BOROUGH OF SADDLE RIVER

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

INDEPENDENT AUDITOR'S REPORT

BOROUGH OF SADDLE RIVER

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T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Saddle River
County of Bergen, New Jersey

We have audited the accompanying balance sheets – regulatory basis of the various funds and account groups of the Borough of Saddle River as of December 31, 2011 and December31, 2010, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year ended December 31, 2011. These financial statements are the responsibility of the management of the Borough of Saddle River. Our responsibility is to express an opinion on these financial statements based on our audit.

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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Borough of Saddle River prepares its financial statements in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, because of the Borough policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Saddle River as of December 31, 2011 and December 31, 2010, or the results of its operations for the years then ended.

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However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account groups of the Borough of Saddle River as of December 31, 2011 and December 31, 2010, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated April 4, 2012 on our consideration of the Borough of Saddle River's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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 of the Borough of Saddle River, in the County of Bergen, State of New Jersey, taken as a whole. The supplemental schedules presented in the Supplementary Data Section are presented for purposes of additional analysis, as required by the Division of Local Government Services and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States o America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Timothy M. Vrabel
Registered Municipal Accountant
License No. CR000339

Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

April 4, 2012

SECTION A

CURRENT FUND

BOROUGH OF SADDLE RIVER

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

Assets	Ref.	December 31, 2011	December 31, 2010
General Fund:			
Cash - Treasurer	A-4	$ 6,445,501.70	$ 5,000,415.27
Change Fund	A-6	200.00	200.00
Petty Cash Fund	A-7	450.00	450.00
		6,446,151.70	5,001,065.27
Receivables and other Assets With Full Reserves :			
Delinquent Property Taxes	A-9	349,760.36	311,473.42
Tax Title Liens	A-10	4,258.08	3,915.00
Revenue Accounts Receivable	A-12	4,750.30	3,823.30
Interfunds Accounts Receivable	A-13	2,698,142.89	4,204,400.18
		3,056,911.63	4,523,611.90
Deferred Charges :			
Special Emergency Authorization	A-15	36,000.00	45,000.00
Emergency Authorization	A-15	85,000.00	-
		121,000.00	45,000.00
		9,624,063.33	9,569,677.17
Federal and State Grants Fund :			
Amount Due From Current Fund	A-26	137,151.29	111,442.64
Amount Due From Other Trust Fund	A-26a	1,613.87	1,613.87
Federal and State Aid Receivable	A-27	50,351.89	51,948.26
		189,117.05	165,004.77
		$ 9,813,180.38	$ 9,734,681.94

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(CONCLUDED)

Liabilities, Reserves and Fund Balance	Ref.	December 31, 2011	December 31, 2010
Liabilities :			
Appropriation Reserves	A-3,16	$ 343,731.82	$ 572,877.00
Amount Due to State of New Jersey for Senior Citizens and Veterans Deductions	A-8	6,897.30	6,897.30
Reserve for Encumbrances	A-17	99,572.83	79,607.04
Interfunds Accounts Payable	A-18	628,037.10	111,442.64
Prepaid Taxes	A-19	256,926.48	334,325.12
Tax Overpayments	A-20	40,522.54	10,084.42
Reserve for Funds - Appropriated	A-22	1,074.43	1,074.43
Reserve for Funds - Unappropriated	A-23	-	1,067,029.25
Other	A-24	4,828.00	2,498.00
School Taxes Payable	A-25	21,825.50	-
County Taxes Payable	A-25	20,055.62	23,242.40
		1,423,471.62	2,209,077.60
Reserve for Receivables and Other Assets		3,056,911.63	4,523,611.90
Fund Balance	A-1	5,143,680.08	2,836,987.67
		9,624,063.33	9,569,677.17
Federal and State Grants Fund :			
Appropriated Reserves	A-28	167,469.47	142,014.31
Unappropriated Reserves	A-29	19,372.58	20,715.46
Reserve for Encumbrances	A-30	2,275.00	2,275.00
		189,117.05	165,004.77
		$ 9,813,180.38	$ 9,734,681.94

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

BOROUGH OF SADDLE RIVER

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

Revenue and Other Income Realized	Ref.	Year 2011	Year 2010
Fund Balance Utilized	A-2	$ 184,375.00	$ 106,704.00
Miscellaneous Revenue Anticipated	A-2	3,409,333.09	2,558,642.17
Receipts from Delinquent Taxes	A-2	311,473.42	457,597.70
Receipts from Current Taxes	A-2	20,358,684.69	20,081,650.95
Non - Budget Revenue	A-2	795,499.42	529,969.86
Other Credits to Income :			
Unexpended Balance of Appropriation Reserves Lapsed	A-16	368,774.09	412,056.41
Total Income		25,428,139.71	24,146,621.09
Expenditures			
Budgetary and Emergency Appropriations :			
Appropriations Within "CAP"			
Operations			
Salaries and Wages	A-3	4,245,950.00	4,115,050.00
Other Expenses	A-3	3,502,350.00	3,380,960.00
Deferred Charges and Statutory Expenditures	A-3	996,386.00	845,276.00
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	452.46	371.28
Other Expenses	A-3	139,388.00	122,048.42
Capital Improvements	A-3	200,000.00	200,000.00
Debt Service	A-3	831,482.45	1,105,051.01
Deferred Charges - Municipal	A-3	9,000.00	

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - REGULATORY BASIS
(CONCLUDED)

Expenditures (Continued)	Ref.	Year 2011	Year 2010
Refund of Prior Year Revenue	A-4	$ 5,439.93	$ 9,413.00
Prior Year Tax Appeals Granted	A-4	16,617.82	19,566.92
Interfund Advance (Net)	A-13	479,589.53	1,775,339.70
Local School District Tax	A-25	7,205,441.50	6,950,681.50
County Taxes	A-25	5,369,918.99	5,326,493.99
County Share of Added and Omitted Taxes	A-25	20,055.62	23,242.40
Total Expenditures		23,022,072.30	23,873,494.22
Excess in Revenue		2,406,067.41	273,126.87
Adjustments to Income Before Fund Balance:			
Expenditures included above which are by statute deferred charges to budgets of succeeding years	A-15	85,000.00	45,000.00
		2,491,067.41	318,126.87
Fund Balance January 1	A	2,836,987.67	2,625,564.80
		5,328,055.08	2,943,691.67
Decreased by :			
Utilized as Anticipated Revenue	A-1	184,375.00	106,704.00
Fund Balance December 31	A	$ 5,143,680.08	$ 2,836,987.67

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

	Ref.	Anticipated	Added by 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	$ 184,375.00	$ -	$ 184,375.00	$ -
Miscellaneous Revenues :					
Fines and Costs:					
Municipal Court	A-12	83,000.00		73,324.90	(9,675.10)
Interest and Costs on Taxes	A-12	113,000.00		69,021.73	(43,978.27)
Energy Receipts Tax	A-12	418,322.00		418,322.00	-
Fees and Permits :					
Construction Code Official	A-12	269,000.00		320,449.00	51,449.00
Public and Private Revenues Off-Set with Appropriations:					
Drunk Driving Enforcement Fund	A-18	452.46		452.46	
Clean Communities Program	A-18	8,125.01		8,125.01	-
Municipal Alliance on Alcoholism and Drug Abuse	A-18	7,500.00		7,500.00	-
Body Armor Replacement Fund	A-18	2,858.77		2,858.77	-
Life Hazard Use Fee	A-18	1,104.22		1,104.22	-
Over the Limit Grant	A-18	1,525.00		1,525.00	-
Click It or Ticket Grant	A-18	4,000.00		4,000.00	-
Highway Safety and Education Grant	A-18	2,650.00		2,650.00	-
Other Special Items:					
Interfunds Accounts Receivable:					
General Capital Fund	A-13	2,500,000.00	-	2,500,000.00	-
Total Miscellaneous Revenues	A-1	3,411,537.46	-	3,409,333.09	(2,204.37)
Receipts from Delinquent Taxes	A-1,2	312,929.00		311,473.42	(1,455.58)
Amount to be raised by Taxes for Support of Municipal Budget :					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	8,252,685.00	-	9,563,268.58	1,310,583.58
Budget Totals		12,161,526.46	-	13,468,450.09	1,306,923.63
Non-Budget Revenues	A-1,2	-	-	795,499.42	795,499.42
		$ 12,161,526.46	$ -	$ 14,263,949.51	$ 2,102,423.05
	Ref.	A-3			

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
(CONTINUED)

Analysis of Realized Revenue	Ref.		
Allocation of Current Tax Collections :			
2011 Taxes Collected in 2010	A-9	$ 334,325.12	
2011 Taxes Collected in 2011	A-9	19,997,267.15	
State's Share of Senior Citizens' and Veterans' Deductions	A-9	20,000.00	
Tax Overpayments Applied	A-9	7,092.42	
	A-1	20,358,684.69	
Allocated to School and County Taxes	A-25	12,595,416.11	
		7,763,268.58	
Add : Reserve for Uncollected Taxes	A-3	1,800,000.00	
Amount for Support of Municipal Budget	A-2		$ 9,563,268.58
Receipts from Delinquent Taxes :			
Prior Year Taxes Collected	A-9	$ 311,473.42	
	A-2		$ 311,473.42

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
(CONCLUDED)

Analysis of Non-Budget Revenue	Ref.		
Treasurer :			
Sewer Charges		$ 82,317.70	
Cablevision Franchise Fee		38,270.00	
Snow Plowing Reimbursement		13,680.00	
Zoning Fees		29,410.00	
T-Mobile Lease		76,071.35	
Auction		22,932.00	
Administrative Fee for Senior Citizens' and Veterans' Deductions		400.00	
Street Opening - Police		111,759.71	
Ramsey Borough - Reimbursement for NJEIT Loan		135,911.15	
Employee Medical Premium Contributions		28,670.44	
Miscellaneous Reimbursements		30,763.74	
Miscellaneous		67,091.98	
	A-4		$ 637,278.07
Revenue Accounts Receivable:			
Fees, Permits and Licenses	A-12	18,030.95	
Hotel Occupancy Fees	A-12	139,035.00	
Interest on Investments	A-12	1,155.40	
			158,221.35
	A-2		$ 795,499.42

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Ref.	Appropriations Budget	Appropriations Budget After Modification	Expended Paid or Charged	Expended Reserved	Unexpended Balance Canceled
OPERATIONS WITHIN "CAP"						
GENERAL GOVERNMENT :						
General Administration						
Salaries and Wages		$ 107,000.00	$ 107,000.00	$ 101,717.68	$ 5,282.32	$ -
Other Expenses		155,825.00	170,825.00	168,614.79	2,210.21	
Municipal Clerk						
Salaries and Wages		70,000.00	70,000.00	67,778.15	2,221.85	
Other Expenses		22,500.00	22,500.00	19,469.21	3,030.79	
Financial Administration						
Salaries and Wages		232,500.00	232,500.00	228,390.21	4,109.79	
Other Expenses		16,575.00	46,575.00	31,110.74	15,464.26	
Audit Services						
Other Expenses		38,500.00	38,500.00	18,050.00	20,450.00	
Collection of Taxes						
Salaries and Wages		30,800.00	30,800.00	30,735.12	64.88	
Other Expenses		12,825.00	12,825.00	10,597.96	2,227.04	
Assessment of Taxes						
Salaries and Wages		19,075.00	19,075.00	19,062.37	12.63	
Other Expenses		23,350.00	17,350.00	16,816.11	533.89	
Legal Services and Costs						
Other Expenses		66,500.00	86,500.00	84,441.37	2,058.63	
Municipal Court						
Salaries and Wages		95,600.00	95,600.00	88,903.54	6,696.46	
Other Expenses		10,500.00	10,500.00	6,044.02	4,455.98	
Public Defender (P.L. 1997, c.256)						
Other Expenses		2,500.00	2,500.00	2,000.00	500.00	
Engineering Services and Costs						
Other Expenses		65,500.00	98,500.00	95,861.45	2,638.55	
Historical Preservation Commission						
Salaries and Wages		1,000.00	1,000.00	1,000.00	-	
Other Expenses		12,600.00	4,600.00	570.00	4,030.00	
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board						
Salaries and Wages		7,250.00	7,250.00	7,245.16	4.84	
Other Expenses		22,550.00	14,550.00	5,139.50	9,410.50	
Board of Adjustment						
Salaries and Wages		7,250.00	7,250.00	7,245.16	4.84	
Other Expenses		13,550.00	13,550.00	13,538.44	11.56	
Insurance						
General Liability		95,000.00	95,000.00	87,040.06	7,959.94	
Worker's Compensation Insurance		55,000.00	55,000.00	51,543.28	3,456.72	
Employee Group Health		806,000.00	806,000.00	806,000.00	-	

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
(CONTINUED)

	Ref.	Appropriations Budget	Appropriations Budget After Modification	Expended Paid or Charged	Expended Reserved	Unexpended Balance Canceled
OPERATIONS WITHIN "CAP" (CONTINUED)						
PUBLIC SAFETY :						
Police						
Salaries and Wages		$ 2,966,800.00	$ 3,026,800.00	$ 3,019,199.09	$ 7,600.91	$ -
Salaries and Wages (Added by N.J.S.A.40A:4-47)			8,000.00	8,000.00	-	
Other Expenses		88,775.00	87,775.00	86,885.69	889.31	
Homeland Security						
Police						
Other Expenses		22,250.00	22,250.00	5,947.45	16,302.55	
Emergency Management Services						
Salaries and Wages		1,500.00	1,500.00	1,500.00	-	
Other Expenses		13,500.00	8,500.00	6,423.83	2,076.17	
Aid to Volunteer Fire Companies		49,800.00	54,800.00	54,273.50	526.50	
Allendale Ambulance Service - Contract		15,000.00	15,000.00	15,000.00	-	
Fire						
Salaries and Wages		51,000.00	51,000.00	39,374.38	11,625.62	
Other Expenses		81,000.00	76,000.00	74,627.54	1,372.46	
Fire Hydrant Service		140,000.00	140,000.00	140,000.00	-	
Municipal Prosecutor						
Other Expenses		10,000.00	10,000.00	9,500.00	500.00	
PUBLIC WORKS FUNCTIONS:						
Road Repairs and Maintenance						
Salaries and Wages		208,000.00	213,000.00	206,438.52	6,561.48	
Salaries and Wages (Added by N.J.S.A.40A:4-47)			3,000.00	3,000.00	-	
Other Expenses		344,300.00	352,300.00	344,317.93	7,982.07	
Other Expenses (Added by N.J.S.A.40A:4-47)			70,000.00	70,000.00	-	
Solid Waste Collection						
Salaries and Wages		7,500.00	7,500.00	7,499.96	0.04	
Other Expenses		452,025.00	357,025.00	285,096.69	71,928.31	
Public Buildings and Grounds						
Other Expenses		95,600.00	110,600.00	102,462.58	8,137.42	
Vehicle Maintenance						
Other Expenses		75,000.00	81,000.00	78,125.00	2,875.00	
Other Expenses (Added by N.J.S.A.40A:4-47)			4,000.00	4,000.00	-	
HEALTH AND WELFARE :						
Board of Health						
Salaries and Wages - Secretary to the Board		1,000.00	1,000.00	999.96	0.04	
Salaries and Wages - Sanitarian		34,675.00	34,675.00	34,418.81	256.19	
Other Expenses		7,625.00	7,625.00	6,205.27	1,419.73	
Environmental Commission						
Salaries and Wages		1,000.00	1,000.00	1,000.00	-	
Other Expenses		7,250.00	2,250.00	1,020.00	1,230.00	
Contribution to Social Service Agencies		9,950.00	9,950.00	5,377.68	4,572.32	
Other Expenses					-	

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
(CONTINUED)

	Ref.	Appropriations Budget	Appropriations Budget After Modification	Expended Paid or Charged	Expended Reserved	Unexpended Balance Canceled
OPERATIONS WITHIN "CAP" (CONTINUED)						
RECREATION AND EDUCATION :						
Recreation Services and Programs						
Salaries and Wages		$ 1,500.00	$ 1,500.00	$ 1,500.00	$ -	$ -
Other Expenses		13,000.00	13,000.00	11,433.89	1,566.11	
OTHER COMMON OPERATING FUNCTIONS:						
Accumulated Leave Compensation						
Salaries and Wages		500.00	500.00		500.00	
Celebration of Public Events						
Other Expenses		20,000.00	17,000.00	16,237.60	762.40	
UTILITY EXPENSES AND BULK PURCHASES:						
Electricity		85,000.00	80,000.00	72,505.64	7,494.36	
Street Lighting		25,000.00	21,000.00	20,361.34	638.66	
Telephone		115,000.00	132,000.00	130,476.21	1,523.79	
Sewerage Disposal		88,500.00	78,500.00	70,549.71	7,950.29	
Gasoline		65,000.00	65,000.00	64,008.48	991.52	
LANDFILL/SOLID WASTEDISPOSAL COSTS:						
Landfill Tipping Fees		200,000.00	146,000.00	117,820.58	28,179.42	
CODE ENFORCEMENT AND ADMINISTRATION:						
State Uniform Construction Code:						
Construction Official						
Salaries and Wages		326,000.00	326,000.00	318,252.15	7,747.85	
Other Expenses		50,500.00	45,500.00	36,653.51	8,846.49	
TOTAL OPERATIONS WITHIN "CAP"		7,663,300.00	7,748,300.00	7,439,407.31	308,892.69	
DETAIL :						
Salaries and Wages	A-1	4,169,950.00	4,245,950.00	4,193,260.26	52,689.74	
Other Expenses	A-1	3,493,350.00	3,502,350.00	3,246,147.05	256,202.95	
		7,663,300.00	7,748,300.00	7,439,407.31	308,892.69	

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
(CONTINUED)

	Ref.	Appropriations Budget	Appropriations Budget After Modification	Expended Paid or Charged	Expended Reserved	Unexpended Balance Canceled
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAP"						
STATUTORY EXPENDITURES :						
Contribution to:						
Public Employees Retirement System		$ 137,433.00	$ 137,433.00	$ 137,433.00	$ -	
Social Security System (O.A.S.I.)		265,000.00	265,000.00	239,237.69	25,762.31	
Police and Firemen's Retirement System of N.J.		593,953.00	593,953.00	593,953.00	-	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAP"	A-1	996,386.00	996,386.00	970,623.69	25,762.31	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAP"		8,659,686.00	8,744,686.00	8,410,031.00	334,655.00	
OPERATIONS EXCLUDED FROM "CAP"						
Stormwater Management						
Engineering Services and Costs						
Other Expenses						
Insurance:						
Employee Group Health		18,750.00	18,750.00	18,150.05	599.95	
Interlocal Municipal Service Agreements						
City of Hackensack		71,500.00	71,500.00	65,557.43	5,942.57	
Health Officer Services						
Northwest Bergen County Utilities Authority						
Licensed Sewer Operator		9,500.00	9,500.00	9,347.00	153.00	
Public and Private Programs Offset by Revenues:						
Drunk Driving Enforcement Fund		10,000.00	10,000.00	7,618.70	2,381.30	
Clean Communities Program		452.46	452.46	452.46	-	
Municipal Alliance on Alcoholism and Drug Abuse		8,125.01	8,125.01	8,125.01	-	
Body Armor Replacement		7,500.00	7,500.00	7,500.00	-	
Life Hazard Use Fee		2,858.77	2,858.77	2,858.77	-	
Over the Limit Grant		1,104.22	1,104.22	1,104.22	-	
Click It or Ticket Grant		1,525.00	1,525.00	1,525.00	-	
Highway Safety and Education Grant		4,000.00	4,000.00	4,000.00	-	
Matching Funds for Grants:		2,650.00	2,650.00	2,650.00	-	
Municipal Alliance on Alcoholism and Drug Abuse		1,875.00	1,875.00	1,875.00	-	-
TOTAL OPERATIONS EXCLUDED FROM "CAP"		139,840.46	139,840.46	130,763.64	9,076.82	-
DETAIL :						
Salaries and Wages	A-1	452.46	452.46	452.46	-	-
Other Expenses	A-1	139,388.00	139,388.00	130,311.18	9,076.82	-
		139,840.46	139,840.46	130,763.64	9,076.82	-

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

BOROUGH OF SADDLE RIVER

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
(CONCLUDED)

	Ref.	Appropriations Budget	Appropriations Budget After Modification	Expended Paid or Charged	Expended Reserved	Unexpended Balance Canceled
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"						
Capital Improvement Fund		$ 200,000.00	$ 200,000.00	$ 200,000.00	$ -	$ -
TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"	A-1	200,000.00	200,000.00	200,000.00		
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAP"						
Payment of Bond Anticipation Notes		1,078,000.00	1,078,000.00	578,000.00		500,000.00
Interest on Notes		135,000.00	135,000.00	119,524.64		15,475.36
New Jersey Environmental Infrastructure Trust Loan:						
Principal on Loans - 2006A Loan		92,474.98	92,474.98	92,474.98		-
Interest on Loans - 2006A Loan		47,525.02	47,525.02	41,482.83		6,042.19
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAP"	A-1	1,353,000.00	1,353,000.00	831,482.45		521,517.55
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAP"						
DEFERRED CHARGES:						
Emergency Authorizations		9,000.00	9,000.00	9,000.00		
TOTAL DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAP"	A-1	9,000.00	9,000.00	9,000.00	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - EXCLUDED FROM "CAP"		1,701,840.46	1,701,840.46	1,171,246.09	9,076.82	521,517.55
SUBTOTAL GENERAL APPROPRIATIONS		10,361,526.46	10,446,526.46	9,581,277.09	343,731.82	521,517.55
RESERVE FOR UNCOLLECTED TAXES		1,800,000.00	1,800,000.00	1,800,000.00	-	-
TOTAL GENERAL APPROPRIATIONS		$ 12,161,526.46	$ 12,246,526.46	$ 11,381,277.09	$ 343,731.82	$ 521,517.55
	Ref.	A-2			A	

	Ref.		
Adopted Budget	A-2		$ 12,161,526.46
Emergency Authorization (N.J.S.A. 40A: 4-47)	A-15		85,000.00
			$ 12,246,526.46
	Ref.		
Cash Disbursed			$ 9,134,174.22
Less: Refunds			(31,560.42)
Fire Hydrant Service	A-4	$ 9,102,613.80	
Capital Improvement Fund	A-13	140,000.00	
Deferred Charges	A-13	200,000.00	
Reserve for Encumbrances	A-15	9,000.00	
Amount Due to Federal and State Grants Fund	A-17	99,572.83	
Reserve for Uncollected Taxes	A-18	30,090.46	
	A-2	1,800,000.00	
		$ 11,381,277.09	

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

SECTION B

TRUST FUND

BOROUGH OF SADDLE RIVER

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

Assets	Ref.	December 31, 2011	December 31, 2010
Animal Control Fund :			
Cash - Treasurer	B-1	$ 607.60	$ 318.40
		607.60	318.40
Other Funds :			
Cash - Treasurer	B-1	2,683,179.55	2,370,276.93
Interfunds Accounts Receivable	B-2	490,885.81	-
		3,174,065.36	2,370,276.93
Deferred Compensation Fund:			
Cash - Treasurer	B-10	8,470.06	9,399.87
		8,470.06	9,399.87
		$ 3,183,143.02	$ 2,379,995.20

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

BOROUGH OF SADDLE RIVER

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

Liabilities, Reserves and Fund Balance	Ref.	December 31, 2011	December 31, 2010
Animal Control Fund :			
Interfunds Accounts Payable	B-3	$ 457.62	$ 457.62
Reserve for Animal Control Fund Expenditures	B-4	139.18	(150.02)
Amount Due to State Board of Health	B-5	10.80	10.80
		607.60	318.40
Other Funds :			
Interfunds Accounts Payable	B-3	12,446.11	9,728.69
Reserve for Special Funds	B-8	3,161,619.25	2,360,548.24
		3,174,065.36	2,370,276.93
Deferred Compensation Fund:			
Reserve for Deferred Compensation Fund	B-10	8,470.06	9,399.87
		8,470.06	9,399.87
		$ 3,183,143.02	$ 2,379,995.20

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

SECTION C

GENERAL CAPITAL FUND

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

Assets	Ref.	December 31, 2011	December 31, 2010
Cash - Treasurer	C-2	$ 3,425,948.88	$ 1,132,128.12
Deferred Charges to Future Taxation:			
Funded	C-4	1,702,927.41	1,795,402.39
Unfunded	C-5	12,496,721.00	12,864,721.00
Federal, State and Other Aid Receivable	C-7	1,043,640.93	487,898.93
		$ 18,669,238.22	$ 16,280,150.44
Liabilities, Reserves and Fund Balance			
NJ Environmental Infrastructure Trust Loan	C-16	$ 1,702,927.41	$ 1,795,402.39
Bond Anticipation Notes	C-17	11,961,000.00	9,005,000.00
Improvement Authorizations :			
Funded	C-9	790,714.93	31,272.29
Unfunded	C-9	1,067,173.86	816,900.39
Capital Improvement Fund	C-11	460,553.46	450,553.46
Capital Reserves	C-12	248,142.48	218,268.40
Interfund Accounts Payable	C-13	1,907,874.32	3,526,156.14
Fund Balance	C-1	530,851.76	436,597.37
		$ 18,669,238.22	$ 16,280,150.44

There were Bonds and Notes Authorized but not Issued at December 31, 2011 in the amount of $535,721.00. See Schedule C-18 for analysis.

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

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	Ref.		
Balance December 31, 2010	C		$ 436,597.37
Increased by :			
Premium on Sale of Notes	C-2	$ 17,307.00	
Premium on Sale of Notes	C-13	76,947.39	
			94,254.39
Balance December 31, 2011	C		$ 530,851.76

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

SECTION D

WATER UTILITY FUND

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

Assets	Ref.	December 31, 2011	December 31, 2010
Water Operating Fund:			
Cash - Treasurer	D-5	$ 479,454.69	$ 293,224.11
		479,454.69	293,224.11
Receivables with Full Reserves:			
Consumers' Accounts Receivable	D-9	111,246.19	122,092.53
Liens Receivable	D-10	7,200.72	-
		118,446.91	122,092.53
Total Water Operating Fund		597,901.60	415,316.64
Water Capital Fund :			
Cash - Treasurer	D-5	99,025.00	19,025.00
Interfunds Accounts Receivable	D-8	325.00	80,325.00
Fixed Capital	D-12	300,000.00	300,000.00
Fixed Capital Authorized and Uncompleted	D-13	2,000,000.00	2,000,000.00
Total Water Capital Fund		2,399,350.00	2,399,350.00
		$ 2,997,251.60	$ 2,814,666.64

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

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(CONCLUDED)

Liabilities, Reserves and Fund Balance	Ref.	December 31, 2011	2010
Water Operating Fund :			
Liabilities :			
Appropriation Reserves	D-4,16	$ 20,337.18	$ 999.18
Reserve for Encumbrances	D-17	50,855.71	-
Interfund Accounts Payable	D-18	233,015.10	203,707.99
		304,207.99	204,707.17
Reserve Receivables		118,446.91	122,092.53
Fund Balance	D-1	175,246.70	88,516.94
Total Water Operating Fund		597,901.60	415,316.64
Water Capital Fund :			
Interfund Accounts Payable	D-18	543,284.41	543,284.41
Improvement Authorizations - Unfunded	D-23	365.59	365.59
Reserve for Encumbrances	D-24	700.00	700.00
Capital Improvement Fund	D-25	65,000.00	65,000.00
Reserve for Amortization	D-27	15,000.00	15,000.00
Deferred Reserve for Amortization	D-28	1,775,000.00	1,775,000.00
Total Water Capital Fund		2,399,350.00	2,399,350.00
		$ 2,997,251.60	$ 2,814,666.64

There were Bonds and Notes Authorized but not Issued at Balance December 31, 2011 in the amount of $510,000.00. See Schedule D-32 for analysis.

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

BOROUGH OF SADDLE RIVER

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

Revenue and Other Income Realized	Ref.	Year 2011	Year 2010
Operating Fund Balance Utilized	D-1,3	$ 50,982.58	$ 20,000.00
Water Rents	D-3	251,230.58	146,579.32
Fire Hydrant Service	D-3	140,000.00	125,000.00
Other Credits to Income :			
Unexpended Balance of Appropriation Reserves	D-16	999.18	160.35
Accrued Interest on Notes Canceled		-	7,876.46
Total Income		443,212.34	299,616.13
Expenditures			
Budgetary and Emergency Appropriations:			
Operating	D-4	305,500.00	238,000.00
Capital Improvements		-	65,000.00
Self Funded Insurance Advance		-	5,000.00
Total Expenditures		305,500.00	308,000.00
Excess or (Deficit) in Revenue		137,712.34	(8,383.87)
Fund Balance January 1	D	88,516.94	116,900.81
		226,229.28	108,516.94
Decreased by :			
Utilization by Water Operating Budget	D-1	50,982.58	20,000.00
Fund Balance December 31	D	175,246.70	88,516.94

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

NOT APPLICABLE

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

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS

	Ref.	Budget Anticipated	Realized	Excess or (Deficit)
Operating Fund Balance Utilized	D-1	$ 50,982.58	$ 50,982.58	$ -
Rents	D-1,3	145,000.00	251,230.58	106,230.58
Fire Hydrant Service	D-1,18	125,000.00	140,000.00	15,000.00
	D-4	$ 320,982.58	$ 442,213.16	$ 121,230.58

Analysis of Realized Revenue	Ref.		
Rents :			
Consumer Accounts Receivable	D-9	$ 251,230.58	
	D-3		$ 251,230.58

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

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Ref.	Budget Appropriations	Transfers	Budget After Transfers	Expended: Paid or Charged	Expended: Reserved	Unexpended Balance Canceled
Operating :							
Other Expenses		$ 305,500.00	$ -	$ 305,500.00	$ 285,162.82	$ 20,337.18	$ -
Total Operating	D-1	305,500.00	-	305,500.00	285,162.82	20,337.18	
Deferred Charges:							
Operating Deficit		15,482.58	-	15,482.58	-	-	15,482.58
	D-1	15,482.58	-	15,482.58	-	-	15,482.58
		$ 320,982.58	$ -	$ 320,982.58	$ 285,162.82	$ 20,337.18	$ 15,482.58
	Ref.	D-3				D	

	Ref.	
Encumbrances	D-17	$ 50,855.71
Disbursed in Current Fund	D-18	234,307.11
		$ 285,162.82

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

SECTION E

GENERAL FIXED ASSETS ACCOUNT GROUP

BOROUGH OF SADDLE RIVER

GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31, 2011	December 31, 2010
General Fixed Assets:		
Land (Equalized Value)	$ 11,823,824.90	$ 11,378,649.29
Buildings (Equalized Value)	3,968,305.23	3,935,471.75
Machinery and Equipment	2,145,020.50	2,269,152.50
	$ 17,937,150.63	$ 17,583,273.54
Investments in General Fixed Assets	$ 17,937,150.63	$ 17,583,273.54

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

NOTES TO FINANCIAL STATEMENTS

Note I: Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the Borough of Saddle River 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 Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Borough accounting policies are described below.

B. Reporting Entity

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

The primary criterion for including activities within the Borough reporting entity, as set forth in section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the Borough of Saddle River. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Except as noted below, the financial statements of the Borough of Saddle River include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Saddle River, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Borough of Saddle River do not include the operations of the volunteer fire department. Furthermore, the Borough of Saddle River is not includable in any other reporting entity on the basis of such criteria.

C. Description of Funds

GASB Codification establishes seven fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with generally accepted accounting principles (GAAP).

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

Current Fund – resources and expenditures for governmental operations of a general nature, including Federal and State grants for operation.

Note I: Summary of Significant Accounting Policies (Continued)

C. Description of Funds (Continued)

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

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

Water Operating and Capital Funds – account for the operations and acquisition of capital facilities of the water utility.

D. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Taxes and Other Revenues – property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheets. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

Expenditures (including Federal and State Financial Assistance Programs) – unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Note I: Summary of Significant Accounting Policies (Continued)

D. Basis of Accounting (Continued)

Encumbrances – contractual orders at December 31, are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

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

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

Property Acquired for Taxes – is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at market value on the date of acquisition.

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

Interfunds – advances from the Current Fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

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

Note 1: Summary of Significant Accounting Policies (Continued)

E. Budgetary Information

Annual budgets are adopted on a basis consistent with the requirements of the State of New Jersey, Department of Community Affairs, Division of Local Government Services.

Under New Jersey State Statutes, the annual budget is required to be balanced, prepared on a cash basis and to provide a reserve for uncollected taxes. The 2011 statutory budget included a reserve for uncollected taxes in the amount of $1,800,000.00. To balance the budget, the municipality is permitted to utilize fund balance. The amount of fund balance utilized to balance the 2011 statutory budgets were as follows:

Current Fund	$ 184,375.00
Water Utility Operating Fund	50,982.58

Transfers of line item amounts are permitted after November 1 and must be made by a resolution adopted by the governing body. The following significant budget transfers were approved in the 2011 calendar year.

General Administration – Other Expenses	$ 15,000.00
Financial Administration – Other Expenses	30,000.00
Legal Services and Costs – Other Expenses	20,000.00
Engineering Services and Costs – other Expenses	33,000.00
Police – Salary and Wages	60,000.00
Solid Waste Collection – Other Expenses	(95,000.00)
Public Buildings and Grounds – Other Expenses	15,000.00
Utility Expenses – Telephone	17,000.00
Landfill/Solid Waste Disposal Costs – Landfill Tipping Fees	(54,000.00)

N.J.S.A. 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget, after the adoption of the budget, when the item has been made available by any public or private funding source. There were no significant budget insertions approved during the 2011 calendar year.

Note I: Summary of Significant Accounting Policies (Continued)

E. Budgetary Information (Continued)

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. The following emergency appropriations were approved during the 2011 calendar year.

Emergency Appropriations (N.J.S.A.40A:4-46):	
Police – Salary and Wages	$ 5,000.00
Road Repair and Maintenance – Salary and Wages	3,000.00
Road Repair and Maintenance – Other Expenses	70,000.00
Vehicle Maintenance – Other Expenses	4,000.00
Engineering Management – Other Expenses	3,000.00

F. Assets and Liabilities

1. Deposits and Investments

Deposits are cash and cash equivalents including petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Other than Certificates of Deposit, deposits with maturities of greater than three months are considered to be Investments. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governmental units are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statutes provide a list of permissible investments that may be purchased by New Jersey governmental units.

Note I: Summary of Significant Accounting Policies (Continued)

F. Assets and Liabilities

2. Property Tax Assessment and Billing

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the result of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners. But it often results in a divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values. A revaluation of all property in the Borough of Saddle River was last completed in 2001 and was effective as of January 1, 2002 with subsequent annual reassessments made through 2009.

Upon the filing of certified adopted budgets by the School District and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year, are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum of the first $1,500.00 of the delinquency and 18% per annum on any amount in excess of $1,500.00. Pursuant to c. 75, P.L. 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of $10,000.00 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed 6% of the amount of the delinquency. These interest and penalties are the highest permitted under New Jersey Statutes. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes.

3. Deferred Charges

The funding of certain expenditures incurred in the current year (i.e. emergencies, overexpenditures) are deferred to subsequent years' budgets.

Note 1: Summary of Significant Accounting Policies (Continued)

F. Assets and Liabilities

4. Fixed Assets

In accordance with N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Borough of Saddle River has developed a fixed assets accounting and reporting system based on an inspection and appraisal prepared by an independent appraisal firm.

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

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

No depreciation has been provided for in the financial statements.

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

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

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water 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 represent charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Note I: Summary of Significant Accounting Policies (Continued)

F. Assets and Liabilities

5. Use of Estimates

The preparation of financial statements in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey requires management to make estimates and assumptions that affect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

6. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statements of Operations in order to provide an understanding of changes in the Borough of Saddle River's financial position. However, comparative data have not been presented in each of the supplemental schedules since their inclusion would make statements unduly complex and difficult to read.

Note II: Detailed Notes On All Funds

A. Deposits and Investments

Deposits

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Note II: Detailed Notes On All Funds (Continued)

A. Deposits and Investments (Continued

Deposits (Continued)

At December 31, 2011 the Borough of Saddle River's cash and cash equivalents amounted to $14,045,977.43. Of this amount, $250,000.00 was covered by federal depository insurance (F.D.I.C.) and $12,019,439.15 was covered by a collateral pool maintained by the banks as required by GUDPA. Although the individual developers' accounts are subject to F.D.I.C. coverage, it cannot be accurately determined whether the total amount of $704,444.48 included in Developers' Escrow deposits is covered.

At December 31, 2011 the Borough of Saddle River's participation in the State of New Jersey Cash Management Fund amounted to $1,072,093.80

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Borough of Saddle River will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party.

As of December 31, 2011, $1,776,538.28 of the Borough of Saddle River's cash and cash equivalents of $14,045,973.43 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 704,444.48
Uninsured and collateral held by public depository or by its' trust department not in the Borough of Saddle River's name	1,072,093.80
	$1,776,538.28

Note II: Detailed Notes On All Funds (Continued)

A. Deposits and Investments (Continued

Investments

New Jersey statutes (N.J.S.A. 40A:5-15.1) permit the Borough of Saddle River to purchase the following types of securities:

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, any local unit may use moneys which may be in hand for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the local unit;

(1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

(2) Government money market mutual funds;

(3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

(4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;

(5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;

(6) Local government investment pools;

(7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4);or

(8) Agreements for the repurchase of fully collateralized securities, if:

(a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a;

(b) the custody of collateral is transferred to a third party;

(c) the maturity of the agreement is not more than 30 days;

(d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (c.17:9-41); and

(e) a master repurchase agreement providing for the custody and security of collateral is executed.

The Borough of Saddle River had no investments as described in Note I:F.1. at December 31, 2011

Note II: Detailed Notes On All Funds (Continued)

B. Property Taxes

The Borough of Saddle River is responsible for assessing, collecting and distributing property taxes in accordance with enabling state legislation. All property tax revenue is recognized when received in cash. Property taxes receivable as of December 31, 2011 are composed of the following:

Year of Levy	Amount
2011	$ 349,760.36

C. Interfund Receivables and Payables

As of December 31, 2011 interfund receivables and payables resulting from various interfund transactions were as follows:

	Due From Other Funds	Due to Other Funds
Current Fund	$2,698,142.89	$ 628,637.10
Federal and State Grants Fund	138,756.16	
Trust Funds:		
Animal Control Fund		457.62
Other Trust Fund	490,885.81	12,446.11
General Capital Fund		1,907,874.32
Water Utility Fund:		
Operating Fund		233,015.10
Capital Fund	325.00	543,284.41
Payroll and Payroll Agency	-0-	3,004.20
	$3,328,118.86	$3,328,118.86

Note II: Detailed Notes On All Funds (Continued)

D. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011 there were no deferred charges shown on the balance sheets of the various funds:

	Balance Dec. 31, 2011	2012 Budget Appropriation	Balance to Succeeding Budgets
Current Fund:			
Special Emergency Authorizations (40A:4-55)	$36,000.00	$ 9,000.00	$ 27,000.00
Emergency Authorization (40A:4-46)	$85,000.00	$ 85,000.00	$ -0-

The appropriations in the 2012 Budget are not less than that required by statute.

E. Leases

The Borough of Saddle River has commitments to lease copying and fax equipment under operating leases which expire in 2016. Total operating lease payments made during the year ended December 31, 2011 were $12,024.20. Future minimum lease payments are as follows:

Year ended	Amount
December 31, 2012	$13,146.72
December 31, 2013	13,146.72
December 31, 2014	10,584.05
December 31, 2015	10,351.08
December 31, 2016	2,095.35
Total future minimum lease payments	$49,323.92

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures

F. Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal and utility capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough of Saddle River are general obligation bonds, backed by the full faith and credit of the Borough of Saddle River. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years or retired by the issuance of bonds.

Summary of Municipal Debt

	Year 2011	Year 2010	Year 2009
Issued			
General:			
Loan and Notes	$ 13,663,927.41	$ 10,800,402.39	$ 8,754,899.71
Water Utility:			
Notes	-	-	-
Total Issued	13,663,927.41	10,800,402.39	8,754,899.71
Less			
Funds Temporarily Held to Pay Bonds and Notes:			
Excess Proceeds of Notes Issued			
Total Deductions	-	-	-
Net Debt Issued	13,663,927.41	10,800,402.39	8,754,899.71
Authorized but not Issued			
General:			
Bonds and Notes	535,721.00	3,859,721.00	5,321,321.00
Water Utility:			
Bonds and Notes	510,000.00	510,000.00	510,000.00
Total Authorized but Not Issued	1,045,721.00	4,369,721.00	5,831,321.00
Net Bonds and Notes Issued and Authorized but not Issued	$ 14,709,648.41	$ 15,170,123.39	$ 14,586,220.71

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures (Continued)

F. Debt (Continued)

Summary of Statutory Debt 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 0.54%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 360,000.00	$ 360,000.00	$ -
Water Utility Debt	510,000.00	510,000.00	-
General Debt	14,199,648.41	-	14,199,648.41
	$ 15,069,648.41	$ 870,000.00	$ 14,199,648.41

Net Debt $14,199,648.41 divided by Equalized Valuation Basis
per N.J.S.A. 40A:2-2 as amended, $2,606,153,664.00 = 0.54%

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

3 1/2% of Equalized Valuation Basis (Municipal)	$ 91,215,378.24
Net Debt	14,199,648.41
Remaining Borrowing Power	$ 77,015,729.83

Calculation of " Self Liquidating Purpose", Water Utility Per N.J.S.A. 40A:2-45

Cash Receipts from fees, rents or other charges for year		$ 442,213.16
Deductions:		
Operating and Maintenance Cost	$ 305,500.00	
Debt Service per Water Account	-	
Total Deductions		305,500.00
Excess in Revenue-Self Liquidating		$ 136,713.16

Footnote:
If there is an "excess in revenue", all such utility debt is deductible.

The foregoing debt information is in agreement with the annual debt statement filed by the Chief Financial Officer.

Note 11: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures (Continued)

F. Debt (Continued)

1. Bonds Payable

Bonds are authorized in accordance with State law by the adoption of an ordinance. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough of Saddle River are general obligation bonds.

There are no Serial Bonds outstanding as of December 31, 2011.

2. Bond Anticipation Notes

Bond Anticipation Notes outstanding as of December 31, 2011 consists of the following:

Description	Interest Rate	Issue Date	Maturity Date	Amount Outstanding
General Capital Fund:				
13 Ordinances (See Exhibit C-17)	1.50%	4/1/11	3/30/12	$ 7,927,000.00
16 Ordinances (See Exhibit C-17)	1.50%	10/3/11	8/3/12	4,034,000.00
				$ 11,961,000.00

3. Bonds Authorized but not Issued

As of December 31, 2011 the Borough of Saddle River had authorized but not issued bonds as follows:

General Capital Fund	$ 535,721.00
Water Utility Capital Fund	$ 510,000.00

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures (Continued)

G. N.J. Environmental Infrastructure Trust Financing Program

On September 8, 2006, a loan agreement was entered into by the Borough of Saddle River for the purpose of construction of water mains. Loans payable in the amount of $2,094,855.00 are detailed as follows:

New Jersey Environmental Infrastructure Trust - Trust Loan	$ 1,060,000.00
New Jersey Environmental Infrastructure Trust - Fund Loan	$ 1,034,855.00

Schedule of remaining annual principal and interest payments for the loan are detailed as follows:

Calendar	Trust Loan		Fund Loan	Total	
Year	Principal	Interest	Principal	Principal	Interest
2012	$ 45,000.00	$ 40,125.00	$ 54,391.88	$ 99,391.88	$ 40,125.00
2013	45,000.00	37,875.00	52,954.20	97,954.20	37,875.00
2014	50,000.00	35,625.00	54,711.36	104,711.36	35,625.00
2015	50,000.00	33,125.00	53,113.94	103,113.94	33,125.00
2016	55,000.00	30,625.00	54,711.35	109,711.35	30,625.00
2017	55,000.00	27,875.00	52,954.21	107,954.21	27,875.00
2018	55,000.00	25,675.00	51,548.48	106,548.48	25,675.00
2019	60,000.00	23,475.00	53,337.59	113,337.59	23,475.00
2020	60,000.00	21,075.00	51,804.07	111,804.07	21,075.00
2021	65,000.00	18,675.00	53,465.38	118,465.38	18,675.00
2022	65,000.00	15,993.76	51,752.15	116,752.15	15,993.76
2023	70,000.00	13,312.50	53,233.75	123,233.75	13,312.50
2024	75,000.00	10,337.50	54,527.65	129,527.65	10,337.50
2025	75,000.00	6,587.50	52,131.54	127,131.54	6,587.50
2026	80,000.00	3,400.00	53,289.86	133,289.86	3,400.00
	$ 905,000.00	$ 343,781.26	$ 797,927.41	$ 1,702,927.41	$ 343,781.26

Installment payments of principal and interest on the above described Loan are due on February 1 and August 1 of each year.

Note II: Detailed Notes On All Funds (Continued)

H. Fund Balance Appropriated

Fund balances at December 31, 2011, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2012 were as follows:

Current Fund	$ 1,500,060.00
Water Utility Operating Fund	35,500.00

Note III: Pension Plans

Description of Systems

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

The Public Employees' Retirement System (PERS) was established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not 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.

The Police and Fireman's Retirement System (PFRS) was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State Firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership

According to the state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement systems terminate. The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Note III: Pension Plans (Continued)

Retirement Benefits

For PERS employees, the benefits will be 1/55 of the average of the three highest year compensation for each year of service. However, for PERS who are veterans of the U.S. armed forces, the benefits will be 1/55 of final compensation for each year of service.

For PFRS employees, the benefits will be various percentages of final compensation depending upon the number of years of service.

Significant Legislation

P.L 2011, c.78, effective June 28, 2011, made various changes to the manner in which TPAF, PERS, PFRS, SPRS, and JRS operate and to the benefit provisions of those systems.

This new legislation's provisions impacting employee pension and health benefits include:

- New members of TPAF and PERS hired on or after June 28, 2011 (Tier 5 members), will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the TPAF and PERS is increased from age 62 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.
- Active member contribution rates will increase. TPAF and PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years; PFRS and PERS prosecutors Part active member rates increase from 8.5 percent to 10 percent: SPRS active member rates increase from 7.5 percent to 9 percent; and JRS active member rates increase from 3 percent to 12 percent phased-in over seven years. For Fiscal Year 2012, the member contributions for TPAF, PERS and JRS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Note III: Pension Plans (Continued)

Funding Status and Funding Progress

As of June 30, 2010, the most recent actuarial valuation date, the aggregate funded ratio for the retirement systems (TPAF, PERS, PFRS, POPF, CPFPF, JRS, and SPRS) is 70.5 percent with an unfunded actuarial accrued liability of $36.3 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 65.2 percent and $25.6 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 78.5 percent and $10.7 billion.

The required supplementary information regarding the funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared o past expectations and new estimates are made about the probability of future events.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. The pension funds provide for employee contributions based on 8.5 percent for PFRS and 5.5 percent for PERS of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of living adjustments and noncontributory death benefits in the PFRS and PERS

During the state fiscal year ended June 30, 2011, for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, the annual pension cost equals contributions made.

The Borough total payroll for the year ended December 31, 2011 was $4,184,008.71 and covered payroll was $1,339,287.00 for PERS and $2,385,526.00 for PFRS. Contributions to the PERS and the PFRS for the last three years made by the employees and Borough of Saddle River were as follows:

		PERS	Percent of Covered Payroll	PFRS	Percent of Covered Payroll
Employees	12/31/09	$69,262.22	5.58%	$180,872.55	8.50%
	12/31/10	72,097.37	5.52%	194,131.30	8.50%
	12/31/11	77,399.60	5.78%	211,751.88	8.88%
Borough of Saddle River	12/31/09	$ 93,564.00	7.54%	$488,826.00	22.97%
	12/31/10	96,839.00	7.41%	493,437.00	21.61%
	12/31/11	137,433.00	10.26%	593,953.00	24.89%

Note IV: Health Benefits and Post Retirement Medical Benefits

P.L. 2011, c.78 effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at lease 1.5% of salary.

P.L. 1997, C.330 provides State paid post-retirement health benefits to qualified retirees of the Police and Firemen's Retirement System and the Consolidated Police and Firemen's Pension Fund and to dependents of qualified retirees. The State is responsible for 80% of the premium for the category of coverage elected by the retiree under the State managed care plan or a health maintenance organization participating in the program, whichever provides the lower charge. The State contributed $34.2 million for the state fiscal year 2011 to provide benefits under Chapter 330 to qualified retirees.

PERS employees do not receive post-retirement medical benefits.

Note V: Deferred Compensation Plan

The Borough of Saddle River offers its employees a deferred compensation plan (the "Plan") created in accordance with Section 457 of the Internal Revenue Code. The Plan, which is administered by the Borough of Saddle River was available to all Borough of Saddle River employees and permitted participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency, or upon death to their beneficiaries. Only one person, Genevieve Johnson, has funds remaining in the plan.

All amounts of compensation deferred under this plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Borough of Saddle River (without being restricted to the provisions of benefits under the Plan) subject only to the claims of the Borough of Saddle River's general creditors. Participants' right under the Plan are equivalent to those of general creditors of the Borough of Saddle River in an amount equal to the fair market value of the deferred account for each participant.

The maximum amount of deferred compensation for any participant for any taxable year shall not exceed the lesser of $7,500.00 or 25 percent of the participant's includable compensation for the taxable year except as provided by the limited catch-up provision which may effect a participant's last three taxable years ending before a participant attains normal retirement age as defined by plan.

During the years ended December 31, 2011 and 2010, the employees' contributions to the plan were $ -0-, and $-0-, respectively.

Note VI: Risk Management

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

The Borough of Saddle River is a member of the Bergen County Municipal Joint Insurance Fund (the "JIF"). The JIF is a self-administered group of municipalities established for the purpose of providing certain low-cost general liability, automobile liability and workers' compensation insurance coverage up to $100,000 for member municipalities. The Borough of Saddle River pays an annual assessment to the JIF and should it be determined that payments received by the JIF are deficient, additional assessments may be levied.

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

The Borough of Saddle River is also a member of the Municipal Excess Liability Joint Insurance Fund (the "MEL"). The MEL provides insurance coverage for claims in excess of $100,000 for general liability, automobile liability and workers' compensation. The MEL also provides insurance coverage for the following: employment practices liability, non-owned aircraft, public officials liability, directors and officers liability and Faithful Performance and Employee Dishonesty Blanket Bond ($1,000,000 limit).

The JIF's members are also members of the New Jersey Municipal Environmental Risk Management Fund which provides commercial insurance coverage for environmental impairment liability.

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

The Borough of Saddle River is also a member of the Bergen Municipal Employee Benefits Fund (the "Fund"). The Fund is a self-administered group of municipalities established for the purpose of providing certain low-cost health insurance coverage for member municipalities. The Borough of Saddle River pays an annual assessment to the Fund and should it be determined that payments received by the Fund are deficient, additional assessments may be levied.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Note VII: Segment Information – Utility/Enterprise Funds

The Borough of Saddle River maintains one utility fund which provides water service. Segment information for the year ended December 31, 2011 was as follows:

	Water Utility Fund
Operating Revenues	$ 391,230.58
Operating Income	85,730.58
Operating Transfers in or (Out)	-0-
Net Income or (Loss)	137,712.34
Fixed Assets:	
Additions	-0-
Deletions	-0-
Net Working Capital	293,693.61
Total Operating Assets	597,901.60
Operating Fund Balance	175,246.70
Long Term Debt	-0-
Short Term Debt	510,000.00

Note VIII: Accrued Sick and Vacation Benefits

The Borough of Saddle River has specific policies, which permits all employees retiring under the Policemen's and Firemen's Retirement System to accrue their unused accumulated sick leave. It is estimated that the current cost of such unpaid compensation would approximate $364,800.00. Unused vacation time is not allowed to be accumulated without authorization and any liability would not be considered material to the financial statements.

Note IX: Contingent Liabilities

The Borough of Saddle River is a defendant in several lawsuits, none of which is unusual for a municipality of its size. Additional liabilities, if not covered by insurance, should not be material in amount.

SUPPLEMENTARY DATA

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

	Year 2011		Year 2010	
	Amount	%	Amount	%
Revenue and Other Income Realized				
Fund Balance Utilized	$ 184,375.00	0.73%	$ 106,704.00	0.44%
Miscellaneous-From other than Local Property Tax Levies	4,204,832.51	16.54%	3,088,612.03	12.79%
Collection of Delinquent Taxes and Tax Title Liens	311,473.42	1.22%	457,597.70	1.90%
Collection of Current Tax Levy	20,358,684.69	80.06%	20,081,650.95	83.17%
Other Credits to Income	368,774.09	1.45%	412,056.41	1.71%
Total Income	25,428,139.71	100.00%	24,146,621.09	100.00%
Expenditures				
Budget Expenditures:				
Municipal Purposes	9,925,008.91	43.12%	9,768,756.71	40.92%
County Taxes	5,389,974.61	23.41%	5,349,736.39	22.41%
Local School Taxes	7,205,441.50	31.30%	6,950,681.50	29.11%
Other Expenditures	501,647.28	2.18%	1,804,319.62	7.56%
Total Expenditures	23,022,072.30	100.00%	23,873,494.22	100.00%
Excess in Revenue	2,406,067.41		273,126.87	
Adjustments to Income Before Fund Balance:				
Expenditures included above which are by statute deferred charges to budgets of succeeding years	85,000.00		45,000.00	
	2,491,067.41		318,126.87	
Fund Balance January 1	2,836,987.67		2,625,564.80	
	5,328,055.08		2,943,691.67	
Less:				
Utilization as Anticipated Revenue	184,375.00		106,704.00	
Fund Balance December 31	$5,143,680.08		$2,836,987.67	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - WATER UTILITY OPERATING FUND

	Year 2011		Year 2010	
	Amount	%	Amount	%
Revenue and Other Income Realized				
Fund Balance Utilized	$ 50,982.58	11.50%	$ 20,000.00	6.68%
Collection of Water Rents	251,230.58	56.68%	146,579.32	48.92%
Fire Hydrant Service	140,000.00	31.59%	125,000.00	41.72%
Other Credits to Income	999.18	0.23%	8,036.81	2.68%
Total Income	443,212.34	100.00%	299,616.13	100.00%
Expenditures				
Budget Expenditures:				
Operating	305,500.00	100.00%	238,000.00	77.27%
Capital Improvements		0.00%	65,000.00	21.10%
Total Expenditures	305,500.00	100.00%	308,000.00	98.38%
Excess in Revenue	137,712.34		(8,383.87)	
Fund Balance January 1	88,516.94		116,900.81	
	226,229.28		108,516.94	
Less:				
Utilization as Anticipated Revenue	50,982.58		20,000.00	
Fund Balance December 31	$ 175,246.70		$ 88,516.94	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

Year	Assessed Valuation	Apportionment of Tax Rate			
		Total	Municipal	County	Local School
2011	$ 2,185,677,824	0.953	$ 0.377	$ 0.246	$ 0.330
2010	2,184,977,712	0.940	0.377	0.245	0.318
2009	2,187,463,453	0.914	0.370	0.240	0.304
2008	2,143,209,753	0.883	0.357	0.224	0.302
2007	2,131,618,846	0.840	0.333	0.206	0.301
2006	2,066,905,486	0.800	0.299	0.200	0.301
2005	2,004,522,124	0.780	0.279	0.203	0.298
2004	1,947,604,824	0.750	0.242	0.200	0.308
2003	1,884,001,016	0.720	0.224	0.186	0.310
2002	1,821,282,400 **(1)**	0.720	0.225	0.181	0.314

(1) Revaluation Effective

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.

Year	Tax Levy	Cash Collection	Percentage of Collection
2011	$ 20,955,179.33	$ 20,358,684.69	97.15%
2010	20,627,965.39	20,081,650.95	97.35%
2009	20,006,863.07	19,416,261.83	97.04%
2008	19,071,952.32	18,661,760.21	97.84%
2007	17,961,405.75	17,666,939.11	98.36%
2006	16,676,870.43	16,461,071.18	98.70%
2005	15,715,533.38	15,454,960.76	98.34%
2004	14,715,949.72	14,423,519.36	98.01%
2003	13,764,842.10	13,499,298.34	98.07%
2002	13,444,109.77	12,919,189.31	96.09%

DELINQUENT TAXES AND TAX TITLE LIENS

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

Dec. 31 Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2011	$ 343.08	$ 349,417.28	$ 349,760.36	1.66%
2010	338.40	311,135.02	311,473.42	1.50%
2009	3,576.60	457,597.70	461,174.30	2.30%
2008	3,247.56	368,256.71	371,504.27	1.94%
2007	2,984.36	287,399.87	290,384.23	1.61%
2006	2,520.73	165,383.58	167,904.31	1.00%
2005	2,232.73	211,883.97	214,116.70	1.36%
2004	1,951.93	252,146.83	254,098.76	1.72%
2003	1,681.93	144,346.36	146,028.29	1.06%
2002	1,422.73	252,698.81	254,121.54	1.89%

COMPARISON OF WATER UTILITY LEVIES

Year	Levy	Cash Collection
2011	$ 247,168.95	$ 251,230.58
2010	250,106.63	146,579.32
2009	152,025.37	169,103.82
2008	172,757.98	159,399.50
2007	169,218.42	189,498.57
2006	143,748.74	123,364.25
2005	149,322.17	143,804.04
2004	155,867.70	155,628.00
2003	97,452.74	128,227.34
2002	83,029.39	38,768.09

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year	Balance Dec. 31	Utilized In Budget of Succeeding Year
Current Fund	2011	$ 5,143,680.08	$1,500,000.00
	2010	2,836,987.67	184,375.00
	2009	2,625,564.80	50,000.00
	2008	2,817,337.31	550,000.00
	2007	2,210,395.77	828,841.00
	2006	1,419,352.03	400,000.00
	2005	2,001,827.54	900,000.00
	2004	2,076,055.67	1,050,000.00
	2003	1,876,716.29	850,000.00
	2002	1,042,207.26	-
Water Utility Operating Fund	2011	$ 175,246.70	$ 35,500.00
	2010	88,516.94	50,982.58
	2009	116,900.81	20,000.00
	2008	73,850.26	20,000.00
	2007	69,991.50	30,500.00
	2006	52,456.55	32,000.00
	2005	149,742.25	145,830.00
	2004	268,930.76	127,000.00
	2003	241,362.07	75,000.00
	2002	149,483.60	50,000.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

Name	Title	Amount of Bond
Samuel S. Raia	Mayor	
Michael Mutter	Council President	
Karen Mastriano	Councilwoman	
John E. Murray	Councilman	
Warren Boardman	Councilman	
Michael Toomey	Councilman	
Bruce Walenczyk	Councilman	
Charles S. Cuccia	Borough Administrator	
	Treasurer/Chief Financial Officer	$ 1,000,000.00
Maria Reda	Assistant Chief Financial Officer	
Marie Elena Macari	Borough Clerk, Registrar	
	Secretary - Board of Adjustment	
Georgia Silverman	Deputy Registrar	
	Secretary - Planning Board	
Joy Convertini and Dobbie Burgio	Confidential Administrative Secretaries	
Linda Canavan	Collector of Taxes	$ 1,000,000.00
	Tax Search Officer	
	Local Improvement Assessment Officer	
	Dog Licensing Agent	
Stuart Stolarz	Tax Assessor	
Martin Spence	Engineer	
Russell Huntington	Attorney	
Philip F. Sheridan, Jr.	Judge	$ 1,000,000.00
Carol Portier	Court Administrator	$ 1,000,000.00
Janine Napoleone	Deputy Court Administrator	$ 1,000,000.00
John Scialla	Construction Code Official	
	Zoning Officer	
	Building Sub- Code Official	
Thomas Zaconie	Plumbing Sub- Code Official	
Richard Silvia	Fire Sub- Code Official	
Chris Walthour	Electrical Sub- Code Official	

There is Public Employees Dishonesty coverage written through the Municipal Excess Liability Joint Insurance Fund for $1,000,000 is in effect for all employees.

All of the bonds were examined and properly executed.

The surety bonds for Tax Collector and the Municipal Court personnel were in accordance with the Local Finance Board promulgated schedule.

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF CASH - TREASURER

	Ref.		
Balance December 31, 2010	A		$ 5,000,415.27
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	$ 637,278.07	
Tax Collector	A-5	20,691,579.79	
Amount Due from State for Senior Citizens' and Veterans' Deductions	A-8	20,000.00	
Revenue Accounts Receivable	A-12	970,317.25	
Interfund Accounts Receivable	A-13	10,667,627.39	
Interfund Accounts Payable	A-18	28,468.95	
Reserve for Funds - Unappropriated	A-23	86,925.00	
Other Liabilities	A-24	13,525.00	
			33,115,721.45
			38,116,136.72
Decreased by Disbursements :			
Refund of Prior Year Revenue	A-1	5,439.93	
Prior Year Tax Appeals Granted	A-1	16,617.82	
2011 Budget Appropriations	A-3	9,102,613.80	
Interfund Accounts Receivable	A-13	8,987,216.92	
2010 Appropriation Reserves	A-16	283,709.95	
Interfund Accounts Payable	A-18	4,635.30	
Tax Overpayments Refunded	A-20	19,360.47	
Reserve for Funds - Unappropriated	A-23	663,068.44	
Other Liabilities	A-24	11,195.00	
Local School District and County Taxes	A-25	12,576,777.39	
			31,670,635.02
Balance December 31, 2011	A		$ 6,445,501.70

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF CASH - TAX COLLECTOR

	Ref.		
Increased by Receipts :			
Tax Receivable	A-9	$ 20,308,740.57	
Revenue Accounts Receivable	A-12	69,021.73	
Prepaid Taxes	A-19	256,926.48	
Tax Overpayments	A-20	56,891.01	
			$ 20,691,579.79
Decreased by Disbursements :			
Paid to Treasurer	A-4		$ 20,691,579.79

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BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF CHANGE FUNDS

	Balance Dec. 31, 2010	Balance Dec. 31, 2011
Tax Collector	$ 200.00	$ 200.00
	$ 200.00	$ 200.00
Ref.	A	A

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SCHEDULE OF PETTY CASH

	Balance Dec. 31, 2010	Balance Dec. 31, 2011
Chief Financial Officer	$ 450.00	$ 450.00
	$ 450.00	$ 450.00
Ref.	A	A

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF AMOUNT DUE FROM/(TO) STATE OF NEW JERSEY
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

	Ref.		
Balance December 31, 2010	A		$ (6,897.30)
Increased by :			
Senior Citizens' Deductions Per Tax Billings	A-8	$ 250.00	
Veterans' Deductions Per Tax Billings	A-8	19,500.00	
Veterans' Deductions Allowed by Tax Collector	A-8	250.00	
			20,000.00
			13,102.70
Decreased by :			
Received in Cash from State of New Jersey	A-4	20,000.00	
			20,000.00
Balance December 31, 2011	A		$ (6,897.30)

Calculation of State's Share of
Senior Citizens' and Veterans' Deductions

Senior Citizens' Deductions per Tax Billings	A-8	$ 250.00
Veterans' Deductions per Tax Billings	A-8	19,500.00
Veterans' Deductions Allowed by Tax Collector	A-8	250.00
	A-9	$ 20,000.00

BOROUGH OF SADDLE RIVER

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF 2011 PROPERTY TAX LEVY

Year	Balance Dec. 31, 2010	2011 Levy	Collections 2010	Collections 2011	State's Share of Senior Citizens' and Veterans' Deductions	Tax Overpayments Applied	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2011
2010	$ 311,473.42	$ -	$ -	$ 311,473.42	$ -	$ -	$ -	$ -	$ -
2011	-	20,955,179.33	334,325.12	19,997,267.15	20,000.00	7,092.42	246,391.20	343.08	349,760.36
	$ 311,473.42	$ 20,955,179.33	$ 334,325.12	$ 20,308,740.57	$ 20,000.00	$ 7,092.42	$ 246,391.20	$ 343.08	$ 349,760.36
Ref.	A		A-2,19	A-2,5	A-2,8	A-2,20		A-10	A

Analysis of 2011 Property Tax Levy

Tax Yield :		
General Purpose Tax	$ 20,817,534.74	
Business Personality Tax	11,975.63	
		$ 20,829,510.37
Added Taxes (54:4-63.1 et seq.)		125,668.96
		$ 20,955,179.33
Tax Levy :		
Local School District Tax (Abstract)		$ 7,205,441.50
County Taxes (Abstract)	$ 5,304,555.27	
County Open Space Preservation (	65,363.72	
Amount Due to County for Added Taxes (54:4-63.1 et seq.)	20,055.62	
		5,389,974.61
Local Tax for Municipal Purposes (	8,252,685.00	
Add : Additional Tax Levied	107,078.22	
		8,359,763.22
		$ 20,955,179.33

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	Ref.	
Balance December 31, 2010	A	$ 3,915.00
Increased by :		
Transferred from Taxes Receivable	A-9	343.08
Balance December 31, 2011	A	$ 4,258.08

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2010	Accrued in 2011	Collected by Collector	Collected by Treasurer	Balance Dec. 31, 2011
Fees, Permits and Licenses	A-2	$ -	$ 18,030.95	$ -	$ 18,030.95	$ -
Hotel Occupancy Fees	A-2		139,035.00		139,035.00	-
Interest on Investments and Deposits	A-2		1,155.40		1,155.40	-
Municipal Court - Fines and Costs	A-2	3,823.30	74,251.90		73,324.90	4,750.30
Interest and Costs on Taxes	A-2		69,021.73	69,021.73		-
Energy Receipts Tax	A-2		418,322.00		418,322.00	-
Construction Code Official - Fees and Permits	A-2	-	320,449.00	-	320,449.00	-
		$ 3,823.30	$ 1,040,265.98	$ 69,021.73	$ 970,317.25	$ 4,750.30
	Ref.	A		A-5	A-4	A

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF INTERFUND ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2010	Accrued in in 2011	Paid in 2011	Interfund Advance Onginating in 2011	Received in 2011	Balance Dec. 31, 2011
Animal Control Fund:						
Interfund Advance	$ 457.62	$ -	$ -	$ -	$ -	$ 457.62
Other Trust Funds:						
Interest	7,179.37	217.42				7,396.79
Interfund Advance (Loan)			2,500.00			2,500.00
Interfund Advance (Payment of Bills)	935.45	-	-	-	-	935.45
	8,114.82	217.42	2,500.00	-	-	10,832.24
General Capital Fund:	-					-
Budget Revenue	51,150.00					51,150.00
Budget Appropriation (CIF)	(902,000.00)	(200,000.00)				(1,102,000.00)
Reimbursement from County		513,935.76				513,935.76
Bond Anticipation Notes	(5,270,000.00)		7,927,000.00		7,927,000.00	(5,270,000.00)
Premium on Sale of Notes	(137,654.77)				76,947.39	(214,602.16)
Interfund Advance (Payment of Bills)	9,769,660.91	-	823,409.81	-	2,663,680.00	7,929,390.72
	3,511,156.14	313,935.76	8,750,409.81	-	10,667,627.39	1,907,874.32
Water Operating Fund:	-					-
Budget Appropriation (Fire Hydrant Service)	(661,000.00)	(140,000.00)				(801,000.00)
Interfund Advance (Payment of Bills)	799,382.99	-	234,307.11	-	-	1,033,690.10
	138,382.99	(140,000.00)	234,307.11	-	-	232,690.10
Water Capital Fund:						
Interfund Advance (Payment of Bills)	543,284.41	-	-	-	-	543,284.41
Payroll Account:						
Interfund Advance (Payment of Bills)	3,004.20	-	-	-	-	3,004.20
	$ 4,204,400.18	$ 174,153.18	$ 8,987,216.92	$ -	$ 10,667,627.39	$ 2,698,142.89
Ref.	A		A-4		A-4	A

	Ref.	
Summary of Fund Balance Entries:		
Interfund Advance Returned		$ (2,663,680.00)
Interfund Advance (Loan and Payment of Bills)		1,060,216.92
Bond Anticipation Notes (Net)		-
Premium on Sale of Notes (Receipts)		(76,947.39)
Budget Revenue	A-2	2,500,000.00
Budget Appropriation (Fire Hydrant Service)	A-3	(140,000.00)
Budget Appropriation (CIF)	A-3	(200,000.00)
	A-1	$ 479,589.53

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF OTHER ACCOUNTS RECEIVABLE

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES

Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2010	Authorized in 2011	Raised in 2011 Budget	Balance Dec. 31, 2011
4/19/10	Special Emergency (N.J.S.A. 40A:4-55): Preparation of Master Plan	$ 45,000.00	$ 9,000.00	$ 45,000.00	$ -	$ 9,000.00	$ 36,000.00
11/14/11	Emergency (N.J.S.A. 40A:4-47):			-	85,000.00	-	85,000.00
				$ 45,000.00	$ 85,000.00	$ 9,000.00	$ 121,000.00
			Ref.	A	A-1,3	A-3	A

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - 2010

OPERATIONS WITHIN "CAP"	Balance Dec. 31, 2010	Transfers To/From	Transferred - Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Lapsed
Salaries and Wages :						
General Administration	$ 308.11			$ 308.11	$ 308.11	$ -
Municipal Clerk	0.61			0.61	0.61	-
Financial Administration	468.58			468.58	468.58	-
Collection of Taxes	266.89			266.89	266.89	-
Assessment of Taxes	111.45			111.45	111.45	-
Municipal Court	5,961.86			5,961.86	5,961.86	-
Historical Preservation Commission	157.46			157.46	157.46	-
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board	97.06			97.06	97.06	-
Board of Adjustment	97.06			97.06	97.06	-
Emergency Management Services	1,500.00			1,500.00	1,500.00	-
Police	25,574.92			25,574.92	25,574.92	-
Fire	8,029.18			8,029.18	8,029.18	-
Road Repairs and Maintenance	3,467.09			3,467.09	3,467.09	-
Solid Waste Collection	1,500.04			1,500.04	1,500.04	-
Board of Health - Secretary to the Board	0.04			0.04	0.04	-
Board of Health - Sanitarian	1,055.90			1,055.90	1,055.90	-
Recreation Services and Programs	308.15			308.15	308.15	-
Accumulated Leave Compensation	500.00			500.00	500.00	-
Uniform Construction Code:				-		-
Code Enforcement and Administration	1,478.40			1,478.40	1,478.40	-
Other Expenses :						
General Administration	2,934.31		282.82	3,217.13	2,902.37	314.76
Municipal Clerk	5,291.71		1,586.38	6,878.09		6,878.09
Financial Administration	3,383.35		1,354.40	4,737.75	2,969.15	1,768.60
Audit Services	3,100.00			3,100.00		3,100.00
Collection of Taxes	2,968.69		1,500.00	4,468.69	4,009.50	459.19
Assessment of Taxes	2,989.69		1,175.00	4,164.69	1,175.00	2,989.69

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - 2010

Other Expenses: (Continued)	Balance Dec. 31, 2010	Transfers To/From	Transferred - Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Lapsed
Legal Services and Costs	$ 39,021.90		$ 5,000.00	$ 44,021.90	$ 22,469.72	$ 21,552.18
Municipal Court	5,528.45		228.51	5,756.96	5,228.51	528.45
Public Defender	500.00			500.00		500.00
Engineering Services and Costs	1,726.35		6,649.90	8,376.25	7,739.90	636.35
Historical Preservation Commission	5,295.53		804.47	6,100.00	5,194.47	905.53
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board	3,231.32		4,411.60	7,642.92	4,375.00	3,267.92
Board of Adjustment	4,534.36		1,242.50	5,776.86	1,997.50	3,779.36
Preperation of Master Plan	602.33			602.33		602.33
Insurance:						
General Liability	10,074.84			10,074.84	10,074.84	-
Worker's Compensation	1,397.45			1,397.45	1,397.45	-
Employee Group Health	3,946.62			3,946.62	3,946.62	-
Police	1,048.11		7,658.16	8,706.27	3,100.99	5,605.28
Homeland Security	3,747.23		6,390.88	10,138.11	9,598.88	539.23
Emergency Management Services	1,354.45		1.00	1,355.45	1,000.00	355.45
Aid to Volunteer Fire Companies	2,821.45		564.00	3,385.45	789.00	2,596.45
Fire	2,777.07		1,079.00	3,856.07	2,773.80	1,082.27
Municipal Prosecutor	500.00			500.00		500.00
Road Repairs and Maintenance	42,000.92		2,005.53	44,006.45	42,905.53	1,100.92
Solid Waste Collection	161,343.91			161,343.91	-	161,343.91
Public Buildings and Grounds	6,235.61		2,896.78	9,132.39	7,670.14	1,462.25
Vehicle Maintenance	1,250.16		3,829.82	5,079.98	3,880.29	1,199.69
Board of Health	147.52		1,276.65	1,424.17	1,276.65	147.52
Environmental Commission	1,714.00			1,714.00		1,714.00
Contribution to Social Services Agencies	4,700.00			4,700.00		4,700.00
Recreation Services and Programs	2,122.38		1,773.54	3,895.92	1,773.54	2,122.38
Celebration of Public Event, Anniversary or Holiday	3,853.16		3,092.12	6,945.28	6,921.27	24.01

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - 2010

	Balance Dec. 31, 2010	Transfers To/From	Transferred - Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Lapsed
Other Expenses: (Continued)						
Utilities:						
Electricity	$ 8,376.05			$ 8,376.05		$ 8,376.05
Street Lighting	1,159.60			1,159.60	1,127.70	31.90
Telephone	441.15		4,974.65	5,415.80	56.28	5,359.52
Sewerage Disposal	16,686.15		14,342.35	31,028.50	23,489.17	7,539.33
Gasoline	10,480.20		4,466.98	14,947.18	8,474.26	6,472.92
Landfill Disposal Costs	78,884.48			78,884.48		78,884.48
Uniform Construction Code						
Code Enforcement and Administration	3,562.51		1,020.00	4,582.51	4,494.62	87.89
Social Security System (O.A.S.I.)	10,875.33			10,875.33		10,875.33
OPERATIONS EXCLUDED FROM "CAP"						
Other Expenses :						
Engineering Services and Costs - Stormwater Management	16,620.00			16,620.00		16,620.00
Insurance:						
Employee Group Health	37,640.00			37,640.00	37,640.00	-
Interlocal Municipal Service Agreement - Health Officer	2,671.00			2,671.00	2,375.00	296.00
Interlocal Municipal Service Agreement - Licensed Sewer Operator	2,454.86	-	-	2,454.86	-	2,454.86
	$ 572,877.00	$ -	$ 79,607.04	$ 652,484.04	$ 283,709.95	$ 368,774.09
Ref.	A		A-17		A-4	A-1

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	Ref.	
Balance December 31, 2010	A	$ 79,607.04
Increased by :		
2011 Budget Charges	A-3	99,572.83
		179,179.87
Decreased by :		
Transferred to 2010 Appropriation Reserves	A-16	79,607.04
Balance December 31, 2011	A	$ 99,572.83

Analysis of Balance December 31, 2011

2011 Budget Charges	$ 99,572.83
	$ 99,572.83

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	Balance Dec. 31, 2010	Received in 2011	Accrued in 2011	Paid in 2011	Balance Dec. 31, 2011
Federal and State Grants Funds	$ 111,442.64	$ 28,468.95	$ 1,875.00	$ 4,635.30	$ 137,151.29
Other Trust Fund - Affordable Housing	-	-	490,885.81	-	490,885.81
	$ 111,442.64	$ 28,468.95	$ 492,760.81	$ 4,635.30	$ 628,037.10
Ref.	A	A-4	A-23	A-4	A

	Ref.	
2011 Budget Revenue - Grants	A-2	$ (28,215.46)
2011 Budget Appropriations - Grants	A-3	30,090.46
		$ 1,875.00

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF PREPAID TAXES

	Ref.	
Balance December 31, 2010	A	$ 334,325.12
Increased by :		
2012 Taxes Paid	A-5	256,926.48
		591,251.60
Decreased by :		
Applied to Taxes Receivable	A-9	334,325.12
Balance December 31, 2011	A	$ 256,926.48

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS

	Ref.		
Balance December 31, 2010	A		$ 10,084.42
Increased by:			
Taxes Overpaid in 2011	A-5		56,891.01
			66,975.43
Decreased by:			
Refunded in 2011	A-4	$ 19,360.47	
Applied in 2011	A-9	7,092.42	
			26,452.89
Balance December 31, 2011	A		$ 40,522.54

Analysis of Balance December 31, 2011

2011 Taxes	$ 37,530.54
2007 Taxes	2,992.00
	$ 40,522.54

SCHEDULE OF RESERVE FOR TAX APPEALS PENDING

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

CURRENT FUND

SCHEDULE OF RESERVES FOR FUNDS - APPROPRIATED

	Ref.	Total	Tax and Drainage Map	Fair Share Housing Expenditures	Master Plan Revision
Balance December 31, 2010	A	$ 1,074.43	$ 485.50	$ 266.57	$ 322.36
Balance December 31, 2011	A	$ 1,074.43	$ 485.50	$ 266.57	$ 322.36

SCHEDULE OF RESERVE FOR FUNDS - UNAPPROPRIATED

	Ref.	Total	COAH
Balance December 31, 2010	A	$ 1,067,029.25	$ 1,067,029.25
Increased by:			
Received in 2011	A-4	86,925.00	86,925.00
		1,153,954.25	1,153,954.25
Decreased by :			
Disbursed in 2011	A-4	663,068.44	663,068.44
Transfer to Other Trust Fund	A-18	490,885.81	490,885.81
Balance December 31, 2011	A	$ -	$ -

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF OTHER LIABILITIES AND RESERVES

	Balance Dec. 31, 2010	Received in 2011	Paid in 2011	Balance Dec. 31, 2011
Amount Due to State of New Jersey:				
Marriage License Surcharge Fees	$ 70.00	$ 325.00	$ 25.00	$ 370.00
UCC Surcharge Fees	2,428.00	13,200.00	11,170.00	4,458.00
	$ 2,498.00	$ 13,525.00	$ 11,195.00	$ 4,828.00
Ref.	A	A-4	A-4	A

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT AND COUNTY TAXES

	Ref.	Balance Dec. 31, 2010 Payable	2011 Levy	Paid in 2011	Balance Dec. 31, 2011 Payable
Local School District Tax	A-2	$ -	$ 7,205,441.50	$ 7,183,616.00	$ 21,825.50
County Tax	A-2		5,304,555.27	5,304,555.27	-
County Open Space Preservation	A-2	-	65,363.72	65,363.72	-
Amount Due County for Added		-			-
and Omitted Taxes - 2011	A-2		20,055.62		20,055.62
- 2010		23,242.40	-	23,242.40	-
		$ 23,242.40	$ 12,595,416.11	$ 12,576,777.39	$ 41,881.12
		A	A-1	A-4	A

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF AMOUNT DUE FROM CURRENT FUND
TO FEDERAL AND STATE GRANTS FUND

	Ref.		
Balance December 31, 2010	A		$ 111,442.64
Increased by :			
Received in Current Fund			
- State Aid Receivable	A-27	$ 9,096.37	
- Unappropriated Reserves	A-29	19,372.58	
2011 Budget Appropriations	A-28	30,090.46	
			58,559.41
			170,002.05
Decreased by :			
2011 Budget Revenues			
- State Aid Receivable	A-27	7,500.00	
- Unappropriated Reserves	A-29	20,715.46	
Expended in Current Fund			
- Appropriated Reserves	A-28	4,635.30	
			32,850.76
Balance December 31, 2011	A		$ 137,151.29

A-26a

SCHEDULE OF AMOUNT DUE FROM OTHER TRUST FUND
TO FEDERAL AND STATE GRANTS FUND

	Ref.	
Balance December 31, 2010	A	$ 1,613.87
Balance December 31, 2011	A	$ 1,613.87

Analysis of Balance December 31, 2011

Body Armor Replacement Fund	$ 1,613.87

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE AID RECEIVABLE

	Balance Dec. 31, 2010	2011 Budget Revenues	Received in Current Fund	Balance Dec. 31, 2011
Municipal Alliance on Alcoholism and Drug Abuse	$ 43,528.99	$ 7,500.00	$ 4,191.55	$ 46,837.44
Bergen County Municipal Recycling Assistance	870.00		870.00	-
Municipal Stormwater Regulation Program	1,707.00			1,707.00
Life Hazard Use Fee	3,842.27		2,034.82	1,807.45
Click It or Ticket Grant	2,000.00	-	2,000.00	-
	$ 51,948.26	$ 7,500.00	$ 9,096.37	$ 50,351.89
Ref.	A	A-26	A-26	A

BOROUGH OF SADDLE RIVER

CURRENT FUND

SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance Dec. 31, 2010	2011 Budget Appropriations	Expenditures in Current Fund	Balance Dec. 31, 2011
Drunk Driving Enforcement Fund	$ 21,619.06	$ 452.46	$ -	$ 22,071.52
Clean Communities Grant	22,279.29	8,125.01		30,404.30
Alcohol Education and Rehabilitation Fund	10,178.48			10,178.48
Municipal Alliance on Alcoholism and Drug Abuse:				
State	28,583.15	7,500.00	3,708.24	32,374.91
Matching	7,145.79	1,875.00	927.06	8,093.73
Bergen County Municipal Recycling Assistance	6,471.74			6,471.74
Municipal Stormwater Regulation Program	5,909.00			5,909.00
Body Armor Replacement Fund	3,870.02	2,858.77		6,728.79
Life Hazard Use Fee	4,078.78	1,104.22		5,183.00
Over the Limit Grant	11,615.00	1,525.00		13,140.00
Obey the Signs or Pay the Fines Grant	10,642.00			10,642.00
Click It or Ticket Grant	9,622.00	4,000.00		13,622.00
Highway Safety and Education Grant	-	2,650.00	-	2,650.00
	$ 142,014.31	$ 30,090.46	$ 4,635.30	$ 167,469.47
Ref.	A	A-26	A-26	A

BOROUGH OF SADDLE RIVER

CURRENT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance Dec. 31, 2010	Received in Current Fund	Utilized as 2011 Budget Revenue	Balance Dec. 31, 2011
Drunk Driving Enforcement Fund	$ 452.46	$ -	$ 452.46	$ -
Clean Communities Grant	8,125.01	12,554.86	8,125.01	12,554.86
Alcohol Education and Rehabilitation Fund	-	809.02	-	809.02
Bergen County Municipal Recycling Assistance		160.17		160.17
Body Armor Replacement Fund	2,858.77	1,948.53	2,858.77	1,948.53
Life Hazard Use Fee	1,104.22		1,104.22	-
Over the Limit Grant	1,525.00	850.00	1,525.00	850.00
Click It or Ticket Grant	4,000.00	2,000.00	4,000.00	2,000.00
Highway Safety and Education Grant	2,650.00	1,050.00	2,650.00	1,050.00
	$ 20,715.46	$ 19,372.58	$ 20,715.46	$ 19,372.58
Ref.	A	A-26	A-26	A

BOROUGH OF SADDLE RIVER

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES FOR FEDERAL AND STATE GRANTS

	Ref.	
Balance December 31, 2010	A	$ 2,275.00
Balance December 31, 2011	A	$ 2,275.00

Analysis of Balance December 31, 2011

2001 O.E.S. Grant - State	$ 1,137.50
2001 O.E.S. Grant - Matching	1,137.50
	$ 2,275.00

BOROUGH OF SADDLE RIVER

TRUST FUND
SCHEDULE OF CASH - TREASURER

	Ref.	Animal Control	Other Funds
Balance December 31, 2010	B	$ 318.40	$ 2,370,276.93
Increased by Receipts:			
Interfund Accounts Payable	B-3		2,717.42
2011 Dog License Fees	B-4	1,575.00	
Late Fees	B-4	70.00	
Miscellaneous Revenue	B-4	1.00	
Cat Licenses	B-4	213.20	
Amount Due to State Board of Health	B-5	375.00	
Reserve for Special Funds	B-8	-	1,013,455.15
		2,234.20	1,016,172.57
		2,552.60	3,386,449.50
Decreased by Disbursements :			
Expenditures Per R.S. 4:19-15.11	B-4	1,570.00	
Amount Due to State Board of Health	B-5	375.00	
Reserve for Special Funds	B-8	-	703,269.95
		1,945.00	703,269.95
Balance December 31, 2011	B	$ 607.60	$ 2,683,179.55

BOROUGH OF SADDLE RIVER

TRUST FUND

SCHEDULE OF INTERFUND ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2010	Received in 2011	Accrued in 2011	Paid in 2011	Balance Dec. 31, 2011
Other Trust Funds:					-
Current Fund:					-
Affordable Housing	$ -	$ -	$ 490,885.81	$ -	$ 490,885.81
	$ -	$ -	$ 490,885.81	$ -	$ 490,885.81
Ref.			B-8		B

SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	Balance Dec. 31, 2010	Received in 2011	Accrued in 2011	Paid in 2011	Balance Dec. 31, 2011
Animal Control Fund:					
Current Fund	$ 457.62	$ -	$ -	$ -	$ 457.62
Other Trust Funds:					
Current Fund:					
Interest on Investments	7,179.37	217.42			7,396.79
Interfund Advance	935.45	2,500.00	-	-	3,435.45
	8,114.82	2,717.42	-	-	10,832.24
Federal and State Grants Fund	1,613.87	-	-	-	1,613.87
	$ 10,186.31	$ 2,717.42	$ -	$ -	$ 12,903.73
Ref.	B	B-1			B

BOROUGH OF SADDLE RIVER

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	Ref.		
Balance December 31, 2010	B		$ (150.02)
Increased by :			
2011 Dog License Fees	B-1	$ 1,575.00	
Late Fees	B-1	70.00	
Miscellaneous	B-1	1.00	
Cat Licenses	B-1	213.20	
			1,859.20
			1,709.18
Decreased by :			
Expenditures Per R.S. 4:19-15.11	B-1		1,570.00
Balance December 31, 2011	B		$ 139.18

Animal Control Fees Collected

Year	Amount
2010	$ 1,832.30
2009	1,861.10
	$ 3,693.40

BOROUGH OF SADDLE RIVER

TRUST FUND
SCHEDULE OF AMOUNT DUE TO STATE BOARD OF HEALTH

	Ref.	
Balance December 31, 2010	B	$ 10.80
Increased by :		
Fees Collected in 2011	B-1	375.00
		385.80
Decreased by :		
Paid to State Board of Health	B-1	375.00
Balance December 31, 2011	B	$ 10.80

SCHEDULE OF PREPAID LICENSE FEES

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

TRUST FUND
SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

TRUST FUND
RESERVE FOR SPECIAL DEPOSITS

	Balance Dec. 31, 2010	Received in 2011	Interfund Accounts Receivable	Paid in in 2011	Balance Dec. 31, 2011
Performance Bonds and Special Deposits	$ 1,365,076.12	$ 330,236.84		$ 262,881.23	$ 1,432,431.73
Self Funded Insurance	50,000.00	11,558.91			61,558.91
Developers' Escrow	424,092.34	310,337.17		35,303.58	699,125.93
Rindlaub Park	10,150.00			49.90	10,100.10
Saddle River Recreation	648.02				648.02
Saddle River Day	11,676.97				11,676.97
Municipal Alliance	918.21				918.21
Police Equipment	30,385.10	11,000.00		1,869.15	39,515.95
Seized Money (Police)	81.00				81.00
Oelkrug Property	340.50				340.50
Pancreatic Cancer Fund	330.00				330.00
School Resource Officer	1.41				1.41
Borough Events	104.55	525.00		525.00	104.55
First Responder Equipment	5,803.52			5,000.00	803.52
Section 125 Flex Spending	3,048.24	7,850.44		8,893.70	2,004.98
State Unemployment Compensation Insurance	20,999.65	3,934.87			24,934.52
Accumulated Sick Leave Benefits	333,237.08	51,264.53			384,501.61
Tax Title Lien Redemptions	103,655.53	286,747.39		388,747.39	1,655.53
Affordable Housing	-	-	490,885.81	-	490,885.81
	$ 2,360,548.24	$ 1,013,455.15	$ 490,885.81	$ 703,269.95	$ 3,161,619.25
	B	B-1	B-2	B-1	B

BOROUGH OF SADDLE RIVER

TRUST FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

NOT APPLICABLE

SCHEDULE OF CASH - DEFERRED COMPENSATION PLAN

	Ref.	
Balance December 31, 2010	B	$ 9,399.87
Increased by Receipts:		
Plan Investment Earnings (Net of Fees)		10.18
		9,410.05
Decreased by Disbursements:		
Paid in 2011		939.99
Balance December 31, 2011	B	$ 8,470.06

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

	Ref.		
Balance December 31, 2010	C		$ 1,132,128.12
Increased by Receipts:			
Prior Year Refund for Funded Ordinance	C-1	$ 17,307.00	
State and Other Aid Receivable	C-7	244,258.00	
Capital Reserves	C-12	13,000.00	
Interfund Accounts Payable	C-13	513,935.76	
Bond Anticipation Notes	C-17	4,034,000.00	
			4,822,500.76
			5,954,628.88
Decreased by Disbursements :			
Interfund Accounts Payable	C-13	2,528,680.00	
			2,528,680.00
Balance December 31, 2011	C		$ 3,425,948.88

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
ANALYSIS OF CASH

Ord Number	Improvement Authorizations	Balance or (Deficit) Dec. 31, 2010	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Miscellaneous	Transfers: To	Transfers: From	Balance or (Deficit) Dec. 31, 2011
706M/819M	Improvements to Denison Drive East	$ (24,486.87)	$ -	$ -	$ -	$ -	$ -	$ (24,486.87)
714M	Improvements to Rindlaub Park	549.21					549.21	-
719M	Reconstruct Mill Race Pond Levee	(3,220.00)					6,020.00	(9,240.00)
727M	Improvements to Roads	(56,926.19)	57,000.00					73.81
729M	Improvements to Oak Road	(330,000.00)	330,000.00					-
730M	Various Improvements	(99,952.10)	100,000.00					47.90
742M	Improvements to Roads	(94,999.19)	95,000.00					0.81
749M	Various Improvements	500.14					371.11	129.03
757M	Improvements to Oak Road (Supplements 707M and 729M)	(81,749.86)						(81,749.86)
760M	Improvements to Roads	(95,000.00)	95,000.00					-
762M	Drainage River Farm Lane	(117,956.78)					7,383.44	(125,340.22)
763M	Purchase of Real Property	(23,517.38)					1,482.62	(25,000.00)
771M	Various Roadway Improvements	(94,978.27)	95,000.00					21.73
773M	Water Main Extension Project (Ramsey)	(105,145.00)						(105,145.00)
774M	Police Communications and Emergency 911 System	(54,485.00)	55,000.00					515.00
786M	Various Roadway Improvements	(94,999.18)	95,000.00					0.82
790M	Lower Cross Road Improvements	(62,855.10)						(62,855.10)
791M	Improvements to the Saddle River Museum	8,627.52					5,658.50	2,969.02
792M	Improvements to Rindlaub Park (Phase II)	(62,761.00)						(62,761.00)
793M	Police and Fire Complex Roof Replacement	(74,248.60)	75,000.00					751.40
797M/836M	Acquisition of Real Estate	482,809.22					192,093.13	290,716.09
802M	Burning Hollow Water Main Project (Phase II)	752.88						752.88
803M	Chestnut Ridge Road Water Line	188.00						188.00
809M	Various Water Main Extensions	(2,045,037.64)	2,047,000.00				1,906.78	55.58
812M	Various Roadway Improvements	516.96						516.96
815M	Upgrade Police Communications Desk and Acquire Various Equipment	44,216.62					24,452.00	19,764.62
820M	Acquisition of Fire Equipment	(46,460.55)	47,500.00					1,039.45
821M	Acquisition of Automotive Vehicles	51,397.19						51,397.19
822M	Acquisition of Real Property	1,857.34						1,857.34
825M	Reconstruction of Old Woods Road	32,560.33					10,750.00	21,810.33
826M/839M	Various Improvements to Rindlaub Park	(107,751.12)	162,000.00				54,248.88	0.00
829M	Culvert Replacement on East Saddle River Road	18,444.67					10,598.26	7,846.41
831M	Acquisition of DPW Utility Truck	13,879.22					13,000.00	879.22
837M	Various Roadway Improvements	4,283.06					4,240.00	43.06
841M	Acquisition of Real Property (Rindlaub Park)	1,248.40					914.57	333.83
842M	Improvement of the Bayberry Drive Culvert	3,150.75	71,400.00				73,868.58	682.17
845M	Various Roadway Improvements		95,000.00			5,000.00	5,818.76	94,181.24
846M	Reconstruction of Twin Brooks Road		330,000.00			220,000.00	271,080.28	278,919.72
850M	Acquisition of Various Equipment		284,100.00			15,000.00	35,430.24	263,669.76
854M	Acquisition Of New Tanker Fire Truck					800,000.00	20,417.53	779,582.47
Federal, State and Other Aid Receivable		(487,898.93)		244,258.00		150,000.00	950,000.00	(1,043,640.93)
Capital Improvement Fund		450,553.46				200,000.00	190,000.00	460,553.46
Capital Reserves		218,268.40		13,000.00		100,000.00	83,125.92	248,142.48
Interfund Accounts Payable		3,526,156.14		513,935.76	2,528,680.00	823,409.81	426,947.39	1,907,874.32
Fund Balance		436,597.37	-	17,307.00	-	76,947.39	-	530,851.76
		$ 1,132,128.12	$ 4,034,000.00	$ 788,500.76	$ 2,528,680.00	$ 2,390,357.20	$ 2,390,357.20	$ 3,425,948.88

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	Ref.	
Balance December 31, 2010	C	$ 1,795,402.39
Decreased by:		
Loans Paid:		
2011 Budget Appropriation	C-16	92,474.98
Balance December 31, 2011	C	$ 1,702,927.41

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2011	Analysis of Balance December 31, 2011: Bond Anticipation Notes	Expenditures	Unexpended Balance
706M/819M	Improvements to Denison Drive East	$ 45,000.00	$ -	$ -	$ 45,000.00	$ -	$ 24,486.87	$ 20,513.13
719M	Reconstruct Mill Race Pond Levee	20,000.00			20,000.00		9,240.00	10,760.00
727M	Improvements to Roads	57,000.00			57,000.00	57,000.00	-	
729M	Improvements to Oak Road	330,000.00			330,000.00	330,000.00	-	
730M	Various Improvements	100,000.00			100,000.00	100,000.00	-	
742M	Improvements to Roads	95,000.00			95,000.00	95,000.00	-	
757M	Improvements to Oak Road (Supplements 707M and 729M)	81,750.00			81,750.00		81,749.86	0.14
760M	Improvements to Roads	95,000.00			95,000.00	95,000.00	-	
762M	Drainage River Farm Lane	130,000.00			130,000.00		125,340.22	4,659.78
763M	Purchase of Real Property	525,000.00		500,000.00	25,000.00		25,000.00	
771M	Various Roadway Improvements	95,000.00			95,000.00	95,000.00	-	
773M	Water Main Extension Project (Ramsey)	105,145.00			105,145.00		105,145.00	
774M	Police Communications and Emergency 911 System	55,000.00			55,000.00	55,000.00	-	
786M	Various Roadway Improvements	95,000.00			95,000.00	95,000.00	-	
790M	Lower Cross Road Improvements	65,000.00			65,000.00		62,855.10	2,144.90
792M	Improvements to Rindlaub Park (Phase II)	62,926.00			62,926.00		62,761.00	165.00
793M	Police and Fire Complex Roof Replacement	75,000.00			75,000.00	75,000.00	-	
797M/836M	Acquisition of Real Estate	1,474,000.00		200,000.00	1,274,000.00	1,274,000.00	-	
802M	Burning Hollow Water Main Project (Phase II)	1,093,000.00		150,000.00	943,000.00	943,000.00	-	
803M	Chestnut Ridge Road Water Line	228,000.00		228,000.00	-		-	
809M	Various Water Main Extensions	4,047,000.00			4,047,000.00	4,047,000.00	-	
812M	Various Roadway Improvements	95,000.00			95,000.00	95,000.00	-	
815M	Upgrade Police Communications Desk and Acquire Various Equipment	500,000.00			500,000.00	500,000.00	-	
820M	Acquisition of Fire Equipment	47,500.00			47,500.00	47,500.00	-	
821M	Acquisition of Automotive Vehicles	171,000.00			171,000.00	171,000.00	-	
822M	Acquisition of Real Property	619,000.00			619,000.00	619,000.00	-	
824M	Various Roadway Improvements	95,000.00			95,000.00	95,000.00	-	
825M	Reconstruction of Old Woods Road	190,000.00			190,000.00	190,000.00	-	
826M/839M	Various Improvements to Rindlaub Park	341,000.00			341,000.00	341,000.00	-	

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2011	Analysis of Balance December 31, 2011: Bond Anticipation Notes	Expenditures	Unexpended Balance
831M	Acquisition of DPW Utility Truck	$ 76,000.00	$ -	$ -	$ 76,000.00	$ 76,000.00	$ -	$ -
837M	Various Roadway Improvements	95,000.00			95,000.00	95,000.00	-	
841M	Acquisition of Real Property (Rindlaub Park)	1,690,000.00			1,690,000.00	1,690,000.00	-	
842M	Improvement of the Bayberry Drive Culvert	71,400.00			71,400.00	71,400.00	-	
845M	Various Roadway Improvements		95,000.00		95,000.00	95,000.00	-	
846M	Reconstruction of Twin Brooks Road		330,000.00		330,000.00	330,000.00	-	
850M	Acquisition of Various Equipment	-	285,000.00	-	285,000.00	284,100.00	-	900.00
		$ 12,864,721.00	$ 710,000.00	$ 1,078,000.00	$ 12,496,721.00	$ 11,961,000.00	$ 496,578.05	$ 39,142.95
		C	C-9	C-17	C			

Improvement Authorizations - Unfunded		$ 1,067,173.86
Less: Unexpended Proceeds of Notes Issued		
Ordinance No. 727M	$ 73.81	
Ordinance No. 730M	47.90	
Ordinance No. 742M	0.81	
Ordinance No. 771M	21.73	
Ordinance No. 774M	515.00	
Ordinance No. 786M	0.82	
Ordinance No. 793M	751.40	
Ordinance No. 797M/836M	290,716.09	
Ordinance No. 802M	752.88	
Ordinance No. 809M	55.58	
Ordinance No. 812M	516.96	
Ordinance No. 815M	19,764.62	
Ordinance No. 820M	1,039.45	
Ordinance No. 821M	51,397.19	
Ordinance No. 822M	1,857.34	
Ordinance No. 825M	21,810.33	
Ordinance No. 831M	879.22	
Ordinance No. 837M	43.06	
Ordinance No. 841M	333.83	
Ordinance No. 842M	682.17	
Ordinance No. 845M	94,181.24	
Ordinance No. 846M	278,919.72	
Ordinance No. 850M	263,669.76	
		1,028,030.91
		$ 39,142.95

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION -
CANCELLED FEDERAL AND STATE AID RECEIVABLE

NOT APPLICABLE

SCHEDULE OF FEDERAL, STATE AND OTHER AID RECEIVABLE

	Ref.	
Balance December 31, 2010	C	$ 487,898.93
Increased by :		
Awarded in 2011	C-9	950,000.00
		1,437,898.93
Decreased by :		
Received in 2011	C-2	244,258.00
Received in 2011	C-13	150,000.00
Balance December 31, 2011	C	$ 1,043,640.93

Analysis of Balance December 31, 2011

Appropriated:	
Federal Aid:	
Community Development Funds (Ord. No.589M/625M Barrier Free Municipal Building)	$ 425.00
Community Development Funds (Ord. No.589M/625M Bishop House)	3,781.00
NJ Environmental Infrastructure Trust Loan (Ord. No. 773M)	22,954.00
FEMA Firefighters Grant (Ord. No. 854M)	750,000.00
State Aid:	
Transportation Trust Funds (Ord. No. 589M/625M)	2,079.00
NJ Environmental Infrastructure Trust Loan (Ord. No. 773M)	23,519.00
Transportation Trust Funds (Ord. No. 846M)	50,000.00
Other Aid:	
Ccounty of Bergen Open Space (Ord. No. 829M)	170,747.93
Unappropriated:	
Other Aid:	
County of Bergen (Traffic Light at Boroline Road)	20,135.00
	$ 1,043,640.93

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND ACCOUNTS RECEIVABLE

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2010 Funded	Balance Dec. 31, 2010 Unfunded	2011 Authorizations Funded	2011 Authorizations Deferred Charges to Future Taxation - Unfunded	Paid	Balance Dec. 31, 2011 Funded	Balance Dec. 31, 2011 Unfunded
706M/819M	Improvements to Denison Drive East	2/12/01,8/18/08	$ 65,000.00	$ -	$ 20,513.13	$ -	$ -	$ -	$ -	$ 20,513.13
714M	Improvements to Rindlaub Park (Phase I)	5/21/01	625,000.00	549.21				549.21	-	
719M	Reconstruct Mill Race Pond Levee	11/12/01	25,000.00	-	16,780.00			6,020.00	-	10,760.00
727M	Improvements to Roads	3/18/02	60,000.00	-	73.81				-	73.81
730M	Various Improvements	5/20/02	105,000.00	-	47.90				-	47.90
742M	Improvements to Roads	2/10/03	100,000.00	-	0.81				-	0.81
749M	Various Improvements	8/18/03	535,000.00	500.14				371.11	129.03	
757M	Improvements to Oak Road (Supplements 707M and 729M)	12/15/03	100,000.00	-	0.14				-	0.14
762M	Drainage River Farm Lane	4/19/04	140,000.00	-	12,043.22			7,383.44	-	4,659.78
763M	Purchase of Real Property	4/19/04	975,000.00	-	1,482.62			1,482.62	-	
771M	Various Roadway Improvements	2/7/05	100,000.00	-	21.73				-	21.73
774M	Police Communications and Emergency 911 System	4/18/05	60,000.00	-	515.00				-	515.00
786M	Various Roadway Improvements	3/13/06	100,000.00	-	0.82				-	0.82
790M	Lower Cross Road Improvements	4/17/06	175,000.00	-	2,144.90				-	2,144.90
791M	Improvements to the Saddle River Museum	4/17/06	55,000.00	8,627.52				5,658.50	2,969.02	
792M	Improvements to Rindlaub Park (Phase II)	5/15/06	120,000.00	-	165.00				-	165.00
793M	Police and Fire Complex Roof Replacement	5/15/06	80,000.00	-	751.40				-	751.40
797M/836M	Acquisition of Real Estate	8/21/06,2/28/10	1,100,000.00	-	482,809.22			192,093.13	-	290,716.09
802M	Burning Hollow Water Main Project (Phase II)	1/15/07	1,300,000.00	-	752.88				-	752.88
803M	Chestnut Ridge Road Water Line	1/1507	450,000.00	-	188.00				188.00	
809M	Various Water Main Extensions	5/21/07	4,250,000.00	-	1,962.36			1,906.78	-	55.58
812M	Various Roadway Improvements	3/17/08	100,000.00	-	516.96				-	516.96
815M	Upgrade Police Communications Desk and Acquire Various Equipment	4/21/08	550,000.00	-	44,216.62			24,452.00	-	19,764.62
820M	Acquisition of Fire Equipment	10/20/08	50,000.00	-	1,039.45				-	1,039.45
821M	Acquisition of Automotive Vehicles	10/20/08	180,000.00	-	51,397.19				-	51,397.19
822M	Acquisition of Real Property	11/17/08	650,000.00	-	1,857.34				-	1,857.34
825M	Reconstruction of Old Woods Road	4/20/09	550,000.00	-	32,560.33			10,750.00	-	21,810.33
826M/839M	Various Improvements to Rindlaub Park	4/20/09/4/19/10	345,000.00	-	54,248.88			54,248.88	-	
829M	Culvert Replacement on East Saddle River Road	5/18/09	585,000.00	18,444.67				10,598.26	7,846.41	
831M	Acquisition of DPW Utility Truck	6/15/09	80,000.00	-	13,879.22			13,000.00	-	879.22
837M	Various Roadway Improvements	2/28/10	100,000.00	-	4,283.06			4,240.00	-	43.06
841M	Acquisition of Real Property (Rindlaub Park)	8/16/10	1,775,000.00	-	1,248.40			914.57	-	333.83
842M	Improvement of the Bayberry Drive Culvert	8/16/10	75,000.00	3,150.75	71,400.00			73,868.58	-	682.17
845M	Various Roadway Improvements	2/14/11	100,000.00	-		5,000.00	95,000.00	5,818.76	-	94,181.24
846M	Reconstruction of Twin Brooks Road	2/14/11	550,000.00	-		220,000.00	330,000.00	271,080.28	-	278,919.72
850M	Acquisition of Various Equipment	6/20/11	300,000.00	-		15,000.00	285,000.00	35,430.24	-	264,569.76
854M	Acquisition Of New Tanker Fire Truck	9/19/11	800,000.00	-	-	800,000.00	-	20,417.53	779,582.47	-
				$ 31,272.29	$ 816,900.39	$ 1,040,000.00	$ 710,000.00	$ 740,283.89	$ 790,714.93	$ 1,067,173.86
		Ref.		C	C		C-5	C-13	C	C

	Ref.	
State and Federal Grants	C-7	$ 950,000.00
Capital Improvement Fund	C-11	90,000.00
		$ 1,040,000.00

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

NOT APPLICABLE

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2010	C	$ 450,553.46
Increased by :		
2011 Budget Appropriation	C-13	200,000.00
		650,553.46
Decreased by :		
Appropriated to Finance Improvement Authorizations	C-9	90,000.00
Appropriated to Finance Preliminary Engineering Costs	C-12	100,000.00
Balance December 31, 2011	C	$ 460,553.46

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL RESERVES

	Ref.	Total	Computer Network	Construction of Water System	Road Reconstruction	Reconstruction of Catch Basins
Balance December 31, 2010	C	$ 218,268.40	$ -	$ 182,218.40	$ 1,250.00	$ 34,800.00
Increased by :						
Received in 2011	C-2	13,000.00			13,000.00	
Appropriated in 2011	C-11	100,000.00	100,000.00	-	-	-
		331,268.40	100,000.00	182,218.40	14,250.00	34,800.00
Decreased by :						
Disbursed in 2011	C-13	83,125.92	29,442.57	20,760.52	-	32,922.83
Balance December 31, 2011	C	$ 248,142.48	$ 70,557.43	$ 161,457.88	$ 14,250.00	$ 1,877.17

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	Balance Dec. 31, 2010	Received in 2011	Accrued in 2011	Paid in 2011	Balance Dec. 31, 2011
Current Fund					
Water Capital Fund - General Capital CIF to Water Capital Ordinance	$ 3,511,156.14	$ 513,935.76	$ 396,462.42	$ 2,513,680.00	$ 1,907,874.32
	15,000.00	-	-	15,000.00	-
	$ 3,526,156.14	$ 513,935.76	$ 396,462.42	$ 2,528,680.00	$ 1,907,874.32
Ref.	C	C-2		C-2	C

	Ref.	
Disbursed in Current Fund:		
Improvement Authorizations	C-9	$ 740,283.89
Capital Reserves	C-12	83,125.92
Premium on Sale of Notes	C-1	(76,947.39)
State Aid Receivable	C-7	(150,000.00)
Budget Appropriation	C-11	(200,000.00)
Notes Received	C-17	(7,927,000.00)
Notes Paid	C-17	7,927,000.00
		$ 396,462.42

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE AID RECEIVABLE

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN

	Ref.	
Balance December 31, 2010	C	$ 1,795,402.39
Decreased by :		
Paid by 2011 Budget Appropriation	C-4	92,474.98
Balance December 31, 2011	C	$ 1,702,927.41

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Original Notes Date of Issue	Original Notes Amount Issued	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
727M	Improvements to Roads	10/3/11	$ 57,000.00	10/3/11	8/3/12	1.50%	$ -	$ 57,000.00	$ -	$ 57,000.00
729M	Improvements to Oak Road	10/3/11	330,000.00	10/3/11	8/3/12	1.50%		330,000.00		330,000.00
730M	Various Improvements	10/3/11	100,000.00	10/3/11	8/3/12	1.50%		100,000.00		100,000.00
742M	Improvements to Roads	10/3/11	95,000.00	10/3/11	8/3/12	1.50%		95,000.00		95,000.00
760M	Improvements to Roads	10/3/11	95,000.00	10/3/11	8/3/12	1.50%		95,000.00		95,000.00
763M	Purchase of Real Property	5/14/04	900,000.00	4/1/11	3/30/12	1.50%	500,000.00	-	500,000.00	-
771M	Various Roadway Improvements	10/3/11	95,000.00	10/3/11	8/3/12	1.50%		95,000.00		95,000.00
774M	Police Communications and Emergency 911 System	10/3/11	55,000.00	10/3/11	8/3/12	1.50%		55,000.00		55,000.00
786M	Various Roadway Improvements	10/3/11	95,000.00	10/3/11	8/3/12	1.50%		95,000.00		95,000.00
793M	Police and Fire Complex Roof Replacement	10/3/11	75,000.00	10/3/11	8/3/12	1.50%		75,000.00		75,000.00
797M/836M	Acquisition of Real Estate	10/19/06	1,045,000.00	4/1/10	4/1/11	1.50%	1,474,000.00		1,474,000.00	-
				4/1/11	3/30/12	1.50%		1,274,000.00		1,274,000.00
802M	Burning Hollow Water Main Project (Phase II)	4/5/07	1,238,000.00	4/1/10	4/1/11	1.50%	1,093,000.00		1,093,000.00	-
				4/1/11	3/30/12	1.50%		943,000.00		943,000.00
803M	Chestnut Ridge Road Water Line	4/5/07	428,000.00	4/1/10	4/1/11	1.50%	228,000.00		228,000.00	-
809M	Various Water Main Extensions	4/1/09	2,000,000.00	4/1/10	4/1/11	1.50%	2,000,000.00		2,000,000.00	-
				4/1/11	3/30/12	1.50%		2,000,000.00		2,000,000.00
809M	Various Water Main Extensions	10/3/11	2,047,000.00	10/3/11	8/3/12	1.50%		2,047,000.00		2,047,000.00
812M	Various Roadway Improvements	4/1/10	95,000.00	4/1/10	4/1/11	1.50%	95,000.00		95,000.00	-
				4/1/11	3/30/12	1.50%		95,000.00		95,000.00
815M	Upgrade Police Communications Desk and Acquire Various Equipment	4/1/09	500,000.00	4/1/10	4/1/11	1.50%	500,000.00		500,000.00	-
				4/1/11	3/30/12	1.50%		500,000.00		500,000.00
820M	Acquisition of Fire Equipment	10/3/11	47,500.00	10/3/11	8/3/12	1.50%		47,500.00		47,500.00
821M	Acquisition of Automotive Vehicles	4/1/09	171,000.00	4/1/10	4/1/11	1.50%	171,000.00		171,000.00	-
				4/1/11	3/30/12	1.50%		171,000.00		171,000.00
822M	Acquisition of Real Property	4/1/09	619,000.00	4/1/10	4/1/11	1.50%	619,000.00		619,000.00	-
				4/1/11	3/30/12	1.50%		619,000.00		619,000.00
824M	Various Roadway Improvements	4/1/10	95,000.00	4/1/10	4/1/11	1.50%	95,000.00		95,000.00	-
				4/1/11	3/30/12	1.50%		95,000.00		95,000.00
825M	Reconstruction of Old Woods Road	4/1/10	190,000.00	4/1/10	4/1/11	1.50%	190,000.00		190,000.00	-
				4/1/11	3/30/12	1.50%		190,000.00		190,000.00
826M/839M	Various Improvements to Rindlaub Park	4/1/10	179,000.00	4/1/10	4/1/11	1.50%	179,000.00		179,000.00	-
				4/1/11	3/30/12	1.50%		179,000.00		179,000.00

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Original Notes Date of Issue	Original Notes Amount Issued	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
826M/839M	Various Improvements to Rindlaub Park	10/3/11	$ 162,000.00	10/3/11	8/3/12	1.50%	$ -	$ 162,000.00	$ -	$ 162,000.00
831M	Acquisition of DPW Utility Truck	4/1/10	76,000.00	4/1/10	4/1/11	1.50%	76,000.00		76,000.00	-
				4/1/11	3/30/12	1.50%		76,000.00		76,000.00
837M	Various Roadway Improvements	4/1/10	95,000.00	4/1/10	4/1/11	1.50%	95,000.00		95,000.00	-
				4/1/11	3/30/12	1.50%		95,000.00		95,000.00
841M	Acquisition of Real Property (Rindlaub Park)	10/14/10	1,690,000.00	10/14/10	4/1/11	1.25%	1,690,000.00		1,690,000.00	-
				4/1/11	3/30/12	1.50%		1,690,000.00		1,690,000.00
842M	Improvement of the Bayberry Drive Culvert	10/3/11	162,000.00	10/3/11	8/3/12	1.50%				-
845M	Various Roadway Improvements	10/3/11	162,000.00	10/3/11	8/3/12	1.50%		71,400.00		71,400.00
846M	Reconstruction of Twin Brooks Road	10/3/11	162,000.00	10/3/11	8/3/12	1.50%		95,000.00		95,000.00
850M	Acquisition of Various Equipment	10/3/11	162,000.00	10/3/11	8/3/12	1.50%		330,000.00		330,000.00
							-	284,100.00	-	284,100.00
							$ 9,005,000.00	$ 11,961,000.00	$ 9,005,000.00	$ 11,961,000.00
						Ref.	C			C

	Ref.		
Cash - General Capital Fund	C-2	$ 4,034,000.00	$ -
Budget Appropriation	C-5		1,078,000.00
Cash - Current Fund	C-13	7,927,000.00	7,927,000.00
		$ 11,961,000.00	$ 9,005,000.00

BOROUGH OF SADDLE RIVER

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Notes Issued	Balance Dec. 31, 2011
706M/819M	Improvements to Denison Drive East	$ 45,000.00	$ -	$ -	$ 45,000.00
719M	Reconstruct Mill Race Pond Levee	20,000.00			20,000.00
727M	Improvements to Roads	57,000.00		57,000.00	-
729M	Improvements to Oak Road	330,000.00		330,000.00	-
730M	Various Improvements	100,000.00		100,000.00	-
742M	Improvements to Roads	95,000.00		95,000.00	-
757M	Improvements to Oak Road (Supplements 707M and 729M)	81,750.00			81,750.00
760M	Improvements to Roads	95,000.00		95,000.00	-
762M	Drainage River Farm Lane	130,000.00			130,000.00
763M	Purchase of Real Property	25,000.00			25,000.00
771M	Various Roadway Improvements	95,000.00		95,000.00	-
773M	Water Main Extension Project (Ramsey)	105,145.00			105,145.00
774M	Police Communications and Emergency 911 System	55,000.00		55,000.00	-
786M	Various Roadway Improvements	95,000.00		95,000.00	-
790M	Lower Cross Road Improvements	65,000.00			65,000.00
792M	Improvements to Rindlaub Park (Phase II)	62,926.00			62,926.00
793M	Police and Fire Complex Roof Replacement	75,000.00		75,000.00	-
809M	Various Water Main Extensions	2,047,000.00		2,047,000.00	-
820M	Acquisition of Fire Equipment	47,500.00		47,500.00	-
826M/839M	Various Improvements to Rindlaub Park	162,000.00		162,000.00	-
842M	Improvement of the Bayberry Drive Culvert	71,400.00		71,400.00	-
845M	Various Roadway Improvements		95,000.00	95,000.00	-
846M	Reconstruction of Twin Brooks Road		330,000.00	330,000.00	-
850M	Acquisition of Various Equipment	-	285,000.00	284,100.00	900.00
		$ 3,859,721.00	$ 710,000.00	$ 4,034,000.00	$ 535,721.00

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2010	D	$ 293,224.11	$ 19,025.00
Increased by Receipts :			
Consumers' Accounts Receivable	D-7	251,230.58	
Interfunds Accounts Receivable	D-8	-	80,000.00
		251,230.58	80,000.00
		544,454.69	99,025.00
Decreased by Disbursements :			
Interfunds Accounts Payable	D-18	65,000.00	-
		65,000.00	-
Balance December 31, 2011	D	$ 479,454.69	$ 99,025.00

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
ANALYSIS OF WATER CAPITAL CASH

	Balance or (Deficit) Dec. 31, 2010	Receipts: Miscellaneous	Disbursements: Bond Anticipation Notes	Disbursements: Miscellaneous	Transfers: To	Transfers: From	Balance or (Deficit) Dec. 31, 2011
Improvement Authorizations:							
Ord. No.							
646M Construction of Water Mains	$ (224,634.41)	$ -	$ -	$ -	$ -	$ -	$ (224,634.41)
746M Construction of Water Main (Burning Hollow - Phase I)	(285,000.00)						(285,000.00)
Interfund Accounts Payable	543,284.41			-			543,284.41
Reserve for Encumbrances	700.00						700.00
Capital Improvement Fund	65,000.00						65,000.00
Interfund Accounts Receivable	(80,325.00)	80,000.00	-	-	-	-	(325.00)
	$ 19,025.00	$ 80,000.00	$ -	$ -	$ -	$ -	$ 99,025.00

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF CASH - WATER COLLECTOR

	Ref.	
Increased by Receipts:		
Consumers' Accounts Receivable	D-9	$ 251,230.58
Decreased by Disbursements :		
Amount Paid to Treasurer:		
Water Operating Fund	D-5	$ 251,230.58

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF INTERFUND ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2010	Received in 2011	Balance Dec. 31, 2011
Water Capital Fund:			
General Capital Fund	$ 15,000.00	$ 15,000.00	$ -
Water Operating Fund	65,325.00	65,000.00	325.00
	$ 80,325.00	$ 80,000.00	$ 325.00
Ref.	D	D-5	D

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND

SCHEDULE OF WATER UTILITY CONSUMERS' ACCOUNTS RECEIVABLE

	Ref.	
Balance December 31, 2010	D	$ 122,092.53
Increased by :		
2011 Charges		247,168.95
		369,261.48
Decreased by :		
Received in 2011	D-3,7	251,230.58
Transferred to Water Liens Receivable	D-10	6,784.71
Balance December 31, 2011	D	$ 111,246.19

SCHEDULE OF WATER LIENS RECEIVABLE

	Ref.	
Increased by :		
Transferred from Consumers' Accounts Receivable	D-9	$ 6,784.71
Interest and Costs on Sale of December 7, 2011		416.01
Balance December 31, 2011	D	$ 7,200.72

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF DEFERRED CHARGES-OPERATING DEFICIT

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF FIXED CAPITAL

	Ref.	
Balance December 31, 2010	D	$ 300,000.00
Balance December 31, 2011	D	$ 300,000.00

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2010	Balance Dec. 31, 2011
646M	Construction of Water Mains	5/19/1997	2,000,000.00	$ 2,000,000.00	$ 2,000,000.00
				$ 2,000,000.00	$ 2,000,000.00
			Ref.	D	D

D-14

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF WASTEWATER TREATMENT TRUST LOANS RECEIVABLE

NOT APPLICABLE

D-15

SCHEDULE OF FEDERAL AND STATE AID RECEIVABLE

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF APPROPRIATION RESERVES - 2010

	Balance Dec. 31, 2010	Lapsed
Operating:		
Other Expenses	$ 999.18	$ 999.18
	$ 999.18	$ 999.18
Ref.	D	D-1

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	Ref.	
Increased by :		
Charges to 2011 Budget Appropriations	D-4	$ 50,855.71
Balance December 31, 2011	D	$ 50,855.71

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	Balance Dec. 31, 2010	Received in 2011	Accrued in 2011	Paid in 2011	Balance Dec. 31, 2011
Water Operating Fund:					
Current Fund	$ 138,382.99	$ -	$ 94,307.11	$ -	$ 232,690.10
Water Capital Fund	65,325.00	-	-	65,000.00	325.00
	203,707.99	-	94,307.11	65,000.00	233,015.10
Water Capital Fund:					
Current Fund	543,284.41	-	-	-	543,284.41
	$ 746,992.40	$ -	$ 94,307.11	$ 65,000.00	$ 776,299.51
Ref.	D			D-5	D

	Ref.	
Budget Appropriation -		
Fire Hydrant Service	D-3	$ (140,000.00)
Disbursed in Current Fund:		
Budget Appropriations	D-4	234,307.11
		$ 94,307.11

D-19

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF UTILITY CHARGES OVERPAYMENTS

NOT APPLICABLE

D-20

SCHEDULE OF ACCRUED INTEREST ON BONDS

NOT APPLICABLE

D-21

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF ACCRUED INTEREST ON LOANS

NOT APPLICABLE

D-22

SCHEDULE OF ACCRUED INTEREST ON NOTES

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2010 Unfunded	Balance Dec. 31, 2011 Unfunded
646M	Construction of Water Mains	5/19/97	2,000,000.00	$ 365.59	$ 365.59
				$ 365.59	$ 365.59
			Ref.	D	D

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	Ref.	
Balance December 31, 2010	D	$ 700.00
Balance December 31, 2011	D	$ 700.00

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2010	D	$ 65,000.00
Balance December 31, 2011	D	$ 65,000.00

SCHEDULE OF CAPITAL RESERVES

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	Ref.	
Balance December 31, 2010	D	$ 15,000.00
Balance December 31, 2011	D	$ 15,000.00

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2010	Balance Dec. 31, 2011
646M	Construction of Water Mains	5/19/97	$ 1,775,000.00	$ 1,775,000.00
			$ 1,775,000.00	$ 1,775,000.00
		Ref.	D	D

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF BONDS PAYABLE

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF WASTEWATER TREATMENT TRUST LOANS PAYABLE

NOT APPLICABLE

WATER UTILITY FUND
SCHEDULE OF BOND ANTICIPATION NOTES

NOT APPLICABLE

BOROUGH OF SADDLE RIVER

WATER UTILITY FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	Balance Dec. 31, 2011
646M	Construction of Water Mains	$ 225,000.00	$ 225,000.00
746M	Construction of Water Main (Burning Hollow - Phase I)	285,000.00	285,000.00
		$ 510,000.00	$ 510,000.00

REPORT PURSUANT TO GOVERNMENT AUDITING STANDARDS

T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

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 Saddle River
County of Bergen, New Jersey

We have audited the financial statements of the Borough of Saddle River as of and for the years ended December 31, 2011 and December 31, 2010, and have issued our report thereon dated April 4, 2012. In our report our opinion was qualified because the Borough of Saddle River prepares its financial statements on a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Except as discussed in the preceding sentence, 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

This report is intended solely for the information and use of management, the Borough of Saddle River, Division of Local Government Services, Department of Community Affairs, State of New Jersey and other state and 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.

Timothy M. Vrabel
Registered Municipal Accountant
License No. CR000339

Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

April 4, 2012

Schedule A

BOROUGH OF SADDLE RIVER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Funding Department	Federal Program	CFDA No.	Contract Number	Federal Grant (Award) Number	Total Grant Award Amount	Total Grant Period From	Total Grant Period To	Amount of Receipts Prior Year	Amount of Receipts Current Year	Accounts Receivable Dec. 31, 2011	Amount of Expenditures Prior Year	Amount of Expenditures Current Year (1)	Unexpended Balance Dec. 31, 2011
HUD	Community Development Funds	14 228											
	Ord No 589M/625M Handicapped Lifts		CDSRHL92	210-230-719--34-51	$ 41,365 00	7/92	12/93	$ 40,940 00	$ -	$ 425 00	$ 41,365 00	$ -	$ -
	Ord No 589M/625M Bishop House		CDSRBH93	210-230-721-34-67	28,081 00 (2)	5/94	7/94	24,300 00		3,781 00	28,081 00		-
EPA	N.J Environmental Infrastructure Trust Financing Program	66 458											
	Water Main Extension Project (Ord 773M)				1,034,855 00	2005		1,011,901 00		22,954 00	1,034 855 00		-
Homeland Security	FEMA Firefighters Grant (Ord 854M)				750,000 00	2011				750,000 00		20,417 53	729,582 47

(1) Represents total expenditures (grant activity) subject to audit
(2) $10,650 00 canceled in 2003.

Schedule B

BOROUGH OF SADDLE RIVER

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011

State Program	State Account Number	Total Grant Award Amount	Grant Period From	Grant Period To	Amount of Receipts Prior Year	Amount of Receipts Current Year	Accounts Receivable Dec. 31, 2011	Amount of Expenditures Prior Year	Amount of Expenditures Current Year (1)	Unexpended Balance Dec. 31, 2011
Department of Transportation										
N.J. Transportation Trust Fund							-			
Lower Cross Road (Ord. No. 589M/625M)	6320-480-078-6320	$ 120,000.00			$ 117,921.00	$ -	$ 2,079.00	$ 120,000.00	$ -	$ -
Old Woods Road (Ord. No. 825M)	6320-480-078-6320	350,000.00			262,500.00	87,500.00	-	350,000.00		-
Twin Brooks Road (Ord. No. 846M)	6320-480-078-6320	200,000.00				150,000.00	50,000.00		200,000.00	-
Department of Environmental Protection										
N.J. Environmental Infrastructure Trust Financing Program										
Water Main Extension Project (Ord. 773M)		1,060,000.00			1,036,481.00		23,519.00	1,060,000.00		-
Drunk Driving Enforcement Fund	1110-448-031020-60	22,071.52			22,071.52		-			22,071.52
Clean Communities Grant	4900-765-178910-60	42,959.16			30,404.30	12,554.86	-			42,959.16
Alcohol Education and Rehabilitation Fund	9735-760-060000-60	10,987.50			10,178.48	809.02	-			10,987.50
Municipal Alliance on Alcholism and Drug Abuse		51,028.99				4,191.55	46,837.44	14,945.84	3,708.24	32,374.91
Bergen County Municipal Recycling Assistance		7,501.91			6,471.74	1,030.17	-	870.00		6,631.91
Municipal Stormwater Regulation Program		7,616.00			5,909.00		1,707.00	1,707.00		5,909.00
Body Armor Replacement Fund		8,677.32			6,728.79	1,948.53	-			8,677.32
Life Hazard Use Fee		9,025.27			5,183.00	2,034.82	1,807.45		3,842.27	5,183.00
Over the Limit Grant		13,990.00			13,140.00	850.00	-			13,990.00
Obey the Signs or Pay the Fines Grant		10,642.00			10,642.00		-			10,642.00
Click It or Ticket Grant		15,622.00			11,622.00	4,000.00	-			15,622.00
Highway Safety and Education Grant		3,700.00			2,650.00	1,050.00	-	-	-	3,700.00
					$ 1,541,902.83	$ 265,968.95	$ 125,949.89	$ 1,547,522.84	$ 207,550.51	$ 178,748.32

(1) Represents total expenditures (grant activity) subject to audit.

BOROUGH OF SADDLE RIVER

NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

Note 1: General

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

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented using the budgetary basis of accounting as described in Notes I:D. to the Borough of Saddle River's financial statements.

Note 3: Relationship to Financial Statements

Amounts reported in the accompanying schedules agree with amounts reported in the Borough of Saddle River's financial statements. The information in the schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 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.

BOROUGH OF SADDLE RIVER

PART II

GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2011

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRING ADVERTISEMENT FOR BIDS

Effective April 17, 2000 N.J.S.A. 40A:11-1 et seq. (Local Public Contracts Law) was revised by P.L. 1999, c.440 (originally known as Assembly bill No. 3519). The Division of Local Government Services in the Department of Community Affairs, after consultation with the Commissioner of Education, shall prescribe rules and procedures to implement the requirements of the law.

Effective April 17, 2000 until September 23, 2002 the bid threshold in accordance with N.J.S.A. 40A:11-3 (as amended) was $17,500.00.

Effective September 23, 2002 the bid threshold was increased to $25,000.00 because Charles Cuccia was appointed as the Qualified Purchasing Agent in accordance with N.J.S.A. 40A:11-2(30) and effective July 1, 2005, was increased to $29,000.00 and effective July 1, 2010, was increased to $36,000.00.

It is pointed out that the governing body of the Borough has the responsibility of determining whether commitments and expenditures are in compliance with the statutes and, where question arises as to whether any contract or agreement might result in violation of these statutes the Borough Attorney's opinion should be sought before commitment is made.

Inasmuch as the system of records is not required to provide and therefore did not provide for an accumulation of payments by categories for the performance of any work or the furnishing or hiring or 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. None were disclosed.

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

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 for Auditor, Borough Attorney, Bond Counsel, Borough Engineers, Borough Planners, Borough Prosecutor, Public Defender, Animal Control Officer, Payroll Processors and Risk Management Consultant.

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

Reconstrution of Twin Brooks Road, Wandell Brook Restoration at Bayberry Drive Culvert, Police Vehicle, Various Construction Projects

The system of records is not required to provide and therefore did not provide for an accumulation of purchases for which the municipality used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably by ascertained. My examination did reveal however, that the following purchases were made through the use of State contracts: Police Vehicles.

The minutes indicate that on July 25, 1990 the Borough passed ordinance 90-544C which authorized them to enter into a cooperative pricing agreement with the Borough of Ramsey.

COLLECTION OF INTEREST AND PENALTIES ON DELINQUENT TAXES AND ASSESSMENTS CHARGES

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

The governing body on January 1, 2011, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

> RESOLVED, that there shall be collected interest at the maximum rates permitted by law on all taxes and assessments, whether regular, added or omitted, from the date they are due and payable, when they are not paid on or before the tenth (10th) day of the month in which they are payable and,
>
> BE IT FURTHER RESOLVED that the Mayor and Council will assess a penalty of 6% on taxpayers with delinquencies exceeding $10,000.00 who do not pay the delinquency by the end of the calendar year.

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

DELINQUENT TAXES AND TAX TITLE LIENS

The delinquent taxes at December 31, 2011 include only 2011 taxes.

The last tax sale was held December 7, 2011 and was complete.

There was one tax title lien receivable as of December 31.

VERIFICATION OF TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

Type	Number Mailed
Payments of 2012 Taxes	25
Payments of 2011Taxes	25
Delinquent Taxes Receivable	25
Water Utility Accounts Receivable	10

The result of the test, for the year ended December 31, 2011, is not yet fully known, however the items that were returned were checked and in agreement with the Borough's records and for items not returned either a second request was made or the open items were traced to subsequent collection. If any irregularities are discovered as a result of our second request a separate report will be issued.

OTHER COMMENTS

MUNICIPAL COURT

The report required by statute covering the accounts of the Municipal Court has been filed under separate cover with the Magistrate, Borough Clerk and Division of Local Government Services. Comments regarding the financial records maintained by the Court Administrator are covered in this report.

TECHNICAL ACCOUNTING DIRECTIVES

The Division of Local Government Services has established three systems which are required by all local units. They are as follows:

1. Encumbrance accounting system (N.J.A.C. 5:30-5.2)

2. Fixed asset accounting and reporting system (N.J.A.C. 5:30-5.6)

3. General Ledger accounting and record system (N.J.A.C. 5:30-5.7)

The Borough has complied by implementing all three directives.

RECOMMENDATIONS

None

Status of prior years' Audit Findings/Recommendations:

Not Applicable

* * * * * * * * * * *

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

APPRECIATION

We wish to express our appreciation of the assistance and courtesies rendered by the Borough Officials during the course of the audit.

Timothy M. Vrabel
Registered Municipal Accountant
License No. CR000339

Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

April 4, 2012