

BOROUGH OF RIDGEFIELD  
BERGEN COUNTY, NEW JERSEY

FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2011

BOROUGH OF RIDGEFIELD  
BERGEN COUNTY, NEW JERSEY

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**INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying balance sheets - regulatory basis of various funds and account group of the Borough of Ridgefield (the "Borough"), State of New Jersey, as of June 30, 2011, and the related statements of operations and changes in fund balance - regulatory basis for the year then ended, and the related statements of revenues-regulatory basis and statement of expenditures—regulatory basis of the various funds for the year ended June 30, 2011. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Borough as of and for the year ended June 30, 2010. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates the amounts included for the Borough, is based on the report of the other auditors.

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

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the *Division of Local Government Services, Department of Community Affairs, State of New Jersey*, which differ from accounting principles generally accepted in the United States of America. The effect on financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with accounting practices 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, State of New Jersey, as of June 30, 2011 and 2010, or the results of its operations and changes in fund balance for the years then ended.

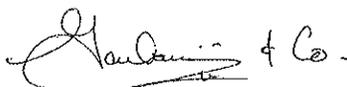
Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds of the Borough as of June 30, 2011, and the results of its operations and the changes in fund balance of such funds-regulatory basis for the years then ended, and the revenues-regulatory basis, and expenditures-regulatory basis of the various funds, and general fixed assets, for the year ended June 30, 2011 in conformity with accounting principles and practices prescribed by the *Division of Local Government Services, Department of Community Affairs, State of New Jersey* as described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated October 5, 2011 on our consideration of the Borough's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matter. 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 on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying schedules of expenditures of federal awards and/or state financial assistance programs are presented for the purposes of additional analysis as required by the *Division of Local Government Services, Department of Community Affairs, State of New Jersey* and are not a required part of the financial statements. In addition, the supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the *Division of Local Government Services, Department of Community Affairs, State of New Jersey*. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534



Garbarini & Co. P.C.  
Certified Public Accountants

October 5, 2011  
Ridgefield, New Jersey

BOROUGH OF RIDGEFIELD  
CURRENT FUND

COMPARATIVE STATEMENT OF FINANCIAL POSITION - REGULATORY BASIS

A

		<u>At June 30</u>	
	Reference	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>			
Current Assets:			
Cash	A-4	\$2,952,102	\$2,815,835
Change Fund	A-5	450	450
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	A-6	120,147	116,147
Grant Receivable	A-7	185,692	138,556
		<u>\$3,258,391</u>	<u>\$3,070,988</u>
Receivable and Other Assets with Full Reserves:			
Delinquent Property Taxes	A-8	560,198	569,888
Tax Title Liens	A-9	60,307	17,934
Property Acquired for Taxes			
Assessed Valuations	A-10	81,180	81,180
Revenue Accounts Receivable	A-11	31,102	37,181
Due from County of Bergen	A-17	-	56,729
Due from Other Trust Fund (Payroll)	B	28	3
Due from General Capital Fund	C	-	6
Due from Public Assistance	E	228	
Due from Swim Pool Utility Operating Fund	D	-	24,991
		<u>\$733,043</u>	<u>\$787,912</u>
Deferred Charges to Future Taxation:			
Over-expenditure of Budget Appropriations	A-3	3,048	
<b>TOTAL ASSETS</b>		<u>\$3,994,482</u>	<u>\$3,858,900</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND

COMPARATIVE STATEMENT OF FINANCIAL POSITION - REGULATORY BASIS  
(CONTINUED)

A

	Reference	<u>At June 30</u>	
		<u>2011</u>	<u>2010</u>
<b>LIABILITIES, RESERVES AND FUND BALANCES</b>			
Liabilities:			
Appropriation Reserves	A-3, A-12	\$652,872	\$718,033
Encumbrances Payable	A-13	526,073	443,406
Accounts Payable	A-14	14,913	25,935
Tax Overpayments	A-15	62,716	51,184
Due to State of New Jersey - Fees Payable	A-16	3,093	3,594
Reserve for:			
Tax Appeals	A-19	177,537	222,970
Hudson Transmission Ptrs. - Initial Fee	A-20		95,000
Appropriated Reserve for Grants	A-21	182,985	45,575
Unappropriated Reserve for Grants	A-22	37,764	41,799
Due to Public Assistance Fund	E		96
Due to Unemployment Fund	B	3,048	32,064
Due to Pool Operating Fund	D	2,289	
Due to Capital Fund	C	4,996	
Due to Trust Fund	B	22	
		<u>1,668,308</u>	<u>1,679,656</u>
Reserve for Receivable and Other Assets	A	733,043	787,912
Fund Balance	A-1	<u>1,593,131</u>	<u>1,391,332</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<u><u>\$3,994,482</u></u>	<u><u>\$3,858,900</u></u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

A-1

	Reference	<u>For the Years Ended June 30:</u>	
		<u>2011</u>	<u>2010</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$875,000	\$850,000
Miscellaneous Revenue Anticipated	A-2	9,777,437	9,391,036
Receipts from Delinquent Taxes	A-2	530,870	654,023
Receipts from Current Taxes	A-2	30,147,270	28,317,872
Non-Budget Revenues	A-2	159,519	242,145
Other Credits to Income:			
Unexpended Balance of Appropriations	A-3	41,784	
Unexpended Balance of Appropriation Reserves	A-12	374,976	444,224
Cancelled Tax Overpayments	A-15	17,279	
Cancelled Miscellaneous Reserves	A-20		20,253
Interfunds Returned		81,823	26,066
Swim Pool Utility Appropriation Reserves Lapsed-Return Deficit	D-12		5,220
		<hr/>	<hr/>
Total Revenues and Other Income		42,005,958	39,950,839
Expenditures:			
Budget and Emergency Appropriations			
Operations:			
Salaries and Wages	A-3	6,507,300	6,419,674
Other Expenses	A-3	9,659,328	9,433,860
Deferred Charges and Statutory Expenditures	A-3	2,110,147	1,531,706
Capital Improvements	A-3	75,000	140,000
Municipal Debt Service	A-3	1,458,390	1,454,275
County Taxes Payable	A-17	4,212,564	4,228,903
Local District School Taxes Payable	A-18	16,906,430	15,807,804
Refund of Prior Year's Revenue			5,250
Cancelled Grants Receivable			733
Senior Citizens and Veterans Disallowed Prior Year Taxes			4,375
County Open Space Tax Overpayment	A-17		56,729
		<hr/>	<hr/>
Total Expenditures		40,929,159	39,083,309
Excess/(Deficit) in Revenue		1,076,799	867,530
Fund Balance, Beginning of Year	A-1	1,391,332	1,373,802
		<hr/>	<hr/>
		2,468,131	2,241,332
Decreased by			
Utilization as Anticipated Revenue	A-1, A-2	875,000	850,000
Fund Balance, End of Year	A	<hr/> <u>\$1,593,131</u>	<hr/> <u>\$1,391,332</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF REVENUES - REGULATORY BASIS

A-2

	<u>Reference</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	A-1	\$875,000	\$875,000	\$ -
Miscellaneous Revenues:				
Licenses				
Alcoholic Beverages	A-11	26,000	35,446	9,446
Other	A-2	38,000	41,232	3,232
Fees and Permits	A-2	161,000	167,385	6,385
Fines and Costs				
Municipal Court	A-11	395,000	401,814	6,814
Interest and Costs on Taxes	A-11	134,000	124,352	(9,648)
Interest on Investments and Deposits	A-11	6,000	6,839	839
Hackensack Meadowlands Adjustment to Tax Sharing (NJS 13:17-60 et seq.) SFY 2011	A-11	1,199,000	1,198,212	(788)
Hackensack Meadowlands Adjustment to Tax Sharing (NJS 13:17-60 et seq.) SFY 2010	A-11	43,633	43,633	-
Energy Receipts Tax	A-11	5,242,420	5,242,420	-
Supplemental Energy Receipts Tax	A-11	255,930	255,930	-
Uniform Construction Code Fees	A-11	280,000	239,824	(40,176)
Uniform Fire Safety Act	A-11	35,000	33,925	(1,075)
Rental of Borough Property - Shaler Lease	A-11	250,000	250,000	-
Rental of Borough Property - Shaler Lease Debt Service Reimbursement	A-11	358,900	358,900	-
Sewer Charges	A-11	136,000	133,495	(2,505)
Sewer Charges - Additional - Tier II User Charge	A-11	300,000	338,178	38,178
Cable TV Franchise Fee	A-11	43,000	87,501	44,501
Hudson River Cable Crossing Agreement	A-11	30,000	0	(30,000)
Municipal Court Inspection Fees	A-11	20,000	18,053	(1,947)
SHPB Employee Contributions	A-11	6,000	10,363	4,363
Kathleen Court Settlement Agreement	A-11	44,000	44,775	775
Hudson Transmission Partner's Agreement - Interim Fees	A-11	102,000	102,000	-
Hudson Transmission Partner's Agreement - Initial Fee	A-11			
Capital Improvement Fund	A-11	75,000	75,000	-
Deferred Charges Unfunded - Ordinance 2116	A-11	400,000	400,000	-
Business Stimulus Fund	A-7	7,000	7,000	-
Federal Secure Our Schools	A-7	98,000	98,000	-
Recycling Tonnage Grant	A-7	17,964	17,964	-
Drunk Driving Enforcement Fund	A-7	2,726	2,726	-
Clean Communities Program	A-7	14,970	14,970	-
Municipal Alliance on Alcoholism and Drug Abuse	A-7	20,712	20,712	-
Emergency Management Assistance Program	A-7	5,000	5,000	-
Federal Body Armor Replacement Fund	A-7	1,788	1,788	-
 Total Miscellaneous Revenues	 A-1	 <u>9,749,043</u>	 <u>9,777,437</u>	 <u>28,394</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF REVENUES - REGULATORY BASIS  
(CONTINUED)

A-2

	<u>Reference</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Receipts from Delinquent Taxes	A-1, A-8	<u>502,000</u>	<u>530,870</u>	<u>28,870</u>
Subtotal General Revenues		11,126,043	11,183,307	57,264
Local Tax for Municipal Purposes	A-2	<u>9,409,123</u>	<u>9,753,276</u>	<u>344,153</u>
Total General Revenues - Adopted	A-3	<u>\$20,535,166</u>	<u>20,936,583</u>	<u>\$401,417</u>
Non-Budget Revenues	A-2, A-1		<u>159,519</u>	
			<u>\$21,096,102</u>	

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF REVENUES - REGULATORY BASIS  
(CONTINUED)

A-2

	<u>Reference</u>	<u>2011</u>
Analysis of Realized Revenues		
Allocation of Current Tax Collections		
Revenue from Collections	A-8	\$ 30,147,270
Revenue Realized	A-1	30,147,270
Less: Allocated to School and County Taxes	A-17, A-18	21,118,994
Balance for Support of Municipal Budget Appropriations		9,028,276
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	725,000
Amount for Support of Municipal Budget Appropriations	A-2	\$ 9,753,276
Licenses - Other		
Borough Clerk	A-11	\$400
Board of Health	A-11	40,832
	A-2	\$41,232
Fees and Permits - Other		
Borough Clerk	A-11	\$ 489
Department of Public Works	A-11	1,000
Tax Collector	A-11	361
Fire Prevention	A-11	47,288
Recreation	A-11	75,545
Police Department	A-11	7,532
Planning Board	A-11	4,760
Board of Adjustment	A-11	1,775
Board of Health	A-11	28,635
		\$ 167,385
Analysis of Non-Budget Revenues		
Joint Insurance Fund Surplus Refunds		\$ 23,579
NJ Turnpike Ambulance Donation		2,530
Administrative Fee - Seniors and Veterans		1,615
Miscellaneous Fees		55,460
Health Department Flu Program		19,370
Sale of Assets		2,160
State of NJ Housing Inspection		2,294
State of NJ Hotel Fee		21,958
BCUA Sewer Connection		830
Election Poll Rental		200
FEMA Reimbursement		7,274
Refunds		6,400
HAZMAT Spills		513
Miscellaneous		15,336
	A-2, A-4	\$ 159,519

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

OPERATIONS - WITHIN "CAPS"	APPROPRIATIONS		EXPENDED			Over- Expenditure
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>	
GENERAL GOVERNMENT:						
General Administration						
Salaries and Wages	\$ 57,000	\$ 57,000	\$ 36,647	\$ 20,353	\$ -	\$ -
Other Expenses	35,000	46,000	45,948	52	-	-
Rent Leveling						
Salaries and Wages	5,000	5,600	5,500	100	-	-
Other Expenses	5,000	3,000	766	2,234	-	-
Mayor and Council						
Salaries and Wages	43,000	43,000	40,750	2,250	-	-
Other Expenses	18,000	18,000	11,577	6,423	-	-
Municipal Clerk's Office						
Salaries and Wages	78,500	78,500	70,781	7,719	-	-
Other Expenses	53,000	53,000	49,306	3,694	-	-
Financial Administration						
Salaries and Wages	149,000	149,000	144,815	4,185	-	-
Other Expenses	55,000	55,000	39,458	15,542	-	-
Auditing and Accounting Services	38,000	38,000	38,000	-	-	-
Collection of Taxes						
Salaries and Wages	85,000	81,800	81,669	131	-	-
Other Expenses	25,000	25,000	24,654	346	-	-
Assessment of Taxes						
Salaries and Wages	16,700	16,700	16,392	308	-	-
Other Expenses	3,000	3,000	2,996	4	-	-
Professional Services	11,300	11,300	10,908	392	-	-
Legal Services & Costs						
Retainer	46,000	46,000	45,600	400	-	-
Other Expenses	182,000	207,000	198,656	8,344	-	-
State Controller/Mayor Investigation	20,000	20,000	19,989	11	-	-

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over-Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Engineering Services and Costs						
Other Expenses	126,000	126,000	74,398	51,602	-	-
MUNICIPAL LAND USE:						
Planning Board						
Salaries and Wages	5,000	5,600	5,385	215	-	-
Professional Services	12,000	12,000	3,894	8,106	-	-
Other Expenses	6,000	14,000	13,037	963	-	-
Board of Adjustment						
Salaries and Wages	5,000	3,000	2,917	83	-	-
Other Expenses	21,000	14,000	13,275	725	-	-
INSURANCE:						
Unemployment Insurance	50,000	50,000	53,048		-	(3,048)
Liability	435,000	435,000	418,120	16,880	-	-
Workers Compensation	418,000	398,000	396,186	1,814	-	-
Employees Group Health	2,176,154	2,076,154	2,047,411	28,743	-	-
PUBLIC SAFETY:						
Fire						
Other Expenses						
Clothing Allowance	250,000	250,000	235,330	14,670	-	-
Fire Hydrant Service	116,000	116,000	115,615	385	-	-
Miscellaneous	100,000	100,000	92,506	7,494	-	-
Fire Prevention Bureau						
Salaries and Wages	65,000	66,700	66,473	227	-	-
Other Expenses	21,000	21,000	20,402	598	-	-
Police						
Salaries and Wages	3,462,500	3,528,500	3,516,527	11,973	-	-
Other Expenses	110,000	110,000	107,292	2,708	-	-
Purchase of Police Vehicles	60,000	60,000	59,519	481	-	-
Police Dispatching/Communications						
Salaries and Wages	62,000	62,000	60,000	2,000	-	-
Other Expenses	200,000	200,000	200,000	-	-	-
First Aid Organization						
Other Expenses						
Clothing Allowance	83,000	83,000	83,000	-	-	-
Miscellaneous	25,000	25,000	19,908	5,092	-	-
Community Service Officers						
Salaries and Wages	96,000	93,500	92,899	601	-	-
Other Expenses	6,000	6,000	5,042	958	-	-

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over-Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Emergency Management Services						
Salaries and Wages	\$25,000	\$19,000	\$17,763	\$1,237	\$ -	\$ -
Other Expenses	6,000	6,000	5,323	677	-	-
Municipal Prosecutor						
Salaries and Wages	13,000	13,000	12,500	500	-	-
STREETS AND ROADS						
Road Repairs and Maintenance						
Salaries and Wages	1,252,000	1,282,000	1,282,000	-	-	-
Other Expenses	150,000	150,000	144,965	5,035	-	-
Maintenance of Borough Vehicles						
Other Expenses				0	-	-
Streets and Roads	55,000	65,000	61,513	3,487	-	-
Fire	40,000	40,000	39,302	698	-	-
Police	35,000	35,000	30,840	4,160	-	-
Ambulance	4,000	4,000	2,762	1,238	-	-
Garbage	29,800	37,800	34,430	3,370	-	-
Building	1,000	1,000	0	1,000	-	-
Health	500	500	0	500	-	-
Sanitation						
Garbage and Trash Removal						
Salaries and Wages	260,000	255,000	252,075	2,925	-	-
Other Expenses	75,000	75,000	68,085	6,915	-	-
Sanitary Landfill Disposal Costs - Contractual	360,000	332,100	275,408	56,692	-	-
Recycling Program						
Salaries and Wages	7,000	7,000	6,745	255	-	-
Public Buildings and Grounds						
Other Expenses						
Maintenance and Repair	155,000	172,000	165,414	6,586	-	-
HEALTH AND WELFARE:						
Board of Health						
Salaries and Wages	147,000	150,400	150,315	85	-	-
Other Expenses	75,000	75,000	65,451	9,549	-	-
Bergen County Animal Shelter	10,500	8,186	8,167	19	-	-
Environmental Commission (NJSA 40:56A-1)						
Other Expenses - Miscellaneous	3,000	3,000	3,000	0	-	-
Other Expenses - Arborist	3,000	3,000	2,973	27	-	-

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See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over-Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Administration of Public Assistance						
Salaries and Wages	24,000	16,000	15,627	373	-	-
Other Expenses	1,500	100	72	28	-	-
Miscellaneous - Other Expenses	11,000	5,000	-	5,000		
RECREATION AND EDUCATION						
Parks and Recreation						
Salaries and Wages	154,000	154,000	149,917	4,083	-	-
Other Expenses	137,000	137,000	132,650	4,350	-	-
Youth Commission						
Salaries and Wages	11,000	11,000	10,350	650	-	-
Other Expenses	1,250	1,250	1,168	82	-	-
Celebration of Public Events						
Other Expenses	26,000	28,200	28,140	60	-	-
MUNICIPAL COURT FUNCTIONS						
Municipal Court						
Salaries and Wages	195,000	195,000	190,159	4,841	-	-
Other Expenses	35,000	35,000	24,953	10,047	-	-
Public Defender (P.L. 1997, C.256)						
Other Expenses	3,000	3,000	2,450	550	-	-
CODE ENFORCEMENT AND ADMINISTRATION						
Construction Code Official						
Salaries and Wages	165,000	161,000	156,338	4,662	-	-
Other Expenses	24,850	24,850	9,922	14,928	-	-
Property Maintenance						
Salaries and Wages	7,000	7,000	6,237	763	-	-
Other Expenses	1,000	4,125	4,125	-	-	-

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over- Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
OPERATIONS - WITHIN "CAPS" (CONT'D)						
UNCLASSIFIED:						
Utility Expenses / Bulk Purchases:						
Street Lighting	\$ 190,000	\$ 190,000	\$ 187,422	\$ 2,578	\$ -	\$ -
Electric and Gas	290,000	290,000	274,005	15,995	-	-
Telephone	107,000	107,000	102,353	4,647	-	-
Water	21,000	21,000	15,408	5,592	-	-
Gasoline	175,000	183,000	182,951	49	-	-
Contingent	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>
TOTAL OPERATIONS WITHIN "CAPS"	<u>\$ 13,127,554</u>	<u>\$ 13,124,865</u>	<u>\$ 12,709,874</u>	<u>\$ 418,039</u>	<u>\$ -</u>	<u>\$ (3,048)</u>
Detail:						
Salaries and Wages	6,435,700	6,507,300	6,436,381	70,919	-	-
Other Expenses (Including Contingent)	<u>6,691,854</u>	<u>6,617,565</u>	<u>6,273,493</u>	<u>347,120</u>	<u>-</u>	<u>(3,048)</u>
DEFERRED CHARGES						
Anticipated Deficit in Swim Pool Utility	41,000	41,000	2,289	-	38,711	-
STATUTORY EXPENDITURES:						
Social Security System (O.A.S.I.)	350,000	350,000	330,694	19,306	-	-
Public Employment Retirement System	325,211	325,311	325,311	-	-	-
Police and Firemen's Pension Fund	786,336	786,336	786,336	-	-	-
Fire Widows' Pension (NJS 43:12-28)	23,000	23,000	20,309	2,691	-	-
Volunteer Fireman's Pension	17,000	17,000	14,250	2,750	-	-
Volunteer Fireman's Over Age Burial Fund	5,000	5,000	-	5,000	-	-
Defined Contribution Retirement Program	7,000	7,000	1,857	5,143	-	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	<u>1,554,547</u>	<u>1,554,647</u>	<u>1,481,046</u>	<u>34,890</u>	<u>38,711</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	<u>14,682,101</u>	<u>14,679,512</u>	<u>14,190,920</u>	<u>452,929</u>	<u>38,711</u>	<u>(3,048)</u>

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over- Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
OPERATIONS - EXCLUDED FROM "CAPS"						
Maintenance of Free Public Library With State Aid (P.L. 1985, Chap. 82&541)	\$ 701,580	\$ 701,580	\$ 701,576	\$ 4	-	-
Bergen County Utility Authority Sewage Processing and Disposal - BCUA	2,000,000	2,000,000	1,954,625	45,375	-	-
Insurance Employees Group Health	146,846	146,846	-	146,846	-	-
Recycling Tax	<u>20,000</u>	<u>20,000</u>	<u>12,282</u>	<u>7,718</u>	<u>-</u>	<u>-</u>
TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"	<u>\$ 2,868,426</u>	<u>\$ 2,868,426</u>	<u>\$ 2,668,483</u>	<u>\$ 199,943</u>	<u>\$ -</u>	<u>\$ -</u>

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See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over- Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
OPERATIONS - EXCLUDED FROM "CAPS"						
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:						
Bergen County Office of Drug and Alcohol Dependency (Municipal Alliance)						
Other Expenses	\$ 10,356	\$ 20,712	\$ 20,712	\$ -	\$ -	\$ -
Match	2,589	5,178	5,178	-	-	-
 Drunk Driving Enforcement Fund	 2,726	 2,726	 2,726	 -	 -	 -
NJ Div. of Criminal Justice - Body Armor Grant	-	1,788	1,788	-	-	-
 Clean Communities Program	 14,970	 14,970	 14,970	 -	 -	 -
Emergency Management Assistance	5,000	5,000	5,000	-	-	-
Recycling Tonnage Grant	17,964	17,964	17,964	-	-	-
 Secure our Schools	 98,000	 98,000	 98,000	 -	 -	 -
 Business Stimulus Fund	 7,000	 7,000	 7,000	 -	 -	 -
 Total Public and Private Programs Offset by Revenues	 <u>158,605</u>	 <u>173,338</u>	 <u>173,338</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	 <u>\$ 3,027,031</u>	 <u>\$ 3,041,764</u>	 <u>\$ 2,841,821</u>	 <u>\$ 199,943</u>	 <u>\$ -</u>	 <u>\$ -</u>
Detail:						
Salaries and Wages	-	-	-	-	-	-
Other Expenses	3,027,031	3,041,764	2,841,821	199,943	-	-

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over- Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -
			-	-	-	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	755,000	755,000	755,000	-	-	-
Interest on Bonds	635,390	635,390	635,384	-	6	-
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	68,000.00	68,000.00	64,933.00	-	3,067.00	-
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	<u>\$ 1,458,390</u>	<u>\$ 1,458,390</u>	<u>\$ 1,455,317</u>	<u>\$ -</u>	<u>\$ 3,073</u>	<u>\$ -</u>
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Cancelled Capital Grants	155,500	155,500	155,500	0	0	0
Ordinance 2116	400,000	400,000	400,000	0	0	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE-EXCLUDED FROM "CAPS"	<u>5,115,921</u>	<u>5,130,654</u>	<u>4,927,638</u>	<u>199,943</u>	<u>3,073</u>	<u>0.00</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>19,798,022</u>	<u>19,810,166</u>	<u>19,118,558</u>	<u>652,872</u>	<u>41,784</u>	<u>(3,048)</u>
Reserve for Uncollected Taxes	725,000	725,000	725,000	0	0	-
TOTAL GENERAL APPROPRIATIONS	<u>20,523,022</u>	<u>20,535,166</u>	<u>19,843,558</u>	<u>652,872</u>	<u>41,784</u>	<u>(3,048)</u>
Reference	A-2	A-2	Below	A	A-1	A
Reference						
Cash Expended	A-4		\$18,413,810			
Appropriated Reserve for Grants	A-2,21		173,338			
Reserve for Uncollected Taxes	A-2		725,000			
Encumbrance Payable	A-13		526,073			
Interfund Unemployment Trust Fund	A		3,048			
Interfund with Pool Operating	D		2,289			
			<u>2,289</u>			
	Above		<u>\$19,843,558</u>			

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
TRUST FUND

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

B

	<u>Reference</u>	<u>At June 30:</u>	
<u>ASSETS</u>		<u>2011</u>	<u>2010</u>
<b>ANIMAL CONTROL FUND</b>			
Cash	B-1	\$ 8,007	\$ 5,562
		8,007	5,562
<b>OTHER TRUST FUND</b>			
Cash	B-1	2,038,412	1,888,287
Due from Current Fund - (Other Trust)	B-7	22	32,064
		2,038,434	1,920,351
<b>UNEMPLOYMENT INSURANCE TRUST FUND</b>			
Cash	B-1	19,425	5,599
Due From Current Fund	B-13	3,048	
		22,473	5,599
<b>TOTAL ASSETS</b>		<b>\$ 2,068,914</b>	<b>\$ 1,931,512</b>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
TRUST FUND

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS  
(CONTINUED)

B

	<u>Reference</u>	<u>At June 30:</u>	
LIABILITIES, RESERVE AND FUND BALANCE		<u>2011</u>	<u>2010</u>
<b>ANIMAL CONTROL FUND</b>			
Prepaid Licenses	B-4	\$ 3,395	\$ 2,476
Due to State of New Jersey	B-3	377	268
Reserve for Animal Control Expenditures	B-2	<u>4,235</u>	<u>2,818</u>
		<u>8,007</u>	<u>5,562</u>
<b>OTHER TRUST FUND</b>			
Due to Criminal Disposition & Review	B-5	4,442	
Due to Current Fund (Payroll)	B-6	28	3
Escrow Deposits	B-8	139,977	119,362
Payroll and Payroll Deductions Payable	B-10	28,860	27,687
Miscellaneous Reserves	B-9	<u>1,865,127</u>	<u>1,773,299</u>
		<u>2,038,434</u>	<u>1,920,351</u>
<b>UNEMPLOYMENT INSURANCE TRUST FUND</b>			
Due to State of New Jersey	B-12	22,473	2,842
Reserve for Unemployment Compensation Insurance (Deficit)	B-11	<u>22,473</u>	<u>2,757</u>
		<u>22,473</u>	<u>5,599</u>
<b>TOTAL LIABILITIES, RESERVE AND FUND BALANCE</b>		<u>\$ 2,068,914</u>	<u>\$ 1,931,512</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
CAPITAL FUND

C

COMPARATIVE STATEMENT OF FINANCIAL POSITION - REGULATORY BASIS

ASSETS	Reference	At June 30:	
		2011	2010
Cash	C-2	\$ 442,339	\$ 142,272
Grant Receivable	C-4	274,117	74,117
Due from Current Fund	C-5	4,996	
Deferred Charges to Future Taxation			
Cancelled Grants	C-6	310,718	466,218
Expenditure Without Ordinance Appropriation	C-6		
Funded	C-7	15,034,670	15,840,668
Unfunded	C-8	965,000	1,388,000
<b>TOTAL ASSETS</b>		<u>\$ 17,031,840</u>	<u>\$ 17,911,275</u>
LIABILITIES, RESERVE AND FUND BALANCE			
General Serial Bonds	C-14	14,476,000	15,231,000
NJ Environmental Infrastructure Trust Loan	C-13	558,670	609,668
Bond Anticipation Notes Payable	C-15	900,000	0
Contracts Payable	C-10	44,515	781,717
Due to Current Fund	C-5		6
Improvement Authorizations			
Funded	C-9	592,298	644,934
Unfunded	C-9	275,977	466,570
Capital Improvement Fund	C-11	7,275	29,775
Reserve for:			
Payment of Debt	C-12	35,148	5,648
Capital Projects	C-12	6,650	6,650
Fund Balance	C-1	135,307	135,307
<b>TOTAL LIABILITIES, RESERVE AND FUND BALANCE</b>		<u>\$ 17,031,840</u>	<u>\$ 17,911,275</u>

Bonds and notes authorized but not issued on June 30, 2011  
(Exhibit C-16). Amounted to \$65,000

COMPARATIVE STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

	Reference	2011	2010
Fund Balance, Beginning of Year	C	\$ 135,307	\$ 26,993
Increased by:			
Cancellation of Funded Improvement Authorization		135,307	142,103
Decreased by:			
Appropriation to Finance Improvement Authorization			26,000
Cancellation of Grants Receivable			7,789
Fund Balance, End of Year	C	<u>\$ 135,307</u>	<u>\$ 135,307</u>

See Accompanying Notes to Financial Statements.

**BOROUGH OF RIDGEFIELD  
SWIMMING POOL UTILITY FUND  
AT JUNE 30, 2011 AND 2010**

**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**

	<u>Reference</u>	<u>D</u> At June 30,	
		<u>2011</u>	<u>2010</u>
<b><u>ASSETS</u></b>			
Operating Fund:			
Cash and Cash Equivalents	D-5	\$ 38,400	\$ 56,136
Interfund Receivables	D-6	15,919	18,630
Total Operating Fund		54,319	74,766
Capital Fund:			
Cash and Cash Equivalents	D-9	1,136	1,136
Fixed Capital	D-10	1,820,236	1,820,236
Fixed Capital Authorized and Uncompleted	D-11	1,342	1,342
Total Capital Fund		1,822,714	1,822,714
<b>TOTAL ASSETS</b>		<b>1,877,033</b>	<b>1,897,480</b>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE:</u></b>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3, D-7	22,724	9,843
Encumbrance Payable	D-8	17,242	21,579
Prepaid Revenue	D-2	-	4,000
Due to Current Fund	D-6	-	24,991
		39,966	60,413
Fund Balance	D-1	14,353	14,353
Total Operating Fund		54,319	74,766
Capital Fund:			
Liabilities:			
Interfunds Payable	D-12	13,630	18,630
Improvement Authorizations:			
Funded	D-13	1,342	1,342
Unfunded		-	-
Reserve for Amortization	D-15	1,783,236	1,778,136
Deferred Reserve for Amortization	D-16	1,342	1,342
Reserve for Capital Outlay	D-14	21,355	21,455
		1,820,905	1,820,905
Fund Balance	D-4	1,809	1,809
Total Capital Fund		1,822,714	1,822,714
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$ 1,877,033</b>	<b>\$ 1,897,480</b>

here were bonds and notes authorized but not issued on June 30, 2011 and 2010 of \$37,000 and \$42,100, see Exhibit D-17.

See Accompanying Notes to Financial Statements.

**BOROUGH OF RIDGEFIELD  
SWIMMING POOL UTILITY FUND - OPERATING FUND  
AT JUNE 30, 2011 AND 2010**

**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE -  
REGULATORY BASIS**

D-1

	<u>Reference</u>	<u>For the Years Ended June 30,</u>	
<u>REVENUE AND OTHER INCOME REALIZED</u>		<u>2011</u>	<u>2010</u>
Fund Balance Utilized	D-2	\$ -	\$ 10,000
Membership Fees	D-2	179,140	184,180
Reserve for Capital Outlay	D-2	5,100	-
Miscellaneous Anticipated Revenues	D-2	77,139	40,788
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-7	6,432	14,161
		267,811	249,129
<u>EXPENDITURES</u>			
Budgetary and Emergency Appropriations:			
Operating	D-3	247,000	239,217
Capital Improvements	D-3	5,000	11,783
Statutory Expenditures & Deferred Charges	D-3	18,100	12,200
	D-3	270,100	263,200
Excess in Revenue		(2,289)	(14,071)
Adjustments to Income before Fund Balance:			
Realized from General Budget for Anticipated Deficit	D-2	2,289	14,071
Statutory Excess in Fund Balance		-	-
Fund Balance, Beginning of Year	D	14,353	24,353
		14,353	24,353
Decreased by:			
Utilized by Operating Budget	D-2	-	10,000
Fund Balance, End of Year	D	\$ 14,353	\$ 14,353

See Accompanying Notes to Financial Statements.

**BOROUGH OF RIDGEFIELD  
SWIMMING POOL UTILITY FUND - OPERATING FUND  
AT JUNE 30, 2011 AND 2010**

**STATEMENT OF REVENUES - REGULATORY BASIS**

	<u>Reference</u>	<u>Budget</u>	<u>Realized</u>	<b>D-2</b> Excess or <u>(Deficit)</u>
Operating Fund Balance Anticipated	D-1	\$ -	\$ -	\$ -
Membership Fees	D-1, D-5	184,000	179,140	(4,860)
Miscellaneous	D-1, Below	40,000	77,139	37,139
Reserve for Capital Outlay	D-12	5,100	5,100	-
Deficit in General Budget	D-1	41,000	2,289	(38,711)
		<u>\$ 270,100</u>	<u>\$ 263,668</u>	<u>\$ (6,432)</u>

Analysis of Miscellaneous

	<u>Reference</u>	
Guest Fees		\$ 58,402
Concessions		12,500
Chair Rental		204
Interest Earned on Investments		8
Other Miscellaneous		6,025
	Above	77,139.00
Cash Receipts	D-5	73,139.00
Prepaid Revenue Applied	D	4,000.00
	Above	\$ 77,139.00

See Accompanying Notes to Financial Statements.

**BOROUGH OF RIDGEFIELD  
SWIMMING POOL UTILITY FUND - OPERATING FUND  
FOR THE YEAR ENDED JUNE 30, 2011**

**STATEMENT OF APPROPRIATIONS - REGULATORY BASIS**

D-3

	<u>Ref.</u>	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Appropriation Reserve</u>
Operating:					
Salaries and Wages		\$ 150,000	\$ 150,000	\$ 145,844	\$ 4,156
Other Expenses		<u>97,000</u>	<u>97,000</u>	<u>80,736</u>	<u>16,264</u>
Total Operating	D-1	<u>247,000</u>	<u>247,000</u>	<u>226,580</u>	<u>20,420</u>
Capital Improvements:					
Capital Outlay		<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total Capital Improvements	D-1	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Deferred Charges:					
Cost of Improvements - Ord. No. 1771		5,100	5,100	5,100	
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		<u>13,000</u>	<u>13,000</u>	<u>10,696</u>	<u>2,304</u>
Total Deferred Charges and Statutory Expenditures	D-1	<u>18,100</u>	<u>18,100</u>	<u>15,796</u>	<u>2,304</u>
		<u>\$ 270,100</u>	<u>\$ 270,100</u>	<u>\$ 242,376</u>	<u>\$ 22,724</u>
	<u>Ref.</u>		D-1	Below	D
Cash Disbursements	D-5			\$ 220,034	
Deferred Charges	D-12			5,100	
Encumbrance Payable	D-8			<u>17,242</u>	
Above				<u>\$ 242,376</u>	

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
PUBLIC ASSISTANCE FUND

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

E

		<u>At June 30:</u>	
	<u>Reference</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>			
Cash	E-1	\$ 12,526	\$ 31,990
Due from Current Fund	E-4	<u>-</u>	<u>96</u>
<b>TOTAL ASSETS</b>		<u>\$ 12,526</u>	<u>\$ 32,086</u>
 <b>LIABILITIES, RESERVE AND FUND BALANCE</b>			
Due to Current Fund	E-4	228	-
Reserve for Public Assistance	E-5	<u>12,298</u>	<u>32,086</u>
<b>TOTAL LIABILITIES, RESERVE AND FUND BALANCE</b>		<u>\$ 12,526</u>	<u>\$ 32,086</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
GENERAL FIXED ASSET ACCOUNT GROUP

COMPARATIVE STATEMENT OF FINANCIAL POSITION - REGULATORY BASIS

F

	<u>At June 30, 2011</u>	
	<u>2011</u>	<u>2010</u>
<b><u>GENERAL FIXED ASSETS:</u></b>		
Land	\$ 19,927,700	\$ 19,927,700
Land Improvements	758,052	211,025
Buildings and Improvements	11,015,990	10,940,714
Automobiles and Vehicles	6,046,805	5,243,237
Machinery and Equipment	<u>1,034,523</u>	<u>1,330,772</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 38,783,070</u></b>	<b><u>\$ 37,653,448</u></b>
Investment in General Fixed Assets	<u>\$ 38,783,070</u>	<u>\$ 37,653,448</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

**1. Summary of Significant Accounting Policies**

The financial statements of the Borough of Ridgefield 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 regulatory basis of accounting other than accounting principles general accepted in the United States of America (GAAP). 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 separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The 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.

***A. Reporting Entity***

The Borough of Ridgefield (the "Borough") was incorporated in 1892 and operates under an elected 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 requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Borough is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board and (a) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (b) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of taxes. The Borough is not includable in any other reporting entity as a component unit.

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 municipal library, volunteer fire department or volunteer ambulance squad, which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

1. **Summary of Significant Accounting Policies (Continued)**

***B. Fund Accounting***

The accounting policies of the Borough conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, and State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. The accounts of the Borough are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts, which include its assets, liabilities, fund equity, revenues, and expenses or expenditures. The following funds and groups of accounts are used by the Borough:

Current Fund - Resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Fund - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The Division of Local Government Services regulates the accounting for these funds.

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

Other Trust Fund - This fund is 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. These funds include dedicated fees/proceeds collected, developer deposit, payroll related deposits and funds deposited with the Borough as collateral.

Unemployment Insurance Fund - This fund is used to account for employee and employer contributions for the purpose of providing unemployment benefits to former eligible employees.

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

Swim Pool Utility Fund - This fund is used to account for the revenues and expenditures for operation of the Borough's swimming and recreational facilities and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities and other capital assets for the swim pool utility is accounted for in the capital section of the fund.

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

General Fixed Assets Group - The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or insurable cost if the actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

1. Summary of Significant Accounting Policies (Continued)

*C. Basis of Accounting*

A modified accrual basis of accounting is followed by the Borough of Ridgefield. Under this method of accounting, revenues, except for 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:

Revenues - Revenues are recorded when received in cash except for certain amounts, which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the municipal budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund. Accordingly, such amounts are not recorded as revenue until collected. Other amounts, which are susceptible to accrual, that are due the Borough are recorded as receivables with offsetting reserves and are recorded as revenue when received.

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.

Utility Charges - Swim Pool utility charges are based upon a flat fee by membership type (i.e., family, single, senior, etc.). Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues - Federal and State grants, entitlement 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.

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. 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:

Trust Funds  
General Capital Fund  
Swim Pool Utility Capital Fund  
Public Assistance Fund

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

1. **Summary of Significant Accounting Policies (Continued)**

*C. Basis of Accounting (Continued)*

Budgets and Budgetary Accounting (Continued) - The governing body is required to introduce and approve the annual budget no later than August 10, of the fiscal year. The budget is required to be adopted no later than September 20, and prior to adoption must be certified by the Division. The Director of the Division, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. Transfers can be made during the last two months and the first three months of the following year by a 2/3 vote of the governing body. During 2011 and 2010 the Borough Council approved several budget transfers. The budget may also be amended by emergency appropriation, which must be raised in the succeeding year's budget. Special items of revenue and corresponding expenditure may be added to the budget with special written consent from the Division (Chapter 159).

Expenditures - Expenditures are recorded in 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 June 30, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations at June 30, are reported as expenditures through the establishment of appropriation reserves, unless canceled by the governing body. Except for unmatured interest on general long-term debt which should be recognized when due, GAAP requires expenditures, if measurable; to be recognized in the accounting period in which the fund liability is incurred.

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 - Appropriation Reserves are recorded as liabilities and 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 - 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 cost 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.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

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

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

General Fixed Assets - The Borough has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from general accepted 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 sewerage and drainage system are not capitalized.

Fixed Assets purchased after June 30, 1995 are stated at cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

Fixed Assets purchased prior to June 30, 1995 are stated as follows:

Land and Buildings	Assessed Valuation
Machinery and Equipment	Replacement Cost

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 has not been accounted for separately.

Property and equipment purchased by the swim pool utility fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010  
(Continued)

1. **Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

Levy of Taxes – The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of August, November, February and May for the fiscal year's levy. A ten (10) day grace period is permitted provided a resolution has been adopted by the Borough Council. N.J.S.A. 54:4-67 permits municipalities to charge interest on delinquent balances at a rate of 8% per annum on the first \$1,500 of delinquency and 18% per annum on any amount of taxes in excess of \$1,500. Any taxes that have not been paid by the 11<sup>th</sup> day of the 11<sup>th</sup> month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with N.J.S.A. 54:5 et.seq.

The municipality is responsible for remitting 100% of the school, county and special district taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county.

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

Comparative Data - Comparative data for the prior year has been presented in the accompanying financial statement in order to provide an understanding of changes in the 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.

Foreclosed Property - Foreclosed property is recorded in the Current Fund when such property was acquired and is fully reserved.

Incurred But Not Reported (IBNR) Reserves - The Borough has not created a reserve for any potential unreported losses which have taken place but for which the Borough has not received notice or report of losses. Additionally, the Borough has not recorded a liability for those claims, which have been filed but have not yet been paid. GAAP requires the establishment of reserves for such potential claims if material.

***D. Basic Financial Statements***

The GASB Codification also defines the financial statements of a governmental unit to be presented in the financial statements 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.

BOROUGH OF RIDGEFIELD  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED JUNE 30, 2011 AND 2010

**2. Cash and Cash Equivalents**

*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 municipality’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the 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 June 30, 2011, \$0 of the municipality’s bank balance of \$6,020,710 was exposed to custodial credit risk. As of June 30, 2010, \$0 of the municipality’s bank balance of \$ 5,295,250 was exposed to custodial credit risk.

*Investments*

The Borough is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A: 5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, Local Government investment pools, and agreements for the repurchase of fully collateralized securities, if transacted in accordance with N.J.S.A. 40A: 5-15.1 (8a-8e).

As of June 30, 2011 and 2010, the Borough had no outstanding investments.

**3. Municipal Debt**

The Local Bond Law governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for both general capital and swim pool projects. 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 four months or retired by the issuance of bonds.

The Borough’s debt is summarized as follows:

Issued	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
Bonds, Notes and Loans			
General Capital	\$ 15,934,670	\$ 15,840,668	\$ 16,617,448
Debt Issued	<u>15,934,670</u>	<u>15,840,668</u>	<u>16,617,448</u>
Authorized but not Issued			
General:			
Bonds and Notes	95,000	1,388,000	95,000
Swim Pool:			
Bonds and Notes	37,000	42,100	42,100
Total	<u>\$ 16,066,670</u>	<u>\$ 17,270,768</u>	<u>\$ 16,754,548</u>

BOROUGH OF RIDGEFIELD  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED JUNE 30, 2011 AND 2010

**3. Municipal Debt (Continued)**

Summary of Statutory Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .78 %.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Debt	\$ 7,203,000	\$ 7,203,000	\$ -
General Debt	16,029,670	35,148	15,994,522
Swim Pool Utility	37,000	37,000	0
	<u>\$ 23,269,670</u>	<u>\$ 7,275,148</u>	<u>\$ 15,994,522</u>

Net Debt \$ 15,994,522 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of \$2,041,276,301= 0.78%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	\$ 71,444,671
Net Debt	15,994,522
Remaining Borrowing Power	<u>\$ 55,450,149</u>

The Borough's long-term debt consisted of the following at June 30:

**General Obligation Bonds**

The Borough levies ad valorem taxes to pay debt service on general obligations bonds. General obligation bonds outstanding at June 30 are as follows:

	<u>2011</u>	<u>2010</u>
\$6,200,000, 2002 Bonds, due in annual installments of \$470,000 to \$590,000 through August 2017, interest at 3.50% to 4.25%	\$ 3,765,000	\$ 4,235,000
\$4,950,000, 2006 Bonds, due in annual installments of \$180,000 to \$320,000 through October 2026, interest at 4.00%	4,255,000	4,440,000
\$6,656,000, 2008 Bonds, due in annual installments of \$75,000 to \$706,000 through April 2025, interest at 4.125% to 4.625%	6,456,000	6,556,000
	<u>\$ 14,476,000</u>	<u>\$ 15,231,000</u>

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

**3. Municipal Debt (Continued)**

**General Intergovernmental Loans Payable**

The Borough has entered into a loan agreement with the New Jersey Environmental Infrastructure Trust for the financing relating to the sewer improvements. General intergovernmental loans outstanding at June 30 are as follows:

	<u>2011</u>	<u>2010</u>
\$990,000, 2000 Loan, due in Semi-annual installments of \$25,657 to \$65,678 through August 2020, interest at 5.00% to 5.25%	<u>\$ 558,670</u>	<u>\$ 609,668</u>

The Borough's principal and interest for long-term debt issued and outstanding as of June 30, 2011 is as follows:

Fiscal Year	<u>General</u>		<u>Loans</u>		Total
	Principal	Interest	Principal	Interest	
2012	\$ 790,000	\$ 605,224	\$ 50,216	\$ 15,313	\$ 1,460,753
2013	810,000	572,474	49,434	14,063	1,445,971
2014	1,035,000	538,809	48,652	12,813	1,635,274
2015	1,060,000	495,874	55,920	11,438	1,623,232
2016	1,085,000	444,984	54,970	9,919	1,594,873
2017-2021	5,080,000	1,546,013	299,478	23,998	6,949,488
2022-2027	4,616,000	485,259			5,101,259
Total	<u>\$ 14,476,000</u>	<u>\$ 4,688,636</u>	<u>\$ 558,670</u>	<u>\$ 87,544</u>	<u>\$ 19,810,850</u>

The Borough's long-term capital debt activity for the year 2011 was as follows:

	Balance, June 30, <u>2010</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2011</u>	<u>Due Within One Year</u>
General Capital Fund					
Bonds Payable	\$15,231,000		\$ 755,000	\$14,476,000	\$ 790,000
Loan Payable	609,668		50,998	558,670	50,216
Total	<u>\$15,840,668</u>	<u>\$ -</u>	<u>\$ 805,998</u>	<u>\$15,034,670</u>	<u>\$ 840,216</u>

BOROUGH OF RIDGEFIELD  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED JUNE 30, 2011 AND 2010

**3. Municipal Debt (Continued)**

Short – Term Debt

The Borough's short-term debt consists of Bond Anticipation Note Payable of \$ 900,000, dated December 10, 2010 maturing November 1, 2011, bearing interest rate of 0.85% per annum. The Borough intends to renew this note in 2011 with no pay down.

The following activity related to bond anticipation notes occurred during the year ended June 30, 2011:

Notes Payable:	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>
Capital One Bank	\$ -	\$ 900,000	\$ -	\$ 900,000

**4. Fixed Assets**

General Fixed Assets

The following is a summary of changes in the general fixed assets group for the year ended June 30, 2011.

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Balance June 30, 2011</u>
Land	\$ 19,927,700	\$ -	\$ -	\$ 19,927,700
Land Improvements	211,025	547,027		758,052
Buildings and Building Improvements	10,940,714	75,276		11,015,990
Automobiles and Vehicles	5,243,237	864,388	60,820	6,046,805
Machinery and Equipment	1,330,772	47,802	344,051	1,034,523
	<u>\$ 37,653,448</u>	<u>\$ 1,534,493</u>	<u>\$ 404,871</u>	<u>\$ 38,783,070</u>

The fixed assets have been adjusted for machinery and equipment with original cost of less than \$2,000. The total adjustment reduced the fixed assets by \$344,051.

Swim Pool Utility Fund Fixed Assets

The following is a summary of changes in the swim pool utility fund fixed assets for the year ended June 30, 2011.

	<u>Balance June 30, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2011</u>
Fixed Capital Facility and Facility Improvements	\$ 1,620,473	\$ -	\$ -	\$ 1,620,473
Equipment	199,763			199,763
	<u>\$ 1,820,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,820,236</u>

BOROUGH OF RIDGEFIELD  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED JUNE 30, 2011 AND 2010

**5. Interfund Receivables and Payables**

Interfund receivables and payables at June 30, 2011 were as follows:

	<u>Receivables</u>	<u>Payables</u>
Current Fund	\$ 256	\$ 10,355
Trust Funds:		
Other Trust Funds	22	28
Unemployment Fund	3,048	
General Capital Fund	4,996	
Swim Pool Utility Fund:		
Operating	15,919	
Capital		13,630
Public Assistance Fund		228
	<hr/>	<hr/>
Total Interfund Receivables/Payables	<u>\$ 24,241</u>	<u>\$ 24,241</u>

**6. Fund Balance Appropriated**

The fund balances at June 30, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	Fund Balance June 30, <u>2011</u>	Utilized In Subsequent <u>Year's Budget</u> *	Fund Balance June 30, <u>2010</u>	Utilized In Subsequent <u>Year's Budget</u>
Current Fund	\$ 1,593,131	\$ -	\$ 1,391,332	\$ 875,000
Swim Pool Utility Operating Fund Cash Surplus	14,353	-	14,353	-

\*Budget introduced on 9/12/2011.

BOROUGH OF RIDGEFIELD  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED JUNE 30, 2011 AND 2010

**7. Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At June 30, 2011 and 2010 the following deferred charges are reported on the balance sheets of various funds of the Borough:

		<u>Balance, June 30, 2011</u>		<u>Subsequent Year Budget Appropriation</u>	*
Current Fund:					
Overexpenditure of Appropriation	\$	3,048	\$	3,048	
Capital Fund:					
Canceled Grants		310,718		311,000	

\* Budget introduced on 9/12/2011

**8. Compensated Absences**

Under the existing policies and labor agreements of the Borough, employees are allowed to accumulate (with certain restrictions) unused vacation benefits and sick leave over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon retirement or death.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$675,933 and \$684,451 at June 30, 2011 and 2010, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

As of June 30, 2011 and 2010, the Borough has reserved \$133,541 and \$143,341, respectively to fund compensated absences in accordance with NJSA 40A: 4-39.

**9. Pension Plans**

*Description of Plans*

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 Firemen's Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey and 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. 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 Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the report can be access on the internet at [www.state.nj.us/treasury/pension](http://www.state.nj.us/treasury/pension).

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

**10. Pension Plans (Continued)**

***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 healthcare to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employer is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement healthcare coverage.

***Police and Firemen's Retirement System (PFRS)***

The Police and Firemen's Retirement System was established in July 1994 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.

***Defined Contribution Retirement Program (DCRP)***

The Defined Contribution Retirement Program was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership.

***Significant Legislation***

P.L. 2009, c. 19, effective March 17, 2009 provides an option for local employers to contribute 50 percent of the normal and accrued liability contribution amounts certified by the PERS and PFRS for payments due in State fiscal year 2009. This law also provides that a local employer may pay 100 percent of the required contribution. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries for PERS and PFRS will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the State fiscal year ending June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

P.L. 2008, c.89, effective November 1, 2008, increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; changed the early retirement provisions; increased the minimum annual compensation required for membership eligibility for new members on or after the effective date of this law.

BOROUGH OF RIDGEFIELD  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED JUNE 30, 2011 AND 2010

**10. Pension Plans (Continued)**

*Funding Policy*

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. As defined, the various retirement systems require employee contributions based on 5.5% for PERS, 8.5% for PFRS and 5.5% for DCRP of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in PERS and PFRS. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employee contribution.

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

Year Ended <u>June 30,</u>	<u>PFRS</u>	<u>PEFS</u>	<u>DCRP</u>
2011	\$820,895	\$325,311	\$1,857
2010	642,787	253,287	2,012
2009	621,050	244,722	295

**11. Deferred Compensation Plan**

Employees of the Borough may participate in a deferred compensation plan adopted under the provision of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Borough. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts are held in trust for the exclusive benefit of participants and their beneficiaries and is not a part of the financial statements of the Borough.

**12. Post-Retirement Benefits**

*Plan Description*

The Borough of Ridgefield contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

**12. Post-Retirement Benefits (Continued)**

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treaasury/pensions/gasb-43-sept2008.pdf](http://www.state.nj.us/treaasury/pensions/gasb-43-sept2008.pdf).

***Plan Coverage***

Any employee who retires after twenty-five (25) years or more of service within the Borough shall be entitled to be continued in the above health insurance coverage on a family-plan basis, with the cost thereof to be paid by the Borough. This does not include prescription drugs and dental benefits.

***Funding Policy***

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

The Borough's contributions to the State Health Benefits Program Fund for post-retirement benefits and reimbursements to eligible retired employees for Medicare Part B insurance coverage for the years ended June 30, 2011 and 2010 were \$617,433.58 and \$612,790, respectively, which equaled the required contribution for each year.

**13. Risk Management**

The Borough is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained commercial insurance coverage to guard against these events to minimize the exposure to the Borough should they occur.

The Borough of Ridgefield is a member of the Public Alliance Insurance Fund (PAICF). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The funds are risk-sharing public entity pools. The PAICF coverage amounts are on file with the Borough.

The relationship between the Borough and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to the insurance funds, to report claims on a timely basis, to cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which the municipality was a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the funds can be obtained by contacting the respective fund's treasurer.

BOROUGH OF RIDGEFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2011 AND 2010

**13. Risk Management (Continued)**

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlement in excess of insurance coverage in any of the prior three years.

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

Year Ended June 30,	Borough Contributions	Employee Contributions	Amount Reimbursed	Ending Balance (Deficit)
2011	\$ 53,048	\$ 11,853	\$ 67,658	\$ -
2010	58,080	11,448	61,747	2,757
2009	45,000	11,292	76,003	(5,024)

**14. Contingencies**

*Litigation*

The Borough is involved in certain legal proceedings, the resolution and impact on the financial statements of which, individually or in the aggregate, in the opinion of management as advised by legal counsel, would not be significant to the accompanying financial statements.

*Pending Tax Appeals*

Various tax appeal cases were pending in the New Jersey Tax Court at June 30, 2011 and 2010. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be material. As of June 30, 2011 and 2010, the Borough reserved \$177,537 and \$222,970, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

*Federal and State Awards*

The Borough participated in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of June 30, 2011 and 2010, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Borough.

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF CASH - COLLECTOR - TREASURER

A-4

	<u>Reference</u>		
Balance June 30, 2010	A		\$ 2,815,835
Increased by Receipts:			
Taxes Receivable	A-8	30,593,389	
Non-Budget Revenue	A-2	159,519	
Due from State of NJ -Senior and Veteran Deductions	A-6	80,750	
Grant Receivable	A-7	85,364	
Revenue Accounts Receivable	A-11	9,609,277	
Petty Cash	Contra	1,200	
Tax Overpayments	A-15	121,213	
Unappropriated Reserves for Grants	A-22	31,625	
Due to State of New Jersey - Fees Payable	A-16	11,433	
Due from Bergen County	A-17	56,729	
Receipts from General Capital Fund	C-5	155,000	
Receipts from Swim Pool Utility Operating Fund	D-6	111,991	
			41,017,490
			43,833,325
Decreased by Disbursements:			
SFY 2011 Budget Appropriations	A-3	18,413,810	
SFY 2010 Appropriation Reserves	A-12	725,599	
Accounts Payable	A-14	11,022	
County Taxes Payable	A-17	4,212,564	
Local School District Taxes Payable	A-18	16,906,430	
Tax Overpayments	A-15	137,835	
Miscellaneous Deposits and Reserves	A-20	95,000	
Appropriated Reserves for Grants	A-21	96,792	
Due to State of New Jersey - Fees Payable	A-16	11,904	
Petty Cash	Contra	1,200	
Payments to Other Trust Fund (Other Trust)	B-7	32,064	
Payments to Swim Pool Utility Operating Fund	D-6	87,000	
Payments to General Capital Fund	C-5	150,000	
Adjustment Interfunds		3	
			40,881,223
Balance June 30, 2011	A		\$ 2,952,102

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

A-5

**SCHEDULE OF CASH - CHANGE FUND**

	<u>Reference</u>	
Balance June 30, 2010	A	\$ <u>450</u>
Balance June 30, 2011	A	\$ <u><u>450</u></u>

**SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY  
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS - CH73 P.L. 1976**

A-6

	<u>Reference</u>	
Balance June 30, 2010	A	\$ 116,147
Increased by:		
Senior Citizens' Deductions Per Tax Billing		\$ 23,625
Veterans' Deductions Per Tax Billing		59,625
Senior Citizens' and Veterans' Allowed		<u>1,500</u>
		84,750
Less:		
Senior Citizens' and Veterans' Disallowed-2010 Taxes		
Senior Citizens' and Veterans' Disallowed		<u>0.00</u>
		<u>84,750</u>
		200,897
Decreased by:		
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4	<u>80,750</u>
Balance June 30, 2011	A	\$ <u><u>120,147</u></u>
<b>Calculation of Amount Realized</b>		
Senior Citizens		\$ 23,625
Veterans		59,625
Senior Citizens & Veterans Deductions Allowed		<u>1,500</u>
		84,750
Less: Current Year/Seniors & Veterans Disallowed		
		<u>0</u>
Realized as Tax Revenue	A-8	\$ <u><u>84,750</u></u>

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF GRANTS RECEIVABLE - FEDERAL AND STATE GRANT FUND

A-7

Grant	Balance June 30, 2010	Budget Revenue	Received	Balance June 30, 2011
NJ DEP National Trails Grant	20,000		20,000	-
NJ Meadowlands Grant - COAH	14,806		3,470	11,336
Bergen County Office of Drug and Alcohol Dependency (Municipal Alliance)				-
Other Expenses		20,712	10,356	10,356
NJ Div. of Criminal Justice - Body Armor Grant		1,788	1,788	-
Emergency Management Assistance		5,000	5,000	-
Business Stimulus Fund		7,000	7,000	-
Community Development Block Grant - ADA Borough Hall	100,000		34,000	66,000
NJ Drunk Driving Enforcement Fund		2,726	2,726	-
NJ Forestry Grant	3,750		3,750	-
NJ Recycling Tonnage Grant		17,964	17,964	-
US Department of Justice - Secure our Schools		98,000		98,000
Clean Communities Program		14,970	14,970	-
	<u>\$ 138,556</u>	<u>\$ 168,160</u>	<u>\$ 121,024</u>	<u>\$ 185,692</u>
Reference	A	A-2	Below	A
Applied from Unappropriated Receipts			A-22 \$ 35,660	
			A-4 <u>85,364</u>	
			Above <u>\$ 121,024</u>	

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-8

	Balance June 30, 2010	2010/2011 Fiscal Year Levy	Added in 2010/2011	Senior Citizens' and Veterans' Deduct. Disallowed	2009/2010	Collected In 2010/2011	Senior Citizens' and Veterans' Deduct. Allowed	Tax Overpayments Applied	Transfer to Lien	Added Canceled/ Judgments	Balance June 30, 2011
SFY 2010	\$ 569,888	\$ -	\$ -	\$ -	\$ -	\$ 530,870	\$ -	\$ -	\$ 9,653	\$ 29,365	\$ -
SFY 2011		<u>\$ 30,556,874</u>	<u>287,557</u>			<u>30,062,520</u>	<u>84,750</u>		<u>11,018</u>	<u>125,945</u>	<u>\$ 560,198</u>
	<u>\$ 569,888</u>	<u>\$ 30,556,874</u>	<u>\$ 287,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,593,390</u>	<u>\$ 84,750</u>	<u>\$ -</u>	<u>\$ 20,671</u>	<u>\$ 155,310</u>	<u>\$ 560,198</u>
	A	Below	Below			A-2,4	A-6		A-9		A

Cash Receipts	Above	\$ 30,062,520
State of NJ - Realized Seniors and Veterans Deductions	A-6	<u>84,750</u>
Revenue From Collections	A-2	<u>\$ 30,147,270</u>

Analysis of 2010/2011 Property Tax Levy

Tax yield:

General Property Tax	Above	\$30,556,874
Added Tax (R.S. 54:4-63.1 et seq.)	Above	<u>287,557</u>

\$ 30,844,431

Tax Levy

Local District School Tax	A-18	\$ 16,906,430
County Tax	A-17	4,145,840
County Open Tax	A-17	26,486.00
Due County for Added and Omitted (54:4-63.1)	A-17	<u>40,238</u>
		4,212,564

Local Tax for Municipal Purposes	9,749,043
Additional Taxes Levied	<u>(23,606)</u>

9,725,437

\$ 30,844,431

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF TAX TITLE LIENS**

A-9

	<u>Reference</u>	
Balance June 30, 2010	A	\$17,934
Increased by:		
Added Tax Title Liens		21,702
Transfer from Taxes Receivable	A-8	<u>20,671</u>
		<u>42,373</u>
Balance June 30, 2011	A	<u><u>\$60,307</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)**

A-10

	<u>Reference</u>	
Balance June 30, 2010	A	<u>\$81,180</u>
Balance June 30, 2011	A	<u><u>\$81,180</u></u>

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

A-11

Revenue Accounts Receivable:	Balance June 30, <u>2010</u>	Accrued <u>2011</u>	Collected <u>2011</u>	Balance June 30, <u>2011</u>
Borough Clerk				
Licenses				
Alcoholic Beverages		35,446	35,446	
Licenses		400	400	
Fees and Permits		489	489	
Construction Code Official				
Fees and Permits		239,824	239,824	
Board of Health				
Licenses		40,832	40,832	
Fees and Permits		28,635	28,635	
Department of Public Works				
Fees and Permits		1,000	1,000	
Fire Prevention				
Fees and Permits		45,648	45,648	
Police Department				
Fees and Permits		9,172	9,172	
Tax Collector				
Fees and Permits		361	361	
Recreation				
Fees and Permits		75,545	75,545	
Planning Boards				
Fees and Permits		4,760	4,760	
Zoning Board of Adjustment				
Fees and Permits		1,775	1,775	
Municipal Court				
Fines and Costs	37,181	401,814	407,893	31,102
Interest and Costs on Taxes		124,352	124,352	
Interest on Deposits and Investments		6,839	6,839	
Hackensack Meadowlands Adjustment to Tax Sharing		43,633	43,633	
Hackensack Meadowlands Adjustment to Tax Sharing		1,198,212	1,198,212	
Energy Receipts Tax		5,242,420	5,242,420	
Supplemental Energy Receipts Tax		255,930	255,930	
Uniform Fire Safety		33,925	33,925	
Rental of Borough Property - Shaler Lease		250,000	250,000	
Rental of Borough Property - Shaler Lease - Debt Service Reimbursement		358,900	358,900	
Sewer Charges		133,495	133,495	
Sewer Charges - Additional - Tier II User Charge		338,178	338,178	
Cable TV Franchise Fees		87,501	87,501	
Municipal Court Inspection Fees		18,053	18,053	
SHPB Employee Contributions		10,363	10,363	
Kathleen Court Settlement Agreement		44,775	44,775	
Hudson Transmission Partner's Agreement- Interim Fees		102,000	102,000	
Hudson Transmission Partner's Agreement- Initial Fee				
Capital Improvement Fund		75,000	75,000	
Deferred Charges Unfunded- Ord # 2116		400,000	400,000	
	\$ 37,181	\$ 9,609,277	\$ 9,615,356	\$ 31,102

Reference

A

A-2,4

A

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF EXPENDITURES FOR 2010 RESERVES

A-12

	Balance June 30, 2010	Transfers	Encumbrances	Modified by Transfers	Paid or Charged	Lapsed	Reserved/ Overexpenditures
<b>SALARIES AND WAGES WITHIN "CAPS":</b>							
General Administration	\$ 83			\$ 83	\$ -	\$ 83	\$ -
Mayor and Council	2,250			2,250	-	2,250	
Municipal Clerk	571			571	-	571	
Financial Administration	18			18	-	18	
Collection of Taxes	13			13	-	13	
Assessment of Taxes	450			450	-	450	
Legal Services and Costs	1,400			1,400		1,400	
Fire Prevention Bureau	83			83		83	
Police	47	83,650		83,697	63,529	20,168	
Police Dispatching / 911	1,100			1,100		1,100	
Community Service Center	1,654			1,654		1,654	
Emergency Management	29			29		29	
Municipal Prosecutor	500			500		500	
Municipal Court	1,207			1,207		1,207	
Road Repairs and Maintenance	1,597			1,597		1,597	
Recycling Program	312			312		312	
Board of Health	719			719		719	
Recreation Commission and Education	4,466			4,466		4,466	
Property Maintenance	1,719			1,719		1,719	
Construction Code Officials	214			214		214	
<b>TOTAL SALARIES AND WAGES WITHIN "CAPS"</b>	<b>18,432</b>	<b>83,650</b>	<b>-</b>	<b>102,082</b>	<b>63,529</b>	<b>38,553</b>	<b>-</b>
<b>OTHER EXPENSES WITHIN "CAPS":</b>							
General Administration	344			344	238	106	
Rent Leveling	1,007			1,007		1,007	
Mayor and Council	8,281			8,281		8,281	
Municipal Clerk	9,468		8,795	18,263	13,653	4,610	
Financial Administration - Other	12,321		14,053	26,374	16,653	9,721	
Financial Administration - Audit	500		37,500	38,000	37,500	500	
Collection of Taxes	2,001		87	2,088	87	2,001	
Assessment of Taxes - Other	983			983		983	
Assessment of Taxes - Professional Services	5,970			5,970	5,970	-	
Legal Services and Costs - Other	22,686		26,316	49,002	42,937	6,065	
Legal Services and Costs - Investigation	4,032			4,032		4,032	
Engineering Services and Costs	12,053		19,950	32,003	20,250	11,753	
Planning Board - Other	1,795		2,326	4,121	2,411	1,710	
Planning Board - Professional Services	6,574			6,574	1,370	5,204	
Board of Adjustment	6,202		10	6,212	4,899	1,313	
Liability Insurance	6,644			6,644		6,644	
Employees Group Health Insurance	123,494	(83,650)	1,157	41,001	40,127	874	
Police	17,566		8,405	25,971	18,584	7,387	
Purchase of Police Vehicle	454			454		454	
First Aid Organization- Clothing Allowance	1	10,000	26,330	36,331	36,250	81	
First Aid Organization- Other	4,518		3,999	8,517	5,803	2,714	
Community Service Officers	6,367		278	6,645	73	6,572	
Emergency Management Services	147		3,606	3,753	3,606	147	
Fire - Clothing Allowance	981	(10,000)	51,000	41,981	41,249	732	
Fire - Hydrant Service	4,666	(4,666)		-		-	
Fire - Other	4,878		25,782	30,660	28,491	2,169	
Fire Prevention Bureau	990		807	1,797	1,333	464	
Municipal Court	9,978		2,724	12,702	2,724	9,978	
Municipal Prosecutor	200			200		200	
Public Defender	-		400	400	400	-	
Road Repairs and Maintenance	7,963		6,520	14,483	14,222	261	
Maintenance of Borough Vehicles - Streets and Roads	5,296		3,807	9,103	6,419	2,684	
Maintenance of Borough Vehicles - Fire	2,963		6,259	9,222	9,190	32	
Maintenance of Borough Vehicles - Police	9,473		3,714	13,187	6,602	6,585	
Maintenance of Borough Vehicles - Ambulance	145		1,500	1,645	1,589	56	
Maintenance of Borough Vehicles - Garbage	4,507		388	4,895	1,337	3,558	
Maintenance of Borough Vehicles - Building	1,000			1,000		1,000	
Maintenance of Borough Vehicles - Health	500			500		500	
Sanitary Landfill Disposal Costs - Contractual	36,916		35,000	71,916	57,751	14,165	
Public Buildings and Grounds	8,830		35,361	44,191	39,532	4,659	
Garbage & Trash Removal - Dumping Fees	6,843		6,022	12,865	7,313	5,552	
Board of Health	38		25,371	25,409	23,971	1,438	
Animal Control	529		2,333	2,862	2,333	529	
Environment Commission- Other	21		1,615	1,636	1,615	21	

(Continued Next Page)

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF EXPENDITURES FOR 2010 RESERVES

A-12

	Balance Dec. 31, 2009	Transfers	Encumbrances	Modified by Transfers	Paid or Charged	Lapsed	Reserved / Overexpenditures
<b>OTHER EXPENSES WITHIN "CAPS": (continued)</b>							
Administration of Public Assistance	51			51		51	
Youth Commission	50			50		50	
Celebration of Public Events	72		1,137	1,209	1,000	209	
Recreation Commission	9,567		11,799	21,366	15,867	5,499	
Construction Code Official	11,389		2,055	13,444	2,514	10,930	
Property Maintenance	447			447		447	
Gasoline	32,206		14,000	46,206	12,296	33,910	
Electric and Gas	33,743		21,000	54,743	23,197	31,546	
Telephone	6,162		3,430	9,592	2,839	6,753	
Street Lighting	11,740	(6,334)	14,000	19,406	12,721	6,685	
Water	18	11,000	1,800	12,818	12,322	496	
Contingent	5,000			5,000	5,000	-	
<b>TOTAL OTHER EXPENSES WITHIN "CAPS"</b>	<b>470,570</b>	<b>(83,650)</b>	<b>430,636</b>	<b>817,556</b>	<b>584,238</b>	<b>233,318</b>	<b>-</b>
Social Security System (O.A.S.I.)	\$ 6,875			\$ 6,875	\$ -	\$ 6,875	\$ -
Pension of Widow Volunteer Firemen	1,496			1,496		1,496	
Volunteer Fireman's Pension	2,750.00			2,750.00		2,750.00	
Volunteer Fireman's Over Age Burial Fund	5,000.00			5,000.00	0.00	5,000.00	
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN "CAPS"</b>	<b>16,121</b>	<b>0</b>	<b>0</b>	<b>16,121</b>	<b>0</b>	<b>16,121</b>	<b>0</b>
<b>TOTAL RESERVES WITHIN "CAPS"</b>	<b>505,123</b>	<b>0</b>	<b>430,636</b>	<b>935,759</b>	<b>647,767</b>	<b>287,992</b>	<b>0</b>
<b>OTHER EXPENSES EXCLUDED FROM "CAPS":</b>							
Recycling Tax	14,575			14,575	2,208	12,367	
Group Insurance Plans	73,920			73,920		73,920	
Police and Firemen's Retirement System	28			28		28	
Public Employees' Retirement System	5			5		5	
Emergency Assistance Program	0		3,790	3,790	3,790		
NJ DEP National Trails Grant	3,146		5,369	8,515	8,515		
Federal Body Armor	0		2,849	2,849	2,849		
Clean Communities Program	1,982		762	2,744	2,744		
NJ Meadowlands Grant - COAH	11,876			11,876	11,876		
Municipal Alliance							
Other Expenses	147			147	147		
Matching Funds	1,529			1,529	1,529		
Recycling Tonnage Grant	10,733			10,733	10,733		
Acquisition of Four Wheel Drive Police Vehicle	664			664		664	
ADA Improvements to Municipal Building	94,305			94,305	94,305	0	
<b>TOTAL OTHER EXPENSES EXCLUDED FROM "CAPS"</b>	<b>212,910</b>	<b>-</b>	<b>12,770</b>	<b>225,680</b>	<b>138,696</b>	<b>86,984</b>	<b>-</b>
<b>TOTAL RESERVES EXCLUDED FROM "CAPS"</b>	<b>212,910</b>	<b>-</b>	<b>12,770</b>	<b>225,680</b>	<b>138,696</b>	<b>86,984</b>	<b>-</b>
<b>TOTAL RESERVES</b>	<b>\$ 718,033</b>	<b>\$ -</b>	<b>\$ 443,406</b>	<b>\$ 1,161,439</b>	<b>\$ 786,463</b>	<b>\$ 374,976</b>	<b>\$ -</b>
	A, Below		Below	Below	Below	A-1	

Ref.

Appropriation Reserve	Above	\$718,033
Prior Year Encumbrances	A-13	443,406
	Above	<u>\$1,161,439</u>
Charged to Grant Reserves	A-21	\$60,864
Cash Disbursed	A-4	725,599
	Above	<u>\$ 786,463</u>

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF ENCUMBRANCES PAYABLE

A-13

	<u>Reference</u>	
Balance June 30, 2010	A	\$ 443,406
Increased by:		
Transfer from Current Appropriations	A-3	526,073
		969,479
Decreased by:		
Transfer to Appropriations Reserves	A-12	443,406
Balance June 30, 2011	A	\$ 526,073

SCHEDULE OF ACCOUNTS PAYABLE

A-14

	<u>Reference</u>	
Balance June 30, 2010	A	\$ 25,935
Decreased by:		
Disbursements	A-4	11,022
Balance June 30, 2011	A	\$ 14,913

SCHEDULE OF TAX OVERPAYMENTS

A-15

	<u>Reference</u>	
Balance June 30, 2010	A	\$ 51,184
Increased by:		
Judgments	A-19	45,433
Cash Receipts	A-4	121,213
		166,646
		217,830
Decreased by:		
Canceled	A-1	17,279
Cash Disbursements	A-4	137,835
		155,114
Balance June 30, 2011	A	\$ 62,716

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - FEES PAYABLE**

A-16

	Balance June 30, <u>2010</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2011</u>
Marriage License Fees	435	1,735	1,775	395
Burial Fees	275	25	30	270
State Training Fees	2,884	9,673	10,129	2,428
	<u>\$ 3,594</u>	<u>\$ 11,433</u>	<u>\$ 11,934</u>	<u>\$ 3,093</u>
	A	A-4	Below	A
Cash Disbursements		A-4	11,904	
Due From Trust Fund		B-7	30	
		Above	<u>\$ 11,934</u>	

**SCHEDULE OF COUNTY TAXES PAYABLE**

A-17

	<u>Reference</u>	
Balance June 30, 2010 (Due From County)	A	\$ (56,729)
Increased by:		
County Tax Refund	A-4	56,729
Levy Including Open Space Tax	A-1, 8	4,172,326
Added and Omitted Taxes	A-1, 8	<u>40,238</u>
		<u>4,269,293</u>
Decreased by:		<u>4,212,564</u>
Payments	A-4	<u>4,212,564</u>
Balance June 30, 2011	A	<u>\$ -</u>

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAX**

A-18

	<u>Reference</u>	
Balance June 30, 2010	A	\$ -
Increased by:		
2011 Levy	A-1, 8	<u>16,906,430</u>
		<u>16,906,430</u>
Decreased by:		
Payments	A-4	<u>16,906,430</u>
Balance June 30, 2011	A	<u>\$ -</u>

**SCHEDULE OF RESERVE FOR TAX APPEALS**

A-19

	<u>Reference</u>	
Balance June 30, 2010	A	\$ 222,970
Decreased by:		
Payments- Overpayments	A-15	<u>45,433</u>
Balance June 30, 2011	A	<u>\$ 177,537</u>

BOROUGH OF RIDGEFIELD  
 CURRENT FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF MISCELLANEOUS DEPOSITS AND RESERVES**

A-20

	Balance June 30, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance June 30, <u>2011</u>
Hudson Transmission Ptrs-Initial Fee	\$ 95,000		\$ 95,000	\$ -
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	95,000	0	95,000	0
	<hr style="border-top: 1px solid black;"/> A	<hr style="border-top: 1px solid black;"/> 	<hr style="border-top: 1px solid black;"/> A-4	<hr style="border-top: 1px solid black;"/> A

BOROUGH OF RIDGEFIELD  
CURRENT FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF APPROPRIATED RESERVES FOR GRANTS - FEDERAL AND STATE GRANT FUND

A-21

Grant	Balance June 30, 2010	Transfer from Appropriation Reserves	Budget Revenue	Expended	Balance June 30, 2011
Clean Communities Program	\$ 38	\$ 1,211	\$ 14,970	\$ 14,963	\$ 1,256
NJ Meadowlands Grant - COAH		9,911			9,911
Bergen County Office of Drug and Alcohol Dependency (Municipal Alliance)					-
Other Expenses	10,242	147	20,712	23,931	7,170
Matching Funds	2,264	1,529	5,178	8,971	-
NJ Div. of Criminal Justice - Body Armor Grant			1,788	1,788	-
Emergency Management Assistance	20,205		5,000	25,115	90
Business Stimulus Fund			7,000	7,000	-
Community Development Block Grant - ADA Borough Hall		48,066			48,066
NJ Drunk Driving Enforcement Fund			2,726	2,726	-
NJ Alcohol Education and Rehab. Fund	6,150				6,150
NJ Stormwater Grant	1,446			1,446	-
NJ Recycling Tonnage Grant	5,230		17,964	10,852	12,342
US Department of Justice - Secure our Schools			98,000		98,000
	<u>\$ 45,575</u>	<u>\$ 60,864</u>	<u>\$ 173,338</u>	<u>\$ 96,792</u>	<u>\$ 182,985</u>
	A	A-12	A-3	A-4	A

SCHEDULE OF UNAPPROPRIATED RESERVES FOR GRANTS

A-22

Grant	Balance June 30, 2010	Transfer to 2011 Budget	Received	Reallocate	Balance June 30, 2011
NJ Div. of Criminal Justice - Body Armor Grant	\$ 1,139		\$ 2,629		\$ 3,768
Emergency Management Assistance	5,000.00				5,000.00
NJ Drunk Driving Enforcement Fund	2,726.00	2,726.00	2,064.00		2,064.00
Recycling Tonnage Grant	17,964.00	17,964.00	12,480.00		12,480.00
Clean Communities Program	14,970.00	14,970.00	14,075.00		14,075.00
NJ Alcohol Education and Rehab. Fund			377.00		377.00
	<u>\$ 41,799</u>	<u>\$ 35,660</u>	<u>\$ 31,625</u>	<u>\$ -</u>	<u>\$ 37,764</u>
	A	A-7	A-4		A

BOROUGH OF RIDGEFIELD  
TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF CASH - COLLECTOR - TREASURER**

**B-1**

	<u>Reference</u>	<u>Animal Control Fund</u>	<u>Other Trust</u>	<u>Unemployment</u>
Balance June 30, 2010	B	\$ 5,562	\$ 1,888,287	\$ 5,599
Increased by Receipts:				
Borough's Share of Dog Licenses	B-2	5,616		
Prepaid Dog Licenses	B-4	2,635		
Budget Appropriation	B-11			50,000
Employee Contributions	B-11			11,853
State Dog License	B-3	1,244		
Receipts from Current Fund	B-7		32,064	
Escrow Deposits	B-8		89,991	
Interest on Deposits	B-6, B-7, B-13	5	344	4
Miscellaneous Reserves	B-9		671,529	
Payroll and Payroll Deduction Payable	B-10		10,526,730	
		9,500	11,320,658	61,857
		15,062	13,208,945	67,456
Decreased by Disbursements:				
Payment to State of New Jersey- State Dog License Fees	B-3	1,135		
Unemployment Claims	B-12			48,027
Expenditures Under RS 4:19-15.11	B-2	5,915		
Payments to Current Fund	B-7, B-13	5	335	4
Payments to Current Fund -Payroll	B-6		6	
Escrow Deposits	B-8		69,376	
Miscellaneous Reserves	B-9		575,259	
Payroll and Payroll Deductions Payable	B-10		10,525,557	
		7,055	11,170,533	48,031
Balance June 30, 2011	B	\$ 8,007	\$ 2,038,412	\$ 19,425

BOROUGH OF RIDGEFIELD  
TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES  
ANIMAL CONTROL FUND**

B-2

	<u>Reference</u>	
Balance June 30, 2010	B	\$ 2,818
Increased by:		
Dog License Fees Collected	B-1	5,616
Prepaid Licenses Applied	B-4	1,716
		10,150
Decreased by:		
Cash Disbursements for Expenditures Under R.S. 4:19-15.11	B-1	5,915
Balance June 30, 2011	B	\$ 4,235

**SCHEDULE OF DUE TO STATE OF NEW JERSEY- DOG LICENSE FEES  
ANIMAL CONTROL FUND**

B-3

	<u>Reference</u>	
Balance June 30, 2010	B	\$ 268
Increased by:		
State Fees Collected	B-1	1,244
		1,512
Decreased by:		
Payments to State	B-1	1,135
Balance June 30, 2011	B	\$ 377

**SCHEDULE OF PREPAID LICENSES  
ANIMAL CONTROL FUND**

B-4

	<u>Reference</u>	
Balance June 30, 2010	B	\$ 2,476
Increased by:		
Prepaid Fees Collected	B-1	2,635
		5,111
Decreased by:		
Prepaid Licenses Applied	B-2	1,716
Balance June 30, 2011	B	\$ 3,395

BOROUGH OF RIDGEFIELD  
TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF DUE TO CRIMINAL DISPOSITION & REVIEW  
OTHER TRUST FUND**

B-5

	<u>Reference</u>	
Balance June 30, 2010	B	\$ -
Increased by:		
Due to Criminal Disposition & Review	B-9	4,442
		4,442
Balance June 30, 2011	B	\$ 4,442
		4,442

**SCHEDULE OF DUE TO CURRENT FUND- PAYROLL  
OTHER TRUST FUND**

B-6

	<u>Reference</u>	
Balance June 30, 2010	B	\$ 3
Increased by:		
Interest on Deposit	B-1	31
		31
		34
Decreased by:		
Cash Disbursed to Current Fund	B-1	6
		6
Balance June 30, 2011	B	\$ 28
		28

**SCHEDULE OF DUE FROM CURRENT FUND- OTHER TRUST  
OTHER TRUST FUND**

B-7

	<u>Reference</u>	
Balance June 30, 2010	B	\$ 32,064
Increased by:		
Payments to Current Fund	B-1	305
Due to Current Burial Permit Fee Payment	B-1	30
		335
		32,399
Decreased by:		
Interest on Deposits and Investments	B-1	313
Received from Current Fund	B-1	32,064
		32,377
Balance June 30, 2011	B	\$ 22
		22

BOROUGH OF RIDGEFIELD  
TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF SPECIAL ESCROW DEPOSITS**

B-8

	<u>Reference</u>	
Balance June 30, 2010	B	\$ 119,362
Increased by:		
Escrow Deposits	B-1	89,991
		<u>209,353</u>
Decreased by:		
Disbursements	B-1	69,376
		<u>69,376</u>
Balance June 30, 2011	B	<u>\$ 139,977</u>

**SCHEDULE OF OTHER TRUST FUNDS**

B-9

	<u>Balance</u> <u>June 30, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
POAA Fees	\$ 6,708	\$ 1,644	\$ 5,306	\$ 3,046
Fire Prevention Penalty Fees	9,013	20,790	12,480	17,323
Landlord Security and Maintenance	60,067	357		60,424
Tax Sale Premiums	147,700	152,500	56,500	243,700
Recycling Program	165,950	54,623	41,875	178,698
Community Gardens	1,858	480	1,082	1,256
Shade Tree Commission	4,976		3,063	1,913
Recreation Fees	42,942	30,498	39,906	33,534
Public Defender Fees	13,456	2,886	9,342	7,000
Library Donation	2,250			2,250
COAH	904,286	12,402	20,041	896,647
Affordable Housing	153,007	64		153,071
Board of Health- Food Handlers Course	5,110		5,110	-
Police Outside Duty Pay	41,111	362,213	363,907	39,417
Accumulated Unused Sick Leave	143,341		9,800	133,541
Rent Leveling Board				-
Snow Removal	59,705		4,950	54,755
Youth Commission	1,739	26,032	6,339	21,432
Miscellaneous Deposits	10,080	7,040		17,120
	<u>\$ 1,773,299</u>	<u>\$ 671,529</u>	<u>\$ 579,701</u>	<u>\$ 1,865,127</u>
Reference	B	B-1	Below	B

Cash Disbursements	B-1	575,259
Due to Criminal Disposition & Review	B-5	4,442
	Above	<u>\$ 579,701</u>

BOROUGH OF RIDGEFIELD  
TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF PAYROLL AND PAYROLL DEDUCTIONS PAYABLE**

**OTHER TRUST FUND**

**B-10**

	Reference	
Balance June 30, 2010	B	\$ 27,687
Increased by:		
Cash Receipts	B-1	10,526,730
		<u>10,554,417</u>
Decreased by:		
Disbursements	B-1	10,525,557
		<u>10,525,557</u>
Balance June 30, 2011	B	<u>\$ 28,860</u>

**SCHEDULE OF RESERVE FOR UNEMPLOYMENT INSURANCE BENEFITS  
UNEMPLOYMENT INSURANCE TRUST FUND**

**B-11**

	Reference	
Balance June 30, 2010	B	\$ 2,757
Increased by:		
Budget Appropriation- Due from Current Fund	B-13	3,048
Employee Contributions	B-1	11,853
Budget Appropriation	B-1	50,000
		<u>64,901</u>
		67,658
Decreased by:		
Unemployment -Due to State of NJ		22,473
Claims Due to the State of New Jersey		45,185
	B-12	<u>67,658</u>
Balance June 30, 2011	B	<u>\$ -</u>

**SCHEDULE OF DUE TO STATE OF NEW JERSEY  
UNEMPLOYMENT INSURANCE TRUST FUND**

**B-12**

	Reference	
Balance June 30, 2010	B	\$ 2,842
Increased by:		
Unemployment Claims	B-11	67,658
		<u>70,500</u>
Decreased by:		
Payments to State	B-1	48,027
		<u>48,027</u>
Balance June 30, 2011	B	<u>\$ 22,473</u>

BOROUGH OF RIDGEFIELD  
TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF DUE FROM CURRENT FUND  
UNEMPLOYMENT INSURANCE TRUST FUND**

**B-13**

	Reference		
Balance June 30, 2010	B		\$ -
Increased by:			
Interest Income	B-1	\$ 4	
Due from Current Fund Budget	B-11	<u>3048</u>	<u>3,052</u>
			3,052
Decreased by:			
Transfer to Current Fund	B-1		<u>4</u>
Balance June 30, 2011	B		<u><u>\$ 3,048</u></u>

BOROUGH OF RIDGEFIELD  
 CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF CASH - TREASURER

C-2

	<u>Reference</u>		
Balance June 30, 2010	C		\$ 142,272
Increased by Receipts:			
Budget Appropriations			
Cancelled Grants	C-6	155,500	
Deferred Charges	C-16	400,000	
Capital Improvement Fund	C-11	75,000	
Bond Anticipation Notes	C-15	900,000	
Grants Receivable	C-4	45,500	
Reserve for Pmt of Debt	C-12	29,500	
Interest on Investments and Deposits	C-5	199	
Received from Current Fund	C-5	<u>150,000</u>	
	C-3		<u>1,755,699</u>
			1,897,971
Decreased by Disbursements:			
Improvement Authorizations	C-9	519,153	
Contracts Payable	C-10	781,278	
Transfer to Current Fund	C-5	155,000	
Transfer of Interest to Current Fund	C-5	201	
	C-3		<u>1,455,632</u>
Balance June 30, 2011	C		<u>\$ 442,339</u>

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

C-3

	<u>Balance</u> <u>June 30, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2011</u>
Grants Receivable	\$ (74,117)	\$ 45,500		\$ (245,500)	\$ (274,117)
Deferred Charges - Cancelled Grants	(466,218)	155,500			(310,718)
Contracts Payable	781,717	.	781,278	44,076	44,515
Due to Current Fund	6	150,199	155,201		(4,996)
Capital Improvement Fund	29,775	75,000		(97,500)	7,275
Reserve for Payment of Debt	5,648	29,500			35,148
Reserve for Capital Projects	6,650				6,650
Fund Balance	135,307				135,307
 Improvement Authorizations:					
Ordinance					
Number					
1842 Construction of New Library	1,021				1,021
1888 Addition to Shaler Academy	70,117				70,117
1899 Stormwater Pollution Prevention Plan	19				19
1918 Improvements to Veterans Field	2,040				2,040
1924 Resurfacing of Prospect Avenue	435				435
1917/1927 Various Improvements	97,735			(12,689)	85,046
1928 Various Road Improvements	6,715				6,715
1930 Construction of New Library	189				189
1931 Wolf Creek Flood Study	1,805				1,805
1932 NJDEP Stormwater Management	14,315				14,315
1944/2059 Improvements to Ridgefield Library	175,683		15,174	(911)	159,598
1952 Various Road Improvements	(43,697)	30,000	1,905	(5,689)	(21,291)
2005 Various Capital Improvements	154,210			439	154,649
2062 Art Lane Improvements	27,387				27,387
2065/2069 Construction of a Salt Barn	287				287
2108 Synthetic Turf Athletic Willis Field	(145,037)	500,000	162,709	23,000	215,254
2116 Acquisition of Pumper Ladder	(732,696)	770,000	16,290	(4,000)	17,014
2117/2154 Various Public Improvements	92,976		134,810	64,836	23,002
2136 Basketball Courts			38,942	38,942	-
2153 Various Improvements			149,323	194,996	45,673
	<u>\$ 142,272</u>	<u>\$ 1,755,699</u>	<u>\$ 1,455,632</u>	<u>\$ -</u>	<u>\$ 442,339</u>
	C	C-2	C-2	C, C-2	C, C-2

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

<u>Ordinance</u>	<u>Purpose</u>	<u>Balance June 30, 2010</u>	<u>2010 Awards/Canceled</u>	<u>Grant Receipts</u>	<u>C-4 Balance June 30, 2011</u>
1931	NJ Meadowlands Commission	\$ 1,805			\$ 1,805
1932	NJ Meadowlands Commission	14,812			14,812
1919	NJ Smart Growth	20,000			20,000
2062	NJ Department of Transportation	37,500			37,500
2108	Bergen County Open Space		23,000	23,000	-
2136	Bergen County Open Space		22,500	22,500	-
2153	Community Development Block Grant		200,000		200,000
					-
		<u>\$ 74,117</u>	<u>\$ 245,500</u>	<u>\$ 45,500</u>	<u>\$ 274,117</u>
Reference		C	C-16	C-2	C

BOROUGH OF RIDGEFIELD  
 CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

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

C-5

	<u>Reference</u>		
Balance June 30, 2010	C		\$ (6)
Increased by:			
Transfer of Interest	C-2	201	
Due To Current Fund	C-2	<u>155,000</u>	<u>155,201</u>
Decreased by:			
Due to Current Fund	C-2	150,000	155,195
Interest Earned on Investments	C-2	<u>199</u>	<u>150,199</u>
Balance June 30, 2011	C		<u>\$ 4,996</u>

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

C-9

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Balance June 30, 2010		2011 Authorizations	Paid or Charged	Balance June 30, 2011	
		Funded	Unfunded			Funded	Unfunded
<i>General Improvements</i>							
1842	Construction of New Library	1,021				1,021	
1888	Addition to Shaler Academy	70,117				70,117	
1899	Stormwater Pollution Prevention Plan	19				19	
1918	Improvements to Veterans Field	2,040				2,040	
1924	Resurfacing of Prospect Avenue	435				435	
1917/1927	Various Improvements	97,735			12,689	85,046	
1928	Various Road Improvements	6,715				6,715	
1930	Construction of New Library	189				189	
1931	Wolf Creek Flood Study	1,805				1,805	
1932	NJDEP Stormwater Management	14,315				14,315	
1944/2059	Improvements to Ridgfield Library	175,683			16,085	159,598	
1952	Various Road Improvements		51,303		7,594		43,709
2005/2012	Various Public Improvements	154,210			(439)	154,649	
2062	Art Lane Improvements	27,387				27,387	
2065/2069	Construction of a Salt Barn	287				287	
2108	Synthetic Turf Athletic Field, Willis Field		377,963		162,709		215,254
2116	Acquisition of Pumper Ladder		37,304		20,290		17,014
2117/2154	Various Public Improvements	92,976		75,000	144,974	23,002	
2153	Various Improvements			200,000	154,327	45,673	
2136	Basketball Courts			45,000	45,000		
		<u>\$ 644,934</u>	<u>\$ 466,570</u>	<u>\$ 320,000</u>	<u>\$ 563,229</u>	<u>\$ 592,298</u>	<u>\$ 275,977</u>
		C	C	C-16	Below	C	C,C-8
		<u>Ref.</u>					
Contracts Payable		C-10		\$ 44,515			
Canceled Encumbrance Payable		C-10		(439)			
Disbursed		C-2		519,153			
		Above		<u>\$ 563,229</u>			

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF CONTRACTS PAYABLE**

C-10

	<u>Reference</u>	
Balance June 30, 2010	C	\$ 781,717
Increased by:		
Charges to Improvement Authorizations	C-9	44,515
		826,232.00
Decreased by:		
Cash Disbursed	C-2	781,278
Contracts/ Encumbrances Canceled	C-9	439
		781,717
Balance June 30, 2011	C	\$ 44,515

**SCHEDULE OF CAPITAL IMPROVEMENT FUND**

C-11

	<u>Reference</u>	
Balance June 30, 2010	C	\$ 29,775
Increased by:		
Transfer from Current Fund Budget	C-2	75,000
		104,775
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-16	97,500
Balance June 30, 2011	C	\$ 7,275

BOROUGH OF RIDGEFIELD  
 CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF MISCELLANEOUS RESERVES**

C-12

	<u>Reference</u>	
Balance June 30, 2010	C	\$ 12,298
Increased by:		
Grants Received- County Open Space- Turf Field Ord# 2108	C-2,4	29,500
Balance June 30, 2011	Below	\$ 41,798
Analysis of Above:		
Reserve for Payment of Debt	C	\$35,148
Reserve for Capital Projects	C	6,650
	Above	\$ 41,798

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN

C-13

Purpose	Date of Issue	Original Issue	Semi-Annual Maturities		Interest Rate	Balance June 30, 2010	Decreased	Balance June 30, 2011
			Date	Amount				
NJ Environmental Infrastructure Trust Loan	11/09/2000	\$ 990,000.00	8/1/2011	45,622	0%-5.25%	\$ 609,668	\$ 50,998	\$ 558,670
			2/1/2012	4,594				
			8/1/2012	45,232				
			2/1/2013	4,203				
			8/1/2013	44,841				
			2/1/2014	3,812				
			8/1/2014	52,577				
			2/1/2015	3,343				
			8/1/2015	52,108				
			2/1/2016	2,862				
			8/1/2016	51,627				
			2/1/2017	2,381				
			8/1/2017	59,274				
			2/1/2018	1,806				
			8/1/2018	58,699				
			2/1/2019	1,231				
			8/1/2019	58,125				
2/1/2020	657							
8/1/2020	65,676							
						<u>\$ 609,668</u>	<u>\$ 50,998</u>	<u>\$ 558,670</u>
						C	C-7	C
							<u>\$ 50,998</u>	
						Paid by Budget Appropriation		

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF GENERAL SERIAL BONDS

C-14

Purpose	Date of Issue	Original Issue	Maturates of Bonds Outstanding June 30, 2011		Interest Rate	Balance June 30, 2010	Decreased	Balance June 30, 2011
			Date	Amount				
General Bonds of 2002	08/01/2002	\$ 6,200,000	08/01/11	\$ 495,000	4.125%	\$ 4,235,000	\$ 470,000	\$ 3,765,000
			08/01/12	505,000	4.125%			
			08/01/13	520,000	4.125%			
			08/01/14	535,000	4.125%			
			08/01/15	550,000	4.125%			
			08/01/16	570,000	4.125%			
			08/01/17	590,000	4.25%			
General Obligation Bonds of 2006	10/15/2006	6,656,000	10/15/10	195,000	4.00%	4,440,000	185,000	4,255,000
			10/15/11	205,000	4.00%			
			10/15/12	215,000	4.00%			
			10/15/13	225,000	4.00%			
			10/15/14	235,000	4.00%			
			10/15/15	245,000	4.00%			
			10/15/16	255,000	4.00%			
			10/15/17	265,000	4.00%			
			10/15/18	275,000	4.00%			
			10/15/19	280,000	4.00%			
			10/15/20	290,000	4.00%			
			10/15/21	300,000	4.00%			
			10/15/22	310,000	4.00%			
			10/15/2024-26	320,000	4.00%			
General Improvement Bonds 2008	10/15/2008	6,656,000	4/15/12-13	100,000	4.125%	6,556,000	100,000	6,456,000
			4/15/14	300,000	4.125%			
			4/15/15	300,000	4.250%			
			4/15/2016-17	300,000	4.375%			
			4/15/2018	300,000	4.500%			
			4/15/2019	650,000	4.625%			
			4/15/2020-23	675,000	4.625%			
			4/15/2024	700,000	4.625%			
			4/15/2025	706,000	4.625%			
						<u>\$ 15,231,000</u>	<u>\$ 755,000</u>	<u>\$ 14,476,000</u>
						C	C-7	C
Paid by Budget Appropriation						A-3	<u>\$ 755,000</u>	

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

C-15

SCHEDULE OF BOND ANTICIPATION NOTES

Ord. #	Improvement Description	Date of Issuance of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance June 30, 2010	Increased B.A.N. Receipt	Decreased B.A.N. Paid	Balance June 30, 2011
2108	Synthetic Turf Willis Field	12/10/2010	12/10/2010	11/01/2011	0.85%		\$ 500,000		\$ 500,000
2116	Acq. Of Pump Ladder	12/10/2010	12/10/2010	11/01/2011	0.85%		400,000		400,000
						<u>\$ 40,359.00</u>	<u>\$ 900,000</u>	<u>\$ -</u>	<u>\$ 900,000</u>
<u>Reference</u>						C	C-2,16		C

BOROUGH OF RIDGEFIELD  
CAPITAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

C-16

Ord. No.	Improvement Description <u>General Improvements</u>	Balance <u>June 30, 2010</u>	2011 <u>Authorizations</u>	Funded / <u>Transferred</u>	Balance <u>June 30, 2011</u>
1952	Various Road Improvements	\$ 95,000		30,000	\$ 65,000
2108	Synthetic Turf Athletic Field, Willis Field	523,000		523,000	-
2116	Acquisition of Pumper Ladder	770,000		770,000	-
2117/2154	Various Improvements		75,000	75,000	-
2136	Basketball Courts		45,000	45,000	-
2153	Various Improvements		200,000	200,000	-
		<u>\$ 1,388,000</u>	<u>\$ 320,000</u>	<u>\$ 1,643,000</u>	<u>\$ 65,000</u>
		C	C-9	Below	C

Funded Through:

Bond Anticipation Note	C-15	\$ 900,000
Current Fund Budget	C-2	400,000
Capital Improvement Fund	C-11	97,500
Grants Receivable	C-4	245,500
	Above	<u>\$ 1,643,000</u>

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - OPERATING FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER**

**D-5**

	<u>Reference</u>		
Balance June 30, 2010	D		\$ 56,136
Increased by Cash Receipts:			
Membership Fees	D-2	\$ 179,140	
Miscellaneous Revenues	D-2	73,139	
Interfunds	D-6	87,000	
Petty Cash		100	
			339,379
			395,515
Decreased by Cash Disbursements:			
Budget Appropriations	D-3	220,034	
Appropriation Reserves	D-7	3,411	
Encumbrance Payable	D-8	21,579	
Interfunds	D-6	111,991	
Petty Cash		100	
			357,115
Balance June 30, 2011	D		\$ 38,400

**BOROUGH OF RIDGEFIELD  
SWIMMING POOL UTILITY FUND - OPERATING FUND  
FOR THE YEAR ENDED JUNE 30, 2011**

**SCHEDULE OF INTERFUNDS RECEIVABLE/ (PAYABLE)**

				<b>D-6</b>
	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Swimming Pool Utility Fund Capital Fund</u>
Balance, June 30, 2010				
Receivable	D	\$ (6,361)	\$ (24,991)	\$ 18,630
		<u>(6,361)</u>	<u>(24,991)</u>	<u>18,630</u>
Increased by:				
Operating Deficit Budgeted	D-2	2,289	2,289	
Cash Transfers	D-2, D-5	111,991	111,991	
		<u>114,280</u>	<u>114,280</u>	<u>-</u>
Decreased by:				
Budgeted Capital Outlay	D-12	5,000	-	5,000
Cash Transfers	D-5	87,000	87,000	
		<u>92,000</u>	<u>87,000</u>	<u>5,000</u>
Balance, June 30, 2011				
Receivable	D	<u>\$ 15,919</u>	<u>\$ 2,289</u>	<u>\$ 13,630</u>

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - OPERATING FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

STATEMENT OF 2011 APPROPRIATION RESERVES

D-7

	<u>Balance</u> <u>June 30, 2010</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid</u> <u>or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 22	\$ 22	\$ -	\$ 22
Other Expenses	<u>9,189</u>	<u>9,189</u>	<u>3,411</u>	<u>5,778</u>
Total Operating	<u>9,211</u>	<u>9,211</u>	<u>3,411</u>	<u>5,800</u>
Statutory Expenditures :				
Contribution to:				
Social Security System (O.A.S.I.)	632	632	-	632
Unemployment Compensation Insurance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Statutory Expenditures	<u>632</u>	<u>632</u>	<u>-</u>	<u>632</u>
	<u>\$ 9,843</u>	<u>\$ 9,843</u>	<u>\$ 3,411</u>	<u>\$ 6,432</u>
<u>Ref.</u>	D		D-5	D-1

BOROUGH OF RIDGEFIELD  
SWIMMING POOL UTILITY FUND - OPERATING FUND  
FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF ENCUMBRANCE PAYABLE

D-8

	<u>Reference</u>	
Balance June 30, 2010	D	\$ 21,579
Increased by:		
Encumbrance Payable	D-3	<u>17,242</u>
		38,821
Decreased by:		
Cash Disbursements	D-5	<u>21,579</u>
Balance June 30, 2011	D	<u><u>\$ 17,242</u></u>

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

D-9

ANALYSIS OF CASH AND CASH EQUIVALENTS

Ord. Number	Improvement Authorizations	Ref.	Balance	Cash	Cash	Transfers		Balance
			June 30, 2010	Receipts	Disbursements	To	From	June 30, 2011
	Fund Balance	D-4	\$ 1,809					\$ 1,809
	Interfunds	D-12	18,630				5,000	13,630
	Reserve for Capital Outlay	D-14	21,455			5,000	5,100	21,355
	Improvement Authorizations:							
1771	Various Improvements	D-17	(42,100)			5,100		(37,000)
1835	ADA Improvements	D-16	1,342					1,342
			<u>\$ 1,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,100</u>	<u>\$ 10,100</u>	<u>\$ 1,136</u>
		<u>Ref.</u>	D					D

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

D-10

**SCHEDULE OF FIXED CAPITAL**

	<u>2010</u>	<u>Completed Projects Transferred From Fixed Capital Authorized and Uncompleted</u>	<u>2011</u>
Municipal Swimming Pool	\$ 1,512,339		\$ 1,512,339
ADA Site Improvements	48,658		48,658
Pumps and Filters	49,591		49,591
Fire Alarms	9,885		9,885
Equipment	199,763		199,763
	<u>\$ 1,820,236</u>	<u>\$ -</u>	<u>\$ 1,820,236</u>
<u>Ref.</u>	D	D-11	D

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED**

Ord. Number	Improvement Description	Amount	Balance June 30, 2010	Completed Projects Transferred to Fixed Capital	D-11
					Balance June 30, 2011
1835	ADA Improvements	\$ 50,000	\$ 1,342		\$ 1,342
			<u>\$ 1,342</u>	<u>\$ -</u>	<u>\$ 1,342</u>
		<u>Ref.</u>	D	D-10	D

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF INTERFUND RECEIVABLE/(PAYABLE)**

**D-12**

	<u>Reference</u>		<u>Swimming Pool Utility Fund - Operating Fund</u>
Balance June 30, 2010	D		\$ 18,630
Increased by:			
Anticipated budget revenue	D-2, D-9	\$ 5,100	
			<u>5,100</u>
			23,730
Decreased by:			
Budget appropriation - capital deferred charge	D-3	5,100	
Budget appropriation - capital outlay	D-6	<u>5,000</u>	
			<u>10,100</u>
Balance June 30, 2011	D		<u><u>\$ 13,630</u></u>

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

D-13

Number	Improvement Description	Amount	Balance at June 30, 2010		2011 Improvement Authorization	Paid or Charged	Balance at June 30, 2011	
			Funded	Unfunded			Funded	Unfunded
1835	ADA Improvements	\$ 50,000	\$ 1,342	\$ -			\$ 1,342	\$ -
			<u>\$ 1,342</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,342</u>	<u>\$ -</u>
		<u>Ref.</u>	D, D-10			D-9	D, D-10	D

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF RESERVE FOR CAPITAL OUTLAY**

D-14

	<u>Reference</u>	
Balance June 30, 2010	D	\$ 21,455
Increased by:		
Budget appropriation - capital outlay	D-9	5,000
		<u>26,455</u>
Decreased by:		
Interfund payable	D-9	5,100
		<u>5,100</u>
Balance, June 30, 2011	D	<u>\$ 21,355</u>

**SCHEDULE OF RESERVE FOR AMORTIZATION**

D-15

	<u>Reference</u>	
Balance June 30, 2010	D	\$ 1,778,136
Increased by:		
Capital outlay by budget	D-12	5,100
Balance June 30, 2011	D	<u>\$ 1,783,236</u>

BOROUGH OF RIDGEFIELD  
 SWIMMING POOL UTILITY FUND - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION**

**D-16**

Ord. Number	Improvement Description	Amount	Balance June 30, 2010	Decreased by Completed Projects Transfer to Reserve for Amortization	Balance June 30, 2011
1835	ADA Improvements	\$ 50,000.00	\$ 1,342.00	\$ -	\$ 1,342.00
			<u>\$ 1,342.00</u>	<u>\$ -</u>	<u>\$ 1,342.00</u>
		<u>Ref.</u>	D		D

**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

**D-17**

Ord. Number	Improvement Description	Balance June 30, 2010	Decreased by budget appropriation	Balance June 30, 2011
1771	Various Improvements	\$ 42,100.00	\$ 5,100.00	\$ 37,000.00
		<u>\$ 42,100.00</u>	<u>\$ 5,100.00</u>	<u>\$ 37,000.00</u>

BOROUGH OF RIDGEFIELD  
PUBLIC ASSISTANCE FUND  
FOR THE YEAR ENDED JUNE 30, 2011

**SCHEDULE OF PUBLIC ASSISTANCE CASH - TREASURER**

E-1

		<u>Reference</u>	<u>Total</u>	<u>P.A.T.F Account #1</u>	<u>P.A.T.F Account #2</u>	<u>Petty Cash Account</u>	<u>Relocation Account</u>
Balance June 30, 2010		E	\$ 31,990	\$ 8,708	\$ 17,573	\$ -	\$ 5,709
Increased by Receipts:							
State Aid			139,000		139,000		
Supplemental Security Income			2,870		2,870		
Interest			443	62	319	8	54
Budget Appropriation			-				
Refunds/Donations			1,859	150	1,709		
Prior year void checks			365		365		
Intrafund Transfer			3,954	954		3,000	
<b>Total Receipts</b>		E-2	<u>148,491</u>	<u>1,166</u>	<u>144,263</u>	<u>3,008</u>	<u>54</u>
			<u>180,481</u>	<u>9,874</u>	<u>161,836</u>	<u>3,008</u>	<u>5,763</u>
Decreased by:							
Assistance - Eligible			92,163		92,163		
Assistance - Ineligible			2,046			2,046	
SSI Refunds			453		453		
Intrafund Transfer			3,954	3,000		954	
Release of P.A.T.F. to State of New Jersey			69,220		69,220		
Payments to Current Fund			119	60		8	51
<b>Total Disbursements</b>		E-3	<u>167,955</u>	<u>3,060</u>	<u>161,836</u>	<u>3,008</u>	<u>51</u>
Balance June 30, 2011		E	<u>\$ 12,526</u>	<u>\$ 6,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,712</u>
			Below				
 <b>Reconciliation - June 30, 2011</b>							
			<u>Total</u>	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>Petty Cash Account</u>	<u>Relocation Account</u>
Balance on Deposit per Statement of:							
Oritani Bank #016-900084-1			\$ -			\$ -	
Oritani Bank #016-900083-3			5,712				\$ 5,712
Oritani Bank #016-900082-5			6,814	\$ 6,814			
Oritani Bank #016-900081-7			-		\$ -		
			<u>12,526</u>	<u>6,814</u>	<u>-</u>	<u>-</u>	<u>5,712</u>
Add: Deposits in Transit			-				
Less: Outstanding Checks			-				
<b>Balance - June 30, 2011</b>			<u>\$ 12,526</u>	<u>\$ 6,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,712</u>
			Above				

BOROUGH OF RIDGEFIELD  
PUBLIC ASSISTANCE FUND  
FOR THE YEAR ENDED JUNE 30, 2011

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

E-4

	<u>Reference</u>	
Balance June 30, 2010	E	<u>\$ 96</u>
Increased by:		
Payments to Current Fund	E-3	<u>119</u>
		215
Decreased by:		
Interest earned on investments	E-2	<u>443</u>
Balance June 30, 2011	E	<u>\$ (228)</u>

**SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE**

E-5

	<u>Reference</u>	<u>Total</u>	P.A.T.F. Account #1/ <u>Petty Cash</u>	P.A.T.F. <u>Account #2</u>	Relocation <u>Account</u>
Balance June 30, 2010	E	\$ 32,086	\$ 8,690	\$ 17,687	\$ 5,709
Increased by:					
Revenues	E-2	<u>144,094</u>	<u>150</u>	<u>143,944</u>	<u>-</u>
		176,180	8,840	161,631	5,709
Decreased by:					
Expenditures	E-3	<u>163,882</u>	<u>2,046</u>	<u>161,836</u>	<u>-</u>
Cancel Due from State of New Jersey			(205)	205	
Balance June 30, 2011	E	<u>\$ 12,298</u>	<u>\$ 6,589</u>	<u>\$ -</u>	<u>\$ 5,709</u>

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

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

We have audited the financial statements of the Borough of Ridgefield ("Borough"), State of New Jersey, as of and for the year ended June 30, 2011, and have issued our report thereon dated October 5, 2011. Our report disclosed that, as described in Note 1 to the financial statements, the Borough 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, (the "Division")* that demonstrates compliance with a modified accrual basis 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, the standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States; and audit requirements prescribed by the Division.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and recommendations we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and recommendations as item 2011-1 and 2011-7 to be material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and recommendations as item 2011-3, 2011-4 and 2011-6 to be significant deficiencies.

### **Compliance and Other Matters**

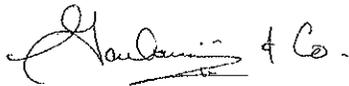
As part of obtaining reasonable assurance about whether the Borough's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect 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 instances of noncompliance or other matters that are required to be reported under **Government Auditing Standards**, and audit requirements as prescribed by the *Division*, which are described in the accompanying schedule of findings and recommendations as item 2011-02, 2011-5 and 2011-8.

The Borough's response to findings identified in our audit, are described in the accompanying schedule of findings and recommendations. We did not audit the Borough's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Borough's management, and council members, others within the organization, the *Division*, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534



Garbarini & Co. P.C.  
Certified Public Accountants

October 5, 2011  
Ridgefield, New Jersey

BOROUGH OF RIDGEFIELD

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2011

Schedule I-1

Name of Federal Agency or Department	Federal Program	Federal CFDA#	Total Grant Award Amount	Balance June 30, 2010	Realized Revenue	Program Expenditures	Reallocate/ Canceled	Balance June 30, 2011	Memo
									Cumulative Total Expenditures
Department of Housing and Urban Development Pass through County of Bergen	Community Development Block Grant: ADA Borough Hall Stocum Avenue Improvements ADA Borough Hall Improvements	14.219	\$ 100,000 160,000 40,000	\$ 94,305	160,000	\$ 46,239 154,327 -		\$ 48,066 5,673	\$ 51,934 154,327
U.S. Department of Environmental Protection	Municipal Stormwater Regulation	66.605	10,207	1,446		1,446		-	10,207
	Emergency Management Performance Grant Emergency Management Assistance- 2011 Emergency Management Assistance- (2002-2010)	97.042	5,000 23,000	20,205	5,000	4,910 20,205		90 -	4,910 23,000
U.S. Department of Transportation	Occupancy Protection Grant (Pass thru NJ) Body Armor Replacement Fund-2010	20.602	1,788		1,788	1,788		-	1,788
Department of Agriculture- Office of Forest Service	Pass Through the State of NJ Department of Environmental Protection 2009 ARRA Business Stimulus (BSF) Grant	10.688	7,000		7,000	7,000			7,000
Total Federal Financial Assistance				\$ 115,956	\$ 173,788	\$ 235,915	\$ -	\$ 53,829	\$ 253,166

BOROUGH OF RIDGEFIELD  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
 FOR THE YEAR ENDED JUNE 30, 2011

Schedule 1-2

State Grantor Department	Program Title	State Program/ Account Number	Program Amount	Balance June 30, 2010	Revenue Realized	Program Expenditures	Reallocate/ Canceled	Balance June 30, 2011	Memo Cumulative Total Expenditures
Department of Environmental Protection	Clean Communities Grant - 2011	4900-765-178900	\$ 14,970		\$ 14,970	\$ 14,963		\$ 7	\$ 14,963
	Clean Communities Grant- (2008-2010)	4900-765-178900	51,471	2,020		771		1,249	50,222
	Recycling Tonnage- 2011	4900-752-178840-60			17,964	5,622		12,342	5,622
	Recycling Tonnage- PY		18,288	15,963		15,963		-	18,288
	National Trail Grant		20,000	3,146		3,146		-	20,000
Division of Motor Vehicles	Drunk Driving Enforcement Fund	1110-448-031020-22	2,726		2,726	2,726		-	2,726
Department of Community Affairs	Alcohol Education and Rehabilitation -PY	4250-700-050000-63	10,105	6,150				6,150	3,955
ADA Compliance Grant	ADA Improvement Swim Pool (Ord 1835)	022-99-8030-100-652	50,000	1,342				1,342	48,656
Department of Health Services	General Assistance	7550-100-054-121-6020	69,780	17,687	69,780	87,672	205	-	87,672
County of Bergen Pass Thru Grants	Municipal Drug Alliance	N/A	26,712		20,712	13,542		7,170	13,542
	Municipal Drug Alliance (2006-2010)		57,017	5,559		10,389	4,830	-	57,017
<b>Total State Financial Assistance:</b>				<b>\$ 51,867</b>	<b>\$ 126,152</b>	<b>\$ 154,794</b>	<b>\$ 5,035</b>	<b>\$ 28,260</b>	<b>\$ 322,663</b>

BOROUGH OF RIDGEFIELD  
 NOTES TO THE SCHEDULES OF EXPENDITURES  
 OF FEDERAL AND STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED JUNE 30, 2011

**1. General**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Borough of Ridgefield. The Borough is defined in Note 1A of the Borough's financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of expenditures of awards.

**2. Basis of Accounting**

The accompanying schedules are presented using the modified accrual basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. This basis of accounting is described in Note 1C of the Borough's financial statements.

**3. Relationship of Financial Statements**

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's financial statements, exclusive of the unappropriated reserves. Financial assistance awards are reported in the Borough's financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current /Grant Fund	\$ 35,349	\$ 67,122	\$ 102,471
Public Assistance Fund		87,672	87,672
Capital Fund	200,566		200,566
	<u>\$ 235,915</u>	<u>\$ 154,794</u>	<u>\$ 390,709</u>

**4. Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**5. State Loans Outstanding**

The Borough's state loans outstanding at June 30, 2011 which are not required to be reported on the schedule of expenditures of state financial assistance, are as follows:

<u>Loan Program</u>	<u>State Account Number</u>	<u>State</u>
New Jersey Environmental Infrastructure Trust Loan	NJEIT Series 2000 A/C #9008749	\$ <u>558,670</u>

BOROUGH OF RIDGEFIELD  
SUPPLEMENTARY DATA

**Comparative Schedule of Tax Rate Information**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	*	<u>\$1.615</u>	<u>\$1.563</u>	<u>\$1.491</u>

Apportionment of Tax Rate

Municipal	0.501	0.486	0.458
County	0.222	0.213	0.196
County Open Space	0.003	0.012	0.012
Local School	0.889	0.852	0.825

\* 2011 tax rate is not available as of 9/30/2011

Net Valuation Taxable as listed in the Bergen County Board of Taxation Levy Duplicate

2011	<u>\$1,852,199,033</u>	
2010	<u>\$1,839,532,405</u>	
2009	<u>\$1,841,585,527</u>	
2008	<u>\$1,852,804,740</u>	

**Comparison of Tax Levies and Collection 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 Ended</u> <u>June 30</u>	<u>Tax Levy</u>	<u>Cash Collection</u>	<u>Percentage of</u> <u>Collection</u>
2011	\$30,844,431	\$30,147,270	97.74%
2010	29,083,544	28,442,872	97.80%
2009	28,580,505	27,690,142	96.88%
2008	27,279,267	26,762,296	98.10%

BOROUGH OF RIDGEFIELD  
SUPPLEMENTARY DATA

**Delinquent Taxes and Tax Title Liens**

This tabulation includes a comparison expressing percentage of the total of delinquent taxes and tax title liens in relation to the tax levies of the last four years.

<u>December Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total</u>	<u>Percentage of Tax Levy</u>
2011	\$ 60,307	\$ 560,198	\$ 620,505	2.01%
2010	17,934	569,888	587,822	2.02%
2009	17,061	651,287	668,348	2.34%
2008	63,849	453,165	517,014	1.90%

**Property Acquired by Tax Title Lien Liquidation**

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2011	\$ 81,180
2010	81,180
2009	81,180
2008	81,180

**Comparative Schedule of Fund Balance**

	<u>Year Ended June 30</u>	<u>Fund Balance</u>	<u>Utilized In Budget of Succeeding Year</u>
Current Fund	2011	\$1,593,131	\$ -
	2010	1,391,332	875,000
	2009	1,373,802	850,000
	2008	1,038,372	700,000
Swim Pool	2011	\$ 14,353	\$ -
Utility Operating	2010	14,353	
Fund	2009	24,353	10,000
	2008	44,353	20,000

BOROUGH OF RIDGEFIELD  
 ROSTER OF OFFICIALS AND SURETY BONDS  
 AT JUNE 30, 2011

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Surety</u>
Anthony Suarez	Mayor		
Russell Castelli	Councilman – President		
Javier Acosta	Councilman		
Hugo Jimenez	Councilman		
Angelo Severino	Councilman		
Angus Todd	Councilman		
Warren Vincentz	Councilman		
Gary Bonacci	Business Administrator		
Linda Prina	Acting Borough Clerk	\$ 150,000	Western Surety Co.
Frank Berardo	Tax Collector	150,000	Western Surety Co.
Joseph Luppino	Chief Financial Officer	300,000	RLI Insurance Co.
Erik Lenander	Treasurer/Assistant to CFO	150,000	RLI Insurance Co.
Alexis Melchionne	Payroll/Finance Clerk	150,000	Western Surety Co.
Joan Gallagher	Assistant to Tax Assessor/Tax Clerk	25,000	RLI Insurance Co.
Jennifer Kees	Tax Clerk/Tax Search Officer	50,000	Western Surety Co.
Stephen Pellino	Borough Attorney		
Robert Binetti	Magistrate	10,000	Western Surety Co.
Jasna Gega	Court Administrator	75,000	Western Surety Co.
Andrea Beth Novak	Deputy Court Administrator	50,000	RLI Insurance Co.
Rosemary Sutton	Court Clerk	50,000	Western Surety Co.
George Reggo	Tax Assessor		
Armand Marini	Construction Code Official		

All officials handling cash were covered by a blanket crime coverage issued by the Public Alliance Joint Insurance Fund in the amount of \$1,000,000.

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

N.J.S.A. 40A:11-4 states “Every contract awarded by the contracting agents, for the provision or performance of any goods or services, the cost of which in the aggregate exceed the bid threshold [40A:11-3 “a contract year the total sum of \$26,000. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$36,000”], shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law.”

N.J.S.A. 40A:11-9 states “The governing body of any contracting unit may by ordinance, in the case of a municipality, by ordinance or resolution, as the case may be, in the case of a county, or by resolution in all other cases, establish the office of purchasing agent, or a purchasing department or a purchasing board, with the authority, responsibility, and accountability as its contracting agent, for the purchasing activity for the contract in unit, to prepare public advertising for bids and to receive bids for the provision or performance of goods or services on behalf of the contracting unit and to award contracts permitted pursuant to subsection a. of section 3 of P.L.1971, c. 198 (C.40A:11-3) in the name of the contracting unit, and conduct any activities as may be necessary or appropriate to the purchasing function of the contracting unit.”

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000 within the calendar year or any twelve-month period. Where questions arise as to whether any contract or agreement might result in a violation of the statute, the Borough Attorney’s opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted and advertised, authorizing the awarding of contracts or agreements for “Professional Services” per N.J.S.A. 40A:11-5.

Except for a few instances reported in the audit findings section, our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$36,000.00 “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.

Expenditure of \$5,400 or more and less than \$36,000 Per N.J.S.A. 40A:11-6.1

N.J.S.A 40A:11-6.1 states, “a. For all contracts that in the aggregate are less than the bid threshold but 15% percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5), except for paragraph (a) of that subsection professional services and paragraph (b) of the subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The contracting agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor. Whenever two or more responses to a request of a contracting agent offer equal prices and are the lowest responsible bids or proposals, the contracting unit may award the contract to the vendor whose response, in the discretion of the contracting unit, is the most advantageous, price and other factors considered. In such a case, the award resolution or purchase order documentation shall explain why the vendor selected is the most advantageous.”

Borough of Ridgefield  
General Comments (Continued)  
For the Year Ended June 30, 2011

Collection of Interest of Delinquent Taxes and Assessments

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

The Governing Body on January 6, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, taxes are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year and installments become delinquent if not paid on or before these dates,

THEREFORE, BE IT RESOLVED, that Mayor and Council authorize an interest charge of 8% per annum, upon delinquent installments of taxes and assessments and,

BE IT FURTHER RESOLVED, that the Mayor and Council authorize an interest charge of 18% per annum upon delinquent installments of taxes in excess of \$1,500.

BE IT FURTHER RESOLVED, that the Mayor and Council provide a grace period of 10 days, within which an installment of taxes or assessment may be received without an additional charge of interest; and

BE IT FURTHER RESOLVED, that any installment received after the expiration of the grace period shall bear interest from the due date,

BE IT FURTHER RESOLVED that the rate of interest to be charged upon tax liens is hereby set at 18% per annum, and a copy of this resolution is to be filed with the Tax Collector – Treasurer and the Tax Assessor of the Borough of Ridgefield.

Borough of Ridgefield  
Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2011

**#10-01 RECOMMENDATION:**

Internal control procedures be reviewed and revised to ensure approved purchase orders are issued prior to the ordering of goods or services and commitment of Borough funds.

**STATUS:**

Corrective action was not taken. See current year audit findings and recommendations.

**#10-02 RECOMMENDATION:**

Bids be publicly advertised for purchases that exceed the bidding threshold.

**STATUS:**

Corrective action was not taken. See current year audit findings and recommendations.

**#10-03 RECOMMENDATION:**

The Other Trust Fund general ledger account balances be reconciled to the bank reconciliation and subsidiary account records on a monthly basis. In addition, the Borough adhere to state regulations regarding escrow accounting and reporting.

**STATUS:**

Corrective action was not taken. See current year audit findings and recommendations.

**#10-4 RECOMMENDATION:**

Internal controls over department financial accounting and reporting be reviewed and enhanced to ensure a standardized revenue accounting and reporting system is maintained.

**STATUS:**

Partial corrective action was taken. See current year audit findings and recommendations.

**#10-05 RECOMMENDATION:**

Internal controls over revenue collection procedures in the Borough Clerk's office be reviewed and revised to ensure monies collected are recorded and deposited in a timely manner.

**STATUS:**

Corrective action was taken.

Borough of Ridgefield  
Summary Schedule of Prior Year Audit Findings (Continued)  
For the Year Ended June 30, 2011

**#10-06 RECOMMENDATION:**

With respect to the Borough's salary and compensation ordinance:

- The Borough's salary and compensation ordinance be amended to include all police officers salary levels.
- The Borough review the salary and compensation ordinance to ensure all salary ranges cover actual amounts approved for employees' base salaries.

**STATUS:**

Corrective action was taken.

**#10-07 RECOMMENDATION:**

The annual finance report to the State Council on Affordable Housing be filed for the 2009 and 2010 fiscal years and all future year reports be filed timely and made available for audit.

**STATUS:**

Corrective action was taken.

**#10-08 RECOMMENDATION:**

Political contribution disclosure forms be obtained where required from all vendors whose contracts exceed \$17,500

**STATUS:**

Partial corrective action was taken. See current year audit findings and recommendations.

**#10-09 RECOMMENDATION:**

All bank account checks issued by the Municipal Court contain the two required authorized signatures.

**STATUS:**

Corrective action was taken.

**#10-10 RECOMMENDATION:**

All grants be properly anticipated as revenue in the budget with an offsetting budget appropriation line account and not refunded against existing budget appropriation line accounts.

**STATUS:**

Corrective action was taken.

Borough of Ridgefield  
Summary Schedule of Prior Year Audit Findings (Continued)  
For the Year Ended June 30, 2011

**#10-11 RECOMMENDATION:**

All vendor payments be reflected in the vendor report. In addition, the system software provider review the summary and detail vendor reports to ensure they are in agreement.

**STATUS:**

Corrective action was taken.

**#10-12 RECOMMENDATION:**

The Borough approve formal written policies for petty cash funds and the use of store and gas cards by Borough employees.

**STATUS:**

Corrective action was not taken. See current year audit findings and recommendations.

**#10-13 RECOMMENDATION:**

The Borough develop and approve formal written policies to address the procurement and management procedure deficiencies of its professional services contracts noted in the report of the Office of the State Comptroller to ensure compliance in future years.

**STATUS:**

Corrective action was taken.

Borough of Ridgefield  
Audit Findings and Recommendations  
For the Year Ended June 30, 2011

**Finding # 11-01\***

In certain instances, goods were ordered and services rendered prior to the issuance of an approved purchase order.

**Criteria:**

All local units shall maintain an encumbrance accounting system in accordance with N.J.A.C.5:30-5.

**Recommendation:**

The Borough should review its internal control procedures to ensure approved purchase orders are issued prior to ordering of goods and services and commitment of Borough funds.

**Borough's Proposed Corrective Action Plan:**

The Purchasing Agent will inform all Department Heads to issue a purchase order encumbering Borough funds prior to ordering goods and services. In addition, the Treasurer will send letters to vendors the Borough have used in the past requesting the vendors not to place any orders unless they are in possession of an approved purchase order.

**Finding # 11-02\***

Our examination of expenditures indicated that purchases for gasoline and diesel fuel were not publicly advertised for bids.

**Criteria:**

Contracts and agreements required to be advertised as per N.J.S.A. 40A:11-4.

**Recommendation:**

Bids should be publicly advertised for purchases that exceed the bidding threshold.

**Borough's Proposed Corrective Action Plan:**

Expenditures will be monitored to avoid violations of the Local Public Contracts Law.

Borough of Ridgefield  
Audit Findings and Recommendations (Continued)  
For the Year Ended June 30, 2011

**Finding # 11-03\***

Trust Fund Escrow deposits and reserves per Borough subsidiary records are not reconciled with general ledger account balances and bank statements.

**Criteria:**

N.J.A.C. 5:30-5.7 Codifies General Ledger – Technical Accounting Directive (TAD) #85-3 .

**Recommendation:**

The Borough should reconcile Other Trust Fund general ledger to the bank account reconciliations and subsidiary records on a monthly basis.

**Borough's Proposed Corrective Action Plan:**

The CFO will reconcile and review all escrow accounts to the audit report and reconcile to the general ledger. In addition, the Borough has opened an Accu-Track Escrow Management account which will assist in the reconciliation and escrow management.

**Finding # 11-04\***

Pre-numbered receipts for monies collected and certain applications are not available for inspection for Parks and Recreation department.

**Criteria:**

Division of Local Governmental Services: Requirements of Audits

**Recommendation:**

The Borough should review and enhance internal control over department financial recordkeeping to ensure a standardized revenue accounting and reporting system.

**Borough's Proposed Corrective Action Plan:**

The CFO and Treasurer will meet with department head of Parks and Recreation to implement a standardized revenue accounting and reporting system.

Borough of Ridgefield  
Audit Findings and Recommendations (Continued)  
For the Year Ended June 30, 2011

**Finding # 11-05\***

Political contribution disclosure forms are not obtained from all vendors whose contracts exceed \$17,500 and in some instances, those forms are not obtained in a timely manner.

**Criteria:**

N.J.S.A. 19:44A-20.26 and N.J.S.A. 19:44A-20.8.

**Recommendation:**

The Borough should obtain political contribution disclosure forms for all vendors whose contract exceeds \$17,500.

**Borough's Proposed Corrective Action Plan:**

The Borough is in the process of implement a procedure to obtain political contribution disclosure forms for all vendors whose contract exceeds \$17,500. The political contribution disclosure forms will be obtained 10 days prior to the award of all contracts exceed \$17,500.

**Finding # 11-06\***

The Borough does not have formal written petty cash policy or a formal written policy on the use of store and gas cards by Borough employees.

**Criteria:**

N.J.S.A. 40A:5-21 petty cash fund of local unit.

**Recommendation:**

The Borough should approve a formal written policy for petty cash funds and the use of store and gas cards by Borough employees.

**Borough's Proposed Corrective Action Plan:**

The CFO and Treasurer will formulate a formal written policy for petty cash funds and the use of store and gas cards by Borough employees for the approval of the Mayor and Council.

Borough of Ridgefield  
Audit Findings and Recommendations (Continued)  
For the Year Ended June 30, 2011

**Finding # 11-07**

The internal control policies and procedures are not maintained for Ridgefield Youth Commission, who is a component unit of the Borough. In numerous instances, checks were made payable to cash and the former director, who was also the treasurer and custodian of the bank account. In addition, bank checks, debit card charge and checks were paid to certain vendors without backup documentation.

**Criteria:**

Internal control procedures must be maintained for financial activities.

**Recommendation:**

The Borough should maintain and reconcile the Ridgefield Youth Commission's financial records.

**Borough's Proposed Corrective Action Plan:**

The Borough will establish a trust fund for Ridgefield Youth Commission by dedication by rider and the CFO and Treasurer will maintain the bank account and reconcile to the general ledger.

**Finding # 11-08**

There is one borough employee not enrolled in the NJ pension system.

**Criteria:**

State of New Jersey Division of Pension, PERS and PFRS salary or hours requirements for enrollment by membership tier.

**Recommendation:**

All eligible employees must be enrolled into the pension system.

**Borough's Proposed Corrective Action Plan:**

The payroll clerk will contact State of New Jersey, Division of Pensions and Benefits to resolve the issue.

**\* Reported from prior year's audit**

Borough of Ridgefield  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

Summary of Auditor's Results

**Financial Statement Section**

A) Type of Auditors Report Issued	<u>Unqualified - Statutory basis</u>		
B) Internal Control over Financial Reporting			
1) Material weakness identified?	<u>X</u>	<u>Yes</u>	<u>No</u>
2) Were reportable conditions identified that were not considered to be material weaknesses?	<u>X</u>	<u>Yes</u>	<u>No</u>
C) Noncompliance material to financial statements notes?	<u>Yes</u>	<u>X</u>	<u>No</u>

**Federal Awards Section – No Major Federal Programs**

**Not Applicable**

D) Dollar threshold used to determine Type A Program	<u>\$300,000</u>		
E) Auditee qualified as low-risk auditee?	<u>Yes</u>	<u>X</u>	<u>No</u>
F) Type of auditor's report on compliance for major programs	<u>No Major Program</u>		
G) Internal Control over major programs			
1) Material weakness identified?	<u>Yes</u>	<u>No</u>	
2) Were reportable conditions identified that were not considered to be material weaknesses?	<u>Yes</u>	<u>No</u>	
H) Any audit findings disclosed that are required to be Reported in accordance with OMB Circular A-133 [section 510(e)]?	<u>Yes</u>	<u>No</u>	
I) Identification of major programs	<u>N/A</u>		

Borough of Ridgefield  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2011

Summary of Auditor's Results (Continued)

**State Awards Section - No Major State Program**

**Not Applicable**

J) Dollar threshold used to determine Type A Program	<u>\$300,000</u>	
K) Audited qualified as low-risk auditee?	<u>Yes</u>	<u>No</u>
L) Type of auditor's report on compliance for major Programs	<u>No Major Program</u>	
M) Internal Control over Compliance		
1) Material weakness identified?	<u>Yes</u>	<u>No</u>
2) Were reportable conditions identified that were not considered to be material weaknesses?	<u>Yes</u>	<u>No</u>
N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04, as amended?	<u>Yes</u>	<u>No</u>
O) Identification of major programs	N/A	
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Borough of Ridgefield  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2011

**Section 2 – Schedule of Financial Statement Findings**

(This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of Government Auditing Standards.)

None

Borough of Ridgefield  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2011

**Section 3 – Schedule of Federal and State Awards Findings and Questioned Costs**

(This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB Circular 04-04, as amended.)

N/A

Status of Prior Year Findings

(This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 [section .315 (a)(b)] and New Jersey OMB Circular 04-04, as amended.)

N/A

Appreciation

We desire to express our appreciation of the assistance and courtesies rendered by the Borough Officials and employees during the year.

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

October 5, 2011