

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

**REPORT ON
EXAMINATION OF ACCOUNTS
FOR THE YEAR 2016**

**SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS**

BOROUGH OF ROSELLE PARK
COUNTY OF UNION, NEW JERSEY

CONTENTS

PART I

PAGE

Independent Auditor's Report.....	2
-----------------------------------	---

FINANCIAL STATEMENTS

CURRENT FUND

EXHIBIT

A	Comparative Balance Sheet - Regulatory Basis	5
A-1	Comparative Operations and Changes in Fund Balance - Regulatory Basis.....	7
A-2	Revenue - Regulatory Basis	8
A-2a	Revenue - Analysis of Realized Revenue - Regulatory Basis.....	9
A-3	Expenditures - Regulatory Basis	10

TRUST FUNDS

B	Comparative Balance Sheet - Regulatory Basis	18
B-1	Revenue - Assessment Trust Fund - Regulatory Basis.....	19
B-2	Expenditures - Assessment Trust Fund - Regulatory Basis	19

GENERAL CAPITAL FUND

C	Comparative Balance Sheet - Regulatory Basis	20
C-1	Fund Balance - Regulatory Basis	21

SEWER UTILITY FUND

D	Comparative Balance Sheet - Regulatory Basis	22
D-1	Comparative Operations and Changes in Fund Balance - Sewer Utility Operating Fund - Regulatory Basis	23
D-2	Fund Balance - Sewer Capital Fund - Regulatory Basis	24
D-3	Revenue - Operating Fund - Regulatory Basis.....	25
D-4	Expenditures - Regulatory Basis	26

FINANCIAL STATEMENTS
(Continued)

VETERANS MEMORIAL LIBRARY FUND

<u>EXHIBIT</u>		<u>PAGE</u>
E	Comparative Balance Sheet - Regulatory Basis	27

CAPITAL FIXED ASSETS

F	Comparative Balance Sheet - Regulatory Basis	28
---	--	----

	<u>NOTES TO FINANCIAL STATEMENTS</u>	29 - 56
--	---	---------

SUPPLEMENTARY INFORMATION

CURRENT FUND

A-4	Cash Receipts and Disbursements - Collector - Treasurer	57
A-5	Change Funds	58
A-6	Cash - Petty Cash Funds	58
A-7	Taxes Receivable and Analysis of Property Tax Levy	59
A-8	Property Acquired for Taxes (At Assessed Valuation)	60
A-9	Receivable for Special Improvement District	60
A-10	Revenue Accounts Receivable	61
A-11	2015 Appropriation Reserves	62
A-12	Due (From)/To State of New Jersey per Chapter 129, P.L. 1976	65
A-13	Prepaid Taxes	66
A-14	Tax Overpayments	67
A-15	County Taxes Payable	68
A-16	Local School District Tax	68
A-17	Interfunds	69
A-18	Reserve for Sale of Municipal Assets	70
A-19	Due to State of New Jersey	71
A-20	Grants Receivable	72
A-21	Reserve for Grants - Appropriated	73
A-22	Interfunds	74
A-23	Reserve for Special District Improvement	75
A-24	Reserve for Tax Appeals	76

SUPPLEMENTARY INFORMATION
(Continued)

TRUST FUNDS

<u>EXHIBIT</u>		<u>PAGE</u>
B-3	Cash Receipts and Disbursements - Collector - Treasurer	77
B-4	Due to Current Fund	78
B-5	Reserve for Animal Control Fund Expenditures	79
B-6	Due from County of Union - Community Development Block Grants.....	80
B-7	Reserve for Community Development Block Grants	80
B-8	Reserve for Retiree Reimbursements	81
B-9	Reserve for State Unemployment Compensation Insurance Fund	82
B-10	Reserve for Expenditures	83
B-11	Assessment Serial Bonds.....	84
B-12	Animal Control Trust - Reserve for Animal Fees Due State of New Jersey	85
B-13	Trust Other Funds - Payroll Deductions Payable	86
B-14	Recreation - Reserve for Expenditures.....	87
B-15	Affordable Housing - Reserve for Expenditures	88
B-16	Special Law Enforcement Trust - Reserve for Expenditures.....	89
B-17	Law Enforcement Block Grant - Federal Reserve for Expenditures.....	90
B-18	Premium on Tax Sale	91
B-19	Deferred Charges - Prospective Assessments.....	92

GENERAL CAPITAL FUND

C-2	Cash Receipts and Disbursements - Collector - Treasurer	93
C-3	Analysis of Capital Cash and Investments	94
C-4	Deferred Charges to Future Taxation - Funded	95
C-5	Deferred Charges to Future Taxation - Unfunded	96
C-6	Community Development Block Grant Receivable.....	97
C-7	State Aid Receivable.....	98
C-8	Union County Grant Receivable	99
C-9	Reserve to Pay Bonds	99
C-10	Capital Improvement Fund.....	100
C-11	Improvement Authorizations	101
C-12	Serial Bonds Payable.....	102
C-13	Green Acres Loan Payable.....	104
C-14	Bonds and Notes Authorized but Not Issued.....	105

SEWER UTILITY FUND

D-5	Cash Receipts and Disbursements - Collector - Treasurer	106
D-6	Consumer Accounts Receivable.....	107
D-7	Sewer Charge Overpayments	107
D-8	Fixed Capital	108
D-9	Reserve for Amortization	109

SUPPLEMENTARY INFORMATION
(Continued)

SEWER UTILITY FUND
(Continued)

<u>EXHIBIT</u>		<u>PAGE</u>
D-10	Reserve for Capital Outlay	109
D-11	2015 Appropriation Reserves	110
D-12	Accounts Payable	111

VETERANS MEMORIAL LIBRARY FUND

E-1	Library Operating Fund and Library Building Fund - Schedule of Library Cash	112
E-2	Library Operating Fund - Schedule of Library Investments	112
E-3	Library Operating Fund - Schedule of Reserve for Library Accounts Payable	113
E-4	Library Building Fund - Schedule of Reserve for Library Fund Expenditures	114
E-5	Library Building Fund - Schedule of Reserve for Building Fund Expenditures	115
E-6	Library Operating Fund - Schedule of Due from Library Building Fund	115
E-7	Library Building Fund - Schedule of Due to Library Operating Fund	116
E-8	Library Operating Fund - Schedule of Deferred Outflows	116
E-9	Library Operating Fund - Petty Cash	116

PART II

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING, ROSTER OF OFFICIALS, LETTER OF TRANSMITTAL, COMMENTS AND RECOMMENDATIONS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> - Independent Auditors' Report	118
Roster of Officials for the Year 2016 and Report on Surety Bonds	120
Letter of Transmittal	121
Comments	122
Recommendations	125

PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY EXHIBITS
YEAR ENDED DECEMBER 31, 2016

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the financial statements - regulatory basis of the various funds and account groups of the Borough of Roselle Park, in the County of Union, as of and for the years then ended December 31, 2016 and 2015 and the related notes to the financial statements, as listed in the foregoing table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

As described in Note 1, these financial statements - regulatory basis have been prepared in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*" paragraph, the financial statements - regulatory basis referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2016 and 2015, and the results of its operations for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements referred to above include the assets and liabilities of the Borough's Length of Service Award Program Fund ("LOSAP") which have not been audited. We are not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Borough's financial statements as of and for the years ended December 31, 2016 and 2015. The LOSAP financial activities are included in the Borough's Trust Fund and represent 33.89% and 34.11% of the assets and liabilities, respectively, of the Borough's Trust Funds as of December 31, 2016 and 2015.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph above, the financial statements - regulatory basis referred to above, present fairly, in all material respects, the financial position of the various funds of the Borough of Roselle Park at December 31, 2016 and 2015, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended, in accordance with accounting principles on the basis of financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements - regulatory basis that collectively comprise the Borough's financial statements. The supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the financial statements - regulatory basis taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2017 on our consideration of the Borough of Roselle Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Borough of Roselle Park's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Samuel Klein and Company". The signature is written in a cursive, flowing style.

SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

A handwritten signature in blue ink that reads "Andrew Pascale". The signature is written in a cursive, flowing style.

ANDREW PASCALE, CPA, RMA

Newark, New Jersey
June 23, 2017

BOROUGH OF ROSELLE PARK
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Regular Fund</u>			
Cash	A-4	\$ 4,560,379.48	\$ 3,928,720.73
Cash - Change Fund	A-5	450.00	450.00
Due from State of New Jersey per Ch. 129, P.L.1976	A-12	4,150.38	4,994.89
		<u>4,564,979.86</u>	<u>3,934,165.62</u>
Receivables and Other Assets with Full Reserves:			
Taxes Receivable	A-7	692,298.88	649,703.28
Property Acquired for Taxes - Assessed Valuation	A-8	163,650.00	163,650.00
Revenue Accounts Receivable	A-10	30,145.69	32,359.56
Interfunds Receivable	A-17	10,000.00	10,000.00
		<u>896,094.57</u>	<u>855,712.84</u>
		<u>5,461,074.43</u>	<u>4,789,878.46</u>
<u>Grant Fund</u>			
Grants Receivable	A-20	60,502.15	67,403.10
Interfunds Receivable	A-22	183,386.81	147,377.67
		<u>243,888.96</u>	<u>214,780.77</u>
		<u>\$ 5,704,963.39</u>	<u>\$ 5,004,659.23</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Regular Fund</u>			
Appropriation Reserves:			
Unencumbered	A-3,11	\$ 614,338.15	\$ 440,830.95
Encumbered	A-3,11	623,181.77	547,948.47
Prepaid Taxes	A-13	130,533.27	110,182.91
Tax Overpayments	A-14	39,671.51	5,932.48
Due to County Added and Omitted Taxes	A-15	1,917.69	3,896.47
Interfunds	A-17	183,386.81	147,377.67
Reserve for Sale of Municipal Assets	A-18	11,994.81	11,994.81
Due to State of New Jersey	A-19	3,961.00	3,818.00
Reserve for Special Improvement District	A-23	320.14	
Reserve for Tax Appeals	A-24	600,000.00	400,000.00
		<u>2,209,305.15</u>	<u>1,671,981.76</u>
Reserve for Receivables	Reserve	896,094.57	855,712.84
Fund Balance	A-1	2,355,674.71	2,262,183.86
		<u>5,461,074.43</u>	<u>4,789,878.46</u>
 <u>Grant Fund</u>			
Reserve for Grants - Appropriated	A-21	243,888.96	214,780.77
		<u>243,888.96</u>	<u>214,780.77</u>
		<u>\$ 5,704,963.39</u>	<u>\$ 5,004,659.23</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

A-1

	<u>Ref.</u>	<u>Year 2016</u>	<u>Year 2015</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 1,400,000.00	\$ 1,400,000.00
Miscellaneous Revenue Anticipated	A-2	2,491,380.64	2,567,482.57
Receipts from Delinquent Taxes	A-2	659,355.90	591,748.75
Receipts from Current Taxes	A-2a	39,448,763.22	37,839,385.57
Nonbudget Revenue	A-2a	332,661.91	169,417.19
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-11	549,865.60	570,002.68
Interfunds Returned	A-17		1,000.00
		<u>44,882,027.27</u>	<u>43,139,036.76</u>
 <u>Expenditures</u>			
<u>Budget Expenditures:</u>			
Operations (Including Contingent)		11,505,236.00	11,005,447.00
Deferred Charges and Statutory Expenditures		1,388,674.00	1,319,165.00
<u>Operations:</u>			
Other Operations		1,102,368.93	1,182,208.12
Capital Improvements		100,000.00	100,000.00
Municipal Debt Service		1,777,898.66	1,940,636.16
Deferred Charges and Statutory Expenditures		20,000.00	20,000.00
	A-3	<u>15,894,177.59</u>	<u>15,567,456.28</u>
Tax Overpayments	A-14	58,471.55	19,481.73
Refund of Prior Years Taxes	A-12	2,250.00	4,750.00
County Taxes	A-15	5,797,521.28	5,532,505.05
Local School District Tax	A-16	21,436,116.00	20,434,245.00
Reserve for Tax Appeals	A-24	200,000.00	100,000.00
Total Expenditures		<u>43,388,536.42</u>	<u>41,658,438.06</u>
Excess in Revenue		1,493,490.85	1,480,598.70
 <u>Fund Balance</u>			
Balance January 1	A	2,262,183.86	2,181,585.16
		<u>3,755,674.71</u>	<u>3,662,183.86</u>
 <u>Decreased by:</u>			
Utilized as Anticipated Revenue	Above	<u>1,400,000.00</u>	<u>1,400,000.00</u>
Balance December 31	A	<u>\$ 2,355,674.71</u>	<u>\$ 2,262,183.86</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 1,400,000.00	\$	\$ 1,400,000.00	\$
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-10	12,000.00		17,045.50	5,045.50
Other	A-2a	7,000.00		25,487.00	18,487.00
Fees and Permits	A-2a	25,000.00		60,419.33	35,419.33
Fines and Costs:					
Municipal Court	A-10	315,000.00		416,525.46	101,525.46
Interest and Costs on Taxes	A-10	45,000.00		161,058.95	116,058.95
Parking Meters	A-10	10,000.00		11,803.21	1,803.21
CMPTRA	A-10	118,438.00		118,438.00	
Energy Receipts Tax	A-10	965,648.00		965,648.00	
Uniform Construction Code Fees	A-10	65,500.00		204,867.00	139,367.00
Uniform Fire Safety Act	A-10	5,055.20		6,353.43	1,298.23
Cable TV Franchise Fee	A-10	173,659.74		173,659.74	
Rental of Borough Property	A-10	44,000.00		64,866.09	20,866.09
Alcohol Education and Rehabilitation Fund	A-20		5,499.26	5,499.26	
Safe and Secure Communities Program	A-20	60,000.00		60,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	A-20	18,582.00		18,582.00	
Clean Communities Program	A-20		25,794.87	25,794.87	
Recycling Tonnage Grant	A-20	8,188.13		8,188.13	
Police Body Armor Grant	A-20		3,226.75	3,226.75	
Drunk Driving Enforcement Fund	A-20		12,197.92	12,197.92	
Bulletproof Vest Partnership Grant	A-20		5,720.00	5,720.00	
Drive Sober or Get Pulled Over	A-20		10,000.00	10,000.00	
Click It or Ticket	A-20		5,000.00	5,000.00	
Union County Heart Grant	A-20		1,000.00	1,000.00	
Sewer Utility Operating Surplus	A-10	50,000.00		50,000.00	
Reserve for Payment of Debt	A-10	60,000.00		60,000.00	
Receipts from Delinquent Taxes	A-1,7	1,983,071.07	68,438.80	2,491,380.64	439,870.77
		460,000.00		659,355.90	199,355.90
		<u>2,443,071.07</u>	<u>68,438.80</u>	<u>3,150,736.54</u>	<u>639,226.67</u>
Amount to be Raised by Taxation:					
Local Taxes for Municipal Purposes (Budget)	A-7	12,569,805.40		12,802,263.62	232,458.22
Library Taxes	A-7	363,328.32		363,328.32	
	A-2a	<u>12,933,133.72</u>		<u>13,165,591.94</u>	<u>232,458.22</u>
Total Budget Revenue		16,776,204.79	68,438.80	17,716,328.48	871,684.89
Nonbudget Revenue	A-2a			332,661.91	332,661.91
		<u>\$16,776,204.79</u>	<u>\$68,438.80</u>	<u>\$18,048,990.39</u>	<u>\$1,204,346.80</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 - REGULATORY BASIS

A-2a

	<u>Ref.</u>	
<u>Allocation of Current Tax Collections</u>		
Collected on a Cash Basis	A-1,7	\$ 39,448,763.22
Allocated to:		
School, County and Special District Taxes		<u>27,233,637.28</u>
Balance for Support of Municipal Budget Appropriations		12,215,125.94
Add: Appropriation Reserve for Uncollected Taxes	A-3	<u>950,466.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 13,165,591.94</u>
Licenses:		
Clerk	A-10	\$ 10,819.00
Board of Health	A-10	<u>14,668.00</u>
	A-2	<u>\$ 25,487.00</u>
Fees and Permits:		
Clerk	A-10	\$ 14,116.00
Registrar of Vital Statistics	A-10	18,360.00
Housing Fees	A-10	11,690.00
Board of Health	A-10	150.00
Public Works	A-10	3,695.00
Tax Collector	A-10	1,030.00
Police Department	A-10	2,489.25
Municipal Land Use Board	A-10	7,994.08
Fire Prevention	A-10	370.00
Zoning	A-10	75.00
Farmer's Market	A-10	<u>450.00</u>
	A-2	<u>\$ 60,419.33</u>
<u>Analysis of Nonbudget Revenue</u>		
Miscellaneous Revenue Not Anticipated:		
Administration Reimbursement Senior Citizen and Veteran Deductions		\$ 1,424.01
Police Outside Overtime Administrative Fees		82,630.40
LOSAP Surrendered		7,816.03
Bad Inspection Fees		4,840.50
Insurance Refunds		16,639.92
Forfeited Tax Sale Premiums		5,100.00
Prior Year Budget Refunds		66,225.24
FEMA Reimbursement		141,364.07
Miscellaneous		<u>6,621.74</u>
	A-4	<u>\$ 332,661.91</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #1

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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	\$ 58,960.00	\$ 58,960.00	\$ 58,958.38	\$ 475.52	\$ 1.62
Other Expenses	11,000.00	11,000.00	8,599.61		1,924.87
Municipal Clerk:					
Salaries and Wages	242,122.00	242,122.00	241,550.26	68,601.40	571.74
Other Expenses	85,575.00	145,575.00	59,114.33		17,859.27
Financial Administration:					
Salaries and Wages	235,110.00	235,110.00	235,106.57		3.43
Other Expenses	33,385.00	33,385.00	22,670.80	9,911.98	802.22
Annual Audit	49,715.00	49,715.00	49,715.00		
Assessment of Taxes:					
Salaries and Wages	14,252.00	14,252.00	14,250.60	278.60	1.40
Other Expenses	5,650.00	5,650.00	1,813.29		3,558.11
Revenue Administration:					
Salaries and Wages	74,800.00	74,800.00	74,796.56		3.44
Other Expenses	16,000.00	16,000.00	9,681.78	1,855.00	4,463.22
Legal Services and Costs:					
Other Expenses:					
Tax Appeals	40,000.00	40,000.00	24,917.19	15,082.81	
Miscellaneous	70,000.00	70,000.00	50,000.00		20,000.00
Municipal Court:					
Salaries and Wages	227,346.00	227,346.00	209,000.99		18,345.01
Other Expenses	13,880.00	13,880.00	6,866.30	1,342.69	5,671.01
Engineering Services and Costs:					
Other Expenses	21,000.00	21,000.00	21,000.00		
Public Defender:					
Other Expenses	2,500.00	2,500.00	2,500.00		
Human Resources:					
Other Expenses	30,000.00	65,000.00	52,251.75	12,748.25	

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #2

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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>GENERAL GOVERNMENT</u>					
Historical Society:					
Other Expenses			10,053.43	50.00	271.57
Municipal Land Use Law (N.J.S. 40:55D-1):					
Municipal Land Use Board:					
Salaries and Wages	2,377.00	2,377.00	2,375.62		1.38
Other Expenses	38,850.00	38,850.00	13,844.40	18,288.60	6,717.00
Insurance:					
General Liability	340,000.00	340,000.00	338,823.00		1,177.00
Worker's Compensation	462,000.00	462,000.00	461,339.00		661.00
Group Health	1,762,010.00	1,632,010.00	1,589,911.98	41.66	42,056.36
Health Benefit Waiver	60,000.00	60,000.00	50,661.60		9,338.40
	<u>3,906,907.00</u>	<u>3,871,907.00</u>	<u>3,560,087.44</u>	<u>178,391.51</u>	<u>133,428.05</u>
<u>PUBLIC SAFETY</u>					
Uniform Fire Safety:					
Fire Official:					
Salaries and Wages	13,190.00	13,190.00	13,182.00		8.00
Other Expenses	1,700.00	1,700.00	1,213.00		487.00
Fire:					
Salaries and Wages	41,330.00	41,330.00	41,291.65		38.35
Other Expenses	89,285.00	89,285.00	55,618.92	19,035.02	14,631.06
Police:					
Salaries and Wages	3,390,614.00	3,390,614.00	3,326,721.06		63,892.94
Other Expenses	234,550.00	239,550.00	156,720.55	77,073.12	5,756.33
Traffic Control Schools:					
Salaries and Wages	255,970.00	255,970.00	248,787.62		7,182.38
Other Expenses	15,200.00	25,200.00	10,087.00	2,449.90	12,663.10

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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	\$ 5,094.85	\$ 600.00	\$ 7,255.15
Emergency Management:					
Salaries and Wages	8,445.00	8,445.00	8,435.96		9.04
Other Expenses	12,000.00	12,000.00	7,351.45	960.00	3,688.55
Borough Prosecutor:					
Other Expenses	15,000.00	15,000.00	15,000.00		
	<u>4,090,234.00</u>	<u>4,105,234.00</u>	<u>3,889,504.06</u>	<u>100,118.04</u>	<u>115,611.90</u>
<u>PUBLIC WORKS</u>					
Road Repairs and Maintenance:					
Salaries and Wages	841,550.00	841,550.00	773,924.00		67,626.00
Other Expenses	85,000.00	120,000.00	51,084.12	54,926.13	13,989.75
Sanitation:					
Garbage and Trash Removal:					
Disposal Tipping Fees	359,000.00	339,000.00	297,714.80	30,000.00	11,285.20
Collection	395,000.00	390,000.00	353,015.38	31,254.97	5,729.65
Recycling:					
Salaries and Wages	3,945.00	3,945.00	3,942.94		2.06
Other Expenses	327,000.00	322,000.00	276,030.49	34,770.47	11,199.04
Public Buildings and Grounds:					
Other Expenses	130,000.00	185,000.00	146,058.13	20,796.81	18,145.06
Maintenance of Vehicles:					
Other Expenses	130,000.00	130,000.00	80,644.14	46,487.11	2,868.75
	<u>2,271,495.00</u>	<u>2,331,495.00</u>	<u>1,982,414.00</u>	<u>218,235.49</u>	<u>130,845.51</u>
<u>HEALTH AND WELFARE</u>					
Board of Health:					
Salaries and Wages	4,752.00	4,752.00	4,747.34		4.66
Other Expenses	137,727.00	137,727.00	136,282.91	143.36	1,300.73

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #4

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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	\$ 4,975.00	\$ 4,975.00	\$ 4,975.00	\$	\$ 1,305.39
	<u>147,454.00</u>	<u>147,454.00</u>	<u>146,005.25</u>	<u>143.36</u>	
<u>RECREATION AND EDUCATION</u>					
Parks and Playgrounds:					
Salaries and Wages	5,500.00	5,500.00	5,499.26		0.74
Other Expenses	19,100.00	19,100.00	17,987.94		1,112.06
Community Center:					
Salaries and Wages	46,865.00	46,865.00	43,564.89		3,300.11
Other Expenses	7,000.00	7,000.00	6,940.31		59.69
Youth Center:					
Other Expenses	72,000.00	72,000.00	72,000.00		
Other Common Operating Functions:					
Celebration of Public Events:					
Other Expenses	19,950.00	19,950.00	3,199.55	520.00	16,230.45
Farmer's Market:					
Salaries and Wages	3,662.00	3,662.00	3,660.54		1.46
Other Expenses	1,500.00	1,500.00	1,453.29		46.71
	<u>175,577.00</u>	<u>175,577.00</u>	<u>154,305.78</u>	<u>520.00</u>	<u>20,751.22</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #5

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES</u>					
Construction Code Officials:					
Salaries and Wages	\$ 165,069.00	\$ 165,069.00	\$ 161,204.24	\$	\$ 3,864.76
Other Expenses	19,500.00	19,500.00	7,632.51		11,867.49
	<u>184,569.00</u>	<u>184,569.00</u>	<u>168,836.75</u>		<u>15,732.25</u>
<u>UNCLASSIFIED</u>					
Utilities:					
Natural Gas	40,000.00	40,000.00	17,131.57	4,500.00	18,368.43
Electricity	107,000.00	107,000.00	76,320.79	6,500.00	24,179.21
Water	20,000.00	20,000.00	15,645.15	1,500.00	2,854.85
Telephone	92,000.00	92,000.00	72,505.68	2,610.00	16,884.32
Street Lighting	206,000.00	191,000.00	161,332.95	18,000.00	11,667.05
Fire Hydrant Services	122,000.00	122,000.00	105,687.45	9,607.95	6,704.60
Cable TV - Channel 34	15,000.00	15,000.00	11,156.12	1,529.22	2,314.66
Gasoline	115,000.00	100,000.00	50,033.74	43,518.69	6,447.57
	<u>717,000.00</u>	<u>687,000.00</u>	<u>509,813.45</u>	<u>87,765.86</u>	<u>89,420.69</u>
	<u>2,000.00</u>	<u>2,000.00</u>			<u>2,000.00</u>
<u>CONTINGENT</u>					
Total Operations	<u>11,495,236.00</u>	<u>11,505,236.00</u>	<u>10,410,966.73</u>	<u>585,174.26</u>	<u>509,095.01</u>
<u>STATUTORY EXPENDITURES</u>					
Contributions to:					
Public Employees' Retirement System	266,326.00	266,526.00	266,499.38		26.62
Social Security System	247,750.00	237,550.00	232,421.98		5,128.02
Police and Firemen's Retirement System of N.J.	787,498.00	787,498.00	787,498.00		
State Unemployment Insurance	60,000.00	60,000.00	60,000.00		
Compensated Absences	30,000.00	30,000.00	30,000.00		
DCRP	7,100.00	7,100.00	3,882.06	387.37	2,830.57
	<u>1,398,674.00</u>	<u>1,388,674.00</u>	<u>1,380,301.42</u>	<u>387.37</u>	<u>7,985.21</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #6

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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>					
Total Appropriations Within "CAPS"	\$ 12,893,910.00	\$ 12,893,910.00	\$ 11,791,268.15	\$ 585,561.63	\$ 517,080.22
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>					
<u>OTHER OPERATIONS</u>					
Insurance:					
Employee Group Health	27,990.00	27,990.00	27,990.00		
Maintenance of Free Public Library	390,000.00	390,000.00	390,000.00		
Police 911 Command and Dispatch Center:					
Salaries and Wages	82,050.00	82,050.00	69,903.83		12,146.17
Other Expenses	44,875.00	44,875.00	41,197.98	157.64	3,519.38
Length of Service Awards - (LOSAP)	63,250.00	63,250.00			63,250.00
Implementation of Fair Housing Plan:					
Other Expenses	90,000.00	90,000.00	35,695.12	37,462.50	16,842.38
Recycling Tax:					
Other Expenses	1,500.00	1,500.00			1,500.00
	<u>699,665.00</u>	<u>699,665.00</u>	<u>564,786.93</u>	<u>37,620.14</u>	<u>97,257.93</u>
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET</u>					
<u>BY REVENUES</u>					
Clean Community Grant	25,794.87	25,794.87	25,794.87		
Municipal Alliance Committee Anti-Drug and Alcoholism Program	18,582.00	18,582.00	18,582.00		
Municipal Alliance Committee Anti-Drug and Alcoholism Program - Match	4,645.00	4,645.00	4,645.00		
Safe and Secure Program - Grant	60,000.00	60,000.00	60,000.00		
Safe and Secure Program - Match	242,850.00	242,850.00	242,850.00		
Bulletproof Vest Partnership Program	5,720.00	5,720.00	5,720.00		
Alcohol Education and Rehabilitation Program	5,499.26	5,499.26	5,499.26		
Body Armor Grant	3,226.75	3,226.75	3,226.75		
Click It or Ticket	5,000.00	5,000.00	5,000.00		

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #7

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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 EXCLUDED FROM "CAPS"</u>					
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>					
Drive Sober or Get Pulled Over	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00		\$
Drunk Driver Enforcement Fund	12,197.92	12,197.92	12,197.92		
Recycling Tonnage Grant	8,188.13	8,188.13	8,188.13		
Union County Heart Grant	1,000.00	1,000.00	1,000.00		
	<u>402,703.93</u>	<u>402,703.93</u>	<u>402,703.93</u>		
Total Operations	<u>1,102,368.93</u>	<u>1,102,368.93</u>	<u>967,490.86</u>	<u>37,620.14</u>	<u>97,257.93</u>
<u>CAPITAL IMPROVEMENTS</u>					
Capital Improvement Fund	<u>100,000.00</u>	<u>100,000.00</u>	<u>100,000.00</u>		
<u>DEBT SERVICE</u>					
Payment of Bond Principal	1,295,000.00	1,295,000.00	1,295,000.00		
Interest on Bonds	471,239.00	471,239.00	471,239.00		
Green Trust Loan Program	11,659.66	11,659.66	11,659.66		
	<u>1,777,898.66</u>	<u>1,777,898.66</u>	<u>1,777,898.66</u>		
<u>DEFERRED CHARGES</u>					
Deficit in Dedicated Assessment Trust Fund	20,000.00	20,000.00	20,000.00		
	<u>20,000.00</u>	<u>20,000.00</u>	<u>20,000.00</u>		
Total Appropriations Excluded from "CAPS"	<u>3,000,267.59</u>	<u>3,000,267.59</u>	<u>2,865,389.52</u>	<u>37,620.14</u>	<u>97,257.93</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

A-3
Sheet #8

STATEMENT OF EXPENDITURES - REGULATORY BASIS

<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 EXCLUDED FROM "CAPS"</u>					
Sub-Total	\$ 15,894,177.59	\$ 15,894,177.59	\$ 14,656,657.67	\$ 623,181.77	\$ 614,338.15
Reserve for Uncollected Taxes	950,466.00	950,466.00	950,466.00		
Total Appropriations	<u>\$ 16,844,643.59</u>	<u>\$ 16,844,643.59</u>	<u>\$ 15,607,123.67</u>	<u>\$ 623,181.77</u>	<u>\$ 614,338.15</u>
<u>Reference</u>		<u>Below</u>	<u>Below</u>	<u>A</u>	<u>A</u>
<u>Ref.</u>					
Adopted Budget	A-2	\$ 16,776,204.79	\$		
Added by N.J.S. 40A:4-87	A-2	68,438.80			
Reserve for Uncollected Taxes	A-2a	(950,466.00)	950,466.00		
Cash Expenditures	A-4		14,253,953.74		
Local Match	A-17		247,495.00		
Reserve for Federal and State Grants	A-21		155,208.93		
	A-1,Above	<u>\$ 15,894,177.59</u>	<u>\$ 15,607,123.67</u>		

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
TRUST FUNDS

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2016</u>	<u>Balance Dec. 31, 2015</u>
Deferred Charges:			
Prospective Assessments	B-19	\$ 77,000.00	\$ 97,000.00
		<u>77,000.00</u>	<u>97,000.00</u>
<u>Animal Control Fund</u>			
Cash	B-3	11,188.26	11,989.66
<u>Trust Other Fund</u>			
Cash	B-3	1,828,923.21	1,653,832.84
Due from County of Union Community Development Grant	B-6	18,000.00	19,000.00
		<u>1,846,923.21</u>	<u>1,672,832.84</u>
<u>Length of Service Award Programs - Unaudited Investments</u>		<u>992,046.79</u>	<u>922,491.93</u>
		<u>\$2,927,158.26</u>	<u>\$2,704,314.43</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Assessment Fund</u>			
Assessment Bonds Payable	B-11	\$ 77,000.00	\$ 97,000.00
		<u>77,000.00</u>	<u>97,000.00</u>
<u>Animal Control Fund</u>			
Reserve for Animal Control Trust Fund	B-5	11,188.26	11,984.26
Due to State of New Jersey	B-12		5.40
		<u>11,188.26</u>	<u>11,989.66</u>
<u>Trust Other Fund</u>			
Due to Current Fund	B-4	10,000.00	10,000.00
Reserve for:			
State Unemployment Compensation Insurance Fund	B-9	150,539.90	133,189.16
Community Development Block Grants	B-7	11,142.39	11,575.14
Retiree Reimbursements	B-8	100,067.81	79,131.72
Various Reserves	B-10	669,191.06	649,240.43
Payroll Deductions Payable	B-13	53,187.99	50,291.33
Recreation Reserves	B-14	69,182.73	78,333.84
Affordable Housing Reserves	B-15	24,489.50	23,161.50
Special Law Enforcement Reserves	B-16	5,921.80	25,809.69
Law Enforcement Block Grant - Federal Reserves	B-17	0.03	0.03
Premium on Tax Sale	B-18	753,200.00	612,100.00
		<u>1,846,923.21</u>	<u>1,672,832.84</u>
<u>Length of Service Award Programs - Unaudited Reserve for Length of Service Award Programs</u>		<u>992,046.79</u>	<u>922,491.93</u>
		<u>\$2,927,158.26</u>	<u>\$2,704,314.43</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
TRUST FUNDS

STATEMENT OF REVENUE
ASSESSMENT TRUST FUND - REGULATORY BASIS

B-1

	<u>Budget Revenue</u>	<u>Realized</u>
Deficit (General Budget)	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>
<u>Reference</u>	<u>B-2</u>	<u>Reserve</u>

STATEMENT OF EXPENDITURES
ASSESSMENT TRUST FUND - REGULATORY BASIS

B-2

	<u>Budget Appropriations</u>	<u>Expended</u>
Payment of Bond Principal	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>
<u>Reference</u>	<u>B-1,19</u>	<u>B-11</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Cash	C-2	\$ 6,655,003.88	\$ 2,828,145.16
Deferred Charges to Future Taxation:			
Funded	C-4	17,770,454.54	14,148,977.06
Unfunded	C-5		3,330,000.00
Community Development Block Grant Receivable	C-6	160,000.00	175,000.00
State of New Jersey Grant Receivable	C-7	283,750.00	153,750.00
County Grant Receivable	C-8	60,000.00	59,952.50
		<u>\$ 24,929,208.42</u>	<u>\$ 20,695,824.72</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-12	\$ 17,620,000.00	\$ 13,990,000.00
Green Acres Loan Payable	C-13	150,454.54	158,977.06
Capital Improvement Fund	C-10	84,023.07	101,423.07
Improvement Authorizations:			
Funded	C-11	6,739,157.80	3,544,013.59
Unfunded	C-11		2,585,947.24
Reserve:			
To Pay Serial Bonds	C-9	181,597.91	241,597.91
Fund Balance	C-1	153,975.10	73,865.85
		<u>\$ 24,929,208.42</u>	<u>\$ 20,695,824.72</u>
Bonds and Notes Authorized but Not Issued	C-14	<u>\$ -</u>	<u>\$ 3,330,000.00</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

	<u>Ref.</u>	
Balance December 31, 2015	C	\$ 73,865.85
Increased by:		
Premium on Serial Bonds	C-2	<u>80,109.25</u>
Balance December 31, 2016	C	<u>\$ 153,975.10</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 1,032,352.29	\$ 703,943.82
Receivables and Inventories with Full Reserves:			
Consumer Accounts Receivable	D-6	118,391.55	150,501.06
		<u>1,150,743.84</u>	<u>854,444.88</u>
<u>Capital Fund</u>			
Cash	D-5	76,661.44	76,661.44
Fixed Capital	D-8	853,316.96	853,316.96
		<u>929,978.40</u>	<u>929,978.40</u>
		<u>\$2,080,722.24</u>	<u>\$1,784,423.28</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4,11	\$ 17,880.00	\$ 6,100.00
Reserved	D-4,11	101,742.56	89,617.95
Accounts Payable	D-12	96,234.00	96,234.00
Sewer User Charge Overpayment	D-7	2,387.20	1,324.73
		<u>218,243.76</u>	<u>193,276.68</u>
Reserve for Receivables and Inventory	Reserve	118,391.55	150,501.06
Fund Balance	D-1	814,108.53	510,667.14
		<u>1,150,743.84</u>	<u>854,444.88</u>
 <u>Capital Fund</u>			
Reserve for:			
Amortization	D-9	853,316.96	853,316.96
Capital Outlay	D-10	11,594.76	11,594.76
Fund Balance	D-2	65,066.68	65,066.68
		<u>929,978.40</u>	<u>929,978.40</u>
		<u>\$2,080,722.24</u>	<u>\$1,784,423.28</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES
IN FUND BALANCE - SEWER UTILITY OPERATING FUND - REGULATORY BASIS

D-1

	<u>Ref.</u>	<u>Year 2016</u>	<u>Year 2015</u>
<u>Revenue and Other Income</u>			
Collection of Sewer User Charges	D-3	\$1,483,979.44	\$1,415,935.86
Penalty on Delinquent Accounts	D-3	22,248.00	15,547.25
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves Lapsed	D-11	89,117.95	71,584.59
		<u>1,595,345.39</u>	<u>1,503,067.70</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operating		1,236,904.00	1,247,325.00
Capital Improvements		5,000.00	5,000.00
Debt Service			35,175.00
Total Expenditures	D-4	<u>1,241,904.00</u>	<u>1,287,500.00</u>
Excess in Revenue		353,441.39	215,567.70
 <u>Fund Balance</u>			
Balance January 1	D	<u>510,667.14</u>	<u>345,099.44</u>
		<u>864,108.53</u>	<u>560,667.14</u>
 Decreased by:			
Utilized as Anticipated Revenue:			
Current Fund Budget	D-5	50,000.00	50,000.00
		<u>50,000.00</u>	<u>50,000.00</u>
Balance December 31	D	<u>\$ 814,108.53</u>	<u>\$ 510,667.14</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

STATEMENT OF FUND BALANCE
SEWER CAPITAL FUND - REGULATORY BASIS

D-2

	<u>Ref.</u>	
Balance December 31, 2015	D	<u>\$65,066.68</u>
Balance December 31, 2016	D	<u><u>\$65,066.68</u></u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

D-4

<u>Appropriation</u>	<u>Appropriations</u>		<u>Expended</u>		<u>Reserved</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
<u>Operating</u>					
Other Expenses	\$ 65,000.00	\$ 65,000.00	\$ 29,302.27	\$17,880.00	\$ 17,817.73
Maintenance of Vehicles	5,000.00	5,000.00			5,000.00
Share of Costs:					
Rahway Valley Sewerage Authority	504,610.00	504,610.00	588,369.17		(83,759.17)
Joint Meeting Sewer	662,294.00	662,294.00	504,610.00		157,684.00
<u>Capital Improvements</u>					
Capital Outlay	5,000.00	5,000.00			5,000.00
Total Sewer Utility Appropriations	<u>\$ 1,241,904.00</u>	<u>\$ 1,241,904.00</u>	<u>\$ 1,122,281.44</u>	<u>\$17,880.00</u>	<u>\$ 101,742.56</u>
	<u>D-3</u>	<u>D-1</u>	<u>D-5</u>	<u>D</u>	<u>D</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Cash	E-1	\$138,678.69	\$ 93,486.59
Petty Cash	E-9		90.42
Investments	E-2	1,609.00	1,352.00
Due from Library Building Fund to Library Operating Fund	E-6	<u>9,924.49</u>	<u>9,924.49</u>
		150,212.18	104,853.50
 Deferred Outflows: Prepayments	 E-8	 <u>3,677.30</u>	 <u>27,546.46</u>
		<u>\$153,889.48</u>	<u>\$132,399.96</u>
 <u>LIABILITIES AND RESERVES</u>			
Library Operating Fund:			
Accounts Payable	E-3	\$ 9,392.53	\$ 2,927.03
Reserve for Expenditures	E-4	123,069.28	108,074.25
Library Building Fund:			
Due to Library Operating Fund from Library Building Fund	E-7	<u>9,924.49</u>	<u>9,924.49</u>
Reserve for Building Fund Expenditures	E-5	<u>11,503.18</u>	<u>11,474.19</u>
		<u>\$153,889.48</u>	<u>\$132,399.96</u>

See accompanying notes to financial statements.

BOROUGH OF ROSELLE PARK
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E

<u>ASSETS</u>	Balance <u>Dec. 31, 2016</u>	Balance <u>Dec. 31, 2015</u>
Land and Buildings	\$ 6,138,700.00	\$ 6,138,700.00
Vehicles, Machinery and Equipment	<u>7,774,242.00</u>	<u>7,298,603.00</u>
	<u>\$ 13,912,942.00</u>	<u>\$ 13,437,303.00</u>
 <u>RESERVE</u>		
Investment in Capital Fixed Assets	<u>\$ 13,912,942.00</u>	<u>\$ 13,437,303.00</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF ROSELLE PARK

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2016

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 three fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (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. These principles are a "Modified Accrual Basis of Accounting" which differs from accounting principles generally accepted in the United States of America (GAAP) for governmental entities. 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 GAAP.

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.

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 Animal Control Trust Fund, General Trust Fund and Assessment Trust Fund.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Description of Funds (Continued)

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.

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

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 GAAP, the Borough of Roselle Park has developed a fixed asset accounting and reporting system.

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.

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.

Volunteer Length of Service Award Plan (LOSAP)

The Borough has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Borough's volunteer fire department. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "Length of Service Award Plan under Section 457(c)11 of the Internal Revenue Code". The LOSAP financial statements have not been nor are they required to be audited.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The 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.

E. Measurement Focus, Basis of Accounting and Basis of Presentation

Recent Accounting Pronouncements

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68. This Statement is effective for periods beginning after June 15, 2015 - except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for periods beginning after June 15, 2016. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This Statement applies to OPEB plans and basically parallels GASB Statement 67 and replaces GASB Statement 43 and is effective for periods beginning after June 15, 2016. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for periods beginning after June 15, 2017. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, which reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the American Institute of Certified Public Accountants that is cleared by the GASB. This Statement is effective for periods beginning after June 15, 2015. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In August 2015, the Government Accounting Standards Board issued GASB Statement no. 77, Tax Abatement Disclosures, which improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Recent Accounting Pronouncements (Continued)

In December 2015, the Government Accounting Standards Board issued GASB Statement No. 78, Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. This Statement is effective for reporting periods beginning after December 15, 2015. The Borough is currently reviewing what effects, if any, this Statement might have on future financial statements.

In December 2015, the Government Accounting Standards Board issued GASB Statement No. 79, Certain External Investment Pools and Pool Participants. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it established criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. This Statement is effective for periods beginning after June 15, 2015, and for certain provisions, periods beginning after December 15, 2015. The Borough is currently reviewing what effects, if any, this Statement might have on future financial statements.

In January 2016, the Government Accounting Standards Board issued GASB Statement No. 80, Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity*, as amended and is effective for reporting periods beginning after June 15, 2016. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In March 2016, the Government Accounting Standards Board issued GASB Statement No. 81, Irrevocable Split-Interest Agreements. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement and is effective for reporting periods beginning after December 15, 2016. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In March 2016, the Government Accounting Standards Board issued GASB Statement No. 82, Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pensions*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements and is effective for reporting periods beginning after June 15, 2017. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

In November 2016, the Government Accounting Standards Board issued GASB Statement No. 83, Certain Asset Retirement Obligations. This Statement addresses accounting and financial reporting for certain asset retirement obligations (ARO's). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement and is effective for reporting periods beginning after June 15, 2017. The Borough is currently reviewing what effect, if any, this Statement might have on future financial statements.

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.

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 (5%) of the average daily balance of public funds or

If the public funds deposited exceed seventy-five percent (75%) of the capital funds of the depository, the depository must provide collateral having a market value equal to one hundred percent (100%) of the amount exceeding seventy-five percent (75%).

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.

Cash equivalents include money market funds, mutual funds, cash management funds and certificates of deposit with maturity dates of less than three months. Investments include certificates of deposit with maturity dates of more than three months. Cash equivalents and investments are stated at cost, which approximates market. Cash equivalents and investments were held by the Borough's Trustee in the Borough's name.

Custodial Credit Risk - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Borough will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Borough does not have a policy for custodial credit risk. Federal depository insurance and New Jersey's Governmental Unit Deposit Protection Act mitigate this risk.

Interest Rate Risk - This is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to change in market interest rates. The Borough's investment policy does not include limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentrations - The Borough's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

As of December 31, 2016 and 2015, the Borough's cash, cash equivalents and investments consisted of:

	<u>2016</u>	<u>2015</u>
Bank of America - Checking Accounts	\$ 2,017,573.96	\$ 1,300,857.56
Bank of America - Money Market Accounts	12,352,232.03	7,890,587.99
New Jersey Cash Management Account	<u>11,896.26</u>	<u>11,848.10</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 14,381,702.25</u>	<u>\$ 9,203,293.65</u>

The carrying amount of the Borough's cash, cash equivalents and investments at December 31, 2016 was \$14,577,337.14. Of the bank balance, \$2,465,088.58 was covered by Federal Depository Insurance and \$12,112,249.16 was covered by the Governmental Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:9-41, et seq., for all New Jersey governmental units' deposits in excess of the Federal deposit maximums.

During the year the Borough had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of 2016 and 2015, no such investments were held by the Borough.

As of December 31, 2016 and 2015, the Borough's investments consisted of:

	<u>2016</u>	<u>2015</u>
Donated to the Veterans Memorial Library:		
50 Shares of Hewlett-Packard Stock	\$ 742.00	\$ 592.00
50 Shares of Hewlett-Packard Enterprise Stock	<u>867.00</u>	<u>760.00</u>
Balance December 31	<u>\$ 1,609.00</u>	<u>\$ 1,352.00</u>

Fair Value Measurements

Pursuant to the requirements of the accounting standard related to fair value measurements, the Borough has provided fair value disclosure information for relevant assets and liabilities in these financial statements. The following table summarizes assets which have been accounted for at fair value on a recurring basis as of December 31, 2016 and 2015, along with the basis for the determination of fair value:

	<u>Basis for Valuation</u> <u>Observable</u> <u>Measurement</u> <u>(Level 1)</u>
Criteria:	
Stock - 2016	<u>\$ 1,609.00</u>
Stock - 2015	<u>\$ 1,352.00</u>

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

Fair Value Measurements (Continued)

For applicable assets and liabilities subject to this pronouncement, the Borough will value such assets and liabilities using quoted market prices in active markets for identical assets and liabilities to the extent possible (Level 1). To the extent that such market prices are not available, the Borough will next attempt to value such assets and liabilities in active and inactive markets and other corroborated factors (Level 2). In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Borough will develop measurement criteria based on the best information available (Level 3).

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.

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.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

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>2016*</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	<u>\$ 3.811</u>	<u>\$13.587</u>	<u>\$12.907</u>	<u>\$12.406</u>	<u>\$11.989</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.227	\$ 4.427	\$ 4.273	\$ 4.119	\$ 3.851
County	0.550	1.950	1.879	1.851	1.785
Local School	2.034	7.210	6.755	6.436	6.353

*Revaluation effective January 2016.

Assessed Valuations

<u>Year</u>	<u>Amount</u>
2016	\$ 1,054,177,601.00 *
2015	283,426,810.00
2014	283,829,128.00
2013	285,450,474.00
2012	286,524,148.00

*Revaluation effective January 2016.

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2016	\$ 40,187,998.67	\$ 39,447,876.47	98.16 %
2015	38,536,330.27	37,839,385.57	98.19
2014	36,662,116.39	36,008,661.17	98.21
2013	35,291,891.76	34,622,624.66	98.12
2012	34,921,899.34	34,202,403.51	98.33

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>
2016	\$ -	\$ 692,298.88	\$ 692,298.88	1.72 %
2015	-	649,703.28	649,703.28	1.69
2014	-	586,998.75	586,998.75	1.60
2013	-	649,666.83	649,666.83	1.83
2012	-	572,742.38	572,742.38	1.67

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>
2016	\$ 163,650.00
2015	163,650.00
2014	163,650.00
2013	163,650.00
2012	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 five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection*</u>
2016	\$ 1,451,869.93	\$ 1,483,979.44
2015	1,459,468.76	1,415,935.86
2014	1,435,593.24	1,464,976.89
2013	1,529,225.92	1,505,417.69
2012	1,519,110.85	1,514,322.61

*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:	2016	\$ 2,355,674.71	\$ 1,550,000.00
	2015	2,262,183.86	1,400,000.00
	2014	2,181,585.16	1,400,000.00
	2013	2,144,339.94	1,450,000.00
	2012	2,084,387.49	1,300,000.00
Sewer Utility Operating Fund:	2016	814,108.53	125,000.00 **
	2015	510,667.14 **	-
	2014	345,099.44	-
	2013	491,993.67	-
	2012	364,975.50	100,000.00

**Utilized as Current Fund Revenue.

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). 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.

The amount of the Borough's contribution is certified each year by PERS and PFRS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Specific information on actuarial assumptions and rates of return can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS the employer contribution includes funding for post-retirement medical premiums.

	PERS		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Covered Employee Payroll	\$ 2,046,251	\$ 2,069,084	\$ 2,043,003
Total Payroll	6,528,624	6,513,944	6,177,165
Actuarial Contribution			
Requirements	268,467	260,900	251,541
Total Contributions	413,477	405,123	393,064
Employer Share	268,467	260,900	251,541
% of Covered Payroll	13.21%	12.61%	12.31%
Employee's Share	145,010	144,223	141,523
% of Covered Papyroll	7.09%	6.97%	6.93%
	PFRS		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Covered Employee Payroll	\$ 3,126,386	\$ 3,083,779	\$ 3,020,554
Total Payroll	6,528,624	6,513,944	6,177,165
Actuarial Contribution			
Requirements	782,521	787,498	731,956
Total Contributions	1,095,007	1,096,689	1,034,952
Employer Share	782,521	787,498	731,956
% of Covered Payroll	25.03%	25.54%	24.23%
Employee's Share	312,486	309,191	302,996
% of Covered Papyroll	10.00%	10.03%	10.03%

7. PENSION PLANS (Continued)

Assumptions

The total PERS and PFRS pension liability for June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015 using an actuarial experience study for the period July 1, 2011 to June 30, 2014. The pension liability was rolled forward to June 30, 2016. The actuarial valuation used an inflation rate of 3.08%, projected salary increases through 2026 of 1.65% to 4.15% for PERS and 2.10% to 8.98% for PFRS based on age and thereafter 2.65% to 5.15% for PERS and 3.10% to 9.98% for PFRS based on age and an investment rate of return of 7.65%.

The discount rate used to measure the total pension liability was 3.98% for PERS and 5.55% for PFRS as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034 for PERS and 2050 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 for PERS and 2050 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability. More information on mortality rates and other assumptions, and investment policies, can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Public Employees' Retirement System:

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other state of local jurisdiction.

Significant Legislation

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PERS operates and to the benefit provisions of that system. Provisions impacting employee pension and health benefits include:

- New members of PERS hired on or after June 28, 2011 (Tier 5 members), will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ to 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 62 to 65 for Tier 5 members.
- Active member contribution rates will increase. PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years. For Fiscal Year 2013, the member contribution rates increased in July 2013. The phase-in of the additional incremental member contributions for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

In addition, the method for amortizing the pension systems' unfunded accrued liability changed (from a level percent of pay method to a level dollar of pay).

7. PENSION PLANS (Continued)

Significant Legislation (Continued)

The following presents the Borough's proportionate share of the PERS net pension liability calculated using the discount rate of 3.98% and 4.90% as of June 30, 2016 and 2015, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the Borough's Proportionate Share of the PERS Local Share Net Pension Liability to Changes in the Discount Rate

	At 1% Decrease <u>(2.98%)</u>	At Current Discount Rate <u>(3.98%)</u>	At 1% Increase <u>(4.98%)</u>
2016	<u>\$ 10,967,415</u>	<u>\$ 8,950,192</u>	<u>\$ 7,284,799</u>
	At 1% Decrease <u>(3.90%)</u>	At Current Discount Rate <u>(4.90%)</u>	At 1% Increase <u>(5.90%)</u>
2015	<u>\$ 8,466,756</u>	<u>\$ 6,812,220</u>	<u>\$ 5,425,069</u>

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 and 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.

P.L. 2011, c.78, effective June 28, 2011, made various changes to the manner in which PFRS operates and to the benefit provisions of that system.

This new legislation's provisions impacting employee pension and health benefits include:

- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.

7. PENSION PLANS (Continued)

Police and Firemen's Retirement System: (Continued)

The following presents the Borough's proportionate share of the Borough's proportionate share of the PFRS net pension liability calculated using the discount rate of 5.55% and 5.79% as of June 30, 2016 and 2015, respectively, as well as what the PFRS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the Borough's Proportionate Share of the PERS Local Share Net Pension Liability to Changes in the Discount Rate

	At 1% Decrease <u>(4.55%)</u>	At Current Discount Rate <u>(5.55%)</u>	At 1% Increase <u>(6.55%)</u>
2016	<u>\$ 25,625,034</u>	<u>\$ 19,873,200</u>	<u>\$ 15,182,925</u>
	At 1% Decrease <u>(4.79%)</u>	At Current Discount Rate <u>(5.79%)</u>	At 1% Increase <u>(6.79%)</u>
2015	<u>\$ 22,761,277</u>	<u>\$ 17,265,399</u>	<u>\$ 12,784,001</u>

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2016 and 2015 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2016 and 2015, respectively.

Following is the total of the Borough's portion of the PERS and PFRS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended June 30, 2016:

	<u>PERS</u>	<u>PFRS</u>
Net Pension Liabilities	\$ 8,950,192	\$ 18,333,630
Deferred Outflow of Resources	2,361,727	4,723,284
Deferred Inflow of Resources	152,424	224,429
Pension Expense	543,660	1,435,702
Contributions Made After Measurement Date	268,467	782,521

7. PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the PERS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the years ended June 30, 2016 and 2015. The Borough's proportionate share of the collective net pension liability as of June 30, 2016 and 2015 was .0302% and .0303% for PERS and .0960% and .0952% for PFRS, respectively.

It is important to note that New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30-6.1(c)2) requires municipalities and counties to disclose GASB 68 information in the Notes to the Financial Statements.

At June 30, 2016 the amount determined as the Borough's proportionate share of the PERS net pension liability was \$8,950,192. For the year ended June 30, 2016, the Borough would have recognized PERS pension expense of \$543,660. At June 30, 2016, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 166,446	\$
Change in Assumptions	1,854,002	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	341,279	
Change in Proportion		152,424
Total Contributions and Proportionate Share of Contributions After the Measurement Date	<u>268,467</u>	
	<u>\$ 2,630,194</u>	<u>\$ 152,424</u>

7. PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

At June 30, 2016, the amount determined as the Borough's proportionate share of the PFRS net pension liability was \$18,333,630. For the year ended June 30, 2016, the Borough would have recognized PFRS pension expense of \$1,435,702. At June 30, 2016, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$	\$ 120,180
Change in Assumptions	2,539,358	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	1,284,601	
Change in Proportion	899,325	104,249
Total Contributions and Proportionate Share of Contributions After the Measurement Date	<u>782,521</u>	
	<u>\$ 5,505,805</u>	<u>\$ 224,429</u>

Long-Term Expected Rate of Return

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%

7. PENSION PLANS (Continued)

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 7.20% as of July 1, 2016 and 10.0% 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 three years is as follows:

<u>Year</u>	<u>PERS</u>		<u>PFRS</u>	
	<u>Borough</u>	<u>Employees</u>	<u>Borough</u>	<u>Employees</u>
2016	\$ 345,570	\$ 145,010	\$ 441,223	\$ 312,486
2015	320,955	144,223	421,027	309,191
2014	310,528	141,523	387,305	302,996

8. 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.

Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 17,620,000.00	\$ 14,148,977.06	\$ 15,577,331.65
Assessments:			
Bonds and Loans	77,000.00	97,000.00	117,000.00
Sewer Utility:			
Bonds and Loans			35,000.00
	<u>17,697,000.00</u>	<u>14,245,977.06</u>	<u>15,729,331.65</u>
Less:			
Funds Held to Pay Bonds -			
General Capital	<u>181,597.91</u>	<u>241,597.91</u>	<u>301,597.91</u>
Total Issued	17,515,402.09	14,004,379.15	15,427,733.74
Authorized but Not Issued:			
General:			
Bonds and Notes	<u></u>	<u>3,330,000.00</u>	<u>1,300,000.00</u>
Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 17,515,402.09</u>	<u>\$ 17,334,379.15</u>	<u>\$ 16,727,733.74</u>

8. MUNICIPAL DEBT (Continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.645%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 4,930,000.00	\$ 4,930,000.00	\$
General Debt	<u>17,847,454.54</u>	<u>181,597.91</u>	<u>17,665,856.63</u>
	<u>\$ 22,777,454.54</u>	<u>\$ 5,111,597.91</u>	<u>\$ 17,665,856.63</u>

Net debt of \$17,665,856.63 divided by the Equalized Valuation Basis per N.J.S. 40:2-2 as amended, \$1,074,221,060.00 equals 1.645%.

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis	\$ 37,597,737.10
Net Debt	<u>17,665,856.63</u>
Remaining Borrowing Power	<u>\$ 19,931,880.47</u>

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

8. 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 \$ 1,506,227.44

Deductions:

Operating, Maintenance Costs and Debt
Service 1,241,904.00

Excess in Revenue \$ 264,323.44

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

As of December 31, 2016, the Borough's long-term debt is as follows:

General Obligation Bonds

\$33,657,000, 2003 Bonds due in annual installments of \$400,000
to \$425,000 through October 2018, interest at 3.625% \$ 825,000.00

\$4,084,000, 2008 Bonds due in annual installments of \$175,000 to
\$400,000 through January 2023, interest at 3.50% to 3.60% 2,784,000.00

\$7,607,000, 2010 Bonds due in annual installments of \$325,000 to
\$500,000 through October 2030, interest at 3.00% to 4.00% 5,942,000.00

\$3,640,000, 2013 Bonds due in annual installments of \$200,000
to \$300,000 through November 2028, interest at 2.00% to 4.00% 3,144,000.00

\$4,925,000, 2016 Bonds due in annual installments of \$225,000
to \$450,000 through November 2030, interest at 2.00% to 3.00% 4,925,000.00

\$ 17,620,000.00

Assessment Bonds

\$197,000, 2010 Bonds due in annual installments of \$20,000 to
\$17,000 through October 2020, interest at 2.00% to 3.00% \$ 77,000.00

8. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt

Year	General		Assessment Trust		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	1,540,000.00	551,415.81	20,000.00	2,310.00	1,560,000.00	553,725.81
2018	1,590,000.00	515,541.50	20,000.00	1,710.00	1,610,000.00	517,251.50
2019	1,300,000.00	467,372.75	20,000.00	1,110.00	1,320,000.00	468,482.75
2020	1,300,000.00	430,372.75	17,000.00	510.00	1,317,000.00	430,882.75
2021	1,335,000.00	393,372.75			1,335,000.00	393,372.75
2022	1,345,000.00	354,991.50			1,345,000.00	354,991.50
2023	1,399,000.00	314,372.00			1,399,000.00	314,372.00
2024	1,100,000.00	272,190.00			1,100,000.00	272,190.00
2025	1,155,000.00	236,940.00			1,155,000.00	236,940.00
2026	1,220,000.00	196,990.00			1,220,000.00	196,990.00
2027	1,225,000.00	154,190.00			1,225,000.00	154,190.00
2028	1,239,000.00	111,190.00			1,239,000.00	111,190.00
2029	947,000.00	66,130.00			947,000.00	66,130.00
2030	925,000.00	32,750.00			925,000.00	32,750.00
Totals	<u>\$ 17,620,000.00</u>	<u>\$ 4,097,819.06</u>	<u>\$ 77,000.00</u>	<u>\$ 5,640.00</u>	<u>\$ 17,697,000.00</u>	<u>\$ 4,103,459.06</u>

The interest reflected above is on the cash basis for all funds.

8. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest - Green Acres Grant (Acker Park)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2017	\$ 8,693.82	\$ 2,965.84	\$ 141,760.72
2018	8,868.57	2,791.09	132,892.15
2019	9,046.82	2,612.83	123,845.33
2020	9,228.67	2,430.99	114,616.66
2021	9,414.16	2,245.50	105,202.50
2022	9,603.39	2,056.27	95,599.11
2023	9,796.41	1,863.24	85,802.70
2024	9,993.32	1,666.34	75,809.38
2025	10,194.20	1,465.47	65,615.18
2026	10,399.09	1,260.57	55,216.09
2027	10,608.12	1,051.54	44,607.97
2028	10,821.34	838.32	33,786.63
2029	11,038.84	620.82	22,747.79
2030	11,260.72	398.93	11,487.07
2031	11,487.07	172.59	
	<u>\$ 150,454.54</u>	<u>\$ 24,440.34</u>	

Bonds and Notes Authorized but Not Issued

Bonds and Notes Authorized but Not Issued as of December 31, 2016 are as follows:

General Capital Fund \$ - 0 -

9. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2016, 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	\$ 10,000.00	\$ 183,386.81
Federal and State Grant Fund	183,386.81	
General Trust Fund		10,000.00
	<u>\$ 193,386.81</u>	<u>\$ 193,386.81</u>

10. 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.

10. DEFERRED COMPENSATION PLAN (Continued)

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.

11. 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 \$38,525.00 for 2016.

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.

12. RISK MANAGEMENT

The Borough of Roselle Park is a member of the New Jersey Intergovernmental Insurance Fund with respect to General Liability, Property, Workers' Compensation and Employer Liability.

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, 2016, the sum of \$662,580.43, based upon 2016 salary rates, has accrued to the benefit of 65 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

The Borough is defending approximately 20 - 25 tax appeals in the Union County Board of Tax Appeals and New Jersey Tax Court.

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).

12. RISK MANAGEMENT (Continued)

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; refunds of any money received may be required and the collectability of any related receivable at December 31, 2016 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 indicated the following:

a. Castanzo v. Borough of Roselle Park

- Alleged tort violation consisting of invasion of privacy, trespass, assault and battery, unlawful restraint, and conversion of personal property against the Borough of Roselle Park and the Roselle Park Police Department.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter.
- At this point in time the likelihood of success is not known. The Notice of Tort did not state the amount of damages the Plaintiff was seeking.

b. Cali v. Borough of Roselle Park

- Alleged statements by a councilman against the Borough Clerk without providing a Rice Notice.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to contest the matter.
- At this point in time the likelihood of success is not known. The Notice of Tort indicated that the potential damages are \$10,000.00.

c. Schneeberger v. Borough of Roselle Park

- Alleged Civil Rights violation, negligence and intentional torts against the Borough of Roselle Park and the Roselle Park Police Department.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter.
- At this point in time the likelihood of success is not known. The Notice of Tort did not state the amount of damages the Plaintiff was seeking.

12. RISK MANAGEMENT (Continued)

f. Litigation (Continued)

d. Torres v. Roselle Park

- Alleged negligence involving the installation of red light camera.
- A Complaint was filed and discovery is proceeding.
- The Borough intends to contest the matter vigorously.
- At this point in time the likelihood of success is now known. The Notice of Tort indicated that the potential damages are \$1,000,000.00.

e. Johnson v. Roselle Park

- Alleged Slip and Fall on Borough property or Borough-controlled property.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to contest the matter.
- At this point in time the likelihood of success is not known. The Notice of Tort indicated that the potential damages are \$1,000,000.00.

f. Gabriel v. Borough of Roselle Park

- Alleged negligence by the Roselle Park Police Department.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter.
- The Borough is confident in that it will have a successful outcome in this matter. The Notice of Tort did state the total amount of the claim to be \$500,000.00, the amount of damages the Plaintiff was seeking.

l. Yakubov v. Borough of Roselle Park

- Alleged wrongful arrest and "improper sting" operation by the Roselle Park Police Department.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter based on the facts of the case.

m. Garcia v. Borough of Roselle Park

- Alleged slip and fall on December 9, 2011 at the Roselle Park Middle School.
- The plaintiff has filed a Notice of Tort Claim.
- The Borough intends to vigorously contest the matter as the Borough should not be an entity in this matter and the Plaintiff failed to file a timely Tort Notice Claim as said claim should have been filed within 90 days of the incident.
- The Borough is confident in that it will have a successful outcome in this matter due to the Borough not being the correct Defendant and the untimely filing of the Notice of Tort. The Notice of Tort failed to state an amount for damages.

n. Romano v. Borough of Roselle Park

- Alleged negligence by the Borough due to an alleged Borough tree damaging Plaintiff's vehicle due to acorns.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter based on the facts of the case and no notice was provided before the alleged incident.

o. Tobe v. Borough of Roselle Park

- Alleged violation of "employment" rights and/or LOSAP of volunteer fireman suspended by the Borough pending medical clearance.
- The Plaintiff has not filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter based on the facts of the case and no notice was provided before the alleged incident.

12. RISK MANAGEMENT (Continued)

f. Litigation (Continued)

d. Torres v. Roselle Park

- Alleged negligence involving the installation of red light camera.
- A Complaint was filed and discovery is proceeding.
- The Borough intends to contest the matter vigorously.
- At this point in time the likelihood of success is now known. The Notice of Tort indicated that the potential damages are \$1,000,000.00.

e. Johnson v. Roselle Park

- Alleged Slip and Fall on Borough property or Borough-controlled property.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to contest the matter.
- At this point in time the likelihood of success is not known. The Notice of Tort indicated that the potential damages are \$1,000,000.00.

f. Gabriel v. Borough of Roselle Park

- Alleged negligence by the Roselle Park Police Department.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter.
- The Borough is confident in that it will have a successful outcome in this matter. The Notice of Tort did state the total amount of the claim to be \$500,000.00, the amount of damages the Plaintiff was seeking.

l. Yakubov v. Borough of Roselle Park

- Alleged wrongful arrest and "improper sting" operation by the Roselle Park Police Department.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter based on the facts of the case.

m. Garcia v. Borough of Roselle Park

- Alleged slip and fall on December 9, 2011 at the Roselle Park Middle School.
- The plaintiff has filed a Notice of Tort Claim.
- The Borough intends to vigorously contest the matter as the Borough should not be an entity in this matter and the Plaintiff failed to file a timely Tort Notice Claim as said claim should have been filed within 90 days of the incident.
- The Borough is confident in that it will have a successful outcome in this matter due to the Borough not being the correct Defendant and the untimely filing of the Notice of Tort. The Notice of Tort failed to state an amount for damages.

n. Romano v. Borough of Roselle Park

- Alleged negligence by the Borough due to an alleged Borough tree damaging Plaintiff's vehicle due to acorns.
- The Plaintiff has filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter based on the facts of the case and no notice was provided before the alleged incident.

12. RISK MANAGEMENT (Continued)

f. Litigation (Continued)

o. Tobe v. Borough of Roselle Park

- Alleged violation of "employment" rights and/or LOSAP of volunteer fireman suspended by the Borough pending medical clearance.
- The Plaintiff has not filed a Notice of Tort and no Complaint has been filed.
- The Borough intends to vigorously contest the matter based on the facts of the case and no notice was provided before the alleged incident.

13. 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").

14. SUBSEQUENT EVENT

The Borough of Roselle Park has evaluated subsequent events that occurred after the balance sheet date, but before June 23, 2017. 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, 2015	A		\$ 3,928,720.73
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2a	\$ 332,661.91	
Petty Cash	A-6	200.00	
Taxes Receivable	A-7	39,924,443.29	
Revenue Accounts Receivable	A-10	2,336,171.71	
Due from State of New Jersey per			
Ch. 129, P.L. 1976	A-12	71,200.68	
Prepaid Taxes	A-13	130,533.27	
Tax Overpayments	A-14	69,131.63	
Interfunds	A-17	433,232.79	
Due to State of New Jersey	A-19	9,937.00	
Reserve for Special Improvement District	A-23	<u>7,067.53</u>	
			<u>43,314,579.81</u>
			47,243,300.54
Decreased by Disbursements:			
2016 Budget Appropriations	A-3	14,253,953.74	
Petty Cash	A-6	200.00	
2015 Appropriation Reserves	A-11	438,913.82	
Tax Overpayments	A-14	92,977.40	
County Taxes	A-15	5,799,500.06	
Local District School Taxes	A-16	21,436,116.00	
Interfunds	A-17	644,718.65	
Due to State of New Jersey	A-19	9,794.00	
Reserve for Special Improvement District	A-23	<u>6,747.39</u>	
			<u>42,682,921.06</u>
Balance December 31, 2016	A		<u>\$ 4,560,379.48</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

CHANGE FUNDS

A-5

	<u>Ref.</u>	
Balance December 31, 2015	A	<u>\$ 450.00</u>
Balance December 31, 2016	A	<u>\$ 450.00</u>
 <u>Analysis of Balance</u>		
Office:		
Collector		\$ 300.00
Municipal Court		<u>150.00</u>
	Above	<u>\$ 450.00</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>
 Office:		
Police Department		\$ 100.00
Borough Clerk		50.00
Community Center		<u>50.00</u>
		<u>\$ 200.00</u>

**BOROUGH OF ROSELLE PARK
CURRENT FUND**

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-7

Year	Balance Dec. 31, 2015	2016 Levy	Added Taxes	Collected 2015	2016	Due from State of New Jersey	Over- payments Applied	Cancelled	Balance Dec. 31, 2016
2014	\$ 649,703.28	\$ 40,187,998.67	\$ 10,291.06	\$ 110,182.91	\$ 659,355.90	\$ 72,606.17	\$ 596.06	\$ 46,978.95	\$ 42.38
2015	\$ 649,703.28	\$ 40,187,998.67	\$ 10,291.06	\$ 110,182.91	\$ 39,265,087.39	\$ 72,606.17	\$ 886.75	\$ 46,978.95	\$ 692,256.50
Reference	A	Below	A-12	A-2a.13	A-2a.4	A-2a.12	A-2a.14	Reserve	A

	Ref.	Ref.
Tax Yield		
General Property Tax	\$ 40,149,142.97	\$ 5,795,603.59
Business Personal Tax - Utilities	25,568.04	1,917.69
Added Taxes	13,287.66	
		\$ 5,797,521.28
		21,436,116.00
		12,569,805.40
		363,328.32
		12,933,133.72
		21,227.67
		12,954,361.39
	Above	\$ 40,187,998.67

ANALYSIS OF PROPERTY TAX LEVY

BOROUGH OF ROSELLE PARK
CURRENT FUND

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

A-8

	<u>Ref.</u>	
Balance December 31, 2015	A	<u>\$ 163,650.00</u>
Balance December 31, 2016	A	<u><u>\$ 163,650.00</u></u>

RECEIVABLE FOR SPECIAL IMPROVEMENT DISTRICT

A-9

	<u>Ref.</u>	
Increased by: Cash Receipts	A-23	\$ 7,067.53
Decreased by: Cancelled	A-23	<u>6,747.39</u>
Balance December 31, 2016	A	<u><u>\$ 320.14</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-10

		<u>Balance</u>			<u>Balance</u>
<u>Ref.</u>		<u>Dec. 31, 2015</u>	<u>Accrued</u>	<u>Collections</u>	<u>Dec. 31, 2016</u>
Clerk:					
Alcoholic Beverage Licenses	A-2	\$	\$ 17,045.50	\$ 17,045.50	\$
Other Licenses	A-2a		10,819.00	10,819.00	
Other Fees and Permits	A-2a		14,116.00	14,116.00	
Construction Code Official:					
Uniform Construction Code Fees	A-2		204,867.00	204,867.00	
Board of Health:					
Other Licenses	A-2a		14,668.00	14,668.00	
Other Fees and Permits	A-2a		150.00	150.00	
Registrar of Vital Statistics:					
Other Fees and Permits	A-2a		18,360.00	18,360.00	
Public Works:					
Other Fees and Permits	A-2a		3,695.00	3,695.00	
Tax Collector:					
Other Fees and Permits	A-2a		1,030.00	1,030.00	
Police Department:					
Other Fees and Permits	A-2a		2,489.25	2,489.25	
Municipal Court:					
Fines and Costs	A-2	32,359.56	414,311.59	416,525.46	30,145.69
Fire Department:					
Other Fees and Permits	A-2a		370.00	370.00	
Zoning Board:					
Other Fees and Permits	A-2a		75.00	75.00	
Housing:					
Other Fees and Permits	A-2a		11,690.00	11,690.00	
Municipal Land Use Board	A-2a		7,994.08	7,994.08	
Farmer's Market:					
Other Fees and Permits	A-2a		450.00	450.00	
State of New Jersey:					
Energy Receipts Tax	A-2		118,438.00	118,438.00	
Consolidated Municipal Property Tax Relief Aid	A-2		965,648.00	965,648.00	
Interest and Costs on Taxes	A-2		161,058.95	161,058.95	
Parking Meters	A-2		11,803.21	11,803.21	
Uniform Fire Safety Act	A-2		6,353.43	6,353.43	
Cable TV Franchise Fee	A-2		173,659.74	173,659.74	
Reserve to Pay Debt Service	A-2		60,000.00	60,000.00	
Sewer Utility Operating Surplus	A-2		50,000.00	50,000.00	
Rental of Borough Property	A-2		64,866.09	64,866.09	
		<u>\$ 79,439.64</u>	<u>\$ 2,333,957.84</u>	<u>\$ 2,336,171.71</u>	<u>\$ 30,145.69</u>
<u>Reference</u>		<u>A</u>	<u>Reserve</u>	<u>A-4</u>	<u>A</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

2015 APPROPRIATION RESERVES

A-11
Sheet #1

<u>Appropriations</u>	<u>Balance</u> <u>Dec. 31, 2015</u>		<u>Modified</u> <u>Balance</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	\$	\$ 281.76	\$ 281.76	\$	\$ 281.76
Other Expenses	995.32	1,778.60	2,773.92	896.60	1,877.32
Municipal Clerk:					
Salaries and Wages		5,151.10	5,151.10		5,151.10
Other Expenses	40,714.03	10,148.27	50,862.30	42,770.44	8,091.86
Financial Administration:					
Salaries and Wages		3.66	3.66		3.66
Other Expenses	11,416.22	1,712.48	13,128.70	7,054.86	6,073.84
Audit Services	49,715.00		49,715.00	49,715.00	
Insurance:					
Group Insurance Plans for Employees	41.66	29,009.67	29,051.33	41.66	29,009.67
Other Insurance		733.00	733.00		733.00
Worker's Compensation		302.00	302.00		302.00
Health Benefit Waiver		90.85	90.85		90.85
Revenue Administration:					
Salaries and Wages		3.44	3.44		3.44
Other Expenses	856.80	3,572.66	4,429.46	856.80	3,572.66
Assessor of Taxes:					
Salaries and Wages		0.90	0.90		0.90
Other Expenses	253.99	3,823.42	4,077.41	503.09	3,574.32
Legal Services and Costs:					
Other Expenses	10,000.00	5,000.00	15,000.00	14,800.66	199.34
Tax Appeals	12,741.66	5,000.00	17,741.66	408.00	17,333.66
Municipal Court:					
Salaries and Wages		8,303.82	8,303.82		8,303.82
Other Expenses	591.90	3,815.58	4,407.48	211.96	4,195.52
Engineering Services and Costs:					
Other Expenses		0.50	0.50		0.50
Human Resources:					
Other Expenses	878.58	5,000.00	5,878.58		5,878.58
Historical Society:					
Other Expenses	603.95	740.77	1,344.72	583.25	761.47
Land Use Administration:					
Municipal Land Use:					
Salaries and Wages		18.82	18.82		18.82
Other Expenses	493.50	2,630.41	3,123.91	800.00	2,323.91
<u>PUBLIC SAFETY</u>					
Uniform Fire Safety (P.L. 1983, Ch. 383):					
Fire Official:					
Salaries and Wages		2.00	2.00		2.00
Other Expenses	424.45	82.55	507.00	424.45	82.55

BOROUGH OF ROSELLE PARK
CURRENT FUND

2015 APPROPRIATION RESERVES

A-11
Sheet #2

<u>Appropriations</u>	<u>Balance</u> <u>Dec. 31, 2015</u>		<u>Modified</u> <u>Balance</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	\$	\$ 2.09	\$ 2.09	\$	\$ 2.09
Other Expenses	20,311.66	13,187.45	33,499.11	20,018.66	13,480.45
Police:					
Salaries and Wages		41,493.30	41,493.30		41,493.30
Other Expenses	27,406.92	31,640.59	59,047.51	38,683.27	20,364.24
Traffic Control Schools:					
Salaries and Wages		13,989.87	13,989.87		13,989.87
Other Expenses	2,965.36	2,534.04	5,499.40	2,965.36	2,534.04
First Aid Organizations:					
Other Expenses	1,791.74	1,368.66	3,160.40	1,248.64	1,911.76
Emergency Management:					
Salaries and Wages		6.88	6.88		6.88
Other Expenses	135.00		135.00	135.00	
<u>PUBLIC WORKS</u>					
Road Repair and Maintenance:					
Salaries and Wages		28,249.81	28,249.81		28,249.81
Other Expenses	49,688.23	6,909.01	56,597.24	12,171.97	44,425.27
Sanitation:					
Garbage and Trash Removal:					
Disposal - Tipping Fees	30,000.00	5,005.65	35,005.65	32,012.65	2,993.00
Collection	32,746.89	4,724.80	37,471.69	26,652.48	10,819.21
Recycling:					
Salaries and Wages		0.37	0.37		0.37
Other Expenses	33,118.83	4,922.04	38,040.87	30,288.83	7,752.04
Public Buildings and Grounds:					
Other Expenses	29,530.46	9,877.81	39,408.27	26,478.88	12,929.39
Maintenance of Vehicles:					
Other Expenses	20,976.69	10,632.96	31,609.65	19,311.84	12,297.81
<u>HEALTH AND WELFARE</u>					
(Board of Health - Local Health Agency):					
Board of Health:					
Salaries and Wages		3.74	3.74		3.74
Other Expenses	76.97	6,810.57	6,887.54	76.97	6,810.57
<u>RECREATION AND EDUCATION</u>					
Parks and Playgrounds:					
Salaries and Wages		0.64	0.64		0.64
Other Expenses		173.19	173.19		173.19
Community Center:					
Salaries and Wages		9,390.77	9,390.77		9,390.77
Other Expenses	113.58	54.10	167.68	113.58	54.10

BOROUGH OF ROSELLE PARK
CURRENT FUND

2015 APPROPRIATION RESERVES

A-11
Sheet #3

<u>Appropriations</u>	<u>Balance</u> <u>Dec. 31, 2015</u>		<u>Modified</u> <u>Balance</u>	<u>Paid and</u> <u>Committed</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>RECREATION AND EDUCATION</u>					
Other Common Operating Functions:					
Celebration of Public Events, Anniversary or Holiday:					
Other Expenses	\$	\$ 1,635.77	\$ 1,635.77	\$	\$ 1,635.77
Farmer's Market:					
Salaries and Wages		1.22	1.22		1.22
Other Expenses		1.00	1.00		1.00
<u>CODE ENFORCEMENT</u>					
State Uniform Construction Code Official:					
Salaries and Wages		20,635.58	20,635.58	2,182.33	18,453.25
Other Expenses	727.93	2,537.46	3,265.39	727.93	2,537.46
<u>UNCLASSIFIED</u>					
Natural Gas	8,000.00	4,823.87	12,823.87	5,286.78	7,537.09
Electricity	11,700.00	1,760.01	13,460.01	7,152.04	6,307.97
Water	1,500.00	1,757.12	3,257.12	1,348.91	1,908.21
Telephone	3,806.23	9,807.35	13,613.58	3,030.08	10,583.50
Street Lighting	18,100.00	5,176.18	23,276.18	17,135.71	6,140.47
Fire Hydrant Services	19,215.90	1,704.59	20,920.49	19,215.90	1,704.59
Cable TV - Channel 34	1,421.00	4,579.00	6,000.00	1,196.00	4,804.00
Gasoline	41,543.79	6,895.38	48,439.17	1,793.05	46,646.12
<u>CONTINGENT</u>		1,882.97	1,882.97		1,882.97
<u>STATUTORY EXPENDITURES</u>					
Contribution to:					
Social Security System (OASI)		5,996.15	5,996.15		5,996.15
Public Employees' Retirement System		109.43	109.43		109.43
DCRP	433.31	3,004.01	3,437.32	205.22	3,232.10
Police 911 Command and Dispatch Center:					
Salaries and Wages		121.35	121.35		121.35
Other Expenses		5,364.20	5,364.20		5,364.20
Length of Service Award Program (LOSAP)		63,250.00	63,250.00	38,525.00	24,725.00
Implementation of Fair Housing Plan					
Ch. 222, P.L. 1985 (COAH):					
Other Expenses	62,910.92	20,103.71	83,014.63	11,889.97	71,124.66
Recycling Tax (N.J.S.A. 13:1e-96.5):					
Other Expenses		1,500.00	1,500.00		1,500.00
	<u>\$ 547,948.47</u>	<u>\$ 440,830.95</u>	<u>\$ 988,779.42</u>	<u>\$ 438,913.82</u>	<u>\$ 549,865.60</u>
<u>Reference</u>	<u>A</u>	<u>A</u>		<u>A-4</u>	<u>A-1</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

DUE (FROM)/TO STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976

A-12

	<u>Ref.</u>		
Balance December 31, 2015	A		\$ (4,994.89)
Increased by:			
Received Cash from State	A-4	\$71,200.68	
Senior Citizens' Deductions Disallowed by Tax Collector	Below	393.83	
Prior Year Deductions Disallowed	A-1,7	<u>2,250.00</u>	
			<u>73,844.51</u>
			68,849.62
Decreased by:			
Senior Citizens' Deductions per Tax Duplicate	Below	13,250.00	
Veterans' Deductions per Tax Duplicate	Below	58,000.00	
Senior Citizens' Deductions Allowed by Tax Collector	Below	1,250.00	
Veterans' Deductions Allowed	Below	<u>500.00</u>	
			<u>73,000.00</u>
Balance December 31, 2016	A		<u>\$ (4,150.38)</u>
<u>Calculation of State Share of 2016 Senior Citizens'</u> <u>and Veterans' Deductions Allowed by Collector</u>			
Senior Citizens' Deductions per Tax Billings	Above	\$13,250.00	
Veterans' Deductions per Tax Billings	Above	58,000.00	
Senior Citizens' Deductions Allowed by Tax Collector	Above	1,250.00	
Veterans' Deductions Allowed	Above	<u>500.00</u>	
			\$ 73,000.00
Less: Senior Citizen Deductions Disallowed by Tax Collector	Above		<u>393.83</u>
	A-7		<u>\$ 72,606.17</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

PREPAID TAXES

A-13

	<u>Ref.</u>	
Balance December 31, 2015	A	\$ 110,182.91
Increased by:		
Collections	A-4	<u>130,533.27</u>
		240,716.18
Decreased by:		
Applied	A-7	<u>110,182.91</u>
Balance December 31, 2016	A	<u><u>\$ 130,533.27</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

TAX OVERPAYMENTS

A-14

	<u>Ref.</u>		
Balance December 31, 2015	A		\$ 5,932.48
Increased by:			
Overpayments	A-4	\$69,131.63	
Operations	A-1	<u>58,471.55</u>	
			<u>127,603.18</u>
			133,535.66
Decreased by:			
Applied	A-7	886.75	
Refunds	A-4	<u>92,977.40</u>	
			<u>93,864.15</u>
Balance December 31, 2016	A		<u>\$ 39,671.51</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

COUNTY TAXES PAYABLE

A-15

	<u>Ref.</u>	
Balance December 31, 2015	A	\$ 3,896.47
Increased by:		
2016 Tax Levy	A-1,7	<u>5,797,521.28</u>
		5,801,417.75
Decreased by:		
Payments	A-4	<u>5,799,500.06</u>
Balance December 31, 2016	A	<u>\$ 1,917.69</u>

LOCAL SCHOOL DISTRICT TAX

A-16

	<u>Ref.</u>	
Increased by:		
Levy Calendar Year 2016	A-1,7	\$21,436,116.00
Decreased by:		
Payments	A-4	<u>21,436,116.00</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

INTERFUNDS

A-17

	<u>Ref.</u>	<u>Total</u>	<u>Federal/State Grant Fund</u>	<u>General Trust Fund</u>	<u>General Capital Other</u>
Balance December 31, 2015:					
Due From	A	\$ 10,000.00	\$	\$ 10,000.00	\$
(Due To)	A	\$ (147,377.67)	\$ (147,377.67)		
Increased by:					
Cash Disbursements	A-4	\$ 644,718.65	\$ 371,135.48	\$ 48,583.17	\$ 225,000.00
Decreased by:					
Cash Receipts	A-4	433,232.79	159,649.62	48,583.17	225,000.00
Budget Appropriations	A-3	247,495.00	247,495.00		
		<u>680,727.79</u>	<u>407,144.62</u>	<u>48,583.17</u>	<u>225,000.00</u>
Balance December 31, 2016:					
Due From	A	\$ 10,000.00		\$ 10,000.00	\$
(Due To)	A	\$ (183,386.81)	\$ (183,386.81)		-
Balance December 31, 2015	Above	\$ 10,000.00			
Balance December 31, 2016	Above	10,000.00			
Net Change to Operations	A-1	\$ -			

BOROUGH OF ROSELLE PARK
CURRENT FUND

RESERVE FOR SALE OF MUNICIPAL ASSETS

A-18

	<u>Ref.</u>	
Balance December 31, 2015	A	<u>\$ 11,994.81</u>
Balance December 31, 2016	A	<u><u>\$ 11,994.81</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

DUE TO STATE OF NEW JERSEY

A-19

	<u>Ref.</u>	
Balance December 31, 2015	A	\$ 3,818.00
Increased by:		
Receipts	A-4	<u>9,937.00</u> 13,755.00
Decreased by:		
Payments	A-4	<u>9,794.00</u>
Balance December 31, 2016	A,Below	<u>\$ 3,961.00</u>
<u>Analysis of Balance</u>		
DCA Fees		\$ 3,286.00
Marriage Licenses		<u>675.00</u>
	Above	<u>\$ 3,961.00</u>

BOROUGH OF ROSELLE PARK
GRANT FUND

GRANTS RECEIVABLE

A-20

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>2016</u> <u>Grants</u>	<u>Collections</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Municipal Alliance - 2015	\$ 18,582.00	\$ 18,582.00	\$ 18,166.74	\$ 415.26	\$ 16,581.05
Municipal Alliance - 2016		25,794.87	2,000.95		
Clean Communities - 2016		8,188.13	8,188.13		
Recycling Tonnage Grant - 2016	25,000.00		25,000.00		
Safe and Secure Communities - 2015		60,000.00	35,000.00		25,000.00
Safe and Secure Communities - 2016		5,499.26	5,499.26		
Alcohol Education and Rehabilitation - 2016		3,226.75	3,226.75		
Body Armor Grant - 2016	4,744.60				4,744.60
Bulletproof Vest Partnership Grant - 2014	3,456.50	5,720.00			3,456.50
Bulletproof Vest Partnership Grant - 2015			5,000.00		5,720.00
Bulletproof Vest Partnership Grant - 2016	5,000.00		4,575.00	425.00	5,000.00
Drive Sober or Get Pulled Over - 2015		10,000.00	12,197.92		
Drive Sober or Get Pulled Over - 2016		12,197.92	500.00		
Drunk Driving Enforcement Fund - 2016	500.00		1,000.00		
Union County Heart Grant - 2015		5,000.00	5,000.00		
Union County Heart Grant - 2016			8,500.00	1,620.00	
Click It or Ticket - 2016	<u>10,120.00</u>				
Greening Union County - Grant	<u>\$ 67,403.10</u>	<u>\$ 155,208.93</u>	<u>\$ 159,649.62</u>	<u>\$ 2,460.26</u>	<u>\$ 60,502.15</u>

Reference A A-2 A-22 A-21 A

BOROUGH OF ROSELLE PARK
GRANT FUND

A-21

RESERVE FOR GRANTS - APPROPRIATED

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>2016 Budget</u> <u>Appropriation</u>	<u>Paid or</u> <u>Charged</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Clean Communities Grant	\$ 25,369.35	\$ 25,794.87	\$ 6,918.48	\$	\$ 44,245.74
Safe and Secure Communities		60,000.00	60,000.00		
Safe and Secure Communities Program - Match	62,156.67	242,850.00	239,664.32		65,342.35
Municipal Alliance on Alcoholism and Drug Abuse Fund Grant	14,064.26	18,582.00	19,203.53	415.26	13,027.47
Municipal Alliance on Alcoholism and Drug Abuse Fund Grant - Matching Funds	3,715.95	4,645.00	4,645.00		3,715.95
Drunk Driving Enforcement	18,988.80	12,197.92	7,988.15		23,198.57
Special Legislative Grant	4,275.00				4,275.00
Body Armor Grant	3,439.21	3,226.75	3,439.21		3,226.75
Recycling Grant	45,822.97	8,188.13	154.00		53,857.10
Alcohol Education and Rehabilitation	7,187.33	5,499.26	3,680.00		9,006.59
Downtown Development Planning Grant	5,960.00		5,000.00	1,620.00	960.00
Greening Union County - Grant	1,620.00				1,620.00
Greening Union County - Match	1,620.00				11,662.08
Field Dreams	11,662.08				3,525.00
Drive Sober or Get Pulled Over - Holiday	4,300.00	10,000.00	10,350.00	425.00	6,226.36
Bulletproof Vest Partnership Grant	4,599.15	5,720.00	4,092.79		
Click It or Ticket		5,000.00	5,000.00		
Union County Heart Grant		1,000.00	1,000.00		
	<u>\$ 214,780.77</u>	<u>\$ 402,703.93</u>	<u>\$ 371,135.48</u>	<u>\$ 2,460.26</u>	<u>\$ 243,888.96</u>

Reference

A

Below

A-22

A-20

A

Ref.

Budget Appropriations
Local Match

A-3 \$ 155,208.93
A-22 247,495.00

Above

\$ 402,703.93

BOROUGH OF ROSELLE PARK
GRANT FUND

INTERFUNDS

A-22

	<u>Ref.</u>	<u>Current Fund</u>	
Balance December 31, 2015	A		\$ 147,377.67
Increased by:			
Matching Funds	A-21	\$ 247,495.00	
Grants Receivable	A-20	<u>159,649.62</u>	
			<u>407,144.62</u>
			554,522.29
Decreased by:			
Expended	A-21		<u>371,135.48</u>
Balance December 31, 2016	A		<u><u>\$ 183,386.81</u></u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

RESERVE FOR SPECIAL DISTRICT IMPROVEMENT

A-23

	<u>Ref.</u>	
Increased by:		
Cash Receipts	A-4	\$ 7,067.53
Decreased by:		
Disbursement	A-4	<u>6,747.39</u>
Balance December 31, 2016	A	<u>\$ 320.14</u>

BOROUGH OF ROSELLE PARK
CURRENT FUND

RESERVE FOR TAX APPEALS

A-24

	<u>Ref.</u>	
Balance December 31, 2015	A	\$ 400,000.00
Increased by:		
Transferred from Operations	A-1	<u>200,000.00</u>
Balance December 31, 2016	A	<u><u>\$ 600,000.00</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

B-3

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Trust Other Fund</u>
Balance December 31, 2015	B	\$ 11,989.66	\$ 1,653,832.84
Increased by Receipts:			
Animal Control Fees	B-5	\$ 14,399.00	
Animal Fees Due State of New Jersey	B-12	1,289.40	
Due from Current Fund	B-4		10,000.00
Due from County of Union Community Development Block Grants	B-6		18,164.80
Retirees' Reimbursement	B-8		30,006.50
State Unemployment Insurance	B-9		68,934.89
Various Reserves	B-10		1,016,538.44
Payroll Deductions Payable	B-13		9,867,779.95
Recreation	B-14		25,828.60
Affordable Housing	B-15		1,328.00
Special Law Enforcement	B-16		5,857.11
Premium on Tax Sale	B-18		435,700.00
		<u>15,688.40</u>	<u>11,480,138.29</u>
		27,678.06	<u>13,133,971.13</u>
Decreased by Disbursements:			
Reserve for Animal Control Trust Fund Expenditures	B-5	15,195.00	
Animal Fees Due State of New Jersey	B-12	1,294.80	
Due to Current Fund	B-4		10,000.00
Community Development Block Grants	B-7		17,597.55
Retirees' Reimbursement	B-8		9,070.41
State Unemployment Insurance	B-9		51,584.15
Various Reserves	B-10		996,587.81
Payroll Deductions Payable	B-13		9,864,883.29
Recreation - Reserves	B-14		34,979.71
Special Law Enforcement - Reserves	B-16		25,745.00
Premium on Tax Sale	B-18		294,600.00
		<u>16,489.80</u>	<u>11,305,047.92</u>
Balance December 31, 2016	B	<u>\$ 11,188.26</u>	<u>\$ 1,828,923.21</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

DUE TO CURRENT FUND

B-4

	<u>Ref.</u>	<u>Other Trust Fund HUD</u>
Balance December 31, 2015: (Due To)	B	\$ 10,000.00
Increased by: Receipts	B-3	<u>10,000.00</u> 20,000.00
Decreased by: Disbursements	B-3	<u>10,000.00</u>
Balance December 31, 2016: (Due To)	B	<u><u>\$ 10,000.00</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

B-5

	<u>Ref.</u>		
Balance December 31, 2015	B		\$ 11,984.26
Increased by:			
Collections:			
Dog License Fees Collected		\$ 11,735.00	
Cat Licenses/Miscellaneous Fees		<u>2,664.00</u>	
	B-3		14,399.00
			<u>26,383.26</u>
Decreased by:			
Expenditures Under N.J.S. 40A:4-39	B-3		<u>15,195.00</u>
Balance December 31, 2016	B		<u><u>\$ 11,188.26</u></u>

License Fees Collected

	<u>Year</u>	<u>Amount</u>
	2015	\$ 12,000.00
	2016	<u>11,735.00</u>
		<u><u>\$ 23,735.00</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

DUE FROM COUNTY OF UNION
COMMUNITY DEVELOPMENT BLOCK GRANTS

B-6

	<u>Ref.</u>		
Balance December 31, 2015	B		\$ 19,000.00
Increased by:			
Project Award	B-7		<u>18,000.00</u>
			37,000.00
Decreased by:			
Receipts	B-3	\$ 18,164.80	
Cancelled - Community Development Block Grants Receivable	B-7	<u>835.20</u>	
			<u>19,000.00</u>
Balance December 31, 2016	B		<u><u>\$ 18,000.00</u></u>

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANTS

B-7

	<u>Ref.</u>		
Balance December 31, 2015	B		\$ 11,575.14
Increased by:			
Project Award	B-6		<u>18,000.00</u>
			29,575.14
Decreased by:			
Expenditures	B-3	\$ 17,597.55	
Cancelled	B-6	<u>835.20</u>	
			<u>18,432.75</u>
Balance December 31, 2016	B		<u><u>\$ 11,142.39</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR RETIREE REIMBURSEMENTS

B-8

	<u>Ref.</u>		
Balance December 31, 2015	B		\$ 79,131.72
Increased by:			
Budget Appropriation		\$ 30,000.00	
Interest		<u>6.50</u>	
	B-3		<u>30,006.50</u>
			<u>109,138.22</u>
Decreased by:			
Paid	B-3		<u>9,070.41</u>
Balance December 31, 2016	B		<u><u>\$100,067.81</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT COMPENSATION INSURANCE FUND

B-9

	<u>Ref.</u>		
Balance December 31, 2015	B		\$ 133,189.16
Increased by:			
Receipts:			
Payroll Deductions		\$ 8,923.32	
Budget Appropriation (Current and Sewer)		60,000.00	
Interest on Deposits		<u>11.57</u>	
	B-3		<u>68,934.89</u>
			<u>202,124.05</u>
Decreased by:			
Disability Benefits		12,702.81	
Unemployment Benefits		38,644.34	
Other		<u>237.00</u>	
	B-3		<u>51,584.15</u>
Balance December 31, 2016	B		<u><u>\$ 150,539.90</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RESERVE FOR EXPENDITURES

B-10

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Miscellaneous	\$ 338.42	\$	\$	\$ 338.42
Parking Offense Adjudication Act	9,883.13	960.00	2,962.92	7,880.21
Downtown Renovations	1,405.00			1,405.00
9/11 Memorial	3,822.40			3,822.40
Security Deposits	3,548.00			3,548.00
Police Outside Services	20,115.00	350,505.48	357,710.48	12,910.00
Police Outside Services - Administrative Cost	12,839.25	74,682.65	82,630.40	4,891.50
Roller Skating	500.00			500.00
Founders Day Celebration	538.08			538.08
Secure a Child Program	50.00			50.00
Public Defender	13,866.45	8,605.00	14,550.00	7,921.45
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	5,896.20		138.46	5,757.74
Youth Center	5,100.00			5,100.00
Downtown Banners	66.00			66.00
Zoning/Planning Escrow	14,039.79			14,039.79
Tree Program	440.00		191.25	248.75
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	500.00	500.00	250.00
Municipal Land Use BD Escrow	39,800.09	30,413.59	13,498.29	56,715.39
Street Opening Escrow	11,912.53		800.00	11,112.53
Fireworks Donations	60,681.61	13,538.00	16,300.00	57,919.61
Relocation Assistance	3,300.00			3,300.00
Recycling	35,043.41	2,620.00		37,663.41
Snow Removal	181,322.44		17,059.82	164,262.62
Accumulated Absences	210,000.00	30,000.00		240,000.00
Tax Lien Redemptions	343.57	404,713.72	405,057.29	-
Developer's Escrow Fee	-	100,000.00	85,188.90	14,811.10
	<u>\$ 649,240.43</u>	<u>\$ 1,016,538.44</u>	<u>\$ 996,587.81</u>	<u>\$ 669,191.06</u>

Reference

B

B-3

B-3

B

BOROUGH OF ROSELLE PARK
TRUST FUNDS

B-11

ASSESSMENT SERIAL BONDS

<u>Purpose</u>	<u>Original Issue</u>		<u>Maturities of</u> <u>Bonds Outstanding</u>		<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Special Assessment Bonds	10/15/10	\$ 197,000.00	10/15/17-19 10/15/20	20,000.00 17,000.00	3.00% 3.00%	\$ 97,000.00	\$ 20,000.00	\$ 77,000.00
					<u>Reference</u>	<u>B</u>	<u>B-2</u>	<u>B</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

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

B-12

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 5.40
Increased by:		
Receipts	B-3	<u>1,289.40</u>
		1,294.80
Decreased by:		
Disbursements	B-3	<u>1,294.80</u>
		<u>\$ -</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

TRUST OTHER FUNDS
PAYROLL DEDUCTIONS PAYABLE

B-13

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 50,291.33
Increased by:		
Employee Payroll Deductions	B-3	<u>9,867,779.95</u> 9,918,071.28
Decreased by:		
Cash Disbursements	B-3	<u>9,864,883.29</u>
Balance December 31, 2016	B	<u>\$ 53,187.99</u>
 <u>Analysis of Balance</u>		
AFLAC		\$ 1,110.22
PFRS Back Pension		467.70
PERS Supplemental Annuity		221.08
PERS Contributory Insurance		756.40
PERS Loan		3,470.50
PERS Back Pension		214.84
PFRS Loan		6,892.46
PFRS Pension		25,947.64
PERS Pension		12,507.33
Disability		582.25
Other		<u>1,017.57</u>
Total		<u>\$ 53,187.99</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

RECREATION
RESERVE FOR EXPENDITURES

B-14

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 78,333.84
Increased by:		
Receipts	B-3	<u>25,828.60</u>
		104,162.44
Decreased by:		
Disbursements	B-3	<u>34,979.71</u>
Balance December 31, 2016	B	<u>\$ 69,182.73</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

AFFORDABLE HOUSING
RESERVE FOR EXPENDITURES

B-15

	<u>Ref.</u>		
Balance December 31, 2015	B		\$23,161.50
Increased by:			
Receipts		\$1,326.00	
Interest		<u>2.00</u>	
	B-3		<u>1,328.00</u>
Balance December 31, 2016	B		<u>\$24,489.50</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

SPECIAL LAW ENFORCEMENT TRUST
RESERVE FOR EXPENDITURES

B-16

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 25,809.69
Increased by:		
Receipts	B-3	<u>5,857.11</u> 31,666.80
Decreased by:		
Disbursements	B-3	<u>25,745.00</u>
Balance December 31, 2016	B	<u><u>\$ 5,921.80</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

LAW ENFORCEMENT BLOCK GRANT - FEDERAL
RESERVE FOR EXPENDITURES

B-17

	<u>Ref.</u>	
Balance December 31, 2015	B	<u>\$ 0.03</u>
Balance December 31, 2016	B	<u><u>\$ 0.03</u></u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

PREMIUM ON TAX SALE

B-18

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 612,100.00
Increased by:		
Receipts	B-3	<u>435,700.00</u>
		1,047,800.00
Decreased by:		
Disbursements	B-3	<u>294,600.00</u>
Balance December 31, 2016	B	<u>\$ 753,200.00</u>

BOROUGH OF ROSELLE PARK
TRUST FUNDS

DEFERRED CHARGES - PROSPECTIVE ASSESSMENTS

B-19

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 97,000.00
Decreased by:		
Budget Appropriation	B-2	<u>20,000.00</u>
Balance December 31, 2016	B	<u>\$ 77,000.00</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER

C-2

	<u>Ref.</u>		
Balance December 31, 2015	C		\$ 2,828,145.16
Increased by Receipts:			
Premium on Serial Bonds	C-1	\$ 80,109.25	
Community Development Block Grant Receivable	C-6	175,000.00	
State Aid Receivable	C-7	50,000.00	
County Grant Receivable	C-8	109,952.50	
Capital Improvement Fund	C-10	100,000.00	
Serial Bonds	C-12	<u>4,925,000.00</u>	
	C-3		<u>5,440,061.75</u>
			<u>8,268,206.91</u>
Decreased by Expenditures:			
Improvement Authorizations	C-11	1,553,203.03	
Reserve for Payment of Bonds	C-9	<u>60,000.00</u>	
	C-3		<u>1,613,203.03</u>
Balance December 31, 2016	C		<u><u>\$ 6,655,003.88</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

C-3

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance</u>		<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>		<u>Balance Dec. 31, 2016</u>
		<u>Dec. 31, 2015</u>				<u>From</u>	<u>To</u>	
	Fund Balance	\$ 73,865.85	\$	\$ 80,109.25	\$	\$	\$	\$ 153,975.10
	Capital Improvement Fund	101,423.07		100,000.00		117,400.00		84,023.07
	State Aid Receivable	(153,750.00)		50,000.00		180,000.00		(283,750.00)
	Community Development Block Grant Receivable	(175,000.00)		175,000.00		160,000.00		(160,000.00)
	County Grant Receivable	(59,952.50)		109,952.50		110,000.00		(60,000.00)
	Bonds Issued		4,925,000.00			4,925,000.00		
	Reserve to Pay Serial Bonds	241,597.91			60,000.00			181,597.91
	Improvement Authorizations:							
2032	Various Capital Improvements	5,305.21			5,305.21			
2211	Various Capital Improvements	1,290.84			1,290.84			
2220	Various Capital Improvements	6,684.78			4,572.75			2,112.03
2249	Various Capital Improvements	56,074.85			11,573.50			44,501.35
2268	Acquisition of Recreation Equipment	9,189.20			9,189.20			
2272	Various Capital Improvements	18,891.34			18,891.34			
2297	Various Capital Improvements	2,006.66			2,006.66			
2300	Various Capital Improvements	1,939,846.75			153,861.69			
2337	Various Capital Improvements	313,125.53			16,730.76			
2367	Various Capital Improvements	140,290.58			30,331.00			
2374	Various Capital Improvements	25,577.88			305.30			
2386	Various Capital Improvements	974,936.19			18,838.40			
2412	Various Capital Improvements	(590,426.99)			36,562.82			
2415	Radio Communication System	50,793.78			49,200.00		1,300,000.00	
2443	Various Capital Improvements	(153,625.77)			606,989.43			1,269,384.80
2446	Various Capital Improvements				587,554.13			1,574,845.87
		<u>\$ 2,828,145.16</u>		<u>\$ 5,440,061.75</u>	<u>\$ 1,613,203.03</u>	<u>\$ 5,492,400.00</u>	<u>\$ 5,492,400.00</u>	<u>\$ 6,655,003.88</u>
	<u>Reference</u>	<u>C</u>		<u>C-2</u>		<u>Contra</u>	<u>Contra</u>	<u>C</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

C-4

	<u>Ref.</u>	
Balance December 31, 2015	C	\$14,148,977.06
Increased by:		
Serial Bonds Issued	C-5	<u>4,925,000.00</u>
		19,073,977.06
Decreased by:		
2016 Budget Appropriation:		
Bonds	C-12	\$1,295,000.00
Green Acres Loan	C-13	<u>8,522.52</u>
		<u>1,303,522.52</u>
Balance December 31, 2016	C	<u><u>\$17,770,454.54</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

C-6

	<u>Ref.</u>	
Balance December 31, 2015	C	\$175,000.00
Increased by:		
Grant Award	C-11	<u>160,000.00</u> 335,000.00
Decreased by:		
Cash Receipts	C-2	<u>175,000.00</u>
Balance December 31, 2016	C	<u><u>\$160,000.00</u></u>

Analysis of Balance

<u>Description</u>	<u>Ordinance Number</u>	<u>Amount</u>
Various Capital Improvements	2446	<u><u>\$160,000.00</u></u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

STATE AID RECEIVABLE

C-7

	<u>Ref.</u>	
Balance December 31, 2015	C	\$ 153,750.00
Increased by:		
Award	C-11	180,000.00
		<u>333,750.00</u>
Decreased by:		
Cash Receipts	C-2	50,000.00
		<u>50,000.00</u>
Balance December 31, 2016	C	<u>\$ 283,750.00</u>

Reference

Below

Analysis of Balance

<u>Description</u>	<u>Ordinance Number</u>	<u>Amount</u>
West Colfax Avenue	2443	\$ 103,750.00
Various Street Resurfacing	2446	180,000.00
		<u>\$ 283,750.00</u>

Reference

Above

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

UNION COUNTY GRANT RECEIVABLE

C-8

	<u>Ref.</u>	
Balance December 31, 2015	C	\$ 59,952.50
Increased by:		
Grant Awards	C-11	<u>110,000.00</u> 169,952.50
Decreased by:		
Cash Receipts	C-2	<u>109,952.50</u>
Balance December 31, 2016	C	<u>\$ 60,000.00</u>

RESERVE TO PAY BONDS

C-9

	<u>Ref.</u>	
Balance December 31, 2015	C	\$241,597.91
Decreased by:		
Anticipated as Current Fund Revenue	C-2	<u>60,000.00</u>
Balance December 31, 2016	C	<u>\$181,597.91</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-10

	<u>Ref.</u>	
Balance December 31, 2015	C	\$101,423.07
Increased by:		
Budget Appropriation	C-2	<u>100,000.00</u> 201,423.07
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-11	<u>117,400.00</u>
Balance December 31, 2016	C	<u>\$ 84,023.07</u>

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE

C-12
Sheet #1

Purpose	Date	Original Issue Amount	Date	Loan Maturities Outstanding Dec. 31, 2016	Interest Rate	Balance Dec. 31, 2015	Increase	Decrease	Balance Dec. 31, 2016
General Improvement Bonds	10/01/03	\$ 3,657,000.00	10/01/2017	\$ 400,000.00	3.625%	\$ 1,225,000.00			
			10/01/2018	425,000.00	3.625%			\$ 400,000.00	\$ 825,000.00
General Improvement Bonds	1/15/08	4,084,000.00	1/15/2017	390,000.00	3.500%				
			1/15/2018	395,000.00	3.500%				
			1/15/2019-2021	400,000.00	3.500%				
			1/15/2022	400,000.00	3.550%				
			1/15/2023	399,000.00	3.600%	3,174,000.00		390,000.00	2,784,000.00
General Improvement Bonds	10/15/10	7,607,000.00	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%							
			10/15/2030	500,000.00	4.000%	6,247,000.00		305,000.00	5,942,000.00

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

C-12
Sheet #2

SERIAL BONDS PAYABLE

Purpose	Original Issue		Loan Maturities Outstanding		Interest Rate	Balance Dec. 31, 2015	Increase	Decrease	Balance Dec. 31, 2016
	Date	Amount	Date	Amount					
General Improvement Bonds	11/15/13	\$ 3,640,000.00	11/15/2017-2018	\$ 200,000.00	2.000%	\$	\$	\$	
			11/15/2019-2021	250,000.00	2.500%				
			11/15/2022-2023	250,000.00	3.000%				
			11/15/2024-2025	300,000.00	3.250%				
			11/15/2026-2027	300,000.00	3.500%				
			11/15/2028	294,000.00	4.000%	3,344,000.00	200,000.00		3,144,000.00
General Obligation Bonds			11/01/2017-2018	225,000.00	2.000%				
			11/01/2019-2020	275,000.00	2.000%				
			11/01/2021-2022	300,000.00	2.000%				
			11/01/2023-2024	350,000.00	3.000%				
			11/01/2025	400,000.00	3.000%				
			11/01/2026-2029	450,000.00	3.000%				
			11/01/2030	425,000.00	3.000%		4,925,000.00		4,925,000.00
						\$ 13,990,000.00	\$ 4,925,000.00	\$ 1,295,000.00	\$ 17,620,000.00
						C	C-2	C-4	C

BOROUGH OF ROSELLE PARK
GENERAL CAPITAL FUND

GREEN ACRES LOAN PAYABLE

C-13

	<u>Ref.</u>	
Balance December 31, 2015	C	\$ 158,977.06
Decreased by: Payment	C-4	<u>8,522.52</u>
Balance December 31, 2016	C	<u>\$ 150,454.54</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, 2015	D	\$ 703,943.82	\$76,661.44
Increased by Receipts:			
Penalty on Delinquent Accounts	D-3	\$ 22,248.00	
Consumer Accounts Receivable	D-6	1,482,654.71	
Sewer Charge Overpayments	D-7	<u>2,826.67</u>	
		<u>1,507,729.38</u>	
		<u>2,211,673.20</u>	<u>76,661.44</u>
Decreased by Disbursements:			
Interfund Current Fund	D-1	50,000.00	
2016 Budget Appropriations	D-4	1,122,281.44	
2015 Appropriation Reserves	D-11	6,600.00	
Sewer Charge Overpayments	D-7	<u>439.47</u>	
		<u>1,179,320.91</u>	
Balance December 31, 2016	D	<u><u>\$ 1,032,352.29</u></u>	<u><u>\$76,661.44</u></u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE

D-6

	<u>Ref.</u>	
Balance December 31, 2015	D	\$ 150,501.06
Increased by:		
Sewer User Charges Levied - Net	Reserve	1,451,869.93
		<u>1,602,370.99</u>
Decreased by:		
Collections	D-5	\$1,482,654.71
Overpayments Applied	D-7	1,324.73
	D-3	<u>1,483,979.44</u>
Balance December 31, 2016	D	<u>\$ 118,391.55</u>

SEWER CHARGE OVERPAYMENTS

D-7

	<u>Ref.</u>	
Balance December 31, 2015	D	\$ 1,324.73
Increased by:		
Receipts	D-5	2,826.67
		<u>4,151.40</u>
Decreased by:		
Refunds	D-5	\$ 439.47
Applied to Consumer Accounts Receivable	D-6	1,324.73
		<u>1,764.20</u>
Balance December 31, 2016	D	<u>\$ 2,387.20</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

FIXED CAPITAL

D-8

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2016</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>
<u>Reference</u>	<u>D</u>	<u>D</u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

RESERVE FOR AMORTIZATION

D-9

	<u>Ref.</u>	
Balance December 31, 2015	D	<u>\$853,316.96</u>
Balance December 31, 2016	D	<u><u>\$853,316.96</u></u>

RESERVE FOR CAPITAL OUTLAY

D-10

	<u>Ref.</u>	
Balance December 31, 2015	D	<u>\$ 11,594.76</u>
Balance December 31, 2016	D	<u><u>\$ 11,594.76</u></u>

BOROUGH OF ROSELLE PARK
SEWER UTILITY FUND

2015 APPROPRIATION RESERVES

D-11

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>After</u> <u>Transfer</u>	<u>Expenditures</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>		
<u>Operating</u>				
Other Expenses	\$ 6,100.00	\$25,481.15	\$ 6,600.00	\$24,981.15
Maintenance of Vehicles		5,000.00		5,000.00
Share of Costs:				
Joint Meeting Sewer		54,136.80		54,136.80
<u>Capital Improvements</u>				
Capital Outlay		5,000.00		5,000.00
	<u>\$ 6,100.00</u>	<u>\$89,617.95</u>	<u>\$ 6,600.00</u>	<u>\$89,117.95</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

ACCOUNTS PAYABLE

D-12

	<u>Ref.</u>	
Balance December 31, 2015	D	<u>\$96,234.00</u>
Balance December 31, 2016	D	<u>\$96,234.00</u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY OPERATING FUND AND LIBRARY BUILDING FUND
SCHEDULE OF LIBRARY CASH

E-1

	<u>Ref.</u>		
Balance December 31, 2015	E		\$ 93,486.59
Increased by:			
Operating Fund	E-4	\$410,605.24	
Reserve for Building Fund Expenditures	E-5	28.99	
Petty Cash Returned	E-9	<u>197.06</u>	
			<u>410,831.29</u>
			<u>504,317.88</u>
Decreased by:			
Accounts Payable	E-3	2,927.03	
Operating Expenses	E-4	358,752.50	
Petty Cash	E-9	282.36	
Prepaid Expenses	E-8	<u>3,677.30</u>	
			<u>365,639.19</u>
Balance December 31, 2016	E		<u>\$ 138,678.69</u>

LIBRARY OPERATING FUND
SCHEDULE OF LIBRARY INVESTMENTS

E-2

	<u>Ref.</u>		
Balance December 31, 2015	E		\$ 1,352.00
Increased by:			
Gain in Market Value	E-4		<u>257.00</u>
Balance December 31, 2016	E		<u>\$ 1,609.00</u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY OPERATING FUND
SCHEDULE OF LIBRARY ACCOUNTS PAYABLE

E-3

	<u>Ref.</u>	
Balance December 31, 2015	E	\$ 2,927.03
Increased by:		
Accounts Payable	E-4	<u>9,392.53</u>
		12,319.56
Decreased by:		
Disbursements	E-1	<u>2,927.03</u>
Balance December 31, 2016	E	<u><u>\$ 9,392.53</u></u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY OPERATING FUND
SCHEDULE OF RESERVE FOR LIBRARY FUND EXPENDITURES

E-4

	<u>Ref.</u>		
Balance December 31, 2015	E		\$ 108,074.25
Increased by:			
2016 Budget Appropriation		\$ 390,000.00	
State Aid		6,942.00	
Fines		2,240.32	
Lost Cards		188.30	
Lost Materials		158.48	
A/V Income		201.00	
Miscellaneous		2,772.44	
Grant		7,482.00	
Fax		112.00	
Copy Machine		<u>508.70</u>	
	E-1		<u>410,605.24</u>
			<u>518,679.49</u>
Decreased by:			
Operating Expenses	E-1	358,752.50	
Petty Cash	E-9	175.72	
Accounts Payable	E-3	9,392.53	
Prepaid Expenses Applied	E-8	<u>27,546.46</u>	
			<u>395,867.21</u>
			<u>122,812.28</u>
Other Changes in Fund Balance:			
Net Gain on Investment	E-2		<u>257.00</u>
Balance December 31, 2016	E		<u><u>\$ 123,069.28</u></u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY BUILDING FUND
SCHEDULE OF RESERVE FOR BUILDING FUND EXPENDITURES

E-5

	<u>Ref.</u>	
Balance December 31, 2015	E	\$11,474.19
Increased by:		
Receipts	E-1	<u>28.99</u>
Balance December 31, 2016	E	<u>\$11,503.18</u>

LIBRARY OPERATING FUND
SCHEDULE OF DUE FROM LIBRARY BUILDING FUND

E-6

	<u>Ref.</u>	
Balance December 31, 2015	E	<u>\$ 9,924.49</u>
Balance December 31, 2016	E	<u>\$ 9,924.49</u>

BOROUGH OF ROSELLE PARK
VETERANS MEMORIAL LIBRARY FUND

LIBRARY BUILDING FUND
SCHEDULE OF DUE TO LIBRARY OPERATING FUND

E-7

	<u>Ref.</u>	
Balance December 31, 2015	E	\$ 9,924.49
Balance December 31, 2016	E	<u>\$ 9,924.49</u>

LIBRARY OPERATING FUND
SCHEDULE OF DEFERRED OUTFLOWS

E-8

	<u>Ref.</u>	
Balance December 31, 2015	E	\$ 27,546.46
Increased by:		
Disbursements	E-1	3,677.30
		<u>31,223.76</u>
Decreased by:		
Applied	E-4	27,546.46
Balance December 31, 2016	E	<u>\$ 3,677.30</u>

LIBRARY OPERATING FUND
PETTY CASH

E-9

	<u>Ref.</u>	
Balance December 31, 2015	E	\$ 90.42
Increased by:		
Disbursements	E-1	282.36
		<u>372.78</u>
Decreased by:		
Petty Cash Returned	E-1	\$ 197.06
Applied	E-4	<u>175.72</u>
		<u>372.78</u>
		<u>\$ -</u>

PART II
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
ROSTER OF OFFICIALS
LETTER OF TRANSMITTAL, COMMENTS AND RECOMMENDATIONS
(MANAGEMENT LETTER)
YEAR ENDED DECEMBER 31, 2016

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

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

We have audited the financial statements - regulatory basis of the various funds of the Borough of Roselle Park, in the County of Union, as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements and have issued our report thereon dated June 23, 2017. These financial statements - regulatory basis have been prepared in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Borough's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements - regulatory basis 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*. However, we noted certain matters that we reported to management in the comments and recommendations section of this report.

Purpose of this Report

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



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



ANDREW PASCALE, CPA, RMA

Newark, New Jersey
June 23, 2017

ROSTER OF OFFICIALS FOR THE YEAR 2016 AND REPORT ON SURETY BONDS

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Carl Hokanson	Mayor	*
Charlene Komar Storey	President of the Council	*
Gino Almarassy	Councilman	*
Joseph Petrosky	Councilman	*
Eugene Meola	Councilman	*
Ryan Kelly	Councilman	*
Thos Shipley	Councilman	*
Richard Huxford	Attorney	*
Michael Neglia	Engineer	*
Jesse Atwell	Construction Code Official	*
Gary Bundy	Judge	*
Nicole Nunes	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	*
Maria Pereira	Assistant Treasurer	*
Gail Scaglione	Assessor	*
Paul Morrison	Police Chief	*
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

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

Madam and Gentlemen:

We have audited the financial statements - regulatory basis and other data of the

BOROUGH OF ROSELLE PARK

COUNTY OF UNION

for the years ended December 31, 2016 and December 31, 2015 and have issued our report thereon. As part of our audit, we reviewed and tested the municipality's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America; by the Division of Local Government Services of the Department of Community Affairs, State of New Jersey; by the *Government Auditing Standards* issued by the U.S. General Accounting Office; and by the provisions of the "Single Audit Act of 1984 and Uniform Guidance". Compliance requirements were also reviewed in accordance with the requirements of the aforementioned standards and guidelines, or where applicable, the terms and conditions of particular grant agreements and as approved by the Cognizant Audit Agency.

Our comments with respect to the audit, internal control, and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the audit are herewith set forth.

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

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 period January 1 - December 31, 2016 was the sum of \$40,000.00.

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 \$6,000.00, at least two quotations as to the cost of 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, 2016, adopted Resolution #30-16 authorizing interest to be charged on delinquent taxes and sewer charges:

BE IT RESOLVED by the Council of the Borough of Roselle Park that the interest rate on delinquent taxes and sewer charges 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 or sewer charges not paid when due shall be called delinquent ten days after due date.

Tests of the Tax and Utility 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 22, 2016 and was complete.

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.

Municipal Court

A statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Borough Clerk.

Corrective Action Plan

In accordance with regulations promulgated by the Single Audit Act and 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.

Status of Prior Years' Audit Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all.

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

N O N E

* * *

The foregoing comments 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,


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



ANDREW PASCALE, CPA, RMA

Newark, New Jersey
June 23, 2017

