

REPORT OF AUDIT
BOROUGH OF RIVER EDGE
COUNTY OF BERGEN
DECEMBER 31, 2010

BOROUGH OF RIVER EDGE

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BOROUGH OF RIVER EDGE

PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2010

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkottz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
973-835-7900
Fax 973-835-6631

Newton Office
100B Main Street
Newton, N.J. 07860
973-579-3212
Fax 973-579-7128

INDEPENDENT AUDITOR'S REPORT

July 11, 2011

The Honorable Mayor and
Members of the Borough Council
Borough of River Edge
River Edge, New Jersey 07661

We have audited the accompanying balance sheets-regulatory basis of the various funds and account group of the Borough of River Edge in the County of Bergen, as of and for the years ended December 31, 2010 and 2009, and the related statements of operations and changes in fund balance-regulatory basis for the years then ended, and the related statement of revenues-regulatory basis and statement of expenditures-regulatory basis of the various funds for the year ended December 31, 2010. These financial statements are the responsibility of the Borough of River Edge's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed below, we conducted our audits in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The Length of Service Awards Program of the Borough of River Edge has not been audited, and we were not engaged to audit The Length of Service Awards Program financial statements as part of our audit of the Borough's financial statements.

As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed or permitted 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 practices differ from accounting principles generally accepted in the United States of America. The affect on the financial statements of the variances between the prescribed basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Honorable Mayor and
Members of the Borough Council
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In our opinion, because of the Borough of River Edge'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 River Edge, New Jersey as of December 31, 2010 and 2009 or the results of its operations for the years then ended.

However, in our opinion, the financial statements referred to above, with the exception of the Length of Services Awards Program present fairly, in all material respects, the financial position-regulatory basis of the various funds and account group of the Borough of River Edge, New Jersey at December 31, 2010 and 2009, and the results of its operations and the changes in fund balance-regulatory basis of such funds for the years then ended and the statement of revenues-regulatory basis, and statement of expenditures-regulatory basis for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated July 11, 2011 on our consideration of the Borough of River Edge's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards and should be considered in assessing results of our audit.

Our audit was for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information, schedules and exhibits listed in the table of contents are not required parts of the financial statements, but are presented as additional analytical data, as required by the Division of Local Government Services. This information has been subjected to the tests and other auditing procedures applied in the audit of the financial statements mentioned above 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 described in Note 1.



Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. 413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

July 11, 2011



Borough of River Edge , N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	2,706,327.66	2,979,769.78
Change Fund	A-7	250.00	250.00
		<u>2,706,577.66</u>	<u>2,980,019.78</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-9	407,746.94	297,085.56
Tax Title Liens Receivable	A-10	25,936.46	21,150.17
Revenue Accounts Receivable	A-11	8,594.67	10,791.81
		<u>442,278.07</u>	<u>329,027.54</u>
Deferred Charges:			
Emergency Authorizations	A-13		90,000.00
Special Emergency Authorizations	A-14	9,534.00	8,000.00
		<u>9,534.00</u>	<u>98,000.00</u>
		<u>3,158,389.73</u>	<u>3,407,047.32</u>
Federal and State Grant Fund:			
Interfund - Current Fund	A-5	69,656.85	41,855.57
Grants Receivable	A-15	95,993.51	51,182.33
		<u>165,650.36</u>	<u>93,037.90</u>
Total Assets		<u><u>3,324,040.09</u></u>	<u><u>3,500,085.22</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-16	304,399.12	335,133.90
Encumbrances Payable	A-17	668,816.60	580,215.51
Prepaid Taxes	A-18	211,606.38	193,624.96
Due from State of NJ Senior Cit. and Vet. Ded.	A-19	8,348.24	6,348.24
Interfund - Grant Fund	A	69,656.85	41,855.57
Accounts Payable	A-24	135,737.60	168,208.38
Reserve for:			
Garden State Preservation Trust	A-24	13,722.40	20,582.40
Sale of Municipal Assets	A-24	26,155.07	34,440.50
Tax Appeals Pending	A-24	18,497.97	162,627.51
		<u>1,456,940.23</u>	<u>1,543,036.97</u>
Reserve for Receivables	Contra	442,278.07	329,027.54
Fund Balance	A-1	<u>1,259,171.43</u>	<u>1,534,982.81</u>
		<u>3,158,389.73</u>	<u>3,407,047.32</u>
Federal and State Grant Fund:			
Appropriated Reserve for Grants	A-25	146,989.03	93,037.90
Unappropriated Reserve for Grants	A-26	18,661.33	
		<u>165,650.36</u>	<u>93,037.90</u>
Total Liabilities, Reserves, and Fund Balance		<u><u>3,324,040.09</u></u>	<u><u>3,500,085.22</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Comparative Statement of Operations and
Changes in Fund Balance - Regulatory Basis

Current Fund

Year Ended December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Revenues and Other Income:			
Fund Balance Utilized	A-2	1,424,000.00	2,300,000.00
Miscellaneous Revenue Anticipated	A-2	2,115,338.82	2,629,050.57
Receipts from Delinquent Taxes	A-2	293,605.74	327,723.59
Receipts from Current Taxes	A-2	41,530,284.65	39,434,378.69
Non-Budget Revenue	A-2	141,364.42	66,642.73
Other Credits to Income:			
Stale Dated Checks Voided	A-4	16.85	221.31
Cancellation of Appropriated Reserves for Grants	A-25	1,041.14	
Statutory Excess in Animal Control Trust			
Unexpended Balance of Appropriation Reserves	A-16	349,082.53	426,035.61
Cancelled - Reserve for Codification of Ord.	A-24		4.68
Cancelled - Accounts Payable	A-24	17,346.68	108,661.19
Cancelled - Reserve for Tax Appeals	A-24		88,581.93
Interfunds Returned	A-12		8,819.71
		<hr/>	<hr/>
Total Revenues and Other Income		45,872,080.83	45,390,120.01
Expenditures:			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages	A-3	5,598,602.00	6,237,592.00
Other Expenses	A-3	5,819,182.54	5,513,464.22
Capital Improvements	A-3	25,010.00	91,095.00
Municipal Debt Service	A-3	1,410,622.68	1,104,004.04
Deferred Charges and Statutory Expenditures - Municipal	A-3	857,891.92	821,534.63
Refund/Adjustment of Prior Year Revenue	A-4	378.79	
Cancellation of Federal and State Grants Receivable	A-15	1,441.14	
Local District School Tax	A-20	13,759,104.00	13,329,800.36
Regional High School Tax	A-21	13,478,487.76	13,078,401.62
Municipal Open Space Taxes	A-22	163,934.03	163,164.86
County Taxes including Added Taxes	A-23	3,613,337.35	3,694,010.66
Interest on Pending Tax Appeals	A-24		662.89
		<hr/>	<hr/>
Total Expenditures		44,727,992.21	44,033,730.28

Borough of River Edge , N.J.

Comparative Statement of Operations and
Changes in Fund Balance - Regulatory Basis

Current Fund

Year Ended December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Excess (Deficit) Revenue Over Expenditures		1,144,088.62	1,356,389.73
Adjustment to Income Before Fund Balance - Expenditures Included above Which are by Statute Deferred Charges to Budget of Succeeding Year	A-13, A-14	<u>4,100.00</u>	<u>93,780.00</u>
Statutory Excess to Fund Balance		1,148,188.62	1,450,169.73
Fund Balance, January 1,	A	<u>1,534,982.81</u>	<u>2,384,813.08</u>
		2,683,171.43	3,834,982.81
Decreased by:			
Fund Balance Utilized as Budget Revenue		<u>1,424,000.00</u>	<u>2,300,000.00</u>
Fund Balance, December 31,	A	<u><u>1,259,171.43</u></u>	<u><u>1,534,982.81</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	1,424,000.00	1,424,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-11	12,500.00	13,964.00	1,464.00
Fees and Permits				
Other	A-2	52,000.00	94,204.06	42,204.06
Fines and Costs:				
Municipal Court	A-11	122,000.00	116,300.21	(5,699.79)
Interest and Costs on Taxes	A-8	80,000.00	86,911.92	6,911.92
Interest on Investments	A-11	10,000.33	5,200.76	(4,799.57)
Parking Lot Fees	A-11	21,000.00	20,173.34	(826.66)
Energy Receipts Tax	A-11	966,091.00	966,091.00	
Consolidated Municipal Property Tax Relief Aid	A-11	90,902.00	90,902.00	
Garden State Preservation Trust	A-24	20,582.00	20,582.00	
Uniform Construction Code Fees	A-11	205,000.00	206,914.00	1,914.00
Special Items of General Revenue Anticipated				
With Prior written Consent of Director of Local Government Services:				
Interlocal Municipal Service Agreements				
County of Bergen - Snow Removal	A-11	17,280.00	17,130.00	(150.00)
Public and Private Revenues:				
Public Health Priority Funding	A-15	1,425.00	1,425.00	
Drunk Driving Enforcement Fund	A-15	2,243.43	2,243.43	
Alcohol Education and Rehabilitation Fund	A-15	603.28	603.28	
Clean Communities Program	A-15	17,190.37	17,190.37	
Municipal Alliance on Alcoholism & Drug Abuse	A-15	10,356.00	10,356.00	
Handicapped Recreation Opportunities Grant	A-15	2,000.00	2,000.00	
Donation Handicapped Rec. Opportunities Grant	A-15	1,000.00	1,000.00	
Nursing Services for Public School	A-15	13,178.00	13,178.00	
Body Armor Replacement Grant	A-15	3,192.98	3,192.98	
Over the Limit Under Arrest	A-15	4,400.00	4,400.00	
Community Development - Senior Bus Driver	A-15	14,500.00	14,500.00	
Community Development - Senior Bus Dispatcher	A-15	4,300.00	4,300.00	
Community Development - Public Library ADA	A-15	23,500.00	23,500.00	
FEMA - Assitance to Firefighters Grant	A-15	44,080.00	44,080.00	
Cooperative Housing Inspection Grant	A-15	4,749.00	4,749.00	
Donation Memorial Park Bench Program	A-11	1,000.00	1,000.00	
Contribution School Board Elections	A-11	490.00	490.00	
Midland Avenue Handicapped Ramps	A-11	23,000.00		(23,000.00)
Community Forestry Program Grant	A-15	3,000.00	3,000.00	
Community Stewardship Incentive Program Grant	A-15	7,000.00	7,000.00	
Other Special Items:				
Uniform Fire Safety Act	A-11	11,500.00	11,043.82	(456.18)
Cable Television Fees	A-11	119,189.58	119,189.58	
Reserve for Sale of Assets	A-24	15,000.00	15,000.00	
Police Outside Duty	A-11	41,000.00	173,524.07	132,524.07
Total Miscellaneous Revenues	A-1	1,965,252.97	2,115,338.82	150,085.85
Receipts from Delinquent Taxes	A-1/A-2	275,000.00	293,605.74	18,605.74
Subtotal General Revenues		3,664,252.97	3,832,944.56	168,691.59
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	10,477,930.00	10,485,697.20	7,767.20
Budget Totals		14,142,182.97	14,318,641.76	176,458.79

Borough of River Edge , N.J.
Statement of Revenues - Regulatory Basis
Current Fund
Year Ended December 31, 2010

Analysis of Realized Revenues

	<u>Ref.</u>	
Revenue from Collections	A-8	41,535,284.65
Less: Reserve for Tax Appeals Pending	A-24	<u>5,000.00</u>
	A-1	41,530,284.65
Allocated to School, Municipal Open Space and County Taxes	A-9	<u>31,466,081.09</u>
Balance for Support of Municipal Budget Appropriations		10,064,203.56
Add : Appropriation - Reserve for Uncollected Taxes	A-3	<u>421,493.64</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u><u>10,485,697.20</u></u>
Receipts from Delinquent Taxes:		
Delinquent Taxes	A-9	<u>293,605.74</u>
	A-2	<u><u>293,605.74</u></u>
Fees and Permits - Other:		
Clerk	A-11	59,202.18
Police	A-11	5,215.88
Board of Health	A-11	16,522.00
Fire	A-11	<u>13,264.00</u>
	A-2	<u><u>94,204.06</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2010

Analysis of Non-budget Revenues

	<u>Ref.</u>	
Miscellaneous Revenues Not Anticipated:		
Revenue Accounts Receivable		
Planning Board	A-11	1,750.00
Board of Adjustment	A-11	2,950.00
Tax Collector	A-11	178.60
Tax Assessor	A-11	327.80
Rental of Borough Property	A-11	1,801.00
Nor'easter Reimbursements		92,748.78
Crossing Guard Refunds		7,463.56
Swim Club Lease and Sewer Maintenance		500.00
Police Outside Duty Prior Year Revenue		5,607.82
Bergen County Utilities Authority Connection Fee		5,000.00
Administrative Fee Senior Citizen & Veteran Report		2,551.95
Vendor Refund Prior Year		2,341.34
Interest on Trust Assessments		3.52
NJ Division of Motor Vehicles Inspection Fines		1,160.00
Length of Service Award Program Remittance		1,109.67
Health Insurance Co-Pay		12,752.48
Bail Forfeiture		614.00
Miscellaneous / Contra		<u>2,503.90</u>
	A-4	<u>134,357.02</u>
	A-2	<u>141,364.42</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Operations - within "CAPS"						
General Government:						
General Administration		18,267.00	18,267.00	18,267.00		
Salaries and Wages		13,128.00	8,628.00	8,126.96	501.04	
Other Expenses						
Mayor and Council						
Salaries and Wages		27,659.00	27,469.00	27,468.46	0.54	
Other Expenses		2,545.00	2,645.00	2,474.93	170.07	
Municipal Clerk						
Salaries and Wages		119,898.00	117,898.00	116,608.47	1,289.53	
Other Expenses		41,770.00	41,670.00	39,166.28	2,503.72	
Codification of Ordinances (Emergency \$4,100.00)			4,100.00	4,100.00		
Financial Administration						
Salaries and Wages		277,729.00	277,718.00	276,391.39	1,326.61	
Other Expenses						
Audit Services		23,750.00	23,750.00	23,750.00		
Other Expenses - Miscellaneous		21,172.00	21,492.00	21,283.29	208.71	
Tax Assessment Administration						
Salaries and Wages		35,338.00	35,338.00	33,926.88	1,411.12	
Other Expenses		3,775.00	3,775.00	2,310.72	1,464.28	
Economic Development						
Other Expenses		10.00	10.00		10.00	
Revenue Administration						
Salaries and Wages		55,390.00	55,390.00	54,438.78	951.22	
Other Expenses		19,423.00	19,423.00	18,213.25	1,209.75	
Legal Services & Costs						
Salaries and Wages		19,077.00	19,077.00	19,076.96	0.04	
Other Expenses		226,000.00	220,500.00	209,155.90	11,344.10	
Municipal Court						
Salaries and Wages		92,713.00	94,313.00	92,801.36	1,511.64	
Other Expenses		12,845.00	9,845.00	7,761.20	2,083.80	
Public Defender						
Other Expenses		1,500.00				

Borough of River Edge , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Engineering Services and Costs						
Other Expenses		92,500.00	110,000.00	107,341.85	2,658.15	
Historical Sites Office						
Other Expenses		500.00	500.00		500.00	
Municipal Land Use Law : (N.J.S. 40:55D-11)						
Planning Board						
Salaries and Wages		9,962.00	9,962.00	7,020.93	2,941.07	
Other Expenses		2,800.00	1,160.00	458.90	701.10	
Zoning Board of Adjustment						
Other Expenses		2,400.00	1,000.00	262.98	737.02	
Recycling						
Salaries and Wages		216,639.00	216,639.00	216,638.28	0.72	
Other Expenses		8,786.00	8,786.00	8,786.00		
Public Information						
Other Expenses		10,228.00	10,228.00	10,228.00		
Code Enforcement and Administration						
Other Code Enforcement Functions						
Salaries and Wages		23,376.00	22,376.00	20,613.65	1,762.35	
Other Expenses		300.00	300.00	66.19	233.81	
Insurance						
Liability Insurance		211,055.00	211,055.00	210,732.87	322.13	
Worker's Compensation		197,750.00	197,750.00	197,750.00		
Group Insurance Plan for Employees		758,401.00	758,401.00	758,401.00		
Public Safety:						
Fire						
Salaries and Wages		2,233.00	2,233.00	1,807.32	425.68	
Other Expenses		111,180.00	111,180.00	109,365.82	1,814.18	
Uniform Fire Safety Act (P.L. 1983,C.383)						
Salaries and Wages		28,003.00	31,003.00	30,432.16	570.84	
Other Expenses		6,486.00	6,486.00	5,300.55	1,185.45	
Police						
Salaries and Wages		2,855,952.00	2,886,452.00	2,861,262.10	25,189.90	
Other Expenses		97,750.00	106,750.00	102,958.02	3,791.98	

Borough of River Edge, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Emergency Management Services						
Salaries and Wages		9,815.00	9,815.00	8,082.16	1,732.84	
Other Expenses		3,000.00	4,460.00	4,451.55	8.45	
Municipal Prosecutor						
Salaries and Wages		6,096.00	6,096.00	5,246.20	849.80	
Other Expenses		1,300.00	800.00		800.00	
Streets and Roads:						
Road Repairs and Maintenance						
Salaries and Wages		859,770.00	859,770.00	832,128.01	27,641.99	
Other Expenses		96,200.00	94,200.00	80,400.57	13,799.43	
Other Public Works Functions						
Other Expenses		10,875.00	10,804.40	10,804.40		
Shade Tree Commission (N.J.S.A. 40:64-1)						
Other Expenses		5,000.00	5,000.00	4,921.70	78.30	
Buildings and Grounds						
Salaries and Wages		22,516.00	21,516.00	21,303.80	212.20	
Other Expense		108,492.00	122,718.80	117,791.33	4,927.47	
Vehicle Maintenance (Including Police Vehicles)						
Salaries and Wages		146,072.00	146,072.00	141,159.47	4,912.53	
Other Expenses		87,350.00	89,350.00	86,435.93	2,914.07	
Community Services Act						
Other Expenses		13,000.00	13,000.00	13,000.00		
Sanitation:						
Garbage and Trash Removal						
Contractual (P.L. 1987 C.74)		277,000.00	277,010.00	277,000.00	10.00	
Other Expenses - Multifamily (P.L. 2000, C.26)		137,000.00	142,500.00	142,500.00		
Parking Lot Maintenance						
Other Expenses		5,762.00	4,745.80	4,745.80		
Sewer System						
Salaries and Wages		4,828.00	4,829.00	4,828.36	0.64	
Other Expenses		27,500.00	27,500.00	27,500.00		

Borough of River Edge, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Sanitation Landfill - Bergen County Contractual		399,000.00	334,000.00	260,916.29	73,083.71	
Health and Welfare:						
Public Health Services						
Salaries and Wages		43,662.00	34,162.00	32,065.46	2,096.54	
Other Expenses - Contractual		15,264.00	15,264.00	15,264.00		
Other Expenses - Miscellaneous		19,475.00	17,475.00	16,466.19	1,008.81	
Administration of Social Services						
Salaries and Wages		3,595.00	3,595.00	3,595.00		
Other Expenses		95.00	95.00		95.00	
Rehabilitation and Assistance to Discharged Veterans (R.S. 40:48-2.15)						
Other Expenses		950.00	950.00	950.00		
Animal Welfare						
Other Expenses		10.00	16,010.00	16,010.00		
Board of Health (PEOSHA, N.J.S.A. 34:6A-25 et seq.)H.B. V.						
Other Expenses		10.00	10.00		10.00	
Fire (N.J., PEOSHA, N.J.A.C. 12:100-10)						
Other Expenses		110.00	110.00		110.00	
Recreation & Education:						
Recreation Commission RS. 40:12-1						
Salaries and Wages		54,620.00	55,020.00	54,975.10	44.90	
Other Expenses		7,500.00	7,500.00	7,454.53	45.47	
Maintenance of Parks						
Salaries and Wages		43,959.00	43,959.00	43,672.35	286.65	
Other Expenses		21,200.00	21,200.00	21,200.00		
Aid to Senior Citizen Program (40:48-9.4)						
Other Expenses		33,959.00	31,759.00	28,931.13	2,827.87	
Other Common Operating Functions:						
Worker and Community Right to Know Act (P.L. 1983 C.315)						
Administrative and Executive						
Other Expenses		350.00	350.00	350.00		

Borough of River Edge, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Statutory Expenditures						
Contribution to:						
Public Employees' Retirement System		130,641.84	130,641.84	130,641.84		
Social Security System (O.A.S.I.)		273,900.00	268,900.00	260,950.00	7,950.00	
Consolidated Police and Firemen's Pension Fund		13,400.00	13,400.00	13,390.20	9.80	
Police and Firemen's Retirement System		306,945.81	306,945.81	306,945.81		
Unemployment Compensation Insurance		10.00	30,010.00	30,010.00		
Defined Contribution Retirement Program		360.00	360.00		360.00	
Total Deferred Charged and Statutory Expenditures - Municipal within "CAPS"	A-1	730,825.92	755,825.92	747,506.12	8,319.80	
Total General Appropriations for Municipal Purposes within "CAPS"		9,624,578.92	9,627,678.92	9,351,689.75	275,989.17	
Operations - Excluded from "CAPS"						
Statutory Expenditures						
Public Employees' Retirement System		133,107.16	133,107.16	133,107.16		
Police and Firemen's Retirement System of N.J.		287,309.19	287,309.19	287,309.19		
Employee Group Insurance (P.L. 2007, C.62)		53,759.00	53,759.00	53,759.00		
Emergency Authorization (Storm March 13/14 40A:4-45:3bb)						
Public Works Repair and Maintenance		22,320.00	22,320.00	22,320.00		
Salaries and Wages		25,000.00	25,000.00	25,000.00		
Other Expenses						
Police		6,807.00	6,807.00	6,807.00		
Salaries and Wages						
Maintenance of Free Public Library (P.L. 1985, Ch. 82-541)		405,154.00	405,154.00	397,418.64	7,735.36	
Salaries and Wages		115,900.00	115,900.00	114,036.30	1,863.70	
Other Expenses						
Hackensack/Paramus Sewer Charges		178,000.00	178,000.00	178,000.00		
Contractual						

Borough of River Edge, N.J.
Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Bergen County Utilities Authority						
Service Charges Contractual		852,200.00	852,200.00	852,105.15	94.85	
Recycling Tax (P.L.2007, C.311)						
Other Expenses		15,600.00	15,600.00	9,765.39	5,834.61	
NJPEDS Stormwater Permit (N.J.S.A. 40A:45.3(cc))						
General Administration						
Salaries and Wages		2,884.00	2,884.00	2,884.00		90.00
Other Expenses		90.00	90.00			
Municipal Clerk						
Salaries and Wages		245.00	245.00	245.00		
Other Expenses		450.00	450.00			450.00
Legal Services & Costs						
Other Expenses		1,200.00	1,200.00	240.00	960.00	
Public Information						
Other Expenses		1,000.00	1,000.00	587.13		412.87
Other Code Enforcement Functions						
Salaries and Wages		24.00	24.00	24.00		
Police						
Salaries and Wages		34.00	34.00	34.00		
Public Works Repair and Maintenance						
Salaries and Wages		7,560.00	7,560.00	7,560.00		
Other Expenses		400.00	400.00	400.00		
Sewer System						
Other Expenses		3,000.00	3,000.00	3,000.00		
Public Health Services						
Salaries and Wages		10.00	10.00	10.00		
Engineering						
Other Expenses		2,900.00	2,900.00	2,900.00		

Borough of River Edge, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Emergency Services Volunteer Length of Service Award Program (P.L. 1997, c.388)		75,480.00	75,480.00	75,480.00		
Other Expenses - Fire		27,540.00	27,540.00	27,540.00		
Other Expenses - First Aid Organization						
Implementation of 911 System (N.J.S.A. 40A:4-45.3 (cc))						
Police Communications		19,080.00	20,080.00	18,235.63	1,844.37	
Other Expenses						
Maintenance of Free Public Library (P.L. 1985, Ch. 82-541)		23,955.00	23,955.00	17,913.41	6,041.59	
Electricity		500.00	500.00	304.68	195.32	
Telephone		5,200.00	5,200.00	1,992.12	3,207.88	
Natural Gas		4,600.00	4,600.00	3,967.73	632.27	
Water		74,408.00	74,408.00	74,408.00		
Employee Group Health						
Interlocal Municipal Service Agreements		17,280.00	17,280.00	17,130.00		150.00
County of Bergen Snow Removal						
Salary and Wages						
Public and Private Programs Offset by Revenues		4,749.00	4,749.00	4,749.00		
State and Local Cooperative Housing		2,243.43	2,243.43	2,243.43		
Inspection Program						
Drunk Driving Enforcement Fund - Police		17,190.37	17,190.37	17,190.37		
Recycling Tonnage Grant		13,178.00	13,178.00	13,178.00		
Clean Communities Grant		10,356.00	10,356.00	10,356.00		
Nursing Services for Nonpublic Schools		1,425.00	1,425.00	1,425.00		
Municipal Alliance on Alcoholism & Drug Abuse						
Reserve for Public Health Priority Funds						
Community Development Block Grant		14,500.00	14,500.00	14,500.00		
Senior Van Driver						
Salary and Wages						
Community Development Block Grant		4,300.00	4,300.00	4,300.00		
Senior Van Dispatcher						
Salary and Wages						

Borough of River Edge, N.J.
Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Community Stewardship Incentive Program						
Senior Citizen Activities						
Other Expenses		7,000.00	7,000.00	7,000.00		
Community Development Block Grant						
Public Library ADA Service Desk		23,500.00	23,500.00	23,500.00		
FEMA Assistance to Firefighters Grant		44,080.00	44,080.00	44,080.00		
FEMA Assistance to Firefighters Grant - Local Match		2,320.00	2,320.00	2,320.00		
Alcohol Education and Rehabilitation		603.28	603.28	603.28		
Handicapped Recreation Opportunities Grant		2,000.00	2,000.00	2,000.00		
Community Forestry Program Grant		3,000.00	3,000.00	3,000.00		
Over the Limit Under Arrest		4,400.00	4,400.00	4,400.00		
Domestic Violence Police Training Grant						
Body Armor Grant		3,192.98	3,192.98	3,192.98		
Donation Memorial Park Bench Program		1,000.00	1,000.00	1,000.00		
Donation Memory of Postmaster Robert Seuss						
Midland Avenue Handicap Ramps						
Donations Handicapped Recreation Opportunities Grant		23,000.00	23,000.00	23,000.00		
Local Match		1,000.00	1,000.00	1,000.00		
Total Operations - Excluded from "CAPS"		2,546,034.41	2,547,034.41	2,517,521.59	28,409.95	1,102.87
Detail:						
Salaries & Wages	A-1	481,118.00	481,118.00	473,232.64	7,735.36	150.00
Other Expenses	A-1	2,064,916.41	2,065,916.41	2,044,288.95	20,674.59	952.87
Capital Improvements:						
Capital Improvement Fund		25,010.00	25,010.00	25,010.00		
Total Capital Improvements Excluded from "CAPS"	A-1	25,010.00	25,010.00	25,010.00		
Municipal Debt Service:						
Payment of Bond Principal		1,025,000.00	1,025,000.00	1,025,000.00		1,037.24
Interest on Bonds		356,000.00	356,000.00	354,962.76		
Interest on Notes						

Borough of River Edge, N.J.
Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
NJ EIT Loan						
Principal		31,000.00	31,000.00	30,314.72		685.28
Interest		11,000.00	11,000.00	345.20		10,654.80
Total Municipal Debt Service-Excluded from "CAPS"	A-1	1,423,000.00	1,423,000.00	1,410,622.68		12,377.32
Deferred Charges:						
Emergency Authorization		90,000.00	90,000.00	90,000.00		
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)		2,566.00	2,566.00	2,566.00		
Deferred Charges to Future Taxation - Unfunded						
Ord. 1672/1656 Various Public Improvements		9,500.00	9,500.00	9,500.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	A-1	102,066.00	102,066.00	102,066.00		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		4,096,110.41	4,097,110.41	4,055,220.27	28,409.95	13,480.19
Subtotal General Appropriations		13,720,689.33	13,724,789.33	13,406,910.02	304,399.12	13,480.19
Reserve for Uncollected Taxes		421,493.64	421,493.64	421,493.64		
Total General Appropriations		14,142,182.97	14,146,282.97	13,828,403.66	304,399.12	13,480.19
Adopted Budget	A-2		14,048,295.47		A	
Special Emergency Authorization	A-14		4,100.00			
Appropriated by N.J.S. 40A:4-87	A-2		93,887.50			
			14,146,282.97			

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>Analysis of Paid or Charged</u>						
Cash Disbursed	A-4			12,482,389.36		
Encumbrances Payable	A-17			668,816.60		
Deferred Charges - Special Emergency Authorization	A-14			2,566.00		
Deferred Charges - Emergency Authorization	A-13			90,000.00		
Reserve for Codification of Ordinances	A-24			4,100.00		
Reserve for Uncollected Taxes	A-2			421,493.64		
Matching Funds for Grants	A-4/A-25			2,320.00		
Reserve for Grants	A-25			156,718.06		
				<u>13,828,403.66</u>		

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>			
Assessment Fund:			
Cash - Treasurer	B-2	161.39	161.39
Assessments Receivable	B-4	1,982.82	
		<u>2,144.21</u>	<u>161.39</u>
Animal License Fund:			
Cash - Treasurer	B-2	11,261.62	7,067.20
		<u>11,261.62</u>	<u>7,067.20</u>
Other Trust Funds:			
Cash - Treasurer	B-2	779,260.54	812,526.27
		<u>779,260.54</u>	<u>812,526.27</u>
Emergency Services Volunteer Length of Service Award Program (Unaudited):			
Cash in Plan	B-2	684,188.23	572,639.21
Contributions Receivable	B-5	70,380.00	68,400.00
		<u>754,568.23</u>	<u>641,039.21</u>
Total Assets		<u>1,547,234.60</u>	<u>1,460,794.07</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2010 and 2009

<u>Liabilities, Reserves & Fund Balance</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Assessment Fund:			
Due to General Capital Fund	B-7	1,982.82	
Fund Balance	B-1	161.39	161.39
		<u>2,144.21</u>	<u>161.39</u>
Animal License Fund:			
Due to Current Fund	B-6		
Reserve for Dog Fund Expenditures	B-8	11,261.62	7,067.20
		<u>11,261.62</u>	<u>7,067.20</u>
Other Trust Fund:			
Developers' Escrow	B-10	66,334.00	61,052.75
Fire Prevention Penalties	B-10	1,119.00	1,119.00
Recycling	B-10	150,293.64	126,187.50
Vacancy Inspection	B-10	1,220.96	360.96
P.O.A.A.	B-10	5,138.02	5,620.02
Tax Sale Redemption	B-10		27,328.61
Municipal Alliance	B-10	3,216.49	3,877.24
Street Opening Permits	B-10	2,640.00	1,280.00
Performance Bonds	B-10	185,928.73	116,254.73
Snow Removal	B-10	30,986.39	30,986.39
Commodity Resale	B-10	1,800.00	1,800.00
Public Defender	B-10	1,875.00	1,875.00
Accumulated Absences	B-10	3,960.00	3,950.00
Municipal Open Space	B-10	35,339.44	158,666.55
September 11th Memorial Gardens	B-10	3,881.98	3,881.98
Police Outside Duty	B-10	3,983.23	3,000.00
Donations Beautification	B-10	8,906.70	6,169.12
Tax Sale Premium	B-10	13,600.00	21,400.00
Donations for Shade Tree Commission	B-10	4,175.25	3,710.00
C.A.R.E.	B-10	152.28	
Park & Field Maintenance	B-10	22,890.17	8,510.17
Affordable Housing	B-10		8,714.66
Reserve for:			
Self Insurance Fund (Commission)	B-11	36,491.20	28,878.85
Unemployment Insurance Trust Fund	B-11	19,334.90	34,741.12
Recreation Commission	B-12	114,240.94	105,482.63
Payroll Deductions Payable	B-13	61,752.22	47,678.99
		<u>779,260.54</u>	<u>812,526.27</u>
Emergency Services Volunteer Length of			
Service Award Program (Unaudited):			
Net Assets Available for Benefits	B-14	754,568.23	641,039.21
		<u>1,547,234.60</u>	<u>1,460,794.07</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.

Schedule of Fund Balance - Regulatory Basis

Assessment Trust Fund

Year Ended December 31, 2010

Balance - December 31, 2009	<u>Ref.</u> B	<u>161.39</u>
Balance - December 31, 2010	B/B-3	<u><u>161.39</u></u>

The accompanying "Notes to Financial Statements"
are an integral part of these Financial Statements.

Borough of River Edge , N.J.
Comparative Balance Sheet - Regulatory Basis
General Capital Fund
December 31, 2010 and 2009

<u>Assets</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Cash	C-2/C-3	644,010.58	975,925.23
Due from Bergen County - Open Space Trust	C-4	23,275.74	244,000.00
Interfund - Assessment Trust Fund	C-5	1,982.82	
Deferred Charges to Future Taxation:			
Funded	C-6	9,347,090.36	10,402,405.08
Unfunded	C-7	<u>1,229,254.70</u>	<u>795,277.08</u>
		<u>11,245,614.20</u>	<u>12,417,607.39</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-8	9,180,000.00	10,205,000.00
Environmental Infrastructure Trust / Loan	C-9	167,090.36	197,405.08
Improvement Authorizations:			
Funded	C-10	1,108,094.58	1,334,065.79
Unfunded	C-10	706,504.11	521,185.72
Capital Improvement Fund	C-11	60,872.47	17,412.47
Fund Balance	C-1	<u>23,052.68</u>	<u>142,538.33</u>
		<u>11,245,614.20</u>	<u>12,417,607.39</u>

Footnote: There was Authorized but not Issued Debt at December 31, 2010 and 2009 of \$1,229,254.70 and \$795,277.08 respectively per Exhibit C-13.

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge , N.J.
Statement of Changes in Fund Balance - Regulatory Basis
General Capital Fund
Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009	C		142,538.33
Increased by:			
Funded Improvement Authorizations Cancelled	C-9	<u>6,514.35</u>	<u>6,514.35</u>
			149,052.68
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-9	<u>126,000.00</u>	<u>126,000.00</u>
Balance - December 31, 2010	C/C-3		<u><u>23,052.68</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of River Edge, N.J.

Statement of General Fixed Assets - Regulatory Basis

December 31, and 2010

	<u>2010</u>	<u>2009</u>
<u>General Fixed Assets:</u>		
Land	5,038,712.73	5,038,712.73
Buildings	5,437,534.49	5,437,534.49
Improvements - Other than Buildings	5,807,004.06	5,807,004.06
Machinery and Equipment	<u>3,304,979.11</u>	<u>3,105,126.18</u>
	<u>19,588,230.39</u>	<u>19,388,377.46</u>
 Investment in General Fixed Assets	 <u>19,588,230.39</u>	 <u>19,388,377.46</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

BOROUGH OF RIVER EDGE, N. J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the Borough of River Edge have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than generally accepted accounting principles. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Borough of River Edge (the "Borough") operates under a Mayor/Council form of government. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

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

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the Free Public Library, Volunteer Fire Department and the Volunteer Ambulance Corps. which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

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

The Borough has the following funds and account groups:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Borough as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

Assessment Trust - This fund deals with the hauling of special assessment levies against property for the cost of an improvement, the whole or a part of which costs are levied against the property receiving the benefit.

All Other Trust Funds - These funds are established to account for the assets and resources which are also held by the Borough as a trustee or agent for individuals, private organizations, other governments and/or other funds.

Animal Control Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.

Emergency Services Volunteer Length of Service Award Program - This fund is used to account for the cumulative payments to participant's in the emergency services volunteer length of service award program including any income, gains, losses or increases or decreases in market value attributable to the investment of the participant's length of service awards.

General Capital Fund - This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

General Fixed Asset Account Group - To account for all fixed assets of the Borough. The Borough's infrastructure is not reported in the group.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting

A modified accrual basis of accounting is followed by the Borough of River Edge. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

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

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the current fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Borough is not required to adopt budgets for the following funds:

General Capital Fund
Trust Funds

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2010, the Borough Council increased the original budget by \$97,987.50. The increase was funded by \$93,887.50 of additional aid allotted to the Borough and \$4,100.00 for a special emergency appropriation for codification of ordinances. In addition, several budget transfers were approved by the governing body.

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

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

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

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

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

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

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

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost which approximates fair value and are limited by N.J.S.A. 40A:5-15.1(a).

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Borough establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

General Fixed Assets - The Borough of River Edge has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accounting principles.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except land which is valued at estimated market value.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

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

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

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

C. Basic Financial Statements

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

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2010, \$-0- of the Borough's bank balance of \$4,359,182.67 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Concentration of Credit Risk

The Borough places no limit on the amount the Borough may invest in any one issuer.

Unaudited Investments

As more fully described in Note 13, the Borough has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Borough. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Financial Group, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2010 and 2009 amounted to \$684,188.23 and \$572,639.21, respectively.

The following investments represent 5% or more of the total invested with Lincoln Financial Group on December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Growth	\$364,560.97	\$275,285.49
Fixed Income	71,936.92	65,583.20
Growth and Income	65,225.43	53,464.55
All Others	<u>182,464.91</u>	<u>178,305.97</u>
Total	<u>\$684,188.23</u>	<u>\$572,639.21</u>

NOTE 3: MUNICIPAL DEBT

Long-term debt as of December 31, 2010 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable - General Obligation Debt	\$10,205,000.00	\$	\$1,025,000.00	\$9,180,000.00	\$1,025,000.00
Other Liabilities:					
Deferred Pension Obligation	375,122.00			375,122.00	
Compensated Absences Payable	733,050.20	11,846.62	41,111.98	703,784.84	
N.J. Environmental Infrastructure:					
Trust	147,055.24		15,000.00	132,055.24	13,916.96
Loan	<u>50,349.84</u>		<u>15,314.72</u>	<u>35,035.12</u>	<u>14,777.67</u>
	<u>\$11,510,577.28</u>	<u>\$11,846.62</u>	<u>\$1,096,426.70</u>	<u>\$10,425,997.20</u>	<u>\$1,053,694.63</u>

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 3: MUNICIPAL DEBT, (continued)

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Borough's debt is summarized as follows:

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Issued:</u>			
<u>General:</u>			
Bonds and Notes	\$9,180,000.00	\$10,205,000.00	\$8,490,000.00
Loans	<u>167,090.36</u>	<u>197,405.08</u>	<u>228,208.02</u>
Total Issued	<u>9,347,090.36</u>	<u>10,402,405.08</u>	<u>8,718,208.02</u>
 <u>Authorized But Not Issued</u>			
<u>General:</u>			
Bonds and Notes	<u>1,229,254.70</u>	<u>795,277.08</u>	<u>1,390,697.64</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$10,576,345.06</u>	<u>\$11,197,682.16</u>	<u>\$10,108,905.66</u>

Footnote: In addition to the capital debt shown in the above statement, there was current debt as follows:

Authorized But Not Issued	
Current:	
Special Emergency Note (40A:4-55)	<u>\$9,534.00</u>

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 3: MUNICIPAL DEBT, (continued)

General Capital Serial Bonds are direct obligations of the Borough for which its full faith and credit are pledged and are payable from taxes levied on all taxable property located within the Borough.

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST BONDED DEBT ISSUED AND OUTSTANDING.

	General		
Calendar	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year			
2011	\$1,025,000.00	\$321,000.26	\$1,346,000.26
2012	1,025,000.00	287,037.76	1,312,037.76
2013	1,025,000.00	252,940.26	1,277,940.26
2014	1,025,000.00	218,707.76	1,243,707.76
2015	1,025,000.00	183,906.50	1,208,906.50
2016-2020	3,665,000.00	404,178.50	4,069,178.50
2021-2022	<u>390,000.00</u>	<u>23,400.00</u>	<u>413,400.00</u>
	<u>\$9,180,000.00</u>	<u>\$1,691,171.04</u>	<u>\$10,871,171.04</u>

At December 31, 2010, the Borough had authorized but not issued debt of \$1,229,254.70.

N.J. WASTEWATER TREATMENT FINANCING PROGRAM

Loan Number 1:

On November 4, 1999, two separate loan agreements were entered into by the Borough of River Edge for the purpose of improvements to the Wastewater Treatment Plant. The project was closed out in 2003. The outstanding amounts of the loans payable are detailed as follows:

New Jersey Wastewater Treatment Trust	\$132,055.24
New Jersey Wastewater Treatment Fund	<u>35,035.12</u>
	<u>\$167,090.36</u>

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 3: MUNICIPAL DEBT, (continued)

N.J. WASTEWATER TREATMENT FINANCING PROGRAM, (continued)

Schedules of annual principal and interest payments for the loan is detailed as follows:

<u>Year</u>	<u>Trust Loan (1)</u>		<u>Fund Loan</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2011	\$13,916.96	\$1,313.65	\$14,777.67
2012	12,978.29	1,678.67	14,240.63
2013	11,780.07	2,133.05	6,016.82
2014	11,260.10	1,894.27	
2015	16,729.74	1,648.71	
2016	15,935.98	1,194.13	
2017	15,552.83	799.96	
2018	15,172.89	445.15	
2019	18,728.38	294.39	
	<u>\$132,055.24</u>	<u>\$11,401.98</u>	<u>\$35,035.12</u>

Installment payments of principal and interest on the above described Wastewater Treatment Loans are due on April 15 and October 15 of each year.

(1) The Borough is due a savings credit on the trust loan as all of the original trust loan proceeds were not spent. This credit is reflected in the outstanding principal and interest due on the loan.

NOTE 4: BOND ANTICIPATION NOTES

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2010, the Borough had no outstanding bond anticipation notes.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 5: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING 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 the various funds:

	Balance December 31, <u>2010</u>	2011 Budget <u>Appropriation</u>	Balance to Succeeding <u>Budget</u>
Current Fund:			
Special Emergency Authorizations	<u>\$9,534.00</u>	<u>\$2,846.00</u>	<u>\$6,688.00</u>

NOTE 6: DEFERRED SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough of River Edge has elected to defer school taxes as follows:

	<u>December 31, 2010</u>	
	<u>Local School District</u>	<u>Regional High School</u>
Balance of Tax	\$6,658,617.00	\$6,782,371.37
Deferred	<u>6,658,617.00</u>	<u>6,782,371.37</u>
Tax Payable	<u>\$0.00</u>	<u>\$0.00</u>

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 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 Police and Firemens' Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Public Employees' Retirement System and the Police and Firemens' Retirement System (PFRS) are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8-10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 60 with 25 or more years of credited service. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; increased the minimum annual compensation required for membership eligibility for new members. Also, it amended the early retirement reduction formula for members hired on or after November 1, 2008 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 62, plus 3% for every year under age 55.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 7: PENSION PLANS, (continued)

Description of Systems, (continued)

Public Employees' Retirement System (PERS), (continued)

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS from the amount of compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60 from 1/55, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal year 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Police and Firemens' Retirement System (PFRS)

The Police and Firemens' Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.

Enrolled members of the Police and Firemens' Retirement System may retire at age 55 with no minimum service requirement. The annual allowance is equal to 2% of the members' final compensation for each year of service up to 30 years, plus 1% of each year of creditable service over 30 years. Final compensation equals the compensation for the final year of service prior to retirement. Special retirement is permitted to members who have 25 or more years of creditable service in the system. Benefits fully vest on reaching 10 years of service. Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 7: PENSION PLANS, (continued)

Description of Systems, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

Chapter 1, P.L. 2010, effective May 21, 2010, eliminated the provision in PFRS that would permit a member to retire, at any age after 25 years of service credit, on a special retirement allowance of 70% of final compensation after the retirement system reaches a funded level of 104%. Also, for new members of PFRS, the law capped the maximum compensation that can be used to calculate a pension from the plan at the annual wage contribution base for Social Security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for PERS and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Divisions of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The Borough of River Edge opted for this deferral in the amount of \$375,122.00.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 7: PENSION PLANS, (continued)

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.0% for PERS and 8.5% for PFRS of the employee's annual compensation, as defined through June 30, 2007. Under Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, the PERS and employee contribution rate will increase to 5.5 percent effective July 1, 2007. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Borough's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2010	\$263,749.00	\$594,255.00
2009	126,224.00	296,565.50
2008	176,851.18	551,041.00

Defined Contribution Retirement Program

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. The program provides eligible members, with a minimum base salary of \$1,500 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.

If the eligible elected or appointed official will earn less than \$5,000 annually, the official may choose to waive participation in the DCRP for that office or position. The waiver is irrevocable.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 7: PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

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, 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 option 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 retain in the PERS. A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator, or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

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

NOTE 8: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2010 and 2009 which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
Current Fund	<u>\$1,178,250.00</u>	<u>\$1,424,000.00</u>

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 9: FIXED ASSETS

The following is a summary of changes in the general fixed asset account group for the year 2010.

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Land	\$5,038,712.73	\$	\$	\$5,038,712.73
Buildings	5,437,534.49			5,437,534.49
Improvements-Other than Buildings	5,807,004.06			5,807,004.06
Machinery and Equipment	<u>3,105,126.18</u>	<u>257,927.93</u>	<u>58,075.00</u>	<u>3,304,979.11</u>
	<u>\$19,388,377.46</u>	<u>\$257,927.93</u>	<u>\$58,075.00</u>	<u>\$19,588,230.39</u>

NOTE 10: ACCRUED SICK AND VACATION BENEFITS

The Borough of River Edge permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate. Additionally, employees who meet certain requirements are eligible to receive an annual payment as severance pay until the employee reaches the age sixty-five.

It is estimated that the current cost of such unpaid compensation would approximate \$703,784.83. This amount is not reported either as an expenditure or a liability. It is expected that the cost of such unpaid compensation would be included in the Borough of River Edge's budget operating expenditures in the year in which it is used.

NOTE 11: DUE TO/FROM OTHER FUNDS

Balances due to/from other funds at December 31, 2010 consist of the following:

\$69,656.85	Due to the State and Federal Grant Fund from the Current Fund for Grant receipts deposited in the Current Fund.
<u>1,982.82</u>	Due to the General Capital Fund from the Assessment Trust Fund for confirmed assessments not collected.
<u>\$71,639.67</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 12: LEASES

The Borough of River Edge has commitments to lease police cars under capital leases which expire in 2011. Total lease payments made during the year ended December 31, 2010 were \$15,459.64. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Total Amount</u>	<u>Principal</u>	<u>Interest</u>
December 31, 2011	<u>\$1,550.00</u>	<u>\$1,540.96</u>	<u>\$9.04</u>
Total minimum lease payments	<u>\$1,550.00</u>	<u>\$1,540.96</u>	<u>\$9.04</u>

NOTE 13: EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On March 6, 2003, the Division of Local Government Services approved the Borough's LOSAP plan, provided by Lincoln Financial Group. The purpose of this plan is to enhance the Borough's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

The Lincoln Financial Group will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall provide for a fixed annual contribution of \$1,000.00 to each eligible volunteer who accumulates a minimum of 100 service points based on criteria established by Borough Ordinance No. 1289. In addition, the ordinance does not provide for prior years service credit. The amount of the LOSAP award cannot exceed \$1,000.00 annually, subject to periodic increases as permitted by N.J.A.C. 5:30-14.9. The Borough's contribution shall be included in the current years budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2010 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 14: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. During the 2010 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of River Edge is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Borough of River Edge is a member of the Bergen County Municipal Joint Insurance Fund (the "JIF"). The JIF is a self-administered group of municipalities established for the purpose of providing certain low-cost general liability, automobile liability and workers' compensation insurance coverage up to \$100,000.00 for member municipalities. The Borough of River Edge pays an annual assessment to the JIF and should it be determined that payments received by the JIF are deficient, additional assessments may be levied.

The JIF can declare and return excess surplus to members upon approval of the State of New Jersey Department of Insurance. These distributions would be divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Government Accounting Standards Board, these distributions may be used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The Borough of River Edge is also a member of the Municipal Excess Liability Joint Insurance Fund (the "MEL"). The MEL provides excess insurance coverage for claims in excess of \$100,000.00 for general liability, automobile liability and workers' compensation. The MEL also provides insurance coverage for the following: employment practices liability, non-owned aircraft, public officials liability, directors and officers liability and faithful performance and employee dishonesty blanket bond (\$1,000,000.00 limit).

The JIF also provides Property coverage (i.e. Boiler and Machinery, Flood, Valuable Papers, etc.) to its members by participating in a state-wide joint purchase program arranged by the MEL acting as a lead agency.

Financial statements for the Funds are available at the office of the Funds' Executive Director, Conner Strong/PERMA Risk Management Services.

BOROUGH OF RIVER EDGE, N.J.
Notes to Financial Statements
Years Ended December 31, 2010 and 2009
(continued)

NOTE 14: RISK MANAGEMENT, (continued)

The Borough of River Edge continues to carry commercial insurance coverage for all other risks of loss, including employee health, accident and flood insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Borough also maintains a self insurance fund to pay for small claims or claims which fall under the insurance deductible amount.

NOTE 15: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	<u>Balance</u> <u>Dec 31, 2010</u>	<u>Balance</u> <u>Dec 31, 2009</u>
Prepaid Taxes	<u>\$211,606.38</u>	<u>\$193,624.96</u>
Cash Liability for Taxes Collected in Advance	<u>\$211,606.38</u>	<u>\$193,624.96</u>

NOTE 16: COMMITMENTS AND CONTINGENT LIABILITIES

The Borough has established a Reserve for Tax Appeals Pending in the amount of \$18,497.97.

The Borough of River Edge is a defendant in certain lawsuits, none of which is unusual for a municipality of its size. Additional liabilities, if not covered by insurance would be funded from future taxation.

SUPPLEMENTARY DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate:	<u>2.565</u>	<u>2.442</u>	<u>2.316</u>	<u>2.22</u>	<u>2.09</u>
Apportionment of Tax Rate:					
Municipal	.640	.555	.539	.513	.512
Municipal Open Space	.010	.010	.010	.010	.010
County	.218	.215	.205	.191	.177
County Open Space	.003	.012	.012	.010	.010
Local School	.864	.827	.764	.764	.709
Regional High School	.830	.823	.786	.732	.672
<u>Assessed Valuation:</u>					
2010	\$1,635,185,287.00				
2009	1,627,168,227.00				
2008	1,623,241,906.00				
2007	1,619,895,547.00				
2006	1,617,460,856.00				

COMPARISON OF TAX LEVIES AND COLLECTIONS CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2010	\$42,043,280.82	\$41,530,284.65	98.78%
2009	39,843,435.54	39,447,636.48	99.00
2008	37,704,821.28	37,338,928.16	99.03
2007	36,062,826.11	35,658,995.07	98.88
2006	33,847,479.00	33,454,633.66	98.83

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the last five years. A comparison of the outstanding assessment and assessment title liens for the past five years is also shown.

<u>Taxes and Liens</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Current Year	\$403,006.10	\$296,217.06	\$327,186.24	\$361,294.67	\$323,300.59
Prior Years	4,740.84	868.50	2,897.34		16.08
Tax Title Liens	<u>25,936.46</u>	<u>21,150.17</u>	<u>16,593.40</u>	<u>12,271.74</u>	<u>11,054.95</u>
Totals	<u>\$433,683.40</u>	<u>\$318,235.73</u>	<u>\$346,676.98</u>	<u>\$373,566.41</u>	<u>\$334,371.62</u>
Percentage of each Years Tax Levy	1.03%	.80%	.91%	1.04%	1.07%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

There was no property sold or acquired during the year.

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of properties, was as follows:

<u>Year</u>	<u>Amount</u>
2010	None
2009	None
2008	None
2007	None
2006	None

COMPARATIVE SCHEDULE OF FUND BALANCE

<u>Fund Balance December 31,</u>	<u>Current Fund</u>	
		<u>Utilized in Budget of Succeeding Year</u>
2010	\$1,259,171.43	\$1,178,250.00
2009	1,534,982.81	1,424,000.00
2008	2,384,813.08	2,300,000.00
2007	4,939,174.26	3,449,000.00
2006	6,958,096.07	3,449,000.00

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Margaret Falahee Watkins	Mayor	
Thomas Smith	Council President	
John Cannon	Councilman	
Paul Cordis	Councilman	
Sandy Moscaritolo	Councilman from 11-16-10	
Mary Anne O'Connell Rush	Councilwoman to 11-16-10	
Johnny Porco	Councilman	
Wendy Walker	Councilwoman	
Alan P. Negreann	Administrator	
	Chief Finance Officer	(A)
Denise Dondiego	Borough Clerk	
Zenab Bachok	Tax Collector	(A)
	Tax Search Officer	
William Lindsley	Borough Attorney	
Robert Costa	Borough Engineer	
James Anzevino	Assessor	
Gertrude San Jose	Registrar of Vital Statistics	
Robert Byrnes	Construction Code Official	
Rose Pagan	Construction Control Person	
Robert O'Dowd	Plumbing Inspector	
Bruce L. Safro, Esq	Magistrate	(A)
Noreen Patoray	Court Administrator	(A)
Carol Byrne	Deputy Court Administrator	(A)
Judy O'Connell	Deputy Borough Clerk	
Adriana Silla	Accounts Supervisor	
Melvin Streeter	Building Inspector	
Mark Skerbetz	Zoning Official	
Thomas Cariddi	Chief of Police	
Bobbi McDonnell	Recreation Director	
Alan Silverman	Fire Prevention Officer	

(A) Coverage provided by the Municipal Excess Liability Joint Insurance Fund of up to \$1,000,000.00 per loss subject to a deductible of \$1,000.00.

Faithful Performance Blanket Bond in the amount of \$225,000.00 issued by Bergen County Joint Insurance Fund.

SCHEDULE A

BOROUGH OF RIVER EDGE, N.J.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2010

Name of Federal Agency or Department	Federal Program	C.F.D.A. Account No.	Total Grant Award Amount	Balance Jan. 1, 2010	Receipts	Expended	Balance Dec. 31, 2010	Memo
								Cumulative Total Expenditures
Department of Housing and Urban Development Pass Through Funds: County of Bergen	Community Development Block Grant	14.218	15,000.00	(3,503.16)	8,210.65	4,707.49	(5,826.77)	* 15,000.00
	Senior Bus Driver Grant		14,500.00		5,704.47	11,531.24		* 11,531.24
	Senior Bus Driver Grant		5,000.00	(1,477.59)	3,208.43	1,730.84		* 5,000.00
	Senior Bus Dispatcher Grant		4,300.00		1,837.11	3,212.84	(1,375.73)	* 3,212.84
	Library ADA Service Desk		23,500.00					* *
Department of Law and Public Safety	Over the Limit Under Arrest	20.601	3,399.40		3,399.40	3,399.40		* 3,399.40
				(4,980.75)	22,360.06	24,581.81	(7,202.50)	* 38,143.48

NOTE: THIS SCHEDULE WAS NOT SUBJECT TO AN AUDIT IN ACCORDANCE WITH FEDERAL OMB CIRCULAR A-133.

BOROUGH OF RIVER EDGE, N.J.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2010

State Grantor Department	Program Title	State Program/ Account Number	Program Amount	Balance Jan. 1, 2010	Receipts	Expended	Balance Dec. 31, 2010	Memo		
								Cumulative Total	Expenditures	
Division of Criminal Justice	Body Armor Grant	1020-718-066-1020-001	2,349.72	304.19	304.19	304.19	304.19	2,349.72	*	
			1,948.71	1,948.71	1,948.71	1,948.71	1,948.71	1,948.71	*	
			3,192.98	3,192.98	3,192.98	3,192.98	3,192.98	3,192.98	1,037.19	*
Division of Motor Vehicles	Drunk Driving Enforcement Fund	6400-100-078-6400	2,986.09	1,652.21	1,652.21	1,652.21	1,652.21	2,986.09	*	
			2,585.48	2,585.48	2,585.48	2,585.48	2,585.48	2,585.48	2,315.19	*
			2,243.43	2,243.43	2,243.43	2,243.43	2,243.43	2,243.43	2,243.43	*
			1,616.53	77.65	77.65	77.65	77.65	77.65	1,538.88	*
			4,373.89	2,042.26	2,042.26	2,042.26	2,042.26	2,042.26	2,331.63	*
Department of Environmental Protection	Clean Communities Program	4900-765-042-4900	811.38	811.38	811.38	811.38	811.38	811.38	*	
			511.05	511.05	511.05	511.05	511.05	511.05	511.05	*
			766.38	766.38	766.38	766.38	766.38	766.38	766.38	*
			281.90	281.90	281.90	281.90	281.90	281.90	281.90	*
			642.55	642.55	642.55	642.55	642.55	642.55	642.55	*
			232.05	232.05	232.05	232.05	232.05	232.05	232.05	*
			603.28	603.28	603.28	603.28	603.28	603.28	603.28	*
Department of Environmental Protection	Recycling Tonnage Grant	4900-752-042-4900	16,724.64	2,589.28	2,589.28	2,589.28	2,589.28	16,724.64	*	
			17,190.37	17,190.37	17,190.37	17,190.37	17,190.37	17,190.37	13,337.77	*
			19,693.05	19,693.05	19,693.05	19,693.05	19,693.05	19,693.05	19,693.05	*
Department of Human Services	Community Stewardship Incentive	100-042-4870-074-6120	18,661.33	(3,746.25)	3,746.25	3,746.25	3,746.25	18,661.33	*	
			24,975.00	24,975.00	24,975.00	24,975.00	24,975.00	24,975.00	24,975.00	*
			7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	6,890.00	*
Department of Human Services	Public Health Priority Funding	4220-150-021030-60	23,697.20	20,330.51	20,330.51	20,330.51	20,330.51	23,697.20	*	
			2,050.00	2,050.00	2,050.00	2,050.00	2,050.00	2,050.00	2,050.00	*
			2,160.00	2,160.00	2,160.00	2,160.00	2,160.00	2,160.00	2,160.00	*
			2,150.00	2,150.00	2,150.00	2,150.00	2,150.00	2,150.00	2,150.00	*
Pass Through Bergen County	Bergen County Municipal Alliance	100-034-5120-070	2,240.00	2,240.00	2,240.00	2,240.00	2,240.00	2,240.00	*	
			1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	*
			11,017.00	(9,968.96)	1,048.04	1,048.04	1,048.04	1,048.04	11,017.00	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	10,356.00	10,356.00	10,356.00	10,356.00	10,356.00	10,356.00	*	
			14,768.00	14,768.00	14,768.00	14,768.00	14,768.00	14,768.00	14,768.00	*
			14,130.00	14,130.00	14,130.00	14,130.00	14,130.00	14,130.00	14,130.00	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	*	
			6,408.88	6,408.88	6,408.88	6,408.88	6,408.88	6,408.88	6,408.88	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	5,349.02	5,349.02	5,349.02	5,349.02	5,349.02	5,349.02	*	
			13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	8,780.98	8,780.98	8,780.98	8,780.98	8,780.98	8,780.98	*	
			13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	11,017.00	11,017.00	11,017.00	11,017.00	11,017.00	11,017.00	*	
			8,482.45	8,482.45	8,482.45	8,482.45	8,482.45	8,482.45	8,482.45	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	14,768.00	14,768.00	14,768.00	14,768.00	14,768.00	14,768.00	*	
			5,349.02	5,349.02	5,349.02	5,349.02	5,349.02	5,349.02	5,349.02	*
Department of Education Pass Through River Edge Bd. Of Ed.	Nonpublic Nursing Services	100-034-5120-070	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	13,178.00	*	
			8,780.98	8,780.98	8,780.98	8,780.98	8,780.98	8,780.98	8,780.98	*

BOROUGH OF RIVER EDGE, N.J.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2010

State Grantor Department	Program Title	State Program/ Account Number	Program Amount	Balance Jan. 1, 2010	Receipts	Expended	Balance Dec. 31, 2010	Memo
								Cumulative Total Expenditures
Department of Community Affairs	Cooperative Housing Inspection	100-022-8010-020	1,965.00	925.00	925.00			1,965.00
			619.00	619.00	619.00		619.00	
			4,749.00	4,749.00	2,464.00	2,285.00	2,464.00	
	Smart Future Planning Grant		50,000.00	(25,000.00)	25,000.00			50,000.00
	Recreation Opportunities for Individuals with Disabilities		2,000.00		2,000.00	(2,000.00)		2,000.00
Department of Transportation	Transportation Trust Fund Kinderkamack Road North Imp. Howland Avenue	6320-480-078	550,000.00	(38,063.04)	115,801.31			342,990.59
			200,000.00		144,566.75	19,347.24	125,221.51	
				8,373.28	366,137.07	282,023.76	92,486.59	666,371.13

Note: This schedule was not subject to an audit in accordance with NJ OMB Circular 04-04.

Borough of River Edge , N.J.

Schedule of Cash - Treasurer

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Current Fund</u>
Balance - December 31, 2009	A	2,979,769.78
Increased by Receipts:		
Stale Dated Checks Voided	A-1	16.85
Miscellaneous Revenue Not Anticipated	A-2	134,357.02
Interfund - Grant Fund	A-5	131,447.07
Petty Cash Returned	A-6	800.00
Tax Collector Receipts	A-8	41,808,186.47
Revenue Accounts Receivable	A-11	1,843,134.24
Interfunds	A-12	439.95
Due From State - Senior Citizen and Veteran Deductions	A-19	127,597.26
Various Cash Liabilities and Reserves	A-24	<u>168,355.10</u>
		<u>44,214,333.96</u>
		<u>47,194,103.74</u>
Decreased by Disbursements:		
Refund of Prior Year Revenue	A-1	378.79
Current Year Budget Appropriations	A-3	12,482,389.36
Interfund - Grant Fund	A-5	104,045.79
Petty Cash	A-6	800.00
Interfunds	A-12	439.95
Appropriation Reserves	A-16	542,396.11
Local District School Taxes	A-20	13,759,104.00
Regional High School Taxes	A-21	13,478,487.76
Municipal Open Space Taxes	A-22	163,934.03
County Taxes Payable	A-23	3,613,337.35
Various Cash Liabilities and Reserves	A-24	<u>340,142.94</u>
		<u>44,487,776.08</u>
Balance - December 31, 2010	A	<u><u>2,706,327.66</u></u>

Borough of River Edge , N.J.
Schedule of Interfund - Current Fund
Federal and State Grant Fund
Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009	A		41,855.57
Increased by:			
Grants Receivable	A-4/A-15	110,465.74	
Grants Receivable - Cancelled	A-15	1,441.14	
Matching Funds for Grants	A-4/25	2,320.00	
Unappropriated Reserve for Grants	A-4/26	<u>18,661.33</u>	
			<u>132,888.21</u>
			174,743.78
Decreased by:			
Appropriated Reserve for Grants	A-4/25	104,045.79	
Appropriated Reserve for Grants - Cancelled	A-25	<u>1,041.14</u>	
			<u>105,086.93</u>
Balance - December 31, 2010	A		<u><u>69,656.85</u></u>

Borough of River Edge , N.J.

Schedule of Petty Cash

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	
Increased by:		
Cash Advanced	A-4	<u>800.00</u>
Decreased by:		
Cash Returned	A-4	<u>800.00</u>

Borough of River Edge , N.J.

Schedule of Cash - Change Fund

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	A	\$ <u>250.00</u>
Balance - December 31, 2010	A	\$ <u>250.00</u>
<u>Analysis of Balance:</u>		
Municipal Court		150.00
Secretary to Board of Health		100.00
		<u>250.00</u>
		\$ <u>250.00</u>

Borough of River Edge , N.J.
Schedule of Cash - Tax Collector
Current Fund
Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009			
Increased by:			
Interest and Cost on Taxes	A-2	86,911.92	
Taxes Receivable	A-9	41,509,668.17	
Prepaid Taxes	A-18	211,606.38	
			41,808,186.47
Decreased by:			
Deposited to Treasurer's Account	A-4		41,808,186.47
Balance - December 31, 2010			

Borough of River Edge, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2010

Year	Balance, Dec. 31, 2009	Original Levy	Added Taxes	Collected		Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	(Adjusted/ Cancelled)	Balance, Dec. 31, 2010
				2009	2010				
2008	868.50			868.50					4,740.84
2009	296,217.06		5,512.20	293,639.98		(902.74)		4,251.18	4,740.84
	297,085.56		5,512.20	294,508.48		(902.74)		4,251.18	
2010		41,942,511.09	100,769.73	193,624.96	41,215,159.69	126,500.00	4,786.29	100,203.78	403,006.10
	297,085.56	41,942,511.09	106,281.93	193,624.96	41,509,668.17	125,597.26	4,786.29	104,454.96	407,746.94
	A			A-2/A-18	A-2/A-8	A-2/A-19	A-10		A

Analysis of Tax Levy

Tax yield:	Ref.
General Property Tax	41,750,080.09
Public Utility Tax	192,431.00
Added Tax (R.S. 54:4-63.1 et seq.)	100,769.73
	<u>42,043,280.82</u>
Tax Levy:	
Local District School Tax	A-20
Regional High School Tax	A-21
Municipal Open Space Tax	A-22
County Tax - General	A-23
County Tax - Open Space	A-23
Added County Taxes	A-23
	<u>3,613,337.35</u>
	31,466,081.09
Local Tax for Municipal Purposes	A-2
Additional Taxes	A-2
	<u>10,477,930.00</u>
	<u>99,269.73</u>
	<u>42,043,280.82</u>

Borough of River Edge , N.J.

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2010

Balance - December 31, 2009	<u>Ref.</u> A	21,150.17
Increased by:		
Transfer from Taxes Receivable	A-9	<u>4,786.29</u>
Balance - December 31, 2010	A	<u><u>25,936.46</u></u>

Borough of River Edge, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2010

	Ref.	Balance		Collected	Balance Dec. 31, 2010
		Dec. 31, 2009	Accrued		
Clerk:					
Licenses:					
Alcoholic Beverages	A-2		13,964.00	13,964.00	
Fees and Permits	A-2		59,202.18	59,202.18	
Parking Lot Fees	A-2		20,173.34	20,173.34	
Board of Health:					
Fees and Permits	A-2		16,522.00	16,522.00	
Fire Prevention Bureau:					
Fees and Permits	A-2		13,264.00	13,264.00	
Uniform Fire Safety Act (Life Hazard Use)	A-2		11,043.82	11,043.82	
Police Department:					
Fees and Permits	A-2		5,215.88	5,215.88	
Police Outside Duty	A-2		173,524.07	173,524.07	
Tax Department:					
Miscellaneous Revenue	A-2		178.60	178.60	
Tax Assessor:					
Miscellaneous Revenue	A-2		327.80	327.80	
Planning Board					
Miscellaneous Revenue	A-2		1,750.00	1,750.00	
Board of Adjustment					
Miscellaneous Revenue	A-2		2,950.00	2,950.00	
Municipal Court :					
Fines and Costs	A-2	10,791.81	114,103.07	116,300.21	8,594.67

Borough of River Edge, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2010

	Ref.	Balance Dec. 31, 2009	Accrued	Collected	Balance Dec. 31, 2010
Uniform Construction Code:					
Fees and Permits	A-2		206,914.00	206,914.00	
Energy Receipts Tax	A-2		966,091.00	966,091.00	
Consolidated Municipal Property Tax					
Relief Aid	A-2		90,902.00	90,902.00	
Rental of Borough Property	A-2		1,801.00	1,801.00	
Interest on Investments and Deposits	A-2		5,200.76	5,200.76	
County of Bergen Snow Removal	A-2		17,130.00	17,130.00	
Donation Memorial Park Bench Program	A-2		1,000.00	1,000.00	
Contribution School Board Elections	A-2		490.00	490.00	
Cable Television Fees	A-2		119,189.58	119,189.58	
		<u>10,791.81</u>	<u>1,840,937.10</u>	<u>1,843,134.24</u>	<u>8,594.67</u>
		A		A-4	A

Borough of River Edge , N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2010

<u>Fund</u>	Due From/(To)			Due From/(To)
	Balance Dec. 31, 2009	Increased	Decreased	Balance Dec. 31, 2010
Assessment Trust Fund		7.34	7.34	
Animal License Fund		8.02	8.02	
Other Trust Fund		274.10	274.10	
General Capital Fund		150.49	150.49	
		<u>439.95</u>	<u>439.95</u>	
Disbursed	A-4	439.95		
Received	A-4		<u>439.95</u>	
		<u>439.95</u>	<u>439.95</u>	

Borough of River Edge , N.J.

Schedule of Deferred Charges

Current Fund

Year Ended December 31, 2010

	Balance, Dec. 31, <u>2009</u>	Amount Resulting <u>From 2010</u>	Amount in 2010 <u>Budget</u>	Balance, Dec. 31, <u>2010</u>
Emergency Authorizations	<u>90,000.00</u>	<u> </u>	<u>90,000.00</u>	<u> </u>
	<u>90,000.00</u>	<u> </u>	<u>90,000.00</u>	<u> </u>
	A		A-3	A

Borough of River Edge, N.J.

Schedule of Deferred Charges N.J.S.A. 40A:4-55 - Special Emergency

Current Fund

Year Ended December 31, 2010

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of net amount Authorized</u>	<u>Balance, Dec. 31, 2009</u>	<u>Amount Authorized in 2010</u>	<u>Reduced in 2010</u>	<u>Balance, Dec. 31, 2010</u>
3/21/2005	Codification of Ordinances	2,700.00	540.00	540.00		540.00	
4/17/2006	Codification of Ordinances	3,250.00	650.00	1,300.00		650.00	650.00
4/7/2008	Codification of Ordinances	3,100.00	620.00	2,380.00		620.00	1,760.00
3/2/2009	Codification of Ordinances	3,780.00	756.00	3,780.00		756.00	3,024.00
2/1/2010	Codification of Ordinances	4,100.00	820.00		4,100.00		4,100.00
		<u>16,930.00</u>	<u>3,386.00</u>	<u>8,000.00</u>	<u>4,100.00</u>	<u>2,566.00</u>	<u>9,534.00</u>
				<u>A</u>	<u>A-1/A-3</u>	<u>A-3</u>	<u>A</u>

Borough of River Edge, N.J.
 Schedule of Grants Receivable
 Federal and State Grant Fund

Year Ended December 31, 2010

Grant	Balance, Dec. 31, 2009	Budget Revenue	Received	Cancelled	Balance, Dec. 31, 2010
Municipal Alliance Against Alcohol & Drug Abuse	11,017.00	10,356.00	15,777.37	440.54	5,155.09
Community Development - Senior Bus Drivers	8,210.65	14,500.00	13,915.12		8,795.53
Community Development - Senior Bus Dispatcher	3,208.43	4,300.00	5,045.54		2,462.89
Community Development - Library ADA Services Grant		23,500.00			23,500.00
Clean Communities Grant		17,190.37	17,190.37		
Handicapped Recreation Opportunities Grant		2,000.00			2,000.00
Donations Handicapped Recreation Opportunities Grant		1,000.00	1,000.00		
Cooperative Housing Inspection Grant		4,749.00	4,749.00		
Nursing Services for Nonpublic Schools		13,178.00	13,178.00		
Community Forestry Program Grant		3,000.00			3,000.00
Drunk Driving Enforcement Fund		2,243.43	2,243.43		
Alcohol Education and Rehabilitation Fund		603.28	603.28		
Over the Limit Under Arrest		4,400.00	3,399.40	1,000.60	(0.00)
Body Armor Replacement Fund	3,746.25	3,192.98	3,192.98		
Community Stewardship Incentive Program		7,000.00	3,746.25		7,000.00
Public Health Priority Funding		1,425.00	1,425.00		
Smart Future Planning Grant	25,000.00		25,000.00		
FEMA - Assistance to Firefighters Grant		44,080.00			44,080.00
	<u>51,182.33</u>	<u>156,718.06</u>	<u>110,465.74</u>	<u>1,441.14</u>	<u>95,993.51</u>
	A	A-2		A-5	A

Receipts
Ref.
 A-5
 110,465.74
110,465.74

Borough of River Edge , N.J.
Schedule of Appropriation Reserves

Page 1 of 3

Current Fund

Year Ended December 31, 2010

	Balance, Dec. 31, <u>2009</u>	Balance after Encumbrances and Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages Within "CAPS":				
Administrative and Executive				
General Administration	0.10	0.10		0.10
Mayor and Council	55.17	55.17		55.17
Municipal Clerk	1,532.41	1,532.41	25.45	1,506.96
Financial Administration	6,735.91	4,435.91	921.08	3,514.83
Revenue Administration	4,826.91	4,826.91	1,127.80	3,699.11
Tax Assessment Administration	5,413.00	5,413.00		5,413.00
Municipal Court	8,086.73	8,426.73	1,767.40	6,659.33
Planning Board	989.38	1,389.38	1,363.47	25.91
Other Code Enforcement Functions	3,523.21	3,523.21	899.48	2,623.73
Police	38,239.23	38,239.23	17,126.22	21,113.01
Fire	1,002.40	1,002.40	203.60	798.80
Uniform Fire Safety Act	419.25	819.25	765.40	53.85
Emergency Management	421.44	421.44		421.44
Municipal Prosecutor	637.50	637.50		637.50
Public Works Repair and Maintenance	34,533.19	32,533.19	20,413.53	12,119.66
Public Buildings and Grounds	177.35	177.35		177.35
Recycling	59.15	59.15		59.15
Vehicle Maintenance	132.45	132.45		132.45
Sewer System	8.64	8.64		8.64
Public Health Services	3,147.35	3,147.35	(893.48)	4,040.83
Recreation Commission	1,369.86	1,369.86		1,369.86
Maintenance of Parks	11,517.47	11,517.47		11,517.47
Bus	6,456.89	6,456.89	1,006.74	5,450.15
Construction Code Officials	3,466.49	3,466.49		3,466.49
Total Salaries and Wages Within "CAPS"	132,751.48	129,591.48	44,726.69	84,864.79
Other Expenses Within "CAPS":				
Administrative and Executive				
General Administration	2,178.89	2,602.15	575.39	2,026.76
Municipal Clerk	5,148.10	5,292.36	882.13	4,410.23
Mayor and Council	733.86	733.86		733.86
Audit		23,350.00	23,350.00	
Financial Administration	1,257.78	2,391.14	1,148.12	1,243.02
Revenue Administration	577.68	577.68		577.68
Tax Assessment Administration	654.00	2,254.00	14.18	2,239.82
Legal Services and Costs	2,983.12	28,455.17	27,851.40	603.77
Municipal Court	5,195.30	5,285.55	485.25	4,800.30
Engineering Services & Costs	13,059.00	38,032.50	23,348.50	14,684.00
Planning Board	3,003.65	2,603.65	1,942.65	661.00
Zoning Board of Adjustment	599.55	599.55		599.55
Other Code Enforcement Functions	82.67	239.67	157.00	82.67
Liability Insurance	107.00	107.00		107.00
Workmen's Compensation	2,982.10	2,982.10		2,982.10

Borough of River Edge , N.J.
Schedule of Appropriation Reserves

Page 2 of 3

Current Fund

Year Ended December 31, 2010

	Balance, Dec. 31, <u>2009</u>	Balance after Encumbrances and Transfers	Paid or Charged	Balance Lapsed
Group Insurance Plan for Employees		140,028.81	133,082.25	6,946.56
Police	4,189.08	17,623.61	13,976.85	3,646.76
Emergency Management Services	10.65	257.59	242.50	15.09
Fire	10,527.03	15,942.25	3,400.09	12,542.16
Uniform Fire Safety Act	922.28	1,152.28	771.51	380.77
Municipal Prosecutor	16.00	16.00		16.00
Public Works Repair and Maintenance	10,307.30	26,054.27	17,077.22	8,977.05
Shade Tree Commission		2,754.09	67.55	2,686.54
Community Services Act		13,000.00	13,000.00	
Garbage & Trash Removal - Contractual	2,070.95	50,995.12	28,813.91	22,181.21
Garbage & Trash Removal		34,654.78	30,407.93	4,246.85
Recycling	4.55	4.55		4.55
Public Buildings and Grounds	1,190.73	7,493.77	7,093.15	400.62
Vehicle Maintenance	9,273.16	15,759.28	13,814.03	1,945.25
Sanitation Landfill - BCUA Contractual		98,368.15	55,495.13	42,873.02
Public Health Services - Contractual	221.00	221.00		221.00
Public Health Services	1,767.72	2,201.43	473.62	1,727.81
Administration of Social Services	95.00	95.00		95.00
Board of Health PEOSHA	100.00	100.00		100.00
Animal Welfare	2,500.00	2,500.00		2,500.00
Recreation Commission	594.45	1,069.45	475.00	594.45
Celebration of Public Events		950.00	475.00	475.00
Aid to Senior Citizen Program	4,530.35	4,530.35	2,638.78	1,891.57
Right to Know	200.00	200.00		200.00
Bus	278.95	278.95		278.95
Construction Code Officials	52.46	88.94	36.48	52.46
Electricity and Natural Gas	47,763.27	47,763.27	24,984.78	22,778.49
Telephone	6,681.27	6,767.26	4,364.52	2,402.74
Petroleum Products	28,422.23	32,105.47	7,099.81	25,005.66
Fire Hydrant Service	18.57	18.57		18.57
Water	6,844.18	7,544.29	1,471.76	6,072.53
Contingent	450.00	450.00		450.00
Total Other expenses Within "CAPS"	<u>177,593.88</u>	<u>646,494.91</u>	<u>439,016.49</u>	<u>207,478.42</u>
Deferred Charges and Statutory Expenditures				
Within "CAPS":				
Public Employees' Retirement System				
Social Security System (O.A.S.I.)	13,254.61	13,254.61		13,254.61
Consolidated Police and Firemen's Pension	162.05	209.80	47.75	162.05
Police and Firemen's Retirement System	0.50	0.50		0.50
Defined Contribution Retirement Program	237.10	237.10		237.10
Total Deferred Charges and Statutory				
Expenditures Within "CAPS"	<u>13,654.26</u>	<u>13,702.01</u>	<u>47.75</u>	<u>13,654.26</u>

Borough of River Edge , N.J.
Schedule of Appropriation Reserves

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Current Fund

Year Ended December 31, 2010

	Balance, Dec. 31, <u>2009</u>	Balance after Encumbrances and Transfers	Paid or Charged	Balance Lapsed
Total Reserves Within "CAPS"	<u>323,999.62</u>	<u>789,788.40</u>	<u>483,790.93</u>	<u>305,997.47</u>
Salaries & Wages Excluded From "CAPS":				
Maintenance of Free Public Library	<u>2,534.39</u>	<u>4,834.39</u>	<u>4,782.10</u>	<u>52.29</u>
Total Salary & Wages Excluded From "CAPS"	<u>2,534.39</u>	<u>4,834.39</u>	<u>4,782.10</u>	<u>52.29</u>
Other Expenses Excluded From "CAPS":				
Maintenance of Free Public Library		5,570.00	5,570.00	
Bergen County Utilities Authority				
Service Charges - Contractual	63.89	63.89		63.89
NJPEDS Stormwater Permit				
Public Works Repair and Maintenance	400.00	400.00		400.00
Recycling Tax		3,459.55	2,107.41	1,352.14
Emergency Services Volunteer Length of				
Service Award Program - Fire		65,260.00	47,940.00	17,320.00
Emergency Services Volunteer Length of				
Service Award Program - First Aid Squad		36,720.00	18,360.00	18,360.00
Police Communications - 911 Services	2,798.22	3,588.22	1,095.48	2,492.74
Maintenance of Free Public Library				
Electricity	3,248.70	3,248.70	1,606.20	1,642.50
Telephone and Telegraph	208.36	208.36	27.38	180.98
Natural Gas	1,170.72	1,170.72	660.20	510.52
Water	699.80	1,026.98	327.18	699.80
Donation - Memorial Park	<u>10.20</u>	<u>10.20</u>		<u>10.20</u>
Total Other Expenses Excluded from "CAPS"	<u>8,599.89</u>	<u>120,726.62</u>	<u>77,693.85</u>	<u>43,032.77</u>
Total Reserves Excluded from "CAPS"	<u>11,134.28</u>	<u>125,561.01</u>	<u>82,475.95</u>	<u>43,085.06</u>
Total Reserves	<u>335,133.90</u>	<u>915,349.41</u>	<u>566,266.88</u>	<u>349,082.53</u>
	A			A-1
		<u>Ref.</u>		
Appropriation Reserve	Above	335,133.90		
Prior Year Encumbrances	A-17	<u>580,215.51</u>		
		<u>915,349.41</u>		
Transfer to Accounts Payable	A-24		23,870.77	
Disbursed	A-4		<u>542,396.11</u>	
			<u>566,266.88</u>	

Borough of River Edge , N.J.
Schedule of Encumbrances Payable
Current Fund
Year Ended December 31, 2010

Balance - December 31, 2009	<u>Ref.</u> A	580,215.51
Increased by:		
Transfer from Current Appropriations	A-3	<u>668,816.60</u>
		1,249,032.11
Decreased by:		
Transfer to Appropriation Reserves	A-16	<u>580,215.51</u>
Balance - December 31, 2010	A	<u><u>668,816.60</u></u>

Schedule of Prepaid Taxes
Current Fund
Year Ended December 31, 2010

Balance - December 31, 2009	A	193,624.96
Increased by:		
Receipts - Prepaid 2011 Taxes	A-8	<u>211,606.38</u>
		405,231.34
Decreased by:		
Applied to 2010 Taxes	A-9	<u>193,624.96</u>
Balance - December 31, 2010	A	<u><u>211,606.38</u></u>

Borough of River Edge , N.J.

Schedule of Amount Due from/to State of New Jersey
for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009 - Due to	A	6,348.24
Increased by:		
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4	<u>127,597.26</u>
		133,945.50
Decreased by:		
Senior Citizens' Deductions Per Tax Billing		13,750.00
Veterans' Deductions Per Tax Billing		112,250.00
Senior Citizens' and Veterans' Allowed		<u>1,500.00</u>
		127,500.00
Less:		
Senior Citizens' and Veterans' Disallowed	A-9	<u>1,902.74</u>
		<u>125,597.26</u>
Balance - December 31, 2010 - Due to	A	<u><u>8,348.24</u></u>

Borough of River Edge , N.J.
Schedule of Regional High School Tax
Current Fund
Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009			
School Tax Payable	A		
School Tax Deferred		<u>6,696,116.42</u>	6,696,116.42
Increased by:			
Levy School Year - July 1, 2010			
to June 30, 2011	A-9		<u>13,564,742.71</u>
			20,260,859.13
Decreased by:			
Payments	A-4		<u>13,478,487.76</u>
Balance - December 31, 2010			
School Tax Payable			
School Tax Deferred		<u>6,782,371.37</u>	<u>6,782,371.37</u>
2010 Liability for Regional High School Tax			
Tax Payable - Dec. 31, 2010	A		<u>13,478,487.76</u>
Tax Paid			<u>13,478,487.76</u>
Less: Tax Payable - Dec. 31, 2009			<u> </u>
Amount Charged to 2010 Operations	A-1		<u>13,478,487.76</u>

Borough of River Edge , N.J.

Schedule of Municipal Open Space Taxes Payable

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>		
Increased by:			
Levy - Original	A-1/A-9	163,518.53	
Added and Omitted Taxes	A-1/A-9	<u>415.50</u>	
			163,934.03
Decreased by:			
Payments	A-4		<u>163,934.03</u>
Balance - December 31, 2010			<u><u> </u></u>

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009			
Increased by:			
Levy - General	A-1/A-9	3,558,072.05	
Levy - Open Space	A-1/A-9	46,070.65	
Added and Omitted Taxes	A-1/A-9	<u>9,194.65</u>	
			3,613,337.35
Decreased by:			
Payments	A-4		<u>3,613,337.35</u>
Balance - December 31, 2010			<u><u> </u></u>

Borough of River Edge , N.J.

Schedule of Various Cash Liabilities and Reserves

Current Fund

Year Ended December 31, 2010

<u>Liabilities and Reserves</u>	Balance, Dec. 31, 2009	<u>Increased</u>	<u>Decreased</u>	Balance, Dec. 31, 2010
<u>Liabilities:</u>				
Tax Overpayments		132,798.53	132,798.53	
Accounts Payable	168,208.38	23,870.77	56,341.55	135,737.60
Due to State of N.J. - Const. Code Surcharge		9,076.00	9,076.00	
Due to State of N.J. - Marriage License Fees		850.00	850.00	
<u>Reserves for:</u>				
Codification of Ordinance		4,100.00	4,100.00	
Garden State Preservation Trust	20,582.40	13,722.00	20,582.00	13,722.40
Sale of Municipal Assets	34,440.50	6,714.57	15,000.00	26,155.07
Maintenance of Free Public Library		5,194.00	5,194.00	
Tax Appeals Pending	162,627.51	5,000.00	149,129.54	18,497.97
	<u>385,858.79</u>	<u>201,325.87</u>	<u>393,071.62</u>	<u>194,113.04</u>
	A			A
	<u>Ref.</u>			
Cancelled - Accounts Payable	A-1		17,346.68	
Transfer from Current Year Collections	A-2	5,000.00		
Applied to Current Year Revenue	A-2		35,582.00	
Transfer from Current Year Appropriations	A-3	4,100.00		
Receipts	A-4	168,355.10		
Disbursed	A-4		340,142.94	
Transfer from Appropriation Reserves	A-16	23,870.77		
		<u>201,325.87</u>	<u>393,071.62</u>	

Borough of River Edge, N.J.
 Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund					
Year Ended December 31, 2010					
Grant	Balance, Dec. 31, 2009	Transfer From 2010 Budget	Expended	Cancelled	Balance, Dec. 31, 2010
Body Armor Replacement Grant	2,252.90	3,192.98	3,290.09		2,155.79
Drunk Driving Enforcement Fund	4,237.69	2,243.43	3,967.40		2,513.72
Clean Communities Grant	2,589.28	17,190.37	15,927.05		3,852.60
Cooperative Housing Inspection Grant	1,544.00	4,749.00	4,008.00		2,285.00
Nursing Services for Nonpublic Schools	20,538.88	13,178.00	11,757.90		21,958.98
Municipal Alliance on Alcoholism and Drug Abuse	1,048.04	10,356.00	9,530.49	40.54	1,833.01
Public Health Priority Funding Act	28,930.51	1,425.00	2,000.00		28,355.51
Alcohol Education and Rehabilitation Fund	5,365.22	603.28			5,968.50
FEMA Assistance to Firefighters Grant		44,080.00			44,080.00
FEMA Assistance to Firefighters Grant - Match		2,320.00			2,320.00
Community Development - Senior Bus Driver	4,707.49	14,500.00	16,238.73		2,968.76
Community Development - Senior Bus Dispatcher	1,730.84	4,300.00	4,943.68		1,087.16
Community Development - Library ADA Service Desk		23,500.00			23,500.00
Recycling Tonnage Grant	19,693.05		19,693.05		
Community Forestry Program Grant		3,000.00			3,000.00
Community Stewardship Incentive Program		7,000.00	6,890.00		110.00
Over the Limit Under Arrest		4,400.00	3,399.40	1,000.60	
Recreation Opportunities for Individuals w/Disabilities		2,000.00	2,000.00		
Recreation Opportunities for Individuals with Disabilities Grant - Matching Funds	400.00	1,000.00	400.00		1,000.00
	<u>93,037.90</u>	<u>159,038.06</u>	<u>104,045.79</u>	<u>1,041.14</u>	<u>146,989.03</u>
	A			A-5	A
	Ref.				
Transfer from Budget Appropriations	A-3	156,718.06			
Matching Funds for Grants	A-3	2,320.00			
Disbursement	A-5		104,045.79		
		<u>159,038.06</u>	<u>104,045.79</u>		

Borough of River Edge , N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2010

<u>Grant</u>	Balance, Dec. 31, <u>2009</u>	Transfer To 2010 <u>Budget</u>	<u>Received</u>	Balance, Dec. 31, <u>2010</u>
Recycling Tonnage Grant	_____	_____	18,661.33	18,661.33
	_____	_____	18,661.33	18,661.33
	<u>A</u>	_____	<u>A-5</u>	<u>A</u>

Borough of River Edge , N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal License Fund</u>	<u>Other Trust Fund</u>	<u>Unaudited Emergency Services Volunteer LOSAP</u>
Balance - December 31, 2009	B	<u>161.39</u>	<u>7,067.20</u>	<u>812,526.27</u>	<u>572,639.21</u>
Increase by Receipts:					
Assessments Receivable	B-4	8,169.50			
LOSAP - Contributions Receivable	B-5				66,300.00
Interfund - Current Fund	B-6	7.34	8.02	274.10	
Dog License Fees	B-8		21,596.60		
Due State Dept. of Health	B-9		653.40		
Other Trust Funds	B-10			959,281.84	
Reserve for Insurance Funds	B-11			65,471.77	
Reserve for Recreation Commission	B-12			107,172.00	
Payroll Deductions	B-13			7,188,781.12	
LOSAP - Net Assets Available	B-14				90,214.17
Total Receipts		<u>8,176.84</u>	<u>22,258.02</u>	<u>8,320,980.83</u>	<u>156,514.17</u>
		<u>8,338.23</u>	<u>29,325.22</u>	<u>9,133,507.10</u>	<u>729,153.38</u>
Decreased by Disbursements:					
Due to Current Fund - Anticipated Revenue	B-1				
Interfund - Current Fund	B-6	7.34	8.02	274.10	
Due to General Capital Fund	B-7	8,169.50			
Reserve for Dog Expenditures	B-8		17,402.18		
Due State Dept. of Health	B-9		653.40		
Other Trust Funds	B-10			1,007,585.24	
Reserve for Insurance Funds	B-11			73,265.64	
Reserve for Recreation Commission	B-12			98,413.69	
Payroll Deductions	B-13			7,174,707.89	
LOSAP - Net Assets Available	B-14				44,965.15
Total Disbursements		<u>8,176.84</u>	<u>18,063.60</u>	<u>8,354,246.56</u>	<u>44,965.15</u>
Balance - December 31, 2010	B	<u>161.39</u>	<u>11,261.62</u>	<u>779,260.54</u>	<u>684,188.23</u>

Borough of River Edge , N.J.
Analysis of Assessment Cash
Assessment Trust Fund
Year Ended December 31, 2010

	<u>Ref.</u>	
Fund Balance	B-1	<u>161.39</u>
		<u>161.39</u>

Borough of River Edge, N.J.

Schedule of Assessments Receivable

Trust Funds

Year Ended December 31, 2010

Ordinance Number	Improvement Description	Date of Confirmation	Annual Installments	Balance Dec. 31, 2009	Assessments Confirmed	Collected	Balance Dec. 31, 2010	Balance Pledged to	
								Capital Fund	Reserve
1507	Kinderkamack Road North Impr Project and Sidewalk Improvement	12/1/2010	5		10,152.32	8,169.50	1,982.82	1,982.82	
				B	10,152.32	8,169.50	1,982.82	1,982.82	B
					B-7	B-2	B	B	

Borough of River Edge , N.J.

**Schedule of Emergency Services Volunteer Length
of Service Award Program - Contributions Receivable**

Trust Funds

Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	B	68,400.00
Increased by:		
Borough Contributions	B-14	<u>68,280.00</u>
		136,680.00
Decreased by:		
Receipts	B-2	<u>66,300.00</u>
Balance - December 31, 2010	B	<u><u>70,380.00</u></u>

Borough of River Edge

Schedule of Interfund - Current Fund

Trust Funds

Year Ended December 31, 2010

	Due from/(to) Balance <u>Dec. 31, 2009</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2010</u>
Assessment Trust		7.34	7.34	
Animal Control Trust Fund		8.02	8.02	
Other Trust Fund		<u>274.10</u>	<u>274.10</u>	
		<u>289.46</u>	<u>289.46</u>	

	<u>Ref.</u>		
Cash Receipts-Assessment Trust	B-2	7.34	
Cash Receipts-Animal Control Trust	B-2	8.02	
Cash Receipts - Other Trust Fund	B-2	274.10	
Cash Disbursements-Assessment Trust	B-2		7.34
Cash Disbursements-Animal Control Trust	B-2		8.02
Cash Disbursements-Other Trust Fund	B-2		<u>274.10</u>
		<u>289.46</u>	<u>289.46</u>

Borough of River Edge , N.J.

Schedule of Interfund - General Capital Fund

Trust Funds

Year Ended December 31, 2010

	<u>Ref.</u>	
Increased by:		
Assessments Confirmed	B-4	10,152.32
Decreased by:		
Disbursed	B-2	<u>8,169.50</u>
Balance - December 31, 2010	- Due to B	<u><u>1,982.82</u></u>

Borough of River Edge , N.J.
Reserve for Animal License Fund Expenditures

Trust Funds

Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	B	7,067.20
Increased by:		
Dog License Fees - Borough Share	B-2	4,478.60
Cat License Fees - Borough Share	B-2	575.00
Replacement Fees	B-2	8.00
Late Fees	B-2	535.00
Budget Appropriations	B-2	<u>16,000.00</u>
		<u>21,596.60</u>
		28,663.80
Decreased by:		
Expenditures	B-2	<u>17,402.18</u>
		<u>17,402.18</u>
Balance - December 31, 2010	B	<u><u>11,261.62</u></u>

License Fees Collected

2009	6,690.40
2008	<u>6,830.80</u>
	<u><u>13,521.20</u></u>

Due to State Department of Health

Trust Funds

Year Ended December 31, 2010

	<u>Ref.</u>	
Increased by:		
State Dog License Fees:	B-2	<u>653.40</u>
Decreased by:		
Disbursed	B-2	<u>653.40</u>

Borough of River Edge , N.J.

Schedule of Other Trust Funds

Trust Funds

Year Ended December 31, 2010

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Receipts</u>	<u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Developers' Escrow	61,052.75	60,922.60	55,641.35	66,334.00
Fire Prevention Penalties	1,119.00			1,119.00
Recycling	126,187.50	59,573.86	35,467.72	150,293.64
Vacancy Inspection	360.96	3,460.00	2,600.00	1,220.96
P.O.A.A.	5,620.02	352.00	834.00	5,138.02
Tax Sale Redemption	27,328.61	66,041.96	93,370.57	
Municipal Alliance	3,877.24	8,400.00	9,060.75	3,216.49
Street Opening Permits	1,280.00	2,500.00	1,140.00	2,640.00
Performance Bonds	116,254.73	84,674.00	15,000.00	185,928.73
Snow Removal	30,986.39			30,986.39
Commodity Resale	1,800.00	5,415.15	5,415.15	1,800.00
Public Defender	1,875.00	1,764.50	1,764.50	1,875.00
Accumulated Absences	3,950.00	10.00		3,960.00
Municipal Open Space	158,666.55	164,036.72	287,363.83	35,339.44
September 11th Memorial Gardens	3,881.98			3,881.98
Police Outside Duty	3,000.00	464,191.50	463,208.27	3,983.23
Donations Beautification	6,169.12	4,887.77	2,150.19	8,906.70
Tax Sale Premium	21,400.00	1,200.00	9,000.00	13,600.00
Donations Shade Tree Commission	3,710.00	11,894.50	11,429.25	4,175.25
Affordable Housing	8,714.66		8,714.66	
C.A.R.E.		152.28		152.28
Park & Field Maintenance	8,510.17	19,805.00	5,425.00	22,890.17
	<u>595,744.68</u>	<u>959,281.84</u>	<u>1,007,585.24</u>	<u>547,441.28</u>
	B	B-2	B-2	B

Borough of River Edge, N.J.
 Schedule of Reserve for Insurance Funds

Trust Funds

Year Ended December 31, 2010

Insurance Fund	Balance Dec. 31, 2009	Increased by:			Paid	Balance Dec. 31, 2010
		Interest Earned	Payroll	Insurance Proceeds		
General Liability Self Insurance Fund	28,878.85			35,967.12	28,354.77	36,491.20
Unemployment Insurance Trust Fund	34,741.12	29.40	14,475.25		44,910.87	19,334.90
	63,619.97	29.40	14,475.25	35,967.12	73,265.64	55,826.10
	B	B-2	B-2	B-2	B-2	B

Borough of River Edge , N.J.
Schedule of Reserve for Recreation Commission
Trust Funds
Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	B	105,482.63
Increased by:		
Receipts	B-2	<u>107,172.00</u> 212,654.63
Decreased by:		
Disbursed	B-2	<u>98,413.69</u>
Balance - December 31, 2010	B	<u><u>114,240.94</u></u>

Borough of River Edge, N.J.

Schedule of Payroll Deductions Payable

Trust Funds

Year Ended December 31, 2010

<u>Account</u>	<u>Balance Dec. 31, 2009</u>	<u>Receipts</u>	<u>Disbursed</u>	<u>Balance Dec. 31, 2010</u>
Federal Withholding Tax	(8.10)	720,641.52	720,633.42	
F.I.C.A. - Employee Share		272,040.56	272,040.56	
F.I.C.A. - Employer Share	(12,419.47)	284,458.47	272,039.00	
State Withholding Tax - NJ		193,919.76	193,919.76	
State Withholding Tax - PA				
Unemployment Insurance	(2.50)	20,946.30	20,943.80	
Public Employees' Retirement System	17,933.90	188,558.95	190,078.57	16,414.28
Contributory Insurance	1,274.02	14,142.07	14,254.47	1,161.62
Police and Firemen's Retirement System	26,839.97	289,792.06	293,943.55	22,688.48
Supplemental Annuity	1,324.02	13,967.98	14,164.22	1,127.78
Garnishes		29,128.20	29,128.20	
Employees' Union Dues - DPW	(0.22)	5,796.88	5,796.66	
Employees' Union Dues - PBA		11,040.00	11,040.00	
Deferred Compensation		127,319.60	127,319.60	
Employer Pension Contributions		858,004.00	858,004.00	
Health Benefits Contribution	2,712.48	2,235.30	2,712.48	2,235.30
Caf 125 FSA	10,040.00	18,124.76	10,040.00	18,124.76
Net Payroll including Direct Deposit		4,138,649.60	4,138,649.60	
Miscellaneous	(15.11)	15.11		
	<u>47,678.99</u>	<u>7,188,781.12</u>	<u>7,174,707.89</u>	<u>61,752.22</u>
	B	B-2	B-2	B

Borough of River Edge , N.J.

**Schedule of Emergency Services Volunteer Length
of Service Award Program - Net Assets Available for Benefits**

Trust Funds

Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009	B		641,039.21
Increased by:			
Borough Contributions	B-5	68,280.00	
Appreciation/(Loss)	B-2	<u>90,214.17</u>	
			<u>158,494.17</u>
			799,533.38
Decreased by:			
Withdrawals		42,083.00	
Administration Fee		<u>2,882.15</u>	
	B-2		<u>44,965.15</u>
Balance - December 31, 2010	B		<u><u>754,568.23</u></u>

Borough of River Edge , N.J.

Schedule of Cash

General Capital Fund

Year Ended December 31, 2010

	<u>Ref.</u>		
Balance - December 31, 2009	C		975,925.23
Increased by Receipts:			
Various Grants Receivable	C-4	138,224.26	
Interfund - Assessment Trust Fund	C-5	8,169.50	
Deferred Charges to Future Taxation			
- Unfunded	C-7	269,870.06	
Capital Improvement Fund	C-11	69,460.00	
Interfund - Current Fund	C-12	<u>150.49</u>	
			<u>485,874.31</u>
			1,461,799.54
Decreased by Disbursements:			
Improvement Authorizations	C-10	817,638.47	
Interfund - Current Fund	C-12	<u>150.49</u>	
			<u>817,788.96</u>
Balance - December 31, 2010	C, C-3		<u><u>644,010.58</u></u>

Borough of River Edge , N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2010

Fund Balance	<u>Ref.</u>	23,052.68
Due from Bergen County - Open Space Trust	C-1	(23,275.74)
Interfund - Assessment Trust Fund	C-4	(1,982.82)
Capital Improvement Fund	C-5	60,872.47
	C-10	

Improvement Authorizations:

Ordinance

<u>Number</u>	<u>Improvement Description</u>	
1380	Various Public Improvements	15,600.00
1424/1470	Various Public Improvements and Acquisition of Equipment and Machinery	1,744.42
1458	Improvement of Kinderkamack Road	93,057.79
1494	Various Public Improvements	3,451.68
1507	Kinderkamack Road North Impr Project (Phase I)	(17,170.94)
1534	Acquisition of Various Equipment and Vehicles	13,321.35
1567	Purchase of Equipment and Improvement to Buildings and Grounds	5,214.97
1568	Various Public Improvements	162,651.05
1591	Repair of Wayne Pump Station	3,000.00
1613	Acquisition of New Generator & 2008 Road Resurfacing Program	168,556.43
1616	Various Public Improvements & Acquisitions	52,234.78
1648/1654	Acquisition of Real Property for Bogert Road Park	(157,141.15)
1656/1672	Various Improvements & Purchases	507,116.64
1687	Resurface Howland Avenue	(125,221.51)
1688	Purchase of Equipment and Improvement to Buildings and Grounds	12,290.89
1692	Purchase of Equipment and Improvement to Buildings and Grounds	15,375.32
1693	Various Improvements & Purchases	(223,216.99)
1703	Purchase of Equipment and Improvement to Buildings and Grounds	39,000.00
1716	Construction, Reconstruction and Improvement of the Sanitary Sewer System	15,479.26
		<hr/>
		C, C-2 <u>644,010.58</u>

Borough of River Edge, N.J.

Schedule of Various Receivables

General Capital Fund

Year Ended December 31, 2010

	<u>Balance, Dec. 31, 2009</u>	<u>Grants Approved</u>	<u>Cash Received</u>	<u>Cancelled</u>	<u>Balance, Dec. 31, 2010</u>
<u>Bergen County Open Space Trust</u>					
Ord. 1629 - Memorial Park Tennis Court Stream Stabilization	40,000.00		33,097.50		6,902.50
Ord. 1654 - Acquisition of Real Property for Bogert Road Park	82,500.00			82,500.00	
Ord. 1655 - Memorial Park Tennis Court Construction	121,500.00		105,126.76		16,373.24
	<u>244,000.00</u>		<u>138,224.26</u>	<u>82,500.00</u>	<u>23,275.74</u>
	<u>C</u>		<u>C-2</u>	<u>C-9</u>	<u>C/C-3</u>

Borough of River Edge , N.J.
Schedule of Interfund - Assessment Trust Fund
General Capital Fund
Year Ended December 31, 2010

	<u>Ref.</u>	
Balance, December 31, 2009	C	
Increased by:		
Assessment Confirmed	C-7	<u>10,152.32</u>
		10,152.32
Decreased by:		
Receipt	C-2	<u>8,169.50</u>
Balance, December 31, 2010	C/C-3	<u><u>1,982.82</u></u>

Borough of River Edge , N.J.
Schedule of Deferred Charges to Future
Taxation - Funded
General Capital Fund
Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	C	10,402,405.08
Decreased by:		
Budget Appropriations to Pay Bonds	C-8	1,025,000.00
Budget Appropriations to Pay Environmental Infrastructure Trust Loan	C-9	<u>30,314.72</u>
		<u>1,055,314.72</u>
Balance - December 31, 2010	C	<u><u>9,347,090.36</u></u>

Borough of River Edge, N.J.
 Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance, Dec. 31, 2009	2010 Authorizations	Authorizations Funded	Cancelled	Balance, Dec. 31, 2010	Analysis of Balance - Dec. 31, 2010	
							Financed by Bond Anticipation Notes	Unexpended Improvement Authorization
	General improvements:							
1507	Kinderkarnack Road Improvement Project Phase I	340,777.08		125,953.63		214,823.45		17,170.94
1648/1654	Acquisition of Real Property for Bogert Road Park	345,000.00		9,500.00		345,000.00		157,141.15
1656/1672	Various Improvements & Purchases	109,500.00	230,000.00	144,568.75		100,000.00		100,000.00
1687	Resurfacing of Howland Avenue		484,000.00			85,431.25		125,221.51
1693/	Various Improvements & Purchases					484,000.00		223,216.99
		<u>795,277.08</u>	<u>714,000.00</u>	<u>280,022.38</u>	<u>C-10/C-13</u>	<u>1,229,254.70</u>		<u>522,750.59</u>
		C	C-10/C-13		C-10/C-13	C		
	Funded by Budget Appropriation		Ref.	9,500.00				
	Funded by Grant Proceeds - NJ DOT		C-2/C-13	260,370.06				
	Assessment Confirmed		C-2/C-13	10,152.32				
			C-5					
				<u>280,022.38</u>				
								<u>706,504.11</u>
								Improvement Authorizations - Unfunded - C-10
								<u>706,504.11</u>

Borough of River Edge, N.J.
 Schedule of General Serial Bonds Payable
 General Capital Fund
 Year Ended December 31, 2010

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2010	Interest Rate	Balance, Dec. 31, 2009	Decreased	Balance, Dec. 31, 2010
General Improvement Bonds	8/1/2002	\$ 2,981,000.00	8-1-2011/14	4.00%			
			8-1-2015	4.125%			
			8-1-2016	4.250%			
			8-1-2017	4.250%	2,401,000.00	300,000.00	2,101,000.00
General Improvement Bonds	9/15/2005	\$ 3,014,000.00	9-15-2011	3.50%			
			9-15-2012	3.55%			
			9-15-2013/18	3.60%			
			9-15-2019	3.60%	2,699,000.00	270,000.00	2,429,000.00
General Improvement Bonds	12/15/2007	2,955,000.00	12-15-2011/16	3.625-3.75%			
			12-15-2017/22	3.75-4.00%	2,640,000.00	210,000.00	2,430,000.00
General Improvement Bonds	11/15/2009	2,465,000.00	11-15-2011/13	2.00%			
			11-15-2014	2.125%			
			11-15-2015	2.50%			
			11-15-2016	2.75%			
			11-15-2017/18	3.00%	2,465,000.00	245,000.00	2,220,000.00
			11-15-2019	3.00%	260,000.00		
					C	C-6	C
					10,205,000.00	1,025,000.00	9,180,000.00

Borough of River Edge , N.J.

Schedule of New Jersey Environmental Infrastructure Trust/Loan

General Capital Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Total</u>	<u>Trust</u>	<u>Loan</u>
Balance - December 31, 2009	C	197,405.08	147,055.24	50,349.84
Decreased by:				
Principal Paid	C-6	<u>30,314.72</u>	<u>15,000.00</u>	<u>15,314.72</u>
Balance - December 31, 2010	C	<u><u>167,090.36</u></u>	<u><u>132,055.24</u></u>	<u><u>35,035.12</u></u>

Borough of River Edge, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance, Dec. 31, 2009		2010 Authorizations	Paid or Charged	Cancelled	Balance, Dec. 31, 2010	
				Funded	Unfunded				Funded	Unfunded
1380	General Improvements	04/01/02	338,000.00	15,600.00					15,600.00	
1424/1470	Various Public Improvements	04/21/03	530,000.00						1,744.42	
	Various Public Improvements and Acquisition of Equipment and Machinery	09/07/04	35,000.00	1,744.42					93,057.79	
1458	Improvement of Kinderkamack Road	02/02/04	170,000.00	96,090.93		3,033.14			3,451.68	
1494	Various Public Improvements	04/18/05	925,000.00	3,611.68		160.00				
1507/1535	Kinderkamack Road North Impr Project (Phase I) and Sidewalk Improvement	08/01/05	581,000.00		211,929.32	76,345.56				135,583.76
	Various Public Improvements	03/20/06	12,000.00			6,155.00				
1533	Acquisition of Various Equipment and Vehicles	03/20/06	420,000.00	19,476.35		5,584.80				
1534	Purchase of Equipment and Improvement to Buildings and Grounds	04/16/07	68,000.00	10,799.77		23,961.50				
1567	Various Public Improvements	05/21/07	1,030,000.00	186,612.55			272.50			
1568	Various Public Improvements	09/14/07	600,000.00	272.50			6,235.00			
1576	Repair of Wayne Pump Station	11/19/07	700,000.00	9,235.00						
1591	Acquisition of New Generator & 2008 Road Resurfacing Program	04/21/08	420,000.00	168,556.43						
1613	Various Public Improvements & Acquisitions	05/03/08	635,000.00	58,688.56		6,453.78			168,556.43	
1616	Memorial Park Tennis Court Stream Stabilization	09/02/08	40,000.00	40,000.00		40,000.00			52,234.78	
1629	Acquisition of Real Property for Bogert Road Park	06/01/09	645,000.00	199,756.40		11,897.55	82,500.00			105,358.85
1648/1654	Purchase of Equipment and Improvement to Buildings and Grounds	04/20/09	30,000.00	2,797.96		2,791.11	6.85		(0.00)	
1650	Memorial Park Tennis Court Reconstruction	05/18/09	121,500.00	121,500.00		121,500.00				
1655	Various Improvements & Purchases	09/21/09	1,621,000.00	599,079.64	109,500.00	101,463.00			507,116.64	100,000.00
1656/1672	Resurface Howland Avenue	02/01/10	230,000.00			125,221.51				104,778.49
1687	Purchase of Equipment and Improvement to Buildings and Grounds	02/16/10	46,000.00		46,000.00	33,709.11			12,290.89	
1688	Purchase of Equipment and Improvement to Buildings and Grounds	04/05/10	20,000.00		20,000.00	4,624.68			15,375.32	
1692	Various Improvements & Purchases	04/05/10	510,000.00		510,000.00	249,216.99				260,783.01
1693	Purchase of Equipment and Improvement to Buildings and Grounds	05/03/10	40,000.00		40,000.00	1,000.00			39,000.00	
1703	Construction, Reconstruction and Improvement of the Sanitary Sewer System	11/01/10	20,000.00		20,000.00	4,520.74			15,479.26	
1716										
				1,334,065.79	521,185.72	866,000.00	817,638.47	89,014.35	1,108,094.58	706,504.11
				C	C		C-2		C	C

Ref.

Capital Surplus	C-1	126,000.00
Bergen County Open Space Grant	C-4	
Capital Improvement Fund	C-11	26,000.00
Deferred Charges to Future Taxation - Unfunded	C-7/C-13	714,000.00
		866,000.00

6,514.35
82,500.00
89,014.35

Borough of River Edge , N.J.
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	C	17,412.47
Increased by:		
Contribution Bergen County Traffic Light	C-2	44,450.00
Budget Appropriation	C-2	<u>25,010.00</u>
		<u>69,460.00</u>
		86,872.47
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-10	<u>26,000.00</u>
Balance - December 31, 2010	C/C-3	<u><u>60,872.47</u></u>

Borough of River Edge , N.J.
Schedule of Interfund - Current Fund
General Capital Fund
Year Ended December 31, 2010

	<u>Ref.</u>	
Increased by:		
Interest Earned	C-2	<u>150.49</u>
Decreased by:		
Disbursed	C-2	<u>150.49</u>

BOROUGH OF RIVER EDGE

PART II

LETTER ON COMPLIANCE AND ON INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkotz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
973-835-7900
Fax 973-835-6631

Newton Office
100B Main Street
Newton, N.J. 07860
973-579-3212
Fax 973-579-7128

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

July 11, 2011

The Honorable Mayor and
Members of the Borough Council
Borough of River Edge
River Edge, New Jersey 07070

We have audited the financial statements-regulatory basis of the Borough of River Edge in the County of Bergen as of and for the year ended December 31, 2010, and have issued our report thereon dated July 11, 2011. Our report disclosed that, as described in note 1 to the financial statements-regulatory basis, the Borough of River Edge prepares 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 a modified accrual basis of accounting and the budget laws of the State 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; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Borough of River Edge'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-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Borough of River Edge's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough of River Edge's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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.

Honorable Mayor and
Members of the Borough Council
Page 2.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of River Edge's financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information of management, The Division of Local Government Services, Department of Community Affairs, State of New Jersey, Federal Awarding Agencies and Pass Through Entities and is not intended to be and should not be used by anyone other than these specified parties.



Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. 413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

July 11, 2011

GENERAL COMMENTS

Contracts and Agreements

N.J.S.A. 40A:11-4 states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law."

Effective April 17, 2000 and thereafter the bid thresholds in accordance with N.J.S.A. 40A:11-3 (as amended) is \$17,500.00 and \$25,000.00 with a qualified purchasing agent. On July 1, 2005 the bid threshold was increased to \$21,000.00 and \$29,000.00 with a qualified purchasing agent. Additionally, on July 1, 2010 the threshold was increased to \$26,000.00 and \$36,000.00 with a qualified purchasing agent.

N.J.S.A. 40A:11-2 contains definitions for terms used throughout N.J.S.A. 40A:11-1 et seq. and was amended under P.L. 1999, c.440. It includes as subsection (23) the term 'competitive contracting', which is defined as "the method described in sections 1 through 5 of P.L. 1999, c.440 (C.40:11-4.1 through C.40A:11-4.5) of contracting for specialized goods and services in which formal proposals are solicited from vendors' formal proposals are evaluated by the purchasing agent or counsel; and the governing body awards a contract to a vendor or vendors from among the formal proposals received."

N.J.S.A. 40A:11-3 was amended with P.L. 1999, c.440 to raise the bid threshold and require award by governing body resolution. "When the cost or price of any contract awarded by the purchasing agent in the aggregate does not exceed in a contract year the total sum of \$17,500.00, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids and bidding therefore, except that the governing body may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations." The Borough increased the bid threshold to \$29,000.00 and \$36,000.00 as allowed by law for having a qualified purchasing agent.

N.J.S.A. 40A:11-15 was amended with P.L. 1999, c.440 to extend the base contract period. "Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection (a) of N.J.S.A. 40A:11-5 may be awarded for a period not exceeding 12 consecutive months."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Stream Stabilization	DPW Vehicle
Reconstruction of Tennis Courts	Road Improvement Project
Pocket Pack System	

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates 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 4, 2010 adopted the following resolution authorizing interest to be charged on delinquent taxes and year end penalty:

WHEREAS, N.J.S.A. 54:4-67 has been amended to add a definition of what constitutes a delinquency: "Delinquency means the sum of all taxes and municipal charges due on a given parcel of property covering any number of quarters or years. The Governing Body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay the delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed 6% of the amount of the delinquency; and

WHEREAS, N.J.S.A. 54:4-67 has been amended to allow that the delinquency be calculated on the sum of all taxes from year-to-year and not be calculated on an individual year basis; and

WHEREAS, the Governing Body that desires to employ the end of year penalty for those accounts whose tax arrears, interest and municipal charges exceed \$10,000.00 in any fiscal year must do so by the adoption of an appropriate resolution.

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of River Edge authorizes the Borough Tax Collector to implement the end of year penalty for those accounts which exceed \$10,000.00 in any fiscal year as well as any other statutory requirements contained in N.J.S.A. 54:4-67 as amended, effective January 1, 2005.

BE IT FURTHER RESOLVED by the Mayor and Council of the Borough of River Edge, County of Bergen, State of New Jersey, that taxes due the Borough of River Edge shall be payable on February 1st, May 1st, August 1st, and November 1st of every year, with a ten (10) day grace period, after which dates, if unpaid, they shall become delinquent; and

BE IT FURTHER RESOLVED, that from and after the respective dates herein before provided for taxes to become delinquent, the taxpayer on property assessed shall be subject to interest of eight per centum (8%) on the first \$1,500 of delinquent tax payments, and eighteen per centum (18%) on amounts over \$1,500. These rates will be applicable from quarterly due date to date payment is received and as the law provides.

It appears from our test of the collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 1, 2010 and was complete.

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	2
2009	2
2008	2

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

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, including the mailing of verification notices.

The result of the test, which was made for the year ending December 31, 2010, is not yet known, but a separate report will be rendered if any irregularities are developed. In addition we utilized analytical review procedures to ascertain the validity of the receivables.

COMMENTS

None

RECOMMENDATIONS

None

STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on all prior year recommendations and corrective action was taken on all items.

The problems and weaknesses noted in our audit were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

Very truly yours,



Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. 413



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Certified Public Accountants