

*Report of Audit*  
*on the*  
*Financial Statements*  
*of the*  
*Borough of Roselle*  
*in the*  
*County of Union*  
*New Jersey*  
*for the*  
*Fiscal Year Ended*  
*June 30, 2010*

BOROUGH OF ROSELLE

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BOROUGH OF ROSELLE

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS

FINANCIAL STATEMENTS – STATUTORY BASIS

NOTES TO FINANCIAL STATEMENTS – STATUTORY BASIS

FISCAL YEARS ENDED JUNE 30, 2010 AND 2009



# **SUPLEE, CLOONEY & COMPANY**

**CERTIFIED PUBLIC ACCOUNTANTS**

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

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## **INDEPENDENT AUDITOR'S REPORT**

**The Honorable Mayor and Members  
of the Borough Council  
Borough of Roselle  
County of Union  
Roselle, New Jersey 07203**

We have audited the accompanying financial statements - statutory basis of the various individual funds of the Borough of Roselle, County of Union, New Jersey as of June 30, 2010 and for the fiscal year ended June 30, 2010, listed as financial statements - statutory basis in the foregoing table of contents. These financial statements - statutory basis are the responsibility of the management of the Borough of Roselle, County of Union. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, except for the omission of a Statement of General Fixed Assets, the Borough of Roselle, County of Union, prepares its financial statements on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

## SUPLEE, CLOONEY & COMPANY

In our opinion, because the Borough of Roselle prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the various individual funds of the Borough of Roselle, County of Union, as of June 30, 2010 and 2009 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the fiscal year ended June 30, 2010.

However, in our opinion, except for the omission noted in the third paragraph, the financial statements - statutory basis present fairly, in all material respects, the financial position - statutory basis of the various individual funds of the Borough of Roselle, County of Union, as of June 30, 2010 and 2009, and the results of its operations and changes in fund balance - statutory basis for the fiscal years then ended and the revenues, expenditures and changes in fund balance - statutory basis for the fiscal year ended June 30, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated June 8, 2011 on our consideration of the Borough of Roselle's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements - statutory basis taken as a whole. The information included in the schedules of federal awards and state financial assistance and the other supplementary schedules and data listed in the table of contents is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 8, 2011

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CURRENT FUND

BOROUGH OF ROSELLE

CURRENT FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2010</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2009</u>
<u>ASSETS</u>			
Cash	A-4	\$ 4,809,211.54	\$ 4,865,630.00
Change Fund	A-5	400.00	400.00
Due From State of New Jersey-Senior Citizens and Veterans Deductions	A-13	141,037.63	142,514.97
		<u>\$ 4,950,649.17</u>	<u>\$ 5,008,544.97</u>
Receivable and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 2,585,485.32	\$ 2,013,083.19
Tax Title Liens Receivable	A-9	10,825.01	8,871.98
Property Acquired For Taxes-Assessed Valuation	A-10	2,027,232.00	2,027,232.00
Revenue Accounts Receivable	A-11	30,276.49	29,541.69
Interfunds Receivable	A-16	98,882.87	69,719.04
Roselle Public Library Receivable	A-15	19,917.54	
	A	<u>\$ 4,772,619.23</u>	<u>\$ 4,148,447.90</u>
Deferred Charges:			
Overexpenditure of Appropriations	A-25	\$ 39,363.69	
Overexpenditure of Appropriation Reserves	A-25	14,365.21	11,451.63
Expenditure without an Appropriation	A-25	10,028.06	21,425.65
		<u>\$ 63,756.96</u>	<u>\$ 32,877.28</u>
Grant Fund:			
Due Current Fund	A-19	\$	\$ 50,782.04
Federal and State Grants Receivable	A-7	4,505,952.52	2,080,743.81
		<u>4,505,952.52</u>	<u>2,131,525.85</u>
		<u>\$ 14,292,977.88</u>	<u>\$ 11,321,396.00</u>

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

BOROUGH OF ROSELLE

CURRENT FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2010</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3:A-17	\$ 1,728,395.54	\$ 1,513,599.23
Encumbrances Payable	A-24	854,022.85	886,087.51
Prepaid Taxes	A-21	64,751.39	53,084.17
Tax Overpayments	A-6	232,250.24	104,068.70
Interfunds Payable	A-16	885,510.35	776,577.88
Sale of Municipal Assets	A-12		71,790.00
Due State of New Jersey	A-27	250,000.00	
Due State of New Jersey - DCA Fees	A-28	2,148.00	
		\$ 4,017,078.37	\$ 3,405,207.49
Reserve for Receivables and Other Assets	A	4,772,619.23	4,148,447.90
Fund Balance	A-1	997,327.76	1,638,214.76
		\$ 9,787,025.36	\$ 9,189,870.15
Grant Fund:			
Due Current Fund	A-19	\$ 62,256.21	\$
Due Trust Other Fund	A-20	150,000.00	100,000.00
Encumbrances Payable	A-26	362,623.02	132,569.25
Federal and State Grants Appropriated	A-14	3,878,851.42	1,860,612.37
Federal and State Grants Unappropriated	A-18	52,221.87	38,344.23
		\$ 4,505,952.52	\$ 2,131,525.85
		\$ 14,292,977.88	\$ 11,321,396.00

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE  
IN FUND BALANCE - STATUTORY BASIS

	REF.	YEAR ENDED JUNE 30, 2010	YEAR ENDED JUNE 30, 2009
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-1:A-2	\$ 1,300,000.00	345,662.00
Miscellaneous Revenue Anticipated	A-2	8,042,169.34	7,276,465.82
Receipts From Delinquent Taxes	A-2	1,756,481.85	2,003,193.82
Receipts From Current Taxes	A-2	54,316,052.37	53,383,500.80
Non-Budget Revenue	A-2	153,051.83	186,197.32
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-17	1,079,527.83	1,177,753.26
Prepaid Revenue Applied			13,900.00
Interfunds Returned			207,615.96
<u>TOTAL INCOME</u>		<u>\$ 66,647,283.22</u>	<u>\$ 64,594,288.98</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Appropriations Within "CAPS":			
Operations:	A-3	\$ 23,272,915.25	\$ 24,741,080.00
Deferred Charges and Statutory Expenditures	A-3	1,753,972.07	519,000.00
Excluded From "CAPS"			
Other Operations	A-3	8,192,953.37	5,035,399.83
Capital Improvement Fund	A-3	25,000.00	100,000.00
Municipal Debt Service	A-3	1,971,580.48	2,996,368.57
Deferred Charges	A-3	260,000.00	
County Taxes	A-22	6,603,487.77	6,263,241.46
Due County for Added and Omitted Taxes	A-22	23,946.27	9,494.87
Local District School Tax	A-23	23,438,800.00	23,438,800.00
Expenditure without Appropriation	A-25	39,363.69	
Overexpenditure of Appropriation Reserves	A-25	14,365.21	
Refund Prior Year Revenue	A-4	404,461.70	80,916.49
Interfunds Advanced		29,163.83	
Library Advanced		19,917.54	
<u>TOTAL EXPENDITURES</u>		<u>\$ 66,049,927.18</u>	<u>\$ 63,184,301.22</u>
Excess Revenue		\$ 597,356.04	\$ 1,409,987.76
Adjustments to Income Before Surplus:			
Expenditures Included above which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-25	<u>63,756.96</u>	
Excess in Revenue		\$ 661,113.00	\$ 1,409,987.76
<u>Fund Balance</u>			
Balance, July 1	A	<u>1,836,214.76</u>	<u>571,889.00</u>
Decreased by:			
Utilized As Anticipated Revenue	A-1:A-2	<u>1,300,000.00</u>	<u>345,662.00</u>
Balance, June 30	A	<u>\$ 997,327.76</u>	<u>\$ 1,836,214.76</u>

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED JUNE 30, 2010

	REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
		BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 1,300,000.00	\$	\$ 1,300,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverage	A-11	\$ 17,000.00	\$	\$ 14,050.00	\$ (2,950.00)
Other	A-2	15,000.00		9,277.00	(5,723.00)
Fees and Permits	A-2	150,000.00		151,723.67	1,723.67
Fines and Costs:					
Municipal Court	A-11	410,000.00		392,956.14	(17,043.86)
Interest and Costs on Taxes	A-11	410,000.00		191,020.57	(218,979.43)
Parking Meters	A-11	19,000.00		22,898.16	3,898.16
Interest on Investments and Deposits	A-11	75,000.00		34,975.82	(40,024.18)
Suburban Cable Franchise Tax	A-11	46,000.00		81,172.41	15,172.41
Consolidated Municipal Property Tax Relief Act	A-11	1,280,887.00		1,280,887.00	
Energy Receipts Tax	A-11	1,677,297.00		1,677,297.00	
Uniform Construction Code Fees	A-2	190,000.00		221,593.00	31,593.00
Body Armor Grant	A-7		1,867.40	1,867.40	
Recycling Tonnage Grant	A-7	10,879.85		10,879.85	
Municipal Alliance	A-7		17,654.28	17,654.28	
Clean Communities	A-7	27,464.38		27,464.38	
UEZ Administration Grant	A-7		70,000.00	70,000.00	
UEZ Police Patrol	A-7	143,750.09		143,750.09	
Edward Byrne Memorial Justice Grant	A-7		48,281.00	48,281.00	
Summer Food Program Grant	A-7		65,831.83	65,831.83	
NJ Stabilization Grant	A-7		2,500,000.00	2,500,000.00	
Local Public Health Emergency H1N1 Grant	A-7		71,058.00	71,058.00	
CDBG	A-7		240,273.00	240,273.00	
Library Pension Contribution	A-11	28,280.00		28,280.00	
General Capital Fund Surplus	A-11	69,415.00		69,415.00	
Uniform Fire Safety Act	A-11	20,000.00		33,343.35	13,343.35
Ambulance Revenue	A-2	300,000.00		447,880.39	147,880.39
P.I.L.O.T. East Third	A-11	18,125.00			(18,125.00)
P.I.L.O.T. West 1st Ave	A-11	5,000.00		2,750.00	(2,250.00)
P.I.L.O.T. Senior Housing Corp. 2006	A-11	66,900.00		66,900.00	
P.I.L.O.T. Senior Housing Corp. 2009	A-11	66,900.00		66,900.00	
P.I.L.O.T. Urban Renewal	A-11	55,000.00			(55,000.00)
Sale of Assets	A-12	71,790.00		71,790.00	
	A-1	\$ 5,173,686.32	\$ 3,014,965.51	\$ 8,042,169.34	\$ (146,484.49)
Receipts From Delinquent Taxes	A-2:A-8	\$ 2,000,000.00		\$ 1,756,481.85	\$ (243,518.15)
Property Tax for Support of Municipal Budget Appropriations	A-1:A-8	\$ 26,503,831.80		\$ 26,775,818.33	\$ 271,986.53
<u>Budget Totals</u>		\$ 34,977,520.12	\$ 3,014,965.51	\$ 37,874,469.52	\$ (118,016.11)
Non-Budget Revenue	A-1:A-2			153,051.83	153,051.83
		\$ 34,977,520.12	\$ 3,014,965.51	\$ 38,027,521.35	\$ 3,050,001.23
	REF.	A-3	A-3		

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED JUNE 30, 2010

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Collection on a Cash Basis	A-1:A-8	\$ 54,316,052.37
Allocated To:		
School and County Taxes		<u>30,066,234.04</u>
Support of Municipal Budget Appropriations		\$ 24,249,818.33
Add: Appropriation for Reserve for Uncollected Taxes	A-3	<u>2,526,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	\$ <u>26,775,818.33</u>
Licenses-Other:		
Borough Clerk	A-11	\$ 2,893.00
Board of Health/Vital Statistics	A-11	<u>6,384.00</u>
	A-2	\$ <u>9,277.00</u>
Fees and Permits - Other:		
Borough Clerk	A-11	\$ 11,483.99
Police Chief	A-11	10,562.35
Fire Chief	A-11	30,552.98
Engineer	A-11	585.00
Board of Health/Vital Statistics	A-11	7,082.14
Public Works	A-11	10,594.68
Planning/Zoning	A-11	17,608.81
Tax Collector	A-11	278.97
Recreation	A-11	<u>71,649.75</u>
		\$ 180,398.67
Less: Refunds	A-4	<u>8,875.00</u>
	A-2	\$ <u>151,723.67</u>
Construction Code Official		
Fees & Permits	A-11	\$ 222,477.00
Less: Refunds	A-4	<u>884.00</u>
	A-2	\$ <u>221,593.00</u>
Ambulance Fees	A-11	448,320.39
Less: Refunds	A-4	<u>440.00</u>
	A-2	\$ <u>447,880.39</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Rent		\$ 33,189.85
Bad Check Fees		735.93
Restitution		7,825.04
Miscellaneous		65,355.47
Reimbursement of Costs		8,060.96
Unclaimed Bail		15,132.51
Senior Citizen and Veterans Administrative Fee		3,195.00
Bad Inspection Fines		12,829.58
Small Maintenance		<u>6,727.49</u>
	A-2:A-4	\$ <u>153,051.83</u>

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED JUNE 30, 2019

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVEREXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>GENERAL GOVERNMENT</b>						
Administrative and Executive:						
Salaries and Wages	\$ 180,000.00	\$ 180,000.00	\$ 181,388.10	\$ 18,814.80	\$	\$
Other Expenses	182,000.00	182,000.00	151,801.79	308.21		
Borough Clerk:						
Salaries and Wages	168,000.00	168,000.00	182,372.38	6,827.84		
Other Expenses	88,000.00	88,000.00	75,482.18	10,847.81		
Borough Council:						
Salaries and Wages	68,100.00	68,100.00	68,042.88	57.31		
Other Expenses	48,000.00	36,000.00	25,087.58	10,832.44		
Human Resources:						
Other Expenses	100,000.00	100,000.00	72,433.18	27,566.82		
Financial Administration:						
Salaries and Wages	250,000.00	240,000.00	228,444.84	11,555.16		
Other Expenses	90,000.00	90,000.00	88,983.74	10.26		
Annual Audit	65,000.00	65,000.00	70,175.00	14,825.00		
Assessment of Taxes:						
Salaries and Wages	153,000.00	153,000.00	151,218.42	1,781.58		
Other Expenses	75,000.00	75,000.00	67,208.84	7,790.16		
Collection of Taxes (Revenue Administration):						
Salaries and Wages	55,000.00	55,000.00	53,201.05	1,798.95		
Other Expenses	20,000.00	20,000.00	15,452.88	4,547.01		
Legal Services and Costs:						
Salaries and Wages	64,000.00	44,000.00	38,538.58	7,461.44		
Other Expenses	208,000.00	228,000.00	181,177.53	46,822.47		
Prosecutor:						
Salaries and Wages	30,000.00	30,000.00	28,988.84	0.16		
Other Expenses	1,000.00	1,000.00		1,000.00		
Engineering Services and Costs:						
Other Expenses	80,000.00	80,000.00	71,004.50	8,995.50		
Public Buildings and Grounds:						
Salaries and Wages	28,000.00	28,000.00	25,003.41	998.59		
Other Expenses	144,000.00	144,000.00	113,848.71	30,354.29		
Municipal Land Use Law (N.J.S. 44-56D-1):						
Planning Board:						
Salaries and Wages	10,000.00	10,000.00	8,889.88	3,000.02		
Other Expenses	5,000.00	5,000.00	2,047.02	2,952.98		
Zoning Board of Adjustment:						
Salaries and Wages	128,000.00	128,000.00	128,486.26			486.26
Other Expenses	15,000.00	15,000.00	7,180.73	7,809.27		
Redevelopment Agency:						
Other Expenses	20,000.00	10,000.00	1,748.00	8,252.00		
Shade Tree Commission:						
Salaries and Wages	11,000.00	11,000.00	3,711.08	7,288.92		
Other Expenses	75,000.00	61,000.00	32,170.40	28,829.60		
<b>PUBLIC SAFETY</b>						
Fire Department:						
Salaries and Wages	2,875,000.00	2,820,000.00	2,918,286.81	4,734.38		
Other Expenses	130,000.00	130,000.00	128,886.47	13.53		
Police Department:						
Salaries and Wages	5,586,000.00	5,886,000.00	5,858,887.10	6,332.80		
Other Expenses	201,100.00	211,108.00	208,781.88	2,336.14		
Traffic Control-School Crossing Guards:						
Salaries and Wages	180,000.00	210,008.00	208,280.38	1,708.61		
Other Expenses	3,880.00	3,880.00		3,880.00		
Emergency Management Services:						
Salaries and Wages	7,500.00	7,500.00	8,282.13	1,237.87		
Other Expenses	85,000.00	85,000.00	84,503.78	496.22		
Streets and Roads:						
Salaries and Wages	1,458,000.00	1,358,000.00	1,272,822.75	83,377.25		
Other Expenses	124,000.00	124,000.00	110,218.48	13,781.51		
Union County S.L.A.P. Program:						
Other Expenses	45,000.00	45,000.00	29,558.18	15,440.82		
Maintenance of Vehicles:						
Other Expenses	138,000.00	148,000.00	138,886.44	10,111.56		
Recycling:						
Other Expenses	233,000.00	233,000.00	231,538.88	1,463.12		
Solid Waste Collection:						
Other Expenses	1,780,000.00	1,880,000.00	1,443,002.84	248,987.38		
Snow Removal:						
Salaries & Wages	25,000.00	25,000.00	25,000.00			
Other Expenses	50,000.00	50,000.00	31,686.04	18,314.88		

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

**BOROUGH OF ROSELLE**

**CURRENT FUND**

**STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED JUNE 30, 2018**

	APPROPRIATIONS		EXPENDED		UNEXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	OVEREXPENDED
<b>HEALTH AND WELFARE</b>						
Board of Health						
Salaries and Wages	\$ 180,000.00	\$ 200,000.00	\$ 194,950.72	\$ 5,349.28	\$	\$
Other Expenses	113,000.00	113,000.00	88,864.08	23,036.92		
<b>RECREATION AND EDUCATION</b>						
Community Services: (Communities Center)						
Salaries and Wages	36,000.00	36,000.00	21,394.01	13,606.99		
Other Expenses	5,000.00	5,000.00	2,736.08	2,264.94		
Recreation (Parks & Playground)						
Salaries and Wages	133,000.00	133,000.00	118,773.58	18,226.42		
Other Expenses	83,000.00	83,000.00	41,480.80	41,539.40		
Other Expenses -Outside Programs	27,000.00	27,000.00	18,878.12	8,121.88		
Municipal Court						
Salaries and Wages	280,000.00	280,000.00	277,087.06	2,912.36		
Other Expenses	28,750.00	28,750.00	20,438.97	8,314.03		
Public Employees' Occupational Safety Health Act						
Other Expenses	10,000.00	10,000.00	4,287.90	5,712.10		
Public Defender						
Salaries and Wages	18,000.00	18,000.00	8,115.30	9,884.70		
<b>UNIFORM CONSTRUCTION CODE- APPROPRIATIONS OFFSET BY DEDICATED REVENUE IN I.A.C. § 23-1.12</b>						
Construction Code Offset:						
Salaries and Wages	175,000.00	175,000.00	180,841.58	14,158.48		
Other Expenses	15,660.00	15,660.00	4,686.77	10,963.23		
Insurance:						
Group Insurance Plan for Employees	3,982,400.00	3,982,400.00	3,986,238.18	17,161.82		
Workers' Compensation (Insurance Trust Fund)	500,000.00	500,000.00	388,546.00	110,454.00		
Other Insurance Premiums	800,000.00	800,000.00	783,830.52	16,069.48		
<b>UNCLASSIFIED</b>						
Gasoline	190,000.00	190,000.00	199,188.37	20,810.83		
Electricity	130,000.00	155,000.00	125,780.85	29,219.15		
Natural Gas	60,000.00	70,000.00	37,012.84	32,987.12		
Telephone & Telegraph	170,000.00	170,000.00	163,740.61	6,259.39		
Street Lighting	270,000.00	270,000.00	234,623.80	35,376.20		
Fire Hydrant Service	275,000.00	275,000.00	219,283.68	55,736.32		
Heating Oil	8,000.00	8,000.00		8,000.00		
Water	10,000.00	10,000.00	4,987.18	5,002.84		
Accumulated Leave Compensation	150,000.00	150,000.00	51,995.48	98,004.52		
Salary and Wage Adjustment	382,000.00	382,000.00		382,000.00		
Municipal Services Act	8,000.00	8,000.00		8,000.00		
Contingent	5,000.00	5,000.00		5,000.00		
<b>TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPE"</b>	<b>23,286,469.00</b>	<b>23,272,450.00</b>	<b>21,827,833.33</b>	<b>1,645,281.82</b>		<b>486.25</b>
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL</b>						
Statutory Expenditures:						
Contributions To:						
Social Security System (O A & I.)	473,000.00	473,000.00	458,124.48	18,875.52		
Police & Firemen's Retirement System of N.J.	1,027,211.11	1,027,211.11	1,027,211.11			
Public Employees Retirement System of N.J.	158,043.86	158,043.86	158,043.86			
Public Employees Retirement System of N.J. - Library	14,838.83	14,838.83	14,838.83			
State Unemployment Insurance	40,000.00	50,000.00	50,000.00			
Deferred Charges:						
Expenditure without Appropriation	21,425.86	21,425.86	21,425.86			
Overexpenditure of Appropriation Reserves	11,451.83	11,451.83	11,451.83			
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES- MUNICIPAL WITHIN "CAPE"</b>	<b>1,743,972.87</b>	<b>1,753,972.07</b>	<b>1,737,088.56</b>	<b>16,875.82</b>		
<b>TOTAL GENERAL APPROPRIATIONS WITHIN "CAPE"</b>	<b>\$ 25,030,442.87</b>	<b>\$ 25,026,422.07</b>	<b>\$ 23,564,921.89</b>	<b>\$ 1,662,157.64</b>		<b>\$ 486.25</b>

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

**BOROUGH OF ROSELLE**

**CURRENT FUND**

**STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED JUNE 30, 2010**

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVEREXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>OPERATIONS EXCLUDED FROM "CAPE"</b>						
Maintenance of Free Public Library	\$ 618,200.00	\$ 618,200.00	\$ 618,200.00	\$	\$	
Sewerage Disposal-Linden/Roselle Sewerage Authority	2,700,000.00	2,700,000.00	2,643,441.86	56,558.10		
Police Communication Operators:						
Salaries and Wages	266,000.00	270,000.00	279,882.61			9,582.61
Other Expenses	7,650.00	7,650.00	1,870.00	5,880.00		
Police & Firemen's Retirement System of N.J.	924,119.88	924,119.88	924,119.88			
Public Employees Retirement System of N.J.	161,363.16	151,363.16	161,363.16			
Public Employees Retirement System of N.J. - Library	13,440.17	13,440.17	13,440.17			
Group Insurance Plan for Employees	167,900.00	167,900.00	167,900.00			
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>						
Animal Control Contract - City of Linden	32,000.00	32,000.00	28,878.00	2,128.00		
<b>STATE AND FEDERAL PROGRAMS OFF-SET BY REVENUES</b>						
NJDOA - Summer Food (NJBA: 40A-4-87 \$86,831.83)		86,831.83	86,831.83			
Clean Communities Program	27,484.38	27,484.38	27,484.38			
Body Armor Grant (NJBA: 40A-4-87 \$1,867.40)		1,867.40	1,867.40			
Alcohol Education and Rehabilitation (NJBA: 40A-4-87 \$1,156.28)		1,156.28	1,156.28			
Municipal Alliance - Local (NJBA: 40A-4-87 \$4,125.00)		4,125.00	4,125.00			
Municipal Alliance - County (NJBA: 40A-4-87 \$16,486.00)		16,486.00	16,486.00			
UEZ Clean Team Program Grant:						
Administration - Grant (NJBA: 40A-4-87 \$70,000.00)		70,000.00	70,000.00			
Administration - Local Match (NJBA: 40A-4-87 \$80,000.00)		80,000.00	80,000.00			
Police Patrol	143,750.00	143,750.00	143,750.00			
Police Patrol Match	36,837.82	36,837.82	36,837.82			
Neighborhood (NJBA: 40A-4-87 \$2,500,000.00)		2,500,000.00	2,500,000.00			
Byrne Memorial Justice (NJBA: 40A-4-87 \$48,281.00)		48,281.00	48,281.00			
CDBG Community (NJBA: 40A-4-87 \$240,273.00)		240,273.00	240,273.00			
Recycling Tonnage Grant	10,878.86	10,878.86	10,878.86			
Public Health Emergency H1N1 (NJBA: 40A-4-87 \$71,058.00)		71,058.00	71,058.00			
Matching Funds for Grants	66,000.00	1,875.00		1,875.00		
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPE"</b>	<b>5,184,428.06</b>	<b>6,183,380.56</b>	<b>6,128,715.27</b>	<b>66,238.10</b>		<b>9,582.81</b>
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
<b>TOTAL CAPITAL IMPROVEMENT EXCLUDED FROM "CAPE"</b>	<b>25,000.00</b>	<b>25,000.00</b>	<b>25,000.00</b>			
<b>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPE"</b>						
Payment of Bond Principal	1,280,000.00	1,280,000.00	1,280,000.00			
Notes Principal	27,850.00	27,850.00	27,850.00			
Interest on Bonds	327,868.00	327,868.00	327,868.00			
Interest on Notes	130,000.00	130,000.00	126,887.83		82.17	
Loan Repayment for Principal & Interest (Green Trust)	13,572.00	13,572.00	13,571.86		0.36	
U.C. Improvement Authority Lease	182,382.00	182,382.00	182,382.00			
<b>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPE"</b>	<b>1,971,673.00</b>	<b>1,971,673.00</b>	<b>1,971,589.49</b>		<b>82.53</b>	
<b>DEFERRED CHARGES</b>						
Deferred Charge to Future Taxation Unfunded Ordinance # 2313	280,000.00	280,000.00	280,000.00			
<b>TOTAL DEFERRED CHARGES</b>	<b>280,000.00</b>	<b>280,000.00</b>	<b>280,000.00</b>			
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPE"</b>						
	<b>7,421,098.06</b>	<b>10,440,053.56</b>	<b>10,389,285.76</b>	<b>66,238.10</b>	<b>82.53</b>	<b>9,582.81</b>
SUB-TOTAL GENERAL APPROPRIATIONS	32,481,520.12	35,488,486.63	33,748,028.63	1,728,386.54	82.53	10,028.08
RESERVE FOR UNCOLLECTED TAXES	2,528,000.00	2,528,000.00	2,528,000.00			
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 34,877,520.12</b>	<b>\$ 37,892,486.63</b>	<b>\$ 36,274,028.63</b>	<b>\$ 1,728,386.54</b>	<b>\$ 82.53</b>	<b>\$ 10,028.08</b>
REF.	A-2		A-1	A-A-1		A-25
Budget	A-3	\$ 34,877,520.12				
Appropriation by 40A-4-87	A-2	3,014,966.51				
		\$ 37,892,486.63				
Reserve for Grants	A-14		\$ 3,287,122.36			
Deferred Charges			32,877.28			
Reserve for Uncollected Taxes	A-2		2,528,000.00			
Encumbrances Payable	A-24		760,882.38			
Cash Disbursements	A-4		29,708,344.91			
Less Refunded	A-4		36,344,646.94			
			70,528.31			
			\$ 36,274,028.63			

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

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TRUST FUND

"B"

BOROUGH OF ROSELLE

TRUST FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE JUNE 30, 2010</u>	<u>BALANCE JUNE 30, 2009</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	B-1	\$ 9,882.31	\$ 8,214.98
Other Trust Funds:			
Cash	B-1	\$ 1,254,728.08	\$ 853,892.82
Due From County of Union	B-10	30,667.74	31,489.84
Due Current Fund	B-14	306,026.96	704,975.85
Due Federal and State Grants Fund	B-17	150,000.00	100,000.00
		<u>\$ 1,741,422.78</u>	<u>\$ 1,690,358.51</u>
		<u>\$ 1,751,305.09</u>	<u>\$ 1,698,573.49</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE:</u>			
Animal Control Fund:			
Due Current Fund	B-3	\$ 5,850.22	\$ 6,122.69
Due State of New Jersey	B-4	63.40	76.00
Reserve for Expenditures	B-5	3,968.69	2,016.29
		<u>\$ 9,882.31</u>	<u>\$ 8,214.98</u>
Other Trust Funds:			
Tax Title Lien Redemption	B-2	109,546.98	92,379.76
Public Defender	B-6	19,467.69	13,889.64
Tax Sale Premiums	B-7	776,500.00	911,200.00
State Unemployment Insurance	B-8	40,123.16	58,656.95
Payroll Deductions Payable	B-9	75,063.07	109,843.44
Community Development Block Grants	B-11	25,308.24	7,887.04
Special Law Enforcement	B-12	63,948.70	63,253.91
Miscellaneous Reserves	B-13	190,013.94	145,060.27
Due General Capital Fund	B-15	426,188.00	260,000.00
Due to Public Assistance Trust Fund	B-16	840.00	840.00
Due State of New Jersey	B-18	755.00	1,010.00
Parking Offense Adjudication Act Fund	B-19	13,668.00	15,949.50
Accounts Payable	B-20		10,368.00
		<u>\$ 1,741,422.78</u>	<u>\$ 1,690,358.51</u>
		<u>\$ 1,751,305.09</u>	<u>\$ 1,698,573.49</u>

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

GENERAL CAPITAL FUND

"C"

**BOROUGH OF ROSELLE**  
**GENERAL CAPITAL FUND**  
**BALANCE SHEETS - STATUTORY BASIS**

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2010</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2009</u>
<b><u>ASSETS</u></b>			
Cash	C-2;C-3	\$ 1,222,839.60	\$ 3,082,533.59
Grants Accounts Receivable	C-7	6,527,708.55	6,667,313.00
Due Other Trust Fund	C-13	426,188.00	260,000.00
Deferred Charges to Future Taxation:			
Funded	C-4	6,701,276.00	8,002,454.00
Unfunded	C-5	14,848,029.80	13,606,422.00
Due Current Fund	C-15	579,483.39	
		<u>\$ 30,305,525.34</u>	<u>\$ 31,618,722.59</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
General Serial Bonds	C-11	\$ 6,590,000.00	\$ 7,880,000.00
Green Acres Loan Payable	C-9	111,276.00	122,454.00
Bond Anticipation Notes	C-14	5,336,981.00	5,364,831.00
Due Current Fund	C-15		14,861.25
Capital Improvement Fund	C-6	373,540.00	417,340.00
Contracts Payable	C-10	2,645,746.22	723,303.85
Reserve for Grants Receivable	C-7	3,144,445.80	3,055,000.00
Reserve for the Payment of Debt	C-12	6,118.00	6,118.00
Improvement Authorizations:			
Funded	C-8	2,372,129.04	3,011,043.56
Unfunded	C-8	9,702,086.38	10,954,355.88
Fund Balance	C-1	23,202.90	69,415.05
		<u>\$ 30,305,525.34</u>	<u>\$ 31,618,722.59</u>

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

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - STATUTORY BASIS

	<u>REF.</u>	
Balance, June 30, 2009	C	\$ 69,415.05
Increased by:		
Premium on Bond Anticipation Notes Issued	C-2	<u>23,202.85</u>
		\$ 92,617.90
Decreased by:		
Appropriation to Finance Improvement Authorization	C-2	<u>69,415.00</u>
Balance, June 30, 2010	C	\$ <u><u>23,202.90</u></u>

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

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**AFFORDABLE HOUSING UTILITY FUND**

"D"

**BOROUGH OF ROSELLE**  
**AFFORDABLE HOUSING UTILITY FUND**  
**BALANCE SHEETS - STATUTORY BASIS**

<b><u>ASSETS</u></b>	<b><u>REF.</u></b>	<b>BALANCE JUNE 30, 2010</b>	<b>BALANCE JUNE 30, 2009</b>
Operating Fund:			
Cash	D-4	\$ 175,908.47	\$ 140,157.15
Receivables with Full Reserves:			
Rental Income Receivable	D:D-5	36,833.00	77,686.00
Deferred Charges:			
Overexpenditure of Appropriation Reserves	D-15		14,206.35
<b><u>Total Operating Fund</u></b>		<b>\$ 212,741.47</b>	<b>\$ 232,049.50</b>
Capital Fund:			
Cash	D-4	\$ 15,000.00	15,000.00
Fixed Capital	D-9	5,000.00	5,000.00
Due from Affordable Housing Utility Operating Fund	D	5,000.00	5,000.00
<b><u>Total Capital Fund</u></b>		<b>\$ 25,000.00</b>	<b>\$ 25,000.00</b>
		<b>\$ 237,741.47</b>	<b>\$ 257,049.50</b>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3:D-8	\$ 7,812.37	18,904.60
Accounts Payable	D-6	2,465.02	6,884.20
Prepaid Rents	D-16	1,043.00	
Due Current Fund	D-13	30,776.44	28,735.10
Due Affordable Housing Utility Capital Fund	D:D-14	5,000.00	5,000.00
Operating Security Deposits	D-12	112.20	762.20
Tenant Security Deposits	D-7	23,956.80	22,743.16
Reserve for Receivables	D	\$ 71,165.83	83,029.26
Fund Balance	D-1	36,833.00	77,686.00
		104,742.64	71,334.24
<b><u>Total Operating Fund</u></b>		<b>\$ 212,741.47</b>	<b>\$ 232,049.50</b>
Capital Fund:			
Capital Improvement Fund	D-11	\$ 20,000.00	20,000.00
Reserve for Amortization	D-10	5,000.00	5,000.00
<b><u>Total Capital Fund</u></b>		<b>\$ 25,000.00</b>	<b>\$ 25,000.00</b>
		<b>\$ 237,741.47</b>	<b>\$ 257,049.50</b>

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

**BOROUGH OF ROSELLE**  
**AFFORDABLE HOUSING UTILITY OPERATING FUND**  
**STATEMENT OF OPERATIONS**  
**AND CHANGES IN FUND BALANCE - STATUTORY BASIS**

	REF.	YEAR ENDED JUNE 30, 2010	YEAR ENDED JUNE 30, 2009
<b><u>REVENUE AND OTHER INCOME REALIZED</u></b>			
Rents	D-2	\$ 258,446.00	\$ 258,714.00
Miscellaneous	D-2	2,567.80	3,634.74
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-8	7,514.80	
Outstanding Check Voided	D-4	<u>32,366.49</u>	
<b><u>TOTAL INCOME</u></b>		<b>\$ <u>300,895.09</u></b>	<b>\$ <u>262,348.74</u></b>
<b><u>EXPENDITURES</u></b>			
Budget and Emergency Appropriations:			
Operating	D-3	\$ 137,000.00	\$ 137,000.00
Deferred Charges and Statutory Expenditures	D-3	14,206.35	
Debt Service	D-3	105,397.50	106,272.50
Refund of Prior Years' Revenue	D-4	<u>10,882.84</u>	
<b><u>TOTAL EXPENDITURES</u></b>		<b>\$ <u>267,486.69</u></b>	<b>\$ <u>243,272.50</u></b>
Excess in Revenue		\$ 33,408.40	\$ 19,076.24
<b><u>FUND BALANCE</u></b>			
Balance, July 1	D	<u>71,334.24</u>	<u>52,258.00</u>
Balance, June 30	D	<b>\$ <u>104,742.64</u></b>	<b>\$ <u>71,334.24</u></b>

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

**BOROUGH OF ROSELLE**  
**AFFORDABLE HOUSING UTILITY OPERATING FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**  
**YEAR ENDED JUNE 30, 2010**

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Rents	D-1:D-5	\$ 253,604.50	\$ 238,567.00	\$ (17,037.50)
Prior Year Rents	D-1:D-5		21,879.00	21,879.00
Miscellaneous	D-1:D-2	<u>3,000.00</u>	<u>2,567.80</u>	<u>(432.20)</u>
	D-3	\$ <u>256,604.50</u>	\$ <u>261,013.80</u>	\$ <u>4,409.30</u>

**ANALYSIS OF REALIZED REVENUE**

Miscellaneous:		
Late Fees	\$	580.00
Laundry Fees		1,326.75
Miscellaneous		<u>661.05</u>
D-2:D-4	\$	<u>2,567.80</u>

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

BOROUGH OF ROSELLE

AFFORDABLE HOUSING UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED JUNE 30, 2010

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>UNEXPENDED BALANCE CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
Operating:					
Other Expenses	\$ 137,000.00	\$ 137,000.00	\$ 129,187.63	\$ 7,812.37	
<u>Total Operating</u>	<u>137,000.00</u>	<u>137,000.00</u>	<u>129,187.63</u>	<u>7,812.37</u>	
Deferred Charges					
Overexpenditure of Appropriation Reserves	14,207.00	14,207.00	14,206.35		0.65
Debt Service:					
UCIA: Principal and Interest on Lease Payments	105,397.50	105,397.50	105,397.50		
<u>Total Debt Service</u>	<u>105,397.50</u>	<u>105,397.50</u>	<u>105,397.50</u>		
	\$ 256,604.50	\$ 256,604.50	\$ 248,791.48	\$ 7,812.37	0.65
REF.	D-2		D-1	D:D-1	
Cash Disbursements	D-4				
Accounts Payable	D-6		\$ 232,120.11		
Overexpenditure of Appropriation Reserves	D-15		2,465.02		
			14,206.35		
			\$ 248,791.48		

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

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PUBLIC ASSISTANCE TRUST FUND

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BOROUGH OF ROSELLE  
PUBLIC ASSISTANCE TRUST FUND  
BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2010</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2009</u>
<u>ASSETS</u>			
Cash-P.A.T.F. I	E-1	\$ 12,960.34	\$ 12,960.34
Due Trust Other Fund		<u>840.00</u>	<u>840.00</u>
		<u>\$ 13,800.34</u>	<u>\$ 13,800.34</u>
<u>LIABILITIES</u>			
Reserve for Public Assistance - P.A.T.F. I		<u>\$ 13,800.34</u>	<u>\$ 13,800.34</u>
		<u>\$ 13,800.34</u>	<u>\$ 13,800.34</u>

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

NOTES TO FINANCIAL STATEMENTS

**BOROUGH OF ROSELLE**

**NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2010 AND 2009**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Borough of Roselle is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

Except as noted below, the financial statements of the Borough of Roselle include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Roselle, as required by N.J.S.A.40A:5-5. Accordingly, the financial statements of the Borough of Roselle do not include the operations of the municipal library or the board of education, inasmuch as their activities are administered by separate boards.

**B. Description of Funds**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

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

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

Affordable Housing Utility Operating and Capital Fund - account for the operations of the municipally owned Affordable Housing Utility.

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

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

C. Basis of Accounting

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

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

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Grants are realized as revenue when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. General expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at June 30 are reported as a cash liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at June 30th of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders at June 30 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

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

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

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as non-expendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. General fixed assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Borough has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal. However the fixed assets records have not been currently maintained and are incomplete, and, accordingly, have not included such information in its financial statements.

Fixed Capital – Affordable Housing Utilities – Accounting for utility fund "fixed capital" remains unchanged under the requirements of Technical Accounting Directive No. 85-2.

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. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

D. Basic Financial Statements

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

**NOTE 2: CASH AND CASH EQUIVALENTS**

The Borough considers petty cash, change funds, cash in banks, deposits in the C.L.A.S.S. and certificates of deposit as cash and cash equivalents.

**A. Deposits**

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation.

The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Borough of Roselle had the following cash and cash equivalents at June 30, 2010:

<u>FUND</u>	<u>Cash on</u> <u>Deposit</u>	<u>Deposits in</u> <u>Transit</u>	<u>Outstanding</u> <u>Checks</u>	<u>TOTAL</u>
Current Fund	\$ 6,787,803.76	\$ 70,998.21	\$ (2,049,590.43)	\$ 4,809,211.54
Animal Control Trust Fund	9,995.11		(112.80)	9,882.31
Trust Other Fund	1,463,823.34	13.73	(209,108.99)	1,254,728.08
General Capital Fund	1,390,493.22		(167,653.62)	1,222,839.60
Low Income Housing Utility Operating Fund	178,604.29		(2,695.82)	175,908.47
Low Income Housing Utility Capital Fund	15,000.00			15,000.00
Public Assistance Trust Fund	12,960.34			12,960.34
<b><u>TOTAL JUNE 30, 2010</u></b>	<b><u>\$ 9,858,680.06</u></b>	<b><u>\$ 71,011.94</u></b>	<b><u>\$ (2,429,161.66)</u></b>	<b><u>\$ 7,500,530.34</u></b>

**NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)**

**A. Deposits (Continued)**

**Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2010, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$9,571,046.99 was covered by Federal Depository Insurance and \$250,000.00 was covered by NJ GUDPA and \$37,633.07 was on deposit in the Municipal Investors Service Corporation Assets Management Program (MBIA Class).**

**B. Investments**

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

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

**NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)**

**B. Investments (Continued)**

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

The Borough of Roselle's investment activities during the year were in accordance with the above New Jersey Statute.

As of June 30, 2010, the Borough had \$37,633.07 on deposit with the Municipal Investors Service Corporation Assets Management Program (MBIA Class). Based upon the limitation set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the Borough is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

**NOTE 3: MUNICIPAL DEBT**

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds. A summary of bond and loan transactions for the year ended June 30, 2010 are detailed on Exhibits "C-11" and "C-14".

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

	<u>YEAR 2010</u>	<u>YEAR 2009</u>	<u>YEAR 2008</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 12,038,257.00	\$ 13,367,285.00	\$ 12,172,412.00
Less Funds Temporarily Held to			
Pay Bonds and Notes	<u>213,118.00</u>	<u>213,118.00</u>	<u>161,368.00</u>
Net Debt Issued	\$ <u>11,825,139.00</u>	\$ <u>13,154,167.00</u>	\$ <u>12,011,044.00</u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	\$ <u>9,718,048.80</u>	\$ <u>8,422,591.00</u>	\$ <u>8,254,000.00</u>
Net Bonds and Notes Issued			
and Authorized But Not Issued	\$ <u>21,543,187.80</u>	\$ <u>21,576,758.00</u>	\$ <u>20,265,044.00</u>

SUMMARY OF STATUTORY DEBT CONDITION  
(ANNUAL DEBT STATEMENT AS OF JUNE 30, 2010)

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 1.18%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
General Debt	\$ <u>21,756,305.80</u>	\$ <u>213,118.00</u>	\$ <u>21,543,187.80</u>
	\$ <u>\$21,756,305.80</u>	\$ <u>\$213,118.00</u>	\$ <u>\$21,543,187.80</u>

NET DEBT \$21,543,187.80 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.40A:2-2, \$1,820,742,067.00 EQUALS 1.18 %.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

Equalized Valuation Basis* - June 30, 2010	\$ 1,820,742,067.00
3-1/2 of Equalized Valuation Basis	63,725,972.35
Net Debt	<u>21,543,187.80</u>
Remaining Borrowing Power	\$ <u>42,182,784.55</u>

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

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

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$ 261,013.80
Deductions:	
Operating and Maintenance Cost	\$ 137,000.00
Debt Service	<u>105,397.50</u>
Total Deductions	<u>242,397.50</u>
Excess in Revenue	\$ <u>18,616.30</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

Long Term Debt

General Serial Bonds:

	OUTSTANDING BALANCE JUNE 30, 2010
<u>ISSUE</u> \$6,870,000.00 in 1997 General Improvement Bonds, due in remaining installments ranging between \$610,000.00 and \$615,000.00 through February 2012 at an interest rate of 4.95%.	\$1,212,000.00
\$3,080,000.00 in 2002 General Improvement Bonds, due in remaining installments ranging between \$240,000.00 and \$250,000.00 through March 2017 at interest rates between 4.25% and 4.75%.	1,730,000.00
\$145,000.00 2003 Refunding ERIP Bonds, due in annual remaining installments of \$10,000.00 to \$15,000.00 through April 2018 at interest rates between 4.89% and 5.29%.	95,000.00
\$4,363,000.00 in 2005 General Improvement Bonds, due in remaining installments ranging between \$425,000.00 and \$453,000.00 through June 2018 at interest rates between 3.125% and 3.65%.	<u>3,553,000.00</u>
	<u>\$6,590,000.00</u>

New Jersey Green Acres Loans:

	OUTSTANDING BALANCE JUNE 30, 2010
<u>ISSUE</u> Green Acres Loan due in annual remaining installments of \$11,178.00 to \$13,371.00 through Fiscal Year 2019 at various interest rates	<u>\$111,276.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF JUNE 30, 2010

<u>FISCAL YEAR</u>	<u>GENERAL CAPITAL</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2011	\$ 1,285,000.00	\$ 273,251.00	\$ 1,558,251.00
2012	1,282,000.00	217,190.00	1,499,190.00
2013	705,000.00	160,487.00	865,487.00
2014	710,000.00	75,231.40	785,231.40
2015	710,000.00	104,344.00	814,344.00
2016-2019	<u>1,898,000.00</u>	<u>196,581.60</u>	<u>2,094,581.60</u>
	<u>\$ 6,590,000.00</u>	<u>\$ 1,027,085.00</u>	<u>\$ 7,617,085.00</u>

SCHEDULE OF GREEN TRUST LOAN PAYABLE  
AS OF JUNE 30, 2010

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$ 11,403.00	\$ 2,169.00	\$ 13,572.00
2012	11,632.00	1,940.00	13,572.00
2013	11,866.00	1,706.00	13,572.00
2014	12,104.00	4,854.00	16,958.00
2015	12,348.00	1,224.00	13,572.00
2016-2019	<u>51,923.00</u>	<u>2,365.00</u>	<u>54,288.00</u>
	<u>\$ 111,276.00</u>	<u>\$ 14,258.00</u>	<u>\$ 125,534.00</u>

BOND ANTICIPATION NOTES

	<u>Interest Rate</u>	<u>Issue and Maturity Dates</u>	<u>Amount</u>
General Capital	1.840%	1/14/10 to 1/13/11	\$ 1,000,000.00
General Capital	1.500%	3/19/10 to 3/18/11	<u>4,336,981.00</u>
			<u>\$ 5,336,981.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balance at June 30, 2010 which was appropriated and included as anticipated revenue in its own respective fund for the fiscal year ending June 30, 2011 was as follows:

Current Fund	\$975,000.00
Affordable Housing Utility Operating Fund	\$-0-

NOTE 5: PROPERTY TAXES

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

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

	BALANCE JUNE 30, <u>2010</u>	BALANCE JUNE 30, <u>2009</u>
Prepaid Taxes	\$ <u>64,751.39</u>	\$ <u>53,084.17</u>

NOTE 6: PENSION PLANS

Borough employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and Consolidated Police and Firemen's Pension Fund of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the costs are contributed by the employees. The Borough's share of pension, which is based upon the annual billings received from the state, amounted to \$2,287,038.00 for SFY2010, \$1,151,532.25, for SFY2009, and \$1,970,224.00 for SFY2008.

Borough employees are also covered by Federal Insurance Contribution Act.

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

**NOTE 6: PENSION PLANS (CONTINUED)**

**Pension Contribution Deferral**

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

**NOTE 7: COMPENSATED ABSENCES**

Under the existing policy of the Borough, employees are allowed to accumulate unused sick pay over the life of their working careers, which may be taken as time off, or paid at a later date, at an agreed upon rate. A reasonable estimate of such unpaid compensation is not readily available from the Borough but is probably material. Under accounting principals and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, accumulated cost of such paid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on June 30, 2010.

**NOTE 8: LITIGATION**

The Borough Attorney's letters did not indicate any litigation, claims or contingent liabilities that are either not covered by the Borough's insurance carrier or would have a material financial impact on the Borough.

**NOTE 9: CONTINGENT LIABILITIES**

The Borough participated in several financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. The grants received and expended in State Fiscal Year 2010 were subject to a Single Audit under U.S. Office of Management and Budget (OMB) Circular A-133 and State of New Jersey OMB 04-04, which mandates that grant revenues and expenditures be audited in conjunction with the Borough's annual audit. Findings and questioned costs, if any, relative to financial assistance programs will be discussed in detail in Part II, Report Section of the 2010 audit. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of June 30, 2010, the Borough does not believe that any material liabilities will result from such audits.

**NOTE 10: RISK MANAGEMENT**

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

<u>Fiscal Year</u>	<u>Borough Contributions</u>	<u>Interest/Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	\$ 54,515.50	\$ 36.75	\$ 73,086.04	\$ 40,123.16
2009	75,000.00	3,458.21	70,505.26	58,656.95
2008		6,683.00	62,920.00	50,704.00

**NOTE 11: DEFERRED COMPENSATION PLAN**

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardship.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Borough's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

All assets of the plan are held by an independent administrator.

The accompanying financial statements do not include the Borough's Deferred Compensation Plan activities.

**NOTE 12: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheets of the various funds at June 30, 2010:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$98,882.87	\$885,510.35
Federal and State Grant Fund		212,256.21
Animal Control Fund		5,850.22
Trust Other Fund	456,026.96	427,028.00
General Capital Fund	1,005,671.39	
Low Income Housing Utility Operating Fund		30,776.44
Public Assistance Fund	840.00	
	<u>\$1,561,421.22</u>	<u>\$1,561,421.22</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

**NOTE 13: GASB 45: OTHER POST-RETIREMENT BENEFITS**

**Plan Description.** The Borough contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit postemployment 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. 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. 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 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 <http://www.state.nj.us/treasury/pensions>.

**Funding Policy.** Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Borough on a monthly basis. Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. In accordance with Chapter 62, P.L. 1994, post-retirement medical benefits have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. The Borough's contributions to SHBP for the years ended December 31, 2010, 2009 and 2008 equaled the required contributions for each year.

NOTE 14: DEFERRED CHARGES

	BALANCE JUNE 30, <u>2010</u>	SFY2011 BUDGET <u>APPROPRIATION</u>	BALANCE TO SUCCEEDING <u>YEARS</u>
Current Fund:			
Expenditure without an Appropriation	\$ 39,363.69	\$ 39,363.69	\$ -0-
Overexpenditure of Appropriation Reserves	14,365.21	14,365.21	-0-
Overexpenditure of Appropriations	<u>16,769.82</u>	<u>16,769.82</u>	<u>-0-</u>
	<u>\$ 70,498.72</u>	<u>\$ 70,498.72</u>	<u>\$ -0-</u>

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BOROUGH OF ROSELLE  
SUPPLEMENTARY SCHEDULES  
FISCAL YEAR ENDED JUNE 30, 2010

BOROUGH OF ROSELLECURRENT FUNDSCHEDULE OF CASH COLLECTOR-TREASURER

	<u>REF.</u>		<u>CURRENT FUND</u>		<u>GRANT FUND</u>
Balance, June 30, 2009	A	\$	4,865,830.00	\$	-0-
Increased by Receipts:					
Grants Receivable	A-7	\$		493,233.89	
Taxes Receivable	A-8		55,833,011.50		
Revenue Accounts Receivable	A-11		4,783,318.51		
State of New Jersey, Chapter 20, P.L. 1971	A-13		159,750.00		
Grants-Unappropriated	A-18			52,221.87	
Petty Cash	Contra		687.71		
Prepaid Taxes	A-21		64,751.39		
Tax Overpayments	A-6		175,170.18		
Due Trust Other Fund	A-20			50,000.00	
Due Current Fund	A-19			808,556.53	
Interfunds	A-16		2,618,383.64		
Miscellaneous Revenue Not Anticipated	A-2		153,081.83		
Appropriation Refunds	A-3		70,820.31		
Due Roselle Public Library	A-15		182,811.69		
Due State of New Jersey	A-27		250,000.00		
Due State of New Jersey - DCA Fees	A-28		10,751.00		
Contra			<u>378,604.30</u>		
			<u>64,661,112.06</u>		<u>1,404,012.29</u>
		\$	69,526,742.06	\$	1,404,012.29
Decreased by Disbursements:					
SFY 2010 Appropriations	A-3	\$	29,708,344.01	\$	
SFY 2009 Appropriation Reserves	A-17		1,259,881.57		
Reserve for Grants Appropriated	A-14			808,556.53	
Interfunds	A-16		2,638,677.52		
Refund of Tax Overpayments	A-6		18,822.75		
County Taxes	A-22		6,627,434.04		
Local District School Tax	A-23		23,438,800.00		
Due Current Fund	A-19			595,455.76	
Encumbrances Payable	A-24		1,122.00		
Petty Cash	Contra		687.71		
Expenditure without an Appropriation	A-25		39,363.69		
Refund of Prior Year Revenues	A-1		404,461.70		
Refund of Current Year Revenue -Construction Fees	A-2		884.00		
Refund of Current Year Revenue - Ambulance Fees	A-2		440.00		
Refund of Current Year Revenue - Fees & Permits	A-2		8,675.00		
Due Roselle Public Library	A-15		182,729.23		
Due State of New Jersey - DCA Fees	A-28		8,603.00		
Contra			<u>378,604.30</u>		
			<u>64,717,530.52</u>		<u>1,404,012.29</u>
Balance, June 30, 2010	A	\$	<u>4,809,211.54</u>	\$	<u>-0-</u>

"A-5"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF CHANGE FUND

OFFICE

Collector  
Municipal Court

BALANCE  
JUNE 30, 2009, and  
JUNE 30, 2010

\$	200.00
	<u>200.00</u>
\$	<u>400.00</u>

REF.

A

"A-6"

SCHEDULE OF TAX OVERPAYMENTS

Balance, June 30, 2009

A

\$ 104,068.70

Increased by:

Tax Overpayments Received

A-4

	<u>175,170.18</u>
\$	<u>279,238.88</u>

Decreased by:

Cash Disbursements

Applied

A-4

\$ 18,822.75

A-8

28,165.89

46,988.64

Balance, June 30, 2010

A

\$	<u>232,250.24</u>
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## BOROUGH OF ROSELLE

## GRANT FUND

## SCHEDULE OF GRANTS RECEIVABLE

	BALANCE JUNE 30, 2009	ANTICIPATED IN S.F.Y. 2010 BUDGET	RECEIPTS	UNAPPROPRIATED APPLIED	CANCELED	BALANCE JUNE 30, 2010
Municipal Alliance Grant - Prior Years	\$ 20,503.00	\$	\$	\$		\$ 20,503.00
Municipal Alliance Grant - 09	16,496.00		11,191.72			5,306.28
Municipal Alliance Grant - 10		17,654.28				17,654.28
Pandemic Influenza	90.00					90.00
Green Communities	2,000.00					2,000.00
Bulletproof Vest Partnership Grant	12,859.00					12,859.00
Edward Brynes Memorial Justice Grant	69.57					69.57
Edward Brynes Memorial Justice Grant - 10		48,281.00				48,281.00
Greening Union County	9,318.00					9,318.00
Statewide Livable Communities Local Library Aid	50,000.00					50,000.00
County of Union Homeland Security	672.00					672.00
Union County Kids Recreation	51,250.00					51,250.00
UEZ Administration Grant	54,169.97					54,169.97
UEZ Administration Grant-09	80,066.00		78,677.92			1,378.08
UEZ Clean Team Program Grant	56,200.29					56,200.29
UEZ Clean Team Program Grant	107,319.33		29,823.96			77,695.37
UEZ Clean Team Program Grant- 09	233,496.00		73,423.93			160,072.07
UEZ Advertising CO-OP	42,144.00					42,144.00
UEZ Marketing CO-OP - Star Ledger - 06	48,130.00		14,744.00			30,386.00
UEZ Marketing Summer Concert Series	(2,435.30)					(2,435.30)
UEZ Streetscape	330,577.00					330,577.00
UEZ Marketing Summer Concert Series -09	41,514.52					41,514.52
UEZ Marketing Summer Concert Series -09	82,725.00		51,561.43			31,173.57
UEZ Design Guidelines	9,300.00					9,300.00
UEZ Police Patrol	14,008.12					14,008.12
UEZ Police Patrol-09	46,663.53		46,663.53			
UEZ Streetscape	153,169.00					153,169.00
UEZ Master Plan	38,600.00		8,640.00			29,960.00
UEZ Comcast Commercial Phase II			37,319.00			(37,319.00)
UEZ Comcast Commercial Phase III-09	49,439.00					49,439.00
UEZ Comcast Commercial Phase IV-09	106,118.00					106,118.00
UEZ Façade Improvements	28,961.00					28,961.00
UEZ Marketing and Development	188,500.00					188,500.00
UEZ Administration Grant - 10		70,000.00				70,000.00
UEZ Police Patrol - 10		143,750.09				143,750.09
Municipal Stormwater Regulation	10,583.00					10,583.00
You Drink You Drive You Lose	304.00					304.00
Operation Safe Streets	4,000.00					4,000.00
Brownfields Assessment	191,314.50					191,314.50
Alcohol Education and Rehab Fund - 09	589.00					589.00
Safe Route to School -09	4,600.00					4,600.00
Click It or Ticket - 09	338.06					338.06
Body Armor Replacement Grant - 09	0.23					0.23
Body Armor Replacement Grant - 10		1,867.40	1,867.40			
Local Public Health Emergency H1N1		71,058.00	22,258.00			48,799.00
NJ Stabilization Grant		2,500,000.00	117,163.00			2,382,837.00
Summer Food Program		66,831.83				66,831.83
Clean Communities Program - 10		27,484.38		27,484.38		
Recycling Tonnage Grant		10,879.86		10,879.86		
Over the Limit and Under Arrest	119.00		119.00			
CDBG		240,273.00			240,273.00	
	\$ 2,080,743.81	\$ 3,197,058.83	\$ 483,233.89	\$ 38,344.23	\$ 240,273.00	\$ 4,506,962.52

REF.

A

A-2

A-4

A-18

A-14

A

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF  
PROPERTY TAX LEVY

FISCAL YEAR	BALANCE JUNE 30, 2009	S.F.Y. 2010 LEVY	ADDED	S.F.Y. 2009	COLLECTED S.F.Y. 2010	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE JUNE 30, 2010
2004	\$ 1,799.00							
2005	3,013.84					1,799.00		
2007	15,425.29					3,013.84		
2008	36,821.61		1,574.06			15,425.29		
2009	1,956,023.45				2,303.87	27,683.15		
	<u>2,013,063.19</u>	<u>\$ 56,754,582.42</u>	<u>\$ 1,574.06</u>	<u>\$ 53,084.17</u>	<u>\$ 1,754,177.98</u>	<u>\$ 47,921.28</u>	<u>\$ 1,953.03</u>	<u>8,408.65</u>
					<u>1,756,481.85</u>	<u>61,345.82</u>		<u>201,845.47</u>
					<u>54,262,968.20</u>			<u>210,254.12</u>
	<u>\$ 2,013,083.19</u>	<u>\$ 56,754,582.42</u>	<u>\$ 1,574.06</u>	<u>\$ 53,084.17</u>	<u>\$ 56,019,450.05</u>	<u>\$ 109,267.10</u>	<u>\$ 1,953.03</u>	<u>2,375,231.20</u>
REF.	A			A-2-A-21	A-2		A-9	A
Cash				REF.				
Tax Overpayments Applied				A-4	\$ 55,833,011.50			
State Share of S.F.Y. 2009 Senior				A-6	28,165.89			
Citizens and Veterans Deductions Allowed				A-13	158,272.66			
					<u>\$ 56,019,450.05</u>			
Analysis of Property Tax Levy:								
Tax Yield:								
General Purpose Tax								
Added Taxes (54:4-63.1 et seq.)						\$ 56,546,119.58		
						<u>208,462.84</u>		
						<u>\$ 56,754,582.42</u>		
Tax Levy:								
Local District School Tax (Abstract)				A-23				
County Taxes:								
County Taxes (Abstract)						\$ 23,438,800.00		
Due County for Added Taxes								
					\$ 6,603,487.77			
					<u>23,946.27</u>			
Local Tax for Municipal Purposes (Abstract)				A-22				
Add: Additional Tax Levied				A-2				
Local Tax for Municipal Purposes Levied						\$ 6,627,434.04		
						<u>26,668,348.38</u>		
						<u>\$ 56,754,582.42</u>		

"A-9"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, June 30, 2009	A	\$	8,871.98
Increased by:			
Transfer From Taxes Receivable	A-8		<u>1,953.03</u>
Balance, June 30, 2010	A	\$	<u><u>10,825.01</u></u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, June 30, 2009 and, Balance, June 30, 2010	A	\$	<u><u>2,027,232.00</u></u>
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BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2009</u>	<u>ACCRUED</u> <u>IN S.F.Y. 2010</u>	<u>COLLECTED</u> <u>BY</u> <u>TREASURER</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2010</u>
Clerk:					
Licenses:					
ABC	A-2	\$	\$	14,050.00	\$
Other	A-2			2,893.00	
Fees and Permits	A-2			11,483.99	
Health Officer/Vital Statistics:					
Licenses	A-2			6,384.00	
Fees and Permits	A-2			7,082.14	
Construction Code Official:					
Fees and Permits	A-2			222,477.00	
Engineer:					
Fees and Permits	A-2			585.00	
Police:					
Fees and Permits	A-2			10,562.35	
Fire:					
Fees and Permits	A-2			30,552.98	
Public Works:					
Fees and Permits	A-2			10,594.68	
Municipal Court:					
Fines and Costs	A-2	29,541.69	393,690.94	392,956.14	30,276.49
Tax Collector:					
Fees and Permits	A-2			278.97	
Planning/Zoning:					
Fees and Permits	A-2			17,608.81	
Recreation:					
Fees and Permits	A-2			71,649.75	
Interest and Cost on Taxes	A-2			191,020.57	
Parking Meters	A-2			22,898.16	
Interest on Investments and Deposits	A-2			34,975.82	
Cable Television Franchise Tax	A-2			61,172.41	
Consolidated Municipal Purpose Tax Relief Act	A-2			1,280,887.00	
Energy Receipts Tax	A-2			1,877,297.00	
Library Pension Contribution	A-2			28,280.00	
Uniform Fire Safety Act	A-2			33,343.35	
Ambulance Revenue	A-2			448,320.39	
General Capital Fund Surplus	A-2			69,415.00	
P.I.L.O.T. West 1st Ave	A-2			2,750.00	
P.I.L.O.T. Senior Housing Corp. 2006	A-2			66,900.00	
P.I.L.O.T. Senior Housing Corp. 2009	A-2			66,900.00	
		<u>\$ 29,541.69</u>	<u>\$ 4,784,053.31</u>	<u>\$ 4,783,318.51</u>	<u>\$ 30,276.49</u>
<u>REF.</u>		<u>A</u>		<u>A-4</u>	<u>A</u>

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	<u>REF.</u>		
Balance, June 30, 2009	A	\$	71,790.00
Decreased by:			
Utilized in Current Budget	A-2	\$	<u>71,790.00</u>

BOROUGH OF ROSELLE

CURRENT FUND

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

	<u>REF.</u>		
Balance, June 30, 2009	A	\$	142,514.97
Charged:			
Senior Citizens Deductions Per Tax Billings		\$	49,875.00
Veterans Deductions Per Tax Billings			103,125.00
Senior Citizens & Veterans Deductions Allowed by Tax Collector			<u>7,803.65</u>
			160,803.65
		\$	<u>303,318.62</u>
Decreased by:			
Cash Receipts			
Senior Citizens Deductions Disallowed by Tax Collector	A-4		159,750.00
			<u>2,530.99</u>
			162,280.99
Balance, June 30, 2010	A	\$	<u>141,037.63</u>

ANALYSIS OF STATE SHARE OF S.F.Y. 2010  
SENIOR CITIZENS AND VETERANS DEDUCTIONS ALLOWED

Senior Citizens Deductions Per Tax Billings		\$	49,875.00
Veterans Deductions Per Tax Billings			103,125.00
Senior Citizens Deductions Allowed by Tax Collector			7,803.65
Senior Citizens Deductions Disallowed by Tax Collector			<u>(2,530.99)</u>
State Share Realized	A-8	\$	<u>158,272.66</u>

"A-14"

**BOROUGH OF ROSELLE**

**GRANT FUND**

**SCHEDULE OF RESERVE FOR GRANTS APPROPRIATED**

	BALANCE JUNE 30, 2009	APPROPRIATED	EXPENDED	CANCELED	BALANCE JUNE 30, 2010
Body Armor Replacement Fund	\$ 8,888.16	\$	\$	\$	\$ 8,888.16
Body Armor Replacement Fund		1,887.40			1,887.40
Municipal Alliance Grant	13,183.48		662.50		12,290.96
Municipal Alliance Grant - Match	1,320.80		44.78		1,278.02
Municipal Alliance Grant-2008	14,028.13		12,179.04		1,849.09
Municipal Alliance Grant-2008 Local Match	3,327.71		2,306.32		1,019.39
Municipal Alliance Grant-2010		17,854.28			17,854.28
Municipal Alliance Grant-2010 Local Match		4,125.00			4,125.00
Pandemic Influenza	88.00				88.00
Pandemic Influenza	2.10				2.10
Click It or Ticket	408.15				408.15
Edward Brynes Memorial Justice Grant	39.00				39.00
Edward Brynes Memorial Justice Grant		48,281.00	44,000.00		4,281.00
UEZ Administration Grant:	27,729.00				27,729.00
UEZ Administration Grant: Match	31,110.08		3,748.06		27,362.03
UEZ Administration Grant: 2008	8,387.41		60,875.31		(54,187.90)
UEZ Administration Grant: Match 2008	53,629.16		14,840.57		38,988.59
UEZ Administration Grant: 2010		70,000.00			70,000.00
UEZ Administration Grant: Match 2010		60,000.00			60,000.00
UEZ Clean Team Program Grant	(24,750.82)		520.35		(26,271.17)
UEZ Clean Team Program Grant - 2008	155,493.44		27,758.12		127,734.32
UEZ Clean Team Program Grant - Match 2008	2,097.80				2,097.80
UEZ Clean Team Program Grant - 2009	173,983.48		173,142.37		841.08
UEZ Clean Team Program Grant - Match 2009	3,400.00		3,481.48		(81.48)
UEZ Advertising CO-OP	30,839.00				30,839.00
UEZ Advertising CO-OP	30,388.00				30,388.00
UEZ Marketing Summer Concert Series	6,485.00				6,485.00
UEZ Marketing Summer Concert Series - Match	528.00				528.00
UEZ Marketing Summer Concert Series	29,407.53		22,893.07		6,514.46
UEZ Marketing Summer Concert Series - Match	82,728.00		78,140.00		4,588.00
UEZ Police Patrol	35,021.48				35,021.48
UEZ Police Patrol - Match	7,208.48				7,208.48
UEZ Police Patrol - 2009			41,821.00		(41,821.00)
UEZ Police Patrol - Match 2009			75,580.10		(75,580.10)
UEZ Police Patrol - 2010		143,750.08			143,750.08
UEZ Police Patrol - Match 2010		35,937.52	30,242.98		5,694.56
UEZ Streetscape	321,915.00				321,915.00
UEZ Master Plan	37,450.00		37,450.00		
UEZ Master Plan Match					
UEZ Comcast Phase I	189.00		378.00		(189.00)
UEZ Comcast Phase III					
UEZ Comcast Phase IV	77,108.00		65,598.00		11,510.00
UEZ Design Guidelines	9,300.00		9,300.00		
UEZ Façade Improvements	205,000.00		7,601.28		197,398.72
UEZ Marketing and Development	154,234.57		72,298.36		81,936.21
Municipal Stormwater Regulation	10,583.00				10,583.00
You Drink, You Drive, You Lose	304.00				304.00
Operation Safe Streets	4,000.00				4,000.00
Brownfields	157,322.00		157,322.00		
Drunk Driving Enforcement Fund	9,488.10		592.45		8,895.65
Drunk Driving Enforcement Fund	5,989.00		3,814.00		1,855.00
Alcohol Education and Rehab. Fund	3,524.00				3,524.00
Alcohol Education and Rehab. Fund	1,702.83				1,702.83
Development of Elderly Programs	459.30		268.70		190.60
Bulletproof Vest Partnership	2,931.00				2,931.00
Union County Kids Recreation	51,603.00				51,603.00
Union County Kids Recreation	39,825.50		50,351.00		(10,425.50)
Enhanced 911 Grant	112,408.00				112,408.00
Safe Routes to Schools	4,600.00		4,288.56		313.44
Matching Funds for Grants-CDBG					
Clean Communities Program	63,378.00		20,438.88		42,941.12
Clean Communities Program	11,036.00				11,036.00
Clean Communities Program		27,464.38			27,464.38
Recycling Tonnage Grant	6,430.00				6,430.00
Recycling Tonnage Grant	4,736.00				4,736.00
Recycling Tonnage Grant		10,879.86			10,879.86
DWI / Sobriety					
Local Public Health Emergency H1N1		71,068.00	29,401.32		41,666.68
HJ Stabilization Grant		2,500,000.00	117,163.00		2,382,837.00
Summer Food Program		65,831.83			65,831.83
Over the Limit and Under Arrest	5,000.00		5,000.00		
CDBG		240,273.00		240,273.00	
	\$ 1,993,181.82	\$ 3,297,122.38	\$ 1,171,179.58	\$ 240,273.00	\$ 3,878,881.42
REF.		A-3		A-7	A
Federal and State Grants	A	\$ 1,860,612.37			
Encumbrances	A-26	132,569.25			
		\$ 1,993,181.62			
Cash Disbursements	A-4		\$ 806,558.53		
Encumbrances	A-26		362,623.02		
			\$ 1,171,179.55		

"A-15"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF DUE ROSELLE PUBLIC LIBRARY

	<u>REF.</u>		
Increased by:			
Cash Disbursements	A-4	\$	182,729.23
Decreased by:			
Cash Receipts	A-4		<u>162,811.69</u>
Balance, June 30, 2010	A	\$	<u><u>19,917.54</u></u>

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	TRUST OTHER FUND	AFFORDABLE HOUSING UTILITY OPERATING FUND	GENERAL CAPITAL FUND	NET PAYROLL	ANIMAL CONTROL TRUST FUND	GRANT FUND
A	\$ 776,577.88 \$	704,975.85	\$ 28,735.10 \$	\$ 14,861.25	819.99	\$ 6,122.69	\$ 50,782.04
A	\$ 69,719.04						
A-4	2,638,677.52	655,251.32	93,466.00	1,080,553.75	819.99	29.93	808,556.53
A-19	100,062.52						
A-4	2,618,383.64	256,302.43	91,424.66	1,674,898.39		302.40	100,062.52
							595,455.76
A	\$ 885,510.35 \$	306,026.96	\$ 30,776.44	\$ 579,483.39 \$		\$ 5,850.22 \$	\$ 62,256.21
A	\$ 98,882.87						

Balance, June 30, 2009:

Due To

Due From

Cash Disbursements

Transferred to Grant Fund

Cash Receipts

Balance, June 30, 2010:

Due To

Due From

**BOROUGH OF ROSELLE**

**CURRENT FUND**

**SCHEDULE OF FISCAL YEAR 2008 APPROPRIATION RESERVES**

	<b>BALANCE JUNE 30, 2008</b>		<b>BALANCE</b>			
	<b>COMMITMENTS</b>		<b>AFTER</b>	<b>PAID OR</b>	<b>BALANCE</b>	
	<b>PAYABLE</b>	<b>RESERVED</b>	<b>TRANSFERS</b>	<b>CHARGED</b>	<b>LAPSED</b>	<b>OVEREXPENDED</b>
<b><u>SALARIES AND WAGES</u></b>						
Administrative and Executive	\$	\$	38,563.14	\$	30,563.14	\$
Borough Clerk			1,802.66		602.66	
Borough Council			44.28		44.28	
Financial Administration			1,798.23		798.23	
Assessment of Taxes			275.84		275.84	
Collection of Taxes			2,509.33		509.33	
Legal Services and Costs			1,475.81		475.81	
Prosecutor			288.66		288.66	
Public Buildings and Grounds			578.82		578.82	
Planning Board			1,846.22		846.22	
Zoning Board of Adjustment			1,386.72		386.72	
Shade Tree Commission			1,221.21		221.21	
Snow Removal			11,842.62		42.62	
Fire Department			8,840.30		840.30	
Police			14,638.62		3,638.62	
Traffic Control-School Crossing Guards			3,656.34		656.34	
Emergency Management Services			0.04		0.04	
Street and Road Maintenance			17,508.51		508.51	
Board of Health			2,087.54		87.54	
Welfare			869.01		869.01	
Community Services			16,892.10		16,892.10	
Recreation			871.29		871.29	
Municipal Court			1,762.16		762.16	
Public Defender			15,000.00		15,000.00	
Police Communications Operators			9,967.79		9,967.79	
Construction Code Official			11,512.30		512.30	
<b><u>OTHER EXPENSES</u></b>						
Administrative and Executive	34,678.50	787.40	34,575.90	34,218.06	357.82	
Borough Clerk	26,584.27	5,970.37	32,554.64	27,772.31	4,782.33	
Borough Council	10,738.00	4,741.69	15,478.69	11,743.28	3,735.41	
Human Resources	59,601.21	20,063.28	79,664.49	63,406.52	16,257.97	
Financial Administration	5,793.24	1,404.78	7,198.02	5,179.22	2,018.80	
Annual Audit	25,000.00	34,120.00	59,120.00	25,000.00	34,120.00	
Assessment of Taxes	31,184.44	1,842.27	33,026.71	31,184.44	1,842.27	
Collection of Taxes	235.38		235.38	242.21	(0.00)	
Legal Services and Costs	87,790.00	11,833.87	99,723.87	77,638.47	22,085.40	6.83
Prosecutor		1,000.00	1,000.00		1,000.00	
Engineering Services and Costs	34,142.86	3,080.00	37,222.86	32,142.86	5,080.00	
Public Buildings and Grounds	51,171.62	29,492.83	80,664.45	53,797.17	26,867.28	
Planning Board		5,985.04	5,985.04	649.58	5,335.46	
Zoning Board of Adjustments	207.28	6,474.33	6,681.61	484.75	6,196.86	
Redevelopment Agency	52,148.00	12,108.53	64,256.53	50,378.77	13,877.76	
Shade Tree Commission	14,383.41	54,541.53	68,924.94	14,013.41	54,911.53	
Group Insurance for Employees	150.00	23,366.98	23,516.98	244,531.28	17,986.68	
Workers' Compensation		51,132.93	51,132.93	25,091.00	26,041.93	
Other Insurance Premiums	512.50	32,506.63	29,018.13	4,282.63	24,735.50	
Fire Department	42,100.48	22,486.22	64,586.70	49,478.91	15,107.79	
Police Department	77,180.56	654.21	77,834.76	71,701.92	6,132.84	
Traffic Control-School Crossing Guards	4,786.02	1,304.88	6,070.00	4,786.02	1,304.88	

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF FISCAL YEAR 2008 APPROPRIATION RESERVES

	<u>BALANCE, JUNE 30, 2008</u>		<u>BALANCE</u>			
	<u>COMMITMENTS</u>	<u>RESERVED</u>	<u>AFTER</u>	<u>PAID OR</u>	<u>BALANCE</u>	<u>OVEREXPENDED</u>
	<u>PAYABLE</u>		<u>TRANSFERS</u>	<u>CHARGED</u>	<u>LAPSED</u>	
<u>OTHER EXPENSES (CONTINUED)</u>						
Emergency Management Services	\$ 1,473.00	\$ 7,428.02	\$ 8,901.02	\$ 1,932.15	\$ 6,968.87	
Street and Road Maintenance	26,278.81	21,582.38	47,869.19	25,698.42	21,980.77	
Union County S.L.A.P. Program		1,841.62	1,841.62	18,000.00		14,358.38
Maintenance of Vehicles	9,312.84	13,820.00	23,132.84	14,400.94	8,731.90	
Recycling	33,299.88	955.94	34,255.82	33,299.88	955.94	
Solid Waste Collection	61,553.23	229,512.78	147,066.01	128,076.06	18,989.35	
Snow Removal	23,039.11	481.78	23,500.87	23,039.11	461.78	
Board of Health	42,140.87	3,380.12	45,490.99	42,245.45	3,245.54	
Welfare		125.63	125.63		125.63	
Community Services	3,879.48	313.39	4,192.87	3,379.48	813.39	
Recreation	1,326.00	5,790.89	11,016.89	8,483.59	4,533.30	
Recreation - Outside Programs		4,082.18	4,082.18		4,082.18	
Municipal Court	7,125.03	4,004.08	11,129.11	7,840.71	3,288.40	
Public Employee Occupational Safety Health Act	3,322.98	7,837.04	11,160.00	3,322.98	7,837.04	
Construction Code Official	5,575.48	2,892.21	8,467.69	5,575.48	2,892.21	
Gasoline	25,747.63	23,948.21	49,695.84	22,113.63	27,582.21	
Electricity	15,935.82	47,696.26	63,632.08	30,770.52	32,861.56	
Natural Gas	2,135.59	25,205.20	27,340.79	5,086.28	22,254.51	
Telephone and Telegraph	15,135.53	43,782.78	58,918.31	31,529.71	27,388.60	
Street Lighting	22,678.47	36,153.78	58,832.25	45,232.98	13,599.27	
Fire Hydrant Service	19,296.72		19,296.72			
Water	950.50	11,799.80	12,750.30	6,852.83	5,897.47	
Accumulated Leave Compensation		35,655.91	26,655.91		26,655.91	
Salary and Wage Adjustment		350,000.00	350,000.00		350,000.00	
Municipal Services Act		30,000.00	25,000.00	20,354.86	4,645.34	
Animal Control Contract - City of Linden	5,320.00	3,028.60	8,348.60	5,320.00	3,028.60	
Contingent		10,000.00	10,000.00		10,000.00	
Social Security System (O.A.S.I.)		46,818.12	46,818.12		46,818.12	
State Unemployment Insurance		5,000.00	5,000.00	5,000.00		
Sewer Disposal		231.90	231.90		231.90	
Police Communication Operators	1,078.80	4,525.60	5,602.40	2,650.13	2,952.27	
Matching Funds for Grants		38,888.00	38,888.00		38,888.00	
Police & Firemen's Retirement System of N.J.		6,047.75	6,047.75		6,047.75	
	<u>\$ 684,966.51</u>	<u>\$ 1,613,599.23</u>	<u>\$ 2,398,564.74</u>	<u>\$ 1,333,402.12</u>	<u>\$ 1,079,527.83</u>	<u>\$ 14,365.21</u>
REF.	A-24	A			A-1	A-25
Cash Disbursements	A-4		\$ 1,259,881.57			
Encumbrance	A-24		<u>73,520.55</u>			
			<u>\$ 1,333,402.12</u>			

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS -  
UNAPPROPRIATED

	<u>REF.</u>		
Balance, June 30, 2009	A	\$	38,344.23
Increased by:			
Cash Receipts	A-4		<u>52,221.87</u>
		\$	90,566.10
Decreased by:			
Applied to Receivable	A-7		<u>38,344.23</u>
Balance, June 30, 2010	A	\$	<u>52,221.87</u>
<u>ANALYSIS OF BALANCE:</u>			
Recycling Tonnage Grant		\$	14,509.41
Drunk Driving Enforcement Fund			4,367.19
Clean Communities Program			28,598.14
Alcohol Education Rehabilitation			1,156.28
Click it or Ticket			<u>3,590.85</u>
		\$	<u>52,221.87</u>

"A-19"

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, June 30, 2009 (Due From)	A	\$	(50,782.04)
Increased by:			
Cash Receipts	A-4		<u>808,558.53</u>
			757,774.49
Decreased by:			
Cash Disbursements	A-4	\$	595,455.76
Transfer from Current Fund	A-16		<u>100,082.52</u>
			<u>695,518.28</u>
Balance, June 30, 2010 (Due From)	A	\$	<u><u>62,256.21</u></u>

"A-20"

SCHEDULE OF DUE TRUST OTHER FUND

Balance, June 30, 2009	A	\$	100,000.00
Increased by:			
Cash Receipts	A-4		<u>50,000.00</u>
Balance, June 30, 2010	A	\$	<u><u>150,000.00</u></u>

"A-21"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, June 30, 2009	A	\$	53,084.17
Increased by:			
Collection of Fiscal Year 2011 Taxes	A-4		64,751.39
		\$	<u>117,835.56</u>
Decreased by:			
Applied to Fiscal Year 2010 Taxes	A-8		<u>53,084.17</u>
Balance, June 30, 2010	A	\$	<u><u>64,751.39</u></u>

"A-22"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF COUNTY TAXES

	<u>REF.</u>			
Increased by:				
Tax Levy for SFY 2010	A-1	\$	6,603,487.77	
Added Taxes	A-1		<u>23,946.27</u>	
	A-8			\$ 6,627,434.04
Decreased by:				
Cash Disbursements	A-4			<u>6,627,434.04</u>

"A-23"

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Increased by:				
School Tax Levy - SFY 2010	A-1:A-8	\$	23,438,800.00	
Decreased by:				
Cash Disbursements	A-4	\$	<u>23,438,800.00</u>	

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, June 30, 2009	A		\$ 886,087.51
Increased by:			
Fiscal Year 2010 Appropriations	A-3	\$ 780,502.30	
Fiscal Year 2009 Appropriations Reserves	A-17	<u>73,520.55</u>	
			<u>854,022.85</u>
			\$ 1,740,110.36
Decreased by:			
Transferred to Appropriation Reserves	A-17	884,965.51	
Cash Disbursements	A-4	<u>1,122.00</u>	
			<u>886,087.51</u>
Balance, June 30, 2010	A		\$ <u><u>854,022.85</u></u>

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

		<u>BALANCE</u> <u>JUNE</u> <u>30, 2009</u>	<u>INCREASE</u>	<u>RAISED IN</u> <u>JUNE 30, 2010</u> <u>BUDGET</u>	<u>BALANCE</u> <u>JUNE</u> <u>30, 2010</u>
Overexpenditure of Appropriations	A-3	\$	\$ 10,028.06	\$	\$ 10,028.06
Overexpenditure of Appropriation Reserves	A-17:A-1	11,451.63	14,365.21	11,451.63	14,365.21
Expenditure without an Appropriation	A-4:A-1	<u>21,425.65</u>	<u>39,363.69</u>	<u>21,425.65</u>	<u>39,363.69</u>
		<u>\$ 32,877.28</u>	<u>\$ 63,756.96</u>	<u>\$ 32,877.28</u>	<u>\$ 63,756.96</u>
REF.		A	A-1	A-3	A

"A-26"

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, June 30, 2009	A	\$	132,569.25
Increased by:			
Federal and State Grants Appropriated	A-14		<u>362,623.02</u>
		\$	<u>495,192.27</u>
Decreased by:			
Transferred to Federal and State Grants Appropriated	A-17		<u>132,569.25</u>
Balance, June 30, 2010	A	\$	<u><u>362,623.02</u></u>

"A-27"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY

	<u>REF.</u>		
Increased by:			
Cash Receipts	A-4	\$	<u>250,000.00</u>
Balance, June 30, 2010	A	\$	<u><u>250,000.00</u></u>

"A-28"

SCHEDULE OF DCA FEES - DUE STATE OF NEW JERSEY

	<u>REF.</u>		
Increased by:			
Cash Receipts	A-4	\$	10,751.00
Decreased by:			
Cash Disbursements	A-4		<u>8,603.00</u>
Balance, June 30, 2010	A	\$	<u><u>2,148.00</u></u>

BOROUGH OF ROSELLETRUST FUNDSCHEDULE OF TRUST FUND CASH  
COLLECTOR-TREASURER

	<u>REF.</u>	<u>ANIMAL CONTROL FUND</u>	<u>OTHER TRUST FUNDS</u>
Balance, June 30, 2009	B	\$ 8,214.98	\$ 853,892.82
Increased by Receipts:			
Due State of New Jersey	B-4:B-18	\$ 587.60	\$ 3,165.00
Animal Control License Fees	B-5	2,263.40	
Public Defender	B-6		17,714.83
State Unemployment Insurance	B-8		54,552.25
Payroll Deductions Payable	B-9		10,404,951.86
Due Current Fund	B-3:B-14	29.93	750,305.52
Miscellaneous Trusts	B-13		490,924.19
Community Development Block Grant	B-10		56,095.10
Special Law Enforcement	B-12		844.79
Tax Title Lien Redemption	B-2		731,948.89
Tax Sale Premiums	B-7		176,100.00
Due General Capital Fund	B-15		166,188.00
Parking Offense Adjudication Act	B-19		2,880.00
		<u>2,880.93</u>	<u>12,855,670.43</u>
Decreased by Disbursements:		<u>11,075.91</u>	<u>\$ 13,709,563.25</u>
Due State of New Jersey	B-4:B-18	580.20	\$ 3,420.00
Due Current Fund	B-3:B-14	302.40	351,356.63
State Unemployment Insurance	B-8		73,086.04
Payroll Deductions Payable	B-9		10,439,732.23
Miscellaneous Trusts	B-13		445,970.52
Community Development Block Grant	B-11		37,851.80
Special Law Enforcement	B-12		150.00
Tax Sale Premiums	B-7		310,800.00
Tax Title Lien Redemption	B-2		714,781.67
Public Defender	B-6		12,136.78
Expenditures Under R.S.4:19-15.11	B-5	311.00	50,000.00
Due Federal and State Grant Fund	B-17		5,161.50
Parking Offense Adjudication Act	B-19		10,388.00
Accounts Payable	B-20		
		<u>1,193.60</u>	<u>12,464,835.17</u>
Balance, June 30, 2010	B	\$ <u>9,882.31</u>	\$ <u>1,254,728.08</u>

BOROUGH OF ROSELLE

TRUST OTHER

SCHEDULE OF RESERVE FOR TAX TITLE LIEN REDEMPTIONS

	<u>REF.</u>		
Balance, June 30, 2009	B	-	\$ 92,379.76
Increased by:			
Cash Receipts	B-1		731,948.89
			<u>731,948.89</u>
Decreased by:			\$ 824,328.65
Cash Disbursements	B-1		714,781.67
			<u>714,781.67</u>
Balance, June 30, 2010	B		\$ <u>109,546.98</u>

"B-3"

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF DUE CURRENT FUND -  
ANIMAL CONTROL TRUST FUND

	<u>REF.</u>	
Balance, June 30, 2009	B	\$ 6,122.69
Increased by:		
Cash Receipts	B-1	29.93
		\$ <u>6,152.62</u>
Decreased by:		
Cash Disbursements	B-1	302.40
Balance, June 30, 2010	B	\$ <u><u>5,850.22</u></u>

"B-4"

SCHEDULE OF DUE STATE OF NEW JERSEY -  
ANIMAL CONTROL LICENSE FEES

Balance, June 30, 2009	B	\$ 76.00
Increased by:		
Cash Receipts	B-1	567.60
		\$ <u>643.60</u>
Decreased by:		
Cash Disbursements	B-1	580.20
Balance, June 30, 2010	B	\$ <u><u>63.40</u></u>

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, June 30, 2009	B	\$	2,016.29
Increased by:			
Dog License Fees Collected		\$	2,051.40
Late Fees Collected			<u>212.00</u>
	B-1		<u>2,263.40</u>
		\$	<u>4,279.69</u>
Decreased by:			
Cash Disbursements	B-1		<u>311.00</u>
Balance, June 30, 2010	B	\$	<u><u>3,968.69</u></u>

<u>LICENSE FEES COLLECTED</u>		
<u>YEAR</u>		<u>AMOUNT</u>
2008	\$	2,016.00
2009		<u>2,215.20</u>
	\$	<u><u>4,231.20</u></u>

"B-6"

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF RESERVE FOR PUBLIC DEFENDER

	<u>REF.</u>	
Balance, June 30, 2009	B	\$ 13,889.64
Increased by:		
Cash Receipts	B-1	17,714.83
		<u>\$ 31,604.47</u>
Decreased by:		
Cash Disbursements	B-1	12,136.78
Balance, June 30, 2010	B	<u>\$ 19,467.69</u>

"B-7"

SCHEDULE OF TAX SALE PREMIUMS

Balance, June 30, 2009	B	\$ 911,200.00
Increased by:		
Cash Receipts	B-1	176,100.00
		<u>\$ 1,087,300.00</u>
Decreased by:		
Cash Disbursements	B-1	310,800.00
Balance, June 30, 2010	B	<u>\$ 776,500.00</u>

"B-8"

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF STATE UNEMPLOYMENT INSURANCE

	<u>REF.</u>	
Balance, June 30, 2009	B	\$ 58,656.95
Increased by:		
Cash Receipts	B-1	54,552.25
		\$ <u>113,209.20</u>
Decreased by:		
Cash Disbursements	B-1	73,086.04
		<u>73,086.04</u>
Balance, June 30, 2010	B	\$ <u>40,123.16</u>

"B-9"

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

Balance, June 30, 2009	B	\$ 109,843.44
Increased by:		
Cash Receipts	B-1	10,404,951.86
		\$ <u>10,514,795.30</u>
Decreased by:		
Cash Disbursements	B-1	10,439,732.23
		<u>10,439,732.23</u>
Balance, June 30, 2010	B	\$ <u>75,063.07</u>

"B-10"

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF DUE FROM COUNTY OF UNION -  
COMMUNITY DEVELOPMENT BLOCK GRANT

	<u>REF.</u>	
Balance, June 30, 2009	B	\$ 31,489.84
Increased by:		
Grant Awarded in Fiscal Year 2010	B-11	\$ 55,273.00
		<u>86,762.84</u>
Decreased by:		
Cash Receipts	B-1	\$ 56,095.10
Balance, June 30, 2010	B	<u>\$ 30,667.74</u>

"B-11"

SCHEDULE OF RESERVES FOR COUNTY OF UNION -  
COMMUNITY DEVELOPMENT BLOCK GRANT

Balance, June 30, 2009	B	\$ 7,887.04
Increased by:		
Grant Awarded in Fiscal Year 2010	B-10	55,273.00
		<u>63,160.04</u>
Decreased by:		
Cash Disbursements	B-1	\$ 37,851.80
Balance, June 30, 2010	B	<u>\$ 25,308.24</u>

"B-12"

SCHEDULE OF RESERVE FOR SPECIAL LAW ENFORCEMENT

Balance, June 30, 2009	B	\$ 63,253.91
Increased by:		
Cash Receipts	B-1	844.79
		<u>64,098.70</u>
Decreased by:		
Cash Disbursements	B-1	150.00
Balance, June 30, 2010	B	<u>\$ 63,948.70</u>

BOROUGH OF ROSELLE

TRUST OTHER

SCHEDULE OF RESERVE FOR MISCELLANEOUS RESERVES

	BALANCE JUNE 30, 2009	RECEIPTS	DISBURSEMENTS	BALANCE JUNE 30, 2010
Recycling	\$ 24,558.06	\$ 859.14	\$	25,417.20
Centennial Celebration	135.00			135.00
Escrow Deposits	2,150.00	82,300.00	82,524.50	1,925.50
Street Opening Deposits	19,517.15			19,517.15
Police Department Donation	105.00	6,805.00	1,812.77	5,097.23
5K Race	360.00			360.00
Lawsuit Settlement	13,107.00			13,107.00
21st Century Gala	1,895.00			1,895.00
Holiday Decorations	691.00			691.00
Cable TV	29,700.00			29,700.00
Summer Program	30.00			30.00
Miscellaneous	5,126.14	1,160.00	1,931.85	4,354.29
Fire Prevention	1,545.81			1,545.81
Community Policing Unit	686.75			686.75
Police Department Donation	28,798.36	399,800.05	359,701.40	68,897.01
Redevelopment Agency	16,655.00			16,655.00
	<u>\$ 145,060.27</u>	<u>\$ 490,924.19</u>	<u>\$ 445,970.52</u>	<u>\$ 190,013.94</u>
REF.	B	B-1	B-1	B

"B-14"

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Balance, June 30, 2009, (Due from)	B	\$ 704,975.85
Increased by:		
Cash Disbursements	B-1	<u>351,356.63</u>
		\$ 1,056,332.48
Decreased by:		
Cash Receipts	B-1	<u>750,305.52</u>
Balance, June 30, 2010, (Due from)	B	\$ <u>306,026.96</u>

"B-15"

SCHEDULE OF DUE GENERAL CAPITAL FUND

Balance, June 30, 2009, (Due to)	B	\$ 260,000.00
Increased by:		
Cash Receipts	B-1	<u>166,188.00</u>
Balance, June 30, 2010, (Due to)	B	\$ <u>426,188.00</u>

"B-16"

SCHEDULE OF DUE PUBLIC ASSISTANCE TRUST FUND

Balance, June 30, 2009 and June 30, 2010 (Due to)	B	\$ <u>840.00</u>
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"B-17"

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF DUE FEDERAL AND STATE GRANTS FUND

	<u>REF.</u>	
Balance, June 30, 2009, (Due from)	B	\$ 100,000.00
Increased by:		
Cash Disbursements	B-1	\$ <u>50,000.00</u>
Balance, June 30, 2010, (Due from)	B	\$ <u>150,000.00</u>

"B-18"

SCHEDULE OF DUE STATE OF NEW JERSEY

Balance, June 30, 2009, (Due to)	B	\$ 1,010.00
Increased by:		
Cash Receipts		<u>3,165.00</u>
		\$ 4,175.00
Decreased by:		
Cash Disbursements		<u>3,420.00</u>
Balance, June 30, 2010, (Due to)	B	\$ <u>755.00</u>

ANALYSIS OF BALANCE

<u>Description</u>	<u>Amount</u>
Marriage License Fees	\$ 675.00
Burial Permit Fees	<u>80.00</u>
	\$ <u>755.00</u>

"B-19"

SCHEDULE OF PARKING OFFENSE ADJUDICATION ACT FUND

Balance, June 30, 2009	B	\$ 15,949.50
Increased by:		
Cash Receipts	B-1	<u>2,880.00</u>
		\$ 18,829.50
Decreased by:		
Cash Disbursements	B-1	<u>5,161.50</u>
Balance, June 30, 2010	B	\$ <u>13,668.00</u>

BOROUGH OF ROSELLE

TRUST FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>	
Balance, June 30, 2009	B	\$ 10,388.00
Decreased by:		
Cash Disbursements	B-1	\$ <u>10,388.00</u>

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH  
TREASURER

	<u>REF.</u>		
Balance, June 30, 2009	C		\$ 3,082,533.59
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-6	\$ 25,000.00	
Grants Accounts Receivable	C-7	485,792.45	
Premium of Bond Anticipation Notes Issued	C-1	23,202.85	
Bond Anticipation Notes	C-14	5,336,981.00	
Deferred Charges to Future Taxation - Unfunded		260,000.00	
Due Current Fund	C-15	<u>1,080,553.75</u>	
			<u>7,211,530.05</u>
			10,294,063.64
Decreased by Disbursements:			
Due Current Fund	C-15	\$ 1,674,898.39	
Due Trust Fund	C-13	166,188.00	
Bond Anticipation Notes	C-14	5,336,981.00	
Contracts Payable	C-10	1,823,741.65	
Capital Surplus to Current Fund	C-1	<u>69,415.00</u>	
			<u>9,071,224.04</u>
Balance, June 30, 2010	C		\$ <u>1,222,839.60</u>

"C-3"

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

	BALANCE JUNE 30, 2010
Fund Balance	
Capital Improvement Fund	\$ 23,202.90
State Aid Accounts Receivable	373,540.00
Reserve for State Aid Accounts Receivable	(6,953,896.55)
Contracts Payable	3,144,445.80
Reserve to Pay Debt	2,645,746.22
Due Current Fund	6,118.00
Improvement Authorizations Funded (Listed on "C-8")	(579,483.39)
Bond Anticipation Notes Issued -	2,372,129.04
Excess Note Proceeds as Set Forth on "C-5"	207,000.00
Unexpended Note Proceeds as Set Forth on "C-5"	2,554,051.94
Improvement Authorizations - Expended as Set Forth on "C-5"	<u>(2,570,014.36)</u>
	\$ <u><u>1,222,839.60</u></u>

REF.

C

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO  
FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance, June 30, 2009	C	\$	8,002,454.00
Decreased by:			
Payment of Bonds by Budget	C-11	\$	1,290,000.00
Payment of Green Trust Loan by Budget	C-9		<u>11,178.00</u>
			<u>1,301,178.00</u>
Balance, June 30, 2010	C	\$	<u>6,701,276.00</u>



"C-6"

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, June 30, 2009	C	\$ 417,340.00
Increased by:		
SFY 2010 Appropriations	C-2	25,000.00
		<u>\$ 442,340.00</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-8	68,800.00
Balance, June 30, 2010	C	<u>\$ 373,540.00</u>

"C-7"

SCHEDULE OF GRANTS ACCOUNTS RECEIVABLE

Balance, June 30, 2009	C	\$ 6,667,313.00
Increased by:		
Improvement Authorizations	C-8	\$ 23,950.00
Grants Authorized		<u>322,238.00</u>
		346,188.00
		<u>\$ 7,013,501.00</u>
Decreased by:		
Cash Receipts	C-2	485,792.45
Balance, June 30, 2010	C	<u>\$ 6,527,708.55</u>
Pledged to:		
Ordinance		\$ 3,383,262.75
Reserve for Receivables	C	<u>3,144,445.80</u>
		<u>\$ 6,527,708.55</u>



"C-9"

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOANS PAYABLE

	<u>REF.</u>		
Balance, June 30, 2009	C	\$	122,454.00
Decreased by:			
Loans Paid by Budget	C-4		<u>11,178.00</u>
Balance, June 30, 2010	C	\$	<u>111,276.00</u>

"C-10"

SCHEDULE OF CONTRACTS PAYABLE

Balance, June 30, 2009	C	\$	723,303.85
Increased by:			
Charges to Improvement Authorizations	C-8		<u>3,746,184.05</u>
		\$	<u>4,469,487.90</u>
Decreased by:			
Cash Disbursements	C-2	\$	1,823,741.65
Cancelled	C-8		<u>0.03</u>
			<u>1,823,741.68</u>
Balance, June 30, 2010	C	\$	<u>2,645,746.22</u>

## BOROUGH OF ROSELLE

## GENERAL CAPITAL FUND

## SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING JUNE 30, 2010		INTEREST RATE	BALANCE JUNE 30, 2009	DECREASED	BALANCE JUNE 30, 2010
			DATE	AMOUNT				
General Improvements	2/15/97	\$ 6,870,000.00	2/15/11	\$ 610,000.00	4.95%	\$ 1,827,000.00	\$ 615,000.00	\$ 1,212,000.00
		2/15/12	602,000.00					
General Improvements	3/15/02	3,080,000.00	3/15/11	240,000.00	4.25%	1,970,000.00	240,000.00	1,730,000.00
			3/15/12	245,000.00	4.50%			
			3/15/13	245,000.00	4.50%			
			3/15/14	250,000.00	4.50%			
			3/15/15	250,000.00	4.75%			
			3/15/16	250,000.00	4.75%			
Refunding Bonds - ERIP	4/1/03	145,000.00	4/1/11-12	10,000.00	3.66%	105,000.00	10,000.00	95,000.00
			4/1/13	10,000.00	4.88%			
			4/1/14-15	10,000.00	5.28%			
			4/1/16-18	15,000.00	5.29%			
General Improvements	06/01/05	4,363,000.00	06/01/11	425,000.00	3.600%	3,978,000.00	425,000.00	3,553,000.00
			06/01/12	425,000.00	3.650%			
			06/01/13	450,000.00	3.650%			
			06/01/14	450,000.00	3.650%			
			06/01/15	450,000.00	3.650%			
			06/01/16	450,000.00	3.650%			
			06/01/17	450,000.00	3.650%			
			06/01/18	453,000.00	3.650%			
\$ 3,978,000.00						425,000.00	3,553,000.00	
\$ 7,880,000.00						1,290,000.00	6,590,000.00	
REF.						C	C-4	C

REF.

"C-12"

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT

	<u>REF.</u>	
Balance, June 30, 2009 and June 30, 2010	C	\$ <u>6,118.00</u>

"C-13"

SCHEDULE OF DUE OTHER TRUST FUND

Balance, June 30, 2009 - Due from	C	\$ 260,000.00
Increased by:		
Cash Disbursements	C-2	<u>166,188.00</u>
Balance, June 30, 2010 - Due from	C	\$ <u>426,188.00</u>



"C-15"

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM/TO CURRENT FUND

	<u>REF.</u>	
Balance, June 30, 2009 - (Due To)	C	\$ (14,861.25)
Increased by:		
Cash Receipts	C-2	<u>1,080,553.75</u>
		\$ <u>1,095,415.00</u>
Decreased by:		
Cash Disbursements	C-2	<u>1,674,898.39</u>
Balance, June 30, 2010 - Due From	C	\$ <u><u>579,483.39</u></u>

"C-16"

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT AUTHORIZATION</u>	<u>BALANCE JUNE 30, 2010</u>
2251	Various Capital Improvements	\$ 26,000.00
2297	Westbrook Flood Control Project	7,000,000.00
2313	Refunding Bond	1,040,000.00
2314	Improvements to 911 Communications System	122,591.00
2340	Various Road Improvements	1,287,207.80
2342	Various Improvements	90,250.00
2349	Acquisition of Ambulance	152,000.00
		<u>\$ 9,718,048.80</u>

BOROUGH OF ROSELLE

AFFORDABLE HOUSING UTILITY FUND

SCHEDULE OF CASH - TREASURER

	REF.	OPERATING	CAPITAL
Balance, June 30, 2009	D	\$ 140,157.15	\$ 15,000.00
Increased by Receipts:			
Rents			
Prepaid Rents	D-5	\$ 258,446.00	\$
Security Deposits	D-16	1,043.00	
Due Current Fund	D-7	2,954.17	
Miscellaneous	D-13	10,882.84	
Outstanding Check Voided	D-2	2,567.80	
	D-1	32,366.49	
		<u>308,260.30</u>	
		\$ 448,417.45	\$ 15,000.00
Decreased by Disbursements:			
SFY 2010 Appropriations	D-3	\$ 232,120.11	
SFY 2009 Appropriations Reserves	D-8	18,274.00	\$
Reserve for Security Deposits	D-12	650.00	
Due Current Fund	D-13	8,841.50	
Security Deposits	D-7	1,740.53	
Refund of Prior Years' Revenue	D-1	10,882.84	
		<u>272,508.98</u>	
Balance, June 30, 2010	D	\$ 175,908.47	\$ 15,000.00

"D-5"

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY OPERATING FUND  
SCHEDULE OF RENTAL INCOME ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, June 30, 2009	D	\$	77,686.00
Increased by:			
Rents Levied			<u>264,238.00</u>
		\$	341,924.00
Decreased by:			
Collection	D-2:D-4	\$	258,446.00
Cancellation			<u>46,645.00</u>
			305,091.00
Balance, June 30, 2010	D	\$	<u>36,833.00</u>

"D-6"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, June 30, 2009	D	\$	6,884.20
Increased by:			
Transferred from Budget	D-3		<u>2,465.02</u>
		\$	9,349.22
Decreased by:			
Transferred to Reserves	D-8		<u>6,884.20</u>
Balance, June 30, 2010	D	\$	<u>2,465.02</u>

"D-7"

SCHEDULE OF TENANT SECURITY DEPOSITS

Balance, June 30, 2009	D	\$	22,743.16
Increased by:			
Cash Receipts	D-4		<u>2,954.17</u>
		\$	25,697.33
Decreased by:			
Cash Disbursements	D-4		<u>1,740.53</u>
Balance, June 30, 2010	D	\$	<u>23,956.80</u>

"D-8"

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY OPERATING FUND  
SCHEDULE OF S.F.Y. 2009 APPROPRIATION RESERVES

	BALANCE JUNE 30, 2009	BALANCE AFTER TRANSFERS	PAID OR CHARGED	LAPSED
Operating:				
Other Expenses	\$ 18,904.60	\$ 25,788.80	\$ 18,274.00	\$ 7,514.80
	<u>\$ 18,904.60</u>	<u>\$ 25,788.80</u>	<u>\$ 18,274.00</u>	<u>\$ 7,514.80</u>
REF.	D:D-8		D-4	D-1
Balance, June 30, 2009	D-8	\$ 18,904.60		
Accounts Payable	D-6	<u>6,884.20</u>		
		<u>\$ 25,788.80</u>		

"D-9"

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

<u>Account</u>	<u>REF.</u>	BALANCE JUNE 30, 2009 AND 30, 2010
Affordable Housing Improvements	D	\$ <u>5,000.00</u>

"D-10"

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance, June 30, 2009 and June 30, 2010	D	\$ <u>5,000.00</u>
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"D-11"

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance, June 30, 2009 and June 30, 2010	D	\$ <u>20,000.00</u>
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"D-12"

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY OPERATING FUND  
SCHEDULE OF OPERATING SECURITY DEPOSITS

	<u>REF.</u>	
Balance, June 30, 2009	D	\$ 762.20
Decreased by:		
Cash Disbursements	D-4	<u>650.00</u>
Balance, June 30, 2010	D	\$ <u>112.20</u>

"D-13"

SCHEDULE OF DUE CURRENT FUND

Balance, June 30, 2009	D	\$ 28,735.10
Increased by:		
Cash Receipts	D-4	<u>10,882.84</u>
Decreased by:		\$ <u>39,617.94</u>
Cash Disbursements	D-4	<u>8,841.50</u>
Balance, June 30, 2010	D	\$ <u>30,776.44</u>

"D-14"

SCHEDULE OF DUE AFFORDABLE HOUSING UTILITY CAPITAL FUND

Balance, June 30, 2009 and June 30, 2010	D	\$ <u>5,000.00</u>
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"D-15"

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY OPERATING FUND  
SCHEDULE OF DEFERRED CHARGES

	BALANCE JUNE 30, 2009	RAISED IN JUNE 30, 2010 BUDGET
Overexpenditure of Appropriation Reserves	\$ <u>14,206.35</u>	\$ <u>14,206.35</u>
<u>REF.</u>	D	D-3

"D-16"

SCHEDULE OF PREPAID RENTS

Increased by:		
Cash Receipts	D-4	\$ <u>1,043.00</u>
Balance, June 30, 2010	D	\$ <u>1,043.00</u>

"E-1"

BOROUGH OF ROSELLE

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH-TREASURER

	<u>REF.</u>	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>FUND</u> <u>TOTAL</u>
Balance, June 30, 2009 and June 30, 2010	E:E-2	\$ <u>12,960.34</u>	\$ <u>12,960.34</u>

BOROUGH OF ROSELLE

PUBLIC ASSISTANCE TRUST FUND

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

REF.

Balance, June 30, 2010 and  
February 28, 2011

E-1

\$ 12,960.34

Reconciliation, February 28, 2011

Balance on Deposit Per Statement of:  
TD Bank  
Account #7861791270

P.A.T.F. I  
ACCOUNT

TOTAL

\$ 12,960.34 \$ 12,960.34

Balance, February 28, 2011

\$ 12,960.34 \$ 12,960.34

BOROUGH OF ROSELLE

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION AS OF JUNE 30, 2010

	<u>REF.</u>	
Balance, June 30, 2009 and June 30, 2010	E-1	\$ <u>12,960.34</u>

Reconciliation, June 30, 2010

Balance on Deposit Per Statement of:  
TD Bank  
Account #7861791270

Balance, June 30, 2010

	<u>P.A.T.F. I ACCOUNT</u>	<u>TOTAL</u>
	\$ <u>12,960.34</u>	\$ <u>12,960.34</u>
	\$ <u>12,960.34</u>	\$ <u>12,960.34</u>

BOROUGH OF ROSELLE

PART II

SINGLE AUDIT SECTION

REPORTS 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

REPORTS ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR STATE FINANCIAL ASSISTANCE  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 04-04

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

**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 Borough Council  
Borough of Roselle  
County of Union  
Roselle, New Jersey 07203

We have audited the accompanying financial statements - statutory basis of the Borough of Roselle, County of Union, New Jersey as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated June 8, 2011 in which we expressed a qualified opinion due to the omission of a Statement of General Fixed Assets. Our report also disclosed that, as described in Note 1 to the financial statements, the Borough of Roselle prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. We conducted our audit in accordance with U.S. generally accepted auditing standards, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

## SUPLEE, CLOONEY & COMPANY

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider 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 Borough's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs, and referenced as #FY 10-03, to be a material weakness. In addition, we noted other deficiencies which are discussed in Part III, General Comments and Recommendations Section of this report.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Roselle's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying Schedule of Findings and Questioned Costs as items #10-1 and #10-2. In addition, we noted other immaterial instances of noncompliance which are discussed in Part III, General Comments and Recommendations Section of this report.

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 8, 2011



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
STATE FINANCIAL ASSISTANCE PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH NEW JERSEY OMB CIRCULAR 04-04**

The Honorable Mayor and Members  
of the Borough Council  
Borough of Roselle  
County of Union  
Roselle, New Jersey 07203

**Compliance**

We have audited the compliance of the Borough of Roselle, County of Union, with the types of compliance requirements described in the State of New Jersey, Department of Treasury, Office of Management and Budget's State Grant Compliance Supplement that are applicable to each of its major state programs for the fiscal year ended June 30, 2010. The Borough of Roselle's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its state programs is the responsibility of the Borough of Roselle's management. Our responsibility is to express an opinion on the Borough of Roselle's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Roselle's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of Roselle's compliance with those requirements.

## **SUPLEE, CLOONEY & COMPANY**

In our opinion, the Borough of Roselle complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with State of New Jersey OMB Circular #04-04 and which are described in the accompanying schedule of findings and questioned costs as item #10-04.

### **Internal Control Over Compliance**

The management of the Borough of Roselle is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Borough of Roselle's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance in accordance with State of New Jersey OMB Circular #04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.


Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying Schedule of Findings and Questioned Costs as item #FY 10-04. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

## SUPLEE, CLOONEY & COMPANY

This report is intended solely for the information of the Borough of Roselle, County of Union, New Jersey, the New Jersey Local Government Services, and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 8, 2011

## BOROUGH OF ROSELLE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JUNE 30, 2010

FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	STATE FISCAL YEAR 2010 FUNDS RECEIVED	STATE FISCAL YEAR 2010 EXPENDITURES	CUMULATIVE EXPENDITURES JUNE 30, 2010
		FROM	TO				
FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE							
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Passed Through County of Union:							
Community Development Block Grant Program:							
14.218	004-161	09/01/04	08/31/05	220,000.00	\$	\$	194,042.00
14.218	004-164	09/01/04	08/31/05	40,000.00			
14.218	005-059	09/01/05	08/31/06	90,000.00			
14.218	005-183	09/01/05	08/31/06	90,000.00			
14.218	006-277	09/01/06	08/31/07	5,908.00			
14.218	006-446	09/01/06	08/31/07	484.00			4,908.00
14.218	007-277	09/01/07	08/31/08	7,658.00			
14.218	007-446	09/01/07	08/31/08	28,000.00			
14.218	007-183	09/01/07	08/31/08	130,000.00	5,000.00	5,000.00	6,500.00
14.218	008-275	09/01/08	08/31/09	9,388.00	9,388.00		27,988.88
14.218	008-276	09/01/08	08/31/09	10,227.00			130,000.00
14.218	008-277	09/01/08	08/31/09	7,658.00	6,000.00	1,250.00	9,388.00
14.218	008-446	09/01/08	08/31/09	28,000.00	12,168.22	2,703.52	10,227.00
14.218	008-183	09/01/09	08/31/10	161,188.00	161,188.00	161,188.00	7,500.00
14.218	008-275	09/01/09	08/31/10	10,227.00	7,495.14	7,495.14	28,000.00
14.218	008-276	09/01/09	08/31/10	7,658.00	3,750.00	3,750.00	161,188.00
14.218	008-446	09/01/09	08/31/10	28,000.00	17,283.74	22,653.14	7,495.14
14.218	008-059	09/01/09	08/31/10	60,000.00	41,839.82	41,839.82	3,750.00
14.218	008-183	09/01/09	08/31/10	125,000.00	48,714.58	48,714.58	22,653.14
					312,837.30	294,594.00	41,839.82
68.818	N/A		8/4/09	200,000.00			48,714.58
						200,000.00	704,204.38
UNITED STATES DEPARTMENT OF ENVIRONMENTAL PROTECTION							
Brownfields Cooperative Assessment Agreement							
16.579	N/A			10,531.00			7,495.14
16.579	N/A			48,281.00			3,750.00
16.607	N/A			4,451.05		44,000.00	7,500.00
16.607				9,497.00			22,653.14
							41,839.82
							48,714.58
					312,837.30	487,948.00	48,714.58
							704,204.38
UNITED STATES DEPARTMENT OF JUSTICE							
Justice Assistance Program							
16.579	N/A			10,531.00			7,495.14
16.579	N/A			48,281.00			3,750.00
16.607	N/A			4,451.05		44,000.00	7,500.00
16.607				9,497.00			22,653.14
							41,839.82
							48,714.58
					312,837.30	487,948.00	48,714.58
							704,204.38



**BOROUGH OF ROSELLE**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FISCAL YEAR ENDED JUNE 30, 2010**

STATE GRANTOR/ASS THROUGH GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	STATE FISCAL YEAR 2010 FUNDS RECEIVED	STATE FISCAL YEAR 2010 EXPENDITURES	CUMULATIVE EXPENDITURES JUNE 30, 2010
		FROM	TO				
<b>GOVERNORS COUNCIL ON ALCOHOL AND DRUG ABUSE</b>							
Pass Through County of Union Alliance Grant	07-ALL-105	1/1/07	12/31/07	20,723.00 \$			
Pass Through County of Union Alliance Grant	08-ALL-105	1/1/08	12/31/08	20,346.00			16,949.00
Pass Through County of Union Alliance Grant	09-ALL-105	1/1/08	12/31/08	16,498.00	11,191.72	452.35	11,830.05
Pass Through County of Union Alliance Grant	10-ALL-105	1/1/10	12/31/10	17,654.28		10,858.88	14,648.91
					11,191.72	11,121.23	43,426.95
<b>DEPARTMENT OF HOUSING</b>							
Subsidization Grant				2,500,000.00	117,163.00	117,163.00	117,163.00
					117,163.00	117,163.00	117,163.00
<b>DEPARTMENT OF LAW AND PUBLIC SAFETY</b>							
Drunk Driving Enforcement Fund	6400-100-078-6400-YYY		Continuous	15,616.00			
Drunk Driving Enforcement Fund	6400-100-078-6400-YYY		Continuous	5,959.00			
Alcohol Education and Rehabilitation	9735-760-098-4900-001-3000-6020		Continuous	4,387.19	4,387.19	450.45	6,739.35
Alcohol Education and Rehabilitation	9735-760-098-4900-001-3000-6020		Continuous	1,702.83		3,814.00	3,814.00
Alcohol Education and Rehabilitation	9735-760-098-4900-001-3000-6020		Continuous	3,524.00			
Body Armor Replacement Fund	1020-718-088-1020-001-YC-JS-6120		Continuous	1,156.28	1,156.28		
Body Armor Replacement Fund	1020-718-088-1020-001-YC-JS-6120		Continuous	4,086.00			858.85
Safe Routes to Schools	1020-718-088-1020-001-YC-JS-6120		Continuous	5,618.00			
Click It or Ticket				1,887.40	1,887.40		
Click It or Ticket - Unappropriated				4,600.00			
Pandemic Influenza				4,000.00		910.06	4,286.56
Pandemic Influenza				3,590.85	3,590.85		3,590.85
Operation Safe Streets				8,652.00			
Over the Limit Under Arrest				7,472.00			8,564.00
Enhanced 911 Grant				4,000.00			7,469.90
You Drink, You Drive You Lose				5,000.00	118.00	5,000.00	5,000.00
	AL05-63-11-16			112,409.00			
				304.00			
					11,100.72	189.00	40,323.51
					10,383.51		
<b>DEPARTMENT OF TREASURY</b>							
Development of Elderly Programs	05-100-094-9420-047	7/1/04	6/30/06	10,000.00		268.70	9,809.40
					774,506.01 \$	836,426.32 \$	2,778,051.11

BOROUGH OF ROSELLE

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

FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

#### NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - STATUTORY BASIS

Amounts reported in the accompanying schedules of expenditures agree with amounts reported in the Borough of Roselle's statutory basis financial statements. These amounts are reported in the Grant Fund, Trust Fund or General Capital Fund.

##### Revenues

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$	\$ 545,455.76	\$	\$ 545,455.76
Trust Other Fund	56,095.10			56,095.10
General Capital Fund	<u>256,742.20</u>	<u>229,050.25</u>		<u>485,792.45</u>
	\$ <u>312,837.30</u>	\$ <u>774,506.01</u>	\$	<u>1,087,343.31</u>

##### Expenditures

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 193,355.00	\$ 707,476.07	\$ 256,147.24	\$ 1,156,978.31
Trust Other Fund	37,851.80			37,851.80
General Capital Fund	<u>256,742.20</u>	<u>229,050.25</u>		<u>485,792.45</u>
	\$ <u>487,949.00</u>	\$ <u>936,526.32</u>	\$ <u>256,147.24</u>	\$ <u>1,680,622.56</u>

#### NOTE 5. OTHER

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

BOROUGH OF ROSELLE  
UNION COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**Section I - Summary of Auditor's Results**

**Financial Statements**

- (1) Type of Auditor Report Issued: Qualified
- (2) Internal Control Over Financial Reporting:
- (a) Material weakness(es) identified? Yes
- (b) Significant deficiencies identified? None reported
- (3) Noncompliance material to the financial statements noted during the audit? Yes

**Federal Programs** – N/A

**State Programs:**

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified? Yes
- (2) Type of Auditor's Report issued on compliance for major state program(s)? Unqualified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04 and listed in Section III of this schedule? Yes
- (4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>	<u>Grant Period</u>	<u>Type</u>	<u>Award Amount</u>	<u>Amount Expended</u>
Urban Enterprise Zone	Various	Various	A	\$2,644,114.03	\$518,721.43

**BOROUGH OF ROSELLE  
UNION COUNTY, NEW JERSEY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**State Programs (Continued):**

**(5) Program Threshold Determination:**

Type A State Program Threshold > \$300,000.00  
Type B State Program Threshold <= \$300,000.00

**(6) Auditee qualified as a low-risk auditee under New Jersey  
OMB Circular 04-04?**

No

**Section II - Reported Findings Under Government Auditing Standards**

**Compliance  
# (10-01)**

Per Local Finance Notice 2003-14, Municipalities are required to maintain general ledgers for all funds. During Fiscal Year 2010 the Borough did not completely maintained a Current Fund General Ledger. In addition, General Ledgers were not maintained for any of the other funds. General Ledgers are the permanent fiscal records which provide a summary of all financial transactions as they have been recorded in the books of original entry utilizing a double entry accounting system. Through the use of general ledgers, the books of original entry and supporting subsidiary ledgers, the financial statements would be prepared.

We recommend that general ledgers be completely and currently maintained for all funds.

**# (10-02)**

The General Fixed Assets Ledger has not been updated to reflect the purchase, retirement or sale of general fixed assets that occurred during the past several years. Accordingly, we are unable to satisfy ourselves as to the amount of General Fixed Assets to be reported in the financial statements.

We recommend that a complete record of general fixed assets be maintained.

**Internal Control  
#(10-03)**

As discussed in detail in #10-01 and #10-02, the Borough of Roselle has deficiencies in the design and operation of its internal control over financial reporting.

**BOROUGH OF ROSELLE  
UNION COUNTY, NEW JERSEY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Section III - Findings and Questioned Costs Relative to Major State Programs**

**State Programs**

**State of New Jersey Department of Economic Development**

**Urban Enterprise Zone Program**

**#10-04**

During our audit of the Urban Enterprise Zone programs we noted that the Borough's accounting system does not follow budget guidelines of grant contracts and does not track grant receivables by individual grant contracts and are not in agreement with the detail records of the grant fund maintained by the finance office. It also appears that drawdowns are not being made on a timely basis. In several cases, expenditures drawn down for reimbursement could not be traced to the detailed accounting system of the Borough. We also noted expenditures against UEZ grants that were shown as closed on the "Department of Commerce and Economic Development UEZ Authority Account Status of Approved Projects 6/30/10" report.

We recommend that all grant receivable, receipts and expenditures be properly reflected in the accounting system maintained in the finance department, that all eligible costs be drawn down on a timely basis and reconciled to the detailed accounting system of the Borough and that grant appropriations listed on the Borough's accounting system be reconciled with State's "Department of Commerce and Economic Development UEZ Authority Account Status of Approved Projects" reports.

**Summary Schedule of Prior Audit Findings**

**Finding 09-1**

General ledgers were not completely and currently maintained for all funds.

**Current Status**

This finding is repeated in the current year as finding 10-01.

**Finding 09-02**

A complete record of general fixed assets was not maintained.

**BOROUGH OF ROSELLE  
UNION COUNTY, NEW JERSEY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Current Status**

This finding is repeated in the current year as finding 10-02

**Finding 09-04**

A complete record of general fixed assets was not maintained.

**Current Status**

This finding is repeated in the current year as finding 10-04

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PART III

BOROUGH OF ROSELLE

STATISTICAL DATA

LIST OF OFFICIALS

GENERAL COMMENTS AND RECOMMENDATIONS

FISCAL YEAR ENDED JUNE 30, 2010

STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - CURRENT FUND

	FISCAL YEAR 2010		FISCAL YEAR 2009	
	AMOUNT	%	AMOUNT	%
<b>REVENUE AND OTHER INCOME REALIZED</b>				
Fund Balance Utilized	\$ 1,300,000.00	1.95%	\$ 345,662.00	0.54%
Miscellaneous - From Other Than Local Property Tax Levies	9,274,749.00	13.92%	8,861,932.36	13.72%
Collection of Delinquent Taxes and Tax Title Liens	54,316,052.37	81.50%	53,383,500.80	82.64%
Collection of Current Tax Levy	1,756,481.85	2.64%	2,003,193.82	3.10%
<b>Total Income</b>	<b>\$ 66,847,283.22</b>	<b>100.00%</b>	<b>\$ 64,594,268.98</b>	<b>100.00%</b>
<b>EXPENDITURES</b>				
Budget Expenditures:				
Municipal Purposes	\$ 35,476,421.17	53.71%	\$ 33,391,848.40	52.85%
County Taxes	6,627,434.04	10.03%	6,272,736.33	9.93%
Local School Taxes	23,438,800.00	35.49%	23,438,800.00	37.10%
Other Expenditures	507,271.97	0.77%	80,916.49	0.13%
<b>Total Expenditures</b>	<b>\$ 66,049,927.18</b>	<b>100.00%</b>	<b>\$ 63,184,301.22</b>	<b>100.00%</b>
Excess in Revenue	\$ 597,356.04		\$ 1,409,987.76	
Adjustments to Income Before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year	63,756.96			
Excess in Revenue	\$ 661,113.00		\$	
Fund Balance, July 1	1,636,214.76		571,889.00	
Decreased by:	\$ 2,297,327.76		\$ 1,981,876.76	
Utilization as Anticipated Revenue	1,300,000.00		345,662.00	
Fund Balance, June 30	\$ 997,327.76		\$ 1,636,214.76	

STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - AFFORDABLE HOUSING UTILITY FUND

	FISCAL YEAR 2010		FISCAL YEAR 2009	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Collection of Rents	\$ 258,446.00	85.89%	\$ 258,714.00	98.61%
Miscellaneous - From Other Than Rents	42,449.09	14.11%	3,634.74	1.39%
<u>TOTAL INCOME</u>	<u>\$ 300,895.09</u>	<u>100.00%</u>	<u>\$ 262,348.74</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 137,000.00	51.22%	\$ 137,000.00	56.32%
Deferred Charges and Statutory Expenditures	14,206.35	5.31%		
Debt Service	105,397.50	39.40%	106,272.50	43.68%
Other Expenditures	10,882.84	4.07%		
<u>TOTAL EXPENDITURES</u>	<u>\$ 267,486.69</u>	<u>100.00%</u>	<u>\$ 243,272.50</u>	<u>100.00%</u>
Excess in Revenue	\$ 33,408.40		\$ 19,076.24	
Fund Balance:				
Balance, July 1	71,334.24		52,258.00	
Balance, June 30	<u>\$ 104,742.64</u>		<u>\$ 71,334.24</u>	

# COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate-Calendar Year	<u>\$7.220</u>	<u>\$7.147</u>	<u>\$7.041</u>
Apportionment of Tax Rate:			
Municipal	3.393	3.321	3.323
County	0.826	0.825	0.783
Local School	3.001	3.001	2.935

## Assessed Valuations:

2010	<u>\$781,813,635.00</u>		
2009		<u>\$781,136,336.00</u>	
2008			<u>\$783,307,290.00</u>

## COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>FISCAL</u> <u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH</u> <u>COLLECTION</u>	<u>CURRENTLY</u> <u>PERCENTAGE OF</u> <u>COLLECTIONS</u>
2010	\$56,754,582.42	\$54,316,052.37	95.70%
2009	\$55,672,606.56	\$53,383,500.80	95.89%
2008	\$52,555,758.00	\$50,512,876.00	96.11%

### DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>FISCAL YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2010	\$10,825.01	\$2,585,485.32	\$2,596,310.33	4.57%
2009	\$8,871.98	\$2,013,083.19	\$2,021,955.17	3.63%
2008	\$6,953.00	\$2,073,291.00	\$2,080,244.00	3.96%

### PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>FISCAL YEAR</u>	<u>AMOUNT</u>
2010	\$2,027,232.00
2009	\$2,027,232.00
2008	\$2,027,232.00

### COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>FISCAL YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2010	\$997,327.76	\$975,000.00
	2009	1,636,214.76	1,300,000.00
	2008	571,889.00	360,000.00
	2007	2,113,252.00	1,800,000.00
	2006	3,180,669.00	2,300,000.00

	<u>FISCAL YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Affordable Housing Utility Operating Fund	2010	\$104,742.64	-0-
	2009	71,334.24	-0-
	2008	52,258.00	-0-
	2007	3,604.00	-0-
	2006	66,364.00	62,760.00

**OFFICIALS IN OFFICE AND SURETY BONDS**

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

<b><u>NAME</u></b>	<b><u>TITLE</u></b>	<b><u>AMOUNT OF BOND</u></b>	<b><u>NAME OF CORPORATE OR PERSONAL SURETY</u></b>
Garret B. Smith	Mayor		
Jamel Holley	Council President		
Yves Aubourg	Councilman		
Christine Dansereau	Councilwoman		
Samantha Dow	Councilwoman		
Cecilia Dallis-Ricks	Councilwoman		
Sylvia Turnage	Councilwoman		
Jerard Murphy	Acting Administrator 5/20/10-12/31/10	*	
Rhona Bluestein	Clerk	\$100,000.00	Western Surety Co.
Adrian Mapp	CFO to 8/26/09	\$100,000.00	Hartford Insurance Co.
Frederick Tomkins	CFO 9/9/09 - 12/31/09	\$100,000.00	Western Surety Co.
Wendy Wulstein	CFO from 1/1/10	\$100,000.00	Western Surety Co.
Carl Marshall	Magistrate	\$50,000.00	Western Surety Co.
Stella Fellner	Court Administrator	\$100,000.00	Hartford Insurance Co.
John Hudak	Attorney	*	
Joe Skelly	Tax Collector	\$100,000.00	Western Surety Co.
Pamela Steele	Tax Assessor	*	
Gerard Orlando	Police Chief	*	
Paul Mucha	Fire Chief	*	

GENERAL COMMENTS AND RECOMMENDATIONS

## GENERAL COMMENTS

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

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c. 198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2005, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$21,000.00. The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

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

- Road Improvements
- Field Project
- Police Equipment
- Emergency Vehicle
- Traffic Signal Maintenance
- Building Improvements

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 or any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The minutes indicate that resolutions authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 were awarded during Fiscal Year 2010 for the professional services:

- Labor Counsel
- Municipal Auditor
- Engineering Services
- Other Legal Services
- Consultants
- Tax Appeal Counsel
- Special Counsel
- Insurance Counsel
- Architects
- Physicians

## COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The Governing Body on October 21, 2009 adopted resolution 2009-379 pursuant to the provisions of R.S. 54:4-67 fixing the rate of delinquent taxes and assessments or other municipal liens or charges at 1% per annum on the first \$1,500.00 and a rate of 5% per annum on any amount in excess of \$1,500.00 becoming delinquent after the due date until June 30, 2010.

It appears from our examination of the records that interest was collected in accordance with the foregoing resolution.

## TAX TITLE LIENS

The last tax sale was held on June 14, 2010.

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

The following comparison is made of the number of tax title liens on June 30 of the last three years:

<u>FISCAL YEAR</u>	<u>NUMBER OF LIENS</u>
2010	2
2009	2
2008	2

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

## VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>TYPE</u>	
Payment of 2010	25
Payment of 2009	25
Delinquent Taxes	25

## OTHER COMMENTS

### Interfund Balances

As a general rule, all interfund balances should be closed out before the end of the year. Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. There are interfund balances open at June 30 2010 on the balance sheets of the Borough.

### Municipal Court

Open items of bail on deposit were not reconciled with the balances in the criminal and traffic bail bank accounts.

The fines and costs and bail bank accounts were not properly reconciled with the ATS/ACS system,

We noted several tickets in excess of 6 months old on the "Assigned Not Issued" report.

Funds were not always disbursed by the 15th of the following month.

### Payroll

The Net Payroll Bank Account contained several unreconciled differences which did not appear to be charged to any appropriation. In addition, there were several items on the outstanding check list that were in excess of one year old.

An analysis of the balance on account in the Payroll Agency account was not maintained.

We noted that the Borough does not have a contract with their outside payroll service provider, did not designate a responsible individual to authorize and supervise the activities of the provider and did not monitor the internal controls of the provider as required by N.J.A.C. 5:30-17.6.

Pension withholdings were not always remitted to the State on a timely basis.

The Borough was not reimbursed on a timely basis by the Borough Library for payroll expenditures.

### Tax Collector

Tax appeal refunds disbursed by the Treasurer's office were not always posted to the Tax Computer System.

The balance on deposit in the Tax Title Lien Redemption Bank Account was not reconciled with the records maintained in the Tax Collectors office.

## OTHER COMMENTS (CONTINUED)

### Departments

The audit of the condition of records maintained by the various departments of the Borough were designed to determine whether minimum levels of internal controls and accountability were maintained, that cash receipts were deposited or turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15 and that the amounts collected were in accordance with various ordinances, statutes, contracts or agreements. Our audit revealed the following exceptions:

An official schedule of fees to be charged by the various departments was not maintained.

#### **Clerks Department:**

Receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

A detailed cash receipts ledger was not maintained.

Departmental revenue records did not always agree with the records of the Finance Department

#### **Board of Health/Vital Statistics Department:**

Receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

Not all duplicate receipts were available for audit.

Departmental revenue records did not always agree with the records of the Finance Department

#### **Police Department:**

Receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

Receipts were not always recorded in the cash receipts ledger.

#### **Construction Code Department:**

Departmental revenue records did not always agree with the records of the Finance Department

Receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

We noted 2 permits selected for testing were not available for audit.

## OTHER COMMENTS (CONTINUED)

### Departments (Continued)

#### **Recreation Department:**

Departmental revenue records did not always agree with the records of the Finance Department

Duplicate receipts were not always used in sequential order.

A detailed cash receipts ledger was not maintained.

Receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

#### **Public Works Department:**

Departmental revenue records did not always agree with the records of the Finance Department

A detailed cash receipts ledger was not maintained.

Receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

#### **Zoning/Planning Board:**

A detailed cash receipts ledger and duplicate receipts were not available for audit.

### Surety Bonds

The surety coverage in the Tax Collector office did not meet the minimum requirement.

### Affordable Housing Utility

The third party management company did not provide an accurate report of accounts receivable to the Finance Department.

## OTHER COMMENTS (CONTINUED)

### Minutes

Permanently bound minutes were not made available for audit. Instead copies of minutes were provided in a three ring binder.

Official depositories of the Borough were not approved by resolution of the governing body.

Several resolutions and ordinances were not available for audit

### Fixed Assets

A complete record of General Fixed Assets was not currently maintained.

### Treasurer

Several Miscellaneous Trust Deposits maintained by the Borough do not have Dedications by Rider approved by the State of New Jersey.

The General Ledgers for the Current Fund, Trust Fund, General Capital Fund and Affordable Housing Utility Fund were not completely maintained and not in agreement with subsidiary records.

Several cash receipts and disbursements were missposted in the Current, Trust and Capital cash receipts and disbursement ledgers.

Bank accounts were not reconciled on a timely basis.

We noted overexpenditures of several appropriation and appropriation reserve line items.

We noted numerous grants receivable and appropriated grant reserves from prior years which should be reviewed and cleared of record.

Two payment in lieu of taxes (PILOT) agreements were not collected.

A detailed analysis of trust deposits was not reconciled to the reconciled bank balance in the Trust Other Account.

## OTHER COMMENTS (CONTINUED)

### Purchasing

The Borough has not maintained a complete encumbrance accounting system in accordance with the minimum requirements as promulgated by the Division of Local Government Services. We noted that numerous purchase orders are not charged as financial obligations to the amounts appropriated when issued; instead, the amounts appropriated are charged when the bills are actually paid. As a result, several overexpenditures of the budget occurred during the fiscal year. In addition several purchase orders selected for testing were not available for audit.

Several purchase orders were not available for audit.

We selected four vendors that were awarded bids by resolution to ensure that they were awarded in compliance with N.J.S.A. 40A:11 and N.J.A.C. 5:34. Documentation supporting these awards such as copies of contracts, certification of availability of funds, proof of publication of advertisement in the official Borough newspaper and bid tabulation sheets were not made available for audit.

We selected four professional service contracts awarded by resolution for testing to ensure that they were awarded per N.J.S.A. 40A:11-5 and 19:44A-20-5. Documentation supporting these awards such as copies of contracts and proof of publications in the official Borough newspaper were not made available for audit.,

A vendor was contracted by the Roselle Urban Enterprise Zone for the Summer Concert Series but that contract was never formally approved by resolution of the Borough Council.

## RECOMMENDATIONS

That the Municipal Court:

Reconcile all bank accounts with the computer system on a monthly basis.\*

Reconcile all open items of bail with the balances on deposit in the bail bank accounts.\*

Review all outstanding tickets and complaints for proper disposition.\*

Funds be disbursed to the proper agencies on a timely basis.

That the Net Payroll Bank Account be accurately reconciled on a monthly basis and that old outstanding checks be reviewed for proper disposition.\*

That the balance on deposit in the Payroll Agency Bank Account be analyzed monthly.\*

That pension withholdings be remitted to the State on a timely basis.\*

That the Borough's use of payroll processing and disbursement services be brought in accordance with the requirements of N.J.A.C. 5:30-17 and Local Finance Notice 2003-15.\*

That the Borough be reimbursed on a timely basis by the Borough Library for payroll expenditures.

That tax appeal refunds be posted to the Tax Computer system.

That the balance on account in the Tax Title Redemption Bank Account be reconciled with the records maintained in the Tax Collector's office.

That the Borough's Municipal Departments:

Deposit or remit all receipts collected to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.\*

Maintain an accurate record of all cash receipts collected.\*

Make all permits available for audit.

Use duplicate receipts in sequential order.\*

Maintain an official schedule of fees to be charged by the various departments.\*

That surety coverage for the Tax Collector's office meet the minimum requirements.

That accurate financial records be obtained from the Borough's housing management company in an effort to collect past due rents.\*

### RECOMMENDATIONS (CONTINUED)

- That the official depositories be approved by the Borough Council by resolution.
- That all resolutions and ordinances be on file and available for audit.\*
- That a complete and accurate record of general fixed assets be maintained.\*
- That written approval from the Director of the Division of Local Government Services be obtained for all funds expended as dedicated revenue.\*
- That General Ledgers be currently and completely maintained for all funds and proven to subsidiary records on a monthly basis.\*
- That greater care be exercised in posting of cash receipts and disbursements.
- That bank accounts be reconciled on a timely basis.
- That sufficient appropriation balances be available prior to the commitment or expenditure of funds.\*
- That all grant receivables and appropriated reserves from prior years be reviewed and cleared of record, eligible grant costs be drawn down on a timely basis.\*
- That payment in lieu of tax (PILOT) agreements be collected on a timely basis.
- That a detailed analysis of trust deposits be reconciled to the Trust Other bank account.
- That a complete encumbrance accounting system be maintained as required by Technical Accounting Directive No. 85-1\*.
- That all purchase orders be made available for audit.
- That all contracts be approved by the governing body.\*
- That documentation supporting the award of contracts through professional services and bids be made available for audit.

\*Prior Year Recommendation





ANNUAL DEBT STATEMENT

AS REQUIRED BY N.J.S.A. 40A:2-40

of the	<u>BOROUGH</u>	of	<u>ROSELLE</u>	County of	<u>UNION</u>
	<u>Prepared as of June 30, 2011</u>				
		<u>Gross</u>	<u>Deduction</u>	<u>Net</u>	
1. (a) Total Bonds and Notes for School Purposes		<u>\$0.00</u> (50011-00)			
(b) Less Applicable Deductions			<u>\$0.00</u> (50012-00)		
(c) Net Debt for School Purposes				<u>\$0.00</u> (50013-00)	
2. (a) Total Bonds and Notes for Self-Liquidating Purposes		<u>\$0.00</u> (50014-00)			
(b) Less Applicable Deductions			<u>\$0.00</u> (50015-00)		
(c) Net Debt for Self-Liquidating Purposes				<u>\$0.00</u> (50016-00)	
3. (a) Total Other Bonds and Notes		<u>\$22,374,427.80</u> (50017-00)			
(b) Less Applicable Deductions			<u>\$213,118.00</u> (50018-00)		
(c) Net Debt for Other Purposes				<u>\$22,161,309.80</u> (50019-00)	
Total Gross Debt		<u>\$22,374,427.80</u> (50020-00)			
Total Deductions			<u>\$213,118.00</u> (50021-00)		
4. TOTAL NET DEBT JUNE 30, 2011				<u>\$22,161,309.80</u> (50022-00)	

EQUALIZED VALUATION BASIS

Equalized valuation basis(the average of the equalized valuation of real estate, including improvements, and the assessed valuation of class II railroad property of the local unit for the last 3 preceding years).

(1) 2008 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	<u>\$1,844,946,125.00</u>
(2) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	<u>\$1,801,451,180.00</u>
(3) 2010 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	<u>\$1,655,244,105.00</u>
5. EQUALIZED VALUATION BASIS - Average of (1), (2), and (3).	<u>\$1,767,213,803.33</u>
6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS	
The percentage that the net debt (Line 4 above) bears to the equalized valuation basis(Line 5 above):	
<u>One &amp; 25/100 of One Percent</u> per cent	<u>1.25%</u> (50039-00)

AFFIDAVIT

STATE OF NEW JERSEY)  
County of UNION ) ss.  
David G. Brown II, being duly sworn, deposes and says:

Deponent is the acting chief financial officer of the Borough of Roselle, County of Union here and in the statement hereinafter mentioned called "the municipality" or "the county." The Annual Debt Statement annexed hereto and hereby made a part hereof is a true statement of the debt condition of the municipality or county as of June 30, 2011 and is computed as provided by the Local Bond Law of New Jersey (N.J.S.A.40A:2-1 et seq.). The amounts of such items as are indefinite or unascertainable are estimated and are so marked.

Subscribed and sworn to before me  
this 20<sup>th</sup> day of July, 2011  
Rhona C. Bluestein  
Notary Public of New Jersey

Name: [Signature]  
Title: Acting CHIEF FINANCIAL OFFICER  
Address: MUNICIPAL BUILDING  
210 CHESTNUT STREET  
ROSELLE, N.J. 07203  
Phone: 908 - 259 - 3028  
Fax: 908 - 245 - 9508

BONDS AND NOTES FOR SCHOOL PURPOSES

School District Other Than Regional School District

Issued by : ~~(Municipality Type I)~~ Strike out one  
(Type II School District )

1. TERM BONDS	(50111-00)	_____	
2. SERIAL BONDS			
(a) Issued	(50112-00)	_____	
(b) Authorized but not issued	(50113-00)	_____	
3. TEMPORARY BONDS AND NOTES			
(a) Issued	(50114-00)	_____	
(b) Authorized but not issued	(50115-00)	_____	
4. TOTAL OF ABOVE BONDS AND NOTES			<u>\$0.00</u> (50116-00)

Regional School District

5. SERIAL BONDS			
(a) Issued	(50117-00)	_____	
(b) Authorized but not issued	(50118-00)	_____	
6. TEMPORARY BONDS AND NOTES			
(a) Issued	(50119-00)	_____	
(b) Authorized but not issued	(50120-00)	_____	
7. TOTAL OF REGIONAL SCHOOL BONDS AND NOTES			<u>\$0.00</u> (50121-00)

N.J.S.A. 40A:2-43 reads in part as follows: "Gross debt of a municipality shall also include that amount of the total of all the bonds and notes issued and authorized but not issued by any school district including the area of the municipality, which results from the application to such total of the ratio which the equalized valuation basis of the municipality bears to the sum of the equalized valuation basis of each municipality in any such school district."

COMPUTATION OF REGIONAL AND/OR CONSOLIDATED SCHOOL DISTRICT DEBT

% OF VALUATIONS APPORTIONED TO EACH MUNICIPALITY			APPORTIONMENT OF DEBT - June. 30, 2011		
Municipality	Average Equalized Valuations	%	Serial Bonds Issued	Temp. Bonds - Notes Issued	Authorized But not Issued
Totals	\$0.00	\$0.00	\$0.00		

**DEDUCTIONS APPLICABLE TO BONDS AND NOTES**  
**FOR SCHOOL PURPOSES**

Amounts held or to be held for the sole purpose of paying bonds and notes included on the opposite page (Items 1,2,3,5,6)

- |   |                               |  |
|---|-------------------------------|--|
| 1. Sinking funds in hand for bonds shown as Line 1,<br>Page 2 of this statement but not in excess of such bonds.  | (50211-00)                    |  |
| 2. Funds in hand in those cases where such funds cannot<br>be diverted to purposes other than the payment of bonds<br>and notes included in Line 4, Page 2.                         | (50212-00)                    |  |
| 3. Estimated proceeds of bonds and notes authorized but<br>not issued where such proceeds will be used for the sole<br>purpose of paying bonds and notes included in Line 4, Page 2 | (50213-00)                    |  |
| 4. <u>4%</u> per centum of equalized valuations<br>(50221-00)<br>as stated in Line 5, Page 1.   | \$70,688,552.13<br>(50214-00) |  |

Instructions re: Line 4:

Use applicable per centum as follows:

2 1/2% Kindergarten or Grade 1 through Grade 6

3% Kindergarten or Grade 1 through Grade 8

3 1/2 % Kindergarten or Grade 1 through Grade 9

4% Kindergarten or Grade 1 through Grade 12

Other ( insert applicable description)

           %                       
(50222-00)

- |  |            |                        |
|--|------------|------------------------|
| 5. Additional State School Building Aid Bonds<br>(N.J.S.A. 18A:58-33.4(d) )          | (50220-00) |                        |
| 6. Total   | (50215-00) | <u>\$70,688,552.13</u> |
| 7. School Debt as shown by<br>Line 4, Page 2.  | (50216-00) |                        |
| 8. Deduction for School Debt included in Line 4, Page 2<br>(smaller of Line 6 or 7). | (50217-00) |                        |
| 9. Regional School Debt as shown by Line 7, Page 2.                                  | (50218-00) |                        |

Page Total

                      
(50219-00)

BONDS AND NOTES FOR SELF- LIQUIDATING PURPOSES

A. \_\_\_\_\_ SYSTEM  
(insert Applicable Utility)

1. Terms Bonds (503 1-00) \_\_\_\_\_
2. Serial bonds  
    (a) Issued (503 2-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 3-00) \_\_\_\_\_
3. Refunding Bonds (N.J.S.A. 40A:2-52)  
    (a) Issued (503 4-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 5-00) \_\_\_\_\_
4. Bond anticipation notes  
    (a) Issued (503 6-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 7-00) \_\_\_\_\_
5. Capital Notes (N.J.S.A. 40A:2-8)  
    (a) Issued (503 8-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 9-00) \_\_\_\_\_
6. Total \_\_\_\_\_  
(503 0-00)

B. \_\_\_\_\_ SYSTEM  
(insert Applicable Utility)

7. Terms Bonds (503 1-00) \_\_\_\_\_
8. Serial bonds  
    (a) Issued (503 2-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 3-00) \_\_\_\_\_
9. Refunding Bonds (N.J.S.A. 40A:2-52)  
    (a) Issued (503 4-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 5-00) \_\_\_\_\_
10. Bond anticipation notes  
    (a) Issued (503 6-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 7-00) \_\_\_\_\_
11. Capital Notes (N.J.S.A. 40A:2-8)  
    (a) Issued (503 8-00) \_\_\_\_\_  
    (b) Authorized but not issued (503 9-00) \_\_\_\_\_
12. Total \_\_\_\_\_  
(503 0-00)

C. OTHER SELF-LIQUIDATING PURPOSES FROM  
WHICH MUNICIPALITY DERIVES REVENUE  
(state on a separate sheet in the manner stated above)

Total \_\_\_\_\_

Page Total \_\_\_\_\_  
(50409-00)

**DEDUCTIONS APPLICABLE TO BONDS AND NOTES**  
**FOR SELF-LIQUIDATING PURPOSES**

**1. \_\_\_\_\_ SYSTEM**  
 (Insert Applicable Utility)

(a) Gross \_\_\_\_\_ System Debt (504 1-00) \_\_\_\_\_

(b) Less: Deficit (Capitalized at 5%)

(Line 9 Or Line 11, Page 11)

\$ \_\_\_\_\_ times 20 (504 2-00) \_\_\_\_\_

(c) Deduction (504 3-00) \_\_\_\_\_

(d) Plus: Cash held to Pay Bonds and Notes  
 included in 2(a) above

(504 4-00) \_\_\_\_\_

(e) Total Deduction

\_\_\_\_\_  
 (504 5-00)

**2. \_\_\_\_\_ SYSTEM**  
 (Insert Applicable Utility)

(a) Gross \_\_\_\_\_ System Debt (504 1-00) \_\_\_\_\_

(b) Less: Deficit (Capitalized at 5%)

(Line 20 Or Line 22, Page 11)

\$ \_\_\_\_\_ times 20 (504 2-00) \_\_\_\_\_

(c) Deduction (504 3-00) \_\_\_\_\_

(d) Plus: Cash held to Pay Bonds and Notes  
 included in 2(a) above

(504 4-00) \_\_\_\_\_

(e) Total Deduction

\_\_\_\_\_  
 (504 5-00)

**3. OTHER SELF-LIQUIDATING PURPOSES FROM  
 WHICH MUNICIPALITY DERIVES REVENUE**  
 (State separately as above)

NOTE-the deficit in revenues may be capitalized by either dividing  
 such deficit by .05 or by multiplying such deficit by 20 as  
 indicated above.

OTHER BONDS AND NOTES

1. TERM BONDS (state purposes separately)

(1)	<hr/>	<hr/>
(2)	<hr/>	<hr/>
(3)	<hr/>	<hr/>
(4)	<hr/>	<hr/>
(5)	<hr/>	<hr/>
(6)	<hr/>	<hr/>
(7)	<hr/>	<hr/>
(8)	<hr/>	<hr/>

2. Total Term Bonds

---

(50509-00)

3. SERIAL BONDS (state purposes separately)

(a) Issued

(1)	<u>GENERAL IMPROVEMENT BONDS - '97</u>	<u>\$602,000.00</u>
(2)	<u>GENERAL IMPROVEMENT BONDS - '02</u>	<u>1,490,000.00</u>
(3)	<u>REFUNDING BONDS - ERIP - '03</u>	<u>85,000.00</u>
(4)	<u>GENERAL IMPROVEMENT BONDS - '05</u>	<u>3,128,000.00</u>
(5)	<hr/>	<hr/>
(6)	<hr/>	<hr/>
(7)	<hr/>	<hr/>
(8)	<hr/>	<hr/>
(9)	<hr/>	<hr/>
(10)	<hr/>	<hr/>
(11)	<hr/>	<hr/>
(12)	<hr/>	<hr/>
(13)	<hr/>	<hr/>
(14)	<hr/>	<hr/>
(15)	<hr/>	<hr/>
(16)	<hr/>	<hr/>
(17)	<hr/>	<hr/>

OTHER BONDS AND NOTES

SFY2011

3. SERIAL BONDS (Continued)

(a) Issued

(18)		
(19)		
(20)		
(21)		
(22)		
(23)		
(24)		
(25)		
(26)		
(27)		
(28)		
(29)		
(30)		
(31)		
(32)		
(33)		

Total Serial Bonds Issued

\$5,305,000.00  
(50547-00)

(b) Authorized but not issued

(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		

Total Serial Bonds Authorized but not Issued

(50564-00)  
\$5,305,000.00  
(50565-00)

4. Total Serial Bonds Issued and Authorized but not Issued

OTHER BONDS AND NOTES

5. BOND ANTICIPATION NOTES (state purposes separately)

(a) Issued

(1)	Ord. # 2251 - Various Capital Improvements	\$717,300.00
(2)	Ord. # 2276 - Various 2008 Road Improvements	1,000,000.00
(3)	Ord. # 2292 - Improvements to Sylvester Land Field	1,254,000.00
(4)	Ord. # 2300 - Various Road Improvements	2,337,831.00
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		
(13)		
(14)		

Bond Anticipation Notes Issued

\$5,309,131.00  
(50625-00)

(b) Authorized but not issued

(1)	Ord. # 2251 - Various Capital Improvements	\$26,000.00
(3)	Ord. # 2297 - Westbrook Flood Control Project	7,000,000.00
(4)	Ord. # 2314 - 911 Communication System	122,591.00
(5)	Ord. # 2313 - Refunding Bond Ordinance - Tax Appeals	1,040,000.00
(6)	Ord. # 2340 - Various Road Improvements	1,287,207.80
(7)	Ord. # 2342 - Various Improvements & Equipment Purchases	90,250.00
(8)	Ord. # 2349 - Acquisition of Ambulance	152,000.00
(9)	Ord. FY11 Various Capital Improvements	1,782,150.00
(10)	Ord. FY 11 Refunding Bond	\$160,000.00
(11)		

Bond Anticipation Notes Authorized but not Issued

\$11,660,198.80  
(50661-00)

6. Total Bond Anticipation Notes Issued  
and Authorized but not Issued

\$16,969,329.80  
(50662-00)

OTHER BONDS AND NOTES

7. MISCELLANEOUS BONDS AND NOTES (not including Tax Anticipation Notes, Emergency Notes, Special Emergency Notes and Utility Revenue Notes

(a) Issued

(1)	Capital Notes (N.J.S.A. 40A:2-8)	(50711-00)	
(2)	Bonds issued by another Public Body Guaranteed by the Municipality	(50712-00)	
(3)	<u>GREEN ACRES LOAN</u>	(50713-00)	<u>\$100,098.00</u>
(4)		(50714-00)	
(5)		(50715-00)	
Miscellaneous Bonds and Notes Issued			<u>\$100,098.00</u>

(b) Authorized but not issued

(1)	Capital Notes (N.J.S.A. 40A:2-8)	(50721-00)	
(2)	Bonds authorized by another Public Body Guaranteed by the Municipality	(50722-00)	
(3)		(50723-00)	
(4)		(50724-00)	
(5)		(50725-00)	
Miscellaneous Bonds and Notes Authorized but not Issued			

8. Total Miscellaneous Bonds and Notes Issued and Authorized but not Issued

\$100,098.00  
(50726-00)

DEDUCTIONS APPLICABLE TO OTHER BONDS AND NOTES

1. Amounts held or to be held for the sole purpose of paying bonds and notes included on Pages 6, 7, 8 and 9.

(a) Sinking funds in hand for term bonds shown on Line 2 on Page 6

(1) \_\_\_\_\_

\_\_\_\_\_

(50814-00)

(b) Funds in hand(including proceeds of bonds and notes held to pay other bonds and notes), in those cases where such funds cannot be diverted to purposes other than the payment of bonds and notes included on Pages 6, 7, 8 and 9

(1) Reserve for the Payment of Debt \_\_\_\_\_

\$6,118.00

(2) Cash on Hand to Pay Note - Ord. # 2276 \_\_\_\_\_

207,000.00

(3) \_\_\_\_\_

\_\_\_\_\_

\$213,118.00

(50824-00)

(c) Estimated proceeds of bonds and notes authorized but not issued where such proceeds will be used for the sole purpose of paying bonds and notes included on Pages 6, 7, 8 and 9

(1) \_\_\_\_\_

\_\_\_\_\_

(2) \_\_\_\_\_

\_\_\_\_\_

(3) \_\_\_\_\_

\_\_\_\_\_

(50834-00)

(d) Accounts receivable from other public authorities applicable only to the payment of any part of the gross debt not otherwise deductible

(1) \_\_\_\_\_

\_\_\_\_\_

(2) \_\_\_\_\_

\_\_\_\_\_

(50843-00)

2. Bonds authorized by another Public Body to be guaranteed by the municipality

(50844-00)

3. Bonds issued and bonds authorized but not issued to meet cash grants-in-aid for housing authority, redevelopment agency or municipality acting as its local public agency[N.J.S.A. 55:14B-4.1(d)]

(50848-00)

4. Bonds issued and bonds authorized but not issued - Capital projects for county colleges(N.J.S.A. 18A:64A-22.1 to N.J.S.A. 18A:64A-22.8)

(50851-00)

5. Refunding Bonds (N.J.S.A. 40A:2-52)

(1) \_\_\_\_\_

\_\_\_\_\_

(2) \_\_\_\_\_

\_\_\_\_\_

(50860-00)

Page Total

\$213,118.00

(50849-00)

Low Income Housing      Utility  
(Insert Applicable Utility)

- ### Low Income Housing Utility Debt is Deductible

(Insert Applicable Utility)

- ### Utility Debt is Deductible

Page 11

SPECIAL DEBT STATEMENT

BORROWING POWER AVAILABLE UNDER N.J.S.A. 40A:2-7f)

1. Balance of debt incurring capacity as of June 30, 2010 under N.J.S.A. 40:1-16(d)		_____
		(51100-00)
2. Obligations heretofore authorized during 2011 in excess of debt limitation and pursuant to		
(a) N.J.S.A. 40A:2-7, paragraph (d)	(51101-00)	_____
(b) N.J.S.A. 40A:2-7, paragraph (f)	(51102-00)	_____
(c) N.J.S.A. 40A:2-7, paragraph (g)	(51103-00)	_____
Total	(51104-00)	_____
3. Less 2011 authorizations repealed during 2011	(51105-00)	_____
4. Net authorizations during SFY 2011		_____
		(51106-00)
5. Balance of debt incurring capacity June 30, 2011 under N.J.S.A. 40:1-16(d)		_____
		(51107-00)

I, \_\_\_\_\_ Director of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey, do hereby certify that I have compared this copy of an Annual Debt Statement of the above municipalities or county with the original Annual Debt Statement filed in the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey on \_\_\_\_\_ and that this is a true copy of said statement and of the whole thereof.

In witness whereof, I have hereunto set my hand as Director of Local Government Services of the Department of Community Affairs of the State of New Jersey this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Director