

**TOWNSHIP OF WALL**  
**AUDIT REPORT FOR THE YEAR**  
**ENDED DECEMBER 31, 2013**



**TOWNSHIP OF WALL  
COUNTY OF MONMOUTH**

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**TOWNSHIP OF WALL  
COUNTY OF MONMOUTH**

**PART I**

**INDEPENDENT AUDITOR'S REPORTS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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HOLMAN | FRENIA  
ALLISON, P.C.

Certified Public Accountants & Consultants

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the  
Township Committee  
Township of Wall  
Wall, New Jersey 07719

### Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Wall, County of Monmouth, State of New Jersey as of December 31, 2013 and 2012, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statements of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2013.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

#### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As discussed in Note 1 to the financial statements, the Township of Wall prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between these regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Wall, County of Monmouth, State of New Jersey, as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended.

#### **Basis for Disclaimer of Opinion on General Fixed Assets Account Group**

The Township has not completed a Fixed Assets inventory and has not prepared a Statement of Fixed Assets Account Group as of December 31, 2013.

#### **Disclaimer of Opinion on General Fixed Assets Account Group**

Due to the fact that we were unable to audit a Statement of General Fixed Assets for the year ending December 31, 2013, we do not express an opinion of the General Fixed Assets Account Group financial statements.

#### **Basis for Qualified Opinion on Regulatory Basis of Accounting**

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund has not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township’s financial statements as of and for the years ended December 31, 2013 and 2012. The LOSAP Trust Fund financial activities are included in the Township’s Trust Fund, and represent 4.99% and 3.44% of the assets and liabilities, respectively, of the Township’s Trust Funds as of December 31, 2013 and 2012.

#### **Qualified Opinion on Regulatory Basis of Accounting**

In our opinion, except for the LOSAP Trust Fund financial statements as described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraphs, 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 Township of Wall, County of Monmouth, State of New Jersey, as of December 31, 2013 and 2012, and the results of its operations and changes in fund balance --regulatory

basis of such funds for the years then ended, and the related statements of revenues--regulatory basis, statements of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2013 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

## **Other Matters**

### **Report on Supplementary Information**

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. 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 and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 07, 2014 on our consideration of the Township of Wall's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Wall's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
CR483

July 07, 2014  
Freehold, New Jersey

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

Honorable Mayor and Members of the  
Township Committee  
Township of Wall  
Wall, New Jersey 07719

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Wall (herein referred to as “the Township”), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township’s basic financial statements, and have issued our report thereon dated July 07, 2014 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Comments & Recommendations we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Comments & Recommendations to be material weaknesses as Finding No. 2013-04.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Comments & Recommendations to be significant deficiencies as Finding No.’s 2013-02 and 2013-03.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding No's. 2013-01, 2013-03, 2013-04, 2013-05 and 2013-06.

## **Response to Findings**

Township of Wall's response to the findings identified in our audit is described in the accompanying Comments & Recommendations section. Township of Wall's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
CR 483

July 07, 2014  
Freehold, New Jersey

**BASIC FINANCIAL STATEMENTS**

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**TOWNSHIP OF WALL  
CURRENT FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2013 AND 2012**

	REFERENCE	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>			
Current Fund:			
Cash	A-4	\$ 11,725,761.10	\$ 13,925,863.89
Cash - Change Funds	A-5	700.00	700.00
Petty Cash		<u>400.00</u>	<u>400.00</u>
Total		<u>11,726,861.10</u>	<u>13,926,963.89</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	3,511,398.43	2,690,264.05
Tax Title Liens Receivable	A-7	1,073,066.99	1,025,691.42
Foreclosed Property - Assessed Valuation	A	57,000.00	57,000.00
Revenue Accounts Receivable	A-8	51,574.88	41,714.14
Due from:			
Trust - Other	B	13,462.32	14,707.06
Animal Control Trust	B	-	17,106.74
Utility Operating	D	<u>25,460.92</u>	<u>-</u>
Total Receivables & Other Assets With Full Reserves		<u>4,731,963.54</u>	<u>3,846,483.41</u>
Deferred Charges:			
Special Emergency 40A:4-55	A-19	2,087,000.00	1,500,000.00
Overexpenditure of Appropriation	A-20	<u>67,114.31</u>	<u>-</u>
Total Deferred Charges		<u>2,154,114.31</u>	<u>1,500,000.00</u>
Total Regular Funds		<u>18,612,938.95</u>	<u>19,273,447.30</u>
Federal & State Grants:			
Cash	A-4	281,025.91	307,509.06
Grants Receivable	A-26	<u>15,568.26</u>	<u>20,777.72</u>
Total Federal & State Grants		<u>296,594.17</u>	<u>328,286.78</u>
Total Assets		<u>\$ 18,909,533.12</u>	<u>\$ 19,601,734.08</u>

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

**TOWNSHIP OF WALL  
CURRENT FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2013 AND 2012**

	REFERENCE	<u>2013</u>	<u>2012</u>
<b>LIABILITIES RESERVES &amp; FUND BALANCE</b>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 1,484,279.34	\$ 660,459.45
Encumbrance Payable	A-29	256,715.19	296,350.56
Tax Overpayments	A-10	62.18	6,636.66
Prepaid Taxes	A-11	695,892.67	726,373.00
Due to State of New Jersey for Senior Citizen & Veteran Deductions	A-12	38.77	3,660.00
Due County for Added & Omitted Taxes	A-13	62,279.78	58,455.00
Local District School Taxes Payable	A-15	399,997.00	2,871,346.00
Tax Anticipation Note Payable	A-17	4,400,000.00	6,000,000.00
Special Emergency Note Payable	A-18	2,087,000.00	1,500,000.00
Reserve for:			
Sale of Municipal Assets	A-21	913,121.22	913,121.22
State Aid	A-22	8,789.00	8,789.00
Superstorm Sandy	A-23	-	177,672.00
FEMA Reimbursements	A-24	330,805.03	-
Insurance Proceeds	A-25	171,244.33	-
Subtotal Regular Fund		<u>10,810,224.51</u>	<u>13,222,862.89</u>
Reserve for Receivables & Other Assets	A	4,731,963.54	3,846,483.41
Fund Balance	A-1	<u>3,070,750.90</u>	<u>2,204,101.00</u>
Total Regular Fund		<u>18,612,938.95</u>	<u>19,273,447.30</u>
Federal & State Grants:			
Encumbrance Payable	A-26	8,142.22	48,177.12
Unappropriated Reserves	A-24	163,846.57	112,374.77
Appropriated Reserves	A-25	124,605.38	167,734.89
Total Federal & State Grants		<u>296,594.17</u>	<u>328,286.78</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 18,909,533.12</u>	<u>\$ 19,601,734.08</u>

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

**TOWNSHIP OF WALL  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGES IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	REFERENCE	2013	2012
<b>Revenue &amp; Other Income Realized:</b>			
Fund Balance Utilized	A-2	\$ 2,000,000.00	\$ 2,600,000.00
Miscellaneous Revenue Anticipated	A-2	6,676,263.74	6,455,797.00
Receipts From Delinquent Taxes	A-2	1,513,112.97	1,181,119.00
Receipts From Current Taxes	A-6	103,438,996.46	102,137,726.00
Nonbudget Revenue	A-2	1,398,372.32	1,887,852.00
<b>Other Credits to Income:</b>			
Unexpended Balance of Appropriation Reserves	A-9	478,091.76	616,034.00
Liquidation of Interfunds	A	93,883.60	6,260.00
<b>Total Income</b>		<b>115,598,720.85</b>	<b>114,884,788.00</b>
<b>Expenditures:</b>			
<b>Budget Appropriations Within "CAPS":</b>			
<b>Operations:</b>			
Salaries & Wages	A-3	15,891,086.74	15,721,721.00
Other Expenses	A-3	9,155,292.07	9,289,882.00
Deferred Charges & Statutory Expenditures	A-3	3,960,857.35	4,007,099.00
<b>Excluded From "CAPS":</b>			
<b>Operations:</b>			
Salaries & Wages	A-3	141,924.02	142,455.00
Other Expenses	A-3	393,202.08	504,796.00
Capital Improvements	A-3	100,000.00	100,000.00
Municipal Debt Service	A-3	3,838,803.84	4,258,699.00
Deferred Charges	A-3	300,000.00	-
Local District School Tax	A-15	60,901,558.00	60,196,729.00
County Taxes	A-14	17,092,945.38	17,520,755.00
Due County for Added & Omitted Taxes	A-13	62,279.78	58,455.00
Special Fire District Taxes	A-16	2,411,236.00	2,343,635.00
Prior Year Senior Citizen Deductions Disallowed		-	7,476.00
<b>Total Expenditures</b>		<b>114,249,185.26</b>	<b>114,151,702.00</b>
<b>Excess/(Deficit) in Revenue</b>		<b>1,349,535.59</b>	<b>733,086.00</b>
<b>Adjustment to Income Before Fund Balance:</b>			
<b>Expenditures Included Above which are by Statute</b>			
Deferred Charges to Budget of Succeeding Year	A-3	1,517,114.31	1,500,000.00
<b>Statutory Excess to Fund Balance</b>		<b>2,866,649.90</b>	<b>2,233,086.00</b>
<b>Fund Balance January 1</b>	A	<b>2,204,101.00</b>	<b>2,571,015.00</b>
<b>Total</b>		<b>5,070,750.90</b>	<b>4,804,101.00</b>
<b>Decreased by: Utilization as Anticipated Revenue</b>	A-2	<b>2,000,000.00</b>	<b>2,600,000.00</b>
<b>Fund Balance December 31</b>	A	<b>\$ 3,070,750.90</b>	<b>\$ 2,204,101.00</b>

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET	APPROPRIATED BY N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	77,950.00	-	76,291.80	(1,658.20)
Other	67,050.00	-	52,041.53	(15,008.47)
Fees & Permits - Other	125,000.00	-	126,173.55	1,173.55
Fines & Costs - Municipal Court	740,000.00	-	639,221.12	(100,778.88)
Interest & Costs on Taxes	493,000.00	-	660,637.55	167,637.55
Interest on Investments & Deposits	31,000.00	-	11,281.10	(19,718.90)
Legal Settlement	62,200.00	-	62,250.00	50.00
Hotel Tax	88,000.00	-	175,889.32	87,889.32
Energy Receipts Tax	3,503,725.00	-	3,503,725.00	-
Garden State Trust	11,839.00	-	-	(11,839.00)
Watershed Moratorium Offset Aid	8,789.00	-	8,789.00	-
Fees & Permits:				
Uniform Construction Code	473,000.00	-	847,323.00	374,323.00
Sea Girt Municipal Court	110,000.00	-	69,300.00	(40,700.00)
FEMA/Sandy	300,000.00	-	300,000.00	-
Recycling Tonnage Grant	32,536.05	-	32,536.05	-
Clean Communities Program	52,686.99	-	52,686.99	-
Municipal Alliance Grant	17,774.00	-	17,774.00	-
Drug and Alcohol Abuse Program				
Monmouth County	32,192.00	-	32,192.00	-
Alcohol Education and Rehabilitation				
Fund-Program Fees	2,135.09	-	2,135.09	-
Body Armor	6,016.64	-	6,016.64	-
Total Miscellaneous Revenues	6,234,893.77	-	6,676,263.74	441,369.97
Receipts From Delinquent Taxes	1,296,700.00		1,513,112.97	216,412.97
Local Tax for Municipal Purposes	25,637,110.29	-	25,834,208.14	197,097.85
Budget Totals	35,168,704.06	-	36,023,584.85	854,880.79
Nonbudget Revenues	-	-	1,398,372.32	1,398,372.32
Total	\$ 35,168,704.06	\$ -	\$ 37,421,957.17	\$ 2,253,253.11

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**ANALYSIS OF REALIZED REVENUES**

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 103,438,996.46
Less: School, County Taxes & Special District Taxes	<u>80,468,019.16</u>
Balance for Support of Municipal Budget Appropriations	22,970,977.30
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>2,863,230.84</u>
Total Amount for Support of Municipal Budget Appropriation	<u>\$ 25,834,208.14</u>
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	\$ 1,505,125.84
Tax Title Lien Collections	<u>7,987.13</u>
Total Receipts From Delinquent Taxes	<u>\$ 1,513,112.97</u>

**ANALYSIS OF NONBUDGET REVENUE**

Miscellaneous Revenue Not Anticipated:	
Receipts:	
Cable Franchise Fees	\$ 266,627.00
Police Fees	20,105.67
Rents	234,769.70
Payment in Lieu of Taxes	123,825.61
EMT Fees	348,667.50
Towing Fees	54,552.00
Recycling Fees	148,471.01
Motor Vehicles Fees	7,608.46
Hotel Fees	19,397.55
Insurance Divended	99,990.62
Auction	43,699.42
Note Premiums	10,920.81
TAN Premium	13,422.00
Miscellaneous	<u>6,314.97</u>
Total	<u>\$ 1,398,372.32</u>

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION				
<b>Administrative &amp; Executive:</b>						
General Administration:						
Salaries and Wages	\$ 183,452.86	\$ 183,452.86	\$ -	\$ 14,592.00	-	-
Other Expenses	21,500.00	21,500.00	70.29	170.70	-	-
Mayor & Committee:						
Salaries and Wages	22,500.00	22,500.00	-	-	-	-
Municipal Clerk:						
Salaries and Wages	163,457.78	163,457.78	-	15,283.11	-	-
Other Expenses	21,500.00	21,500.00	290.04	-	-	-
Financial Administration (Treasury):						
Salaries and Wages	198,000.00	198,000.00	-	-	-	-
Other Expenses	46,000.00	46,000.00	475.27	4,137.74	-	-
Tax Assessment Administration:						
Salaries and Wages	214,345.72	214,345.72	-	8,597.64	-	-
Other Expenses	15,500.00	15,500.00	996.45	4,959.68	-	-
Tax Appeals	55,000.00	80,201.00	-	-	-	-
Tax Revaluation	-	950,000.00	-	950,000.00	-	-
Revenue Administration (Tax Collection):						
Salaries and Wages	119,561.75	119,561.75	-	-	-	-
Other Expenses	16,500.00	16,500.00	1,318.63	1,383.73	-	-
Legal Services (Legal Department):						
Other Expenses	375,000.00	412,500.00	-	1,881.31	-	-
Municipal Prosecutor's Office:						
Salaries and Wages	31,000.00	31,000.00	-	999.90	-	-
Engineering Services:						
Other Expenses	35,000.00	35,000.00	-	27,588.16	-	-
Engineering and Land Use:						
Salaries and Wages	420,776.26	420,776.26	-	-	-	-
Other Expenses	127,000.00	127,000.00	765.54	455.79	-	-
Youth Center:						
Salaries and Wages	180,435.77	190,580.05	-	-	-	-
Other Expenses	8,750.00	8,750.00	341.34	39.93	-	-
Animal Control & Board of Health:						
Other Expenses	51,700.00	33,999.00	-	20,970.00	-	-

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION				
Insurance:						
General Liability	250,750.93	250,750.93	238,616.93	12,134.00	-	-
Worker's Compensation	392,201.18	392,201.18	392,157.29	-	43.89	-
Employee Group Insurance	2,228,916.96	2,228,916.96	2,223,900.96	-	5,016.00	-
Health Benefit Waiver	8,400.00	8,400.00	-	-	8,400.00	-
Police:						
Salaries and Wages	8,807,000.00	8,864,117.91	8,847,691.12	-	16,426.79	-
Other Expenses	668,200.00	668,200.00	576,004.14	90,923.22	1,272.64	-
Welfare/Administration of Public Assistance:						
Salaries and Wages	13,235.05	13,235.05	13,232.96	-	2.09	-
Other Expenses	2,000.00	2,000.00	694.81	-	1,305.19	-
Recreation Services and Programs:						
Salaries and Wages	110,122.00	110,122.00	108,784.97	-	1,337.03	-
Other Expenses	57,000.00	57,000.00	52,059.58	1,918.52	3,021.90	-
Buildings and Grounds:						
Salaries and Wages	855,217.52	782,921.99	774,355.84	-	8,566.15	-
Other Expenses	265,000.00	265,000.00	248,736.13	15,770.90	492.97	-
Street & Roads Maintenance:						
Salaries and Wages	2,025,169.33	2,025,169.33	2,013,092.48	-	12,076.85	-
Other Expenses	247,500.00	247,500.00	221,697.55	25,086.82	715.63	-
Street Lighting:						
Other Expenses	175,000.00	175,000.00	130,310.57	-	44,689.43	-
Electricity:						
Other Expenses	275,000.00	275,000.00	162,396.55	-	112,603.45	-
Gas (natural or propane):						
Other Expenses	110,000.00	110,000.00	53,109.67	-	56,890.33	-
Water:						
Other Expenses	50,000.00	50,000.00	50,000.00	-	-	-
Solid Waste Collection:						
Salaries and Wages	1,406,869.59	1,406,869.59	1,406,869.59	-	-	-
Other Expenses	160,000.00	160,000.00	154,844.19	5,007.59	148.22	-
Landfill/Solid Waste Disposal Costs:						
Other Expenses	1,050,000.00	1,050,000.00	948,774.95	82,365.31	18,859.74	-

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION				
Open Space Maintenance:						
Other Expenses	50,000.00	50,000.00	22,929.70	27,070.30	-	-
Aid to Volunteer Ambulance Companies:						
Other Expenses	30,000.00	30,000.00	30,000.00	-	-	-
Gasoline:						
Other Expenses	450,000.00	485,000.00	479,345.07	5,654.93	-	-
Telecommunication costs:						
Other Expenses	205,000.00	205,000.00	155,627.24	49,372.76	-	-
Community Services Act (Condo Community Costs):						
Other Expenses	30,000.00	-	-	-	-	-
Computer/Technology Maintenance:						
Other Expenses	25,000.00	25,000.00	17,416.07	7,583.93	-	-
Superstorm Sandy:						
Other Expenses	-	500,000.00	500,000.00	-	-	-
<b>Uniform Construction Code Appropriations</b>						
<b>Offset by Dedicated Revenues:</b>						
Construction Code Official:						
Salaries and Wages	729,943.11	734,976.45	734,976.45	-	-	-
Other Expenses:	7,250.00	7,250.00	5,794.55	1,455.45	-	-
<b>Unclassified:</b>						
Municipal Court:						
Salaries and Wages	410,000.00	410,000.00	410,000.00	-	-	-
Other Expenses	19,000.00	19,000.00	16,434.67	2,518.46	-	-
Historical Society:						
Other Expenses	3,500.00	3,500.00	3,500.00	-	-	-
Environmental Committee:						
Other Expenses	2,700.00	2,700.00	555.00	318.00	1,827.00	-
Alliance Grant - Matching Funds:						
Other Expenses	15,423.00	15,423.00	15,423.00	-	-	-
Public Defender:						
Other Expenses	4,000.00	4,000.00	-	4,000.00	-	-
Snow Removal Costs:						
Other Expenses	100,000.00	100,000.00	100,000.00	-	-	-

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Total Operation Within "CAPS"	23,546,378.81	25,046,378.81	23,366,139.20	247,884.31	1,432,355.30	-
Detail:						
Salaries and Wages	15,891,086.74	15,891,086.74	15,813,205.18	-	77,881.56	-
Other Expenses (Including Contingent)	7,655,292.07	9,155,292.07	7,552,934.02	247,884.31	1,354,473.74	-
<b>Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"</b>						
Statutory Expenditures:						
Public Employees Retirement System	935,364.00	885,364.00	935,364.00	-	-	50,000.00
Social Security System(O.A.S.I.)	1,202,887.35	1,202,887.35	1,181,535.70	-	21,351.65	-
Police & Fire Retirement System	1,821,309.00	1,821,309.00	1,821,309.00	-	-	-
Defined Benefit Plan	1,297.00	1,297.00	-	-	1,297.00	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	3,960,857.35	3,910,857.35	3,938,208.70	-	22,648.65	50,000.00
Total General Appropriations for Municipal Purposes Within "CAPS"	27,507,236.16	28,957,236.16	27,304,347.90	247,884.31	1,455,003.95	50,000.00
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>						
Implementation of the Housing Element P.L. 195 - Chapter 222:						
Salaries and Wages	91,958.02	91,958.02	91,958.02	-	-	-
Other Expenses	24,000.00	24,000.00	7,270.73	8,830.88	7,898.39	-
Monmouth County 911:						
Other Expenses	52,000.00	52,000.00	32,748.00	-	19,252.00	-
LOSAP	20,000.00	20,000.00	17,875.00	-	2,125.00	-
<b>Shared Service Agreements:</b>						
Monmouth County Regional Health Commission Ch. 329 P.L. 1975 Health Services Contract	198,363.00	198,363.00	199,516.81	-	-	1,153.81

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED			UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED		
<b>Public &amp; Private Programs Offset by Revenues:</b>							
Drug and Alcohol Abuse Program							
Monmouth County	32,192.00	32,192.00	32,192.00	-	-	-	-
Interlocal	2,135.09	2,135.09	2,135.09	-	-	-	-
Alliance Grant	17,774.00	17,774.00	17,774.00	-	-	-	-
Matching Funds	4,310.50	4,310.50	4,310.50	-	-	-	-
Clean Communities	52,686.99	52,686.99	52,686.99	-	-	-	-
Recycling Tonnage	32,536.05	32,536.05	32,536.05	-	-	-	-
Body Armor	6,016.64	6,016.64	6,016.64	-	-	-	-
<b>Total Operations Excluded from "CAPS"</b>	<b>533,972.29</b>	<b>533,972.29</b>	<b>497,019.83</b>	<b>8,830.88</b>	<b>29,275.39</b>	<b>-</b>	<b>1,153.81</b>
<b>Detail:</b>							
Salaries and Wages	141,924.02	141,924.02	141,924.02	-	-	-	-
Other Expenses	392,048.27	392,048.27	355,095.81	8,830.88	29,275.39	-	1,153.81
<b>Capital Improvements - Excluded from "CAPS:</b>							
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-	-	-
<b>Total Capital Improvements Excluded from "CAPS"</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Municipal Debt Service - Excluded from "CAPS":</b>							
Payment of Bond Principal	2,450,443.50	2,450,443.50	2,466,404.00	-	-	-	15,960.50
Payment of Bond Anticipation Notes	199,485.00	199,485.00	199,485.00	-	-	-	-
Interest on Bonds	703,478.06	703,478.06	662,056.64	-	-	41,421.42	-
Interest on Notes	212,670.00	212,670.00	212,669.99	-	-	0.01	-
Debt Service for Open Space Acquisition Including Green Acres:							
Payment of Bond Principal	264,082.82	242,427.28	242,427.28	-	-	-	-
Interest on Bonds	34,105.39	55,760.93	55,760.93	-	-	-	-
<b>Total Municipal Debt Service Excluded from "CAPS"</b>	<b>3,864,264.77</b>	<b>3,864,264.77</b>	<b>3,838,803.84</b>	<b>-</b>	<b>-</b>	<b>41,421.43</b>	<b>15,960.50</b>

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

**TOWNSHIP OF WALL  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED RESERVED		
Deferred Charges - Municipal - Excluded "CAPS"	300,000.00	300,000.00	300,000.00	-	-	-
Special Emergency Authorizations - 5 Years						
Total Deferred Charges - Municipal - Excluded from "CAPS"	300,000.00	300,000.00	300,000.00	-	-	-
Total General Appropriations Excluded from "CAPS"	4,798,237.06	4,798,237.06	4,735,823.67	8,830.88	29,275.39	17,114.31
Subtotal General Appropriations	32,305,473.22	33,755,473.22	32,040,171.57	256,715.19	1,484,279.34	67,114.31
Reserve For Uncollected Taxes	2,863,230.84	2,863,230.84	2,863,230.84	-	-	-
Total General Appropriations	\$ 35,168,704.06	\$ 36,618,704.06	\$ 34,903,402.41	\$ 256,715.19	\$ 1,484,279.34	\$ 67,114.31
Budget	\$ 35,168,704.06					
Added by Special Emergency		1,450,000.00				
Total	\$ 36,618,704.06					
Reserve for Uncollected Taxes			\$ 2,863,230.84			
Appropriated Reserves for Federal & State Grants			143,340.77			
Appropriation Refunds			(816,600.60)			
Deferred Charges			300,000.00			
Special Emergency - Transfer to Reserve			500,000.00			
Interfund - Utility Operating Fund			(25,460.92)			
Cash Disbursements			31,938,892.32			
Total			\$ 34,903,402.41			

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

**TOWNSHIP OF WALL  
TRUST FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Animal Control Fund:			
Cash	B-1	\$ 5,593.90	\$ 69,034.74
Total Animal Control Fund		<u>5,593.90</u>	<u>69,034.74</u>
Other Funds:			
Cash	B-1	2,085,533.42	2,672,332.93
Due From:			
Water/Sewer Capital Fund	B-8	<u>2,000,807.43</u>	<u>1,848,574.64</u>
Total Other Funds		<u>4,086,340.85</u>	<u>4,520,907.57</u>
Length of Service Award Program Fund:			
("LOSAP") - Reviewed			
Investments	B-9	<u>194,957.37</u>	<u>163,555.96</u>
Total LOSAP		<u>194,957.37</u>	<u>163,555.96</u>
Total Assets		<u>\$ 4,286,892.12</u>	<u>\$ 4,753,498.27</u>
<b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>			
Animal Control Fund:			
Due to State of New Jersey	B-3	\$ 8.40	\$ -
Due to Current Fund	B-4	-	17,106.74
Reserve for Animal Control Expenditures	B-2	<u>5,585.50</u>	<u>51,928.00</u>
Total Animal Control Fund		<u>5,593.90</u>	<u>69,034.74</u>
Other Funds:			
Tax Title Liens	B-6	1,206,700.00	814,161.15
Due to Current Fund	B-7	13,462.32	14,707.06
Various Other Reserves	B-5	<u>2,866,178.53</u>	<u>3,692,039.36</u>
Total Other Funds		<u>4,086,340.85</u>	<u>4,520,907.57</u>
Length of Service Award Program Fund:			
("LOSAP") - Unaudited			
Miscellaneous Reserves	B-10	<u>194,957.37</u>	<u>163,555.96</u>
Total LOSAP		<u>194,957.37</u>	<u>163,555.96</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 4,286,892.12</u>	<u>\$ 4,753,498.27</u>

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

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Cash	C-2	\$ -	\$ -
Grants Receivable	C-7	486,351.53	538,016.03
Deferred Charges to Future Taxation:			
Funded	C-4	25,713,575.34	16,647,406.61
Unfunded	C-5	9,360,309.50	18,383,974.00
		<u>                    </u>	<u>                    </u>
Total Assets		<u>\$ 35,560,236.37</u>	<u>\$ 35,569,396.64</u>
LIABILITIES, RESERVES & FUND BALANCE			
Due To Utility Assessment Trust	C-10	\$ 1,161,859.84	\$ 445,594.25
Loans Payable	C-11	1,367,492.84	1,609,919.56
General Serial Bonds	C-12	24,346,083.50	15,037,487.50
Bond Anticipation Notes	C-13	-	13,299,000.00
Capital Improvement Fund	C-6	19,500.00	152,500.00
Improvement Authorizations:			
Funded	C-8	1,307,061.72	201,041.75
Unfunded	C-8	5,695,720.93	3,595,993.34
Encumbrances Payable	C-9	370,146.94	222,523.45
Reserve For:			
Debt Service - Green Trust	C-15	199,500.00	-
Debt Service - Other	C-16	281,580.00	158,660.00
Route 34	C-17	250,000.00	250,000.00
Receivables	C	486,351.53	538,016.03
Fund Balance	C-1	74,939.07	58,660.76
		<u>                    </u>	<u>                    </u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 35,560,236.37</u>	<u>\$ 35,569,396.64</u>

There was \$5,084,974.00 bonds and notes authorized but not issued on December 31, 2012 and \$9,360,309.50 as of December 31, 2013.

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

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 58,660.76
Increased by Receipts:	
Premium Received on Bond Sale	4,943.64
Grant Receipt in Excess of Receivable	<u>11,334.67</u>
Balance, December 31, 2013	<u><u>\$ 74,939.07</u></u>

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

**TOWNSHIP OF WALL  
WATER-SEWER UTILITY FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2013 AND 2012**

	REFERENCE	2013	2012
<b>ASSETS</b>			
Operating Fund:			
Cash	D-8	\$ 1,110,926.95	\$ 613,195.54
Due from Water & Sewer Capital Fund		-	20,140.00
Receivables With Full Reserves:			
Consumer Accounts Receivable	D-10	1,159,736.78	922,706.41
Subtotal		2,270,663.73	1,556,041.95
Deferred Charge:			
Overexpenditure of Appropriation	D-3	89,172.90	6,260.00
Total Operating Fund		2,359,836.63	1,562,301.95
Utility Assessment Fund:			
Cash	D-8	524,466.74	1,307,545.55
Investment in Special Emergency Notes	D	-	1,500,000.00
Assessments Receivables	D-12	227,939.38	287,751.16
Assessments Liens Receivable	D-13	13,143.33	13,143.33
Due From Water/Sewer Utility			
Capital Fund	D	731,000.00	-
Due From General Capital Fund	C	1,161,859.84	445,594.25
Total Utility Assessment Fund		2,658,409.29	3,554,034.29
Capital Fund:			
Prospective Assessments To Be Raised			
By Water/Sewer Utility Fund Revenue	D-17	68,000.00	68,000.00
Fixed Capital:			
Completed	D-14	43,216,150.68	43,216,150.68
Authorized & Uncompleted	D-15	7,086,000.00	6,336,000.00
Total Capital Fund		50,370,150.68	49,620,150.68
Total Assets		\$ 55,388,396.60	\$ 54,736,486.92

Bonds and Notes authorized but not issued as of December 31, 2013 was \$4,449,365.38 and as of December 31, 2012 was \$3,737,365.38.

**TOWNSHIP OF WALL**  
**WATER-SEWER UTILITY FUND**  
**COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND**  
**FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2013 AND 2012**

	REFERENCE	<u>2013</u>	<u>2012</u>
LIABILITIES RESERVES & FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 213,802.72	\$ 226,737.71
Reserve for Encumbrances	D-3	46,002.39	11,849.00
Accrued Interest on Bonds & Notes	D-27	111,712.06	54,175.71
Due to Current Fund	A,D-3	25,460.92	-
Subtotal		<u>396,978.09</u>	<u>292,762.42</u>
Reserve for Receivables	D	1,159,736.78	922,706.41
Fund Balance	D-1	<u>803,121.76</u>	<u>346,833.12</u>
Total Operating Fund		<u>2,359,836.63</u>	<u>1,562,301.95</u>
Utility Assessment Fund:			
Serial Bonds Payable	D-25	1,876,713.00	2,387,338.00
Assessments Overpayments			-
Reserve For:			
Assessments Receivables	D-12	83,800.69	122,880.33
Assessments Lien Receivables	D-13	13,143.33	13,143.33
Fund Balance	D-7	<u>684,752.27</u>	<u>1,030,672.63</u>
Total Utility Assessment Fund		<u>2,658,409.29</u>	<u>3,554,034.29</u>
Capital Fund:			
Serial Bonds	D-22	5,202,204.50	2,244,176.00
Loans Payable	D-23	-	285,000.00
Bond Anticipation Notes Payable	D-24	-	4,127,000.00
Due To:			
Water/Sewer Utility Assessment Fund	D-29	731,000.00	-
Water/Sewer Operating Fund	D-30	-	20,140.00
Trust Fund	D-31	2,000,807.43	1,848,574.64
Improvement Authorizations:			
Funded	D-16	156,105.99	223,952.77
Unfunded	D-16	1,105,652.13	1,228,842.64
Encumbrances Payable	D-16	158,877.00	120,011.28
Reserve For:			
Prosepective Aesements To Be Raised			
By Water/Sewer Utility Fund	D-17	68,000.00	68,000.00
Amortization	D-19	40,061,581.60	38,607,610.10
Sewer Extension	D-20	502.29	502.29
Payment of Bond Anticipation Notes	D-28	37,050.00	-
Deferred Reserve for Amortization	D-21	589,000.00	551,000.00
Capital Improvement Fund	D-22	165,400.00	203,400.00
Fund Balance	D-4	<u>93,969.74</u>	<u>91,940.96</u>
Total Capital Fund		<u>50,370,150.68</u>	<u>49,620,150.68</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 55,388,396.60</u>	<u>\$ 54,736,486.92</u>

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

**TOWNSHIP OF WALL**  
**WATER/SEWER UTILITY OPERATING FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN**  
**OPERATING FUND BALANCE - REGULATORY BASIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
Revenue & Other Income Realized:		
Water & Sewer Rents	\$ 11,137,444.00	\$ 10,796,963.69
Water/Sewer User Agreements	50,000.00	50,000.00
Miscellaneous	270,249.26	395,322.24
Surplus Anticipated	266,000.00	-
Water/Sewer Assessment Trust Surplus	385,000.00	400,000.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	224,356.40	181,942.00
Interfunds Created	49,278.98	20,140.00
	12,382,328.64	11,844,367.93
Total Revenue		
Expenditures:		
Operating	10,159,449.78	10,328,703.96
Capital Improvements	75,000.00	75,000.00
Debt Service	1,377,332.92	1,135,125.84
Deferred Charges & Statutory Expenditures	137,430.20	131,170.20
	11,749,212.90	11,670,000.00
Total Expenditures		
Excess/(Defecit) in Revenue	633,115.74	174,367.93
Adjustment to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year	89,172.90	-
	722,288.64	174,367.93
Statutory Excess to Fund Balance		
Fund Balance January 1	346,833.12	172,465.19
Decreased by: Utilization as Anticipated Revenue	266,000.00	-
Balance December 31	\$ 803,121.76	\$ 346,833.12

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

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Surplus Anticipated	\$ 266,000.00	\$ 266,000.00	\$ -
Water & Sewer Rents	10,790,000.00	11,137,444.00	347,444.00
Water/Sewer Use Agreements	50,000.00	50,000.00	-
Miscellaneous	185,000.00	270,249.26	85,249.26
Water /Sewer Assessment Trust Surplus	385,000.00	385,000.00	-
	<hr/>		
Total Revenues	<u>\$ 11,676,000.00</u>	<u>\$ 12,108,693.26</u>	<u>\$ 432,693.26</u>

**ANALYSIS OF MISCELLANEOUS REVENUES**

Miscellaneous Receipts:	
Sprinkler Fees	\$ 98,448.33
Connection Fees	84,520.82
Interest & Cost on Taxes	<u>87,280.11</u>
	<u>\$ 270,249.26</u>

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

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	APPROPRIATIONS		PAID OR CHARGED			UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBRANCES	RESERVED		
Operating:							
Salaries & Wages	\$ 1,092,800.00	\$ 1,092,800.00	\$ 1,092,800.00	\$ -	\$ -	\$ -	\$ -
Other Expenses	2,952,574.73	2,952,574.73	2,869,299.28	13,392.94	69,882.51	-	-
Sewer Treatment Costs	3,544,003.84	3,544,003.84	3,544,003.84	-	-	-	-
Water Treatment Costs	2,570,071.21	2,570,071.21	2,444,771.71	-	125,299.50	-	-
Total Operating	10,159,449.78	10,159,449.78	9,950,874.83	13,392.94	195,182.01	-	-
Capital Improvements:							
Capital Outlay	75,000.00	75,000.00	23,769.84	32,609.45	18,620.71	-	-
Total Capital Improvements	75,000.00	75,000.00	23,769.84	32,609.45	18,620.71	-	-
Debt Service:							
Payment of Bond Principal	992,931.50	992,931.50	976,971.50	-	-	15,960.00	-
Payment of Bond Anticipation Notes and Capital Notes	37,050.00	37,050.00	37,050.00	-	-	-	-
Interest on Bonds	174,640.20	174,640.20	263,813.10	-	-	-	89,172.90
Interest on Notes	92,857.50	92,857.50	92,857.50	-	-	-	-
Interest on Loans	6,640.82	6,640.82	6,640.82	-	-	-	-
Total Debt Service	1,304,120.02	1,304,120.02	1,377,332.92	-	-	15,960.00	89,172.90
Deferred Charges:							
Overexpenditure	6,260.00	6,260.00	6,260.00	-	-	-	-
Total Debt Service	6,260.00	6,260.00	6,260.00	-	-	-	-

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

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET	PAID	ENCUMBRANCES	RESERVED		
Statutory Expenditures:								
Contribution to:								
Public Employees								
Retirement System	53,035.00	53,035.00	53,035.00	-	-	-	-	-
Social Security System (O.A.S.I.)	78,135.20	78,135.20	78,135.20	-	-	-	-	-
Total Statutory Expenditures	131,170.20	131,170.20	131,170.20	-	-	-	-	-
Total Expenditures	\$ 11,676,000.00	\$ 11,676,000.00	\$ 11,489,407.79	\$ 46,002.39	\$ 213,802.72	\$ 15,960.00	\$ 89,172.90	
Accrued Interest on Bonds			\$ 57,536.35					
Deferred Charges			6,260.00					
Interfund - Current Fund			25,460.92					
Refunds			(26,611.91)					
Cash Disbursed			11,426,762.43					
Total			\$ 11,489,407.79					

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

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 91,940.96
Increased by Receipts:	
Premium on Sale of BAN's	<u>2,028.78</u>
Balance, December 31, 2013	<u><u>\$ 93,969.74</u></u>

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

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY ASSESSMENT FUND  
STATEMENT OF REVENUES - ASSESMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Assessment Cash	\$ 92,000.00	\$ 59,811.78	\$ (32,188.22)
Fund Balance	418,625.00	418,625.00	-
	<hr/>		
Total Revenues	<u>\$ 510,625.00</u>	<u>\$ 478,436.78</u>	<u>\$ (32,188.22)</u>

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

**TOWNSHIP OF WALL  
 WATER/SEWER UTILITY ASSESSMENT FUND  
 STATEMENT OF EXPENDITURES - ASSESSMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	APPROPRIATIONS		PAID OR CHARGED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBRANCES	RESERVED
Payment of Bond Principal	\$ 510,625.00	\$ 510,625.00	\$ 510,625.00	\$ -	\$ -
Total Expenditures	\$ 510,625.00	\$ 510,625.00	\$ 510,625.00	\$ -	\$ -

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

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY ASSESSMENT FUND  
STATEMENT OF FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 1,030,672.63
Increased by Receipts:	
Collection of Unpledged Assessments	<u>39,079.64</u>
Subtotal	1,069,752.27
Decreased by Disbursements:	
Anticipated Revenue:	
Utility Operating Fund	<u>385,000.00</u>
Balance, December 31, 2013	<u><u>\$ 684,752.27</u></u>

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

**TOWNSHIP OF WALL  
PUBLIC ASSISTANCE FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	<u>2013</u>	<u>2012</u>
Cash	E-1	\$ 14,728.74	\$ 21,718.42
Total Assets		<u>\$ 14,728.74</u>	<u>\$ 21,718.42</u>
 LIABILITIES, RESERVES & FUND BALANCE			
Reserve for Public Assistance		\$ 14,728.74	\$ 21,718.42
Total Liabilites, Reserves & Fund Balance		<u>\$ 14,728.74</u>	<u>\$ 21,718.42</u>

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

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**TOWNSHIP OF WALL  
COUNTY OF MONMOUTH**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

#### Note 1. Summary of Significant Accounting Policies

##### Reporting Entity

The Township of Wall was incorporated on March 7, 1851 and is located along the shore of central New Jersey in the County of Monmouth. The population according to the 2010 census is 26,164.

##### Component Unit

The financial statements of the component units of the Township of Wall are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of another component unit a separate audit would have been either blended or discretely presented with the financial statements of the Township. The Township of Wall had not component units.

##### Basis of Accounting, Measurement Focus and Basis of Presentation

The financial statements of the Township of Wall contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

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

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

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

**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 Township owned sewer 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 sewer capital facilities, other than those acquired through the Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

**Water/Sewer Utility Assessment Fund** - is used to account for the receipt and disbursement of funds for special assessments levied on specific property owners.

**Public Assistance Fund** - is used to account for resources restricted in use for the general welfare of citizens living within the Township.

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

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

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash and Cash Equivalents** - Cash and cash equivalents include petty cash, change funds, and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies. *N.J.S.A.17:9-41* et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

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

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the current fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Inventories 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 statements of assets, liabilities, reserves and fund balance.

**General Fixed Assets** - Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

**Utility Fixed Assets** - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

**Foreclosed Property** - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed assets account group. If such property is converted to a municipal use, it will be recorded in the general fixed assets account group.

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

**Deferred Charges to Future Taxation Funded and Unfunded** - Upon authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by the future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the Current Fund Budget. As funds are raised, the deferred charges are reduced.

**Fund Balance** - Fund balances included in the current fund, general capital fund, utility operating fund, utility capital fund and utility assessment trust fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Monmouth, the Township of Wall School District and the Special Districts. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Wall School District. Operations are charged for the full amount required to be raised from

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2012 and decreased by the amount deferred at December 31, 2013.

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

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

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid; however, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with *N.J.A.C.5:30-5.2*. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for 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; whereas interest on utility indebtedness is on the accrual basis.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled 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.

**Long-Term Debt** - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital, utility capital and utility assessment trust funds. Where an improvement is a "Local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the trust fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

**Compensated Absences and Postemployment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis

**Volunteer Length of Service Award Plan** - The Township has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Township's volunteer First Aid

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

Squad members. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a “Length of Service Award Plan under Section 457(e)11 of the Internal Revenue Code”.

LOSAP Trust Fund has not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township’s financial statements.

*N.J.A.C.5:30-14.49* requires that the Township perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accounts Statements for Accounting and Auditing Review Services.

**Note 2. Cash and Cash Equivalents**

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2013, and reported at fair value are as follows:

Type	Carrying Value
<b>Deposits</b>	
Demand Deposits	<u>\$ 15,748,436.76</u>
Total Deposits	<u>\$ 15,748,436.76</u>
<b>Reconciliation of Statement of Assets, Liabilities, Reserves and Fund Balance:</b>	
Current Fund	\$ 11,726,161.10
State & Federal Grant Fund	281,025.91
Animal Control Trust Fund	5,593.90
Trust - Other Fund	2,085,533.42
Utility Fund:	
Operating	1,110,926.95
Assessment Trust	524,466.74
Public Assistance Fund	<u>14,728.74</u>
Total Cash	<u>\$ 15,748,436.76</u>

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule that follows.

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

As of December 31, 2013, the Township's bank balances of \$16,813,234.59 were exposed to custodial credit risk as follows:

Uninsured & Uncollateralized	\$ 5,017,951.51
Insured Under F.D.I.C.	514,728.74
Collateralized Under GUDPA	<u>11,280,554.34</u>
 Total	 <u>\$ 16,813,234.59</u>

**Note 3: Investments**

**Custodial Credit Risk** - For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either the counterparty or the counterparty's trust department or agent but not in the Township's name. All of the Township's investments are held in the name of the Township and are collateralized by GUDPA.

**Investment Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. 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 investments at December 31, 2013, 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, 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 Government 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.

As of December 31, 2013, the Township had the following investments and maturities:

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 3: Investments (continued):**

<u>Investment</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Total Reported Value</u>
LOSAP	\$ 194,957.37	194,957.37	<u>\$ 194,957.37</u>
Total			<u><u>\$ 194,957.37</u></u>

**Note 4: Pension Plans**

The Township contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Township employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division 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  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by *N.J.S.A.43:15A* and *43:3B*.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5.0% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 4: Pension Plans (continued):**

<b>Fiscal Year</b>	<b>Normal Contribution</b>	<b>Accured Liability</b>	<b>Chapter 19 P.L. 2009</b>	<b>Other Liability</b>	<b>Total Liability</b>	<b>Funded by Township</b>
2013	\$ 262,875.00	\$ 620,451.00	\$ 43,929.00	\$ 53,054.00	\$ 980,309.00	\$ 980,309.00

**Police and Firemen's Retirement System** - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by *N.J.S.A.43:16A* and *43:3B*.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10.0% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<b>Fiscal Year</b>	<b>Normal Contribution</b>	<b>Accured Liability</b>	<b>Chapter 19 P.L. 2009</b>	<b>Other Liability</b>	<b>Total Liability</b>	<b>Funded by Township</b>
2013	\$ 703,915.00	\$ 931,536.00	\$ 118,316.00	\$ 67,542.00	\$ 1,821,309.00	\$ 1,821,309.00

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by *N.J.S.A.43:15C-1* et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township's contributions were as follows:

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 4: Pension Plans (continued):**

Fiscal Year	Total Liability	Funded by Township	Employee Deductions
2013	5,610.00	1,980.00	3,630.00

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

**Note 5: Property Taxes**

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

**Comparison of Tax Rate Information**

	2013	2012	2011
Total Tax Rate	<u>\$2.793</u>	<u>\$2.752</u>	<u>\$2.885</u>
Apportionment of Tax Rate:			
Municipal	0.691	0.672	0.654
Local School	1.641	1.610	1.563
County	0.438	0.446	0.431
County Open Space	0.023	0.024	0.025
Fire District Taxes:			
Fire District #1	0.080	0.078	0.083
Fire District #2	0.069	0.065	0.073
Fire District #3	0.058	0.057	0.056

**Net Valuation Taxable:**

2013	\$	<u>3,711,101,868.00</u>			
2012			\$	<u>3,739,919,334.00</u>	
2011					<u>\$ 3,768,852,093.00</u>

**Comparison of Tax Levies and Collection Currently**

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2013	\$ 106,417,389.92	\$ 103,438,996.46	97.20%
2012	105,611,331.87	102,137,725.92	96.71%
2011	103,436,492.00	101,101,148.00	97.74%

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 5: Property Taxes (continued):**

**Delinquent Taxes and Tax Title Liens**

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2013	\$ 1,073,066.99	\$ 3,511,398.43	\$ 4,584,465.42	4.31%
2012	1,025,691.42	2,690,264.05	3,715,955.47	3.52%
2011	953,318.17	2,153,371.33	3,106,689.50	3.00%

**Note 6: 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, for the current and previous two years was as follows:

YEAR	AMOUNT
2013	\$ 57,000.00
2012	57,000.00
2011	57,000.00

**Note 7: Water/Sewer Utility Service Charges**

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

YEAR ENDED DECEMBER 31	PRIOR YEAR RECEIVABLE	LEVY	TOTAL	CASH COLLECTIONS	COLLECTION PERCENTAGE
2013	\$ 922,706.41	\$ 11,374,474.37	\$ 12,297,180.78	\$ 11,141,979.74	90.61%
2012	645,326.74	11,074,343.00	11,719,669.74	10,796,964.00	92.13%
2011	643,144.46	11,032,160.33	11,675,304.79	11,029,978.05	94.47%

**Note 8: Fund Balance Appropriated**

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

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 8: Fund Balance Appropriated (continued):**

YEAR	BALANCE DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR	PERCENTAGE OF FUND BALANCE USED
<b>CURRENT FUND:</b>			
2013	\$ 3,070,750.90	\$ 2,404,035.00	78.29%
2012	2,204,101.00	2,000,000.00	90.74%
2011	2,571,015.65	2,600,000.00	101.13%
<b>WATER/SEWER OPERATING FUND:</b>			
2013	\$ 828,582.68	\$ 709,558.76	85.64%
2012	346,833.12	266,000.00	76.69%
2011	172,465.19	-	0.00%

**Note 9: Self-Insurance**

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disaster. The Township is a member of the Monmouth County Municipal Joint Insurance Fund (“JIF”). The Joint Insurance pool is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against property damage, general liability, motor vehicle and equipment liability and workers’ compensation. While additional assessments on premiums can be levied by the JIF to assure payments of the Fund’s obligations, no such additional premiums have been necessary as of December 31, 2013. The JIF is expected to be self-sustaining through member premiums, reported as expenditures in the Township’s financial statements and liabilities are based on the estimated ultimate cost of settling the claims. The JIF participates in the Municipal Excess Liability Program which has a contract for excess liability for property. The Township is not aware of any claims pending that have a demand in excess of this coverage.

**Note 10: Compensated Absences**

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 Township’s liability related to unused sick pay. The Township permits its employees to accumulate unused sick and vacation pay. The Township estimates the current cost of such unpaid compensation to be \$4,761,749.78. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 11: Deferred Compensation Salary Account**

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

**Note 12: Interfunds Receivables and Payables**

The following interfunds remained as of December 31, 2013:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 38,923.24	\$ -
General Capital Fund	-	1,161,859.84
Utility Operating Fund	-	25,460.92
Utility Assessment Trust Fund	1,892,859.84	-
Water/Sewer Capital Fund	-	2,731,807.43
Trust Other Fund	<u>2,000,807.43</u>	<u>13,462.32</u>
	<u>\$ 3,932,590.51</u>	<u>\$ 3,932,590.51</u>

The purpose of these interfunds is short-term borrowings.

**Note 13: Capital 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 Township are general obligation bonds, backed by the full faith and credit of the Township. 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 Township at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 13: Capital Debt (continued):**

**Summary of Township Debt – Annual Debt Statements**

	<u>Year 2013</u>	<u>Year 2012</u>	<u>Year 2011</u>
<b>Issued &amp; Outstanding:</b>			
General Bonds, Loans and Notes	\$ 25,713,576.34	\$ 29,946,407.06	\$ 29,859,348.00
Water/Sewer Utility Capital Bonds, Loans and Notes	5,202,204.50	6,656,176.00	4,476,553.00
Water/Sewer Utility Assessment Utility Bonds	1,876,713.00	2,387,338.00	2,735,590.00
	<hr/>	<hr/>	<hr/>
Total Debt Issued	32,792,493.84	38,989,921.06	37,071,491.00
Deductions:			
Self-Liquidating - Water/Sewer Funds Temporarily Held to Play Bonds and Notes	11,528,282.88	12,353,164.00	11,223,918.00
	481,080.00	158,660.00	208,190.00
	<hr/>	<hr/>	<hr/>
Total Deductions	12,009,362.88	12,511,824.00	11,432,108.00
	<hr/>	<hr/>	<hr/>
Net Debt Issued & Outstanding	20,783,130.96	26,478,097.06	25,639,383.00
<b>Authorized But Not Issued:</b>			
General Bonds and Notes	9,360,309.50	5,084,974.00	6,813,052.00
Water/Sewer Utility Bonds and Notes	4,449,365.38	3,737,365.38	6,747,365.00
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	13,809,674.88	8,822,339.38	13,560,417.00
	<hr/>	<hr/>	<hr/>
<b>Total Net Debt</b>	<b>\$ 34,592,805.84</b>	<b>\$ 35,300,436.44</b>	<b>\$ 39,199,800.00</b>

**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 0.600%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$ 28,825,000.00	\$ 28,825,000.00	\$ -
Regional School District Debt	11,528,282.88	11,528,282.88	
General Debt	35,073,885.84	481,080.00	34,592,805.84
	<hr/>	<hr/>	<hr/>
Total	\$ 75,427,168.72	\$ 40,834,362.88	\$ 34,592,805.84

Net Debt, \$34,592,805.84 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$5,760,959,924 equals 0.600%.

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 13: Capital Debt (continued):**

**Borrowing Power Under 40A:2-6:**

3 1/2% of Equalized Valuation Bases (Municipal)		\$ 201,633,597.34	
Net Debt		34,592,805.84	
Remaining Borrowing Power		\$ 167,040,791.50	

\*A revised 2013 Annual Debt Statement should be filed by the Chief Financial Officer.

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

Cash Receipts From Fees, Rents & Other Charges		\$ 12,108,693.26	
Deductions:			
Operating & Maintenance Costs		\$ 10,296,879.98	
Debt Service per Water/Sewer Utility Operating Fund		1,288,160.02	11,585,040.00
Excess Revenue - Self Liquidating		\$ 523,653.26	

Schedule of Annual Debt Service for Principal and Interest for the next five (5) years and increments thereafter for Bonded Debt issued and outstanding:

**General Capital Fund - General Serial Bonds:**

<b>Fiscal</b>				
<b>Year</b>	<b>Principal</b>		<b>Interest</b>	<b>Total</b>
2014	\$ 2,662,689.00	\$	1,120,338.31	\$ 3,783,027.31
2015	2,693,182.50		936,483.97	3,629,666.47
2016	1,888,327.00		824,375.74	2,712,702.74
2017	1,949,346.00		746,609.39	2,695,955.39
2018	1,801,859.00		665,988.59	2,467,847.59
2019-2023	7,150,680.00		2,308,453.13	9,459,133.13
2024-2028	3,100,000.00		1,088,875.00	4,188,875.00
2029-2033	3,100,000.00		405,325.00	3,505,325.00
Total	\$ 24,346,083.50	\$	8,096,449.13	\$ 32,442,532.63

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 13: Capital Debt (continued):**

**General Capital Fund - Loans Payable:**

<b>Fiscal</b>				
<b>Year</b>	<b>Principal</b>		<b>Interest</b>	<b>Total</b>
2014	\$ 247,300.08	\$	50,888.14	\$ 298,188.22
2015	252,270.79		45,917.43	298,188.22
2016	257,341.43		40,846.78	298,188.21
2017	262,514.28		35,674.20	298,188.48
2018	172,301.50		30,872.74	203,174.24
2019	175,764.76		27,409.49	203,174.25
Total	<u>\$ 1,367,492.84</u>	<u>\$</u>	<u>231,608.78</u>	<u>\$ 1,599,101.62</u>

**Water/Sewer Utility Capital Fund – General Serial Bonds:**

<b>Fiscal</b>				
<b>Year</b>	<b>Principal</b>		<b>Interest</b>	<b>Total</b>
2014	\$ 821,598.00	\$	241,028.38	\$ 1,062,626.38
2015	930,606.50		184,148.37	1,114,754.87
2016	100,000.00		146,950.00	246,950.00
2017	200,000.00		143,950.00	343,950.00
2018	200,000.00		137,950.00	337,950.00
2019-2023	985,000.00		578,400.00	1,563,400.00
2024-2028	975,000.00		345,750.00	1,320,750.00
2029-2033	990,000.00		130,200.00	1,120,200.00
Total	<u>\$ 5,202,204.50</u>	<u>\$</u>	<u>1,908,376.75</u>	<u>\$ 7,110,581.25</u>

**Water/Sewer Utility Assessment Trust Fund – General Serial Bonds:**

<b>Fiscal</b>				
<b>Year</b>	<b>Principal</b>		<b>Interest</b>	<b>Total</b>
2014	\$ 531,713.00	\$	89,206.71	\$ 620,919.71
2015	290,211.00		65,808.56	356,019.56
2016	304,673.00		51,298.01	355,971.01
2017	318,654.00		36,064.36	354,718.36
2018	144,141.00		20,131.66	164,272.66
2019-2020	287,321.00		18,690.37	306,011.37
Total	<u>\$ 1,876,713.00</u>	<u>\$</u>	<u>281,199.67</u>	<u>\$ 2,157,912.67</u>

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 13: Capital Debt (continued):**

On 6/05/2013, the Township issued \$11,775,000.00 in General Obligation Bonds, Series 2013 maturing on 8/01/2033. The purpose of the Bonds and Bond premium of \$1,524,000.00 was to fund outstanding balance of General Capital Bond Anticipation Notes Payable at December 31, 2012 of \$13,299,000.00.

On 6/05/2013, the Township issued \$3,650,000.00 in Water & Sewer Utility Bonds, Series 2013 maturing on 8/01/2033. The purpose of the Bond proceeds and Bond premium of \$477,000.00 was to fund outstanding balance of Utility Capital Bond Anticipation Notes Payable at December 31, 2012 of \$4,127,000.00.

**Note 14: Special Emergency Notes**

On 12/5/2013, the Township issued \$1,137,000 in Special Emergency Notes, maturing on 12/4/2014 with a 2.00% interest rate. The purpose of the Notes is to renew a portion of prior year Special Emergency Notes issued as a result of Superstorm Sandy.

On 12/23/2013, the Township issued \$950,000 in Special Emergency Notes, maturing on 12/19/2014 with a 1.50% interest rate. The purpose of the Notes is to finance a revaluation of all township property in 2014.

**Note 15: Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	Balance 12/31/2013	2014 Budget Appropriation
Current Fund:		
Overexpenditure of Appropriations	\$ 67,114.31	\$ -
Special Emergency Authorizations	2,087,000.00	590,000.00
Water/Sewer Utility Operating Fund:		
Overexpenditure of Appropriations	\$ 89,172.90	\$ -

**Note 16: New Jersey Unemployment Compensation Insurance**

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the State for this period. The following is a summary of the Township's Reserve for Unemployment Compensation Insurance for the current and previous year:

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 16: New Jersey Unemployment Compensation Insurance (continued):**

<u>Fiscal</u> <u>Year</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2013	35,112.30	17,346.37	213,946.79
2012	37,908.32	34,697.11	196,180.86

**Note 17: Other Post-Employment Benefits**

The Township of Wall has completed its required actuarial valuation report for its Postretirement Healthcare Plan as of December 31, 2012 as required by Governmental Accounting Standard No. 45 (GASB 45). The following information is a summary of that report dated July 2014.

**A. Eligibility**

- Retire after 15 or more years of service with the Township and attainment of age 62;
- Retire after 25 or more years of service with the Township, and for non-police also attain age 55;  
or
- Retire under disability retirement from PERS or PFRS

Benefits are provided to the retiree and dependents and stop after retiree attains age 65. Benefits continue for the surviving spouse until the retiree would have attained age 65.

**B. Medical Benefits**

Medical Benefits are provided through a fully-insured POS plan with Aetna

**C. Prescription Drug Benefits**

Prescription drug benefits are provided through a fully-insured plan with Aetna. There is a co-pay of 20% of submitted costs.

**D. Medicare**

Medicare benefits coordinate with Medicare primary and the Township plan secondary for retirees eligible for Medicare. Medicare eligible retirees and dependents are required to enroll in Medicare Part B. The Township does not reimburse Medicare eligible retirees and spouses for the cost of the Medicare Part B premium.

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

#### Note 17: Other Post-Employment Benefits (continued):

##### E. Cost

Any employee who retires after satisfying the eligibility requirements who had less than 20 years of PERS or PFRS as of June 28, 2011, shall be required to contribute toward the cost of postretirement healthcare benefits. The retiree contributions are based on a percentage of the postretirement healthcare cost. The contribution percentages, which are phased-in over a four-year period, vary based on healthcare coverage tier and amount of PERS or PFRS pension amounts.

The plan is funded by the Township through self-insurance; therefore, there are no premium payments to the insurance carriers for these benefits.

**Retirees** - The Township presently funds its current retirees post-employment benefit costs on a “pay-as-you-go” basis. The Township has established a self-insurance fund, and accounts for such in its trust-other funds. The Township’s contributions, for retirees, to the plan for the year end December 31, 2012 was \$863,000.

**Future Retires** - In accordance with Statement No.45 the Governmental Accounting Standards Board, the Township is required to calculate the annual contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The ARC includes costs of both current and future retirees. As a result of the Township’s basis of accounting, as described in Note 1, the ARC is not required to be expensed as it would if the Township’s accounting basis followed generally accepted accounting principals (GAAP). The Township’s current ARC was determined to be \$2,191,148.00 at an unfunded discount rate of four percent (4%). As stated above, the Township funded the cost of existing retirees in the amount of \$863,000.00 for the year end December 31, 2012, but has not yet begun funding the outstanding liability.

**Annual OPEB Cost** - For year ended December 31, 2012, the Township’s annual OPEB cost of \$2,077,558.00 for the plan was equal to the ARC plus certain adjustments because of the Township’s actual contributions in prior years differed from the ARC. The Township’s annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increases or decreases in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for the year ended December 31, 2012 and December 31, 2009 was as follows:

**TOWNSHIP OF WALL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Note 17: Other Post-Employment Benefits (continued):**

	Year End December 31, 2012	Year End December 31, 2009
	<u>                    </u>	<u>                    </u>
Annual Required Contribution (ARC)	\$ 2,191,148.00	\$ 2,659,057.00
Interest on the Net OPEB Obligation	254,827.00	-
Adjustment to the ARC	(368,417.00)	-
Annual OPEB Cost	2,077,558.00	2,659,057.00
Employer Contributions	863,000.00	481,700.00
Increase (Decrease) in the Net OPEB Obligation	1,214,558.00	2,177,357.00
Net OPEB Obligation, January 1	6,370,673.00	-
Net OPEB Obligation, December 31	\$ 7,585,231.00	\$ 2,177,357.00

As of December 31, 2012, the most recent actuarial valuation date, the Township's plan was 0.00% funded. The actual accrued liability for benefits was \$22,894,567.00 and the actuarial value of plan assets was \$0.00, resulting in an unfunded actuarial accrued liability (UAAL) of \$22,894,567.00. The following information provides a schedule of the funding progress of the Township's health benefit's plan.

Actuarial Valuation Date	Actuarial Accrued Liability		Market- Related Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)
	<i>Retirees</i>	<i>Active Employees</i>		
12/31/2012	\$ 11,076,354.00	\$ 11,818,213.00	\$ -	\$ 22,894,567.00
12/31/2009	5,024,200.00	17,109,900.00	-	22,134,100.00

**Actuarial Assumptions and Methods**

**Actuarial Assumptions**

Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphasis on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistency with each other assumption, and the combined impact of all assumptions. In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, demographic and health care assumptions consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan (SHBP) as reported in their July 1, 2012 Actuarial Valuation to value the GASB obligations were used. The actuarial assumptions to value postretirement medical liabilities can be categorized into three groups:

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

#### **Note 17: Other Post-Employment Benefits (continued):**

*Economic Assumptions* – the discount rate and health care cost trend rates, and salary and Social Security Taxable Wage Base increases for the determination of projected pension payments. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

- Discount Rate - The investment return assumption (discount rate) should be estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance payments of benefits. The investments expected to be used to finance the payments of health benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two plans that being partially funded. The discount rate is 4% for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. This rate is the same discount rate as used in the previous valuation.
- Health Care Cost Trend Rates – Annual claims were assumed to decrease starting at 8.5% for Pre-65 Medical and Prescription Drugs and 5% Post-65 Medical in year 2013 and grading down to 5% in Year 2020 and later, with different periods over which 5% is reached for Pre-65 Medical, Post-65 Medical and Prescription Drug.
- Salary Increases – 3% per year.
- Social Security Taxable Wage Base Increases – 3% per year.

*Benefit Assumptions* – The valuation projects the cost to the Township of providing medical benefits to employees who remain in the medical plan after retirement (postemployment coverage). Future retirees are assumed to remain in the same medical plan they were covered under while active. Under the rules set out in GASB 45, both the direct contribution and any implicit subsidy must be considered in measuring post-retirement medical benefit obligation.

*Demographic Assumptions* – Including the probabilities of retiring, dying, terminating (without benefit), becoming disabled, recovery from disability, election (participating rates) and coverage levels.

#### **Actuarial Methods**

Actuarial Cost Method – There are several acceptable methods listed in the GASB standard. The actuarial cost method used to determine the plan's cost is the Projected Unit Credit method, the same method used in State of New Jersey Postemployment Benefits Other Than Pension July 1, 2012 Actuarial Valuation. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age.

Asset Valuation Method – The plan is currently unfunded.

Amortization Method and Period – The unfunded accrued liability is amortized as a level dollar amounts using an open period of 30 years.

## TOWNSHIP OF WALL

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

#### **Note 18: Contingencies**

##### **State and Federal Financial Assistance**

The Township receives financial assistance from the State of New Jersey and the U. S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2013, the Township estimates that no material liabilities will result from such audits.

##### **Litigation**

The Township is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Township Officials, based upon the opinion of the Township's Counsel, presently believe that the outcome of each such proceeding or claim which is pending or known to be threatened, or all of them combined, will not have a material adverse effect on the Township's financial position or adversely affect the Township's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

#### **Note 19: Subsequent Events**

The Township has evaluated subsequent events through July 07, 2014, the date the financial statements were available to be issued.

**SUPPLEMENTARY EXHIBITS**

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**CURRENT FUND**

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**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF CURRENT CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	CURRENT FUND	FEDERAL & STATE GRANT FUND
Balance, December 31, 2012	\$ 13,925,863.89	\$ 307,509.06
Increased by Receipts:		
Taxes Receivable	\$ 103,964,240.40	
Prepaid Taxes	695,892.67	
Tax Title Liens	7,987.13	
Tax Overpayments	93,731.68	
Due State of New Jersey:		
Senior Citizens & Verterans Deductions	249,887.67	
Miscellaneous Revenue Not Anticipated	1,398,372.32	
Revenue Accounts Receivable	6,532,922.97	
Refund of Current Year Appropriations	816,600.60	
Tax Anticipation Note Payable	4,400,000.00	
Special Emergency Note Payable	3,587,000.00	
Reimbursements from FEMA	893,805.03	
Due Animal Control Trust	17,157.03	
Due Trust Other	4,670.96	
Reserve for:		
Insurance Proceeds	171,244.33	
Federal & State Grants Recievable		\$ 55,175.46
Federal & State Grants Appropriated		5,886.17
Federal & State Grants Unappropriated		144,846.57
	122,833,512.79	205,908.20
Total Receipts	122,833,512.79	205,908.20
Subtotal	136,759,376.68	513,417.26
Decreased by Disbursements:		
2013 Appropriations	31,938,892.32	
2012 Appropriations	478,718.85	
County Taxes Payable	17,092,945.38	
Added County Taxes	58,455.00	
Local School Taxes Payable	63,372,907.00	
Special Fire District Taxes Payable	2,411,236.00	
Tax Anticipation Note Payable	6,000,000.00	
Special Emergency Note Payable	3,000,000.00	
Tax Overpayments	52,789.03	
Reserve for:		
Superstorm Sandy	627,672.00	
Federal & State Grants Appropriated		232,391.35
	125,033,615.58	232,391.35
Total Disbursements	125,033,615.58	232,391.35
Balance, December 31, 2013	\$ 11,725,761.10	\$ 281,025.91

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF CHANGE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OFFICE	AMOUNT
Tax Collector	\$ 300.00
Municipal Court	100.00
Board of Health	100.00
Police Department	<u>200.00</u>
Total	<u><u>\$ 700.00</u></u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
FOR THE YEAR ENDED DECEMBER 31, 2013**

YEAR	BALANCE DECEMBER 31, 2012	2013 LEVY	ADDED TAXES	2012	2013	COLLECTED	DUE FROM STATE OF NEW JERSEY	TRANSFER TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2013
2010	\$ 169,962.27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,962.27	\$ -
2011	3.20	-	5,172.52	-	(9,838.27)	-	-	-	15,013.99	-
2012	2,520,298.75	-	39,491.57	-	1,514,964.11	-	-	-	142,714.50	902,111.71
Total	2,690,264.22	-	44,664.09	-	1,505,125.84	-	-	-	327,690.76	902,111.71
2013	-	106,042,849.67	374,540.25	726,373.00	102,459,114.56	253,508.90	55,362.70	313,744.04	2,609,286.72	
Total	\$ 2,690,264.22	\$ 106,042,849.67	\$ 419,204.34	\$ 726,373.00	\$ 103,964,240.40	\$ 253,508.90	\$ 55,362.70	\$ 641,434.80	\$ 3,511,398.43	

**ANALYSIS OF 2013 PROPERTY TAX LEVY**

General Purpose Tax	\$ 106,042,849.67
Added & Omitted Taxes (54:4-6 et seq)	419,204.34
<b>Total</b>	<b>\$ 106,462,054.01</b>
<b>TAX LEVY:</b>	
Local District School Tax	\$ 60,901,558.00
County Taxes:	
County Tax	\$ 15,265,993.86
County Library Tax	979,820.42
County Open Space Preservation	847,131.10
Due County for Added & Omitted Taxes	62,279.78
Special Fire District Tax	17,155,225.16
Local Tax for Municipal Purposes	2,411,236.00
Add: Additional Taxes Levied	25,637,110.29
	356,924.56
<b>Total</b>	<b>\$ 106,462,054.01</b>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 1,025,691.42
Increased by:		
Transfers From Taxes Receivable		<u>55,362.70</u>
Subtotal		1,081,054.12
Decreased by:		
Collected	\$ 6,089.05	
Interest & Cost - Tax Sale	<u>1,898.08</u>	<u>7,987.13</u>
Balance, December 31, 2013		<u><u>\$ 1,073,066.99</u></u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	ACCRUED IN 2013	COLLECTED	BALANCE DECEMBER 31, 2013
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 76,291.80	\$ 76,291.80	\$ -
Other	-	52,041.53	52,041.53	-
Fees & Permits - Other	-	126,173.55	126,173.55	-
Fines & Costs - Municipal Court	41,714.00	649,082.00	639,221.12	51,574.88
Interest & Costs on Taxes	-	660,637.55	660,637.55	-
Interest on Investments & Deposits	-	11,281.10	11,281.10	-
Legal Settlement	-	62,250.00	62,250.00	-
Hotel Tax	-	175,889.32	175,889.32	-
Energy Receipts Tax	-	3,503,725.00	3,503,725.00	-
Watershed Moratorium Offset Aid	-	8,789.00	8,789.00	-
Fees & Permits:				
Uniform Construction Code	-	847,323.00	847,323.00	-
Sea Girt Municipal Court	-	69,300.00	69,300.00	-
FEMA/Sandy	-	300,000.00	300,000.00	-
 Total Anticipated Revenues	 \$ 41,714.00	 \$ 6,542,783.85	 \$ 6,532,922.97	 \$ 51,574.88

**TOWNSHIP OF WALL  
SCHEDULE OF 2012 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	ENCUMBERED	RESERVE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>Administrative &amp; Executive:</b>					
General Administration:					
Other Expenses	\$ -	\$ 60.54	\$ 60.54	\$ -	\$ 60.54
Municipal Clerk:					
Other Expenses	-	2.32	2.32	-	2.32
Financial Administration (Treasury):					
Other Expenses	573.32	791.11	1,364.43	949.81	414.62
Tax Assessment Administration:					
Salaries and Wages	-	11,434.45	11,434.45	-	11,434.45
Other Expenses	5,819.62	1,718.41	7,538.03	3,427.12	4,110.91
Tax Appeals	942.45	3,089.60	4,032.05	4,032.05	-
Revenue Administration (Tax Collection)					
Salaries and Wages	-	45,703.09	45,703.09	-	45,703.09
Other Expenses	1,969.99	4,706.70	6,676.69	1,969.99	4,706.70
Legal Services (Legal Department)					
Other Expenses	3,586.10	11,757.33	15,343.43	15,343.43	-
Municipal Prosecutor's Office:					
Salaries and Wages	-	999.90	999.90	-	999.90
Engineering Services:					
Other Expenses	-	35,538.47	35,538.47	4,316.82	31,221.65
Engineering and Land Use:					
Other Expenses	1,902.46	42,442.37	44,344.83	13,310.71	31,034.12
Youth Center:					
Salaries and Wages	-	3,001.38	3,001.38	-	3,001.38
Other Expenses	708.16	437.31	1,145.47	708.16	437.31
Insurance:					
General Liability	-	16,421.00	16,421.00	-	16,421.00
Worker's Compensation	-	44,193.87	44,193.87	-	44,193.87
Employee Group Insurance	-	1,746.77	1,746.77	-	1,746.77
Police:					
Salaries and Wages	-	3,355.32	3,355.32	-	3,355.32
Other Expenses	126,525.68	802.31	127,327.99	121,584.48	5,743.51
Welfare/Administration of Public Assistance:					
Salaries and Wages	-	116.66	116.66	-	116.66
Other Expenses	-	1,900.00	1,900.00	-	1,900.00
Recreation Services and Programs:					
Other Expenses	131.87	269.15	401.02	131.87	269.15
Operations:					
Other Expenses	59,487.51	-	59,487.51	54,064.41	5,423.10
Street & Roads Maintenance:					
Other Expenses	65,922.23	9,585.48	75,507.71	57,970.05	17,537.66
Street Lighting:					
Other Expenses	-	1,600.23	1,600.23	-	1,600.23
Electricity:					
Other Expenses	-	265.32	265.32	-	265.32
Gas (natural or propane):					
Other Expenses	-	55,954.88	55,954.88	13,001.50	42,953.38
Solid Waste Collection:					
Other Expenses	12,147.40	9.42	12,156.82	9,020.25	3,136.57
Landfill/Solid Waste Disposal Costs:					
Other Expenses	9,289.02	191,128.61	200,417.63	142,206.21	58,211.42
Gasoline:					
Other Expenses	-	8,977.97	8,977.97	8,977.97	-
Telecommunication costs:					
Other Expenses	-	51,464.98	51,464.98	12,456.64	39,008.34
Computer/Technology Maintenance:					
Other Expenses	4,227.72	266.64	4,494.36	3,015.72	1,478.64
<b>Uniform Construction Code Appropriations</b>					
<b>Offset by Dedicated Revenues:</b>					
Construction Code Official:					
Salaries and Wages	-	3,210.43	3,210.43	1,320.00	1,890.43
Other Expenses:	962.69	50.13	1,012.82	962.69	50.13

**TOWNSHIP OF WALL  
SCHEDULE OF 2012 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	ENCUMBERED	RESERVE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>Unclassified:</b>					
Municipal Court:					
Salaries and Wages	-	70,128.93	70,128.93	-	70,128.93
Other Expenses	1,011.17	767.02	1,778.19	1,472.77	305.42
Environmental Committee:					
Other Expenses	-	1,208.37	1,208.37	-	1,208.37
Public Defender:					
Other Expenses	-	4,000.00	4,000.00	-	4,000.00
<b>Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"</b>					
Statutory Expenditures:					
Public Employees Retirement System:	-	2,035.00	2,035.00	-	2,035.00
Defined Benefit Plan	-	1,297.00	1,297.00	-	1,297.00
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>					
Implementation of the Housing Element					
P.L. 195 - Chapter 222:					
Other Expenses	1,035.23	332.53	1,367.76	1,162.26	205.50
Monmouth County 911:					
Other Expenses	-	19,251.84	19,251.84	-	19,251.84
LOSAP	-	7,050.00	7,050.00	7,050.00	-
Monmouth County Regional Health Commission					
Ch. 329 P.L. 1975 Health Services Contra	107.94	1,387.21	1,495.15	263.94	1,231.21
Total General Appropriations	<u>\$ 296,350.56</u>	<u>\$ 660,460.05</u>	<u>\$ 956,810.61</u>	<u>\$ 478,718.85</u>	<u>\$ 478,091.76</u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 6,636.66
Increased by:		
Overpayments Created		<u>52,851.21</u>
Subtotal		59,487.87
Decreased by:		
Refunded	\$ 52,789.03	
Applied	<u>6,636.66</u>	<u>59,425.69</u>
Balance, December 31, 2013		<u><u>\$ 62.18</u></u>

**SCHEDULE OF PREPAID TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012 (2013 Taxes)		\$ 726,373.00
Increased by:		
Collections - 2013 Taxes		<u>695,892.67</u>
Subtotal		1,422,265.67
Decreased by:		
Application to 2013 Taxes Receivable		<u>726,373.00</u>
Balance, December 31, 2013 (2014 Taxes)		<u><u>\$ 695,892.67</u></u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF DUE TO STATE OF NEW JERSEY  
SENIOR CITIZENS & VETERANS DEDUCTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ (3,660.00)
Increased by:		
Senior Citizens' Deductions per Tax Billing	\$ 21,500.00	
Veterans' Deductions per Tax Billing	231,750.00	
Granted By Tax Collector - 2013	4,500.00	257,750.00
		<hr/>
Subtotal		254,090.00
Decreased by:		
Deductions Disallowed By Collector - 2013	4,241.10	
Cash Received	249,887.67	254,128.77
		<hr/>
Balance December 31, 2013		<u><u>\$ (38.77)</u></u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF DUE COUNTY FOR ADDED & OMITTED TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$	58,455.00
Increased by:		
County Share of 2013 Levy		62,279.78
Subtotal		120,734.78
Decreased by:		
Payments		58,455.00
Balance, December 31, 2013	\$	62,279.78

**ANALYSIS OF BALANCE DECEMBER 31, 2013**

Omitted Taxes (2011)	\$	5,350.25
Omitted Taxes (2012)		156.52
Omitted Taxes (2013)		153.51
Added Taxes (2012)		908.02
Added Taxes (2013)		48,252.47
Omitted/Added Taxes (2012)		7,459.01
Total	\$	62,279.78

**SCHEDULE OF DUE COUNTY TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$	-
Increased by:		
County Share of 2013 Levy:		
County Tax	\$	15,265,993.86
County Library Tax		979,820.42
County Open Space Fund Tax		847,131.10
Subtotal		17,092,945.38
Decreased by:		
Payments		17,092,945.38
Balance December 31, 2013	\$	-

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		
School Tax Payable	\$	2,871,346.00
		-
Increased by:		
Levy Calender Year 2013		<u>60,901,558.00</u>
Subtotal		63,772,904.00
Decreased by:		
Cash Disbursements		<u>63,372,907.00</u>
Balance December 31, 2013	\$	<u><u>399,997.00</u></u>
Local District School Tax Liability:		
Cash Payments	\$	63,372,907.00
School Tax Payable December 31, 2012		<u>(2,871,346.00)</u>
Total		60,501,561.00
School Tax Payable December 31, 2013		<u>399,997.00</u>
Amount Charged to 2013 Operations	\$	<u><u>60,901,558.00</u></u>

**SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2012		\$	-
Increased by:			
2013 Levy:			
Fire District #1	\$	372,000.00	
Fire District #2		1,028,080.00	
Fire District #3		<u>1,011,156.00</u>	2,411,236.00
Subtotal			2,411,236.00
Decreased by:			
Payments			<u>2,411,236.00</u>
Balance December 31, 2013	\$		<u><u>-</u></u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF TAX ANTICIPATION NOTE PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2012	INCREASE	DECREASE	BALANCE DECEMBER 31, 2013
Tax Anticipation Note	4/17/09	4/11/14	1.50%	\$ 6,000,000.00	\$ 4,400,000.00	\$ 6,000,000.00	\$ 4,400,000.00
				\$ 6,000,000.00	\$ 4,400,000.00	\$ 6,000,000.00	\$ 4,400,000.00

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2012	INCREASE	DECREASE		BALANCE DECEMBER 31, 2013
						FEMA REIMB	NOTE PAYOFF	
Emergency Note Payable	7/10/13	12/27/13	1.10%	\$ -	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ -
Emergency Note Payable	12/28/12	12/4/14	2.00%	1,500,000.00	1,137,000.00	350,000.00	1,150,000.00	1,137,000.00
Revaluation Note Payable	12/23/13	12/19/14	1.50%	-	950,000.00	-	-	950,000.00
				<u>\$ 1,500,000.00</u>	<u>\$ 3,587,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ 2,650,000.00</u>	<u>\$ 2,087,000.00</u>

TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF DEFERRED CHARGES N.J.S. 40A:4-53 - SPECIAL EMERGENCY  
FOR THE YEAR ENDED DECEMBER 31, 2013

DESCRIPTION	ORIGINAL AMOUNT AUTHORIZED	1/5 OF AMOUNT AUTHORIZED	DATE	BALANCE DECEMBER 31, 2012	AUTHORIZED PER RESOLUTION	DECREASED BY		BALANCE DECEMBER 31, 2013
						FEMA REIMBURSEMENT	NOTE PAYDOWN	
Superstorm Sandy	\$ 1,500,000.00	\$ 300,000.00	12/12/12	\$ 1,500,000.00	\$ -	\$ 213,000.00	\$ 350,000.00	\$ 637,000.00
Superstorm Sandy (Amendment)	500,000.00	100,000.00	12/18/13	-	500,000.00	-	-	500,000.00
Revaluation	950,000.00	190,000.00	9/25/13	-	950,000.00	-	-	950,000.00
				\$ 1,500,000.00	\$ 1,450,000.00	\$ 213,000.00	\$ 350,000.00	\$ 2,087,000.00

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF DEFERRED CHARGES N.J.S. 40A:4-55  
FOR THE YEAR ENDED DECEMBER 31, 2013**

DESCRIPTION	ORIGINAL AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2012	ADDED IN 2013	REDUCED IN 2013 BUDGET	BALANCE DECEMBER 31, 2013
Overexpenditure of Appropriation	\$ 67,114.31	\$ -	\$ 67,114.31	\$ -	\$ 67,114.31
		<u>\$ -</u>	<u>\$ 67,114.31</u>	<u>\$ -</u>	<u>\$ 67,114.31</u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013 and 2012	\$ <u>913,121.22</u>
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**SCHEDULE OF RESERVE FOR STATE AID  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013 and 2012	\$ <u>8,789.00</u>
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**SCHEDULE OF RESERVE FOR SUPERSTORM SANDY  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 177,672.00
Increased by:	
Special Emergency Appropriation Authorized	<u>500,000.00</u>
Subtotal	677,672.00
Decreased by:	
Cash Disbursements	\$ 627,672.00
Paydown of Special Emergency Note	<u>50,000.00</u> <u>677,672.00</u>
Balance December 31, 2013	\$ <u>-</u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	-
Increased by:		
FEMA Reimbursements		330,805.03
Balance December 31, 2013	\$	330,805.03
* Budgeted Revenue in 2014 Budget		

**SCHEDULE OF RESERVE FOR INSURANCE PROCEEDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	-
Increased by:		
Cash Receipts		171,244.33
Balance December 31, 2013	\$	171,244.33

**TOWNSHIP OF WALL  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

PROGRAM	BALANCE DECEMBER 31, 2012	2013 ANTICIPATED REVENUE	RECEIVED	TRANSFER FROM UNAPPROPRIATED RESERVE	BALANCE DECEMBER 31, 2013
County of Monmouth:					
Drug Abuse Program	\$ 697.50	\$ 32,192.00	\$ 32,889.50	\$ -	\$ -
Interlocal Share	527.00	2,135.09	527.00	2,135.09	-
JAG	13.00	-	-	-	13.00
Clean Communities Program	-	52,686.99	-	52,686.99	-
Municipal Alliance on Alcohol & Drug Abuse	19,365.82	17,774.00	21,758.96	-	15,380.86
Recycling Tonnage Grant	-	32,536.05	-	32,536.05	-
Body Armour Grant	-	6,016.64	-	6,016.64	-
Canine Grant	174.40	-	-	-	174.40
	<hr/>				
Total All Grants	<u>\$ 20,777.72</u>	<u>\$ 143,340.77</u>	<u>\$ 55,175.46</u>	<u>\$ 93,374.77</u>	<u>\$ 15,568.26</u>

**TOWNSHIP OF WALL  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2013**

GRANT	BALANCE DECEMBER 31, 2012	RECEIVED	ANTICIPATED AS REVENUE	BALANCE DECEMBER 31, 2013
State Grants:				
Clean Communities Program	\$ 52,686.99	\$ 61,858.78	\$ 52,686.99	\$ 61,858.78
Body Armour Grant	6,016.64	8,126.57	6,016.64	8,126.57
Violence Against Women Act	9,000.00	-	-	9,000.00
Smart Growth	10,000.00	-	-	10,000.00
Drug Abuse - Interlocal	2,135.09	-	2,135.09	-
Recycling Tonnage Grant	32,536.05	19,848.51	32,536.05	19,848.51
DWI Reserve	-	53,012.71	-	53,012.71
NJL Sustainable	-	2,000.00	-	2,000.00
Total Grants	<u>\$ 112,374.77</u>	<u>\$ 144,846.57</u>	<u>\$ 93,374.77</u>	<u>\$ 163,846.57</u>

**TOWNSHIP OF WALL  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS  
AND MATCHING FUNDS - APPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	TRANSFERRERD FROM 2013 BUDGET APPROPRIATION	CASH RECEIPTS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	ADJUSTMENT (CANCELED)	BALANCE DECEMBER 31, 2013
Municipal Alliance:								
State Share	\$ 117.65	\$ 17,774.00	-	\$ 265.00	\$ 15,573.21	\$ 1,620.27	\$ 1,339.71	\$ 2,302.88
Local Share	1,115.00	19,733.50	5,886.17	1,273.21	26,734.67	-	(1,273.21)	-
Drug and Alcohol Abuse Program								
Monmouth County	-	32,192.00	-	-	32,192.00	-	-	-
Interlocal Share	-	2,135.09	-	-	2,135.09	-	-	-
Juvenile Accountability Grant	1,124.18	-	-	-	-	-	-	1,124.18
Juvenile Accountability Grant	13.00	-	-	-	-	-	-	13.00
Drunk Driving Enforcement Fund	39,213.56	-	-	-	-	-	-	39,213.56
Clean Communities Program	59,684.55	52,686.99	-	35,653.91	102,986.85	4,813.50	-	29,567.90
Body Armour Grant	215.21	6,016.64	-	10,985.00	10,985.00	1,708.45	-	4,523.40
Violence Against Women Act	21,710.47	-	-	-	1,565.86	-	-	20,144.61
Matching Funds-2	587.03	-	-	-	-	-	-	587.03
Recycling Tonnage Grant	43,664.94	32,536.05	-	-	55,186.51	-	-	21,014.48
Canine Grant	289.30	-	-	-	-	-	-	289.30
<b>Total All Funds</b>	<b>\$ 167,734.89</b>	<b>\$ 163,074.27</b>	<b>\$ 5,886.17</b>	<b>\$ 48,177.12</b>	<b>\$ 252,191.35</b>	<b>\$ 8,142.22</b>	<b>\$ 66.50</b>	<b>\$ 124,605.38</b>

Original Budget  
Appropriation by 40A:4-87

Total

\$ 163,074.27	Cash Disbursements	232,391.35
-	Current Fund	19,800.00
<u>\$ 163,074.27</u>		<u>\$ 252,191.35</u>

**TOWNSHIP OF WALL  
CURRENT FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012:			
Current Fund	\$	296,350.56	
Federal and State Grant Fund		48,177.12	344,527.68
			<hr/>
Increased by:			
Current Year Encumbrances:			
Current Fund - Appropriations		256,715.19	
Current Fund - Reserve for Hurricane Sandy		627,672.00	
Federal and State Grant Fund - Appropriated Grant Reserves		8,142.22	264,857.41
			<hr/>
Subtotal			609,385.09
Decreased by:			
Prior Year Encumbrances Reclassified:			
Current Fund - Appropriations		296,350.56	
Federal and State Grant Fund - Appropriated Grant Reserves		48,177.12	344,527.68
			<hr/>
Balance December 31, 2013:			<u>\$ 264,857.41</u>

**ANALYSIS OF BALANCE, DECEMBER 31, 2013**

Current Fund Appropriations	\$	256,715.19	
Federal & State Grant Fund - Appropriated Grant Reserves			8,142.22
			<hr/>
Total	\$		<u>264,857.41</u>

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**TRUST FUND**

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**TOWNSHIP OF WALL  
TRUST FUND  
SCHEDULE OF TRUST CASH  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
Balance December 31, 2012	\$ 69,034.74	\$ 2,672,332.93
Increased by Receipts:		
Due to State	\$ 2,983.80	
Animal Control Fees Collected	23,608.80	
Tax Title Liens	-	2,227,784.85
Accounts Receivable	-	
Due To/From:		
Water/Sewer Capital Fund	-	-
Current Fund	50.29	3,426.22
Various Reserves	-	7,287,504.79
	<u>26,642.89</u>	<u>9,518,715.86</u>
Total Receipts	<u>26,642.89</u>	<u>9,518,715.86</u>
Subtotal	<u>\$ 95,677.63</u>	<u>\$ 12,191,048.79</u>
Decreased by Disbursements:		
Due to State	2,975.40	
Expenditures Under R.S. 4:19-15.11	69,951.30	
Tax Title Liens	-	1,835,246.00
Due To/From:		
Current Fund	17,157.03	4,670.96
Water/Sewer Capital Fund	-	152,232.79
Various Reserves	-	8,113,365.62
	<u>90,083.73</u>	<u>10,105,515.37</u>
Total Disbursements	<u>90,083.73</u>	<u>10,105,515.37</u>
Balance December 31, 2013	<u>\$ 5,593.90</u>	<u>\$ 2,085,533.42</u>

**TOWNSHIP OF WALL  
TRUST - ANIMAL CONTROL FUND  
SCHEDULE OF RESERVE (DEFICIT) FOR ANIMAL CONTROL EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	51,928.00
Increased by:		
Animal Control Fees Collected		23,608.80
Subtotal		75,536.80
Decreased by:		
Expenditures Under R.S.4:19-15,11:		69,951.30
Balance December 31, 2013	\$	5,585.50

**LICENSE FEES COLLECTED**

YEAR		AMOUNT
2012	\$	24,568.00
2011		25,839.00
Total	\$	50,407.00

**TOWNSHIP OF WALL  
TRUST - ANIMAL CONTROL FUND  
SCHEDULE OF DUE TO STATE OF NEW JERSEY  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ -
Increased by:	
Cash Receipts	<u>2,983.80</u>
Subtotal	2,983.80
Decreased by:	
Cash Disbursements	<u>2,975.40</u>
Balance December 31, 2013	<u><u>\$ 8.40</u></u>

**SCHEDULE OF DUE TO CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 17,106.74
Increased by:	
Interest Earned	<u>50.29</u>
Subtotal	17,157.03
Decreased by:	
Cash Disbursements	<u>17,157.03</u>
Balance December 31, 2013	<u><u>\$ -</u></u>

**TOWNSHIP OF WALL  
TRUST FUND - OTHER  
SCHEDULE OF VARIOUS RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	CASH RECEIPTS	CASH DISBURSEMENTS	ADJUSTMENTS	BALANCE DECEMBER 31, 2013
Reserve For:					
Law Enforcement	\$ 45,506.19	\$ 13,925.44	\$ 22,874.95	\$ -	\$ 36,556.68
Recreation	153,154.83	307,273.15	252,237.16	15,519.20	223,710.02
Public Defener	16,942.20	16,619.50	13,350.00	-	20,211.70
Developer's Escrow	2,204,259.91	386,128.45	477,659.18	-	2,112,729.18
Housing Trust	81,516.34	110,620.25	135,550.64	-	56,585.95
Hazmat Clean Up	47,260.23	-	-	-	47,260.23
Recycling	1,155.00	-	-	-	1,155.00
Snow Removal	122,013.67	100,000.00	13,154.92	-	208,858.75
Municipal Alliance	5,070.42	8,764.69	9,990.72	-	3,844.39
Unemployment Trust	196,180.86	35,112.30	17,346.37	-	213,946.79
Payroll Deductions	818,979.71	6,293,541.81	7,171,201.68	-	(58,680.16)
<b>Total</b>	<b>\$ 3,692,039.36</b>	<b>\$ 7,271,985.59</b>	<b>\$ 8,113,365.62</b>	<b>\$ 15,519.20</b>	<b>\$ 2,866,178.53</b>

**TOWNSHIP OF WALL  
TRUST - OTHER FUND  
SCHEDULE OF RESERVE FOR REDEMPTION OF TAX TITLE LIENS & TAX SALE PREMIUMS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 814,161.15
Increased by:	
Cash Receipts	<u>2,227,784.85</u>
Subtotal	3,041,946.00
Decreased by:	
Cash Disbursements	<u>1,835,246.00</u>
Balance December 31, 2013	<u><u>\$ 1,206,700.00</u></u>

**SCHEDULE OF DUE TO CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 14,707.06
Increased by:	
Interest Earned	<u>3,426.22</u>
Subtotal	18,133.28
Decreased by:	
Cash Disbursements	<u>4,670.96</u>
Balance December 31, 2013	<u><u>\$ 13,462.32</u></u>

**TOWNSHIP OF WALL  
TRUST - OTHER FUND  
SCHEDULE OF DUE FROM WATER/SEWER CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 1,848,574.64
Increased by:	
Cash Disbursements	<u>152,232.79</u>
Balance (Deficit) December 31, 2013	<u><u>\$ 2,000,807.43</u></u>

**TOWNSHIP OF WALL  
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")  
SCHEDULE OF INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$ 163,555.96
Increased by:		
Township Contributions	\$ 23,925.00	
Appreciation on Investments	29,081.29	
Transfers	2,093.97	55,100.26
		<hr/>
Subtotal		218,656.22
Decreased by:		
Accounting Charges	3,875.00	
Withdrawals	19,823.85	23,698.85
		<hr/>
Balance (Deficit) December 31, 2013		<u><u>\$ 194,957.37</u></u>

**LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")  
SCHEDULE OF MISCELLANEOUS RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$ 163,555.96
Increased by:		
Township Contributions	\$ 23,925.00	
Appreciation on Investments	29,081.29	
Transfers	2,093.97	55,100.26
		<hr/>
Subtotal		218,656.22
Decreased by:		
Accounting Charges	3,875.00	
Withdrawals	19,823.85	23,698.85
		<hr/>
Balance (Deficit) December 31, 2013		<u><u>\$ 194,957.37</u></u>

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**GENERAL CAPITAL FUND**

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**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL CAPITAL CASH  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$	-
Increased by Receipts:			
Issue of Refunding Bonds	\$ 11,775,000.00		
Premium on Sale of Bonds	1,524,000.00		
Capital Improvement Fund	100,000.00		
Deferred Charges to Future Taxation - Unfunded	51,664.50		
Due To Utility Assessment Fund	716,265.59		
Reserve for Payment of Bonds	199,500.00		
Reserve For B.A.N.s	122,920.00		
Capital Surplus	16,278.86		14,505,628.95
			<hr/>
Subtotal			14,505,628.95
Decreased by Disbursements:			
Bond Anticipation Notes	13,299,000.00		
Improvement Authorizations	1,206,628.95		14,505,628.95
			<hr/>
Balance December 31, 2013		\$	-
			<hr/> <hr/>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

BALANCE  
(OVERDRAFT)  
DECEMBER 31,  
2013

Fund Balance	\$ 74,939.07
Capital Improvement Fund	19,500.00
Reserve for Encumbrances	370,146.94
Due To Utility Assessment Fund	1,161,859.84
Reserve for Debt Service - Other	281,580.00
Reserve for Payment of Bonds	199,500.00
Reserve for Route 34	250,000.00

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATION	
95-12, 99-33,00-29	RCA	(6,460.50)
1995-12	Various Improvements	91.36
03-05, 03-21, 05-03	and Acquisition of Open Space	48,828.32
2001-18	Various Improvements	(68,551.54)
2002-06	Various Improvements	1,707.96
02-19, 02-23, 03-25	Acquisition of Sea Girt Inn	11,315.19
2003-34, 2006-15	Various Improvements	(962,955.94)
2006-31	Construction of New Youth Center	804,310.12
2006-35	Various Improvements	19,391.36
2006-13, 2006-38	Police Building Renovations	527.34
2007-14	Various Improvements	50,000.00
2007-27	Various Improvements	(330,907.30)
2008-11	Various Improvements	96,579.32
2009-16, 2012-09	Various Improvements	(141,015.75)
2009-38	Aquisition of Real Property	68,693.55
2010-10	Various Improvements	(854,811.77)
2010-16	Road Improvements to Baileys Corner Road	(209,000.00)
2011-06	Aquisition of Real Property for Open Space	1,367.23
2011-16	Various Roadway Improvements	(70,739.78)
2012-03	Various Improvements	(1,020,144.99)
2013-24	Various Improvements	44,249.97
2013-28	Acquisition of Sanitation Trucks	160,000.00
		<hr/>
	Total	\$ <u><u>(0.00)</u></u>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$ 16,647,406.61
Increased by:		
Refunding Bonds Issued		<u>11,775,000.00</u>
Subtotal		28,422,406.61
Decreased by:		
2013 Budget Appropriations:		
Serial Bonds Payable	\$ 2,466,404.00	
Green Acres Loan Payable	<u>242,427.27</u>	<u>2,708,831.27</u>
Balance December 31, 2013		<u><u>\$ 25,713,575.34</u></u>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2012	INCREASED BY IMPROVEMENT AUTHORIZATIONS	FUNDED BY ISSUANCE OF BONDS	FUNDED BY PREMIUM ON BOND SALE	FUNDED BY NJ DOT GRANT	BALANCE DECEMBER 31, 2013	ANALYSIS OF BALANCE	
								EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
91-12, 99-33, 00-29	RCA	\$ 6,460.00	\$ -	\$ -	\$ -	\$ -	6,460.00	\$ 6,460.00	\$ -
99-28, 00-19, 00-30, 03-05, 03-21, 05-03	Various Capital Improvements and Acquisition of Open Space	4,038,600.00	-	2,514,600.00	1,524,000.00	-	-	-	-
2001-18	Acquisition of Real Property -	70,000.00	-	-	-	-	70,000.00	68,551.54	1,448.46
2003-34, 2006-15	Various Capital Improvements	967,951.00	-	-	-	-	967,951.00	962,955.94	4,995.06
2004-5, 2005-4, 2005-38	West Belmar Gateway	959,610.00	-	959,610.00	-	-	-	-	-
2006-31	Construction of New Youth Center	876,920.00	-	876,920.00	-	-	-	-	-
2007-13	Acquisition of Real Property	950,000.00	-	950,000.00	-	-	-	-	-
2007-27	Various Capital Improvements	332,000.00	-	-	-	-	332,000.00	330,907.30	1,092.70
2008-11	Various Capital Improvements	3,111,000.00	-	3,111,000.00	-	-	-	-	-
2009-16, 2012-9	Various Capital Improvements	838,898.00	-	-	-	51,664.50	787,233.50	141,015.75	646,217.75
2009-33	Various Capital Improvements	523,000.00	-	523,000.00	-	-	-	-	-
2009-38	Acquisition of Real Property	2,437,870.00	-	2,437,870.00	-	-	-	-	-
2010-10	Various Capital Improvements	1,045,000.00	-	-	-	-	1,045,000.00	854,811.77	190,188.23
2010-16	Road Improvements to Baileys Corner Road	209,000.00	-	-	-	-	209,000.00	209,000.00	-
2011-06	Acquisition of Real Property - Open Space	402,000.00	-	-	-	-	-	-	-
2011-16	Various Roadway Improvements	81,665.00	-	402,000.00	-	-	81,665.00	70,740.28	10,924.72
2012-03	Various Capital Improvements	1,534,000.00	-	-	-	-	1,534,000.00	1,020,145.99	513,854.01
2013-24	Various Capital Improvements	-	1,387,000.00	-	-	-	1,387,000.00	-	1,387,000.00
2013-28	Acquisition of Sanitation Trucks	-	2,940,000.00	-	-	-	2,940,000.00	-	2,940,000.00
Total		\$ 18,383,974.00	\$ 4,327,000.00	\$ 11,775,000.00	\$ 1,524,000.00	\$ 51,664.50	\$ 9,360,309.50	\$ 3,664,588.57	\$ 5,695,720.93

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 152,500.00
Increased by:	
2013 Budget Appropriation - Current Fund	<u>100,000.00</u>
Subtotal	252,500.00
Decreased by:	
Appropriated to Finance Improvements	<u>233,000.00</u>
Balance December 31, 2013	<u><u>\$ 19,500.00</u></u>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	538,016.03
Decreased by:		
Grants Received		51,664.50
Balance December 31, 2013	\$	486,351.53

**ANALYSIS OF BALANCE**

NJDOT - Bike Path Extension - Phase II	I/A #09-16	\$	86,250.00
NJDEP - Ridge Road Sand Mine Acquisition	I/A #09-16		400,000.00
Homeland Security and Preparedness	I/A #09-16		101.53
		\$	486,351.53

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2012		2013 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2013	
			FUNDED	UNFUNDED					FUNDED	UNFUNDED
995-12	Various Improvements	\$ 2,000,000.00	\$ 91.36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91.36	\$ -
99-28, 00-19, 00-30	Various Improvements and Acquisition of Open Space	5,650,000.00	-	53,603.32	-	-	2,375.00	2,400.00	48,828.32	-
03-05, 03-21, 05-03	Purchase of Computer Equipment	635,000.00	-	1,448.46	-	-	-	-	-	1,448.46
2001-18	Construction of Bike Paths	1,200,000.00	1,707.96	-	-	-	-	-	1,707.96	-
2002-06	Acquisition of Sea Girt Inn	1,500,000.00	11,315.19	-	-	-	-	-	11,315.19	-
02-19, 02-23, 03-25	Police Building Renovations	5,300,000.00	527.34	-	-	-	-	-	527.34	-
06-13, 06-38	Various Capital Improvements	1,830,000.00	-	4,995.06	-	-	-	-	-	4,995.06
03-34, 06-15	Construction of New Youth Center	1,000,000.00	-	804,310.12	-	43,780.70	-	43,780.70	804,310.12	-
2006-31	Various Capital Improvements	1,500,000.00	93,739.37	-	-	-	12,902.01	61,446.00	19,391.36	-
2006-35	Various Capital Improvements	1,500,000.00	50,000.00	-	-	-	-	-	50,000.00	-
2007-14	Various Capital Improvements	350,000.00	-	1,092.70	-	-	-	-	-	1,092.70
2007-27	Various Capital Improvements	3,275,000.00	-	228,556.94	-	29,830.01	126,249.39	35,558.24	96,579.32	-
2008-11	Various Capital Improvements	1,930,000.00	-	673,647.09	-	66,113.88	27,429.34	66,113.88	-	646,217.75
09-16, 12-09	Various Capital Improvements	2,600,000.00	-	68,693.55	-	-	-	-	68,693.55	-
2009-38	Acquisition of Real Property	1,100,000.00	-	213,754.15	-	45,184.39	51,217.72	17,532.59	-	190,188.23
2010-10	Various Capital Improvements	425,000.00	-	967.23	-	12,575.00	12,175.00	-	1,367.23	-
2011-06	Acquisition of Real Property for Open Space	200,000.00	-	10,924.72	-	-	-	-	-	10,924.72
2011-16	Various Roadway Improvements	1,615,000.00	43,660.53	1,534,000.00	-	25,039.47	974,280.49	114,565.50	-	513,854.01
2012-03	Various Improvements	1,460,000.00	-	-	1,460,000.00	-	-	28,750.03	44,249.97	1,387,000.00
2013-24	Various Improvements	3,100,000.00	-	-	3,100,000.00	-	-	-	160,000.00	2,940,000.00
2013-28	Acquisition of Sanitation Trucks									
<b>Total</b>			\$ 201,041.75	\$ 3,595,993.34	\$ 4,560,000.00	\$ 222,523.45	\$ 1,206,628.95	\$ 370,146.94	\$ 1,307,061.72	\$ 5,695,720.93

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 222,523.45
Increased by:	
Charges to Improvement Authorization	<u>370,146.94</u>
Subtotal	592,670.39
Decreased by:	
Prior Year Balance Reappropriated	<u>222,523.45</u>
Balance December 31, 2013	<u><u>\$ 370,146.94</u></u>

**SCHEDULE OF DUE TO UTILITY ASSESSMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 445,594.25
Increased by:	
Cash Receipts	<u>716,265.59</u>
Balance December 31, 2013	<u><u>\$ 1,161,859.84</u></u>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GREEN ACRES TRUST LOANS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOAN PRINCIPAL AND INTEREST		INTEREST RATE	BALANCE DECEMBER 31, 2012	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2013		
			DATE	AMOUNT						
Hurley's Pond Acquisition	01/26/88	\$ 450,000.00	05/29/14	13,199.04	2.00%	\$ 135,370.38	\$ 26,007.33	\$ 109,363.05		
			11/29/14	13,331.04	2.00%					
			05/29/15	13,464.34	2.00%					
			11/29/15	13,598.99	2.00%					
			05/29/16	13,734.99	2.00%					
			11/29/16	13,872.31	2.00%					
			05/29/17	14,011.17	2.00%					
			11/29/17	14,151.17	2.00%					
Municipal Park Addition	01/26/88	\$ 1,000,000.00	04/30/14	30,672.86	2.00%	314,583.01	60,437.65	254,145.36		
			10/30/14	30,979.59	2.00%					
			04/30/15	31,289.38	2.00%					
			10/30/15	31,602.28	2.00%					
			04/30/16	31,918.30	2.00%					
			10/30/16	32,237.48	2.00%					
			04/30/17	32,560.01	2.00%					
			10/30/17	32,885.46	2.00%					
Open Space Acquisition	12/10/99	\$ 2,250,000.00	04/13/14	79,107.75	2.00%	1,159,966.72	155,982.29	1,003,984.43		
			10/13/14	80,009.80	2.00%					
			04/13/15	80,697.90	2.00%					
			10/13/15	81,617.90	2.00%					
			04/13/16	82,320.20	2.00%					
			10/13/16	83,258.15	2.00%					
			04/13/17	83,974.50	2.00%					
			10/13/17	84,931.97	2.00%					
			04/13/18	85,662.75	2.00%					
			10/13/18	86,638.75	2.00%					
			04/13/19	87,384.40	2.00%					
		10/13/19	88,380.36	2.00%						
Total								\$ 1,609,920.11	\$ 242,427.27	\$ 1,367,492.84

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATUREITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED	DECREASED	BALANCE DECEMBER 31, 2013
			DATE	AMOUNT					
General Improvement Bonds	12/20/00	\$ 1,000,000	12/01/17	\$ 3,000.00	5.350%	\$ 8,000.00	-	\$ -	8,000.00
			12/01/18	3,000.00	5.375%				
			12/01/19	1,000.00	5.400%				
			12/01/20	1,000.00	5.450%				
2003 Refunding Bonds	01/28/03	2,320,000		210,000.00				210,000.00	-
General Improvement Bonds	12/21/04	5,800,000	12/01/14	394,000.00	3.750%	772,000.00	-	378,000.00	394,000.00
	2004 Refunding Bonds	5,234,963	07/15/14	672,452.00	5.000%	2,026,464.50	-	640,569.00	1,385,895.50
07/15/15			713,443.50	3.750%					
2007 Refunding Bonds	04/12/07	2,328,220	12/01/14	297,287.00	5.000%	2,027,663.00	-	285,375.00	1,742,288.00
			12/01/15	311,789.00	5.000%				
			12/01/16	327,327.00	5.000%				
			12/01/17	342,346.00	5.000%				
			12/01/18	154,859.00	5.000%				
			12/01/19	153,823.00	5.000%				
			12/01/20	154,857.00	4.000%				
			12/01/14	468,000.00	5.000%	6,289,000.00	-	446,000.00	5,843,000.00
			12/01/15	491,000.00	5.000%				
			12/01/16	516,000.00	5.000%				
General Improvement Bonds	12/31/07	8,224,000	12/01/17	541,000.00	5.000%				
			12/01/18	569,000.00	5.250%				
			12/01/19	598,000.00	4.000%				
			12/01/20	622,000.00	4.000%				
			12/01/21	647,000.00	5.250%				
			12/01/22	681,000.00	4.250%				
			12/01/23	710,000.00	4.250%				
2011 Refunding Bonds	03/30/11	2,495,000	12/01/14	520,950.00	3.000%	1,484,360.00	-	506,460.00	977,900.00
			12/01/15	456,950.00	5.000%				

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED	DECREASED	BALANCE DECEMBER 31, 2013	
			DATE	AMOUNT						
2012 Refunding Bonds	12/01/12	2,220,000	12/01/14	-	4.000%	2,220,000.00	-	-	2,220,000.00	
			12/01/15	410,000.00	4.000%					
			12/01/16	425,000.00	4.000%					
			12/01/17	445,000.00	4.000%					
			12/01/18	460,000.00	4.000%					
			12/01/19	480,000.00	4.000%					
2013 Serial Bonds	06/05/13	2,220,000	08/01/14	310,000.00	2.000%	-	11,775,000.00	-	11,775,000.00	
			08/01/15	310,000.00	2.000%					
			08/01/16	620,000.00	3.000%					
			08/01/17	620,000.00	3.000%					
			08/01/18	615,000.00	3.000%					
			08/01/19	620,000.00	4.000%					
			08/01/20	620,000.00	4.000%					
			08/01/21	620,000.00	4.000%					
			08/01/22	620,000.00	5.000%					
			08/01/23	620,000.00	5.000%					
			08/01/24	620,000.00	5.000%					
			08/01/25	620,000.00	5.000%					
			08/01/26	620,000.00	5.000%					
		08/01/27	620,000.00	5.000%						
		08/01/28	620,000.00	5.000%						
		08/01/29	620,000.00	3.000%						
		08/01/30	620,000.00	4.000%						
		08/01/31	620,000.00	3.125%						
		08/01/32	620,000.00	5.000%						
		08/01/33	620,000.00	5.000%						
Total										
						\$ 15,037,487.50	\$	11,775,000.00	\$ 2,466,404.00	\$ 24,346,083.50

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	BALANCE DECEMBER 31, 2012	DECREASED	BALANCE DECEMBER 31, 2013
99-28, 00-19, 00-30 00-30, 03-21, 05-03	Various Improvements and Acquisition of Open Space	06/27/07	\$ 4,038,600.00	\$ 4,038,600.00	\$ -
2004-5, 2005-4, 2005-38	West Belmar Gateway	06/27/07	959,610.00	959,610.00	-
2006-31	Construction of New Youth Center	06/27/07	876,920.00	876,920.00	-
2009-38	Acquisition of Real Property	12/28/09	2,437,870.00	2,437,870.00	-
2008-11	Various Capital Improvements	12/14/11	3,111,000.00	3,111,000.00	-
2007-13	Acquisition of Real Property	06/14/12	950,000.00	950,000.00	-
2009-33	Various Capital Improvements	06/14/12	523,000.00	523,000.00	-
2011-06	Acquisition of Real Property	06/14/12	402,000.00	402,000.00	-
	Total		<u>\$ 13,299,000.00</u>	<u>\$ 13,299,000.00</u>	<u>\$ -</u>
			Notes Paid from Premium on Bond Issuance	\$ 1,524,000.00	
			Bond Issuance	<u>11,775,000.00</u>	
				<u>\$ 13,299,000.00</u>	

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
AT DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	2013 AUTHORIZATIONS	FUNDED BY GRANT MONIES	BALANCE DECEMBER 31, 2013
91-12, 99-33, 00-29	RCA	\$ 6,460.50	\$ -	\$ -	\$ 6,460.50
2001-18	Various Improvements	70,000.00	-	-	70,000.00
2003-34, 2006-15	Various Improvements	967,951.00	-	-	967,951.00
2007-27	Various Improvements	332,000.00	-	-	332,000.00
09-16, 09-33, 09-38, 12-09	Various Improvements	838,898.00	-	51,664.50	787,233.50
2010-10	Various Improvements	1,045,000.00	-	-	1,045,000.00
2010-16	Road Improvements to Baileys Corner Road	209,000.00	-	-	209,000.00
2011-16	Various Roadway Improvements	81,664.50	-	-	81,664.50
2012-03	Various Improvements	1,534,000.00	-	-	1,534,000.00
2013-24	Various Improvements	-	1,387,000.00	-	1,387,000.00
2013-28	Acquisition of Sanitation Trucks	-	2,940,000.00	-	2,940,000.00
	Total	<u>\$ 5,084,974.00</u>	<u>\$ 4,327,000.00</u>	<u>\$ 51,664.50</u>	<u>\$ 9,360,309.50</u>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR PAYMENT OF BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ -
Increased by:	
Receipts	<u>199,500.00</u>
Balance, December 31, 2013	<u><u>\$ 199,500.00</u></u>

**SCHEDULE OF RESERVE FOR BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 158,660.00
Increased by:	
Current Year Budget Appropriation	<u>122,920.00</u>
Balance, December 31, 2013	<u><u>\$ 281,580.00</u></u>

**TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR ROUTE 34  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012 and 2013

\$ 250,000.00

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**WATER/SEWER UTILITY FUND**

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**TOWNSHIP OF WALL  
WATER/SEWER UTILITY OPERATING FUND  
SCHEDULE OF WATER/SEWER UTILITY CASH  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	OPERATING FUND	ASSESSMENT TRUST	CAPITAL FUND
Balance, December 31, 2012	\$ 613,195.54	\$ 1,307,545.55	\$ -
Increased by Receipts:			
Due To/From:			
Trust Fund	-	-	\$ 152,232.79
Water/Sewer Capital Fund	20,140.00		
Water/Sewer Assessment Fund			731,000.00
Premium on Sale of Bond Anticipation Notes			479,028.78
Consumer Accounts Receivable	11,141,979.74		
Sewer User Agreements	50,000.00		
Miscellaneous	270,249.26		
Water/Sewer Utility Assessment Surplus	385,000.00		
Rent Overpayments	44,743.24		
Assessment Overpayments		59,811.78	
Assessment Receivables			37,050.00
Reserve for Payment of BAN's			3,650,000.00
General Serial Bonds			
Liquidated Investment in Special Emergency Notes		1,500,000.00	
Subtotal	<u>11,912,112.24</u>	<u>1,559,811.78</u>	<u>5,049,311.57</u>
Total	<u>12,525,307.78</u>	<u>2,867,357.33</u>	<u>5,049,311.57</u>
Decreased by Disbursements:			
2013 Budget Appropriations	11,400,150.52	510,625.00	
2012 Appropriation Reserves	14,230.31		
Budgeted Revenue - Water/Sewer Utility Operating Fund		385,000.00	
Due To/From:			
Water/Sewer Capital Fund			20,140.00
General Capital Fund			
Improvement Authorizations		731,000.00	
Investment in Bond Anticipation Note		716,265.59	
Bond Anticipation Notes			902,171.57
Total Disbursements	<u>11,414,380.83</u>	<u>2,342,890.59</u>	<u>5,049,311.57</u>
Balance, December 31, 2013	<u>\$ 1,110,926.95</u>	<u>\$ 524,466.74</u>	<u>\$ -</u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
ANALYSIS OF WATER AND SEWER CAPITAL CASH AND INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2013
Due To Trust Fund	\$ 2,000,807.43
Due To Water/Sewer Assessment Fund	731,000.00
Reserve for Encumbrances	158,877.00
Reserve for Sewer Extension	502.29
Reserve for Payment of Bond Anticipation Notes	37,050.00
Capital Improvement Fund	165,400.00
Fund Balance	93,969.74

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	
1992-14	Manasquan Park Sewer and Southwest Sewer	(578,935.38)
1999-11	North Wall II	(590,638.30)
2002-05	Various Improvements	78,268.76
2003-10	Eighteenth Avenue Sanitary Sewer Force Main Extensions	1,475.50
2002-42	Sewer Extensions	(47,500.00)
2003-14	Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System	(145,080.00)
2003-20	Various Water and Sewer Improvements	69,509.18
2004-28	Improvements to Allenwood Sewer System	(126,987.27)
2004-36	Meeting House Road Sewer	(218,000.00)
2004-40	Barbee Lane Sanitary Sewer Extension	425.61
2004-41	Devlin Gym Sanitary Sewer System	(130,992.91)
2006-36	Mtg House Road Sewer	6,802.44
2006-37	Quaker Estates	(125,131.24)
2007-26	Improvements to Water/Sewer System	-
2009-17	Various Water Utility Improvements	(146,986.63)
2010-11	Water/Sewer Improvements	(525,000.00)
2011-23	Water/Sewer Improvements	(657,472.22)
2013-17	Water/Sewer Improvements	(51,364.00)
	Total	\$ 0.00

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY OPERATING FUND  
SCHEDULE OF WATER AND SEWER RENTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 922,706.41
Increased by:		
Water & Sewer Rents Levied	\$ 11,374,474.37	
Overpayments Created	4,535.74	11,379,010.11
Subtotal		12,301,716.52
Decreased by:		
Collections		11,141,979.74
Balance, December 31, 2013		\$ 1,159,736.78

**SCHEDULE OF 2012 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012		BALANCE	PAID OR	BALANCE
	ENCUMBERED	RESERVED	AFTER TRANSFERS	CHARGED	LAPSED
Operations:					
Salaries & Wages	\$ -	\$ 55,082.61	\$ 55,082.61	\$ -	\$ 55,082.61
Other Expenses	11,848.86	81,421.16	93,270.02	14,230.31	79,039.71
Sewer Treatment Costs	-	72,626.74	72,626.74	-	72,626.74
Water Treatment Costs	-	577.77	577.77	-	577.77
Capital Improvements:					
Capital Outlay	-	7,768.05	7,768.05	-	7,768.05
Statutory Expenditures:					
Social Security System (O.A.S.I.)	-	9,261.52	9,261.52	-	9,261.52
Total	\$ 11,848.86	\$ 226,737.85	\$ 238,586.71	\$ 14,230.31	\$ 224,356.40

**TOWNSHIP OF WALL  
WATER/SEWER ASSESSMENT FUND  
SCHEDULE OF ASSESSMENTS RECEIVABLES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	PROJECT	BALANCE		BALANCE		PLEDGED TO	
		DECEMBER 31, 2012	COLLECTED	DECEMBER 31, 2013	RESERVE	CAPITAL	
1989-42	Ocean Road	\$ 9,000.00	\$ -	\$ 9,000.00	\$ 9,000.00	\$ -	\$ -
1990-22	Wreck Pond	44,400.00	-	44,400.00	-	44,400.00	44,400.00
1992-14	Southwest Hall	5,999.61	-	5,999.61	5,999.61	-	-
1996-20	Hurley Pond Water	18,251.20	1,151.20	17,100.00	17,100.00	-	-
1997-13	Hannabrand	36,594.93	-	36,594.93	-	-	36,594.93
1998-03	Hannabrand -Amd	12,710.26	-	12,710.26	-	-	12,710.26
2000-42	9 Allenwood	635.88	429.85	206.03	-	-	206.03
2002-07	Sewer Extensions	6,560.57	1,192.08	5,368.49	-	-	5,368.49
2002-43	Allenwood and Ridgewood	89,629.52	37,928.44	51,701.08	51,701.08	-	-
2003-09	Barbee Lane	42,918.78	13,146.62	29,772.16	-	-	29,772.16
2003-14	Route 34 - Devlin Gym Sewer Extension	21,050.41	5,963.59	15,086.82	-	-	15,086.82
		<u>\$ 287,751.16</u>	<u>\$ 59,811.78</u>	<u>\$ 227,939.38</u>	<u>\$ 83,800.69</u>	<u>\$ 144,138.69</u>	

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY ASSESSMENT FUND  
SCHEDULE OF WATER/SEWER UTILITY ASSESSMENT LIENS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013 and 2012

\$ 13,143.33

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012 & 2013
Distribution Main Hydrants and Stand Pipes	\$ 910,712.00
Distribution Main	3,172,401.00
Equipment	292,741.00
Land	15,258.00
Meters, Boxes and Vaults	2,904,190.00
Water Plant	804,329.00
Pumping Station	57,303.00
Wells	1,131,799.00
Sewer Water Improvements	<u>33,927,417.68</u>
 Total	 <u><u>\$ 43,216,150.68</u></u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AMOUNT	BALANCE DECEMBER 31, 2012	AUTHORIZED	BALANCE DECEMBER 31, 2013
2002-42	Various Improvements	\$ 330,000.00	\$ 330,000.00	-	\$ 330,000.00
2003-09, 2004-40	Barbee Lane Sanitary Sewer Extension (Assessment)	1,150,000.00	1,150,000.00	-	1,150,000.00
2003-10, 2006-14	Eighteenth Avenue Sanitary Sewer Force Main Extensions	760,000.00	760,000.00	-	760,000.00
2003-14, 2004-41	Improvements to Rt. 34 Southbound Devlin Gym Sanitary Sewer System (Assessment)	450,000.00	450,000.00	-	450,000.00
2003-20	Various Water/Sewer Improvements	725,000.00	725,000.00	-	725,000.00
2004-28	Improvements to Allenwood Sewer System	250,000.00	250,000.00	-	250,000.00
2005-30	Acquisition of a Vactor Vehicle	245,000.00	245,000.00	-	245,000.00
2006-36	Meeting House Road Sewer	230,000.00	230,000.00	-	230,000.00
2006-37	Quaker Estates	145,000.00	145,000.00	-	145,000.00
2007-26	Improvements to Water/Sewer System	300,000.00	300,000.00	-	300,000.00
2009-17	Various Water Utility Improvements	200,000.00	200,000.00	-	200,000.00
2010-11	Various Water Utility Improvements	553,000.00	553,000.00	-	553,000.00
2011-23	Various Water Utility Improvements	998,000.00	998,000.00	-	998,000.00
2013-17	Various Water Utility Improvements	750,000.00	-	750,000.00	750,000.00
Total		\$ 6,336,000.00	\$ 6,336,000.00	\$ 750,000.00	\$ 7,086,000.00

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2012		2013 AUTHORIZATIONS		ENCUMBRANCES RECLASSIFIED		EXPENDED	ENCUMBRANCES PAYABLE		BALANCE DECEMBER 31, 2013	
			FUNDED	UNFUNDED	ENCUMBERED	AUTHORIZATIONS	ENCUMBRANCES	ENCUMBRANCES		FUNDED	UNFUNDED		
1991-29	Hiddenbrook Sewer	\$ 2,395,331.00	\$ 13,405.21	\$ -	\$ -	\$ -	\$ 13,405.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1999-11	North Wall II	1,400,000.00	-	58,706.49	-	-	21,594.79	-	-	-	-	-	37,111.70
2002-05	Various Improvements	330,000.00	100,948.51	-	-	-	22,679.75	-	-	-	-	78,268.76	-
2003-10	Eighteenth Avenue Sanitary Sewer Force Main Extensions	760,000.00	-	1,475.50	-	-	-	-	-	-	-	-	1,475.50
2003-20	Various Water and Sewer Improvements	1,139,715.00	69,509.18	-	-	-	-	-	-	-	-	69,509.18	-
2004-28	Improvements to Allenwood Sewer System	250,000.00	-	12.73	-	-	-	-	-	-	-	-	12.73
2004-40	Barbee Lane Sanitary Sewer Extension	250,000.00	-	44,289.36	-	-	-	-	29,173.75	13,590.00	-	1,525.61	-
2004-41	Devlin Gynn Sanitary Sewer System	250,000.00	-	59,007.09	-	-	-	-	-	-	-	-	59,007.09
2006-36	Mtg House Road Sewer	230,000.00	-	6,802.44	-	-	-	-	-	-	-	6,802.44	-
2006-37	Quaker Estates	145,000.00	-	60,548.76	-	-	-	48,680.00	-	-	-	-	11,868.76
2007-26	Improvements to Water/Sewer System	300,000.00	-	3,064.12	-	-	3,064.12	-	-	-	-	-	-
2009-17	Various Water Utility Improvements	200,000.00	-	43,609.25	-	-	-	595.88	-	-	-	-	43,013.37
2010-11	Water/Sewer Improvements	553,000.00	-	1,326.90	120,011.28	-	120,011.28	-	121,338.18	-	-	-	-
2011-23	Water/Sewer Improvements	998,000.00	40,089.87	950,000.00	-	-	552,275.89	-	89,364.00	145,287.00	-	-	292,526.98
2013-17	Water/Sewer Improvements	750,000.00	-	-	750,000.00	-	-	-	-	-	-	-	660,636.00
<b>Total</b>			\$ 223,952.77	\$ 1,228,842.64	\$ 120,011.28	\$ 750,000.00	\$ 902,171.57	\$ 158,877.00	\$ 156,105.99	\$ 1,105,652.13			

**TOWNSHIP OF WALL  
 WATER/SEWER UTILITY CAPITAL FUND  
 SCHEDULE OF PROSPECTIVE ASSESSMENTS TO BE  
 RAISED BY WATER/SEWER UTILITY FUND REVENUE  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2012 & 2013
		TOTAL APPROPRIATED	DOWN PAYMENT	
2003-09	Barbee Lane Sanitary Sewer	\$ 900,000.00	\$ 45,000.00	\$ 45,000.00
2003-14	Route 34 Southbound - Devlin Gym Sanitary Sewer System	250,000.00	13,000.00	13,000.00
2004-41	Route 34 Southbound - Devlin Gym Sanitary Sewer System	200,000.00	10,000.00	10,000.00
				<u>\$ 68,000.00</u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 38,607,610.10
Increased by:		
Paid by Utility Operating Fund:		
Serial Bonds	\$ 691,971.50	
Loans Payable	285,000.00	
Premium on Sale of Bonds	477,000.00	1,453,971.50
		<hr/>
Subtotal		40,061,582
Decreased by:		
Fixed Capital Authorized & Uncompleted Cancelled	750,000.00	
Serial Bonds Defeased	3,650,000.00	4,400,000.00
		<hr/>
Balance, December 31, 2013		<u><u>\$ 40,061,581.60</u></u>

**SCHEDULE OF RESERVE FOR SEWER EXTENSION  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2013 & 2012	<u><u>\$ 502.29</u></u>
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**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	ADDITIONS	BALANCE DECEMBER 31, 2013
2002-05	Various Improvements	\$ 16,500.00	\$ -	\$ 16,500.00
2003-09	Barbee Lane	57,500.00	-	57,500.00
2003-10	18th Avenue Force Main	38,000.00	-	38,000.00
2003-14	Devlin Gym	23,000.00	-	23,000.00
2003-20	Various Improvements	37,000.00	-	37,000.00
2004-28	Improvements to Allenwood Sewer	13,000.00	-	13,000.00
2008-30	Sewer Vactor	245,000.00	-	245,000.00
2006-36	Mtg. House Sewer	12,000.00	-	12,000.00
2006-37	Quaker Estate Sewer	8,000.00	-	8,000.00
2007-26	Improvements to Water/Sewer System	15,000.00	-	15,000.00
2009-17	Various Water Utility Improvements	10,000.00	-	10,000.00
2010-11	Various Water Utility Improvements	28,000.00	-	28,000.00
2011-23	Various Water Utility Improvements	48,000.00	-	48,000.00
2013-17	Water/Sewer Improvements	-	38,000.00	38,000.00
		<u>\$ 551,000.00</u>	<u>\$ 38,000.00</u>	<u>\$ 589,000.00</u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 203,400.00
Decreased by:	
Appropriated to Finance Improvements	<u>38,000.00</u>
Balance, December 31, 2013	<u><u>\$ 165,400.00</u></u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED	DECREASED	BALANCE DECEMBER 31, 2013
			OUTSTANDING DECEMBER 31, 2013	AMOUNT					
2004 Refunding Bonds	12/21/04	\$ 3,900,037	07/15/14	\$ 487,548.00	5.000%	\$ 1,458,536.00	\$ -	\$ 464,431.50	\$ 994,104.50
			07/15/15	506,556.50	3.750%				
2011 Refunding Bonds	03/15/11	1,240,100	12/01/14	234,050.00	3.000%	785,640.00	-	227,540.00	558,100.00
			12/01/15	324,050.00	5.000%				
2013 Serial Bonds	06/05/13	3,650,000	08/01/14	100,000.00	2.000%	-	3,650,000.00	-	3,650,000.00
			08/01/15	100,000.00	2.000%				
			08/01/16	100,000.00	3.000%				
			08/01/17	200,000.00	3.000%				
			08/01/18	200,000.00	3.000%				
			08/01/19	200,000.00	4.000%				
			08/01/20	200,000.00	4.000%				
			08/01/21	195,000.00	4.000%				
			08/01/22	195,000.00	5.000%				
			08/01/23	195,000.00	5.000%				
			08/01/24	195,000.00	5.000%				
			08/01/25	195,000.00	5.000%				
			08/01/26	195,000.00	5.000%				
			08/01/27	195,000.00	5.000%				
			08/01/28	195,000.00	5.000%				
		08/01/29	195,000.00	3.000%					
		08/01/30	195,000.00	4.000%					
		08/01/31	200,000.00	3.130%					
		08/01/32	200,000.00	5.000%					
		08/01/33	200,000.00	5.000%					
Total									
									\$ 2,244,176.00
									\$ 3,650,000.00
									\$ 691,971.50
									\$ 5,202,204.50

**TOWNSHIP OF WALL  
 WATER/SEWER UTILITY CAPITAL FUND  
 SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS PAYABLE  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2012	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2013
			DATE	AMOUNT				
Construction of Sanitary Sewer System in Manasquan Park System: Trust Loan	11/01/93	\$ 3,404,672	N/A	N/A	N/A	\$ 285,000.00	\$ 285,000.00	\$ -
Total						\$ 285,000.00	\$ 285,000.00	\$ -

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	BALANCE DECEMBER 31, 2012	DECREASED	BALANCE DECEMBER 31, 2013
2003-10	Eighteenth Avenue Sanitary Sewer Force Main Extensions	06/22/10	\$ 570,000.00	\$ 570,000.00	\$ -
2006-14	Eighteenth Avenue Sanitary Sewer Force Main Extensions	06/22/10	152,000.00	152,000.00	-
2007-26	Various Utility Capital Improvements	06/22/10	285,000.00	285,000.00	-
2003-09	Barbee Lane Improvements	06/14/12	855,000.00	855,000.00	-
2002-08	Route 34 Improvements	06/14/12	1,520,000.00	1,520,000.00	-
2000-04	Allenwood Sewer Improvements	06/14/12	745,000.00	745,000.00	-
Total			<u>\$ 4,127,000.00</u>	<u>\$ 4,127,000.00</u>	<u>\$ -</u>

Notes Paid from Premium on Bond Issuance	\$ 477,000.00
Bond Issuance	<u>3,650,000.00</u>
	<u>\$ 4,127,000.00</u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY ASSESSMENT FUND  
SCHEDULE OF UTILITY ASSESSMENT BONDS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DECEMBER 31, 2012	DECREASED	BALANCE DECEMBER 31, 2013
			DATE	DECEMBER 31, 2013	AMOUNT				
Special Assessment Bonds Ordinances 2000-04, 2002-5	12/21/04	\$ 2,200,000	12/01/14	255,000.00	3.750%	\$ 500,000.00	\$ 245,000.00	\$ 255,000.00	
	04/12/07	2,120,180	12/01/14	276,713.00	5.000%	1,887,338.00	265,625.00	1,621,713.00	
2007 Refunding Bonds			12/01/15	290,211.00	5.000%				
			12/01/16	304,673.00	5.000%				
			12/01/17	318,654.00	5.000%				
			12/01/18	144,141.00	5.000%				
			12/01/19	143,177.00	5.000%				
			12/01/20	144,144.00	4.000%				
Total							\$ 2,387,338.00	\$ 510,625.00	\$ 1,876,713.00

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	INCREASED BY 2013 AUTHORIZATIONS	BALANCE DECEMBER 31, 2013
1992-14	Manasquan Park Sewer and Southwest Sewer	\$ 578,935.38	\$ -	\$ 578,935.38
1999-11	North Wall II	627,750.00	-	627,750.00
00-04, 04-43	Allenwood Sewer Improvements (Assessment)	-	-	-
2002-08	Sewer Extensions (Assessment)	-	-	-
2002-12	Sewer Extensions (Assessment)	-	-	-
2002-42	Sewer Extensions	47,500.00	-	47,500.00
2003-09	Barbee Lane Sanitary Sewer (Assessment)	-	-	-
2004-40	Improvements to Barbee Lane Sanitary Sewer Extension (Assessment)	1,100.00	-	1,100.00
2003-14	Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System (Assessment)	145,080.00	-	145,080.00
2004-41	Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System (Assessment)	190,000.00	-	190,000.00
2004-28	Improvements to Allenwood Sewer System	127,000.00	-	127,000.00
2004-36	Meeting House Road Sewer	218,000.00	-	218,000.00
2006-37	Quaker Estates	137,000.00	-	137,000.00
2009-17	Various Water/Sewer Improvements	190,000.00	-	190,000.00
2010-11	Various Water/Sewer Improvements	525,000.00	-	525,000.00
2011-23	Various Water/Sewer Improvements	950,000.00	-	950,000.00
2013-17	Various Water/Sewer Improvements	-	712,000.00	712,000.00
Total		<u>\$ 3,737,365.38</u>	<u>\$ 712,000.00</u>	<u>\$ 4,449,365.38</u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 54,175.71
Increased by:	
Budget Appropriation	<u>263,813.10</u>
Subtotal	317,988.81
Decreased by:	
Disbursed	<u>206,276.75</u>
Balance December 31, 2013	<u><u>\$ 111,712.06</u></u>

**Analysis of Balance**

Utility Capital Fund Bonds & Notes	\$ 104,278.17
Utility Assessment Fund Bonds & Notes	<u>7,433.89</u>
	<u><u>\$ 111,712.06</u></u>

**TOWNSHIP OF WALL  
WATER/SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR PAYMENT OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ -
Increased by:	
Budget Appropriation	<u>37,050.00</u>
Balance December 31, 2013	<u><u>\$ 37,050.00</u></u>

**TOWNSHIP OF WALL  
WATER/SEWER CAPITAL FUND  
SCHEDULE OF DUE TO WATER/SEWER ASSESSMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance (Deficit) December 31, 2012	\$ -
Increased by:	
Cash Receipts	<u>731,000.00</u>
Balance (Deficit) December 31, 2013	<u><u>\$ 731,000.00</u></u>

**SCHEDULE OF DUE TO WATER/SEWER OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance (Deficit) December 31, 2012	\$ 20,140.00
Decreased by:	
Disbursements	<u>20,140.00</u>
Balance (Deficit) December 31, 2013	<u><u>\$ -</u></u>

**SCHEDULE OF DUE TO TRUST - OTHER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 1,848,574.64
Increased by:	
Cash Receipts	<u>152,232.79</u>
Balance December 31, 2013	<u><u>\$ 2,000,807.43</u></u>

**PUBLIC ASSISTANCE FUND**

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**TOWNSHIP OF WALL  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF PUBLIC ASSISTANCE CASH  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$ 21,718.42
Increased by:		
State Aid for Public Assistance	\$ 32,100.00	
Supplementary Security Income	5,559.18	37,659.18
		<hr/>
Subtotal		59,377.60
Decreased by:		
Public Assistance - 2013	44,054.00	
Bank Fees	594.86	44,648.86
		<hr/>
Balance December 31, 2013		<u>\$ 14,728.74</u>

**TOWNSHIP OF WALL  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF PUBLIC ASSISTANCE REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>P.A.T.F. II</u>	<u>FUND TOTAL</u>
State Aid Payments	\$ 32,100.00	\$ 32,100.00
Supplemental Security Income	<u>5,559</u>	<u>5,559</u>
 Total Revenues	 <u>\$ 37,659.18</u>	 <u>\$ 37,659.18</u>

**TOWNSHIP OF WALL  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>P.A.T.F. II</u>	<u>FUND TOTAL</u>
Payment for Current Year Assistance (Reported):		
Maintenance Payment	\$ 19,282.00	\$ 19,282.00
Temporary Rental Assistance	24,599.00	24,599.00
Shelter/Motel Housing	173.00	173.00
Work Related Expenses	<u>-</u>	<u>-</u>
 Total Payments Reported	 <u>44,054.00</u>	 <u>44,054.00</u>
 Total Disbursements	 <u>\$ 44,054.00</u>	 <u>\$ 44,054.00</u>

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**TOWNSHIP OF WALL  
COUNTY OF MONMOUTH**

**PART II**

**COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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The Honorable Mayor and Members of the  
Township Committee  
Township of Wall  
Wall, New Jersey 07719

We have audited the financial statements – statutory basis of the Township of Wall in the County of Monmouth for the year ended December 31, 2013.

**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 Committee and the records of the various outside departments.

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 Township Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Township 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 \$17,500 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.

A test was conducted to determine that expenditures greater than \$2,625 obtained solicitation of quotes. *One exception was noted. See Finding 2013-08.*

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*.

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Township Council.

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*.

## **Tax Collector**

### **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 2, 2013 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."

The Township also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

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

### **Delinquent Taxes and Tax Title Liens**

The delinquent taxes at December 31, 2013 included real estate taxes for 2013 and 2012.

The last tax sale was held on November 15, 2013 and was complete.

Inspection of 2013 tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

<b>YEAR</b>	<b>NUMBER OF LIENS</b>
2013	46
2012	33
2011	35

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get properties back on a taxpaying basis.

### **Deductions from Taxes**

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

### **Tax Collector's Annual Report**

*N.J.S.54:4-91* requires that on or before May 1<sup>st</sup> of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2013 with the governing body.

### **Finding 2013-01:**

During our audit the Township was unable to provide us an updated list of foreclosed property owned by the Township at December 31, 2013.

### **Recommendation:**

That foreclosed properties owned by the Township be properly maintained and updated in the Townships tax accounting system.

### **Management Response:**

The Township of Wall agrees with this finding, and will correct it accordingly.

### **Finding 2013-02:**

During our audit we noted that various Utility Assessments Receivables were uncollected during 2013.

**Recommendation:**

That the Township review all utility assessment receivables to ensure all assessments are collectible.

**Management Response:**

The Township of Wall agrees with this finding, and it will correct it accordingly.

**Payroll Fund**

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of the Township employees.

**Finding 2013-03:**

It was noted during our audit that the fourth quarter NJ 927 liability was not filed and paid timely.

**Recommendation:**

That all quarterly payroll liabilities be filed and paid by the statutory deadlines.

**Management Response:**

The Township of Wall agrees with this finding as this issue occurred during the transition in the position of Director of Human Services. No such issue continues to exist.

**Municipal Court**

A separate report for the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

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

A test sample was selected of fifteen (15) traffic and criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

A review of the partial payment system indicated that collection procedures are being enforced to collect delinquent balances.

**Finance Office:**

**\*Finding 2013-04:**

In accordance with N.J.S.A. 40A:4-57, all local units shall have and maintain a fixed assets accounting and reporting system that has a subsidiary ledger, consisting of detailed property records for controlling, additions, retirements and transfers of fixed assets, Such ledger shall be maintained and reconciled periodically and at the end of every fiscal year with the general ledger control accounts for fixed assets..

**Recommendation:**

That the Township obtains a complete inventory of its fixed assets and establish controls to properly account for additions and dispositions.

**Management Response:**

The Township agrees with this finding and is in the process of completing its fixed asset inventory during 2014 calendar year.

**Finding 2013-05:**

In accordance with N.J.S.A. 40A:4-57, no officer, board, body or commission shall, during any fiscal year, expend any money (except to pay notes, bonds or interest thereon), incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

**Recommendation:**

That the Township, prior to the encumbering of purchase orders, verify that sufficient funds are available in the applicable budget appropriation line item in order to prevent the over-expenditure of funds.

**Management Response:**

The Township of Wall agrees with this finding as a one-time situation due to allocation of debt service between internal internal funds as created by the computerized accounting system crash the occurred in April of 2013.

**Finding 2013-06:**

During our testing we noted that quotes were not obtained for expenditure in the amount of \$7,500 which is over the quote threshold per Local Public Contracts Law *N.J.S.A40A:4*.

**Recommendation:**

That additional procedures and controls be implemented to ensure all purchases are in compliance with Local Public Contracts Law of the State of New Jersey.

**Management Response:**

The Township of Wall agrees with this finding, and it will correct it accordingly.

**Prior Year Findings**

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings except with those marked above with an asterisk (\*).

**OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office at December 31, 2013:

<u>NAME</u>	<u>TITLE</u>
Todd W. Luttman	Mayor
Clinton C. Hoffman	Deputy Mayor
Ann Marie Conte	Committee Member
Jeffrey W. Foster	Committee Member
George K. Newberry	Committee Member
Jeffrey Bertrand	Administrator
Kate Kohri	Assistant Administrator
Stephen M. Mayer	Chief Financial Officer
Kammie Verdolina	Tax Collector & Water/Sewer Collector
Lorraine Kubacz	Clerk
Joseph Defino	Judge
Linda J. Smith	Court Administrator
Sean T. Kean, Esq	Attorney

Employees are covered under the Blanket Bond Coverage through the Monmouth County Municipal Joint Insurance Fund for \$1,000,000.00.

**Acknowledgment**

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

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P. C.**

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
CR 483

Freehold, New Jersey  
July 07, 2014