

*Report of Audit*

*on the*

*Financial Statements*

*of the*

*Borough of Roselle*

*in the*

*County of Union  
New Jersey*

*for the*

*Year Ended  
December 31, 2012*



BOROUGH OF ROSELLE

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BOROUGH OF ROSELLE

INDEPENDENT AUDITOR'S REPORT ON  
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FINANCIAL STATEMENTS – REGULATORY BASIS

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2012 AND  
TRANSITION YEAR ENDED DECEMBER 31, 2011



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

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

### ***Report on the Financial Statements***

We have audited the accompanying balance sheets - regulatory basis of the various individual funds of the Borough of Roselle, as of December 31, 2012 and 2011, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of U.S. Office of Management and Budget (OMB) Circular 133, "Audits of States, Local Governments and Non-Profit Organizations." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

## **SUPLEE, CLOONEY & COMPANY**

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

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

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

As described in Note 1 of the regulatory financial statements, except for the omission of a Statement of General Fixed Assets, the regulatory financial statements are prepared by the Borough of Roselle on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds of the Borough of Roselle as of December 31, 2012 and 2011, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2012.

### ***Basis for Qualified Opinion on Regulatory Basis of Accounting***

A Statement of General Fixed Assets was omitted from the Borough's regulatory financial statements because the amounts to be reported in the statements are not presently known.

### ***Opinion on Regulatory Basis of Accounting***

In our opinion, except for the effects of such adjustments, if any, that might have been necessary had a Statement of General Fixed Assets been audited, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2012, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2012 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

# SUPLEE, CLOONEY & COMPANY

## *Other Matters*

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Roselle's regulatory financial statements. The supplementary information and data and the schedule of expenditures of federal awards and state financial assistance as listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information and data and the schedule of expenditures of state financial assistance as listed in the table of contents, and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2013 on our consideration of the Borough of Roselle's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Roselle's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

December 30, 2013

CURRENT FUND

BOROUGH OF ROSELLE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

			BALANCE DECEMBER 31, 2012	TRANSITION YEAR BALANCE DECEMBER 31, 2011
	REF.			
<u>ASSETS</u>				
Cash	A-4	\$	3,300,741.62	\$ 3,895,220.27
Change Fund	A-5		400.00	400.00
Investment	A-29		2,434,000.00	2,434,000.00
Due From State of New Jersey-Senior Citizens and Veterans Deductions	A-13		156,609.54	105,258.74
		\$	<u>5,891,751.16</u>	<u>\$ 6,434,879.01</u>
Receivable and Other Assets With Full Reserves:				
Delinquent Property Taxes Receivable	A-8	\$	3,190,243.54	\$ 3,811,911.68
Tax Title Liens Receivable	A-9		169,679.08	59,705.00
Property Acquired For Taxes-Assessed Valuation	A-10		2,027,232.00	2,027,232.00
Revenue Accounts Receivable	A-11		24,570.40	22,196.21
Interfunds Receivable	A-16		7,864.06	7,864.06
Prepaid School Taxes	A-23		468,776.00	468,776.00
Roselle Public Library Receivable	A-15		126,361.13	113,475.91
	A	\$	<u>6,014,726.21</u>	<u>\$ 6,511,160.86</u>
Deferred Charges:				
Overexpenditure of Appropriations	A-25	\$	883,424.39	720,347.99
Overexpenditure of Appropriation Reserves	A-25		366,310.95	222,850.36
Expenditure without an Appropriation	A-25		108,194.25	204,942.25
Special Emergency 40A:4-46	A-25		2,045.00	
Special Emergency Hurricane Sandy	A-25		565,000.00	
Special Emergency 40A:4-53	A-25		425,000.00	425,000.00
		\$	<u>2,349,974.59</u>	<u>1,573,140.60</u>
Grant Fund:				
Cash	A-4	\$	266,621.81	\$ 185,070.14
Due Current Fund	A-19		650,254.90	1,386,898.68
Federal and State Grants Receivable	A-7		2,208,587.96	1,357,997.43
			<u>3,125,464.67</u>	<u>2,929,966.25</u>
		\$	<u>17,381,916.63</u>	<u>\$ 17,449,146.72</u>

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

BOROUGH OF ROSELLE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

			BALANCE DECEMBER 31, 2012	TRANSITION YEAR BALANCE DECEMBER 31, 2011
	REF.			
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>				
Liabilities:				
Appropriation Reserves	A-3:A-17	\$	1,202,677.89	\$ 1,386,959.35
Encumbrances Payable	A-24		924,535.66	958,128.55
Prepaid Taxes	A-21		112,848.03	74,663.97
Tax Overpayments	A-6		416,265.53	251,198.12
Interfunds Payable	A-16		1,685,078.04	2,014,473.57
Unidentified Deposits	A-12		155,474.64	121,022.84
County Taxes Payable	A-22		7,930.46	
Emergency Note Payable	A-30		565,000.00	
Reserve for Library			44,000.00	
Due State of New Jersey	A-27		250,000.00	250,000.00
Reserve for Tax Map and Revision and Recodification of Ordinances	A-31		307,437.57	425,000.00
Due State of New Jersey - DCA Fees	A-28		2,148.00	2,148.00
		\$	<u>5,673,395.87</u>	\$ <u>5,483,594.40</u>
Reserve for Receivables and Other Assets	A		6,014,726.21	6,511,160.86
Fund Balance	A-1		<u>2,568,329.88</u>	<u>2,524,425.21</u>
		\$	<u>14,256,451.96</u>	\$ <u>14,519,180.47</u>
Grant Fund:				
Due Trust Other Fund	A-20	\$	440,000.00	\$ 440,000.00
Due General Capital Fund	A-32		127,129.00	
Encumbrances Payable	A-26		504,623.84	67,859.12
Federal and State Grants Appropriated	A-14		1,585,485.08	1,269,953.55
Federal and State Grants Unappropriated	A-18		468,226.75	1,152,153.58
		\$	<u>3,125,464.67</u>	\$ <u>2,929,966.25</u>
		\$	<u>17,381,916.63</u>	\$ <u>17,449,146.72</u>

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

## BOROUGH OF ROSELLE

## CURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE  
IN FUND BALANCE - REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2012	TRANSITION YEAR ENDED DECEMBER 31, 2011
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 1,516,783.00	
Miscellaneous Revenue Anticipated	A-2	6,545,945.90	2,999,316.72
Receipts From Delinquent Taxes	A-2	2,833,551.17	824,471.37
Receipts From Current Taxes	A-2	56,413,076.06	27,805,040.42
Non-Budget Revenue	A-2	121,544.30	419,748.27
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-17	863,677.97	1,196,425.08
Canceled Unidentified Receipts	A-12	121,022.84	
<u>TOTAL INCOME</u>		\$ <u>68,415,601.24</u>	\$ <u>33,245,001.86</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Appropriations Within "CAPS":			
Operations:			
Deferred Charges and Statutory Expenditures	A-3	\$ 25,510,158.57	\$ 14,140,343.12
Excluded From "CAPS"	A-3	3,276,085.83	390,000.00
Other Operations	A-3	6,105,267.00	1,939,160.86
Capital Improvement Fund	A-3	25,000.00	50,000.00
Municipal Debt Service	A-3	1,897,444.92	136,413.57
Deferred Charges	A-3	260,000.00	260,000.00
County Taxes	A-22	6,792,304.24	3,665,071.16
Due County for Added and Omitted Taxes	A-22	7,930.46	
Local District School Tax	A-23	23,438,800.00	11,719,400.00
Expenditure without Appropriation			204,942.25
Overexpenditure of Appropriation Reserves	A-25	164,552.59	201,758.56
Refund Prior Year Revenue	A-4	259,158.73	157,976.94
Interfunds Advanced			336.56
Prepaid School Tax			468,776.00
Library Advanced		12,885.22	55,712.57
<u>TOTAL EXPENDITURES</u>		\$ <u>67,749,587.56</u>	\$ <u>33,389,891.39</u>
Excess (Deficit) Revenue		\$ 666,013.68	\$ (144,889.53)
Adjustments to Income Before Surplus:			
Expenditures Included above which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-25	894,673.99	1,010,774.59
Statutory Excess to Fund Balance		\$ 1,560,687.67	\$ 865,885.06
<u>Fund Balance</u>			
Balance, January 1/July 1	A	2,524,425.21	1,658,540.15
		\$ 4,085,112.88	\$ 2,524,425.21
Decreased by:			
Utilized As Anticipated Revenue		1,516,783.00	
Balance, December 31	A	\$ <u>2,568,329.88</u>	\$ <u>2,524,425.21</u>

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	REF.	ANTICIPATED BUDGET	SPECIAL N.J.S. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	\$ 1,516,783.00		\$ 1,516,783.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverage	A-11	\$ 15,700.00		\$ 15,588.71	\$ (130.29)
Other	A-11	9,854.00		15,795.60	5,941.60
Fees and Permits	A-2	369,365.00		202,713.32	(166,651.68)
Fines and Costs:					
Municipal Court	A-11	357,353.00		353,521.39	(3,831.61)
Interest and Costs on Taxes	A-11	371,357.00		500,107.87	128,750.87
Parking Meters	A-11	11,687.00		15,132.70	3,445.70
Interest on Investments and Deposits	A-11	24,315.00		6,002.92	(18,312.08)
Suburban Cable Franchise Tax		103,433.00		197,790.59	94,357.59
Consolidated Municipal Property Tax Relief Act	A-11	582,852.00		582,852.00	
Energy Receipts Tax	A-11	1,859,129.00		1,913,189.00	54,040.00
Uniform Construction Code Fees	A-11	192,750.00		153,202.37	(39,547.63)
Recreation Fees	A-11	62,000.00		70,829.50	8,829.50
Body Armor Grant	A-7	4,915.00	5,753.00	10,668.00	
Recycling Tonnage Grant	A-7	38,648.00		36,848.00	
Municipal Alliance	A-7	16,498.00		16,498.00	
Clean Communities	A-7	53,448.00		53,448.00	
Alcohol Education Rehabilitation Fund	A-7	971.00		971.00	
Drunk Driving Enforcement Fund	A-7	11,908.00		11,908.00	
UEZ Roselle First	A-7	200,000.00		200,000.00	
UEZ Administration	A-7	65,000.00	27,358.00	92,358.00	
UEZ Façade Improvement Program	A-7	200,000.00		200,000.00	
UEZ Façade Improvement Grant	A-7	100,000.00		100,000.00	
WIA Youth Work Program	A-7	80,000.00	144,000.00	224,000.00	
DEP Wastewater Management	A-7	15,000.00		15,000.00	
NJ DOT Central Business District	A-7	500,000.00		500,000.00	
NJ DOT Pedestrian Walkway	A-7	233,965.00		233,965.00	
Safe and Secure Communities	A-7	60,000.00		60,000.00	
Secure Our Schools	A-7	95,055.00		95,055.00	
NJ Highway Safety Grant	A-7	4,000.00		4,000.00	
Summer Food	A-7	36,069.00		36,069.00	
Union County Recycling Enhancement Grant	A-7	7,500.00		7,500.00	
Over the Limit Under Arrest	A-7	5,624.00		5,624.00	
Click It or Ticket	A-7	4,000.00		4,000.00	
Drive Sober or Get Pulled Over	A-7	4,400.00		4,400.00	
Federal Bulletproof Vest Program	A-7		3,997.00	3,997.00	
WIA	A-7		93,546.00	93,546.00	
Library Pension Contribution	A-11	33,854.00		33,853.87	(0.13)
Uniform Fire Safety Act	A-11	23,133.00		24,906.70	1,773.70
Ambulance Revenue	A-11	180,000.00		314,854.35	154,854.35
P.I.L.O.T.	A-11	173,634.00		135,889.01	(37,744.99)
	A-1	\$ 6,085,397.00	\$ 274,654.00	\$ 6,645,945.90	\$ 185,894.80
Receipts From Delinquent Taxes	A-2:A-8	\$ 2,078,140.00		\$ 2,833,551.17	\$ 757,411.17
Property Tax for Support of Municipal Budget					
Local Tax for Municipal Purposes	A-2:A-8	28,277,704.00		28,060,700.36	(217,003.64)
Minimum Library Tax	A-2:A-8	\$ 497,604.00		\$ 497,604.00	
		28,775,308.00		28,558,304.36	(217,003.64)
<u>Budget Totals</u>		\$ 38,453,628.00	\$ 274,654.00	\$ 39,454,584.43	\$ 726,302.43
Non-Budget Revenue	A-1:A-2			121,544.30	121,544.30
		\$ 38,453,628.00	\$ 274,654.00	\$ 39,576,128.73	\$ 1,122,500.73
REF.	A-3		A-3		

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Collection on a Cash Basis	A-1:A-8	\$ 56,413,076.06
Allocated To:		
School and County Taxes		<u>30,239,034.70</u>
Support of Municipal Budget Appropriations		\$ 26,174,041.36
Add: Appropriation for Reserve for Uncollected Taxes	A-3	<u>2,384,263.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 28,558,304.36</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Miscellaneous		\$ 1,135.80
Senior Citizen and Veterans Administrative Fee		2,260.00
Reimbursement of Costs		<u>118,158.50</u>
	A-2:A-4	<u>\$ 121,544.30</u>

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVEREXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>GENERAL GOVERNMENT</b>						
General Administration:						
Salaries and Wages	\$ 200,000.00	\$ 207,700.00	\$ 207,282.40	\$ 417.60	\$	
Other Expenses	135,000.00	146,000.00	144,930.00	1,070.00		
Municipal Clerk:						
Salaries and Wages	189,700.00	196,200.00	195,792.27	407.73		
Other Expenses	150,000.00	125,300.00	113,706.95	11,593.05		
Mayor and Council:						
Salaries and Wages	68,200.00	66,200.00	65,203.66	996.44		
Other Expenses	50,000.00	56,000.00	65,854.81	45.39		
Human Resources:						
Other Expenses	100,000.00	100,000.00	93,651.48	6,448.52		
Financial Administration(Treasury):						
Salaries and Wages	232,600.00	228,400.00	228,326.05	73.95		
Other Expenses	40,000.00	44,200.00	40,364.16	3,835.85		
Annual Audit	76,000.00	76,000.00	29,160.00	46,850.00		
Tax Assessment Administration:						
Salaries and Wages	161,200.00	168,645.00	167,878.70	766.30		
Other Expenses	75,000.00	75,000.00	72,034.35	2,965.65		
Revenue Administration:						
Salaries and Wages	56,000.00	62,000.00	61,636.27	363.73		
Other Expenses	22,000.00	16,000.00	2,490.63	13,509.37		
Legal Services (Legal Department)						
Salaries and Wages	150,000.00	150,000.00	140,000.00	10,000.00		
Other Expenses	280,000.00	345,000.00	325,619.21	19,380.79		
Municipal Prosecutor:						
Salaries and Wages	24,000.00	26,555.00	26,103.91	451.09		
Other Expenses	1,000.00	1,000.00	550.00	450.00		
Engineering Services:						
Other Expenses	215,000.00	215,000.00	202,495.84	12,504.16		
Public Buildings and Grounds:						
Salaries and Wages	26,000.00	265,160.00	290,345.00			25,195.00
Other Expenses	220,500.00	160,500.00	149,822.31	10,677.69		
Municipal Land Use Law (N.J.S.44:55D-1):						
Planning Board:						
Salaries and Wages	17,000.00	22,100.00	22,100.00			
Other Expenses	5,000.00	5,000.00	3,684.00	1,316.00		
Board of Adjustment:						
Salaries and Wages	20,000.00	20,000.00	16,137.80	4,862.20		
Other Expenses	15,000.00	9,900.00	4,673.17	6,226.83		
Redevelopment Agency:						
Other Expenses	50,000.00	43,500.00	31,298.75	12,201.25		
Shade Tree Commission:						
Salaries and Wages	6,500.00	9,200.00	8,526.50	674.50		
Other Expenses	100,000.00	34,300.00	27,317.00	6,983.00		
<b>PUBLIC SAFETY</b>						
Fire Department:						
Salaries and Wages	3,139,000.00	3,202,000.00	3,190,805.73	11,094.27		
Other Expenses	147,170.00	147,170.00	122,836.16	24,333.84		
Police Department:						
Salaries and Wages	6,668,000.00	6,636,200.00	6,478,094.53	68,105.47		
Other Expenses	260,900.00	260,000.00	180,843.24	69,056.76		
Traffic Control-School Crossing Guards:						
Salaries and Wages	305,500.00	305,500.00	286,103.34	19,396.66		
Other Expenses	7,635.00	7,635.00	1,137.50	6,497.50		
Emergency Management Services:						
Salaries and Wages	7,600.00					
Other Expenses	70,000.00	70,000.00	64,106.38	15,893.62		
Streets and Roads:						
Salaries and Wages	1,350,000.00	1,365,000.00	1,330,999.61	34,000.39		
Other Expenses	132,020.00	117,020.00	106,833.34	10,186.66		
Union County S.L.A.P. Program:						
Other Expenses	45,660.00	45,660.00	45,659.18	0.82		
Maintenance of Vehicles:						
Other Expenses	113,670.00	113,670.00	112,379.21	1,290.79		
Recycling:						
Other Expenses	223,000.00	143,000.00	122,735.80	20,264.20		
Solid Waste Collection:						
Other Expenses	1,850,000.00	1,550,000.00	1,291,146.63	258,853.37		
Snow Removal:						
Salaries and Wages	30,000.00	30,000.00		30,000.00		
Other Expenses:	25,000.00	25,000.00	21,262.81	3,737.19		

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVEREXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>HEALTH AND WELFARE</b>						
Board of Health:						
Salaries and Wages	\$ 240,500.00	\$ 240,500.00	\$ 233,543.77	\$ 6,956.23	\$	
Other Expenses	95,000.00	109,500.00	80,198.00	29,302.00		
<b>RECREATION AND EDUCATION</b>						
Community Services (Communities Center)						
Salaries and Wages	30,000.00	30,000.00	26,360.16	4,639.84		
Other Expenses	5,405.00	5,405.00	2,811.15	2,593.85		
Recreation (Parks and Playground):						
Salaries and Wages	120,000.00	120,000.00	214,058.57			94,058.57
Other Expenses	125,000.00	125,000.00	116,657.84	8,342.16		
Municipal Court:						
Salaries and Wages	240,000.00	251,270.00	251,253.69	16.31		
Other Expenses	30,600.00	30,600.00	28,234.19	2,365.81		
Public Employees' Occupational Safety Health Act:						
Other Expenses	10,000.00	10,000.00	5,000.00	5,000.00		
Public Defender:						
Salaries and Wages	22,000.00	22,000.00	12,119.80	9,880.20		
Other Expenses	2,000.00	2,000.00	500.00	1,500.00		
UNIFORM CONSTRUCTION CODE- APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)						
Construction Code Official:						
Salaries and Wages	215,000.00	215,000.00	215,000.00			
Other Expenses	21,680.00	21,680.00	10,245.95	11,434.05		
Insurance:						
Group Insurance Plan for Employees	4,930,080.00	5,070,775.00	5,070,770.10	4.60		
Health Benefit Waiver	140,895.00	141,160.00	141,160.00			
Workers' Compensation (Insurance Trust Fund)	320,000.00	320,000.00	284,575.00	25,425.00		
Other Insurance Premiums	685,000.00	685,000.00	660,167.60	24,812.50		
<b>UNCLASSIFIED (Utility Expenses and BuX Purchases)</b>						
Gasoline	207,000.00	247,000.00	232,738.11	14,263.89		
Electricity	130,000.00	140,000.00	139,758.05	241.95		
Natural Gas	60,000.00	60,000.00	19,849.62	40,150.38		
Telephone and Telegraph	175,000.00	175,000.00	162,585.95	22,434.05		
Street Lighting	270,000.00	280,000.00	196,572.31	83,427.69		
Fire Hydrant Service	276,000.00	220,500.00	196,241.25	24,258.75		
Heating Oil	6,000.00	6,000.00		6,000.00		
Water	10,000.00	50,000.00	13,356.69	36,643.31		
Accumulated Leave Compensation	20,000.00	20,000.00	20,000.00			
Salary and Wage Adjustment	30,000.00	30,000.00		30,000.00		
Municipal Services Act	5,000.00	5,000.00	5,000.00			
Contingent	5,000.00	6,000.00		5,000.00		
<b>TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"</b>	<b>25,493,795.00</b>	<b>26,390,895.00</b>	<b>24,398,803.32</b>	<b>1,111,355.25</b>		<b>119,263.57</b>
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL</b>						
Statutory Expenditures:						
Contribution To:						
Social Security System (O.A.S.I.)	480,000.00	563,400.00	534,938.73	28,461.27		
Police & Firemen's Retirement System of N.J.	2,002,848.00	2,002,848.00	2,002,847.34	0.66		
Public Employees Retirement System of N.J.	408,646.00	408,646.00	408,646.00			
Public Employees Retirement System of N.J. - Library	33,854.00	33,854.00	33,854.00			
State Unemployment Insurance	45,000.00	45,000.00	88,812.83			43,812.83
Prior Year Bills:						
Ardleigh Park	36,000.00	36,000.00	36,000.00			
Deferred Charges:						
Expenditure without Appropriation	96,748.00	96,748.00	96,748.00			
Overexpenditure of Appropriation Reserves	21,092.00	21,092.00	21,092.00			
Deficit in Escrow Deposits	24,685.00	24,685.00	24,685.00			
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES- MUNICIPAL WITHIN "CAPS"</b>	<b>3,148,673.00</b>	<b>3,232,273.00</b>	<b>3,247,823.90</b>	<b>28,461.93</b>		<b>43,812.83</b>
<b>TOTAL GENERAL APPROPRIATIONS WITHIN "CAPS"</b>	<b>\$ 28,642,668.00</b>	<b>\$ 28,623,168.00</b>	<b>\$ 27,646,427.22</b>	<b>\$ 1,139,817.18</b>		<b>\$ 153,075.40</b>

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

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVEREXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>						
Maintenance of Free Public Library	\$ 497,604.00	\$ 497,604.00	\$ 497,604.00	\$	\$	\$
Sewerage Disposal-Linden/Roselle Sewerage Authority	2,641,364.00	2,641,364.00	2,641,364.00			
Police Dispatcher/911:						
Salaries and Wages	300,000.00	319,500.00	319,422.60	77.50		
Other Expenses	6,475.00	6,476.00	372.70	6,102.30		
Hurricane Sandy		665,000.00	664,996.76	3.24		
Hurricane Sandy(Emergency)		2,045.00	2,027.33	17.67		
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>						
Animal Control Contract - City of Linden	34,500.00	34,600.00	2,640.00	31,660.00		
<b>STATE AND FEDERAL PROGRAMS OFF-SET BY REVENUES</b>						
WIA Youth Works Program	80,000.00	224,000.00	224,000.00			
Municipal Alliance - County (NJSA 40A:4-87 \$16,498.00)	16,498.00	16,498.00	16,498.00			
Municipal Alliance - Local (NJSA 40A:4-87 \$4,125.00)	4,124.00	4,124.00	4,124.00			
Alcohol Education and Rehabilitation Fund	971.00	971.00	971.00			
N.JDOT Central Business Midtown Grant	600,000.00	600,000.00	600,000.00			
N.JDOT SRTS Pedestrian Walkway Grant	233,965.00	233,965.00	233,965.00			
UEZ-Roselle First	200,000.00	200,000.00	200,000.00			
UEZ-Administration	65,000.00	92,358.00	92,358.00			
UEZ-Façade Improvement Program	200,000.00	200,000.00	200,000.00			
UEZ-Façade Improvement Grant	100,000.00	100,000.00	100,000.00			
Safe and Secure Communities	60,000.00	60,000.00	60,000.00			
Secure Our Schools	95,055.00	95,055.00	95,055.00			
Federal Vest Program Grant DE		3,997.00	3,997.00			
National Emergency WIA Grant		93,546.00	93,546.00			
NJ Division of Highway Safety Grant	4,000.00	4,000.00	4,000.00			
Matching Funds for Grants	26,000.00	26,000.00		25,000.00		
DEP Wastewater Management	15,000.00	15,000.00	15,000.00			
Over The Limit Under Arrest	5,624.00	5,624.00	5,624.00			
Reserve For Drunk Driving Enforcement Fund	11,908.00	11,908.00	11,908.00			
Reserve For Clean Communities	53,448.00	53,448.00	53,448.00			
Union County Recycling Enhancement	7,500.00	7,500.00	7,500.00			
Reserve For Recycling Tonnage Grant	36,648.00	36,648.00	36,648.00			
Click It or Ticket	4,000.00	4,000.00	4,000.00			
Summer Food Program	36,069.00	36,069.00	36,069.00			
Drive Sober or Get Pulled Over	4,400.00	4,400.00	4,400.00			
Body Armor Replacement Fund	4,916.00	10,668.00	10,668.00			
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>5,244,068.00</b>	<b>6,105,267.00</b>	<b>6,042,406.29</b>	<b>62,660.71</b>		
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
<b>TOTAL CAPITAL IMPROVEMENT EXCLUDED FROM "CAPS"</b>	<b>25,000.00</b>	<b>25,000.00</b>	<b>25,000.00</b>			
<b>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</b>						
Payment of Bond Principal	1,292,000.00	1,292,000.00	1,292,000.00			
Payment of Bond Anticipation Notes	192,246.00	192,246.00	192,246.00			
Interest on Bonds	160,173.00	160,173.00	159,989.78		183.22	
Interest on Notes	82,117.00	82,117.00	82,117.00			
Green Trust Loan Program:						
Loan Repayment for Principal and Interest	13,572.00	13,572.00	13,571.64		0.36	
NJEIT Loan	3,611.00	3,611.00	3,610.60		0.60	
U.C. Improvement Authority Lease	153,910.00	153,910.00	153,910.00			
<b>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</b>	<b>1,897,629.00</b>	<b>1,897,629.00</b>	<b>1,897,444.92</b>		<b>184.08</b>	
<b>DEFERRED CHARGES:</b>						
Deferred Charge to Future Taxation Unfunded: Ordinance # 2313	260,000.00	260,000.00	260,000.00			
<b>TOTAL DEFERRED CHARGES</b>	<b>260,000.00</b>	<b>260,000.00</b>	<b>260,000.00</b>			

BOROUGH OF ROSELLE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVEREXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>7,426,697.00</u>	<u>8,287,896.00</u>	<u>8,224,851.21</u>	<u>62,860.71</u>	<u>184.08</u>	
SUB-TOTAL GENERAL APPROPRIATIONS	36,069,365.00	36,911,064.00	35,871,278.43	1,202,677.89	184.08	163,076.40
RESERVE FOR UNCOLLECTED TAXES	<u>2,384,263.00</u>	<u>2,384,263.00</u>	<u>2,384,263.00</u>			
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 38,453,628.00</b>	<b>\$ 39,295,327.00</b>	<b>\$ 38,255,641.43</b>	<b>\$ 1,202,677.89</b>	<b>\$ 184.08</b>	<b>\$ 163,076.40</b>
	REF.	A-2	A-1	AA-1		A-25
Budget	A-3	\$ 38,453,628.00				
Appropriation by 40A: 4-46	A-25	2,045.00				
Appropriation by 40A: 4-47	A-25	565,000.00				
Appropriation by 40A: 4-87	A-2	<u>274,654.00</u>				
		<u>\$ 39,295,327.00</u>				
Reserve for Grants	A-14		\$ 2,013,778.00			
Deferred Charges	A-25		117,840.00			
Reserve for Uncollected Taxes	A-2		2,384,263.00			
Encumbrances Payable	A-24		834,160.15			
Cash Disbursements	A-4		<u>33,615,051.01</u>			
			\$ 38,865,093.16			
Less: Refunded	A-4		<u>609,551.73</u>			
			<u>\$ 38,255,541.43</u>			

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

TRUST FUND

## BOROUGH OF ROSELLE

## TRUST FUND

## BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2012	TRANSITION YEAR BALANCE DECEMBER 31, 2011
<u>ASSETS</u>			
Animal Control Fund:			
Cash	B-1	\$ 14,407.46	\$ 12,477.26
Due Trust Other Fund	Contra	65.00	65.00
		<u>14,472.46</u>	<u>12,542.26</u>
Other Trust Funds:			
Cash	B-1	\$ 1,612,126.96	\$ 824,576.20
Deficit in State Unemployment Insurance	B-8		37,721.29
Due County of Union	B-10	30,045.10	49,527.10
Due Current Fund	B-14	640,402.55	473,563.99
Due Federal and State Grants Fund	B-17	440,000.00	440,000.00
		<u>\$ 2,722,574.61</u>	<u>\$ 1,825,388.58</u>
		<u>\$ 2,737,047.07</u>	<u>\$ 1,837,930.84</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due Current Fund	B-3	\$ 7,864.06	\$ 7,864.06
Due State of New Jersey	B-4		196.60
Reserve for Expenditures	B-5	6,608.40	4,481.60
		<u>\$ 14,472.46</u>	<u>\$ 12,542.26</u>
Other Trust Funds:			
Public Defender	B-6	\$ 16,245.83	\$ 14,580.83
Due Animal Control Trust Fund	Contra	65.00	65.00
Tax Sale Redemptions and Premiums	B-2	1,292,517.90	909,727.33
State Unemployment Insurance	B-8	12,278.71	
Payroll Deductions Payable	B-9	622,401.68	
Community Development Block Grants	B-11	30,045.00	49,527.00
Special Law Enforcement	B-12	76,068.73	58,568.65
Miscellaneous Reserves	B-13	203,360.28	327,048.77
Due General Capital Fund	B-15	426,188.00	426,188.00
Due Public Assistance Trust Fund	B-16	840.00	840.00
Due State of New Jersey	B-18	1,949.00	1,450.00
Parking Offense Adjudication Act Fund	B-19	21,177.48	17,956.00
Due Affordable Housing Utility Operating Fund	B-7	19,437.00	19,437.00
		<u>\$ 2,722,574.61</u>	<u>\$ 1,825,388.58</u>
		<u>\$ 2,737,047.07</u>	<u>\$ 1,837,930.84</u>

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

GENERAL CAPITAL FUND

BOROUGH OF ROSELLEGENERAL CAPITAL FUNDBALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>TRANSITION YEAR BALANCE DECEMBER 31, 2011</u>
<u>ASSETS</u>			
Cash	C-2	\$ 418,661.64	\$
Grants Accounts Receivable	C-7	6,884,856.41	6,367,189.38
Due Other Trust Fund	C-13	426,188.00	426,188.00
Due Current Fund	C-15	393,982.03	153,362.34
Due Federal and State Grant Fund	C-20	127,129.00	
Environmental Infrastructure Loan Receivable	C-19	1,545,341.00	
Deferred Charges to Future Taxation:			
Funded	C-4	5,720,649.63	5,429,057.00
Unfunded	C-5	21,959,952.43	25,007,539.43
Deferred Charges:			
- Expenditure without an Appropriation	C-17	258,886.37	156,618.10
		<u>\$ 37,735,646.51</u>	<u>\$ 37,539,954.25</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Cash Overdraft	C-2	\$	\$ 99,008.89
General Serial Bonds	C-11	4,043,000.00	5,335,000.00
Green Acres Loan Payable	C-9	132,308.63	94,057.00
Environmental Infrastructure Loan Payable	C-18	1,545,341.00	
Bond Anticipation Notes	C-14	13,891,936.00	7,743,131.00
Capital Improvement Fund	C-6	79,056.69	64,008.34
Contracts Payable	C-10	3,803.50	1,278,488.04
Reserve for Grants Receivable	C-7	3,055,000.00	3,072,332.38
Reserve for Basketball Court Improvements	C-16	42,500.00	42,500.00
Reserve for the Payment of Debt	C-12	6,118.00	6,118.00
Reserve for Unidentified Receipts	C-21	6,017.44	
Improvement Authorizations:			
Funded	C-8	1,458,722.11	2,044,315.14
Unfunded	C-8	13,388,175.17	17,745,192.56
Fund Balance	C-1	83,667.97	15,802.90
		<u>\$ 37,735,646.51</u>	<u>\$ 37,539,954.25</u>

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

BOROUGH OF ROSELLE

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2011	C	\$ 15,802.90
Increased by:		
Premium on Bond Anticipation Notes Issued	C-2	<u>67,865.07</u>
Balance, December 31, 2012	C	<u>\$ 83,667.97</u>

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

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AFFORDABLE HOUSING UTILITY FUND

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY FUND  
BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>TRANSITION YEAR BALANCE DECEMBER 30, 2011</u>
Operating Fund:			
Cash	D-4	\$ 96,951.80	\$ 110,745.56
Receivables with Full Reserves:			
Rental Income Receivable	D:D-5	6,959.00	52,491.00
Deferred Charges:			
Overexpenditure of Appropriations	D-15	45,818.36	3,099.90
Overexpenditure of Appropriation Reserves	D-15	15,049.82	16,869.27
Due Current Fund	D-13	438.56	648.56
Due Affordable Housing Utility Capital Fund	D-14	14,509.00	14,509.00
Due Trust Other Fund	D-17	19,437.00	19,437.00
		<u>199,163.54</u>	<u>217,800.29</u>
<u>Total Operating Fund</u>		<u>\$ 199,163.54</u>	<u>\$ 217,800.29</u>
Capital Fund:			
Cash	D-4	\$ 34,509.00	34,509.00
Fixed Capital	D-9	5,000.00	5,000.00
		<u>39,509.00</u>	<u>39,509.00</u>
<u>Total Capital Fund</u>		<u>\$ 39,509.00</u>	<u>\$ 39,509.00</u>
		<u>\$ 238,672.54</u>	<u>\$ 257,309.29</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Accounts Payable	D-6	\$	\$ 11,094.31
Prepaid Rents	D-16		1,478.00
Reserve for Security Deposits	D-12	327.60	327.60
Tenant Security Deposits	D-7	26,554.39	23,425.83
		<u>26,881.99</u>	<u>36,325.74</u>
Reserve for Receivables	D	6,959.00	52,491.00
Fund Balance	D-1	165,322.55	128,983.55
		<u>199,163.54</u>	<u>217,800.29</u>
<u>Total Operating Fund</u>		<u>\$ 199,163.54</u>	<u>\$ 217,800.29</u>
Capital Fund:			
Capital Improvement Fund	D-11	\$ 20,000.00	20,000.00
Due Affordable Housing Utility Operating Fund	D-18	14,509.00	14,509.00
Reserve for Amortization	D-10	5,000.00	5,000.00
		<u>39,509.00</u>	<u>39,509.00</u>
<u>Total Capital Fund</u>		<u>\$ 39,509.00</u>	<u>\$ 39,509.00</u>
		<u>\$ 238,672.54</u>	<u>\$ 257,309.29</u>

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

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

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2012</u>	<u>TRANSITION</u> <u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2011</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Rents	D-2	\$ 250,258.75	\$ 119,469.00
Miscellaneous	D-2	<u>1,080.25</u>	<u>1,774.09</u>
<u>TOTAL INCOME</u>		<u>\$ 251,339.00</u>	<u>\$ 121,243.09</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	D-3	\$ 144,000.23	\$ 70,340.70
Deferred Charges and Statutory Expenditures	D-3	7,267.43	
Debt Service	D-3	107,710.00	34,175.00
Overexpenditure of Appropriation Reserves	D-8	<u>4,188.78</u>	<u>10,861.04</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 263,166.44</u>	<u>\$ 115,376.74</u>
Excess in Revenue			\$ 5,866.35
Deficit in Revenue		\$ (11,827.44)	
Adjustments to Income before Surplus:			
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year		<u>\$ 48,166.44</u>	<u>\$ 12,701.74</u>
Statutory Excess to Fund Balance		36,339.00	18,568.09
<u>FUND BALANCE</u>			
Balance, January 1/July 1	D	<u>128,983.55</u>	<u>110,415.46</u>
Balance, December 31	D	<u>\$ 165,322.55</u>	<u>\$ 128,983.55</u>

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

BOROUGH OF ROSELLE  
AFFORDABLE HOUSING UTILITY OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Rents	D-1:D-5	\$ 215,000.00	\$ 250,258.75	\$ 35,258.75
Miscellaneous	D-1:D-2		<u>1,080.25</u>	<u>1,080.25</u>
	D-3	<u>\$ 215,000.00</u>	<u>\$ 251,339.00</u>	<u>\$ 36,339.00</u>

ANALYSIS OF REALIZED REVENUE

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

BOROUGH OF ROSELLE

AFFORDABLE HOUSING UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2012

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	
			<u>OVEREXPENDED</u>	
Operating:				
Other Expenses	\$ 102,732.57	\$ 102,732.57	\$ 144,000.23	\$ 41,267.66
<u>Total Operating</u>	102,732.57	102,732.57	144,000.23	41,267.66
Deferred Charges				
Overexpenditure of Appropriations	1,259.20	1,259.20	1,259.20	
Overexpenditure of Appropriation Reserves	6,008.23	6,008.23	6,008.23	
<u>Total Deferred Charges</u>	7,267.43	7,267.43	7,267.43	
Debt Service:				
UCIA: Principal and Interest on Lease Payments	105,000.00	105,000.00	107,710.00	2,710.00
<u>Total Debt Service</u>	105,000.00	105,000.00	107,710.00	2,710.00
	\$ 215,000.00	\$ 215,000.00	\$ 258,977.66	\$ 43,977.66

REF.

D-2 D-1 D-15

Cash Disbursements		\$	251,710.23
Overexpenditure of Appropriations			1,259.20
Overexpenditure of Appropriation Reserves		\$	6,008.23
			<u>258,977.66</u>

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

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PUBLIC ASSISTANCE TRUST FUND

"E"

BOROUGH OF ROSELLE

PUBLIC ASSISTANCE TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>BALANCE DECEMBER 31, 2011</u>
<u>ASSETS</u>			
Cash-P.A.T.F. I	E-1	\$ 12,960.34	\$ 12,960.34
Due Trust Other Fund		<u>840.00</u>	<u>840.00</u>
		<u>\$ 13,800.34</u>	<u>\$ 13,800.34</u>
<u>LIABILITIES</u>			
Reserve for Public Assistance - P.A.T.F. I		<u>\$ 13,800.34</u>	<u>\$ 13,800.34</u>
		<u>\$ 13,800.34</u>	<u>\$ 13,800.34</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF ROSELLE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2012  
AND TRANSITION YEAR ENDED DECEMBER 31, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Description of Funds

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

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

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

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

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

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

C. Basis of Accounting

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. General expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at June 30 are reported as a cash liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders, at December 31, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

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

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

D. Basic Financial Statements

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Reporting Period

On June 22, 2011, the Borough Council adopted Ordinance 2400-11, which authorized the Borough to revert to a calendar fiscal year ending December 31 from a state fiscal year ending June 30. This report represents the six month "transition year" for the period from July 1, 2011 to December 31, 2011, as required by the State of New Jersey Division of Local Government Services for any municipalities electing to change its fiscal year. Starting in calendar year 2012, the Borough's futures fiscal accounting years will be from January 1 to December 31 of each year.

NOTE 2: CASH AND CASH EQUIVALENTS

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

A. Deposits

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

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

The Borough of Roselle had the following cash and cash equivalents at December 31, 2012:

<u>Fund Type</u>	<u>Bank</u>	<u>Reconciling Items</u>		<u>Reconciled</u>
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Current Fund	\$5,502,362.13	\$59,695.08	\$2,261,315.59	\$3,300,741.62
Federal and State Grant Fund	266,621.81			266,621.81
Animal Control Trust Fund	14,483.86		76.40	14,407.46
Other Trust Fund	1,682,613.62	\$12,435.11	82,921.77	1,612,126.96
General Capital Fund	435,476.38		16,814.74	418,661.64
Low Income Housing Utility Operating Fund	74,847.64		4,450.23	70,397.41
Low Income Housing Utility Capital Fund	34,509.00			34,509.00
Public Assistance Fund	12,960.34			12,960.34
	<u>\$8,023,874.78</u>	<u>\$72,130.19</u>	<u>\$2,365,578.73</u>	<u>\$5,730,426.24</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2012, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$7,736,241.71 was covered by Federal Depository Insurance and \$250,000.00 was covered by NJ GUDPA and \$37,633.07 was on deposit in the Municipal Investors Service Corporation Assets Management Program (MBIA Class).

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

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

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

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

As of December 31, 2012, the Borough had \$37,633.07 on deposit with the Municipal Investors Service Corporation Assets Management Program (MBIA Class). Based upon the limitation set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the Borough is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds. A summary of bond and loan transactions for the year ended December 31, 2012 are detailed on Exhibits "C-9", "C-11", "C-14" and "C-18".

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

	DECEMBER 31, <u>2012</u>	DECEMBER 31, <u>2011</u>	JUNE 30, <u>2011</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 19,612,585.63	\$ 13,172,188.00	\$ 12,858,004.00
Less Funds Temporarily Held to Pay Bonds and Notes	<u>511,970.20</u>	<u>213,118.00</u>	<u>213,118.00</u>
Net Debt Issued	\$ <u>19,100,615.43</u>	\$ <u>12,959,070.00</u>	\$ <u>12,644,886.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	\$ <u>11,013,986.63</u>	\$ <u>17,471,408.43</u>	\$ <u>13,674,145.38</u>
Net Bonds and Notes Issued and and Authorized but not issued	\$ <u><u>30,114,602.06</u></u>	\$ <u><u>30,430,478.43</u></u>	\$ <u><u>26,319,031.38</u></u>

SUMMARY OF STATUTORY DEBT CONDITION  
(ANNUAL DEBT STATEMENT AS OF DECEMBER 31, 2012)

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 2.02%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
General Debt	<u>30,626,572.26</u>	<u>511,970.20</u>	<u>\$30,114,602.06</u>
	\$ <u><u>\$30,626,572.26</u></u>	\$ <u><u>\$511,970.20</u></u>	\$ <u><u>\$30,114,602.06</u></u>

NET DEBT \$30,114,602.06 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, \$1,494,780,867.33 EQUALS 2.02 %.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

Equalized Valuation Basis* - December 31, 2012	\$1,494,780,867.33
3-1/2 of Equalized Valuation Basis	52,317,330.36
Net Debt	<u>30,114,602.06</u>
Remaining Borrowing Power	<u>\$22,202,728.30</u>

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

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

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$	251,339.00
Deductions:		
Operating and Maintenance Cost	\$	144,000.23
Debt Service		<u>107,710.00</u>
Total Deductions		<u>251,710.23</u>
(Deficit) in Revenue	\$	<u>(371.23)</u>

LONG TERM DEBT

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2012</u>
\$1,520,000.00 in 2011 Refunding Bonds, due in remaining installments ranging between \$245,000.00 and \$260,000.00 through September 2017 at an interest rates between 2.00% and 3.00%.	\$1,265,000.00
\$145,000.00 2003 Refunding ERIP Bonds, due in annual remaining installments of \$10,000.00 to \$15,000.00 through April 2018 at interest rates between 4.89% and 5.29%.	\$75,000.00
\$4,363,000.00 in 2005 General Improvement Bonds, due in remaining installments ranging between \$450,000.00 and \$453,000.00 through June 2018 at an interest rate of 3.65%.	<u>\$2,703,000.00</u>
	<u>\$4,043,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2012</u>
Green Acres Loan due in annual remaining installments of \$6,689.87 to \$13,238.36 through 2019 at various interest rates	\$82,308.63
\$50,000.00 Green Acres Loan due in annual remaining installments of \$1,285.05 to \$15,384.60 through 2032 at 0% interest rate	<u>\$50,000.00</u>
	<u>\$132,308.63</u>

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2012</u>
Infrastructure Loan due in annual remaining installments of \$25,000.00 to \$55,000.00 through 2031 at various interest rates	\$750,000.00
\$795,341.00 Infrastructure Loan due in annual remaining installments of \$28,405.03 to \$42,607.79 through 2019 at 0% interest rate	<u>\$795,341.00</u>
	<u>\$1,545,341.00</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2012

CALENDAR <u>YEAR</u>	<u>GENERAL CAPITAL</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2013	\$ 720,000.00	\$ 124,524.50	\$ 844,524.50
2014	720,000.00	102,410.50	822,410.50
2015	710,000.00	79,106.50	789,106.50
2016	715,000.00	54,652.50	769,652.50
2017	710,000.00	30,009.00	740,009.00
2018	<u>468,000.00</u>	<u>9,060.75</u>	<u>477,060.75</u>
	\$ <u>\$4,043,000.00</u>	\$ <u>\$399,763.75</u>	\$ <u>\$4,442,763.75</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN ISSUED AND  
OUTSTANDING AS OF DECEMBER 31, 2012

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$ 53,405.03	\$ 38,281.00	\$ 91,686.03
2014	67,607.54	37,781.00	105,388.54
2015	72,607.54	37,031.00	109,638.54
2016	72,607.54	33,345.50	105,953.04
2017	72,607.54	29,360.00	101,967.54
2018-2022	388,037.70	122,800.00	510,837.70
2023-2027	438,037.70	74,050.00	512,087.70
2028-2031	380,430.41	26,055.00	406,485.41
	<u>\$ 1,545,341.00</u>	<u>\$ 398,703.50</u>	<u>\$ 1,944,044.50</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR GREEN TRUST LOAN ISSUED AND OUTSTANDING  
AS OF DECEMBER 31, 2012

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$ 13,266.57	\$ 1,587.12	\$ 14,853.69
2014	14,789.51	1,346.24	16,135.75
2015	15,035.24	1,100.50	16,135.74
2016	15,285.91	849.83	16,135.74
2017	15,541.62	594.13	16,135.75
2018-2022	32,748.73	429.24	33,177.97
2023-2027	12,820.50		12,820.50
2028-2032	12,820.55		12,820.55
	<u>\$ 132,308.63</u>	<u>\$ 5,907.06</u>	<u>\$ 138,215.69</u>

BOND ANTICIPATION NOTES

	<u>Interest Rate</u>	<u>Issue and Maturity Dates</u>	<u>Amount</u>
General Capital	2.000%	1/16/12 to 1/15/13	\$950,000.00
General Capital	1.500%	3/16/12 to 3/15/13	4,166,885.00
General Capital	2.000%	5/23/12 to 3/22/13	6,341,051.00
General Capital	0.000%	12/31/12 to 12/31/13	2,434,000.00
			<u>\$13,891,936.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balance, at December 31, 2012, which was appropriated and included as anticipated revenue in its own respective fund for the transition year ending December 31, 2013 was as follows:

Current Fund	\$1,021,655.00
Affordable Housing Utility Operating Fund	\$82,613.18

NOTE 5: PROPERTY TAXES

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

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

	BALANCE DECEMBER 31, <u>2012</u>	BALANCE DECEMBER 31, <u>2011</u>
Prepaid Taxes	\$ <u>112,848.03</u>	\$ <u>74,663.97</u>

NOTE 6: PENSION PLANS

Borough employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and Consolidated Police and Firemen's Pension Fund of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the costs are contributed by the employees. The Borough's share of pension, which is based upon the annual billings received from the state, amounted to \$2,409,493.34 for 2012, \$-0- for TY2011 and \$2,648,624.00 for SFY2011.

Borough employees are also covered by Federal Insurance Contribution Act.

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

NOTE 6: PENSION PLANS (CONTINUED)

Pension Contribution Deferral

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

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the Borough, employees are allowed to accumulate unused sick pay over the life of their working careers, which may be taken as time off, or paid at a later date, at an agreed upon rate. A reasonable estimate of such unpaid compensation is not readily available from the Borough but is probably material. Under accounting principals and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, accumulated cost of such paid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2012.

NOTE 8: LITIGATION

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

NOTE 9: CONTINGENT LIABILITIES

The Borough participated in several financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. The grants received and expended in 2012 were subject to a Single Audit under U.S. Office of Management and Budget (OMB) Circular A-133 and State of New Jersey OMB 04-04, which mandates that grant revenues and expenditures be audited in conjunction with the Borough's annual audit. Findings and questioned costs, if any, relative to financial assistance programs will be discussed in detail in Part II, Report Section of the 2011 audit. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2012, the Borough does not believe that any material liabilities will result from such audits.

NOTE 10: RISK MANAGEMENT

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

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Interest/Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
CY 2012	\$ 88,812.83	\$	\$	\$ 12,278.71
TY 2011	150,000.00		204,141.44	(37,721.29)
SFY 2011	35,000.00	83.47	58,786.48	16,420.15

NOTE 11: DEFERRED COMPENSATION PLAN

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

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

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

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

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets of the various funds at December 31, 2012:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$7,864.06	\$1,685,078.04
Federal and State Grant Fund	650,254.90	567,129.00
Animal Control Fund	65.00	7,864.06
Trust Other Fund	1,080,402.55	446,530.00
General Capital Fund	947,299.03	
Low Income Housing Utility Operating Fund	34,384.56	
Low Income Housing Utility Capital Fund		14,509.00
Public Assistance Fund	840.00	
	<u>\$2,721,110.10</u>	<u>\$2,721,110.10</u>

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

NOTE 13: GASB 45: OTHER POST-RETIREMENT BENEFITS

The Borough provides Post Retirement Benefits to certain employees, per the terms of their various labor agreements, who have retired from the Borough.

The Borough is required to implement the note disclosure provision of GASB Statement 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement which was adopted during 2004 by the Governmental Accounting Standard Board (GASB) requires the Borough to disclose in the notes of the financial statements the future cost of the other post employment benefits (OPEB) on a present value basis instead of the present pay as you go method. OPEB obligations are non-pension benefits that the Borough has contractually agreed to provide employees once they have retired.

The future value of benefits paid is not required to be reported in the financial statements as presented and has not been determined, but is probably material. Under current New Jersey budget and financial reporting requirements, the Borough will not have to provide any amounts in excess of their current cash costs or recognized any long-term obligations on their balance sheets. The Borough has not determined its OPEB obligations as of December 31, 2012; therefore, no amount is disclosed herein.

NOTE 14: DEFERRED CHARGES

	BALANCE DECEMBER 31, <u>2012</u>		2013 BUDGET <u>APPROPRIATION</u>		BALANCE TO SUCCEEDING <u>YEARS</u>
Current Fund:					
Expenditure without an Appropriation	\$ 108,194.25	\$	108,194.25	\$	-0-
Overexpenditure of Appropriation Reserves	366,310.95		366,310.95		-0-
Overexpenditure of Appropriations	883,424.39		883,424.39		-0-
Special Emergency 40A:4-46	2,045.00		2,045.00		-0-
Special Emergency 40A:4-47	565,000.00		113,000.00		452,000.00
Special Emergency 40A:4-53	425,000.00		170,000.00		255,000.00
	<u>\$ 2,349,974.59</u>	\$	<u>\$1,642,974.59</u>	\$	<u>\$707,000.00</u>

	BALANCE DECEMBER 31, <u>2012</u>		2013 BUDGET <u>APPROPRIATION</u>		BALANCE TO SUCCEEDING <u>YEARS</u>
Affordable Housing Utility Operating Fund:					
Overexpenditure of Appropriation Reserves	\$ 15,049.82	\$	15,049.82	\$	-0-
Overexpenditure of Appropriations	45,818.36		45,818.36		-0-
	<u>\$ 60,868.18</u>	\$	<u>\$60,868.18</u>	\$	<u>-0-</u>

NOTE 15: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

BOROUGH OF ROSELLE

SUPPLEMENTARY SCHEDULES

FISCAL YEAR ENDED DECEMBER 31, 2012

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF CASH COLLECTOR-TREASURER

	<u>REF.</u>		<u>CURRENT FUND</u>		<u>GRANT FUND</u>
Balance, December 31, 2011	A	\$	3,895,220.27	\$	185,070.14
<b>Increased by Receipts:</b>					
Grants Receivable	A-7	\$		\$	474,201.22
Taxes Receivable	A-8		59,008,112.46		
Revenue Accounts Receivable	A-11		4,538,290.80		
State of New Jersey, Chapter 20, P.L. 1971	A-13		112,500.00		
Emergency Note Payable	A-30		565,000.00		
Grants-Unappropriated	A-18			936.42	
Prepaid Taxes	A-21		112,848.03		
Tax Overpayments	A-6		205,980.59		
Due Current Fund	A-19			1,111,108.75	
Interfunds	A-16		11,686,409.73		
Due Capital Fund	A-32			127,129.00	
Miscellaneous Revenue Not Anticipated	A-2		121,544.30		
Appropriation Refunds	A-3		609,551.73		
Due Roselle Public Library	A-15		374,021.43		
Unidentified Deposits	A-12		155,474.64		
			<u>77,497,733.81</u>		<u>1,713,375.39</u>
			81,382,954.08	\$	1,898,445.53
<b>Decreased by Disbursements:</b>					
2012 Appropriations	A-3	\$	33,515,051.01	\$	
T.Y. 2011 Appropriation Reserves	A-17		1,443,978.62		
Reserve for Grants Appropriated	A-14			1,261,402.75	
Interfunds	A-18		12,019,929.26		
Refund of Tax Overpayments	A-6		40,813.13		
County Taxes	A-22		8,792,304.24		
Local District School Tax	A-23		23,438,800.00		
Due Current Fund	A-19			370,340.97	
Reserve for Tax Map Revision	A-31		117,582.43		
Encumbrances Payable	A-24		87,608.39		
Refund of Prior Year Revenues	A-1		259,158.73		
Due Roselle Public Library	A-15		388,906.65		
			<u>78,082,212.46</u>		<u>1,631,823.72</u>
Balance, December 31, 2012	A	\$	<u>3,300,741.82</u>	\$	<u>266,621.81</u>

"A-5"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF CHANGE FUND

OFFICE

Collector  
Municipal Court

BALANCE  
DECEMBER 31, 2011, AND  
DECEMBER 31, 2012

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

REF.

A

"A-6"

SCHEDULE OF TAX OVERPAYMENTS

Balance, December 31, 2011	A	\$	251,198.12
Increased by:			
Tax Overpayments Received	A-4		<u>205,980.59</u>
		\$	<u>457,178.71</u>
Decreased by:			
Cash Disbursements	A-4		<u>40,913.13</u>
Balance, December 31, 2012	A	\$	<u>416,265.58</u>

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2011	ANTICIPATED IN 2012 BUDGET	RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2012
Municipal Alliance Grant	\$ 29,182.60	\$ 16,498.00	\$ 12,537.85	\$	\$ 33,152.75
Pandemic Influenza	90.00				90.00
Green Communities	2,000.00				2,000.00
Bulletproof Vest Partnership Grant	12,859.00	3,997.00			16,856.00
Edward Brynes Memorial Justice Grant	48,350.57				48,350.57
Greening Union County	9,318.00				9,318.00
Statewide Livable Communities Local Library Aid	50,000.00				50,000.00
County of Union Homeland Security	672.00				672.00
Union County Kids Recreation	51,250.00				51,250.00
UEZ Administration Grant					
Municipal Stormwater Regulation	10,583.00				10,583.00
You Drink You Drive You Lose	304.00				304.00
Operation Safe Streets	4,000.00				4,000.00
Brownfields Assessment	115,432.61				115,432.61
Alcohol Education and Rehab Fund	589.00				589.00
Safe Route to School -09	4,600.00				4,600.00
Click it or Ticket - 09	339.05	4,000.00			4,339.05
Body Armor Replacement Grant	0.23	10,668.00	5,573.00	4,915.00	180.23
Local Public Health Emergency H1N1	5,164.98				5,164.98
NJ Stabilization Grant	974,560.45		341,212.88		633,347.57
UEZ Roselle First		200,000.00		200,000.00	
UEZ Administration Grant		65,000.00		65,000.00	
UEZ Administration Grant		27,358.00		27,358.00	
UEZ Façade Improvement Program		200,000.00		200,000.00	
UEZ Façade Improvement Grant		100,000.00		100,000.00	
WIA Youth Program		80,000.00	40,000.00		40,000.00
WIA Youth Works Program		144,000.00	12,000.00		132,000.00
WIA National Emergency Grant		93,548.00			93,548.00
DEP Wastewater Management		15,000.00			15,000.00
Safe and Secure Communities		60,000.00			60,000.00
NJ DOT Central Business Midtown Grant		500,000.00			500,000.00
NJ DOT SRTS Pedestrian Walkway Grant		233,985.00			233,985.00
Secure Our Schools		95,055.00			95,055.00
NJ Division of Highway Safety Grant		4,000.00			4,000.00
Union County Recycling Enhancement		7,500.00		7,500.00	
Over the Limit Under Arrest		5,624.00		3,623.78	2,000.22
Drive Sober Get Pulled Over		4,400.00			4,400.00
Drunk Driving Enforcement Fund		11,908.00		11,907.48	0.52
Alcohol Education and Rehab. Fund		971.00		970.82	0.18
Clean Communities		53,448.00	28,507.83	26,940.17	
Recycling Tonnage Grant		36,648.00		36,648.00	
Summer Food Program	38,891.96	36,069.00	36,369.66		38,391.30
	<u>\$ 1,357,997.43</u>	<u>\$ 2,009,655.00</u>	<u>\$ 474,201.22</u>	<u>\$ 684,863.25</u>	<u>\$ 2,208,587.96</u>

REF.

A

A-2

A-4

A-18

A

**BOROUGH OF ROSELLE**  
**CURRENT FUND**

**SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

YEAR	BALANCE	2012	COLLECTED		CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2012
	DECEMBER 31, 2011	LEVY	I.Y. 2011	2012			
FISCAL 2009	\$ 59,151.43	\$	\$	\$ 31,732.29	\$ 13,429.72	\$	\$ 13,989.42
FISCAL 2010	313,017.82			48,253.27	32,190.15		232,574.40
FISCAL 2011	1,308,294.48			850,891.51	25,333.88		432,069.09
TRANSITION 2011	2,131,447.95			1,902,674.10	45,513.26		183,260.59
2012	\$ 3,811,911.68	\$ 59,075,620.10	\$ 74,663.97	\$ 2,833,551.17	\$ 116,467.01	\$ 109,974.08	\$ 861,893.50
	<u>\$ 3,811,911.68</u>	<u>\$ 59,075,620.10</u>	<u>\$ 74,663.97</u>	<u>\$ 59,171,963.26</u>	<u>\$ 340,686.93</u>	<u>\$ 109,974.08</u>	<u>\$ 3,190,243.54</u>

REF. A A-2 A-2 A-21 A-9 A

Cash	\$	59,008,112.46	A-4
Citizens and Veterans Deductions Allowed	\$	163,850.80	A-13
	\$	<u>59,171,963.26</u>	

**Analysis of Property Tax Levy:**

Tax Yield:	
General Purpose Tax	\$ 59,008,388.99
Added Taxes (54.4-63.1 et. seq.)	<u>67,231.11</u>
	\$ 59,075,620.10

**Tax Levy:**

Local District School Tax (Abstract)	\$ 23,438,800.00	A-23
County Taxes:		
County Taxes (Abstract)	\$ 6,792,304.24	A-22
Due County for Added Taxes	<u>7,930.46</u>	A-22
Local Tax for Municipal Purposes (Abstract)	\$ 28,277,704.00	A-2
Add: Additional Tax Levied	497,604.00	
Minimum Library Tax	<u>61,277.40</u>	
	\$ 6,800,234.70	
	<u>28,836,585.40</u>	
	\$ 59,075,620.10	

"A-9"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	59,705.00
Increased by:			
Transfer From Taxes Receivable	A-8		<u>109,974.08</u>
Balance, December 31, 2012	A	\$	<u><u>169,679.08</u></u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, December 31, 2011 and December 31, 2012.	A	\$	<u><u>2,027,232.00</u></u>
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BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>ACCRUED IN 2012</u>	<u>COLLECTED BY TREASURER</u>	<u>BALANCE DECEMBER 31, 2012</u>
A-2	\$	15,569.71 \$	15,569.71 \$	
A-2		153,202.37	153,202.37	
A-2	22,196.21	355,895.58	353,521.39	24,570.40
A-2		70,929.50	70,929.50	
A-2		500,107.87	500,107.87	
A-2		202,713.32	202,713.32	
A-2		15,795.60	15,795.60	
A-2		15,132.70	15,132.70	
A-2		6,002.92	6,002.92	
A-2		197,790.59	197,790.59	
A-2		582,852.00	582,852.00	
A-2		1,913,169.00	1,913,169.00	
A-2		33,853.87	33,853.87	
A-2		24,906.70	24,906.70	
A-2		314,854.35	314,854.35	
A-2		135,889.01	135,889.01	
	<u>\$ 22,196.21 \$</u>	<u>4,538,665.09 \$</u>	<u>4,536,290.90 \$</u>	<u>24,570.40</u>

REF.

A

A-4

A

Clerk:  
 Licenses:  
 ABC  
 Construction Code Official:  
 Fees and Permits  
 Municipal Court:  
 Fires and Costs  
 Recreation:  
 Fees and Permits  
 Interest and Cost on Taxes  
 Other Fess and Permits  
 Other Licenses  
 Parking Meters  
 Interest on Investments and Deposits  
 Cable Television Franchise Tax  
 Consolidated Municipal Purpose Tax Relief Act  
 Energy Receipts Tax  
 Library Pension Contribution  
 Uniform Fire Safety Act  
 Ambulance Revenue  
 P.I.L.O.T.

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF UNIDENTIFIED DEPOSITS

	<u>REF.</u>	
Balance, December 31, 2011	A	\$ 121,022.84
Increased by:		
Cash Receipts	A-4	<u>155,474.64</u>
		\$ 276,497.48
Decreased by:		
Applied	A-1	<u>121,022.84</u>
Balance, December 31, 2012	A	<u><u>155,474.64</u></u>

BOROUGH OF ROSELLE

CURRENT FUND

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

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	105,258.74
Charged:			
Senior Citizens Deductions Per Tax Billings		\$	42,500.00
Veterans Deductions Per Tax Billings			93,750.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector			<u>28,600.80</u>
			<u>164,850.80</u>
			<u>270,109.54</u>
Decreased by:			
Cash Receipts	A-4		112,500.00
Senior Citizens Deductions Disallowed by Tax Collector			<u>1,000.00</u>
			<u>113,500.00</u>
Balance, December 31, 2012	A	\$	<u><u>156,609.54</u></u>

ANALYSIS OF STATE SHARE OF 2012  
SENIOR CITIZENS AND VETERANS DEDUCTIONS ALLOWED

Senior Citizens Deductions Per Tax Billings		\$	42,500.00
Veterans Deductions Per Tax Billings			93,750.00
Senior Citizens Deductions Allowed by Tax Collector			28,600.80
Senior Citizens Deductions Disallowed by Tax Collector			<u>(1,000.00)</u>
State Share Realized	A-8	\$	<u><u>163,850.80</u></u>

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2011	TRANSFERRED FROM ACCOUNTS PAYABLE	APPROPRIATED	EXPENDED	BALANCE DECEMBER 31, 2012
Body Armor Replacement Fund	\$ 137.55	\$	10,668.00	\$	10,805.55
Municipal Alliance Grant	6,726.95	6,637.87	16,498.00	26,095.10	3,967.72
Municipal Alliance Grant - Match	2,312.39	44.78	4,124.00	44.78	6,436.39
Pandemic Influenza	88.00				88.00
Pandemic Influenza	2.10				2.10
Click it or Ticket	4,000.00		4,000.00		8,000.00
Edward Brynes Memorial Justice Grant	39.50				39.50
Municipal Stormwater Regulation	10,583.00				10,583.00
You Drink, You Drive, You Lose	304.00				304.00
Operation Safe Streets	4,000.00				4,000.00
Drunk Driving Enforcement Fund	13,636.19	719.90	11,908.00	874.90	25,389.19
Alcohol Education and Rehab. Fund	6,383.11		971.00		7,354.11
Development of Elderly Programs	190.60	693.70	3,997.00	693.70	190.60
Bulletproof Vest Partnership					3,997.00
Enhanced 911 Grant	112,408.00			112,408.00	
Safe Routes to Schools	313.44				313.44
Clean Communities Program	110,362.28	159.00	53,448.00	138,029.00	25,940.28
Recycling Tonnage Grant			36,648.00		7,648.00
Local Public Health Emergency H1N1	9,222.97	2,227.20		2,227.20	9,222.97
NJ Stabilization Grant	958,464.66	22,204.45		348,321.54	633,347.57
Summer Food Program	29,777.81		36,069.00	12,009.00	
Union County Kids Recreation		4,713.36		4,713.36	
BrownFields		10,279.91		10,279.91	
UEZ Roselle First					98,454.05
UEZ Administration Grant		16,029.05	200,000.00	101,545.95	13,890.45
UEZ Administration Grant		3,849.90	65,000.00	67,138.60	30,831.05
UEZ Façade Improvement Program			27,358.00	476.85	
UEZ Façade Improvement Grant			200,000.00	11,900.00	188,100.00
WYA Youth Program			100,000.00		100,000.00
WYA Youth Works Program			224,000.00	218,373.70	5,626.30
WYA National Emergency Grant			93,546.00		93,546.00
DEP Wastewater Management			15,000.00	15,000.00	
Safe and Secure Communities			60,000.00	60,000.00	
NJ DOT Central Business Midtown Grant			500,000.00	449,944.60	50,055.40
NJ DOT SRTS Pedestrian Walkway Grant			233,965.00	178,381.40	55,583.60
Secure Our Schools			95,055.00		95,055.00
NJ Division of Highway Safety Grant			4,000.00		4,000.00
Union County Recycling Enhancement			7,500.00		7,500.00
Over the Limit Under Arrest			5,624.00		5,624.00
Drive Sober Get Pulled Over			4,400.00		4,400.00
	<u>\$ 1,269,953.55</u>	<u>\$ 67,859.12</u>	<u>\$ 2,013,773.00</u>	<u>\$ 1,766,106.59</u>	<u>\$ 1,585,485.08</u>

REE. A

A-3

A

Cash Disbursements  
Encumbrances

A-4  
A-26

\$ 1,261,482.75  
504,623.84  
\$ 1,766,106.59

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF DUE FROM ROSELLE PUBLIC LIBRARY

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	113,475.91
Increased by:			
Cash Disbursements	A-4		<u>386,906.65</u>
			500,382.56
Decreased by:			
Cash Receipts	A-4		<u>374,021.43</u>
Balance, December 31, 2012	A	\$	<u><u>126,361.13</u></u>

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	TRUST OTHER FUND	AFFORDABLE HOUSING UTILITY OPERATING FUND	GENERAL CAPITAL FUND	ANIMAL CONTROL TRUST FUND	GRANT FUND
A	\$ 2,014,473.57	\$ 473,563.99	\$ 648.56	\$ 153,362.34	\$	\$ 1,386,898.68
A	7,864.06				7,864.06	
A-4	11,686,409.73	689,752.67	115,000.00	10,511,316.09		370,340.97
A-4	<u>12,019,929.26</u>	<u>522,914.11</u>	<u>115,210.00</u>	<u>10,270,696.40</u>		<u>4,124.00</u>
						<u>1,111,108.75</u>
A	\$ 1,685,078.04	\$ 640,402.55	\$ 438.56	\$ 393,982.03	\$	\$ 650,254.90
A	<u>7,864.06</u>				<u>7,864.06</u>	

Balance, December 31, 2011:

Due To  
Due From

Cash Receipts

Transferred to Federal and State Grants

Cash Disbursements

Balance, December 31, 2012:

Due To  
Due From

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF TRANSITION YEAR 2011 APPROPRIATION RESERVES

	BALANCE, DECEMBER 31, 2011		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED	OVEREXPENDED
	COMMITMENTS PAYABLE	RESERVED				
<b>SALARIES AND WAGES</b>						
Borough Clerk	\$	\$ 4,401.06	\$ 4,401.06	\$	4,401.06	\$
Financial Administration		24,452.39	24,452.39		24,452.39	
Assessment of Taxes		394.62	394.62		394.62	
Collection of Taxes		1,187.31	1,187.31		1,187.31	
Legal Services and Costs		2,961.60	2,961.60	500.00	2,461.60	
Public Buildings and Grounds		562.72	562.72		562.72	
Planning Board		8,344.49	8,344.49		8,344.49	
Shade Tree Commission		27,695.00	27,695.00		27,695.00	
Emergency Management Services		3,750.00	3,750.00		3,750.00	
Street and Road Maintenance		185,663.75	185,663.75		185,663.75	
Board of Health		33,840.92	33,840.92		33,840.92	
Community Services		181.90	181.90		181.90	
<b>OTHER EXPENSES</b>						
Administrative and Executive	32,428.90	12,750.95	45,179.85	42,187.43	2,992.42	
Borough Clerk	17,342.31	3,246.23	21,513.54	14,903.66	6,609.08	
Human Resources		391.37	391.37		391.37	
Financial Administration	7,427.95		28,627.05	28,250.84	377.31	
Annual Audit	24,800.00	59,700.00	84,500.00	84,500.00		
Assessment of Taxes	1,943.36	976.58	22,804.92	16,562.18	6,242.74	
Collection of Taxes	1,697.74	5,350.58	30,348.32	29,006.65	441.67	
Legal Services and Costs	35,797.76	187,590.08	203,388.66	186,490.36	16,898.30	
Prosecutor		600.00	600.00	600.00		
Engineering Services and Costs	19,450.65	22,766.20	42,236.75	35,105.00	7,131.75	
Public Buildings and Grounds	25,747.33	7,772.57	82,169.90	70,249.43	11,920.47	
Planning Board	74.69	2,416.82	2,491.51	2,011.84	479.67	
Zoning Board of Adjustments		4,105.02	4,105.02	2,425.00	1,680.02	
Redevelopment Agency		16,115.21	3,016.21		3,016.21	
Shade Tree Commission		22.99	13,122.99	13,122.99		
Group Insurance for Employees		60,872.90	(71,102.10)	2,545.42		73,647.52
Workers' Compensation	55,358.00	53,672.75	108,930.75	58,808.11	60,122.64	
Other Insurance Premiums	65,020.00	22,546.14	87,566.14	127,113.95		39,647.81
Fire Department	24,804.68	7,871.24	32,675.92	32,248.61	427.31	
Police Department	60,978.16	18,182.27	64,930.43	16,271.01	48,859.42	
Traffic Control-School Crossing Guards	601.60	2,248.40	2,750.00	601.60	2,248.40	
Emergency Management Services	15,785.26		28,285.26	10,162.07	16,133.19	
Street and Road Maintenance	18,183.67	31,671.48	50,855.05	49,917.60	937.45	
Union County S.L.A.P. Program		220.41	220.41	220.41	0.00	
Maintenance of Vehicles	29,661.17	18,838.69	46,399.76	32,833.11	13,666.65	
Recycling	21,394.00	13.66	61,467.66	46,134.69	15,322.97	
Solid Waste Collection	247,218.15	85,960.38	250,278.63	247,726.86	2,552.67	

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF TRANSITION YEAR 2011 APPROPRIATION RESERVES

	<u>BALANCE, DECEMBER 31, 2011</u>		<u>BALANCE</u>	<u>PAID OR</u>	<u>BALANCE</u>	
	<u>COMMITMENTS</u>	<u>RESERVED</u>	<u>AFTER</u>	<u>CHARGED</u>	<u>LAPSED</u>	<u>OVEREXPENDED</u>
	<u>PAYABLE</u>		<u>TRANSFERS</u>			
<u>OTHER EXPENSES (CONTINUED)</u>						
Snow Removal	\$ 5,998.00	\$ 12,555.00	\$ 553.00	\$ 649.50	\$ 3.50	
Board of Health	14,042.43	4,697.18	43,149.61	37,786.93	5,362.68	
Community Services		2,201.98	7,251.98	630.96	6,621.02	
Municipal Court	1,297.72	119.66	1,417.38	1,370.77	46.61	
Construction Code Official	255.67	4,734.97	2,890.84	2,213.12	677.72	
Gasoline	49,784.75	13,311.03	63,095.78	54,566.20	8,529.58	
Electricity		9,906.16	42,406.18	42,362.64	53.62	
Natural Gas	4,390.31	17,607.59	18,197.70	16,921.89	1,276.61	
Telephone and Telegraph	5,416.84	69.60	40,466.44	36,602.97	3,883.47	
Street Lighting		38,514.66	38,514.88	38,509.69	5.17	
Fire Hydrant Service		29,254.81	26,254.61	24,988.98	1,265.63	
Heating Oil		3,000.00	1,115.00		1,115.00	
Salary and Wage Adjustment		29,760.00	29,760.00		29,760.00	
Municipal Services Act		2,500.00	2,500.00	2,500.00		
Contingent		3,000.00	3,000.00		3,000.00	
Social Security System (O.A.S.I.)		12,115.81	3,720.81	26,080.70		21,359.89
State Unemployment			8,395.00	38,392.37		29,997.37
Maintenance of Free Public Library		44,000.00	44,000.00	44,000.00		
Sewer Disposal		67,698.00	87,688.00	84,593.93	3,074.07	
Police Communication Operators	301.20	1,766.95	2,058.15		2,058.15	
Animal Control Contract - City of Linden		8,730.00	8,730.00		8,730.00	
Matching Funds for Grants		25,000.00	25,000.00	17,497.40	7,502.60	
	\$ 800,144.65	\$ 1,386,959.35	\$ 2,187,104.00	\$ 1,487,978.62	\$ 863,677.97	\$ 164,552.59
<u>REF</u>	<u>A-24</u>	<u>A</u>			<u>A-1</u>	<u>A-25</u>
Cash Disbursements	A-4			\$ 1,443,978.62		
Reserve for Library	A-33			44,000.00		
				\$ 1,487,978.62		

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS -  
UNAPPROPRIATED

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	1,152,153.58
Increased by:			
Cash Receipts	A-4		936.42
		\$	<u>1,153,090.00</u>
Decreased by:			
Applied to Receivable	A-7		<u>684,863.25</u>
Balance, December 31, 2012	A	\$	<u><u>468,226.75</u></u>

ANALYSIS OF BALANCE:

Recycling Tonnage Grant	\$	13,273.13
Clean Communities Program		0.93
Alcohol Education Rehabilitation		755.48
Body Armor Replacement Fund		5,538.20
UEZ		<u>448,659.01</u>
	\$	<u><u>468,226.75</u></u>

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2011 (Due From)	A		\$ 1,386,898.68
Increased by:			
Cash Disbursements	A-4	\$ 370,340.97	
Transfer from Current Fund	A-16	<u>4,124.00</u>	
			<u>374,464.97</u>
			\$ 1,761,363.65
Decreased by:			
Cash Receipts	A-4		<u>1,111,108.75</u>
Balance, December 31, 2012 (Due From)	A		<u>\$ 650,254.90</u>

SCHEDULE OF DUE TRUST OTHER FUND

Balance, December 31, 2011 and December 31, 2012	A		\$ <u>440,000.00</u>
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BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	74,663.97
Increased by:			
Collection of 2013 Taxes	A-4	\$	<u>112,848.03</u>
			187,512.00
Decreased by:			
Applied to 2012 Taxes	A-8		<u>74,663.97</u>
Balance, December 31, 2012	A	\$	<u><u>112,848.03</u></u>

"A-22"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF COUNTY TAXES

	<u>REF.</u>		
Increased by:			
Tax Levy for 2012	A-1	\$ 6,792,304.24	
Added Taxes	A-1	7,930.46	
	A-8	<u>                    </u>	\$ 6,800,234.70
Decreased by:			
Cash Disbursements	A-4		<u>6,792,304.24</u>
Balance, December 31, 2012(Payable)	A		\$ <u><u>7,930.46</u></u>

"A-23"

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Balance, December 31, 2011 (Prepaid)	A		\$ 468,776.00
Increased by:			
School Tax Levy 2012	A-1:A-8		<u>23,438,800.00</u>
			\$ 23,907,576.00
Decreased by:			
Cash Disbursements	A-4		<u>23,438,800.00</u>
Balance, December 31, 2012 (Prepaid)	A:A-1		\$ <u><u>468,776.00</u></u>

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	958,128.55
Increased by:			
2012 Appropriations	A-3		<u>834,160.15</u>
		\$	1,792,288.70
Decreased by:			
Transferred to Appropriation Reserves	A-17	\$	800,144.65
Cash Disbursements	A-4		<u>67,608.39</u>
			<u>867,753.04</u>
Balance, December 31, 2012	A	\$	<u><u>924,535.66</u></u>

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, 2011	INCREASE	RAISED IN BUDGET	BALANCE DECEMBER 31, 2012
A-3	\$ 720,347.99	\$ 163,076.40	\$	\$ 883,424.39
A-3:A-17	222,850.36	164,552.59	21,092.00	366,310.95
A-3	204,942.25		96,748.00	108,194.25
A-3		2,045.00		2,045.00
A-3		565,000.00		565,000.00
A-31	425,000.00			425,000.00
	<u>\$ 1,573,140.60</u>	<u>\$ 894,673.99</u>	<u>\$ 117,840.00</u>	<u>\$ 2,349,974.59</u>

REF.

A

A-1:A-3

A-3

A

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	67,859.12
Increased by:			
Federal and State Grants Appropriated	A-14	\$	<u>504,623.84</u>
		\$	572,482.96
Decreased by:			
Transferred to Federal and State Grants Appropriated	A-14		<u>67,859.12</u>
Balance, December 31, 2012	A	\$	<u><u>504,623.84</u></u>

"A-27"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Balance, December 31, 2011 and December 31, 2012	A	\$ <u>250,000.00</u>

"A-28"

SCHEDULE OF DCA FEES - DUE STATE OF NEW JERSEY

Balance, December 31, 2011 and December 31, 2012	A	\$ <u>2,148.00</u>
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"A-29"

BOROUGH OF ROSELLE

CURRENT FUND

SCHEDULE OF INVESTMENT

	<u>REF.</u>	
Balance, December 31, 2011 and December 31, 2012	A	\$ <u>2,434,000.00</u>

"A-30"

SCHEDULE OF EMERGENCY NOTE PAYABLE

Increased by:		
Cash Receipts	A-4	\$ 565,000.00
Balance, December 31, 2012	A	\$ <u>565,000.00</u>

"A-31"

SCHEDULE OF RESERVE FOR TAX MAP AND REVISION  
AND RECODIFICATION OF ORDINANCES

Balance, December 31, 2011	A	\$ 425,000.00
Decreased by:		
Cash Disbursements	A-4	<u>117,562.43</u>
Balance, December 31, 2012	A	\$ <u>307,437.57</u>

"A-32"

BOROUGH OF ROSELLE

GRANT FUND

SCHEDULE OF GENERAL CAPITAL FUND

	<u>REF.</u>		
Increased by:			
Cash Receipts	A-4	\$	127,129.00
Balance, December 31, 2012	A	\$	<u>127,129.00</u>

"A-33"

CURRENT FUND

SCHEDULE OF RESERVE FOR LIBRARY

Increased by:			
Appropriation Reserves	A-17	\$	44,000.00
Balance, December 31, 2012	A	\$	<u>44,000.00</u>