

BOROUGH OF ROSELLE PARK

COUNTY OF UNION

NEW JERSEY

REPORT ON

EXAMINATION OF ACCOUNTS

FOR THE YEAR 2011

**SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS**

BOROUGH OF ROSELLE PARK
COUNTY OF UNION, NEW JERSEY

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**REPORT ON INTERNAL CONTROL, ROSTER OF OFFICIALS
AND COMMENTS AND RECOMMENDATIONS**

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PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY EXHIBITS
YEAR ENDED DECEMBER 31, 2011

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Roselle Park
Roselle Park, New Jersey 07204

We have audited the accompanying statutory basis financial statements of the various funds of the

BOROUGH OF ROSELLE PARK

COUNTY OF UNION

as of and for the year ended December 31, 2011, as listed in the table of contents, and for the year ended December 31, 2010. These statutory basis financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these statutory basis financial statements based on our audit.

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

These statutory basis financial statements have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which 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. These practices differ in certain respects, which in some instances may be material, from generally accepted accounting principles applicable to local government units. The more significant of these practices are described in Note 1 to the financial statements.

The statutory basis financial statements referred to above do not include the Capital Fixed Assets, which is required by accounting principles generally accepted in the United States, and should be included in order to conform with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The amount that should be recorded in the Capital Fixed Assets is not known.

In our opinion, because of the Municipality's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph of this report, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the Borough of Roselle Park as of December 31, 2011 and 2010 or the results of its operations for the years then ended.

However, in our opinion, except for the effect on the financial statements of the omissions of the Capital Fixed Assets, the statutory basis financial statements referred to above present fairly, in all material respects, the financial position of the Borough of Roselle Park in the County of Union, as of December 31, 2011 and December 31, 2010 and the results of operations of such funds for the years then ended, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and described in Note 1 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 29, 2012 on our consideration of the Borough of Roselle Park's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements of the Borough of Roselle Park taken as a whole. The accompanying supplemental schedules presented in the "Supplementary" sections are not required parts of the financial statements and are presented for purposes of additional analysis as required by New Jersey State Division of Local Government Services. Such information has been subjected to the auditing procedures applied in the audit of the statutory basis financial statements and, in our opinion, is fairly presented in all material respects in relation to the statutory basis financial statements taken as a whole.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



MARVIN LUSTBADER, CPA, RMA

Newark, New Jersey
March 29, 2012

BOROUGH OF ROSELLE PARK
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Regular Fund</u>			
Cash	A-4	\$ 2,848,358.61	\$ 2,937,942.98
Cash - Change Fund	A-5	450.00	450.00
		<u>2,848,808.61</u>	<u>2,938,392.98</u>
Receivables and Other Assets with Full Reserves:			
Taxes Receivable	A-7	728,769.47	692,068.28
Property Acquired for Taxes - Assessed Valuation	A-8	163,650.00	163,650.00
Revenue Accounts Receivable	A-10	84,298.77	33,171.78
Interfunds Receivable	A-19	8,800.00	8,800.00
		<u>985,518.24</u>	<u>897,690.06</u>
		<u>3,834,326.85</u>	<u>3,836,083.04</u>
<u>Grant Fund</u>			
Grants Receivable	A-23	64,037.90	346,452.00
Interfunds Receivable	A-25	141,162.47	69,305.01
		<u>205,200.37</u>	<u>415,757.01</u>
		<u>\$ 4,039,527.22</u>	<u>\$ 4,251,840.05</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
<u>Regular Fund</u>			
Appropriation Reserves:			
Unencumbered	A-3,11	385,428.52	\$ 469,294.91
Encumbered	A-3,21	395,406.26	463,625.57
Redemption of Outside Liens	A-12		9,673.20
Reserve for Tax Appeals	A-14		49,613.25
Due to State of New Jersey:			
Due to State of New Jersey per Ch. 20, P.L. 1971	A-13	2,947.10	9,180.66
Prepaid Taxes	A-15	59,620.96	59,031.39
Tax Overpayments	A-16	16,975.39	10,440.04
Due to County Added and Omitted Taxes	A-17	4,650.64	5,141.03
Interfunds	A-19	141,162.47	69,305.01
Reserve for Sale of Municipal Assets	A-20	81,611.31	81,611.31
Due to State of New Jersey:	A-22	3,706.00	3,586.00
		<u>1,091,508.65</u>	<u>1,230,502.37</u>
Reserve for Receivables	Reserve	985,518.24	897,690.06
Fund Balance	A-1	1,757,299.96	1,707,890.61
		<u>3,834,326.85</u>	<u>3,836,083.04</u>
 <u>Grant Fund</u>			
Reserve for Grants - Unappropriated	A-9		30,740.92
Reserve for Grants - Appropriated	A-24	205,200.37	385,016.09
		<u>205,200.37</u>	<u>415,757.01</u>
		<u>\$ 4,039,527.22</u>	<u>\$ 4,251,840.05</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE

A-1

	<u>Ref.</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 1,300,000.00	\$ 1,300,000.00
Miscellaneous Revenue Anticipated	A-2	2,735,656.61	2,293,625.75
Receipts from Delinquent Taxes	A-2	683,680.46	521,551.66
Receipts from Current Taxes	A-2a	33,582,766.34	32,804,580.95
Nonbudget Revenue	A-2a	169,512.01	148,774.99
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-11	403,659.29	370,076.95
Reserve for Grants Appropriated Cancelled	A-19	250,828.77	347.77
		<u>39,126,103.48</u>	<u>37,438,958.07</u>
 <u>Expenditures</u>			
<u>Budget Expenditures:</u>			
Operations (Including Contingent)		10,000,525.00	9,876,262.00
Deferred Charges and Statutory Expenditures		1,284,254.00	1,091,101.00
<u>Operations:</u>			
Other Operations		1,027,775.65	1,186,898.13
Capital Improvements		50,000.00	100,000.00
Municipal Debt Service		1,582,758.00	1,095,604.89
Deferred Charges and Statutory Expenditures		58,000.00	28,000.00
	A-3	<u>14,003,312.65</u>	<u>13,377,866.02</u>
Refund of Prior Year Revenue	A-13	6,000.00	3,780.14
Miscellaneous	A-4	1,797.00	
Refund of Prior Years Taxes	A-4	11,855.43	
County Taxes	A-17	5,251,324.82	4,943,996.44
Local School District Tax	A-18	18,200,732.00	17,946,453.00
Cancellation of Grant	A-19	301,672.23	
Total Expenditures		<u>37,776,694.13</u>	<u>36,272,095.60</u>
Excess in Revenue		1,349,409.35	1,166,862.47
 <u>Fund Balance</u>			
Balance January 1	A	<u>1,707,890.61</u>	<u>1,841,028.14</u>
		3,057,299.96	3,007,890.61
 <u>Decreased by:</u>			
Utilized as Anticipated Revenue	A-1	<u>1,300,000.00</u>	<u>1,300,000.00</u>
Balance December 31	A	<u>\$ 1,757,299.96</u>	<u>\$ 1,707,890.61</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

STATEMENT OF REVENUE

A-2

	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 Beverages	A-10	12,000.00		17,371.50	5,371.50
Other	A-2a	7,000.00		21,125.00	14,125.00
Fees and Permits	A-2a	25,000.00		57,576.28	32,576.28
Fines and Costs:					
Municipal Court	A-10	400,000.00		795,733.28	395,733.28
Interest and Costs on Taxes	A-2a	45,000.00		200,484.29	155,484.29
Parking Meters	A-10	15,000.00		24,560.71	9,560.71
CMPTRA	A-10	202,754.00		202,754.00	
Energy Receipts Tax	A-10	881,332.00		881,332.00	
Uniform Construction Code Fees	A-10	55,000.00		125,250.00	70,250.00
Uniform Fire Safety Act	A-10	5,055.20		8,016.12	2,960.92
Cable TV Franchise Fee	A-10	85,232.47		85,232.47	
Rental of Borough Property	A-10	44,000.00		63,219.31	19,219.31
Alcohol Education and Rehabilitation Fund	A-23	11,811.70		11,811.70	
Safe and Secure Communities Program	A-23	53,732.00		53,732.00	
Municipal Alliance on Alcoholism and Drug Abuse	A-23	31,438.00		31,438.00	
Clean Communities Program	A-23	17,132.26		17,132.26	
Recycling Tonnage Grant - Unappropriated	A-23	17,656.37		17,656.37	
Police Body Armor Grant	A-23		3,397.05	3,397.05	
Drunk Driving Enforcement Fund	A-23	22,434.27		22,434.27	
Union County - Recycling Enhancement Grant	A-23	6,000.00		6,000.00	
Over the Limit Under Arrest	A-23	4,400.00		4,400.00	
Drive Sober or Get Pulled Over	A-23		5,000.00	5,000.00	
Greening Union County Grant	A-23		10,000.00	10,000.00	
Greening Union County Grant - Match	A-23		10,000.00	10,000.00	
Reserve for Payment of Debt	A-10	60,000.00		60,000.00	
	A-1	2,001,978.27	28,397.05	2,735,656.61	705,281.29
Receipts from Delinquent Taxes	A-1,7	460,000.00		683,680.46	223,680.46
Amount to be Raised by Taxation	A-2a,7	11,038,188.33		10,955,960.52	(82,227.81)
Total Budget Revenue		14,800,166.60	28,397.05	15,675,297.59	846,733.94
Nonbudget Revenue	A-2a			169,512.01	169,512.01
		<u>\$ 14,800,166.60</u>	<u>\$ 28,397.05</u>	<u>\$ 15,844,809.60</u>	<u>\$ 1,016,245.95</u>
	Reference	A-3	A-3		

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF REALIZED REVENUE

A-2a

	<u>Ref.</u>	
<u>Allocation of Current Tax Collections</u>		
Collected on a Cash Basis	A-1,7	\$33,582,766.34
Allocated to:		
School and County Taxes		<u>23,452,056.82</u>
Balance for Support of Municipal Budget Appropriations		10,130,709.52
Add: Appropriation Reserve for Uncollected Taxes	A-3	<u>825,251.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$10,955,960.52</u>
Licenses:		
Clerk	A-10	\$ 7,470.00
Board of Health	A-10	12,920.00
Housing	A-10	<u>735.00</u>
	A-2	<u>\$ 21,125.00</u>
Fees and Permits:		
Clerk	A-10	\$ 20,121.00
Registrar of Vital Statistics	A-10	16,736.00
Housing Fees	A-10	8,935.00
Tax Search	A-10	102.85
Board of Health	A-10	770.00
Police Department	A-10	8,631.70
Municipal Land Use Board	A-10	1,639.73
Fire Prevention	A-10	250.00
Fire	A-10	90.00
Farmer's Market	A-10	<u>300.00</u>
	A-2	<u>\$ 57,576.28</u>
<u>Interest and Cost on Taxes</u>		
Interest on Taxes	A-2,10	<u>\$ 200,484.29</u>
<u>Analysis of Nonbudget Budget</u>		
Miscellaneous Revenue Not Anticipated:		
Interest on Investments		\$ 15,180.93
Administration Reimbursement Senior Citizen and Veteran Deductions		1,999.70
Cancellation of Outstanding Checks		124.49
Police Outside Overtime Administrative Fees		65,222.85
Prior Year Budget Refund		2,973.50
Car Auctions		7,025.00
Duplicate Tax Bills		1,200.00
Clerk's Office		211.69
Closing of PATF Account #1		44,784.16
Miscellaneous		<u>30,789.69</u>
	A-1,2,4	<u>\$ 169,512.01</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #1

STATEMENT OF EXPENDITURES

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>	
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>GENERAL GOVERNMENT</u>					
Mayor and Council:					
Salaries and Wages	\$ 67,650.00	\$ 67,650.00	\$ 61,376.74	\$	\$ 6,273.26
Other Expenses	5,000.00	5,000.00	4,645.21	125.00	229.79
Municipal Clerk:					
Salaries and Wages	230,881.00	230,881.00	228,700.26		2,180.74
Other Expenses	72,700.00	77,700.00	62,843.08	13,456.87	1,400.05
Financial Administration:					
Salaries and Wages	123,112.00	123,112.00	123,098.27		13.73
Other Expenses	33,385.00	33,385.00	22,486.95	7,390.89	3,507.16
Annual Audit	49,100.00	49,100.00		49,100.00	
Assessment of Taxes:					
Salaries and Wages	12,972.00	12,972.00	12,604.29		367.71
Other Expenses	7,750.00	8,450.00	7,801.22	536.40	112.38
Revenue Administration:					
Salaries and Wages	50,870.00	50,870.00	50,863.90		6.10
Other Expenses	14,260.00	14,260.00	11,652.14	-	2,607.86
Legal Services and Costs:					
Other Expenses:					
Tax Appeals	75,000.00	83,000.00	71,940.53	5,582.85	5,476.62
Miscellaneous	22,000.00	23,000.00	15,268.77	7,231.23	500.00
Municipal Court:					
Salaries and Wages	169,226.00	169,226.00	165,800.26		3,425.74
Other Expenses	13,880.00	13,880.00	11,905.90	1,436.29	537.81
Engineering Services and Costs:					
Other Expenses	25,974.00	25,974.00	25,973.50		0.50
Human Resources:					
Other Expenses	27,500.00	27,500.00	8,689.51	12,835.49	5,975.00

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #2

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved	
	Budget	Modified Budget		Encumbered	Unencumbered
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>GENERAL GOVERNMENT</u>					
Historical Society:					
Other Expenses	\$ 10,000.00	\$ 10,000.00	\$ 9,914.37	\$ 60.00	\$ 25.63
Municipal Land Use Law (N.J.S. 40:55D-1):					
Municipal Land Use Board:					
Salaries and Wages	2,165.00	2,165.00	2,162.94		2.06
Other Expenses	10,700.00	10,700.00	6,638.99	793.77	3,267.24
Insurance:					
General Liability	285,000.00	285,000.00	284,391.00	75.00	534.00
Worker's Compensation	366,500.00	366,500.00	366,338.53		161.47
Group Health	1,630,000.00	1,610,000.00	1,609,433.41		566.59
Health Benefit Waiver	60,000.00	60,000.00	60,000.00		
	<u>3,365,625.00</u>	<u>3,360,325.00</u>	<u>3,224,529.77</u>	<u>98,623.79</u>	<u>37,171.44</u>
<u>PUBLIC SAFETY</u>					
Uniform Fire Safety:					
Fire Official:					
Salaries and Wages	37,615.00	37,615.00	37,380.89		234.11
Other Expenses	89,285.00	89,285.00	72,163.37	5,323.00	11,798.63
Fire:					
Salaries and Wages	12,005.00	12,005.00	12,000.82		4.18
Other Expenses	1,500.00	1,500.00	494.63	1,005.37	-
Police:					
Salaries and Wages	3,003,366.00	3,003,366.00	2,923,532.44		79,833.56
Other Expenses	247,850.00	256,850.00	174,779.81	75,536.67	6,533.52
Traffic Control Schools:					
Salaries and Wages	233,773.00	233,773.00	220,959.44		12,813.56
Other Expenses	13,650.00	13,650.00	12,138.60	285.61	1,225.79

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #3

STATEMENT OF EXPENDITURES

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>	
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>PUBLIC SAFETY</u>					
First Aid Contribution:					
Other Expenses	\$ 12,950.00	\$ 12,950.00	\$ 7,520.04	\$ 4,360.82	\$ 1,069.14
Emergency Management:					
Salaries and Wages	7,685.00	7,685.00	7,678.02		6.98
Other Expenses	4,000.00	4,000.00	452.04	2,177.78	1,370.18
Borough Prosecutor:					
Other Expenses	13,000.00	13,000.00	13,000.00	-	
	<u>3,676,679.00</u>	<u>3,685,679.00</u>	<u>3,482,100.10</u>	<u>88,689.25</u>	<u>114,889.65</u>
<u>PUBLIC WORKS</u>					
Road Repairs and Maintenance:					
Salaries and Wages	590,175.00	590,175.00	569,177.77		20,997.23
Other Expenses	64,200.00	69,200.00	44,157.17	21,117.28	3,925.55
Sanitation:					
Garbage and Trash Removal:					
Disposal Tipping Fees	370,000.00	327,000.00	293,134.92	31,643.24	2,221.84
Collection	324,000.00	344,000.00	310,157.56	28,906.03	4,936.41
Recycling:					
Salaries and Wages	3,590.00	3,590.00	3,588.81		1.19
Other Expenses	240,500.00	240,500.00	196,193.51	22,241.67	22,064.82
Public Buildings and Grounds:					
Other Expenses	68,500.00	68,500.00	36,313.96	6,647.43	25,538.61
Maintenance of Vehicles:					
Other Expenses	104,500.00	120,500.00	97,263.75	15,668.96	7,567.29
	<u>1,765,465.00</u>	<u>1,763,465.00</u>	<u>1,549,987.45</u>	<u>126,224.61</u>	<u>87,252.94</u>
<u>HEALTH AND WELFARE</u>					
Board of Health:					
Salaries and Wages	4,580.00	4,580.00	4,541.16		38.84
Other Expenses	124,571.00	124,571.00	123,306.17	62.50	1,202.33

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #4

STATEMENT OF EXPENDITURES

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>	
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>HEALTH AND WELFARE</u>					
Animal Control:					
Other Expenses	\$ 5,200.00	\$ 5,200.00	\$ 5,200.00		
	<u>134,351.00</u>	<u>134,351.00</u>	<u>133,047.33</u>	<u>62.50</u>	<u>1,241.17</u>
<u>RECREATION AND EDUCATION</u>					
Parks and Playgrounds:					
Salaries and Wages	2,165.00	2,165.00	2,162.42		2.58
Other Expenses	17,900.00	17,900.00	17,432.53	275.00	192.47
Community Center:					
Salaries and Wages	33,050.00	33,050.00	26,764.60		6,285.40
Other Expenses	2,600.00	3,100.00	2,481.07	98.10	520.83
Youth Center:					
Other Expenses	100,000.00	100,000.00	100,000.00		
Other Common Operating Functions:					
Celebration of Public Events:					
Other Expenses	2,050.00	2,100.00	2,097.63		2.37
Union County S.L.A.P. Program:					
Other Expenses	45,560.00	45,560.00	45,559.18		0.82
Farmer's Market:					
Salaries and Wages	3,335.00	3,335.00	3,331.90		3.10
Other Expenses	1,200.00	1,200.00	1,191.66		8.34
	<u>207,860.00</u>	<u>208,410.00</u>	<u>201,020.99</u>	<u>373.10</u>	<u>7,015.91</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #5

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved	
	Budget	Modified Budget		Encumbered	Unencumbered
<u>APPROPRIATIONS WITHIN "CAPS:"</u>					
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES					
Construction Code Officials:					
Salaries and Wages	\$ 140,465.00	\$ 140,465.00	\$ 140,225.31	\$	\$ 239.69
Other Expenses	21,400.00	21,400.00	15,506.23	1,929.31	3,964.46
	<u>161,865.00</u>	<u>161,865.00</u>	<u>155,731.54</u>	<u>1,929.31</u>	<u>4,204.15</u>
<u>UNCLASSIFIED</u>					
Utilities:					
Natural Gas	59,000.00	36,650.00	23,036.84	4,000.00	9,613.16
Electricity	105,000.00	110,000.00	98,119.20	9,500.00	2,380.80
Water	16,000.00	16,000.00	8,737.68	4,000.00	3,262.32
Telephone	65,000.00	65,000.00	62,284.79	2,151.80	563.41
Street Lighting	214,000.00	204,000.00	181,849.23	20,000.00	2,150.77
Fire Hydrant Services	110,500.00	110,500.00	101,203.74	9,200.34	95.92
Cable TV - Channel 34	3,280.00	3,280.00	2,113.44		1,166.56
Gasoline	114,000.00	139,000.00	111,966.62	23,514.06	3,519.32
	<u>686,780.00</u>	<u>684,430.00</u>	<u>589,311.54</u>	<u>72,366.20</u>	<u>22,752.26</u>
<u>CONTINGENT</u>					
	2,000.00	2,000.00			2,000.00
Total Operations	10,000,625.00	10,000,525.00	9,335,728.72	388,268.76	276,527.52
<u>STATUTORY EXPENDITURES</u>					
Contributions to:					
Public Employees' Retirement System	249,806.00	249,806.00	249,806.00		
Social Security System	197,500.00	197,500.00	197,038.64		461.36
Police and Firemen's Retirement System of NJ	778,748.00	778,748.00	778,748.00		
State Unemployment Insurance	55,800.00	55,800.00	55,800.00		
DCRP	2,300.00	2,400.00	2,389.99		10.01
	<u>1,284,154.00</u>	<u>1,284,254.00</u>	<u>1,283,782.63</u>		<u>471.37</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #6

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved	
	Budget	Modified Budget		Encumbered	Unencumbered
Total Appropriations Within "CAPS"	\$ 11,284,779.00	\$ 11,284,779.00	\$ 10,619,511.35	\$ 388,268.76	\$ 276,998.89
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>					
<u>OTHER OPERATIONS</u>					
Maintenance of Free Public Library	409,263.00	409,263.00	409,263.00		
Police 911 Command and Dispatch Center:					49.40
Salaries and Wages	74,790.00	74,790.00	74,740.60	2,888.00	1,756.47
Other Expenses	22,111.00	22,111.00	17,466.53		86,250.00
Length of Service Awards - (LOSAP)	86,250.00	86,250.00			
Implementation of Fair Housing Plan:					
Other Expenses	30,000.00	30,000.00	6,876.74	4,249.50	18,873.76
Recycling Tax:	1,500.00	1,500.00			1,500.00
Other Expenses	623,914.00	623,914.00	508,346.87	7,137.50	108,429.63

PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES

Clean Community Grant	17,132.26	17,132.26	17,132.26		
Municipal Alliance Committee Anti-Drug and Alcoholism Program - Grant	31,438.00	31,438.00	31,438.00		
Municipal Alliance Committee Anti-Drug and Alcoholism Program - Match	7,860.00	7,860.00	7,860.00		
Safe and Secure Program - Grant	53,732.00	53,732.00	53,732.00		
Safe and Secure Program - Match	203,000.00	203,000.00	203,000.00		
Alcohol Education and Rehabilitation Program	11,811.70	11,811.70	11,811.70		
Body Armor Grant		3,397.05	3,397.05		
Greening Union County		10,000.00	10,000.00		
Greening Union County - Match		10,000.00	10,000.00		
Union County Recycling	6,000.00	6,000.00	6,000.00		

BOROUGH OF ROSELLE PARK
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #7

Appropriation	Appropriations		Paid or Charged	Reserved	
	Budget	Modified Budget		Encumbered	Unencumbered
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>					
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>					
Recycling Tonnage Grant	\$ 17,656.37	\$ 17,656.37	\$ 17,656.37	\$	\$
Over The Limit Under Arrest	4,400.00	4,400.00	4,400.00		
Drunk Driver Enforcement Fund	22,434.27	22,434.27	22,434.27		
Drive Sober or Get Pulled	375,464.60	5,000.00	5,000.00		
		<u>403,861.65</u>	<u>403,861.65</u>		
Total Operations	999,378.60	1,027,775.65	912,208.52	7,137.50	108,429.63
<u>CAPITAL IMPROVEMENTS</u>					
Capital Improvement Fund	50,000.00	50,000.00	50,000.00		
<u>DEBT SERVICE</u>					
Payment of Bond Principal	1,062,000.00	1,062,000.00	1,062,000.00		
Interest on Bonds	520,758.00	520,758.00	520,758.00		
	<u>1,582,758.00</u>	<u>1,582,758.00</u>	<u>1,582,758.00</u>		
<u>DEFERRED CHARGES</u>					
Deficit in Dedicated Assessment Trust Fund	58,000.00	58,000.00	58,000.00		
Total Appropriations Excluded from "CAPS"	2,690,136.60	2,718,533.65	2,602,966.52	7,137.50	108,429.63

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #8

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved	
	Budget	Modified Budget		Encumbered	Unencumbered
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>					
Sub-Total	\$ 13,974,915.60	\$ 14,003,312.65	\$ 13,222,477.87	\$ 395,406.26	\$ 385,428.52
Reserve for Uncollected Taxes	825,251.00	825,251.00	825,251.00		
Total Appropriations	<u>\$ 14,800,166.60</u>	<u>\$ 14,828,563.65</u>	<u>\$ 14,047,728.87</u>	<u>\$ 395,406.26</u>	<u>\$ 385,428.52</u>
		Below	Below	A	A
Ref.					
Adopted Budget	A-2	\$ 14,800,166.60	\$		
Added by N.J.S. 40A:4-87	A-2	28,397.05			
Reserve for Uncollected Taxes	A-2a	(825,251.00)	825,251.00		
Cash Expenditures	A-4		12,818,616.22		
Local Match	A-19		210,860.00		
Reserve for Federal and State Grants	A-24		193,001.65		
	A-1,Above	<u>\$ 14,003,312.65</u>	<u>\$ 14,047,728.87</u>		

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
TRUST FUNDS

COMPARATIVE BALANCE SHEETS

B

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Assessment Fund</u>			
Cash	B-4	\$ 25,220.50	\$ 25,220.50
Deferred Charges:			
Prospective Assessments	B-16	<u>261,000.00</u>	<u>465,000.00</u>
		<u>286,220.50</u>	<u>490,220.50</u>
<u>Animal Control Fund</u>			
Cash	B-4	12,375.04	8,092.92
Prepaid Expense	B-25	<u>1,600.00</u>	<u>8,092.92</u>
		<u>13,975.04</u>	<u>8,092.92</u>
<u>Trust Other Fund</u>			
Cash	B-4	596,117.02	622,377.92
Due from County of Union Community Development Grant	B-9	<u>31,256.00</u>	<u>34,618.00</u>
		<u>627,373.02</u>	<u>656,995.92</u>
		<u>\$927,568.56</u>	<u>\$ 1,155,309.34</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Assessment Fund</u>			
Assessment Overpayments	B-6	\$	\$ 3.93
Assessment Bonds Payable	B-15	261,000.00	319,000.00
Reserve for Assessments	B-14		146,000.00
Fund Balance	B-1	<u>25,220.50</u>	<u>25,216.57</u>
		<u>286,220.50</u>	<u>490,220.50</u>
<u>Animal Control Fund</u>			
Reserve for Animal Control Trust Fund	B-8	13,970.84	8,092.92
Due to State of New Jersey	B-17	<u>4.20</u>	<u>8,092.92</u>
		<u>13,975.04</u>	<u>8,092.92</u>
<u>Trust Other Fund</u>			
Due to Current Fund	B-7	8,800.00	8,800.00
Accounts Payable	B-11	5,587.99	9,743.00
Reserves for:			
State Unemployment Compensation Insurance Fund	B-12	86,890.39	69,430.87
Community Development Block Grants	B-10	22,470.71	25,826.36
Various Reserves	B-13	160,217.22	180,740.40
Payroll Deductions Payable	B-18	47,885.00	2,233.75
Recreation Reserves	B-19	32,326.67	22,327.83
Community Alliance Reserves	B-20		18,981.15
Special Law Enforcement Reserves	B-21	50,701.87	20,358.61
Law Enforcement Block Grant - Federal Reserves	B-22	2,493.17	2,491.97
Due to State of New Jersey	B-23		3,661.98
Premium on Tax Sale	B-24	<u>210,000.00</u>	<u>292,400.00</u>
		<u>627,373.02</u>	<u>656,995.92</u>
		<u>\$927,568.56</u>	<u>\$ 1,155,309.34</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

STATEMENT OF FUND BALANCE ASSESSMENT TRUST FUND - STATUTORY BASIS

B-1

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 25,216.57
Increased by:		
Cancellation of Overpayments	B-6	<u>3.93</u>
Balance December 31, 2011	B	<u><u>\$ 25,220.50</u></u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
TRUST FUNDS

STATEMENT OF REVENUE
ASSESSMENT TRUST FUND

B-2

	<u>Budget Revenue</u>	<u>Realized</u>
Deficit (General Budget)	<u>\$ 58,000.00</u>	<u>\$ 58,000.00</u>
<u>Reference</u>	<u>B-3</u>	<u>B-4</u>

STATEMENT OF EXPENDITURES
ASSESSMENT TRUST FUND

B-3

	<u>Ref.</u>	<u>Budget Appropriations</u>	<u>Expended</u>
Payment of Bond Principal	B-2	<u>\$ 58,000.00</u>	<u>\$ 58,000.00</u>
Reserve for Assessments Receivable	B-14,15		<u>\$ 58,000.00</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
Cash	C-2	\$ 4,697,106.42	\$ 6,294,334.66
Deferred Charges to Future Taxation:			
Funded	C-4	15,382,000.00	16,444,000.00
Unfunded	C-5	700,000.00	
Prospective Assessments Raised by Taxation	C-6		4,350.00
Community Development Block Grant			
Receivable	C-7	100,000.00	242,012.60
State of New Jersey Grant Receivable	C-8	250,000.00	50,000.00
County Grant Receivable	C-9	161,545.57	111,545.57
ARRA Grant Receivable	C-10	135,743.12	
Safe Routes to School Grant Receivable	C-11		100,000.00
Green Acres Grants Receivable	C-12		117,588.00
Green Acres Loans Receivable	C-13		200,000.00
		<u>\$ 21,426,395.11</u>	<u>\$ 23,563,830.83</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-18	\$ 15,382,000.00	\$ 16,444,000.00
Interfunds	C-15		2,493.15
Capital Improvement Fund	C-16	117,906.57	69,906.57
Improvement Authorizations:			
Funded	C-17	4,682,362.62	6,382,292.94
Unfunded	C-17	700,000.00	
Reserve:			
To Pay Serial Bonds	C-14	481,597.91	399,097.91
Commitments Payable	C-19		49,295.15
Prospective Assessments Raised by Taxation	C-6		4,350.00
Fund Balance	C-1	62,528.01	212,395.11
		<u>\$ 21,426,395.11</u>	<u>\$ 23,563,830.83</u>
 Bonds and Notes Authorized but Not Issued	 C-20	 <u>\$ 700,000.00</u>	

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE

C-1

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 212,395.11
Increased by:		
Authorizations	C-17	<u>603,732.90</u>
		816,128.01
Decreased by:		
Improvement Authorizations	C-17	<u>753,600.00</u>
Balance December 31, 2011	C	<u><u>\$ 62,528.01</u></u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS

D

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Operating Fund</u>			
Cash	D-5	574,366.24	465,186.96
Receivables and Inventories with Full Reserves:			
Consumer Accounts Receivable	D-6	107,755.34	157,094.82
		682,121.58	622,281.78
<u>Capital Fund</u>			
Cash	D-5	76,661.44	74,168.29
Fixed Capital	D-9	853,316.96	853,316.96
Interfunds Receivable	D-14	2,493.15	2,493.15
		929,978.40	929,978.40
		<u>\$ 1,612,099.98</u>	<u>\$ 1,552,260.18</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4,13	\$ 6,800.00	\$ 8,528.95
Unencumbered	D-4,13	214,216.12	44,704.53
Accrued Interest on Bonds	D-8	775.00	1,950.00
Sewer User Charge Overpayment	D-7	102.40	410.85
		221,893.52	55,594.33
Reserve for Receivables and Inventory	D-6	107,755.34	157,094.82
Fund Balance	D-1	352,472.72	409,592.63
		682,121.58	622,281.78
<u>Capital Fund</u>			
Serial Bonds Payable	D-12	155,000.00	195,000.00
Reserve for:			
Capital Outlay	D-11	11,594.76	11,594.76
Reserve for Amortization	D-10	698,316.96	658,316.96
Fund Balance	D-2	65,066.68	65,066.68
		929,978.40	929,978.40
		<u>\$ 1,612,099.98</u>	<u>\$ 1,552,260.18</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - OPERATING FUND

D-1

	<u>Ref.</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 200,000.00	\$ 50,000.00
Collection of Sewer Use Charges	D-3	1,672,634.48	1,678,937.70
Penalty on Delinquent Accounts	D-3	19,571.08	17,126.53
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves Lapsed	D-13	44,704.53	36,228.32
		<u>1,936,910.09</u>	<u>1,782,292.55</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating		1,694,902.00	1,492,432.00
Capital Improvements		5,000.00	5,000.00
Debt Service		42,825.00	35,616.76
Deferred Charges and Statutory Expenditures		51,303.00	48,042.00
	D-4	<u>1,794,030.00</u>	<u>1,581,090.76</u>
Statutory Excess to Fund Balance		142,880.09	201,201.79
<u>Fund Balance</u>			
Balance January 1	D	<u>409,592.63</u>	<u>258,390.84</u>
		552,472.72	459,592.63
Decreased by:			
Amount Utilized in Operating Budget	Above	<u>200,000.00</u>	<u>50,000.00</u>
Balance December 31	D	<u>\$ 352,472.72</u>	<u>\$ 409,592.63</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

STATEMENT OF FUND BALANCE
CAPITAL FUND

D-2

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 65,066.68</u>
Balance December 31, 2011	D	<u><u>\$ 65,066.68</u></u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

STATEMENT OF REVENUE - OPERATING FUND

D-3

	<u>Ref.</u>	<u>Anticipated Revenue</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance	D-1	\$ 200,000.00	\$ 200,000.00	\$
Rents	D-1,6	1,595,205.00	1,672,634.48	77,429.48
Miscellaneous Revenue	D-1,Below	<u> </u>	<u>19,571.08</u>	<u>19,571.08</u>
Total Budget Revenue	D-4	<u>\$1,795,205.00</u>	<u>\$1,892,205.56</u>	<u>\$ 97,000.56</u>
 <u>Analysis of Miscellaneous Revenue</u>				
Cash Collections:				
Penalty on Delinquent Accounts	D-5,Above		<u>\$ 19,571.08</u>	

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

D-4

STATEMENT OF EXPENDITURES

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Unencumbered</u>	<u>Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>				
Operating						
Salaries and Wages	\$ 368,656.00	\$ 372,756.00	\$ 372,516.43	\$ 6,800.00	\$ 239.57	\$
Other Expenses	369,500.00	365,400.00	154,623.75		203,976.25	
Maintenance of Vehicles	5,000.00	5,000.00			5,000.00	
Share of Costs:						
Rahway Valley Sewerage Authority	535,051.00	535,051.00	535,051.00			
Joint Meeting Sewer	416,695.00	416,695.00	416,694.70		0.30	
<u>Capital Improvements</u>						
Capital Improvement Fund	5,000.00	5,000.00			5,000.00	
<u>Debt Service</u>						
Payment of Bond Anticipation Note	40,000.00	40,000.00	40,000.00			
Interest on Notes	4,000.00	4,000.00	2,825.00			1,175.00
<u>Statutory Expenditures</u>						
Contribution to:						
Social Security System	28,300.00	28,300.00	28,300.00			
Public Employees' Retirement System	18,803.00	18,803.00	18,803.00			
Unemployment Compensation	4,200.00	4,200.00	4,200.00			
<u>Total Sewer Utility Appropriations</u>	<u>\$ 1,795,205.00</u>	<u>\$ 1,795,205.00</u>	<u>\$ 1,573,013.88</u>	<u>\$ 6,800.00</u>	<u>\$ 214,216.12</u>	<u>\$ 1,175.00</u>
<u>Reference</u>	D-3	Below	Below	D	D	Below
<u>Ref.</u>						
Modified Budget	Above	\$ 1,795,205.00	\$			
Cancelled	Above	(1,175.00)				
Accrued Interest on Notes	D-8		2,825.00			
Disbursements	D-5		1,570,188.88			
D-1, Above		<u>\$ 1,794,030.00</u>	<u>\$ 1,573,013.88</u>			

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEETS

E

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
<u>Trust Fund Account #1</u>			
Cash	E-1	\$	\$ 44,784.16
<u>Trust Fund Account #2</u>			
Due from State of New Jersey	E-2	<u> </u>	<u>3,215.70</u>
		<u>\$ -</u>	<u>\$ 47,999.86</u>
 <u>LIABILITIES AND RESERVES</u>			
<u>Trust Fund Account #1</u>			
Reserve for Expenditures	E-3	\$	\$ 44,784.16
<u>Trust Fund Account #2</u>			
Cash Overdraft	E-1	<u> </u>	<u>3,215.70</u>
		<u>\$ -</u>	<u>\$ 47,999.86</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

COMPARATIVE BALANCE SHEETS

G

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2011</u>	Balance <u>Dec. 31, 2010</u>
Cash	G-1	\$126,554.18	\$ 124,488.23
Petty Cash		50.00	50.00
Investments		817.00	2,105.00
Due from Library Building Fund to Library Operating Fund	G-5	<u>8,877.82</u>	<u>14,938.72</u>
		<u>\$136,299.00</u>	<u>\$ 141,581.95</u>
 <u>LIABILITIES AND RESERVES</u>			
Library Operating Fund:			
Commitments Payable	G-2	\$ 4,583.11	\$ 5,009.57
Reserve for Expenditure	G-3	118,675.36	116,594.88
Library Building Fund:			
Due to Library Operating Fund from Library Building Fund	G-6	8,877.82	14,938.72
Reserve for Building Fund Expenditure	G-4	<u>4,162.71</u>	<u>5,038.78</u>
		<u>\$136,299.00</u>	<u>\$ 141,581.95</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS

Exhibit H

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Capital Assets		
Land and Buildings	\$ 6,138,700.00	\$ 6,138,700.00
Vehicles, Machinery and Equipments	<u>6,319,643.00</u>	<u>5,707,657.00</u>
	<u>\$ 12,458,343.00</u>	<u>\$ 11,846,357.00</u>
 Reserve		
Investment in Capital Assets	<u>\$ 12,458,343.00</u>	<u>\$ 11,846,357.00</u>

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF ROSELLE PARK

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Roselle Park is organized as a Mayor-Council municipality under the provisions of N.J.S. 40:69A-81 et seq. The Borough is "governed by an elected Mayor-Council and by such other officers and employees as may be duly appointed. The Council shall consist of six members elected at large by voters of the municipality and shall serve for a term of three years beginning on the first day of January next following their election. The Mayor shall be elected by the voters of the municipality, and shall serve for a term of four years beginning on the first day of January next following the election".

Each member of the Council carries a legislative vote.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Borough of Roselle Park include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough, as required by the provisions of N.J.S. 40A:5-5.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles. The GASB establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with generally accepted accounting principles (GAAP).

The accounting policies of the Borough of Roselle Park 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 Borough of Roselle Park accounts for its financial transactions through the following separate funds which differ from the fund structure required by generally accepted accounting principles.

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Description of Funds (Continued)

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Assessment Trust Fund, Animal Control Trust Fund, Trust Other Fund, Payroll Account, Municipal Public Defender, Recreation Trust, Uniform Fire Safety Act Penalty Monies, Outside Employment of Off-Duty Municipal Police Officer, Developer's Escrow Fund, Parking Offenses Adjudication Act, Recycling Program, UCC Code Enforcement Fee 3rd Party, 9/11 Memorial Fund Donations, Monument to Law Enforcement Officers Donations, Fireworks Celebration Donations, 100 Years/100 Trees Donations, Disposal of Forfeited Property, Municipal Alliance on Alcohol and Drug Abuse, Unemployment Compensation Insurance, Housing and Community Development Act of 1974, Community Shuttle Bus Donations, Anthony Signorello Youth Center Donations, Roller Hockey League Donations and Relocation Assistance Fund N.J.S.A. 20:4-4.1a.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this fund, as well as related long-term debt accounts.

Sewer Utility Fund - The Sewer Utility is treated as a separate entity. It maintains its own Operating and Capital Fund which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Borough of Roselle Park pursuant to the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain movable fixed assets of the Borough as discussed under the caption "Basis of Accounting".

Veterans Memorial Library Fund - This account consists of receipts and disbursements of funds for the operations of the Library.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from generally accepted accounting principles. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough of Roselle Park's budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances

As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31st are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets account group at market value on the date of acquisition.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the corresponding fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Sewer Utility is required, by regulation, to be prepared by Borough personnel for inclusion on the Sewer Utility Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Fixed Assets

General:

In accordance with 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.

GAAP requires that capital fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Capital fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital 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.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual capital fixed assets record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established capital fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Borough.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Capital Fixed Assets (Continued)

Utilities:

Capital acquisitions, including utility infrastructure costs of the Sewer Utility, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the utility. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utility is offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

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 of Roselle Park presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

The December 31, 2010 ending balances were adjusted to conform with the December 31, 2011 presentation.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in Government Money Market Mutual Funds purchased through state registered brokers/dealers and banks.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board 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.

B. Investments

New Jersey statutes permit the Borough to purchase the following types of securities:

- . Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- . Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- . Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

C. Risk Category

A variety of state laws permit local governments to invest in a wide range of obligations issued by state governments and its agencies.

As of December 31, 2011, the Borough had funds on deposit in checking accounts, New Jersey Cash Management Accounts and Certificates of Deposit. The carrying amount of the Borough's cash and cash equivalents and investments as of December 31, 2011 was \$9,087,521.17. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40. There were no securities categorized as investments as defined by GASB Statement No. 40.

3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Borough, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay that delinquency as billed prior to the end of the fiscal year. The penalty so fixed shall not exceed 6% of the amount of the delinquency with respect to each most recent fiscal year only. The resolution also sets a grace period of ten days before interest is calculated.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>\$11.982</u>	<u>\$11.626</u>	<u>\$11.263</u>	<u>\$10.940</u>	<u>\$10.394</u>
Apportionment of Tax Rate:					
Municipal	\$ 3.835	\$ 3.684	\$ 3.530	\$ 3.341	\$ 3.105
County	1.823	1.713	1.666	1.596	1.486
Local School	6.324	6.229	6.067	6.003	5.803

Assessed Valuations

<u>Year</u>	<u>Amount</u>
2011	\$ 287,805,187.00
2010	288,153,250.00
2009	289,431,586.00
2008	290,171,089.00
2007	290,832,123.00

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$ 34,518,457.92	\$ 33,582,766.34	97.28 %
2010	33,535,570.61	32,804,580.95	97.82
2009	32,620,843.20	31,925,960.58	97.86
2008	31,802,107.45	30,974,661.07	97.39
2007	30,248,799.77	29,598,498.50	97.85

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$ -	\$ 728,769.47	\$ 728,769.47	2.11 %
2010	-	692,068.28	663,039.47	1.97
2009	-	562,542.54	562,542.54	1.72
2008	-	145,634.13	745,634.13	2.34
2007	-	660,989.33	664,772.47	2.20

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2011	\$ 163,650.00
2010	163,650.00
2009	163,650.00
2008	163,650.00
2007	163,650.00

5. SEWER CONSUMER ACCOUNTS RECEIVABLE

The Borough of Roselle Park maintains a utility fund for the billing and collection of sewer charges. The Borough's billings are done on an annual basis.

A comparison of Sewer Utility billings and collections for the past four years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection*</u>
2011	\$1,623,467.59	\$1,672,634.48
2010	1,668,948.89	1,678,937.70
2009	1,768,674.87	1,718,123.75
2008	1,430,564.51	1,401,959.19

*Cash collections include realization of prior year uncollected balances.

6. FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2011	\$ 1,757,299.96	\$ 1,300,000.00 *
	2010	1,707,890.61	1,300,000.00
	2009	1,841,028.14	1,300,000.00
	2008	1,797,806.25	1,300,000.00
	2007	1,752,703.68	1,300,000.00
Sewer Utility Operating Fund:	2011	352,472.72	100,000.00 *
	2010	409,592.63	200,000.00
	2009	258,390.84	50,000.00
	2008	134,898.78	50,000.00
	2007	127,595.98	30,000.00

*Introduced Budget.

7. PENSION PLANS

Description of Systems

Substantially all of the Borough's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State Statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). In addition, the Borough contributes to the Consolidated Police and Firemen's Pension Fund (CPFPPF). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System is considered a cost sharing multiple-employer plan.

7. PENSION PLANS (Continued)

Description of Systems (Continued)

Public Employees' Retirement System:

The Public Employees' Retirement System (PERS) was established in January, 1955 under the provisions of N.J.S.A. 43:15 to provide coverage, including post-retirement health care, to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Pension benefits for members enrolled in the system after May 21, 2010 would be based on 1/60th of the average annual compensation for the last five years of service or any five fiscal years of membership that provide the largest benefit to the member of the member's beneficiary. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Police and Firemen's Retirement System:

The Police and Firemen's Retirement System (PFRS) was established in July, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and, if required to retire because of attaining the mandatory retirement age of 65, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 5.5% and 8.5% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past two years is as follows:

Year	PERS		PFRS	
	Normal and Accrued	Employees	Normal and Accrued	Employees
2011	\$ 249,806.00	\$129,216.87	\$778,748.00	\$252,216.87
2010	225,100.00	133,380.85	646,372.00	249,795.97

8. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. As of May 21, 2010, the Municipal Base Salary required for eligibility in DCRP was increased to \$5,000.00. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employment Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

Contributions Required

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION

A. Plan Overview

The Borough of Roselle Park ("Borough") provides post-employment benefits other than pensions ("OPEB") to employees who meet certain criteria. As a result of offering such benefits, Roselle Park is required to report the value of such benefits and the associated costs according to the accounting requirements of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting "by Employers for Post-Employment Benefits Other Than Pensions" ("GASB 45").

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION (Continued)

A. Plan Overview (Continued)

The Borough provides medical benefits to retirees and their covered eligible dependents. The Borough pays a portion of the cost for eligible retirees, spouses and dependents. All active employees who retire directly from the Borough and meet eligibility criteria may participate.

The summary below identifies the value of benefits at December 31, 2010 according to the accounting requirements of GASB 45 and summarizes the actuarial valuation results by Roselle Park's active and retired employee groups.

	December 31, 2010	
	Funded 6%	Unfunded 3%
Present Value of Future Benefits	\$19,787,185	\$31,745,246
Actuarial Accrued Liability:		
Inactives	9,135,690	12,208,131
Actives Fully Eligible	2,762,427	3,975,166
Actives Not Fully Eligible	4,455,983	8,228,751
Total	16,354,100	24,412,048
Annual Required Contributions	1,550,585	1,986,265
Annual OPEB Cost	1,550,585	1,986,265
Employer Contributions (Pay-As-You-Go)	689,405	689,405

B. Liabilities and Normal Cost

The Actuarial Accrued Liability is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions.

	December 31, 2010	
	Funded 6%	Unfunded 3%
Liabilities and Normal Cost:		
Actuarial Accrued Liability	\$ 16,354,100	\$ 24,412,048
Plan Assets	-	-
Unfunded Actuarial Accrued Liability	16,354,100	24,412,048
Normal Cost Component	\$ 396,593	\$ 759,053

The Normal Cost for the plan is the amount that the liabilities are expected to increase during the year based on increased eligibility and service.

Normal Cost is the value of benefits expected to be earned during the year, again, based on certain actuarial methods and assumptions.

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION (Continued)

C. Demographic Information

		<u>Dec. 31, 2010</u>	
Participant Information:			
	Active Participants	72	
	Inactive Participants	<u>34</u>	
		<u>106</u>	
		<u>Dec. 31, 2010</u>	
		<u>Funded</u>	<u>Unfunded</u>
		<u>6%</u>	<u>3%</u>
Employer Contributions:			
	Expected OPEB Contributions	<u>\$ 1,550,585</u>	<u>\$ 1,986,265</u>

D. Funding Policy

The Borough of Roselle Park currently accounts for these post-retirement benefits in a pay-as-you-go basis.

E. Accounting and Actuarial Information

The effective date of the GASB OPEB Accounting Standard for Phase 2 employers is the Fiscal Year beginning after December 15, 2006. For Roselle Park, this is the period from January 1, 2010 through December 31, 2010. The following exhibits show the Annual Required Contribution (ARC), Annual OPEB Cost (AOC), and projected December 31, 201 Net OPEB Obligation (NOO), assuming the accounting standards were first adopted for the 2010-2011 Fiscal Year:

1. Development of Normal Cost

The Unit Credit cost method was selected. The cumulative Normal Cost across all active participants is \$396,593 at 6% Funded and \$759,053 at 3% Unfunded.

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION (Continued)

E. Accounting and Actuarial Information (Continued)

2. Development of Annual Required Contribution

The Standard sets the method for determining the Borough's post-employment benefits accrual, the Annual Required Contribution (ARC), to include both the value of benefits earned during the year (Normal Cost) and a supplemental cost based on an amortization of the Unfunded Actuarial Accrued Liability. Accordingly, the following table shows the Borough's 2011 - 2012 FY ARC based on a 30-year amortization of the Unfunded Actuarial Accrued Liability as a level dollar amount:

	Fiscal Year Ending Dec. 31, 2010	
	Funded <u>6%</u>	Unfunded <u>3%</u>
Preliminary ARC:		
a) Normal Cost	\$ 396,593	\$ 759,053
b) Amortization Payment	1,120,856	1,209,208
c) Beginning of Year Contribution	<u>1,517,449</u>	<u>1,968,261</u>
d) Interest on Contributions	<u>33,136</u>	<u>18,004</u>
e) Preliminary ARC	<u>\$ 1,550,585</u>	<u>\$ 1,986,265</u>
ARC reflecting maximum amortization period:		
a) Normal Cost	<u>\$ 396,593</u>	<u>\$ 759,053</u>
b) Unfunded Liability	<u>\$16,354,100</u>	<u>\$24,412,048</u>
c) Amortization Payment Using Maximum Amortization Period	<u>\$ 1,120,856</u>	<u>\$ 1,209,208</u>
d) ARC Reflecting Maximum Amortization Period	<u>\$ 1,517,449</u>	<u>\$ 1,968,261</u>
e) Interest of Contributions	<u>33,136</u>	<u>18,004</u>
f) ARC Reflecting Maximum Amortization Period Adjusted for Interest	<u>\$ 1,550,585</u>	<u>\$ 1,986,265</u>
Annual Required Contribution	<u>\$ 1,550,585</u>	<u>\$ 1,986,265</u>

3. Development of Annual OPEB Cost

If there is no OPEB obligation on the Borough's financial statements at transition, then the Annual OPEB Cost is equal to the Annual Required Contribution. However, if there is an initial liability at transition, the Annual OPEB Cost should reflect an adjustment for the transition obligation. Note that GASB 45, in general, directs plan sponsors to set their Initial OPEB Obligation to zero at transition.

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION (Continued)

E. Accounting and Actuarial Information (Continued)

3. Development and Annual OPEB Cost (Continued)

The following table shows the Borough's Annual OPEB Cost projected to the end of the 2010-2011 Fiscal Year:

<u>Fiscal Year Ending</u>	Dec. 31, 2011	
	<u>Funded</u> 6%	<u>Unfunded</u> 3%
Annual Required Contribution (ARC)	\$1,550,585	\$1,986,265
Interest on Net OPEB Obligation		
Adjustment to Annual Required Contribution		
Total Annual OPEB (AOC)	\$1,550,585	\$1,986,265

4. Development of Net OPEB Obligation

Assuming there is no transitional OPEB Obligation at adoption of GASB 45 for the 2010-2011 Fiscal Year, the following table shows an estimated development of the Borough's Net OPEB Obligation as of the end of the 2010-2011 Fiscal Year:

<u>Fiscal Year Ending</u>	Dec. 31, 2010	
	<u>Funded</u> 6%	<u>Unfunded</u> 3%
1. Net OPEB Obligation (NOO) as of January 1, 2009	\$	\$
2. Annual OPEB Cost	1,550,585	1,986,265
3. Annual Employer Contribution	(689,405)	(689,405)
4. Net OPEB Obligation as of December 31, 2009 (Estimated)	\$ -	\$1,296,860

GASB 45 paragraph 26(a) requires the following elements to be listed in the report. Below is the projected schedule of funding progress:

	<u>Valuation Date</u>	<u>Actuarial Value of Assets - Unit Credit</u> (a)	<u>Actuarial Accrued Liability</u> (b)	<u>Unfunded Actuarial Accrued Liability</u> (b) - (a)	<u>Funded Ratio</u> (a)/(b)	<u>Covered Payroll</u> (c)	<u>Accrued Liability as a Percentage of Covered Payroll</u> {(b)-(a)}/(c)
Funded 6%	12/31/10	0	\$ 16,354,100	\$ 16,354,100	0.00%	N/A	N/A
Unfunded 3%	12/31/10	0	24,412,048	24,412,048	0.00%	N/A	N/A

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION (Continued)

F. Plan Provisions

The following summary of plan provisions represents our understanding of the Borough's substantive plan.

Employees who retire from the Borough may be eligible for post-employment medical benefits pursuant to the provisions below:

Eligibility

Eligibility Requirements:

PBA: 25 years of pensionable service that includes 20 years of service with the Borough or when a member of the PBA becomes disabled in the line of duty.

SOA: 25 years of pensionable service that includes 20 years of service with the Borough or when a member of the Roselle Park Police Supervisors' Group becomes disabled in the line of duty.

Public Works: For employees hired prior to January 1, 2006, 15 years of service and at least age 62. For employees hired January 1, 2006 and later, 20 years of service and at least age 62.

Clerical, Clerk and Dispatchers: 15 years of service and at least age 62.

Benefits:

PBA and SOA: The Borough pays the full premium for medical/drug coverage including coverage for spouse and children until the retiree reaches age 65. The coverage shall be for the least expensive plan offered. Retirees who wish to participate in a more expensive plan must pay the difference in cost. This choice is not available to those employed after September 1, 2007. Upon reaching age 65, the retiree may continue coverage by paying 100% of the premium.

Public Works and Clerical: The Borough will pay ½ of the premium for medical coverage until the retiree has reached age 65. Once the retiree has reached age 65, the Borough will pay the full premium. Employees hired on or before December 31, 2005 are entitled to continue medical coverage for their spouse. Employees hired on or after January 1, 2006 are only entitled to coverage for the retiree.

Dispatchers: The Borough will pay ½ of the premium for medical coverage for retiree and spouse until the retiree has reached age 65. Once the retiree has reached age 65, the Borough will pay the full premium for retiree and spouse.

Clerk, CFO and Tax Collector: The Borough pays the full premium for medical/drug coverage including coverage for spouse and children.

Police Chief: The Borough pays the full premium for medical/drug and dental coverage including coverage for spouse and children.

Survivor Eligibility

Survivors are covered but pay for the full cost of coverage.

9. POST-RETIREMENT BENEFITS OTHER THAN PENSION (Continued)

F. Plan Provisions (Continued)

Types of Plans

Health Plan Options:

- Prescription
- Dental
- Horizon Blue
- Aetna

Waiving Coverage

Any retired member can elect to waive coverage.

The Borough retained Willis North America to perform a valuation of its post-retirement welfare benefit plans for the purpose of determining its annual cost in accordance with GASB Statement No. 45 - Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions. This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

Information for this note was obtained from excerpts from Willis North America's report dated August 29, 2011.

10. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Pursuant to N.J.S.A. 40A:2-8, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legally required installment is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

10. MUNICIPAL DEBT (Continued)

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

Fund Balance and Cash Receipts from Fees, Rents or Other Charges for Year	\$1,892,205.56
Deductions:	
Operating, Maintenance Costs and Debt Service	<u>1,789,030.00</u>
Excess in Revenue	<u>\$ 103,175.56</u>

There being an excess in revenue, all Sewer Utility Debt is deductible for Debt Statement purposes.

Bonds and Notes Authorized but Not Issued

There were Bonds and Notes Authorized but Not Issued in the following amount:

	Balance Dec. 31, 2011
General Capital Fund:	
Various General Improvements	<u>\$700,000.00</u>

10. MUNICIPAL DEBT (Continued)

Year	Current		Assessment Trust		Sewer Utilities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 1,062,000.00	\$ 512,144.50	\$ 58,000.00	\$ 8,613.50	\$ 40,000.00	\$ 4,000.00	\$ 1,160,000.00	\$ 524,758.00
2012	1,097,000.00	497,462.75	58,000.00	7,197.50	40,000.00	2,800.00	1,195,000.00	507,460.25
2013	1,139,000.00	468,505.25	66,000.00	5,467.50	40,000.00	1,950.00	1,245,000.00	475,922.75
2014	1,230,000.00	438,075.25	20,000.00	3,510.00	40,000.00	1,100.00	1,290,000.00	442,685.25
2015	1,270,000.00	404,856.50	20,000.00	3,110.00	35,000.00	350.00	1,325,000.00	408,316.50
2016	1,095,000.00	370,519.00	20,000.00	2,710.00			1,115,000.00	373,229.00
2017	1,115,000.00	336,269.00	20,000.00	2,310.00			1,135,000.00	338,579.00
2018	1,165,000.00	298,281.50	20,000.00	1,710.00			1,185,000.00	299,991.50
2019	775,000.00	258,612.75	20,000.00	1,110.00			795,000.00	259,722.75
2020	775,000.00	233,362.75	17,000.00	510.00			792,000.00	233,872.75
2021	785,000.00	208,112.75					785,000.00	208,112.75
2022	795,000.00	181,981.50					795,000.00	181,981.50
2023	799,000.00	154,862.00					799,000.00	154,862.00
2024	450,000.00	133,680.00					450,000.00	133,680.00
2025	455,000.00	115,680.00					455,000.00	115,680.00
2026	470,000.00	97,480.00					470,000.00	97,480.00
2027	475,000.00	78,680.00					475,000.00	78,680.00
2028	495,000.00	59,680.00					495,000.00	59,680.00
2029	497,000.00	39,880.00					497,000.00	39,880.00
2030	500,000.00	20,000.00					500,000.00	20,000.00
Totals	\$ 16,444,000.00	\$ 4,908,125.50	\$ 319,000.00	\$ 36,248.50	\$ 195,000.00	\$ 10,200.00	\$ 16,958,000.00	\$ 4,954,574.00

11. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2011, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 8,800.00	\$141,162.47
Federal and State Grant Fund	141,162.47	
General Trust Fund		8,800.00
	<u>\$149,962.47</u>	<u>\$149,962.47</u>

12. DEFERRED COMPENSATION PLAN

The Borough of Roselle Park offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq. and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The Administrator for the Borough of Roselle Park's Deferred Compensation Plan is Metlife Retirement Services and the Variable Annuity Life Insurance Company. The Borough's Deferred Compensation Plan financial statements are contained in a separate review report.

13. LENGTH OF SERVICE AWARDS PROGRAM

During 2001, the Borough of Roselle Park adopted an ordinance establishing a Length of Service Awards Program for the members of the Roselle Park Fire Department and the Roselle Park First Aid Squad pursuant to N.J.S.A. 40A:14-183 et seq.

Under this program, each volunteer of the Roselle Park Fire Department that performs the minimum amount of service will have an annual amount of \$1,150.00 deposited into a tax deferred income account that will earn interest for the volunteer. Each volunteer of the Roselle Park First Aid Squad that performs the minimum amount of service will have an amount of \$575.00 deposited into a tax deferred income account. Each volunteer of the Roselle Park First Aid Squad that performs the maximum amount of service will have an amount of \$1,150.00 deposited into a tax deferred income account. The cost amounted to \$58,075.00 for 2011.

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

14. CONTINGENT LIABILITIES

a. Compensated Absences

The Borough's "vacation policy" does not permit employees to accrue vacation pay.

Unused sick days are allowed to accrue and may be taken by the employee as compensatory time or payment at a later date at an agreed upon rate. Borough officials estimate that as of December 31, 2011, the sum of \$581,763.58, based upon 2011 salary rates, has accrued to the benefit of 71 employees and officials.

Provisions for the above are not reflected on the financial statements of the Borough.

The above amount has not been audited.

b. Tax Appeals

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Borough to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

c. Federal and State Awards

The Borough participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore to the extent that the Borough has not complied with the rules and regulations of the grantor agencies; therefore to the extent that the Borough has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2011 may be impaired. In the opinion of management, there are no significant liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

d. Arbitrage Rebate Calculation

In 1985, under the Tax Reform Act, the Arbitrage Rebate Law went into effect requiring issuers of tax exempt debt obligations to rebate to the Federal Government all of the earnings in excess of the yield on investments of proceeds of such debt issuances (the "rebate arbitrage"). The Rebate Regulations apply to obligations issued after August 31, 1986. The arbitrage rebate liability must be calculated every installment computation date (last day of the fifth bond year) or earlier if the bonds are retired, defeased or refunded and pay at least 90% of the rebatable arbitrage (plus any earnings thereon) within 60 days after such date.

e. Payments in Lieu of Taxes (PILOT)

Under N.J.S.A. 40A:20-12, each municipality is required to annually remit to the County five percent (5%) of the annual service charge for each long-term PILOT financial agreement entered into by the municipality.

f. Litigation

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

15. SECONDARY MARKET DISCLOSURE

Solely for purposes of complying with Rule 1602-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the requirements in accordance with Paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the municipality shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof various financial documents relating to the financial conditions of the Municipal Securities Rulemaking Board through the Electronic Municipal Access Data Port (the "MSRB").

16. SUBSEQUENT EVENT

The Borough of Roselle Park has evaluated subsequent events that occurred after the balance sheet date, but before March 29, 2012. No items were determined to require disclosure.

BOROUGH OF ROSELLE PARK
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER

A-4

	<u>Ref.</u>			<u>Regular Fund</u>
Balance December 31, 2010	A			\$ 2,937,942.98
Increased by Receipts:				
Miscellaneous Revenue Not Anticipated	A-2a	\$ 169,512.01		
Petty Cash	A-6	200.00		
Taxes Receivable	A-7	34,095,196.92		
Revenue Accounts Receivable	A-10	2,542,654.96		
Redemption of Outside Liens	A-12	1,375,052.17		
Due from State of New Jersey per Ch. 129, P.L. 1976	A-13	99,984.93		
Prepaid Taxes	A-15	59,620.96		
Tax Overpayments	A-16	86,238.37		
Interfunds	A-19	368,107.62		
Due to State of New Jersey	A-22	<u>7,799.00</u>		
				<u>38,804,366.94</u>
				<u>41,742,309.92</u>
Decreased by Disbursements:				
Miscellaneous	A-1	1,797.00		
Refund of Prior Years Taxes	A-1	11,855.43		
2011 Budget Appropriations	A-3	12,818,616.22		
Petty Cash	A-6	200.00		
2010 Appropriation Reserves	A-11	529,261.19		
Redemption of Outside Liens	A-12	1,384,725.37		
Reserves for Tax Appeals Pending	A-14	49,613.25		
Refund of Tax Overpayments	A-16	79,703.02		
County Taxes	A-17	5,251,815.21		
Local District School Taxes	A-18	18,200,732.00		
Interfunds	A-19	557,953.62		
Due to State of New Jersey	A-22	<u>7,679.00</u>		
				<u>38,893,951.31</u>
Balance December 31, 2011	A			<u>\$ 2,848,358.61</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

CHANGE FUNDS

A-5

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 450.00</u>
Balance December 31, 2011	A	<u><u>\$ 450.00</u></u>
 <u>Analysis of Balance</u>		
Office:		
Collector		\$ 300.00
Municipal Court		<u>150.00</u>
		<u><u>\$ 450.00</u></u>

CASH
PETTY CASH FUNDS

A-6

	<u>Ref.</u>	
Increased by:		
Cash Receipts	A-4	\$ 200.00
Decreased by:		
Cash Disbursements	A-4	<u>200.00</u>
		<u><u>\$ -</u></u>
 Office:		
Police Department		\$ 100.00
Borough Clerk		50.00
Community Center		<u>50.00</u>
		<u><u>\$ 200.00</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-Z

<u>Year</u>	<u>Balance</u>	<u>Collected</u>		<u>Due from State of New Jersey</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2011</u>
	<u>Dec. 31, 2010</u>	<u>2010</u>	<u>2011</u>			
2009	\$ 35,817.67	\$	\$ 35,817.67	\$	\$ 9,075.27	\$ 5,312.55
2010	656,250.61	6,000.00	647,862.79		9,075.27	5,312.55
	692,068.28	6,000.00	683,680.46		212,234.66	723,456.92
2011		34,518,457.92	33,411,516.46	112,218.49		
	\$ 692,068.28	\$ 59,031.39	\$ 34,095,196.92	\$ 112,218.49	\$ 221,309.93	\$ 728,769.47
	<u>Reference</u> A	<u>Below</u>	<u>A-2a.15</u>	<u>A-2a.13</u>	<u>Reserve</u>	<u>A</u>

ANALYSIS OF PROPERTY TAX LEVY

<u>Tax Yield</u>	<u>Ref.</u>	<u>Ref.</u>
General Property Tax		
Business Personal Tax - Utilities		
Added Taxes		
	\$ 34,472,696.64	\$ 5,246,674.18
	15,001.16	4,650.64
	30,760.12	18,200,732.00
		11,038,188.33
		28,212.77
		29,267,133.10
	<u>Above</u>	\$ 34,518,457.92

BOROUGH OF ROSELLE PARK
CURRENT FUND

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

A-8

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 163,650.00</u>
Balance December 31, 2011	A	<u>\$ 163,650.00</u>

RESERVE FOR GRANTS - UNAPPROPRIATED

A-9

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 30,740.92
Decreased by:		
Applied to Grants Receivable	A-23	<u>30,740.92</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-10

		<u>Balance</u>		<u>Collections</u>	<u>Balance</u>
	<u>Ref.</u>	<u>Dec. 31, 2010</u>	<u>Accrued</u>	<u>2011</u>	<u>Dec. 31, 2011</u>
Clerk:					
Alcoholic Beverage Licenses	A-2	\$	\$ 17,371.50	\$ 17,371.50	\$
Other Licenses	A-2a		7,470.00	7,470.00	
Other Fees and Permits	A-2a		20,121.00	20,121.00	
Construction Code Official:					
Uniform Construction Code Fees	A-2		125,250.00	125,250.00	
Board of Health:					
Other Licenses	A-2a		12,920.00	12,920.00	
Other Fees and Permits	A-2a		770.00	770.00	
Registrar of Vital Statistics:					
Other Fees and Permits	A-2a		16,736.00	16,736.00	
Tax Collector:					
Other Fees and Permits	A-2a		102.85	102.85	
Police Department:					
Other Fees and Permits	A-2a		8,631.70	8,631.70	
Municipal Court:					
Fines and Costs	A-2	33,171.78	846,860.27	795,733.28	84,298.77
Fire Department:					
Fire Prevention	A-2a		250.00	250.00	
Other Fees and Permits	A-2a		90.00	90.00	
Housing:					
Other Licenses	A-2a		735.00	735.00	
Other Fees and Permits	A-2a		8,935.00	8,935.00	
Municipal Land Use Board	A-2a		1,639.73	1,639.73	
Farmers Market:					
Other Fees and Permits	A-2a		300.00	300.00	
State of New Jersey:					
Energy Receipts Tax	A-2		881,332.00	881,332.00	
Consolidated Municipal Property Tax					
Relief Aid	A-2		202,754.00	202,754.00	
Interest and Cost on Taxes	A-2a		200,484.29	200,484.29	
Parking Meters	A-2		24,560.71	24,560.71	
Uniform Fire Safety Act	A-2		8,016.12	8,016.12	
Cable TV Franchise Fee	A-2		85,232.47	85,232.47	
Reserve to Pay Debt Service	A-2		60,000.00	60,000.00	
Rental of Borough Property	A-2		63,219.31	63,219.31	
		<u>\$ 33,171.78</u>	<u>\$ 2,593,781.95</u>	<u>\$ 2,542,654.96</u>	<u>\$ 84,298.77</u>
<u>Reference</u>		<u>A</u>	<u>Reserve</u>	<u>A-4</u>	<u>A</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

2010 APPROPRIATION RESERVES

A-11
Sheet #1

<u>Appropriations</u>	<u>Balance</u> <u>Dec. 31, 2010</u>		<u>Modified</u> <u>Balance</u> <u>Dec. 31, 2010</u>	<u>Paid and</u> <u>Committed</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>GENERAL GOVERNMENT</u>					
Mayor and Council:					
Salaries and Wages	\$	\$ 5,763.21	\$ 5,763.21	\$	\$ 5,763.21
Other Expenses	307.70	1,066.68	1,374.38	182.70	1,191.68
Municipal Clerk:					
Salaries and Wages		1,325.14	1,325.14		1,325.14
Other Expenses	18,163.03	9,174.49	27,337.52	14,172.68	13,164.84
Financial Administration:					
Salaries and Wages		22.73	22.73		22.73
Other Expenses	12,932.72	2,329.14	15,261.86	6,266.31	8,995.55
Audit Services	52,050.00		52,050.00	52,050.00	
Insurance:					
Group Insurance Plans for Employees		20,571.06	10,571.06	1,373.53	9,197.53
Other Insurance		1,298.00	1,298.00		1,298.00
Worker's Compensation		322.47	322.47		322.47
Revenue Administration:					
Salaries and Wages		1.10	1.10		1.10
Other Expenses	100.00	3,213.42	3,313.42	100.00	3,213.42
Assessor of Taxes:					
Salaries and Wages		1.38	1.38		1.38
Other Expenses	2,123.00	53.73	2,176.73	2,123.00	53.73
Liquidation of Tax Title Liens and Foreclosed Property		100.00	100.00		100.00
Legal Services and Costs:					
Other Expenses:					
Tax Appeals	14,144.70	3,500.00	17,644.70	6,299.17	11,345.53
Miscellaneous	5,308.37	10,750.17	16,058.54	6,525.33	9,533.21
Municipal Court:					
Salaries and Wages		6,053.54	6,053.54		6,053.54
Other Expenses	466.20	3,512.70	3,978.90	466.20	3,512.70
Engineering Services and Costs:					
Salaries and Wages	2,164.55	0.50	2,165.05	2,164.55	0.50
Human Resources:					
Other Expenses	10,716.65	7,500.00	13,216.65	448.16	12,768.49
Historical Society:					
Other Expenses	160.00	1,894.75	2,054.75	145.41	1,909.34
Land Use Administration:					
Planning Board:					
Salaries and Wages		2.20	2.20		2.20
Other Expenses	83.34	7,434.48	7,517.82		7,517.82
<u>PUBLIC SAFETY</u>					
Uniform Fire Safety (P.L. 1983, Ch. 383):					
Fire Official:					
Salaries and Wages		2,727.16	2,727.16		2,727.16
Other Expenses	985.74	27.08	1,012.82	838.88	173.94

BOROUGH OF ROSELLE PARK
CURRENT FUND

2010 APPROPRIATION RESERVES

A-11
Sheet #2

<u>Appropriations</u>	<u>Balance</u> <u>Dec. 31, 2010</u>		<u>Modified</u> <u>Balance</u> <u>Dec. 31, 2010</u>	<u>Paid and</u> <u>Committed</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>PUBLIC SAFETY</u>					
Fire:					
Salaries and Wages	\$	5.74	\$ 5.74	\$	\$ 5.74
Other Expenses	4,611.45	2,864.54	7,475.99	4,063.68	3,412.31
Police:					
Salaries and Wages		117,331.27	117,331.27	45,698.61	71,632.66
Other Expenses	60,449.09	5,947.88	66,396.97	49,103.85	17,293.12
Traffic Control Schools:					
Salaries and Wages		73.40	73.40		73.40
Other Expenses		1,103.33	1,103.33	48.00	1,055.33
First Aid Organizations:					
Other Expenses	629.58	37.17	666.75	85.67	581.08
Emergency Management:					
Salaries and Wages		9.02	9.02		9.02
Other Expenses	4,636.90		4,636.90	4,636.90	
Borough Prosecutor:					
Other Expenses	1,083.37		1,083.37	1,083.37	
<u>PUBLIC WORKS</u>					
Road Repair and Maintenance:					
Salaries and Wages		32,304.79	32,304.79		32,304.79
Other Expenses	31,994.95	7,811.09	39,806.04	23,454.00	16,352.04
Sanitation:					
Garbage and Trash Removal:					
Disposal - Tipping Fees	30,000.00	1,819.82	31,819.82	26,281.98	5,537.84
Collection	24,249.85	7.89	24,257.74	24,168.94	88.80
Recycling:					
Salaries and Wages		1.19	1.19		1.19
Other Expenses	41,623.00	7,272.72	48,895.72	35,460.00	13,435.72
Public Buildings and Grounds:					
Other Expenses	19,678.75	5,910.49	25,589.24	3,297.87	22,291.37
Maintenance of Vehicles:					
Other Expenses	27,088.58	8,208.31	35,296.89	22,160.73	13,136.16
<u>HEALTH AND WELFARE</u>					
(Board of Health - Local Health Agency):					
Board of Health:					
Salaries and Wages		38.84	38.84		38.84
Other Expenses		1,443.69	1,443.69		1,443.69
Animal Control:					
Other Expenses	4,800.00		4,800.00	4,800.00	
Environmental Commission:					
Other Expenses		100.00	100.00		100.00
<u>RECREATION AND EDUCATION</u>					
Parks and Playgrounds:					
Salaries and Wages		2.58	2.58		2.58
Other Expenses	7,042.82	8,480.94	15,523.76	11,642.82	3,880.94
Community Center:					
Salaries and Wages		6,303.26	6,303.26		6,303.26
Other Expenses	98.10	715.83	813.93		813.93

**BOROUGH OF ROSELLE PARK
CURRENT FUND**

2010 APPROPRIATION RESERVES

A-11
Sheet #3

Appropriations	Balance Dec. 31, 2010		Modified Balance Dec. 31, 2010	Paid and Committed	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
RECREATION AND EDUCATION					
Other Common Operating Functions:					
Celebration of Public Events, Anniversary or Holiday:					
Other Expenses	\$	\$ 1,752.93	\$ 1,752.93	\$	\$ 1,752.93
Union County S.L.A.P. Program:					
Other Expenses		0.82	0.82		0.82
Farmer's Market:					
Salaries and Wages		3.10	3.10		3.10
Other Expenses		0.80	0.80		0.80
CODE ENFORCEMENT					
State Uniform Construction Code Official:					
Salaries and Wages		576.62	576.62		576.62
Other Expenses	237.48	5,467.13	5,704.61	229.30	5,475.31
UNCLASSIFIED					
Natural Gas	6,000.00	25,207.77	16,207.77	5,446.53	10,761.24
Electricity	9,500.00	7,126.19	11,626.19	7,549.60	4,076.59
Water	1,500.00	517.03	2,017.03	1,002.26	1,014.77
Telephone	4,703.60	9,887.96	9,591.56	4,029.18	5,562.38
Street Lighting	20,000.00	12,112.51	27,112.51	19,260.73	7,851.78
Fire Hydrant Services	9,200.34	270.61	9,470.95	9,200.34	270.61
Cable TV - Channel 34	2,263.21	1,029.28	3,292.49	2,108.04	1,184.45
Gasoline	17,607.45	4,492.23	17,099.68	12,901.32	4,198.36
CONTINGENT		2,000.00	2,000.00		2,000.00
STATUTORY EXPENDITURES					
Contribution to:					
Social Security System (OASI)		76.61	76.61		76.61
DCRP		49.84	49.84		49.84
Police 911 Command and Dispatch Center:					
Salaries and Wages		66.63	66.63		66.63
Other Expenses	2,000.00	6,424.12	8,424.12	2,000.00	6,424.12
Length of Service Award Program (LOSAP)					
Implementation of Fair Housing Plan Ch. 222, P.L. 1985 (COAH):		86,250.00	86,250.00	58,075.00	28,175.00
Other Expenses	12,921.05	4,543.81	17,464.86	8,316.55	9,148.31
Recycling Tax (N.J.S.A. 13:1e-96.5):					
Other Expenses		5,000.00	5,000.00		5,000.00
Capital Improvement Fund			50,000.00	50,000.00	
	<u>\$463,625.57</u>	<u>\$469,294.91</u>	<u>\$932,920.48</u>	<u>\$529,261.19</u>	<u>\$403,659.29</u>
<u>Reference</u>	<u>A-21</u>	<u>A</u>		<u>A-4</u>	<u>A-1</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

REDEMPTION OF OUTSIDE LIENS

A-12

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 9,673.20
Increased by:		
Receipts	A-4	<u>1,375,052.17</u>
		1,384,725.37
Decreased by:		
Disbursements	A-4	<u>1,384,725.37</u>
		<u><u>\$ -</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

DUE TO STATE OF NEW JERSEY
PER CHAPTER 20, P.L. 1971

A-13

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 9,180.66
Increased by:			
Received Cash from State	A-4	\$ 99,984.93	
Senior Citizen Deductions Disallowed by Tax Collector		625.00	
Veteran Deductions Disallowed by Tax Collector	Below A-1	287.33	
Cancelled		<u>6,000.00</u>	
			<u>106,897.26</u>
			116,077.92
Decreased by:			
Senior Citizens' Deductions per Tax Duplicate	Below	29,250.00	
Veterans' Deductions per Tax Duplicate	Below	83,000.00	
Senior Citizens' Deductions Allowed by Tax Collector	Below	380.82	
Veteran's Deductions Allowed	Below	<u>500.00</u>	
			<u>113,130.82</u>
Balance December 31, 2011	A		<u>\$ 2,947.10</u>
Calculation of State Share of 2011 Senior Citizens' <u>and Veterans' Deductions Allowed by Collector</u>			
Senior Citizens' Deductions Per Tax Billings	Above	\$ 29,250.00	
Veterans' Deductions per Tax Billings	Above	83,000.00	
Senior Citizens' Deductions Allowed by Tax Collector	Above	380.82	
Veterans' Deductions Allowed	Above	<u>500.00</u>	
			\$ 113,130.82
Less: Senior Citizen Deductions Disallowed by Tax Collector			
		625.00	
Veteran Deductions Disallowed by Tax Collector			
	Above	<u>287.33</u>	
			<u>912.33</u>
	A-7		<u>\$ 112,218.49</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

RESERVE FOR TAX APPEALS

A-14

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 49,613.25
Decreased by:		
Cash Disbursements	A-4	<u>49,613.25</u>
		<u>\$ -</u>

PREPAID TAXES

A-15

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 59,031.39
Increased by:		
Collections	A-4	<u>59,620.96</u>
		118,652.35
Decreased by:		
Applied	A-7	<u>59,031.39</u>
Balance December 31, 2011	A	<u>\$ 59,620.96</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

TAX OVERPAYMENTS

A-16

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 10,440.04
Increased by:		
Overpayments	A-4	<u>86,238.37</u>
		96,678.41
Decreased by:		
Refunds	A-4	<u>79,703.02</u>
Balance December 31, 2011	A	<u><u>\$ 16,975.39</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

COUNTY TAXES PAYABLE

A-17

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 5,141.03
Increased by:		
2011 Tax Levy	A-1,7	<u>5,251,324.82</u>
		5,256,465.85
Decreased by:		
Payments	A-4	<u>5,251,815.21</u>
Balance December 31, 2011	A	<u>\$ 4,650.64</u>

LOCAL SCHOOL DISTRICT TAX

A-18

	<u>Ref.</u>	
Increased by:		
Levy Calendar Year 2011	A-1,7	\$ 18,200,732.00
Decreased by:		
Payments	A-4	<u>18,200,732.00</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

INTERFUNDS

A-19

	<u>Ref.</u>	<u>Total</u>	<u>Federal/State Grant Fund</u>	<u>General Trust Fund</u>	<u>Payroll Fund</u>	<u>General Capital Fund</u>
Balance December 31, 2010:						
Due From	A	\$ 8,800.00		\$ 8,800.00	\$	\$
(Due To)	A	\$ (69,305.01)	\$ (69,305.01)			
Increased by:						
Cash Disbursements	A-4	557,953.62	332,848.60	8,800.00	2,005.02	214,300.00
Cancellation of Grant Reserves	A-1,24	250,828.77	250,828.77			
		<u>808,782.39</u>	<u>583,677.37</u>	<u>8,800.00</u>	<u>2,005.02</u>	<u>214,300.00</u>
Decreased by:						
Cash Receipts	A-4	368,107.62	143,002.60	8,800.00	2,005.02	214,300.00
Budget Appropriations	A-3	210,860.00	210,860.00			
Cancellation of Grants Receivable	A-1,23	301,672.23	301,672.23			
		<u>880,639.85</u>	<u>655,534.83</u>	<u>8,800.00</u>	<u>2,005.02</u>	<u>214,300.00</u>
Balance December 31, 2011:						
Due From	A	\$ 8,800.00		\$ 8,800.00	\$	\$
(Due To)	A	\$ (141,162.47)	\$ (141,162.47)		\$	\$

BOROUGH OF ROSELLE PARK
CURRENT FUND

RESERVE FOR SALE OF MUNICIPAL ASSETS

A-20

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 81,611.31</u>
Balance December 31, 2011	A	<u><u>\$ 81,611.31</u></u>

ACCOUNTS PAYABLE - CURRENT FUND

A-21

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 463,625.57
Decreased by:		
Transferred to Appropriation Reserves	A-11	<u>463,625.57</u>
		<u><u>\$ -</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

DUE TO STATE OF NEW JERSEY

A-22

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 3,586.00
Increased by:		
Receipts	A-4	7,799.00
		<u>11,385.00</u>
Decreased by:		
Payments	A-4	<u>7,679.00</u>
Balance December 31, 2011	A,Below	<u><u>\$ 3,706.00</u></u>
 <u>Analysis of Balance</u>		
DCA Fees		\$ 3,176.00
Marriage Licenses		525.00
Burial		<u>5.00</u>
	Above	<u><u>\$ 3,706.00</u></u>

BOROUGH OF ROSELLE PARK
GRANT FUND

GRANTS RECEIVABLE

A-23

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011</u> <u>Grants</u>	<u>Collections</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Bulletproof Vest Partnership Grant	\$ 5,000.00	\$	\$	\$	\$ 5,000.00
Municipal Alliance	23,052.00	31,438.00	19,568.25	13,272.23	21,649.52
Railroad Station Area Enhancement	280,000.00			280,000.00	
Over the Limit Under Arrest	5,000.00	4,400.00	9,400.00		
Union County - Kids Recreation Trust Grant	8,400.00			8,400.00	
Clean Communities		17,132.26	17,132.26		
Recycling Tonnage Grant		17,656.37	17,656.37		
Safe and Secure Communities	25,000.00	53,732.00	56,343.62		22,388.38
Alcohol Education and Rehabilitation		11,811.70	11,811.70		
Body Armor Grant		3,397.05	3,397.05		
Union County Recycling Enhancement Grant		6,000.00	6,000.00		5,000.00
Drive Sober or Get Pulled Over		5,000.00			
Drunk Driving Enforcement Fund - Unappropriated		22,434.27	22,434.27		
Greening Union County		10,000.00			10,000.00
Greening Union County - Match		10,000.00	10,000.00		
	<u>\$ 346,452.00</u>	<u>\$ 193,001.65</u>	<u>\$ 173,743.52</u>	<u>\$ 301,672.23</u>	<u>\$ 64,037.90</u>

Reference

A

A-2

Below

A-19.25

A

Ref.

Interfunds
Unappropriated Funds Realized

\$ 143,002.60

A-25

30,740.92

A-9

Above

\$ 173,743.52

BOROUGH OF ROSELLE PARK
GRANT FUND

A-24

RESERVE FOR GRANTS - APPROPRIATED

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011 Budget</u> <u>Appropriation</u>	<u>Paid or</u> <u>Charged</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Clean Communities Grant	\$ 15,532.52	\$ 17,132.26	\$ 7,748.74	\$ -	\$ 24,916.04
Safe and Secure Communities		53,732.00	53,732.00		-
Safe and Secure Communities Program - Match	43,987.10	203,000.00	196,268.80		50,718.30
Municipal Alliance on Alcoholism and Drug Abuse Fund Grant	13,272.23	31,438.00	20,343.78	13,272.23	11,094.22
Municipal Alliance on Alcoholism and Drug Abuse Fund Grant - Matching Funds	3,076.12	7,860.00	5,474.09	3,076.12	2,385.91
Drunk Driving Enforcement	4,275.00	22,434.27	12,928.66		9,505.61
Special Legislative Grant	4,511.01	3,397.05	2,310.00		4,275.00
Body Armor Grant	2,175.00	4,400.00	6,575.00		5,598.06
Over the Limit Under Arrest	18,086.39	17,656.37	4,940.10		-
Recycling Grant	8,400.00			8,400.00	30,802.66
Kids Recreation Trust Grant	9,458.22	11,811.70	4,139.93		-
Alcohol Education and Rehabilitation	19,500.00		9,000.00		17,129.99
Downtown Development Planning Grant	226,080.42			226,080.42	10,500.00
Railroad Station	11,662.08				-
Field Dreams	5,000.00				11,662.08
Bulletproof Vest Partnership Grant		6,000.00	6,000.00		5,000.00
Union County Recycling Enhancement Grant		10,000.00			-
Greening Union County		10,000.00			10,000.00
Greening Union County - Match		5,000.00	3,387.50		1,612.50
Drive Sober or Get Pulled Over					
	<u>\$ 385,016.09</u>	<u>\$ 403,861.65</u>	<u>\$ 332,848.60</u>	<u>\$ 250,828.77</u>	<u>\$ 205,200.37</u>

Reference

A

Below

A-25

A-19,25

A

Ref.

Budget Appropriations
Interfunds

A-3 \$ 193,001.65

A-25 210,860.00

Above \$ 403,861.65

BOROUGH OF ROSELLE PARK
GRANT FUND

INTERFUNDS

A-25

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 69,305.01
Increased by:			
Matching Funds	A-24	\$ 210,860.00	
Grants Receivable	A-23	143,002.60	
Cancelled	A-23	<u>301,672.23</u>	
			<u>655,534.83</u>
			724,839.84
Decreased by:			
Expended	A-24	250,828.77	
Cancelled	A-24	<u>332,848.60</u>	
			<u>583,677.37</u>
Balance December 31, 2011	A		<u><u>\$ 141,162.47</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

B-4

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER

	<u>Ref.</u>	<u>Assessment Fund</u>	<u>Animal Control Fund</u>	<u>Trust Other Fund</u>
Balance December 31, 2010	B	\$ 25,220.50	\$ 8,092.92	\$ 622,377.92
Increased by Receipts:				
Animal Control Fees	B-8	\$	\$ 15,152.00	\$
Animal Fees Due State of New Jersey	B-17		1,326.00	
Budget Appropriation:				
Deficit (General Budget)	B-2	58,000.00		
Due from Current Fund	B-7			8,800.00
Due from County of Union Community Development	B-9			32,845.71
Block Grants	B-12			68,578.38
State Unemployment Insurance	B-13			319,853.27
Various Reserves	B-18			7,326,582.37
Payroll Deductions Payable	B-19			38,852.20
Recreation	B-20			500.00
Community Alliance	B-21			32,983.26
Special Law Enforcement	B-22			1.20
Law Enforcement Block Grant	B-24			189,000.00
Premium on Tax Sale		58,000.00	16,478.00	8,017,996.39
		<u>83,220.50</u>	<u>24,570.92</u>	<u>8,640,374.31</u>
Decreased by Disbursements:				
Assessment Serial Bond	B-15	58,000.00		
Expenditure Under R.S. 4:19-15.11	B-8		10,874.08	
Animal Fees Due State of New Jersey	B-17		1,321.80	
Due to Current Fund	B-7			8,800.00
Community Development Block Grants	B-10			32,809.36
State Unemployment Insurance	B-12			51,118.86
Various Reserves	B-13			342,681.98
Payroll Deductions Payable	B-18			7,280,931.12
Recreation - Reserves	B-19			30,732.84
Community Alliance - Reserves	B-20			19,481.15
Special Law Enforcement - Reserves	B-21			2,640.00
Due to State of New Jersey	B-23			3,661.98
Premium on Tax Sale	B-24			271,400.00
		58,000.00	12,195.88	8,044,257.29
Balance December 31, 2011	B	\$ 25,220.50	\$ 12,375.04	\$ 596,117.02

BOROUGH OF ROSELLE PARK
TRUST FUNDS

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS

B-5

	<u>Ref.</u>	
Balance December 31, 2010	B	<u>\$ 25,220.50</u>
Balance December 31, 2011	B	<u><u>\$ 25,220.50</u></u>

ASSESSMENT OVERPAYMENTS

B-6

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 3.93
Decreased by: Cancellation	B-1	<u>3.93</u>
		<u><u>\$ -</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

DUE TO CURRENT FUND

B-7

Other
Trust
Fund
HUD

Ref.

Balance December 31, 2010:
(Due To)

B

\$ 8,800.00

Decreased by:
Receipts

B-4

8,800.00

Increased by:
Disbursements

B-4

8,800.00

Balance December 31, 2011:
(Due To)

B

\$ 8,800.00

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

B-8

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 8,092.92
Increased by:			
Collections:			
Fees Collected	B-4	\$ 15,152.00	
Prepaid Expense	B-25	<u>1,600.00</u>	
			<u>16,752.00</u>
			<u>24,844.92</u>
Decreased by:			
Expenditures Under N.J.S. 40A:4-39	B-4		<u>10,874.08</u>
Balance December 31, 2011	B		<u><u>\$13,970.84</u></u>

License Fees Collected

	<u>Year</u>	<u>Amount</u>
	2010	\$ 14,124.50
	2011	<u>13,826.00</u>
		<u><u>\$ 27,950.50</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

DUE FROM COUNTY OF UNION
COMMUNITY DEVELOPMENT BLOCK GRANTS

B-9

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 34,618.00
Increased by:			
Project Award	B-10		<u>31,256.00</u>
			65,874.00
Decreased by:			
Receipts	B-4	\$ 32,845.71	
Cancelled - Community Development Block Grants Receivable	B-10	<u>1,772.29</u>	
			<u>34,618.00</u>
Balance December 31, 2011	B		<u><u>\$ 31,256.00</u></u>

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANTS

B-10

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 25,826.36
Increased by:			
Project Award	B-9		<u>31,256.00</u>
			57,082.36
Decreased by:			
Expenditures	B-4	\$ 32,809.36	
Accounts Payable	B-11	30.00	
Cancelled	B-9	<u>1,772.29</u>	
			<u>34,611.65</u>
Balance December 31, 2011	B		<u><u>\$ 22,470.71</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

ACCOUNTS PAYABLE

B-11

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 9,743.00
Increased by:			
Reserve for Community Development			
Block Grant	B-10	\$ 30.00	
Various Reserves	B-13	1,409.47	
Recreation Reserve	B-19	<u>4,148.52</u>	
			<u>5,587.99</u>
			<u>15,330.99</u>
Decreased by:			
Various Reserves	B-13	3,715.00	
Recreation Reserve	B-19	<u>6,028.00</u>	
			<u>9,743.00</u>
Balance December 31, 2011	B		<u><u>\$ 5,587.99</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT COMPENSATION INSURANCE FUND

B-12

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 69,430.87
Increased by:			
Receipts:			
Payroll Deductions		\$ 8,400.61	
Budget Appropriation Reserves		60,000.00	
Interest on Deposits		<u>177.77</u>	
	B-4		<u>68,578.38</u>
			<u>138,009.25</u>
Decreased by:			
Disability Benefits		8,329.86	
Unemployment Benefits		<u>42,789.00</u>	
	B-4		<u>51,118.86</u>
Balance December 31, 2011	B		<u><u>\$ 86,890.39</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR EXPENDITURES

B-13

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Miscellaneous	\$ 326.54	\$	\$	\$ 326.54
Parking Offense Adjudication Act	6,090.13	2,397.00	1,315.00	7,172.13
Downtown Revitalization	1,405.00			1,405.00
9/11 Memorial	4,201.00		4,190.20	10.80
Firehouse Donations	2.78		2.78	
Security Bonds	3,548.00			3,548.00
Board of Health	234.96			234.96
Police Outside Services	49,470.91	207,648.00	242,858.00	14,260.91
Police Outside Services - Administrative Cost	15,389.10	52,777.40	65,222.85	2,943.65
Roller Skating	500.00			500.00
Centennial Celebration	538.08			538.08
Secure a Child Program	50.00			50.00
Public Defender	9,598.95	15,767.50	13,200.00	12,166.45
Loretti Park	1,440.00			1,440.00
Child Safety Seat	5.00			5.00
Monument Bond	2,500.00			2,500.00
100 Year Celebration	1,300.00			1,300.00
Union County Health Administration Act	8,930.46			8,930.46
Youth Center	5,100.00			5,100.00
Fire Protection	58.73		58.73	
Downtown Banners	66.00			66.00
Zoning/Planning Escrow	14,287.29			14,287.29
Tree Program	575.00			575.00
Zoning Stenographer	500.00			500.00
Zoning Board Escrow	3,800.00			3,800.00
Planning Board Escrow	4,594.06			4,594.06
Municipal Land Use BD Stenographer		250.00		250.00
Municipal Land Use BD Escrow	21,648.11	2,672.08	2,429.50	21,890.69
Street Opening Escrow	4,843.75	800.00		5,643.75
Fireworks Donations	461.05	28,309.45	9,862.55	18,907.95
Relocation Assistance	1,800.00	4,000.00		5,800.00
Recycling	17,475.50	3,995.00		21,470.50
Tax Lien Redemptions		4,951.84	4,951.84	
	<u>\$180,740.40</u>	<u>\$323,568.27</u>	<u>\$344,091.45</u>	<u>\$160,217.22</u>
<u>Reference</u>	<u>B</u>	<u>Below</u>	<u>Below</u>	<u>B</u>
	<u>Ref.</u>			
Cash Receipts	B-4	\$319,853.27	\$	
Disbursements	B-4		342,681.98	
Accounts Payable	B-11	3,715.00	1,409.47	
	Above	<u>\$323,568.27</u>	<u>\$344,091.45</u>	

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR ASSESSMENTS

B-14

	<u>Ref.</u>	
Balance December 31, 2010	B	\$146,000.00
Increased by:		
Current Budget	B-3	<u>58,000.00</u>
		204,000.00
Decreased by:		
Cancelled	B-16	<u>204,000.00</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

ASSESSMENT SERIAL BONDS

B-15

<u>Purpose</u>	<u>Original Issue</u>		<u>Loan Maturities Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2011</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Special Assessment Bonds	10/01/03	\$ 253,000.00	10/01/12	\$ 35,000.00	3.50%	\$ 113,000.00	\$ 55,000.00	\$ 58,000.00
			10/01/13	43,000.00	3.50%			
Special Assessment Bonds	1/15/08	15,000.00	1/15/12-2013	3,000.00	3.50%	9,000.00	3,000.00	6,000.00
Special Assessment Bonds	10/15/10	197,000.00	10/15/12-2019	20,000.00	Various	197,000.00		197,000.00
			10/15/20	17,000.00	3.00%			
						<u>\$ 319,000.00</u>	<u>\$ 58,000.00</u>	<u>\$ 261,000.00</u>

Reference

B

B-3.4

B

BOROUGH OF ROSELLE PARK
TRUST FUNDS

DEFERRED CHARGE
PROSPECTIVE ASSESSMENTS

B-16

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>Cancelled</u>
1879	Curb Construction	\$ 23,350.00	\$ 23,350.00
2000	Various Curb Improvements	70,350.00	70,350.00
2042	Curb Improvements	40,600.00	40,600.00
2075	Various Curb Improvements	118,700.00	118,700.00
2122	Installation of Curbs	15,000.00	15,000.00
2249	Installation of Curbs	120,000.00	120,000.00
2272	Installation of Curbs	77,000.00	77,000.00
		<u>\$ 465,000.00</u>	<u>\$ 465,000.00</u>
	<u>Reference</u>	<u>B</u>	<u>Below</u>
		<u>Ref.</u>	
	Reserved for Assessment	B-14	\$ 204,000.00
	Deferred Charge:		
	Prospective Assessments	B	<u>261,000.00</u>
		Above	<u>\$ 465,000.00</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

ANIMAL CONTROL TRUST
RESERVE FOR ANIMAL FEES DUE STATE OF NEW JERSEY

B-17

	<u>Ref.</u>	
Increased by:		
Receipts	B-4	\$ 1,326.00
Decreased by:		
Disbursements	B-4	<u>1,321.80</u>
Balance December 31, 2011	B	<u>\$ 4.20</u>

TRUST OTHER FUNDS
PAYROLL DEDUCTIONS PAYABLE

B-18

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 2,233.75
Increased by:		
Employee Payroll Deductions	B-4	<u>7,326,582.37</u> 7,328,816.12
Decreased by:		
Cash Disbursements	B-4	<u>7,280,931.12</u>
Balance December 31, 2011	B	<u>\$ 47,885.00</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RECREATION
RESERVE FOR EXPENDITURES

B-19

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 22,327.83
Increased by:			
Receipts	B-4	\$ 38,852.20	
Accounts Payable	B-11	<u>6,028.00</u>	
			<u>44,880.20</u>
			<u>67,208.03</u>
Decreased by:			
Disbursements	B-4	30,732.84	
Accounts Payable	B-11	<u>4,148.52</u>	
			<u>34,881.36</u>
Balance December 31, 2011	B		<u>\$ 32,326.67</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

COMMUNITY ALLIANCE
RESERVE FOR EXPENDITURES

B-20

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 18,981.15
Increased by:		
Receipts	B-4	<u>500.00</u>
		19,481.15
Decreased by:		
Disbursements	B-4	<u>19,481.15</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

SPECIAL LAW ENFORCEMENT TRUST
RESERVE FOR EXPENDITURES

B-21

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 20,358.61
Increased by:		
Receipts	B-4	<u>32,983.26</u>
		53,341.87
Decreased by:		
Disbursements	B-4	<u>2,640.00</u>
Balance December 31, 2011	B	<u><u>\$ 50,701.87</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

LAW ENFORCEMENT BLOCK GRANT - FEDERAL
RESERVE FOR EXPENDITURES

B-22

	<u>Ref.</u>	
Balance December 31, 2010	B	\$2,491.97
Increased by:		
Receipts	B-4	<u>1.20</u>
Balance December 31, 2011	B	<u><u>\$2,493.17</u></u>

ANIMAL CONTROL FUND
DUE TO STATE OF NEW JERSEY

B-23

	<u>Ref.</u>	
Balance December 31, 2010	B	\$3,661.98
Decreased by:		
Disbursements	B-4	<u>3,661.98</u>
		<u><u>\$ -</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

PREMIUM ON TAX SALE

B-24

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 292,400.00
Increased by:		
Receipts	B-4	<u>189,000.00</u>
		481,400.00
Decreased by:		
Disbursements	B-4	<u>271,400.00</u>
Balance December 31, 2011	B	<u><u>\$ 210,000.00</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

PREPAID EXPENSE FOR ANIMAL CONTROL FUND

B-25

	<u>Ref.</u>	
Increased by:		
Municipal Fees	B-8	<u>\$1,600.00</u>
Balance December 31, 2011	B	<u><u>\$1,600.00</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER

C-2

	<u>Ref.</u>		
Balance December 31, 2010	C		\$ 6,294,334.66
Increased by Receipts:			
Community Development Block Grant Receivable	C-7	\$ 180,531.35	
Green Acres Grant Receivable	C-12	130,083.00	
Green Acres Loan Receivable	C-13	187,505.00	
Serial Bonds	C-14	142,500.00	
Capital Improvement Fund	C-16	<u>100,000.00</u>	
			<u>740,619.35</u>
			<u>7,034,954.01</u>
Decreased by Expenditures:			
Interfunds	C-15	2,493.15	
Improvement Authorizations	C-17	2,226,059.29	
Commitments Payable	C-19	49,295.15	
Reserve for Payment of Bonds	C-14	<u>60,000.00</u>	
			<u>2,337,847.59</u>
Balance December 31, 2011	C		<u><u>\$ 4,697,106.42</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

C-3

Ordinance Number	Description	Balance	Receipts	Disbursements	Transfers		Balance
		Dec. 31, 2010			From	To	Dec. 31, 2011
	Fund Balance	\$ 212,395.11	\$	\$	\$ 753,600.00	\$ 603,732.90	\$ 62,528.01
	Capital Improvement Fund	69,906.57	100,000.00		52,000.00		117,906.57
	State Aid Receivable	(150,000.00)			200,000.00		(350,000.00)
	Community Development Block Grant Receivable	(242,012.60)	180,531.35			61,481.25	-
	County Grant Receivable	(111,545.57)			50,000.00		(161,545.57)
	Commitments Payable	49,295.15		49,295.15			-
	ARRA Grant Receivable	(317,588.00)	317,588.00		135,743.12		(135,743.12)
	Green Acres Grants	2,493.15		2,493.15	12,495.00		-
	Interfunds	399,097.91	142,500.00	60,000.00			-
	Reserve to Pay Serial Bonds						481,597.91
	Improvement Authorizations:						
1865	Various Capital Improvements	510.75		510.75			-
2032	Various Capital Improvements	7,206.71		1,901.50			5,305.21
2042	Curb Improvements	3,275.40			3,275.40		-
2121	Various Capital Improvements	106,412.04		4,412.04			102,000.00
2157	Various Capital Improvements	662.75			662.75		-
2183	Various Capital Improvements	7,213.81			7,213.81		-
2184	Various Capital Improvements	19,316.29		12,079.46			7,236.83
2211	Various Capital Improvements	20,000.00					20,000.00
2220	Various Capital Improvements	214,376.16		66,134.69			148,241.47
2249	Various Capital Improvements	324,414.08		15,770.60			89,961.64
2265	Acquisition of Fire Rescue Vehicle	1,000.00		1,000.00	218,681.84		-
2268	Acquisition of Recreation Equipment	24,920.20					24,920.20
2271	Resurfacing of Various Streets	115,877.75		(35,103.75)	150,981.50		-
2272	Various Capital Improvements	1,954,634.39		541,783.72	225,798.52		1,187,052.15
2297	Various Capital Improvements	18,292.12		11,162.46			7,129.66
2300	Various Capital Improvements	3,515,423.06		1,149,156.55	109,842.90		2,256,423.61
2337	Various Capital Improvements			457,251.27		1,291,343.12	834,091.85
	Local Improvement:						
2075	Various Curb Improvements	48,757.43			48,757.43		-
		<u>\$6,294,334.66</u>	<u>\$740,619.35</u>	<u>\$2,337,847.59</u>	<u>\$1,969,052.27</u>	<u>\$1,969,052.27</u>	<u>\$ 4,697,106.42</u>
	Reference	C	C-2	C-2	Contra	Contra	C

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION

C-4

	<u>Ref.</u>	
Balance December 31, 2010	C	\$16,444,000.00
Decreased by:		
2010 Budget Appropriation to Pay Bonds	C-18	<u>1,062,000.00</u>
Balance December 31, 2011	C	<u>\$15,382,000.00</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-5

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>	<u>Analysis of Balance Dec. 31, 2011 Unexpended Improvement Authorization</u>
2337	Various Capital Improvements	<u>\$ 700,000.00</u>	<u>\$ 700,000.00</u>	<u>\$ 700,000.00</u>
	<u>Reference</u>	<u>C-17</u>	<u>C</u>	<u>C-17</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

PROSPECTIVE ASSESSMENTS RAISED BY TAXATION

C-6

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>Cancelled</u>
1807	Curb Improvements	\$ 3,450.00	\$ 3,450.00
1835	Curbing of Larch Street	<u>900.00</u>	<u>900.00</u>
		<u>\$ 4,350.00</u>	<u>\$ 4,350.00</u>
	<u>Reference</u>	<u>C</u>	

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

C-7

	<u>Ref.</u>		
Balance December 31, 2010	C		\$ 242,012.60
Increased by:			
Grant Award	C-17		<u>100,000.00</u>
			342,012.60
Decreased by:			
Cash Receipts	C-2	\$ 180,531.35	
Cancelled	C-17	<u>61,481.25</u>	
			<u>242,012.60</u>
Balance December 31, 2011	C		<u><u>\$ 100,000.00</u></u>

Analysis of Balance

<u>Description</u>		<u>Ordinance Number</u>	<u>Amount</u>
Walnut Street		2337	<u><u>\$ 100,000.00</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

STATE AID RECEIVABLE

C-8

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 50,000.00
Increased by: DOT Award	C-17	<u>200,000.00</u>
Balance December 31, 2011	C	<u>\$ 250,000.00</u>
		<u>Below</u>

Analysis of Balance

<u>Description</u>	<u>Ordinance Number</u>	<u>Amount</u>
West Grant Avenue	2337	<u>\$ 250,000.00</u>
		<u>Above</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

COUNTY GRANT RECEIVABLE

C-9

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 111,545.57
Increased by:		
Grant Awards	C-17	<u>50,000.00</u>
Balance December 31, 2011	C	<u>\$ 161,545.57</u>

<u>Description</u>	<u>Ordinance Number</u>	<u>Amount</u>
Various Capital Improvements	2337	\$ 50,000.00
Various Capital Improvements	2297	67,352.01
Acquisition of Recreation Equipment and Field House Improvements	2268	15,731.00
Various Capital Improvements	2249	12,500.00
Various Capital Improvements	2211	<u>15,962.50</u>
		<u>\$161,545.51</u>

Reference

Above

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

ARRA GRANT RECEIVABLE

C-10

	<u>Ref.</u>	
Increased by:		
Grant Award	C-17	<u>\$ 135,743.12</u>
Balance December 31, 2011	C	<u><u>\$ 135,743.12</u></u>

SAFE ROUTES TO SCHOOL GRANT RECEIVABLE

C-11

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 100,000.00
Decreased by:		
Cancelled	C-17	<u>100,000.00</u>
		<u><u>\$ -</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

GREEN ACRES GRANTS RECEIVABLE

C-12

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 117,588.00
Increased by:		
Grant Award Transferred from Loans Receivable	C-13	12,495.00
		<u>130,083.00</u>
Decreased by:		
Cash Receipts	C-2	130,083.00
		<u>\$ -</u>

GREEN ACRES LOANS RECEIVABLE

C-13

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 200,000.00
Decreased by:		
Receipts	C-2	\$ 187,505.00
Loans Receivable Transferred to Grant	C-12	<u>12,495.00</u>
		<u>200,000.00</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

RESERVE TO PAY BONDS

C-14

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 399,097.91
Increased by:		
Receipt	C-2	142,500.00
		<u>541,597.91</u>
Decreased by:		
Anticipated as Current Fund Revenue	C-2	60,000.00
Balance December 31, 2011	C	<u>\$ 481,597.91</u>

INTERFUNDS
DUE TO SEWER CAPITAL UTILITY FUND

C-15

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 2,493.15
Decreased by:		
Disbursement	C-2	2,493.15
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-16

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 69,906.57
Increased by:		
Budget Appropriation	C-2	<u>100,000.00</u>
		169,906.57
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-17	<u>52,000.00</u>
Balance December 31, 2011	C	<u><u>\$117,906.57</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-17
Sheet #1

	Ordinance Date	Number	Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
				Funded	Unfunded				Funded	Unfunded
				\$	\$				\$	\$
General Improvements										
Various Capital Improvements	04/19/96, 06/17,	1838, 1862, 1865	\$ 691,000.00	\$ 510.75	\$	\$ 510.75	\$	\$	\$	\$
Various Capital Improvements	4/15/98	1953, 1973, 1982, 2032	1,280,000.00	7,206.71		1,901.50			5,305.21	
Curb Improvements	4/19/01	2042	42,750.00	3,275.40			3,275.40			
Various Capital Improvements	6/17/04	2121	1,367,339.00	106,412.04		4,412.04			102,000.00	
Various Capital Improvements	6/16/05	2157	901,742.00	662.75			662.75			
Various Capital Improvements	8/3/06	2183	149,368.00	7,213.81			7,213.81			
Various Capital Improvements	8/9/06	2184	809,420.00	19,316.29		12,079.46			7,236.83	
Various Capital Improvements	11/19/07	2211	270,000.00	20,000.00					20,000.00	
Various Capital Improvements	12/6/07	2220	1,815,219.00	214,376.16		66,134.69			148,241.47	
Various Capital Improvements	8/21/08	2249	2,128,255.00	324,414.08		15,770.80		218,681.84	89,961.64	
Acquisition of Fire Rescue Vehicle with Equipment	3/5/09	2265	351,000.00	1,000.00		1,000.00				
Acquisition of Recreational Equipment and Field House Improvements	5/21/09	2268	62,924.00	24,920.20					24,920.20	
Resurfacing of Pinewood Avenue	7/1/09	2269	73,000.00	-						
Resurfacing Various Streets	8/6/09	2271	512,000.00	115,877.75		(35,103.75)		150,981.50		
Various Capital Improvements	8/6/09	2272	3,014,860.00	1,954,634.39		541,763.72		225,796.52	1,187,062.15	
Various Capital Improvements	4/1/10	2297	412,293.00	18,292.12		11,162.46			7,129.66	
Various Capital Improvements	6/3/10	2300	4,582,000.00	3,515,423.06		1,149,156.55		109,842.90	2,256,423.61	
Various Capital Improvements	8/11/11	2337	1,991,343.12		1,991,343.12	457,251.27			834,091.85	700,000.00

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-17
Sheet# 2

Number	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Changed	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
2075	5/20/02	\$ 125,000.00	\$ 48,757.43	\$ -	\$ -	\$ -	\$ 48,757.43	\$ -	
			\$ 6,382,292.94	\$ -	\$ 1,991,343.12	\$ 2,226,059.29	\$ 765,214.15	\$ 4,682,362.62	
			C	C	Below	C-2	Below	C	C
			Reference	C	Below	C-2	Below	C	C
			Capital Surplus		\$ 753,600.00		\$ 603,732.90		
			Union County Kids Recreation Trust Fund Grant		50,000.00				
			Capital Improvement Fund		52,000.00				
			Community Development Block Grant Receivable		100,000.00		61,481.25		
			ARRA Grant Receivable		135,743.12				
			Safe Route to School Grant Receivable		200,000.00		100,000.00		
			State Aid Receivable		700,000.00				
			Deferred Charges - Unfunded						
					\$ 1,991,343.12		\$ 765,214.15		\$ 700,000.00
					Above				

Various Curb Improvements

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

C-18
Sheet #1

SERIAL BONDS PAYABLE

Purpose	Original Issue		Date	Loan Maturities Outstanding Dec. 31, 2011	Amount	Interest Rate	Balance Dec. 31, 2010	Decrease	Balance Dec. 31, 2011
	Date	Amount							
General Improvement Bonds	10/01/03	\$ 3,657,000.00	10/01/2012	\$ 290,000.00	3.500%	\$	\$		
			10/01/2013	307,000.00	3.500%				
			10/01/2014	375,000.00	3.625%				
			10/01/2015-2017	400,000.00	3.625%				
			10/01/2018	425,000.00	3.625%		2,862,000.00	265,000.00	2,597,000.00
General Improvement Bonds	1/15/08	4,084,000.00	1/15/2012	122,000.00	3.500%				
			1/15/2013	147,000.00	3.500%				
			1/15/2014-2015	175,000.00	3.500%				
			1/15/2016-2017	390,000.00	3.500%				
			1/15/2018	395,000.00	3.500%				
			1/15/2019-2021	400,000.00	3.500%				
Refunding Bonds			1/15/2022	400,000.00	3.550%				
			1/15/2023	399,000.00	3.600%		3,915,000.00	122,000.00	3,793,000.00
	10/01/10	2,060,000.00	10/01/2012	420,000.00	2.000%				
			10/01/2013	325,000.00	2.000%				
			10/01/2014	90,000.00	3.000%				
			10/01/2015	405,000.00	2.000%				
			10/01/2015	395,000.00	2.000%		2,060,000.00	425,000.00	1,635,000.00

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

C-18
Sheet #2

SERIAL BONDS PAYABLE

<u>Purpose</u>	<u>Original Issue</u>		<u>Loan Maturities Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2011</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
General Improvement Bonds	10/15/10	\$ 7,607,000.00	10/15/2012	\$ 265,000.00	2.000%	\$	\$	\$
			10/15/2013	270,000.00	2.000%			
			10/15/2014	275,000.00	2.000%			
			10/15/2015	300,000.00	2.000%			
			10/15/2016	305,000.00	2.000%			
			10/15/2017	325,000.00	3.000%			
			10/15/2018	345,000.00	3.000%			
			10/15/2019-2020	375,000.00	3.000%			
			10/15/2021	385,000.00	3.125%			
			10/15/2022	395,000.00	3.250%			
			10/15/2023	400,000.00	3.500%			
			10/15/2024	450,000.00	4.000%			
			10/15/2025	455,000.00	4.000%			
			10/15/2026	470,000.00	4.000%			
		10/15/2027	475,000.00	4.000%				
		10/15/2028	495,000.00	4.000%				
		10/15/2029	497,000.00	4.000%				
		10/15/1930	500,000.00	4.000%				
						7,607,000.00	250,000.00	7,357,000.00
						<u>\$ 16,444,000.00</u>	<u>\$ 1,062,000.00</u>	<u>\$ 15,382,000.00</u>
					<u>Reference</u>	<u>C</u>	<u>C-4</u>	<u>C</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

COMMITMENTS PAYABLE

C-19

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 49,295.15
Decreased by:		
Disbursements	C-2	<u>49,295.15</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-20

	<u>Ordinance Number</u>	<u>Increase</u>	<u>Balance Dec. 31, 2011</u>
Various Capital Improvements	2337	<u>\$700,000.00</u>	<u>\$ 700,000.00</u>
	<u>Reference</u>	<u>C-17</u>	<u>C</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER

D-5

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2010	D	\$ 465,186.96	\$ 74,168.29
Increased by Receipts:			
Fund Balance	D-14	\$	\$ 2,493.15
Penalty on Delinquent Accounts	D-3	19,571.08	
Consumer Accounts Receivable	D-6	1,671,742.58	
Sewer User Charge Overpayments	D-7	<u>697.45</u>	
		<u>1,692,011.11</u>	<u>2,493.15</u>
		2,157,198.07	76,661.44
Decreased by Disbursements:			
2011 Budget Appropriations	D-4	1,570,188.88	
2010 Appropriation Reserves	D-12	8,528.95	
Refund on Sewer User Charge	D-7	114.00	
Accrued Interest	D-8	<u>4,000.00</u>	
		<u>1,582,831.83</u>	
Balance December 31, 2011	D	<u>\$ 574,366.24</u>	<u>\$ 76,661.44</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE

D-6

	<u>Ref.</u>		
Balance December 31, 2010	D		\$ 157,094.82
Increased by:			
Sewer User Charges Levied - Net	Reserve		<u>1,623,467.59</u>
			<u>1,780,562.41</u>
Decreased by:			
Collections	D-5	\$1,671,742.58	
Overpayments Applied	D-7	<u>891.90</u>	
	D-3		1,672,634.48
Cancelled			<u>172.59</u>
			<u>1,672,807.07</u>
Balance December 31, 2011	D		<u>\$ 107,755.34</u>

SEWER CHARGE OVERPAYMENTS

D-7

	<u>Ref.</u>		
Balance December 31, 2010	D		\$ 410.85
Increased by:			
Receipts	D-5		<u>697.45</u>
			1,108.30
Decreased by:			
Refunds	D-5	\$ 114.00	
Application to Consumer Accounts Receivable	D-6	<u>891.90</u>	
			<u>1,005.90</u>
Balance December 31, 2011	D		<u>\$ 102.40</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

ACCRUED INTEREST ON BONDS

D-8

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 1,950.00
Increased by:		
Budget Appropriations	D-4	2,825.00
		<u>4,775.00</u>
Decreased by:		
Payments	D-5	4,000.00
		<u>4,000.00</u>
Balance December 31, 2011	D	<u>\$ 775.00</u>

Analysis of Balance

Bonds Outstanding <u>Dec. 31, 2011</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
<u>\$ 155,000.00</u>	2%	10/1/2011	12/31/2011	91 Days	<u>\$ 775.00</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

FIXED CAPITAL

D-9

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Purchase of a Sewer Truck and Van	\$ 140,000.00	\$ 140,000.00
Purchase of Vacuum Sweeper	71,599.00	71,599.00
Sewer Television Surveillance	3,500.00	3,500.00
Reconstruction of Sewers and Related Road Work	479,109.72	479,109.72
Providing for Reconstruction of Sanitary Sewers	118,000.00	118,000.00
Acquisition of a Mini Computer	3,402.00	3,402.00
Reconstruction and Repair of Sewers on Roselle Avenue	<u>37,706.24</u>	<u>37,706.24</u>
	<u>\$ 853,316.96</u>	<u>\$ 853,316.96</u>

Reference

D

D

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

RESERVE FOR AMORTIZATION

D-10

	<u>Ref.</u>	
Balance December 31, 2010	D	\$658,316.96
Increased by:		
Payment of Bond	D-12	<u>40,000.00</u>
Balance December 31, 2011	D	<u>\$ 698,316.96</u>

RESERVE FOR CAPITAL OUTLAY

D-11

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 11,594.76</u>
Balance December 31, 2011	D	<u>\$ 11,594.76</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

2010 APPROPRIATION RESERVES

D-13

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>After</u> <u>Transfer</u>	<u>Expenditures</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Commitment</u> <u>Payable</u>	<u>Reserved</u>		
<u>Operating</u>				
Salaries and Wages	\$ 8,528.95	\$ 7,966.66	\$ 8,528.95	\$ 7,966.66
Other Expenses		26,737.04		26,737.04
Maintenance of Vehicles		5,000.00		5,000.00
Share of Costs:				
Joint Meeting Sewer		0.83		0.83
<u>Capital Improvements</u>				
Capital Outlay		<u>5,000.00</u>		<u>5,000.00</u>
	<u>\$ 8,528.95</u>	<u>\$ 44,704.53</u>	<u>\$ 8,528.95</u>	<u>\$ 44,704.53</u>
<u>Reference</u>	<u>D</u>	<u>D</u>	<u>D-5</u>	<u>D-1</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

INTERFUNDS
DUE FROM GENERAL CAPITAL FUND

D-14

	<u>Ref.</u>	
Balance December 31, 2010	D	\$2,493.15
Decreased by:		
Receipts	D-5	<u>2,493.15</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
PUBLIC ASSISTANCE TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

E-1

	<u>Ref.</u>	<u>Total</u>	<u>Trust Fund Account #1</u>	<u>Trust Fund Account #2</u>
Balance December 31, 2010	E	\$ 41,568.46	\$ 44,784.16	\$ (3,215.70)
Increased by:				
Receipts	E-2	<u>3,215.70</u> 44,784.16	<u>44,784.16</u>	<u>3,215.70</u> -
Decreased by:				
Disbursement	E-3	<u>44,784.16</u>	<u>44,784.16</u>	<u> </u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOROUGH OF ROSELLE PARK
PUBLIC ASSISTANCE TRUST FUND

DUE FROM STATE OF NEW JERSEY
TRUST FUND ACCOUNT #2

E-2

	<u>Ref.</u>	<u>Trust Fund Account #2</u>
Balance December 31, 2010	E	\$ 3,215.70
Decreased by:		
Receipts	E-1	<u>3,215.70</u>
		<u>\$ -</u>

RESERVE FOR EXPENDITURES
TRUST FUND ACCOUNT #1
(75% STATE MATCH)

E-3

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 44,784.16
Decreased by:		
Disbursement	E-1	<u>44,784.16</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY OPERATING FUND AND LIBRARY BUILDING FUND
SCHEDULE OF LIBRARY CASH

G-1

	<u>Ref.</u>		
Balance December 31, 2010	G		\$ 124,488.23
Increased by:			
Operating Fund	G-3	\$ 427,648.93	
Reserve for Building Fund Expenditures	G-4	19.55	
Due from Library Building Fund	G-5	6,956.52	
Due to Library Operating Fund	G-6	<u>895.62</u>	
			<u>435,520.62</u>
			<u>560,008.85</u>
Decreased by:			
Commitments Payable	G-2	5,009.57	
Operating Expenses	G-3	419,697.34	
Reserve for Building Fund Expenditures	G-4	895.62	
Due from Library Building Fund	G-5	895.62	
Due to Library Operating Fund	G-6	<u>6,956.52</u>	
			<u>433,454.67</u>
Balance December 31, 2011	G		<u><u>\$ 126,554.18</u></u>

LIBRARY OPERATING FUND
SCHEDULE OF LIBRARY COMMITMENTS PAYABLE

G-2

	<u>Ref.</u>		
Balance December 31, 2010	G		\$ 5,009.57
Increased by:			
Commitments Payable	G-3		<u>4,583.11</u>
			9,592.68
Decreased by:			
Disbursements	G-1		<u>5,009.57</u>
Balance December 31, 2011	G		<u><u>\$ 4,583.11</u></u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY OPERATING FUND
SCHEDULE OF RESERVE FOR LIBRARY FUND EXPENDITURE

G-3

	<u>Ref.</u>		
Balance December 31, 2010	G		\$ 116,594.88
Increased by:			
2010 Budget Appropriation		\$ 409,263.00	
State Aid		6,128.00	
Fines		3,108.47	
Rental		444.00	
Lost Card		354.00	
Lost Materials		188.25	
Postage		1.00	
Miscellaneous		5,258.40	
Refund of Expenditures		170.00	
Book Donation		546.69	
Fax		1,149.20	
Out of Town Registration		41.00	
Copy Machine		<u>996.92</u>	
	G-1		427,648.93
			<u>544,243.81</u>
Decreased by:			
Operating Expenses	G-1	419,697.34	
Commitments Payable	G-2	<u>4,583.11</u>	
			424,280.45
			<u>119,963.36</u>
Other Changes in Fund Balance:			
Net Loss on Investment			<u>(1,288.00)</u>
Balance December 31, 2011	G		<u>\$ 118,675.36</u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY BUILDING FUND
SCHEDULE OF RESERVE FOR BUILDING FUND EXPENDITURES

G-4

	<u>Ref.</u>	
Balance December 31, 2010	G	\$ 5,038.78
Increased by:		
Receipts	G-1	<div style="display: flex; justify-content: space-between;"> 19.55 <u>5,058.33</u> </div>
Decreased by:		
Disbursements	G-4	<div style="display: flex; justify-content: space-between;"> 895.62 <u>5,058.33</u> </div>
Balance December 31, 2011	G	<u><u>\$ 4,162.71</u></u>

LIBRARY OPERATING FUND
SCHEDULE OF DUE FROM LIBRARY BUILDING FUND

G-5

	<u>Ref.</u>	
Balance December 31, 2010	G	\$14,938.72
Increased by:		
Disbursements	G-1	<div style="display: flex; justify-content: space-between;"> 895.62 <u>15,834.34</u> </div>
Decreased by:		
Receipts	G-1	<div style="display: flex; justify-content: space-between;"> 6,956.52 <u>15,834.34</u> </div>
Balance December 31, 2011	G	<u><u>\$ 8,877.82</u></u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY BUILDING FUND
SCHEDULE OF DUE TO LIBRARY OPERATING FUND

G-6

	<u>Ref.</u>	
Balance December 31, 2010	G	\$14,938.72
Increased by:		
Receipts	G-1	<u>895.62</u>
		15,834.34
Decreased by:		
Disbursements	G-1	<u>6,956.52</u>
Balance December 31, 2011	G	<u>\$ 8,877.82</u>

PART II
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
ROSTER OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2011

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members
of the Borough Council
Borough of Roselle Park
Roselle Park, New Jersey 07204

We have audited the statutory basis financial statements of the various funds of the Borough of Roselle Park, County of Union, as of and for the years ended December 31, 2011 and December 31, 2010, and have issued our report thereon dated March 29, 2012, which was qualified as a result of the Municipality's policy to prepare its financial statements on a basis of accounting described 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 accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Municipality's 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 Municipality's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control over financial reporting.


A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Municipality's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain matters, however, that we have reported and described in Part II of the accompanying Report on Examination of Accounts.

This report is intended solely for the information and use of the Municipality's governing body and management, appropriate State and Federal awarding agencies and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
March 29, 2012

ROSTER OF OFFICIALS FOR THE YEAR 2011 AND REPORT ON SURETY BONDS

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Joseph Accardi	Mayor	*
Modesto Miranda, Jr.	President of the Council	*
Michael Yakubov	Councilman	*
Laurence Dinardo/Eugene Meola as of October 6, 2011	Councilman	*
Carl Hokanson	Councilman	*
Marc Caswell	Councilman	*
Tanya Torres	Councilwoman	*
Blake Johnstone	Attorney	*
Michael Neglia	Engineer	*
Richard Belluscio as of April 29, 2011	Construction Code Official	*
Gary Bundy	Judge	*
Maria Bruchal	Court Administrator	*
Tracy Zengewald	Deputy Court Administrator	*
Rose Cooper	Deputy Court Administrator	*
Doreen Cali	Borough Clerk Assessment Search Officer	*
Donna L. Corrigan	Deputy Clerk	*
Kenneth Blum	Chief Financial Officer	*
Rachel Pompei	Tax Collector	*
Mary Leonard	Assistant Treasurer	*
Edward Galante as of September 27, 2011	Assessor	*
Paul Morrison	Police Chief	*
Vincent Cahill	Superintendent of Public Works	*
Nancy Caliendo	Clerk - Board of Health/Registrar	*
Susan Calantone	Librarian	*

All of the bonds were examined and were properly executed.

*\$1,000,000.00 Blanket Position Bond - New Jersey Intergovernmental Insurance Fund

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

N.J.S.A. 40A:11-4a states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

It is pointed out that the Borough Council has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Borough Attorney should be sought before a commitment is made.

The statutory bidding threshold for the year 2011 was the sum of \$26,000.00 effective July 1, 2010.

Notwithstanding N.J.S.A. 40:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5 known as the "Pay to Play Law" provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity.

The minutes indicate that bids were requested by public advertising.

Inasmuch as the system of records did not provide for an accumulation of payments for categories of materials and supplies or related work or labor, 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 proposals were solicited for "Professional Services" in accordance with N.J.S.A. 19:44:20.5.

It is also noted that certain contracts were awarded under the provisions of N.J.S.A. 40A:11-12, New Jersey State purchasing contracts.

Purchases, Contracts or Agreements Not Required to be Advertised (N.J.S. 40A:11-6.1)

N.J.S. 40A:11-6.1 states "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds \$3,150.00, at least two quotations as to the cost or price are required. Quotations, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder." The Borough has adopted a policy of requesting quotes for all expenditures in excess of \$2,000.00.

Collection of Interest on Delinquent Taxes

N.J.S. 54:4-67, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body, on January 2, 2011, adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Council of the Borough of Roselle Park that the interest rate on delinquent taxes be fixed as follows:

- 8% per annum up to \$1,500.00 delinquency
- 18% per annum over \$1,500.00 delinquency
- 6% additional penalty for a delinquency over \$10,000.00 if not paid prior to the end of the calendar year

Any taxes not paid when due shall be called delinquent taxes ten days after due date.

Tests of the Tax Collector's records indicate that interest was collected in accordance with the provisions of the foregoing resolution.

The last tax sale was held on November 23, 2011 and was complete.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made consisting of 300 verification notices summarized as follows:

<u>Type</u>	<u>Number of Items</u>
Payment of 2011 and 2012 Taxes	100
Delinquent Taxes	50
Payment of Utilities	100
Delinquent Utilities	<u>50</u>
	<u>300</u>

Returned verifications were examined for discrepancies. Where minor exceptions are noted, an additional request for more detail has been issued. Any additional verifications returned will be examined and a separate report issued on any material deficiencies.

Payroll Account

The propriety of deductions from employee salaries for pensions, Social Security, withholding tax and other purposes from employee payrolls were not verified as part of this audit. Remittances of deductions and withholdings to authorized agencies, however, were ascertained.

Capital Fixed Assets

The Division of Local Government Services in the Department of Community Affairs of the State of New Jersey requires all municipalities in the State to establish and maintain sets of accounts and inventories reflecting costs of other valuations of all of its fixed assets, including land, buildings, improvements, machinery, furniture and equipment. Such accounts, to be included under "Capital Fixed Assets", would insure complete fiscal reliability of records, establish a basis for claims of losses and other insurance purposes, augment protective measures against the misuse or theft of property and furnish data on aging, anticipated life and other information on assets. Failure to maintain fixed asset records could jeopardize the Borough's eligibility for future Federal and State Grants.

Construction Code

Finding #2011-1:

Condition:

Of twenty-four (24) receipts verified, seven (7) receipts were not turned over within 48 hours.

Criteria

The revenue should be turned over within 48 hours of receipt.

Recommendation:

That revenue collected should be turned over within 48 hours of receipt of funds in accordance with provisions of N.J.S.A. 40A:5-15.

Veteran's Memorial Library

48 Hour Test

Finding #2011-2:

Condition:

Of twenty-four (24) receipts verified, fifteen (15) were not deposited within 48 hours.

Criteria:

The revenue should be deposited within 48 hours of receipt.

Recommendation:

That revenue collected should be deposited within 48 hours of receipt of funds in accordance with provisions of N.J.S.A. 40A:5-15.

Petty Cash

Finding 2011-3:

Condition:

Our cash count of the Library's petty cash revealed an overage in the amount of \$61.44.

Criteria:

Management needs to maintain a good record for the petty cash and return the remaining funds and the receipts at the end of the year.

Recommendation:

That the Library needs to maintain the petty cash account up to the approved amount of \$200.00. Any excess should be investigated.

Recreation

Finding 2011-4:

Condition:

Aside from the Casano Community Center, we were not provided with any cash books, turnover slips or receipt books. We therefore were unable to perform any audit procedures or determine the velocity of the funds remitted to the Treasurer.

Criteria:

All cash books, turnover slips or receipt books should be complete and available for review.

Recommendation:

That all books and records from the various recreation programs, except the Casano Community Center, be available for review at the time of the audit.

Corrective Action Plan

In accordance with regulations promulgated by the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received.

Miscellaneous

A report summarizing collections of Dog License Fees and remittances of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

A copy of this report was filed with the New Jersey Division of Local Government Services.

A summary or synopsis of this report was prepared for publication and filed with the Borough Clerk.

RECOMMENDATIONS

Construction Code

- * That revenue collected should be turned over within 48 hours of receipt of funds in accordance with N.J.S.A. 40A:5-15.

Veteran's Memorial Library

- * That revenue collected should be deposited within 48 hours of receipt of funds in accordance with provisions of N.J.S.A. 40A:5-15.

Petty Cash

- * That the Library needs to maintain the petty cash account up to the approved amount of \$200.00. Any excess should be investigated.

Recreation

- * That all books and records from the various recreation programs, except the Casino Community Center, be available for review at the time of the audit.

*Repeated from prior year.

The foregoing comments and resulting recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

We shall be pleased to confer on any questions that might arise with respect to any matters in this report.

We desire to express our appreciation for the assistance and courtesies rendered by the Borough officials and employees during the course of the examination.

Respectfully submitted,

A handwritten signature in cursive script that reads "Samuel Klein and Company".

SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

A handwritten signature in cursive script that reads "Marvin Lustbader".

MARVIN LUSTBADER, CPA, RMA

Newark, New Jersey
March 29, 2012

