



# BOROUGH *of* ROSELAND

ESSEX COUNTY - NEW JERSEY

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES  
AND  
INDEPENDENT AUDITORS' REPORTS  
YEAR ENDED DECEMBER 31, 2010

# BOROUGH OF ROSELAND TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<u>Part I</u>		
Roster of Officials		2
Independent Auditors' Report		3
<u>Financial Statements:</u>		
<u>Current Fund</u>		
Comparative Balance Sheets	A	5
Comparative Statement of Operations and Changes in Fund Balance	A-1	7
Statement of Revenues	A-2	8
Statement of Expenditures	A-3	12
<u>Trust Funds</u>		
Comparative Balance Sheets		
	B	16
<u>General Capital Fund</u>		
Comparative Balance Sheets	C	18
Statement of Fund Balance	C-1	19
<u>Water/Sewer Utility Fund</u>		
Comparative Balance Sheets	D	20
Comparative Statement of Operations and Changes in Fund Balance	D-1	21
Statement of Water Capital Fund Balance	D-2	22
Statement of Revenue Operating Fund	D-3	23
<u>Payroll Fund</u>		
Comparative Balance Sheets	E	24
<u>Capital Fixed Assets</u>		
Comparative Balance Sheets	F	25
Notes to Financial Statements		26-39

# BOROUGH OF ROSELAND TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
 <u>Part I - Continued</u>		
 <u>Supplementary Information</u>		
Schedule of Comparative Tax Rates		38
Schedule of Assessed Valuations		38
Schedule of Tax Levies and Collections		38
Schedule of Taxes and Tax Title Liens		39
Schedule of Property Acquired by Tax Title Lien Liquidation		39
Schedule of Water/Sewer Consumer Accounts Receivable		39
 <u>Current Fund</u>		
Schedule of:		
Cash	A-4	40
Investments	A-5	41
Petty Cash	A-6	41
Due From State New Jersey Per Chapter 129, P.L. 1976	A-7	42
Taxes Receivable and Analysis of Property Tax Levy	A-8	43
Tax Title Liens	A-9	44
Other Accounts Receivable	A-10	44
Revenue Accounts Receivable	A-11	45
Interfunds Receivable/(Payable)	A-12	46
Deferred Charges Emergency Appropriation	A-13	47
Deferred Charges Special Emergency Appropriation	A-14	47
2009 Appropriation Reserves	A-15	48
Reserve for Revaluation Program	A-16	50
Due to State of New Jersey	A-17	51
Accounts Payable	A-18	51
Tax Overpayments	A-19	52
County Taxes Payable	A-20	52
School Taxes Payable	A-21	53
Prepaid Taxes	A-22	54
Reserve for Tax Appeals	A-23	54
Interfunds Receivable – Federal/State Grant Fund	A-24	55
Due to Essex County	A-25	55
Federal and State Grants Receivable	A-26	56
Reserve for Grants Appropriated	A-27	57
Reserve for Grants Unappropriated Reserves	A-28	58

# BOROUGH OF ROSELAND TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
 <u>Part I - Continued</u>		
 <u>Trust Funds</u>		
Schedule of:		
Cash Receipts & Disbursements	B-1	59
Cash Receipts & Disbursements - Developer's Escrow Account	B-2	60
Cash Receipts & Disbursements - Money Market Accounts	B-3	61
Cash Receipts & Disbursements - Open Space Fund	B-4	61
Interfund Accounts	B-5	62
Due to State of New Jersey	B-6	63
State Unemployment Compensation Insurance Fund	B-7	63
Reserve for Animal Control Expenditures	B-8	64
Reserve for Recreation Expenditures	B-9	65
Reserve for Open Space Program	B-10	65
Developer's Escrow	B-11	66
Special Deposits	B-12	67
Reserve for Affordable Housing Expenditures	B-13	68
 <u>General Capital Fund</u>		
Schedule of:		
Cash Receipts & Disbursements - Checking Account	C-2	69
Cash Receipts & Disbursements – Investments	C-3	69
Analysis of Capital Cash	C-4	70
Due From/(To) Current Fund	C-5	71
Due From State of New Jersey Transportation Trust Fund	C-6	71
Deferred Charges to Future Taxation – Funded	C-7	72
Deferred Charges to Future Taxation – Unfunded	C-8	72
Capital Improvement Fund	C-9	72
Reserve for Future Improvements	C-10	73
Improvement Authorizations	C-11	74
Bond Anticipation Notes	C-12	75
Serial Bonds	C-13	76
Bonds and Notes Authorized and Not Issued	C-14	77

BOROUGH OF ROSELAND  
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<u>Part I - Continued</u>		
<u>Water/Sewer Utility Fund</u>		
Schedule of:		
Statement of Expenditures	D-4	78
Statement of Water Utility Cash	D-5	79
Cash Receipts & Disbursements – Investments	D-6	80
Analysis of Water/Sewer Capital Cash	D-7	81
Water/Sewer Rents Receivable	D-8	82
Inventory	D-9	83
Fixed Capital	D-10	83
Fixed Capital Authorized and Uncompleted	D-11	84
2009 Appropriation Reserves	D-12	85
Accounts Payable	D-13	86
Accrued Interest on Notes	D-14	86
Prepayment of Water/Sewer Rent	D-15	87
Water/Sewer Overpayments	D-16	87
Reserve for Amortization	D-17	88
Deferred Reserve for Amortization	D-18	88
Capital Improvement Fund	D-19	89
Improvement Authorizations	D-20	90
Bond Anticipation Notes	D-21	91
Statement of Bonds and Notes Authorized But Not Issued	D-22	92
Due To/(From) Water/Sewer Utility Operating Fund	D-23	93
Due To/(From) Current Fund	D-24	93
Due To/(From) Water/Sewer Capital	D-25	94
 <u>Payroll Fund</u>		
Schedule of:		
Cash Receipts & Disbursements	E-1	95
Analysis of Payroll Deductions	E-2	96
 <u>Part II</u>		
Report on Compliance and on Internal Control over Financial Reporting		98-99
Based on an Audit of Financial Statements Performed		
In Accordance with Government Auditing Standards		
General Comments		100-101
Comments and Recommendations		103

BOROUGH OF ROSELAND

---

PART I

ROSTER OF OFFICIALS, INDEPENDENT AUDITORS' REPORT, FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2010

BOROUGH OF ROSELAND  
ROSTER OF OFFICIALS  
DECEMBER 31, 2010

MAYOR

John Arvanites

BOROUGH COUNCIL

Thomas Tsilionis  
Peter Smith  
John Duthie  
Diane Christiana  
Michele Tolli  
David B. Jacobs

BOROUGH ADMINISTRATOR

Thomas P. Kaczynski

DIRECTOR OF FINANCE

Maureen Chumacas

BOROUGH CLERK

Thomas P. Kaczynski

BOROUGH ATTORNEY

Ethan J. Sheffet

## Independent Auditors' Report

The Honorable Mayor and  
Members of the Borough Council  
Borough of Roseland  
Roseland, New Jersey

We have audited the accompanying balance sheets of the individual funds of the Borough of Roseland (the "Borough"), as of December 31, 2010 and the related statements of operations and changes in fund balance for the year then ended and the related statements of revenue, expenditure and fund balance for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the management of the Borough. Our responsibility is to express an opinion on these financial statements based upon our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and *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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in conformity with the accounting principles prescribed by the Division, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not presently determinable, are presumed to be material.

In our opinion, because the Borough prepares its financial statements on the basis of accounting discussed in the third paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accepted principles generally accepted in the United States of America, the financial position of the Borough of Roseland as of December 31, 2010, and the results of its operations for the year then ended.

However, in our opinion, such financial statements present fairly, in all material respect, the financial position of the individual funds of the Borough of Roseland at December 31, 2010, and the results of its operations and the changes in fund balance of such funds for the year then ended and the revenue, expenditures and fund balance for the year ended December 31, 2010 on the basis of accounting described in Note 1.



In accordance with *Government Auditing Standards*, we have also issued a report dated May 17, 2011 on our consideration of the Borough of Roseland, New Jersey's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as supplemental schedules in the foregoing table of contents, which is also the responsibility of the management of the Borough of Roseland, New Jersey, is presented for purposes of additional analysis and is not a required part of the financial statements of the Borough. Such additional information has been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

This report is intended for the information and use of the Borough Administration and Council and for filing with the Division of Local Government Services, Department of Community Affairs, State of New Jersey and should not be used for any other purposes. However, this report is a matter of public record and its distribution is not limited.

---

McEnerney, Brady & Company, LLC  
Certified Public Accountants

---

Francis M. McEnerney  
Registered Municipal Accountant #539

Livingston, New Jersey  
May 17, 2011

**BOROUGH OF ROSELAND  
CURRENT FUND**

**COMPARATIVE BALANCE SHEETS**

**A Sheet #1**

ASSETS	Ref.	December 31,	
		2010	2009
<u>Regular Fund</u>			
Cash:			
Checking Account	A-4	\$ 1,245,401.35	\$ 3,371,163.00
Investments	A-5	1,898,919.32	425,995.01
Change Fund	Unch.	200.00	200.00
Due from State of New Jersey			
Ch. 129, P.L. 1976	A-7	1,500.17	61.81
		<u>3,146,020.84</u>	<u>3,797,419.82</u>
Receivables and Other Assets with			
Full Reserves:			
Taxes Receivable	A-8	255,794.64	259,839.05
Tax Title Liens	A-9	879.08	690.28
Property Acquired for Taxes			
at Assessed Value	Unch.	250,000.00	250,000.00
Other Accounts Receivable	A-10	8,210.11	6,249.85
Revenue Accounts Receivable	A-11	16,658.22	13,281.51
Interfunds Receivable	A-12	157.26	137.05
		<u>531,699.31</u>	<u>530,197.74</u>
Deferred Charges			
Emergency Approp	A-13	98,022.74	
Special Emergency Approp	A-14	139,800.00	186,400.00
		<u>3,915,542.89</u>	<u>4,514,017.56</u>
<u>Federal and State Grant Fund</u>			
Interfunds Receivable	A-24	185,464.84	81,307.74
Federal and State Grants Receivable	A-26	221,250.72	237,045.89
		<u>406,715.56</u>	<u>318,353.63</u>
		<u>\$ 4,322,258.45</u>	<u>\$ 4,832,371.19</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**COMPARATIVE BALANCE SHEETS**

**A Sheet #2**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2010</u>	<u>2009</u>
<u>Regular Fund</u>			
Appropriation Reserves:			
Encumbered	A-3, 15	\$ 761,168.81	\$ 933,120.47
Reserved	A-3, 15	631,472.72	553,725.14
Interfunds Payable	A-12	188,381.35	81,307.74
Reserve for Revaluation Program	A-16	32,300.00	80,468.00
Due to State of New Jersey			
Construction Training Fees	A-17	15,811.00	839.00
Marriage Lic	A-17	50.00	125.00
Accounts Payable	A-18	356,485.17	145,751.81
Tax Overpayments	A-19	13,654.81	12,843.06
County Taxes Payable	A-20	4,062.20	14,873.17
Prepaid Taxes	A-22	278,570.82	181,098.34
Reserve for Tax Appeals	A-23	24,909.10	1,178,773.88
		<u>2,306,865.98</u>	<u>3,182,925.61</u>
Reserve for Receivables and Other Assets		531,699.31	530,197.74
Fund Balance	A-1	1,076,977.60	800,894.21
		<u>3,915,542.89</u>	<u>4,514,017.56</u>
<u>Federal and State Grant Fund</u>			
Due to State of New Jersey	A-17	40,953.96	40,953.96
Due to Essex County	A-25	2,467.42	3,679.53
Reserve for Grants Appropriated	A-27	358,335.45	265,768.73
Reserve for Unappropriated Reserves	A-28	4,958.73	7,951.41
		<u>406,715.56</u>	<u>318,353.63</u>
		<u>\$ 4,322,258.45</u>	<u>\$ 4,832,371.19</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**

A-1

Revenue and Other Income	Ref.	Year Ended December 31,	
		2010	2009
Fund Balance Utilized	A-2	\$ 614,000.00	\$ 527,107.00
Miscellaneous Revenue Anticipated	A-2	2,999,750.89	4,133,331.72
Receipts from Delinquent Taxes	A-2a	253,218.42	167,378.56
Receipts from Current Taxes	A-2a	32,982,072.71	30,192,616.92
Nonbudget Revenue	A-2c	99,328.24	99,394.51
Other Credits to Income			
Grants Cancelled	A-12	244.97	797.04
Appropriation Reserve Cancelled		-	125,000.00
Unexpended Balance Appropriation			
Reserves Cancelled	A-15	556,273.26	289,519.52
Accounts Payable Cancelled	A-18	7,956.10	15,505.86
		<u>37,512,844.59</u>	<u>35,550,651.13</u>
<b>Expenditures</b>			
Budget Appropriations:			
Operations		10,237,154.94	10,312,943.73
Debt Service		1,389,933.86	1,440,460.75
Statutory Expenditures		1,159,388.00	710,451.50
Deferred Charges		46,600.00	51,025.00
	A-3	<u>12,833,076.80</u>	<u>12,514,880.98</u>
Municipal Open Space Tax	A-12	726,986.56	94,964.32
County Taxes	A-20	7,915,193.82	7,649,485.83
Local School District Tax	A-21	7,393,906.00	7,143,456.00
Regional High School Tax	A-21	7,848,303.61	7,582,113.64
Other Charges to Income:			
Interfund Established	A-12	20.21	
Prior Year Senior Citizen Deduction			
Disallowed	A-7	3,296.94	3,000.00
Grant Receivables Cancelled			4.47
		<u>36,720,783.94</u>	<u>34,987,905.24</u>
Excess in Revenue		792,060.65	562,745.89
Add: Deferred Charges	A-13	<u>98,022.74</u>	-
Statutory Excess in Revenue		890,083.39	562,745.89
<b>Fund Balance</b>			
Balance January 1	A	<u>800,894.21</u>	<u>765,255.32</u>
		1,690,977.60	1,328,001.21
Decreased by:			
Utilized As Anticipated Revenue	A-1	<u>614,000.00</u>	<u>527,107.00</u>
Balance December 31, 2010	A	<u>\$ 1,076,977.60</u>	<u>\$ 800,894.21</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

A-2

**STATEMENT OF REVENUES**

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 614,000.00	\$ 614,000.00	\$ -
<u>Miscellaneous Revenues</u>				
Licenses:				
Alcoholic Beverages	A-11	3,694.00	3,694.00	-
Other	A-2b	16,501.00	17,599.00	1,098.00
Fees and Permits:				
Other	A-2b	108,000.00	112,141.68	4,141.68
Fines and Costs:				
Municipal Court	A-11	215,000.00	240,465.06	25,465.06
Interest and Costs on Taxes	A-2b	53,000.00	62,672.24	9,672.24
Interest on Investments and Deposits	A-11	40,000.00	16,482.16	(23,517.84)
Cablevision Franchise Fees (N.J.S.A. 48:5A-30)	A-11	31,492.00	41,354.28	9,862.28
Cell Tower Lease	A-11	60,621.00	65,952.49	5,331.49
Consolidated Municipal Property Tax Relief Aid	A-11	10,559.00	10,162.78	(396.22)
Energy Receipts Tax	A-11	827,172.00	827,172.00	-
Uniform Construction Code Fees	A-11	193,000.00	387,932.00	194,932.00
Interlocal Agreement - Tax Collector	A-11	7,500.00	7,500.00	-
Recycling Tonnage Grant - Unappropriated	A-26	7,951.41	7,951.41	-
Community Forestry Grant	A-26	7,000.00	7,000.00	-
Municipal Alliance on Alcoholism and Drug Abuse	A-26	5,900.00	5,900.00	-
Body Armor Replacement Fund	A-26	1,183.70	1,183.70	-
Clean Communities	A-26	8,488.09	8,488.09	-
Over the Limit Under Arrest	A-26	4,400.00	4,400.00	-
DOT Old Eagle Rock Ave	A-26	96,700.00	96,700.00	-
Sustainable New Jersey Environmental	A-26	1,000.00	1,000.00	-
PSE&G Susquahanna	A-26	150,000.00	150,000.00	-
Reserve for Tax Appeals	A-11	600,000.00	600,000.00	-
Utility Operating Surplus	A-11	324,000.00	324,000.00	-
Total Miscellaneous Revenue	A-1	2,773,162.20	2,999,750.89	226,588.69
Receipts form Delinquent Taxes	A-2a	259,000.00	253,218.42	(5,781.58)
Amount to be Raised by Taxes for Support of Municipal Budget	A-2a	9,417,215.28	9,425,977.00	8,761.72
Budget Totals		13,063,377.48	13,292,946.31	229,568.83
Nonbudget Revenue	A-2c	-	99,328.24	99,328.24
Total Revenue	A-3	\$ 13,063,377.48	\$ 13,392,274.55	\$ 328,897.07

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**STATEMENT OF REVENUES(Continued)  
ANALYSIS OF REALIZED REVENUE - TAXES**

A-2a

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
2010 Collections	A-8	\$ 253,218.42	
Overpayments Applied		-	
Delinquent Tax Collections	A-1,2,8		<u>\$ 253,218.42</u>
<u>Current Tax Collections</u>			
2010 Collections	A-8	\$ 32,731,187.18	
2009 Collections	A-8	181,098.34	
Overpayments Applied	A-8	2,037.19	
Due from State of New Jersey (Ch. 129, P.L. 1976)	A-8	<u>67,750.00</u>	
	A-1		\$ 32,982,072.71
Allocated to:			
Municipal Open Space Tax	A-8	726,986.56	
County Taxes	A-20	7,915,193.82	
Local School District Tax	A-21	7,393,906.00	
Regional High School Tax	A-21	<u>7,848,303.61</u>	
			<u>23,884,389.99</u>
Balance for Support of Municipal Budget Appropriations			9,097,682.72
Plus: Appropriations "Reserve for Uncollected Taxes"	A-3		<u>328,294.28</u>
Amount for Support of Municipal Budget Appropriation	A-2		<u>\$ 9,425,977.00</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**STATEMENT OF REVENUES(Continued)  
ANALYSIS OF REALIZED REVENUE - OTHER**

A-2b

**Analysis of Licenses and Permits**

	<u>Ref.</u>		
<u>Other Licenses</u>			
Borough Clerk	A-11	\$ 100.00	
Board Of Health	A-11	<u>17,499.00</u>	
	A-2		<u>\$ 17,599.00</u>
<u>Other Fees and Permits</u>			
Registrar of Vital Statistics	A-11	\$ 5,950.00	
Board of Health Fees	A-11	1,055.00	
Zoning Fees & Permits	A-11	9,374.80	
Tax Search Fees	A-11	680.00	
Administration Fees	A-11	26,845.56	
Recreation	A-11	9,829.14	
Dept. Public Works	A-11	142.50	
Right of Way Fees	A-11	1,100.00	
Borough Clerk	A-11	509.68	
Fire Prevention Bureau	A-11	26,785.00	
Zonning CCO	A-11	29,750.00	
Collector-Treasurer	A-11	<u>120.00</u>	
	A-2		<u>\$ 112,141.68</u>

**Analysis of Interests and Costs on Taxes**

	<u>Ref.</u>		
Interest on Delinquent Taxes	A-4	\$ 56,422.39	
Other Accounts Receivable	A-10	<u>6,249.85</u>	
	A-2		<u>\$ 62,672.24</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**STATEMENT OF REVENUES (Continued)  
ANALYSIS OF NONBUDGET REVENUE**

A-2c

Ref.

**Miscellaneous Revenue Not Anticipated**

Collections:

Prior Year Refunds	\$ 6,857.75
State Fire Bureau Reimbursements	17,160.32
Motor Vehicle Inspections	19,721.50
Sale of Boro Assets	11,310.00
Police Revenue	2,473.00
Assessor/Bd of Health	450.00
Collector/Treasurer	2,764.91
Clerk's Office	5,347.06
Sale of Recycling	30,403.33
Public Works Office	<u>2,840.37</u>

A-1,2,4

\$ 99,328.24

See Accompanying Notes to Financial Statements



**BOROUGH OF ROSELAND  
CURRENT FUND  
STATEMENT OF EXPENDITURES**

A-3  
Sheet 1

APPROPRIATIONS WITHIN "CAPS"	Appropriations		Expended	
	Budget	Modified Budget	Paid or Charged	Reserved
<b>GENERAL GOVERNMENT</b>				
Administrative and Executive:				
Salaries and Wages	\$ 187,105.00	\$ 183,105.00	\$ 182,223.04	\$ 881.96
Other Expenses	59,342.00	46,397.00	41,077.86	5,319.14
Mayor and Council:				
Salaries and Wages	42,779.00	42,779.00	42,779.00	-
Office of Borough Clerk:				
Salaries and Wages	66,760.00	66,760.00	66,756.82	3.18
Other Expenses	13,259.00	14,259.00	7,942.39	6,316.61
Financial Administration:				
Salaries and Wages	15,946.00	15,946.00	15,945.02	0.98
Fixed Asset Accounting System - Other Expenses	1,155.00	1,155.00	455.00	700.00
Audit Services:				
Other Expenses	38,500.00	38,500.00		38,500.00
Computer Data Process:				
Salaries and Wages	62,400.00	62,400.00	62,400.00	-
Other Expenses	11,000.00	6,000.00	2,259.61	3,740.39
Collection of Taxes:				
Salaries and Wages	40,334.00	40,334.00	37,624.29	2,709.71
Other Expenses	2,615.00	2,615.00	1,668.40	946.60
Assessment of Taxes				
Salaries and Wages	-	-		-
Other Expenses	35,050.00	35,050.00	16,338.24	18,711.76
Legal Services and Costs:				
Salaries and Wages	57,020.00	61,020.00	60,928.69	91.31
Other Expenses	250,000.00	333,100.00	77,910.01	255,189.99
Engineering Services and Costs:				
Other Expenses	40,320.00	22,334.00	10,100.64	12,233.36
Historic Preservation Commission				
Other Expenses	1,200.00	1,200.00		1,200.00
<b>LAND USE ADMINISTRATION</b>				
Municipal Land Use Law (N.J.S. 40:55D-1):				
Planning Board:				
Salaries and Wages	12,343.00	12,343.00	12,342.20	0.80
Other Expenses	33,400.00	53,400.00	13,055.16	40,344.84
Board of Adjustment:				
Salaries and Wages	21,369.00	21,369.00	21,368.99	0.01
Other Expenses	9,821.00	9,821.00	2,008.32	7,812.68
Affordable Housing:				
Salaries and Wages	-	-		-
Other Expenses	25,000.00	25,000.00	5,734.45	19,265.55
<b>INSURANCE</b>				
Insurance (N.J.S.A. 40A:4-45.3)				
General Liability	229,621.00	207,685.00	207,685.00	-
Worker's Compensation Insurance	199,838.00	199,838.00	199,838.00	-
Employee Group Health	1,581,890.00	1,581,890.00	1,477,869.91	104,020.09
Unemployment Compensation Insurance	2,600.00	2,600.00	1,734.02	865.98

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**STATEMENT OF EXPENDITURES**

A-3  
Sheet 2

Appropriations	Appropriations		Expended	
APPROPRIATIONS WITHIN "CAPS"	Budget	Modified Budget	Paid or Charged	Reserved
<b>PUBLIC SAFETY</b>				
Police:				
Salaries and Wages	2,973,157.00	2,973,157.00	2,882,399.54	90,757.46
Other Expenses	158,348.00	155,448.00	123,021.59	32,426.41
Police Dispatch/911:				
Other Expenses	8,780.00	7,552.00	3,378.53	4,173.47
Emergency Management Services:				
Salaries and Wages	5,850.00	5,850.00	5,849.91	0.09
Other Expenses	7,700.00	6,200.00	2,122.32	4,077.68
Aid to Volunteer Fire Companies	40,000.00	40,000.00	40,000.00	-
First Aid Organization - Contribution	50,000.00	50,000.00	50,000.00	-
Fire Dept:				
Other Expenses	74,043.00	60,643.00	35,478.71	25,164.29
Fire Prevention:				
Salaries and Wages	21,575.00	21,575.00	21,211.39	363.61
Other Expenses	5,050.00	4,550.00	2,691.18	1,858.82
Municipal Prosecutor:				
Salaries and Wages	18,200.00	18,200.00	18,200.00	-
Other Expenses	2,430.00	2,430.00	1,544.18	885.82
<b>PUBLIC WORKS FUNCTIONS</b>				
Road Repairs and Maintenance:				
Salaries and Wages	244,060.00	236,060.00	231,906.02	4,153.98
Other Expenses	17,650.00	12,750.00	6,718.60	6,031.40
Storm Clearance:				
Salaries and Wages	20,000.00	20,000.00	20,000.00	-
Other Expenses	16,200.00	16,200.00	14,144.55	2,055.45
Shade Tree Commission:				
Salaries and Wages	2,800.00	2,800.00	2,546.48	253.52
Other Expenses	30,600.00	30,600.00	11,832.82	18,767.18
Solid Waste Collection				
Other Expenses	633,450.00	633,450.00	421,903.95	211,546.05
Public Building and Grounds:				
Salaries and Wages	362,900.00	357,900.00	353,712.02	4,187.98
Other Expenses	112,725.00	91,143.00	57,125.92	34,017.08
Vehicle Maintenance				
Salaries and Wages:	28,895.00	28,895.00	28,801.50	93.50
Other Expenses	33,800.00	35,800.00	30,203.28	5,596.72
Condominium Service Act:				
Other Expenses	44,000.00	44,000.00		44,000.00
<b>HEALTH AND WELFARE</b>				
Board of Health:				
Salaries and Wages				-
Other Expenses	4,734.00	4,734.00	1,639.56	3,094.44
Dog Regulation:				
Other Expenses	4,000.00	-		-
Environmental Commission				
Other Expenses	1,000.00	1,000.00	733.00	267.00
Contributions to Social Services:				
Other Expenses	2,050.00	2,050.00		2,050.00
Municipal Youth Guidance				
Other Expenses	1,242.00	1,242.00		1,242.00

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**STATEMENT OF EXPENDITURES**

A-3  
Sheet 3

Appropriations	Appropriations		Expended	
	Budget	Modified Budget	Paid or Charged	Reserved
<b>APPROPRIATIONS WITHIN "CAPS"</b>				
<u>RECREATION AND EDUCATION</u>				
Public Recreation Program:				
Salaries and Wages	146,525.00	146,525.00	137,742.98	8,782.02
Other Expenses	58,707.00	54,158.00	34,696.23	19,461.77
Camp Wyanokie				
Other Miscellaneous Expenses	1,603.00	1,603.00	1,603.00	-
<u>OTHER COMMON OPERATING FUNCTIONS</u>				
Beautification Committee				
Other Expenses	5,000.00	5,000.00	1,202.72	3,797.28
Citz. Notification/Cable TV:				
Other Expenses	8,850.00	8,850.00	5,324.75	3,525.25
Senior Citizens' Transportation:				
Other Expenses	22,090.00	22,090.00	22,090.00	-
Senior Citizens' Advisory Committee:				
Other Expenses	1,470.00	1,470.00	502.94	967.06
				-
<u>MUNICIPAL COURT</u>				
Municipal Court:				
Salaries and Wages	136,330.00	139,403.00	139,402.12	0.88
Other Expenses	61,292.00	60,072.00	54,985.54	5,086.46
Public Defender:				
Salaries and Wages	4,160.00	4,160.00	4,160.00	-
Other Expenses	500.00	500.00		500.00
<u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES N.J.A.C. (5:23-4.17)</u>				
Construction Code Officials:				
Salaries and Wages	161,025.00	186,011.00	183,977.15	2,033.85
Other Expenses	23,000.00	8,000.00	3,447.26	4,552.74
<u>UNCLASSIFIED</u>				
Utilities:				
Electricity	108,000.00	108,000.00	96,156.72	11,843.28
Street Lighting	150,000.00	150,000.00	107,875.78	42,124.22
Telephone and Telegraph	70,800.00	65,000.00	58,599.00	6,401.00
Heating	75,000.00	111,230.00	81,376.30	29,853.70
Fuel Oil	2,000.00	2,000.00	385.71	1,614.29
Gasoline	89,000.00	91,760.00	63,715.01	28,044.99
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>				
Contribution to:				
Public Employees' Retirement System	249,357.00	249,357.00	249,357.00	-
Social Security Program (OASI)	185,775.00	180,072.00	166,308.96	13,763.04
Police and Firemen's Retirement System of NJ	721,783.00	721,783.00	721,783.00	-
DCRP	2,473.00	2,473.00	1,853.18	619.82
<b>Total General Appropriations within "CAPS"</b>	<b>\$ 10,250,646.00</b>	<b>\$ 10,270,646.00</b>	<b>\$ 9,071,755.46</b>	<b>\$ 1,198,890.54</b>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CURRENT FUND**

**STATEMENT OF EXPENDITURES**

A-3  
Sheet 4

Appropriations	Appropriations		Expended	
APPROPRIATIONS EXCLUDED FROM "CAPS"	Budget	Modified Budget	Paid or Charged	Reserved
OTHER OPERATIONS				
Roseland Free Public Library	651,347.00	651,347.00	553,596.87	97,750.13
Tax Appeals		78,022.74		78,022.74
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>				
Tax Assessor	31,000.00	31,000.00	18,083.38	12,916.62
Public Health Services	63,541.00	63,541.00	63,541.00	-
Animal Control Services	10,123.00	10,123.00	5,061.50	5,061.50
Registrar Vital Statistics/Board of Health		-		
Tax Collector	7,500.00	7,500.00	7,500.00	-
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>				
Clean Communities Program	8,488.09	8,488.09	8,488.09	-
Municipal Alliance on Alcoholism and Drug Abuse	7,600.00	7,600.00	7,600.00	-
Body Armor Grant	1,183.70	1,183.70	1,183.70	-
Recycling Tonnage Grant	7,951.41	7,951.41	7,951.41	-
HighWay Safety Program		-		-
Community Forestry Shade Tree	7,000.00	7,000.00	7,000.00	-
Recreation Open Space Grant		-		-
Sustainable Jersey	1,000.00	1,000.00	1,000.00	-
DOT Old Eagle Rock Avenue	96,700.00	96,700.00	96,700.00	-
Over the Limit Under Arrest	4,400.00	4,400.00	4,400.00	-
PSE&G Susquahanna	150,000.00	150,000.00	150,000.00	-
<b>CAPITAL IMPROVEMENTS</b>				
Capital Improvement Fund		-		-
<b>DEBT SERVICE</b>				
Payment of Bond Principal	1,245,000.00	1,245,000.00	1,245,000.00	-
Interest on Bonds	134,515.00	134,515.00	134,515.00	-
Interest on Note Principal	10,488.00	10,488.00	10,458.86	-
<b>DEFERRED CHARGES</b>				
Special Emergency Authorizations	46,600.00	46,600.00	46,600.00	-
<b>Total Appropriations Excluded from "CAPS"</b>	2,484,437.20	2,562,459.94	2,368,679.81	193,750.99
<b>Sub - Total</b>	12,735,083.20	12,833,105.94	11,440,435.27	1,392,641.53
Reserve for Uncollected Taxes	328,294.28	328,294.28	328,294.28	-
<b>Total General Appropriations</b>	<u>\$ 13,063,377.48</u>	<u>\$ 13,161,400.22</u>	<u>\$ 11,768,729.55</u>	<u>\$ 1,392,641.53</u>
<u>Reference</u>	<u>A-2, Below</u>	<u>Below</u>	<u>Below</u>	<u>A</u>
	<u>Ref.</u>			
Adopted Budget Appropriation	Above	\$ 13,063,377.48	\$	\$
Reserve for Uncollected Taxes	A-2a	(328,294.28)	328,294.28	
Cash Disbursements	A-4		11,106,578.22	
Due to Trust	A-12		2,933.85	
Emergency Authorization	A-13	98,022.74	-	
Special Emergency Authorization	A-14		46,600.00	
Encumbered	A			761,168.81
Reserved	A			631,472.72
Cancelled		(29.14)		
Reserve for Grants	A-27		284,323.20	
	A-1	<u>\$ 12,833,076.80</u>	<u>\$ 11,768,729.55</u>	<u>\$ 1,392,641.53</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**B**

**COMPARATIVE BALANCE SHEETS**

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance, December 31,</u>	
		<u>2010</u>	<u>2009</u>
<u>Affordable Housing Trust Fund</u>			
Cash	B-1	<u>\$ 29,063.31</u>	<u>\$ 22,947.57</u>
<u>Animal Control Trust Fund</u>			
Cash	B-1	<u>7,490.19</u>	<u>5,177.96</u>
<u>Open Space Trust Fund</u>			
Cash	B-4	<u>1,574,619.22</u>	<u>845,393.19</u>
<u>General Trust Fund</u>			
Cash:			
Checking Accounts	B-1	309,489.26	316,488.75
Developer's Escrow	B-2	388,088.48	408,417.66
Money Market Accounts	B-3	94,612.34	114,368.23
Due from Current Fund	B-5	2,916.51	
		<u>795,106.59</u>	<u>\$ 839,274.64</u>
		<u>\$ 2,406,279.31</u>	<u>\$ 1,712,793.36</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**B**

**COMPARATIVE BALANCE SHEETS**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance, December 31,</u>	
		<u>2010</u>	<u>2009</u>
<b><u>Affordable Housing Trust Fund</u></b>			
Reserve for Expenditures	B-13	\$ 29,063.31	\$ 22,947.57
<b><u>Open Space Trust Fund</u></b>			
Reserve for Expenditures	B-10	1,574,619.22	845,393.19
<b><u>Animal Control Trust Fund</u></b>			
Due to Current Fund	B-5	-	
Due to State of New Jersey	B-6	-	67.20
Reserve for Expenditures	B-8	7,486.96	5,110.76
		<u>7,486.96</u>	<u>5,177.96</u>
<b><u>General Trust Fund</u></b>			
Interfunds	B-5	3.23	9.67
Reserve for:			
State Unemployment Compensation			
Insurance Fund	B-7	73,926.84	93,735.06
Developer's Escrow	B-11	388,088.62	408,407.99
Recreation Fund Expenditures	B-9	88,953.17	83,431.88
Special Deposits	B-12	244,137.96	253,690.04
		<u>795,109.82</u>	<u>839,274.64</u>
		<u>\$ 2,406,279.31</u>	<u>\$ 1,712,793.36</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**COMPARATIVE BALANCE SHEETS**

<b>ASSETS AND DEFERRED CHARGES</b>	<b>Ref.</b>	<b>Balance, December 31,</b>	
		<b>2010</b>	<b>2009</b>
Cash:			
Checking Accounts	C-2	\$ 635,907.98	\$ 373,336.52
Money Market Accounts	Unch.	25,500.00	25,500.00
Investments	C-3	403,889.35	403,140.40
	C-4	1,065,297.33	801,976.92
Due from State of New Jersey :			
Transportation Trust Fund	C-6	-	497,000.00
Deferred Charged to Future Taxation			
Funded	C-7	2,490,000.00	3,735,000.00
Unfunded	C-8	3,314,000.00	3,314,000.00
		<u>\$ 6,869,297.33</u>	<u>\$ 8,347,976.92</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Capital Improvement Fund	C-9	\$ 716,778.39	\$ 688,733.07
Due to Current Fund	C-5	154.03	127.38
Reserve for Future Improvements	C-10	50,000.00	50,000.00
Reserve for Regional Contribution Agreements	Unch.	25,500.00	25,500.00
Improvement Authorizations:			
Funded	C-11	219,627.48	514,238.27
Unfunded	C-11	2,677,615.64	2,744,756.41
Bond Anticipation Notes	C-12	670,000.00	570,000.00
Serial Bonds	C-13	2,490,000.00	3,735,000.00
Fund Balance	C-1	19,621.79	19,621.79
		<u>\$ 6,869,297.33</u>	<u>\$ 8,347,976.92</u>
Bond and Notes Authorized but Not Issued	C14	<u>\$ 2,644,000.00</u>	<u>\$ 2,744,000.00</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**STATEMENT OF FUND BALANCE**

**C-1**

	<u>Ref.</u>	
Balance, December 31, 2009	C	<u>\$ 19,621.79</u>
Balance, December 31, 2010	C	<u><u>\$ 19,621.79</u></u>

See Accompanying Notes to Financial Statements



**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

D

**COMPARATIVE BALANCE SHEETS**

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash:			
Checking Account	D-5	\$ 299,246.98	\$ 182,063.05
Investments	D-6	580,205.14	319,561.85
		<u>879,452.12</u>	<u>501,624.90</u>
Receivables and Inventory with Full Reserves:			
Water/Sewer Rents Receivable	D-8	43,908.45	32,454.54
Inventory	D-9	70,148.65	70,148.65
		<u>114,057.10</u>	<u>102,603.19</u>
		<u>993,509.22</u>	<u>604,228.09</u>
 <u>Capital Fund</u>			
Cash - Checking Account	D-5, 7	570,816.32	312,877.00
Fixed Capital	D-10	8,982,967.13	8,982,967.13
Fixed Capital Authorized and Uncompleted	D-11	275,479.15	304,509.45
		<u>9,829,262.60</u>	<u>9,600,353.58</u>
		<u>\$ 10,822,771.82</u>	<u>\$ 10,204,581.67</u>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
<u>Operating Fund:</u>			
Appropriation Reserves			
Encumbered	D-4, 12	\$ 363,692.86	\$ 163,871.63
Reserved	D-4, 12	114,846.85	5,789.46
Accounts Payable	D-13	-	2,514.00
Accrued Interest on Notes	D-14	7,701.76	2,524.87
Water/Sewer Rent Prepayments	D-15	499.24	1,140.16
Water/Sewer Rent Overpayments	D-16	2,434.05	1,242.11
		<u>489,174.76</u>	<u>177,082.23</u>
Reserve For Receivables and Inventory		114,057.10	102,603.19
Fund Balance	D-1	390,277.36	324,542.67
		<u>993,509.22</u>	<u>604,228.09</u>
 <u>Capital Fund:</u>			
Reserve for Amortization	D-17	7,423,345.02	7,422,375.32
Deferred Reserve for Amortization	D-18	517,263.00	307,548.00
Capital Improvement Fund	D-19	167,707.80	167,707.80
Improvement Authorizations			
Funded	D-20	62,309.80	62,977.28
Unfunded	D-20	212,501.87	241,532.17
Bond Anticipation Notes	D-21	1,295,951.00	1,351,284.00
Fund Balance	D-2	150,184.11	46,929.01
		<u>9,829,262.60</u>	<u>9,600,353.58</u>
		<u>\$ 10,822,771.82</u>	<u>\$ 10,204,581.67</u>
 Bonds and Notes Authorized but Not Issued	D-22	\$ 21,887.36	\$ 206,269.36

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**D-1**

**COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGES IN FUND BALANCE**

		<u>Year Ended December 31,</u>	
	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<b>Revenue and Other Income:</b>			
Water/Sewer Rents	D-3	\$ 3,053,119.97	\$2,828,065.67
Miscellaneous Revenue	D-3	32,526.24	39,694.45
Other Credits to Income:			
Unexpended Balance of			-
Appropriation Reserves	D-12	<u>25,558.48</u>	<u>18,754.97</u>
		<u>3,111,204.69</u>	<u>2,886,515.09</u>
<b>Expenditures:</b>			
Budget Appropriations:			
Operating:			
Salaries and Wages		450,103.00	436,337.00
Other Expenses		1,115,717.00	953,717.00
Debt Service		329,715.00	269,606.99
Statutory Expenditures		34,935.00	33,920.00
Share Joint Service Sewer		<u>791,000.00</u>	<u>989,500.00</u>
	D-4	<u>2,721,470.00</u>	<u>2,683,080.99</u>
Excess in Revenue		389,734.69	203,434.10
Fund Balance, December 31, 2009	D	<u>324,542.67</u>	<u>121,108.57</u>
		<u>714,277.36</u>	<u>324,542.67</u>
Decreased by:			
Utilized as Anticipated Revenue			
Anticipated as Revenue in Current Fund	D-24	<u>324,000.00</u>	
Fund Balance, December 31, 2010	D	<u>\$ 390,277.36</u>	<u>\$ 324,542.67</u>

See Accompanying Notes to Financial Statements

BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

D-2

STATEMENT OF WATER CAPITAL FUND BALANCE

	<u>Ref.</u>		
Balance, December 31, 2009	D		\$ 46,929.01
Increased by:			
Cancellation of Ordinance 07-00	D-17	12,960.00	
Cancellation of Ordinance 09-04	D-18	86,070.30	
Premium Note Sale	D-5	<u>4,224.80</u>	
			<u>103,255.10</u>
Balance, December 31, 2010	D		<u><u>\$ 150,184.11</u></u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**STATEMENT OF REVENUE  
OPERATING FUND**

D-3

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	D-1, 8	\$ 2,718,255.00	\$ 3,053,119.97	\$ 334,864.97
Miscellaneous	D-1, Below	<u>3,215.00</u>	<u>32,526.24</u>	<u>29,311.24</u>
Total Budget Revenue	D-4	<u>\$ 2,721,470.00</u>	<u>\$ 3,085,646.21</u>	<u>\$ 364,176.21</u>
<u>Miscellaneous Revenue</u>				
Interest Income:				
Checking Account	D-5	\$ 1,639.02		
Investments	D-6	722.95		
Due From Water Cap	D-25	<u>219.31</u>		
			\$ 2,581.28	
Other Revenue:				
Interest on Delinquent Rents		11,041.62		
Meter Fee		1,300.00		
Connection Fees		8,000.00		
Sewer Connection Fee		9,284.28		
Hydrant Use Fee		214.79		
Cost of Tax Sale		<u>104.27</u>		
	D-5		<u>29,944.96</u>	
	Above		<u>\$ 32,526.24</u>	

See Accompanying Notes to Financial Statements

BOROUGH OF ROSELAND  
PAYROLL FUND

E

COMPARATIVE BALANCE SHEETS

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Cash	E-1	<u>\$ 14,723.22</u>	<u>\$ 15,588.44</u>
		<u>\$ 14,723.22</u>	<u>\$ 15,588.44</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Accounts Payable	E-2	\$ 13,181.72	\$ 12,936.09
Payroll Deductions Payable	E-2	<u>1,541.50</u>	<u>2,652.35</u>
		<u>\$ 14,723.22</u>	<u>\$ 15,588.44</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF ROSELAND  
CAPITAL FIXED ASSETS**

**COMPARATIVE BALANCE SHEETS**

**F**

<u>ASSETS</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Land	\$ 4,422,600.00	\$ 746,400.00
Building and Site Improvements	7,492,900.00	3,320,405.00
Fixed and Moveable Equipment	<u>3,539,889.00</u>	<u>3,452,847.20</u>
	<u>\$ 15,455,389.00</u>	<u>\$ 7,519,652.20</u>
 <u>RESERVES</u>		
Investments in Fixed Capital	<u>\$ 15,455,389.00</u>	<u>\$ 7,519,652.20</u>
	<u>\$ 15,455,389.00</u>	<u>\$ 7,519,652.20</u>

See Accompanying Notes to Financial Statements

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Borough of Roseland (the "Borough") is organized as a Mayor-Council municipality under the provisions of N.J.S.A. 40:69A-81 et seq. The Borough is "governed by an elected Council and Mayor, 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 three years beginning on the first day of January next year following their election and that the mayor shall be elected to a four year term. Each member of the Council carries a legislative vote. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, water and sewer, and general administrative services.

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

The accounting policies of the Borough conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is an other comprehensive basis of accounting other than generally accepted accounting principles. 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 accounts for its financial transactions through the separate funds, which differ from the fund structure required by GAAP.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by the provisions of NJS 40A:5-5. The financial statements of the Borough, however, do not include the operations of the Municipal Library, which is a separate entity subject to a separate examination.

Description of Funds

The Borough uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Borough has the following funds and account groups:

Current Fund – This fund is used to account for resources and expenditures for governmental operations of a general nature, including Federal and State grants which are reflected in a segregated section of the Current Fund.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

Description of Funds (Continued)

Trust Funds – These Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Borough as an agent for individual, private organizations, or other governments are recorded in the Trust Funds. These include the Animal Control Trust Fund, Open Space Trust Fund, Affordable Housing Trust Fund and the General Trust Fund. The Animal Control Fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11. The Affordable Housing Trust Fund is used to account for funds collected in connection with the Borough's affordable housing program in accordance with P.L. 2009, c.46 (C 52:27D-329.1 et al) and the regulations of COAH at N.J.A.C. 5:97-8.1. The General Trust Fund encompasses accounts of activity for Federal Community Development Block Grants, Recreation Commission, Developer's Escrow and Other Special Deposits.

Open Space Trust Fund – This Fund is used to account for the receipts and disbursement of funds used for acquisition of lands for recreation and conservation purposes, development of lands acquired for recreation and conservation purposes: maintenance of lands acquired for recreation and conservation purposes; acquisition of farmland for farmland preservation purposes; historic preservation of historic properties, structures, facilities, sites, areas, or objects, and the acquisition of such properties, structures, facilities, sites, areas or objects for historic preservation purposes or payment of debt service on indebtedness issued or incurred by municipality as set for purposes stated above.

General Capital Fund – This Fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund, as well as the long-term debt accounts.

Water and Sewer Utility Fund – This Fund is used to account for the revenues and expenditures for the operation of the Borough's Water and Sewer Utility activities and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities for the Water and Sewer Utility, as well as the related long-term debt accounts, is accounted for in the capital section of the fund.

Free Public Library – This Fund is used to account for the revenues and expenditures for the operation of the Borough's free public library. The Municipal Library is subject to a separate examination.

Payroll Fund – This Fund is used to account for the net salaries, payroll deductions and social security contributions of municipal and utility operations which are deposited into various bank accounts of the Payroll Fund. A Payroll Fund does not exist under GAAP.

Capital Fixed Assets – These accounts reflect estimated valuations of land, buildings and certain movable fixed assets of the Borough.

Basis of Accounting and Accounting Principles

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local government units. The more significant differences are as follows:

Miscellaneous Revenues – Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Grant Revenues – Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.



BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

Basis of Accounting and Accounting Principles (Continued)

Property Tax Revenues – Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. Taxes are payable in four quarterly installments on August 1, November 1, February 1 and May 1. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500.00. The Borough also imposes a 6% year end penalty for a delinquency over \$10,000.00 as of December 31. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on May first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall (subject to the provisions of the New Jersey Statutes) enforce the lien by placing the property on a tax sale. The Borough institutes annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Budget and Budgetary Accounting – An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the Division per N.J.S.A. 40A:4 et seq. The Borough is not required to adopt budgets for the following funds:

- General Capital Funds
- Trust Funds

The Governing Body shall introduce and approve the annual budget not later than February 10, of the year. The budget shall be adopted not later than April 20, and prior to adoption must be certified by the Division and State of New Jersey. The Director of the Division with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level.

Expenditures – Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations at December 31 are reported as expenditures through the establishment of appropriation reserves unless cancelled by the Governing Body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt, which should be recognized when due.

Encumbrances – Contractual orders outstanding at December 31 are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

Basis of Accounting and Accounting Principles (Continued)

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 vacation and sick 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 – Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

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

Capital Fixed Assets – In accordance with Technical Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division, which differs in certain respects from GAAP, the Borough has developed a fixed asset accounting and reporting system.

General – Capital fixed assets used in governmental operations are accounted for in the Capital Fixed Assets. Public domain (infrastructure) general 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 asset 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. The Borough has adopted the policy of recording fixed assets valued at \$5,000 or greater and has adjusted their records during the year to remove assets previously recorded below the threshold amount. Depreciation of assets is not recorded as an operating expense of the Borough.

Utilities – Capital acquisitions, including utility infrastructure costs of the Water and Sewer Utility are recorded at cost upon purchase or project completion in the Fixed Asset Account of the Utility. The Fixed Asset account is adjusted for dispositions or abandonments. Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital. Fixed Capital of the Utilities are offset by accumulations in the Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer's contributions or liquidations of bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are 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.

Inventories – An annual inventory of materials and supplies for the Water and Sewer Utility is required, by regulation, to be prepared by Borough personnel for inclusion on the Water Sewer Utility Operating Funds balance sheets. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. The costs of inventories of supplies for other funds are recorded as expenditures at the time individual items are purchased and are not inventoried nor included on their respective balance sheets.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

Basis of Accounting and Accounting Principles (Continued)

Cash and Investments – Cash includes amounts in demand deposits, as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost and are limited by N.J.S.A. 40A:5-15.1 to bonds or obligations of, or guaranteed by, the Federal Government and bonds or other obligations of Federal or local its having a maturity date not more than twelve months from the date of purchase. GAAP requires that investments be reported at fair value.

Tax Appeal and Other Contingent Losses – Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body and not when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

Basic Financial Statements

Use of Estimates – The preparation of financial statements requires management of the Borough to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data – Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in all statements, as their inclusion could make certain statements unduly complex and difficult to understand.

The GASB also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents which are required by the Division 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.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits:

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"), the Savings Association Insurance Fund ("SAIF"), or by 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 (the "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, municipalities are allowed to deposit funds in Government Money Market Mutual Funds purchased through state registered brokers/dealers and banks.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The Market Value of the collateral must equal five percent of the average daily balance of public funds; or

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

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

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.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. At December 31, 2010, the book value of the Borough's deposits was \$8,065,763.24 and bank balances of the Borough's cash and deposits amounted to \$8,176,903.27. The Borough's deposits which are displayed on the combined balance sheet as "cash" are categorized as:

Category 1 – Insured or collateralized with securities held by the Borough's or its agent in the Borough's name.

Category 2 – Collateralized with securities held by the pledging financial institutions trust department or agent in the Borough's name.

Category 3 – Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Borough's name.

Investments:

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Government Money Market Mutual Funds
- c. Any obligations that a federal agency or a federal instrumentality has issued, with security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest
- d. Bonds or other obligations of the Borough or bonds or other obligations of school districts, which are a part of the Borough or school districts located within the Borough.
- e. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury, Division of Investments.
- f. Local Government investment pools.
- g. Agreements for the repurchase of fully collateralized securities, if transacted in accordance with N.J.S.A. 40A:5-15.1 (8a-8e).

NOTE 3 – TAXES RECEIVABLE AND TAX TITLE LIENS

In accordance with the accounting principles presented by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

For the year ended December 31, 2010, the Borough collected \$253,218.42 from delinquent taxes and tax title liens, which represented 100% of the delinquent balances at December 31, 2009 after tax cancellation due to totally disabled veteran approval.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

4. 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 legal requirement 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>2010</u>	<u>2009</u>
<u>Bonds and Notes Issued:</u>		
General Capital:		
Serial Bonds	\$2,490,000.00	\$3,735,000.00
Bond Anticipation Notes	670,000.00	570,000.00
Water/Sewer Utility:		
Bond Anticipation Notes	<u>1,295,951.00</u>	<u>1,351,284.00</u>
	<u>4,455,951.00</u>	<u>5,656,284.00</u>
<u>Bonds and Notes Authorized</u>		
<u>But Not Issued:</u>		
General Capital	2,644,000.00	2,744,000.00
Water/Sewer Utility	<u>21,887.36</u>	<u>206,269.36</u>
	<u>2,665,887.36</u>	<u>2,950,269.36</u>
 Net Bonds and Notes Issued and Authorized But Not Issued	 <u>\$7,121,838.36</u>	 <u>\$8,606,553.36</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .35% at December 31, 2010:

<u>2010</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Water/Sewer Utility Debt	\$1,317,838.36	\$1,317,838.36	\$
 Other Bonds and Notes	 <u>5,804,000.00</u>	 <u>                    </u>	 <u>5,804,000.00</u>
	<u>\$7,121,838.36</u>	<u>\$1,317,838.36</u>	<u>\$5,804,000.00</u>

Net Debt, \$5,804,000.00 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$1,927,964,177 equals 0.30%.

The Borough's remaining borrowing power under N.J.S.A. 40A:2-6, as amended, at December 31, 2010 was as follows:

3-1/2 of Equalized Valuation Basis (Municipal)	\$67,478,116.20
Net Debt	<u>5,804,000.00</u>
 Remaining Borrowing Power	 <u>\$61,674,116.20</u>

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

NOTE 4 – MUNICIPAL DEBT (Continued)

School Debt Deductions

School debt is deductible up to the extent of 2.5% of the Average Equalized Assessed Valuations of real property for the Local School District and entirely for the Regional High School.

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

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year and Fund Balance Anticipated		\$3,085,646.21
Deductions:		
Operating and Maintenance Cost	\$2,391,755.00	
Debt Service per Water/Sewer Utility Operating Fund	<u>329,715.00</u>	
		<u>2,721,470.00</u>
Excess in Revenue		<u>\$ 364,176.21</u>

There being an excess in revenue, all Water/Sewer Debt is deductible for Debt Statement Purposes.

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

As of December 31, 2010, the Borough's long-term debt is as follows:

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

<u>Year</u>	<u>Total</u>	<u>Cash Basis</u>	
		<u>General Capital</u>	
		<u>Principal</u>	<u>Interest</u>
2011	\$ 1,332,096.25	\$ 1,245,000.00	\$ 87,096.25
2012	<u>1,284,732.50</u>	<u>1,245,000.00</u>	<u>39,732.50</u>
	<u>\$2,616,828.75</u>	<u>\$2,490,000.00</u>	<u>\$126,828.75</u>

NOTE 5 – CLAIMS AND JUDGEMENTS

The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of December 31, 2010 there were no significant amounts of grant expenditure that have not been audited by the various grantor agencies and the Borough believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on any of the individual governmental funds on the overall financial position of the Borough.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

6. Fund Balances Appropriated

Fund balances at December 31<sup>st</sup> that were appropriated and included as anticipated revenue in their own respective funds for the succeeding years were as follows:

Schedule of Fund Balances Appropriated:

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2010	\$1,076,977.60	*839,000.00
	2009	800,894.21	614,000.00
	2008	765,255.32	527,107.00
	2007	1,697,563.24	1,697,000.00
	2006	2,408,059.61	2,030,000.00
Water/Sewer Utility Operating Fund:	2010	\$390,277.36	*(4) \$230,000.00
	2009	324,542.67	(3) \$324,000.00
	2008	121,108.57	
	2007	936,534.09	(2) \$936,000.00
	2006	543,813.10	(1) \$500,000.00

\*Budget Introduced

- (1) Includes \$500,000 as Anticipated Revenue in the Current Fund
- (2) Includes \$936,000 as Anticipated Revenue in the Current Fund
- (3) Includes \$324,000 as Anticipated Revenue in the Current Fund
- (4) Includes \$230,000 as Anticipated Revenue in the Current Fund

7. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. The following deferred charges shown on the balance sheets at December 31, 2010.

	<u>Balance Dec. 31, 2010</u>	<u>Amount Raised in 2011 Budget</u>
Current Fund:		
Emergency Authorizations	\$ 98,022.74	\$ 98,022.74
Special Emergency Revaluation	<u>139,800.00</u>	<u>46,600.00</u>
	<u>\$ 237,822.74</u>	<u>\$ 144,622.74</u>

8. Accumulated Vacation and Sick Pay

The Borough has an Accrued Sick Policy Plan whereby eligible employees, upon retirement, will receive no more than 60 days of accumulated sick time. Police officers hired on or after January 1, 2007 will receive no more than 30 days of accumulated sick time. Police officers who retire with twenty-five years of service are also granted 60 days of terminal leave.

The Borough has an Accrued Vacation Policy Plan whereby eligible employees can carry over five vacation days for the succeeding year to be taken by June 30<sup>th</sup> upon prior written permission of the Department Head.

Provisions for the above are not reflected on the Financial Statements of the Borough. It is estimated that the current cost of such unpaid compensation, which is un-audited, would approximate \$856,000 at December 31, 2010. In accordance with New Jersey principles, these amounts, which are considered material to the financial statements, are not reported either as an expenditure or liability.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

NOTE 9 – 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 Pension Fund ("PFRS"). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits ("Division of Business"). The PERS and the PFRS are considered cost sharing multiple-employer plans.

**Public Employees Retirement System**

PERS was established January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide coverage, including postretirement health care, to substantially all full-time employees of the State or any County, Municipality, School district or public agency, provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after ten years of service and twenty-five years for health care coverage.

Tier 1 Members (members enrolled prior to July 1, 2007) are eligible for retirement at age sixty with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under sixty with twenty-five or more years of credited service. Members who retire early are under age fifty-five receives retirement benefits as calculated in the above mentioned formula, but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age fifty-five). Tier 2 Members (members enrolled July 1, 2007 to November 2, 2008) are eligible for retirement at age sixty-six with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to these under age sixty with twenty-five or more years of credited service. Members who retire early and are under age sixty receives retirement benefits as calculated in the above mentioned formula, but at a reduced rate (one twelfth of one percent each month the member lacks attaining age sixty, but over age fifty-five and one quarter of one percent for each month the member lacks of attaining age fifty-five).

Chapter 89, P.L. 2008, established a minimum base salary of \$7,700 per year to be eligible for enrollment in Tier 3 of the PERS (members enrolled on or after November 2, 2008 and prior to May 21, 2010) are eligible for retirement at age sixty two with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age sixty-two with twenty-five or more years of credited service. Anyone who retires early and is under age sixty-two receives retirement benefits as calculated in the above mentioned formula, but at a reduced rate (one twelfth of one percent for each month the member lacks of attaining age sixty-two but over age fifty-five and one quarter of one percent for each month the member lacks of attaining age fifty-five).

Chapter 1, P.L. 2010, requires a minimum of 32 hours per week to be eligible to enroll in Tier 4 of PERS (members enrolled after May 21, 2010) and are eligible for retirement at age sixty-two with an annual benefit generally determined to be  $1/60^{\text{th}}$  of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under sixty-two with twenty-five or more years of credited service. Members who retire early and are under age sixty-two, receives retirement benefits as calculated in the above mentioned formula, but at a reduced rate (one twelfth of one percent for each month the member lacks of attaining age sixty-two but over age fifty-five and one quarter of one percent for each month the member lacks of attaining age fifty-five). Chapter 1, P.L.2010 imposes a maximum compensation limits for PERS pension contributions for those who become members after May 21, 2010. For 2010, that amount is \$106,800.00. Any members hired after May 21, 2010 whose annual maximum compensation will be reached in any year become a participant of the Defined Contribution Retirement Program ("DCRP") with regard to the remaining compensation, unless the member irrevocably elects to waive participation in the DCRP. For the amount of compensation in excess of the maximum compensation, 5.5 % will be deducted as a contribution for the purposes of the DCRP. The Township will be responsible for the DCRP's matching 3% contribution.



BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

NOTE 9 – PENSION PLANS (Continued)

Police and Firemen's Retirement System

PFRS was established July 1, 1944 under the provisions of N.J.S.A. 43:16A, to provide coverage to substantially all full-time County and Municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service. Chapter 1, P.L. 2010 imposes a maximum compensation limit for officers who become members after May 21, 2010. For 2010, that amount is \$106,800.00. Any member hired after May 21, 2010, whose annual maximum compensation is reached in any year will become a participant of the DCRP with regard to the remaining compensation, unless the member irrevocably elects to waive participation in the DCRP. For the amount of compensation in excess of the maximum compensation, 5.5% will be deducted as a contribution for the purposes of the DCRP. The Township will be responsible for the DCRP's matching 3% contribution.

Defined Contribution Retirement Program

DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. Prudential is acting on behalf of the NJ Division of Pensions and Benefits as the record keeper and investment funds manager. Chapter 1, P.L. 2010 increased the minimum annual salary required for eligibility in the DCRP. An employee must earn an annual salary of at least \$5,000 to be eligible or to continue participation.

Covered employees are required by State statute to contribute a certain percentage of their salary to the Plan. In addition, the PERS and PFRS bills the Township annually, at an actuarially determinable rate for its required contribution. The current rate is 5.5% for PERS, 8.5% for PFRS and 5.5% for DCRP of annual covered payroll. The PERS, PFRS and DCRP are collectively, the "Plans".

The contribution requirements of the Plan members and the Borough are established and may be amended by the Board of Trustees of the respective Plans. The Borough's contribution to Plans for the year ended December 31, 2010 to PERS and PFRS were \$249,357.00 and \$721,783.00, respectively. The Borough's contribution to the DCRP is a 3% matching contribution each pay period during the year. In addition the Borough is required to contribute .74% of annual wages for group life insurance and .31% of annual wages for long term disability. Total contributions for the year ending December 31, 2010 were \$2,694.24.

It is noted that the Borough elected to defer 50% of its regular contribution in accordance with Chapter 1, P.L. 2010, for both the PERS and PFRS. This deferral was \$91,295.50 and \$265,741.00, respectively.

Deferred Compensation Plan (Un-audited)

The Borough offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S.A. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The DC 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 a Deferred Compensation Plan have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" (the "Act") revised several provisions of Section 457 ("the "DC Plan") 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 Borough authorized such modifications to their DCP Plan by resolution of the Borough Council, adopted January 27, 1998.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

NOTE 9 – PENSION PLANS (Continued)

The Administrator for the Borough's DC Plan is the Hartford Life Insurance Company.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1982, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution, adopted March 23, 1982. The Borough agrees to pay the premium or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the SHBP, but not including survivors, if such employees retired from the State or locally administered retirement system effective after the date the employer adopted the SHBP on a benefit based on 25 years or more of service credited in such retirement system, except employees who elected deferred retirement, but including the employees who retired on disability pensions based on fewer years of service credited in such retirement system and also to reimburse such retired employees for their premium charges under Medicare Part B Program covering the retired employees and their spouses in accordance with the regulations of the State Health Benefits Commission.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/gasb-43-sept2009.pdf](http://www.state.nj.us/treasury/pensions/gasb-43-sept2009.pdf).

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the SHBP have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough adopted Chapter 88, public laws of 1974 and adheres to the rules and regulations promulgated by the State Health Benefits Commission. These rules apply to all eligible present and future pensioners of the employer and their dependents, and continues as long as the State is paying the cost of its eligible pensioners and their dependents in accordance with the provisions of Chapter 75, public laws of 1972, provide for local employer reimbursement of Federal Medicare premiums for eligible pensioners and/or their spouses, as well as the payment of health insurance premiums required by the SHBP, on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with the provisions of Chapter 75, Public Laws of 1972 and require the local employer to pay the full cost of such premiums and Medicare charges. All funds are budgeted in the year they are incurred.

The Borough's contributions to the SHBP for the years ended December 31, 2010, 2009, and 2008, were \$573,280.86, \$524,193.93, and \$494,725.89, respectively, which equaled the required contributions for each year. There were approximately 37, 37, and 35 retired participants eligible at December 31, 2010, 2009, and 2008, respectively.

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

11. RISK MANAGEMENT

The Borough is a member of the Statewide Excess Liability Insurance for various insurance coverage excluding health benefits where they are part of the State of New Jersey Health Insurance Plan.

Interfund Receivables and Payables

The following are reflected as interfund receivables and payables on the various balance sheets:

Current	\$ 157.26	\$ 188,381.35
Federal and State Grant	185,464.84	-
Animal Control Fund	2,916.51	-
General Trust	-	3.23
General Capital	-	154.03
	<u>\$188,538.61</u>	<u>\$ 188,538.61</u>

Schedule of Comparative Tax Rates:

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>*\$1.833</u>	<u>\$12.821</u>	<u>\$12.083</u>	<u>\$11.43</u>	<u>\$10.41</u>
Apportionment of Tax Rate:					
Municipal	\$ .518	\$3.362	\$3.169	\$3.08	\$3.08
Local Open Space	.040	.040	0.04	0.04	0.04
County	.419	3.092	2.903	2.92	2.17
County Open Space	.017	.124	.117	0.08	0.06
Local School	.407	3.009	2.687	2.47	2.43
Regional School	.432	3.194	3.167	2.84	2.63

\* Revaluation

Schedule of Assessed Valuations:

<u>Year</u>	<u>Amount</u>
2010	\$1,817,466,392.00*
2009	237,410,798.00
2008	239,650,017.00
2007	259,897,546.00
2006	255,239,365.00

\* Revaluation

Schedule of Tax Levies and Collections:

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>% of Collections</u>
2010	\$33,331,237.84	\$32,982,072.71	98.95%
2009	30,497,733.33	30,192,616.92	99.00%
2008	29,014,279.74	28,827,406.68	99.36%
2007	29,785,456.72	29,591,540.70	99.35%
2006	26,758,878.47	26,590,896.45	99.37%

BOROUGH OF ROSELAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

Schedule of 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>% of Tax Levy</u>
2010	\$879.08	\$255,794.64	\$256,673.72	0.77%
2009	690.28	259,839.05	260,529.33	0.85%
2008	562.07	164,378.56	164,940.63	0.57%
2007	441.24	169,195.43	169,366.67	0.57%
2006	326.94	159,206.39	159,533.33	0.60%

Schedule of 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>
2010	\$250,000
2009	250,000
2008	250,000
2007	250,000
2006	250,000

Schedule of Water/Sewer Consumer Accounts Receivable:

The Borough combined their Water and Sewer Utility Funds into one combined fund for the calendar year 2010. The combined fund is used for the billing and collection of rents. The Borough's billings are done on a quarterly basis. The billings for and collections for the years ended December 31 is as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2010	\$3,064,573.88	\$3,053,119.97
2009	2,776,629.50	2,828,065.87
2008	2,416,543.41	2,515,047.89
2007	2,587,944.05	2,696,776.67
2006	2,337,297.56	2,294,788.89

**BOROUGH OF ROSELAND  
CURRENT FUND**

A-4

**SCHEDULE OF CASH**

	<u>Ref.</u>	<u>Current Fund</u>
Balance, December 31, 2009	A	\$ 3,371,163.00
Increased by Receipts:		
Interest and Costs on Taxes	A-2b	\$ 56,422.39
Nonbudget Revenue	A-2c	99,328.24
Transfer from Investments	A-5	2,380,000.00
Petty Cash	A-6	300.00
Due from State of New Jersey per Ch. 129, P.L. 1976	A-7	63,014.70
Taxes Receivable	A-8	32,808,878.07
Other Accounts Receivable	A-10	6,249.85
Revenue Accounts Receivable	A-11	2,050,325.36
Interfunds Receivable	A-12	295,199.19
Due to State of New Jersey	A-17	25,784.00
Tax Overpayments	A-19	42,817.40
Prepaid Taxes	A-22	75,706.52
		<u>37,904,025.72</u>
		41,275,188.72
Decreased by Disbursements:		
Budget Appropriations	A-3	11,106,578.22
Transfer to Investments	A-5	3,850,000.00
Petty Cash	A-6	300.00
2009 Appropriation Reserves	A-15	678,831.47
Interfunds Payable	A-12	918,315.45
Due to State of New Jersey	A-17	10,887.00
Reserve for Revaluation	A-16	48,168.00
Reserve for Tax Appeals	A-23	178,463.88
Accounts Payable	A-18	33,051.42
Tax Overpayments	A-19	36,977.53
County Taxes Payable	A-20	7,926,004.79
School Taxes Payable	A-21	15,242,209.61
		<u>40,029,787.37</u>
Balance, December 31, 2010	A	<u>\$ 1,245,401.35</u>

**BOROUGH OF ROSELAND  
CURRENT FUND  
SCHEDULE OF INVESTMENTS**

A-5

	<u>Ref.</u>		
Balance, December 31, 2009	A	\$	425,995.01
Increased by:			
Transfer from Checking Account	A-4	\$	3,850,000.00
Interest Earned	A-11		<u>2,924.31</u>
			3,852,924.31
			<u>4,278,919.32</u>
Decreased by:			
Transfer to Checking Account	A-4		<u>2,380,000.00</u>
Balance, December 31, 2010	A	\$	<u><u>1,898,919.32</u></u>

**PETTY CASH**

A-6

	<u>Ref.</u>		
Increased by:			
Fund Established	A-4	\$	300.00
Decreased by:			
Fund Returned	A-4		<u>300.00</u>
		\$	<u><u>-</u></u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**DUE FROM STATE OF NEW JERSEY  
PER CHAPTER 129, P.L. 1976**

**A-7**

	<u>Ref.</u>		
Balance, December 31, 2009	A		\$ 61.81
Increased by:			
Deductions per Tax Billings:			
Senior Citizens		9,750.00	
Veterans		<u>56,500.00</u>	
		66,250.00	
Deductions Allowed by Tax			
Collector:			
2010 Veterans		500.00	
2010 Senior Citizens		<u>1,000.00</u>	
		1,500.00	
	A-8		<u>67,750.00</u>
			67,811.81
Decreased by:			
Deductions Disallowed by Tax			
Collector:			
2009 Senior Citizens Deductions			
Disallowed	A-1	3,296.94	
2010 Collections	A-4	<u>63,014.70</u>	
			<u>66,311.64</u>
Balance, December 31, 2010	A		<u>\$ 1,500.17</u>

BOROUGH OF ROSELAND  
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 21 2009	2010 Levy	Added Taxes	Collected		Due From State of New Jersey	Overpayments Applied	Transferred to Tax Title Liens	Cancelled	Balance December 31, 2010	A-8
				2009	2010						
2009	\$ 259,839.05	\$ -	\$ 3,296.94		\$ 283,218.42	\$ -		\$ -	\$ 9,917.57	\$ -	
2010		33,331,237.84		181,098.34	32,731,187.18	67,750.00	2,037.19	188.80	93,181.69	255,794.64	
	\$ 259,839.05	\$ 33,331,237.84	\$ 3,296.94	\$ 181,098.34	\$ 32,984,405.60	\$ 67,750.00	\$ 2,037.19	\$ 188.80	\$ 103,099.26	\$ 255,794.64	
Reference	A	Below	Reserve	A-2a, 22	Below	A-2a, 7	A-2-a, 19	A-9	Reserve	A	

Cash Received A-4 \$ 32,808,878.07  
Reserve for Tax Appeals A-23 175,527.53  
\$ 32,984,405.60

Analysis of 2010 Property Tax Levy

	Ref.
Tax Yield:	
General Purpose Tax (Abstract)	\$ 33,314,159.81
Added Taxes	17,078.03
	<u>\$ 33,331,237.84</u>
Tax Levy:	
County Tax	Above
County Open Space	A-20 \$ 7,615,302.42
County Added Tax	A-20 295,829.20
	A-20 4,062.20
	<u>\$ 7,915,193.82</u>
Local School District Tax (Abstract)	
Regional High School District Tax (Abstract)	A-21 7,393,906.00
	A-21 7,848,303.61
	<u>15,242,209.61</u>
Local Tax for Municipal Purposes	
Local Taxes	A-2 9,417,215.28
Open Space Tax	A-2a, A-12 726,986.56
Additional Tax Levied	29,632.57
	<u>10,173,834.41</u>
	<u>\$ 33,331,237.84</u>
	Above



**BOROUGH OF ROSELAND  
CURRENT FUND**

**TAX TITLE LIENS**

A-9

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 690.28
Increased by:		
Transfers from Taxes Receivable	A-8	<u>188.80</u>
Balance, December 31, 2010	A	<u><u>\$ 879.08</u></u>

**OTHER ACCOUNTS RECEIVABLE**

A-10

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 6,249.85
Increased by:		
6% Interest Penalty on Delinquent Taxes	Reserve	<u>8,210.11</u>
		14,459.96
Decreased by:		
Cash Received	A-2b, A-4	<u>6,249.85</u>
Balance, December 31, 2010	A	<u><u>\$ 8,210.11</u></u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**REVENUE ACCOUNTS RECEIVABLE**

A-11

	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>	<u>Accrued</u>	<u>Realized</u>	<u>Balance Dec. 31, 2010</u>
<u>Budget Revenue</u>					
Clerk:					
Alcoholic Beverage License	A-2	\$ -	\$ 3,694.00	\$ 3,694.00	\$ -
Other Licenses	A-2b		100.00	100.00	
Other Fees and Permits	A-2b		509.68	509.68	
Health Officer:					
Health Licenses	A-2b		17,499.00	17,499.00	
Other Fees and Permits	A-2b		1,055.00	1,055.00	
Registrar:					
Other Fees and Permits	A-2b		5,950.00	5,950.00	
Collector-Treasurer:					
Tax Search	A-2b		680.00	680.00	
Other Fees and Permits	A-2b		120.00	120.00	
Administration Fees	A-2b		26,845.56	26,845.56	
Right of Way Fees	A-2b		1,100.00	1,100.00	
Public Works	A-2b		142.50	142.50	
Zoning Board	A-2b		9,374.80	9,374.80	
Recreation:					
Other Fees and Permits	A-2b		9,829.14	9,829.14	
Construction Code Official:					
Building Permits	A-2		387,932.00	387,932.00	
Other Fees and Permits	A-2b		29,750.00	29,750.00	
Fire Prevention Bureau	A-2b		26,785.00	26,785.00	
Municipal Court:					
Fines and Costs	A-2	13,281.51	243,841.77	240,465.06	16,658.22
State of New Jersey:					
Energy Receipts Tax	A-2		827,172.00	827,172.00	
Tax Relief Aid	A-2		10,162.78	10,162.78	
Cablevision Franchise Fee	A-2		41,354.28	41,354.28	
Interest on Investments	A-2		16,482.16	16,482.16	
Inter Local Agreement	A-2		7,500.00	7,500.00	
Cell Tower Lease	A-2		65,952.49	65,952.49	
Utility Operating Surplus	A-2		324,000.00	324,000.00	
Reserve for Tax Appeals	A-2		600,000.00	600,000.00	
		<u>\$ 13,281.51</u>	<u>\$ 2,657,832.16</u>	<u>\$ 2,654,455.45</u>	<u>\$ 16,658.22</u>

<u>Reference</u>	<u>A</u>	<u>Reserve</u>	<u>Below</u>	<u>A</u>
------------------	----------	----------------	--------------	----------

	<u>Ref.</u>	
Cash Collections		
Checking Account	A-4	\$ 2,050,325.36
Investments	A-5	2,924.31
Interfunds Receivable	A-12	1,205.78
Reserve for Tax Appeals	A-23	600,000.00
		<u>600,000.00</u>
Above		<u>\$ 2,654,455.45</u>

BOROUGH OF ROSELAND  
CURRENT FUND

INTERFUNDS RECEIVABLE  
(PAYABLE)

A-12

	<u>Ref.</u>	<u>Total</u>	<u>General Trust Fund</u>	<u>General Capital Fund</u>	<u>Federal and State Grant Fund</u>	<u>Animal Control Fund</u>	<u>Payroll Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2009	A	\$ (81,170.69)	\$ 9.67	\$ 127.38	\$ (81,307.74)	\$ -	\$ -	\$ -
Increased by:								
Cash Disbursement:								
Checking	A-4	918,315.45	1,000.00		183,947.92		6,380.97	726,986.56
Grant Revenue Cancelled	A-1	244.97			244.97			
Anticipated Revenue	A-11	1,205.78	313.37	889.18		3.23		
		<u>919,766.20</u>	<u>1,313.37</u>	<u>889.18</u>	<u>184,192.89</u>	<u>3.23</u>	<u>6,380.97</u>	<u>726,986.56</u>
Decreased by:								
Cash Receipts								
Checking	A-4	295,199.19	1,305.70	862.53	286,649.99		6,380.97	
Appropriations	A-3	2,933.85	2,933.85					
Open Space Tax	A-1,A-8	726,986.56			1,700.00			726,986.56
Grant Match	A-24	1,700.00						
		<u>1,026,819.60</u>	<u>4,239.55</u>	<u>862.53</u>	<u>288,349.99</u>	<u>-</u>	<u>6,380.97</u>	<u>726,986.56</u>
Balance, December 31, 2010								
From	A	\$ 157.26		\$ 154.03		\$ 3.23		
(To)	A	\$ (188,381.35)	\$ (2,916.51)		\$ (185,464.84)		\$ -	\$ -
Net Debit to Operations	<u>Ref.</u>							
Balance December 31, 2009	Above	\$ 137.05						
Balance December 31, 2010	Above	<u>157.26</u>						
Net Debit	A-1	<u>\$ (20.21)</u>						

BOROUGH OF ROSELAND  
CURRENT FUND

DEFERRED CHARGES  
EMERGENCY APPROPRIATION

A-13

Ref.

Increased by:  
Emergency Appropriation (40A:4-46)

A-3      \$ 98,022.74

Balance, December 31, 2010

A      \$ 98,022.74

DEFERRED CHARGES  
SPECIAL EMERGENCY APPROPRIATION

A-14

Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2009	Decrease	Balance Dec. 31, 2010
11/25/2008	Complete Revaluation of all Properties	\$ 233,000.00	\$ 46,600.00	\$ 186,400.00	\$ 46,600.00	\$ 139,800.00
Ref.				A	A-3	A

**BOROUGH OF ROSELAND  
CURRENT FUND**

**2009 APPROPRIATION RESERVES**

**A-15  
Sheet 1**

	<b>Balance Dec. 31, 2009</b>	<b>Balance After Transfer</b>	<b>Paid or Charged</b>	<b>Balance Lapsed</b>
<u>Salaries and Wages</u>				
Administrative and Executive	\$ 1,449.41	\$ 24.41	\$ 23.77	\$ 0.64
Mayor and Council	0.66	0.66		0.66
Office of Borough Clerk	3.31	3.31		3.31
Financial Administration	0.88	0.88		0.88
Collection of Taxes	0.03	0.03		0.03
Assessment of Taxes	0.25	0.25		0.25
Legal Services and Costs				-
Planning Board	0.76	0.76		0.76
Board of Adjustment	0.23	0.23		0.23
Affordable Housing				-
Construction Code Official	1.93	301.93	300.00	1.93
Police	50,052.44	59,002.44	58,992.46	9.98
Emergency Management				-
Fire				-
Fire Prevention Bureau	1,155.94	1,155.94	414.83	741.11
Municipal Prosecutor	0.61	0.61		0.61
Road Repairs and Maintenance	1,045.32	1,045.32		1,045.32
Storm Clearance	2,041.59	2,041.59	247.47	1,794.12
Shade Tree Commission	1,225.07	1,225.07	34.16	1,190.91
Building & Grounds	5,286.71	0.71		0.71
Vehicle Maintenance	1,169.28	1,169.28		1,169.28
Board of Health	0.89	0.89		0.89
Environmental Commission				-
Public Recreation Program	946.86	946.86	(209.19)	1,156.05
Municipal Court	466.71	466.71		466.71
Public Defender	0.11	0.11		0.11
<u>Other Expenses</u>				
Administrative and Executive	3,462.29	19,457.29	19,299.83	157.46
Office of Borough Clerk	3,584.28	3,584.28	2,292.60	1,291.68
Financial Administration	1,000.00	1,000.00	375.00	625.00
Audit Services	33,940.00	33,940.00	33,000.00	940.00
Computer Data Service	280.51	280.51		280.51
Collection of Taxes	591.73	591.73		591.73
Assessment of Taxes	5,798.85	5,798.85	3,548.50	2,250.35
Legal Services and Costs	410,368.88	410,368.88	222,624.39	187,744.49
Engineering Services and Costs	18,522.44	18,522.44	15,438.26	3,084.18
Historic Preservation Commission	1,137.73	1,137.73		1,137.73
Planning Board	13,247.84	13,247.84	4,493.58	8,754.26
Board of Adjustment	6,514.57	6,514.57	1,287.50	5,227.07
Affordable Housing	15,428.52	15,428.52	1,687.12	13,741.40
Construction Code	2,649.14	2,639.14	76.14	2,563.00
Insurance - General	0.45	0.45		0.45
Insurance - Employee Group Health	113,008.43	113,008.43	109,500.97	3,507.46
Unemployment Compensation	809.88	809.88		809.88
Police	44,333.36	36,133.36	28,369.75	7,763.61
Police Dispatch/911	1,426.47	1,426.47	1,350.00	76.47
Emergency Management Services	4,330.83	4,330.83	2,716.27	1,614.56
Fire	30,568.23	23,022.23	8,456.70	14,565.53
Fire Prevention Bureau	4,178.47	4,178.47	297.50	3,880.97
Prosecutor	336.10	336.10	144.90	191.20

**BOROUGH OF ROSELAND  
CURRENT FUND**

**2009 APPROPRIATION RESERVES**

A-15  
Sheet 2

	Balance Dec. 31, 2009	Balance After Transfer	Paid or Charged	Balance Lapsed
Road Repairs and Maintenance	\$ 6,450.32	\$ 6,450.32	\$ 2,590.58	\$ 3,859.74
Storm Clearance	789.15	789.15	552.00	237.15
Shade Tree Commission	22334.12	22334.12	20,958.84	1,375.28
Solid Waste Collection	211,248.44	211,248.44	106,492.51	104,755.93
Public Building and Grounds	35,972.56	33,194.56	17,236.11	15,958.45
Vehicle Maintenance	15,954.25	15,954.25	8,014.16	7,940.09
Condominium Service Act	44,000.00	44,000.00	28,659.79	15,340.21
Board of Health	636.35	636.35	15.13	621.22
Municipal Youth Guidance	1,050.37	1,050.37		1,050.37
Environmental Commission	874.00	874.00	200.00	674.00
Dog Regulation				-
Contribution to:				
Social Service Agencies	1,050.00	1,050.00		1,050.00
Public Recreation Program:				
Other Miscellaneous Expenses	10,781.32	10,781.32	10,368.60	412.72
Camp Wyanokie				-
Roseland Free Public Library	109,859.73	109,859.73	109,859.73	-
Beautification Committee	5,566.92	5,566.92	1,644.93	3,921.99
Citizen Notifications	3,000.60	3,000.60	847.05	2,153.55
Senior Citizens' Transportation				-
Senior Citizens' Advisory Committee	548.26	548.26		548.26
Reserve for Tax Appeals				-
Utilities:				
Fuel Oil				-
Gasoline	32,611.63	32,611.63	4,022.40	28,589.23
Electricity	50,604.86	50,604.86	25,755.50	24,849.36
Telephone and Telegraph	4,239.88	4,239.88	2,846.97	1,392.91
Heating	56,875.41	56,875.41	15,014.33	41,861.08
Street Lighting	61,812.78	61,812.78	39,434.39	22,378.39
Public Employees' Retirement System	275.96	275.96		275.96
Social Security	2,694.56	2,694.56		2,694.56
Interlocal Agreement: Tax Assessor	12,500.00	12,500.00	12,500.00	-
Interlocal Agreement Animal Control	4,867.00	4,867.00	4,867.00	-
Municipal Court	8,304.15	8,304.15	3,929.82	4,374.33
Public Defender	1,575.00	1,575.00		1,575.00
	<u>\$ 1,486,845.61</u>	<u>\$ 1,486,845.61</u>	<u>\$ 930,572.35</u>	<u>\$ 556,273.26</u>

Reference

A

Below

A-1

Ref

Cash Disbursements  
Transferred to Accounts Payable

A-4

\$ 678,831.47

A-18

251,740.88

Above

\$ 930,572.35

**BOROUGH OF ROSELAND  
CURRENT FUND**

**RESERVE FOR REVALUATION PROGRAM**

**A-16**

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 80,468.00
Decreased by:		
Cash Disbursements	A-4	<u>48,168.00</u>
Balance, December 31, 2010	A	<u><u>\$ 32,300.00</u></u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**DUE TO STATE OF NEW JERSEY**

A-17

	<u>Ref.</u>	<u>State Training Fees</u>	<u>Marriage Lic Fees</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2009	A	\$ 839.00	\$ 125.00	\$ 40,953.96
Increased by:				
Collections	A-4	25,334.00	450.00	
		<u>26,173.00</u>	<u>575.00</u>	<u>40,953.96</u>
Decreased by:				
Payments	A-4	10,362.00	525.00	
Balance, December 31, 2010	A	<u>\$ 15,811.00</u>	<u>\$ 50.00</u>	<u>\$ 40,953.96</u>

**ACCOUNTS PAYABLE**

A-18

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 145,751.81
Increased by:		
Transferred from Appropriation Reserves	A-15	251,740.88
		<u>397,492.69</u>
Decreased by:		
Cash Disbursements	A-4	33,051.42
Cancelled	A-1	<u>7,956.10</u>
		<u>41,007.52</u>
Balance, December 31, 2010	A	<u>\$ 356,485.17</u>



**BOROUGH OF ROSELAND  
CURRENT FUND**

**TAX OVERPAYMENTS**

**A-19**

	<u>Ref.</u>		
Balance, December 31, 2009	A	\$	12,843.06
Increased by:			
Collections	A-4		<u>42,817.40</u>
			55,660.46
Decreased by:			
Refunded	A-4	\$	36,977.53
Applied to Prepaid Taxes	A-22		2,990.93
Applied to Taxes Receivable	A-8		<u>2,037.19</u>
			<u>42,005.65</u>
Balance, December 31, 2010	A		<u><u>13,654.81</u></u>

**COUNTY TAXES PAYABLE**

**A-20**

	<u>Ref.</u>		
Balance, December 31, 2009	A	\$	14,873.17
Increased by:			
2010 Levy:			
General County	A-8	\$	7,615,302.42
Open Space Preservation	A-8		295,829.20
Added Assessments	A-8		<u>4,062.20</u>
	A-1,2a		<u>7,915,193.82</u>
			7,930,066.99
Decreased by:			
Payments	A-4		<u>7,926,004.79</u>
Balance, December 31, 2010	A	\$	<u><u>4,062.20</u></u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**SCHOOL TAXES PAYABLE**

A-21

	<u>Ref.</u>	<u>Total</u>	<u>Local School District</u>	<u>Regional High School District</u>
Increased by:				
2010 Levy	A-1,2a,8	\$ 15,242,209.61	\$ 7,393,906.00	\$ 7,848,303.61
Decreased by:				
Payments	A-4	<u>15,242,209.61</u>	<u>7,393,906.00</u>	<u>7,848,303.61</u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**PREPAID TAXES**

A-22

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 181,098.34
Increased by:		
Cash Collections	A-4	75,706.52
Overpayments	A-19	2,990.93
Reserve for Tax Appeals	A-23	199,873.37
		<u>278,570.82</u>
		459,669.16
Decreased by:		
Applied to Taxes Receivable	A-8	<u>181,098.34</u>
Balance, December 31, 2010	A	<u><u>\$ 278,570.82</u></u>

**RESERVE FOR TAX APPEALS**

A-23

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 1,178,773.88
Decreased by:		
Anticipated Revenue	A-11	\$ 600,000.00
Cash Disbursed	A-4	178,463.88
Current Year Taxes	A-8	175,527.53
Prepaid Taxes	A-22	<u>199,873.37</u>
		<u>1,153,864.78</u>
Balance, December 31, 2010	A	<u><u>\$ 24,909.10</u></u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**INTERFUNDS RECEIVABLE  
FEDERAL/STATE GRANT FUND**

**A-24**

	<u>Ref.</u>	<u>Current Fund</u>
Balance, December 31, 2009	A	\$ 81,307.74
Increased by:		
Cash Receipts in Current Fund:		
Grant Receivables	A-26	281,691.26
Grant Match	A-12	1,700.00
Unappropriated Reserves	A-28	4,958.73
		<u>288,349.99</u>
		369,657.73
Decreased by:		
Prior Year Reimbursement	A-25	196.97
Expenditures Paid in Current Fund	A-27	183,947.92
Grant Reserves Cancelled	A-27	48.00
		<u>184,192.89</u>
Balance, December 31, 2010	A	<u>\$ 185,464.84</u>

**DUE TO ESSEX COUNTY**

**A-25**

	<u>Ref.</u>		<u>Current Fund</u>
Balance, December 31, 2009	A		\$ 3,679.53
Decreased by:			
Prior Year Grant Disallowed in Error :			
Due to Current Fund	A-24	\$ 196.97	
Applied Against Grant Receivable	A-26	<u>1,015.14</u>	
			<u>1,212.11</u>
Balance, December 31, 2010	A		<u>\$ 2,467.42</u>

**BOROUGH OF ROSELAND  
CURRENT FUND**

**FEDERAL AND STATE GRANTS RECEIVABLE**

**A-26**

	<u>Balance Dec. 31, 2009</u>	<u>Anticipated Revenue</u>	<u>Realized</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2010</u>
Body Armor Replacement Fund	\$ -	\$ 1,183.70	\$ 1,183.70	\$ -	\$ -
Clean Communities Program		8,488.09	8,488.09		
Environmental Sustainable Jersey		1,000.00	1,000.00		
High Way Safety Program	6,000.00			6,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	5,325.89	5,900.00	4,473.22	2,775.70	3,976.97
Old Eagle Rock Ave DOT		96,700.00	52,010.25		44,689.75
Over the Limit Under Arrest	-	4,400.00	4,400.00		-
PSE&G Susquehanna	225,000.00	150,000.00	210,136.00		150,000.00
Recreation Open Space Grant		7,951.41	7,951.41		14,864.00
Recycling Tonnage Grant		7,000.00			7,000.00
Shade Tree Community Forestry					720.00
Shade Tree Grant	<u>720.00</u>	<u>\$ 282,623.20</u>	<u>\$ 289,642.67</u>	<u>\$ 8,775.70</u>	<u>\$ 221,250.72</u>
	<u>\$ 237,045.89</u>	<u>A</u>	<u>Below</u>	<u>Below</u>	<u>A</u>
	<u>Reference</u>	<u>Ref.</u>			
Due from Current Fund		A-24	\$ 281,691.26	\$	
Cancelled Against Reserves		A-27		7,760.56	
Due from Essex County		A-25		1,015.14	
Unappropriated Revenue Applied		A-28	7,951.41		
	Above		\$ 289,642.67	\$ 8,775.70	

**BOROUGH OF ROSELAND  
CURRENT FUND**

**RESERVE FOR GRANTS APPROPRIATED**

A-27

Grant Title	Balance December 31, 2009	2010 Budget	Expended	Adjustment	Balance December 31, 2010
Alcohol Education and Rehabilitation Aid	\$ 4,127.42		\$ 2,850.42		\$ 1,277.00
Body Armor Replacement Fund - 2008	771.06		771.06		-
Body Armor Replacement Fund - 2009	2,721.35		41.44		2,679.91
Body Armor Replacement Fund - 2010		1,183.70			1,183.70
Clean Communities Program:					-
2009	8,167.81		4,732.00		3,435.81
2010		8,488.09			8,488.09
Developer's Recreation Grant	2,300.75				2,300.75
Drunk Driving Enforcement Fund	563.58		491.48		72.10
Environmental Sustainable Jersey		1,000.00	75.00		925.00
High Way Safety Program	6,000.00			6,000.00	-
Municipal Alliance on Alcoholism and Drug Abuse - 2008	833.78			833.78	-
Municipal Alliance on Alcoholism and Drug Abuse - 2009	3,411.34		1,256.56	974.78	1,180.00
Municipal Alliance on Alcoholism and Drug Abuse - 2010		7,600.00	2,419.95		5,180.05
Old Eagle Rock Ave DOT		96,700.00			96,700.00
Over the Limit Under Arrest		4,400.00	4,400.00		-
PSE&G Susquehanna		150,000.00			150,000.00
Recreation Open Space	209,029.00		166,910.01		42,118.99
Recycling Tonnage Grant	10,465.89	7,951.41			18,417.30
Shade Tree	2,633.75				2,633.75
Shade Tree Community Stewardship		7,000.00			7,000.00
Storm Water Regulation Program	14,743.00				14,743.00
	<u>\$ 265,768.73</u>	<u>\$ 284,323.20</u>	<u>\$ 183,947.92</u>	<u>\$ 7,808.56</u>	<u>\$ 358,335.45</u>

Reference

A

A-3

A-24

Below

A

Ref.

Cancelled Against Receiveable  
Due to Current Fund

A-26

\$ 7,760.56

A-24

48.00

\$ 7,808.56

**BOROUGH OF ROSELAND  
CURRENT FUND**

**RESERVE FOR UNAPPROPRIATED RESERVES**

**A-28**

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 7,951.41
Increased by:		
Cash Receipts	A-24	4,958.73
		<u>12,910.14</u>
Decreased by:		
Realized Revenue	A-26	7,951.41
		<u>7,951.41</u>
Balance, December 31, 2010	A	<u><u>4,958.73</u></u>
<u>Analysis of Balance</u>		
DDEF Grant		\$ 2,251.01
Body Armor Grant		2,707.72
		<u><u>\$ 4,958.73</u></u>

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**CASH RECEIPTS AND DISBURSEMENTS**

B-1

	Ref.	Animal Control Fund	Affordable Housing Trust Fund	General Trust Fund
Balance, December 31, 2009	B	\$ 5,177.96	\$ 22,947.57	\$ 316,488.75
Increased by Receipts:				
Transferred from Money Market Account	B-3	\$ -		\$ 20,597.86
Interfunds	B-5	3.23		17.48
Due to State of New Jersey:				
Dog License Fees	B-6	460.80		-
2010 Dog License Fees	B-8	2,841.20		
2010 Cat License Fees	B-8	378.00		
Late Fees	B-8	230.00		
Recreation Fund Collections	B-9			103,793.00
Unemployment	B-7			14,070.00
Special Deposits	B-12		6,000.00	148,361.00
Coah Fees	B-13		115.74	
Coah Interest	B-13			
		<u>3,913.23</u>	<u>6,115.74</u>	<u>286,839.34</u>
		<u>9,091.19</u>	<u>29,063.31</u>	<u>603,328.09</u>
Decreased by Disbursements:				
Interfunds	B-5			2,933.85
Due to State of New Jersey:				
Dog License Fees	B-6	528.00		34,867.86
State Unemployment Insurance Fund	B-7			
Expenditures under N.J.S.A. 40A:4-39	B-8	1,073.00		98,271.71
Recreation Fund Expenditures	B-9			157,965.41
Special Deposits	B-12			
		<u>1,601.00</u>	<u>-</u>	<u>293,838.83</u>
Balance, December 31, 2010	B	\$ 7,490.19	\$ 29,063.31	\$ 309,489.26



**BOROUGH OF ROSELAND  
TRUST FUNDS**

B-2

**CASH RECEIPTS AND DISBURSEMENTS  
DEVELOPER'S ESCROW ACCOUNT**

	<u>Ref.</u>	<u>General Trust Fund</u>	
Balance, December 31, 2009	B		\$ 408,417.66
Increased by Receipts:			
Accrued Interest	B-5	\$ 108.64	
Reserve for Developer's Escrow	B-11	<u>54,626.30</u>	
			<u>54,734.94</u>
			463,152.60
Decreased by Disbursements:			
Due to Current Fund	B-5	305.70	
Reserve for Developer's Escrow	B-11	<u>74,758.42</u>	
			<u>75,064.12</u>
Balance, December 31, 2010	B		<u><u>\$ 388,088.48</u></u>

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**CASH RECEIPTS AND DISBURSEMENTS  
MONEY MARKET ACCOUNTS**

**B-3**

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance, December 31, 2009	B	\$ 114,368.23
Increased by Receipts:		
Interest Earned:		
Unemployment Insurance	B-7	\$ 789.64
Special Deposits	B-12	<u>52.33</u>
		841.97
		<u>115,210.20</u>
Decreased by:		
Transfer to Checking	B-1	<u>20,597.86</u>
Balance, December 31, 2010	B	<u><u>\$ 94,612.34</u></u>

**CASH RECEIPTS AND DISBURSEMENTS  
OPEN SPACE FUND**

**B-4**

	<u>Ref.</u>	
Balance, December 31, 2009	B	\$ 845,393.19
Increased by:		
Due from Current Fund	B-5	\$ 726,986.56
Interest Earned	B-10	<u>2,239.47</u>
		729,226.03
Balance, December 31, 2010	B	<u><u>\$ 1,574,619.22</u></u>

**BOROUGH OF ROSELAND  
TRUST FUNDS**

## INTERFUND ACCOUNTS

Ref.	General Trust Fund		Open Space Trust Fund Current Fund	Animal Control Fund Current Fund
	Total	Current Fund		
B	\$ (9.67)	\$ (9.67)	\$ -	\$ -
Balance, December 31, 2009: (Due To)				
Increased by:				
B-1	2,933.85	2,933.85		
B-2	305.70	305.70		
B-10	-		726,986.56	
	3,239.55	3,239.55	726,986.56	
	3,229.88	3,229.88	726,986.56	-
Decreased by:				
B-1	17.48	17.48		3.23
B-4	-		726,986.56	-
B-2	108.64	108.64		
B-11	187.25	187.25		
	313.37	313.37	726,986.56	3.23
B	\$ 2,916.51	\$ 2,916.51	\$ -	
Balance, December 31, 2010:				
From				
(To)				\$ (3.23)

**BOROUGH OF ROSELAND  
TRUST FUNDS**

B-6

**DUE TO STATE OF NEW JERSEY**

	<u>Ref.</u>	<u>Dog License Fees</u>
Balance, December 31, 2009	B	\$ 67.20
Increased by:		
Collections:		
2010 Dog License Fees	B-1	460.80
		<u>528.00</u>
Decreased by:		
Payments	B-1	528.00
		<u>\$ -</u>

**STATE UNEMPLOYMENT COMPENSATION INSURANCE FUND**

B-7

	<u>Ref.</u>		
Balance, December 31, 2009	B		\$ 93,735.06
Increased by:			
Interest on:			
Money Market Account	B-3	\$ 789.64	
Payroll Deductions	B-1	<u>14,070.00</u>	
			14,859.64
			<u>108,594.70</u>
Decreased by:			
Cash Disbursements	B-1		34,667.86
Balance, December 31, 2010	B		<u>\$ 73,926.84</u>

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**B-8**

**ACCOUNTS PAYABLE**

**RESERVE FOR ANIMAL CONTROL EXPENDITURES**

	<u>Ref.</u>		
Balance, December 31, 2009	B	\$	5,110.76
Increased by:			
Dog License Fees	B-1	\$	2,841.20
Cat License Fees	B-1		378.00
Late Fees	B-1		<u>230.00</u>
			<u>3,449.20</u>
			8,559.96
Decreased by:			
Expenditures Under N.J.S. 40A: 4-39	B-1		<u>1,073.00</u>
Balance, December 31, 2010	B	\$	<u><u>7,486.96</u></u>
<u>License Fees Collected</u>			
		<u>Year</u>	
		2010	\$ 3,219.20
		2009	<u>4,332.80</u>
			<u><u>\$ 7,552.00</u></u>

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**RESERVE FOR RECREATION EXPENDITURES**

**B-9**

	<u>Ref.</u>	
Balance, December 31, 2009	B	\$ 83,431.88
Increased by:		
Collections	B-1	103,793.00
		<u>187,224.88</u>
Decreased by:		
Payments	B-1	98,271.71
		<u>98,271.71</u>
Balance, December 31, 2010	B	<u>\$ 88,953.17</u>

**RESERVE FOR OPEN SPACE PROGRAM**

**B-10**

	<u>Ref.</u>	
Balance, December 31, 2009	B	\$ 845,393.19
Increased by:		
Interest Earned	B-4	\$ 2,239.47
2010 Tax Levy	B-5	726,986.56
		<u>729,226.03</u>
Balance, December 31, 2010	B	<u>\$ 1,574,619.22</u>

BOROUGH OF ROSELAND  
TRUST FUNDS

B-11

DEVELOPER'S ESCROW

<u>Account</u>	<u>Balance December 31, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Cancelled</u>	<u>Balance December 31, 2010</u>
Maintenance and Performance					
Bonds	\$ 283,710.57	\$ 1,663.92	\$ -	\$ 140.53	\$ 285,233.96
Inspection Fees	65,061.08	2,622.89	18,886.05		48,797.92
Site Plan Fees	58,935.84	24,366.34	38,356.12	46.72	44,899.34
Subdivision Fees	700.50	25,973.15	17,516.25		9,157.40
	<u>\$ 408,407.99</u>	<u>\$ 54,626.30</u>	<u>\$ 74,758.42</u>	<u>\$ 187.25</u>	<u>\$ 388,088.62</u>
<u>Reference</u>	<u>B</u>	<u>B-2</u>	<u>B-2</u>	<u>B-5</u>	<u>B</u>

**BOROUGH OF ROSELAND  
TRUST FUNDS**

**SPECIAL DEPOSITS**

	Balance December 31, 2009	Increase	Decrease	Balance December 31, 2010
Police Side Jobs	\$ 31,885.00	\$ 140,325.00	\$ 131,205.34	\$ 41,004.66
Premium Tax Sale		4,100.00		4,100.00
Youth Week/Municipal Youth Council	4,928.40	2,166.00	2,348.30	4,746.10
Celebration of Public Events	788.56			788.56
Emergency management	2,333.43			2,333.43
Police Donations	10,652.40	900.00	4,557.73	6,994.67
Bucco Settlements	30,500.00			30,500.00
Donations to Environmental Comm		200.00		200.00
Senior Advisory Board	718.75			718.75
Accumulated Absences	1,648.05			1,648.05
Parking Offense Adjudication Act	2,868.58	270.00		3,138.58
Public Defender	100.00	400.00		500.00
Snow Removal	117,489.52		15,954.04	101,535.48
Forfeited Property	2,400.00		2,400.00	-
Escrow Payment	782.18			782.18
9/11 Scholarship Fund	20,633.17	52.33	1,500.00	19,185.50
Tsunami Relief Fund	962.00			962.00
Sidewalk Contribution	25,000.00			25,000.00
	<u>\$ 253,690.04</u>	<u>\$ 148,413.33</u>	<u>\$ 157,965.41</u>	<u>\$ 244,137.96</u>

Reference

B

Below

B-1

B

Ref.

Checking Account - Regular

Account

B-1

\$ 148,361.00

Money Market Account

B-3

52.33

Above

\$ 148,413.33



**BOROUGH OF ROSELAND  
TRUST FUND**

**B-13**

**RESERVE FOR AFFORDABLE HOUSING EXPENDITURES**

	<u>Ref.</u>		
Balance, December 31, 2009	B		\$ 22,947.57
Increased by:			
COAH Developer Fee:			
Residential	B-1	\$ 6,000.00	
Interest	B-1	<u>115.74</u>	
			<u>6,115.74</u>
Balance, December 31, 2010	B		<u><u>29,063.31</u></u>

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**C-2**

**CASH RECEIPTS AND DISBURSEMENTS CHECKING ACCOUNT**

	<u>Ref.</u>		
Balance, December 31, 2009	C		\$ 373,336.52
Increased by Receipts:			
Interest Earned	C-5	\$ 140.23	
Due From State of New Jersey	C-6	273,057.83	
Bond Anticipation Notes	C-12	<u>670,000.00</u>	
	C-4		943,198.06
			<u>1,316,534.58</u>
Decreased by Disbursements:			
Due to Current Fund	C-5	862.53	
Improvement Authorizations	C-4,11	109,764.07	
Bond Anticipation Notes	C-4,12	<u>570,000.00</u>	
			<u>680,626.60</u>
Balance, December 31, 2010	C		<u><u>\$ 635,907.98</u></u>

**C-3**

**CASH RECEIPTS AND DISBURSEMENTS - INVESTMENTS**

	<u>Ref.</u>		
Balance, December 31, 2009	C		\$ 403,140.40
Increased by:			
Interest Earned	C-4,5		<u>748.95</u>
Balance, December 31, 2010	C		<u><u>\$ 403,889.35</u></u>

BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND

C-4

ANALYSIS OF CAPITAL CASH

	Balance Dec. 31, 2009	Receipts Other	Disbursements		Transfers		Balance Dec. 31, 2010
			Improvement Authorizations	Other	From	To	
General Improvement Authorizations							
Ordinance:							
15-89	\$ 43,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,500.00
12-03/5-04	(91,740.87)	224,000.00	1,058.88	124,000.00	-	-	7,200.25
14-04	149.24				149.24		-
15-04	92,497.28	446,000.00	66,081.89	446,000.00			26,415.39
19-04	11,114.16		11,114.16				-
14-06	24,967.46				24,967.46		-
21-06	124,994.34		21,333.84		27,745.64		103,660.50
2-07	32,445.64		4,700.00		22,703.86		-
3-07	22,703.86				17,385.10		-
10-08	17,385.10	273,057.83	5,342.28			1,905.98	(0.00)
4-09	(269,621.53)						9,600.00
12-09	9,600.00		133.02			63,000.00	62,866.98
13-10							-
Other Accounts							-
Due to Current Fund	127.38	889.18		862.53			154.03
Capital Improvement Fund	688,733.07				64,905.98	92,951.30	716,778.39
Reserve for Future Improvements	50,000.00						50,000.00
Reserve - Regional Contribution Agreement	-	-					25,500.00
Fund Balance	19,621.79	-					19,621.79
	<u>\$ 801,976.92</u>	<u>\$ 943,947.01</u>	<u>\$ 109,764.07</u>	<u>\$ 570,862.53</u>	<u>\$ 157,857.28</u>	<u>\$ 157,857.28</u>	<u>\$ 1,065,297.33</u>
Reference	C	C-2	C-2	C-2			C

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**C-5**

**DUE FROM (TO) CURRENT FUND**

	<u>Ref.</u>		
Balance, December 31, 2009 (Due To)	C		\$ (127.38)
Increased by:			
Cash Disbursed	C-2		<u>862.53</u>
			735.15
Decreased by:			
Cash Receipts:			
Interest on Investments	C-3	\$ 748.95	
Interest on Checking	C-2	<u>140.23</u>	
			<u>889.18</u>
Balance December 31, 2010 (Due To)	C		<u><u>\$ (154.03)</u></u>

**DUE FROM STATE OF NEW JERSEY TRANSPORTATION TRUST FUND**

**C-6**

	<u>Ref.</u>		
Balance, December 31, 2009	C		\$ 497,000.00
Decreased by:			
Collections	C-2	\$ 273,057.83	
Cancellations	C-11	<u>223,942.17</u>	
			<u>497,000.00</u>
			<u><u>\$ -</u></u>

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

**C-7**

	<u>Ref.</u>	
Balance, December 31, 2009	C	\$ 3,735,000.00
Decreased by:		
2010 Current Fund Appropriation:		
Payment of Bond Principal	C-13	<u>1,245,000.00</u>
Balance, December 31, 2010	C	<u>\$ 2,490,000.00</u>

**DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

**C-8**

Balance, December 31, 2009	C	<u>\$ 3,314,000.00</u>
Balance, December 31, 2010	C	<u>\$ 3,314,000.00</u>

**Analysis of Balance:**

<u>Ordinance Number</u>	<u>Description</u>	<u>Unexpended</u>
15-04	Street Scape	\$ 670,000.00
12-03, 5-04	Imp Municipal Bldg	<u>2,644,000.00</u>
		<u>\$ 3,314,000.00</u>

**CAPITAL IMPROVEMENT FUND**

**C-9**

	<u>Ref.</u>	
Balance, December 31, 2009	C	\$ 688,733.07
Increased by:		
Improvement Authorizations Cancelled	C-11	<u>92,951.30</u>
		781,684.37
Decreased by:		
Appropriation to Finance Improvement		
Authorizations	C-11	<u>64,905.98</u>
Balance, December 31, 2010	C	<u>\$ 716,778.39</u>

BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND

C-10

RESERVE FOR FUTURE IMPROVEMENTS

	<u>Ref.</u>	
Balance, December 31, 2009	C	<u>\$ 50,000.00</u>
Balance, December 31, 2010	C	<u>\$ 50,000.00</u>
<u>Analysis Of Balance</u>		
Fire Pumper		<u>\$ 50,000.00</u>

BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND

C-11

IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Balance Dec. 31, 2009		2010 Authorizations	Expended	Cancelled	Balance Dec. 31, 2010	
		Funded	Unfunded				Funded	Unfunded
15-89	General Improvements							
12-03, 5-04	Regional Contribution Agreement - City of Newark	\$ 43,500.00	\$ 2,428,259.13	\$ -	\$ 1,058.88	\$ -	\$ 43,500.00	\$ 2,427,200.25
14-04	Improvements - Municipal Building	149.24				149.24	-	-
15-04	Recreation Projects		316,497.28				-	250,415.39
19-04	Streetscape	11,114.16					-	-
14-06	Improvements to 300 Eagle Rock Avenue	24,967.46				24,967.46	-	-
21-06/11-08	Sidewalk Repair	124,994.34					103,660.50	-
2-07	Improvements to Holmehill Roads	32,445.64					-	-
3-07	Cell Tower	22,703.86				27,745.64	-	-
8-Oct	Exterior Renovations 140 Eagle Rock Avenue	17,385.10				22,703.86	-	-
4-09/4-10	2008 Dump Truck	227,378.47		1,905.98		17,385.10	-	-
12-09	Pitcairn Drive	9,600.00				223,942.17	-	-
13-10	Fire Alarm System						9,600.00	-
	Public Works Vehicles & Equipment						62,866.98	-
		\$ 514,238.27	\$ 2,744,756.41	\$ 63,000.00	\$ 133.02	\$ 316,893.47	\$ 219,627.48	\$ 2,677,615.64
		C	C	C-9	C-2	Below	C	C
	Grant Receivable		Ref					
	Capital Improvement Fund		C-6			\$ 223,942.17		
			C-9			92,951.30		
			Above			\$ 316,893.47		

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**BOND ANTICIPATION NOTES**

**C-12**

<u>Ordinance Number</u>	<u>Improvement Authorization</u>	<u>Original Issue</u>	<u>Issue</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec 31, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
12-03, 5-04	Improvement Municipal Building	8/22/08	8/19/10	8/19/11	0.97%	\$ 124,000.00	\$ 124,000.00	\$ 124,000.00	\$ 124,000.00
15-04	Street Scape	8/22/08	8/19/10	8/19/11	0.97%	446,000.00	446,000.00	446,000.00	446,000.00
12-03, 5-04	Improvement Municipal Building	8/19/10	8/19/10	8/19/11	0.97%		100,000.00		100,000.00
						<u>\$ 570,000.00</u>	<u>\$ 670,000.00</u>	<u>\$ 570,000.00</u>	<u>\$ 670,000.00</u>
						C	C-2	C-2	C



BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND

C-13

GENERAL SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Bonds Redeemed</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Outstanding Dec. 31 2010 Amount</u>				
General Improvement	3/15/1997	\$ 3,670,000.00	3-15-11	\$ 300,000.00	5.20%	\$ 895,000.00	\$ 300,000.00	\$ 595,000.00
			3-15-12	295,000.00	5.20			
Refunding Tax Appeals	8/15/2005	\$ 6,620,000.00	8-15-11	945,000.00	3.375	2,840,000.00	945,000.00	1,895,000.00
			8-15-12	950,000.00	3.375			
						<u>\$ 3,735,000.00</u>	<u>\$ 1,245,000.00</u>	<u>\$ 2,490,000.00</u>
			<u>Reference</u>			<u>C</u>	<u>C-7</u>	<u>C</u>

**BOROUGH OF ROSELAND  
GENERAL CAPITAL FUND**

**Statement of Bonds and Notes Authorized But Not Issued**

**C-14**

<u>Ordinance No.</u>	<u>Improvement Description</u>	Balance <u>Dec. 31, 2009</u>	<u>Decrease</u>	Balance <u>Dec. 31, 2010</u>
12-03, 5-04	Improvement Municipal Building	\$2,520,000.00	\$ 100,000.00	\$2,420,000.00
15-04	Street Scape	<u>\$ 224,000.00</u>	<u>                    </u>	<u>224,000.00</u>
		<u>\$ 2,744,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 2,644,000.00</u>
		<u>C</u>		<u>C</u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**STATEMENT OF EXPENDITURES**

D-4

	<u>Appropriation</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
<u>Operating</u>					
Salaries and Wages	\$ 450,103.00	\$ 450,103.00	\$ 428,890.42	\$ -	\$ 21,212.58
Other Expenses	840,717.00	1,115,717.00	739,863.53	363,692.86	12,160.61
Roseland's Share of Joint Service User's Fees:					
Share of Joint User Fees - Caldwell	1,066,000.00	791,000.00	711,402.00	-	79,598.00
	<u>2,356,820.00</u>	<u>2,356,820.00</u>	<u>1,880,155.95</u>	<u>363,692.86</u>	<u>112,971.19</u>
<u>Debt Service:</u>					
Payment of Bond Anticipation Notes and Capital Notes	309,715.00	309,715.00	309,715.00		
Interest on Notes	20,000.00	20,000.00	20,000.00		
	<u>329,715.00</u>	<u>329,715.00</u>	<u>329,715.00</u>	<u>-</u>	<u>-</u>
<u>Statutory Expenditures</u>					
Contribution to:					
Social Security System (OASI)	34,435.00	34,435.00	32,868.12	-	1,566.88
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	500.00	500.00	191.22	-	308.78
	<u>34,935.00</u>	<u>34,935.00</u>	<u>33,059.34</u>	<u>-</u>	<u>1,875.66</u>
	<u>\$ 2,721,470.00</u>	<u>\$ 2,721,470.00</u>	<u>\$ 2,242,930.29</u>	<u>\$ 363,692.86</u>	<u>\$ 114,846.85</u>

Below

D

D

<u>Reference</u>	<u>Ref</u>		
Adopted Budget	D-3	\$ 2,721,470.00	\$ -
Cash Disbursed	D-5	-	2,222,930.29
Accrued Interest on Notes	D-14	-	20,000.00
	D-1	<u>\$ 2,721,470.00</u>	<u>\$ 2,242,930.29</u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

D-5

**STATEMENT OF WATER UTILITY CASH**

Ref.	Operating Fund	Capital Fund
Balance, December 31, 2009	\$ 182,063.05	\$ 312,877.00
Increased by Receipts:		
Premium on Bond Anticipation Notes		
Interest Earned	\$ 1,639.02	\$ 4,224.80
Miscellaneous Revenue	29,944.96	219.31
Investment Fund Withdrawals	340,079.66	
Water/Sewer Rents Receivable	3,045,563.82	
Water/Sewer Prepaid Rents	499.24	
Water/Sewer Overpayments	7,662.77	
Due From Payroll	1,193.62	
Due from Water/Sewer Capital	219.31	
Bond Anticipation Notes Issued		1,295,951.00
	<u>3,426,802.40</u>	<u>1,300,395.11</u>
	3,608,865.45	1,613,272.11
Decreased by Disbursements:		
Budget Appropriations	2,222,930.29	
Investment Fund	600,000.00	
Due to Water Capital Fund		
2009 Appropriation Reserves	144,102.61	
Accounts Payable	2,514.00	
Accrued Interest on Notes	14,823.11	
Water/Sewer Overpayment	54.84	
Due to Current Fund	324,000.00	
Due to Payroll	1,193.62	
Improvement Authorizations		667.48
Bond Anticipation Notes Redeemed		1,041,569.00
Due to Water Operating Fund		219.31
	<u>3,309,618.47</u>	<u>1,042,455.79</u>
Balance, December 31, 2010	\$ 299,246.98	\$ 570,816.32

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**CASH RECEIPTS AND DISBURSEMENTS  
INVESTMENTS**

**D-6**

	<u>Ref.</u>		
Balance, December 31, 2009	D		\$ 319,561.85
Increased by:			
Interest Earned	D-3	\$ 722.95	
Transfers from Checking	D-5	<u>600,000.00</u>	
			<u>600,722.95</u>
			920,284.80
Decreased by:			
Transfers to Checking Account	D-5		<u>340,079.66</u>
Balance, December 31, 2010	D		<u><u>\$ 580,205.14</u></u>

BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

ANALYSIS OF WATER/SEWER CAPITAL CASH

D-7

	Balance Dec. 31, 2009	Receipts	Disbursements	Transfers		Balance Dec. 31, 2010
				From	To	
<u>Improvement Authorizations</u>						
Ordinance Number:						
9-97/8-98/8-99/13-08	\$ (790.21)	\$ 254,382.00	\$ 667.48	\$	\$	\$ 252,924.31
07-00	12,960.00			12,960.00		-
09-04	86,070.30			86,070.30		-
<u>Other Accounts</u>						
Fund Balance	46,929.11	4,224.80			99,030.30	150,184.21
Interfunds:						
Water/Sewer Utility Operating Fund	-	219.31	219.31			-
Capital Improvement Fund	167,707.80					167,707.80
Renewed-Bond Anticipation Note						
	<u>\$ 312,877.00</u>	<u>\$ 1,300,395.11</u>	<u>\$ 1,041,569.00</u>	<u>\$ 99,030.30</u>	<u>\$ 99,030.30</u>	<u>\$ 570,816.32</u>
Reference	D	D-5	D-5	Contra	Contra	D

BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

WATER/SEWER RENTS RECEIVABLE

D-8

	<u>Ref.</u>		
Balance, December 31, 2009	D		\$ 32,454.54
Increased by:			
Water/Sewer Rents Levied - Net	Reserve		3,064,573.88
			<u>3,097,028.42</u>
Decreased by:			
Collections	D-5	\$ 3,045,563.82	
Prepayments Applied	D-15	1,140.16	
Overpayment Applied	D-16	6,415.99	
	D-3		<u>3,053,119.97</u>
Balance, December 31, 2010	D		<u><u>\$ 43,908.45</u></u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**INVENTORY**

**D-9**

	<u>Ref.</u>	<u>Operating Fund</u>
Balance, December 31, 2009	D	\$ 70,148.65
Balance, December 31, 2010	D	<u>\$ 70,148.65</u>

**Fixed Capital**

**D-10**

	<u>Ref.</u>	
Balance, December 31, 2009	D	<u>\$ 8,982,967.13</u>
Balance, December 31, 2010	D	<u>\$ 8,982,967.13</u>



BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

D-11

Improvement Description	Number	Ordinance		Dec. 31, 2009	2010 Authorization	Decrease	Balance Dec. 31, 2010
		Date	Amount				
Inflow and Infiltration Study - Sections 1, 2 and 3 and the making of Any Improvements Indicated by Such Study to be Necessary or Desirable	9-97/8-98/ 8-99/13-08/6-10	2/11/1997	\$ 1,020,960.00	\$ 205,479.15	\$ 70,000.00	\$	\$ 275,479.15
Radio Water Meter System	07-00	7/15/2000	133,000.00	12,960.00		12,960.00	-
Replacement of Water Mains	09-04	6/22/2004	2,000,000.00	86,070.30		86,070.30	-
				<u>\$ 304,509.45</u>	<u>\$ 70,000.00</u>	<u>\$ 99,030.30</u>	<u>\$ 275,479.15</u>
		Reference		<u>D</u>	<u>D-20</u>	<u>D-20</u>	<u>D</u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**2009 APPROPRIATION RESERVES**

D-12

	<u>Encumbered</u> <u>December 31, 2009</u>	<u>Reserved</u> <u>December 31, 2009</u>	<u>Charged</u>	<u>Lapsed</u>
<u>Operating</u>				
Salaries and Wages	\$	\$ 1,318.12	\$	\$ 1,318.12
Other Expenses	163,871.63	116.75	144,102.61	19,885.77
User's Fee Operations		4,038.79		4,038.79
<u>Statutory Expenditures</u>				
Contribution to:				
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)		315.80	-	315.80
	<u>\$ 163,871.63</u>	<u>\$ 5,789.46</u>	<u>\$ 144,102.61</u>	<u>\$ 25,558.48</u>
<u>Reference</u>	<u>D</u>	<u>D</u>	<u>D-5</u>	<u>D-1</u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**ACCOUNTS PAYABLE**

	<u>Ref.</u>	<b>D-13</b>
Balance, December 31, 2009	D	\$ 2,514.00
Decreased by:		
Cash Disbursed	D-5	<u>2,514.00</u>
Balance, December 31, 2010		<u><u>\$ -</u></u>

**ACCRUED INTEREST ON NOTES**

	<u>Ref.</u>	<b>D-14</b>
Balance, December 31, 2009	D	\$ 2,524.87
Increased by:		
Budget Appropriation	D-4	<u>20,000.00</u>
		22,524.87
Decreased by:		
Payments	D-5	<u>14,823.11</u>
Balance, December 31, 2010	D	<u><u>\$ 7,701.76</u></u>

**Analysis of Balance**

<u>Notes Outstanding December 31, 2010</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$1,295,951	1.25%	10/28/2010	12/31/2010	65 Days	\$ 2,884.83
					<u><u>\$ 2,884.83</u></u>

**Note:** The excess in accrued interest on notes was used to reduce 2011 budget appropriation.

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**PREPAYMENT OF WATER/SEWER RENT**

**D-15**

	<u>Ref.</u>	
Balance, December 31, 2009	D	\$ 1,140.16
Increased by:		
Cash Receipts	D-5	499.24
		<u>1,639.40</u>
Decreased by:		
Prepayments Applied	D-8	1,140.16
		<u>1,140.16</u>
Balance, December 31, 2010	D	<u><u>\$ 499.24</u></u>

**WATER/SEWER OVERPAYMENTS**

**D-16**

	<u>Ref.</u>		
Balance, December 31, 2009	D		\$ 1,242.11
Increased by:			
Cash Receipts	D-5		7,662.77
			<u>8,904.88</u>
Decreased by:			
Cash Disbursed	D-5	\$ 54.84	
Overpayment Applied	D-8	<u>6,415.99</u>	
			<u>6,470.83</u>
Balance, December 31, 2010	D		<u><u>\$ 2,434.05</u></u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**RESERVE FOR AMORTIZATION**

D-17

	<u>Ref.</u>	
Balance, December 31, 2009	D	\$ 7,422,375.32
Increased by:		
Transfer from Deferred Reserve for Amortization	D-18	13,929.70
		<u>7,436,305.02</u>
Decreased by:		
Cancel ordinance previously funded by Notes # 07-00	D-2	12,960.00
Balance, December 31, 2010	D	<u>\$ 7,423,345.02</u>

**DEFERRED RESERVE FOR AMORTIZATION**

D-18

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date</u>	<u>Balance Dec. 31, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
Inflow and Infiltration Study - Sections 1,2 and 3	9-97/8-98/ 8-99/13-08	2/11/1997	\$ 207,548.00	\$ 108,549.00	\$ -	\$ 316,097.00
Replacement of Water Mains	09-04	6/22/2004	100,000.00	201,166.00	100,000.00	201,166.00
			<u>\$ 307,548.00</u>	<u>\$ 309,715.00</u>	<u>\$ 100,000.00</u>	<u>\$ 517,263.00</u>
	<u>Reference</u>		D	<u>D-21</u>	<u>Below</u>	<u>D</u>
				<u>Ref.</u>		
Fund Balance				D-2	\$ 86,070.30	
Transferred to Reserve for Amortization				D-17	13,929.70	
					<u>\$ 100,000.00</u>	

**BOROUG OF ROSELAND  
WATER/SEWER UTILITY**

**CAPITAL IMPROVEMENT FUND**

**D-19**

	<u>Ref.</u>	
Balance, December 31, 2009	D	<u>\$ 167,707.80</u>
Balance, December 31, 2010	D	<u><u>\$ 167,707.80</u></u>

BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS

D-20

Improvement Description	Ordinance Number	Date	Amount	Balance December 31, 2009		2010 Authorizations	Expended	Cancelled	Balance December 31, 2010	
				Funded	Unfunded				Funded	Unfunded
Inflow and Infiltration Study - Sections 1,2 and 3 Improvements to Sewer System	9-97/8-98/ 8-99/13-08/6-10	2/11/1997	\$ 1,020,960.00	\$ 62,977.28	\$ 142,501.87	\$ 70,000.00	\$ 667.48	\$ -	\$ 62,309.80	\$ 212,501.87
Radio Water Meter System	07-00	7/15/2000	133,000.00	-	12,960.00	-	-	12,960.00	-	-
Replacement of Water Mains	09-04	6/22/2004	2,000,000.00	-	86,070.30	-	-	86,070.30	-	-
<u>Reference</u>				<u>\$ 62,977.28</u>	<u>\$ 241,532.17</u>	<u>\$ 70,000.00</u>	<u>\$ 667.48</u>	<u>\$ 99,030.30</u>	<u>\$ 62,309.80</u>	<u>\$ 212,501.87</u>
				<u>D</u>	<u>D</u>	<u>D-11</u>	<u>D-5</u>	<u>D-11</u>	<u>D</u>	<u>D</u>

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**BOND ANTICIPATION NOTES**

**D-21**

Improvement Description	Ordinance Number	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2009	Notes Issued	Notes Paid	Balance Dec. 31, 2010
Inflow and Infiltration Study - Sections 1,2 and 3 and Radio Water Meter System	9-97/8-98/ 8-99/ 13-08	11/12/2003	10/28/2011	1.25%	\$ 317,370.00	\$ 208,911.00	\$ 317,370.00	\$ 208,911.00
Replacement of Water Mains	09-04	5/24/2005	10/28/2011	1.25%	218,056.00	145,371.00	218,056.00	145,371.00
Replacement of Water Mains	09-04	12/22/2005	10/28/2011	1.25%	642,858.00	514,287.00	642,858.00	514,287.00
Inflow and Infiltration Study - Sections 1,2 and 3 and Radio Water Meter System	9-97/8-98/ 8-99/ 13-08	10/30/2009	10/28/2011	1.25%	173,000.00	173,000.00	173,000.00	173,000.00
Inflow and Infiltration Study - Sections 1,2 and 3 and Radio Water Meter System	9-97/8-98/ 8-99/ 13-08/6-10	10/28/2010	10/28/2011	1.25%	254,382.00	254,382.00		254,382.00
					<u>\$ 1,351,284.00</u>	<u>\$ 1,295,951.00</u>	<u>\$ 1,351,284.00</u>	<u>\$ 1,295,951.00</u>
			<u>Reference</u>		<u>D</u>	<u>D-5</u>	<u>Below</u>	<u>D</u>
			<u>Renewals</u>			<u>Ref.</u>		
			Paid by Budget Appropriation			D-5 D-18	\$ 1,041,569.00 309,715.00	
			Above				<u>\$ 1,351,284.00</u>	



BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

D-22

Improvement Description	Ordinance Number	Date	Debt Authorized	Balance Dec. 31, 2009	Increase	Decrease	Balance Dec. 31, 2010
Inflow and Infiltration Study - Sections 1,2 and 3	9-97/8-98	2/11/1997	\$ 969,912.00	\$ 206,269.36	\$ 70,000.00	\$ 254,382.00	\$ 21,887.36
	8-99/1-07		Reference	D			D
	13-08/6-10						

**BOROUGH OF ROSELAND  
WATER/SEWER UTILITY**

**DUE TO/(FROM) WATER/SEWER UTILITY OPERATING FUND**

D-23

	<u>Ref.</u>	<u>Payroll</u>
Increased by:		
Cash Receipts	D-5	\$ 1,193.62
Decreased by:		
Cash Disbursements	D-5	<u>1,193.62</u>
		<u>\$ -</u>

D-24

**DUE TO/(FROM) CURRENT FUND**

	<u>Ref.</u>	<u>Operating Fund</u>
Increased by:		
Anticipated as Revenue in Current Fund	D-1	\$ 324,000.00
Decreased by:		
Cash Disbursements:		
Checking	D-5	<u>324,000.00</u>
		<u>\$ -</u>

BOROUGH OF ROSELAND  
WATER/SEWER UTILITY

DUE TO/(FROM) WATER/SEWER CAPITAL

D-25

	<u>Ref.</u>	<u>Operating Fund</u>
Increased by:		
Cash Receipt	D-3, 5	\$     219.31
Decreased by:		
Cash Disbursements:		
Checking	D-5	<u>219.31</u>
		<u><u>\$           -</u></u>

BOROUGH OF ROSELAND  
PAYROLL FUND

E-1

CASH RECEIPTS AND DISBURSEMENTS

	<u>Ref.</u>		
Balance December 31, 2009	E		\$ 15,588.44
Increased by:			
Employer Contributions	E-2	\$ 238,127.75	
Gross Payroll	E-2	<u>5,510,729.40</u>	
			<u>5,748,857.15</u>
			5,764,445.59
Decreased by:			
Payroll Deductions Payable	E-2	<u>5,749,722.37</u>	
			<u>5,749,722.37</u>
Balance December 31, 2010	E		<u>\$ 14,723.22</u>

BOROUGH OF ROSELAND  
PAYROLL FUND

E-2

ANALYSIS OF PAYROLL DEDUCTIONS

	Balance Dec. 31, 2009	Gross Payroll	Other Receipts	Disbursements	Adjustments	Balance Dec. 31, 2010
Net Salaries and Wages	\$ -	\$ 3,682,594.75	\$ -	\$ 3,682,594.75	\$ -	\$ -
Deductions:						
Federal Income Tax		729,580.31		729,580.31		-
New Jersey State Income Tax		189,448.75		189,448.75		-
Social Security		153,777.06	153,776.53	307,554.12	0.53	(0.00)
Medicare		72,479.20	72,479.20	144,958.40		-
State Unemployment Insurance	1,666.20	23,563.61	2,225.51	27,053.29		402.03
DCRP		3,639.29	1,985.59	5,623.88		1.00
Employee Health cont.		10,159.13		10,159.13		-
Garnishment		4,389.84		4,389.84		-
Teamsters Dues		4,482.00		4,482.00		-
PBA Dues		2,770.00		2,770.00		-
FOP # 184		7,050.00		7,050.00		-
FOP/PBA		1,780.00		1,780.00		-
PERS Pension	(73.54)	119,059.67	79.14	118,268.46	(196.94)	599.87
PERS Back Pen	942.57	275.49		1,153.01	36.83	101.88
PERS Loans	426.68	39,242.17		39,291.29	(328.25)	49.31
PERS Arrears	(123.74)	1,606.82		1,607.15	124.07	(0.00)
PERS Insurance	(137.43)	10,964.92	7.19	10,806.96	125.67	153.39
PERS Back DED						-
P&F Pension	(77.90)	227,726.22		227,436.33	20.83	232.82
P&F Loans	23.37				(23.37)	-
P&F Back Pen	0.76	95,061.80		95,061.80		0.76
P&F Supp Annuity	0.38					0.38
P&F Arrears		3,067.93		3,067.87		0.06
Shortage	8.10				(8.10)	-
MISC	12,932.99				248.73	13,181.72
Sub-Total	15,588.44	1,828,134.65	230,553.16	2,059,553.03	-	14,723.22
Due To/From Current						
Due To/From dog Fund						
Total	\$ 15,588.44	\$ 1,828,134.65	\$ 238,127.75	\$ 2,067,127.62	\$ -	\$ 14,723.22
Miscellaneous						
Ref.	E	E-1	E-1	E-1		E, Below
Analysis of Balance						
Payroll Deductions Payable	Ref. E					\$ 1,541.50
Accounts Payable	E					13,181.72
						\$ 14,723.22

BOROUGH OF ROSELAND

---

PART II

YEAR ENDED DECEMBER 31, 2010

**REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL  
REPORTING 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 Roseland  
Roseland New Jersey

We have audited the financial statements of the Borough of Roseland (the "Borough") as of December 31, 2010 and have issued our report thereon dated May 17, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

As described in Note 1, the financial statements were prepared in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Compliance

As part of obtaining reasonable assurance about whether the Borough's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect in the determination of the financial statement accounts. 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 that are required to be reported under *Government Auditing Standards*.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Borough's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of the internal control components does not reduce to a relatively low level the risk those misstatements in amounts that would be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the governing body and management, and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. However, this report is a matter of public record and its distribution is not limited.

---

McEnerney, Brady & Company, LLC  
Certified Public Accountants

---

Francis M. McEnerney  
Registered Municipal Accountant #539

Livingston, New Jersey  
May 17, 2010



BOROUGH OF ROSELAND  
GENERAL COMMENTS  
YEAR ENDED DECEMBER 31, 2010

Scope of Audit

The audit of the financial statements of the Borough of Roseland, County of Essex, New Jersey, as required by the Division of Local Government Services, covered the financial transactions of the Treasurer, Tax Collector, and the activities of the Township and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. These details were necessarily covered by the internal review and control before approval of such claims by the governing body.

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

N.J.S.A. 40A:11-4, as amended, states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials, or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to (N.J.S.A. 40A:11-3c), except by contract or agreement."

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 bidding threshold for the period January ,1 2010 until June, 30 2010. under audit is \$21,000.00 in accordance with the provisions of N.J.S.A. 40A:11-3a.

The bidding threshold for the period July ,1 2010 until December, 31 2010. under audit is \$26,000.00 in accordance with the provisions of N.J.S.A. 40A:11-3a.

Notwithstanding N.J.S.A. 40A: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 the 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.

Bonded Officials

The following officials were bonded during the year ended December 31, 2010 through policies issued by the New Jersey Intergovernmental Insurance Fund:

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Maureen Chumacas	Chief Financial Officer.	\$1,000,000
Maureen Chumacas	Tax Collector	1,000,000
William T. Connell	Municipal Court Judge	1,000,000

BOROUGH OF ROSELAND  
GENERAL COMMENTS  
YEAR ENDED DECEMBER 31, 2010

All employees, other than the Tax Collector and Municipal Court personnel were covered by a Public Employee Dishonesty Blanket Bond in the amount of \$250,000 issued by the New Jersey Intergovernmental Insurance Fund.

Collection of Interest on Delinquent Taxes and Assessments

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

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

"Not to exceed 8% per annum on the first \$1,500 of the delinquency and 18% on any amount in excess of \$1,500."

"The Township Council by resolution instructed the Tax Collector to permit a ten (10) day grace period in the collection of taxes before a charge of interest is made."

"Be it further resolved that an additional 6% penalty be charged for delinquencies in excess of \$10,000 remaining unpaid at the end of the calendar year in accordance with the amended provisions of N.J.S.A. 54:4-67."

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2010 consist of unpaid taxes for the year 2010. It is quite evident, that a determined effort has been made to enforce the payment of delinquent taxes.

BOROUGH OF ROSELAND

---

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

BOROUGH OF ROSELAND  
COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2010

PAYROLL:

The following exceptions were noted during our review of the payroll.

Findings:

1. Two Library employees' salaries were not part of the salary guide.

Recommendation:

The salary guide be updated to include all job descriptions.