender, the amount in excess of the amount expended shall be forwarded to the Criminal Disposition and Review Collection Fund administered by the Victims of Crime Compensation Board.

Amount in excess of the amount expended: 3 - (1 + 2) = -

The undersigned certifies that the municipality has
complied with the regulations governing *Municipal Public Defender* as required under Public Law 1997, C. 256.

Chief Financial Officer	STEPHEN PFEFFER
Signature	
Certificate #:	N-0026
Date:	July 24, 2012

Schedule of Trust Fund Reserves

<u>Purpose</u>	Amount June 30, 2011 per Audit Report	<u>Receipts</u>	<u>Disbursements</u>	Balance as at <u>June 30, 2012</u>
1. <u>Street Opening Deposits</u>	\$ _____	_____	_____	\$ _____ -
2. <u>Escrows</u>	_____	_____	_____	_____ -
3. <u>Tax Sale Premiums</u>	_____	_____	_____	_____ -
4. <u>Deposits - Sale of Property</u>	_____	_____	_____	_____ -
5. <u>Deposits - Baymen Association</u>	_____	_____	_____	_____ -
6. <u>Receycling Program</u>	_____	_____	_____	_____ -
7. <u>Outside Liens</u>	_____	_____	_____	_____ -
8. <u>Public Defender Fees</u>	_____	_____	_____	_____ -
9. <u>Police Explorers</u>	_____	_____	_____	_____ -
10. <u>POAA</u>	_____	_____	_____	_____ -
11. <u>Off Duty Police</u>	_____	_____	_____	_____ -
12. <u>Uniform Fire Penalties</u>	_____	_____	_____	_____ -
13. <u>Uniform Fire Penalties Fire Dept</u>	_____	_____	_____	_____ -
14. <u>Unemployment</u>	_____	_____	_____	_____ -
15. <u>Escrow Deposits</u>	_____	_____	_____	_____ -
16. <u>Engineering Fees</u>	_____	_____	_____	_____ -
17. <u>Engineering Fees Prior 1992</u>	_____	_____	_____	_____ -
18. <u>Engineering Fees - Shadow Lawn</u>	_____	_____	_____	_____ -
19. <u>Performance Bonds</u>	_____	_____	_____	_____ -
20. <u>Maintenance Bonds</u>	_____	_____	_____	_____ -
21. <u>Legal Fees</u>	_____	_____	_____	_____ -
22. <u>Accumulated Leave</u>	_____	_____	_____	_____ -
23. _____	_____	_____	_____	_____
24. _____	_____	_____	_____	_____
25. _____	_____	_____	_____	_____
26. _____	_____	_____	_____	_____
27. _____	_____	_____	_____	_____
28. _____	_____	_____	_____	_____
29. _____	_____	_____	_____	_____
30. _____	_____	_____	_____	_____
Totals:	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

NOT APPLICABLE - ALL ACCOUNTS LISTED ON TRUST BALANCE SHEET

SCHEDULE DETAILED IN AUDIT REPORT

NOT APPLICABLE

**ANALYSIS OF TRUST ASSESSMENT CASH AND INVESTMENTS PLEDGED TO
LIABILITIES AND SURPLUS**

Sheet 7

Title of Liability to which Cash and Investments are Pledged	Audit Balance June 30, 2011	RECEIPTS					Disbursements	Balance June 30, 2012
		Assessments and Liens	Current Budget					
Assessment Serial Bond Issues:	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
Assessment Bond Anticipation Note Issues:	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
								-
Other Liabilities								
Trust Surplus								
*Less Assets "Unfinanced"	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
NOT APPLICABLE								
	-	-	-	-	-	-	-	-

*Show as red figure

POST CLOSING
TRIAL BALANCE - GENERAL CAPITAL FUND

AS AT JUNE 30, 2012

Title of Account	Debit	Credit
Est. Proceeds Bonds and Notes Authorized	1,062,988.40	XXXXXXXX
Bonds and Notes Authorized but Not Issued	XXXXXXXX	1,062,988.40
Cash	1,418,658.71	
Due from Monmouth County Improvement Authority		
DOT Grants Receivable	411,156.25	
Monmouth County Open Space Grant Receivable	-	
CDBG Grant Receivable	134,742.94	
Deferred Charges to Future Taxation:		
Funded	3,916,000.00	
Unfunded	2,146,363.40	
Encumbrances Payable		1,539,938.22
Accounts Payable		3,597.75
Bond Anticipation Notes Payable		1,083,375.00
Serial Bonds		3,916,000.00
Reserve for:		
RCA Interest		43,924.84
Sidewalk Fund		13,911.00
Parking Improvements		450.00
Prospect Ave. Paving		
Receivables		
Improvement Authorizations:		
Funded		145,938.01
Unfunded		1,156,997.36
Capital Improvement Fund		54,410.05
Surplus		68,379.07
	9,089,909.70	9,089,909.70

(Do not crowd - add additional sheets)

CASH RECONCILIATION JUNE 30, 2012 (cont'd)
LIST BANKS AND AMOUNTS SUPPORTING "CASH ON DEPOSIT"

Current Fund:		
Two River Community Bank:		
Current	#0918281451	1,557,318.75
Clearing	#0918281485	93,503.78
Payroll	#0918281477	134,026.28
Payroll Agency	#0919281477	40,944.15
Total Two River Community Bank Current		1,825,792.96
Sewer Utility:		
Two River Community Bank:		
Checking	#0919281451	345,451.32
Two River Community Bank:		
Escrow	#0926402958	51,921.46
Total Sewer Cash		397,372.78
Sewer Capital Fund:		
Two River Community Bank:		
Checking	#0920281451	16,234.44
TOTAL PAGE		2,239,400.18

Note: Sections N.J.S. 40A:4-61, 40A:4-62 and 40A:4-63 of the Local Budget Law require that separate bank accounts be maintained for each allocated fund.

CASH RECONCILIATION JUNE 30, 2012 (cont'd)
LIST BANKS AND AMOUNTS SUPPORTING "CASH ON DEPOSIT"

CAPITAL FUND:			
Two River Community Bank:			
Checking	#0919281485		1,278,737.81
RCA Capital	#0920281477		91,060.84
Total Capital Fund			1,369,798.65
Grant Fund:			
Two River Community Bank:			
Checking	#0918281493		59,210.49
Total Grant Fund			59,210.49
Trust Fund:			
Two River Community Bank			
Checking	#0920281485		395,458.49
Unemployment	#0919281493		179,518.17
Law Enforcement Trust	#0918345884		9,456.78
Open Space Trust	#0918347054		100,746.89
Master Escrow Account	#0911276964		8.04
Quickchek	#3811348227		74,272.36
Quickchek	#3812348235		30,954.74
TD Bank:			
Checking	#1900027512		7.69
Master	#0008888		76,625.42
Total Trust Fund			867,048.58
Animal Control Trust:			
Two River Community Bank	#0920281493		8,498.29
TOTAL			4,543,956.19

Note: Sections N.J.S. 40A:4-61, 40A:4-62 and 40A:4-63 of the Local Budget Law require that separate bank accounts be maintained for each allocated fund.

MUNICIPALITIES AND COUNTIES
FEDERAL AND STATE GRANTS RECEIVABLE

Sheet 10

Grant	Balance July 1, 2011	2012 Budget Revenue Realized	Received	Canceled	Transfer to Unappropriated Rerserve	Balance June 30, 2012
ALCOHOL ALLIANCE	20,632.86	27,281.00	27,011.58			20,902.28
SUMMER FOOD PROGRAM		10,469.66	11,536.44		1,066.78	-
SUMMER FOOD PROGRAM - 2010		1,582.47	1,582.47			
DDEF		7,198.95	7,198.95			-
RECYCLING TONNAGE GRANT		6,501.96	6,501.96			-
CLEAN COMMUNITIES						-
BAYSHORE DWI SATURATION GRANT						-
ALCHOHOL EDUCATION		4,314.78	4,314.78			-
SMART GROWTH PLANNING GRANT						-
ANJEC	2,333.00		2,333.00			-
BODY ARMOR						-
CLICK IT OR TICKET GRANT		4,000.00				4,000.00
OVER THE LIMIT UNDER ARREST		4,400.00	4,400.00			-
COUNTY OF MONMOUTH RECYCLING						-
GRANT	6,500.00		6,476.90	23.10		0.00
						-
						-
Totals	29,465.86	65,748.82	71,356.08	23.10	1,066.78	24,902.28

SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

Sheet 11

Grant	Balance July 1, 2011	Transferred from 2012 Budget Appropriations		Borough Match	Canceled Payables or Other	Expended	Canceled	Balance June 30, 2012
		Budget	Appropriation By 40A:4-87					
D.D.E.F.	15,269.97	7,198.95				15,285.22		7,183.70
Alcohol Education Rehabilitation Fund	2,055.80	4,314.78				5,700.00		670.58
Recycling Tonnage	15,331.48	6,501.96				21,808.66		24.78
Sustainable Jersey Small Grants Program	1,000.00							1,000.00
Alcohol Alliance								-
2012		27,281.00		3,411.00		9,789.72		20,902.28
2011	20,632.86					20,632.86		-
Summer Food		12,052.13				12,052.13		-
County of Monmouth Recycling Grant	23.10						23.10	-
Over the Limit Under Arrest		4,400.00				4,400.00		-
Click It or Ticket			4,000.00			3,200.00		800.00
Body Armor	3,175.55					1,686.30		1,489.25
Smart Growth Planning Grant	500.66							500.66
Clean Communities 2010	117.99					117.99		-
Clean Communities 2011	10,036.40					4,032.01		6,004.39
Comcast Cable Technology Grant	20,500.00							20,500.00
Municipal Stormwater	7,996.93					3,750.66		4,246.27
Totals	96,640.74	61,748.82	4,000.00	3,411.00	-	102,455.55	23.10	63,321.91

SCHEDULE OF UNAPPROPRIATED RESERVES FOR
FEDERAL AND STATE GRANTS

Grant	Balance July 1, 2011	Transferred to SFY 2012 Budget Appropriation			Received			Balance June 30, 2012
		Budget	Appropriation By 40A:4-87					
DDEF								-
CLEAN COMMUNITIES					9,877.83			9,877.83
ALCOHOL EDUCATION	4,314.78	4,314.78			2,482.30			2,482.30
RECYCLING GRANT								-
BODY ARMOR					1,692.90			1,692.90
SUMMER FOOD - 2011					1,600.95			1,600.95
SUMMER FOOD - 2010	1,582.47	1,582.47						-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Totals	5,897.25	5,897.25	-		15,653.98			15,653.98

***LOCAL DISTRICT SCHOOL TAX**

	Debit	Credit
Balance July 1, 2011		XXXXXXXX
School Tax Payable # 85001-00	XXXXXXXX	-
School Tax Deferred (Not in excess of 50% of Levy - 2010-2011) 85002-00	XXXXXXXX	1,523,257.00
Levy School Year July 1, 2011 - June 30, 2012	XXXXXXXX	3,029,666.00
Levy Calendar Year	XXXXXXXX	
Paid	3,035,282.00	XXXXXXXX
Balance June 30, 2012	XXXXXXXX	XXXXXXXX
School Tax Payable # 85003-00	-	XXXXXXXX
School Tax Deferred (Not in excess of 50% of Levy - 2011-20112 85004-00	1,517,641.00	XXXXXXXX
	4,552,923.00	4,552,923.00

* Not including Type 1 school debt service, emergency authorizations-schools, transfer to Board of Education for use of local schools

Must include unpaid requisitions.

MUNICIPAL OPEN SPACE TAX

	Debit	Credit
Balance July 1, 2011 85045-00	XXXXXXXX	-
2012 Levy 81105-00	XXXXXXXX	31,582.45
Interest Earned	XXXXXXXX	
Paid	31,582.45	XXXXXXXX
Balance June 30, 2012 85046-00	-	XXXXXXXX
	31,582.45	31,582.45

Mayor Nolan offered the following resolution and moved for its adoption:

**BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH**

R-12-114

RESOLUTION – REDUCING DEFERRAL OF LOCAL SCHOOL TAX

WHEREAS, regulations of the State of New Jersey provide for the deferral of school taxes in an amount not to exceed fifty percent of the annual school tax levy when such taxes are raised on a fiscal year basis; and

WHEREAS, said annual school tax levy has been reduced from the prior year and necessitated the need to reduce the deferral of school taxes; and

WHEREAS, it is the desire and intent of the Governing Body of the Borough of Highlands, County of Monmouth, to comply with the regulations promulgated by the Local Finance Board, Division of Local Government Services, New Jersey Department of Community Affairs; and

WHEREAS, fifty percent of the school tax levy of the Highlands School District is \$1,517,641.00.

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of Highlands, County of Monmouth hereby authorizes the Chief Financial Officer of the Borough to reduce the deferral of school taxes by \$5,616.00 to comply with the aforementioned regulation.

BE IT FURTHER RESOLVED that certified copies of this resolution be forwarded to the Chief Financial Officer of the Borough and the Director of the Division of Local Government Services, Department of Community Affairs.

Seconded by Ms. Kane and adopted on the following roll call vote:

ROLL CALL:

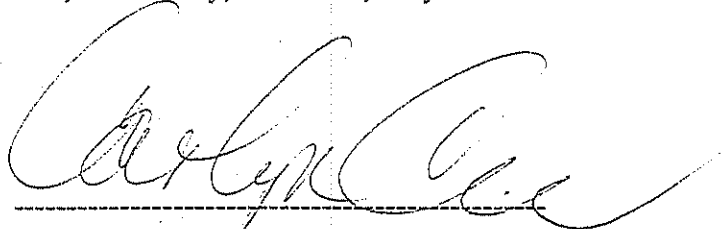
AYES: Mr. Redmond, Mr. O'Neil, Mr. Francy, Ms. Kane, Mayor Nolan

NAYES: None

ABSENT: None

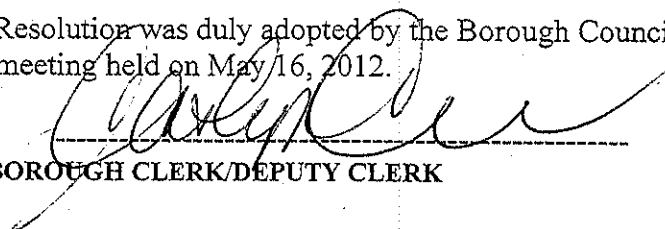
ABSTAIN: None

Date: May 16, 2012



**CAROLYN CUMMINS
BOROUGH CLERK**

I hereby certify that the above Resolution was duly adopted by the Borough Council of the Borough of Highlands at a meeting held on May 16, 2012.



BOROUGH CLERK/DEPUTY CLERK

REGIONAL SCHOOL TAX

(Provide a separate statement for each Regional District involved)

	Debit	Credit
Balance July 1, 2011	XXXXXXXX	XXXXXXXX
School Tax Payable # 85031-00	XXXXXXXX	-
School Tax Deferred (Not in excess of 50% of Levy - 2010-2011) 85032-00	XXXXXXXX	
Levy School Year July 1, 2011 - June 30, 2012	XXXXXXXX	
Levy Calendar Year	XXXXXXXX	
Paid		XXXXXXXX
Balance June 30, 2012	XXXXXXXX	XXXXXXXX
School Tax Payable # 85033-00		XXXXXXXX
School Tax Deferred (Not in excess of 50% of Levy - 2011-2012) 85034-00		XXXXXXXX
	-	-

Must include unpaid requisitions.

REGIONAL HIGH SCHOOL TAX

	Debit	Credit
Balance July 1, 2011	XXXXXXXX	XXXXXXXX
School Tax Payable # 85041-00	XXXXXXXX	0.02
School Tax Deferred (Not in excess of 50% of Levy - 2010-2011) 85042-00	XXXXXXXX	2,129,256.17
Levy School Year July 1, 2011 - June 30, 2012	XXXXXXXX	4,050,622.08
Levy Calendar Year	XXXXXXXX	
Paid	4,119,918.83	XXXXXXXX
Cancelled	0.02	
Balance June 30, 2012	XXXXXXXX	XXXXXXXX
School Tax Payable # 85043-00	(0.00)	XXXXXXXX
School Tax Deferred (Not in excess of 50% of Levy - 2011-2012) 85044-00	2,059,959.42	XXXXXXXX
	6,179,878.27	6,179,878.27

Must include unpaid requisitions

Mayor Nolan offered the following resolution and moved for its adoption:

**BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH**

R-12-113.

**RESOLUTION – REDUCING DEFERRAL OF REGIONAL
HIGH SCHOOL TAX**

WHEREAS, regulations of the State of New Jersey provide for the deferral of school taxes in an amount not to exceed fifty percent of the annual school tax levy when such taxes are raised on a fiscal year basis; and

WHEREAS, said annual school tax levy has been reduced from the prior year and necessitated the need to reduce the deferral of school taxes; and

WHEREAS, it is the desire and intent of the Governing Body of the Borough of Highlands, County of Monmouth, to comply with the regulations promulgated by the Local Finance Board, Division of Local Government Services, New Jersey Department of Community Affairs; and

WHEREAS, fifty percent of the school tax levy of the Henry Hudson Regional School District \$2,059,959.42.

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of Highlands, County of Monmouth hereby authorizes the Chief Financial Officer of the Borough to reduce the deferral of school taxes by \$69,296.75 to comply with the aforementioned regulation.

BE IT FURTHER RESOLVED that certified copies of this resolution be forwarded to the Chief Financial Officer of the Borough and the Director of the Division of Local Government Services, Department of Community Affairs.

Seconded by Ms. Kane and adopted on the following roll call vote:

ROLL CALL:

AYES: Mr. Redmond, Mr. O'Neil, Mr. Francy, Ms. Kane, Mayor Nolan
NAYES: None
ABSENT: None
ABSTAIN: None
Date: May 16, 2012


CAROLYN CUMMINS
BOROUGH CLERK

I hereby certify that the above Resolution was duly adopted by the Borough Council of the Borough of Highlands at a meeting held on May 16, 2012.


BOROUGH CLERK/DEPUTY CLERK

COUNTY TAXES PAYABLE

		Debit	Credit
Balance July 1, 2011		XXXXXXXX	XXXXXXXX
County Taxes	80003-01	XXXXXXXX	-
Due County for Added and Omitted Taxes	80003-02	XXXXXXXX	-
Cancelled			
Levy:		XXXXXXXX	XXXXXXXX
General County	80003-03	XXXXXXXX	1,776,924.75
County Library	80003-04	XXXXXXXX	101,061.76
County Health		XXXXXXXX	
County Open Space Preservation	80002-00	XXXXXXXX	104,566.93
Due County for Added and Omitted Taxes	80003-05	XXXXXXXX	995.62
Paid		1,983,549.06	XXXXXXXX
Balance June 30, 2012		XXXXXXXX	XXXXXXXX
County Taxes		-	XXXXXXXX
Due County for Added & Omitted Taxes		-	XXXXXXXX
		1,983,549.06	1,983,549.06

SPECIAL DISTRICT TAXES

		Debit	Credit
Balance July 1, 2011	80003-06	XXXXXXXX	555.00
Levy: (List Each Type of District Tax Separately - see Footnote)		XXXXXXXX	XXXXXXXX
Fire -	81108-00	XXXXXXXX	XXXXXXXX
Sewer -	81111-00	XXXXXXXX	XXXXXXXX
Water -	81112-00	XXXXXXXX	XXXXXXXX
Garbage -	81109-00	XXXXXXXX	XXXXXXXX
Business District (1)	27,500.00	XXXXXXXX	XXXXXXXX
		XXXXXXXX	XXXXXXXX
		XXXXXXXX	XXXXXXXX
Total Levy	80003-07	XXXXXXXX	27,500.00
Cancelled			
Paid	80003-08	27,500.00	XXXXXXXX
Balance June 30, 2012	80003-09	555.00	XXXXXXXX
		28,055.00	28,055.00

Footnote: Please state the number of districts in each instance.

STATE LIBRARY AID**RESERVE FOR MAINTENANCE OF FREE PUBLIC LIBRARY WITH STATE AID**

		Debit	Credit
Balance July 1, 2011	80004-01	XXXXXXXX	
State Library Aid Received	80004-02	XXXXXXXX	
Expended	80004-09		XXXXXXXX
Balance June 30, 2012	80004-10	-	
		-	-

RESERVE FOR EXPENSE OF PARTICIPATION IN FREE COUNTY LIBRARY WITH STATE AID

		Debit	Credit
Balance July 1, 2011	80004-03	XXXXXXXX	
State Library Aid Received	80004-04	XXXXXXXX	
Expended	80004-11		XXXXXXXX
Balance June 30, 2012	80004-12	-	
		-	-

RESERVE FOR AID TO LIBRARY OR READING ROOM WITH STATE AID (N.J.S.A. 40:54-35)

		Debit	Credit
Balance July 1, 2011	80004-05	XXXXXXXX	
State Library Aid Received	80004-06	XXXXXXXX	
Expended	80004-13		XXXXXXXX
Balance June 30, 2012	80004-14	-	
		-	-

RESERVE FOR LIBRARY SERVICES WITH FEDERAL AID

		Debit	Credit
Balance July 1, 2011	80004-07	XXXXXXXX	
State Library Aid Received	80004-08	XXXXXXXX	
Expended	80004-15		XXXXXXXX
Balance June 30, 2012	80004-16	-	
		-	-

STATEMENT OF GENERAL BUDGET REVENUES SFY 2012

Source	Budget -01	Realized -02	Excess or Deficit* -03
Surplus Anticipated 80101-	651,000.00	651,000.00	-
Surplus Anticipated with Prior Written Consent of Director of Local Government 80102-			
Miscellaneous Revenue Anticipated:	XXXXXXXX	XXXXXXXX	XXXXXXXX
Adopted Budget	981,569.82	1,061,385.35	79,815.53
Added by N.J.S. 40A:4-87: (List on 17a)	XXXXXXXX	XXXXXXXX	XXXXXXXX
Per attached sheet	4,000.00	4,000.00	-
Total Miscellaneous Revenue Anticipated 80103-	985,569.82	1,065,385.35	79,815.53
Receipts from Delinquent Taxes 80104-	435,000.00	452,762.58	17,762.58
Amount to be Raised by Taxation:	XXXXXXXX	XXXXXXXX	XXXXXXXX
(a) Local Tax for Municipal Purposes 80105-	6,027,504.75	XXXXXXXX	XXXXXXXX
(b) Addition to Local District School Tax 80106-		XXXXXXXX	XXXXXXXX
Total Amount to be Raised by Taxation 80107-	6,027,504.75	6,089,839.88	62,335.13
	8,099,074.57	8,258,987.81	159,913.24

ALLOCATION OF CURRENT TAX COLLECTIONS

	Debit	Credit
Current Taxes Realized in Cash (Total of Item 10 or 14 on Sheet 22) 80108-00	XXXXXXXX	14,599,559.72
Amount to be Raised by Taxation	XXXXXXXX	XXXXXXXX
Local District School Tax 80109-00	3,029,666.00	XXXXXXXX
Regional School Tax 80119-00	-	XXXXXXXX
Regional High School Tax 80110-00	4,050,622.08	XXXXXXXX
County Taxes 80111-00	1,982,553.44	XXXXXXXX
Due County for Added and Omitted Taxes 80112-00	995.62	XXXXXXXX
Special District Taxes 80113-00	27,500.00	XXXXXXXX
Municipal Open Space Tax 80120-00	31,582.45	
Reserve for Uncollected Taxes 80114-00	XXXXXXXX	613,199.75
Deficit in Required Collection of Current Taxes (or) 80115-00	XXXXXXXX	
Balance for Support of Municipal Budget (or) 80116-00	6,089,839.88	XXXXXXXX
*Excess Non-Budget Revenue (see footnote) 80117-00		XXXXXXXX
*Deficit Non-Budget Revenue (see footnote) 80118-00	XXXXXXXX	
	15,212,759.47	15,212,759.47

*These items are applicable only when there is no "Amount to be Raised by Taxation" in the "Budget" column of the statement at the top of this sheet. In such instances, any excess or deficit in the above allocation would apply to "Non-Budget Revenue" only.

STATEMENT OF GENERAL BUDGET APPROPRIATIONS SFY 2012

SFY 2012 Budget as Adopted	80012-01	8,095,074.57
SFY 2012 Budget - Added by N.J.S. 40A:4-87	80012-02	4,000.00
Appropriated for SFY 2012 (Budget Statement Item 9)	80012-03	8,099,074.57
Appropriated for SFY 2012 by Emergency Appropriation (Budget Statement Item 9)	80012-04	
Total General Appropriations (Budget Statement Item 9)	80012-05	8,099,074.57
Add: Overexpenditures (see footnote)	80012-06	
Total Appropriations and Overexpenditures	80012-07	8,099,074.57
Deduct Expenditures:		
Paid or Charged [Budget Statement Item (L)]	80012-08	6,807,068.85
Paid or Charged - Reserve for Uncollected Taxes	80012-09	613,199.75
Reserved	80012-10	378,000.32
Total Expenditures	80012-11	7,798,268.92
Unexpended Balances Canceled (see footnote)	80012-12	300,805.65

FOOTNOTES - RE: OVEREXPENDITURES:
Every appropriation overexpended in the budget document must be marked with an * and must agree in the aggregate with this item.
RE: UNEXPENDED BALANCES CANCELED:
Are not to be shown as "Paid or Charged" in the budget document. In all instances "Total Appropriations" and "Overexpenditures" must equal the sum of "Total Expenditures" and "Unexpended Balances Canceled".

SCHEDULE OF EMERGENCY APPROPRIATIONS FOR LOCAL DISTRICT SCHOOL PURPOSES

(EXCEPT FOR TYPE I SCHOOL DEBT SERVICE)

SFY 2012 Authorizations		
N.J.S. 40A:4-46 (After adoption of Budget)		
N.J.S. 40A:4-20 (Prior to adoption of Budget)		
Total Authorizations		
Deduct Expenditures:		
Paid or Charged		
Reserved		
Total Expenditures		

RESULTS OF SFY 2012 OPERATIONS

CURRENT FUND

		Debit	Credit
Excess of anticipated Revenues:		XXXXXXXX	XXXXXXXX
Miscellaneous Revenues anticipated	80013-01	XXXXXXXX	79,815.53
Delinquent Tax Collections	80013-02	XXXXXXXX	17,762.58
		XXXXXXXX	
Required Collection of Current Taxes	80013-03	XXXXXXXX	62,335.13
Unexpended Balances of SFY 2012 Budget Appropriations	80013-04	XXXXXXXX	300,805.65
Miscellaneous Revenue Not Anticipated	81113-	XXXXXXXX	132,408.07
Miscellaneous Revenue Not Anticipated:			
Proceeds of Sale of Foreclosed Property (Sheet 27)	81114-	XXXXXXXX	
Payments in Lieu of Taxes on Real Property	81120-	XXXXXXXX	
Sale of Municipal Assets		XXXXXXXX	
Unexpended Balances of SFY 2011 Appropriation Reserves	80013-05	XXXXXXXX	251,846.45
Prior Years Interfunds Returned in SFY 2012	80013-06	XXXXXXXX	1,190.00
Various Reserves Cancelled		XXXXXXXX	23.12
Tax Overpayments Cancelled		XXXXXXXX	8,751.74
Cancel Accounts Payables		XXXXXXXX	4,117.20
Deferred School Tax Revenue: (See School Taxes, Sheets 13 & 14)		XXXXXXXX	XXXXXXXX
Balance July 1, 2011	80013-07	3,652,513.17	XXXXXXXX
Balance June 30, 2012	80013-08	XXXXXXXX	3,577,600.42
Deficit in Anticipated Revenues:		XXXXXXXX	XXXXXXXX
Miscellaneous Revenues Anticipated	80013-09		XXXXXXXX
Delinquent Tax Collections	80013-10	-	XXXXXXXX
			XXXXXXXX
Required Collection of Current Taxes	80013-11	-	XXXXXXXX
Interfund Advances Originating in SFY 2011	80013-12		XXXXXXXX
Grants Recivables Canceled		23.10	XXXXXXXX
			XXXXXXXX
			XXXXXXXX
Deficit Balance - To Trial Balance (Sheet 3)	80013-13	XXXXXXXX	
Surplus Balance - To Surplus (Sheet 21)	80013-14	784,119.62	XXXXXXXX
		4,436,655.89	4,436,655.89

SURPLUS - CURRENT FUND
SFY 2012

		Debit	Credit
1 Balance July 1, 2011	80014-01	XXXXXXXXXX	700,103.46
2		XXXXXXXXXX	
3 Excess Resulting from SFY 2012 Operations	80014-02	XXXXXXXXXX	784,119.62
4 Amount Appropriated in the SFY 2012 Budget - Cash	80014-03	651,000.00	XXXXXXXXXX
5 Amount Appropriated in SFY 2012 Budget - with Prior Written Consent of Director of Local Govt. Services	80014-04		XXXXXXXXXX
6			XXXXXXXXXX
7 Balance June 30, 2012	80014-05	833,223.08	XXXXXXXXXX
		1,484,223.08	1,484,223.08

ANALYSIS OF BALANCE JUNE 30, 2012
(FROM CURRENT FUND - TRIAL BALANCE)

Cash	80014-06	1,632,764.20	
Investments	80014-07		
Sub-Total		1,632,764.20	
Deduct Cash Liabilities Marked with "C" on Trial Balance	80014-08	799,835.21	
Cash Surplus	80014-09	832,928.99	
Deficit in Cash Surplus	80014-10		
Other Assets Pledged to Surplus: *			
(1) Due from State of N.J. Senior			
Citizens and Veterans Deduction	80014-16		294.09
Deferred Charges #	80014-12		-
Cash Deficit #	80014-13		
Total Other Assets	80014-14	294.09	
	80014-15	833,223.08	

* IN THE CASE OF A "DEFICIT IN CASH SURPLUS", "OTHER ASSETS"
WOULD ALSO BE PLEDGED TO CASH LIABILITIES.
MAY NOT BE ANTICIPATED AS NON-CASH SURPLUS IN TY 2012 BUDGET.
(1) MAY BE ALLOWED UNDER CERTAIN CONDITIONS.

NOTE: Deferred charges for authorizations under N.J.S. 40A:4-55 (Tax Map, etc.), N.J.S. 40A:4-55 (Flood Damage, etc.), N.J.S. 40A:4-55.1 (Roads and Bridges, etc.) and N.J.S. 40A:4-55.13 (Public Exigencies, etc.) to the extent of emergency notes issued and outstanding for such purposes, together with such emergency notes, may be omitted from this analysis.

(FOR MUNICIPALITIES ONLY)
CURRENT TAXES - SFY 2012 LEVY

1	Amount of Levy as per Duplicate (Analysis) # or (Abstract of Ratables)	82101-00	<u>15,121,928.72</u>
		82113-00	<u> </u>
2	Amount of Levy Special District Taxes	82102-00	<u>27,500.00</u>
3	Amount Levied for Omitted Taxes under N.J.S.A. 54:4-63.12 et seq.	82103-00	<u> </u>
4	Amount Levied for Added Taxes under N.J.S.A. 54:4-63.1 et seq.	82104-00	<u>7,195.64</u>
5a	Sub-total SFY 2012 Levy		<u>15,156,624.36</u>
5b	Reductions due to tax appeals **		<u> </u>
5c	Total SFY 2012 Tax Levy	82106-00	<u>15,156,624.36</u>
6	Transferred to Tax Title Liens	82107-00	<u>3,910.83</u>
7	Transferred to Foreclosed Property	82108-00	<u> </u>
8	Remitted, Abated or Canceled	82109-00	<u>41,294.85</u>
9	Discount Allowed	82110-00	<u> </u>
10	Collected in Cash: In SFY 2011	82121-00	<u>27,549.11</u>
	In SFY 2012	82122-00	<u>14,525,010.61</u>
	R.E.A.P. Revenue	82124-00	<u> </u>
	State's Share of SFY 2012 Senior Citizens and Veterans Deductions Allowed	82123-00	<u>47,000.00</u>
	Total to Line 14	82111-00	<u>14,599,559.72</u>
11	Total Credits		<u>14,644,765.40</u>
12	Amount Outstanding, June 30, 2012	83120-00	<u>511,858.96</u>
13	Percentage of Cash Collections to Total SFY 2012 Levy, (Item 10 divided by Item 5c) is		<u>96.32%</u>
		82112-00	<u> </u>

NOTE: If municipality conducted Accelerated Tax Sale or Tax Levy Sale check here ☐
and complete Sheet 22a.

14	Calculation of Current Taxes Realized in Cash:		
	Total of Line 10		<u>14,599,559.72</u>
	Less: Reserve for Tax Appeals Pending State Division of Tax Appeals		<u> </u>
	To Current Taxes Realized in Cash (Sheet 17)		<u>14,599,559.72</u>

Note A: In showing the above percentage the following should be noted:
Where Item 5c shows \$1,500,000.00 and Item 10 shows \$1,049,977.50, the percentage represented by the
cash collections would be \$1,049,977.50 ÷ \$1,500,000, or .699985. The correct percentage to be shown as
Item 13 is 69.99% and not 70.00%, nor 69.999%.

Note: On Item 1 if Duplicate (Analysis) Figure is used; be sure to include Senior Citizens and Veterans Deductions.
* Include overpayments applied as part of 2011 collections.
** Tax appeals pursuant to R.S. 54:3-21 et seq and/or R.S. 54:48-1 et seq approved by resolution of the governing body
prior to introduction of municipal budget.

ACCELERATED TAX SALE / TAX LEVY SALE - CHAPTER 99

To Calculate Underlying Tax Collection Rate for 2012

Utilize this sheet only if you conducted an Accelerated Tax Sale or Tax Levy Sale pursuant to Chapter 99, P.L. 1997.

(1) Utilizing Accelerated Tax Sale

Total of Line 10 Collected in Cash (sheet 22)	\$	-
LESS : Proceeds from Accelerated Tax Sale		
NET Cash Collected	\$	N/A
Line 5c (sheet 22) Total 2012 Tax Levy	\$	N/A
Percentage of Collection Excluding Accelerated Tax Sale Proceeds (Net Cash Collected divided by Item 5c) is		N/A

(2) Utilizing Tax Levy Sale

Total of Line 10 Collected in Cash (sheet 22)	\$	
LESS : Proceeds from Tax Levy Sale (excluding premium)		
NET Cash Collected	\$	-
Line 5c (sheet 22) Total 2012 Tax Levy	\$	
Percentage of Collection Excluding Tax Levy Sale Proceeds (Net Cash Collected divided by Item 5c) is		%

**SCHEDULE OF DUE FROM/TO STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS**

	Debit	Credit
1. Balance July 1, 2011	XXXXXXXX	XXXXXXXX
Due From State of New Jersey	40,044.09	XXXXXXXX
Due To State of New Jersey	XXXXXXXX	-
2. Sr. Citizens Deductions Per Tax Billings	16,500.00	XXXXXXXX
3. Veterans Deductions Per Tax Billings	35,500.00	XXXXXXXX
4. Sr. Citizens Deductions Allowed By Tax Collector		XXXXXXXX
5. Veterans Deductions Allowed by Tax Collector		
6. Veterans Deductions Allowed by Tax Collector - 2011		
7. Sr. Citizens Deductions Disallowed By Tax Collector	XXXXXXXX	5,000.00
8. Sr. Citizens Deductions Disallowed By Tax Collector SFY 2011 Taxes	XXXXXXXX	
9. Received in Cash from State	XXXXXXXX	86,750.00
10.		
11.		
12. Balance June 30, 2012	XXXXXXXX	XXXXXXXX
Due From State of New Jersey	XXXXXXXX	294.09
Due To State of New Jersey	-	XXXXXXXX
	92,044.09	92,044.09

Calculation of Amount to be included on Sheet 22, Item 10-
SFY 2012 Senior Citizens and Veterans Deductions Allowed

Line 2	16,500.00
Line 3	35,500.00
Line 4	-
Line 5	-
Sub-Total	52,000.00
Less: Line 7	5,000.00
To Item 10, Sheet 22	<u>47,000.00</u>

**SCHEDULE OF RESERVE FOR TAX APPEALS PENDING
(N.J.S.A. 54:3-27)**

		Debit	Credit
Balance July 1, 2011		XXXXXXXX	-
Taxes Pending Appeals		XXXXXXXX	XXXXXXXX
Interest Earned on Taxes Pending Appeals		XXXXXXXX	XXXXXXXX
Contested Amount of 2012 Taxes Collected which are Pending State Appeal (Item 14, Sheet 22)		XXXXXXXX	-
Interest Earned on Taxes Pending State Appeals		XXXXXXXX	
Cash Paid to Appellants (Including 5% Interest from Date of Payment)			XXXXXXXX
Closed to Results of Operations (Portion of Appeal won by Municipality, including Interest)			XXXXXXXX
Balance June 30, 2012		-	XXXXXXXX
Taxes Pending Appeals*		XXXXXXXX	XXXXXXXX
Interest Earned on Taxes Pending Appeals		XXXXXXXX	XXXXXXXX
		-	-

* Includes State Tax Court and County Board of Taxation
Appeals Not Adjusted by June 30, 2012.



Signature of Tax Collector

License # 724

7/24/12
Date

SCHEDULE OF DELINQUENT TAXES AND TAX TITLE LIENS

			Debit	Credit
1. Balance July 1, 2011			489,212.22	XXXXXXXXXX
A. Taxes	83102-00	457,070.49	XXXXXXXXXX	XXXXXXXXXX
B. Tax Title Liens	83103-00	32,141.73	XXXXXXXXXX	XXXXXXXXXX
2. Canceled:			XXXXXXXXXX	XXXXXXXXXX
A. Taxes	83105-00			4,307.91
B. Tax Title Liens	83106-00		XXXXXXXXXX	0.01
3. Transferred to Foreclosed Tax Title Liens:			XXXXXXXXXX	XXXXXXXXXX
A. Taxes	83108-00		XXXXXXXXXX	
B. Tax Title Liens	83109-00		XXXXXXXXXX	
4. Added Taxes	83110-00			XXXXXXXXXX
5. Added Tax Title Liens	83111-00			XXXXXXXXXX
6. Adjustment between Taxes (Other than current year) and Tax Title Liens:			XXXXXXXXXX	XXXXXXXXXX
A. Taxes - Transfers to Tax Title Liens	83104-00		XXXXXXXXXX	-
B. Tax Title Liens - Transfers from Taxes	83107-00		-	XXXXXXXXXX
7. Balance Before Cash Payments			XXXXXXXXXX	484,904.30
8. Totals			489,212.22	489,212.22
9. Balance Brought Down			484,904.30	XXXXXXXXXX
10. Collected:			XXXXXXXXXX	452,762.58
A. Taxes	83116-00	452,762.58	XXXXXXXXXX	XXXXXXXXXX
B. Tax Title Liens	83117-00		XXXXXXXXXX	XXXXXXXXXX
11. Interest and Costs - SFY 2012 Tax Sale				XXXXXXXXXX
12. SFY 2012 Taxes Transferred to Liens			3,910.83	XXXXXXXXXX
13. SFY 2012 Taxes			511,858.96	XXXXXXXXXX
14. Balance June 30, 2012			XXXXXXXXXX	547,911.51
A. Taxes	83121-00	511,858.96	XXXXXXXXXX	XXXXXXXXXX
B. Tax Title Liens	83122-00	36,052.55	XXXXXXXXXX	XXXXXXXXXX
15. Totals			1,000,674.09	1,000,674.09

16. Percentage of Cash Collections to Adjusted Amount Outstanding

(Item No. 10 divided by Item No. 9) is 93.37%

17. Item No. 14 multiplied by percentage shown above is
and represents the maximum amount that may be anticipated in TY 2012.

511,584.98
83125-00

(See Note A on Sheet 22 - Current Taxes)

(1) These amounts will always be the same.

SCHEDULE OF FORECLOSED PROPERTY
(PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION)

		Debit	Credit
1. Balance July 1, 2011	84101-00	215,100.00	XXXXXXXXXX
2. Foreclosed or Deeded in SFY 2012		XXXXXXXXXX	XXXXXXXXXX
3. Tax Title Liens	84103-00	-	XXXXXXXXXX
4. Taxes Receivable	84104-00		XXXXXXXXXX
5A.	84102-00		XXXXXXXXXX
5B.	84105-00	XXXXXXXXXX	
6. Adjustment to Assessed Valuation	84106-00		XXXXXXXXXX
7. Adjustment to Assessed Valuation	84107-00	XXXXXXXXXX	-
8. Sales		XXXXXXXXXX	XXXXXXXXXX
9. Cash*	84109-00	XXXXXXXXXX	
10. Contract	84110-00	XXXXXXXXXX	
11. Mortgage	84111-00	XXXXXXXXXX	
12. Loss on Sales	84112-00	XXXXXXXXXX	
13. Gain on Sales	84113-00		XXXXXXXXXX
14. Balance June 30, 2012	84114-00	XXXXXXXXXX	215,100.00
		215,100.00	215,100.00

CONTRACT SALES

		Debit	Credit
15. Balance July 1, 2011	84115-00		XXXXXXXXXX
16. SFY 2012 Sales from Foreclosed Property	84116-00		XXXXXXXXXX
17. Collected*	84117-00	XXXXXXXXXX	
18.	84118-00	XXXXXXXXXX	
19. Balance June 30, 2012	84119-00	XXXXXXXXXX	
		-	-

MORTGAGE SALES

		Debit	Credit
20. Balance July 1, 2011	84120-00		XXXXXXXXXX
21. SFY 2012 Sales from Foreclosed Property	84121-00		XXXXXXXXXX
22. Collected*	84122-00	XXXXXXXXXX	
23.	84123-00	XXXXXXXXXX	
24. Balance June 30, 2012	84124-00	XXXXXXXXXX	
		-	-

Analysis of Sale of Property:	-
*Total Cash Collected in SFY 2012	(84125-00)
Realized in SFY 2012 Budget	0
To Results of Operations (Sheet 19)	0

DEFERRED CHARGES
-MANDATORY CHARGES ONLY-
CURRENT, TRUST, AND GENERAL CAPITAL FUNDS
(Do not include the emergency authorizations pursuant to N.J.S. 40A:4-55,
N.J.S. 40A:4-55.1 or N.J.S. 40A:4-55.13 listed on Sheets 29 and 30.)

	<u>Caused By</u>	<u>Amount</u> June 30, 2011 per Audit <u>Report</u>	<u>Amount in</u> SFY 2012 <u>Budget</u>	<u>Amount</u> Resulting from SFY 2012	<u>Balance</u> as at June 30, 2012
1.	Emergency Authorization - Municipal*	-	-		-
2.	Emergency Authorization - Schools				
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

*Do not include items funded or refunded as listed below.

**EMERGENCY AUTHORIZATIONS UNDER N.J.S. 40A:4-47 WHICH HAVE BEEN
FUNDED OR REFUNDED UNDER N.J.S. 40A:2-3 OR N.J.S. 40A:2-51**

	<u>Date</u>	<u>Purpose</u>	<u>Amount</u>
1.			
2.			
3.			
4.			
5.			

JUDGEMENTS ENTERED AGAINST MUNICIPALITY AND NOT SATISFIED

	<u>In favor of</u>	<u>On Account of</u>	<u>Date Entered</u>	<u>Amount</u>	<u>Appropriated for</u> <u>in Budget of</u> <u>TY 2012</u>
1.					
2.					
3.					
4.					

N.J.S. 40A:4-53 SPECIAL EMERGENCY -

TAX MAP; REVALUATION; MASTER PLAN; REVISION AND CODIFICATION OF ORDINANCES; DRAINAGE MAPS FOR FLOOD CONTROL; PRELIMINARY ENGINEERING STUDIES, ETC. FOR SANITARY SEWER SYSTEM; MUNICIPAL CONSOLIDATION ACT; FLOOD OR HURRICANE DAMAGE.

Date	Purpose	Amount Authorized	Not Less Than 1/5 of Amount Authorized*	Balance June 30, 2011	REDUCED IN SFY 2012		Balance June 30, 2012
					By SFY 2012 Budget	Canceled by Resolution	
10/6/2010	REVALUATION	180,000.00	36,000.00	180,000.00	36,000.00	30,000.00	114,000.00
2/2/2011	SERVERANCE LIABILITIES	110,000.00	22,000.00	110,000.00	22,000.00		88,000.00
							-
							-
							-
							-
							-
							-
							-
							-
							-
Totals		290,000.00	58,000.00	290,000.00	58,000.00	30,000.00	202,000.00

Sheet 29

80025-00

80026-00

It is hereby certified that all outstanding "Special Emergency" appropriations have been adopted by the governing body in full compliance with N.J.S. 40A:4-53 et seq. and are recorded on this page.


Chief Financial Officer

*Not less than one-fifth (1/5) of amount authorized but not more than the amount shown in the column "Balance June 30, 2012" must be entered here and then raised in the 2013 budget.

N.J.S. 40A:55.1, ET SEQ., SPECIAL EMERGENCY - DAMAGE CAUSED TO ROADS OR BRIDGES BY SNOW, ICE, FROST OR FLOOD
N.J.S. 40A:55.13, ET SEQ., SPECIAL EMERGENCY - PUBLIC EXIGENCIES CAUSED BY CIVIL DISTURBANCES

Date	Purpose	Amount Authorized	Not Less Than 1/3 of Amount Authorized*	Balance June 30, 2011	REDUCED IN SFY 2012		Balance June 30, 2012
					By SFY 2012 Budget	Canceled by Resolution	
	NONE						-
Totals		-	-	-	-	-	-

80027-00

80028-00

It is hereby certified that all outstanding "Special Emergency" appropriations have been adopted by the governing body in full compliance with N.J.S. 40A:4-55.1 et seq. and N.J.S. 40A:4-55.13 et seq. and are recorded on this page.


Chief Financial Officer

*Not less than one-third (1/3) of amount authorized but not more than the amount shown in the column "Balance June 30, 2012" must be entered here and then raised in the 2013 budget.

SCHEDULE OF BONDS ISSUED AND OUTSTANDING
AND TY 2012 DEBT SERVICE FOR BONDS
(MUNICIPAL) GENERAL CAPITAL BONDS

		Debit	Credit	TY 2012 Debt Service
Outstanding July 1, 2011	80033-01	XXXXXXXX	4,190,000.00	
Issued	80033-02	XXXXXXXX		
Paid	80033-03	274,000.00	XXXXXXXX	
Outstanding, June 30, 2012	80033-04	3,916,000.00	XXXXXXXX	
		4,190,000.00	4,190,000.00	
TY 2012 Bond Maturities - General Capital Bonds			80033-05	219,000.00
TY 2012 Interest on Bonds *		80033-06	92,170.63	

ASSESSMENT SERIAL BONDS

Outstanding July 1, 2011	80033-07	XXXXXXXX		
Issued	80033-08	XXXXXXXX		
Paid	80033-09		XXXXXXXX	
Outstanding, June 30, 2012	80033-10	-	XXXXXXXX	
		-	-	
TY 2012 Bond Maturities - Assessment Bonds			80033-11	
TY 2012 Interest on Bonds *		80033-12		
Total "Interest on Bonds - Debt Service" (*Items)			80033-13	92,170.63

LIST OF BONDS ISSUED DURING SFY 2012

Purpose	TY 2012 Maturity	Amount Issued	Date of Issue	Interest Rate
Total	-	-		

80033-14

80033-15

SCHEDULE OF LOANS ISSUED AND OUTSTANDING
AND TY 2012 DEBT SERVICE FOR LOANS
(MUNICIPAL) LOAN

		Debit	Credit	TY 2012 Debt Service
Outstanding July 1, 2011	80033-01	XXXXXXXX		
Issued	80033-02	XXXXXXXX		
Paid	80033-03	-	XXXXXXXX	
Outstanding, June 30, 2012	80033-04	-	XXXXXXXX	
		-	-	
TY 2012 Loan Maturities			80033-05	-
TY 2012 Interest on Loans			80033-06	-
Total TY 2012 Debt Service for		Loan	80033-13	-
LOAN				
Outstanding July 1, 2011	80033-07	XXXXXXXX		
Issued	80033-08	XXXXXXXX		
Paid	80033-09		XXXXXXXX	
Outstanding, June 30, 2012	80033-10	-	XXXXXXXX	
		-	-	
TY 2012 Loan Maturities			80033-11	
TY 2012 Interest on Loans			80033-12	-
Total TY 2012 Debt Service for		Loan	80033-13	-

LIST OF LOANS ISSUED DURING SFY 2012

Purpose	TY 2012 Maturity	Amount Issued	Date of Issue	Interest Rate
NONE				
Total	-	-		

80033-14

80033-15

SCHEDULE OF BONDS ISSUED AND OUTSTANDING
AND TY 2012 DEBT SERVICE FOR BONDS
(MUNICIPAL) _____ LOAN

		Debit	Credit	TY 2012 Debt Service
Outstanding July 1, 2011	80034-01	XXXXXXXX		
Paid	80034-02		XXXXXXXX	
Outstanding, June 30, 2012	80033-04	-	XXXXXXXX	
		-	-	
TY 2012 Bond Maturities - Term Bonds	80034-04			
TY 2012 Interest on Bonds *	80034-05			
TYPE I SCHOOL SERIAL BOND				
Outstanding July 1, 2011	80034-06	XXXXXXXX		
Issued	80034-07	XXXXXXXX		
Paid	80034-08		XXXXXXXX	
Outstanding, June 30, 2012	80034-09	-	XXXXXXXX	
		-	-	
TY 2012 Interest on Bonds *	80034-10			
TY 2012 Bond Maturities - Serial Bonds			80034-11	
Total "Interest on Bonds - Type I School Debt Service" (*Items)			80034-12	

LIST OF BONDS ISSUED DURING SFY 2012

Purpose	TY 2012 Maturity -01	Amount Issued -02	Date of Issue	Interest Rate
NONE				
Total	80035-	-	-	

TY 2012 INTEREST REQUIREMENT - CURRENT FUND DEBT ONLY

1. Emergency Notes

80036-
2. Special Emergency Notes

80037-
3. Tax Anticipation Notes

80038-
4. Interest on Unpaid State and County Taxes

80039-
5. _____
6. _____

Outstanding June 30, 2012	TY 2012 Interest Requirement
-	-
232,000.00	-
	-
-	

DEBT SERVICE FOR NOTES (OTHER THAN ASSESSMENT NOTES)

Sheet 33

Title or Purpose of Issue	Original Amount Issued	Original Date of Issue*	Amount of Note Outstanding June 30, 2012	Date of Maturity	Rate of Interest	TY 2012 Budget Requirement		Interest Computed to (Insert Date)
						For Principal	For Interest **	
1 Design & permitting Various Projects Drainage	423,700.00	01/21/10	423,700.00	01/16/13	1.40%			01/16/13
2 Reconstruction of Highland Avenue	285,000.00	5/10/2011	285,000.00	01/16/13	1.40%			01/16/13
3 Reconstruction of Bay Avenue	310,075.00	5/10/2011	310,075.00	01/16/13	1.40%			01/16/13
4 Acq. Of Computers & Software	64,600.00	01/17/12	64,600.00	01/16/13	1.40%			01/16/13
	1,083,375.00		1,083,375.00					
Totals	1,507,075.00		1,083,375.00			-	-	

Memo: Designate all "Capital Notes" issued under N.J.S. 40A:2-8(b) with "C". Such notes must be retired at the rate of 20% of the original amount issued annually. 80051-01 80051-02

Memo: Type 1 School Notes should be separately listed and totaled.

*"Original Date of Issue" refers to the date when the first money was borrowed for a particular improvement, not the renewal date of subsequent notes which were issued.

All notes with an original date of issue of SFY 2010 or prior require one legally payable installment to be budgeted if it is contemplated that such notes will be renewed in 2013 or written intent of permanent financing submitted with statement.

** If interest on notes is financed by ordinance, designate same, otherwise an amount must be included in this column. (Do not crowd - add additional sheets)

DEBT SERVICE SCHEDULE FOR ASSESSMENT NOTES

Title or Purpose of Issue	Original Amount Issued	Original Date of Issue*	Amount of Note Outstanding June 30, 2012	Date of Maturity	Rate of Interest	TY 2012 Budget Requirement		Interest Computed to (Insert Date)
						For Principal	For Interest **	
Not Applicable								
Totals	-		-			-	-	

MEMO: * See Sheet 33 for clarification of "Original Date of Issue"

Assessment Notes with an original date of issue of SFY 2010 or prior must be appropriated in full in the 2013 Dedicated Assessment Budget or written intent of permanent financing submitted with statement.

**Interest on Assessment Notes must be included in the Current Fund Budget appropriation "Interest on Notes".

80051-0180051-02

(Do not crowd - add additional sheets)

Sheet 34

SCHEDULE OF CAPITAL LEASE PROGRAM OBLIGATIONS

Sheet 34a

Purpose	Amount of Lease Obligations Outstanding June 30, 2012	TY 2012 Budget Requirement	
		For Principal	For Interest/Fees
<u>Leases approved by LFB prior to July 1, 2007</u>			
1. Monmouth County Improvement Authority Series 2007	52,500.00	52,500.00	1,312.50
2.			
3.			
4.			
5.			
6.			
<u>Leases approved by LFB after July 1, 2007</u>			
1.			
2.			
3.			
4.			
5.			
6.			
Total	52,500.00	52,500.00	1,312.50

80051-01

80051-02

(Do not crowd - add additional sheets)

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS (GENERAL CAPITAL FUND)

IMPROVEMENTS Specify each authorization by purpose. Do not merely designate by a code number.	Balance - July 1, 2011		SFY 2012 Authorization		Cancelled Payables	Expended	Authorizations Canceled	Balance - June 30, 2012	
	Funded	Unfunded						Funded	Unfunded
94-18 Rehab of Low-Mod Income									-
Housing-RCA-Middletown	47,136.00							47,136.00	
98-11/02-22/ Construction of Firehouse- Emergency									-
04-10 Management Facility	3,592.00							3,592.00	
03-13 2003 Road Program	311.97	65,250.00						311.97	65,250.00
08-02/ Various Improvements at Certain Pump									
09-01 Pump Stations & Community Center	57,495.79	32,300.00			14,232.37	60,280.80	43,747.36	-	
09-27 Improvements to Waterwitch Avenue	58,267.46	2,500.00			12,447.26	73,214.72		-	
09-28 Design & Permitting of Various Projects		4,662.05			2,388.19				7,050.24
10-14/11-6 Reconstruction of Highland Avenue	1,027,829.14	285,000.00			1,223.58	1,186,854.68		94,898.04	32,300.00
11-7 Reconstruction of Bay Avenue	362,525.00	310,075.00				388,817.40			283,782.60
11-12 Various Road Improvements	155,642.00	357,485.00				403,327.48			109,799.52
11-22 Acquisition of Computers & Software			68,000.00			44,185.00			23,815.00
12-12 Improvements to Washington Avenue			700,000.00			65,000.00			635,000.00
								-	
									-
	1,712,799.36	1,057,272.05	768,000.00	-	30,291.40	2,221,680.08	43,747.36	145,938.01	1,156,997.36

Place an * before each item of "Improvement" which represents a funding or refunding of an emergency authorization.

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

		Debit	Credit
Balance July 1, 2011	80031-01	XXXXXXXX	55,310.05
Received from SFY 2012 Budget Appropriation*	80031-02	XXXXXXXX	37,500.00
Improvement Authorizations Canceled (no expenses incurred)		XXXXXXXX	
Improvement Authorizations Canceled (financed in whole by the Capital Improvement Fund)	80031-03	XXXXXXXX	
List by Improvements - Direct Charges Made for Preliminary Costs:		XXXXXXXX	XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
			XXXXXXXX
Appropriated to Finance Improvement Authorizations	80031-04	38,400.00	XXXXXXXX
			XXXXXXXX
Balance June 30, 2012	80031-05	54,410.05	XXXXXXXX
		92,810.05	92,810.05

*The full amount of the SFY 2012 budget appropriation should be transferred to this account unless the balance of the appropriation is to be permitted to lapse.

GENERAL CAPITAL FUND
SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

		Debit	Credit
Balance July 1, 2011	80030-01	XXXXXXXXXX	-
Received from SFY 2012 Budget Appropriation*	80030-02	XXXXXXXXXX	
Received from SFY 2012 Emergency Appropriation	80030-03	XXXXXXXXXX	
Appropriated to Finance Improvement Authorizations	80030-04		XXXXXXXXXX
			XXXXXXXXXX
Balance June 30, 2012	80030-05	-	XXXXXXXXXX
		-	-

*The full amount of the 2012 budget appropriation should be transferred to this account unless the balance of the appropriation is to be permitted to lapse.

CAPITAL IMPROVEMENTS AUTHORIZED IN SFY 2012
AND DOWN PAYMENTS (N.J.S. 40A:2-11)

GENERAL CAPITAL FUND ONLY

Purpose	Amount Appropriated	Total Obligations Authorized	Down Payment Provided by Ordinance	Amount of Down Payment in Budget of SFY 2012 or Prior Years
Acq. Of Computer Software & Equip.	68,000.00	64,600.00	3,400.00	
Road Improvements to				
Washington Avenue	700,000.00	665,000.00	35,000.00	
Total 80032-00	768,000.00	729,600.00	38,400.00	-

NOTE - Where amount in column "Down Payment Provided by Ordinance" is LESS than 5% of amount in column "Total Obligations Authorized", explanation must be made part of or attached to this sheet.

GENERAL CAPITAL FUND
STATEMENT OF CAPITAL SURPLUS
SFY 2012

		Debit	Credit
Balance July 1, 2011	80029-01	XXXXXXXX	65,363.51
Premium on Sale of Notes		XXXXXXXX	3,539.74
Funded Improvement Authorizations Canceled		XXXXXXXX	64,475.82
Appropriated to Finance Improvement Authorizations	80029-02		XXXXXXXX
Appropriated to SFY 2012 Budget Revenue	80029-03	65,000.00	XXXXXXXX
Balance June 30, 2012	80029-04	68,379.07	XXXXXXXX
		133,379.07	133,379.07

BONDS ISSUED WITH A COVENANT OR COVENANTS

1. Amount of Serial Bonds Issued Under Provisions of Chapter 233, P.L. 1944, Chapter 268, P.L. 1944, Chapter 428, P.L. 1943 or Chapter 77, Article VI-A, P.L. 1945, with Covenant or Covenants; Outstanding June 30, 2012		-NONE-
2. Amount of Cash in Special Trust Fund as of June 30, 2012 (Note A)		
3. Amount of Bonds Issued Under Item 1 Maturing in SFY 2012		
4. Amount of Interest on Bonds with a Covenant - CY 2012 Requirement		
5. Total of 3 and 4 - Gross Appropriation		
6. Less Amount of Special Trust Fund to be Used		
7. Net Appropriation Required		

NOTE A - This amount to be supported by confrmation from bank or banks.

Footnote: Any formula other than the one shown above and required to be used by covenant or covenants is to be attached hereto.

Item 5 must be shown as an item of appropriation, short extended, with Item 6 shown directly following as a deduction and with the amount of Item 7 extended into the SFY 2012 appropriation column.

MUNICIPALITIES ONLY
IMPORTANT!!

This Sheet Must Be Completely Filled in or the Statement Will be Considered Incomplete

(N.J.S.A.52:27BB-55 As Amended by Chap. 211, P.L. 1981)

A.		
1	Total Tax Levy for the Year SFY 2012 was	<u>15,156,624.36</u>
2	Amount of Item 1 Collected in SFY 2012 (*)	<u>14,599,559.72</u>
3	Seventy (70) percent of Item 1	<u>10,609,637.05</u>
(*) Including prepayments and overpayments applied.		

B.		
1	Did any maturities of bonded obligations or notes fall due during the year SFY 2012?	
	Answer YES or NO	<u>Yes</u>
2	Have payments been made for all bonded obligations or notes due on or before June 30, 2012?	
	Answer YES or NO	<u>Yes</u> If answer is "NO" give details

NOTE: If answer to Item B1 is YES, then Item B2 must be answered

C.	Does the appropriation required to be included in the TY 2012 budget for the liquidation of all bonded obligations or notes exceed 25% of the total of appropriations for operating purposes in the budget for the year just ended? Answer YES or NO:	
		<u>No</u>

D.		
1.	Cash Deficit SFY 2011	<u>None</u>
2.	4% of SFY 2011 Tax Levy for all purposes: Levy --	<u></u>
3.	Cash Deficit SFY 2012	<u>None</u>
4.	4% of SFY 2012 Tax Levy for all purposes: Levy --	<u></u>

E.	<u>Unpaid</u>	<u>SFY 2011</u>	<u>SFY 2012</u>	<u>Total</u>
1.	State Taxes			NONE
2.	County Taxes			NONE
3.	Amounts due Special Districts	555.00	555.00	555.00
4.	Amounts due School Districts for Local School Tax	0.02	0	NONE

SHEETS 40 to 68, INCLUSIVE, PERTAIN TO

UTILITIES ONLY

Note:

If no "utilify fund" existed on the books of account and if no utility was owned and operated by the municipality during the year SFY 2012, please observe instructions of Sheet 2.

**BOROUGH OF HIGHLANDS
MONMOUTH COUNTY**

Note: Sheets 41-54 Not Utilized

Bonds and Notes Authorized but Not Issued must be disclosed in this Utility Capital Section in the same manner as set forth in General Capital Fund on Sheet 8

TRIAL BALANCE POST CLOSING
- WATER-SEWER UTILITY FUND
AS AT JUNE 30, 2012

Operating and Capital Sections

(Separately Stated)

Cash Liabilities Must Be Subtotalled and Subtotal Must Be Marked With "C"

[illegible]

"CT"

(Do not crowd - add additional sheets)

Bonds and Notes Authorized but Not Issued must be disclosed in this Utility Capital Section in the same manner as set forth in General Capital Fund on Sheet 8

POST CLOSING

TRIAL BALANCE - WATER-SEWER UTILITY FUND

AS AT JUNE 30, 2012

Operating and Capital Sections

(Separately Stated)

Cash Liabilities Must Be Subtotalled and Subtotal Must Be Marked With "C"

[illegible]

(Do not crowd - add additional sheets)

SFY

**POST CLOSING TRIAL BALANCE -
UTILITY ASSESSMENT TRUST FUNDS**

**IF MORE THAN ONE UTILITY
EACH ASSESSMENT SECTION MUST BE SEPARATELY STATED**

AS AT JUNE 30, 2012

[illegible]

(Do not crowd - add additional sheets)

NOT APPLICABLE

NOT APPLICABLE

**ANALYSIS OF WATER-SEWER UTILITY ASSESSMENT TRUST CASH AND INVESTMENTS
PLEGGED TO LIABILITIES AND SURPLUS**

Title of Liability to which Cash and Investments are Pledged	Audit Balance June 30, 2011	RECEIPTS					Disbursements	Balance June 30, 2012
		Assessments and Liens	Operating Budget					
Assessment Serial Bond Issues:	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
Assessment Bond Anticipation Note Issues:	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
								-
Other Liabilities								
Trust Surplus								
Less Assets "Unfinanced" *	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX

*Show as red figure

SCHEDULE OF WATER-SEWER UTILITY BUDGET - SFY 2012

BUDGET REVENUES

Source		Budget	Received in Cash	Excess or Deficit*
Operating Surplus Anticipated	01	214,000.00	214,000.00	-
Operating Surplus Anticipated with Consent of Director of Local Government Services	02			
Sewer Rents		1,541,524.00	1,661,411.03	119,887.03
				-
Added by N.J.S. 40A:4-87 (List)		XXXXXXXX	XXXXXXXX	XXXXXXXX
Subtotal		1,755,524.00	1,875,411.03	119,887.03
Deficit (General Budget)**	06			
	07	1,755,524.00	1,875,411.03	119,887.03

**Amount in "Received in Cash" column for "Deficit (General Budget)" and amount expended for "Surplus (General Budget)" must agree with amounts shown for such items on Sheet 59.

STATEMENT OF BUDGET APPROPRIATIONS

Appropriations:	XXXXXXXX
Adopted Budget	1,755,524.00
Added by N.J.S. 40A:4-87	-
Emergency	-
Total Appropriations	1,755,524.00
Add: Overexpenditures (See Footnote)	-
Total Appropriations and Overexpenditures	1,755,524.00
Deduct Expenditures:	
Paid or Charged	1,683,763.31
Reserved	37,470.41
Surplus (General Budget)**	-
Total Expenditures	1,721,233.72
Unexpended Balance Canceled (See Footnote)	34,290.28

FOOTNOTES - RE: OVEREXPENDITURES:
Every appropriation overexpended in the budget document must be marked with an * and must aggregate with this item.
RE: UNEXPENDED BALANCE CANCELED:
Are not to be shown as "Paid or Charged" in the budget document. In all instances "Total Appropriations" and "Overexpenditures" must equal the sum of "Total Expenditures" and "Unexpended Balances Canceled"

STATEMENT OF SFY 2012 OPERATION
SEWER-WATER UTILITY

NOTE: Section 1 of this sheet is required to be filled out ONLY IF the SFY 2012 Water-Sewer Utility Budget contained either an item of revenue "Deficit (General Budget)" or an item of appropriation "Surplus (General Budget)"
Section 2 should be filled out in every case

SECTION 1:

Revenue Realized:	XXXXXXXX	
Budget Revenue (Not Including "Deficit (General Budget)")		
Miscellaneous Revenue Not Anticipated		
SFY 2011 Appropriation Reserves Canceled * (Excess Revenue Realized)		
Total Revenue Realized		
Expenditures:	XXXXXXXX	
Appropriations (Not Including "Surplus (General Budget)")	XXXXXXXX	
Paid or Charged		
Reserved		
Expended Without Appropriation		
Cash Refund of Prior Year's Revenue		
Overexpenditure of Appropriation Reserves		
Total Expenditures		
Less: Deferred Charges Included In Above "Total Expenditures"		
Total Expenditures - As Adjusted		
Excess		
Budget Appropriation - Surplus (General Budget) **		
Remainder = Balance of "Results of SFY 2012 Operation" ("Excess in Operations" - Sheet 60)		
Deficit		
Anticipated Revenue - Deficit (General Budget) **		
Remainder = Balance of "Results of SFY 2012 Operation" ("Operating Deficit - to Trial Balance" - Sheet 60)		

SECTION 2:

The following Item of "SFY 2011 Appropriation Reserves Canceled in 2012" Is Due to the Current Fund TO THE EXTENT OF the amount Received and Due from the General Budget of SFY 2011 for an Anticipated Deficit in the Water-Sewer Utility for SFY 2011:

SFY 2011 Appropriation Reserves Canceled in SFY 2012	47,845.32	
Less: Anticipated Deficit in SFY 2011 Budget - Amount Received and Due from Current Fund - If none, enter "None"	-	
* Excess (Revenue Realized)		47,845.32

** Items must be shown in same amount on Sheet 58.

RESULTS OF SFY 2012 OPERATIONS WATER-SEWER UTILITY

	Debit	Credit
Excess in Anticipated Revenues	XXXXXXXX	119,887.03
Unexpended Balances of Appropriations	XXXXXXXX	34,290.28
Miscellaneous Revenue Not Anticipated	XXXXXXXX	37,030.79
Unexpended Balances of SFY 2011 Appropriation Reserves*	XXXXXXXX	47,845.32
Prior Year Reimbursement		1,100.00
Deficit in Anticipated Revenue		XXXXXXXX
Refund Prior Year Revenue		XXXXXXXX
Operating Deficit - to Trial Balance	XXXXXXXX	
Excess in Operations - to Operating Surplus	240,153.42	XXXXXXXX
* See restriction in amount on Sheet 59, SECTION 2	240,153.42	240,153.42

OPERATING SURPLUS - WATER-SEWER UTILITY

	Debit	Credit
Balance July 1, 2011	XXXXXXXX	214,483.64
Excess in Results of SFY 2012 Operations	XXXXXXXX	240,153.42
Amount Appropriated in SFY 2012 Budget - Cash	214,000.00	XXXXXXXX
Amount Appropriated in SFY 2012 Budget with Prior Written Consent of Director of Local Government Services		XXXXXXXX
Balance June 30, 2012	240,637.06	XXXXXXXX
	454,637.06	454,637.06

ANALYSIS OF BALANCE JUNE 30, 2012
(FROM WATER-SEWER UTILITY - TRIAL BALANCE)

Cash	397,115.18
Investments	
Interfund Accounts Receivable	
Subtotal	397,115.18
Deduct Cash Liabilities Marked with "C" on Trial Balance	156,478.12
Operating Surplus Cash or (Deficit in Operating Surplus Cash)	240,637.06
*Other Assets Pledged to Operating Surplus	
Deferred Charges #	
Operating Deficit #	
Total Other Assets	-
#MAY NOT BE ANTICIPATED AS NON-CASH SURPLUS IN SFY TY12 BUDGET	240,637.06

*In the case of a "Deficit in Operating Surplus Cash", "Other Assets" would also be pledged to cash liabilities.

SCHEDULE OF WATER-SEWER UTILITY ACCOUNTS RECEIVABLE

Balance June 30, 2011		\$ <u>238,776.68</u>
Increased by:		
Sewer Rents Levied		\$ <u>1,666,705.84</u>
Decreased by:		
Collections	\$ <u>1,661,165.96</u>	
Overpayments applied	\$ <u>245.07</u>	
Transfer to Sewer Liens	\$ _____	
Other	\$ _____	
		\$ <u>1,661,411.03</u>
Balance June 30, 2012		\$ <u>244,071.49</u>

SCHEDULE OF WATER-SEWER LIENS

Balance June 30, 2011		\$ <u>-</u>
Increased by:		
Transfer from Accounts Receivable	\$ _____	
Penalties and Costs	\$ _____	
Other	\$ _____	
		\$ <u>-</u>
Decreased by:		
Collections	\$ <u>-</u>	
Other	\$ _____	
		\$ <u>-</u>
Balance June 30, 2012		\$ <u>-</u>

DEFERRED CHARGES
- MANDATORY CHARGES ONLY -
WATER-SEWER UTILITY FUND

(Do not include the emergency authorizations pursuant to N.J.S. 40A:4-55, listed on Sheet 29)

<u>Caused By</u>	<u>Amount June 30, 2011 per Audit Report</u>	<u>Amount in SFY 2012 Budget</u>	<u>Amount Resulting from SFY 2012</u>	<u>Balance as at June 30, 2012</u>
1. Emergency Authorization - *	\$ _____	\$ _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____	\$ _____	\$ _____
7. _____	\$ _____	\$ _____	\$ _____	\$ _____
8. _____	\$ _____	\$ _____	\$ _____	\$ _____
9. _____	\$ _____	\$ _____	\$ _____	\$ _____
10. _____	\$ _____	\$ _____	\$ _____	\$ _____

*Do not include items funded or refunded as listed below.

**EMERGENCY AUTHORIZATIONS UNDER N.J.S. 40A:4-47 WHICH HAVE BEEN
FUNDED OR REFUNDED UNDER N.J.S. 40A:2-3 OR N.J.S. 40A:2-51**

<u>Date</u>	<u>Purpose</u>	<u>Amount</u>
1. _____	_____	\$ _____
2. _____	_____	\$ _____
3. _____	_____	\$ _____
4. _____	_____	\$ _____
5. _____	_____	\$ _____

JUDGEMENTS ENTERED AGAINST MUNICIPALITY AND NOT SATISFIED

<u>In favor of</u>	<u>On Account of</u>	<u>Date Entered</u>	<u>Amount</u>	<u>Appropriated for in Budget of TY 2012</u>
1. _____	_____	_____	\$ _____	_____
2. _____	_____	_____	\$ _____	_____
3. _____	_____	_____	\$ _____	_____
4. _____	_____	_____	\$ _____	_____

**SCHEDULE OF BONDS ISSUED AND OUTSTANDING
AND TY 2012 DEBT SERVICE FOR BONDS
WATER-SEWER UTILITY ASSESSMENT BONDS**

	Debit	Credit	TY 2012 Debt Service
Outstanding July 1, 2011	XXXXXXXX		
Issued	XXXXXXXX		
Paid		XXXXXXXX	
Outstanding, June 30, 2012	-	XXXXXXXX	
	-	-	
TY 2012 Bond Maturities - Assessment Bonds			
TY 2012 Interest on Bonds *			
WATER-SEWER UTILITY CAPITAL BONDS			
Outstanding July 1, 2011	XXXXXXXX	311,000.00	
Issued	XXXXXXXX		
Paid	17,000.00	XXXXXXXX	
Outstanding, June 30, 2012	294,000.00	XXXXXXXX	
	311,000.00	311,000.00	
TY 2012 Bond Maturities - Capital Bonds			7,000.00
TY 2012 Interest on Bonds *		6,761.88	

INTEREST ON BONDS - WATER-SEWER UTILITY BUDGET

TY 2012 Interest on Bonds (*Items)	6,761.88
Less: Interest Accrued to 6/30/2012 (Trial Balance)	3,006.67
Subtotal	3,755.21
Add: Interest to be Accrued as of 12/31/12	2,977.50
Required Appropriations TY 2012	6,732.71

LIST OF BONDS ISSUED DURING SFY 2012

Purpose	SFY 2012 Maturity	Amount Issued	Date of Issue	Interest Rate

ENTIRE PAGE NOT APPLICABLE

**SCHEDULE OF LOANS ISSUED AND OUTSTANDING
AND TY 2012 DEBT SERVICE FOR BONDS
WATER-SEWER UTILITY LOAN**

	Debit	Credit	TY 2012 Debt Service
Outstanding July 1, 2011	XXXXXXXX		
Issued:	XXXXXXXX		
Paid		XXXXXXXX	
Outstanding, June 30, 2012		XXXXXXXX	
TY 2012 Loan Maturities			
TY 2012 Interest on Loans*			
WATER-SEWER UTILITY LOAN			
Outstanding July 1, 2011	XXXXXXXX		
Issued	XXXXXXXX		
Paid		XXXXXXXX	
Outstanding, June 30, 2012		XXXXXXXX	
TY 2012 Loan Maturities			
TY 2012 Interest on Loans*			

INTEREST ON LOANS - WATER-SEWER UTILITY BUDGET

TY 2012 Interest on Bonds (*Items)	
Less: Interest Accrued to 6/30/2012 (Trial Balance)	
Subtotal	
Add: Interest to be Accrued as of 12/31/12	
Required Appropriations TY 2012	

LIST OF LOANS ISSUED DURING SFY 2012

Purpose	SFY 2012 Maturity	Amount Issued	Date of Issue	Interest Rate
None				

DEBT SERVICE SCHEDULE FOR UTILITY NOTES (OTHER THAN UTILITY ASSESSMENT NOTES)

Sheet 64

Title or Purpose of Issue	Original Amount Issued	Original Date of Issue*	Amount of Note Outstanding June 30, 2012	Date of Maturity	Rate of Interest	TY 2012 Budget Requirement		Interest Computed to (Insert Date)
						For Principal	For Interest **	
1.							-	
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								

Important: If there is more than one utility in the municipality, identify each note.

Memo: Designate all "Capital Notes" issued under N.J.S. 40A:2-8(b) with "C". Such notes must be retired at the rate of 20% of the original amount issued annually.

*See Sheet 33 for clarification of "Original Date of Issue".

All notes with an original date of issue of SFY 2010 or prior require one legal payable installment to be budgeted if it is contemplated that such notes will be renewed in 2013 or written intent of permanent financing submitted.

** If interest on note is financed by ordinance, designate same, otherwise an amount must be included in this column.

INTEREST ON NOTES -WATER SEWER UTILITY BUDGET	
TY 2012 Interest on Notes	-
Less: Interest Accrued to June 30, 2012 (Trial Balance)	-
Subtotal	-
Add: Interest to be Accrued as of December 31, 2012	
Required Appropriation - TY 2012	-

(Do not crowd - add additional sheets)

NOT APPLICABLE

DEBT SERVICE SCHEDULE FOR UTILITY ASSESSMENT NOTES

Title or Purpose of Issue	Original Amount Issued	Original Date of Issue*	Amount of Note Outstanding June 30, 2012	Date of Maturity	Rate of Interest	TY 2012 Budget Requirement		Interest Computed to (Insert Date)
						For Principal	For Interest **	
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								

Sheet 65

Important: If there is more than one utility in the municipality, identify each note.**Memo:** *See Sheet 33 for clarification of "Original Date of Issue".

Utility Assessment Notes with an original date of Issue of SFY 2010 or prior must be appropriated in full in the 2013 Dedicated Utility Assessment Budget or written intent of permanent financing submitted.

**Interest on Utility Assessment Notes must be included in the Utility Budget appropriation "Interest on Notes".

SCHEDULE OF CAPITAL LEASE PROGRAM OBLIGATIONS

Sheet 65a

Purpose	Amount of Lease Obligations Outstanding June 30, 2012	TY 2012 Budget Requirement	
		For Principal	For Interest/Fees
1.			
2. NOT APPLICABLE			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
Total	-	-	-

80051-01

80051-02

(Do not crowd - add additional sheets)

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS (UTILITY CAPITAL FUND)

IMPROVEMENTS Specify each authorization by purpose. Do not merely designate by a code number.	Balance - July 1, 2011		SFY 2012 Authorizations	Cancelled Payables	Expended	Authorizations Canceled	Balance - June 30, 2012	
	Funded	Unfunded					Funded	Unfunded
								-
Total	70000-	-	-	-	-	-	-	-

Place an * before each item of "Improvement" which represents a funding or refunding of an emergency authorization.

WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Debit	Credit
Balance July 1, 2011	XXXXXXXX	6,750.00
Received from SFY 2012 Budget Appropriation*	XXXXXXXX	
	XXXXXXXX	
Improvement Authorizations Canceled (financed in whole by the Capital Improvement Fund)	XXXXXXXX	
List by Improvements - Direct Charges Made for Preliminary Costs:	XXXXXXXX	XXXXXXXX
		XXXXXXXX
		XXXXXXXX
		XXXXXXXX
		XXXXXXXX
		XXXXXXXX
		XXXXXXXX
		XXXXXXXX
Appropriated to Finance Improvement Authorizations		XXXXXXXX
		XXXXXXXX
Balance June 30, 2012	6,750.00	XXXXXXXX
	6,750.00	6,750.00

WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

	Debit	Credit
Balance July 1, 2011	XXXXXXXX	100.00
Received from SFY 2012 Budget Appropriation*	XXXXXXXX	
Received from SFY 2012 Emergency Appropriation*	XXXXXXXX	
Appropriated to Finance Improvement Authorizations		XXXXXXXX
Balance June 30, 2012	100.00	XXXXXXXX
	100.00	100.00

*The full amount of the SFY 2012 appropriation should be transferred to this account unless balance of the appropriation is permitted to lapse.

**UTILITY FUND
CAPITAL IMPROVEMENTS AUTHORIZED IN SFY 2012
AND
DOWN PAYMENTS (N.J.S. 40A:2-11)**

UTILITIES ONLY

Purpose	Amount Appropriated	Total Obligations Authorized	Down Payment Provided by Ordinance	Amount of Down Payment in Budget of SFY 2012 or Prior Years
	-	-	-	-

**WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL SURPLUS**

SFY 2012

	Debit	Credit
Balance July 1, 2011	XXXXXXXX	9,384.44
Premium on Sale of Bonds	XXXXXXXX	
Funded Improvement Authorizations Canceled	XXXXXXXX	
Appropriated to Finance Improvement Authorizations		XXXXXXXX
Appropriated to SFY 2012 Budget Revenue		XXXXXXXX
Balance June 30, 2012	9,384.44	XXXXXXXX
	9,384.44	9,384.44