

*Report of Audit*

*on the*

*Financial Statements*

*of the*

*Township of Wall*

*in the*

*County of Monmouth  
New Jersey*

*for the*

*Year Ended  
December 31, 2008*



TOWNSHIP OF WALL

I N D E X

	<u>PAGES</u>
<u>PART I</u>	
Independent Auditor's Report	1-2
	<u>EXHIBITS</u>
<u>Financial Statements - Statutory Basis</u>	
<u>Current Fund:</u>	
Balance Sheets - Statutory Basis	"A"
Statements of Operations and Change in Fund Balance - Statutory Basis	"A-1"
Statement of Revenues - Statutory Basis - Year Ended December 31, 2008	"A-2"
Statement of Expenditures - Statutory Basis - Year Ended December 31, 2008	"A-3"
<u>Trust Fund:</u>	
Balance Sheets -Statutory Basis	"B"
<u>General Capital Fund:</u>	
Balance Sheets - Statutory Basis	"C"
Statement of Capital Fund Balance - Statutory Basis	"C-1"
<u>Water and Sewer Utility Fund:</u>	
Balance Sheets - Statutory Basis	"D"
Statements of Operations and Change in Operating Fund Balance - Statutory Basis	"D-1"
Statement of Water and Sewer Utility Capital Fund Balance – Statutory Basis	"D-2"
Statement of Revenues - Statutory Basis-Year Ended December 31, 2008	"D-3"
Statement of Expenditures - Statutory Basis-Year Ended December 31, 2008	"D-4"
Statement of Revenues – Assessment Trust Fund – Water and Sewer Utility Assessment Fund	"D-5"
Statement of Expenditures – Assessment Trust Fund – Water and Sewer Utility Assessment Fund - Year Ended December 31, 2008	"D-6"
Statement of Fund Balance – Water and Sewer Utility Assessment Fund Year Ended December 31, 2008	"D-7"
<u>Public Assistance Trust Fund:</u>	
Balance Sheets - Statutory Basis	"E"
	<u>PAGES</u>
Notes to Financial Statements - Year Ended December 31, 2008	3-23

TOWNSHIP OF WALL

I N D E X (CONTINUED)

Supplementary Schedules - All Funds

EXHIBITS

Current Fund:

Schedule of Cash - Collector-Treasurer	"A-4"
Schedule of Petty Cash	"A-5"
Schedule of Change Fund	"A-6"
Schedule of Due to State of New Jersey for Senior Citizens and Veterans Deductions	"A-7"
Schedule of Taxes Receivable and Analysis of Property Tax Levy	"A-8"
Schedule of Tax Title Liens	"A-9"
Schedule of Property Acquired for Taxes (At Assessed Valuation)	"A-10"
Schedule of Deferred Charges	"A-11"
Schedule of Interfunds	"A-12"
Schedule of Revenue Accounts Receivable	"A-13"
Schedule of 2007 Appropriation Reserves	"A-14"
Schedule of Encumbrances Payable	"A-15"
Schedule of Tax Overpayments	"A-16"
Schedule of Prepaid Taxes	"A-17"
Schedule of County Taxes Payable	"A-18"
Schedule of Due County for Added and Omitted Taxes	"A-19"
Schedule of Local District School Taxes	"A-20"
Schedule of Fire District Taxes Payable	"A-21"
Schedule of Reserve for Municipal Homeland Security Assistance Aid	"A-22"
Schedule of Reserve for Codification of Ordinances	"A-23"
Schedule of Reserve for Sale of Municipal Assets	"A-24"
Schedule of Reserve for Donations	"A-25"
Schedule of Grants Receivable	"A-26"
Schedule of Reserve for Grants - Appropriated	"A-27"
Schedule of Reserve for Grants - Unappropriated	"A-28"

Trust Fund:

Schedule of Cash-Treasurer	"B-1"
Schedule of Reserve for State Registration Fees	"B-2"
Schedule of Reserve for Animal Control Fund Expenditures	"B-3"
Schedule of Reserve for Redemption of Tax Title Lien Certificates	"B-4"
Schedule of Due Current Fund – Animal Control Trust Fund	"B-5"
Schedule of Reserve for Various Deposits	"B-6"
Schedule of Interfunds	"B-7"

TOWNSHIP OF WALL

I N D E X (CONTINUED)

EXHIBITS

General Capital Fund:

Schedule of Cash-Treasurer	"C-2"
Analysis of Capital Cash and Investments	"C-3"
Schedule of Interfunds	"C-4"
Schedule of Deferred Charges to Future Taxation-Funded	"C-5"
Schedule of Deferred Charges to Future Taxation-Unfunded	"C-6"
Schedule of Capital Improvement Fund	"C-7"
Schedule of Improvement Authorizations	"C-8"
Schedule of Grants Receivable	"C-9"
Schedule of Due Water/Sewer Utility Assessment Fund	"C-10"
Schedule of Reserve for Debt Service – Green Trust	"C-11"
Schedule of Serial Bonds	"C-12"
Schedule of Bond Anticipation Notes	"C-13"
Schedule of Reserve for Route 34	"C-14"
Schedule of Contracts Payable	"C-15"
Schedule of Green Trust Loans Payable	"C-16"
Schedule of Bonds and Notes Authorized But Not Issued	"C-17"

Water and Sewer Utility Fund:

Schedule of Cash -Treasurer	"D-8"
Schedule of Analysis of Water/Sewer Utility Capital Fund Cash	"D-9"
Schedule of Reserve for Due to Developer	"D-10"
Schedule of Interfunds – Assessment Fund	"D-11"
Schedule of Assessments Receivable – Assessment Fund	"D-12"
Schedule of Accrued Interest on Bonds and Notes - Operating Fund	"D-13"
Schedule of Water and Sewer Assessment Liens - Assessment Fund	"D-14"
Schedule of Reserve for Prospective Assessments - Capital Fund	"D-15"
Schedule of Water and Sewer Overpayments - Capital Fund	"D-16"
Schedule of Due General Capital Fund	"D-17"
Schedule of Appropriation Reserves - Operating Fund	"D-18"
Schedule of Encumbrances Payable - Capital Fund	"D-19"
Schedule of Fixed Capital - Capital Fund	"D-20"
Schedule of Fixed Capital Authorized and Completed - Capital Fund	"D-21"
Schedule of Improvement Authorizations - Capital Fund	"D-22"
Schedule of Contracts Payable – Capital Fund	"D-23"
Schedule of Utility Serial Bonds – Capital Fund	"D-24"
Schedule of Environmental Infrastructure Trust Loans-Capital Fund	"D-25"
Schedule of Water Sewer Assessment Trust Bonds-Assessment Fund	"D-26"
Schedule of Capital Improvement Fund - Capital Fund	"D-27"
Schedule of Due Reserve for Amortization - Capital Fund	"D-28"
Schedule of Deferred Reserve for Amortization – Assessment Fund	"D-29"
Schedule of Bonds and Notes Authorized But Not Issued - Capital Fund	"D-30"

TOWNSHIP OF WALL

I N D E X (CONTINUED)

	<u>EXHIBITS</u>
<u>Public Assistance Trust Fund:</u>	
Schedule of Public Assistance Cash-Treasurer	"E-1"
Schedule of Public Assistance Cash and Reconciliation Per N.J.S.A.40A:5-5	"E-2"
Schedule of Public Assistance Cash and Reconciliation As of December 31, 2008	"E-3"
Schedule of Public Assistance Revenues Year Ended December 31, 2008	"E-4"
Schedule of Public Assistance Expenditures Year Ended December 31, 2008	"E-5"
	<u>PAGES</u>
 <u>PART II</u>	
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	24-26
Schedule of Expenditures of Federal Awards for the Year Ended December 31, 2008	27
Schedule of Expenditures of State Financial Assistance Year Ended December 31, 2008	28
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance Year Ended December 31, 2008	29-30
Schedule of Findings and Recommendations	31
 <u>PART III</u>	
Statistical Data	32-36
Officials in Office and Surety Bonds	37
General Comments and Recommendations	38-43

TOWNSHIP OF WALL

PART I

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES AND DATA

FINANCIAL STATEMENTS - STATUTORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - STATUTORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2008



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements - statutory basis of the various individual funds of the Township of Wall, County of Monmouth, New Jersey as of and for the years ended December 31, 2008 and 2007 and for the year ended December 31, 2008 as listed as financial statements - statutory basis in the foregoing table of contents. These financial statements - statutory basis are the responsibility of the management of the Township of Wall, County of Monmouth. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, except for the omission of a statement of general fixed assets, the Township of Wall, County of Monmouth, prepares its financial statements on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

# SUPLEE, CLOONEY & COMPANY

In our opinion, because the Township of Wall prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the various individual funds of the Township of Wall, County of Monmouth, as of December 31, 2008 and 2007 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year then ended.

However, in our opinion, except for the omission noted in the third paragraph, the financial statements - statutory basis present fairly, in all material respects, the financial position - statutory basis of the various individual funds and account groups of the Township of Wall, County of Monmouth, as of December 31, 2008 and 2007 and the results of its operations and changes in fund balance - statutory basis for the years then ended and the revenues, expenditures and changes in fund balance - statutory basis for the year ended December 31, 2008 on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2009 on our consideration of the Township of Wall's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and is important for the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements - statutory basis taken as a whole. The information included in the schedules of federal awards and state financial assistance and the other supplementary schedules and data listed in the table of contents is 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 financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended for the information of the Township of Wall, County of Monmouth, New Jersey, the Division of Local Government Services and federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 30, 2009

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CURRENT FUND

## TOWNSHIP OF WALL

## CURRENT FUND

## BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	BALANCE DECEMBER 31, 2008	BALANCE DECEMBER 31, 2007
Current Fund:			
Cash	A-4	\$ 5,711,872.21	\$ 6,699,935.30
Petty Cash	A-5	200.00	120.00
Change Fund	A-6	500.00	500.00
		<u>\$ 5,712,572.21</u>	<u>\$ 6,700,555.30</u>
Receivables and Acquired Property with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 2,185,189.43	\$ 1,650,398.95
Tax Title Liens Receivable	A-9	865,767.56	791,246.38
Property Acquired for Taxes - Assessed Valuation	A-10	57,000.00	57,000.00
Revenue Accounts Receivable	A-13	58,902.14	53,015.00
Other Liens		4,850.00	4,850.00
Interfunds Receivable	A-12	17,451.68	805.18
	A	<u>\$ 3,189,160.81</u>	<u>\$ 2,557,315.51</u>
Deferred Charges:			
Overexpenditure of 2007 Appropriations	A-11	\$ 84,000.00	\$ 84,000.00
		<u>\$ 8,985,733.02</u>	<u>\$ 9,341,870.81</u>
Grant Fund:			
Cash	A-4	\$ 145,995.38	\$ 158,153.68
Grants Receivable	A-26	11,102.09	68,864.90
Interfunds Receivable	A-12	30,681.33	
		<u>\$ 187,778.80</u>	<u>\$ 227,018.58</u>
		<u>\$ 9,173,511.82</u>	<u>\$ 9,568,889.39</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Liabilities:			
Due State of New Jersey - Senior Citizens Deductions	A-7	\$ 15,339.50	\$ 16,425.78
Appropriation Reserves	A-3:A-14	837,883.58	459,726.78
Interfunds Payable	A-12	7,219.80	
Encumbrances Payable	A-15	372,706.80	429,285.19
Prepaid Taxes	A-17	634,933.08	673,262.51
Added County Tax Payable	A-19	117,734.78	139,063.38
Local District School Taxes Payable	A-20	399,999.88	399,999.89
Reserve For:			
Municipal Homeland Security Assistance Aid	A-22		90,000.00
Codification of Ordinances	A-23	11,500.06	11,500.06
Sale of Municipal Assets	A-24	401,812.31	386,862.31
Donations	A-26	4,850.00	4,850.00
		<u>\$ 2,803,979.79</u>	<u>\$ 2,610,975.90</u>
Reserve for Receivables and Other Assets	A	3,189,160.81	2,557,315.51
Fund Balance	A-1	<u>2,992,592.42</u>	<u>4,173,579.40</u>
		<u>\$ 8,985,733.02</u>	<u>\$ 9,341,870.81</u>
Grant Fund:			
Encumbrances Payable	A-15	\$ 8,842.53	\$ 48,510.78
Grants - Appropriated	A-27	95,455.02	110,296.75
Grants - Unappropriated	A-28	83,481.25	68,211.05
		<u>\$ 187,778.80</u>	<u>\$ 227,018.58</u>
		<u>\$ 9,173,511.82</u>	<u>\$ 9,568,889.39</u>

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

## TOWNSHIP OF WALL

## CURRENT FUND

STATEMENTS OF OPERATIONS AND  
CHANGE IN FUND BALANCE - STATUTORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2008	YEAR ENDED DECEMBER 31, 2007
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 3,200,683.61	\$ 2,600,000.00
Miscellaneous Revenue Anticipated	A-2	7,096,688.66	8,059,297.34
Receipts From Delinquent Taxes	A-2	1,014,851.03	975,053.35
Receipts From Current Taxes	A-2	94,245,995.11	88,565,897.85
Non-Budget Revenue	A-2	1,217,554.82	1,116,934.38
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	290,540.08	300,967.53
Reserve for Grants Appropriated Cancelled			8,458.17
<u>TOTAL REVENUE AND OTHER INCOME</u>		<u>\$ 107,066,313.31</u>	<u>\$ 101,626,608.62</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operations Within "CAPS"	A-3	\$ 23,641,961.45	\$ 22,735,412.99
Deferred Charges and Statutory Expenditures-Municipal	A-3	1,197,697.51	1,165,674.96
Other Operations Excluded from "CAPS"	A-3	2,196,578.21	1,461,149.21
State and Federal Programs Off-Set by Revenues	A-3	171,558.91	153,624.39
Capital Improvements	A-3	160,000.00	200,000.00
Municipal Debt Service	A-3	4,301,074.98	3,512,196.19
Fire District Taxes	A-21	2,007,611.00	1,891,965.00
County Tax	A-18	17,686,837.03	16,854,446.91
County Share of Added Taxes	A-19	117,734.62	139,063.38
Local District School Tax	A-20	53,507,087.52	51,867,165.00
Interfunds Advanced		16,646.50	805.18
Grants Cancelled - Net	A-12	8,411.92	
Refund of Prior Year Revenue	A-4	33,417.03	301,902.76
<u>TOTAL EXPENDITURES</u>		<u>\$ 105,046,616.68</u>	<u>\$ 100,283,405.97</u>
Excess in Revenue		\$ 2,019,696.63	\$ 1,343,202.65
Adjustment to Income Before Fund Balance:			
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Year	A-11		173,595.35
Statutory Excess in Fund Balance		\$ 2,019,696.63	\$ 1,516,798.00
<u>Fund Balance</u>			
Balance, January 1	A	4,173,579.40	5,256,781.40
		\$ 6,193,276.03	\$ 6,773,579.40
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	3,200,683.61	2,600,000.00
Fund Balance, December 31	A	<u>\$ 2,992,592.42</u>	<u>\$ 4,173,579.40</u>

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	REF.	ANTICIPATED BUDGET	SPECIAL N.J.S. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	\$ 3,200,683.61		\$ 3,200,683.61	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-12	\$ 116,000.00		\$ 117,306.75	1,306.75
Fees and Permits:					
Construction Code Official	A-2	663,000.00		475,547.91	(187,452.09)
Other	A-2	101,000.00		97,591.65	(3,408.35)
Fines and Costs:					
Municipal Court	A-13	719,000.00		765,004.47	46,004.47
Interest and Costs on Taxes	A-13	315,000.00		298,084.39	(16,915.61)
Interest on Investments and Deposits	A-13	497,000.00		297,998.58	(199,001.42)
Energy Receipts Tax	A-13	4,344,607.00		4,344,607.00	
Watershed Moratorium Offset Aid	A-13	8,789.00		8,789.00	
Garden State Trust Fund	A-13	22,240.00			(22,240.00)
Homeland Security Aid	A-22	90,000.00		90,000.00	
Drunk Driving Enforcement Fund	A-26		32,482.93	32,482.93	
Clean Communities Program	A-26	38,001.86		38,001.86	
Municipal Alliance on Alcoholism and Drug Abuse	A-26	33,500.00		33,500.00	
County of Monmouth Drug Abuse Program	A-26	18,800.00		18,800.00	
County of Monmouth Drug Abuse Program - Interlocal Share	A-26	7,575.00		7,575.00	
Violence Against Woman Act	A-26	7,575.05		7,575.05	
Body Armor Replacement Fund	A-26	7,790.07		7,790.07	
Juvenile Accountability Grant	A-26	6,034.00		6,034.00	
Reserve for Housing Trust	A-13	450,000.00		450,000.00	
<u>Total Miscellaneous Revenues</u>	A-1	\$ 7,445,911.98	\$ 32,482.93	\$ 7,096,688.66	(381,706.25)
Receipts From Delinquent Taxes	A-1	\$ 950,000.00		\$ 1,014,851.03	64,851.03
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2:A-8	\$ 21,919,853.21		\$ 22,806,785.61	886,932.40
<u>BUDGET TOTALS</u>		\$ 33,516,448.80	\$ 32,482.93	\$ 34,119,008.91	570,077.18
Non-Budget Revenues	A-1:A-2			1,217,554.82	1,217,554.82
		\$ 33,516,448.80	\$ 32,482.93	\$ 35,336,563.73	1,787,632.00
REF.	A-3		A-3		

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:			
Revenue from Collections	A-1;A-8	\$	94,245,995.11
Allocated To:			
School and County Taxes		\$	71,311,659.17
Fire District Taxes			<u>2,007,611.00</u>
			<u>73,319,270.17</u>
Balance for Support of Municipal Budget Appropriations		\$	20,926,724.94
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		<u>1,880,060.67</u>
Amount for Support of Municipal Budget Appropriations	A-2	\$	<u><u>22,806,785.61</u></u>
ABC Licenses:	A-13	\$	126,156.75
Less: Refunds	A-4		<u>8,850.00</u>
	A-2	\$	<u><u>117,306.75</u></u>
Other - Fees and Permits:	A-13		97,641.65
Less: Refunds	A-4		<u>50.00</u>
	A-2	\$	<u><u>97,591.65</u></u>
Construction Code Official	A-13	\$	506,395.60
Less: Refunds	A-4		<u>30,847.69</u>
	A-2	\$	<u><u>475,547.91</u></u>

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

REF.

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Cable TV Franchise Fee	\$	94,784.84
Police Fees		85,473.05
Easements		6,526.99
Rents		181,579.60
PILOT		178,083.06
EMT Fees		212,928.07
Jointure		4,950.00
Towing Fees		14,020.00
Recycling Fees		188,862.29
Senior Citizens and Veterans Administrative Fee		5,884.23
Miscellaneous		<u>244,462.69</u>
<u>Total Non-Budget Revenue</u>	A-2	\$ <u><u>1,217,554.82</u></u>

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
General Administration:				
Salaries & Wages	\$ 159,969.11	\$ 159,969.11	\$ 159,969.11	\$
Other Expenses	24,600.00	24,600.00	24,600.00	
Mayor and Committee:				
Salaries & Wages	22,500.00	22,500.00	22,500.00	
Municipal Clerk:				
Salaries & Wages	136,269.98	136,269.98	136,269.98	
Other Expenses	24,600.00	24,600.00	24,600.00	
Financial Administration (Treasury):				
Salaries & Wages	177,648.00	177,648.00	177,648.00	
Other Expenses	60,000.00	60,000.00	46,054.19	13,945.81
Tax Assessment Administration:				
Salaries & Wages	191,684.68	201,484.68	201,450.81	33.87
Other Expenses	21,000.00	21,000.00	19,740.20	1,259.80
Tax Appeals	75,000.00	75,000.00	23,343.01	51,656.99
Tax Collection:				
Salaries & Wages	166,913.60	166,913.60	162,637.16	4,276.44
Other Expenses:	19,000.00	19,000.00	18,561.88	438.12
Legal Services:				
Salaries & Wages	27,500.00	27,500.00	23,269.22	4,230.78
Other Expenses	200,000.00	200,000.00	200,000.00	
Municipal Prosecutor's Office:				
Salaries & Wages	41,000.00	41,500.00	41,234.54	265.46
Engineering Services:				
Other Expenses	50,000.00	50,000.00	32,560.74	17,439.26
Engineering and Land Use:				
Salaries & Wages	432,491.10	432,491.10	430,034.25	2,456.85
Other Expenses	310,000.00	310,000.00	199,899.41	110,100.59

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Youth Center:				
Salaries & Wages	\$ 246,702.61	\$ 246,702.61	\$ 246,702.61	
Other Expenses	10,000.00	10,000.00	9,347.38	652.62
Public Health Services (Board of Health):				
Other Expenses	43,000.00	51,850.00	50,683.41	1,166.59
Insurance:				
General Liability	284,034.56	284,034.56	284,034.56	
Workers Compensation	251,879.70	251,879.70	251,879.70	
Employee Group Health	2,225,000.00	2,225,000.00	2,179,447.37	45,552.63
Police Department:				
Salaries & Wages	8,900,000.00	8,771,075.00	8,642,776.52	128,298.48
Other Expenses	634,000.00	634,000.00	633,650.66	349.34
Welfare/Administration of Public Assistance:				
Salaries & Wages	11,248.64	11,248.64	11,248.64	
Other Expenses	3,700.00	3,700.00	353.17	3,346.83
Recreation Services and Programs:				
Salaries & Wages	88,511.00	88,511.00	87,393.62	1,117.38
Other Expenses	61,500.00	61,500.00	61,480.22	19.78
Operations:				
Salaries & Wages	820,210.56	820,210.56	820,210.56	
Other Expenses	296,000.00	296,000.00	286,027.46	9,972.54
Streets and Road Maintenance:				
Salaries & Wages	2,062,249.66	2,062,249.66	1,980,850.06	81,399.60
Other Expenses	265,000.00	265,000.00	263,754.36	1,245.64
Street Lighting:				
Other Expenses	210,000.00	210,000.00	158,003.84	51,996.16
Electricity:				
Other Expenses	300,000.00	338,000.00	277,198.01	60,801.99

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Gas:				
Other Expenses	\$ 90,000.00	\$ 114,000.00	\$ 99,166.58	\$ 14,833.42
Water:				
Other Expenses	50,000.00	50,000.00	50,000.00	
Solid Waste Collection:				
Salaries & Wages	1,273,186.65	1,273,186.65	1,271,356.77	1,829.88
Other Expenses	180,000.00	180,000.00	178,762.29	1,237.71
Landfill/Solid Waste Disposal Costs:				
Other Expenses	1,248,032.00	1,119,107.00	1,095,411.31	23,695.69
Open Space Maintenance:				
Other Expenses	50,000.00	50,000.00	26,428.23	23,571.77
Aid to Volunteer Ambulance Companies:				
Other Expenses	30,000.00	30,000.00	30,000.00	
Gasoline:				
Other Expenses	425,000.00	503,000.00	463,313.48	39,686.52
Telecommunication Costs:				
Other Expenses	173,100.00	212,100.00	210,083.02	2,016.98
Community Services Act (Condominium Community Costs):				
Other Expenses	134,000.00	156,700.00	156,139.96	560.04
Computer/Technology Maintenance:				
Other Expenses	25,000.00	25,000.00	24,422.43	577.57
Vehicle Replacement:				
Other Expenses	45,000.00	45,000.00	135.00	44,865.00
Uniform Construction Code Enforcement Funds:				
Salaries & Wages	615,929.60	652,929.60	652,249.19	680.41
Other Expenses	19,000.00	19,000.00	9,767.08	9,232.92
Municipal Court:				
Salaries & Wages	398,000.00	398,000.00	397,946.42	53.58
Other Expenses	22,000.00	22,000.00	21,885.62	114.38

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Historical Society:				
Other Expenses	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	
Environmental Committee:				
Other Expenses	3,000.00	3,000.00	489.30	2,510.70
Public Defender:				
Other Expenses	4,000.00	4,000.00		4,000.00
<u>Total Operations Within "CAPS"</u>	<u>\$ 23,641,961.45</u>	<u>\$ 23,641,961.45</u>	<u>\$ 22,880,471.33</u>	<u>\$ 761,490.12</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":				
Social Security System	\$ 1,196,400.51	\$ 1,196,400.51	\$ 1,174,703.68	\$ 21,696.83
DCRP	1,297.00	1,297.00		1,297.00
Total Deferred Charges and Statutory Expenditures-Municipal Within "CAPS"	<u>\$ 1,197,697.51</u>	<u>\$ 1,197,697.51</u>	<u>\$ 1,174,703.68</u>	<u>\$ 22,993.83</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS":	<u>\$ 24,839,658.96</u>	<u>\$ 24,839,658.96</u>	<u>\$ 24,055,175.01</u>	<u>\$ 784,483.95</u>
OPERATIONS EXCLUDED FROM "CAPS":				
Recycling Tax Appropriation				
Other Expenses	\$ 26,968.00	\$ 26,968.00	\$	\$ 26,968.00
Implementation of the Housing Element PL 195-Chap.222:				
Salaries & Wages	80,116.59	80,116.59	80,116.59	
Other Expenses	32,000.00	32,000.00	28,837.33	3,162.67
Monmouth County 911:				
Other Expenses	46,000.00	46,000.00	42,731.04	3,268.96
Public Employee's Retirement System	415,781.62	415,781.62	415,781.62	
Police and Firemen's Retirement System	1,575,712.00	1,575,712.00	1,575,712.00	
LOSAP	20,000.00	20,000.00		20,000.00
<u>Total Operations Excluded From "CAPS"</u>	<u>\$ 2,196,578.21</u>	<u>\$ 2,196,578.21</u>	<u>\$ 2,143,178.58</u>	<u>\$ 53,399.63</u>

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<u>Public and Private Programs Offset by Revenues</u>				
Drug and Alcohol Abuse Program:				
Monmouth County	\$ 33,500.00	\$ 33,500.00	\$ 33,500.00	
Interlocal	7,575.00	7,575.00	7,575.00	
Alliance Grant	18,800.00	18,800.00	18,800.00	
Matching Funds	19,800.00	19,800.00	19,800.00	
Juvenile Accountability	6,034.00	6,034.00	6,034.00	
Clean Communities	38,001.86	38,001.86	38,001.86	
D.W.I. Enforcement Fund Reserve (+40A:4-87 + 32,482.93)		32,482.93	32,482.93	
Body Armor	7,790.07	7,790.07	7,790.07	
Violence Against Women Act	7,575.05	7,575.05	7,575.05	
TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET				
BY REVENUES	\$ 139,075.98	\$ 171,558.91	\$ 171,558.91	
TOTAL OPERATIONS- EXCLUDED FROM "CAPS"	\$ 2,335,654.19	\$ 2,368,137.12	\$ 2,314,737.49	\$ 53,399.63
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>				
Capital Improvement Fund	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	
TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	

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

TOWNSHIP OF WALL

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>				
Payment of Bond Principal	\$ 2,095,700.00	\$ 2,095,700.00	\$ 2,095,700.00	\$
Interest on Bonds	1,192,450.13	1,192,450.13	1,192,450.13	
Interest on Notes	315,946.63	315,946.63	315,946.63	
Debt Service for Open Space Acquisition Including Green Acres				
Payment of Bond Principal	617,070.73	617,070.73	617,070.73	
Interest on Bonds	79,907.49	79,907.49	79,907.49	
Total Municipal Debt Service- Excluded from "CAPS"	<u>4,301,074.98</u>	<u>4,301,074.98</u>	<u>4,301,074.98</u>	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	\$ 6,796,729.17	\$ 6,829,212.10	\$ 6,775,812.47	\$ 53,399.63
SUB-TOTAL GENERAL APPROPRIATIONS	31,636,388.13	31,668,871.06	30,830,987.48	837,883.58
RESERVE FOR UNCOLLECTED TAXES	<u>1,880,060.67</u>	<u>1,880,060.67</u>	<u>1,880,060.67</u>	
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 33,516,448.80</u>	<u>\$ 33,548,931.73</u>	<u>\$ 32,711,048.15</u>	<u>\$ 837,883.58</u>
REF.	A-2		A-1	A- A-1
Budget		\$ 33,516,448.80		
Appropriations by 40A:4-47		<u>32,482.93</u>		
		<u>\$ 33,548,931.73</u>		
Encumbrances Payable		\$	372,706.80	
Reserve for Grants - Appropriated			171,558.91	
Reserve for Uncollected Taxes			1,880,060.67	
Disbursed			<u>30,678,142.27</u>	
Less: Refunds			<u>33,102,468.65</u>	
			<u>391,420.50</u>	
			<u>\$ 32,711,048.15</u>	

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

TRUST FUND

"B"

TOWNSHIP OF WALL

TRUST FUND

BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2008</u>	<u>BALANCE DECEMBER 31, 2007</u>
Animal Control Fund:			
Cash	B-1	\$ <u>10,022.23</u>	\$ <u>467.23</u>
		\$ <u>10,022.23</u>	\$ <u>467.23</u>
Other Trust Funds:			
Cash	B-1	\$ 3,859,456.12	\$ 7,793,932.27
Interfunds Receivable	B-7	<u>2,721,689.29</u>	<u>120,000.00</u>
		\$ <u>6,581,145.41</u>	\$ <u>7,913,932.27</u>
		\$ <u><u>6,591,167.64</u></u>	\$ <u><u>7,914,399.50</u></u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for:			
State - Registration Fees	B-2	\$ 118.60	\$ 118.60
Animal Control Fund Expenditures	B-3	9,463.10	103.80
Due Current Fund	B-5	<u>440.53</u>	<u>244.83</u>
		\$ <u>10,022.23</u>	\$ <u>467.23</u>
Other Funds:			
Reserve for Redemption of Tax Title Lien Certificates	B-4	\$ 59,581.21	\$ 281,475.25
Various Reserves	B-6	6,481,091.52	7,632,457.02
Interfunds Payable	B-7	<u>40,472.68</u>	<u>                    </u>
		\$ <u>6,581,145.41</u>	\$ <u>7,913,932.27</u>
		\$ <u><u>6,591,167.64</u></u>	\$ <u><u>7,914,399.50</u></u>

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

GENERAL CAPITAL FUND

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

BALANCE SHEETS - STATUTORY BASIS

<u>A S S E T S</u>	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2008</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2007</u>
Cash	C-2	\$ -0-	\$ 5,893,165.56
Deferred Charges to Future Taxation:			
Funded	C-5	27,203,862.87	29,927,627.11
Unfunded	C-6	11,848,594.80	8,835,094.80
Grants Receivable	C-9	75,000.00	82,646.97
		<u>\$ 39,127,457.67</u>	<u>\$ 44,738,534.44</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-12	\$ 24,671,069.50	\$ 27,175,367.50
Bond Anticipation Notes	C-13	6,197,500.00	10,697,500.00
Green Trust Loan Payable	C-16	2,532,793.37	2,752,259.61
Reserve for Route 34	C-14	250,000.00	250,000.00
Contracts Payable	C-15	677,640.85	1,534,296.82
Interfunds Payable	C-4	2,179,683.23	
Capital Improvement Fund	C-7	58,500.00	62,500.00
Reserve for Due to Developer	C-10	55,000.00	
Reserve for Debt Service - Green Trust	C-11	117,400.15	117,400.15
Improvement Authorizations:			
Funded	C-8	256,775.35	800,226.84
Unfunded	C-8	1,857,235.54	1,137,549.89
Fund Balance	C-1	273,859.68	211,433.63
		<u>\$ 39,127,457.67</u>	<u>\$ 44,738,534.44</u>

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

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - STATUTORY BASIS

	<u>REF.</u>		
Balance, December 31, 2007	C	\$	211,433.63
Increased by:			
State Aid Received against Fully Funded Ordinances		\$	39,365.15
Premium on Bond Anticipation Note			<u>23,060.90</u>
	C-2		<u>62,426.05</u>
Balance, December 31, 2008	C	\$	<u><u>273,859.68</u></u>

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

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WATER AND SEWER UTILITY FUND

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY FUND  
BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2008</u>	<u>BALANCE DECEMBER 31, 2007</u>
Operating Fund:			
Cash	D-8	\$ 603,407.71	1,331,672.39
Due General Capital Fund	D-17	177,993.94	\$
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-10	<u>1,171,651.44</u>	<u>1,364,086.14</u>
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 1,953,053.09</u>	<u>\$ 2,695,758.53</u>
Utility Assessment Fund:			
Cash	D-8	\$ 294,173.08	\$ 489,656.51
Change Fund		50.00	50.00
Assessments Receivable	D-12	1,136,889.59	1,578,612.31
Assessments Liens Receivable	D-14	14,043.00	14,043.00
Interfunds Receivable	D-11	<u>5,326,318.35</u>	<u>5,171,104.55</u>
<u>TOTAL UTILITY ASSESSMENT FUND</u>		<u>\$ 6,771,474.02</u>	<u>\$ 7,253,466.37</u>
Capital Fund:			
Prospective Assessments to be Raised by			
Utility Fund Revenue	D-15	\$ 68,000.00	\$ 68,000.00
Fixed Capital	D-20	43,216,150.68	43,216,150.68
Fixed Capital Authorized and Uncompleted	D-21	<u>4,585,000.00</u>	<u>4,585,000.00</u>
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 47,869,150.68</u>	<u>\$ 47,869,150.68</u>
		<u>\$ 56,593,677.79</u>	<u>\$ 57,818,375.58</u>

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

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY FUND  
BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2008</u>	<u>BALANCE DECEMBER 31, 2007</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-18	\$ 226,490.49	\$ 18,198.87
Encumbrances Payable	D-19	59,449.61	40,000.16
Overpayments	D-16	24,831.99	40,617.86
Accrued Interest on Bonds and Notes	D-13	143,802.73	152,161.08
		<u>\$ 454,574.82</u>	<u>\$ 250,977.97</u>
Reserve for Receivables	D	1,171,651.44	1,364,086.14
Fund Balance	D-1	<u>326,826.83</u>	<u>1,080,694.42</u>
		<u>\$ 1,953,053.09</u>	<u>\$ 2,695,758.53</u>
<u>TOTAL OPERATING FUND</u>			
Utility Assessment Fund:			
Serial Bonds	D-26	\$ 3,822,208.00	\$ 4,178,640.00
Due Current Fund	D-11		560.35
Reserve for:			
Assessments Receivable		689,826.60	689,826.60
Assessment Liens Receivable	D-14	14,043.00	14,043.00
Fund Balance	D-7	<u>2,245,396.42</u>	<u>2,370,396.42</u>
		<u>\$ 6,771,474.02</u>	<u>\$ 7,253,466.37</u>
<u>TOTAL UTILITY ASSESSMENT FUND</u>			
Capital Fund:			
Due Utility Assessment Fund	D-11	5,326,318.35	5,171,104.55
Serial Bonds	D-24	5,012,722.50	5,681,992.50
Environmental Infrastructure Trust Loans	D-25	1,480,626.51	1,894,365.38
Capital Improvement Fund	D-27	289,400.00	289,400.00
Improvement Authorizations:			
Funded	D-22	188,827.90	188,827.90
Unfunded	D-22	265,213.69	497,143.06
Contracts Payable	D-23	49,937.80	65,142.23
Reserve for:			
Sewer Extension		502.29	502.29
Prospective Assessments to be Raised by			
Utility Fund Revenue	D-15	68,000.00	68,000.00
Amortization	D-28	34,643,437.09	33,468,508.22
Deferred Amortization	D-29	465,000.00	465,000.00
Fund Balance	D-2	<u>79,164.55</u>	<u>79,164.55</u>
		<u>\$ 47,869,150.68</u>	<u>\$ 47,869,150.68</u>
<u>TOTAL CAPITAL FUND</u>			
		<u>\$ 56,593,677.79</u>	<u>\$ 57,818,375.58</u>

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

TOWNSHIP OF WALL

WATER AND SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - STATUTORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER 31,</u> <u>2008</u>	<u>YEAR ENDED</u> <u>DECEMBER 31,</u> <u>2007</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Realized	D-3	\$ 1,100,000.00	\$ 1,252,000.00
Water and Sewer Rents	D-3	10,075,164.28	9,773,802.68
Sewer Use Agreements	D-3	80,000.00	
Miscellaneous	D-3	221,572.95	235,440.15
Water/Sewer Assessment Trust Surplus	D-3	125,000.00	
Other Credits to Income:			
Appropriation Reserves Lapsed	D-18	<u>15,395.18</u>	<u>147,513.45</u>
<u>TOTAL INCOME</u>		\$ <u>11,617,132.41</u>	\$ <u>11,408,756.28</u>
<u>EXPENDITURES</u>			
Operating	D-4	\$ 9,387,836.88	\$ 9,090,392.46
Capital Improvements	D-4	175,000.00	325,000.00
Debt Service	D-4	1,560,852.21	1,548,363.77
Deferred Charges and Statutory Expenditures	D-4	<u>147,310.91</u>	<u>100,214.77</u>
<u>TOTAL EXPENDITURES</u>		\$ <u>11,271,000.00</u>	\$ <u>11,063,971.00</u>
Excess in Revenue		\$ 346,132.41	\$ 344,785.28
Fund Balance, January 1	D	<u>1,080,694.42</u>	<u>1,987,909.14</u>
		\$ 1,426,826.83	\$ 2,332,694.42
Decreased by:			
Utilization as Anticipated Revenue	D-1:D-3	<u>1,100,000.00</u>	<u>1,252,000.00</u>
Fund Balance, December 31	D:D-1	\$ <u><u>326,826.83</u></u>	\$ <u><u>1,080,694.42</u></u>

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

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

STATEMENT OF WATER AND SEWER CAPITAL FUND BALANCE-STATUTORY BASIS

	<u>REF.</u>	
Balance, December 31, 2007 and December 31, 2008	D	\$ <u>79,164.55</u>

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

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY FUND  
STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/(DEFICIT)</u>
Operating Surplus Anticipated	D-1	\$ 1,100,000.00	\$ 1,100,000.00	\$
Rents	D-1;D-10	9,776,000.00	10,075,164.28	299,164.28
Sewer Use Agreements	D-1;D-8	80,000.00	80,000.00	
Miscellaneous	D-1;D-8	190,000.00	221,572.95	31,572.95
Water/Sewer Assessment Trust Surplus	D-1;D-8	<u>125,000.00</u>	<u>125,000.00</u>	
<u>BUDGET TOTALS</u>	D-4	<u>\$ 11,271,000.00</u>	<u>\$ 11,601,737.23</u>	<u>\$ 330,737.23</u>

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

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
Operating:				
Salaries and Wages	\$ 1,112,800.00	\$ 1,112,800.00	\$ 1,112,794.48	\$ 5.52
Other Expenses	2,607,000.00	2,607,000.00	2,415,886.82	191,113.18
Sewer Treatment Costs	3,444,221.84	3,444,221.84	3,431,111.46	13,110.38
Water Treatment Costs	<u>2,223,815.04</u>	<u>2,223,815.04</u>	<u>2,221,291.94</u>	<u>2,523.10</u>
<u>TOTAL OPERATING</u>	<u>\$ 9,387,836.88</u>	<u>\$ 9,387,836.88</u>	<u>\$ 9,181,084.70</u>	<u>\$ 206,752.18</u>
Capital Improvements:				
Capital Outlay	<u>\$ 175,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 170,541.88</u>	<u>\$ 4,458.12</u>
<u>TOTAL CAPITAL IMPROVEMENTS</u>	<u>\$ 175,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 170,541.88</u>	<u>\$ 4,458.12</u>
Debt Service:				
Bond Principal	\$ 1,089,038.87	\$ 1,089,038.87	\$ 1,089,038.87	\$
Interest on Bonds	<u>471,813.34</u>	<u>471,813.34</u>	<u>471,813.34</u>	<u>                    </u>
<u>TOTAL DEBT SERVICE</u>	<u>\$ 1,560,852.21</u>	<u>\$ 1,560,852.21</u>	<u>\$ 1,560,852.21</u>	<u>\$</u>
Contribution to:				
Public Employees' Retirement System	\$ 67,685.38	\$ 67,685.38	\$ 67,685.38	\$
Social Security System (O.A.S.I.)	<u>79,625.53</u>	<u>79,625.53</u>	<u>64,345.34</u>	<u>15,280.19</u>
<u>TOTAL STATUTORY EXPENDITURES</u>	<u>\$ 147,310.91</u>	<u>\$ 147,310.91</u>	<u>\$ 132,030.72</u>	<u>\$ 15,280.19</u>
	<u>\$ 11,271,000.00</u>	<u>\$ 11,271,000.00</u>	<u>\$ 11,044,509.51</u>	<u>\$ 226,490.49</u>
<u>REF.</u>	D-3		D-1	D:D-1
Cash Disbursements	D-8		\$ 10,513,246.56	
Encumbrances Payable	D-19		59,449.61	
Accrued Interest Payable	D-13		<u>471,813.34</u>	
			<u>\$ 11,044,509.51</u>	

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

"D-5"

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY ASSESSMENT FUND  
STATEMENT OF REVENUES - ASSESSMENT TRUST FUND

	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/ (DEFICIT)</u>
Assessment Cash	\$ <u>381,000.00</u>	\$ <u>381,000.00</u>	\$ _____
<u>REF.</u>	D-6	D-6	

"D-6"

STATEMENT OF EXPENDITURES - ASSESSMENT TRUST FUND  
YEAR ENDED DECEMBER 31, 2008

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>EXCESS/ (DEFICIT)</u>
Payment of Bond Principal	\$ <u>381,000.00</u>	\$ <u>381,000.00</u>	\$ _____
<u>REF.</u>	D-5	D-5	

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

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY ASSESSMENT FUND  
STATEMENT OF FUND BALANCE  
YEAR ENDED DECEMBER 31, 2008

	<u>REF.</u>	
Balance, December 31, 2007	D	\$ 2,370,396.42
Decreased By:		
Anticipated as Revenue - Water and Sewer Operating Fund	D-8	<u>125,000.00</u>
Balance, December 31, 2008	D	<u>\$ 2,245,396.42</u>

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

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PUBLIC ASSISTANCE TRUST FUND

TOWNSHIP OF WALL  
PUBLIC ASSISTANCE TRUST FUND  
BALANCE SHEETS-STATUTORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2008</u>	BALANCE DECEMBER <u>31, 2007</u>
<u>ASSETS</u>			
Cash:			
Treasurer	E-1	\$ <u>24,355.99</u>	\$ <u>48,140.99</u>
		\$ <u><u>24,355.99</u></u>	\$ <u><u>48,140.99</u></u>
<u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance-P.A.T.F. II		\$ <u>24,355.99</u>	\$ <u>48,140.99</u>
		\$ <u><u>24,355.99</u></u>	\$ <u><u>48,140.99</u></u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF WALL

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2008 AND 2007

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Wall is an instrumentality of the State of New Jersey established to function as a municipality. The Township Committee consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Wall include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Wall, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Wall do not include the operations of the Volunteer Fire Department, First Aid Squad or the local school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Wall conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Wall are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund – resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund – receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created.

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

Water and Sewer Operating and Capital Funds – account for the operations and acquisition of capital facilities of the municipally-owned sewer utility.

Public Assistance Fund – receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group – utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet 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. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year 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. 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.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - the proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds - 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. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$1,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

As of December 31, 2008 the Township has not developed or maintained a fixed assets accounting and reporting system and, accordingly, has not included such information in its financial statements.

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Fixed Capital – Water and Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water and Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Wall had the following cash and cash equivalents at December 31, 2008:

<u>Fund</u>	<u>Cash in Bank</u>	<u>Deposit in Transit</u>	<u>Outstanding Checks</u>	<u>Change Funds</u>	<u>Total</u>
Checking Accounts	\$10,716,803.52	\$2,510.05	\$70,030.85		\$10,649,282.72
Change Funds				\$550.00	550.00
Petty Cash				200.00	200.00
	<u>\$10,716,803.52</u>	<u>\$2,510.05</u>	<u>\$70,030.85</u>	<u>\$750.00</u>	<u>\$10,650,032.72</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2008, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of 10,716,803.52, \$774,355.99 was covered by Federal Depository Insurance and \$9,887,537.06 was covered under the provisions of NJGUDPA.

B. Investments

The purchase of investments by the Township are strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Wall's had no investments outstanding at December 31, 2008.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risk for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT OPERATING DEBT AND TYPE II SCHOOL DEBT)

	<u>YEAR 2008</u>	<u>YEAR 2007</u>	<u>YEAR 2006</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 33,401,362.86	\$ 40,625,127.11	\$ 28,513,373.84
Water and Sewer Utility:			
Bonds and Loans	6,493,349.01	7,576,357.88	8,629,142.25
Assessment Utility:			
Bonds	<u>3,822,208.00</u>	<u>4,178,640.00</u>	<u>4,519,160.00</u>
Net Debt Issued	\$ 43,716,919.87	\$ 52,380,124.99	\$ 41,661,676.09
Less: Cash on Hands to Pay Notes		4,500,000.00	
Less: Reserve to Pay Bonds	<u>117,400.15</u>	<u>117,400.15</u>	<u>117,400.15</u>
	<u>\$ 43,599,519.72</u>	<u>\$ 47,762,724.84</u>	<u>\$ 41,544,275.94</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	\$ 5,651,094.80	\$ 2,637,594.80	\$ 10,571,960.00
Water/Sewer Utility:			
Bonds and Notes and Loans	<u>6,089,365.38</u>	<u>6,181,285.38</u>	<u>6,256,185.38</u>
Total Authorized but not Issued	<u>11,740,460.18</u>	<u>8,818,880.18</u>	<u>16,828,145.38</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u>\$ 55,339,979.90</u>	<u>\$ 56,581,605.02</u>	<u>\$ 58,372,421.32</u>

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 0.60%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 36,125,000.00	\$ 36,125,000.00	\$ -0-
Water Sewer Utility Debt	12,404,922.39	12,404,922.39	-0-
General Debt	<u>39,052,457.67</u>	<u>117,400.15</u>	<u>\$38,935,057.52</u>
	<u>\$ 87,582,380.06</u>	<u>\$ 48,647,322.54</u>	<u>\$ 38,935,057.52</u>

NET DEBT \$38,935,057.52 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$6,486,229,794.00 EQUALS 0.60%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2008	\$6,486,229,794.00
3-1/2 of Equalized Valuation Basis	227,018,042.79
Net Debt	<u>38,935,057.52</u>
Remaining Borrowing Power	<u><u>\$188,082,985.27</u></u>

\*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Rail Road Property of the Township of Wall for the last three (3) preceding years.

CALCULATION OF "SELF-LIQUIDATING PURPOSE"  
SEWER UTILITY PER N.J.S.40A:2-45

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year		\$	11,567,401.95
Deductions:			
Operating and Maintenance Cost	\$	9,535,147.79	
Debt Service		<u>1,560,853.21</u>	
Total Deductions			<u>11,096,001.00</u>
Excess in Revenue	\$		<u><u>471,400.95</u></u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING  
AS OF DECEMBER 31, 2008.

CALENDAR YEAR	<u>GENERAL CAPITAL</u>		TOTAL
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2009	2,297,919.00	1,125,461.21	\$3,423,380.21
2010	2,332,108.50	1,036,501.24	3,368,609.74
2011	2,397,444.50	939,220.19	3,336,664.69
2012	2,499,960.50	826,021.62	3,325,982.12
2013	2,458,033.50	705,808.25	3,163,841.75
2014	2,353,699.00	596,452.24	2,950,151.24
2015	2,472,692.50	485,372.05	2,958,064.55
2016	1,267,327.00	376,435.76	1,643,762.76
2017	1,330,346.00	312,009.76	1,642,355.76
2018	1,196,859.00	244,373.26	1,441,232.26
2019	1,248,823.00	181,921.50	1,430,744.50
2020	777,857.00	124,211.50	902,068.50
2021	647,000.00	93,085.00	740,085.00
2022	681,000.00	59,117.50	740,117.50
2023	710,000.00	30,175.00	740,175.00
	<u>\$24,671,069.50</u>	<u>\$7,136,166.08</u>	<u>\$31,807,235.58</u>

CALENDAR YEAR	<u>WATER AND SEWER CAPITAL</u>		TOTAL
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2009	694,629.00	230,857.76	\$925,486.76
2010	718,639.50	200,357.74	918,997.24
2011	683,641.50	172,666.83	856,308.33
2012	680,786.50	138,842.39	819,628.89
2013	711,341.50	105,217.01	816,558.51
2014	745,588.00	69,850.52	815,438.52
2015	778,096.50	32,840.71	810,937.21
	<u>\$5,012,722.50</u>	<u>\$950,632.96</u>	<u>\$5,963,355.46</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

CALENDAR	UTILITY ASSESSMENT CAPITAL		TOTAL
	YEAR	PRINCIPAL	
2009	369,452.00	170,668.82	\$540,120.82
2010	384,252.00	156,981.18	541,233.18
2011	332,914.00	141,448.50	474,362.50
2012	348,252.00	125,901.50	474,153.50
2013	510,625.00	109,631.50	620,256.50
2014	531,713.00	89,206.50	620,919.50
2015	290,211.00	65,808.00	356,019.00
2016	304,673.00	51,298.00	355,971.00
2017	318,654.00	36,064.00	354,718.00
2018	144,141.00	20,132.00	164,273.00
2019	143,177.00	12,925.00	156,102.00
2020	144,144.00	5,769.00	149,913.00
	<u>\$3,822,208.00</u>	<u>\$985,834.01</u>	<u>\$4,808,042.01</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

The General Improvement and Refunding Bonds are comprised of the following issues:

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2008</u>
\$6,840,000.00 in General Improvement Bonds dated December 27, 1998, due in remaining installments ranging between \$431,250.00 and \$548,460.00 beginning December 1, 2009 and ending December 1, 2015 with interest ranging from 4.350% to 4.90%	\$3,383,100.00
\$1,000,000.00 in Improvement Bonds dated December 20, 2000, due in remaining installments ranging between \$1,000.00 and \$46,640.00 beginning December 1, 2009 and ending December 1, 2020 with interest ranging between 4.80% and 5.45%	\$99,080.00
\$4,141,000.00 in General Improvements Bonds dated December 1, 2002, due in remaining installments ranging between \$259,000.00 and \$289,000.00 beginning December 1, 2009 and ending December 1, 2012 with interest ranging between 3.125% and 5.00%	\$1,091,000.00
\$2,320,000.00 in Refunding Bonds dated January 28, 2003, due in remaining installments ranging between \$210,000.00 and \$230,000.00 beginning April 15, 2009 and ending April 15, 2013 with interest ranging between 3.10% and 5.00%	\$1,100,000.00
\$5,800,000.00 in General Improvement Bonds dated December 21, 2004, due in remaining installments ranging between \$323,000.00 and \$494,000.00 beginning December 1, 2009 and ending December 1, 2019 with interest ranging between 2.875% and 5.25%	\$4,373,000.00
\$5,234,963.00 in Refunding Bonds dated December 21, 2004, due in remaining installments ranging between \$539,121.00 and \$713,443.50 beginning April 15, 2009 and ending April 15, 2013 with interest ranging between 3.75% and 5.00%	\$4,319,177.50
\$1,299,000.00 in Refunding Bonds dated March 17, 2006, due in remaining installments ranging between \$61,000.00 and \$101,000.00 beginning August 1, 2009 and ending August 1, 2010 with interest of 3.50%.	\$162,000.00
\$2,328,220.00 in Refunding Bonds dated April 12, 2008, due in remaining installments ranging between \$3,108.00 and \$342,346.00 beginning December 1, 2009 and ending December 1, 2020 with interest ranging between 4.00% and 5.00%	\$2,274,712.00
\$8,224,000.00 in General Improvement Bonds dated December 13, 2008, due in remaining installments ranging between \$367,000.00 and \$710,000.00 beginning December 1, 2009 and ending December 1, 2023 with interest ranging between 4.00% and 5.25%	\$7,869,000.00
	\$24,671,069.50

NOTE 3: LONG-TERM DEBT (CONTINUED)

The Water and Sewer Utility Bonds are comprised of the following issues:

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2008</u>
\$1,681,000.00 in General Improvement Bonds dated July 15, 1988, due in remaining installments ranging between \$35,000.00 and \$110,000.00 beginning July 15, 2009 and ending July 15, 2011 with interest ranging from 5.25% to 7.90%	\$255,000.00
\$3,190,000.00 in Refunding Bonds dated December 27, 1998, due in remaining installments ranging between \$193,750.00 and \$271,540.00 beginning December 1, 2009 and ending December 1, 2015 with interest ranging between 4.350% and 4.90%	\$1,636,900.00
\$3,900,037.00 in Refunding Bonds dated December 21, 2004, due in remaining installments ranging between \$390,879.00 and \$506,556.50 beginning July 15, 2009 and ending July 15, 2015 with interest ranging between 3.00% and 5.00%	\$3,120,822.50
	<hr/> \$5,012,722.50 <hr/>

The Utility Assessment Bonds are comprised of the following issues:

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2008</u>
\$3,500,000.00 in Improvement Bonds dated December 20, 2000, due in remaining installments ranging between \$157,560.00 and \$165,360.00 beginning December 1, 2009 and ending December 1, 2010 with interest ranging between 4.80% and 4.875%	\$322,920.00
\$2,200,000.00 in General Improvement Bonds dated December 21, 2004, due in remaining installments ranging between \$209,000.00 and \$255,000.00 beginning December 1, 2009 and ending December 1, 2014 with interest ranging between 2.875% and 5.00%	\$1,382,000.00
\$2,120,180.00 in Refunding Bonds dated April 12, 2008, due in remaining installments ranging between \$2,892.00 and \$144,144.00 beginning December 1, 2009 and ending December 1, 2020 with interest ranging between 4.00% and 5.00%	\$2,117,288.00
	<hr/> \$3,822,208.00 <hr/>

NOTE 3: LONG-TERM DEBT (CONTINUED)

BOND ANTICIPATION NOTES

	<u>Interest Rate</u>	<u>Issue &amp; Maturity Dates</u>	<u>Amount</u>
General Capital	2.50%	06/18/08-06/17/09	<u>\$6,197,500.00</u>

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

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

General Capital Fund	<u>\$5,651,094.80</u>
Water and Sewer Utility Capital Fund	<u>\$ 6,089,365.38</u>

GREEN ACRES TRUST FUND LOANS

The Township has entered into three Green Trust Loan Agreements with the State of New Jersey as follows:

<u>Project Name</u>	<u>Date</u>	<u>Rate</u>	<u>Amount</u>
Hurley's Pond Acquisition	01/26/98	2.00%	\$450,000.00
Municipal Park Addition	01/26/98	2.00%	\$1,000,000.00
Open Space Acquisition	12/10/99	2.00%	2,250,000.00

Following are the maturities and debt schedule for the outstanding principal and interest on the loan:

CALENDAR

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2009	223,877.52	74,310.69	\$298,188.21
2010	228,377.45	69,810.76	298,188.21
2011	232,967.84	65,220.36	298,188.20
2012	237,650.49	60,537.71	298,188.20
2013	242,427.27	55,760.93	298,188.20
2014	247,300.07	50,888.14	298,188.21
2015	252,270.78	45,917.43	298,188.21
2016	257,341.42	40,846.78	298,188.20
2017	262,514.27	35,674.20	298,188.47
2018	172,301.50	30,872.74	203,174.24
2019	175,764.76	27,409.49	203,174.25
	<u>\$2,532,793.37</u>	<u>\$557,249.23</u>	<u>\$3,090,042.60</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

The Township has also entered into an agreement with the New Jersey Environmental Infrastructure Trust Fund for a loan to construct wastewater treatment facilities. The agreement provides for an interest bearing loan from the Trust not to exceed \$3,404,672.00 at interest from 4.20% to 4.80% and an interest free loan not to exceed \$3,341,095.00. In 2004 the Township refinanced the interest bearing portion of the loan to take advantage of lower interest rates.

Following are the maturities and debt schedule for the outstanding principal and interest on the loan:

Calendar Year	Trust Loan		Fund Loan	Total
	Principal	Interest	Principal	
2009	240,000.00	55,637.31	170,626.89	466,264.20
2010	250,000.00	44,203.86		294,203.86
2011	260,000.00	32,285.39		292,285.39
2012	275,000.00	19,749.81		294,749.81
2013	285,000.00	6,640.83		291,640.83
	<u>\$1,310,000.00</u>	<u>\$158,517.20</u>	<u>\$170,626.89</u>	<u>\$1,639,144.09</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2008, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2008 were as follows:

Current Fund	\$2,720,000.00
Water and Sewer Utility Operating Fund	\$ 351,000.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County and the Local School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

NOTE 5: PROPERTY TAXES (CONTINUED)

Taxes collected in advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, <u>2008</u>	BALANCE DECEMBER 31, <u>2007</u>
Prepaid Taxes	<u>\$634,933.08</u>	<u>\$673,262.51</u>

NOTE 6: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2008, the following deferred charges are shown on the balance sheets of the various funds:

	BALANCE DECEMBER 31, <u>2008</u>	2009 BUDGET <u>APPROPRIATION</u>	BALANCE TO SUCCEEDING <u>YEARS</u>
Current Fund:			
Overexpenditure of 2007			
Appropriations	<u>\$84,000.00</u>	<u>\$84,000.00</u>	<u>-0-</u>

NOTE 7: PENSION PLANS

Township employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and the Consolidated Police and Firemen's Pension Fund of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the cost are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$1,991,493.62 for 2008, \$1,232,426.03 for 2007 and \$755,123.83 for 2006.

Township employees are also covered by the Federal Insurance Contribution Act.

Information as to the comparison of the actuarially computed value of vested benefit with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 8: COMPENSATED ABSENCES

Under the existing policy of the Township, employees are allowed to accumulate unused vacation and sick pay, which may be taken as time off, or paid at a later date, at an agreed upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$4,578,138.00. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2008.

NOTE 9: LITIGATION

The Township is involved in several pending legal proceedings, the impact on the financial statements of which, either individually or in the aggregate, in the opinion of the Township's legal counsel would not be material.

NOTE 10: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreement and applicable regulations, including the expenditure of funds for eligible purpose. The state and federal grants received and expended in 2008 were subject to the Single Audit Act Amendments of 1996 and State of New Jersey OMB Circular 04-04, which mandates that grant revenues and expenditures be audited in conjunction with the Township's annual audit. Findings and questioned costs, if any, relative to federal and state financial assistance programs will be discussed in detail in Part II, Schedule of Findings and Questioned Costs. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2008, the Township does not believe that any material liabilities will result from such audits.

NOTE 11: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2008 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S. 40A:2-51.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township participates in a self insurance program through the Monmouth County Municipal Joint Fund covering General Liability and Workers Compensation claims. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Township's contribution to the Fund for claim payments are based on actuarial assumption determined by the Fund's actuary. The Fund is also a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance coverage for each of the various risks noted above. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township for these risks.

The Township has also established a self-insurance program in accordance with New Jersey Statute Chapter 40:10. The statute enables the governing body of any local unit to provide insurance coverage for its exposure to a wide variety of property and liability casualty risks. The Township self insures for Health, Dental and Prescription claims. The Township has purchased a separate "stop loss" or excess liability policy for coverage of losses in excess of a \$75,000.00 per person deductible with an aggregate limit of \$4,165,966.00. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2008	\$ 28,023.92	\$ 46,166.49	\$ 141,119.12
2007	26,236.42	21,044.23	159,261.69
2006	25,370.56	18,790.53	154,069.50



NOTE 15: LENGTH OF SERVICE AWARDS PROGRAM

On August 14, 2002 the Township adopted an ordinance establishing a Length of Service Awards Program for the members of the Volunteer First Aid Squads pursuant to N.J.S.A. 40A:14-183 et seq.

Under this program, beginning in 2003 each volunteer that performs the minimum amount of service will have an annual amount of not less than \$100.00 and up to \$1,000.00, subject to periodic consumer price index increases, deposited into a tax deferred income account that will earn interest for the volunteer. The cost will be budgeted annually in the budget of the Township. In the 2008 the Township appropriated \$20,000.00.

The accompanying financial statements do not include the Township's Length of Service Award Program's activities. The Township's Length of Service Award Program's Financial Statements are contained in a separate review report, as required by state regulations.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Township provides Post Retirement Benefits to certain employees, per the terms of their various labor agreements, which have retired from the Township after accruing various years of service and continue until the employee becomes eligible for Medicare. These benefits consist of Health Insurance of coverage.

During the year ended December 31, 2008 there were thirty (30) Township employees who received benefits under this plan with a total cost of \$427,436.70

Commencing with the year ending December 31, 2008 the above noted post employment benefits require the Township to implement the note disclosure provision of GASB Statement 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement which was adopted during 2004 by the Governmental Accounting Standard Board (GASB) requires the Township to disclose in the notes of the financial statements the future cost of the other post employment benefits (OPEB) on a present value basis instead of the present pay as you go method. OPEB obligations are non-pension benefits that the Township has contractually agreed to provide employees once they have retired.

The Township is currently in the process of contracting with an actuarial firm to calculate their OPEB obligation.

The future value of benefits paid is not required to be reported in the financial statements as presented and has not been determined, but is probably material. Under current New Jersey budget and financial reporting requirements, the Township will not have to provide any amounts in excess of their current cash costs or recognized any long-term obligations on their balance sheets.

NOTE 17: SUBSEQUENT EVENTS

Pension Contribution Deferral

The State of New Jersey has enacted Public Law 2009, C.19, which authorizes the State Department of Treasury, Division of Pensions and Benefits to provide non-state contributing employers the option of paying an amount that represents a fifty percent (50%) reduction of the normal and accrued liability payment of the required contributions to the Police and Fire Retirement System (PFRS) and the Public Employees Retirement System (PERS) which would have been due April 1, 2009. If the deferral is elected, the amount deferred must be repaid, with interest, over a period of fifteen years, beginning in April, 2012; however, the contributing employer is permitted to pay off the obligation at any time by contacting the Division of Pension and Benefits for a payoff amount. The Township of Wall has elected to defer a portion of its pension contributions as follows:

<u>Retirement System</u>	<u>2009 Required Contribution</u>	<u>Amount Deferred</u>	<u>2009 Actual Contribution</u>
PFRS	\$1,718,441.00	\$825,285.00	\$893,156.00
PERS	<u>682,213.00</u>	<u>303,394.00</u>	<u>378,819.00</u>
Total	<u>\$2,400,654.00</u>	<u>\$1,128,679.00</u>	<u>\$1,271,975.00</u>

TOWNSHIP OF WALL

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2008

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

		GRANT FUND	CURRENT FUND
<u>REF.</u>			
A	Balance, December 31, 2007	\$ 158,153.68	\$ 6,699,935.30
A-8	Increased by Receipts:		
	Taxes Receivable		94,292,286.03
	State of New Jersey-Senior Citizens and Veterans Deductions		
A-7	Current Year		294,211.32
A-3	2008 Appropriations - Refunds		391,420.50
A-12	Interfunds	20,990.12	805.18
A-13	Revenue Accounts Receivable		6,894,677.44
A-2	Miscellaneous Revenue Not Anticipated		1,217,554.82
A-16	Tax Overpayments		39,850.55
A-17	Prepaid Taxes		634,933.08
	Reserve for:		
A-24	Sale of Municipal Assets		14,950.00
A-26	Grants Receivable	128,364.67	
A-28	Grants - Unappropriated	73,481.13	
		<u>222,835.92</u>	<u>103,780,688.92</u>
		\$ 380,989.60	\$ 110,480,624.22
	Decreased by Disbursements:		
A-3	2008 Appropriations		30,678,142.27
A-14	Appropriation Reserves		598,471.89
A-12	Interfunds		38,443.80
A-16	Tax Overpayments	23,461.53	39,850.55
A-18	County Taxes		17,686,837.03
A-19	Added County Taxes		139,063.22
A-20	Local District School Taxes		53,507,087.53
A-21	Special District Taxes Payable		2,007,611.00
	Refund of:		
A-2	ABC Licenses		8,850.00
A-2	Other Fees and Permits		50.00
A-2	Uniform Construction Code Fees		30,847.69
A-5	Petty Cash Advanced		80.00
A-1	Budget Operations		33,417.03
A-27	Reserve for Grants - Appropriated	211,532.69	
		<u>234,994.22</u>	<u>104,768,752.01</u>
A	Balance, December 31, 2008	\$ 145,995.38	\$ 5,711,872.21



TOWNSHIP OF WALL

CURRENT FUND

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

	<u>REF.</u>		
Balance, December 31, 2007 (Due To)	A	\$	16,425.78
Increased by:			
Senior Citizens Deductions Disallowed by Collector:			
Current Year		\$	2,027.40
Received From State	A-4		<u>294,211.32</u>
		\$	<u>296,238.72</u>
Decreased by:			
Senior Citizens Deductions Per Tax Billing		\$	26,625.00
Veterans Deductions Per Tax Billing			266,700.00
Allowed by Collector			<u>4,000.00</u>
			<u>297,325.00</u>
Balance, December 31, 2008 (Due To)	A	\$	<u><u>15,339.50</u></u>

ANALYSIS OF STATE SHARE OF 2008 SENIOR  
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing		\$	26,625.00
Veterans Deductions Per Tax Billing			266,700.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector-2008 Taxes			<u>4,000.00</u>
		\$	<u>297,325.00</u>
Less:			
Deductions Disallowed by Collector			<u>2,027.40</u>
	A-8	\$	<u><u>295,297.60</u></u>

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2007	2008 LEVY	ADDED TAXES	COLLECTIONS BY CASH		CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2008
				2007	2008			
2006	\$ 330,353.77	\$	\$ 8,449.42	\$	\$ 1,014,851.03	\$ 3,605.30	\$ 3,646.98	\$ 330,353.77
2007	\$ 1,320,045.18	\$	\$ 8,449.42	\$	\$ 1,014,851.03	\$ 3,605.30	\$ 3,646.98	\$ 306,391.29
2008	\$ 1,650,398.95	\$ 95,902,171.75	\$	\$ 673,262.51	\$ 93,572,732.60	\$ 41,902.41	\$ 65,829.86	\$ 1,548,444.37
	\$ 1,650,398.95	\$ 95,902,171.75	\$ 8,449.42	\$ 673,262.51	\$ 94,587,583.63	\$ 45,507.71	\$ 69,476.84	\$ 2,185,189.43
REF.	A			A-2,A-17	A-2		A-9	A

REF.	Collector	2007	2008
A-4	Senior Citizens Deductions	\$ 94,292,286.03	\$ 94,587,583.63
A-7		\$ 295,297.60	\$ 94,587,583.63

ANALYSIS OF 2008 PROPERTY TAX LEVY

TAX YIELD	REF.	2007	2008
General Property Tax	A-20	\$ 93,171,925.35	\$ 93,171,925.35
Added Taxes (54.4-63.1 et seq.)	A-18	722,635.39	722,635.39
Special Improvement District Tax	A-19	2,007,611.01	2,007,611.01
		\$ 95,902,171.75	\$ 95,902,171.75
<u>TAX LEVY</u>			
Local District School Tax (Abstract)	A-20	\$ 53,507,087.52	\$ 53,507,087.52
County Tax (Abstract)	A-18	\$ 17,686,837.03	\$ 17,686,837.03
Due County for Added Taxes (54.4-63.1 et seq.)	A-19	\$ 117,734.62	\$ 117,734.62
<u>Total County Taxes</u>		\$ 17,804,571.65	\$ 17,804,571.65
Fire District Tax	A-21	\$ 2,007,611.00	\$ 2,007,611.00
Local Tax for Municipal Purposes (Abstract)	A-2	\$ 21,919,853.21	\$ 21,919,853.21
Add: Additional Tax Levied		\$ 663,048.37	\$ 663,048.37
Local Tax for Municipal Purposes Levied		\$ 22,582,901.58	\$ 22,582,901.58
		\$ 95,902,171.75	\$ 95,902,171.75

"A-9"

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>			
Balance, December 31, 2007	A		\$	791,246.38
Increased by:				
Transfer From 2008 Taxes Receivable	A-8	\$	65,829.86	
2008 Tax Sale	A-8		3,646.98	
Interest and Costs on Sale			<u>5,044.34</u>	
				<u>74,521.18</u>
Balance, December 31, 2008	A		\$	<u><u>865,767.56</u></u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, December 31, 2007 and December 31, 2008	A		\$	<u><u>57,000.00</u></u>
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TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, <u>2008</u>	BALANCE DECEMBER 31, <u>2007</u>
Overexpenditure of 2007 Appropriation	\$ <u>84,000.00</u>	\$ <u>84,000.00</u>
	\$ <u><u>84,000.00</u></u>	\$ <u><u>84,000.00</u></u>
<u>REF.</u>	A	A

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>ANIMAL CONTROL FUND</u>	<u>TRUST OTHER FUND</u>	<u>WATER/SEWER UTILITY OPERATING FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2007						
Due From	A	\$ 805.18 \$	244.83 \$	\$	560.35 \$	
Cash Receipts	A-4	\$ 805.18 \$	244.83 \$	\$	560.35 \$	19,800.00
Matching Funds	A-1	19,800.00				8,411.92
Grants Cancelled	A-1	8,411.92				
Cash Disbursements	A-4	\$ 38,443.80 \$	440.53 \$	17,011.15 \$	\$	20,992.12
Balance, December 31, 2008						
Due From	A	\$ 17,451.68 \$	440.53 \$	17,011.15 \$	\$	
Due To	A	7,219.80				7,219.80

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2007</u>	<u>ACCRUED IN 2008</u>	<u>COLLECTIONS</u>	<u>BALANCE DECEMBER 31, 2008</u>
Licenses:					
Alcoholic Beverages	A-2	\$	126,156.75 \$	126,156.75 \$	
Other Fees and Permits	A-2		97,641.65	97,641.65	
Municipal Court:					
Fines and Costs	A-2	53,015.00	770,891.61	765,004.47	58,902.14
Interest and Costs on Taxes	A-2		298,084.39	298,084.39	
Interest on Investments and Deposits	A-2		297,998.58	297,998.58	
Energy Receipts Tax	A-2		4,344,607.00	4,344,607.00	
Watershed Moratorium Offset Aid	A-2		8,789.00	8,789.00	
Construction Code Official	A-2		506,395.60	506,395.60	
Reserve for Housing Trust	A-2		450,000.00	450,000.00	
		\$ 53,015.00 \$	6,900,564.58 \$	6,894,677.44 \$	58,902.14
<u>REF.</u>		A		A-4	A

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF 2007 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2007	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>				
Financial Administration- Treasury	\$ 190.41	\$ 190.41	\$	190.41
Assessment of Taxes	1,549.18	1,549.18		1,549.18
Collection of Taxes	508.07	508.07		508.07
Municipal Prosecutor's Office	226.65	226.65		226.65
Youth Center	2,148.51	2,148.51		2,148.51
Police	81,774.36	81,774.36		81,774.36
Recreation Services and Programs	811.49	811.49		811.49
Operations	1,274.63	1,274.63		1,274.63
Streets and Road Maintenance	10,104.20	10,104.20		10,104.20
Solid Waste Collection	2,932.31	2,932.31		2,932.31
Municipal Court	405.34	405.34		405.34
<u>OTHER EXPENSES</u>				
General Administration	399.22	399.22		399.22
Financial Administration- Treasury	2,804.70	3,094.98	3,092.28	2.70
Municipal Clerk		36.50	36.50	
Assessment of Taxes:				
Miscellaneous	2,712.95	4,359.95	2,451.08	1,908.87
Tax Appeals	3,603.14	3,603.14		3,603.14
Collection of Taxes		1,235.14	1,235.14	
Legal Services:				
Miscellaneous	499.20	499.20		499.20
Engineering Services	3,515.52	3,515.52	2,008.78	1,506.74
Engineering and Land Use	61,237.62	77,043.94	17,650.16	59,393.78
Youth Center	730.58	2,123.57	1,378.98	744.59
Board of Health	1,234.26	1,435.12	200.86	1,234.26
Police	479.54	137,525.09	134,337.26	3,187.83
Administration of Public Assistance	3,224.16	3,224.16		3,224.16
Recreation	21,426.08	23,902.23	2,217.36	21,684.87
Operations	54.70	22,471.17	19,524.15	2,947.02
Streets and Road Maintenance	75.00	35,140.52	30,115.65	5,024.87
Street Lighting	26,278.07	26,278.07	26,278.07	
Electricity	29,560.32	29,560.32	29,560.32	
Gas (Natural & Propane)	3,969.73	3,969.73	3,969.73	
Solid Waste Collection	18.18	26,220.26	21,614.00	4,606.26
Landfill/Solid Waste Disposal Costs:	75,936.58	217,162.27	193,833.97	23,328.30
Gasoline	45,913.36	75,000.00	72,749.22	2,250.78
Telephone and Telegraph	4,923.19	15,314.78	12,424.75	2,890.03
Community Services Act (Condominium Community)	33.54	33.54		33.54
Computer/Technology Maintenance	3,152.51	5,219.87	3,784.58	1,435.29
Vehicle Replacement	17,211.02	17,211.02	105.00	17,106.02
Construction Official- Code Enforcement	3,359.46	4,791.95	1,432.49	3,359.46
Municipal Court	73.19	1,279.75	1,206.56	73.19
Environmental Committee	1,872.25	1,932.25	60.00	1,872.25
Public Defender	4,000.00	4,000.00		4,000.00
Insurance:				
General Liability	1,597.83	1,597.83		1,597.83
Implementation of Housing Element P.L. 195-Chap 222	17,820.97	17,820.97		17,820.97
LOSAP	20,000.00	20,000.00	17,205.00	2,795.00
Monmouth County 911	84.76	84.76		84.76
	\$ <u>459,726.78</u>	\$ <u>889,011.97</u>	\$ <u>598,471.89</u>	\$ <u>290,540.08</u>
REF.	A		A-4	A-1
Balance	A-14	\$ 459,726.78		
Transferred from Encumbrances Payable	A-15	<u>429,285.19</u>		
		\$ <u>889,011.97</u>		

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>	<u>GRANT FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2007	A	48,510.78 \$	429,285.19
Increased by:			
Transferred From:			
2008 Budget Appropriations	A-3		372,706.80
Reserve for Grants Appropriated	A-27	8,842.53	
		\$ 57,353.31 \$	801,991.99
Decreased by:			
Transferred To 2007 Appropriation Reserves	A-14		429,285.19
Transferred to Appropriated Grant Reserve	A-27	48,510.78	
Balance, December 31, 2008	A	\$ 8,842.53 \$	372,706.80

"A-16"

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Increased by:			
Overpayments in 2008	A-4	\$	39,850.55
Decreased by:			
Refunds	A-4	\$	<u>39,850.55</u>

"A-17"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2007	A	\$	673,262.51
Increased by:			
Collection of 2009 Taxes	A-4	\$	<u>634,933.08</u>
			1,308,195.59
Decreased by:			
Applied to 2008 Taxes	A-8		<u>673,262.51</u>
Balance, December 31, 2008	A	\$	<u>634,933.08</u>

"A-18"

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

REF.

Levy 2008:			
County Tax	\$	15,440,741.09	
County Library		929,222.48	
County Health		287,136.90	
County Open Space		<u>1,029,736.56</u>	
	A-1:A-8		\$ <u>17,686,837.03</u>
Decreased by:			
Payments	A-4		\$ <u><u>17,686,837.03</u></u>

"A-19"

SCHEDULE OF DUE COUNTY FOR  
ADDED AND OMITTED TAXES

Balance, December 31, 2007	A		\$ 139,063.38
Increased by:			
County Share of 2008 Levy:			
Added Taxes (R.S.54:4-63.1 et.seq.)			
2008		\$ <u>117,734.62</u>	
	A-1:A-8		\$ <u>117,734.62</u>
			\$ <u>256,798.00</u>
Decreased by:			
Cash Disbursements	A-4		<u>139,063.22</u>
Balance, December 31, 2008	A		\$ <u><u>117,734.78</u></u>

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES

	<u>REF.</u>		
Balance, December 31, 2007 (Payable)	A	\$	399,999.89
Increased by:			
Levy - Calendar Year January 1, 2008 to December 31, 2008	A-8		53,507,087.52
		\$	<u>53,907,087.41</u>
Decreased by:			
Payments	A-4		<u>53,507,087.53</u>
Balance, December 31, 2008 (Payable)	A	\$	<u><u>399,999.88</u></u>
2008 Liability for Local District School Tax:			
Tax Paid		\$	53,507,087.53
Less: School Tax Payable, December 31, 2007			<u>(399,999.89)</u>
		\$	<u>53,107,087.64</u>
Add: School Tax Payable, December 31, 2008			<u>399,999.88</u>
Amount Charged to 2008 Operations	A-1	\$	<u><u>53,507,087.52</u></u>

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

	<u>REF.</u>		
Levy 2008:			
District #1		\$ 296,861.00	
District #2		909,630.00	
District #3		<u>801,120.00</u>	
	A-1:A-8		\$ <u>2,007,611.00</u>
Decreased by:			
Payments	A-4		\$ <u><u>2,007,611.00</u></u>

"A-22"

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF RESERVE FOR MUNICIPAL HOMELAND SECURITY ASSISTANCE AID

	<u>REF.</u>		
Balance, December 31, 2007	A	\$	90,000.00
Decreased by:			
Utilized as Budget Revenue	A-2	\$	<u>90,000.00</u>

"A-23"

SCHEDULE OF RESERVE FOR CODIFICATION OF ORDINANCES

Balance, December 31, 2007 and December 31, 2008	A	\$	<u>11,500.06</u>
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"A-24"

TOWNSHIP OF WALL

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	<u>REF.</u>		
Balance, December 31, 2007	A	\$	386,862.31
Increased by:			
Cash Receipts	A-4		<u>14,950.00</u>
Balance, December 31, 2008	A	\$	<u><u>401,812.31</u></u>

"A-25"

SCHEDULE OF RESERVE FOR DONATIONS

Balance, December 31, 2007 and December 31, 2008	A	\$	<u><u>4,850.00</u></u>
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TOWNSHIP OF WALL

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2007	ANTICIPATED IN 2008 BUDGET	RECEIVED	UNAPPROPRIATED RESERVE APPLIED	CANCELED	BALANCE DECEMBER 31, 2008
	\$	\$	\$	\$	\$	\$
County of Monmouth:						
Drug Abuse Program:						
County Share		33,500.00	33,500.00			
Interlocal Share		7,575.00	6,238.00			1,337.00
Drunk Driving Enforcement Fund		32,482.93	32,482.93			
Clean Communities Program		38,001.86		38,001.86		
Municipal Alliance	9,458.83	18,800.00	18,493.74			9,765.09
Body Armor Grant		7,790.07		7,790.07		
Violence Against Women Act - Interlocal	0.07	7,575.05			7,575.12	
Juvenile Accountability Grant		6,034.00		6,034.00		
CDBG- Entrance Doors	59,406.00		37,650.00		21,756.00	
	<u>68,864.90</u>	<u>151,758.91</u>	<u>128,364.67</u>	<u>51,825.93</u>	<u>29,331.12</u>	<u>11,102.09</u>
	A	A-2	A-4	A-28		A

REF.

TOWNSHIP OF WALL

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2007	BALANCE AFTER TRANSFERS	TRANSFERRED FROM 2008 BUDGET	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2008
County of Monmouth:						
Drug Abuse Program:						
County Share	\$ 102.49	\$ 102.49	\$ 33,500.00	\$ 33,500.00	\$	
Interlocal Share			7,575.00	7,677.49		
Juvenile Accountability Grant			6,034.00	4,113.82		1,920.18
Drunk Driving Enforcement Fund	28,450.13	28,450.13	32,482.93	30,065.31		30,867.75
Clean Communities Program	34,418.53	34,418.53	38,001.86	50,285.03		22,135.36
Municipal Alliance:						
State Share	1,462.23	3,673.01	18,800.00	19,562.92		2,910.09
Local Match	707.09	707.09	19,800.00	18,761.85		1,745.24
Body Armor Grant	5,793.04	5,793.04	7,790.07	4,609.00		8,974.11
Violence Against Women Act -Interlocal	21,120.21	21,120.21	7,575.05	2,380.00		26,315.26
Handicapped Recreation Grant		4,550.00		4,550.00		
Matching Funds- 2	587.03	587.03				587.03
CDBG- Entrance Doors	17,656.00	59,406.00		44,869.80	14,536.20	
	<u>\$ 110,296.75</u>	<u>\$ 158,807.53</u>	<u>\$ 171,558.91</u>	<u>\$ 220,375.22</u>	<u>\$ 14,536.20</u>	<u>\$ 95,455.02</u>
REF.	A		A-3			A
Reserve		\$ 110,296.75				
Transferred from Encumbrances Payable	A-27					
	A-15	<u>48,510.78</u>		<u>8,842.53</u>		
		\$ 158,807.53				
Cash Disbursements	A-4					
Transferred to Encumbrances Payable	A-15					
		\$ 211,532.69				
		<u>8,842.53</u>				
		\$ 220,375.22				

"A-28"

TOWNSHIP OF WALL

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	<u>BALANCE DECEMBER 31, 2007</u>	<u>CASH RECEIPTS</u>	<u>ANTICIPATED IN 2008 BUDGET</u>	<u>CANCELLED</u>	<u>BALANCE DECEMBER 31, 2008</u>
Clean Communities Program	\$ 38,001.86 \$	40,145.28 \$	38,001.86 \$	\$	40,145.28
Body Armor Grant	7,790.19	6,874.32	7,790.07		6,874.44
Violence Against Women Act		3,000.00			3,000.00
Smart Growth	10,000.00				10,000.00
Drug Abuse- Interlocal	6,385.00			6,385.00	
Juvenile Accountability Grant	6,034.00		6,034.00		
Recycling Tonnage Grant		23,461.53			23,461.53
	<u>\$ 68,211.05 \$</u>	<u>73,481.13 \$</u>	<u>51,825.93 \$</u>	<u>6,385.00 \$</u>	<u>83,481.25</u>

REF.

A

A-4

A-26

A

TOWNSHIP OF WALL

TRUST FUND

SCHEDULE OF CASH - TREASURER

REF.		ANIMAL CONTROL	TRUST OTHER
B	Balance, December 31, 2007	\$ 467.23	\$ 7,793,932.27
	Increased by Receipts:		
B-2	State Registration Fees	3,729.00	
B-3	Expenditures Under R.S. 4:19-15.11	65,680.80	
B-4	Tax Title Liens		474,116.61
B-5; B-7	Interfunds Receivable	440.53	40,472.68
B-6	Various Reserves		4,275,041.52
		<u>69,850.33</u>	<u>4,789,630.81</u>
		70,317.56	12,583,563.08
	Decreased by Disbursements:		
B-2	State Registration Fees	3,729.00	
B-3	Expenditures Under R.S. 4:19-15.11	56,321.50	
B-4	Tax Title Liens		696,010.65
B-5; B-7	Interfunds Payable	244.83	2,601,689.29
B-6	Various Reserves		5,426,407.02
		<u>60,295.33</u>	<u>8,724,106.96</u>
B	Balance, December 31, 2008	\$ 10,022.23	\$ 3,859,456.12

TOWNSHIP OF WALL

TRUST FUND

SCHEDULE OF RESERVE FOR STATE REGISTRATION FEES

	<u>REF.</u>	
Balance, December 31, 2007	B	\$ 118.60
Increased by:		
Cash Receipts	B-1	<u>3,729.00</u>
		\$ <u>3,847.60</u>
Decreased by:		
Cash Disbursements	B-1	<u>3,729.00</u>
Balance, December 31, 2008	B	\$ <u><u>118.60</u></u>

TOWNSHIP OF WALL

ANIMAL CONTROL FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2007	B	\$	103.80
Increased by:			
Animal Control and Miscellaneous Fees		\$	16,830.80
Budget Appropriation			<u>48,850.00</u>
	B-1		<u>65,680.80</u>
			<u>65,784.60</u>
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-1		<u>56,321.50</u>
Balance, December 31, 2008	B	\$	<u><u>9,463.10</u></u>
	2007 Fees	\$	16,848.90
	2006 Fees		<u>18,407.60</u>
		\$	<u><u>35,256.50</u></u>

"B-4"

TOWNSHIP OF WALL

TRUST FUND

SCHEDULE OF RESERVE FOR REDEMPTION OF TAX  
TITLE LIEN CERTIFICATES

	<u>REF.</u>		
Balance, December 31, 2007	B	\$	281,475.25
Increased by:			
Cash Receipts	B-1		<u>474,116.61</u>
			755,591.86
Decreased by:			
Cash Disbursements	B-1		<u>696,010.65</u>
Balance, December 31, 2008	B	\$	<u><u>59,581.21</u></u>

"B-5"

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL TRUST FUND

Balance, December 31, 2007	B	\$	244.83
Increased by:			
Cash Receipts	B-2		<u>440.53</u>
			685.36
Decreased by:			
Cash Disbursements	B-2		<u>244.83</u>
Balance, December 31, 2008	B	\$	<u><u>440.53</u></u>

TOWNSHIP OF WALL

TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS DEPOSITS

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2007</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE DECEMBER 31, 2008</u>
Law Enforcement Trust	\$ 22,766.17	\$ 16,036.81	\$ 9,062.50	\$ 29,740.48
Recreation	151,287.23	335,109.30	313,062.78	173,333.75
Public Defender	14,185.40	5,646.30	7,500.00	12,331.70
Unemployment Trust	159,261.69	28,023.92	46,166.49	141,119.12
Developer's Trust	3,732,612.08	729,001.76	1,658,310.06	2,803,303.78
Housing Trust	2,223,313.14	209,025.25	529,409.85	1,902,928.54
Hazmat Clean Up	23,829.40	10,000.00	549.66	33,279.74
Alliance	4,500.37	16,415.75	13,536.85	7,379.27
Payroll Deductions	1,216,756.76	2,901,410.43	2,745,789.41	1,372,377.78
Towing	83,944.78	24,372.00	103,019.42	5,297.36
	<u>\$ 7,632,457.02</u>	<u>\$ 4,275,041.52</u>	<u>\$ 5,426,407.02</u>	<u>\$ 6,481,091.52</u>

REF.

B

B-1

B-1

B

TOWNSHIP OF WALL

TRUST FUND

SCHEDULE OF INTERFUNDS

<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>NET PAYROLL ACCOUNT</u>
Balance, December 31, 2007					
B	\$ 120,000.00 \$	\$		\$	120,000.00
Due From					
Cash Receipts	\$ 40,472.68 \$	17,011.15 \$	23,461.53	\$	
Cash Disbursements	\$ 2,601,689.29 \$	\$		2,001,689.29 \$	600,000.00
Balance, December 31, 2008					
B	\$ 2,721,689.29 \$	\$		2,001,689.29 \$	720,000.00
Due From					
Due To	\$ 40,472.68	17,011.15	23,461.53		

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2007	C		\$ 5,893,165.56
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-7	\$ 160,000.00	
Deferred Charges to Future Taxation Unfunded		97,500.00	
Fund Balance	C-1	62,426.05	
Interfunds Receivable	C-4	2,179,683.23	
Reserve for Due to Developer	C-10	55,000.00	
Refunds- Contracts Payable	C-15	2,158.34	
Bond Anticipation Note	C-13	<u>6,197,500.00</u>	
			<u>8,754,267.62</u>
			\$ 14,647,433.18
Decreased by Disbursements:			
Contracts Payable	C-15	\$ 3,949,933.18	
Bond Anticipation Note	C-13	<u>10,697,500.00</u>	
			<u>14,647,433.18</u>
Balance, December 31, 2008	C:C-3		\$ <u><u>-0-</u></u>

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

		BALANCE DECEMBER <u>31, 2008</u>
Capital Improvement	\$	58,500.00
Grants Receivable		(75,000.00)
Fund Balance		273,859.68
Improvement Authorizations - Funded		256,775.35
Unfunded Improvements Expended - Listed on "C-7"		(4,772,423.71)
Unexpended Proceeds of Bond Anticipation Notes		978,564.45
Reserve for Route 34		250,000.00
Reserve for Debt Service - Green Trust		117,400.15
Reserve for Due to Developer		55,000.00
Contracts Payable		677,640.85
Due Water/Sewer Utility Assessment Fund		177,993.94
Due Trust Other Fund		<u>2,001,689.29</u>
	\$	<u><u>-0-</u></u>
<u>REF.</u>		C-2

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>TRUST OTHER FUND</u>	<u>WATER/SEWER ASSESSMENT FUND</u>
Cash Receipts	C-2	\$ <u>2,179,683.23</u> \$	<u>2,001,689.29</u> \$	<u>177,993.94</u>
Balance, December 31, 2008 Due To	C	\$ <u><u>2,179,683.23</u></u> \$	<u><u>2,001,689.29</u></u> \$	<u><u>177,993.94</u></u>

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES  
TO FUTURE TAXATION - FUNDED

Balance, December 31, 2007	C		\$	29,927,627.11
Decreased by:				
Bonds Paid by Budget	C-12	\$	2,504,298.00	
Loans Paid by Budget	C-16		<u>219,466.24</u>	
				<u>2,723,764.24</u>
Balance, December 31, 2008	C		\$	<u>27,203,862.87</u>

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE, DECEMBER 31, 2008			
		BALANCE DECEMBER 31, 2008	BOND ANTICIPATION NOTE	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
	<u>GENERAL IMPROVEMENTS:</u>				
91-12,99-33,00-29	RCA	\$ 22,960.05	\$	22,960.05	\$
99-28,00-19,00-30,03-05,03-21,05-03	Various Improvements and Acquisition of Open Space	4,250,000.00	4,250,000.00		
2001-18	Various Improvements	83,500.00		82,051.54	1,448.46
2003-34,2006-15	Various Improvements	1,151,634.75		1,137,371.54	14,263.21
2004-5,2005-4,2005-38	West Belmar Gateway	997,500.00	997,500.00		
2006-31	Construction of New Youth Center	950,000.00	950,000.00		
2007-13	Acquisition of Real Property	950,000.00		950,000.00	
2007-27	Various Improvements	332,000.00		332,000.00	
2008-11	Various 2008 Capital Improvements	3,111,000.00		2,248,040.58	862,959.42
		<u>\$ 11,848,594.80</u>	<u>\$ 6,197,500.00</u>	<u>\$ 4,772,423.71</u>	<u>\$ 878,671.09</u>
	REF. C		C-13	C-3	
	Improvement Authorizations Unfunded				\$ 1,857,235.54
	Unexpended Proceeds of Bond Anticipation Notes				978,564.45
					<u>\$ 878,671.09</u>

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2007	C	\$	62,500.00
Increased by:			
2008 Budget Appropriation	C-2	\$	<u>160,000.00</u>
			222,500.00
Decreased by:			
Appropriated to Finance Improvements	C-8		<u>164,000.00</u>
Balance, December 31, 2008	C	\$	<u><u>58,500.00</u></u>

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AMOUNT	BALANCE DECEMBER 31, 2007		2008 AUTHORIZATIONS	CONTRACTS PAYABLE	CANCELLED	BALANCE DECEMBER 31, 2008	
			FUNDED	UNFUNDED				FUNDED	UNFUNDED
<u>GENERAL IMPROVEMENTS:</u>									
95-12	Various Improvements	\$ 2,000,000.00	\$ 91.36	\$	\$	\$	\$	91.36	\$
97-19	EMT Ambulance	130,000.00	525.20					525.20	
99-28, 00-19 & 00-30	Various Improvements and Acquisition of Open Space	5,650,000.00	275,253.89		110,716.66				164,537.23
03-05, 03-21, 05-03	Acquisition of Open Space	2,700,000.00	2,509.24		2,509.24				
91-12, 99-33, 00-29	RCA	2,700,000.00	1,448.46						1,448.46
01-18	Various Improvements	635,000.00							
02-06	Various Improvements	1,200,000.00	16,557.40		14,849.44			1,707.96	
02-19	Acquisition of the Sea Girl Inn	1,500,000.00	16,598.19		5,283.00			11,315.19	
02-23; 03-25; 06-13 & 06-38	Police Building Renovations	5,300,000.00	205,103.18		189,190.58			15,912.60	
03-34, 06-15	Various Improvements	1,830,000.00	17,433.94		3,170.73				14,263.21
04-24	Various Improvements	400,000.00	273.05		60.00			213.05	
05-29	Various Improvements	1,078,000.00	11,338.65		1,732.85		7,646.97	1,958.83	
06-31	Construction of New Youth Center	1,000,000.00	831,187.26		26,877.14				804,310.12
06-35	Various Improvements	1,500,000.00	272,525.24		154,423.20			118,102.04	
07-01	Refunding Bond Ordinance	2,361,820.00							
07-13	Acquisition of Real Property	1,000,000.00							
07-14	Various Improvements	1,500,000.00	277,214.57		170,265.45			106,949.12	
07-27	Various Improvements	350,000.00		9,717.10					9,717.10
08-11	Various 2008 Capital Improvements	3,275,000.00		3,275,000.00	2,412,040.58				862,959.42
		\$	800,226.84	\$ 1,137,549.89	\$ 3,091,118.87	\$	7,646.97	256,775.35	\$ 1,857,235.54
			C	C	C-15		C-9	C	C: C-6
	REF.								
	Deferred Charges to Future Taxation-Unfunded Capital Improvement Fund	C-7		\$ 3,111,000.00					
				164,000.00					
				3,275,000.00					

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2007	C	\$ 82,646.97
Decreased by:		
Cancelled	C-8	<u>7,646.97</u>
Balance, December 31, 2008	C	<u>\$ 75,000.00</u>

Analysis of Balance

DOT - Monmouth Blvd	\$ <u>75,000.00</u>
	<u>\$ 75,000.00</u>

"C-10"

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DUE TO DEVELOPER

	<u>REF.</u>		
Increased by:			
Cash Receipts	C-2	\$	<u>55,000.00</u>
Balance, December 31, 2008	C	\$	<u><u>55,000.00</u></u>

"C-11"

SCHEDULE OF RESERVE FOR DEBT SERVICE - GREEN TRUST

Balance, December 31, 2007 and December 31, 2008	C	\$	<u><u>117,400.15</u></u>
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TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	DATE	OUTSTANDING DECEMBER 31, 2008	INTEREST RATE	BALANCE DECEMBER 31, 2007	DECREASED	BALANCE DECEMBER 31, 2008
						\$		\$
General Improvements	12/27/1998	6,840,000.00	12/1/2009	\$ 431,250.00	4.350%			
			12/1/2010	451,950.00	4.450%			
			12/1/2011	453,760.00	4.550%			
			12/1/2012	477,630.00	4.650%			
			12/1/2013	498,090.00	4.750%			
			12/1/2014	521,960.00	4.750%			
			12/1/2015	548,460.00	4.900%			
General Improvements	12/20/2000	1,000,000.00	12/01/09	44,440.00	4.800%			
			12/01/10	46,640.00	4.875%			
			12/01/17	1,000.00	5.350%			
			12/01/18	3,000.00	5.375%			
			12/01/19	3,000.00	5.400%			
			12/01/20	1,000.00	5.450%			
General Improvements	12/1/2002	4,141,000.00	12/1/2009	259,000.00	3.125%			
			12/1/2010	267,000.00	3.375%			
			12/1/2011	276,000.00	5.000%			
			12/1/2012	289,000.00	5.000%			
			4/15/2009	230,000.00	3.100%			
Refunding 2003	1/28/2003	2,320,000.00	4/15/2010	225,000.00	3.375%			
			4/15/2011	220,000.00	3.600%			
			4/15/2012	215,000.00	3.750%			
			4/15/2013	210,000.00	5.000%			
			12/1/2009	259,000.00	3.125%			
General Improvements	12/21/2004	5,800,000.00	12/1/2009	323,000.00	2.875%			
			12/1/2010	333,000.00	3.250%			
			12/1/2011	343,000.00	5.000%			
			12/1/2012	360,000.00	5.000%			
			12/1/2013	378,000.00	4.000%			
			12/1/2014	394,000.00	3.750%			
			12/1/2015	408,000.00	3.850%			
			12/1/2016	424,000.00	5.250%			
			12/1/2017	446,000.00	5.250%			
			12/1/2018	470,000.00	5.250%			
			12/1/2019	494,000.00	5.250%			
			7/15/2009	539,121.00	4.000%			
			7/15/2010	559,410.50	4.000%			
			7/15/2011	582,598.50	5.000%			
			7/15/2012	611,583.50	5.000%			
7/15/2013	640,968.50	5.000%						
7/15/2014	672,452.00	5.000%						
7/15/2015	713,443.50	3.750%						
Refunding 1995 Bonds	12/21/2004	5,234,963.00	7/15/2010	559,410.50	4.000%			
			7/15/2011	582,598.50	5.000%			
						3,797,100.00	414,000.00	3,383,100.00
						141,540.00	42,460.00	99,080.00
						1,337,000.00	246,000.00	1,091,000.00
						1,330,000.00	230,000.00	1,100,000.00
						4,687,000.00	314,000.00	4,373,000.00
						4,840,907.50	521,730.00	4,319,177.50

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2007	DECREASED	BALANCE DECEMBER 31, 2008	
			DATE	AMOUNT					
Refunding Bonds	3/17/2006	\$ 1,299,000.00	8/1/2009	\$ 101,000.00	3.500%	\$ 540,000.00	\$ 378,000.00	162,000.00	
			8/1/2010	61,000.00	3.500%				
2007 Refunding Bonds	4/12/2007	2,328,220.00	12/1/2009	3,108.00	4.000%				
			12/1/2010	3,108.00	4.000%				
			12/1/2011	118,086.00	4.000%				
			12/1/2012	122,747.00	4.000%				
			12/1/2013	285,375.00	4.000%				
			12/1/2014	297,287.00	5.000%				
			12/1/2015	311,789.00	5.000%				
			12/1/2016	327,327.00	5.000%				
			12/1/2017	342,346.00	5.000%				
			12/1/2018	154,859.00	5.000%				
			12/1/2019	153,823.00	5.000%				
			12/01/20	154,857.00	4.000%		2,277,820.00	3,108.00	2,274,712.00
	General Improvement	12/13/2007	8,224,000.00	12/1/2009	367,000.00	5.000%			
			12/1/2010	385,000.00	5.000%				
			12/1/2011	404,000.00	5.000%				
			12/1/2012	424,000.00	5.000%				
			12/1/2013	446,000.00	5.000%				
			12/1/2014	468,000.00	5.000%				
			12/1/2015	491,000.00	5.000%				
			12/1/2016	516,000.00	5.000%				
			12/1/2017	541,000.00	5.000%				
			12/1/2018	569,000.00	5.250%				
			12/1/2019	598,000.00	4.000%				
			12/01/20	622,000.00	4.000%				
			12/1/2021	647,000.00	5.250%				
		12/1/2022	681,000.00	4.250%					
		12/1/2023	710,000.00	4.250%					
						8,224,000.00	355,000.00	7,869,000.00	
						\$ 27,175,367.50	\$ 2,504,298.00	\$ 24,671,069.50	

REF

C

C-6

C

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2007</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2008</u>
02-23;03-25; 06-13;06-38	Police Building Renovations	08/16/06	08/15/07	02/15/08	3.81%	\$ 4,500,000.00	\$	\$ 4,500,000.00	\$
99-28;00-19; 00-30;03-05; 03-21;05-03	Various Improvements & Acq of Open Space	06/27/07	06/27/07 06/18/09	06/18/08 06/17/09	3.81% 2.50%	4,250,000.00	4,250,000.00		4,250,000.00
2004-5;2005-4 2005-38	West Belmar Gateway	06/27/07	06/27/07 06/18/09	06/18/08 06/17/09	3.81% 2.50%	997,500.00	997,500.00	997,500.00	997,500.00
2006-31	Construction of New Youth Center	06/27/07	06/27/07 06/18/09	06/18/08 06/17/09	3.81% 2.50%	950,000.00	950,000.00	950,000.00	950,000.00
						<u>\$ 10,697,500.00</u>	<u>\$ 6,197,500.00</u>	<u>\$ 10,697,500.00</u>	<u>\$ 6,197,500.00</u>
					<u>REF.</u>	C	C-2	C-2	C

"C-14"

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR ROUTE 34

	<u>REF.</u>	
Balance, December 31, 2007 and December 31, 2008	C	\$ <u><u>250,000.00</u></u>

"C-15"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2007	C	\$ 1,534,296.82
Increased by:		
Contracts Payable	C-8	\$ 3,091,118.87
Refunds	C-2	<u>2,158.34</u>
		<u>3,093,277.21</u>
		\$ <u>4,627,574.03</u>
Decreased by:		
Cash Disbursements	C-2	<u>3,949,933.18</u>
Balance, December 31, 2008	C	\$ <u><u>677,640.85</u></u>

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOANS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	DATE	OUTSTANDING DECEMBER 31, 2008	INTEREST RATE	BALANCE DECEMBER 31, 2007	DECREASED	BALANCE DECEMBER 31, 2008
						\$		\$
Hurley's Pond Acquisition	1/26/1998	\$ 450,000.00	05/29/09	\$ 11,948.92				
			11/29/09	12,068.41				
			05/29/10	12,189.10				
			11/29/10	12,310.97				
			05/29/11	12,434.10				
			11/29/11	12,558.42				
			05/29/12	12,684.02				
			11/29/12	12,810.86				
			05/29/13	12,938.97				
			11/29/13	13,068.36				
			05/29/14	13,199.04				
			11/29/14	13,331.03				
			05/29/15	13,464.34				
			11/29/15	13,598.98				
			05/29/16	13,734.98				
			11/29/16	13,872.31				
			05/29/17	14,011.05				
		11/29/17	14,151.28		2.00%	257,919.23	23,544.09	234,375.14
Municipal Park Addition	1/26/1998	1,000,000.00	04/30/09	27,767.74				
			10/30/09	28,045.42				
			04/30/10	28,325.87				
			10/30/10	28,609.13				
			04/30/11	28,895.22				
			10/30/11	29,184.17				
			04/30/12	29,476.01				
			10/30/12	29,770.77				
			04/30/13	30,068.48				
			10/30/13	30,369.17				
			04/30/14	30,672.86				
			10/30/14	30,979.59				
			04/30/15	31,289.38				
			10/30/15	31,602.28				
			04/30/16	31,918.30				
			10/30/16	32,237.48				
			04/30/17	32,559.86				
		10/30/17	32,885.61		2.00%	599,370.75	54,713.41	544,657.34

TOWNSHIP OF WALL  
GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOANS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2008	INTEREST RATE	BALANCE DECEMBER 31, 2007	BALANCE DECEMBER 31, 2008
Open Space Acquisition	12/10/1999	\$ 2,250,000.00	\$ 71,615.44		\$	\$
	10/13/2009		72,431.59			
	4/13/2010		73,054.91			
	10/13/2010		73,887.47			
	4/13/2011		74,523.32			
	10/13/2011		75,372.61			
	4/13/2012		76,021.24			
	10/13/2012		76,887.59			
	4/13/2013		77,549.26			
	10/13/2013		78,433.04			
	4/13/2014		79,108.01			
	10/13/2014		80,009.55			
	4/13/2015		80,698.08			
	10/13/2015		81,617.73			
	4/13/2016		82,320.11			
	10/13/2016		83,256.25			
	4/13/2017		83,974.74			
	10/13/2017		84,931.74			
	4/13/2018		85,662.64			
	10/13/2018		86,638.87			
4/13/2019		87,384.45				
10/13/2019		88,380.31		2.00%	1,894,969.63	1,753,760.89
					\$ 219,466.24	\$ 2,532,793.37
					\$ 2,752,259.61	\$ 2,532,793.37

REF.

C-5

C

C

TOWNSHIP OF WALL

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES  
AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>		<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2008</u> <u>CAPITAL FUND</u>
91-12, 99-33, 00-29	RCA	\$	22,960.05
01-18	Various Improvements		83,500.00
03-34, 06-15	Various Improvements		1,151,634.75
07-13	Acquisition of Real Property		950,000.00
07-27	Various Improvements		332,000.00
08-11	Various 2008 Capital Improvements		<u>3,111,000.00</u>
		\$	<u><u>5,651,094.80</u></u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

REF.	OPERATING	ASSESSMENT	CAPITAL
Balance December 31, 2007	\$ 1,331,672.39	\$ 489,656.51	\$ -0-
Increased by Receipts:			
Due Utility Assessment Fund			
Consumer Accounts Receivable	\$ 10,040,828.81		\$ 247,133.80
Water and Sewer Overpayments	24,831.99		
Assessment Receivable		\$ 533,642.72	
Water and Sewer Assessment Surplus	125,000.00		
Sewer Use Agreements	80,000.00		
Miscellaneous	221,572.95		
	<u>10,492,233.75</u>	<u>533,642.72</u>	<u>247,133.80</u>
	11,823,906.14	1,023,299.23	247,133.80
Decreased By Disbursements:			
2008 Budget Appropriations	\$ 10,513,246.56		
Accrued Interest on Bonds and Notes	480,171.69		
Refund of Water and Sewer Overpayments	6,282.39		
Appropriation Reserves	42,803.85		
Contracts Payable			247,133.80
Assessment Bonds Paid		356,432.00	
Budgeted Revenue - Water and Sewer Operating		125,000.00	
Due Utility Capital Fund		247,694.15	
Due To General Capital Fund	<u>177,993.94</u>		
	11,220,498.43	729,126.15	247,133.80
Balance, December 31, 2008	\$ 603,407.71	\$ 294,173.08	\$ -0-

TOWNSHIP OF WALL

WATER AND SEWER UTILITY FUND

SCHEDULE OF ANALYSIS OF WATER/SEWER UTILITY CAPITAL FUND CASH

	BALANCE DECEMBER 31, <u>2008</u>
Due Utility Assessment Fund	\$ 5,326,318.35
Reserve for Sewer Extension	502.29
Contracts Payable	49,937.80
Capital Improvement Fund	289,400.00
Fund Balance	79,164.55

Improvement Authorizations

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	
1991-29	Hidden Brook Sewer	13,405.21
1992-14	Manasquan Park Sewer	(468,934.00)
1999-11	North Wall II	(567,268.81)
2000-04,2002-43	Allenwood (Assessment)	(745,000.00)
2002-05	Various Improvement	100,948.51
02-07	Sewer Extensions (Assessment)	
02-08	Sewer Extensions (Assessment)	(798,000.00)
02-12	Sewer Extensions (Assessment)	(722,000.00)
02-42	Sewer Extensions	(47,500.00)
2003-09, 2004-40	Barbee Lane Sanitary Sewer Extension (Assessment)	(811,810.92)
2003-10	Eighteenth Avenue Sanitary Sewer Force Main Extensions	(720,524.50)
2003-14, 2004-41	Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System (Assessment)	(245,702.91)
2003-20	Various Water and Sewer Improvements	74,474.18
2004-28	Improvements to Allenwood Sewer System	(236,987.27)
2005-30	Acquisition of a Vactor Vehicle	
2006-36	Mtg House Rd Sewer	(211,197.56)
2006-37	Quaker Estates	(76,451.24)
2007-26	Improvement to the Water/Sewer System	(282,773.68)
		<u>\$ -0-</u>

REF.

D-1

TOWNSHIP OF WALL

WATER AND SEWER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2007	D		\$ 1,364,086.14
Increased by:			
Water/Sewer Rents Levied in 2008			<u>9,882,729.58</u>
			11,246,815.72
Decreased By:			
Collections - Rents	D-8	\$ 10,040,828.81	
Overpayments Applied	D-16	<u>34,335.47</u>	
	D-3		<u>10,075,164.28</u>
Balance, December 31, 2008	D		<u>\$ 1,171,651.44</u>

TOWNSHIP OF WALL

WATER AND SEWER ASSESSMENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>WATER/SEWER CAPITAL FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2007:				
Interfunds Receivable	D	\$ 5,171,104.55	\$ 5,171,104.55	
Interfunds Payable	D	560.35		560.35
Assessments Confirmed	D-12	91,920.00	91,920.00	
Disbursements	D-8	<u>247,694.15</u>	<u>247,133.80</u>	<u>560.35</u>
Balance, December 31, 2008:				
Interfunds Receivable	D	\$ <u>5,326,318.35</u>	\$ <u>5,326,318.35</u>	<u>                    </u>

TOWNSHIP OF WALL

WATER AND SEWER ASSESSMENT FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORD #</u>	<u>PROJECT</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2007</u>	<u>CONFIRMED</u>	<u>COLLECTED</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2008</u>	<u>RESERVE</u>	<u>PLEDGED TO</u> <u>CAPITAL</u>
		\$	\$	\$	\$	\$	\$
2002-43	Allenwood & Ridgewood	509,719.30		152,597.53	357,121.77	357,121.77	
1993-13	Southwest Wall	120,229.89		32,875.48	87,354.41	87,354.41	
1992-14	Southwest Wall	6,887.59		420.38	6,467.21	6,467.21	
1997-13	Hannabrand	83,292.01		13,469.43	69,822.58		69,822.58
1996-20	Hurley Pond Water	34,289.82		4,474.85	29,814.97	29,814.97	
1998-3	Hannabrand-Amd	51,795.76		9,996.59	41,799.17		41,799.17
1999-34	Water Lines	4,997.26		1,682.61	3,314.65		3,314.65
2000-42	9 Allenwood	188,905.14		62,648.98	126,256.16		126,256.16
1990-22	Wreck Pond	274,250.78		128,161.55	146,089.23		146,089.23
1989-42	Ocean Road	9,000.00			9,000.00	9,000.00	
2002-7	Sewer Extensions	113,205.24		46,652.64	66,552.60	9,700.00	56,852.60
2003-9	Barbee Lane	182,039.52		54,370.68	127,668.84		127,668.84
2003-14	Rt 34S-Devlin Gym Sewer Extension		91,920.00	26,292.00	65,628.00		65,628.00
		<u>\$ 1,578,612.31</u>	<u>\$ 91,920.00</u>	<u>\$ 533,642.72</u>	<u>\$ 1,136,889.59</u>	<u>\$ 499,458.36</u>	<u>\$ 637,431.23</u>

REF.

D

D-11

D-8

D

TOWNSHIP OF WALL

WATER AND SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

	<u>REF.</u>	
Balance, December 31, 2007	D	\$ 152,161.08
Increased by:		
Budget Appropriation	D-4	<u>471,813.34</u>
		\$ <u>623,974.42</u>
Decreased by:		
Cash Disbursements	D-8	<u>480,171.69</u>
Balance, December 31, 2008	D	\$ <u><u>143,802.73</u></u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY ASSESSMENT FUND

SCHEDULE OF WATER AND SEWER ASSESSMENT LIENS

REF.

Balance, December 31, 2007 and  
December 31, 2008

D

\$ 14,043.00

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR PROSPECTIVE ASSESSMENTS

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE</u>		<u>BALANCE DECEMBER 31, 2008 AND 2007</u>
		<u>TOTAL APPROPRIATED</u>	<u>DOWN PAYMENT</u>	
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	<u>10,000.00</u>
				<u>\$ 68,000.00</u>
			<u>REF.</u>	D

"D-16"

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF WATER AND SEWER OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2007	D	\$	40,617.86
Increased by:			
Cash Receipts	D-8		<u>24,831.99</u>
			65,449.85
Decreased By:			
Cash Disbursements	D-8	\$	6,282.39
Overpayments Applied	D-10		<u>34,335.47</u>
			<u>40,617.86</u>
Balance, December 31, 2008	D	\$	<u><u>24,831.99</u></u>

"D-17"

SCHEDULE OF DUE GENERAL CAPITAL FUND

Increased by:			
Cash Disbursements	D-8	\$	<u>177,993.94</u>
Balance, December 31, 2008	D	\$	<u><u>177,993.94</u></u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2007	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 1,251.46 \$	1,251.46 \$	\$	1,251.46
Other Expenses	4,924.98	19,908.03	17,838.23	2,069.80
Sewer Treatment	1,538.89	1,538.89		1,538.89
Water Treatment	9,937.30	9,937.30		9,937.30
Capital Improvements:				
Capital Outlay	10.90	25,028.01	24,965.62	62.39
Statutory Expenditures:				
Social Security System	535.34	535.34		535.34
Total Utility Appropriations	\$ 18,198.87 \$	58,199.03 \$	42,803.85 \$	15,395.18
Appropriation Reserves				
Transferred from Encumbrances Payable		18,198.87		
		40,000.16		
		\$ 58,199.03		

REF. D D-8 D-1

TOWNSHIP OF WALL

WATER AND SEWER UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>	
Balance, December 31, 2007	D	\$ 40,000.16
Increased by:		
Transferred from 2008 Appropriations	D-4	<u>59,449.61</u>
		99,449.77
Decreased By:		
Transferred to Appropriation Reserves	D-18	<u>40,000.16</u>
Balance, December 31, 2008	D	<u><u>\$ 59,449.61</u></u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	BALANCE DECEMBER 31, <u>2007</u>	BALANCE DECEMBER 31, <u>2008</u>
Distribution Main Hydrants and Stand Pipes	\$ 910,711.60	\$ 910,711.60
Distribution Main	3,172,401.00	3,172,401.00
Equipment	292,741.00	292,741.00
Land	15,258.00	15,258.00
Meters, Boxes and Vaults	2,904,189.82	2,904,189.82
Water Plant	804,329.00	804,329.00
Pumping Station	57,303.00	57,303.00
Wells	1,131,799.00	1,131,799.00
Sewer Water Improvements	<u>33,927,418.26</u>	<u>33,927,418.26</u>
	<u>\$ 43,216,150.68</u>	<u>\$ 43,216,150.68</u>
<u>REF.</u>	D	D

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>AMOUNT</u>	<u>BALANCE DECEMBER 31, 2007</u>	<u>BALANCE DECEMBER 31, 2008</u>
2002-05	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	Eighteenth Avenue Sanitary Sewer Force Main Extensions	760,000.00	760,000.00	760,000.00
2003-14, 2004-41	Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System (Assessment)	450,000.00	450,000.00	450,000.00
2003-20	Various Water and 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	Mfg House Rd 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	Improvement to Water/System	300,000.00	300,000.00	300,000.00
		\$	\$ 4,585,000.00	\$ 4,585,000.00

REF.

D

D

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AMOUNT AUTHORIZED	DECEMBER 31, 2007		CONTRACTS PAYABLE	BALANCE DECEMBER 31, 2008	
			FUNDED	UNFUNDED		FUNDED	UNFUNDED
1991-29	Hiddenbrook Sewer	\$ 2,399,330.59	\$ 13,405.21	\$	\$	13,405.21	\$
1992-14;1993-13	Manasquan Park Sewer	8,250,000.00					
1999-11	North Wall II	1,400,000.00		60,481.49			60,481.49
2002-5	Various Improvements	330,000.00	100,948.51			100,948.51	
2003-10	18th Ave Sanitary Sewer Force Main Extensions	7,350,000.00		1,678.00	202.50		1,475.50
2003-20	Various Water & Sewer Improvements	1,139,714.52	74,474.18			74,474.18	
2004-28	Improvements to Allenwood Sewer System	250,000.00		222.73	210.00		12.73
2004-40	Barbee Lane Sanitary Sewer Extension	250,000.00		44,289.36			44,289.36
2004-41	Devlin Gym Sanitary Sewer System	250,000.00		89,377.09			89,377.09
2005-30	Acquisition of Vactor Vehicle	245,000.00			(6,802.44)		6,802.44
2006-36	Mig House Road Sewer	230,000.00		70,909.39	10,360.63		60,548.76
2006-37	Quaker Estate	145,000.00			227,958.68		2,226.32
2007-26	Improvement to the Water/Sewer System	300,000.00		230,185.00			
		\$	\$ 188,827.90	\$ 497,143.06	\$ 231,929.37	\$ 188,827.90	\$ 265,213.69

REF.

D

D

D-23

D

D

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2007	D	\$ 65,142.23
Increased by:		
2008 Contracts Payable	D-22	<u>231,929.37</u>
		297,071.60
Decreased By:		
Cash Disbursements	D-8	<u>247,133.80</u>
Balance, December 31, 2008	D	<u><u>\$ 49,937.80</u></u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF UTILITY SERIAL BONDS

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2007</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2008</u>
			<u>DATE</u>	<u>AMOUNT</u>				
General Improvements to F.H.A. Sewer	07/15/88	\$ 1,681,000.00	07/15/09-10	\$ 110,000.00	5.250-7.900%	\$ 360,000.00	\$ 105,000.00	\$ 255,000.00
			07/15/11	35,000.00				
General Improvement - Sewer	12/27/98	3,190,000.00	12/01/09	193,750.00	4.350%	1,822,900.00	186,000.00	1,636,900.00
			12/01/10	203,050.00	4.450%			
			12/01/11	226,240.00	4.550%			
			12/01/12	237,370.00	4.650%			
			12/01/13	246,910.00	4.750%			
			12/01/14	258,040.00	4.750%			
Refunding 1995 Bonds	12/21/04	3,900,037.00	07/15/09	390,879.00	4.000%	3,499,092.50	378,270.00	3,120,822.50
			07/15/10	405,589.50	4.000%			
			07/15/11	422,401.50	5.000%			
			07/15/12	443,416.50	5.000%			
			07/15/13	464,431.50	5.000%			
			07/15/14	487,548.00	5.000%			
			07/15/15	506,556.50	3.750%			
						\$ 5,681,992.50	\$ 669,270.00	\$ 5,012,722.50

REF.

D-28

D

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS

<u>IMPROVEMENT DESCRIPTION</u>	<u>AMOUNT</u>	<u>DATE OF LOAN</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2007</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2008</u>
Construction of Sanitary Sewer System in Manasquan Park System: Trust Loan	\$ 3,404,672.00	11/01/93	02/01/09	\$ 240,000.00		\$	\$	
			02/01/10	250,000.00				
			02/01/11	260,000.00				
			02/01/12	275,000.00	4.20-4.80%	1,540,000.00	230,000.00	1,310,000.00
Fund Loan	3,341,095.00	11/01/93	02/01/09	167,200.85	0%	354,365.38	183,738.87	170,626.51
			08/01/09	3,425.66	0%			
						\$ 1,894,365.38	\$ 413,738.87	\$ 1,480,626.51
			<u>REF.</u>			<u>D</u>	<u>D-28</u>	<u>D</u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY ASSESSMENT FUND

SCHEDULE OF WATER SEWER ASSESSMENT TRUST BONDS

PURPOSE	ORIGINAL ISSUE		MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2007	DECREASED	BALANCE DECEMBER 31, 2008
	DATE	AMOUNT	DATE	AMOUNT				
Special Assessment Bonds Ord. 1998-16, 1991-28, 1997-13, 1999-8, 1999-11, 1999-34	12/20/00	\$ 3,500,000.00	12/20/09	\$ 157,560.00	4.800%			
			12/20/10	165,360.00	4.875%	\$ 473,460.00	\$ 150,540.00	\$ 322,920.00
			12/20/09	209,000.00	2.875%			
			12/20/10	216,000.00	3.250%			
			12/20/11	223,000.00	5.000%			
Special Assessment Bonds Ordinances 2000-04, 2002-04		2,200,000.00	12/20/12	234,000.00	5.000%			
			12/20/13	245,000.00	4.000%			
			12/20/14	255,000.00	3.750%	1,585,000.00	203,000.00	1,382,000.00
			12/1/2009	2,892.00	4.000%			
			12/1/2010	2,892.00	4.000%			
2007 Refunding Bonds	4/12/2007	2,120,180.00	12/1/2011	109,914.00	4.000%			
			12/1/2012	114,252.00	4.000%			
			12/1/2013	265,625.00	4.000%			
			12/1/2014	276,713.00	5.000%			
			12/1/2015	290,211.00	5.000%			
			12/1/2016	304,673.00	5.000%			
			12/1/2017	318,654.00	5.000%			
			12/1/2018	144,141.00	5.000%			
			12/1/2019	143,177.00	5.000%			
			12/1/2020	144,144.00	4.000%			
						2,120,180.00	2,892.00	2,117,288.00
						\$ 4,178,640.00	\$ 356,432.00	\$ 3,822,208.00

REF.

D

D-8

D

"D-27"

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

REF.

Balance, December 31, 2007 and  
December 31, 2008

D

\$ 289,400.00

"D-28"

SCHEDULE OF DUE RESERVE FOR AMORTIZATION

Balance, December 31, 2007

D

\$ 33,468,508.22

Increased By:

Bonds Paid By Operating Budget

D-24

\$ 669,270.00

Loans Paid By Operating Budget

D-25

413,738.87

Utility Assessments Confirmed

D-30

91,920.00

1,174,928.87

Balance, December 31, 2008

D

\$ 34,643,437.09

TOWNSHIP OF WALL  
WATER AND SEWER UTILITY ASSESSMENT FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

	<u>REF.</u>	
Balance, December 31, 2007 and December 31, 2008	D	\$ <u><u>465,000.00</u></u>
Analysis of Balance:		
Various Improvements	2002-05	\$ 16,500.00
Barbee Lane	2003-09	57,500.00
18th Avenue Force Main	2003-10	38,000.00
Devlin Gym	2003-14	23,000.00
Various Improvements	2003-20	37,000.00
Improvements to Allenwood Sewer	2004-28	13,000.00
Sewer Vactor	2003-30	245,000.00
Mtg House Sewer	2006-36	12,000.00
Quaker Estate Sewer	2003-37	8,000.00
Improvements to Water/Sewer System	2007-26	<u>15,000.00</u>
		\$ <u><u>465,000.00</u></u>

TOWNSHIP OF WALL

WATER AND SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	BALANCE DECEMBER 31, <u>2007</u>	ASSESSMENTS <u>CONFIRMED</u>	BALANCE DECEMBER 31, <u>2008</u>
1992-14	Manasquan Park Sewer and Southwest Sewer	\$ 468,935.38	\$	468,935.38
1999-11	North Wall II	627,750.00		627,750.00
00-04,02-43	Allenwood Sewer Improvements (Assessment)	745,000.00		745,000.00
02-08	Sewer Extensions (Assessment)	798,000.00		798,000.00
02-12	Sewer Extensions (Assessment)	722,000.00		722,000.00
02-42	Sewer Extensions	47,500.00		47,500.00
2003-09/ 2004-40	Barbee Lane Sanitary Sewer (Assessment) Improvements to Barbee Lane Sanitary Sewer Extension (Assessment)	618,600.00		618,600.00
2003-10	Eighteenth Avenue Sanitary Sewer Force Main Extension	237,500.00		237,500.00
2003-14/ 2004-41	Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System (Assessment) Improvements to the Route 34 Southbound - Devlin Gym Sanitary Sewer System (Assessment)	237,000.00	91,920.00	145,080.00
2004-28	Improvements to Allenwood Sewer System	190,000.00		190,000.00
2006-36	Mig House Rd Sewer	127,000.00		127,000.00
2006-37	Quaker Estates	218,000.00		218,000.00
2007-26	Improvements to Water and Sewer System	137,000.00		137,000.00
		285,000.00		285,000.00
		<u>\$ 6,181,285.38</u>	<u>\$ 91,920.00</u>	<u>\$ 6,089,365.38</u>

TOWNSHIP OF WALL

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH - TREASURER

	<u>REF.</u>	<u>P.A.T.F. II</u>	<u>FUND TOTAL</u>
Balance, December 31, 2007	E	\$ <u>48,140.99</u>	\$ <u>48,140.99</u>
Increased by:			
State Aid for Public Assistance		\$ 2,322.00	\$ 2,322.00
Other		<u>4,680.00</u>	<u>4,680.00</u>
		\$ <u>55,142.99</u>	\$ <u>55,142.99</u>
Decreased by:			
Public Assistance - 2008		\$ <u>30,787.00</u>	\$ <u>30,787.00</u>
		\$ <u>30,787.00</u>	\$ <u>30,787.00</u>
Balance, December 31, 2008	E	\$ <u><u>24,355.99</u></u>	\$ <u><u>24,355.99</u></u>

TOWNSHIP OF WALL  
PUBLIC ASSISTANCE TRUST FUND  
SCHEDULE OF PUBLIC ASSISTANCE CASH AND RECONCILIATION  
PER N.J.S.A. 40A:5-5

Balance, December 31, 2008	\$	24,355.99
Increased by:		
Cash Receipts		15,736.20
	\$	<u>40,092.19</u>
Decreased by:		
2009 Assistance		<u>18,076.00</u>
Balance, April 30, 2009	\$	<u><u>22,016.19</u></u>

RECONCILIATION - April 30, 2009	<u>P.A.T.F. II</u> <u>ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit per Statement of:		
Bank of America		
A/C # 000311295179	\$ 22,803.63	\$ 22,803.63
Add: Bank Error	452.56	452.56
Less: Outstanding Checks	<u>(1,240.00)</u>	<u>(1,240.00)</u>
Balance, April 30, 2009	\$ <u><u>22,016.19</u></u>	\$ <u><u>22,016.19</u></u>

TOWNSHIP OF WALL  
PUBLIC ASSISTANCE TRUST FUND  
SCHEDULE OF PUBLIC ASSISTANCE CASH AND RECONCILIATION  
AS OF DECEMBER 31, 2008

	<u>REF.</u>		
Balance, December 31, 2007	E-1	\$	48,140.99
Increased by:			
Cash Receipts			7,002.00
		\$	<u>55,142.99</u>
Decreased by:			
Cash Disbursements:			
2008 Assistance			<u>30,787.00</u>
Balance, December 31, 2008		\$	<u><u>24,355.99</u></u>

RECONCILIATION - DECEMBER 31, 2008	<u>P.A.T.F. II</u> <u>ACCOUNT</u>		<u>TOTAL</u>
Balance on Deposit per Statement of:			
Bank of America			
A/C # 000311295179	\$ 26,113.54	\$	26,113.54
	232.45		232.45
Less: Outstanding Checks	<u>(1,990.00)</u>		<u>(1,990.00)</u>
Balance, December 31, 2008	\$ <u><u>24,355.99</u></u>	\$	<u><u>24,355.99</u></u>

TOWNSHIP OF WALL  
PUBLIC ASSISTANCE TRUST FUND  
SCHEDULE OF PUBLIC ASSISTANCE REVENUES  
YEAR ENDED DECEMBER 31, 2008

	<u>P.A.T.F. II</u>	<u>FUND TOTAL</u>
State Aid Payments	\$ 2,322.00	\$ 2,322.00
Other	<u>4,680.00</u>	<u>4,680.00</u>
Total Revenues (P.A.T.F.)	<u>\$ 7,002.00</u>	<u>\$ 7,002.00</u>

TOWNSHIP OF WALL  
PUBLIC ASSISTANCE TRUST FUND  
SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES  
YEAR ENDED DECEMBER 31, 2008

	<u>P.A.T.F. II</u>	<u>FUND TOTAL</u>
Payments for Current Year Assistance (Reported):	\$	\$
Maintenance Payments	22,026.00	22,026.00
Other:		
Emergency Assistance	770.00	770.00
Temporary Rental Assistance	7,042.00	7,042.00
Work Related	<u>949.00</u>	<u>949.00</u>
Total Payments Reported	\$ <u>30,787.00</u> \$	<u>30,787.00</u>
Total Disbursements (P.A.T.F.)	\$ <u><u>30,787.00</u></u> \$	<u><u>30,787.00</u></u>

TOWNSHIP OF WALL

PART II

SINGLE AUDIT SECTION

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

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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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

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

We have audited the accompanying financial statements - statutory basis of the Township of Wall, County of Monmouth, New Jersey as of and for the year ended December 31, 2008, and have issued our report thereon dated June 30, 2009. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Wall prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. In addition, our report was qualified for the omission of a Statement of General Fixed Assets. We conducted our audit in accordance with U.S. generally accepted auditing standards, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Wall's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Township of Wall's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Wall's internal control over financial reporting.

## SUPLEE, CLOONEY & COMPANY

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the statutory basis of accounting prescribed by the Division of Local Government Services, Department of Local Government Services, Department of Community Affairs, State of New Jersey such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and recommendations to be a significant deficiency in the internal control over financial reporting: #08-01.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies above is a material weakness. In addition, we noted other deficiencies which are discussed in Part III, General Comments and Recommendations Section of this report.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Wall's financial statements - statutory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying schedule of findings and recommendations as items #08-2 and #08-3. We also noted other immaterial matters that are reported in Part III, General Comments and Recommendations section of this report.

The Township of Wall's response to the findings identified in our audit will be described in the Township's Corrective Plan on file in the Township Clerk's Office. We did not audit the Township's response and, accordingly, we express no opinion on it.

**SUPLEE, CLOONEY & COMPANY**

This report is intended solely for the information of the Township of Wall, County of Monmouth, New Jersey, the Division of Local Government Services and federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2009

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

SCHEDULE 1

TOWNSHIP OF WALL

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2008

<u>FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANTOR'S NUMBER</u>	<u>GRANT PERIOD FROM TO</u>	<u>GRANT AWARD AMOUNT</u>	<u>2008 RECEIPTS</u>	<u>2008 EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES DECEMBER 31, 2008</u>
<u>PASS THROUGH FROM COUNTY OF MONMOUTH</u>							
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>							
Community Development Block Grant	14.218	G-14-56-892-060-290	8/1/05 7/31/08	\$ 59,406.00	\$ 37,650.00	\$ 3,119.80	\$ 44,869.80
				\$	\$ 37,650.00	\$ 3,119.80	\$ 44,869.80
<u>PASS THROUGH FROM STATE OF NEW JERSEY</u>							
<u>U.S. DEPARTMENT OF JUSTICE</u>							
New Jersey Department of Public Safety Juvenile Accountability Block Grant	16.52	1500-100-066-1500-121-YSAC-6010	1/1/2008 12/31/2008	\$ 6,034.00	\$ -0-	\$ 4,113.82	\$ 4,113.82
				\$	\$ -0-	\$ 4,113.82	\$ 4,113.82
<b>GRAND TOTALS</b>				\$	\$ -0-	\$ 7,233.62	\$ 48,983.62

TOWNSHIP OF WALL

SCHEDULE OF STATE GRANT AND STATE AID FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2008

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD FROM TO	GRANT AWARD AMOUNT	RECEIVED 2008	EXPENDED 2008	CUMULATIVE EXPENDITURES DECEMBER 31, 2008
Department of Human Services Public Assistance State Share	7500-150-158010-60	1/1/08 12/31/08	\$ 30,787.00	\$ 30,787.00	\$ 30,787.00	\$ 30,787.00
Department of Law and Public Safety	1110-100-066-1110	Continuous	30,277.04	-0-	28,450.13	30,277.04
Drunk Driving Enforcement Fund - Prior	1110-100-066-1110	Continuous	32,482.93	32,482.93	1,615.18	1,615.18
Drunk Driving Enforcement Fund - 2007	1020-718-66-1020-1-YCJS	1/1/07 12/31/07	6,824.95	-0-	4,609.00	5,640.91
Body Armor Grant - Prior	1020-718-66-1020-1-YCJS	1/1/08 12/31/08	7,790.07	-0-	-0-	-0-
Body Armor Grant			\$ 32,482.93	\$ 32,482.93	\$ 34,674.31	\$ 37,533.13
Department of Transportation						
New Jersey Transportation Fund Authority Act-						
Bike Path Phase II						
Bike Path Phase IIb						
Route 18 Bikeway	00-480-078-6320-ABA-6010	Continuous	150,000.00	37,500.00	-0-	150,000.00
Route 18 Bikeway	00-480-078-6320-ABA-6010	Continuous	60,000.00	60,000.00	-0-	60,000.00
Route 18 Bikeway	00-480-078-6320-AA9-6010	Continuous	625,000.00	-0-	-0-	441,316.25
Monmouth Boulevard Phases I & II	00-480-078-6320-AA9-6010	Continuous	109,735.00	-0-	-0-	109,735.00
Monmouth Blvd Phase III & Glendola Road	6320+480+078+6320-AJQ-6010	Continuous	300,000.00	-0-	-0-	300,000.00
	6320-480-078-6320-AJZ-6010	Continuous	150,000.00	39,365.15	147,513.13	147,513.13
			\$ 136,865.15	\$ 147,513.13	\$ 147,513.13	\$ 1,208,564.38
Department of Environmental Protection						
Clean Communities Program	4900-765-042-4900-004-6020	1/1/06 12/31/06	35,012.60	-0-	1,693.24	35,012.60
Clean Communities Program	4900-765-042-4900-004-6020	1/1/07 12/31/07	32,725.29	-0-	32,725.29	32,725.29
Clean Communities Program	4900-765-042-4900-004-6020	1/1/08 12/31/08	38,001.86	-0-	15,866.50	15,866.50
			\$ 0.00	\$ 50,285.03	\$ 83,604.39	\$ 83,604.39
Department of Community Affairs						
Municipal Alliance on Alcoholism and Drug Abuse	07-ALL-112	1/1/07 12/31/07	18,800.00	9,458.83	1,462.23	18,800.00
Municipal Alliance on Alcoholism and Drug Abuse	08-ALL-112	1/1/08 12/31/08	18,800.00	9,034.91	15,889.91	15,889.91
			\$ 18,493.74	\$ 17,352.14	\$ 34,689.91	\$ 34,689.91
			\$ 218,628.82	\$ 280,611.61	\$ 1,395,178.81	\$ 1,395,178.81

TOWNSHIP OF WALL

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2008

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Township of Wall, County of Monmouth, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal and state financial assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exceptions, is described in Note 1 to the Township's financial statements - statutory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - STATUTORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's statutory basis financial statements. These amounts are reported in either the Grant Fund, General Capital Fund or Public Assistance Trust Fund.

Revenues

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 37,650.00	\$ 50,976.67	39,738.00	\$ 128,364.67
General Capital Fund		136,865.15		136,865.15
Public Assistance Trust Fund		30,787.00		30,787.00
	<u>\$ 37,650.00</u>	<u>\$ 218,628.82</u>	<u>39,738.00</u>	<u>296,016.82</u>

Expenditures

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 7,233.62	\$ 102,311.48	62,319.34	\$ 171,864.44
General Capital Fund		147,513.13		147,513.13
Public Assistance Trust Fund		30,787.00		30,787.00
	<u>\$ 7,233.62</u>	<u>\$ 280,611.61</u>	<u>\$ 62,319.34</u>	<u>\$ 350,164.57</u>

NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

TOWNSHIP OF WALL  
MONMOUTH COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND RECOMMENDATIONS REPORTED  
UNDER GOVERNMENT AUDITING STANDARDS  
FOR THE YEAR ENDED DECEMBER 31, 2008

**Compliance**

**#08-2**

Our examination of the Internal Controls over purchasing revealed that the Chief Financial Officer does not encumber funds against the various appropriations of the Township. This function is performed by the various Township Department Heads. Per N.J.A.C. 5:30-5, the Chief Financial Officer is responsible for determining the availability of sufficient funds for all contracts. The delegation of this duty does not relieve the Chief Financial Officer from this responsibility.

We recommend that the Chief Financial Officer encumber all purchases in accordance with N.J.A.C. 5:30-5.

**#08-3**

A complete encumbrance accounting system in accordance with the requirements of the Division of Local Government Services Technical Accounting Directive No. 85-1 was not maintained. We noted that numerous purchase orders are processed as confirming orders. This is where goods have been received or services have been rendered prior to the issuance of a purchase order. In effect, the controls that minimize the possibility of over expenditures and unauthorized purchases are not in operation.

We recommend that a complete encumbrance account system be maintained in accordance with Technical Accounting Directive 85-1 and that the practice of issuing confirming orders be discontinued.

**Internal Control**

**#08-1**

Our examination of the Township Internal Controls over payroll disclosed that the Payroll Clerk prepares the payroll and is responsible for the bank reconciliations. It would appear that both the controls over the bank reconciliation process and checks are compromised by these incompatible duties.

We recommend that the Township review the internal controls over payroll and segregate incompatible functions.

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PART III

TOWNSHIP OF WALL

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2008

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2008		YEAR 2007	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 3,200,683.61	2.99%	\$ 2,600,000.00	2.56%
Miscellaneous-From Other Than Local				
Property Tax Levies	8,604,783.56	8.04%	9,485,657.42	9.33%
Collection of Delinquent Taxes and				
Tax Title Liens	1,014,851.03	0.95%	975,053.35	0.96%
Collection of Current Tax Levy	<u>94,245,995.11</u>	<u>88.03%</u>	<u>88,565,897.85</u>	<u>87.15%</u>
<u>TOTAL INCOME</u>	<u>\$ 107,066,313.31</u>	<u>100.00%</u>	<u>\$ 101,626,608.62</u>	<u>100.00%</u>
 <u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 31,668,871.06	30.15%	\$ 29,228,057.74	29.15%
County Taxes	17,804,571.65	16.95%	16,993,510.29	16.95%
Local School Taxes	53,507,087.52	50.94%	51,867,165.00	51.72%
Special District Taxes	2,007,611.00	1.91%	1,891,965.00	1.89%
Other Expenditures	<u>58,475.45</u>	<u>0.06%</u>	<u>302,707.94</u>	<u>0.30%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 105,046,616.68</u>	<u>100.00%</u>	<u>\$ 100,283,405.97</u>	<u>100.00%</u>
Excess in Revenue	\$ 2,019,696.63		\$ 1,343,202.65	
Adjustment to Income Before Fund Balance:				
Expenditures Included Above Which Are				
by Statute Deferred Charges to Budget				
of Succeeding Year			<u>173,595.35</u>	
Statutory Excess in Fund Balance	2,019,696.63		1,516,798.00	
Fund Balance, January 1	<u>4,173,579.40</u>		<u>5,256,781.40</u>	
	\$ 6,193,276.03		\$ 6,773,579.40	
Less: Utilization as Anticipated Revenue	<u>3,200,683.61</u>		<u>2,600,000.00</u>	
Fund Balance, December 31	<u>\$ 2,992,592.42</u>		<u>\$ 4,173,579.40</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE-WATER AND SEWER UTILITY FUND

	YEAR ENDED DECEMBER 31, 2008		YEAR ENDED DECEMBER 31, 2007	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance	\$ 1,100,000.00	9.47%	\$ 1,252,000.00	10.97%
Collection of Sewer Use Charges	10,075,164.28	86.73%	9,773,802.68	85.67%
Miscellaneous - From Other Than Sewer Rents	<u>441,968.13</u>	<u>3.80%</u>	<u>382,953.60</u>	<u>3.36%</u>
<u>TOTAL INCOME</u>	<u>\$ 11,617,132.41</u>	<u>100.00%</u>	<u>\$ 11,408,756.28</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 9,387,836.88	83.29%	\$ 9,090,392.46	82.16%
Capital Improvements	175,000.00	1.55%	325,000.00	2.94%
Debt Service	1,560,852.21	13.85%	1,548,363.77	13.99%
Deferred Charges and Statutory Expenditures	<u>147,310.91</u>	<u>1.31%</u>	<u>100,214.77</u>	<u>0.91%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 11,271,000.00</u>	<u>100.00%</u>	<u>\$ 11,063,971.00</u>	<u>100.00%</u>
Excess in Revenue	\$ 346,132.41		\$ 344,785.28	
Fund Balance, January 1	<u>1,080,694.42</u>		<u>1,987,909.14</u>	
	1,426,826.83		2,332,694.42	
Decreased by:				
Utilization as Anticipated Revenue	<u>1,100,000.00</u>		<u>1,252,000.00</u>	
Fund Balance, December 31	<u>\$ 326,826.83</u>		<u>\$ 1,080,694.42</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>2.413</u>	<u>2.284</u>	<u>2.194</u>
Apportionment of Tax Rate:			
Municipal	0.568	0.489	0.465
County	0.432	0.416	0.414
County Open Space	0.027	0.024	0.022
Local School	1.386	1.355	1.293
Fire District Taxes:			
Fire District #1	0.063	0.053	0.047
Fire District #2	0.060	0.058	0.048
Fire District #3	0.044	0.042	0.038

ASSESSED VALUATIONS:

2008	<u>\$3,860,266,268.00</u>	
2007		<u>\$3,828,389,614.00</u>
2006		<u>\$3,781,443,459.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH</u> <u>COLLECTION</u>	<u>PERCENTAGE OF</u> <u>COLLECTIONS</u>
2008	\$95,902,171.75	\$94,245,995.11	98.27%
2007	\$90,053,444.46	\$88,565,897.85	98.34%
2006	\$85,629,818.29	\$84,075,722.04	98.18%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2008	\$865,767.56	\$2,185,189.43	\$3,050,956.99	3.18%
2007	\$791,246.38	\$1,650,398.95	\$2,441,645.33	2.71%
2006	\$729,909.62	\$1,454,618.76	\$2,184,528.38	2.55%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2008	\$57,000.00
2007	\$57,000.00
2006	\$323,600.00

EQUALIZED VALUATIONS – REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2008	\$6,486,229,794.00
2007	\$6,772,335,813.00
2006	\$6,077,234,953.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2008	\$2,992,592.42	\$2,720,000.00
	2007	4,173,579.40	3,200,683.61
	2006	5,256,781.40	2,600,000.00
	2005	5,234,156.47	2,078,706.07
	2004	4,533,843.55	2,330,000.00

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Water and Sewer Utility Operating Fund	2008	\$326,826.83	\$351,000.00
	2007	1,080,694.42	1,100,000.00
	2006	1,987,909.14	1,252,000.00
	2005	1,942,708.05	1,023,000.00
	2004	2,690,919.58	1,655,000.00

COMPARISON OF WATER AND SEWER UTILITY LEVIES

	<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
Water/Sewer Utility Fund	2008	\$9,882,729.58	\$8,711,078.14
	2007	\$9,998,174.30	\$8,634,088.16
	2006	\$9,870,690.10	\$8,730,975.58

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT</u>	<u>NAME OF CORPORATE OR PERSONAL SURETY</u>
John Devlin	Mayor	*	
Edward H. Thomson III	Deputy Mayor	*	
Michael Clayton	Committeeman	*	
Jeff Foster	Committeeman	*	
Clint Hoffman	Committeeman	*	
Joseph Verruni	Township Administrator	*	
Kate Kohri	Assistant Township Administrator	*	
Lorraine Kubacz	Township Clerk	*	
Steven M. Mayer	Chief Financial Officer	*	
Theresa Vola	Tax Collector	*	
E. Thomas Brennan Jr.	Municipal Court Judge	*	
Gail Connors	Municipal Court Administrator	*	
Mark Kitrick	Township Attorney	*	

\*\$1,000,000.00 Faithful Performance Blanket Position Bond Coverage obtained thru the Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed.

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COMMENTS AND RECOMMENDATIONS

CONTRACTS AND AGREEMENTS REQUIRED TO BE  
ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only 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 the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2005, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$21,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

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

- Purchase of Bituminous Concrete
- Resurfacing of Various Streets
- Refuse Packer Truck
- Ambulance
- Hydraulic Jack
- Dump Truck
- Purchase of Wheel Loader & Tink Claw

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

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

CONTRACTS AND AGREEMENTS REQUIRED TO BE  
ADVERTISED FOR (N.J.S.A. 40A:11-4) (CONTINUED)

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S.A. 40:11-14:

Bond Counsel  
Consultants  
Township Auditor and Financial Advisor  
Planning Services  
Attorneys  
Appraisal Services  
Engineering Services  
Prosecutor  
Environmental Consultant

COLLECTION OF INTEREST ON DELINQUENT  
TAXES AND ASSESSMENTS

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

The governing body on January 2, 2008 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

WHEREAS, the New Jersey Statutes Annotated 54:4-66 and 54:4-67 affix the time for payment of real property taxes and the maximum amount of interest which may be charged for delinquent payments of taxes and assessments and;

WHEREAS, the Township Committee finds it appropriate and necessary to establish interest rates for delinquent tax and assessment payments, within the provisions of the aforesaid statute;

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Wall that real property taxes shall be payable as follows:

First Installment on February 1<sup>st</sup>, Second Installment on May 1<sup>st</sup>; Third Installment on August 1<sup>st</sup> and Fourth installment on November 1<sup>st</sup>; after which dates, if unpaid they shall become delinquent. No waivers of the foregoing dates shall be accorded.

BE IT FURTHER RESOLVED that the rate of interest to be charged for the nonpayment of taxes or assessments on or before the date when they would have become delinquent is hereby affixed at eight percent (8%) per annum on the first \$1,500.00 of the delinquency, and eighteen percent (18%) per annum on any amount in excess of \$1,500.00, There shall also be a penalty of six percent (6%) of the amount of the delinquency charged to any taxpayer with a delinquency in excess of \$10,000.00 who fails to pay that delinquency prior to the end of the calendar year. No interest will be charged if payment of any installment is made within ten days after the date upon which the same became payable. It appears from an examination of the Collector's records that interest was collected in accordance with the foregoing resolution.

VERIFICATION OF DELINQUENT TAXES  
AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>TYPE</u>	
Payments of 2009 Taxes	50
Payments of 2008 Taxes	50
Delinquent Taxes	25
Payment of Sewer Utility Charges	50
Delinquent Sewer Utility Charges	25

TAX TITLE LIENS

The last tax sale was held on June 30, 2008 and was complete.

An examination of the tax sale certificates revealed all certificates were on file and available for audit.

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2008	30
2007	30
2006	28

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

## OTHER COMMENTS

### Interfund Balances

Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year. It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

### Treasurer

The Bank Reconciliation for the Current Fund did not agree to the cash in the General Ledger by \$30,166.84. This is partly the result of receipts not being recorded. The Chief Financial Officer does not maintain books of original entry for cash receipts and disbursements as required by the Division of Local Government Services Local Finance Notice 2003-14

During the course of our audit we noted that the General Ledgers for the Current Fund, Water and Sewer Utility Operating Fund and Water and Sewer Utility Assessment Fund maintained by the Finance office are not reconciled to the detail records of the Tax Collectors Office.

Fees collected for Off Duty Police work, including administrative fees, are posted as refunds to the Police Salaries and Wage line items. Local Finance Notice CFO 2000-14 specifically states that this practice is not permitted. The revenues and expenses associated with Off Duty Police work should be accounted for in the Trust Other Fund after obtaining an approved dedication by Rider from the Division. Administrative Fees should be remitted in the Current Fund and recorded as revenue.

Fees collected on behalf of the State of New Jersey for Marriage Licenses and State Training Fees are posted directly to revenue in the Current Fund, with the associated remittance to the State netted against the revenue. These State fees should be accounted for separately in the Townships Trust Other Fund, with any balance due to the State at year end reflected as a payable.

Receipts are not always deposited within 48 hours.

### Payroll

Our examination of the Township Internal Controls over payroll disclosed that the Payroll Clerk prepares the payroll and is responsible for the bank reconciliations. It would appear that both the controls over the bank reconciliation process and checks are compromised by these incompatible duties. In addition it was disclosed that the reconciliation of the Net Payroll Account was not completed on a timely basis.

### General Fixed Assets

The Township last conducted a detailed inventory of their fixed assets in 1987. However, this inventory has never been updated. Accordingly a Statement of Fixed Assets has not been included in the Financial Statements

## OTHER COMMENTS (CONTINUED)

### Purchasing

Our examination of the Internal Controls over purchasing revealed that the Chief Financial Officer does not encumber funds against the various appropriations of the Township. This function is performed by the various Township Department Heads. Per N.J.A.C. 5:30-5, the Chief Financial Officer is responsible for determining the availability of sufficient funds for all contracts. The delegation of this duty does not relieve the Chief Financial Officer from this responsibility.

We noted that advertisements for the award of Professional Service Contracts did not include the amount of the awards as required by N.J.S.A. 40A: 11-5.

### Departments

Our audit of the Township's departmental records disclosed that the receipts collected by the Youth Center are not properly accounted for and reconciled to the records of the finance department. A detailed cash receipts journal should be maintained and reconciled to the deposits made in the finance office.

## RECOMMENDATIONS

\*That the Bank Reconciliation be agreed to the General Ledger Cash Balance on a monthly basis.

That the Current Fund, Water and Sewer Utility Operating Fund and the Water and Sewer Utility Assessment Fund be reconciled to the detail records of the Tax Collectors Office.

\*That a physical inventory of General Fixed Assets be performed and that a General Fixed Assets Ledger be maintained in accordance with Technical Accounting Directive 85-2.

\*That revenues and expenditures for Police off duty work be accounted for separately in the Trust Other Fund and that administrative fees be accounted for as revenue in the Current Fund.

\*That fees collected on behalf of the State of New Jersey for Marriage Licenses and State Training Fees be accounted for separately in the Trust Other Fund.

\*That receipts be deposited within 48 hours.

\*That the Township review the internal controls over payroll and segregate incompatible functions.

\*That the Chief Financial Officer encumber all contracts in accordance with N.J.A.C. 5:30-5.

\*That the advertisements of the award of professional service contracts include the amount of the award in accordance with N.J.S.A. 40A:11-5.

That the Youth Center maintain a detailed cash receipts journal for all receipts collected and that all deposits be reconciled with the records of the finance office.

\*Unresolved 2007 audit recommendation





