

TOWNSHIP OF EDGEWATER PARK
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2013

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON**

CONTENTS

PART 1

	EXHIBITS	PAGE
Independent Auditor's Report		1-2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>		3-4
Financial Statements – Regulatory Basis:		
Current Fund:		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	A	5-6
Comparative Statement of Operations and Changes in Fund Balance – Regulatory Basis	A-1	7
Statement of Revenues – Regulatory Basis	A-2	8-9
Statement of Expenditures – Regulatory Basis	A-3	10-13
Trust Fund:		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	B	14
General Capital Fund:		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	C	15
Statement of Fund Balance – Regulatory Basis	C-1	15
General Fixed Assets:		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	E	16
Notes to Financial Statements		17-30
Supplementary Schedules:		
Current Fund		
Statement of Cash - Treasurer	A-4	31
Statement of Cash-Collector	A-4	32
Statement of Taxes Receivable & Analysis of Property Tax Levy	A-5	33
Statement of Tax Title Liens	A-6	34
Statement of Property Acquired for Taxes	A-7	34
Statement of Revenue Accounts Receivable	A-8	35
Statement of Deferred Charges	A-9	35
Statement of 2010 Appropriation Reserves	A-10	36-38
Statement of Local School Tax Payable	A-11	38
Statement of State & Federal Grants Receivable	A-12	39
Schedule of State & Federal Grants – Unappropriated	A-13	39
Schedule of Federal & State Grants – Appropriated	A-14	40

	EXHIBITS	PAGE
Supplementary Schedules: (continued)		
Trust Fund:		
Statement of Cash – Treasurer/Collector	B-1	41-42
Statement of Reserve for Dog Fund Expenditures	B-2	42
Statement of Deposits for Redemption of Tax Sale Certificates	B-3	43
Statement of Reserve for Recreation Expenditures	B-4	43
Statement of Reserve for Tax Sale Premiums	B-5	44
Statement of Reserve for Planning Board Review and Inspection Fees	B-6	44
Statement of Reserve for Special Law Enforcement	B-7	45
Statement of Reserve for Parking Offense Adjudication Act Funds	B-8	45
Statement of Tax Title Lien Redemption	B-9	46
Statement of Public Defender	B-10	46
Statement of Reserve for Restitution	B-11	47
Statement of Reserve for Open Space	B-12	47
Statement of Bicycle Patrol Fund	B-13	47
Statement of Reserve for Trees Fund	B-14	48
Statement of Reserve for Off-Duty Police Fund	B-15	48
Statement of Reserve for Train Station	B-16	49
Statement of Reserve for Police Equipment Project	B-17	49
General Capital Fund:		
Analysis of General Capital Cash & Investments	C-2	50
Statement of Deferred Charges to Future Taxation – Unfunded	C-3	51
Statement of Capital Improvement Fund	C-4	52
Statement of Improvement Authorizations	C-5	53
Statement of Bonds & Notes Authorized But Not Issued	C-6	54
Schedule of General Serial Bonds	C-7	55
Statement of Bond Anticipation Notes	C-8	56
Statement of Reserve for Preliminary Expenses	C-9	57
Summary of Municipal Debt		58
Comparative Statement of Operations & Change in Fund Balance - Current Fund		59
Comparison of Tax Levies and Collection Currently		60
Property Acquired by Tax Title Lien Liquidation		61
 Officials in Office		 62

PART II

General Comments and Findings:		
General Comments		63
Collection of Interest on Delinquent Taxes		64
Findings		65
Prior Year Findings		66
Acknowledgment		66

TOWNSHIP OF EDGEWATER PARK

PART I

**REPORT OF AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA**

YEAR ENDED DECEMBER, 31 2013

JOHN J. MALEY, JR.

Certified Public Accountant

Registered Municipal Accountant

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MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

We have audited the accompanying regulatory basis financial statements of each fund of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended December 31, 2013 and 2012, and the related notes to the financial statements which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on U.S. generally Accepted Accounting Principles

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

Adverse Opinion on U.S. generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion of U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the various funds of the Township of Edgewater Park, State of New Jersey, as of December 31, 2013 and 2012 or the results of operations of such funds and changes in funds balances for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory basis financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the various funds of the Township of Edgewater Park, State of New Jersey, as of December 31, 2013 and 2012, and the results of operations of such funds and changes in fund balances for the years then ended in conformity with the basis of accounting described in the Note 1.

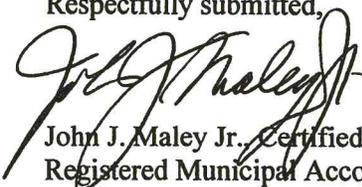
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2014 on our consideration of the Township of Edgewater Park's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Edgewater Park's internal control over financial reporting and compliance.

Respectfully submitted,



John J. Maley Jr., Certified Public Accountant
Registered Municipal Accountant No. 218

August 1, 2014

JOHN J. MALEY, JR.

Certified Public Accountant

Registered Municipal Accountant

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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 Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

We have audited in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2013, and related notes to the financial statements, which collectively comprise the Township of Edgewater Park's financial statements, and have issued our report thereon dated August 1, 2014. In our report our opinion was adverse because the financial statements were prepared on a comprehensive basis of accounting other than generally accepted accounting principles. Our opinion on the regulatory basis financial statements was unmodified.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider Findings 2013-01 through 2013-03 described in the accompanying General Comment section to be material weaknesses.

Compliance and Other Matters

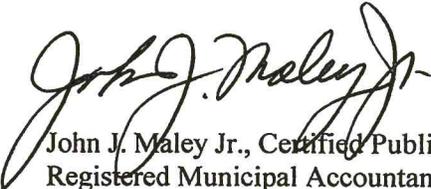
As part of obtaining reasonable assurance about whether the Township of Edgewater Park's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey.

The Township of Edgewater Park's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Township of Edgewater Park's responses and, accordingly, I express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



John J. Maley Jr., Certified Public Accountant
Registered Municipal Accountant No. 218

August 1, 2014

TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON

BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Regular Fund:			
Cash:			
Treasurer	A-4	\$3,055,136	2,713,701
Collector	A-3	146,607	142,748
Change Fund		250	250
		<hr/>	<hr/>
Total Regular Fund		3,201,993	2,856,699
		<hr/>	<hr/>
Due from State of New Jersey for Senior Citizen & Veteran Deductions		56,204	54,165
		<hr/>	<hr/>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	292,213	236,358
Tax Title Liens Receivable	A-6	51,255	4,809
Property Acquired for Taxes - Assessed Valuation	A-7	3,094,800	3,094,800
Revenue Accounts Receivable	A-8	13,623	10,925
Interfunds Receivable:			
Due From Animal Control Fund		57	55
Due From Payroll Fund	B	7,621	14,878
		<hr/>	<hr/>
Total Receivables & Other Assets With Full Reserves		3,459,569	3,361,825
		<hr/>	<hr/>
Deferred Charges To Future Taxation:			
Special Emergency Authorizations	A-9	58,200	73,200
Overexpenditure of Appropriations	A-3		1,291
		<hr/>	<hr/>
Total Deferred Charges		58,200	74,491
		<hr/>	<hr/>
Subtotal		6,775,966	6,347,180
		<hr/>	<hr/>
Federal & State Grant Fund:			
Cash	A-4	103,330	99,309
Federal & State Aid Receivable	A-12	2,149	2,149
		<hr/>	<hr/>
Total Federal & State Grant Fund		105,479	101,458
		<hr/>	<hr/>
Total Assets		\$6,881,445	6,448,638
		<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2013	2012
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$624,955	545,699
Reserve for Encumbrances	A-3	53,666	104,760
Prepaid Taxes		82,633	90,031
Tax Overpayments			146
Due County for Added & Omitted Taxes		2,557	3,819
Due Local School District Taxes Payable	A	92,593	38,859
Special Emergency Notes Payable	A	24,320	64,320
Interfunds Payable - Due to Trust:			
Other Funds	B	197,752	233,536
Interfunds Payable - Due to Capital Fund	C	566,303	446,112
Reserve for Codification Ordinances	A	20,700	
Reserve for Revaluation Program	A	13,999	13,999
Reserve for Homeland Security Aid	A	50,000	50,000
		<hr/>	<hr/>
Total Liabilities		1,729,478	1,591,281
		<hr/>	<hr/>
Reserves for Receivables & Other Assets	A	3,459,569	3,361,825
Fund Balance	A-1	1,586,919	1,394,074
		<hr/>	<hr/>
Subtotal		6,775,966	6,347,180
		<hr/>	<hr/>
Federal & State Grant Fund:			
Unappropriated Reserves	A-13	1,077	17,382
Appropriated Reserves	A-14	104,402	84,076
		<hr/>	<hr/>
Total Federal & State Grant Fund		105,479	101,458
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$6,881,445	6,448,638
		<hr/> <hr/>	<hr/> <hr/>

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

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

	2013	2012
Revenue & Other Income Realized:		
Fund Balance Utilized	\$433,000	418,000
Miscellaneous Revenue Anticipated	1,113,224	1,114,559
Receipts From Delinquent Taxes	214,242	325,662
Receipts From Current Taxes	14,180,280	14,103,311
Nonbudget Revenue	166,543	70,837
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	367,249	435,130
Cancelled Tax Overpayment	146	
Interfund Liquidated	7,257	62,218
	<hr/>	<hr/>
Total Revenue & Other Income Realized	16,481,941	16,529,717
	<hr/>	<hr/>
Expenditures:		
Budget & Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	2,154,455	1,999,765
Other Expenses	1,902,463	1,856,581
Deferred Charges & Statutory Expenditures	413,466	471,564
Operations Excluded From "CAPS":		
Other Expenses	342,017	323,705
Capital Improvements	50,000	50,000
Municipal Debt Service	456,845	497,702
Deferred Charges & Statutory Expenditures	40,000	40,000
County Taxes	2,169,994	2,213,307
Due County for Added & Omitted	2,557	3,819
Local District School Tax	7,956,986	7,849,518
Special Fire District Taxes	328,882	322,434
Open Space Tax	61,846	61,317
Refund of Prior Year Revenue	1,585	21,856
	<hr/>	<hr/>
Total Expenditures	15,881,096	15,711,568
	<hr/>	<hr/>
Excess in Revenue to Fund Balance	600,845	818,149
	<hr/>	<hr/>
Adjustments to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year	25,000	1,291
	<hr/>	<hr/>
Statutory Excess to Fund Balance	625,845	819,440
	<hr/>	<hr/>
Fund Balance - Balance January 1	1,394,074	992,634
Decreased by: Utilization as Anticipated Revenue	433,000	418,000
	<hr/>	<hr/>
Balance December 31, 2013	\$1,586,919	1,394,074
	<hr/>	<hr/>

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

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

	ANTICIPATED BUDGET	SPECIAL N.J.S.40:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$433,000		433,000	
Miscellaneous Revenues:				
Licenses - Alcoholic Beverages	8,000		3,000	(5,000)
Other Fees & Permits	7,570		5,425	(2,145)
Municipal Court Fines & Costs	75,000		107,377	32,377
Cable TV Fees	26,430		26,431	1
Interest & Costs on Taxes	50,000		52,982	2,982
Interest on Investments & Deposits	10,000		8,537	(1,463)
Consolidated Municipal Property Tax Relief	81,677		81,677	
Energy Receipts Tax	594,362		594,362	
Uniform Construction Code Fees	55,354		79,191	23,837
Recycling Tonnage Grant	16,002	16,515	32,517	
Clean Communities Grant	15,972		15,972	
Body Armor Replacement Program	1,375	1,642	3,017	
Burlington Coat Factory Agreement	97,000		102,736	5,736
Total	1,038,742	18,157	1,113,224	56,325
Receipts from Delinquent Taxes	255,162		214,242	(40,920)
Amount to be Raised by Support of Municipal Budget	3,974,958		4,045,749	70,791
Budget Totals	5,701,862	18,157	5,806,215	86,196
Nonbudget Revenues			166,543	
Total	\$5,701,862	18,157	5,972,758	

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

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

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$14,180,280
Allocated to School, County & Fire District Taxes	<u>10,520,265</u>
Balance for Support of Municipal Budget Appropriations	3,660,015
Increased by Appropriation - Reserve for Uncollected Taxes	<u>385,734</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$4,045,749</u></u>
Receipts from Delinquent Taxes:	
Taxes Receivable	<u>\$214,242</u>
Total	<u><u>\$214,242</u></u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenues Not Anticipated:	
Reimbursements	\$15,551
FEMA	97,875
SC\Vet Reimbursement	2,308
Miscellaneous	38,725
Tax Collector	<u>12,084</u>
Total	<u><u>\$166,543</u></u>

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

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

OPERATIONS	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
General Government:						
Administrative & Executive:						
Salaries and Wages	\$53,000	53,000	36,883	16,117		
Other Expenses	80,941	71,934	42,518	29,416		
Township Committee:						
Salaries and Wages	16,522	16,522	16,522			
Other Expenses	4,500	4,983	4,983			
Municipal Clerk:						
Salaries and Wages	80,250	80,250	74,204	6,046		
Other Expenses	26,400	26,400	15,410	10,990		
Special Emergency		25,000	25,000			
Financial Administration:						
Salaries and Wages	55,500	45,500	43,478	2,022		
Other Expenses	16,475	21,325	21,325			
Audit Services	30,100	30,100	30,100			
Revenue Administration (Tax Collection):						
Salaries and Wages	60,500	60,500	59,970	530		
Other Expenses	13,550	13,550	11,850	1,700		
Assessment of Taxes:						
Salaries and Wages	10,000	10,000	9,913	87		
Other Expenses	6,500	6,500	5,239	1,261		
Legal Services & Costs:						
Other Expenses	72,500	72,500	44,120	28,380		
Engineering Services & Costs:						
Other Expenses	25,000	35,000	31,419	3,581		
Economic Development Committee:						
Other Expenses	1,000	1,000		1,000		
Municipal Land Use Law (N.J.S.40:55D-1):						
Planning Board:						
Salaries and Wages	2,100	2,100	1,800	300		
Other Expenses	5,000	5,000	1,286	3,714		
Insurance:						
Unemployment Compensation						
Insurance	8,000	8,000	7,364	636		
Liability Insurance	128,941	128,941	114,176	14,765		
Workers Compensation	103,941	103,941	103,941			
Employee Group Insurance	460,000	460,000	349,859	110,141		
Public Safety:						
Police:						
Salaries & Wages	1,370,725	1,370,725	1,254,029	116,696		
Other Expenses	107,500	107,500	90,968	16,532		
Office of Emergency Management:						
Other Expenses	1,000	1,000		1,000		
Municipal Prosecutor:						
Other Expenses	13,500	13,500	13,500			
Public Works Functions:						
Streets & Road Maintenance:						
Salaries & Wages	272,025	272,025	244,713	27,312		
Other Expenses	69,650	69,650	61,972	7,678		
Solid Waste Collection:						
Salaries & Wages	5,000	5,000	5,000			
Other Expenses	330,000	330,000	273,876	56,124		
Public Buildings & Grounds:						
Other Expenses	27,500	27,500	25,521	1,979		

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

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
Health & Welfare:						
Board of Health:						
Salaries and Wages	3,500	3,500	3,046	454		
Other Expenses	1,500	1,500	518	982		
Animal Control Services:						
Other Expenses	6,500	6,500		6,500		
Park & Recreation Functions:						
Recreation Services & Programs:						
Other Expenses	7,400	7,846	7,846			
Maintenance of Parks:						
Other Expenses	4,300	4,300	4,299	1		
Uniform Construction Code - Offset by Dedicated Revenues (N.J.A.C.5:23-4.17):						
Construction Code Official:						
Building Inspector:						
Salaries and Wages	99,500	99,500	70,699	28,801		
Other Expenses	14,500	14,500	5,090	9,410		
Sub-Code Officials:						
Plumbing Inspector:						
Salaries and Wages	6,500	6,500	5,394	1,106		
Electrical Inspector:						
Salaries and Wages	6,500	6,500	6,148	352		
Fire Protection Inspector:						
Salaries and Wages	6,500	6,500	5,238	1,262		
Utility Expenses & Bulk Purchase:						
Electricity	45,000	45,000	39,851	5,149		
Street Lighting	84,000	95,843	95,843			
Telephone	22,500	22,500	20,215	2,285		
Water	3,500	3,500	2,174	1,326		
Fuel Oil	15,000	15,000	8,626	6,374		
Telecommunications	18,500	18,500	17,927	573		
Gasoline	65,000	65,000	57,351	7,649		
Municipal Court:						
Municipal Court:						
Salaries and Wages	115,475	116,333	116,333			
Other Expenses	13,858	13,000	9,164	3,836		
Unclassified:						
Storm Water Sewers:						
Other Expenses	25,000	15,000	2,000	13,000		
Environmental Commission (N.J.S.40:56-1 et. seq.):						
Other Expenses	500	500		500		
Aid to Providence House	1,500	1,500	420	1,080		
Celebration of Public Events, Anniversary or Holiday:						
Other Expenses	3,500	3,500	3,469	31		
Senior Advisor Committee:						
Other Expenses	250	250		250		
New Letter:						
Other Expenses	5,400	5,400	5,400			
Total Operations Within "CAPS"	4,033,303	4,056,918	3,507,990	548,928		
Total Operations Including Contingent Within "CAPS"	4,033,303	4,056,918	3,507,990	548,928		

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS - Within "CAPS"						
Detail:						
Salaries and Wages	2,163,597	2,154,455	1,953,370	201,085		
Other Expenses (Including Contingent)	1,869,706	1,902,463	1,554,620	347,843		
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Deferred Charges:						
Overexpenditure of Prior Year						
Appropriations	1,291	1,291	1,291			
Statutory Expenditures:						
Contributions to:						
Police & Fire Pension Fund	181,008	181,008	181,008			
Public Employees Retirement System	65,667	65,667	65,667			
DCRP	500	500		500		
Social Security System (O.A.S.I.)	165,000	165,000	146,688	18,312		
Total Deferred Charges & Statutory Expenditures	413,466	413,466	394,654	18,812		
Total General Appropriations for Municipal Purposes Within "CAPS"	4,446,769	4,470,384	3,902,644	567,740		
Mandated Expenditures Excluded From "CAPS":						
Aid to Library N.J.S.A.40:54-35	2,500	2,500	2,500			
Community Services Act:						
Other Expenses	255,000	255,000	215,015	39,985		
Affordable Housing:						
Other Expenses	30,000	30,000	12,770	17,230		
SFSP Fire District Payment	3,010	3,010	3,010			
Employee Group Insurance						
Contribution to Police & Fire Pension Fund						
Contribution to Public Employees Retirement System						
Public and Private Programs Offset by Revenues:						
Recycling Grant	16,002	32,518	32,518			
Body Armor Replacement Program	1,375	3,017	3,017			
Clean Communities Grant	15,972	15,972	15,972			
Total Operations Excluded from "CAPS"	323,859	342,017	284,802	57,215		
Detail:						
Other Expenses	323,859	342,017	284,802	57,215		

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS - Excluded from "CAPS"						
Capital Improvements:						
Capital Improvement Fund	50,000	50,000	50,000			
Total Capital Improvement Excluded "CAPS"	50,000	50,000	50,000			
Municipal Debt Service:						
Payment of Serial Bonds	170,000	170,000	170,000			
Payment of Bond Anticipation Notes	152,000	152,000	152,000			
Interest on Notes	62,500	62,500	62,461		39	
Interest on Serial Bonds	71,000	72,384	72,384			
Total Municipal Debt Service	455,500	456,884	456,845		39	
Deferred Charges - Municipal:						
Special Emergency Authorizations	40,000	40,000	40,000			
Total Deferred Charges - Municipal	40,000	40,000	40,000			
Total General Appropriations - Municipal Purposes - Excluded From "CAPS"	869,359	888,901	831,647	57,215	39	
Subtotal General Appropriation Items	5,316,128	5,359,285	4,734,291	624,955	39	
Reserve For Uncollected Taxes	385,734	385,734	385,734			
Total General Appropriations	<u>\$5,701,862</u>	<u>5,745,019</u>	<u>5,120,025</u>	<u>624,955</u>	<u>39</u>	
Budget		\$5,701,862				
Special Emergency Authorization - Codification Appropriation by 40A:4-87		\$25,000				
		<u>18,157</u>				
Total		<u>\$5,745,019</u>				
Deferred Charges:						
Special Emergency Authorization			\$40,000			
Overexpenditure of Prior Year Appropriations			1,291			
Reserve for Codification of Ordinances			25,000			
Reserve for Uncollected Taxes			385,734			
Federal and State Grant Funds			51,507			
Encumbrances			53,666			
Disbursed			<u>4,562,827</u>			
Total			<u>\$5,120,025</u>			

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

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Dog License Fund:			
Cash - Treasurer	B-1	\$1,424	13,188
Total Dog License Fund		1,424	13,188
Other Funds:			
Cash - Treasurer	B-1	155,232	181,175
Cash - Collector	B-1	171,957	43,575
Cash - Payroll		48,731	30,078
Due From Current Fund	A	197,752	233,536
Due From Developers		20,384	20,384
Total Other Funds		594,056	508,748
Total Assets		\$595,480	521,936
LIABILITIES & RESERVES			
Dog License Fund:			
Due to Current Fund	A	\$57	55
Reserve for Dog Fund Expenditures	B-2	1,367	13,133
Total Dog License Fund		1,424	13,188
Other Funds:			
Due to Capital Fund	C	31,500	31,500
Due to Current Fund	A	7,621	14,878
Payroll Taxes Payable		41,110	15,200
Escrow Deposits	B-6	221,820	264,891
Redemption of Tax Sale Certificates	B-3	3	3
Recreation Expenditures	B-4	8,330	8,146
Reserve for Tax Sale Premiums	B-5	162,400	44,900
Parking Offenses Adjudication Act Trust Fund	B-8	271	267
Special Law Enforcement Trust Fund	B-7	7,928	7,920
Reserve for Tax Title Lien Redemption	B-9	9,557	43,575
Reserve for Public Defender	B-10	4,132	3,851
Reserve for Restitution	B-11	100	100
Reserve for Open Space	B-12	64,236	33,227
Reserve for Bicycle Patrol Fund	B-13	1,995	1,995
Reserve for Trees Fund	B-14	567	532
Reserve for Off-Duty Police	B-15	3,676	8,953
Reserve for Train Station	B-16	795	795
Reserve for Police Equipment Project	B-17	1,232	1,232
Reserve for Affordable Housing	B-18	26,783	26,783
Total Other Funds		594,056	508,748
Total Liabilities & Reserves		\$595,480	521,936

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

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Cash & Investments	C-2	\$30,104	5,636
Due from Current Fund	A	566,303	446,112
Due from Open Space Trust Fund	B	31,500	31,500
Deferred Charges to Future Taxation:			
Funded		1,760,000	2,123,000
Unfunded	C-3	3,935,645	3,633,079
Total Assets		\$6,323,552	6,239,327
 LIABILITIES, RESERVES & FUND BALANCE			
Bond Anticipation Notes	C-8	\$2,031,655	2,183,655
Serial Bonds	C-7	1,760,000	2,123,000
Contracts Payable	C-5		57,208
Improvement Authorizations:			
Funded	C-5	150,852	166,362
Unfunded	C-5	2,117,609	1,448,436
Capital Improvement Fund	C-4	44,298	44,298
Reserves for:			
Preliminary Improvement Authorization Costs	C-9	6,417	
Repayment of Bond Anticipation Notes	C-2	139,353	65,000
Fund Balance	C-1	73,368	151,368
Total Liabilities, Reserves & Fund Balance		\$6,323,552	6,239,327

There were bonds and notes authorized but not issued on December 31, 2013 of \$1,903,990 and on December 31, 2012 of \$1,449,424.

EXHIBIT C-1

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

Balance December 31, 2012	\$151,368
Decrease By:	
Transferred to Reserve for Preliminary Improvement Authorization Costs	<u>78,000</u>
Balance December 31, 2013	<u><u>\$73,368</u></u>

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

**TOWNSHIP OF EDGEWATER PARK
GENERAL FIXED ASSETS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

	2013	2012
General Fixed Assets:		
Land	\$1,341,943	\$1,341,943
Buildings & Contents	2,301,193	1,985,071
Vehicles	506,069	506,069
	<hr/>	<hr/>
Total	\$4,149,205	3,833,083
	<hr/> <hr/>	<hr/> <hr/>
 Total Investment in General Fixed Assets	 \$4,149,205	 3,833,083
	<hr/> <hr/>	<hr/> <hr/>

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

TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

B. Descriptions of Funds

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

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

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

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

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

C. Basis of Accounting

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

Expenditures – are recorded on the “budgetary” basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

December 31, are reported as a liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body.

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

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

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

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

General Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for Governmental Fixed Assets, as promulgated by Technical Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements.

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

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

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

1. Prior to February 10th of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

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

Note 2. Cash and Cash Equivalents and Investments

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

Type	Maturities	Carrying Value
Deposits:		
Demand Deposits	N/A	\$3,165,717
Certificates of Deposits	4/3/2014	<u>547,055</u>
Total Deposits		<u>\$3,712,772</u>

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

Reconciliation of Statement of Comparative Balance Sheets:

Current	\$3,201,994
Dog Trust	1,424
Other Trust	327,189
General Capital	30,104
State and Federal Grants	103,330
Payroll	<u>48,731</u>
 Total Reconciliation of Comparative Balance Sheets	 <u>\$3,712,772</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$3,912,073 at December 31, 2013. Of the bank balance \$500,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$3,412,073 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2012, are provided in the above schedule.

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

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

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2013 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

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

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

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

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

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

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

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

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

Note 4. Debt

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

TOWNSHIP OF EDGEWATER PARK

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

Note 4. Debt (continued):

A. Borrowing Power

New Jersey statutes limit the debt of a municipality to 3½% of the average of the last three preceding year's equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2013 was \$5,556,292. The Township's remaining borrowing power is \$15,614,165.

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

B. Pooled Loan Revenue Bonds

In December of 2003, the Township entered into a lease and agreement with the Burlington County Bridge Commission ("Commission"). This agreement provides the Township to finance capital projects and capital equipment through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2003 Governmental Leasing Program). On February 28, 2013 the 2003 pooled loan revenue bonds were refinanced under Series 2013A. The following is a schedule of annual payments to the Commission for principal and interest:

Year	Principal	Interest	Total
2014	\$ 150,000	\$ 75,700	\$ 225,700
2015	150,000	72,700	222,700
2016	160,000	68,200	228,200
2017	160,000	63,400	223,400
2018	170,000	57,000	227,000
2019-2023	<u>970,000</u>	<u>150,000</u>	<u>1,120,000</u>
Total	<u>\$1,760,000</u>	<u>\$ 487,000</u>	<u>\$ 2,247,000</u>

C. Special Emergency Note

A special emergency note was originally authorized in 2009 to fund the revaluation program amounting to \$193,200. The balance of the note was issued July 6, 2013 for \$24,320, maturing July 5, 2014 with interest at 2.25%. The note will be paid in not less than four annual installments.

Note 5. Lease Obligations

At December 31, 2013, the Township had lease agreements in effect for the following:

Operating:

Three Taskalfa Copiers

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 5. Lease Obligations (continued):

Operating Leases – Future minimum rental payments under operating lease agreements are as follows:

Year	Amount
2014	\$ 5,636
2015	<u>4,227</u>
Total minimum Lease Payments	<u>\$ 9,863</u>

Rental payments under operating leases for the year 2013 were \$5,636.

Capital Leases – Future minimum rental payments under a capital lease agreement for a public work vehicle and two police vehicles as follows:

Year	Amount
2014	\$44,312
2015	<u>13,930</u>
Total Minimum Lease Payments	58,242
Less: Amount Representing Interest	<u>3,706</u>
Present Value of Net Minimum Lease Payments	<u>\$54,536</u>

Lease payments under Capital leases for the year 2013 were \$44,312.

Note 6. Compensated Absences

Full-time employees are entitled to sick leave and vacation days each year in accordance with the current union contracts. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year.

The Township of Edgewater Park compensates employees for all unused vacation days upon termination or retirement. The current policy also provides for the payment of 75% of unused sick leave accumulated at the rate of pay upon termination or retirement.

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 6. Compensated Absences (continued):

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2013, accrued benefits for compensated absences are valued at \$490,923.

Note 7. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Program in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The program is offered by the Township through two program administrators, PEBSCO & Equitable. The investment fund balance of the program as of December 31, 2013 is \$245,882. The programs, available to all full time employees at their option, permit employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan and all income attributed to those amounts are the exclusive property of the Township of Edgewater Park, subject to the claims of the general creditors of the Township Participants' rights under the plan are equal to those of a general creditor of the Township in an amount equal to the fair market value of the deferred account for each participant. It is unlikely that the Township would use plan assets to satisfy claims of the general creditors in the future.

Certain provisions of the Job Protection Act of 1997 affect the Plan. Commencing on January 1, 1999, amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. On September 3, 1997, the State of New Jersey implemented new regulations that require all new plans to be in compliance with the provisions of the Act.

The Township assumes no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

Note 8. Pension

A. Plan Description

The Township of Edgewater Park contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 8. Pension (continued):

of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

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

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

Plan members are required to contribute 6.64% of their annual covered salary for P.E.R.S through June 30, 2013 and 6.78% thereafter, 10.0% of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The current rate represents approximately 3.20% for P.E.R.S. and 8.95% for P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Township of Edgewater Park are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2013, 2012 and 2011 were \$65,667, \$93,465 and \$90,630, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2013, 2012 and 2011 were \$181,008, \$212,599 and \$223,301, respectively, equal to the required contributions for each year.

Note 9. Assessments and Collection of Property Taxes

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

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 9. Assessments and Collection of Property Taxes (continued):

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

Note 10. Deferred Charges to be Raised in Succeeding Budgets

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

	Balance December 31, 2012	Created During 2013	2013 Budget Appropriation	Succeeding Years
Current Fund:				
Emergency Appropriation	\$73,200	25,000	\$40,000	\$58,200

The Appropriations in the 2013 Budget are not less than required by statute.

Note 11. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required PERS, to fund post-retirement medical benefits for those State employees who retire after reaching 60 and accumulating 25 years of credited service. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the PERS system. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees. As of June 30, 2012, there were 97,661 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 11. Post-Retirement Benefits (continued):

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and TPAF. The State paid \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members in Fiscal Year 2012.

State Health Benefits Plan Description

The Township of Edgewater Park contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52: 14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1990, The Township of Edgewater Park authorized participation in the SHBP's post-retirement benefit program through resolution number 165-2002 on October 23, 2002. The Township adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to pay Medicare charges for such retirees and their spouses covered by the New Jersey Health Benefits Program. In 2011 Township employees began making health benefit contributions of 1.5% of their base salaries towards the health benefit costs.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-aug2011.pdf.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to Edgewater Park Township on a monthly basis. As a participating employer the Authority will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of chapter 75, Public Laws of 1972.

The Township of Edgewater Park contributions to SHBP for the years ended December 31, 2013, 2012, and 2011, were \$16,526, \$29,485, and \$39,787 respectively, which equaled the required contributions for

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 11. Post-Retirement Benefits (continued):

each year. There were two retired participants eligible at December 31, 2013 and three for 2012 and four participants for 2011.

Note 12. Capital Assets

The following schedule is a summarization of the changes in General Capital Assets by Source for the year ended December 31, 2013:

	Balance December 31, 2012	Additions	Deletions	Balance December 31, 2012
Land & Buildings	\$1,341,943			\$1,341,943
Building	1,985,071	\$316,122		2,301,193
Vehicles	506,069			506,069
	<hr/>			
Total	<u>\$3,833,083</u>	<u>\$316,122</u>		<u>\$4,149,205</u>

Note 13. Joint Insurance Pool

The Township of Edgewater Park is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
 Liability Other Than Motor Vehicles
 Property Damage Other Than Motor Vehicles
 Motor Vehicles

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund publishes its own financial report for the year ended December 31, 2013, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
 P.O. Box 325, Hammonton, New Jersey 08037

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Note 14. Fund Balance

Fund balance as of December 31, 2013 totaled \$1,586,919. Of that amount, \$430,000 was appropriated in the budget for 2014.

Note 15. Interfunds

The following interfunds remained as of December 31, 2013:

Fund	Due From	Due To
Current Fund	\$ 7,678	\$ 764,055
Animal Control		57
General Capital	597,803	
Trust Other Fund	<u>197,752</u>	<u>39,121</u>
Total	<u>\$ 803,233</u>	<u>\$ 803,233</u>

The purpose of these interfunds are short-term borrowings.

Note 16. Subsequent Events

Bond ordinance 2014-5 adopted May 19, 2014 authorized roadway improvements and acquisition of equipment as follows:

Debt Authorized	\$736,250
Capital Improvement Fund	<u>38,750</u>
Total Improvement Authorization	<u>\$775,000</u>

TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON

SUPPLEMENTARY DATA

FOR THE YEAR ENDED DECEMBER 31, 2013

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013**

	CURRENT FUND	FEDERAL & STATE GRANT FUND
Balance December 31, 2012	\$2,713,701	99,309
Increased by Receipts:		
Receipts from Collector	\$14,071,955	
Homestead Rebate	367,687	
Due From State of New Jersey - Senior Citizen & Veteran Deductions	115,375	
Revenue Accounts Receivable	906,000	
Petty Cash	100	
Miscellaneous Revenue Not Anticipated	153,086	
Due From General Capital Fund	597,819	
Contra	2,056,619	
Due From Trust Other Fund	99,087	
Due From Animal Control Fund	18,581	
Due From Payroll Fund	12,108	
State & Federal Grants Receivable		34,130
State & Federal Grant Fund - Unappropriated		1,072
State & Federal Grant Fund - Township Share		
Total	18,398,417	35,202
Subtotal	21,112,118	134,511
Decreased by Disbursements:		
2013 Appropriations	4,562,827	
2012 Appropriation Reserves	283,118	
County Taxes	2,173,812	
Local District School Taxes	7,903,252	
Fire District Taxes	328,882	
Due to Other Trust Fund	103,941	
Due to Open Space Other Trust Fund	92,776	
Due to Dog Trust Fund	18,581	
Due to Capital Fund	477,642	
Due to Payroll Fund	4,851	
Contra	2,056,619	
Special Emergency Authorization	40,000	
Reserve for Codification of Ordinances	4,300	
Petty Cash	100	
Refund of Prior Year Revenue	1,585	
Tax Overpayments	4,696	
Reserve for Federal & State Grant Funds - Appropriated		31,181
Total Disbursements	18,056,982	31,181
Balance December 31, 2013	\$3,055,136	103,330

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF CURRENT CASH AND RECONCILIATION
PER N.J.S.40A:5-5 - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$142,748
Increased by Receipts:		
Interest & Cost on Taxes	\$52,982	
Taxes Receivable	13,819,390	
Prepaid Taxes	82,633	
Interest Earnings	1,293	
Maintenance Liens	12,084	
Payment In-Lieu of Tax	102,736	
Tax Overpayments	4,696	14,075,814
Subtotal		14,218,562
Decreased by Disbursements:		
Payments to Treasurer	14,070,662	
Due to Current	1,293	14,071,955
Balance December 31, 2013		<u><u>\$146,607</u></u>

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

YEAR	BALANCE DECEMBER 31, 2012	2013 LEVY	COLLECTED 2012	2013	DUE FROM STATE OF NEW JERSEY	OVER- PAYMENTS APPLIED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2013
2006	\$351			301					50
2009	1,135			1,135					
2010	6,302			2,648					
2012	228,570		208,317	1,841		665	17,747	3,654	
Total	236,358	14,515,739	90,031	212,401	1,841	665	17,747	3,704	288,509
Total	\$236,358	14,515,739	90,031	14,187,077	117,414	29,274	36,088	292,213	

Cash Receipts \$14,187,077

Total \$14,187,077

ANALYSIS OF 2013 PROPERTY TAX LEVY

Tax Yield:	
General Purpose Tax	\$14,492,666
Added Taxes (54:4-63.1 et seq)	<u>23,073</u>
Total	<u>\$14,515,739</u>
Tax Levy:	
Local District School Tax (Abstract)	\$7,956,986
Open Space	61,846
Fire District Tax (Abstract)	328,882
County Taxes:	
County Tax (Abstract)	\$1,910,842
County Open Space Tax (Abstract)	85,442
County Library Tax (Abstract)	173,710
Due County for Added & Omitted Taxes	<u>2,557</u>
	2,172,551
Local Tax For Municipal Purposes	3,974,958
Add: Additional Tax Levy	<u>20,516</u>
	<u>3,995,474</u>
Total Levy	<u>\$14,515,739</u>

EXHIBIT A-6

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$4,809
Increased by:		
Interest and Cost Adjustments	10,359	
Transfer From Taxes Receivable - 2012	17,747	
Transfer From Taxes Receivable - 2013	18,340	46,446
		<hr/>
Balance December 31, 2013		<u>51,255</u>

EXHIBIT A-7

**STATEMENT OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012 and 2013	<u>\$3,094,800</u>
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EXHIBIT A-8

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	ACCRUED IN 2013	COLLECTED BY TREASURER	COLLECTED BY TAX COLLECTOR	RECEIVABLE DECEMBER 31, 2013
Municipal Clerk:					
Licenses:					
Alcoholic Beverages		3,000	3,000		
Interest Earned on Deposits		8,537	8,537		
Burlington Coat Factory Agreement		102,736		102,736	
Fees & Permits Other	\$3,426	4,307	5,425		2,308
Construction Code Official:					
Fees & Permits	3,878	78,419	79,191		3,106
Municipal Court:					
Fines & Fees	\$3,621	111,965	107,377		8,209
Cable Television Fees		26,431	26,431		
Energy Receipts Tax		631,610	631,610		
Consolidated Municipal Property Tax Relief		44,429	44,429		
Total	\$10,925	1,011,434	906,000	102,736	13,623

EXHIBIT A-9

**STATEMENT OF DEFERRED CHARGES - N.J.S.40A:55-53
SPECIAL EMERGENCY AUTHORIZATION
FOR THE YEAR ENDED DECEMBER 31, 2013**

DATE AUTHORIZED	PURPOSE	NET AMOUNT AUTHORIZED	1/5 OF AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2012	AUTHORIZED IN 2013	RAISED IN 2013 BUDGET	BALANCE DECEMBER 31, 2013
9/12/08	Tax Maps	16,000	3,200	\$3,200		3,200	
10/06/09	Revaluation	180,400	36,080	70,000		36,800	33,200
9/03/13	Codification & Revisions						
9/03/13	to Ordinances	25,000	5,000		25,000		25,000
	Total			\$73,200	25,000	40,000	58,200

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	BALANCE DECEMBER 31, 2012	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED
General Government:				
Administrative & Executive:				
Salaries and Wages	\$24,031	24,031		24,031
Other Expenses	42,144	48,144	47,773	371
Township Committee:				
Salaries and Wages	1,500	1,500		1,500
Other Expenses	3,187	3,187	19	3,168
Municipal Clerk:				
Salaries and Wages	9,672	9,672	1,261	8,411
Other Expenses	17,139	17,139	9,940	7,199
Financial Administration:				
Salaries and Wages	6,055	6,055		6,055
Other Expenses	5,868	5,868	1,465	4,403
Audit Services	1,600	1,600	1,600	
Assessment of Taxes:				
Salaries and Wages	775	775	775	
Other Expenses	1,319	1,319	245	1,074
Collection of Taxes:				
Salaries and Wages	500	500	190	310
Other Expenses	359	359		359
Engineering Services & Costs:				
Other Expenses	3,526	7,526	7,078	448
Legal Services & Costs:				
Other Expenses	27,550	27,550	1,306	26,244
Economic Development Committee:				
Other Expenses	1,000	1,000		1,000
Municipal Land Use Law (N.J.S.A.40:55D-1):				
Planning Board:				
Other Expenses	1,080	1,580	1,212	368
Unemployment Compensation				
Insurance	1,644	1,644		1,644
Liability Insurance	31,709	31,709		31,709
Workers Compensation	2,000	2,000		2,000
Employee Group Insurance	99,137	99,137	58,391	40,746
Public Safety:				
Police:				
Salaries and Wages	74,100	52,100	1,891	50,209
Other Expenses	18,112	18,112	11,479	6,633
Office of Emergency Management:				
Other Expenses	667	667	667	
Municipal Prosecutor:				
Other Expenses				
Streets & Roads:				
Road Repairs & Maintenance:				
Salaries and Wages	17,642	17,642	14,513	3,129
Other Expenses	19,553	19,553	19,283	270
Solid Waste Collection:				
Salaries and Wages	193	193		193
Other Expenses	42,763	42,763	16,826	25,937
Public Buildings & Grounds:				
Other Expenses	3,168	11,668	11,056	612

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	BALANCE DECEMBER 31, 2012	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED
Health & Welfare:				
Public Health Services:				
Salaries and Wages	23	23		23
Other Expenses	986	986		851
Parks & Recreation:				
Recreation Services & Programs:				
Other Expenses	1,606	1,606	366	1,240
Maintenance of Parks:				
Other Expenses	2,732	2,732	1,190	1,542
Utility Expenses & Bulk Purchases:				
Electricity	19,710	19,710	7,658	12,052
Street Lighting	5,956	5,956	5,321	635
Telephone	1,969	1,969	385	1,584
Water	1,531	1,531	544	987
Fuel Oil	9,577	9,577	1,196	8,381
Telecommunications	3,391	3,391	1,183	2,208
Gasoline	8,896	11,896	11,896	
Municipal Court:				
Salaries and Wages	7,864	7,864	816	7,048
Other Expenses	5,665	5,665	2,020	3,645
Unclassified:				
Storm Water Sewers	2,797	2,797		2,797
Environmental Commission	315	315		315
Celebration of Public Events,				
Anniversary or Holiday	3,182	3,182	636	2,546
News Letter	1,350	1,350	1,350	
Social Security System	23,478	23,478		23,478
DCRP	500	500		500
Senior Citizen Advisory	250	250		250
Health & Welfare:				
Construction Code Official:				
Building Inspector:				
Salaries and Wages	10,758	10,758		10,758
Other Expenses	4,749	4,749	1,635	3,114
Electrical Inspector:				
Salaries and Wages	758	758		758
Fire Inspector:				
Salaries and Wages	932	932		932
Plumbing Inspector:				
Salaries and Wages	1,338	1,338		1,338
Total General Appropriations for Municipal Purposes - Within "CAPS"				
	<u>578,306</u>	<u>578,306</u>	<u>243,301</u>	<u>335,005</u>

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF 2012 APPROPRIATION RESERVE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED
Operations Excluded From "CAPS"				
Aid to Providence House	1,360	1,360		1,360
Community Services Act	65,739	65,739	36,996	28,743
Affordable Housing	5,055	5,055	2,914	2,141
<hr/>				
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	72,154	72,154	39,910	32,244
<hr/>				
Total General Appropriations	\$650,460	650,460	283,211	367,249
<hr/> <hr/>				
Appropriation Reserves	\$545,699			
Encumbrances Payable	104,761			
Cash Disbursements			283,211	
<hr/>				
Total	\$650,460		283,211	
<hr/> <hr/>				

**STATEMENT OF LOCAL SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012: School Taxes Payable	\$38,859
Increased by: Levy Calendar Year 2013	<u>7,956,986</u>
Subtotal	7,995,845
Decreased by: Payments	<u>7,903,252</u>
Balance December 31, 2013: School Taxes Payable	<u><u>\$92,593</u></u>

**TOWNSHIP OF EDGEWATER PARK
FEDERAL AND STATE GRANT FUND
STATEMENT OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

PROGRAM	BALANCE DECEMBER 31, 2012	2013 REVENUE	RECEIPTS	CANCELLED	BALANCE DECEMBER 31, 2013
State Grants:					
Alcohol Education & Rehabilitation Management Plan	150 1,999				150 1,999
Clean Communities Grant Over the Limit		15,972	15,972		
Body Armor Replacement Program		3,017	3,017		
Recycling Tonnage Grant		32,518	32,518		
Bullet Proof Vest Program					
Total State Grants	\$2,149	51,507	51,507		2,149
			\$34,130		
Cash Unappropriated			<u>17,377</u>		
			<u>\$51,507</u>		

**SCHEDULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013**

PROGRAM	BALANCE DECEMBER 31 2012	GRANTS RECEIVED	REVENUE IN 2013 BUDGET	BALANCE DECEMBER 31, 2013
Federal & State Grants:				
Recycling Grant	\$16,002		16,002	
Body Armor Fund	1,378	1,072	1,375	1,075
Clean Communities Grant	1			1
Alcohol Education & Rehabilitation Program	1			1
Total Federal & State Grants	\$17,382	1,072	17,377	1,077

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013**

PROGRAM	BALANCE DECEMBER 31, 2012	TRANSFERRED FROM 2013 BUDGET APPROPRIATIONS	EXPENDED	CANCELED	BALANCE DECEMBER 31, 2012
State Grants:					
Clean Communities Grant	\$11,305	15,972	16,265		11,012
Bullet Proof Vest Program					
Drunk Driving Enforcement Grant	3,058				3,058
Recycling Tonnage Grant	41,471	32,518	12,171		61,818
Green Acres Local Tree Management Plan	3,000		600		2,400
Alcohol Education & Rehabilitation	7,289				7,289
Body Armor Replacement Program	1,527	3,017	2,145		2,399
Storm Water Regulation	7,936				7,936
Domestic Violence Training Program	4,690				4,690
Domestic Violence - 2009	300				300
Green Communities Grant	3,000				3,000
School Safety Program/ Child Identification	500				500
Total State Grants	\$84,076	51,507	31,181		104,402

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT TRUST CASH AND RECONCILIATION
PER N.J.S.40A:5-5 - TREASURER/COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>DOG LICENSE</u>	<u>OTHER</u>	<u>COLLECTOR</u>	<u>PAYROLL</u>
Balance December 31, 2012	\$13,188	181,175	43,575	30,078
Receipts:				
Due From Dog Registrar	\$7,092			
Payroll Deductions Payable				2,369,215
Reserve for Tax Title Liens			143,405	
Reserve for Tax Sale Premiums			132,800	
Transfer from Trust Other Fund			44,900	
Reserve for Escrow Fund Deposits		31,585		
Reserve for Off-Duty Police		6,730		
Reserve for Public Defender		4,781		
Reserve for Open Space		61,939		
Reserve for Trees Fund		35		
Reserve for Special Law Enforcement Fund		8		
Reserve for Recreation Expenses		500		
Total Receipts	<u>7,092</u>	<u>105,578</u>	<u>321,105</u>	<u>2,369,215</u>
Total Receipts & Balances	<u>20,280</u>	<u>286,753</u>	<u>364,680</u>	<u>2,399,293</u>
Disbursements:				
Expenditures Under N.J.S.A.40:19-15.11	18,856			
Statutory Excess Due to Current Fund				
Payroll Deductions Payable				2,350,562
Planning Board Expenditures		35,582		
Reserve for Public Defender		4,500		
Reserve for Off-Duty Police		12,007		
Reserve for Open Space		30,930		
Reserve for Recreation Trust		316		
Reserve for Tax Title Liens		3,286	177,423	
Transfer to Tax Sale Premiums		44,900		
Reserve for Tax Sale Premiums			15,300	
Total Disbursements	<u>18,856</u>	<u>131,521</u>	<u>192,723</u>	<u>2,350,562</u>
Balance December 31, 2013	<u>\$1,424</u>	<u>155,232</u>	<u>171,957</u>	<u>48,731</u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT TRUST CASH AND RECONCILIATION
PER N.J.S.40A:5-5 - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013**

RECONCILIATION DECEMBER 31, 2013

	DOG LICENSE	OTHER	COLLECTOR	PAYROLL
Balance Per Certification of:				
Beneficial Bank:				
Dog License	\$1,424			
Tax Title Lien Redemption			171,957	
Payroll				82,861
Law Enforcement		7,928		
Open Space		95,736		
Trust Escrow		40,313		
Developer Fees		17,070		
Add: Deposit in Transit				
Less: Outstanding Checks Per Permanent Record		(5,815)		(34,130)
Balance December 31, 2013	\$1,424	155,232	171,957	48,731

**STATEMENT OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-2

Balance December 31, 2012	\$13,133
Increased by:	
Dog License Fees - Collected	7,073
Subtotal	20,206
Decreased by:	
Expenditures Under N.J.S.A.4:19-15.11:	18,839
Balance December 31, 2013	\$1,367

LICENSE FEES COLLECTED

YEAR	AMOUNT
2011	\$6,929
2012	7,140
Total	\$14,069

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012 and 2013	<u><u>\$3</u></u>
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**STATEMENT OF RESERVE FOR RECREATION EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$8,146
Increased by:	
Recreation Receipts	<u>500</u>
Subtotal	8,646
Decreased by:	
Recreation Expenditures	<u>316</u>
Balance December 31, 2013	<u><u>\$8,330</u></u>

EXHIBIT B-5

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF RESERVE FOR TAX SALE PREMIUMS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$44,900
Increased by:	
Receipts	132,800
Decreased by:	
Cash Disbursements - Refunds	15,300
Balance December 31, 2013	\$162,400

EXHIBIT B-6

**STATEMENT OF RESERVE FOR PLANNING BOARD REVIEW
AND INSPECTION FEES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$264,891
Increased by:	
Receipts:	
Escrow Fund Deposits - Planning Board	31,585
Subtotal	296,476
Decreased by:	
Disbursements:	
Trust Other Fund	35,582
Current Fund	39,074
	74,656
Balance December 31, 2013	\$221,820

A permanent record of escrow deposits is on file in the office of the Township Clerk.

EXHIBIT B-7

**TOWNSHIP OF EDGEWATER PARK
STATEMENT OF RESERVE FOR SPECIAL LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$7,920
Increased by:	
Interest Earned	<u>8</u>
Balance December 31, 2013	<u><u>\$7,928</u></u>

EXHIBIT B-8

**STATEMENT OF RESERVE FOR PARKING OFFENSE ADJUDICATION ACT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012 and 2013	<u><u>\$267</u></u>
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EXHIBIT B-9

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF TAX TITLE LIEN REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$43,575
Increased by:	
Tax Title Lien Deposits	<u>143,405</u>
Subtotal	186,980
Decreased by:	
Liens Redeemed	<u>177,423</u>
Balance December 31, 2013	<u><u>\$9,557</u></u>

EXHIBIT B-10

**STATEMENT OF PUBLIC DEFENDER
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$3,851
Increased by:	
Public Defender Fees	<u>4,781</u>
Subtotal	8,632
Decreased by:	
Public Defender Bills	<u>4,500</u>
Balance December 31, 2013	<u><u>\$4,132</u></u>

**TOWNSHIP OF EDGEWATER PARK
STATEMENT OF RESERVE FOR RESTITUTION
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-11

Balance December 31, 2012 and 2013	<u><u>\$100</u></u>
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**STATEMENT OF RESERVE FOR OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-12

Balance December 31, 2012	\$33,227
Increased by:	
Due from Current Fund	\$61,846
Interest Earned	<u>93</u>
Subtotal	<u>61,939</u>
Subtotal	95,166
Decreased by:	
Due to Other Trust Fund	<u>30,930</u>
Balance December 31, 2013	<u><u>\$64,236</u></u>

**STATEMENT OF BICYCLE PATROL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-13

Balance December 31, 2012 and 2013	<u><u>\$1,995</u></u>
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EXHIBIT B-14

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF RESERVE FOR TREES FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$532
Increased by:	
Receipts	<u>35</u>
Balance December 31, 2013	<u><u>\$567</u></u>

EXHIBIT B-15

**STATEMENT OF RESERVE FOR OFF-DUTY POLICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$8,953
Increased by:	
Receipts	<u>6,730</u>
Subtotal	15,683
Decreased by:	
Salary and Wages	<u>12,007</u>
Balance December 31, 2013	<u><u>\$3,676</u></u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF RESERVE FOR TRAIN STATION
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-16

Balance December 31, 2012 and 2013

\$795

**STATEMENT OF RESERVE FOR POLICE EQUIPMENT PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-17

Balance December 31, 2012 and 2013

\$1,232

**STATEMENT OF RESERVE FOR AFFORDABLE HOUSING
FOR THE YEAR ENDED DECEMBER 31, 2013**

EXHIBIT B-18

Balance December 31, 2012 and 2013

\$26,783

**ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Fund Balance	\$73,368
Capital Improvement Fund	44,298
Due to/(from) Current Fund	(566,303)
Due to/(from) Open Space Trust Fund	(31,500)
Reserve for Payment of Bond Anticipation Notes	139,353
Reserve for Preliminary Expense	6,417
Improvement Authorizations:	
Ordinance Numbers & Descriptions	
08-00 Various Improvements	46,383
15-02 Various Improvements	83,312
20-02 Land Acquisition	(14,168)
07-03 Various Improvements	5,518
09-03 Various Improvements	107,400
09-04 Improvements Along Cooper Street & West Franklin Avenue	46,281
07-04 Drainage Improvements & Equipment	939
19-05 Various Improvements	41,963
10-06 Various Improvements	64,578
08-07, 03-08 Recreation Improvements	16,192
10-07, 02-08 Various Improvements	135,320
04-08 Lincoln Ave Improvements	33,584
09-15 Wieman Field Improvements	(32,950)
04-11 Various Capital Improvements	(303,491)
07-11 Acquisition of Police Vehicles	(40,237)
07-12 Weinmann Field Improvements	158,207
08-13 Roadway Improvements to Cardinal Road & Adams Ave	15,640
	<hr/>
Total Cash & Investments	<u><u>\$30,104</u></u>

Roadway Improvements to Cardinal
Road & Adams Ave

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	2013 AUTHORIZATIONS	PAID BY BUDGET APPROPRIATION	OTHER	BALANCE DECEMBER 31, 2013	FINANCED BY BOND ANTICIPATION NOTES			UNEXPENDED IMPROVEMENT AUTHORIZATIONS
							GRANT	EXPENDITURES	AUTHORIZATIONS	
08-00	Various Improvements	\$75				75				75
16-02	Acquisition of Land	153,399				153,399				153,399
20-02	Acquisition of Land	137,000		2,000		135,000		112,000		14,168
07-04	Various Drainage Improvements & Acquisition of Equipment Improvements along Cooper St. & West Franklin Ave	267,000		11,000		256,000		256,000		
09-04	Various Improvements	72,655		25,000		47,655		47,655		
09-03/8-06	Various Improvements	58,000		4,000		54,000		54,000		
19-05	Various Improvements	411,000		21,000		390,000		390,000		
10-06	Various Improvements	346,000		22,000		324,000		324,000		
10-07	Various Improvements	629,200		38,000		591,200		461,000		130,200
08-07, 03-08	Recreation Improvements	209,000		8,000		201,000		201,000		
04-08	Lincoln Ave Improvements	207,000		21,000		186,000		186,000		
09-15	Weiman Field Improvements	158,000				158,000		158,000		
04-11	Various Improvements	557,250			246,226	311,024		311,024		32,950
07-11	Acquisition of Police Vehicles	47,500				47,500		47,500		303,491
07-12	Weinmann Field Improvements	380,000			249,208	130,792		130,792		40,238
08-13	Roadway Improvements to Cardinal Road & Adams Ave		950,000			950,000		950,000		950,000
Total		\$3,633,079	950,000	152,000	495,434	3,935,645	2,031,655	2,031,655	390,847	1,513,143
Improvement Authorizations - Unfunded Less: Unexpended Proceeds of Bond Anticipation Issued:										
Ordinance No. 09-03 \$107,400 Ordinance No. 07-04 939 Ordinance No. 09-04 46,282 Ordinance No. 19-05 41,963 Ordinance No. 10-06 64,579 Ordinance No. 08-07, 03-08 16,192 Ordinance No. 10-07, 02-08 135,320 Ordinance No. 04-08 33,584										
										446,259
Total										\$1,513,143

EXHIBIT C-4

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$44,298
Increased by:	
Budget Appropriation	50,000
Decreased by:	
Down Payment on Bond Ordinances	<u>50,000</u>
Balance December 31, 2013	<u><u>\$44,298</u></u>

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2012		2013 AUTHORIZATIONS	CANCELLED	PAID OR CHARGED	BALANCE DECEMBER 31, 2013	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
08-00	Various Improvements	6/28/00	158,500	46,382	75				46,382	75
16-01/15-02	Various Improvements	9/25/02	425,000	94,462				11,150	83,312	
16-02	Acquisition of Land	9/25/02	1,400,000		153,399					153,399
20-02	Acquisition of Land	12/18/02	375,000		8,832					8,832
07-03	Various Improvements	5/18/03	48,000	5,518						
09-03	Various Improvements	7/28/03	930,500		107,400				5,518	107,400
07-04	Drainage Improvements & Purchase of Equipment	06/29/04	405,000		939					939
09-04	Improvements Along Cooper Street & West Franklin Avenue	10/12/04	500,000		46,282					46,282
19-05	Various Improvements	12/13/05	764,000		41,963					41,963
10-06	Various Improvements	04/04/06	523,000		64,579					64,579
08-07/03-08	Recreation Improvements	09/04/07	176,500		16,192					16,192
10-07	Various Improvements	12/04/07	818,200		265,520					265,520
04-08	Lincoln Ave Improvements	3/04/08	420,000		33,584					33,584
15-09	Weiman Field Improvements	12/01/09	245,000		125,050					125,050
4-11	Various Capital Improvements	05/20/11	705,000		197,359			189,826		7,533
7-11	Acquisition of Police Vehicles	10/18/11	50,000		7,262					7,262
7-12	Weinmann Field Improvements	9/18/12	400,000	20,000	380,000				158,207	130,792
9-12	Refunding 2003 Bonds	2/28/13	2,200,000			2,200,000		2,099,243		
8-13	Roadway Improvements to Cardinal Road & Adams Ave	10/1/13	1,000,000			1,000,000		34,360		950,000
Total				\$166,362	1,448,436	3,200,000	100,757	2,445,580	309,059	1,959,402

Contracts Payable
Due to Current Fund

2,445,580

Total

2,445,580

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	2013 AUTHORIZATIONS	FUNDED BY BUDGET APPROPRIATION	BOND ANTICIPATION NOTES ISSUED	GRANT	BALANCE DECEMBER 31, 2013
08-00	Various Improvements	\$75					75
16-02	Acquisition of Land	153,399					153,399
07-04	Drainage Improvements & Purchase of Equipment	23,000					23,000
10-07, 02-08	Various Improvements	130,200					130,200
15-09	Wieman Field Improvements	158,000					158,000
4-11	Various Capital Improvements	557,250				246,226	311,024
7-11	Acquisition of Police Vehicles	47,500					47,500
07-12	Weinmann Field Improvements	380,000				249,208	130,792
08-13	Roadway Improvements to Cardinal Road & Adams Ave		950,000				950,000
Total		\$1,449,424	950,000			495,434	1,903,990

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
AT DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DATE	INTEREST RATE	BALANCE		BALANCE DECEMBER 31, 2013	
					DECEMBER 31, 2012	INCREASED DECREASED		
General Bonds of 2003	11/01/03	\$3,267,000	11/01/13-23	4.500% to 5.000%	\$2,123,000	2,123,000		
Burlington County Bridge Commission Revenue Bonds, Series 2013A (Refunding of 2003 General Bonds)	2/28/13	\$1,780,000	11/1/14 11/1/15 11/1/16 11/1/17 11/1/18 11/1/19 11/1/20 11/1/21 11/1/22 11/1/23	2.00% 3.00% 3.00% 4.00% 5.00% 5.00% 5.00% 5.00% 5.00%		1,780,000	20,000	
Totals					\$2,123,000	1,780,000	2,143,000	1,760,000

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2012	INCREASED	DECREASED	BALANCE DECEMBER 31, 2013
09-05	Various Improvements	6/29/06	6/23/13	3.25%			411,000	
09-05	Various Improvements	6/29/06	6/20/14	3.25%	\$411,000	390,000		390,000
07-04	Various Drainage Improvements & Acquisition of Equipment	6/26/12	6/23/13	3.25%	267,000		267,000	
07-04	Various Drainage Improvements & Acquisition of Equipment	6/24/13	6/20/14	3.25%		256,000		256,000
09-04	Improvements Along Cooper Street & West Franklin Ave.	6/26/12	6/23/13	3.25%	72,655		72,655	
09-04	Improvements Along Cooper Street & West Franklin Ave.	6/29/06	6/20/14	3.25%		47,655		47,655
9-03	Acquisition of Land	6/29/06	6/23/13	3.25%	58,000		58,000	
9-03	Acquisition of Land	6/29/06	6/20/14	3.25%		54,000		54,000
20-02	Acquisition of Land	3/27/03	6/23/13	3.25%	114,000		114,000	
20-02	Acquisition of Land	3/27/03	6/20/14	3.25%		112,000		112,000
10-06	Various Improvements	6/28/07	6/23/13	3.25%	346,000		346,000	
10-06	Various Improvements	6/28/07	6/20/14	3.25%		324,000		324,000
02-08	Various Capital Improvements	6/27/08	6/23/13	3.25%	499,000		499,000	
02-08	Various Capital Improvements	6/27/08	6/20/14	3.25%		461,000		461,000
03-08	Recreation Improvements	6/27/08	6/23/13	3.25%	209,000		209,000	
03-08	Recreation Improvements	6/27/08	6/20/14	3.25%		201,000		201,000
04-08	Lincoln Ave Improvements	6/27/08	6/23/13	3.25%	207,000		207,000	
04-08	Lincoln Ave Improvements	6/27/08	6/20/14	3.25%		186,000		186,000

Total \$2,183,655 2,031,655 2,183,655 2,031,655

Budget Appropriation 152,000
Renewals 2,031,655 2,031,655

\$2,031,655 2,183,655

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF RESERVE FOR PRELIMINARY EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	-
Increased By:	
Transferred from Fund Balance	<u>\$78,000</u>
	78,000
Decreased By:	
Expenditures	<u>71,583</u>
Balance December 31, 2013	<u><u>\$6,417</u></u>

**Summary of Municipal Debt
(Excluding Current Debt)**

	2013	2012	2011
Issued -			
General - Bonds and Notes	\$3,791,655	4,306,655	4,964,000
Deductions - Funds Temporarily Held to Pay Notes:			
General	139,353	65,000	254,127
Net Debt Issued	3,652,302	4,241,655	4,709,873
Authorized But Not Issued:			
General - Bonds & Notes	1,903,990	1,449,424	1,069,424
Net Debt	\$5,556,292	5,691,079	5,779,297

**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 .94%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District	\$705,000	705,000	
General Debt	5,695,645	139,353	5,556,292
Total	\$6,400,645	844,353	5,556,292

Net debt, \$5,556,292, divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$604,870,187 equals .92%.

Equalized Valuation Basis:

2013	\$653,806,610
2012	574,063,582
2011	586,740,370
Average	\$604,870,187

Borrowing Power Under 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	\$21,170,457
Net Debt	5,556,292
Remaining Borrowing Power	\$15,614,165

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

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

	<u>YEAR 2013</u>		<u>YEAR 2012</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Revenue and Other Income Realized				
Fund Balance Utilized	\$433,000	2.63%	418,000	4.02%
Miscellaneous - From Other Than Local Property Tax Levies	1,654,419	10.04%	1,682,744	9.82%
Collection of Delinquent Taxes & Tax Title Liens	214,242	1.30%	325,662	1.74%
Collection of Current Tax Levy	<u>14,180,280</u>	<u>86.04%</u>	<u>14,103,311</u>	<u>84.42%</u>
Total Income	<u>16,481,941</u>	<u>100.00%</u>	<u>16,529,717</u>	<u>100.00%</u>
Expenditures				
Budget Expenditures - Municipal Purposes	5,359,246	33.75%	5,239,317	33.57%
County Taxes	2,172,551	13.68%	2,217,126	15.09%
Local & Regional School Taxes	7,956,986	50.10%	7,849,518	49.09%
Fire District Taxes	328,882	2.07%	322,434	1.93%
Other Expenditures	<u>63,431</u>	<u>0.40%</u>	<u>83,173</u>	<u>0.32%</u>
Total Expenditures	<u>15,881,096</u>	<u>100.00%</u>	<u>15,711,568</u>	<u>100.00%</u>
Excess in Revenue to Fund Balance	<u>600,845</u>		<u>818,149</u>	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>25,000</u>		<u>1,291</u>	
Statutory Excess to Fund Balance	<u>625,845</u>		<u>819,440</u>	
Fund Balance January 1	1,394,074		992,634	
Less:				
Utilization as Anticipated Revenue	<u>433,000</u>		<u>418,000</u>	
Fund Balance December 31	<u>\$1,586,919</u>		<u>1,394,074</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.

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2013	\$14,515,739	14,180,280	97.69%
2012	14,364,324	14,103,311	98.18%
2011	14,396,898	13,880,132	96.41%
2010	14,292,242	13,880,132	97.12%
2009	13,834,986	13,545,756	97.91%

Comparison of Tax Rate Information

	2013	2012	2011
Total Tax Rate	<u>\$2.369</u>	<u>\$2.323</u>	<u>\$2.314</u>
Apportionment of Tax Rate:			
Municipal	0.649	0.629	0.609
County	0.356	0.360	0.381
Local School	1.300	1.272	1.264
Fire District Tax	0.054	0.053	0.051
Open Space Tax	0.010	0.009	0.009

Net Valuation Taxable:

2013	<u>\$611,846,219</u>		
2012		<u>\$617,316,981</u>	
2011			<u>\$622,157,736</u>

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2013	\$51,255	292,213	343,468	2.37%
2012	4,809	236,358	241,167	1.68%
2011	3,508	333,450	336,958	2.34%

**Property Acquired by Tax
Title Lien Liquidation**

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

Year	Amount
2013	\$3,094,800
2012	3,094,800
2011	3,094,800
2010	666,000
2009	666,000

Comparative Schedule of Fund Balance

	Current Fund	December 31	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
2013		\$1,586,919	430,000	27.10%
2012		1,394,074	433,000	31.06%
2011		992,634	418,000	42.11%
2010		470,431	256,000	54.42%
2009		700,019	481,946	68.85%

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	TITLE	AMOUNT OF BOND	NAME OF CORPORATE SURETY
John Mcelwee	Mayor		B
Joseph T. Pullion, Jr.	Deputy Mayor		B
Darrel Booker	Committeeman		B
Michael Trainor	Committeeman		B
Scott Kercher	Committeeman		B
Linda Dougherty	Township Administrator, Township Clerk, Municipal Improvement Search Officer, Secretary to Chief Financial Officer, Registrar of Dogs		B
Margaret Peak	Certified Municipal Finance Officer to 8/29/13	\$200,000	A
Linda Lewis	Certified Municipal Finance Officer Effective 9/1/13	\$200,000	A
Tanyika Johns	Tax Collector/Deputy Clerk Statistics	\$125,000	A
James Vogdes	Municipal Court Judge	\$ 35,000	A
Ann DiMarco	Court Administrator		B
Terri Lynn Harper	Deputy Court Administrator		B
James Scott	Construction Code Official		B
James Duda	Tax Assessor		B
William Kearns	Solicitor		
Environmental Resolutions, Inc. Engineer			

(A) RLI Insurance Company

(B) Municipal Excess Liability Joint Insurance Fund - \$1,000,000 blanket bond

TOWNSHIP OF EDGEWATER PARK

PART II

GENERAL COMMENTS AND FINDINGS

YEAR ENDED DECEMBER 31, 2013

JOHN J. MALEY, JR.

Certified Public Accountant

Registered Municipal Accountant

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MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Mayor and
Members of the Township Committee
Township of Edgewater Park
Edgewater Park, New Jersey 08010

We have audited the financial statements and transactions of the Township of Edgewater Park in the County of Burlington for the year ended December 31, 2013. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$26,000 through August 31, 2013 and \$36,000 thereafter except by contract or agreement. The amount increased due to hiring a qualified purchasing agent September 1, 2013 and prior to this date an employee was in training to become a qualified purchasing agent.

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

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

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

Contracts and Agreements Requiring Solicitation of Quotations

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

Collection of Interest on Delinquent Taxes

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

The governing body on January 5, 2013 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the Township Committee of the Township of Edgewater Park, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2013, included 2013, 2010 and 2006 real estate taxes only.

The last tax sale was held on September 12, 2013 and was complete.

Municipal Court

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

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

FINDINGS

General Ledger

***Finding 2013-01:**

Criteria:

The current fund general ledger must be properly maintained and completed with all required journal entries.

Condition:

It was noted that the current fund general ledger was not properly maintained and completed with all required journal entries.

Cause:

Oversight of Township personnel.

Effect:

The current fund general ledger was not maintained and completed on a timely basis.

Recommendation:

The current fund general ledger must be completed with all the required entries on a timely basis.

Escrow Trust Funds

***Finding 2013-02:**

Criteria:

The escrow trust fund analysis must be properly maintained and reconciled to the general ledger.

Condition:

It was noted that the escrow trust fund analysis was not properly maintained and updated.

Cause:

Oversight of Township personnel.

Effect:

There is a potential that individual escrow accounts do not reflect correct balances.

Recommendation:

The escrow trust fund analysis must be properly maintained and reconciled to the general ledger.

Cash Reconciliations

Finding 2013-03:

Criteria:

Bank reconciliations must be prepared monthly and agreed to the general ledger.

Condition:

The Current Fund bank reconciliations were not routinely prepared and agreed to the general ledger.

Cause:

Unkonwn.

Effect:

Rerecording errors in the general ledger were not detected or corrected on a timely basis.

Recommendation:

Bank reconciliations must be prepared monthly and agreed to the general ledger.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. It was noted that all prior year findings still exist marked above with an asterisk (*).

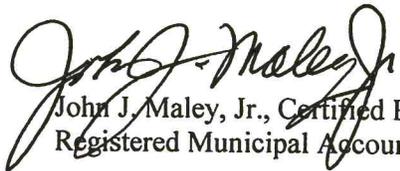
Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

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

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

Respectfully submitted,



John J. Maley, Jr., Certified Public Accountant
Registered Municipal Accountant No.218

August 1, 2014