

BOROUGH OF EDGEWATER
Schedule of Property Acquired for Taxes-
Assessed Valuation

Current Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$ <u>3,844,775</u>
Balance - June 30, 2009		\$ <u><u>3,844,775</u></u>

Schedule of Reserves for
Tax Title Lien Premium

Current Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$ 8,000
Increased by:		
Premiums collected		<u>57,700</u>
		65,700
Decreased by:		
Refunded	\$ 9,000	
Cancelled to Fund Balance	<u>8,000</u>	
		<u>17,000</u>
Balance - June 30, 2009		\$ <u><u>48,700</u></u>

BOROUGH OF EDGEWATER

Schedule of Interfunds

Current Fund

Year Ended June 30, 2009

<u>Fund</u>	Due from/(to) Balance <u>June 30, 2008</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>June 30, 2009</u>
Escrow Trust Fund	\$ 13,069	118	13,069	118
Open Space Trust Fund	(11,941)	167,452	11,941	(167,452)
General Capital Fund	(27,245)	223,912	29,919	(221,238)
Dedicated Penalty Account	(2,500)		2,500	
	<u>\$ (28,617)</u>	<u>391,482</u>	<u>57,429</u>	<u>(388,572)</u>

Analysis

Due to Current Fund	\$ 13,069			118
Due From Current Fund	<u>(41,686)</u>			<u>(388,690)</u>
	<u>\$ (28,617)</u>			<u>(388,572)</u>

Interest on Investments	\$ 118		
Municipal Open Space Levy	167,452		
Disbursements		44,360	
Receipts	<u>223,912</u>	<u>13,069</u>	
	<u>\$ 391,482</u>	<u>57,429</u>	

BOROUGH OF EDGEWATER

Schedule of Various Reserves

Current Fund

Year ended June 30, 2009

	Balance June 30, <u>2008</u>	<u>Increased</u>	<u>Decreased</u>	Balance June 30, <u>2009</u>
Playgrounds	\$ 4,306			4,306
Library Aid	8,862	7,785	8,540	8,107
Parking Offenses Adjudication Account	3,172	2,510		5,682
Community Center	18,730			18,730
Developer's Contribution	1,444,731	15,728	1,460,459	
Revaluation	56,743			56,743
BCUA Grant	17,608			17,608
Regional Contribution Agreement	331,803	394	332,197	
Ferry Agreement	20,000			20,000
Donations	17,425			17,425
Sale of Municipal Assets	1,091			1,091
Arts Festival	1,513			1,513
Centennial	890			890
	<u>\$ 1,926,874</u>	<u>26,417</u>	<u>1,801,196</u>	<u>152,095</u>
		Cash Receipts		
		26,417		
		Cash Disbursements		
			1,801,196	
		<u>\$ 26,417</u>	<u>1,801,196</u>	

BOROUGH OF EDGEWATER

Schedule of Due to Federal and State Grant Fund

Current Fund

Year ended June 30, 2009

Balance - June 30, 2008	\$ 404,115
Increased by:	
Grants Received - Unappropriated	<u>22,651</u>
	426,766
Decreased by:	
Cash Disbursements	<u>13,961</u>
Balance - June 30, 2009	<u><u>\$ 412,805</u></u>

BOROUGH OF EDGEWATER

N.J.S.A. 40A:4-53 Special Emergency

Current Fund

Year ended June 30, 2009

<u>Date</u>	<u>Purpose</u>	<u>Net</u>	<u>1/5 of</u>	<u>Balance</u>	<u>Reduced</u>	<u>Balance,</u>
<u>Authorized</u>		<u>Amount</u>	<u>Net Amount</u>	<u>June 30,</u>	<u>in 2009</u>	<u>June 30,</u>
		<u>Authorized</u>	<u>Authorized</u>	<u>2008</u>		<u>2009</u>
2007	Revaluation	60,000	12,000	48,000	12,000	36,000
9/20/2004	Revaluation	250,000	50,000	100,000	50,000	50,000
		<u>\$ 310,000</u>	<u>62,000</u>	<u>148,000</u>	<u>62,000</u>	<u>86,000</u>

BOROUGH OF EDGEWATER

Schedule of Grants Receivable

State and Federal Grant Fund

Year ended June 30, 2009

<u>Purpose</u>	Balance, June 30, <u>2008</u>	Balance, June 30, <u>2009</u>
Supplemental Safe Neighborhoods Program	\$ 21,650	21,650
Supplemental Fire Services Program	2,544	2,544
Clean Communities	5,999	5,999
Municipal Alliance Grant	21,096	21,096
Community Development Block Grant	70,000	70,000
Community Affairs - ADA Compliance Grant Fire Operations and Safety	10,800	10,800
	\$ 132,089	132,089
	\$ 132,089	132,089

BOROUGH OF EDGEWATER
Schedule of Appropriated Grant Reserves

State and Federal Grant Fund

Year ended June 30, 2009

<u>Purpose</u>	Balance, June 30, <u>2008</u>	Budget <u>Appropriations</u>	<u>Expended</u>	Balance, June 30, <u>2009</u>
Supplemental Fire Services Program	\$ 2,168			2,168
Drunk Driving Enforcement Fund 1994-1995	2,549			2,549
Drunk Driving Enforcement Fund	1,456			1,456
DOT - Pothole Program	5,725			5,725
Drunk Driving Enforcement Fund 1995-1996	693			693
Alcohol Education and Rehabilitation 1995-1996	453			453
EDA Grant	84,018			84,018
EDA Grant	123,691			123,691
Drunk Driving Enforcement Fund	3,236			3,236
Clean Communities Grant		19,296	10,929	8,367
Clean Communities Grant	976			976
Clean Communities Grant 1997-1998	3,077			3,077
Alcohol Education and Rehabilitation	791			791
Municipal Alliance Grant		1,500	1,500	
Community Development Block Grant	15,498			15,498
Body Armor Grant	2,463			2,463
Drunk Driving Enforcement Fund	580			580
Emergency Medical Grant	3,000			3,000
Universal COPS	121,963			121,963
Clean Communities	9,360			9,360
Clean Communities	3,078			3,078
Drunk Driving Enforcement Fund	453			453
Green Communities		2,000		2,000
Body Armor Grant	5,976			5,976
Domestic Violence	2,180			2,180
Clean Communities	4,483			4,483
Clean Communities	4,019			4,019
Municipal Stormwater		8,468	1,532	6,936
COPS More - Technology Grant	31,483			31,483
Federal BulletProof Vest Partnership Program	3,649			3,649
Body Armor Grant	2,802			2,802

BOROUGH OF EDGEWATER
Schedule of Appropriated Grant Reserves
State and Federal Grant Fund
Year ended June 30, 2009

<u>Purpose</u>	Balance, June 30, <u>2008</u>	Budget <u>Appropriations</u>	<u>Expended</u>	Balance, June 30, <u>2009</u>
Community Affairs - ADA Compliance Grant				
Fire Operations and Safety	13,189			13,189
BCUA Recycling Grant	2,368	3,365		5,733
Recycling Grant - NJ Solid Waste Administration	4,657	7,250		11,907
U.S.Department of Justice	2,078			2,078
Smart Growth Grant		25,000		25,000
BCUA Recycling Grant	2,639			2,639
Alcohol Education and Rehabilitation	<u>2,497</u>	<u>2,077</u>		<u>4,574</u>
	\$ <u>467,248</u>	<u>68,956</u>	<u>13,961</u>	<u>522,243</u>

BOROUGH OF EDGEWATER
Schedule of Unappropriated Grant Reserves

State and Federal Grant Fund

Year ended June 30, 2009

<u>Purpose</u>	Balance, June 30, <u>2008</u>	<u>Received</u>	Appropriated in 2009 <u>Budget</u>	Balance, June 30, <u>2009</u>
Clean Communities	\$ 19,296	12,136	19,296	12,136
Green communities	2,000		2,000	
BCUA Recycling	3,365		3,365	
Municipal Alliance	1,500		1,500	
Storm Water Management	8,468		8,468	
Body Armor Grant		3,108		3,108
Smart Growth Grant	25,000		25,000	
Recycling Tonnage Grant	7,250	6,340	7,250	6,340
Alcohol Education Rehabilitation Fund	2,077	1,067	2,077	1,067
	<u>\$ 68,956</u>	<u>22,651</u>	<u>68,956</u>	<u>22,651</u>

BOROUGH OF EDGEWATER

Schedule of Cash - Treasurer

Trust Funds

Year ended June 30, 2009

	Animal License Fund	Escrow Trust Fund	Other Trust Funds	Emergency Services LOSAP
Balance - June 30, 2008	\$ 697	114,047	1,294,377	348,298
Increased by:				
Animal License Fees	2,563			
Due to State of New Jersey - Dog License Fees	461			
Various Reserves			1,823,791	
Escrow Deposits		121,561		
Miscellaneous Fees	245			
Due from Current Fund			14,441	
Borough Contributions				71,400
Interest Earned		118		10,673
	<u>3,269</u>	<u>121,679</u>	<u>1,838,232</u>	<u>82,073</u>
	<u>3,966</u>	<u>235,726</u>	<u>3,132,609</u>	<u>430,371</u>
Decreased by:				
Animal License Expenditures	807			
Due to State of New Jersey	463			
Escrow Deposits Returned		128,522		
Due from Current Fund		13,069		
Various Reserves			440,887	
Distributions				2,327
Investment Depreciation				23,261
	<u>1,270</u>	<u>141,591</u>	<u>440,887</u>	<u>25,588</u>
Balance - June 30, 2009	\$ <u><u>2,696</u></u>	<u><u>94,135</u></u>	<u><u>2,691,722</u></u>	<u><u>404,783</u></u>

BOROUGH OF EDGEWATER
Schedule of Reserve for Expenditures -
Animal License Fund
Trust Funds
Year ended June 30, 2009

Balance - June 30, 2008		\$	664
Increased by:			
Dog license fees	\$	1,883	
Cat license fees		680	
Miscellaneous fees		245	
			2,808
			3,472
Decreased by:			
Paid to Current Fund		776	
License refunds		31	
			807
Balance - June 30, 2009		\$	2,665

<u>License Fees Collected</u>	
2007	2,058
2008	1,877
\$	3,935

BOROUGH OF EDGEWATER

**Schedule of Due to State of New Jersey-
Animal License Fees**

Trust Funds

Year ended June 30, 2009

Balance - June 30, 2008	\$ 33
Increased by:	
2009 Fees Collected	<u>461</u>
	494
Decreased by:	
Payments to State of New Jersey	<u>463</u>
Balance - June 30, 2009	<u><u>\$ 31</u></u>

Schedule of Reserve Escrow Deposits

Trust Funds

Year ended June 30, 2009

Balance - June 30, 2008	\$ 100,978
Increased by:	
Escrow Deposits	<u>121,561</u>
	222,539
Decreased by:	
Escrow Deposits Refunded	<u>128,522</u>
Balance - June 30, 2009	<u><u>\$ 94,017</u></u>

BOROUGH OF EDGEWATER

**Schedule of Amount Due to (from) Current Fund
Trust Funds**

Year ended June 30, 2009

	<u>Total</u>	<u>Escrow Trust</u>	<u>Open Space Trust</u>	<u>Fire Prevention Trust</u>
Balance - June 30, 2008	\$ (1,372)	13,069	(11,941)	(2,500)
Increased by:				
Open Space Taxes	(167,452)		167,452	
Interest Earned	118	118		
	<u>(168,706)</u>	<u>13,187</u>	<u>(179,393)</u>	<u>(2,500)</u>
Decreased by:				
Cash Received	<u>27,510</u>	<u>13,069</u>	<u>11,941</u>	<u>2,500</u>
Balance - June 30, 2009	<u>\$ (141,196)</u>	<u>118</u>	<u>(167,452)</u>	<u></u>

BOROUGH OF EDGEWATER

Schedule of Miscellaneous Reserves

Trust Funds

Year ended June 30, 2009

	Balance, June 30, <u>2008</u>	<u>Increased</u>	<u>Decreased</u>	Balance, June 30, <u>2009</u>
Reserve for:				
Cemetery Bequests	\$ 30,860	37		30,897
Bullet Proof Vests	6,954	8	1,635	5,327
Ferry Performance Security	192,499	1,566		194,065
Fire Prevention	12,779	1,398	3,976	10,201
Edgewater Cares	2,405	15		2,420
Cultural and Historical Society	1,556	52		1,608
Regional Contribution Assistance		332,197		332,197
Council on Affordable Housing		1,426,441		1,426,441
Open Space Trust	978,870	173,255	362,451	789,674
Recycling Fees	<u>82,895</u>	<u>56,274</u>	<u>72,825</u>	<u>66,344</u>
	<u>\$ 1,308,818</u>	<u>1,991,243</u>	<u>440,887</u>	<u>2,859,174</u>
		Cash 65,153		
		Due From Current Fund 167,452		
		Transferred from Current Fund <u>1,758,638</u>		
		<u>\$ 1,991,243</u>		

BOROUGH OF EDGEWATER

Statement of Service Award Contributions Receivable

Emergency Services Length of Service Award Program

Year ended June 30, 2009

Balance - June 30, 2008		\$	71,300
Increased by:			
Additional service credits - 2006	\$	100	
2009 Borough Contribution		<u>75,900</u>	
			<u>76,000</u>
			147,300
Decreased by:			
2008 Borough Contribution received		<u>71,400</u>	
Balance - June 30, 2009		\$	<u><u>75,900</u></u>

Statement of Net Assets Available for Benefits

Emergency Services Length of Service Award Program

Year ended June 30, 2009

Balance - June 30, 2008		\$	419,598
Increased by:			
Borough Contributions	\$	76,000	
Investment Income		<u>10,673</u>	
			<u>86,673</u>
Decreased by:			506,271
Distributions		2,327	
Net Unrealized Depreciation in Fair Value of Investments		<u>23,261</u>	
			<u>25,588</u>
Balance - June 30, 2009		\$	<u><u>480,683</u></u>

BOROUGH OF EDGEWATER

Schedule of Cash - Treasurer

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$ 1,022,110
Increased by receipts:		
Capital Improvement Fund	\$ 75,000	
Bond Anticipation Notes	5,046,550	
NJ EIT Loan	879,614	
NJDEP Green Acres Program	814,745	
Reserve for Payment of Debt	247,714	
Reserve for Green Acres	3,282	
Sale of Bonds	4,884,000	
Community Development Block Grants	287,154	
Due from Current Fund	29,919	
New Jersey Department of Transportation Grant	75,000	
Bergen County Historic Preservation Trust	16,063	
Premium on Sale of Notes	80,061	
Bergen County Open Space Trust Fund	300,000	
		<u>12,739,102</u>
		13,761,212
Decreased by disbursements:		
Improvement Authorizations	5,260,590	
Bond Anticipation Notes	1,700,000	
Due from Current Fund	2,412	
		<u>6,963,002</u>
Balance - June 30, 2009		\$ <u><u>6,798,210</u></u>

BOROUGH OF EDGEWATER

Schedule of General Capital Fund Cash

General Capital Fund

June 30, 2009

Grants Receivable -		
Community Development Block Grant		\$ (119,917)
New Jersey Department of Transportation		(281,859)
Bergen County Open Space Trust Fund		(41,873)
Bergen County Historic Preservation Trust		(223,937)
Green Acres Program		(382,445)
Livable Communities		(5,375)
Department of Community Affairs		(100,000)
Wasterwater Trust Fund Receivable		(1,525,599)
Due from Current Fund		(221,238)
Capital Improvement Fund		180,543
Reserve for Green Acres		7,987
Reserve for Payment of Debt		509,459
Reserve for Grants Receivable		11,859
Fund Balance		608,361
Bond Anticipation Notes Funded		4,884,000
Improvement authorizations:		
Ordinance		
<u>number</u>	<u>Improvement description</u>	
967	Various improvements	(164)
1184	Various improvements	151,165
1223	Various improvements	27,017
1226	Acquisition of Grand Cove Marina	233,649
1227	Various improvements	2,733
1258	Reconstruction of Fire House	226,492

BOROUGH OF EDGEWATER

Schedule of General Capital Fund Cash

General Capital Fund

June 30, 2009

1262	Pension Refunding	(2,681)
1272	Grand Cove Marina	310,866
1285	Various Capital Improvements	251,344
1299	Various Capital Improvements	285,353
1306	Various Capital Projects	3,144
1315	Acquisition of three buses	2,063
1316	Various Capital Improvements	7,698
1325	Various Capital Improvements	(9)
1326	Various Capital Improvements	946,618
1327	Grand Cove Marina	196,042
1343	Improvements to Various streets and Roads	3,084
1359	Dissolution of Edgewater MUA	(2,172)
1365	Various Capital Improvements	32,585
1366	Separation of Combined Sewers	509,148
1357	Acquisition of Municipal Complex/Police Station	(555,502)
1372/1382	Dredging of Edgewater Marina	225,954
1398	Acq./Installation of Marina Clock	40,192
1399	Security and Communications Upgrade	213,640
1381/1387	Various Capital Improvements	286,920
1401	Undercliff Ave. Streetscape	99,098
1413	Refunding Bond Ordinance	(610)
1407	Barrier Free Improvements-River Road	4,577
		<u>\$ 6,798,210</u>

BOROUGH OF EDGEWATER

**Schedule of Deferred Charges to Future
Taxation - Funded**

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$ 14,301,123
Increased by:		
Sale of Bonds	\$ 4,884,000	
Refunding Bonds	2,460,000	
Issuance of EIT Loans	<u>2,351,481</u>	
		<u>9,695,481</u>
		23,996,604
Decreased by:		
Infrastructure Loan Payments	162,984	
Green Trust Loan Payments	16,958	
Bonds Refunded	2,419,000	
Paid via Budget Appropriation		
Capital Lease	12,000	
Serial Bonds	<u>765,000</u>	
		<u>3,375,942</u>
Balance - June 30, 2009		\$ <u><u>20,620,662</u></u>

BOROUGH OF EDGEWATER

Schedule of Deferred Charges to
Future Taxation - Unfunded

General Capital Fund

Year ended June 30, 2009

Ordinance number	Improvement description	Balance, June 30, 2008	2009 Authorizations	Reduced	Balance, June 30, 2009	Bond anticipation notes	Analysis of balance		Unexpended improvement authorization
							Expenditures		
967	Various improvements	\$ 164			164		164		
1258	Reconstruction of Fire House	981,348		981,348					
1262	Pension Refunding	2,681			2,681		2,681		
1285	Various Capital Improvements	2,556			2,556				2,556
1299	Various Capital Improvements	641,130		641,130					
1305	Various Capital Improvements	95,000		95,000					
1313	Various Capital Improvements	912,000		912,000					
1315	Acquisition of three buses	190,000		190,000					
1316	Various Capital Improvements	95,522		95,522					
1325	Various Capital Improvements	445,709		445,000	709	700	9		
1327	Grand Cove Marina	3,047,000		3,047,000					
1343	Improvements to Various Roads/Sidewalks	61,750		61,750					
1357	Acquisition of Municipal Complex/Police Station	5,500,000		100,000	5,400,000		555,502		4,844,498
1359	Dissolution of the Edgewater Municipal Utilities Authority	253,860		175,000	78,860		2,172		76,688
1365	Various Capital Improvements	147,250		147,250					
1366	Separation of Combined Sewers	3,100,000		2,351,481	748,519				748,519
1372/1382	Dredging of Marina	4,800,000			4,800,000	4,799,300			700
1381/1387	Various Capital Improvements	1,562,750			1,562,750				1,562,750
1407	Barrier Free Improvements-River Road		123,500		123,500				123,500
1413	Refunding Bond Ordinance		2,800,000	2,460,000	340,000		610		339,390
1418	Sewer Repairs		725,000		725,000				725,000
		<u>\$ 21,838,720</u>	<u>3,648,500</u>	<u>11,702,481</u>	<u>13,784,739</u>	<u>4,800,000</u>	<u>561,138</u>		<u>8,423,601</u>
	Sale of Bonds			4,884,000					
	Infrastructure Trust Loan			2,351,481					
	Budget Appropriation			307,000					
	Refunding Bonds			2,460,000					
	General Capital Cash			1,700,000					
				<u>\$ 11,702,481</u>					

Improvement authorizations - unfunded \$ 8,649,555
 Less: Unexpended proceeds of Bond Anticipation Notes
 Ord. 1372/1382 225,954
\$ 8,423,601

BOROUGH OF EDGEWATER

Schedule of Infrastructure Loans Receivable
New Jersey Department of Environmental Protection

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008	\$	53,732
Increased by:		
Loan Awards		<u>2,351,481</u>
		2,405,213
Decreased by:		
Receipts		<u>879,614</u>
Balance - June 30, 2009	\$	<u><u>1,525,599</u></u>

Analysis of Balance

Prior Years		53,732
Trust Loan (2007)		395,096
Fund Loan (2007)		<u>1,076,771</u>
	\$	<u><u>1,525,599</u></u>

Schedule of Grants Receivable -
State of New Jersey Green Acres Program

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008	\$	1,582,445
Increased by:		
Grant Awards		<u>375,000</u>
		1,957,445
Decreased by:		
Cash Receipts	\$	814,745
Cancelled		<u>760,255</u>
		<u>1,575,000</u>
Balance - June 30, 2009	\$	<u><u>382,445</u></u>

Analysis of Balance

Ord. 1326 - Imps. To Veteran's Field	\$	<u><u>382,445</u></u>
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BOROUGH OF EDGEWATER
Schedule of Grants Receivable -
New Jersey Department of Transportation

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008	\$	356,859
Decreased by:		
Receipts		75,000
Balance - June 30, 2009	\$	281,859

Analysis of Balance

Ord. 1285 - Leary, Hooks Lanes, Maple St.		11,859
Ord. 1381/1387 Improvements to Garden Place		140,000
Ord. 1381/1387 Reconstruction of North Street		130,000
	\$	281,859

Schedule of Grants Receivable -
Bergen County Open Space Trust Fund

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008	\$	300,623
Increased by:		
Grant Awards		41,250
		341,873
Decreased by:		
Cash Receipts		300,000
Balance - June 30, 2009	\$	41,873

Analysis of Balance

Ord. 1398 - Installation of Marina Clock		41,250
Ord. 1223 - Recreation Equipment		623
	\$	41,873

BOROUGH OF EDGEWATER
Schedule of Grants Receivable -
New Jersey Special Purpose Grant

General Capital Fund

Year ended June 30, 2009

Increased by :		
Grant Award	\$	215,000
Decreased by:		
Transferred from Unappropriated Reserves	\$	215,000

Schedule of Grants Receivable -
Bergen County Historic Preservation Trust

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$ 240,000
Decreased by:		
Cash Receipts		16,063
Balance - June 30, 2009	\$	223,937
	<u>Analysis of Balance</u>	
Ord. 1326 - Phase I design and roof repair at Borough Hall		78,937
Ord. 1381/1387 - Rehabilitation of Borough Hall, Phase I		145,000
	\$	223,937

BOROUGH OF EDGEWATER

Schedule of Community Development Block Grant Receivables

General Capital Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$	507,071
Increased by:			
Grant Awards			<u>100,000</u>
			607,071
Decreased by:			
Canceled	\$	200,000	
Cash Receipts		<u>287,154</u>	
			<u>487,154</u>
Balance - June 30, 2009		\$	<u><u>119,917</u></u>

Analysis of Balance

Ord. 1223- Curbs/Sidewalks/Barrier Free	7,071
Ord. 1401 Undercliff Ave. Streetscape	47,444
Ord. 1381/1387 Improvements to Undercliff Ave.	<u>65,402</u>
	\$ <u><u>119,917</u></u>

BOROUGH OF EDGEWATER
Schedule of Due from Current Fund
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008		\$	27,245
Increased by:			
Premium on Refunding Bond Sale	\$	221,500	
Cash Disbursement		2,412	
			223,912
			251,157
Decreased by:			
Cash Receipts			29,919
Balance - June 30, 2009		\$	221,238

Schedule of Reserve for Unappropriated Grants
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008		\$	215,000
Decreased by:			
Appropriated - Ord. 1399		\$	215,000

BOROUGH OF EDGEWATER
Schedule of New Jersey Environmental
Infrastructure Loan Payable
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008		\$ 1,463,123
Increased by:		
Loans issued		<u>2,351,481</u>
		3,814,604
Decreased by:		
Paid via Budget Appropriation		<u>162,984</u>
Balance - June 30, 2009		<u><u>\$ 3,651,620</u></u>

<u>Analysis of Balance</u>		
Infrastructure Trust Loan -		
Series 2000		655,000
Series 2001		95,000
Series 2007		615,000
Infrastructure Fund Loan -		
Series 2000		532,307
Series 2001		84,128
Series 2007		<u>1,670,185</u>
		<u><u>\$ 3,651,620</u></u>

BOROUGH OF EDGEWATER
Schedule of Green Trust Loan Payable
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008	\$ 400,000
Decreased by:	
Paid via Budget Appropriation	<u>16,958</u>
Balance - June 30, 2009	<u><u>\$ 383,042</u></u>

BOROUGH OF EDGEWATER

Schedule of Serial Bonds

General Capital Fund

Year ended June 30, 2009

Purpose	Date of issue	Original issue	Maturities of bonds outstanding		Interest rate	Balance, June 30, 2008	Increased	Decreased	Balance, June 30, 2009
			Date	Amount					
General bonds	Sept. 15, 1997	2,919,000	July 15, 2009	400,000	5.00%	2,034,000		1,634,000	400,000
Refunding bonds	Mar. 1, 1999	5,515,000				1,200,000		1,200,000	
General obligation bonds	Jun. 1, 2004	9,190,000	Jun. 1, 2010	225,000	4.25%	8,765,000		350,000	8,415,000
			Jun. 1, 2011	250,000	4.25%				
			Jun. 1, 2012	285,000	4.25%				
			Jun. 1, 2013	300,000	4.25%				
			Jun. 1, 2014	825,000	4.25%				
			Jun. 1, 2015	850,000	4.25%				
			Jun. 1, 2016	900,000	4.25%				
			Jun. 1, 2017	930,000	4.30%				
			Jun. 1, 2018	940,000	4.30%				
			Jun. 1, 2019	960,000	4.30%				
			Jun. 1, 2020	970,000	4.30%				
			Jun. 1, 2021	980,000	4.30%				
Refunding Bonds	Jun. 30, 2009	2,460,000	Aug. 15, 2009	145,000	1.50%		2,460,000		2,460,000
			Aug. 15, 2010	655,000	3.00%				
			Aug. 15, 2011	650,000	3.00%				
			Aug. 15, 2012	670,000	3.00%				
			Aug. 15, 2013	50,000	3.00%				
			Aug. 15, 2014	125,000	4.00%				
			Aug. 15, 2015	165,000	4.00%				

BOROUGH OF EDGEWATER

Schedule of Serial Bonds

General Capital Fund

Year ended June 30, 2009

<u>Purpose</u>	<u>Date of issue</u>	<u>Original issue</u>	<u>Maturities of bonds outstanding</u>		<u>Interest rate</u>	<u>Balance, June 30, 2008</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2009</u>
			<u>Date</u>	<u>Amount</u>					
General Obligation Bonds	Jun. 30, 2009	4,884,000	Aug. 15, 2011	25,000	3.00%		4,884,000		4,884,000
			Aug. 15, 2012	25,000	4.00%				
			Aug. 15, 2013	90,000	4.00%				
			Aug. 15, 2014	380,000	4.00%				
			Aug. 15, 2015	450,000	4.00%				
			Aug. 15, 2016	100,000	4.00%				
			Aug. 15, 2017	125,000	5.00%				
			Aug. 15, 2018	150,000	5.00%				
			Aug. 15, 2019	175,000	4.50%				
			Aug. 15, 2020	225,000	4.50%				
			Aug. 15, 2021	235,000	4.00%				
			Aug. 15, 2022	960,000	5.00%				
			Aug. 15, 2023	960,000	5.00%				
		Aug. 15, 2024	984,000	4.00%					
						\$ 11,999,000	7,344,000	3,184,000	16,159,000

BOROUGH OF EDGEWATER
Schedule of Capital Leases Payable

General Capital Fund

Year ended June 30, 2009

<u>Purpose</u>	<u>Date of issue</u>	<u>Original issue</u>	<u>Maturities of lease payments outstanding</u>		<u>Interest rate</u>	<u>Balance, June 30, 2008</u>	<u>Decreased</u>	<u>Balance, June 30, 2009</u>
			<u>Date</u>	<u>Amount</u>				
Refund of unfunded pension liability	Mar. 15, 2003	1,083,000	Mar. 15, 2010	14,000	5.00%	439,000	12,000	427,000
			Mar. 15, 2011	17,000	5.00%			
			Mar. 15, 2012	20,000	5.00%			
			Mar. 15, 2013	24,000	5.25%			
			Mar. 15, 2014	27,000	4.70%			
			Mar. 15, 2015	31,000	4.75%			
			Mar. 15, 2016	36,000	4.80%			
			Mar. 15, 2017	40,000	4.85%			
			Mar. 15, 2018	46,000	4.90%			
			Mar. 15, 2023	172,000	5.35%			
						\$ 439,000	12,000	427,000

BOROUGH OF EDGEWATER
Schedule of Reserve for Grants Receivable
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008		\$	816,859
Increased by:			
Grant Award Ord. 1400			375,000
			1,191,859
Decreased by:			
Grant Collected	\$	219,745	
Grants Canceled		960,255	
			1,180,000
Balance - June 30, 2009		\$	11,859

<u>Analysis of Balance</u>			
New Jersey Department of Transportation			
Ord. 1285/1304		11,859	
		11,859	\$
			11,859

Schedule of Reserve for Payment of Debt
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008		\$	1,742,000
Increased by:			
Cash Receipts	\$	247,714	
Transferred from Reserve for Grants Receivable		219,745	
			467,459
			2,209,459
Decreased by:			
Payment of Bond Anticipation Note			1,700,000
Balance - June 30, 2009		\$	509,459

<u>Analysis of Balance</u>			
Ord. 1285		27,000	
Ord. 1325		20,000	
Ord. 1381/1387		27,810	
Ord. 1366		219,904	
Ord. 1372		214,745	
			\$ 509,459

BOROUGH OF EDGEWATER
Schedule of Capital Improvement Fund
General Capital Fund
Year ended June 30, 2009

Balance - June 30, 2008	\$ 112,043
Increased by:	
2009 Budget Appropriations	<u>75,000</u>
	187,043
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>6,500</u>
Balance - June 30, 2009	<u><u>\$ 180,543</u></u>

BOROUGH OF EDGEWATER

Schedule of Improvement Authorizations

General Capital Fund

Year ended June 30, 2009

Ordinance number	Improvement description	Ordinance date	Amount	Balance, June 30, 2008		2009 Authorizations	Expended	Balance, June 30, 2009	
				Funded	Unfunded			Funded	Unfunded
1184	Various Improvements	Mar. 27, 2000	606,000	175,818			24,653	151,165	
1223	Various Improvements	Dec. 3, 2001	185,000	27,331			314	27,017	
1226	Acquisition of Grand Cove Marina	Apr. 15, 2002	2,325,000	233,649				233,649	
1227	Various Improvements	Mar. 4, 2002	1,320,500	2,733				2,733	
1258	Reconstruction of Fire House	Dec. 16, 2002	5,500,000		226,492			226,492	
1272	Grand Cove Marina	Apr. 21, 2003	2,400,000	310,866				310,866	
1285/1304	Various Capital Improvements	Oct. 20, 2003	368,544	251,344				251,344	2,556
1299	Various Capital Improvements	May 17, 2004	709,900		315,734		30,381	285,353	
1306	Various Capital Projects	Sept. 20, 2004	261,930	3,144				3,144	
1315	Acquisition of Three Buses	May 16, 2005	200,000		99,033		96,970	2,063	
1316	Various Capital Improvements	Jun. 20, 2005	100,550		28,491		20,793	7,698	
1326	Various Capital Improvements	Nov. 21, 2005	1,627,000	948,932			2,314	946,618	
1327	Grand Cove Marina	Dec. 5, 2005	9,500,000		225,460		29,418	196,042	
1343	Improvements to Various streets and Roads	June 19, 2006	255,000		14,938		11,854	3,084	
1357	Acquisition of Municipal Complex/Police Station	Feb. 20, 2007	5,500,000		5,419,778		575,280		4,844,498
1359	Dissolution of the Edgewater Municipal Utilities Authority	Feb. 20, 2007	1,537,170		76,938		250		76,688
1365	Various Capital Improvements	June 18, 2007	155,000		32,585			32,585	
1366	Separation of Combined Sewers	June 18, 2007	3,100,000		3,075,590		1,817,923	509,148	748,519
1372/1382	Dredging of Edgewater Marina	Dec. 27, 2007	4,800,000		1,877,337		1,650,683	226,654	
1381/1387	Various Capital Improvements	Mar. 18, 2008	3,060,000	1,280,824			993,904	286,920	1,562,750
1398	Acq./Installation of Marina Clock	Dec. 15, 2008	41,250				1,058	40,192	
1399	Security and Communications Upgrades	Dec. 15, 2008	215,000			41,250			
1401	Undercliff Ave. Streetscape	Feb. 17, 2009	100,000			215,000	1,360	213,640	
1407	Barrier Free Improvements-River Road	Mar. 16, 2009	130,000			100,000	902	99,098	
1413	Refunding bond Ordinance	May 18, 2009	2,800,000			130,000	1,923	4,577	123,500
1418	Sewer Repairs	June 15, 2009	725,000			2,800,000	2,460,610		339,390
				\$ 3,234,641	12,957,682	4,011,250	7,720,590	3,833,428	8,649,555

Capital Improvement Fund	6,500
Grants	356,250
Deferred Charges Unfunded	3,648,500
	\$ 4,011,250
Refunding Bonds	2,460,000
Cash	5,260,590
	\$ 7,720,590

BOROUGH OF EDGEWATER

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended June 30, 2009

<u>Ordinance number</u>	<u>Improvement description</u>	Balance, June 30, 2008	2009 <u>Authorizations</u>	Decreased by:	Balance, June 30, 2009
967	Various improvements	\$ 164			164
1262	Pension Refunding	2,681			2,681
1285	Various Capital Improvements	2,556			2,556
1325	Various Capital Improvements	9	700		709
1357	Acquisition of Municipal Complex/Police Station	5,500,000		100,000	5,400,000
1359	Dissolution of the Edgewater Municipal Utilities Authority	78,860			78,860
1365	Various Capital Improvements	147,250		147,250	
1366	Separation of Combined Sewers	3,100,000		2,351,481	748,519
1372/1382	Dredging of Edgewater Marina	4,800,000		4,799,300	700
1381/1387	Various Capital Improvements	1,562,750			1,562,750
1407	Barrier Free Improvements-River Road		123,500		123,500
1413	Refunding Bond Ordinance		2,800,000	2,460,000	340,000
1418	Sewer Repairs		725,000		725,000
		<u>\$ 15,194,270</u>	<u>3,649,200</u>	<u>9,858,031</u>	<u>8,985,439</u>
			Sale of Bond Anticipation Notes	5,046,550	
			NJEIT Issued	2,351,481	
			Refunding Bonds	2,460,000	
				<u>\$ 9,858,031</u>	

BOROUGH OF EDGEWATER
Schedule of Cash - Collector-Treasurer
Marina Utility Fund
Year ended June 30, 2009

Balance - June 30, 2008		\$	228,814
Cash Receipts:			
Revenues			349,352
			578,166
Cash Disbursements:			
2008 Appropriations	\$	235,485	
2007 Appropriation Reserves		5,014	
			240,499
Balance - June 30, 2009		\$	337,667

BOROUGH OF EDGEWATER
Schedule of Encumbrances Payable
Marina Utility Operating Fund
Year ended June 30, 2009

Balance - June 30, 2008	\$	1,728
Increased by:		
Transferred from Budget		6,128
		7,856
Decreased by:		
Transferred to Appropriation Reserves		1,728
Balance - June 30, 2009	\$	6,128

BOROUGH OF EDGEWATER
Schedule of 2008 Reserves - Operating Fund

Marina Utility Fund

Year ended June 30, 2009

	Balance, June 30, <u>2008</u>	Balance after transfers and <u>encumbrances</u>	Paid or <u>charged</u>	Balance <u>lapsed</u>
Salaries and Wages	\$ 920	920		920
Other expenses	<u>7,501</u>	<u>9,229</u>	<u>5,014</u>	<u>4,215</u>
	<u>\$ 8,421</u>	<u>10,149</u>	<u>5,014</u>	<u>5,135</u>
Appropriation Reserves		8,421		
Encumbrances		<u>1,728</u>		
		<u>\$ 10,149</u>		

BOROUGH OF EDGEWATER

Schedule of Cash - Treasurer

Public Assistance Fund

Year ended June 30, 2009

	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
Balance - June 30, 2008	\$ <u>842</u>	<u>14,727</u>	<u>15,569</u>
Increased by:			
State Aid for Public Assistance		30,400	30,400
Supplemental Security Income		22,185	22,185
Interest Earned	<u>5</u>	<u>15</u>	<u>20</u>
	<u>5</u>	<u>52,600</u>	<u>52,605</u>
	847	67,327	68,174
Decreased by:			
SSI Refunded		1,134	1,134
Public Assistance	<u>80</u>	<u>44,031</u>	<u>44,111</u>
	<u>80</u>	<u>45,165</u>	<u>45,245</u>
Balance - June 30, 2009	\$ <u><u>767</u></u>	<u><u>22,162</u></u>	<u><u>22,929</u></u>

BOROUGH OF EDGEWATER

**Schedule of Public Assistance Cash and Reconciliation
per N.J.S.A. 40A:5-5**

Public Assistance Fund

Year ended June 30, 2009

Balance - June 30, 2009				\$	22,929
Increased by receipts:					
State Aid		\$	24,200		
Supplemental Security Income/SSD			2,821		
Interest Earned			<u>1</u>		
					<u>27,022</u>
					49,951
Decreased by:					
General Assistance					<u>20,675</u>
Balance - October 31, 2009				\$	<u><u>29,276</u></u>
<u>Reconciliation - October 31, 2009</u>		<u>PATF I</u>	<u>PATF II</u>		<u>Total</u>
Balance on Deposit per Statement of:					
Bank of America					
a/c no. 0469000414	\$		28,658		28,658
Mariner's Bank					
a/c no. 1400000756		<u>768</u>			<u>768</u>
		<u>768</u>	<u>28,658</u>		<u>29,426</u>
Add: Bank Service Charges					
Less: Outstanding Checks					
					<u>150</u>
Balance - October 31, 2009	\$	<u><u>768</u></u>	<u><u>28,508</u></u>		<u><u>29,276</u></u>

BOROUGH OF EDGEWATER

Schedule of Public Assistance Cash and Reconciliation

Public Assistance Fund

Year ended June 30, 2009

Balance - June 30, 2008		\$	15,569
Increased by receipts:			
State aid	\$	30,400	
Supplemental Security Income:			
Client Refund		1,134	
Municipal Refund		21,051	
Interest Earned		20	
		<u> </u>	<u>52,605</u>
			<u>68,174</u>
Decreased by:			
SSI Client Refund		1,134	
Emergency Assistance		50	
Bank Charges		30	
General Assistance		44,031	
		<u> </u>	<u>45,245</u>
Balance - June 30, 2009		\$	<u><u>22,929</u></u>

<u>Reconciliation - June 30, 2009</u>	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
Balance on Deposit per Statement of:			
Bank of America			
a/c no. 0469000414	\$	22,312	22,312
Mariner's Bank			
a/c no. 1400000756	<u>767</u>	<u> </u>	<u>767</u>
	<u>767</u>	<u>22,312</u>	<u>23,079</u>
Less: Outstanding Checks	<u> </u>	<u>150</u>	<u>150</u>
Balance - June 30, 2009	\$ <u><u>767</u></u>	<u><u>22,162</u></u>	<u><u>22,929</u></u>

BOROUGH OF EDGEWATER

Statement of Public Assistance Revenues

Public Assistance Fund

Year ended June 30, 2009

	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
State Aid Payments	\$	30,400	30,400
Less: Refunds to the State			
Net State Aid Payments	<u> </u>	<u>30,400</u>	<u>30,400</u>
Supplemental Security Income:			
Client Refund		1,134	1,134
Municipal Refund		21,051	21,051
Interest Earned	<u>5</u>	<u>15</u>	<u>20</u>
Total revenues (PATF)	<u>\$ 5</u>	<u>30,415</u>	<u>30,420</u>

Statement of Public Assistance Expenditures

Public Assistance Fund

Year ended June 30, 2009

	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
Payments for Current Year Assistance (Reported):			
Maintenance payments	\$	28,820	28,820
Temporary Rent Assistance		11,586	11,586
Work Related Expenses		65	65
Transportation		570	570
Emergency Assistance		2,925	2,925
Transient Assistance		65	65
Total Payments Reported	<u> </u>	<u>44,031</u>	<u>44,031</u>
Non-Reimbursable Assistance:			
SSI Refund		1,134	1,134
Bank charges	30		30
Emergency Assistance	50		50
Total Non-Reimbursable Assistance	<u>80</u>	<u>89,196</u>	<u>89,276</u>
Total Disbursements	<u>\$ 80</u>	<u>133,227</u>	<u>133,307</u>

BOROUGH OF EDGEWATER

Schedule of Grants Receivable

Sewer Facilities Grant Fund

Year Ended June 30, 2009

Balance - June 30, 2008	\$ <u>74,501</u>
Balance - June 30, 2009	\$ <u><u>74,501</u></u>

Analysis of Balance

Federal Sewer Facilities Step I Grant - EPA	70,161
Federal Sewer Facilities Step II Grant - EPA	<u>4,340</u>
	\$ <u><u>74,501</u></u>

Schedule of Reserve for Grant Expenditures

Sewer Facilities Grant Fund

Year Ended June 30, 2009

Balance - June 30, 2008	\$ <u>74,501</u>
Balance - June 30, 2009	\$ <u><u>74,501</u></u>

Analysis of Balance

Federal Sewer Facilities Step I Grant - EPA	70,161
Federal Sewer Facilities Step II Grant - EPA	<u>4,340</u>
	\$ <u><u>74,501</u></u>

BOROUGH OF EDGEWATER

LETTERS ON COMPLIANCE AND ON INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED JUNE 30, 2009

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

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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

Honorable Mayor and
Members of the Borough Council
Borough of Edgewater
County of Bergen, New Jersey

We have audited the financial statements-regulatory basis of the Borough of Edgewater in the County of Bergen as of and for the year ended June 30, 2009, and have issued our report thereon dated December 21, 2009. Our report disclosed that, as described in note 1 to the financial statements-regulatory basis, the Borough of Edgewater prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.



A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

Compliance and Other Matters

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

We noted certain immaterial instances of noncompliance that we have reported to the management of the Borough of Edgewater in the accompanying comments and recommendations section of this report.

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


Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CROO413


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

December 21, 2009



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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR STATE PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND N.J. OMB CIRCULAR 04-04 AS AMENDED

Honorable Mayor and
Members of the Borough Council
Borough of Edgewater
County of Bergen, New Jersey

Compliance

We have audited the compliance of the financial statements of the Borough of Edgewater in the County of Bergen with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Office of Management and Budget's State Aid/Grant Compliance Supplement that are applicable to each of its major state programs for the year ended June 30, 2009. The Borough of Edgewater's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Borough of Edgewater's management. Our responsibility is to express an opinion on the Borough of Edgewater's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"; and the provisions the New Jersey State Treasury Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Those standards and OMB Circular A-133 and N.J. OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Edgewater's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of Edgewater's compliance with those requirements.

In our opinion, the Borough of Edgewater complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2009.



Internal Control Over Compliance

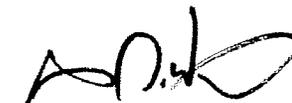
The management of the Borough of Edgewater is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Borough of Edgewater's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Edgewater's internal control over compliance.

A *control deficiency* is an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. The Borough of Edgewater's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Borough of Edgewater's response and, accordingly, we express no opinion on it.

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


Steven D. Wielktoz, C.P.A.
Registered Municipal Accountant
No. CRO0413


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

December 21, 2009



BOROUGH OF EDGEWATER

Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

<u>Federal grantor</u>	<u>Program</u>	<u>CFDA number</u>	<u>Grant period</u>	<u>Award Amount</u>	<u>Balance at June 30, 2008</u>	<u>Cash Receipts</u>	<u>Budgetary Expended</u>	<u>Adjustments</u>	<u>Balance at June 30, 2009</u>
<u>Current Fund:</u>									
Department of Justice	Bullet Proof Vest Partnership	16.607	2002	1,166	1,166			(1,166)	
	Bullet Proof Vest Partnership	16.607	2001	2,484	2,483			(2,483)	
	Bullet Proof Vest Partnership	16.607	2005	3,649	3,649				3,649
	COPS More - Technology	16.710	2002	55,433	31,483				31,483
	Computer Grant	16.710	2006-07	49,361	2,078				2,078
	Universal COPS	16.710	2000-01	200,601	121,963			(3,649)	121,963
					<u>162,822</u>				<u>159,173</u>
U.S. Department of Environmental Protection	Municipal Stormwater Regulation Program	66.605	2007-08	8,468			1,532	8,468	6,936
<u>General Capital Fund:</u>									
Department of Housing and Urban Development (passed through County of Bergen):	Community Development Block Grant: Undercliff Avenue Streetscape Ord. 1381/1387	14.219	2007-08	300,000		287,154	287,154		
	Undercliff Avenue Streetscape - Ord. 1401	14.219	2008-09	100,000		287,154	287,154		
<u>Public Assistance Trust Fund:</u>									
Department of Health, Education and Welfare	Supplemental Security Income	96.006	2008-09			22,185	22,185		
					<u>\$ 162,822</u>	<u>309,339</u>	<u>310,871</u>	<u>4,819</u>	<u>166,109</u>

Note: This schedule was not subject to an audit in accordance with OMB Circular A-133.

BOROUGH OF EDGEWATER
Schedule of State Financial Assistance

Year ended June 30, 2009

State grantor	Program	Grant number	Grant period	Award Amount	Balance June 30, 2008	Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2009
Current Fund: Department of Community Affairs	Smart Growth		2007-08	\$ 25,000					25,000
	Supplemental Fire Services Program	8030-150-141650-60	1994-95	2,544	(2,544)			(25,000)	(2,544)
	Supplemental Fire Services Program	8030-150-141650-60	1993-94	2,168	2,168				2,168
	Supplemental Safe Neighborhood Program	7030-150-041640-60	1993-94	21,650	(21,650)				(21,650)
	Emergency Medical Grant		2001-02	3,000	3,000				3,000
	ADA Compliance - Fire Department		2003-04	22,000	13,189			10,800	2,389
					(5,837)		(14,200)		8,363
Department of Environmental Protection	Clean Communities Program	4900-765-042-4900-004-V42Y	2008-09	12,136		12,136			12,136
	Clean Communities Program	4900-765-042-4900-04-VCMC	2007-08	19,296			10,929	(19,296)	8,367
	Clean Communities Program	4900-765-042-4900-04-VCMC	2005-06	16,325	4,019			3,043	976
	Clean Communities Program	4900-765-042-4900-04-VCMC	2004-05	8,066	3,370			293	3,077
	Clean Communities Program	4900-765-042-4900-04-VCMC	2003-04	7,615	4,691			208	4,483
	Clean Communities Program	4900-765-178910-60	2001-02	4,019	1,219			(2,800)	4,019
	Clean Communities Program	4900-765-178910-60	2000-01	9,701	8,141			(1,219)	9,360
	Clean Communities Program	4900-765-178910-60	1999-00	9,701	4,053			975	3,078
	Clean Communities Program	4900-765-178910-60	1995-96	5,999	(5,999)				(5,999)
	Clean Communities			2,000				(2,000)	2,000
Solid Waste Administration	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y	2008-09	6,340		6,340			6,340
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y	2007-08	7,250				(7,250)	7,250
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y	2002-03	8,313	8,313			8,313	
	Recycling Tonnage Grant		2004-05	15,013	4,657				4,657
	Recycling Tonnage Grant		2005-06	2,368	2,368			2,368	
EDA Grant	EDA Grant		1996-97	134,238	84,018				84,018
	EDA Grant		1996-97	127,624	123,691	18,476	10,929	(17,365)	123,691
					242,541				267,453
Department of Transportation	Pet Hole Program		1995-96	6,301	5,725				5,725
Department of Law and Public Safety	Drunk Driving Enforcement Fund	1110-448-031020-22	2002-03	453	453				453
	Drunk Driving Enforcement Fund	1110-448-031020-22	2001-02	620	130				130
	Drunk Driving Enforcement Fund	1110-448-031020-22	2000-01	998	450				450
	Drunk Driving Enforcement Fund	1110-448-031020-22	1999-00	1,123	890				890
	Drunk Driving Enforcement Fund	1110-448-031020-22	1998-99	1,681	566				566
	Drunk Driving Enforcement Fund	1110-448-031020-22	1996-97	3,236	3,236				3,236
	Drunk Driving Enforcement Fund	1110-448-031020-22	1995-96	1,491	693				693
			2,549	2,549				2,549	

BOROUGH OF EDGEWATER
Schedule of State Financial Assistance
Year ended June 30, 2009

State grantor	Program	Grant number	Grant period	Award Amount	Balance June 30, 2008	Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2009
Department of Law and Public Safety (cont.)	Domestic Violence Grant		2002-03	2,180	2,180				2,180
					11,147				11,147
Administrative Office of the Courts	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100	2008-09	1,067		1,067			1,067
		9735-760-098-Y900-001-X100	2007-08	2,077			(2,077)		2,077
		9735-760-098-Y900-001-X100	2004-05	125	125			125	
		9735-760-098-Y900-001-X100	2003-04	1,810	1,810			1,810	
		9735-760-098-Y900-001-X100	2005-06	2,378	2,372				2,372
		9735-760-060000-60	1999-00	125	125				125
		9735-760-060000-60	1996-97	791	791				791
		9735-760-060000-60	1995-96	453	453				453
				5,676	5,676		(142)	6,885	
Division of Criminal Justice	Body Armor Grant		2008-09	3,108		3,108			3,108
			2004-05	2,802	2,802				2,802
			2002-03	5,976	5,976				5,976
			1999-00	2,463					2,463
				11,241	11,241			14,349	
				\$ 270,493	\$ 270,493	10,929	(31,707)	313,922	
Total State Assistance - Current Fund									
General Capital Fund:									
Department of Transportation	Trust Fund Authority Act - Leary & Hooks Lane, and Maple Street - Ord. 1285		2002-03	70,000				52,500	
			2006-07	70,000		70,000		70,000	
			2007-08	140,000			76,570		(76,570)
			2007-08	130,000			91,288		(91,288)
				52,500	52,500	167,858	122,500	(167,858)	
Department of the Treasury	Special Purpose Grants		2008-09	215,000					
Department of Community Affairs	Borough Hall Preservation & Renovation Project - Ord. 1326		2004-05	100,000				53,491	(53,491)
New Jersey Livable Communities Grant	Various Library Impls - Ord. 1326		2005-06	32,000				32,000	(32,000)
Department of Environmental Protection	Green Acres		2006-07	600,000				107,327	(107,327)
			2006-07	400,000			16,958	(400,000)	383,042
			2007-08	975,000		814,745	814,745	(292,673)	275,715
				814,745	814,745	831,703	(84,682)	22,366	
		0213-05-014							
				\$ 52,500	\$ 52,500	999,561	(84,682)	22,366	
Total State Assistance - General Capital Fund									

BOROUGH OF EDGEWATER

Schedule of State Financial Assistance

Year ended June 30, 2009

State grantor	Program	Grant number	Grant period	Award Amount	Balance June 30, 2008	Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2009
Public Assistance Fund:									
Department of Health and Human Services	Public assistance	7500-150-158010-60	2009-10			3,000			3,000
		7500-150-158010-60	2008-09	44,031	(54,381)	27,400	44,031	(16,631)	
		7500-150-158010-60	2007-08	54,381	(11,155)			(54,381)	
		7500-150-158010-60	2006-07		(65,536)	30,400	44,031	(11,155)	3,000
<i>Total State Assistance - Public Assistance Trust Fund</i>									
Other Financial Assistance:									
County of Bergen (Passed through)	Municipal Alliance Grant Fund		2002-03	11,500	1,500		1,500		(8,124)
	Municipal Alliance Grant Fund		2000-01	10,000	(8,124)				(12,972)
	Municipal Alliance Grant Fund		1999-00	10,000	(12,972)		1,500		(21,096)
	Municipal Recycling Assistance Program		2007-08	3,365				(3,365)	3,365
			2006-07	2,639				(2,639)	2,639
			2005-06	2,368				(2,368)	2,368
								(8,372)	8,372
Bergen County Open Space/Historic Preservation Trust									
	Veteran's Field Imps., Phase II - Ord. 1381/1387		2007-08	300,000		300,000	300,000		
	Acq/Installation of clock at Grand Cove Marina - Ord. 1398		2008-09	41,250		16,063	16,063		
	Design/Repair at Borough Hall, Phase I - Ord. 1326		2005-06	95,000		145,000	145,000		(145,000)
	Rehabilitation of Borough Hall, Phase I - Ord. 1381/1387		2007-08	145,000		316,063	461,063		(145,000)
					(19,596)	316,063	462,563	(8,372)	(157,724)
<i>Total Other Financial Assistance</i>									
Total State and Other Financial Assistance				\$ 237,861		1,253,859	1,517,084	(206,928)	181,564

A - Accounts receivable of \$10,089, appropriated reserve of \$13,189

Note: This schedule was subject to an audit in accordance with N.J. OMB circular 04-04.

**BOROUGH OF EDGEWATER
 NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards 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 accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is described in Notes 1(B) to the Borough's financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's financial statements. Financial assistance revenues 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	\$1,532	\$12,429	\$13,961
General Capital Fund	287,154	999,561	1,286,715
Public Assistance Fund	<u>22,185</u>	<u>44,031</u>	<u>66,216</u>
Total Financial Awards	<u>\$310,871</u>	<u>\$1,056,021</u>	<u>\$1,366,892</u>

**BOROUGH OF EDGEWATER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

1. Material weakness(es) identified? yes X no
2. Significant deficiencies identified that are not considered to be material weaknesses? X yes no

Noncompliance material to general-purpose financial statements noted? yes X no

Federal Awards

Not Applicable

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

1. Material weakness(es) identified? yes X no
2. Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? yes X no

**BOROUGH OF EDGEWATER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

*Section I - Summary of Auditor's Results
(continued)*

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
4800-533-852000-60	Department of Environmental Protection - Green Trust Grant

**BOROUGH OF EDGEWATER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009
(continued)**

Section II - Financial Statement Findings

None

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

No matters were reported.

**BOROUGH OF EDGEWATER
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2009**

Status of Prior Year Findings

There were no prior year audit findings.

BOROUGH OF EDGEWATER

GENERAL COMMENTS

Contracts and Agreements

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

Effective April 17, 2000 and thereafter the bid thresholds in accordance with N.J.S.A. 40A:11-3 (as amended) is \$17,500. On July 1, 2005, the bid threshold was increased to \$21,000 or \$29,000 if there is a certified purchasing agent.

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

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

The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies," in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 40A:11-4.

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

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

- Solid Waste Tipping Services
- North Street, Section 2 and Garden Place Improvements
- Undercliff Avenue Streetscape Improvements
- 2 Adult Mini-Buses

BOROUGH OF EDGEWATER

GENERAL COMMENTS, (continued)

Collection of Interest on Delinquent Taxes and Assessments

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

The following resolution authorizing interest to be charged on delinquent taxes was adopted at the reorganization meeting held on January 2, 2009.

"WHEREAS, the penalty for nonpayment of taxes becoming delinquent on and after February 1, shall be at the rate of eight per centum (8%) per year for the first \$1,500 of delinquency and eighteen per centum (18%) per year on amounts over \$1,500; and

WHEREAS, Section 54:4-67 of the Revised Statutes has been amended to allow the Tax Collector to collect no interest if payment of any installment is made within ten (10) days after the date upon which the same became payable, provided it meets with the approval of the Mayor and Council;

BE IT RESOLVED, that the Tax Collector is granted permission to withhold interest charged for a period of ten (10) days after the date upon which the installment became payable, provided it is received within the period.

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

Delinquent Taxes and Tax Title Liens

A tax sale was held on June 3, 2009 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on June 30, of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2009	3
2008	3
2007	3

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

BOROUGH OF EDGEWATER

OTHER COMMENTS

Finance/Treasurer

- 1.* Goods and services are, in some instances, being ordered prior to the execution of a purchase order in violation of Technical Accounting Directive #1.
- 2.* There were some instances in which expenditures were charged to the incorrect capital ordinance.
3. There exists a substantial amount of appropriated grant reserves available for expenditure.
4. There are old grant receivables in the Federal and State Grant and General Capital Fund.

Tax Collector

1. Cash receipts received in the Tax Office are not validated upon receipt.

Payroll

1. There was an instance in which a Department of Public Works employee was not paid in accordance with the approved salary ordinance.

Departments

- 1.* A review of the court's ATS/ACS Monthly Management Reports revealed the following:
 - a. There is a substantial amount of tickets assigned not issued that are over 180 days old.
 - b. There is a substantial amount of tickets eligible for dismissal.
2. The Clerk's office is not maintaining a detailed analysis of receipts received.

BOROUGH OF EDGEWATER

RECOMMENDATIONS

Finance/Treasurer

- 1.* That an encumbrance be made prior to goods and services being ordered in accordance with Technical Accounting Directive #1.
- 2.* All invoices and contracts be reviewed prior to payment and posting to ensure that the proper capital ordinance is charged.
3. Greater effort be made to charge allowable grant expenditures to applicable appropriated grant reserves.
4. The old grant receivables in the Federal and State Grant and General Capital Funds be investigated to see if collection is possible and cancelled if necessary.

Tax Collector

1. All receipts received through the Tax office be validated with the receipt date.

Payroll

1. Payroll personnel review and verify pay rates to approved salary ordinances/contracts to ensure proper compensation is paid to all employees.

Departments

- 1.* ATS/ACS Monthly Management Report –
 - a. All tickets assigned not issued over 180 days be recalled and either destroyed or reassigned.
 - b. The court review the monthly management report and take steps to reduce the number of tickets eligible for dismissal.
2. The Clerk's office maintain a detailed analysis of cash received.

BOROUGH OF EDGEWATER

Status of Prior Year Audit Findings/Recommendations

A review was performed on all prior year recommendations and corrective action was taken on all, with the exception of the comments preceded with an "*".

Acknowledgment

We received the complete cooperation of all of the officials of the municipality and we greatly appreciate the courtesies extended to all members of the audit team.

Respectfully submitted



Steven D. Wielkocz
Registered Municipal Accountant
No. CR00413



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

December 21, 2009