

BOROUGH OF GLEN RIDGE

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

**WITH
INDEPENDENT AUDITORS' REPORTS**

**YEAR ENDED
DECEMBER 31, 2010**



McENERNEY, BRADY & COMPANY, LLC

BOROUGH OF GLEN RIDGE
COUNTY OF ESSEX, NEW JERSEY

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PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2010



McENERNEY, BRADY & COMPANY, LLC

Certified Public Accountants * A Limited Liability Company

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying regulatory basis financial statements of the various funds of the Borough of Glen Ridge, New Jersey as of December 31, 2010 and the related statements of operations and changes in fund balances for the year then ended, and the related statements of revenues, expenditures and fund balances for the year ended December 31, 2010, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Borough of Glen Ridge, New Jersey. Our responsibility is to express an opinion on these financial statements based upon our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

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

In our opinion, because the Borough of Glen Ridge's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Glen Ridge, New Jersey, as of December 31, 2010, and the results of its operations for the year then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the individual funds enclosed of the Borough of Glen Ridge, New Jersey at December 31, 2010, and the results of its operations and changes in fund balance of such funds for the year then ended, and the revenues, expenditures and fund balance for the year ended December 31, 2010, on the basis of accounting described in Note A.

In accordance with Government Auditing Standards, we have also issued a report dated February 25, 2011 on our consideration of the Borough of Glen Ridge, New Jersey's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audits.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as Supplementary Data in the foregoing Table of Contents and the Schedule of Expenditures of State Awards is presented for purposes of additional analyses as required by New Jersey OMB Circular 04-04, which is also the responsibility of the management of the Borough of Glen Ridge, New Jersey, is presented for the purposes of additional analyses and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting as described in Note A.

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

McEnerney, Brady & Co. LLC.

McEnerney, Brady & Company, LLC
Certified Public Accountants

John Lauria
John Lauria
Registered Municipal Accountant #403

Livingston, New Jersey
February 25, 2011

BOROUGH OF GLEN RIDGE
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Cash	A-4	\$ 1,488,191.27	\$ 3,207,644.25
Change Funds	A-5	170.00	170.00
Prepaid School Tax	A-22	252,222.13	376,395.63
		<u>1,740,583.40</u>	<u>3,584,209.88</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-7	239,891.09	262,791.07
Tax Title Liens	A-8	17,101.25	14,595.41
Property Acquired for Taxes at Assessed Valuation	A-9	410.00	410.00
Revenue Accounts Receivable	A-10	12,811.44	11,586.89
Interfunds Receivable	A-11	642.60	
Other Accounts Receivable	A-12	175.00	
		<u>271,031.38</u>	<u>289,383.37</u>
Deferred Charges	A-13	110,076.05	153,000.00
		<u>2,121,690.83</u>	<u>4,026,593.25</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-27	38,082.00	39,771.11
Interfunds Receivable	A-28	35,554.87	26,102.13
		<u>73,636.87</u>	<u>65,873.24</u>
		<u>\$ 2,195,327.70</u>	<u>\$ 4,092,466.49</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Expenditure Reserves:			
Appropriation Reserves:			
Encumbered	A-3,14	\$ 108,702.41	\$ 140,358.13
Unencumbered	A-3,14	292,419.27	367,949.57
Due to State of New Jersey:			
Ch. 129, P.L. 1976	A-6	2,645.62	1,895.62
Interfunds Payable	A-11	35,554.87	12,707.60
State Library Aid	A-15	629.00	629.00
Accounts Payable	A-16	15,648.75	4,296.83
Due to State of New Jersey:			
Other Fees	A-17	2,826.00	2,056.00
Tax Overpayments	A-18	183,344.96	180,598.80
Inspection Fees Payable	A-19	1,114.00	1,102.00
Emergency Note Payable	A-23	102,000.00	153,000.00
Reserve for Revaluation	A-24		7,624.49
Reserve for Prepaid School Tax	A-24a	252,222.13	
Tax Anticipation Note	A-25		1,500,000.00
Prepaid Taxes	A-26	160,667.61	159,742.82
Sub-Total		<u>1,157,774.62</u>	<u>2,531,960.86</u>
Reserve for Receivables and Other Assets		271,031.38	289,383.37
Fund Balance	A-1	<u>692,884.83</u>	<u>1,205,249.02</u>
		<u>2,121,690.83</u>	<u>4,026,593.25</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-29	67,774.68	60,664.60
Unappropriated Reserves	A-30	5,862.19	5,208.64
		<u>73,636.87</u>	<u>65,873.24</u>
		<u>\$ 2,195,327.70</u>	<u>\$ 4,092,466.49</u>

See accompanying notes to financial statements

BOROUGH OF GLEN RIDGE
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

			<u>A-1</u>
	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	A-2	\$ 1,191,500.00	\$ 1,309,000.00
Miscellaneous Revenue Anticipated	A-2	1,294,285.87	1,489,508.77
Receipts from Delinquent Taxes	A-2a	262,790.57	396,190.05
Receipts from Current Taxes	A-2a	41,069,836.58	39,500,943.76
Nonbudget Revenue	A-2b	99,389.67	71,743.00
Other Credits to Income:			
Interfunds Liquidated			
Appropriation Reserves Lapsed	A-14	199,992.87	103,465.91
Grant Reserves Cancelled			
Tax Overpayments Cancelled			16,835.01
Grant Reserves Cancelled			
Reserve for Revaluation Cancelled	A-24	7,624.49	
Increase in Deferred School Tax	A-21	468,887.50	640,770.63
Total Revenue and Other Income		<u>44,594,307.55</u>	<u>43,528,457.13</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		4,153,498.62	4,350,473.00
Other Expenses		5,523,152.59	5,693,570.35
Capital Improvements		100,000.00	25,000.00
Debt Service		521,216.11	493,144.65
Statutory Expenditures and Deferred Charges		1,045,952.00	622,976.50
	A-3	<u>11,343,819.32</u>	<u>11,185,164.50</u>
Prior Year Revenue Refunded	A-4	7.17	
Prior Year Senior Citizen Deduction Disallowed			
Other Accounts Receivable Established	A-12	175.00	
Interfund Advances	A-13	642.60	
Grant Receivables Cancelled			5,853.00
State Tax Court Judgments	A-18	171,716.30	73,645.63
County Taxes	A-20	6,335,937.22	6,186,377.00
Local District School Tax	A-21	25,810,652.00	24,872,877.00
Reserve for Prepaid School Tax	A-24a	252,222.13	
Total Expenditures		<u>43,915,171.74</u>	<u>42,323,917.13</u>
Excess in Revenue		679,135.81	1,204,540.00
<u>Fund Balance</u>			
Balance January 1	A	<u>1,205,249.02</u>	<u>1,309,709.02</u>
		1,884,384.83	2,514,249.02
Decreased by:			
Utilized as Anticipated Revenue	Above	<u>1,191,500.00</u>	<u>1,309,000.00</u>
Balance December 31	A	<u>\$ 692,884.83</u>	<u>\$ 1,205,249.02</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF REVENUE

A-2

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
Fund Balance Appropriated	A-1	\$ 1,191,500.00	\$ 1,191,500.00	\$
<u>Miscellaneous Revenues</u>				
Alcoholic Beverage Licenses	A-10	10,000.00	10,000.00	-
Other Licenses	A-2a	2,720.00	2,860.00	140.00
Fees and Permits	A-2a	85,940.00	105,986.08	20,046.08
Municipal Court Fines and Costs	A-10	175,000.00	194,339.09	19,339.09
Other Fines and Costs	A-10	5,600.00	4,610.55	(989.45)
Interest and Cost on Taxes	A-10	87,500.00	74,945.50	(12,554.50)
Parking Lot Fees	A-10	31,400.00	41,111.68	9,711.68
Interest on Investments and Deposits	A-10	14,500.00	6,913.82	(7,586.18)
Recreation Receipts	A-10	82,400.00	86,095.00	3,695.00
Rental of Hurrell Field	A-10	25,000.00	21,959.08	(3,040.92)
Cable TV Franchise Fee	A-10	29,968.00	29,968.13	0.13
Consolidated Municipal Property Tax				
Relief Aid	A-10	54,880.00	54,880.00	
Energy Receipts Tax	A-10	344,661.00	344,661.00	
Extraordinary Aid	A-10			
Uniform Construction Code Fees	A-10	100,600.00	128,242.00	27,642.00
Bureau of Fire Safety - Life Hazard Use	A-10			
Fees	A-10			-
Water Utility Surplus - Prior Years	A-10	99,000.00	99,000.00	-
PILOT - Project Live	A-10	6,000.00	4,507.32	(1,492.68)
Trust Fund Surplus	A-10	4,700.00	4,700.00	-
Administrative Fee - Police Special Duty	A-10	20,000.00	20,000.00	-
General Trust Surplus	A-10			
Mountainside Hospital Sewer Fee	A-10	8,400.00	8,400.00	-
		<u>1,188,269.00</u>	<u>1,243,179.25</u>	<u>54,910.25</u>
Federal and State Grants:				
Clean Communities Program		10,079.68	10,079.68	
Body Armor Replacement Program		2,076.94	2,076.94	
Municipal Alliance on Alcohol and Drug Abuse		38,950.00	38,950.00	
	A-27	<u>51,106.62</u>	<u>51,106.62</u>	
Total Miscellaneous Revenue	A-1	<u>1,239,375.62</u>	<u>1,294,285.87</u>	<u>54,910.25</u>
Receipts from Delinquent Taxes	A-2a	<u>259,768.90</u>	<u>262,790.57</u>	<u>3,021.67</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purpose	A-2a	<u>9,234,338.44</u>	<u>9,504,308.10</u>	<u>269,969.66</u>
		11,924,982.96	12,252,884.54	327,901.58
Nonbudget Revenue	A-2b		99,389.67	99,389.67
	A-3	<u>\$ 11,924,982.96</u>	<u>\$ 12,352,274.21</u>	<u>\$ 427,291.25</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF REALIZED REVENUE

A-2a

<u>Allocation of Tax Collections</u>	<u>Ref.</u>	<u>Total</u>	<u>Receipts from Delinquent Taxes</u>	<u>Current Tax Collections</u>
Taxes Receivable Cash Receipts	A-7	\$40,991,042.89	\$ 262,790.57	\$40,728,252.32
Exemptions Granted	A-7	42,500.00		42,500.00
Overpayments Applied	A-7	139,341.44		139,341.44
Prepaid Taxes Applied	A-7	<u>159,742.82</u>		<u>159,742.82</u>
Total Revenue	A-1	41,332,627.15	262,790.57	41,069,836.58
Allocated to:				
County Levy and Added Taxes	A-20	(6,335,937.22)		(6,335,937.22)
Local District School Taxes	A-21	(25,810,652.00)		(25,810,652.00)
Plus: Reserve for Uncollected Taxes	A-3	<u>581,060.74</u>		<u>581,060.74</u>
Realized Revenue	A-2	<u>\$ 9,767,098.67</u>	<u>\$ 262,790.57</u>	<u>\$ 9,504,308.10</u>
<u>Other Licenses and Fees</u>		<u>Total</u>	<u>Other Licenses</u>	<u>Permits and Fees</u>
Public Works	A-10	\$ 272.00	\$	\$ 272.00
Clerk's Office	A-10	23,910.00	60.00	23,850.00
Tax Search Fees	A-10	40.00		40.00
Public Safety	A-10	10,824.54	50.00	10,774.54
Board of Health	A-10	35,114.54	2,750.00	32,364.54
Construction Official	A-10	<u>38,685.00</u>		<u>38,685.00</u>
Realized Revenue	A-2	<u>\$ 108,846.08</u>	<u>\$ 2,860.00</u>	<u>\$ 105,986.08</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF NONBUDGET REVENUE

A-2b

	<u>Ref.</u>		
<u>Miscellaneous Revenue Not Anticipated</u>			
Cash Receipts:			
Sale of Recyclables		\$ 16,178.30	
Ch.20 PL 2010 Health Benefits		24,816.09	
Insurance Refund		17,733.00	
Sale of Municipal Assets		19,541.38	
Forfeited Bail		500.00	
Board of Adjustment Fees		2,700.00	
Alarm Fees		850.00	
Landscape Permit		1,900.00	
Duplicate Tax Bills		955.00	
Mayor's Wedding Fees		300.00	
Photocopies		2,731.00	
Passaic Valley Rebate		452.19	
DMV Fines		2,100.00	
Senior Citizen and Veteran Deduction			
Administrative Fee		865.00	
Other		760.12	
	A-4	<u> </u>	\$92,382.08
Leaf Bags		1,405.00	
Prior Year Voided Checks		5,602.59	
	A-11	<u> </u>	<u>7,007.59</u>
	A-1,2		<u><u>\$99,389.67</u></u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #1

Appropriation	Appropriations		Paid or Charged	Expended		Reserved	Overexpenditure	Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered			
APPROPRIATIONS WITHIN "CAPS"								
GENERAL GOVERNMENT								
Administrative and Executive:								
Salaries and Wages	\$ 120,380.00	\$ 120,380.00	\$ 120,380.00	\$	\$	\$	\$	\$
Other Expenses	45,500.00	51,500.00	45,498.55	2,673.51	3,327.94			
Elections:								
Other Expenses	3,900.00	4,101.00	4,100.56		0.44			
Financial Administration:								
Salaries and Wages	73,700.00	73,700.00	69,599.94		4,100.06			
Other Expenses	36,500.00	36,500.00	21,311.50	15,050.00	138.50			
Annual Audit	45,000.00	45,000.00	45,000.00					
Assessment of Taxes:								
Salaries and Wages	25,000.00	25,000.00	25,000.00					
Other Expenses	7,500.00	9,300.00	9,204.74		95.26			
Collection of Taxes:								
Salaries and Wages	64,500.00	63,000.00	60,426.61		2,573.39			
Other Expenses	6,305.00	7,805.00	7,444.46		360.54			
Community Affairs and Public Relations:								
Other Expenses	26,000.00	27,500.00	26,182.97	1,285.41	31.62			
Legal Services and Costs:								
Salaries and Wages	21,241.00	21,241.00	21,241.00					
Other Expenses	75,455.97	75,455.97	50,348.53	337.60	24,769.84			
Engineering Services and Costs:								
Salaries and Wages	74,550.00	74,550.00	74,409.95		140.05			
Other Expenses	27,900.00	30,600.00	14,899.34	1,318.92	14,381.74			
Public Buildings and Grounds:								
Salaries and Wages	13,500.00	8,500.00	8,422.07		77.93			
Other Expenses	42,275.00	42,275.00	36,019.79	4,320.59	1,934.62			
Planning Board:								
Other Expenses	5,000.00	5,000.00	4,417.33	274.23	308.44			
Board of Adjustment:								
Other Expenses	4,600.00	4,600.00	3,796.08	598.92	205.00			
Shade Tree Commission:								
Salaries and Wages	1,000.00	1,000.00	776.97		223.03			
Other Expenses	80,000.00	80,000.00	70,862.67	1,750.00	7,387.33			
Insurance:								
Surety Bond Premiums								
General Liability	260,312.00	250,412.00	250,334.00		78.00			
Workers Compensation	153,148.00	153,148.00	153,147.00		1.00			
Employee Group Health	755,040.00	674,118.00	673,850.03		267.97			
Municipal Court:								
Salaries and Wages	115,200.00	115,300.00	115,203.96		96.04			
Other Expenses	14,050.00	19,050.00	18,839.34	203.00	7.66			
Public Defender:								
Salaries and Wages	3,150.00	3,150.00	2,622.87		527.13			

**BOROUGH OF GLEN RIDGE
CURRENT FUND**

STATEMENT OF EXPENDITURES

A-3
Sheet #2

Appropriation	Appropriations		Paid or Charged	Expended		Overexpenditure	Cancelled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered		
APPROPRIATIONS WITHIN "CAPS"							
PUBLIC SAFETY							
Department of Public Safety:							
Salaries and Wages	\$ 2,277,540.00	\$ 2,277,540.00	\$ 2,262,810.14	\$ 15,619.19	\$ 14,729.86	\$	\$
Other Expenses	139,049.00	139,049.00	121,658.16		1,771.65		
Life Hazard Use Fees:							
Other Expenses	12,000.00	12,000.00	12,000.00		-		
Crossing Guards:							
Salaries and Wages	147,449.00	147,449.00	130,865.35		16,583.65		
Police Dispatchers:							
Salaries and Wages	243,301.00	243,301.00	234,899.74		8,401.26		
Aid to Volunteer Ambulance Companies:							
Other Expenses	9,000.00	9,000.00	9,000.00		-		
Fire Suppression Contract:							
Other Expenses	942,307.00	952,478.00	952,478.00		-		
Municipal Prosecutor:							
Salaries and Wages	20,600.00	20,600.00	20,600.00		-		
STREETS AND ROADS							
Road Repair and Maintenance:							
Salaries and Wages	210,500.00	238,500.00	237,916.64	8,174.60	583.36		
Other Expenses	58,040.00	58,040.00	48,231.04		1,634.36		
Storms:							
Salaries and Wages	35,000.00	65,000.00	63,085.52	66.88	1,914.48		
Other Expenses	15,000.00	15,000.00	14,837.82		95.30		
SANITATION							
Sewer System:							
Salaries and Wages	3,210.00	3,560.00	3,556.19		3.81		
Other Expenses	17,500.00	50,000.00	48,548.12		1,451.88		
Garbage and Trash Removal:							
Other Expenses	887,948.00	861,948.00	765,975.30	42,189.00	53,783.70		
HEALTH AND WELFARE							
Animal Control Services:							
Other Expenses	10,300.00	16,300.00	13,851.74		2,448.26		
Board of Health:							
Salaries and Wages	26,416.41	33,416.41	33,392.24	740.07	24.17		
Other Expenses	3,300.00	3,300.00	1,801.28		758.65		
Administration of Public Assistance:							
Other Expenses	3,500.00	-			-		

BOROUGH OF GLEN RIDGE
CURRENT FUND

A-3
Sheet #3

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Expended		Reserved	Overexpenditure	Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered			
<u>APPROPRIATIONS WITHIN "CAPS"</u>								
<u>RECREATION AND EDUCATION</u>								
Parks and Playgrounds:								
Salaries and Wages	\$ 189,133.21	\$ 160,133.21	\$ 159,230.61	\$ 8,379.84	\$ 902.60	\$		
Other Expenses	86,700.00	86,700.00	74,382.50		3,937.66			
Hurrell Field:								
Salaries and Wages	55,003.00	55,003.00	54,912.04		90.96			
Other Expenses	28,000.00	28,000.00	14,941.78	1,130.30	11,927.92			
Recreation:								
Salaries and Wages	195,725.00	195,725.00	190,036.52	4,528.25	5,688.48			
Other Expenses	63,350.00	63,350.00	56,921.14		1,900.61			
Jitney Operation:								
Salaries and Wages	70,000.00	90,000.00	86,427.11		3,572.89			
Other Expenses	12,000.00	15,000.00	13,271.44		1,728.56			
<u>UNIFORM CONSTRUCTION CODE</u>								
Construction Code Officials:								
Inspection of Buildings:								
Salaries and Wages	117,450.00	117,450.00	115,676.86	62.10	1,773.14			
Other Expenses	4,825.00	4,825.00	3,716.29		1,046.61			
<u>UNCLASSIFIED</u>								
Electricity	137,000.00	125,000.00	105,257.93		19,742.07			
Gasoline, Diesel Fuel and Lubricants	95,000.00	95,000.00	88,105.17		6,894.83			
Street Lighting	230,000.00	230,000.00	202,953.34		27,046.66			
<u>CONTINGENT</u>								
Total Operations Within "CAPS"	8,426,853.59	8,434,853.59	8,074,680.27	108,702.41	251,470.91			
Detail:								
Salaries and Wages	4,080,398.62	4,153,498.62	4,088,869.46		62,006.29			
Other Expenses	4,346,454.97	4,281,354.97	3,985,810.81	108,702.41	189,464.62			
<u>STATUTORY EXPENDITURES</u>								
Contributions to:								
Public Employees' Retirement System	90,839.00	90,839.00	90,839.00					
Public Security System (OASI)	169,600.00	161,600.00	155,426.72		6,173.28			
State Unemployment Insurance	65,000.00	65,000.00	65,000.00					
Consolidated Police and Firemen's Pension	20,500.00	20,500.00	20,451.22		48.78			
Police and Firemen's Retirement System	308,480.00	308,480.00	308,480.00					
	654,419.00	646,419.00	640,196.94		6,222.06			
Total Appropriations Within "CAPS"	9,081,272.59	9,081,272.59	8,714,877.21	108,702.41	257,692.97			

**BOROUGH OF GLEN RIDGE
CURRENT FUND**

STATEMENT OF EXPENDITURES

A-3
Sheet #4

Appropriation	Appropriations		Paid or Charged	Expended		Overexpenditure	Cancelled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered		
APPROPRIATIONS EXCLUDED FROM "CAPS"							
OTHER OPERATIONS							
Maintenance of Free Public Library	\$ 598,186.00	\$ 598,186.00	\$ 589,959.70	\$	\$ 8,226.30	\$	\$
Insurance (N.J.S.A. 40A:4-45.3 P.L. 2003 Ch. 92, §-906):							
Employee Group Health	94,960.00	94,960.00	94,960.00				
Police and Firemen's Retirement System	256,515.00	256,515.00	256,515.00				
Public Employees' Retirement System	92,018.00	92,018.00	92,018.00				
Recycling Tax	26,500.00	26,500.00			26,500.00		
Joint Outlet Sewer Maintenance	445,605.00	445,605.00	452,649.05		0.00	7,044.05	
	1,513,784.00	1,513,784.00	1,486,101.75		34,726.30	7,044.05	
Interlocal Municipal Service Agreements							
Township of Montclair:							
Health Services	25,440.00	25,440.00	26,472.00			1,032.00	
PUBLIC AND PRIVATE PROGRAMS OFFSET							
BY REVENUES							
Municipal Alliance on Alcoholism and Drug Abuse	38,950.00	38,950.00	38,950.00				
Clean Communities Program	10,079.68	10,079.68	10,079.68				
Body Armor Replacement Fund	2,076.94	2,076.94	2,076.94				
Total Public and Private Programs	51,106.62	51,106.62	51,106.62				
Total Operations Excluded from "CAPS"	1,590,330.62	1,590,330.62	1,563,680.37		34,726.30	8,076.05	
Detail:							
Other Expenses	1,590,330.62	1,590,330.62	1,563,680.37		34,726.30	8,076.05	
CAPITAL IMPROVEMENTS							
Capital Improvement Fund	100,000.00	100,000.00	100,000.00				

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #5

Appropriation	Appropriations		Paid or Charged	Expended		Overexpenditure	Cancelled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered		
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>							
<u>DEBT SERVICE</u>							
Payment of Bond Principal	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$	\$	\$	\$
Interest on Bonds	195,975.00	195,975.00	195,975.00				
Interest on Notes	38,702.40	38,702.40	38,599.50				102.90
Green Trust Loan Program	36,641.61	36,641.61	36,641.61				
	<u>521,319.01</u>	<u>521,319.01</u>	<u>521,216.11</u>				<u>102.90</u>
<u>DEFERRED CHARGES</u>							
Special Emergency Authorization	51,000.00	51,000.00	51,000.00				
Total Appropriations Excluded from "CAPS"	<u>2,262,849.63</u>	<u>2,262,849.63</u>	<u>2,235,896.48</u>		<u>34,726.30</u>	<u>8,076.05</u>	<u>102.90</u>
Sub-Total Appropriations	11,343,922.22	11,343,922.22	10,950,773.69	108,702.41	292,419.27	8,076.05	102.90
Reserve for Uncollected Taxes	581,060.74	581,060.74	581,060.74				
Total General Appropriations	<u>\$ 11,924,982.96</u>	<u>\$ 11,924,982.96</u>	<u>\$ 11,531,834.43</u>	<u>\$ 108,702.41</u>	<u>\$ 292,419.27</u>	<u>\$ 8,076.05</u>	<u>\$ 102.90</u>
Reference	A-2	Below	Below	A-A-1	A-A-1	A-13	Below
Ref.							
Adopted Budget	A-2	\$ 11,924,982.96	\$				
Reserve for Uncollected Taxes	A-2a	(581,060.74)	581,060.74				
Cash Disbursements	A-4		10,848,667.07				
Deferred Charges	A-13		51,000.00				
Reserve for Federal and State Grants	A-29		51,106.62				
Cancelled	Above	(102.90)					
	A-1	\$ 11,343,819.32	\$ 11,531,834.43				

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
TRUST FUND

COMPARATIVE BALANCE SHEETS

B

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Animal Control Fund</u>			
Cash	B-2	\$ 6,437.78	\$ 4,816.13
<u>General Trust Fund</u>			
Cash	B-2	389,955.01	508,844.57
Community Development Block Grant			
Receivable	B-3	58,200.00	151,400.00
Police Outside Service Receivable	B-5	41,825.25	
Due from General Capital Fund	B-8	39,305.00	
Interfunds Receivable	B-4		3,440.48
		<u>529,285.26</u>	<u>663,685.05</u>
		<u>\$ 535,723.04</u>	<u>\$ 668,501.18</u>
 <u>LIABILITIES AND RESERVES</u>			
<u>Animal Control Fund</u>			
Due to Current Fund	B-8	\$ 642.60	\$
Due to State of New Jersey	B-6	10.20	32.40
Reserve for Expenditures	B-9	5,784.98	4,783.73
		<u>6,437.78</u>	<u>4,816.13</u>
<u>General Trust Fund</u>			
Interfunds Payable	B-8		117,049.38
Payroll Deductions Payable	B-7	35,041.56	38,681.40
Reserves for:			
Special Deposits	B-10	350,576.56	430,280.43
State Unemployment Compensation			
Insurance	B-11	85,438.79	14,699.65
Community Development Block			
Grant	B-12	58,200.00	58,200.00
Fund Balance	B-1	28.35	4,774.19
		<u>529,285.26</u>	<u>663,685.05</u>
		<u>\$ 535,723.04</u>	<u>\$ 668,501.18</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
TRUST FUND

FUND BALANCE

B-1

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 4,774.19
Decreased by:		
Cash Disbursements	B-2	<u>4,745.84</u>
Balance December 31, 2010	B	<u>\$ 28.35</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Cash	C-2	\$ 516,732.62	\$ 550,777.90
Due from State of New Jersey	C-4	517,974.38	153,060.19
Infrastructure Loan Receivable	C-5	324,309.00	
Due from General Trust Fund	C-6		100,214.37
Due from Water Capital Fund	C-6	26,206.00	
Deferred Charges to Future Taxation:			
Funded	C-7	5,256,011.82	5,182,818.00
Unfunded	C-8	59,627.00	410,142.00
		<u>\$ 6,700,860.82</u>	<u>\$ 6,397,012.46</u>
 <u>LIABILITIES AND RESERVES</u>			
Improvement Authorizations:			
Funded	C-9	\$ 974,885.22	\$ 453,262.61
Unfunded	C-9	59,485.00	399,757.00
Due to General Trust Fund	C-6	39,305.00	
Capital Improvement Fund	C-10	363,428.73	353,429.80
Green Trust Loan Payable	C-11	445,496.82	472,818.00
Infrastructure Loan Payable	C-13	350,515.00	
Serial Bonds Payable	C-12	4,460,000.00	4,710,000.00
Fund Balance	C-1	7,745.05	7,745.05
		<u>\$ 6,700,860.82</u>	<u>\$ 6,397,012.46</u>
 Bonds and Notes Authorized but Not Issued			
	C-14	<u>\$ 59,627.00</u>	<u>\$ 410,142.00</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE

C-1

	<u>Ref.</u>	
Balance December 31, 2009	C	<u>\$ 7,745.05</u>
Balance December 31, 2010	C	<u><u>\$ 7,745.05</u></u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

COMPARATIVE BALANCE SHEETS

D

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 123,957.03	\$ 254,105.64
Consumer Accounts Receivable	D-7	140,808.78	73,934.96
		<u>264,765.81</u>	<u>328,040.60</u>
<u>Capital Fund</u>			
Cash	D-5,6	206,652.33	95,474.13
Environmental Infrastructure Receivable	D-7a	1,058,254.00	
Fixed Capital	D-8	6,303,557.60	6,303,557.60
Fixed Capital - Authorized and Uncompleted	D-9	2,380,000.00	2,380,000.00
Interfunds Receivable	D-10		29,991.18
		<u>9,948,463.93</u>	<u>8,809,022.91</u>
		<u>\$ 10,213,229.74</u>	<u>\$ 9,137,063.51</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves - Encumbered	D-4,11	\$ 14,594.00	\$ 36,506.15
Appropriation Reserves - Reserved	D-4,11	29,532.49	30,315.46
Interfunds Payable	D-10		29,991.18
Accrued Interest on Loans	D-15	36,647.93	38,460.43
Overpaid Water Rents	D-18	15,335.17	11,125.51
		<u>96,109.59</u>	<u>146,398.73</u>
Reserve for Receivables	Above	140,808.78	73,934.96
Fund Balance	D-1	27,847.44	107,706.91
		<u>264,765.81</u>	<u>328,040.60</u>
<u>Capital Fund</u>			
Improvement Authorizations:			
Funded	D-12	1,206,988.55	657.50
Unfunded	D-12	170,850.00	2,243,096.03
Interfunds Payable	D-10	26,206.00	
Loans Payable	D-13	5,571,278.38	3,696,942.19
Capital Improvement Fund	D-14	4,665.19	4,665.19
Reserves for:			
Future Improvement Authorizations	D-16	11,000.00	11,000.00
Amortization	D-17	2,941,429.22	2,636,815.41
Fund Balance	D-2	16,046.59	216,046.59
		<u>9,948,463.93</u>	<u>8,809,022.91</u>
		<u>\$ 10,213,229.74</u>	<u>\$ 9,137,063.51</u>
Bonds and Notes Authorized but Not Issued	D-19	<u>\$ 170,850.00</u>	<u>\$ 2,350,000.00</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

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

D-1

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Rents	D-3	\$ 940,703.99	\$ 991,940.04
Miscellaneous Revenue Anticipated	D-3	4,554.30	12,066.22
Water Capital Surplus	D-3	200,000.00	150,000.00
Other Credits to Income:			
Water Rent Overpayments Cancelled			113.92
Appropriation Reserves Lapsed	D-11	16,516.27	4,505.39
Total income		<u>1,161,774.56</u>	<u>1,158,625.57</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		330,892.66	301,521.61
Other Expenses		518,180.51	467,500.00
Debt Service		270,710.86	301,167.25
Deferred Charges			8,885.18
Statutory Expenditures		22,850.00	20,000.00
	D-4	<u>1,142,634.03</u>	<u>1,099,074.04</u>
Excess in Revenue		<u>19,140.53</u>	<u>59,551.53</u>
<u>Fund Balance</u>			
Balance January 1	D	<u>107,706.91</u>	<u>248,155.38</u>
		126,847.44	307,706.91
Decreased by:			
Amount Utilized as Current Fund Revenue	D-5	<u>99,000.00</u>	<u>200,000.00</u>
Balance December 31	D	<u>\$ 27,847.44</u>	<u>\$ 107,706.91</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY FUND

STATEMENT OF WATER CAPITAL FUND BALANCE

D-2

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 216,046.59
Decreased by:		
Anticipated Revenue - Water Operating	D-5	<u>200,000.00</u>
Balance December 31, 2010	D	<u>\$ 16,046.59</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

STATEMENT OF REVENUE - OPERATING FUND

D-3

<u>Source</u>	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Rents	D-1,7	\$ 980,000.00	\$ 940,703.99	\$ (39,296.01)
Water Capital Surplus	D-1,10	200,000.00	200,000.00	
Miscellaneous	D-1,Below	<u>12,000.00</u>	<u>4,554.30</u>	<u>(7,445.70)</u>
	D-4	<u>\$ 1,192,000.00</u>	<u>\$ 1,145,258.29</u>	<u>\$ (46,741.71)</u>
 Miscellaneous Revenue				
<u>Anticipated</u>				
Miscellaneous:				
Interest on Delinquent Water Rents	D-5	\$ 3,756.23		
Interest on Investment	D-10	314.00		
Other	D-5	<u>484.07</u>		
	Above		<u>\$ 4,554.30</u>	

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

STATEMENT OF EXPENDITURES

D-4

<u>Appropriation</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Operating</u>						
Salaries and Wages	\$ 333,742.66	\$ 330,892.66	\$ 328,002.96	\$	\$ 2,889.70	\$
Other Expenses	518,180.51	518,180.51	476,948.78	14,594.00	26,637.73	
<u>Debt Service</u>						
Water Supply Rehabilitation Loan	320,076.83	320,076.83	270,710.86			49,365.97
<u>Statutory Expenditures</u>						
Contributions to:						
Social Security System (OASI)	20,000.00	22,850.00	22,844.94		5.06	
	<u>\$ 1,192,000.00</u>	<u>\$ 1,192,000.00</u>	<u>\$ 1,098,507.54</u>	<u>\$ 14,594.00</u>	<u>\$ 29,532.49</u>	<u>\$ 49,365.97</u>
<u>Reference</u>	<u>D-3</u>	<u>D-3</u>	<u>Below</u>	<u>D</u>	<u>D</u>	<u>Below</u>
<u>Ref.</u>						
Adopted Budget	Above	\$ 1,192,000.00	\$			
Cash Disbursements	D-5		1,055,568.49			
Accrued Interest on Loans	D-15		42,939.05			
Cancelled	Above	(49,365.97)				
	<u>D-1</u>	<u>\$ 1,142,634.03</u>	<u>\$ 1,098,507.54</u>			

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

COMPARATIVE BALANCE SHEETS

E

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash	E-4	\$ 170,353.64	\$ 127,231.96
Cash - Change Fund	E-5	100.00	100.00
		<u>170,453.64</u>	<u>127,331.96</u>
<u>Capital Fund</u>			
Fixed Capital	E-6	1,550,000.00	1,550,000.00
		<u>1,550,000.00</u>	<u>1,550,000.00</u>
		<u>\$ 1,720,453.64</u>	<u>\$ 1,677,331.96</u>
<u>LIABILITIES AND RESERVES</u>			
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves:			
Encumbered	E-3,7	\$ 30,605.30	\$ 9,953.64
Reserved	E-3,7	3,411.68	13,556.32
Accrued Interest on Bonds	E-8	15,340.63	33,244.42
Fund Balance	E-1	121,096.03	70,577.58
		<u>170,453.64</u>	<u>127,331.96</u>
<u>Capital Fund</u>			
Serial Bonds Payable	E-10	625,000.00	685,000.00
Reserve for Amortization	E-9	925,000.00	865,000.00
		<u>1,550,000.00</u>	<u>1,550,000.00</u>
		<u>\$ 1,720,453.64</u>	<u>\$ 1,677,331.96</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

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

E-1

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	E-2	\$ 70,577.00	\$ 148,228.00
Membership Fees	E-2	328,947.90	305,673.60
Miscellaneous Revenue	E-2	486.01	785.45
Other Credits to Income:			
Appropriation Reserves Lapsed	E-7	14,457.75	277.46
Total Income		<u>414,468.66</u>	<u>454,964.51</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages	E-3	95,525.00	118,100.00
Other Expenses	E-3	115,827.00	170,903.00
Debt Service	E-3	82,021.21	95,384.00
		<u>293,373.21</u>	<u>384,387.00</u>
Excess in Revenue		121,095.45	70,577.51
<u>Fund Balance</u>			
Balance January 1	E	<u>70,577.58</u>	<u>148,228.07</u>
		<u>191,673.03</u>	<u>218,805.58</u>
Decreased by:			
Amount Utilized as Anticipated Revenue	E-2	<u>70,577.00</u>	<u>148,228.00</u>
Balance December 31	E	<u>\$ 121,096.03</u>	<u>\$ 70,577.58</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

STATEMENT OF REVENUE - OPERATING FUND

E-2

<u>Source</u>	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Utilized	E-1	\$ 70,577.00	\$ 70,577.00	\$
Pool Fees	E-1,4	300,000.00	328,947.90	28,947.90
Miscellaneous - Interest	E-1,4	700.00	486.01	(213.99)
		<u>\$ 371,277.00</u>	<u>\$ 400,010.91</u>	<u>\$ 28,733.91</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

STATEMENT OF EXPENDITURES

E-3

<u>Appropriation</u>	<u>Appropriations</u>		<u>Expended</u>		<u>Reserved</u>	<u>Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>		
<u>Operating</u>						
Salaries and Wages	\$ 118,000.00	\$ 95,525.00	\$ 92,116.47	\$	\$ 3,408.53	\$
Other Expenses	153,352.00	175,827.00	85,218.55	30,605.30	3.15	60,000.00
<u>Debt Service</u>						
Payment of Bond Principal	60,000.00	60,000.00	60,000.00			17,903.79
Interest on Bonds	39,925.00	39,925.00	22,021.21			
	<u>\$ 371,277.00</u>	<u>\$ 371,277.00</u>	<u>\$ 259,356.23</u>	<u>\$ 30,605.30</u>	<u>\$ 3,411.68</u>	<u>\$ 77,903.79</u>
<u>Reference</u>	<u>E-2</u>	<u>E-2</u>	<u>Below</u>	<u>E</u>	<u>E</u>	<u>Below</u>
<u>Ref.</u>						
Modified Budget						
Cash Disbursements	E-2	\$ 371,277.00	\$			
Accrued Interest on Bonds	E-4		237,335.02			
Cancelled	E-8		22,021.21			
	Above	(77,903.79)				
	E-1	<u>\$ 293,373.21</u>	<u>\$ 259,356.23</u>			

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Glen Ridge is governed as a Mayor-Council form of government. The Mayor is elected in a general election to a four year term. There are six councilpersons, each elected to three year terms which are staggered. Two councilpersons run every two years.

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

The financial statements of the Borough of Glen Ridge include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough, as required by the provisions of N.J.S. 40A:5-5. The financial statements, however, do not include the operations of the Municipal Library, which is a separate entity subject to a separate examination.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles.

The accounting policies of the Borough of Glen Ridge conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough of Glen Ridge accounts for its financial transactions through the following separate funds which differ from the fund structure required by generally accepted accounting principles.

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

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Trust Fund and General Trust Fund.

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

BOROUGH OF GLEN RIDGE

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Description of Funds (Continued)

Utilities Fund - Water and Swimming Pool Utilities are treated as separate entities. The Water Utility maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity. The Swimming Pool Utility was established in December 2002. The Pool Utility is maintaining its own Operating and Capital Funds which reflect revenues, expenditures, acquisition of capital facilities, debt service and other related activity.

Free Public Library - All expenditures for payroll are handled by the Finance Officer of the Borough, however, all other expenses are paid directly by the Free Public Library. The Borough turns over monthly fixed amounts to the Library. Interest on investments, Library fines and other revenue are retained by the Library and expended therefrom. The Library is the subject of a separate report.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Borough as discussed under the caption of "Basis of Accounting". The Borough has no current financial data for these accounts.

C. Basis of Accounting

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

Property Taxes and Other Revenue

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

Grant Revenue

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

Expenditures

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Expenditures (Continued)

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

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

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

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

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

Encumbrances

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

Appropriation Reserves

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

Compensated Absences

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

Property Acquired for Taxes

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

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Interfunds Receivable

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

Inventories of Supplies

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

An annual inventory of materials and supplies for the Water Utility is required, by regulation, to be prepared by Borough personnel for inclusion on the Water Utility Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Year end inventory had no significant monetary value and is not included herein. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from Generally Accepted Accounting Principles, the Borough has not maintained a capital fixed asset accounting and reporting system.

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

Capital fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

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

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established capital fixed assets are valued at cost. No costs or valuation basis was available at year end.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Capital Fixed Assets (Continued)

Utilities:

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

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

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

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

D. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough of Glen Ridge presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

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

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

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

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

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

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

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

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

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

B. Investments

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

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

As of December 31, 2010, the Borough had funds on deposit in checking accounts, New Jersey Cash Management Accounts and New Jersey CLASS Accounts. The amount of the Borough's cash on deposit as of December 31, 2010 was \$3,011,626.15. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40. There were no securities categorized as investments as defined by GASB Statement No. 40.

BOROUGH OF GLEN RIDGE

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2010

3. **TAXES AND TAX TITLE LIENS RECEIVABLE**

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

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

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

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

Comparative Schedule of Tax Rates

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$ 2.907</u>	<u>\$ 2.776</u>	<u>\$ 2.687 *</u>	<u>\$ 15.61</u>	<u>\$ 15.06</u>
Apportionment of Tax Rate:					
Municipal	\$ 0.649	\$ 0.615	\$ 0.588	\$ 3.44	\$ 3.16
County	0.428	0.414	0.407	2.30	2.36
County Open Space	0.017	0.016	0.017	0.06	0.06
School	<u>1.813</u>	<u>1.731</u>	<u>1.675</u>	<u>9.81</u>	<u>9.48</u>

*Revaluation

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

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Assessed Valuations

<u>Year</u>	<u>Amount</u>
2010	\$ 1,423,628,332.00
2009	\$ 1,437,278,029.00
2008	\$ 1,443,195,591.00 *
2007	\$ 234,629,485.00
2006	\$ 233,994,184.00

*Revaluation

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2010	\$ 41,438,199.30	\$ 41,069,836.58	99.11 %
2009	39,958,607.99	39,500,943.76	98.85
2008	38,812,441.28	38,258,856.71	98.57
2007	37,161,060.70	36,692,935.55	98.74
2006	35,309,832.29	34,908,159.41	98.86

Delinquent Taxes and Tax Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$ 17,101.25	\$ 239,891.09	\$ 256,992.34	0.62 %
2009	14,595.41	262,791.07	277,386.48	0.69
2008	10,479.18	418,561.20	429,040.38	1.11
2007	10,218.54	463,931.06	474,149.60	1.28
2006	9,703.41	370,399.05	380,102.46	1.08

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2010	\$ 410.00
2009	410.00
2008	410.00
2007	410.00
2006	410.00

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

5. WATER CONSUMER ACCOUNTS RECEIVABLE

The Borough of Glen Ridge maintains a utility fund for the billing and collection of water rents. The Borough is divided into three sections for the purposes of billings which are done on a quarterly basis.

A comparison of Water Utility billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection*</u>
2010	\$ 1,007,577.81	\$ 940,703.99
2009	911,804.36	991,940.04
2008	1,010,055.93	1,121,408.42
2007	1,056,696.00	953,922.76
2006	1,000,070.93	966,956.19

*Includes prior year rent collections.

6. FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budgets of Succeeding Year</u>	
Current Fund:	2010	\$ 692,884.83	\$ -	*
	2009	1,205,249.02	1,191,500.00	
	2008	1,309,709.02	1,309,000.00	
	2007	1,233,530.39	1,223,000.00	
	2006	1,610,692.15	1,560,000.00	
Water Utility Operating Fund:	2010	27,847.44		*
	2009	107,706.91	99,000.00	(2)
	2008	248,155.38	200,000.00	(3)
	2007	235,936.15	235,000.00	(1)
	2006	271,538.56	130,247.49	
Pool Utility Operating Fund:	2010	121,096.03		*
	2009	70,577.58	70,577.00	
	2008	148,228.07	148,228.00	
	2007	48,115.34	36,300.00	
	2006	185,276.72	151,752.00	

*Budget Not Yet Introduced.

- (1) Includes Anticipated in Current Fund Budget of \$143,000.00.
- (2) Anticipated in Current Fund Budget
- (3) Includes Anticipated in Current Fund Budget of \$200,000.00.

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

7. PENSION PLANS

Description of Systems

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

Public Employees Retirement System

The Public Employees' Retirement System (PERS) was established January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including postretirement health care, to substantially all fulltime employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after ten years of service and twenty-five years for health care coverage.

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

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

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010**

7. PENSION PLANS (Continued)

Description of Systems (Continued)

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

Police and Firemen's Retirement System

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

Description of Systems

Year	PERS		PFRS		CPFPF
	Township	Employees	Township	Employees	Township
2010	\$ 182,857.00	\$ 118,161.06	\$ 564,995.00	\$ 176,894.94	\$ 20,451.22
2009	87,767.00 *	136,127.98	297,853.50	285,884.71	20,355.72
2008	114,526.40 *	127,543.38	488,923.00	291,193.77	19,065.36

*Credits applied under the provisions of the Pension Security Act are detailed as follows:

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

7. PENSION PLANS (Continued)

Description of Systems (Continued)

	<u>2009</u>	<u>2008</u>
Public Employees' Retirement System	\$ 70,292.00	\$ 28,631.60
Police and Firemen's Retirement System	<u>238,020.50</u>	<u>-</u>
	<u>\$ 308,312.50</u>	<u>\$ 28,631.60</u>

In addition to the above contributions, the Borough is required to pay .74% of annual wages for the group life insurance and .31% of annual wages for long term disability.

8. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

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

Chapter 1, P.L. 2010 increased the minimum annual salary required for eligibility in the DCRP. An employee must earn an annual salary of at least \$5,000 to be eligible or to continue participation.

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

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

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

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

10. MUNICIPAL DEBT (continued)

School Debt Deductions

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

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

Cash Receipts from Fees, Rents or Other Charges and Surplus Anticipated		\$ 945,258.29
Deductions:		
Operating and Maintenance Cost	\$ 871,923.17	
Debt Service per Water Utility		
Operating Fund	<u>270,710.86</u>	
		<u>1,142,634.03</u>
Deficit in Revenue		<u><u>\$ (197,375.74)</u></u>

There being a deficit in revenue, not all Water Utility Debt is deductible for Debt Statement purposes. The deficit of \$197,375.74 is capitalized at 5% which results in \$3,947,514.80 being subject to net debt.

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

Cash Receipts from Fees, Rents or Other Charges and Surplus Anticipated		\$ 400,011.49
Deductions:		
Operating and Maintenance Cost	\$ 211,352.00	
Debt Service	<u>82,021.21</u>	
		<u>293,373.21</u>
Excess in Revenue		<u><u>\$ 106,638.28</u></u>

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

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

Long Term Debt

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

General Capital Improvement Bonds

\$5,160,000.00 Bonds due in annual installments of \$250,000.00 to \$400,000 through October 2023, interest at 4.00% to 4.25%	<u><u>\$ 4,460,000.00</u></u>
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BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

10. MUNICIPAL DEBT (Continued)

A schedule of annual debt service for principal and interest for bonded debt is as follows:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 460,350.00	\$ 275,000.00	\$ 185,350.00
2012	448,662.50	275,000.00	173,662.50
2013	461,975.00	300,000.00	161,975.00
2014	474,225.00	325,000.00	149,225.00
2015	460,412.50	325,000.00	135,412.50
2016	471,600.00	350,000.00	121,600.00
2017	456,725.00	350,000.00	106,725.00
2018	441,850.00	350,000.00	91,850.00
2019	452,850.00	375,000.00	77,850.00
2020	437,850.00	375,000.00	62,850.00
2021	422,850.00	375,000.00	47,850.00
2022	432,381.25	400,000.00	32,381.25
2023	400,881.25	385,000.00	15,881.25
	<u>\$ 5,822,612.50</u>	<u>\$ 4,460,000.00</u>	<u>\$ 1,362,612.50</u>

Green Acres Loan

The Borough entered into a loan agreement with the State of New Jersey, Department of Environmental Protection. The loan was for improvements to Hurrell Field. The following is a Schedule of Annual Principal and Interest:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 36,641.62	\$ 27,870.34	\$ 8,771.28
2012	36,641.61	28,430.53	8,211.08
2013	36,641.61	29,001.98	7,639.63
2014	36,641.61	29,584.92	7,056.69
2015	36,641.60	30,179.57	6,462.03
2016	36,641.61	30,786.19	5,855.42
2017	36,641.61	31,404.99	5,236.62
2018	36,641.61	32,036.23	4,605.38
2019	36,641.60	32,680.15	3,961.45
2020	36,641.61	33,337.03	3,304.58
2021	36,641.62	34,007.11	2,634.51
2022	36,641.62	34,690.65	1,950.97
2023	36,641.60	35,387.92	1,253.68
2023	36,641.62	36,099.21	542.41
	<u>\$ 512,982.55</u>	<u>\$ 445,496.82</u>	<u>\$ 67,485.73</u>

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010**

10. MUNICIPAL DEBT (continued)

Swimming Pool Utility Bonds

\$1,000,000, Bonds due in annual installments of
\$60,000 to \$95,000 through August 2018, interest
at 5.0% to 6.0% (Taxable)

\$ 625,000.00

A schedule of annual debt service for principal and interest for bonded debt is as follows:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 101,850.00	\$ 65,000.00	\$ 36,850.00
2012	98,437.50	65,000.00	33,437.50
2013	99,700.00	70,000.00	29,700.00
2014	100,500.00	75,000.00	25,500.00
2015	101,000.00	80,000.00	21,000.00
2016	101,200.00	85,000.00	16,200.00
2017	101,100.00	90,000.00	11,100.00
2018	100,700.00	95,000.00	5,700.00
	<u>\$ 804,487.50</u>	<u>\$ 625,000.00</u>	<u>\$ 179,487.50</u>

Environmental Infrastructure Loan

The Borough entered into a loan agreement with the State of New Jersey, Department of Environmental Protection Environmental Infrastructure Trust Financing Program for waterworks improvements. A loan was awarded in the sum of \$1,680,784.00. A loan repayment schedule provided by the State of New Jersey showed a total loan payable of \$1,655,392.00.

The Borough entered into a second loan agreement in 2003 for \$1,192,053.00. A third loan agreement was entered into in 2005 for \$255,000.00. A fourth loan in the amount of \$1,614,785.00 was entered into in 2006. Three loans were initiated in 2010. Two of the loans were established in the Water Utility Fund while the third loan related to sanitary sewer was established in the General Capital Fund. The two loans in the Utility fund were for \$1,413,287.00 and \$765,863.00. The General Capital was for \$350,515.00.

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

10. MUNICIPAL DEBT (Continued)

The following is a Schedule of Annual Principal and Interest

GENERAL CAPITAL FUND:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 12,470.54	\$ 6,119.15	\$ 6,635.39
2012	22,678.72	14,178.72	8,500.00
2013	22,428.72	14,178.72	8,250.00
2014	22,178.72	14,178.72	8,000.00
2015	21,928.72	14,178.72	7,750.00
2016	21,678.72	14,178.72	7,500.00
2017	21,428.72	14,178.72	7,250.00
2018	26,178.72	19,178.72	7,000.00
2019	25,678.72	19,178.72	6,500.00
2020	25,178.72	19,178.72	6,000.00
2021	24,678.72	19,178.72	5,500.00
2022	24,178.72	19,178.72	5,000.00
2023	26,678.72	19,178.72	4,500.00
2024	23,178.72	19,178.72	4,000.00
2025	22,678.72	19,178.72	3,500.00
2026	22,178.72	19,178.72	3,000.00
2027	21,678.72	19,178.72	2,500.00
2028	21,178.72	19,178.72	2,000.00
2029	25,678.72	24,178.72	1,500.00
2030	24,928.89	24,178.89	750.00
	<u>\$ 455,866.39</u>	<u>\$ 350,515.00</u>	<u>\$ 105,351.39</u>

BOROUGH OF GLEN RIDGE

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2010

The following is a Schedule of Annual Principal and Interest:

Water Utility Fund:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 395,533.87	\$ 286,092.74	\$ 109,441.13
2012	455,796.44	339,666.41	116,130.03
2013	445,215.88	336,085.86	109,130.02
2014	455,782.05	353,652.03	102,130.02
2015	452,309.78	357,929.76	94,380.02
2016	448,956.61	362,239.09	86,717.52
2017	453,189.11	374,390.35	78,798.76
2018	449,185.10	378,453.84	70,731.26
2019	449,654.27	387,285.51	62,368.76
2020	465,453.80	412,009.94	53,443.86
2021	344,288.85	300,957.59	43,331.26
2022	343,539.74	306,333.48	37,206.26
2023	341,900.76	311,338.26	30,562.50
2024	247,718.46	224,105.96	23,612.50
2025	234,014.86	214,389.86	19,625.00
2026	204,942.20	191,554.70	13,387.50
2027	135,054.70	126,554.70	8,500.00
2028	132,804.70	126,554.70	6,250.00
2029	135,554.87	131,554.87	4,000.00
2030	<u>51,628.73</u>	<u>50,128.73</u>	<u>1,500.00</u>
	<u>\$ 6,642,524.78</u>	<u>\$ 5,571,278.38</u>	<u>\$ 1,071,246.40</u>

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

	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
General Capital Fund:		
General Improvements	\$ 59,627.00	\$ 410,142.00
Water Utility Capital Fund:		
General Improvements	<u>170,850.00</u>	<u>2,350,000.00</u>
	<u>\$ 230,477.00</u>	<u>\$ 2,760,142.00</u>

Special Emergency Note

A special emergency note was issued for the Borough's revaluation in the sum of \$102,000.00. Interest due on the note is \$2,550.00.

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

11. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2010, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 642.60	\$ 35,554.87
Federal/State Grant Fund	35,554.87	642.60
Animal Control Fund	39,305.00	-
General Trust Fund	26,206.00	-
General Capital Fund	-	39,305.00
Water Utility Capital Fund	-	26,206.00
	<u>\$ 101,708.47</u>	<u>\$ 101,708.47</u>

12. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS' BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010 the following deferred charges are shown on the balance sheets of various funds:

	<u>Balance Dec. 31, 2010</u>	<u>2011 Budget Appropriation</u>
<u>Current Fund</u>		
Special Emergency (40A:4-53):		
Revaluation	\$ 102,000.00	\$ 51,000.00
Over expenditure of Appropriations	<u>8,076.05</u>	<u>8,076.05</u>
	<u>\$ 110,076.05</u>	<u>\$ 59,076.05</u>

13. DEFERRED COMPENSATION FUND

The Borough of Glen Ridge offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:14B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

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

BOROUGH OF GLEN RIDGE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

13. DEFERRED COMPENSATION FUND (continued)

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

The Borough of Glen Ridge authorized such modifications to their plan by resolution of the Borough Council adopted October 28, 1997.

The Administrators for the Borough of Glen Ridge's Deferred Compensation Plan are the Variable Annuity Life Insurance Company (VALIC) and the Equitable Assurance Company.

14. DEFERRED SCHOOL TAX

The Local District School Tax was raised on the school year basis and liability deferred by statute, resulting in school tax payable set forth in liabilities computed as follows:

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Increase</u>
*Balance of Tax	\$ 12,905,326.00	\$ 12,436,438.50	\$ 468,887.50
Amount Deferred	<u>12,905,326.00</u>	<u>12,436,438.50</u>	<u>468,887.50</u>
Tax Payable (Cash Liability)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Required for school operations for the six month period following December 31st.

15. CONTINGENT LIABILITIES

a. Compensated Absences

It has been ordained by the Borough of Glen Ridge (Ordinance #886 of August 12, 1968) that full-time employees may accumulate sick leave at the rate of one and one-quarter (1¼) days per month up to the maximum of 200 days. Upon retirement, the retiree will be permitted compensatory time off for one-half (1/2) of any unused sick leave up to a maximum of 100 days.

It is estimated that the sum of \$425,124.51, computed internally at the 2010 salary rates, would be payable to officials and employees of the Borough of Glen Ridge as of December 31, 2010 for accumulated sick days, vacation days and unused holidays. This amount was not verified by audit.

Provision for the above are not reflected on the Financial Statements of the Borough.

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

15. CONTINGENT LIABILITIES (Continued)

b. Tax Appeals

A number of appeals are pending, but the ultimate impact of any reduction is considered to be relatively insignificant.

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

c. Federal and State Awards

The Borough participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore to the extent that the Borough has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 2010 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

d. Litigation

The Borough is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Borough.

BOROUGH OF GLEN RIDGE
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

A-4

	<u>Ref.</u>	<u>Current Fund</u>
Balance December 31, 2009	A	\$ 3,207,644.25
Increased by Cash Receipts:		
Nonbudget Revenue	A-2b	\$ 92,382.08
Petty Cash Returned	A-5	600.00
Tax Exemptions Due from State	A-6	43,250.00
Taxes Receivable	A-7	40,991,042.89
Revenue Accounts Receivable	A-10	1,136,988.71
Interfund Settlements	A-11	1,180,430.13
Fees Payable to State	A-17	10,736.00
Tax Overpayments	A-18	11,956.29
Inspection Fees Payable	A-19	13,222.00
Emergency Note Payable	A-23	102,000.00
Prepaid Taxes	A-26	160,667.61
		<u>43,743,275.71</u>
		46,950,919.96
Decreased by Cash Disbursed:		
Refund of Prior Year Revenue	A-1	7.17
Budget Appropriations	A-3	10,848,667.07
Petty Cash Fund Established	A-5	600.00
Interfund Settlements	A-11	1,045,027.33
Appropriation Reserves	A-14	292,666.08
Accounts Payable	A-16	4,296.83
Due to State of New Jersey	A-17	10,141.00
Refund of Tax Overpayments	A-18	41,584.99
Inspection Fees Payable	A-19	13,210.00
County Taxes Payable	A-20	6,335,937.22
Local School District Tax	A-21	24,965,368.87
Prepaid School Taxes	A-22	252,222.13
Emergency Note Payable	A-23	153,000.00
Tax Anticipation Note	A-25	1,500,000.00
		<u>45,462,728.69</u>
Balance December 31, 2010	A	<u>\$ 1,488,191.27</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

CHANGE FUNDS

A-5

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 170.00
Increased by:		
Petty Cash Fund Established	A-4	<div style="display: flex; justify-content: flex-end;"> 600.00 770.00 </div>
Decreased by:		
Petty Cash Funds Returned	A-4	<div style="display: flex; justify-content: flex-end;"> 600.00 </div>
Balance December 31, 2010	A	<div style="display: flex; justify-content: flex-end;"> \$ 170.00 </div>
<u>Analysis of Balance</u>		
Tax Collector		\$ 50.00
Public Works		50.00
Library		<div style="display: flex; justify-content: flex-end;"> 70.00 </div>
	Above	<div style="display: flex; justify-content: flex-end;"> \$ 170.00 </div>

BOROUGH OF GLEN RIDGE
CURRENT FUND

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976
(SENIOR CITIZENS' AND VETERANS' TAX EXEMPTIONS)

A-6

	<u>Ref.</u>	
Balance December 31, 2009 (Due To)	A	\$ (1,895.62)
Increased by:		
Deductions per Tax Duplicate:		
Senior Citizens		\$ 3,000.00
Veterans		40,000.00
Senior Citizens'/Veterans' Deductions Allowed by Tax Collector		<u>250.00</u>
		43,250.00
Less: Senior Citizens'/Veteran's Deductions Disallowed by Tax Collector		<u>750.00</u>
	A-7	<u>42,500.00</u>
		40,604.38
Decreased by:		
Cash Received	A-4	<u>43,250.00</u>
Balance December 31, 2010 (Due To)	A	<u><u>\$ (2,645.62)</u></u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-7

<u>Year</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Levy</u>	<u>2009</u>	<u>Collected</u>	<u>2010</u>	<u>Exemptions Granted</u>	<u>Cancelled</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance Dec. 31, 2010</u>
2009	\$ 262,791.07	\$	\$ 159,742.82	\$	\$ 262,790.57	\$ 42,500.00	\$ 0.50	\$ 2,505.84	\$ 239,891.09
2010	\$ 262,791.07	\$ 41,438,199.30	\$ 159,742.82	\$ 41,438,199.30	\$ 41,130,384.33	\$ 42,500.00	\$ 125,966.29	\$ 2,505.84	\$ 239,891.09
<u>Reference</u>	<u>A</u>	<u>Below</u>	<u>A-2a.26</u>	<u>A-2a.4</u>	<u>A-2a.6</u>	<u>Reserve</u>	<u>A-8</u>	<u>A</u>	

Ref.

Cash Receipts
Overpayments Applied

A-200.4
A-200.18
\$ 40,991,042.89
139,341.44
\$ 41,130,384.33

Analysis of Property Tax Yield and Levy

Ref.

Tax Yield
General Purpose Tax
Public Utilities
Added Taxes

\$ 41,371,124.20
14,585.35
41,385,709.55
52,489.75

Above

\$ 41,438,199.30

Tax Levy
Local District School Tax (Abstract)
County Taxes:
Regular County Tax (Abstract)
Added Taxes
Open Space

\$ 6,092,891.05
8,037.02
235,009.15

\$ 25,810,652.00

6,335,937.22

Local Taxes:
For Municipal Purposes
Additional Tax Levied

9,234,338.44
57,271.64

9,291,610.08

Above

\$ 41,438,199.30

BOROUGH OF GLEN RIDGE
CURRENT FUND

TAX TITLE LIENS

A-8

<u>Block</u>	<u>Lot</u>	<u>Date of Sale</u>	<u>Lien Number</u>	<u>Balance Dec. 31, 2009</u>	<u>Transfer from Taxes Receivable</u>	<u>Balance Dec. 31, 2010</u>
06	12	11-16-64	2-96	\$ 7,668.98	\$ 159.89	\$ 7,828.87
06	12A	11-16-64	3-96	3,079.47	122.09	3,201.56
63	15	06-17-09	9-06	<u>3,846.96</u>	<u>2,223.86</u>	<u>6,070.82</u>
				<u>\$ 14,595.41</u>	<u>\$ 2,505.84</u>	<u>\$ 17,101.25</u>
			<u>Reference</u>	<u>A</u>	<u>A-7</u>	<u>A</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

PROPERTY ACQUIRED FOR TAXES
AT ASSESSED VALUATION

A-9

	<u>Ref.</u>	
Balance December 31, 2009	A	<u>\$ 410.00</u>
Balance December 31, 2010	A	<u><u>\$ 410.00</u></u>

List of Property as of December 31, 2010

<u>Location</u>	<u>Block</u>	<u>Lot</u>	
Carteret Street	17	15A	\$ 100.00
Carteret Street	17	16	300.00
Mitchell Place	123	7	<u>10.00</u>
		Above	<u><u>\$ 410.00</u></u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-10

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Accrued</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Township Clerk:					
Alcoholic Beverage Licenses	A-2	\$ -	\$ 10,000.00	\$ 10,000.00	\$ -
Other Licenses	A-2a		60.00	60.00	
Other Fees and Permits	A-2a		23,850.00	23,850.00	
Public Works:					
Other Fees and Permits	A-2a		272.00	272.00	
Tax Collector:					
Interest and Cost on Taxes	A-2		74,945.50	74,945.50	
Tax Search Fees	A-2a		40.00	40.00	
Board of Health:					
Other Licenses	A-2a		2,750.00	2,750.00	
Other Fees and Permits	A-2a		32,364.54	32,364.54	
Department of Public Safety:					
Parking Lot Fees	A-2		41,111.68	41,111.68	
Other Licenses - Peddlers	A-2a		50.00	50.00	
Other Fees and Permits -					
Fire Inspections & Life Hazard Fees	A-2a		10,774.54	10,774.54	
Construction Official:					
Building Permits	A-2		128,242.00	128,242.00	
Other Fees and Permits	A-2a		38,685.00	38,685.00	
Municipal Court	A-2	11,586.89	195,563.64	194,339.09	12,811.44
Library Fines	A-2		4,610.55	4,610.55	
Recreation Receipts	A-2		86,095.00	86,095.00	
Administrative Fee - Police Special Duty	A-2		20,000.00	20,000.00	
Rental of Hurreli Field	A-2		21,959.08	21,959.08	
Cable TV Franchise Fee	A-2		29,968.13	29,968.13	
Interest on Investments	A-2		6,913.82	6,913.82	
PILOT - Project Live	A-2		4,507.32	4,507.32	
Water Utility Operating Surplus	A-2		99,000.00	99,000.00	
Trust Fund Surplus	A-2		4,700.00	4,700.00	
Mountainside Hospital Sewer Fee	A-2		8,400.00	8,400.00	
State of New Jersey:					
Energy Receipts Tax	A-2		344,661.00	344,661.00	
Consolidated Municipal					
Property Tax Relief Act	A-2		54,880.00	54,880.00	
		<u>\$11,586.89</u>	<u>\$ 1,244,403.80</u>	<u>\$1,243,179.25</u>	<u>\$12,811.44</u>

Reference

A

Reserve

Below

A

Ref.

Cash Receipts
Interfunds

A-4

A-11

Above

\$1,136,988.71

106,190.54

\$1,243,179.25

BOROUGH OF GLEN RIDGE
CURRENT FUND

INTERFUND ACCOUNTS

A-11

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Pool Operating</u>	<u>General Capital Fund</u>	<u>Water Utility Operating Fund</u>
Balance December 31, 2009:	A	\$ (12,707.60)	\$ (9,267.12)	\$	\$ (3,440.48)	\$	\$	\$
(To)								
Increased by:								
Interest on Deposits	A-10	2,490.54			1,192.39		1,298.15	
Miscellaneous Revenue not Anticipated	A-2b	7,007.59			7,007.59			
Anticipated Revenue	A-10	103,700.00			4,700.00			99,000.00
Cash Disbursed	A-4	1,045,027.33	35,211.52	642.60	527,255.21	16,918.00	465,000.00	
		<u>1,145,517.86</u>	<u>25,944.40</u>	<u>642.60</u>	<u>536,714.71</u>	<u>16,918.00</u>	<u>465,298.15</u>	<u>99,000.00</u>
Decreased by:								
Cash Receipts	A-4	<u>1,180,430.13</u>	<u>61,499.27</u>		<u>536,714.71</u>	<u>16,918.00</u>	<u>465,298.15</u>	<u>99,000.00</u>
Balance December 31, 2010:	A	\$ 642.60		\$ 642.60				
From								
(To)	A	<u>\$ (35,554.87)</u>	<u>\$ (35,554.87)</u>					

BOROUGH OF GLEN RIDGE
CURRENT FUND

OTHER ACCOUNTS RECEIVABLE

A-12

	<u>Ref.</u>	
Increased by:		
Overpayment of Marriage Licenses	A-	\$ 175.00
Balance December 31, 2010	A	<u>\$ 175.00</u>

DEFERRED CHARGES

A-13

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 153,000.00
Increased by:		
Budget Appropriation	A-3	8,076.05
		<u>161,076.05</u>
Decreased by:		
Budget Appropriation	A-3	51,000.00
Balance December 31, 2010	A	<u>\$ 110,076.05</u>
<u>Analysis of Balance</u>		
Special Emergency - Revaluation		\$ 102,000.00
Overexpenditure of Appropriations		8,076.05
	Above	<u>\$ 110,076.05</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

2009 APPROPRIATION RESERVES

A-14
Sheet #1

Appropriations	Balance Dec. 31, 2009		Balance After Transfers	Expended	Balance Lapsed
	Encumbered	Unencumbered			
<u>GENERAL GOVERNMENT</u>					
Administrative and Executive:					
Salaries and Wages		\$ 68.04	\$ 68.04	\$ -	\$ 68.04
Other Expenses	2,855.11	1,120.35	3,975.46	3,559.18	416.28
Elections:					
Other Expenses		23.27	23.27		23.27
Financial Administration:					
Salaries and Wages		7,270.02	7,270.02	100.63	7,169.39
Annual Audit		5,547.50	5,547.50	5,547.50	
Other Expenses	16,072.27	380.49	16,452.76	16,102.76	350.00
Assessment of Taxes:					
Salaries and Wages		258.87	258.87		258.87
Other Expenses	394.74	1,416.03	1,810.77	1,810.77	
Collection of Taxes:					
Salaries and Wages		3,478.07	3,478.07	92.00	3,386.07
Other Expenses		749.08	749.08	749.08	
Community Affairs and Public Relations:					
Other Expenses	642.80	74.42	717.22	717.22	
Legal Services and Costs:					
Salaries and Wages		0.10	0.10		0.10
Other Expenses		23,899.05	23,899.05	23,899.05	
Engineering Services and Costs:					
Salaries and Wages		3,270.52	3,270.52		3,270.52
Other Expenses	2,274.49	908.78	3,183.27	2,592.27	591.00
Public Buildings and Grounds:					
Salaries and Wages		7.19	7.19	7.19	
Other Expenses	5,584.87	319.60	5,904.47	4,926.49	977.98
Planning Board:					
Other Expenses	800.00	1,145.00	1,945.00	1,695.00	250.00
Board of Adjustment:					
Other Expenses	745.36	704.00	1,449.36	1,304.00	145.36
Shade Tree Commission:					
Salaries and Wages		2,000.00	2,000.00		2,000.00
Other Expenses	7,385.00	666.49	8,051.49	7,551.49	500.00
Insurance:					
General Liability					
Workmen's Compensation					
Group Health		14,613.23	14,613.23	14,613.23	
Municipal Court:					
Salaries and Wages		1,144.86	1,144.86	432.60	712.26
Other Expenses		3,517.26	3,517.26	3,415.23	102.03
Public Defender:					
Salaries and Wages		334.08	334.08		334.08
<u>PUBLIC SAFETY</u>					
Department of Public Safety:					
Salaries and Wages		6,204.10	6,204.10	6,204.10	
Other Expenses	16,101.33	3,729.11	19,830.44	19,130.47	699.97

BOROUGH OF GLEN RIDGE
CURRENT FUND

2009 APPROPRIATION RESERVES

A-14
Sheet #2

<u>Appropriations</u>	<u>Balance Dec. 31, 2009</u>		<u>Balance After Transfers</u>	<u>Expended</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>PUBLIC SAFETY (Continued)</u>					
Crossing Guards:					
Salaries and Wages		4,827.43	4,827.43	4,827.43	
Police Clerical:					
Salaries and Wages		8,339.64	8,339.64	4,780.11	3,559.53
Municipal Prosecutor:					
Salaries and Wages		0.02	0.02		0.02
<u>STREETS AND ROADS</u>					
Road Repair and Maintenance:					
Salaries and Wages		9,259.12	9,259.12	1,534.20	7,724.92
Other Expenses	6,359.20	1,069.92	7,429.12	6,768.28	660.84
Storms:					
Salaries and Wages		14,114.71	14,114.71		14,114.71
Other Expenses	666.84	5,238.72	5,905.56	5,902.16	3.40
<u>SANITATION</u>					
Sewer System:					
Salaries and Wages		1,942.04	1,942.04		1,942.04
Other Expenses	900.00	2,750.38	3,650.38	3,650.38	
Garbage and Trash Removal:					
Other Expenses	46,915.55	95,569.14	142,484.69	53,003.96	89,480.73
<u>HEALTH AND WELFARE</u>					
Board of Health:					
Salaries and Wages		397.06	397.06		397.06
Other Expenses	941.02	78.46	1,019.48	731.23	288.25
Animal Control Services:					
Other Expenses		961.94	961.94		961.94
Administration of Public Assistance:					
Other Expenses	2,400.00	500.00	2,900.00		2,900.00
<u>RECREATION AND EDUCATION</u>					
Parks and Playgrounds:					
Salaries and Wages		3,843.43	3,843.43	1,178.86	2,664.57
Other Expenses	13,525.07	3,480.29	17,005.36	16,556.38	448.98
Hurrell Field:					
Salaries and Wages		2,347.54	2,347.54		2,347.54
Other Expenses	8,847.03	1,069.90	9,916.93	9,631.79	285.14
Recreation:					
Salaries and Wages		530.08	530.08	530.08	
Other Expenses	2,751.50		2,751.50	2,586.50	165.00
Jitney Operation:					
Salaries and Wages		370.78	370.78	370.78	
Other Expenses		1,123.42	1,123.42	1,123.42	
<u>UNIFORM CONSTRUCTION CODE</u>					
Construction Code Officials:					
Inspection of Buildings:					
Salaries and Wages		1,097.45	1,097.45	794.24	303.21
Other Expenses	325.00	1,760.28	2,085.28	1,680.28	405.00

BOROUGH OF GLEN RIDGE
CURRENT FUND

2009 APPROPRIATION RESERVES

A-14
Sheet #3

<u>Appropriations</u>	<u>Balance</u> <u>Dec. 31, 2009</u>		<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Expended</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>UNCLASSIFIED</u>					
Electricity		14,104.93	14,104.93	12,478.77	1,626.16
Gasoline, Diesel Fuel and Lubricants	3,870.95	5,075.00	8,945.95		8,945.95
Street Lighting		57,782.93	57,782.93	19,595.76	38,187.17
<u>STATUTORY EXPENDITURES</u>					
Contributions to:					
Social Security System		1,359.06	1,359.06	110.86	1,248.20
Consolidated Police and Firemen's Pension		0.28	0.28		0.28
<u>OTHER OPERATIONS</u>					
Joint Outlet Sewer Maintenance		13.01	13.01		13.01
Maintenance of Free Public Library		46,029.10	46,029.10	46,029.10	
<u>Interlocal Municipal Service Agreements</u>					
Township of Montclair:					
Other Expenses		64.00	64.00		64.00
	<u>\$ 140,358.13</u>	<u>\$ 367,949.57</u>	<u>\$ 508,307.70</u>	<u>\$ 308,314.83</u>	<u>\$ 199,992.87</u>
<u>Reference</u>	<u>A</u>	<u>A</u>		<u>Below</u>	<u>A-1</u>

	<u>Ref.</u>	
Cash Disbursements	A-4	\$ 292,666.08
Transfer to Accounts Payable	A-16	15,648.75
	Above	<u>\$ 308,314.83</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

RESERVE FOR STATE LIBRARY AID

A-15

	<u>Ref.</u>	
Balance December 31, 2009	A	<u>\$ 629.00</u>
Balance December 31, 2010	A	<u><u>\$ 629.00</u></u>

ACCOUNTS PAYABLE

A-16

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 4,296.83
Increased by:		
Transferred from Appropriation Reserves	A-14	15,648.75
		<u>19,945.58</u>
Decreased by:		
Cash Disbursements	A-4	<u>4,296.83</u>
Balance December 31, 2010	A	<u><u>\$ 15,648.75</u></u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

DUE TO STATE OF NEW JERSEY
(OTHER FEES)

A-17

	<u>Ref.</u>	<u>Total</u>	<u>Marriage License/ Burial Fees</u>	<u>Building Construction Training Fee</u>
Balance December 31, 2009	A	<u>\$ 2,056.00</u>	<u>\$ 110.00</u>	<u>\$ 1,946.00</u>
Increased by:				
Overpayment	A-12	175.00	175.00	
Cash Receipts	A-4	<u>10,736.00</u>	<u>700.00</u>	<u>10,036.00</u>
		<u>10,911.00</u>	<u>875.00</u>	<u>10,036.00</u>
		12,967.00	985.00	11,982.00
Decreased by:				
Paid to State	A-4	<u>10,141.00</u>	<u>860.00</u>	<u>9,281.00</u>
Balance December 31, 2010	A	<u><u>\$ 2,826.00</u></u>	<u><u>\$ 125.00</u></u>	<u><u>\$ 2,701.00</u></u>

TAX OVERPAYMENTS

A-18

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 180,598.80
Increased by:			
Prior Year Judgments:			
State Tax Court	A-1	\$ 171,716.30	
Cash Receipts	A-4	<u>11,956.29</u>	
			<u>183,672.59</u>
			364,271.39
Decreased by:			
Refunds	A-4	41,584.99	
Applied to Taxes Receivable	A-7	<u>139,341.44</u>	
			<u>180,926.43</u>
Balance December 31, 2010	A		<u><u>\$ 183,344.96</u></u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

INSPECTION FEES PAYABLE

A-19

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 1,102.00
Increased by:		
Cash Receipts	A-4	13,222.00
		<u>14,324.00</u>
Decreased by:		
Cash Disbursements	A-4	13,210.00
Balance December 31, 2010	A	<u>\$ 1,114.00</u>

COUNTY TAXES PAYABLE

A-20

	<u>Ref.</u>		
Increased by:			
2010 Levy:			
General County	A-7	\$ 6,092,891.05	
Open Space Preservation	A-7	235,009.15	
Due County for Added Taxes	A-7	8,037.02	
	A-1,2a	<u>6,335,937.22</u>	<u>\$ 6,335,937.22</u>
			6,335,937.22
Decreased by:			
Payments	A-4		<u>6,335,937.22</u>
			<u>\$ -</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

LOCAL DISTRICT SCHOOL TAX

A-21

	<u>Ref.</u>	<u>Payable</u>	<u>Deferred</u>
Balance December 31, 2009		\$	\$ 12,436,438.50
Increased by:			
School Tax Levy - July 1, 2010 to June 30, 2011	A-1,2a,7	25,810,652.00	
Additional School Tax Deferred	Reserve		468,887.50
		<u>25,810,652.00</u>	<u>12,905,326.00</u>
Decreased by:			
Increase in Deferred School Taxes	A-1	468,887.50	
Prepaid School Tax	A-22	376,395.63	
Paid	A-4	24,965,368.87	
		<u>25,810,652.00</u>	
Balance December 31, 2010		<u>\$ -</u>	<u>\$ 12,905,326.00</u>

PREPAID SCHOOL TAX

A-22

	<u>Ref.</u>	
Balance December 31, 2009		\$ 376,395.63
Increased by:		
Cash Disbursements	A-4	252,222.13
		<u>628,617.76</u>
Decreased by:		
School Taxes Payable	A-21	376,395.63
Balance December 31, 2010	A	<u>\$ 252,222.13</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

EMERGENCY NOTE PAYABLE

A-23

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 153,000.00
Increased by:		
Cash Receipts	A-4	<u>102,000.00</u> 255,000.00
Decreased by:		
Cash Disbursements	A-4	<u>153,000.00</u>
Balance December 31, 2010	A	<u><u>\$ 102,000.00</u></u>

RESERVE FOR REVALUATION

A-24

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 7,624.49
Decreased by:		
Cancelled	A-1	<u>7,624.49</u>
		<u><u>\$ -</u></u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

RESERVE FOR PREPAID SCHOOL TAX

A-24a

	<u>Ref.</u>	
Increased by:		
Prepaid School Payment	A-1	<u>\$ 252,222.13</u>
Balance December 31, 2010	A	<u>\$ 252,222.13</u>

TAX ANTICIPATION NOTE

A-25

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 1,500,000.00
Decreased by:		
Notes Redeemed	A-4	<u>1,500,000.00</u>
		<u>\$ -</u>

PREPAID TAXES

A-26

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 159,742.82
Increased by:		
Cash Collections	A-4	<u>160,667.61</u>
		320,410.43
Decreased by:		
Applied to Current Taxes Receivable	A-7	<u>159,742.82</u>
Balance December 31, 2010	A	<u>\$ 160,667.61</u>

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

FEDERAL AND STATE GRANTS RECEIVABLE

A-27

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Budget</u> <u>Revenue</u> <u>Realized</u>	<u>Collected</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Clean Communities	\$	\$ 10,079.68	\$ 10,079.68	\$	\$
Municipal Alliance on Alcohol and Drug Abuse:					
2009	36,771.11		27,986.09	8,785.02	35,082.00
2010		38,950.00	3,868.00		
Body Armor Replacement Fund		2,076.94	2,076.94		
Green Communities	3,000.00				3,000.00
	<u>\$ 39,771.11</u>	<u>\$ 51,106.62</u>	<u>\$ 44,010.71</u>	<u>\$ 8,785.02</u>	<u>\$ 38,082.00</u>
Reference	A	A-2	A-28	A-29	A

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

INTERFUNDS

A-28

	<u>Ref.</u>	<u>Total</u>	<u>General Trust Fund</u>	<u>Current Fund</u>
Balance December 31, 2009:				
Due From	A	\$ 26,102.13	\$ 16,835.01	\$ 9,267.12
Increased by:				
Unappropriated Grants Received	A-30	653.55		653.55
Cash Collections thru Current Fund	A-27	44,010.71		44,010.71
Adjustment	Below	16,835.01		16,835.01
		<u>61,499.27</u>		<u>61,499.27</u>
		87,601.40	16,835.01	70,766.39
Decreased by:				
Expenditures Paid thru Current Fund	A-29	35,211.52		35,211.52
Adjustment	Above	16,835.01	16,835.01	
		<u>52,046.53</u>	<u>16,835.01</u>	<u>35,211.52</u>
Balance December 31, 2010:				
Due From	A	\$ 35,554.87	\$ -	\$ 35,554.87

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

A-29

	Balance Dec. 31, 2009	Budget	Paid or Charged	Cancelled	Balance Dec. 31, 2010
Recycling Tonnage Aid	\$ 566.52	\$ -	\$ 566.52	\$ -	\$ -
Clean Communities Program: 2010		10,079.68			10,079.68
2008	6,541.32		4,684.96		1,856.36
Municipal Alliance on Alcohol and Drug Abuse:					-
2010	17,492.57	38,950.00	10,127.55		28,822.45
2009	3,010.16		8,707.55	8,785.02	-
2008			3,010.16		-
Drunk Driving Enforcement Fund	11,000.37		2,362.97		8,637.40
Body Armor Replacement Fund:		2,076.94			2,076.94
Domestic Violence Response Team	1,001.75				1,001.75
NJ Historic Trust	8,400.00				8,400.00
Green Communities	3,000.00				3,000.00
NJ Transit Shuttle Grant: 2009	5,751.81		5,751.81		-
Alcohol Education and Rehabilitation Fund	3,900.10				3,900.10
	<u>\$ 60,664.60</u>	<u>\$ 51,106.62</u>	<u>\$ 35,211.52</u>	<u>\$ 8,785.02</u>	<u>\$ 67,774.68</u>
Reference	A	A-3	A-28	A-27	A

BOROUGH OF GLEN RIDGE
CURRENT FUND

RESERVE FOR GRANTS - UNAPPROPRIATED

A-30

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 5,208.64
Increased by:		
Due from Current Fund	A-28	<u>653.55</u>
Balance December 31, 2010	A	<u>\$ 5,862.19</u>
 <u>Analysis of Balance</u>		
Alcohol Education and Rehabilitation		\$ 653.55
Recycling Program		<u>5,208.64</u>
		<u>\$ 5,862.19</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR-TREASURER

B-2

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>General Trust Fund</u>
Balance December 31, 2009	B	\$ 4,816.13	\$ 508,844.57
Increased by Receipts:			
CDBG Receivable	B-3	\$	\$ 151,400.00
Due to State of New Jersey	B-6	708.60	
Interfunds Receivable	B-4		294,365.82
Net Payroll and Deductions	B-7		5,306,811.89
Animal Control Fees	B-9	9,249.85	
Special Deposits	B-10		365,682.36
Unemployment Insurance	B-11		70,739.14
		<u>9,958.45</u>	<u>6,188,999.21</u>
		14,774.58	6,697,843.78
Decreased by Disbursements:			
Fund Balance	B-1		4,745.84
Due to State of New Jersey	B-6	82.80	
Interfunds Payable	B-8		156,354.38
Interfunds Receivable	B-4		290,925.34
Net Payroll and Deductions	B-7		5,310,451.73
Animal Control Fund Expenditures	B-9	8,254.00	
Special Deposits	B-10		487,211.48
Community Development Grant	B-12		58,200.00
		<u>8,336.80</u>	<u>6,307,888.77</u>
Balance December 31, 2010	B	<u>\$ 6,437.78</u>	<u>\$ 389,955.01</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

B-3

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance December 31, 2009	B	\$ 151,400.00
Increased by:		
Grant Award:		
Reserve	B-12	<u>58,200.00</u> 209,600.00
Decreased by:		
Cash Received	B-2	<u>151,400.00</u>
Balance December 31, 2010	B	<u>\$ 58,200.00</u>
<u>Analysis of Balance</u>		
Program Year 2010		<u>\$ 58,200.00</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

INTERFUNDS RECEIVABLE

B-4

	<u>Ref.</u>	<u>General Capital Fund</u>	<u>Current Fund</u>
Balance December 31, 2009	B	\$	\$ 3,440.48
Increased by:			
Transferred from Interfunds Payable	B-8	39,305.00	
Cash Disbursements	B-2	<u> </u>	<u>290,925.34</u>
		39,305.00	294,365.82
Decreased by:			
Cash Receipts	B-2	<u> </u>	<u>294,365.82</u>
Balance December 31, 2010	B	<u>\$ 39,305.00</u>	<u>\$ -</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

POLICE OUTSIDE SERVICE RECEIVABLE

B-5

	<u>Ref.</u>	
Increased by:		
Due from Contractors	B-10	<u>\$ 41,825.25</u>
Balance December 31, 2010	B	<u>\$ 41,825.25</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

DUE TO STATE OF NEW JERSEY

B-6

	<u>Ref.</u>	<u>Dog License Fund</u>	
Balance December 31, 2009	B		\$ 32.40
Increased by:			
State Registration Fees		\$ 508.00	
Population Control		99.00	
Pilot Clinic		101.60	
	B-2	<u>708.60</u>	<u>741.00</u>
Decreased by:			
Payments to State of New Jersey	B-2	82.80	
Paid by Current Fund	B-8	642.60	
Adjustment	B-9	<u>5.40</u>	
			<u>730.80</u>
Balance December 31, 2010	B		<u>\$ 10.20</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

PAYROLL DEDUCTIONS PAYABLE

B-7

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 38,681.40
Increased by:		
Cash Receipts:		
Gross Payroll		\$ 5,054,141.98
Clothing Allowance		21,400.00
Refunds		3,411.00
Employer Share of Social Security		<u>227,858.91</u>
	B-2	<u>5,306,811.89</u>
		5,345,493.29
Decreased by:		
Net Payroll and Agency Payments	B-2	<u>5,310,451.73</u>
Balance December 31, 2010	B	<u><u>\$ 35,041.56</u></u>
<u>Analysis of Balance</u>		
Police and Firemen's Retirement System		\$ 21,585.67
Public Employees' Retirement System		<u>13,455.89</u>
		<u><u>\$ 35,041.56</u></u>

BOROUGH OF GLEN RIDGE
TRUST FUND

INTERFUNDS PAYABLE

B-8

	<u>Ref.</u>	<u>General Trust Fund</u>			<u>Animal Control Fund</u>
		<u>Total</u>	<u>General Capital</u>	<u>Federal/ State Grant Fund</u>	<u>Current Fund</u>
Balance December 31, 2009	B	\$ 117,049.38	\$ 100,214.37	\$ 16,835.01	\$
Increased by:					
Transferred to Interfunds Receivable	B-4	39,305.00	39,305.00		
Disbursement by Current Fund	B-6	642.60			642.60
		<u>156,996.98</u>	<u>139,519.37</u>	<u>16,835.01</u>	<u>642.60</u>
Decreased by:					
Cash Settlements	B-2	<u>156,354.38</u>	<u>139,519.37</u>	<u>16,835.01</u>	
		<u>156,354.38</u>	<u>139,519.37</u>	<u>16,835.01</u>	
Balance December 31, 2010	B	<u>\$ 642.60</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 642.60</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

B-9

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 4,783.73
Increased by:		
Dog License Fees:		
Dog Licenses Issued		\$ 8,534.40
Dog Licenses Late Charges and Fines		690.00
Interest		25.45
	B-2	<u>9,249.85</u>
Adjustment	B-6	<u>5.40</u>
		9,255.25
		<u>14,038.98</u>
Decreased by:		
Expenditures Under R.S. 41:19-15.11	B-2	<u>8,254.00</u>
Balance December 31, 2010	B	<u>\$ 5,784.98</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$ 9,206.40
2010	<u>8,534.00</u>
Maximum Reserve	<u>\$17,740.40</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

RESERVE FOR SPECIAL DEPOSITS

B-10

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Adjustment</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Law Enforcement - Confiscated Funds	\$ 2,100.80	\$ -	\$ 581.00	\$ -	\$ 1,519.80
Leaf Bags		1,405.00	1,405.00		
Municipal Court POAA	13,615.14	1,926.00			15,541.14
Municipal Drug Alliance Committee	3,070.85	9,545.00	4,352.34		8,263.51
Tax Title Lien Premiums	225,500.00		78,300.00		147,200.00
Cable Local Access	9,745.75		5,346.14		4,399.61
Adopt-A-Cop Program	1,467.67				1,467.67
Construction Code Fines	4,314.69	7,903.61	6,054.19		6,164.11
Commercial Filming					
Mayor Gala	2,407.00		623.50		1,783.50
Planning Board Escrow Deposit	300.00	500.00	800.00		
Board of Adjustment Escrow	512.50	1,000.00	1,512.50		
Recreation Programs		17,328.40	15,672.00		1,656.40
Affordable Housing	125,000.00		12,607.50		112,392.50
Glen Ridge Restoration		60.00			60.00
Contracted Services - Special Duty	36,332.16	123,063.00	160,021.25	41,825.25	41,199.16
Library Accumulated Absence		12,000.00	5,996.87		6,003.13
Tax Title Lien Redemptions		190,436.35	190,436.35		
Environmental Advisory	2,987.84	515.00	3,502.84		
	<u>\$ 430,280.43</u>	<u>\$ 365,682.36</u>	<u>\$ 487,211.48</u>	<u>\$ 41,825.25</u>	<u>\$ 350,576.56</u>
<u>Reference</u>	<u>B</u>	<u>B-2</u>	<u>B-2</u>	<u>B-5</u>	<u>B</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

RESERVE FOR STATE UNEMPLOYMENT
COMPENSATION INSURANCE TRUST FUND

B-11

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 14,699.65
Increased by:		
Interest Earned		\$ 43.85
Refund		1,195.29
Current Appropriation		65,000.00
Water Utility Appropriation		<u>4,500.00</u>
	B-2	<u>70,739.14</u>
Balance December 31, 2010	B	<u>\$ 85,438.79</u>

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT

B-12

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 58,200.00
Increased by:		
Grant Awards	B-3	<u>58,200.00</u>
		116,400.00
Decreased by:		
Cash Disbursements	B-2	<u>58,200.00</u>
Balance December 31, 2010	B	<u>\$ 58,200.00</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR-TREASURER

C-2

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 550,777.90
Increased by:			
Due from State of New Jersey	C-4	\$ 977,485.81	
Capital Improvement Fund	C-10	122,844.35	
Interfunds	C-6	<u>566,512.52</u>	
			<u>1,666,842.68</u>
			2,217,620.58
Decreased by:			
Interfunds	C-6	466,298.15	
Improvement Authorizations	C-9	<u>1,234,589.81</u>	
			<u>1,700,887.96</u>
Balance December 31, 2010	C		<u>\$ 516,732.62</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

C-3

ANALYSIS OF CASH AND INVESTMENTS

Ordinance Number	Balance Dec. 31, 2009.	Receipts	Disbursed	Transfers		Balance Dec. 31, 2010
				From	To	
Capital Improvement Fund	\$ 353,429.80	\$ 122,844.35		\$ 197,362.16	\$ 84,516.74	\$ 363,428.73
Due to Current Fund		466,298.15	466,298.15			
Fund Balance	7,745.05					7,745.05
Due from General Trust Fund	(100,214.37)	100,214.37				
<u>Improvement Authorizations</u>						
Renovations to Hurrell Field						
Various Capital Improvements	34,033.33			34,033.33		46,724.06
Various Capital Improvements						
Various Capital Improvements						
Various Capital Improvements						
Road Improvements - Hillside and Forest Ave.	83,096.71		36,372.65			
ADA Improvements	(88,060.19)	88,060.19				
Various Capital Improvements	5,000.00			5,000.00		
Various Capital Improvements	16,302.31	65,000.00	73,153.95	8,148.36		
Various Capital Improvements	203,163.00		129,647.70	5,345.00		68,170.30
Various Capital Improvements	46,667.26		37,604.90	9,062.36		
Replacement of Sanitary Sewer Pipes	(10,385.00)					(10,385.00)
Various Capital Improvements		766,225.62	426,135.12		121,500.00	340,090.50
Various Capital Improvements		58,200.00	503,814.68	83.34		(324,198.02)
Emergency Repair to Sanitary Sewer Yantecaw Ave			27,860.81		27,860.81	
Purchase 2010 Ford Explorer					25,157.00	25,157.00
	<u>\$ 550,777.90</u>	<u>\$ 1,666,842.68</u>	<u>\$ 1,700,887.96</u>	<u>\$ 259,034.55</u>	<u>\$ 259,034.55</u>	<u>\$ 516,732.62</u>
Reference	C	C-2	C-2	Contra	Contra	C

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

DUE FROM STATE OF NEW JERSEY
DEPARTMENT OF TRANSPORTATION GRANTS RECEIVABLE

C-4

	<u>Ref.</u>	
Balance December 31, 2009	C	\$ 153,060.19
Increased by:		
Grant Award Received	C-9	<u>1,342,400.00</u>
		1,495,460.19
Decreased by:		
Cash Receipts	C-2	<u>977,485.81</u>
Balance December 31, 2010	C	<u>\$ 517,974.38</u>
 <u>Analysis of Balance</u>		
Various Roads. #1527-1		\$ 260,000.00
Historic Trust #1527-2		148,354.01
Various Roads. #1535-1A		<u>109,620.37</u>
		<u>\$ 517,974.38</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN RECEIVABLE

C-5

	<u>Ref.</u>	
Increased by:		
Loan Receivable	C-13	\$ 350,515.00
Decreased by:		
Due from Water Capital	C-6	<u>26,206.00</u>
Balance December 31, 2010	C	<u>\$ 324,309.00</u>
<u>Analysis of Balance:</u>		
Ordinance #1524		<u>\$ 324,309.00</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

INTERFUNDS

C-6

	<u>Ref.</u>	<u>Total</u>	<u>Current</u>	<u>General Trust</u>	<u>Water Capital</u>
Balance December 31, 2009:					
From	C	<u>\$ 100,214.37</u>	<u>\$</u>	<u>\$ 100,214.37</u>	<u>\$</u>
Increased by:					
Cash Disbursements	C-2	466,298.15	466,298.15		
Infrastructure Loan Deposited in Water Capital Fund	C-5	<u>26,206.00</u>			<u>26,206.00</u>
Sub-Total		<u>592,718.52</u>	<u>466,298.15</u>	<u>100,214.37</u>	<u>26,206.00</u>
Decreased by:					
Cash Receipts	C-2	565,214.37	465,000.00	100,214.37	
Improvement Authorizations	C-9	39,305.00		39,305.00	
Interest on Investments	C-2	<u>1,298.15</u>	<u>1,298.15</u>		
		<u>605,817.52</u>	<u>466,298.15</u>	<u>139,519.37</u>	
Balance December 31, 2010:					
From	C	<u>\$ 26,206.00</u>	<u>\$ -</u>		<u>\$ 26,206.00</u>
To	C	<u>\$ (39,305.00)</u>		<u>\$ (39,305.00)</u>	

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

C-7

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 5,182,818.00
Increased by:			
Transferred from Deferred Charges to Future Taxation - Unfunded	C-8		<u>350,515.00</u> 5,533,333.00
Decreased by:			
Bonds Paid By Budget	C-12	\$ 250,000.00	
Loan Paid By Budget	C-11	<u>27,321.18</u>	
			<u>277,321.18</u>
Balance December 31, 2010	C		<u>\$ 5,256,011.82</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-8

<u>Ordinance Number</u>	<u>Improvement Authorization</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
1466	Various Capital Improvements	\$ 142.00	\$ -	\$ 142.00
1524	Replacement of Sanitary Sewer Pipes	<u>410,000.00</u>	<u>350,515.00</u>	<u>59,485.00</u>
		<u>\$ 410,142.00</u>	<u>\$ 350,515.00</u>	<u>\$ 59,627.00</u>
<u>Reference</u>		<u>C</u>	<u>C-7</u>	<u>C</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-9

Ordinance Number	Description	Date	Original Amount	Balance Dec. 31, 2009		2010 Authorized	Paid or Charged	Cancelled	Balance Dec. 31, 2010	
				Funded	Unfunded				Funded	Unfunded
1449a	Improvements to Glen	2-23-07	\$ 451,000.00	\$ 34,033.33	\$	\$	\$	\$ 34,033.33	\$	\$
1466	Various Capital Improvements:									
1466a	Public Works Renovations		1,028,983.00	45,376.19			4,305.00		41,071.19	
1466b	Improvements to Municipal Complex - Parking		145,000.00				13,265.24		(0.00)	
1466c	Improvements to Municipal Complex Exterior		1,406,946.00	13,123.24	142.00		342.41		1,264.54	
1466d	Public Safety Complex		741,349.00	1,606.95			145.58		(0.00)	
1466e	Improvements to Municipal Complex Interior		111,425.00	145.58			18,314.42		4,530.33	
1466f	Street Lights		163,500.00	22,844.75						
1466g	Improvements to Parks and Playgrounds		660,500.00							
1466h	Road Improvements - Hillside and Forest Ave.	2-12-08	585,000.00							
1487	ADA Improvements		20,000.00	5,000.00				5,000.00		
1493	Various Capital Improvements:	3-9-09								
1507	Various Roads		260,000.00	52,906.21			52,906.21			
1507a	Computer & Office Equipment		25,000.00	6,366.10			4,870.64	1,495.46		
1507b	Police Pistols		22,030.00	22,030.00			15,377.10	6,652.90		
1507c	Various Capital Improvements:	6-22-09								
1515	Police Video and Computer Equipment		10,000.00	5,345.00			129,647.70	5,345.00	68,170.30	
1515c	Hurrell Field		225,000.00	197,818.00						
1515d	Various Capital Improvements:	7-13-09						9,062.36		
1518	Public Safety Equipment		21,000.00	11,667.26			2,604.90			
1518b	Parking Lot Improvements		35,000.00	35,000.00			35,000.00			
1518c	Replacement of Sanitary Sewer Pipes		410,000.00		399,615.00					
1524	Various Capital Improvements:	9-14-09							340,130.00	59,485.00
1527-1	Various Roads	2-08-10	260,000.00			260,000.00				
1527-2	Improvements to Municipal Complex Exterior	2-08-10	664,200.00			664,200.00	465,440.12		260,000.00	
1535-1	Various Capital Improvements:								196,759.88	
1535-2	Various Roads Improvements	9-13-10	418,200.00			418,200.00	408,712.50	83.34	9,487.50	
1535-3	Public Safety Equipment	9-13-10	30,000.00			30,000.00	10,192.00		19,724.66	
1535-4	Engineer Service	9-13-10	21,000.00			21,000.00	18,152.89		2,847.31	
1535-5	Engineer Service	9-13-10	10,000.00			10,000.00	9,100.00		900.00	
1535-6	Library and Municipal Bldg	9-13-10	38,000.00			38,000.00	38,000.00			
1535-7	Hurrell Field	9-13-10	22,500.00			22,500.00	19,657.49		2,842.51	
1539	Emergency Repair to Sanitary Sewer Yantecaw Ave	11-22-10	27,860.81			27,860.81	27,860.81			
1546	Purchase 2010 Ford Explorer	12-13-10	25,157.00			25,157.00		225,000.00	25,157.00	
				\$ 453,262.61	\$ 399,757.00	\$ 1,741,917.81	\$ 1,273,894.81	\$ 286,672.39	\$ 974,885.22	\$ 59,485.00
				C	C	Below	Below	Below	C	C

Ref.

Grants - State of New Jersey
Due to General Trust Fund
Due from Essex County
Cash Disbursements
Capital Improvement Fund

\$ 1,342,400.00
225,000.00
1,234,589.81
174,517.81
\$ 1,741,917.81

\$ 39,305.00
225,000.00
61,672.39
\$ 286,672.39

\$ 59,485.00

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-10

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 353,429.80
Increased by:			
Current Fund Budget Appropriation	C-2	\$ 100,000.00	
Cash Receipts - Reimbursements	C-2	22,844.35	
Improvement Authorizations Funded with Additional Grant	C-9	<u>61,672.39</u>	
			184,516.74
			<u>537,946.54</u>
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-9		<u>174,517.81</u>
Balance December 31, 2010	C		<u>\$ 363,428.73</u>

GREEN TRUST LOAN PAYABLE

C-11

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 472,818.00
Decreased by:			
Paid By Budget Appropriation	C-7		<u>27,321.18</u>
Balance December 31, 2009	C		<u>\$ 445,496.82</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

C-12

GENERAL IMPROVEMENT BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>			<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Outstanding Dec. 31, 2010</u>	<u>Amount</u>				
General Improvements	8-15-2007	\$ 5,160,000.00	8-15-11/12	\$ 275,000.00		4.25 %			
			8-15-13	300,000.00		4.25			
			8-15-14/15	325,000.00		4.25			
			8-15-16/17	350,000.00		4.25			
			8-15-18	350,000.00		4.00			
			8-15-19/20	375,000.00		4.00			
			8-15-21	375,000.00		4.125			
			8-15-22	400,000.00		4.125			
			8-15-23	385,000.00		4.125			
							<u>\$ 4,710,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 4,460,000.00</u>
						<u>Reference</u>	<u>C</u>	<u>C-7</u>	<u>C</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE

C-13

	Ref.	
Increased by:		
Loan Payable	C-5	<u>\$ 350,515.00</u>
Balance December 31, 2010	C	<u>\$ 350,515.00</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-14

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
	<u>Number</u>	<u>Date</u>			
Various Capital Improvements	1466	2-23-07	\$ 5,160,142.00	\$	\$ 142.00
Replacement of Sanitary Sewer Pipes	1524	9-14-09	410,000.00	350,515.00	59,485.00
			<u>\$ 410,142.00</u>	<u>\$ 350,515.00</u>	<u>\$ 59,627.00</u>
		<u>Reference</u>	<u>C</u>	<u>C-8</u>	<u>C</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR-TREASURER

D-5

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2009	D	\$ 254,105.64	\$ 95,474.13
Increased by Receipts:			
Interest Earned	D-3	\$ 3,756.23	
Miscellaneous Revenue	D-3	484.07	
Consumer Accounts Receivable	D-7	940,703.99	
Loans Receivable	D-7a		1,120,896.00
Interfunds	D-10	263,154.50	111,197.18
Overpaid Water Rents	D-18	8,440.98	
		<u>1,216,539.77</u>	<u>1,232,093.18</u>
		1,470,645.41	1,327,567.31
Decreased by Disbursements:			
Anticipated Revenue - Current Fund	D-1	99,000.00	
Water Capital Surplus	D-2		200,000.00
Budget Appropriations	D-4	1,055,568.49	
Improvement Authorizations	D-12		865,914.98
Interfunds	D-10	92,831.68	55,000.00
Appropriation Reserves	D-11	50,305.34	
Water Rent Overpayments	D-18	4,231.32	
Accrued Interest on Loans	D-15	44,751.55	
		<u>1,346,688.38</u>	<u>1,120,914.98</u>
Balance December 31, 2010	D	\$ 123,957.03	\$ 206,652.33

BOROUGH OF GLEN RIDGE
WATER UTILITY

D-6

ANALYSIS OF CASH AND INVESTMENTS
WATER CAPITAL FUND

	Balance Dec. 31, 2009	Receipts	Disbursements	Balance Dec. 31, 2010
Capital Improvement Fund				
Fund Balance	\$ 4,665.19	\$	\$	\$ 4,665.19
Due To/(From) Water Operating Fund	216,046.59		200,000.00	16,046.59
Due To/(From) General Capital Fund	(29,991.18)	84,991.18	55,000.00	-
Reserve for Future Improvements	-	26,206.00		26,206.00
Improvement Authorizations:	11,000.00			11,000.00
#1502 Various Improvements	657.50			657.50
#1511 Water Meters	(92,183.96)	1,060,740.00	865,464.98	103,091.06
#1523 Replacement of Lead and Lead Line Services	(14,720.01)	60,156.00	450.00	44,985.99
	<u>\$ 95,474.13</u>	<u>\$1,232,093.18</u>	<u>\$ 1,120,914.98</u>	<u>\$ 206,652.33</u>
Reference	D	D-5	D-5	D

BOROUGH OF GLEN RIDGE
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE

D-7

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 73,934.96
Increased by:		
Rent Billings	Reserve	1,007,577.81
		<u>1,081,512.77</u>
Decreased by:		
Collections	D-3,5	<u>940,703.99</u>
Balance December 31, 2010	D	<u>\$ 140,808.78</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

ENVIRONMENTAL INFRASTRUCTURE LOAN RECEIVABLE

D-7a

	<u>Ref.</u>	
Increased by:		
Loan Receivable	D-13	\$ 2,179,150.00
Decreased by:		
Cash Receipts	D-5	<u>1,120,896.00</u>
Balance December 31, 2010	D	<u><u>\$ 1,058,254.00</u></u>

Analysis of Balance:

Ordinance #1511 - Environmental Infrastructure Loan	\$ 352,547.00
Ordinance #1523 - Environmental Infrastructure Loan	<u>705,707.00</u>
	<u><u>\$ 1,058,254.00</u></u>

FIXED CAPITAL

D-8

	<u>Ref.</u>	
Balance December 31, 2009	D	<u>\$ 6,303,557.60</u>
Balance December 31, 2010	D	<u><u>\$ 6,303,557.60</u></u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

D-9

<u>Description</u>	<u>Ordinance</u>		<u>Balance</u>	<u>Balance</u>
	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2010</u>
Various Improvements	1502	11-24-08	\$ 30,000.00	\$ 30,000.00
Replacement of Water Meters	1511	4-13-09	1,500,000.00	1,500,000.00
Replacement of Lead and Lead Line Services	1523	9-14-09	850,000.00	850,000.00
			<u>\$ 2,380,000.00</u>	<u>\$ 2,380,000.00</u>
		<u>Reference</u>	<u>D</u>	<u>D</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

INTERFUNDS

D-10

	Ref.	Water Operating Fund			Water Capital Fund			General Capital Fund
		Total	Current	Water Capital	Total	Water Operating		
Balance December 31, 2009:								
From	D	\$ -	\$	\$	\$ 29,991.18	\$ 29,991.18	\$	
(To)	D	(29,991.18)		(29,991.18)				
Increased by:								
Interest on Investments	D-3	314.00		314.00				
Anticipated Revenue	D-3	200,000.00		200,000.00				
Cash Disbursements	D-5	92,831.68	8,154.50	84,677.18	55,000.00	55,000.00		
Sub-Total		263,154.50	8,154.50	255,000.00	84,991.18	84,991.18		
Decreased by:								
Cash Receipts	D-5	263,154.50	8,154.50	255,000.00	111,197.18	84,991.18	26,206.00	
Balance December 31, 2010:								
(To)	D	\$ -	\$ -	\$ -	\$ (26,206.00)	\$ -	\$ (26,206.00)	

BOROUGH OF GLEN RIDGE
WATER UTILITY

APPROPRIATION RESERVES

D-11

	Balance After Transfers Dec. 31, 2009		Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>		
Salaries and Wages	\$	\$ 1,914.27	\$ 442.08	\$ 1,472.19
Other Expenses	36,506.15	28,401.19	49,863.26	15,044.08
	<u>\$ 36,506.15</u>	<u>\$ 30,315.46</u>	<u>\$ 50,305.34</u>	<u>\$ 16,516.27</u>
<u>Reference</u>	<u>D</u>	<u>D</u>	<u>D-5</u>	<u>D-1</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

IMPROVEMENT AUTHORIZATIONS

D-12

<u>Description</u>	<u>Number</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2009</u>		<u>Balance Dec. 31, 2010</u>	
				<u>Funded</u>	<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
Various Water Improvements	1502	11-24-08	\$ 30,000.00	\$ 657.50	\$	\$ 657.50	\$
Replacement of Water Meters	1511	4-13-09	1,500,000.00		1,407,816.04	455,638.06	86,713.00
Replacement of Lead and Lead Line Services	1523	9-14-09	850,000.00		835,279.99	750,692.99	84,137.00
				<u>\$ 657.50</u>	<u>\$ 2,243,096.03</u>	<u>\$ 1,206,988.55</u>	<u>\$ 170,850.00</u>
<u>Reference</u>				<u>D</u>	<u>D</u>	<u>D</u>	<u>D</u>
					<u>D-5</u>		

BOROUGH OF GLEN RIDGE
WATER UTILITY

LOANS PAYABLE

D-13

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 3,696,942.19
Increased by:		
Loan Receivable	D-7a	<u>2,179,150.00</u>
		5,876,092.19
Decreased by:		
Loan Adjustment	D-17	\$ 77,042.00
Loan Repayment	D-17	<u>227,771.81</u>
		<u>304,813.81</u>
Balance December 31, 2010	D	<u>\$ 5,571,278.38</u>

Analysis of Balance

Ordinance #1332	\$ 957,693.60
Ordinance #1393	904,602.69
Ordinance #1426	195,458.46
Ordinance #1442	1,334,373.63
Ordinance #1511	1,413,287.00
Ordinance #1523	<u>765,863.00</u>
	<u>\$ 5,571,278.38</u>

CAPITAL IMPROVEMENT FUND

D-14

	<u>Ref.</u>	
Balance December 31, 2009	D	<u>\$ 4,665.19</u>
Balance December 31, 2010	D	<u>\$ 4,665.19</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

ACCRUED INTEREST ON LOANS

D-15

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 38,460.43
Increased by:		
Budget Appropriation	D-4	42,939.05
		<u>81,399.48</u>
Decreased by:		
Cash Disbursements	D-5	44,751.55
Balance December 31, 2010	D	<u>\$ 36,647.93</u>

Analysis of Accrued Interest on Loans at December 31, 2010

<u>Date of Issue</u>	<u>Interest Payable</u>	<u>Period</u>	<u>Amount</u>
10/15/2000	\$13,490.63	5 Months	\$ 11,242.19
11/01/2003	11,608.75	5 Months	9,673.96
11/01/2005	2,437.50	5 Months	2,031.25
11/01/2006	16,440.63	5 Months	13,700.53
			<u>\$ 36,647.93</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

RESERVE FOR FUTURE IMPROVEMENT AUTHORIZATIONS

D-16

	<u>Ref.</u>	
Balance December 31, 2009	D	<u>\$ 11,000.00</u>
Balance December 31, 2010	D	<u>\$ 11,000.00</u>

RESERVE FOR AMORTIZATION

D-17

	<u>Ref.</u>		
Balance December 31, 2009	D		\$ 2,636,615.41
Increased by:			
Loan Repayment	D-13	\$ 227,771.81	
Loan Adjustment	D-13	<u>77,042.00</u>	
			<u>304,813.81</u>
Balance December 31, 2010	D		<u>\$ 2,941,429.22</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

OVERPAID WATER RENTS

D-18

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 11,125.51
Increased by:		
Cash Receipts	D-5	<u>8,440.98</u>
		19,566.49
Decreased by:		
Refund	D-5	<u>4,231.32</u>
Balance December 31, 2010	D	<u>\$ 15,335.17</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

D-19

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
	<u>Number</u>	<u>Date</u>			
Replacement of Water Meters	1511	4-13-09	\$ 1,500,000.00	\$ 1,413,287.00	\$ 86,713.00
Replacement of Lead and Lead Line Services	1523	9-14-09	850,000.00	765,863.00	84,137.00
			<u>\$ 2,350,000.00</u>	<u>\$ 2,179,150.00</u>	<u>\$ 170,850.00</u>
		<u>Reference</u>	<u>D</u>	<u>D-13</u>	<u>D</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR-TREASURER

E-4

	<u>Ref.</u>		<u>Operating</u>
Balance December 31, 2009	E		\$ 127,231.96
Increased by Receipts:			
Interest Earned	E-2	\$ 486.01	
Pool Fees	E-2	<u>328,947.90</u>	
			<u>329,433.91</u>
			456,665.87
Decreased by Disbursements:			
Budget Appropriations	E-3	237,335.02	
Appropriation Reserves	E-7	9,052.21	
Accrued Interest on Bonds	E-8	<u>39,925.00</u>	
			<u>286,312.23</u>
Balance December 31, 2010	E		<u>\$ 170,353.64</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

CHANGE FUND

E-5

	<u>Ref.</u>	
Balance December 31, 2009	E	<u>\$ 100.00</u>
Balance December 31, 2010	E	<u><u>\$ 100.00</u></u>

FIXED CAPITAL

E-6

	<u>Ref.</u>	
Balance December 31, 2009	E	<u>\$ 1,550,000.00</u>
Balance December 31, 2010	E	<u><u>\$ 1,550,000.00</u></u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

APPROPRIATION RESERVES

E-7

	Balance Dec. 31, 2009		Paid or Charged	Unexpended Balance
	<u>Encumbered</u>	<u>Reserved</u>		
Salaries and Wages	\$	\$ 426.99	\$ 54.00	\$ 372.99
Other Expenses	9,953.64	13,129.33	8,998.21	14,084.76
	<u>\$ 9,953.64</u>	<u>\$ 13,556.32</u>	<u>\$ 9,052.21</u>	<u>\$ 14,457.75</u>
<u>Reference</u>	<u>E</u>	<u>E</u>	<u>E-4</u>	<u>E-1</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

ACCRUED INTEREST ON BONDS

E-8

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 33,244.42
Increased by:		
Budget Appropriation	E-3	22,021.21
		<u>55,265.63</u>
Decreased by:		
Cash Disbursements	E-4	39,925.00
		<u>39,925.00</u>
Balance December 31, 2010	E	<u>\$ 15,340.63</u>

Analysis of Accrued Interest on Bonds at December 31, 2010

<u>Date of Issue</u>	<u>Principal</u>	<u>Rate</u>	<u>Period</u>	<u>Amount</u>	
11/01/2003	\$ 65,000.00	5.20%	5 Months	\$ 1,408.33	
	65,000.00	5.75%		1,557.29	
	495,000.00	6.00%		<u>12,375.00</u>	
					<u>\$ 15,340.63</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

RESERVE FOR AMORTIZATION

E-9

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 865,000.00
Increased by:		
Serial Bonds Redeemed	E-10	<u>60,000.00</u>
Balance December 31, 2010	E	<u>\$ 925,000.00</u>

BOROUGH OF GLEN RIDGE
POOL CAPITAL FUND

POOL SERIAL BONDS

E-10

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
Pool Utility Improvements	9-22-2003	\$ 1,000,000.00	8-1-11	\$ 65,000.00	5.25 %			
			8-1-12	65,000.00	5.75			
			8-1-13	70,000.00	6.00			
			8-1-14	75,000.00	6.00			
			8-1-15	80,000.00	6.00			
			8-1-16	85,000.00	6.00			
			8-1-17	90,000.00	6.00			
			8-1-18	95,000.00	6.00			
						<u>\$ 685,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 625,000.00</u>
			<u>Reference</u>			<u>E</u>	<u>E-9</u>	<u>E</u>

PART II
REPORT ON INTERNAL CONTROL
SINGLE AUDIT ATTACHMENTS
ROSTER OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
(MANAGEMENT LETTER)
YEAR ENDED DECEMBER 31, 2010



McENERNEY, BRADY & COMPANY, LLC

Certified Public Accountants * A Limited Liability Company

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

The Honorable Mayor and Members
of the Borough Council
Borough of Glen Ridge
Glen Ridge, New Jersey 07028

We have audited the financial statements - statutory basis of the various funds of the Borough of Glen Ridge, County of Essex, as of and for the year ended December 31, 2010, and have issued our report thereon dated February 25, 2011, which was qualified because the financial statements do not include the Capital Fixed Assets and as a result of the Municipality's policy to prepare its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this report and would not necessarily identify all deficiencies in internal control that might be deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Glen Ridge's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. However, we noted certain immaterial instances of noncompliance or other matters that we have reported to the management of the Borough in the "Auditor's Comments and Recommendations" section of this report.

This report is intended solely for the information of the governing body, management and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not intended to be and should not be used by anyone other than these specified parties.

McEnerney, Brady & Co. LLC.

McEnerney, Brady & Company, LLC
Certified Public Accountants

John Lauria

John Lauria
Registered Municipal Accountant #403

Livingston, New Jersey
February 25, 2011



McENERNEY, BRADY & COMPANY, LLC

Certified Public Accountants * A Limited Liability Company

***Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each
Major Program and on Internal Control Over Compliance in Accordance with
New Jersey OMB Circular 04-04***

The Honorable Mayor and Members
of the Borough Council
Borough of Glen Ridge
Glen Ridge, New Jersey 07028

Compliance

We have audited the Borough of Glen Ridge, County of Essex's compliance with the types of compliance requirements described in the *New Jersey OMB Circular 04-04* that could have a direct and material effect on each of Borough of Glen Ridge, County of Essex major state programs for the year ended December 31, 2010. Borough of Glen Ridge, County of Essex's major state programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its state programs is the responsibility of the management of the municipality. Our responsibility is to express an opinion on Borough of Glen Ridge, County of Essex's compliance based on our audit.

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

In our opinion, Borough of Glen Ridge complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2010.

Internal Control Over Compliance

Management of the Borough of Glen Ridge is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the municipality's internal control over compliance with the requirements that could have a direct and material effect on a major federal program and state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with N.J. OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Glen Ridge internal control over compliance.

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

Our consideration in internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

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



MCENERNEY, BRADY & CO., LLC
CERTIFIED PUBLIC ACCOUNTANTS

Livingston, New Jersey
February 25, 2011

BOROUGH OF GLEN RIDGE
COUNTY OF ESSEX

SCHEDULE OF STATE FINANCIAL ASSISTANCE PROGRAMS
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE B

State Funding Department or Division	Program	State Account Number	Grant Period		Award Amount	Cash Received	Expenditures	Cumulative Expenditures
			From	To				
Community Affairs	Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60						
	State Funds CY 2008		1-01-08	12-31-08	\$ 40,174.59		\$ 3,010.16	\$ 40,174.59
	State Funds CY 2009		1-01-09	12-31-09	30,164.98	27,986.09	8,707.55	30,164.98
	State Funds CY 2010		1-01-10	12-31-10	38,950.00	3,868.00	10,127.55	10,127.55
Environmental Protection	Clean Communities:	4900-765-178910-60						
	State Funds CY 2008		1-01-08	12-31-08	7,327.24			785.92
	State Funds CY 2010		1-01-10	12-31-10	10,079.68	10,079.68	4,684.96	4,684.96
	Environmental Infrastructure Loan:							
	General Capital - Ord. # 1524		2-08-10	Completion	350,515.00	26,200.00	450.00	10,385.00
	Water Capital - Ord. # 1511		2-08-10	Completion	1,413,287.00	1,060,740.00	865,464.98	957,648.94
	Water Capital - Ord. # 1523		2-08-10	Completion	765,863.00	60,156.00	450.00	15,170.01
Motor Vehicles	Historic Trust Program		1-01-09	Completion	8,400.00			
	Drunk Driving Enforcement Fund	1110-101-030000-12	1-01-09	12-31-11	13,095.60		2,382.97	4,458.20
	Alcohol, Education and Rehabilitation		1-01-06	Completion	4,778.28			878.18
Transportation	Transportation Trust Fund:	6320-480-078-6320						
	CY 2008 Ord. #1487 Various Roads		1-01-08	Completion	270,000.00	88,090.19		270,000.00
	CY 2009 Ord. #1507 Various Roads		1-01-05	Completion	260,000.00	65,000.00	52,906.21	260,000.00
	CY 2010 Ord. #1527 Various Roads		1-01-10	Completion	260,000.00			
	CY 2010 Ord. #1535-1 Various Roads		1-01-10	Completion	360,000.00	250,378.63	350,512.50	350,512.50
Law and Public Safety	NJ Transit Shuttle Grant - CY 2009		1-01-09	Completion	20,000.00		5,751.81	20,000.00
	Body Armor Replacement Fund:	066-1020-718-001-6120						
	State Funds FY 2010		7-01-10	6-30-11	2,076.94	2,076.94		
Total							\$ 1,768,868.81	\$ 2,440,430.95

The accompanying notes are an integral part of this schedule.

BOROUGH OF GLEN RIDGE

NOTES TO THE SCHEDULE OF STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED DECEMBER 31, 2010

1. GENERAL

The accompanying Schedule of Expenditures of State Financial Assistance presents the activity of all state financial assistance programs of the Borough of Glen Ridge. All state financial assistance received directly from state agencies as well as state financial assistance, passed through other government agencies, is included on the Schedule of Expenditures of State Financial Assistance.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of State Financial Assistance is presented using the modified accrual basis of accounting with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with Budget Laws of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of accounting is described in Note 1 to the Borough's statutory basis financial statements.

3. RELATIONSHIP TO STATUTORY BASIS FINANCIAL STATEMENTS

Amounts reported in the accompanying schedule agree with amounts reported in the Borough's statutory basis financial statements. These amounts are reported in the Current Fund, General Capital Fund, Trust Other Fund or Water Utility Fund. Matching contributions expended by the Borough in accordance with terms of the various grants are not reported in the accompanying schedule.

4. STATE LOANS OUTSTANDING

The Borough had the following loans outstanding at December 31, 2010:

General Capital Fund:	
Green Acres Loan	\$445,496.82
Environmental Infrastructure	<u>350,515.00</u>
	<u>\$796,011.82</u>
Water Utility Capital Fund:	
Environmental Infrastructure	<u>\$5,571,278.38</u>

**BOROUGH OF GLEN RIDGE
COUNTY OF ESSEX, NEW JERSEY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued:

Qualified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes ✓ No

Were significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes ✓ None Reported

Noncompliance material to financial statements noted?

_____ Yes ✓ No

State Awards

Internal Control over major state programs:

Material weakness(es) identified?

_____ Yes ✓ No

Were significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes ✓ None Reported

Type of auditor's report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 04-04?

_____ Yes ✓ No

Identification of major programs:

<u>Account Number(s)</u>	<u>Name of Program or Cluster</u>
--------------------------	-----------------------------------

487-542-320010	Historic Trust Fund
6320-480-078-6320	Transportation Trust Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000.00

Auditee qualified as low-risk auditee?

✓ Yes _____ No

**BOROUGH OF GLEN RIDGE
COUNTY OF ESSEX, NEW JERSEY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)**

***Section II - Financial Statement Audit - Reported Findings
Under Government Auditing Standards***

None

Section III - State Financial Assistance Findings and Questioned Costs

None

Section IV - Schedule of Prior Year Audit Findings

None

**ROSTER OF OFFICIALS FOR THE YEAR 2010
AND REPORT ON SURETY BONDS**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Peter A. Hughes	Mayor	\$
Yvonne Provost	Councilwoman	
Elizabeth Baker	Councilwoman	
Arthur Dawson	Councilman	
Stuart Patrick	Councilman	
Paul Lisovicz	Councilman	
David Lefkovits	Councilman	
Michael J. Rohal	Borough Clerk	
	Engineer	
	Borough Administrator	
	Tax Search Officer	
	Officer for Searches for Municipal Improvements	
Irene C. W. Wheat	Chief Financial Officer/Treasurer	100,000.00
Stephen C. Berry, Jr.	Deputy Borough Clerk	
	Deputy Collector	
	Municipal Court Administrator	50,000.00
William H. Merdinger	Tax Assessor	
Jay Weisenbach	Superintendent of Public Works	
Joseph T. Connolly	Judge - Municipal Court	50,000.00
Donna Altschuler	Tax Collector	300,000.00
	Water Collector	
Michael Zichelli	Director of Planning and Development	
	Deputy Business Administrator/Planner	

The Borough is covered through the Municipal Excess Liability Joint Insurance Fund. The coverage is \$1,000,000.00 for covered employees (Tax/Water Collector, Chief Financial Officer and the Court Magistrate, Clerk and Administrator). All other employees are covered in the amount of \$50,000.00.

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

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

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

The bidding threshold for the period January 1, 2010 to June 30, 2010 is \$29,000.00, effective July 1, 2010 the threshold was increased to \$36,000.00 in accordance with the provisions of N.J.S.A. 40:11-3a.

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

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

The minutes indicate that bids were requested by public advertising for all required purchases.

Inasmuch as the system of records did not provide for an accumulation of payments for categories of materials and supplies or related work or labor, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The minutes indicate that proposals were solicited for "Professional Services" in accordance with N.J.S.A. 19:44A:20-5.

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

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

N.J.S. 40A:11-6.1 states "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds \$4,350.00 thru June 30, 2010 and \$5,400.00 effective July 1, 2010 at least two quotations as to the cost of price are required. Quotations, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder." There were no exceptions noted.

Collection of Interest on Delinquent Taxes

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

The Governing Body, on January 6, 2000, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

"BE IT RESOLVED by the Council of the Borough of Glen Ridge in the County of Essex that:

the Collector of Taxes for the Borough of Glen Ridge be directed to charge eight (8%) percent per annum for the nonpayment of taxes and assessments which become delinquent subsequent to the effective date of this Resolution, on the first One Thousand - Five Hundred (\$1,500.00) Dollars of delinquency and eighteen (18%) percent per annum on any amount in excess of One Thousand - Five Hundred (\$1,500.00) Dollars; and

BE IT FURTHER RESOLVED, that all Motions or Resolutions inconsistent with the provisions of this Resolution be and the same are hereby rescinded and repealed and that this Resolution shall take effect immediately upon its adoption."

Minor differences were noted in our test periods.

Property Acquired by Tax Title Lien Liquidation

There are two properties which remain in tax title lien. If these properties are not readily saleable, they should be placed in the exempt category or otherwise disposed of.

Delinquent Taxes and Tax Title Liens

Delinquent taxes at December 31, 2010 of \$239,891.09 were all 2010 taxes.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2010	3
2009	3
2008	2

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services and consisted of the following:

	<u>Number of Notices</u>
Payment of 2010 and 2011 Taxes	25
Delinquent Real Estate Taxes	25
Payment of Water Utility Charges	25
Unpaid Water Utility Charges	25
	<u>100</u>

The results of our test did not determine any irregularities.

Examination of Claims

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

Capital Ordinances

- 1) Capital ordinances were adopted after commitments were placed for projects approved in the ordinance. Commitments/expenditures cannot be made until the capital ordinance is legally adopted.
- 2) A number of capital expenditures were charged to the incorrect ordinance. Adjustments were made to reflect the proper ordinance to be charged.

It is recommended that:

- 1) Capital ordinances be adopted according to statute prior to any commitments being entered into.
- 2) Greater care be taken when posting capital expenditures to ensure that the correct ordinance is charged.

Payroll/Personnel

- 1) There was no salary ordinance in place for seasonal recreation employees.

It is recommended that:

- 1) The Borough salary ordinance include seasonal recreation employees.

Revenue Departments

General:

- 1) We were unable to reconcile revenue submitted by the various Borough departments to the finance office records. This appears to be due to posting errors.
- 2) The following departments did not turnover funds within 48 hours. They include animal control, recreation, pool and construction code.

Vital Statistics:

- 1) Proper record keeping was not maintained which resulted in an overpayment to the state. We were unable to check duplicate receipts to ensure that all fees were booked.

Recreation:

- 1) Receipts were not issued in sequential order and were not of sufficient detail (description of program) to determine if fees charged were correct.

It is recommended that:

- 1) Greater care be taken by those posting revenue collections to ensure that the proper accounts are credited.
- 2) Turnovers of revenue by department be made within 48 hours.
- 3) Proper record keeping be maintained by Vital Statistics.
- 4) All receipts issued by the Recreation Department be issued in sequential order and contain sufficient information to determine that the fees received were correct.

Encumbrance System

In accordance with regulations issued by the Division of Local Government Services under Technical Accounting Directive No. 85-1, all local units are required to maintain an Encumbrance Accounting System. Although the Borough of Glen Ridge does maintain such a system, not all departments are adhering to the procedures that are in place. We noted instances where purchase orders are processed as confirming orders. This is where the goods have been received or services rendered without purchase orders being encumbered against budgetary appropriations. Confirming orders greatly increase the risk of possible overexpenditures of funds.

It is recommended that all departments adhere to the required policies and procedures to ensure compliance with Technical Accounting Directive No. 85-1.

Capital Fixed Assets

The Borough established a capital fixed asset accounting system in 2000. However, the Borough has not maintained and updated the records.

It is recommended that the Borough update and maintain on a contemporaneous basis their capital fixed asset accounting system.

General Trust Accounts

Certain accounts included in the General Trust Fund may be subject to the provisions of the Dedication by Rider, N.J.S. 40A:4-39 as detailed on Exhibit "B-10", "Reserve for Special Deposits". Expenditures are being made from revenue collections which is not in accordance with the provisions of N.J.S. 40A:4-57, which states:

"No officer, board, body or commission shall, during any fiscal year expend any money, incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided..."

It is recommended:

That certain trust accounts be reviewed by Borough officials for possible inclusion in the municipal budget under the provisions of Dedication by Rider, N.J.S. 40A:4-39.

Status of Prior Years' Audit Recommendations

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received. A plan was prepared for items found in the 2008 Report on Examination of Accounts.

A review was performed on all prior years' recommendations and corrective action was only taken on one of last year's recommendations, which was to prepare a salary ordinance for pool personnel.

Following are the prior year recommendations included in this year's audit:

Recreation Department and Pool:

That receipts be turned over within 48 hours.

Encumbrance System:

That all departments adhere to the required policies and procedures to ensure compliance with Technical Accounting Directive No. 85-1.

Capital Fixed Assets:

That the Borough update its capital fixed asset accounting system.

General Trust Accounts:

That certain trust accounts be reviewed by Borough officials for possible inclusion in the municipal budget under the provisions of Dedication by Rider N.J.S. 40A:4-39.

Capital Ordinances:

That greater care be taken when posting capital expenditures to ensure that the correct ordinances is charged.

Miscellaneous

A statutory report on the operations of the Municipal Court was prepared as part of our examination and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Borough Clerk.

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

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

A separate Trust Fund for State Unemployment Insurance Compensation is detailed in Section "B" herein.

All sums of outstanding checks shown in cash reconciliations, herein, are in agreement with the records of the Treasurer.

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

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

RECOMMENDATIONS

	<u>Page Number</u>
Capital Ordinances:	124
That capital ordinances be properly adopted prior to any commitments being entered into.	
That greater care be taken when posting capital expenditures to ensure that the correct ordinance is charged.	
Revenue Departments:	125
That greater care be taken by those posting revenue collections to ensure that the proper accounts are credited.	
That all departments turnover receipts within 48 hours.	
That Vital Statistics maintain proper accounting records.	
That receipts issued by Recreation contain sufficient documentation to support the fee collected.	
Payroll/Personnel:	125
That the Borough salary ordinance include seasonal recreation employees.	
Encumbrance System:	125
That all departments adhere to the required policies and procedures to ensure compliance with Technical Accounting Directive No. 85-1.	
Capital Fixed Assets:	125
That the Borough update its capital fixed asset accounting system.	
General Trust Accounts:	126
That certain trust accounts be reviewed by Borough officials for possible inclusion in the municipal budget under the provisions of Dedication by Rider, N.J.S. 40A:4-39.	

RECOMMENDATIONS
(Continued)

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

We shall be pleased to confer with the members of the Borough Council on questions that might arise with respect to any matters in this report.

Respectfully submitted,

McEnerney, Brady & Co. LLC.

MCENERNEY, BRADY & CO., LLC
CERTIFIED PUBLIC ACCOUNTANTS

John Lauria

JOHN LAURIA, RMA, PSA

Livingston, New Jersey
February 25, 2011