

CITY OF ELIZABETH

Financial Statements

June 30, 2011

(With Independent Auditor's Report Thereon)

CITY OF ELIZABETH

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Independent Auditor's Report

Mayor and Council
City of Elizabeth:

We have audited the accompanying balance sheets of the various funds and account groups as of June 30, 2011 and 2010 of the City of Elizabeth, New Jersey, and the related statements of operations and changes in fund balances for the years then ended and the related and the related statements of revenues and statements of expenditures of the various funds for the year ended June 30, 2011, as listed in the accompanying table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions 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; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 opinions.

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

In our opinion, because of the effects of the matter 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 City of Elizabeth, New Jersey, as of June 30, 2011 and 2010 and the changes in financial position for the years then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Elizabeth, New Jersey, as of June 30, 2011 and 2010 and the related statements of operations and changes in fund balances for the years then ended and the related and the related statements of revenues and statements of expenditures of the various funds for the year ended June 30, 2011 on the basis of accounting described in note 1.

In accordance with Government Auditing Standards, we have also issued a report dated April 18, 2012 on our consideration of the City of Elizabeth's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 taken as a whole. The additional financial information included in the accompanying table of contents, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information and schedules have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The information included in the supplementary data as listed in the table of contents is presented for additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements. Accordingly, we express no opinion on such information.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00218

April 18, 2012

LOUIS C. MAI CPA & ASSOCIATES

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Mayor and Council
City of Elizabeth:

We have audited the financial statements of City of Elizabeth, New Jersey, as of and for the year ended June 30, 2011, and have issued our report thereon dated April 18, 2012, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unqualified opinion on the basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City'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 City's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the City'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 City's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted other matters involving internal control over financial reporting, which we have reported to management of the City of Elizabeth in the accompanying General Comments and Recommendations section of this report.

Compliance and Other Matters

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

We noted immaterial instances of noncompliance that we have described in the accompanying General Comments and Recommendations section of this report.

This report is intended solely for the information and use of the City, management, Federal and State of New Jersey awarding agencies and pass-through entities, and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not intended to be and should not be used by anyone other than these specified parties.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00218

April 18, 2012

LOUIS C. MAI CPA & ASSOCIATES

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**Report on Compliance with Requirements that Could Have a
Direct and Material Effect on Each Major
Program and on Internal Control Over Compliance in Accordance
with OMB Circular A-133 and State of New Jersey OMB Circular 04-04**

Mayor and Council
City of Elizabeth:

Compliance

We have audited the compliance of the City of Elizabeth, New Jersey, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the State of New Jersey OMB State Grant Compliance Supplement that are applicable to each of its major Federal or State of New Jersey programs for the year ended June 30, 2011. The City's major Federal and State of New Jersey programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal and State of New Jersey programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

As described in finding F11-01 in the accompanying schedule of findings and questioned costs, the City did not comply with the requirements regarding eligibility that are applicable to its Housing Opportunities for People with Aids, CFDA #14.241. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to the program.

In our opinion, except for the noncompliance described in the preceding paragraph, the City of Elizabeth, New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal and State of New Jersey programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to Federal and State of New Jersey programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major

Federal or State of New Jersey program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of NJ OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal or State of New Jersey program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a Federal or State of New Jersey program will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item F11-01 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies in internal control over compliance with a type of compliance requirement of a Federal or State of New Jersey program that is less severe than a material weakness in internal control over compliance, yet is important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items F11-02 to F11-09 for federal grants and S11-01 for State of New Jersey grants to be significant deficiencies.

The City's responses to the findings identified in our audit are described in the accompanying corrective action plan. We did not audit the City's responses and accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the City, management, Federal and State of New Jersey awarding agencies and pass-through entities, and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not intended to be and should not be used by anyone other than these specified parties.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00217

April 18, 2012

CITY OF ELIZABETH

Schedule of Findings and Questioned Costs

Year ended June 30, 2011

(1) Summary of Auditor's Results

FINANCIAL STATEMENTS

- (a) The type of report issued on the financial statements:
Adverse opinion in accordance with accounting principles generally accepted in the United States of America.

Unqualified opinion on the basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

- (b) Significant deficiencies in internal control were disclosed by the audit of the Financial Statements: **None reported** Material weaknesses: **No**

- (c) Noncompliance which is material to the financial statements: **No**

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

- (d) Significant deficiencies in internal control over Federal and State of New Jersey major programs: Federal **F 11-01 to F 11-09** Material weaknesses: **F11-01**

State **S 11-01** Material weaknesses: **No**

- (e) The type of report issued on compliance for Federal and State of New Jersey major programs:
Unqualified opinion for Federal programs except for a qualified opinion for HOPWA and unqualified for major state programs.

- (f) Any audit findings which are required to reported under Section 510(a) of OMB Circular A-133 or State of New Jersey OMB Circular 04-04: **Yes**

- (g) Major programs:

Federal:

- #14.218 **Community Development Block Grant (CDBG)**
- #14.253 **Community Development Block Grant (ARRA)**
- #14.228 **Community Development Block Grants/State's Program and Non Entitlement Grants in Hawaii**
- #14.241 **Housing Opportunities for People with Aids (HOPWA)**
- #14.257 **Homeless Prevention and Rapid Re-Housing Program ARRA**
- #16.710 **Public Safety Partnership and Community Policing ARRA (COPS Hiring)**
- #16.710 **Public Safety Partnership and Community Policing (COPS Tech)**
- #20.205 **Highway Planning and Construction (ARRA)**
- #66.458 **Capitalization Grants for Clean Water State Revolving Funds ARRA**
- #97.116 **Port Security Grant Program (ARRA)**

State of New Jersey:

- #763-020-2830-009 **Urban Enterprise Zone**

- (h) Dollar threshold used to distinguish between Type A and Type B programs:

Federal: **\$476,155**
State: **\$300.000**

- (i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: **No**

- (2) **Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:**

None

- (3) **Findings and Questioned Costs Relating to Federal Awards and State of New Jersey Awards:**

Federal Awards –F 11-01 to F 11-09

State Financial Assistance – S 11-01

See the following Federal and State findings.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-01 (Repeat of Prior Year)

Eligibility (Material Weakness) (E)

Federal Program:

Department of Housing and Urban Development

Housing Opportunities for Persons with AIDS (14.241)

Criteria: A person eligible for assistance under this program is one with AIDS or a related disease who is a low-income individual, as defined in 24 CFR section 574.3, and the person's family. The eligibility of those tenants who are admitted to the program should be determined by (1) obtaining a signed application that contained all the information needed to determine eligibility, income, rent and order of selection; and (2) obtaining third-party verifications or documentation of expected income, assets, unusual medical expenses and any other pertinent information.

Except for persons in short-term supportive housing, each person receiving rental assistance under the HOPWA Program must pay as rent the higher of: (1) 30 percent of the family's monthly adjusted gross income; (2) 10 percent of the family's monthly gross income; or (3) the portion of the payments that is designated if the family is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs (C24 CFR section 574.310)

Condition: Twenty (20) out of thirty-two (32) files were incomplete.

Effect: The grantee could not document compliance with the grant requirement.

Cause:

- Documentation was not available to satisfy the participant's eligibility (i.e. birth certificate, social security card, proof of HIV status, signed applications, rental receipts and proof of rental receipt calculations)
- The grantee miscalculated the amount provided for rental assistance for the participants of the program by not using the correct income, misapplying the deduction for children and not including all of the family members income in the calculation.
- The grantee did not receive third party verification of all members of the household.
- The grantee did not have signed applications.

Questioned Costs: \$17,758.00

Recommendation: That the grantee should maintain all information to prove the participant's eligibility (i.e. signed application, income determination, rent stubs etc...) and the information should support the current database.

Client Response: Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-02

Housing Quality Standards (N)

Federal Program:

Department of Housing and Urban Development

Housing Opportunities for Persons with AIDS (14.241)

Criteria: All housing that involves acquisition, rehabilitation, conversion, lease, repair of facilities, new construction, project – or tenant-based rental assistance (including assistance for shared housing arrangements, and operating costs must meet various housing quality standards listed in 24 CFR sections 574.310(b)(1)-(2).

Condition: The grantee did not inspect all tenant based rental units on an annual basis.

Effect: The grantee was not in compliance with the grant agreement.

Cause: The grantee does not maintain a list of all units that are due for inspections or a list of which units have been inspected.

Questioned Costs: None

Recommendation: That the grantee maintain a list of all units including the date of last inspection, date of required next inspection and the results of the inspections

Client Response: Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-03

Allowable Costs/Cost Principles (A)

Federal Program:

Department of Justice

Public Safety Partnership and Community Policing Grants ARRA, COPS Hiring

(16.710)

Criteria: According to the grant agreement salaries per officer are to be charged in accordance with the budget approved in the grant agreement.

Condition: The grantee charged salaries per officer in excess of the approved budget.

Effect: The grantee is not in compliance with the requirements for allowable costs.

Cause: The City and the Police Benevolent Union agreed upon a new pay scale which was in excess of the approved budget in the grant agreement. The City was charging the grant for salaries in accordance with the new pay scale.

Questioned Costs: \$24,775

Recommendation: The grantee should only charge the grant for salaries in accordance with the approved grant budget.

Client Response: Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-04

Reporting (L)

Federal Program:

Department of Justice

Public Safety Partnership and Community Policing Grants ARRA, COPS Hiring

(16.710)

- Criteria:** According to grant agreement and compliance supplement the grantee is required to file quarterly performance reports detailing the number of officers hired and number of unfilled positions and quarterly Section 1512 ARRA reports detailing the cumulative expenses of the grant.
- Condition:** The grantee filed three quarterly performance reports in which the number of officers employed under the grant was incorrect. In addition the grantee filed two Section 1512 ARRA reports in which the amount of expenses reported was for the reporting period and not cumulative.
- Effect:** The grantee is not in compliance with the requirements for reporting.
- Cause:** The individual completing the quarterly performance reports was not informed as to the resignation of two officers hired under the grant and there was a miscommunication as to whether the expenses on the Section 1512 report were to be for the period or cumulative.
- Questioned Costs:** None
- Recommendation:** The reports should be reviewed by individuals with knowledge of the requirements of the grant.
- Client Response:** Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-05

Equipment and Real Property Management (F)

Federal Program:

Department of Homeland Security

Port Security Grant Program ARRA (97.116)

- Criteria:** According to 44 CFR 13.32 property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. In addition, a physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- Condition:** The grantee has not performed a physical inventory of the property and reconciled it with the property records in the past two years. The grantee did not indicate the percentage of federal participation in the cost of some of the property in the property records.
- Effect:** The grantee is not in compliance with the requirements for equipment and real property management.
- Cause:** The grantee did not perform a physical inventory in the past two years, in addition the grantee did not indicate the percentage of federal participation in their property records for some of the equipment purchased.
- Questioned Costs:** None
- Recommendation:** The grantee should perform a physical inventory at least every two years and include the percentage of federal participation in the purchases in the property records.
- Client Response:** Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-06

Citizen Participation (N)

Federal Program:

Department of Housing and Urban Development

Community Development Block Grants/State's Program and Non-entitlement Grants
in Hawaii (14.228)

Community Development Block Grant/Entitlement Grants (14.218)

- Criteria:** 24 CFR Section 91.115(e), 570.486 and 570.431(b) require the grantee develop and implement a Citizen Participation Plan setting forth its policies and procedures be developed and made public.
- Condition:** The grantee did document its Citizen Participation but does not have a documented Citizen Participation Plan.
- Effect:** The grantee is not in compliance with the requirements to document its policies and procedure to comply with the requirements for a Citizen Participation.
- Cause:** The grantee did not have a documented Citizen Participation Plan.
- Questioned Costs:** None
- Recommendation:** The grantee should document its policies and procedure to comply with this requirement for a Citizen Participation Plan.
- Client Response:** Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-07

Subrecipient Monitoring (M)

Federal Program:

Department of Housing and Urban Development

Community Development Block Grant (14.218)

Community Development Block Grant ARRA Entitlement Grants (14.253)

Homeless Prevention and Rapid Re-Housing Program (14.257)

- Criteria:** A-102 Common Rule requires that non-federal entities receiving Federal Awards establish and maintain internal control designed to ensure compliance with Federal laws, regulations and program compliance requirements.
- Condition:** The grantee does not have written policies and procedures for subrecipient monitoring.
- Context:** The grantee has a monitoring checklist for monitoring of CDBG subrecipients. However there is no documentation of procedures for the CDBG-R and HPRP awards.
- Effect:** The grantee has not documented the compliance and controls to be reviewed during monitoring and had one monitored sub-grantee with findings that were not followed up.
- Cause:** The rapid increase in CDBG-R and HPRP funding and the requirements for monitoring did not allow for complete documentation of processes and procedures.
- Questioned Costs:** None.
- Recommendation:** The grantee should prepare written policies and procedures for monitoring, contracting and methodology for resolution of findings related to sub-recipients and CFDA#s should be on all sub-award contracts.
- Client Response:** Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-08

Activities Allowed or Unallowed (A) and Allowable Costs (B)

Federal Program:

Department of Housing and Urban Development

Community Development Block Grant (14.218)

Homeless Prevention and Rapid Re-housing Program (14.257)

- Criteria:** Common practice would require that individuals with intimate knowledge of the grant compliance and budget status approve disbursements for these programs.
- Condition:** Vouchers are approved with only the initials of purchasing personnel and signatures of the Department Director and the Business Administrator.
- Context:** All vouchers are approved without documentation of detailed review by supervisory, grant budgetary review and IDIS reporting.
- Effect:** The grantee reimbursed one subrecipient \$3,800 for a consultant to file applications for additional funding rather than the provision of a safe haven and training, prevention and wellness described in the contract. In addition the supporting documentation for EDC was not always submitted to match the requested reimbursement.
- Cause:** The approval process does not include documentation of review by persons with intimate knowledge of the grant compliance, contract and budget status prior to submission for the department director's approval.
- Questioned Costs:** \$3,800.
- Recommendation:** That the grantee's voucher approval process requires complete documentation of reimbursement requests and of supervisory, budgetary and IDIS personnel prior to submission for the department director's approval.
- Client Response:** Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

F 11-09

Reporting (L)

Federal Program:

Department of Housing and Urban Development

Homeless Prevention and Rapid Re-housing Program (14.257)

- Criteria:** The program requires quarterly performance reporting through E-SNAPS
- Condition:** The December 31, 2010 quarterly report was not filed on time.
- Context:** One of four quarterly reports was not filed on time.
- Effect:** The grantee did not comply with the reporting requirement.
- Cause:** The grantee had difficulty completing the submission and it was rejected several times by the system.
- Questioned Costs:** None.
- Recommendation:** That the grantee's reports be filed on time.
- Client Response:** Included in the client prepared corrective action plan.

City of Elizabeth

Schedule of Federal and State Award Findings and Questioned Costs

June 30, 2011

S 11-01 (Repeat of Prior Year)

Subrecipient Monitoring

State Program:

Department of Commerce and Economic Development

Urban Enterprise Zone Assistance Fund (763-020-2830-009)

Criteria: According to the grant requirements, the grantee is required to monitor subrecipients for compliance with grant requirements.

Condition: The grantee does not monitor subrecipient for compliance with grant requirements.

Context: The grantee monitors the subrecipient for financial components through the submission of all expenditures to the state for approval.

Effect: The monitoring procedures were not in compliance with the grant agreement.

Cause: The grantee does not review reports that are filed on behalf of the grantee by subrecipient.

Questioned Costs: None.

Recommendation: We recommend that its subrecipient be monitored for compliance with grant requirements.

Client Response: Included in the client prepared corrective action plan.

CITY OF ELIZABETH

Summary Schedule of Prior Year federal and State
Single Audit Findings

June 30, 2011

FEDERAL

F04-01 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F05-04 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F06-01 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F07-01 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F08-01 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F09-01 ALLOWABLE COSTS/COST PRINCIPLES (HOPWA)

Partially resolved for time and effort reporting for current year salaries. Amounts questioned for fiscal year ended June 30, 2009 were not addressed by the awarding agency.

F09-03 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F09-04 EARMARKING (HOPWA)

Partially resolved for the current year. Amounts questioned for fiscal year ended June 30, 2009 were not addressed by the awarding agency.

F09-05 REPORTING (HOPWA)

Partially resolved, parts 1 & 2 are repeated.

F10-01 ELIGIBILITY (HOPWA)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

F10-02 REPORTING (HOPWA)

Resolved

F10-03 ALLOWABLE COSTS (COPS TECH)

Resolved

F10-04 ALLOWABLE COSTS/COST PRINCIPLES (COPS HIRING)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

STATE

S05-02 MONITORING (UEZ)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

S06-01 MONITORING (UEZ)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

S07-01 MONITORING (UEZ)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

S08-01 MONITORING (UEZ)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

S09-01 MONITORING (UEZ)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

S10-01 MONITORING (UEZ)

A similar finding is included in the SFY 2011 summary of findings and questioned costs.

FINANCIAL STATEMENTS

CITY OF ELIZABETH

Balance Sheets

Current Fund

June 30, 2011 and 2010

Assets	Ref.	2011	2010
Current Fund - Regular Fund:			
Cash	A-4	\$ 43,505,303	38,351,264
Change funds		1,200	1,200
Due from State of New Jersey - Senior Citizens' and Veterans' deductions	A-5	309,897	332,661
Deferred Charge Special Emergency Authorization	A-3	3,000,000	—
		<u>46,816,400</u>	<u>38,685,125</u>
Receivables and other assets with full reserves:			
Delinquent property taxes receivable	A-6	7,276,211	6,533,596
Tax title liens receivable	A-7	1,661,478	1,302,040
Property acquired for taxes - assessed valuation	A-8	2,504,200	2,504,200
Revenue accounts receivable	A-9	10,099,735	9,283,354
Due from General Capital Fund	A-10	204,513	—
Due from Federal and State Grant Fund	A-20	2,110,642	1,909,584
		<u>23,856,779</u>	<u>21,532,774</u>
		<u>70,673,179</u>	<u>60,217,899</u>
Federal and State Grant Fund:			
Federal and State grants receivable	A-22	25,796,610	34,769,156
		<u>25,796,610</u>	<u>34,769,156</u>
Total assets		<u>\$ 96,469,789</u>	<u>94,987,055</u>
Liabilities, Reserves and Fund Balance			
Current Fund - Regular Fund:			
Encumbrances payable	A-17	\$ 2,058,018	2,646,300
Appropriation reserves	A-3, A-11	10,237,225	9,722,800
Due to General Capital Fund	A-10	—	68,666
Due to Community Development Block Grant Fund	A-10	25,347	25,347
Emergency note	A-19	3,000,000	—
Accounts payable	A-12	623,366	419,771
Miscellaneous payables and deposits	A-18	553,690	466,376
Reserve for special purposes	A-13	5,271,893	2,974,510
		<u>21,769,539</u>	<u>16,323,770</u>
Reserve for receivables		23,856,779	21,532,774
Fund balance	A-1	25,046,861	22,361,355
		<u>70,673,179</u>	<u>60,217,899</u>
Federal and State Grant Fund:			
Due to Current Fund	A-20	2,110,642	1,909,584
Appropriated grant reserves	A-21	23,685,968	32,859,572
		<u>25,796,610</u>	<u>34,769,156</u>
Total liabilities, reserves and fund balance		<u>\$ 96,469,789</u>	<u>94,987,055</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Operations
and Changes in Fund Balance

Current Fund

Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenue and other income realized:		
Fund balance utilized	\$ 20,000,000	17,000,000
Miscellaneous revenue realized	75,962,043	91,137,225
Receipts from delinquent taxes	6,389,738	7,532,600
Receipts from current taxes	195,373,014	180,090,169
Nonbudget revenue	3,234,741	2,572,746
Other credits to income:		
Unexpended balance of appropriation reserves	7,414,911	8,695,056
Cancelled appropriations	1,000,000	200,000
Other miscellaneous	185,341	46,620
	<u>309,559,788</u>	<u>307,274,416</u>
Total income		
Expenditures:		
Budget appropriations:		
Operations:		
Salaries and wages	92,717,984	89,487,788
Other expenses	55,275,660	54,227,931
Deferred charges and statutory expenditures	22,709,642	12,284,186
Other operations	23,252,784	35,352,377
Capital improvements	900,000	900,000
Municipal debt service	12,211,367	15,382,149
County taxes	33,249,139	33,349,562
Local district school taxes	48,673,325	44,248,475
Special improvement district taxes	420,000	405,000
Net grant cancellation	58,810	—
Interfunds advanced	405,571	1,387,780
	<u>289,874,282</u>	<u>287,025,248</u>
Total expenditures		
Excess in revenue over expenditures	19,685,506	20,249,168
Plus:		
Appropriations which are by statute deferred charge to future budgets	3,000,000	—
Statutory excess to fund balance	22,685,506	20,249,168
Fund balance, July 1	<u>22,361,355</u>	<u>19,112,187</u>
	45,046,861	39,361,355
Less fund balance utilized	<u>20,000,000</u>	<u>17,000,000</u>
Fund balance, June 30	<u>\$ 25,046,861</u>	<u>22,361,355</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Revenues

Current Fund

Year ended June 30, 2011

	Anticipated		Excess/ (deficit)
	Budget	Realized	
General revenues:			
Fund balance utilized	\$ 20,000,000	20,000,000	—
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	150,000	193,796	43,796
Other	400,000	585,589	185,589
Fees and permits	575,000	708,264	133,264
Municipal Court - fines and costs	3,850,000	4,280,798	430,798
Interest and costs on taxes	1,500,000	1,669,845	169,845
Interest on investments and deposits	500,000	414,736	(85,264)
LEAA rebates - fire	150,000	159,953	9,953
Franchise assessments - Jersey Garden Mall	5,100,000	5,279,161	179,161
Airport parking tax	1,350,000	1,332,434	(17,566)
Port Authority capital projects aid	3,000,000	3,000,000	—
Receipts from Port Authority - Leased Property 13A	480,000	480,000	—
Additional Port Authority Airport Parking Tax Leased Property 13A Exit	—	—	—
Rental of City property	500	1,700	1,200
Dock rental fees	75,000	94,528	19,528
Sale of junk vehicles and other property	20,000	13,100	(6,900)
CATV fees	200,000	273,375	73,375
Solid waste disposal - host community	450,000	239,722	(210,278)
Emergency medical services - ambulance charges	2,000,000	2,403,643	403,643
Miscellaneous gasoline sales	125,000	202,839	77,839
P.I.L.O.T. - Pierce Manor Corp.	220,000	334,557	114,557
P.I.L.O.T. - Port Authority NY/ NJ	63,242	63,242	—
P.I.L.O.T. - IKEA	600,000	842,181	242,181
P.I.L.O.T. - Residential	1,000,000	874,975	(125,025)
P.I.L.O.T. - R.W.B. Associates	150,000	221,316	71,316
P.I.L.O.T. - Newark/North Avenue	50,000	81,376	31,376
P.I.L.O.T. - IKEA - Toys R Us	120,000	139,753	19,753
P.I.L.O.T. - IKEA Expansion	200,000	289,488	89,488
P.I.L.O.T. - Elizabeth Senior Citizens, National Church Residence	12,000	38,768	26,768
P.I.L.O.T. - Immaculate Conception Residence	20,000	64,970	44,970
P.I.L.O.T. - Marina Village Residence	15,000	27,675	12,675
P.I.L.O.T. - 349 First Street	20,000	14,401	(5,599)
P.I.L.O.T. - Winfield Scott Residence	15,000	27,161	12,161
P.I.L.O.T. - Atalanta (DanicC	250,000	171,963	(78,037)
P.I.L.O.T. - West Port Homes	150,000	70,380	(79,620)
State aid without offsetting appropriations:			
Consolidated municipal property relief act	8,274,684	8,274,684	—
Energy Receipts Tax	20,916,003	20,916,003	—
Dedicated uniform construction code fees offset with appropriations:			
Uniform construction code fees	650,000	796,770	146,770

(Continued)

CITY OF ELIZABETH

Statement of Revenues

Current Fund

Year ended June 30, 2011

	<u>Anticipated</u>		<u>Excess/ (deficit)</u>
	<u>Budget</u>	<u>Realized</u>	
Public and private programs offset by appropriations:			
Drunk Driving Enforcement Grant	\$ 11,649	11,649	—
Drunk Driving Enforcement Grant 2009	61,985	61,985	—
H.O.P.W.A. FY 2011	931,200	931,200	—
H.O.P.W.A. 2009 increase	35,458	35,458	—
Greening Union County	7,450	7,450	—
Body Armor 2010	27,702	27,702	—
Clean Communities Grant 2011	134,704	134,704	—
Clean Communities Grant	56,310	56,310	—
Municipal Alliance Grant 2011	82,881	82,881	—
Shipboard Firefighting Personal Protective Equipment	586,013	586,013	—
Alcohol Education Rehabilitation and Enforcement	4,638	4,638	—
STD Grant 2011	45,335	45,335	—
Pedestrian Safety Education and Enforcement Grant 2010	20,000	20,000	—
Summer Food Services Program	260,996	260,996	—
NSP Elizabethport Neighborhood Development Project	500,000	500,000	—
NSP 628-630 South Park St. Rehabilitation	240,000	240,000	—
NSP MAR Acquisition Group LLC E'PORT Neighborhood	349,317	349,317	—
NSP MAR Acquisition Group LLC New Point Neighborhood	447,139	447,139	—
NSP 88 Division Street	720,000	720,000	—
NSP East Jersey Street	750,000	750,000	—
NSP 807 Martin St.	203,000	203,000	—
NSP E'PORT Homeownership Phase II	600,000	600,000	—
NSP Emma St. Project	300,000	300,000	—
Division of Highway Safety 2010	4,550	4,550	—
Edward Byrne - Targeting Violent Crime	69,000	69,000	—
Dept. of Homeland Security Emergency Management Grant	10,000	10,000	—
Safe Streets to Transit	150,000	150,000	—
UASI Urban Areas Security Initiative 2009	25,000	25,000	—
Non Public School Nursing Grant	126,752	126,752	—
Union County Children's Recreation Grant	150,000	150,000	—
Kids Recreation Trust Fund	200,000	200,000	—
NJDOT Traffic Safety North Ave. & Broad St.	300,000	300,000	—
Safe and Secure Grant 2011	147,409	147,409	—
N.J. Urban Enterprise Zone (UEZ):			
10-0759 Police Security 9 Officers 2011	812,626	812,626	—
10-0760 Commercial District Security Program	666,730	666,730	—
09-130 Graffiti and Litter Removal Program 2011	442,821	442,821	—
10-07610 Elizabeth Ave. SID 2010-11	222,750	222,750	—
Marketing Initiative - Employment and Training	395,400	395,400	—
Loan Elberon Development Co. LLC	2,500,000	2,500,000	—
Administrative 2010	669,000	669,000	—
10-18 SGF Financial Lending Program IV	2,229,385	2,229,385	—
Historic Midtown Elizabeth SID 2011	152,250	152,250	—
Special items of general revenue anticipated with prior written consent of Director of Local Government Services:			
Parking Tax	900,000	1,110,900	210,900
Hotel and Motel Occupancy Tax	2,600,000	3,114,684	514,684
Hotel Occupancy Tax	1,300,000	1,503,863	203,863
Total miscellaneous revenues	<u>73,100,879</u>	<u>75,962,043</u>	<u>2,861,164</u>

(Continued)

CITY OF ELIZABETH

Statement of Revenues

Current Fund

Year ended June 30, 2011

	<u>Anticipated</u>		<u>Excess/ (deficit)</u>
	<u>Budget</u>	<u>Realized</u>	
Receipts from delinquent taxes	\$ 3,500,000	6,389,738	2,889,738
Total amount to be raised by taxes for support of municipal budget	<u>117,967,253</u>	<u>123,531,246</u>	<u>5,563,993</u>
Budget totals	<u>\$ 214,568,132</u>	<u>225,883,027</u>	<u>11,314,895</u>
Nonbudget revenue		<u>3,234,741</u>	
		<u>\$ 229,117,768</u>	

Analysis of Realized Revenue

Receipts from delinquent taxes:	
Delinquent tax collections realized	\$ 6,215,507
Tax title lien collections realized	<u>174,231</u>
	<u>\$ 6,389,738</u>
Allocation of current tax collections:	
Collections realized	<u>\$ 195,373,014</u>
Allocated to:	
Local school district tax	48,673,325
County taxes	33,249,139
Special assessment	<u>420,000</u>
	<u>82,342,464</u>
Balance for support of municipal budget appropriations	113,030,550
Add reserve for uncollected taxes	<u>10,500,696</u>
Total balance for support of municipal budget appropriations	<u>\$ 123,531,246</u>

Miscellaneous Revenues not Anticipated

Retirement of debt in excess of borrowing	\$ 204,513
Rent Auto Body - Harrison St.	6,000
Recycling	163,852
Motor fuel tax reimbursement	70,275
Stale Dated Checks	318,847
Triple M Investment Co.	13,101
ABC Transfer fees	2,523
Interlocal agreement	26,919
Tax sale certificate redemption fees	2,305
Turnpike for Fire Department	19,800
Scrap lead sale	76
Technician fees	1,606
Garnishees	5,034
Bad checks	3,751
Franchise Revenue	10,555
Legal Fees City Liens	298

(continued)

CITY OF ELIZABETH

Statement of Revenues

Current Fund

Year ended June 30, 2011

Miscellaneous Revenues not Anticipated (continued)	
FEMA Reimbursement	\$ 226,697
Duplicate tax bill fees	1,435
Public Access Info Desk	500
Miscellaneous	326
Ambulance Report Fees	594
EMS Training Fees	360
Litigation Fees	31,327
Reimbursement of legal fees	48,505
Bad Checks Construction	369
Restitution Checks MC	130
Photo ID Replacement	60
Motor Vehicle Rental Tax	506,853
On site inspection fees	20,000
Insurance Damage	3,411
Rent - Borne Chemical	335,000
Rent - Train Station	22,794
Parking Lot	6,350
DMV Inspection fines	47,849
Constable	50
Handicap fees	15,600
Handicap Application	400
Copies and postage reimbursed	1,347
Fire penalties	430
Marina Public Pier and Ferry	3,982
Election polling places	1,855
Foreclosed registration and fines	70,400
Property Room	29,495
City Clerk	24
PILOT Atlanta (Danic)	567,426
PILOT Madison Avenue	18,522
PILOT Magnolia Ave. (Portside II)	168,393
PILOT Pine Street	54,285
PILOT 620 First	36,688
PILOT Millenium	29,681
PILOT Sierra Gardens	20,046
PILOT E'PORT	8,171
PILOT Port Authority Bayway Ave.	39,504
PILOT Hope VI	10,424
PILOT Burnett Investors	39,900
PILOT 107 First St.	16,103
	<u>3,234,741</u>
Less non cash items	<u>204,513</u>
Cash receipts	<u>\$ 3,030,228</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

Appropriations	Budget	Budget after modification	Paid or charged	Reserved
Operations within "CAPS":				
General Government:				
Administrative and Executive:				
City Council:				
Salaries and wages	\$ 252,879	258,579	258,559	20
Other expenses	31,900	31,900	22,760	9,140
Alcoholic Beverage Control:				
Salaries and wages	136,055	138,155	138,147	8
Other expenses	7,850	7,850	1,969	5,881
City Clerk:				
Salaries and wages	265,900	271,300	271,194	106
Other expenses	9,125	9,125	4,633	4,492
Elections:				
Salaries and wages	8,000	8,000	1,281	6,719
Other expenses	42,000	42,000	33,120	8,880
Printing and Publications:				
Other expenses	175,000	175,000	86,478	88,522
Mayor's Office:				
Salaries and wages	277,088	252,088	246,230	5,858
Other expenses	11,350	11,350	9,709	1,641
Department of Law:				
Salaries and wages	897,664	897,664	893,965	3,699
Other expenses	340,750	340,750	154,238	186,512
Administration:				
Business Administrator's Office:				
Salaries and wages	274,957	300,557	296,469	4,088
Other expenses	337,900	337,900	213,478	124,422
Division of Budget and Personnel:				
Salaries and wages	186,413	190,113	190,076	37
Other expenses	1,200	1,200	959	241
Division of Purchasing:				
Salaries and wages	229,354	257,454	257,359	95
Other expenses	153,000	153,000	77,244	75,756
Division of Data Processing:				
Salaries and wages	756,013	760,013	755,315	4,698
Other expenses	459,000	459,000	273,051	185,949
Division of Employee Benefits:				
Salaries and wages	109,898	112,198	112,154	44
Other expenses	1,250	1,250	205	1,045
Division of EMS Billing and Collection:				
Salaries and wages	108,574	117,974	117,829	145
Department of Finance:				
Division of Accounts and Controls:				
Salaries and wages	803,862	818,062	812,114	5,948
Other expenses	25,500	25,500	25,043	457
Division of Assessments:				
Salaries and wages	520,530	520,530	504,559	15,971
Other expenses	236,800	236,800	235,552	1,248
Annual City Audit:				
Other expenses	57,000	57,000	57,000	—
Single Audit Act:				
Other expenses	57,000	57,000	57,000	—

(Continued)

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

Appropriations	Budget	Budget after modification	Paid or charged	Reserved
Audit - Other Funds:				
Other expenses	\$ 57,000	57,000	57,000	—
Audit - Other Financial:				
Other expenses	5,000	5,000	5,000	—
Division of Revenue:				
Salaries and wages	610,306	555,306	541,109	14,197
Other expenses	29,700	39,700	26,709	12,991
Department of Neighborhood Services:				
Director's Office:				
Other expenses	2,650	2,650	—	2,650
Bureau of Construction and Zoning:				
Salaries and wages	976,579	976,579	963,700	12,879
Other expenses	175,800	175,800	101,131	74,669
Division of Housing:				
Salaries and wages	351,774	446,874	442,365	4,509
Other expenses	7,900	7,900	6,300	1,600
Bureau of Rent Control				
Salaries and wages	49,412	50,812	50,771	41
Other expenses	7,850	7,850	1,011	6,839
Central License Bureau:				
Salaries and wages	550,073	455,073	427,363	27,710
Other expenses	19,500	19,500	1,833	17,667
Division of Weights and Measures:				
Salaries and wages	59,610	62,410	62,339	71
Other expenses	800	800	58	742
Department of Planning and Community Development:				
Director's Office:				
Salaries and wages	35,918	140,318	138,806	1,512
Other expenses	5,000	5,000	2,630	2,370
Bureau of Community Development:				
Other expenses	1,550	1,550	1,350	200
Bureau of Elizabeth Home Improvement				
Other expenses	2,000	2,000	1,400	600
Bureau of Cultural and Heritage Affairs				
Salaries and wages	117,029	119,029	113,311	5,718
Other expenses	50,500	50,500	27,485	23,015
Bureau of Planning and Zoning				
Salaries and wages	116,508	118,508	117,567	941
Other expenses	160,150	160,150	96,741	63,409
Bureau of Economic Development				
Salaries and wages	59,929	61,929	61,124	805
Other expenses	2,100	2,100	444	1,656
Bureau of Public Information and Citizens Participation Services:				
Salaries and wages	251,727	181,697	179,554	2,143
Other expenses	113,600	113,600	99,741	13,859
Human Rights Commission:				
Salaries and wages	84,467	85,567	85,527	40
Other expenses	3,450	3,450	1,052	2,398
Department of Public Works:				
Director's Office:				
Salaries and wages	918,448	936,148	933,112	3,036
Other expenses	4,250	4,250	1,430	2,820

(Continued)

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

Appropriations	Budget	Budget after modification	Paid or charged	Reserved
Bureau of Public Buildings:	\$			
Salaries and wages	1,857,220	1,807,750	1,674,492	133,258
Other expenses	1,248,825	1,248,825	1,248,334	491
Bureau of Streets, Parks and Trees:				
Salaries and wages	5,051,496	4,789,496	4,498,928	290,568
Other expenses	846,000	846,000	823,822	22,178
Bureau of Equipment and Yard Maintenance:				
Salaries and wages	847,542	847,542	815,616	31,926
Other expenses	847,200	857,200	856,576	624
Marina:				
Salaries and wages	240,676	240,676	229,455	11,221
Other expenses	224,725	224,725	110,931	113,794
Recycling Program:				
Salaries and wages	136,166	157,666	136,629	21,037
Other expenses	10,575	10,575	841	9,734
Garbage and Trash Removal:				
Other expenses	8,800,000	8,800,000	8,209,584	590,416
Street Lighting:				
Other expenses	1,900,000	1,900,000	1,314,556	585,444
Department of Health and Human Services:				
Director's Office:				
Salaries and wages	290,646	290,646	287,029	3,617
Other expenses	137,450	137,450	27,562	109,888
Division of Health:				
Salaries and wages	1,359,835	1,370,835	1,364,867	5,968
Other expenses	658,550	658,550	206,548	452,002
Division of Human Services				
Salaries and wages	86,507	86,507	85,774	733
Other expenses	10,100	10,100	917	9,183
Office of Social Services				
Salaries and wages	243,716	243,716	81,170	162,546
Other expenses	16,250	16,250	4,295	11,955
Office on Aging:				
Salaries and wages	729,611	729,611	670,852	58,759
Other expenses	53,500	53,500	26,716	26,784
Office of Vital Statistics				
Salaries and wages	163,422	163,422	155,932	7,490
Other expenses	7,300	7,300	4,092	3,208
Office of Relocation				
Salaries and wages	82,821	82,821	78,631	4,190
Other expenses	100,500	100,500	54,150	46,350
Office of Youth Services				
Salaries and wages	718,000	718,000	550,030	167,970
Other expenses	351,750	351,750	68,567	283,183
Division of Air Pollution:				
Salaries and wages	41,876	47,776	47,226	550
Public Health Nurses Division:				
Salaries and wages	419,648	479,648	478,909	739
Public Safety:				
Fire Department:				
Salaries and wages	25,127,113	25,071,413	24,682,886	388,527
Other expenses	720,660	720,660	548,816	171,844

(Continued)

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

Appropriations	Budget	Budget after modification	Paid or charged	Reserved
Uniform Fire Safety Act:				
Salaries and wages	\$ 491,794	491,794	451,284	40,510
Other expenses	62,250	62,250	43,494	18,756
Police Department:				
Salaries and wages	36,306,392	36,393,892	35,963,822	430,070
Other expenses	1,775,950	1,775,950	1,209,843	566,107
Emergency Medical Services:				
Salaries and wages	1,920,049	1,992,349	1,981,948	10,401
Other expenses	165,250	165,250	152,577	12,673
Recreation Department:				
Salaries and wages	2,649,807	2,594,807	2,391,410	203,397
Other expenses	321,550	321,550	229,089	92,461
Municipal Court:				
Salaries and wages	2,024,680	2,024,680	1,961,248	63,432
Other expenses	236,850	236,850	236,346	504
Public Defender:				
Other expenses	140,000	140,000	12,700	127,300
Unclassified Purposes:				
Insurance:				
Other expenses	450,000	450,000	435,264	14,736
Group Insurance:				
Other expenses	200,000	200,000	177,427	22,573
Cobra Administration:				
Other expenses	5,000	5,000	1,794	3,206
Hospital, Medical, Dental, etc. Insurance - Other expenses	26,000,000	26,000,000	24,004,250	1,995,750
Insurance reserve - Other expenses	2,500,000	2,500,000	2,500,000	—
Right to Know Law:				
Other expenses	15,000	15,000	—	15,000
Annual Dues:				
N.J. State League of Municipalities:				
Other expenses	10,000	10,000	—	10,000
U.S. Conference of Mayors:				
Other expenses	15,000	15,000	12,242	2,758
Accumulated Absences	—	3,000,000	3,000,000	—
Utilities:				
Electricity	1,400,000	1,400,000	1,398,422	1,578
Natural Gas	500,000	500,000	364,556	135,444
Gasoline	1,200,000	1,200,000	1,008,686	191,314
Fuel Oil	150,000	150,000	144,868	5,132
Telephone	1,100,000	1,100,000	1,026,468	73,532
Postage	250,000	250,000	217,691	32,309
Parking Lot Agreement	105,000	105,000	102,720	2,280
Total operations within "CAPS"	<u>144,928,644</u>	<u>147,868,644</u>	<u>139,028,535</u>	<u>8,840,109</u>
Contingent	<u>125,000</u>	<u>125,000</u>	<u>4,107</u>	<u>120,893</u>
Total operations including contingent, within "CAPS"	<u>145,053,644</u>	<u>147,993,644</u>	<u>139,032,642</u>	<u>8,961,002</u>
Detail:				
Salaries and wages	89,797,984	92,717,984	90,560,037	2,157,947
Other expenses including contingent	55,255,660	55,275,660	48,472,605	6,803,055

(Continued)

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

<u>Appropriations</u>	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or charged</u>	<u>Reserved</u>
Deferred Charges and Statutory Expenditures:				
Deferred Charges:				
Overexpenditure - Trust Fund CDBG Reserve program Income	\$ 71,035	71,035	71,035	—
Statutory Expenditures:				
Contributions to:				
Social Security System	3,550,000	3,550,000	3,057,689	492,311
Consolidated Police and Fire Retirement Fund	400,000	400,000	274,852	125,148
Police and Firemen's Retirement System of N. J.	15,255,634	15,255,634	14,992,740	262,894
Public Employees Retirement System - Other expenses	3,164,973	3,164,973	3,102,174	62,799
Assessment for CIF/RTK	8,000	8,000	—	8,000
N.J. Unemployment Fund	200,000	260,000	176,397	83,603
Total deferred charges and statutory expenditures - Municipal within "CAPS"	<u>22,649,642</u>	<u>22,709,642</u>	<u>21,674,887</u>	<u>1,034,755</u>
Total general appropriations for Municipal purpose within "CAPS"	<u>167,703,286</u>	<u>170,703,286</u>	<u>160,707,529</u>	<u>9,995,757</u>
Operations excluded from "CAPS":				
Other operations excluded from "CAPS":				
Matching Fund - City share	241,468	241,468	—	241,468
Public Employees Retirement System - Other expenses	—	—	—	—
Reserve for Tax Appeals:				
Other expenses	2,500,000	2,500,000	2,500,000	—
Maintenance of Free Public Library	3,927,452	3,927,452	3,927,452	—
Total other operations excluded from "CAPS"	<u>6,668,920</u>	<u>6,668,920</u>	<u>6,427,452</u>	<u>241,468</u>
Public and Private Programs Offset by Revenues:				
Shipboard Firefighting Personal protective Equipment	586,012	586,012	586,012	—
Shipboard Firefighting Personal protective Equipment - Local Share	195,338	195,338	195,338	—
NSP Elizabethport Neighborhood Development project	500,000	500,000	500,000	—
NSP 628-630 South Park St. Rehabilitation Project	240,000	240,000	240,000	—
NSP MAR Acquisition Group LLC E'PORT Neighborhood	349,317	349,317	349,317	—
NSP MAR Acquisition Group LLC New Point Neighborhood	447,139	447,139	447,139	—
NSP Division St.	720,000	720,000	720,000	—
NSP East Jersey St.	750,000	750,000	750,000	—
NSP Martin St.	203,000	203,000	203,000	—
NSP E'PORT Homeownership Phase II	600,000	600,000	600,000	—
Edward Byrne - Targeting Violent Crime	69,000	69,000	69,000	—
NSP Emma St. Project	300,000	300,000	300,000	—
Union County Children's Recreation Grant	150,000	150,000	150,000	—
Summer Food Service Program	260,996	260,996	260,996	—
Body Armor 2010	27,702	27,702	27,702	—
Greening Union County	7,450	7,450	7,450	—
Greening Union County - Local Share	7,450	7,450	7,450	—
Kids Recreation Trust Fund	200,000	200,000	200,000	—
Kids Recreation Trust Fund - Local Share	183,510	183,510	183,510	—
NJDOT Traffic Safety North Ave. & Broad St. Grant	300,000	300,000	300,000	—
Drunk Driving Enforcement Grant 2009	61,985	61,985	61,985	—
Dept. Homeland Security Emergency Management Grant	10,000	10,000	10,000	—
Dept. Homeland Security Emergency Management Grant - Local Share	10,000	10,000	10,000	—
Pedestrian Safety Education and Enforcement Grant 2010	20,000	20,000	20,000	—
HOPWA 2011	931,200	931,200	931,200	—

(Continued)

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

Appropriations	Budget	Budget after modification	Paid or charged	Reserved
Drunk Driving Grant	11,649	11,649	11,649	—
Clean Communities Grant 2008	56,310	56,310	56,310	—
HOPWA 2009 Increase	35,458	35,458	35,458	—
Division of Highway Safety Grant 2010	4,550	4,550	4,550	—
Safe Streets to Transit	150,000	150,000	150,000	—
UASI Urban Areas Security Initiative 2009	25,000	25,000	25,000	—
STD 2011	45,335	45,335	45,335	—
Non Public School Nursing Grant	126,752	126,752	126,752	—
Safe and Secure Grant 2010	147,409	147,409	147,409	—
Safe and Secure Grant 2010 - Local Share	36,852	36,852	36,852	—
Municipal Alliance Grant 2011	82,881	82,881	82,881	—
Municipal Alliance Grant 2011 - Local Share	20,720	20,720	20,720	—
Clean Communities Grant 2011	134,704	134,704	134,704	—
Municipal Court Alcohol Ed, Rehab and Enforcement	4,639	4,639	4,639	—
UEZ 10-761 Elizabeth Ave. SID 2010-11	222,750	222,750	222,750	—
UEZ 10-760 Commercial District Security Program 2010-11	666,730	666,730	666,730	—
UEZ 10-760 Commercial District Security Program 2010-11 - Local Share	166,682	166,682	166,682	—
UEZ 10-759 Police Security - 9 Officers	812,626	812,626	812,626	—
UEZ 10-759 Police Security - 9 Officers - Local Share	203,157	203,157	203,157	—
UEZ 09-130 Graffiti and Litter Removal Program	442,821	442,821	442,821	—
UEZ 09-130 Graffiti and Litter Removal Program - Local Share	110,705	110,705	110,705	—
UEZ 10-18 SGF Financial Lending Program Phase IV	2,229,385	2,229,385	2,229,385	—
UEZ Administrative 2010	669,000	669,000	669,000	—
UEZ Marketing Initiative Employment and Training	395,400	395,400	395,400	—
UEZ Historic Midtown Elizabeth SID 2011	152,250	152,250	152,250	—
UEZ Elberon Development Co. LLC	2,500,000	2,500,000	2,500,000	—
Total public and private programs offset by revenues	16,583,864	16,583,864	16,583,864	—
Total operations - excluded from "CAPS"	23,252,784	23,252,784	23,011,316	241,468
Detail (total operations - excluded from "CAPS"):				
Salaries and wages	3,159,802	3,159,802	3,159,802	—
Other expenses	20,092,982	20,092,982	19,851,514	241,468

(Continued)

CITY OF ELIZABETH

Statement of Expenditures

Current Fund

Year ended June 30, 2011

<u>Appropriations</u>	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or charged</u>	<u>Reserved</u>
Capital Improvements - excluded from "CAPS":				
Capital Improvement Fund - Restructuring	900,000	900,000	900,000	—
Total Capital Improvements excluded from "CAPS"	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>	<u>—</u>
Municipal Debt Service - excluded from "CAPS":				
Payment of bond principal	4,246,000	4,246,000	4,246,000	—
Interest on bonds	2,664,317	2,664,317	2,664,317	—
Green Trust Loan Program:				
Loan repayment for principal and interest schedule 1	50,321	50,321	50,321	—
Loan repayment for principal and interest schedule 2	42,343	42,343	42,343	—
Restructuring bonds - principal	2,340,000	2,340,000	2,340,000	—
Restructuring bonds - interest	454,040	454,040	454,040	—
NJDOT Loan Metromall	800,000	800,000	800,000	—
Lease ordinance-3 repayment for principal and interest	195,705	195,705	195,705	—
Lease ordinance-4 repayment for principal and interest	245,121	245,121	245,121	—
NJ Economic Dev. Auth Loan Program Repayment-2	87,720	87,720	87,720	—
NJ Demolition Loan Program	85,800	85,800	85,800	—
Deficiency agreement with EDC	1,000,000	1,000,000	1,000,000	—
Total municipal debt service excluded from "CAPS"	<u>12,211,367</u>	<u>12,211,367</u>	<u>12,211,367</u>	<u>—</u>
Total General Appropriation For Municipal Purposes Excluded from "CAPS"	<u>36,364,151</u>	<u>36,364,151</u>	<u>36,122,683</u>	<u>241,468</u>
Subtotal general appropriations	\$ 204,067,437	207,067,437	196,830,212	10,237,225
Reserve for Uncollected Taxes	<u>10,500,696</u>	<u>10,500,696</u>	<u>10,500,696</u>	<u>—</u>
Total general appropriations	<u>\$ 214,568,133</u>	<u>217,568,133</u>	<u>207,330,908</u>	<u>10,237,225</u>
Original budget		\$ 210,139,996		
Emergency		3,000,000		
Appropriation by N.J.S.A. 40A:4-87		<u>4,428,137</u>		
		<u>\$ 217,568,133</u>		
Encumbered			\$ 2,058,018	
Reserve for uncollected taxes			10,500,696	
Transferred to Federal and State Grant Fund			16,583,864	
Transferred to reserves			2,500,000	
Accumulated absences			1,422,912	
MetroMall Loan			800,000	
Cancelled deficiency agreement appropriation			1,000,000	
Cash disbursed			<u>172,465,418</u>	
			<u>\$ 207,330,908</u>	

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheet

Trust Funds

June 30, 2011 and 2010

Assets	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Dog License Fund:			
Cash	B-1	\$ 24,195	19,426
		<u>24,195</u>	<u>19,426</u>
Other Federal Grant Funds:			
Cash	B-1	550	27,870
Grants receivable	B-8	2,839,509	2,870,963
HPRP Receivable	B-17	7,889	214,026
Due from UDAG Fund	B-12	225,519	225,519
		<u>3,073,467</u>	<u>3,338,378</u>
Urban Development Action Grant (UDAG) Fund:			
Cash	B-1	1,352,918	1,358,556
		<u>1,352,918</u>	<u>1,358,556</u>
Community Development Block Grant Fund:			
Cash	B-1	8,735	2,178
Federal grants receivable	B-10	1,925,458	2,885,257
Due from Current Fund	B-5	25,347	25,347
Due from Elizabeth Development Corp.	B-15	80,672	80,672
		<u>2,040,212</u>	<u>2,993,454</u>
General Trust Funds:			
Cash	B-1	16,013,384	16,129,764
Due from Trustee	B-2	13,976	13,976
		<u>16,027,360</u>	<u>16,143,740</u>
		<u>\$ 22,518,152</u>	<u>23,853,554</u>

CITY OF ELIZABETH

Balance Sheet

Trust Funds

June 30, 2011 and 2010

Liabilities, Reserves and Fund Balance	Ref.	2011	2010
Dog License Fund:			
Due to State of New Jersey	B-6	\$ 366	304
Reserve for Dog Expenditures	B-7	<u>23,829</u>	<u>19,122</u>
		<u>24,195</u>	<u>19,426</u>
Other Federal Grant Funds:			
Reserve for Grants	B-9	3,065,578	3,114,825
Reserve for HPRP Grant Expenditures	B-18	<u>7,889</u>	<u>223,553</u>
		<u>3,073,467</u>	<u>3,338,378</u>
Urban Development Action Grant (UDAG) Fund:			
Reserve for UDAG loans receivable	B-3	1,125,633	1,131,271
Accounts Payable	B-16	1,766	1,766
Due to Other Federal Grant Funds	B-12	<u>225,519</u>	<u>225,519</u>
		<u>1,352,918</u>	<u>1,358,556</u>
Community Development Block Grant Fund:			
Reserve for Community Development Block Grant	B-11	2,038,083	2,993,454
Reserve for Program Income	B-14	<u>2,129</u>	<u>—</u>
		<u>2,040,212</u>	<u>2,993,454</u>
General Trust Funds:			
Off Duty Police Reserve	B-13	375,722	312,904
Reserves for Special Purposes	B-4	<u>15,651,638</u>	<u>15,830,836</u>
		<u>16,027,360</u>	<u>16,143,740</u>
		<u>\$ 22,518,152</u>	<u>23,853,554</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheets

General Capital Fund

June 30, 2011 and 2010

Assets	Ref.	2011	2010
Cash	C-2, C-3	\$ 21,163,301	20,941,688
Due from Current Fund	C-6	—	68,666
Due from State of New Jersey -			
Department of Environmental Protection	C-14	267,196	267,196
Department of Transportation	C-10	136,693	136,693
Waterfront Park Loan Receivable	C-5	267,196	267,196
Due from Union County Improvement Authority	C-16	889,693	1,112,289
Deferred charges to future taxation:			
Funded	C-7	90,753,799	83,597,577
Unfunded	C-8	35,702,307	31,302,307
		<u>\$ 149,180,185</u>	<u>137,693,612</u>
Liabilities and Fund Balance			
Serial bonds:			
General	C-4	\$ 83,811,000	76,412,000
Loans payable	C-17	6,942,799	7,185,577
Improvement authorizations:			
Funded	C-11	13,915,146	12,921,101
Unfunded	C-11	30,861,788	28,041,800
Capital improvement fund	C-12	3,422,171	3,267,171
Due to Current Fund	C-6	204,514	—
Reserve for:			
State aid receivable	-	136,693	136,693
Bond sale expense	C-9	10,354	115,333
Retirement of debt	C-13	3,167,874	3,291,393
Fund balance	C-1	6,707,846	6,322,544
		<u>\$ 149,180,185</u>	<u>137,693,612</u>

There were bonds and notes authorized but not issued on June 30, 2011 and 2010 of \$35,702,307 and \$31,302,307 (Exhibit C-15), respectively.

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Fund Balance

General Capital Fund

Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Balance, Beginning of Year	\$ <u>6,322,544</u>	<u>2,622,544</u>
Increased by:		
Improvement authorizations cancelled	—	4,000,000
Other	<u>385,302</u>	<u>—</u>
	<u>385,302</u>	<u>4,000,000</u>
	<u>6,707,846</u>	<u>6,622,544</u>
Decreased by:		
Improvement authorization	<u>—</u>	<u>300,000</u>
	<u>—</u>	<u>300,000</u>
Balance, End of Year	\$ <u><u>6,707,846</u></u>	<u><u>6,322,544</u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheets

Water Utility Funds

June 30, 2011 and 2010

Assets	Ref.	2011	2010
Operating Fund:			
Cash	D-3	\$ 829,257	998,085
Due from Water Capital Fund	D-7	407	1,184
Due from Water Trust Fund	D-7	<u>—</u>	<u>14</u>
		<u>829,664</u>	<u>999,283</u>
Receivables and inventory with reserves:			
Water liens receivable	D-9	<u>41,351</u>	<u>13,063</u>
		<u>41,351</u>	<u>13,063</u>
Total Operating Fund		<u>871,015</u>	<u>1,012,346</u>
Trust Fund:			
Cash	D-3	<u>157,472</u>	<u>157,486</u>
Total Trust Fund		<u>157,472</u>	<u>157,486</u>
Capital Fund:			
Cash		<u>1,471,638</u>	<u>2,830,659</u>
	D-3,D-4	1,471,638	2,830,659
Fixed capital	D-12	<u>16,441,271</u>	<u>16,441,271</u>
Total Capital Fund		<u>17,912,909</u>	<u>19,271,930</u>
		<u>\$ 18,941,396</u>	<u>20,441,762</u>

CITY OF ELIZABETH

Balance Sheets

Water Utility Funds

June 30, 2011 and 2010

Liabilities, Reserves, and Fund Balance	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Operating Fund:			
Accounts payable	D-13	\$ —	36,028
Due to Liberty Water	D-10	—	180,849
		<u>—</u>	<u>216,877</u>
Reserve for:			
Water liens receivable		<u>41,351</u>	<u>13,063</u>
		<u>41,351</u>	<u>13,063</u>
Fund balance	D-1	<u>829,664</u>	<u>782,406</u>
Total Operating Fund		<u>871,015</u>	<u>1,012,346</u>
Trust Fund:			
Due to Water Operating Fund	D-7	—	14
Reserve for customer deposits	D-5	<u>157,472</u>	<u>157,472</u>
Total Trust Fund		<u>157,472</u>	<u>157,486</u>
Capital Fund:			
Reserve for amortization	D-11	16,441,271	16,441,271
Reserve for capital expenditures	D-6	773,992	2,132,236
Due to Water Operating Fund	D-7	407	1,184
Capital Improvement Fund	D-8	<u>697,239</u>	<u>697,239</u>
Total Capital Fund		<u>17,912,909</u>	<u>19,271,930</u>
		<u>\$ 18,941,396</u>	<u>20,441,762</u>

There were bonds and notes authorized but not issued of \$0 and \$0 on June 30, 2010 and 2011 respectively.

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Operations and Changes in Fund Balance

Water Utility Operating Fund

Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenue and other credits to income:		
Miscellaneous revenue not anticipated	\$ 11,230	19,745
Other credits to income:		
Cancellation of capital ordinances and liabilities	<u>36,028</u>	<u>—</u>
Total income	<u>47,258</u>	<u>19,745</u>
Fund balance, July 1	<u>782,406</u>	<u>762,661</u>
Fund balance, June 30	<u><u>\$ 829,664</u></u>	<u><u>782,406</u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Revenues

Water Utility Operating Fund

Year ended June 30, 2011

	Revenues Realized
Nonbudget revenue (interest on investments)	\$ <u>11,230</u>
	\$ <u><u>11,230</u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheets

Sewer Utility Funds

June 30, 2011 and 2010

Assets	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Operating Fund:			
Cash	E-5	\$ 5,759,980	4,933,430
Due from Sewer Capital Fund	E-8	<u>—</u>	<u>4</u>
		<u>5,759,980</u>	<u>4,933,434</u>
Receivables with reserves:			
Consumers' accounts receivable	E-7	10,843	173,504
Miscellaneous rents receivable	E-28	5,342	5,342
Sewer liens receivable	E-24	<u>30,632</u>	<u>10,280</u>
		<u>46,817</u>	<u>189,126</u>
Total Operating Fund		<u>5,806,797</u>	<u>5,122,560</u>
Capital Fund:			
Cash	E-5, E-6	5,257,377	3,031,698
Fixed capital	E-9	50,421,759	50,421,759
Fixed capital authorized and uncompleted	E-10	98,260,513	80,660,513
Due from Trustee-Environmental Infrastructure Trust and fund loans	E-16	1,222,610	4,931,543
Due from State of New Jersey -			
Stormwater Grant Receivable	E-30	5,155	5,155
Wastewater Treatment Trust Fund	E-27	<u>508,053</u>	<u>508,053</u>
Total Capital Fund		<u>155,675,467</u>	<u>139,558,721</u>
		<u>\$ 161,482,264</u>	<u>144,681,281</u>

CITY OF ELIZABETH

Balance Sheets

Sewer Utility Funds

June 30, 2011 and 2010

Liabilities, Reserves, and Fund Balance	Ref.	2011	2010
Operating Fund:			
Appropriation reserves	E-4,E-12	\$ 1,900,210	2,598,737
Encumbrances payable	E-26	10,386	283,881
Accounts payable	E-13	764,840	710,078
Accrued interest on bonds and notes	E-15	<u>255,310</u>	<u>220,379</u>
		<u>2,930,746</u>	<u>3,813,075</u>
Reserve for receivables		46,817	189,126
Fund balance	E-1	<u>2,829,234</u>	<u>1,120,359</u>
Total Operating Fund		<u><u>5,806,797</u></u>	<u><u>5,122,560</u></u>
Capital Fund:			
Due to Sewer Operating Fund	E-8	—	4
Bond sale expense payable	E-29	4,994	48,705
Serial bonds	E-17	3,862,000	4,449,000
Local unit bonds	E-18	1,163,536	1,339,303
Environmental infrastructure loans payable	E-23	20,996,314	22,240,646
Bond anticipation notes	E-14	6,000,000	3,000,000
Improvement authorizations:			
Funded	E-19	4,162,743	4,192,504
Unfunded	E-19	47,344,674	34,169,632
Reserve for:			
Amortization	E-20	61,193,827	59,186,728
Deferred amortization	E-21	8,796,766	8,796,766
Renewal and replacement	E-11	364,000	364,000
Appropriated grants	E-31	20,619	20,619
Capital Improvement Fund	E-25	788,338	788,338
Fund balance	E-2	<u>977,656</u>	<u>962,476</u>
Total Capital Fund		<u><u>155,675,467</u></u>	<u><u>139,558,721</u></u>
		<u><u>\$ 161,482,264</u></u>	<u><u>144,681,281</u></u>

There were bonds and notes authorized but not issued at June 30, 2010 and 2011 of \$32,332,616 and \$46,932,616 respectively (Exhibit E-22)

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Operations and Changes in Fund Balance

Sewer Utility Operating Fund

Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenue and other credits to income:		
Fund balance utilized	\$ 1,000,000	3,500,000
Sewer fees and charges	17,997,698	16,320,832
Miscellaneous	632,716	514,061
Other credits to income:		
Appropriation reserves lapsed	<u>2,078,461</u>	<u>236,806</u>
Total income	<u>21,708,875</u>	<u>20,571,699</u>
Expenditures:		
Operating	12,000,000	13,000,000
Capital improvements	2,278,252	2,653,055
Debt service	<u>4,721,748</u>	<u>4,346,945</u>
Total expenditures	<u>19,000,000</u>	<u>20,000,000</u>
Excess of revenues over expenses	2,708,875	571,699
Fund balance, July 1	<u>1,120,359</u>	<u>4,048,660</u>
	3,829,234	4,620,359
Less Fund Balance Utilized	<u>1,000,000</u>	<u>3,500,000</u>
Fund balance, June 30	<u>\$ 2,829,234</u>	<u>1,120,359</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Fund Balance

Sewer Utility Capital Fund

Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Balance, Beginning of year	\$ 962,476	958,576
Increased by:		
Premium on sale of notes	<u>15,180</u>	<u>3,900</u>
Balance, End of year	<u>\$ 977,656</u>	<u>962,476</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Revenues

Sewer Utility Operating Fund

Year ended June 30, 2011

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Operating surplus anticipated	\$ 1,000,000	1,000,000	—
Rents	17,500,000	17,997,698	497,698
Miscellaneous	<u>500,000</u>	<u>632,716</u>	<u>132,716</u>
Total budget revenue	<u>\$ 19,000,000</u>	<u>19,630,414</u>	<u>630,414</u>

Analysis of Certain Realized Revenues

Rents:

Revenues collected	\$ <u>17,997,698</u>
	\$ <u><u>17,997,698</u></u>

Analysis of Miscellaneous

Interest on investments	\$ 193,690
Interest and costs	12,593
Joint Meeting refund	374,029
Miscellaneous	52,196
Liens	<u>208</u>
Cash receipts	<u>\$ 632,716</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Expenditures

Sewer Utility Operating Fund

Year ended June 30, 2011

<u>Account</u>	<u>Appropriations</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or charged</u>	<u>Reserved</u>
Operating:				
Management Fee	\$ 2,500,000	2,500,000	2,452,040	47,960
Joint Meeting	9,500,000	9,500,000	9,214,944	285,056
Capital improvements:				
Capital outlay	2,278,252	2,278,252	711,058	1,567,194
Debt service:				
Sewer System lease Payments- principal and int.	1,924,188	1,924,188	1,924,188	—
Payment of bond principal	587,000	587,000	587,000	—
Interest on bonds	185,313	185,313	185,313	—
Interest on notes	32,500	32,500	32,500	—
Wastewater Treatment bonds - principal	1,420,099	1,420,099	1,420,099	—
Wastewater Treatment bonds - interest	572,648	572,648	572,648	—
Total	\$ <u>19,000,000</u>	<u>19,000,000</u>	<u>17,099,790</u>	<u>1,900,210</u>

Analysis of paid or charged

Cash disbursed	\$ 16,266,443
Accounts payable	32,500
Encumbrances payable	10,386
Interest on bonds and notes	<u>790,461</u>
	\$ <u>17,099,790</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of General Fixed Assets

General Fixed Assets Account Group

June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
General fixed assets:		
Land and buildings	\$ 43,478,500	41,978,500
Equipment	11,865,236	11,866,625
Vehicles	<u>18,539,278</u>	<u>18,949,021</u>
Total general fixed assets	<u>\$ 73,883,014</u>	<u>72,794,146</u>
Investment in general fixed assets	<u>\$ 73,883,014</u>	<u>72,794,146</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

(1) Summary of Significant Accounting Policies

The accounting policies of the City of Elizabeth conform to the accounting principles and practices applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Such practices are not in accordance with generally accepted accounting principles (GAAP). The following is a summary of the significant policies:

Reporting entity

Except as noted below, the financial statements of the City of Elizabeth include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City of Elizabeth, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the City of Elizabeth do not include the operations of the Elizabeth Free Public Library, Parking Authority, Board of Education, Housing Authority, Elizabeth Development Corporation, and Special Improvement Districts.

Fund accounting:

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the City, the accounts of the City are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified or legal requirements. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported by fund group. Under this method of accounting, the City of Elizabeth accounts for its financial transactions through the following separate funds:

- Current Fund - resources and expenditures for governmental operations of a general nature, including Federal and state grant funds.
- Trust Funds (including the Community Development Block Grant) - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.
- General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.
- Water and Sewer Utility Funds - account for the operations and acquisition of capital facilities of the municipally-owned Water and Sewer Utilities.
- General Fixed Assets Account Group - investments in and disposal of fixed assets used to maintain operations of the City. Infrastructure assets

Budgets and budgetary accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

financial statements are those adopted by the City of Elizabeth and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et. seq.

Basis of accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

- 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 City budget. GAAP requires such revenues to be recognized in the accounting period when they become available and measurable. GAAP defines available as collectible in the current period or soon enough thereafter to be used to pay liabilities that are owed at the end of the accounting period.
- 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 of the various funds. GAAP requires such revenues to be recognized in the current accounting period if they are expected to be collected soon enough after the end of the year to pay current liabilities.
- Expenditures - unexpended or uncommitted appropriations, at year-end, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures in the current fund, 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.
- 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 are not established under GAAP.
- Compensated Absences - Expenditures relating to obligations for vacation, sick and compensatory time are not recorded until paid. City officials have determined that only vacation, holiday and compensatory time should be accrued. Employee sick time is appropriated in the various departmental salary and wage accounts and the City is not liable for accrued sick time when employees retire. Any employee who retires, or is laid off from employment with the City, irrespective of years of service, shall be reimbursed for accumulated unused sick time at a rate of fifty (50%) percent of the employee's daily rate of pay for each day of accumulated unused sick time up to a maximum of ten thousand (\$10,000) dollars. Payment shall be made to the employee within six (6) months of the date of separation from employment. In order to be eligible for reimbursement, an employee must have at least thirty (30) accumulated sick days to his or her credit upon the effective date of separation from employment.

As of June 30, 2011 and 2010, the estimated accrued liability as determined by City officials for vacation, sick and compensatory time is approximately \$18,393,654 and \$19,642,189 respectively. In accordance with state regulations this accrued liability has not been expensed or recorded as a liability.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

- 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 fund or general fixed assets account group at its net realizable value.
- Inventories - Current fund inventory type items and inventories held by the sewer utility fund are expensed as incurred. GAAP requires the amount of inventory on hand to be recorded as an asset at year-end.
- General Fixed Assets - Property and equipment purchased by the current fund and the capital fund are recorded as expenditures at the time of purchase and are capitalized and recorded in the fixed assets account group (after January 1, 1985) or at estimated historical cost (prior to January 1, 1985). The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded. Property and equipment purchased by the utility funds are recorded at cost as fixed capital (completed projects) and fixed capital authorized and uncompleted (construction in progress). The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded. GAAP requires that depreciation be recorded in the utility funds.
- 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. Receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.
- Encumbrances - contractual orders at year-end, are reported as expenditures through the establishment of a reserve for encumbrances. GAAP does not recognize encumbrances as expenditures or liabilities.
- Deferred Charges to Future Taxation -Funded and Unfunded - Upon the authorization of capital projects, the City establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary funding or nonfunding of the authorized costs of capital projects. According to the New Jersey Statutes Annotated 40A:2-4, the City may levy taxes on all taxable property within the local unit to repay the debt. Annually, the City raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced. GAAP does not require the establishment of deferred charges to future taxation and records proceeds of debt issued as revenue.
- Improvement authorizations – in the General Capital Fund represent the unexpended balance of an ordinance appropriation and is similar to the unexpended portion of the budget in the Current Fund. GAAP does not recognize these amounts as liabilities.
- Investments - Investments are carried at cost. Purchases of investments are limited by N.J.S. 40A:5-15.1 to bonds or obligations of or guaranteed by the Federal government and bonds or other obligations of Federal or local units having a maturity date not more than twelve months from the date of purchase. GAAP requires that investments be recorded at fair value.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

Use of Estimates

To prepare the accompanying financial statements management made estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Taxes Receivable, Tax Title Liens

In accordance with the accounting principles presented by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

Taxes for the City are levied semi-annually in July and January and are payable August 1, November 1, February 1 and May 1. The taxes are liens on the property as of the billing date.

(3) Long-term Debt

The New Jersey Local Bond Law governs the issuance of bonds to finance general municipal and utility capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. General capital serial bonds are direct obligations of the City for which its full faith and credit are pledged, and are payable from the taxes levied on all taxable property located within the City. The water/ sewer utility bonds are payable from revenues generated from user fees but also have the ad valorem taxes pledged, should the utility revenues be insufficient to meet the debt obligations.

In addition, Wastewater Treatment Bonds issued on behalf of the City by the State of New Jersey, are recorded in the Sewer Capital Fund.

On July 15, 1998, the City issued \$2,924,000 of Sewer Utility Bonds maturing in each July 15th 1999 through 2018 with interest rates ranging from 4% to 5%. The balances outstanding at June 30, 2011 and 2010 are \$1,185,000 and \$1,330,000, respectively.

On November 1, 2001, the City issued \$5,225,000 of General Improvement Bonds maturing each November 1st; 2002 through 2021 with interest rates ranging from 4.0% to 4.75%. The City also issued \$4,030,000 of Sewer Utility Bonds on November 1st maturing each November 1st 2002 through 2021 with interest rates ranging from 4.0% to 4.75%. Bonds maturing on or after November 1, 2012 are subject to redemption on or after November 1, 2011. The balances outstanding at June 30, 2011 and 2010 are \$261,000 and \$2,616,000 and \$2,212,000 and \$2,414,000, respectively.

On December 1, 2001 the city issued \$2,875,000 of Sewer Utility Refunding Bonds. The bonds dated December 1, 2001 mature each November 15th, 2002 through 2012 with interest ranging from 3.05% to 4.5%. Bonds maturing on or after November 15, 2011 are subject to redemption on or after November 10, 2010. The bonds are general obligations of the City and are secured by the full faith and credit of the City for the payment of the principal thereof and the interest thereon. Unless paid from other sources, the City is authorized and required by law to levy on all real property taxable by the City such *ad valorem* taxes as may be necessary to pay the Bonds and the interest thereon, without the limitation as to rate or amount. The City used proceeds from the sale to pay expenses related to the issuance and to redeem the \$2,750,000 of outstanding Sewer Utility Bonds dated November 15, 1992. The balances outstanding at June 30, 2011 and 2010 are \$465,000 and \$705,000, respectively.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

On May 15, 2003, the City issued \$14,250,000 of General Improvement Bonds maturing each November 15th; 2004 through 2018 with interest rates ranging from 3.00% to 3.75%. Bonds maturing on or after May 15, 2014 are subject to redemption on or after May 15, 2013. The balances outstanding at June 30, 2011 and 2010 are \$11,350,000 and \$12,850,000, respectively.

On October 1, 2004 the City issued \$6,245,000 of General Obligation Refunding Bonds, Series 2004, maturing each August 15th; 2006 through 2009 with interest ranging from 2% to 4%. Also, on May 19, 2005 the City issued \$13,315,000 of General Obligation Refunding Bonds, Series 2005, maturing each August 15th; 2007 through 2009, with interest rates ranging from 5% to 5.25 %. The Series 2004 and 2005 refunding bonds were issued to refund the December 15, 1994 bonds that matured on each August 15th 2006 through 2009 at interest rates ranging from 6.10% to 6.25%. The balances outstanding at June 30, 2009 and 2010 are \$2,175,000 and \$4,845,000 and \$0, respectively.

On December 14, 2004, the City issued \$2,330,000 of Early Retirement Incentive Refunding Bonds, Series 2004, maturing on each March 1st 2007 through 2020 with interest rates ranging from 3.95% to 5.30%. The bonds were issued to refund the SFY early retirement obligation. The balances outstanding at June 30, 2011 and 2010 are \$1,875,000 and \$2,040,000, respectively. Bonds maturing on or after March 1, 2015 are subject to redemption on or after March 1, 2014.

On May 15, 2005 the City issued \$15,000,000 of General Improvement Bonds, Series 2005, maturing each May 15th 2006 through 2030 with interest rates ranging from 4% to 4.375%. Bonds maturing on or after May 15, 2016 are subject to redemption on or after May 15, 2015. The bonds were issued to fund capital expenditures of the City. The balances outstanding at June 30, 2011 and 2010 are \$13,900,000 and \$14,500,000, respectively.

On May 15, 2006 the City issued \$11,500,000 of General Improvement Bonds, Series 2006 maturing each May 15th 2007 through 2021 with interest rates ranging from 4% to 4.25%. Bonds maturing on or after May 15 2017 are subject to redemption on or after May 15, 2016. The bonds were issued to fund capital expenditures of the City. The balances outstanding at June 30, 2011 and 2010 are \$9,545,000 and \$10,500,000, respectively.

On June 15, 2007 the City issued \$12,325,000 of General Improvement Bonds, Series 2007 maturing each June 15th 2008 through 2017 with interest rates ranging from 4% to 4.25%. The bonds were issued to fund capital expenditures of the City. The balances outstanding at June 30, 2011 and 2010 are \$11,310,000 and \$11,575,000, respectively.

On June 12, 2008 the City issued \$12,645,000 of General Improvement Refunding Bonds, Series 2008 maturing each November 15th; 2008 through 2014 with interest rates ranging from 3.250% to 5.00%. The bonds were issued to currently refund \$10,330,000 of the January 1, 1998 General Improvement Bonds and to advance refund \$2,092,000 of the General Improvement Bonds dated November 15, 1999 maturing on November 15, 2010 through 2014. The balances outstanding at June 30, 2011 and 2010 are \$7,430,000 and \$9,605,000, respectively.

On August 15, 2008 the City issued \$12,455,000 General Improvement Bonds Series 2008 maturing each August 15th; 2009 through 2023 with interest rates ranging from 4.250% to 4.375%. Bonds maturing on or after August 15, 2019 are subject to redemption on or after August 15, 2018. The balances outstanding at June 30, 2011 and 2010 are \$11,540,000 and \$12,205,000, respectively.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

On October 15, 1996, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$1,600,000 and fund loan of \$1,610,000. The interest rate on the trust loan ranges from 4% to 5.25%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on September 1, of each year from 1997 to 2020. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2002 to 2016. The balances outstanding at June 30, 2011 and 2010 are \$483,536 and \$680,000 and \$564,303 and \$775,000, respectively.

On October 1, 2000, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$2,635,000 and fund loan of \$2,548,815. The interest rate on the trust loan ranges from 5% to 5.25%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2002 to 2020. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2002 to 2020. The balances outstanding at June 30, 2011 and 2010 are \$1,685,000 and \$1,336,267 and \$1,815,000 and \$1,472,335, respectively.

On November 8, 2001, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$3,130,000 and fund loan of \$3,084,896. The interest rate on the trust loan ranges from 4.75% to 5.50%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2002 to 2021. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2002 to 2021. The balances outstanding at June 30, 2011 and 2010 are \$2,235,000 and \$1,846,994 and \$2,385,000 and \$2,017,377 respectively.

On August 1, 2002, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$1,945,000 and fund loan of \$1,775,000. The interest rate on the trust loan ranges from 4.75% to 5.50%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2003 to 2022. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2003 to 2022. The balances outstanding at June 30, 2011 and 2010 are \$1,530,000 and \$1,230,837 and \$1,620,000 and \$1,333,161, respectively.

On November 29, 2006, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$1,635,000 and fund loan of \$4,684,369. The interest rate on the trust loan ranges from 4.000% to 5.125%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2009 to 2026. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2009 to 2026. The balances outstanding at June 30, 2011 and 2010 are \$1,460,000 and \$3,792,677 and \$1,525,000 and \$4,039,036 respectively.

On December 1, 2009, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$1,755,000 and fund loan of \$1,763,165. The interest rate on the trust loan ranges from 4.000% to 5.00%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2010 to 2029. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2010 to 2029. The balances outstanding at June 30, 2011 and 2010 are \$1,755,000 and 1,673,513 and \$1,755,000 and \$1,763,165 respectively.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

On December 1, 2009, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$1,025,000 and fund loan of \$1,048,267. The interest rate on the trust loan ranges from 4.000% to 5.00%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2010 to 2029. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2010 to 2029. The balances outstanding at June 30, 2011 and 2010 are \$1,025,000 and \$994,965 and \$1,025,000 and \$1,048,267 respectively.

On December 1, 2009, the City entered into a borrowing agreement to fund sewer improvements through the New Jersey Environmental Infrastructure Trust program. The loans consist of trust loan of \$220,000 and fund loan of \$222,305. The interest rate on the trust loan ranges from 4.000% to 5.00%; the fund loan is a non-interest bearing loan. The trust loan matures in annual installments on August 1, of each year from 2010 to 2029. Principal payments on the fund loan are on a semi-annual basis on August 1 and February 1 from 2010 to 2029. The balances outstanding at June 30, 2011 and 2010 are \$220,000 and \$211,001 and \$220,000 and \$222,305 respectively.

On April 15, 2011 the City issued \$12,755,000 of General Improvement Bonds, Series 2011 maturing each April 15th; 2012 through 2027 with interest rates ranging from 4.25% to 5.25%. Bonds maturing on or after April 15, 2022 are subject to redemption on or after April 15, 2021. The bonds were issued to fund capital expenditures of the City. The balance outstanding at June 30, 2011 is \$12,755,000.

On April 15, 2011 the City issued \$1,230,000 of Refunding Bonds, Series 2011 maturing each April 15th; 2012 through 2014 with interest rates 4.25%. The bonds were issued to currently refund a litigation settlement. The balance outstanding at June 30, 2011 is \$1,230,000.

The City debt is summarized as follows:

	<u>June 30,</u> <u>2010</u>	<u>June 30,</u> <u>2011</u>
Bonds, Notes and Loans Issued:		
General	\$83,597,575	90,753,799
Sewer	<u>31,028,949</u>	<u>32,021,850</u>
	<u>114,626,524</u>	<u>122,775,649</u>
Bonds and Notes Authorized Not Issued:		
General	31,302,307	35,702,307
Sewer	32,332,614	46,932,616
Water	<u>00</u>	<u>00</u>
	<u>63,634,921</u>	<u>82,634,923</u>
Total Bonds and Notes Issued and Authorized But Not Issued	<u>\$178,261,445</u>	<u>205,410,572</u>

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

Schedule of annual debt service for principal and interest for the next five years and every five year period thereafter for bonded debt issued and outstanding as of June 30, 2011:

Fiscal Year	General Bonds		Sewer Debt		
	Ending June 30	Principal	Interest	Principal	Interest
2012		7,811,000	3,561,994	2,118,603	691,255
2013		8,091,000	3,213,265	2,135,956	632,792
2014		8,386,000	2,840,312	1,956,699	576,100
2015		8,291,000	2,530,529	1,990,636	491,608
2016		8,621,000	2,196,235	1,997,801	436,283
2017-2021		26,399,000	6,420,277	9,542,496	1,353,272
2022-2026		12,127,000	2,364,047	4,524,214	413,272
2027-2030		<u>4,085,000</u>	<u>378,025</u>	<u>1,755,433</u>	<u>102,437</u>
Total		<u>\$83,811,000</u>	<u>23,504,683</u>	<u>26,021,848</u>	<u>4,696,988</u>

	<u>Gross Debt</u>	<u>Deduction</u>	<u>Net Debt</u>
Local School District	\$ 2,800,000	2,800,000	—
General Debt	126,456,106	3,167,874	123,288,232
Sewer Utility Debt	78,954,466	78,954,466	—
Water Utility Debt	—	—	—
	<u>\$208,210,572</u>	<u>84,922,340</u>	<u>123,288,232</u>

Net Debt of \$123,288,232 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$8,491,187,034 equals 1.45%.

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

3.5% of Equalized Valuation Basis	\$297,191,546
Net Debt	<u>123,288,232</u>
Remaining (Excess) Borrowing Capacity	<u>\$173,903,314</u>

(4) Bond Anticipation Notes

The City issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid or permanent financing obtained no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note and on or before each subsequent anniversary, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were installment of the bonds in anticipation of which such notes were issued, be paid or retired.

On June 30, 2011 and 2010 there are \$6,000,000 and \$3,000,000 notes outstanding for the Sewer Utility Capital Fund.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

(5) Capital Equipment Lease Program

On October 15, 2001 the City executed a contract with the Union County Improvement Authority (UCIA) to acquire capital equipment through financing leases in an amount not to exceed \$4,646,519. The UCIA is authorized by the County Improvement Authorities Law, Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey, as amended and supplemented (N.J.S.A. 40:37A-44 et seq.), to lease capital equipment to the City. The UCIA provides for the financing of the cost of this equipment by the issuance of revenue bonds payable from rentals to be received from the City.

Under the lease the City is required to pay rent due on each March 15 and September 15, commencing September 15, 2002. Future minimum lease payments under the lease program as of June 30, 2011 are:

Fiscal Year Ending June 30	<u>Amount</u>
2012	<u>\$185,217</u>

On October 15, 2004 the City executed a contract with the Union County Improvement Authority (UCIA) to acquire capital equipment through financing leases in an amount not to exceed \$4,175,649. The UCIA is authorized by the County Improvement Authorities Law, Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey, as amended and supplemented (N.J.S.A. 40:37A-44 et seq.), to lease capital equipment to the City. The UCIA provides for the financing of the cost of this equipment by the issuance of revenue bonds payable from rentals to be received from the City.

Under the lease the City is required to pay rent due on each December 1 and June 1, commencing December 1, 2005. Future minimum lease payments under the lease program as of June 30, 2011 are:

Fiscal Year Ending June 30	<u>Amount</u>
2012	\$237,804
2013	230,197
2014	223,254
2015	218,775
2016	56,698
2017	55,029
2018	53,275
2019	51,465
2020	<u>48,477</u>

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

(6) Fund Balances Appropriated

Fund balances at June 30, 2011 were utilized as revenue in the 2011-2012 Fiscal Year Budget as follows:

<u>Fund Description</u>	<u>Fund Balance June 30, 2011</u>	<u>Amount Utilized</u>
Current Fund	\$25,046,861	22,000,000
Sewer Utility Operating	2,829,234	1,500,000
Water Utility Operating	829,664	0

(7) Retirement Systems

Substantially all of the City’s employees participate in one of the following contributory defined benefit public employee retirement systems (retirement systems) which have been established by State statute: the Consolidated Police and Firemen’s Pension fund (CPFPPF), the Public Employees Retirement System (PERS) and the Police and Firemen’s Retirement System (PFRS). These systems are sponsored and administered by the State of New Jersey.

Consolidated Police and Firemen’s Pension Fund

Consolidated Police and Firemen’s Pension Fund (CPFPPF)--is a single-employer contributory defined benefit plan which was established as of January 1, 1952, under the provisions of N.J.S.A. 43:16 to provide retirement, death and disability benefits to county and municipal police and firemen who were appointed prior to July 1, 1944. The fund is a closed system with no active members.

Police and Firemen’s Retirement System

Police and Firemen’s Retirement Systems (PFRS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits 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.

Public Employees’ Retirement System

Public Employees’ Retirement System (PERS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provision N.J.S.A. 43:15A to provide retirement, death and disability benefits, 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 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of several State-administered retirement systems to purchase annuities to

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Pension Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in all State-sponsored pension systems except SACT. In the CPFPPF, the cost of living increases are payable from the State of New Jersey Pension Adjustment Fund which is funded by the State as a benefit allowances become payable. The cost of living increases for PFRS and PERS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for that system.

According to State statutes, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Significant Legislation

Chapter 78, P.L. 2011 effective June 28, 2011, made various changes to the manner in which the Public Employee's Retirement System (PERS) and The Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of 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 $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the 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% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increase in active member contribution rate. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. For fiscal year 2012, the member contribution rates for PERS 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.
- 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 Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

- 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)

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

This new legislation changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60 from 1/55, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal year 2012.

Chapter 2, P.L. 2010, effective May 21, 2010, made changes to the SHBP and SHBP – Education concerning eligibility, cost sharing, choice of a plan, the application of benefit changes, the waiver of coverage, and multiple coverage under such plans. It also requires contributions toward the cost of health care benefits coverage by public employees and certain retirees.

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

Funding Policy

Contribution Requirements:

The contribution policy for CPFPPF, PFRS and PERS is set by New Jersey State statutes and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Contributions by active members of CPFPPF are based on 7% of their salaries. Members of PFRS contribute at a uniform rate of 8.5% of base salary, as defined. Members of PERS contribute at a uniform rate of 5.5% of base salary, 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. In the PERS the employer contribution includes funding for post-retirement medical premiums.

During the year ended June 30, 2011, for CPFPPF, which is a cost sharing plan, accumulated pension cost equals annual required contributions. For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, the annual pension cost differs from the annual required contribution.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

City Contributions:

The City's contributions were as follows:

	For the Year Ended June 30,			
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
CPFPPF	\$274,852	\$365,790	\$398,963	452,280
PERS	3,102,174	1,417,185	2,191,474	1,564,750
PFRS	14,992,740	6,821,813	12,383,216	11,637,148

(8) Self-Insurance Program

The City established a self-insurance program in 1982 in accordance with New Jersey Statute Chapter 40:10-6. The Chapter enables the governing body of any local unit to create a fund to provide insurance coverage for its exposure to a wide variety of property casualty risks, including:

- Property damage caused to any of the unit's property, motor vehicles, equipment or apparatus.
- Liability resulting from the use or operation of such motor vehicles, equipment or apparatus.
- Liability for the unit's negligence, including that of its officers, employees and servants.
- Workers' compensation obligations.

The City self-insures for its automobile, general liability and workers' compensation exposures. The City has purchased excess workers' compensation coverage for losses in excess of \$1,000,000. Additionally, the City maintains insurance policies covering property, fire, water, utility, boiler and machinery, nurses' professional liability and employee fidelity. Various deductibles, limits, and coinsurance provisions apply to these policies.

(9) Urban Development Action Grants

On December 12, 1990 Northern Feather, Inc., filed for protection from its creditors under Chapter 11 of the bankruptcy laws of the United States. The City is the holder of a second mortgage against the premises owned by Northern Feather, Inc., which has a balance of \$75,258 and \$75,258 as of June 30, 2011 and 2010, respectively. In order for the Trustee appointed by the court to accept and execute a contract to purchase the premises without contingencies, the City granted assumption of the second mortgage it holds to Diversified Furniture, Inc.

(10) Contingent Liabilities

The City is a defendant in various legal proceedings. In the opinion of the City's Corporation Counsel, these matters are adequately covered by the City's insurance program, the City's defense program, or by the City of Elizabeth directly and which may be settled or resolved in a manner satisfactory to the financial stability of the City. It is anticipated that any excess judgments would be paid by the City through future taxation or future debt borrowing.

The City is also defendant in various tax appeals that they are defending vigorously. The amount of the potential settlements is not determinable at this time.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

The City participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivables at June 30, 2011 may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

In accordance with the NJ Division of Pension and Benefits regulations, the City previously elected to defer the payment of two months health insurance premiums. The June 30, 2011 and 2010 deferrals were approximately \$3,672,000 and \$3,256,000 respectively which becomes payable upon the City leaving the State Health Benefits Program.

The City was required to and did pay approximately \$1,000,000 of a \$1,500 Federal District Court judgment issued in November of 2011 which litigation was pending at June 30. The balance of the judgment is due shortly and funds have been allocated for the payment. There is presently pending a civil action in Superior Court concerning alleged personal injuries of the plaintiff as a result of motor vehicle accident that alleges approximately \$300,000 of medical expenses. The city is vigorously defending this action

(11) Water and Sewer Utility Operations

On June 2, 1998 the City entered into agreement with Liberty Water Company (LWC) for a term of 40 years to provide management, operation and management services associated with the City's water system. The City retains ownership of the Utility infrastructure and is responsible for financing all capital improvements to the system. Capital improvements will be financed principally by the City through payments made by LWC that will exceed \$57,000,000 over the term of the contract. LWC is responsible for the preparation, maintenance, and collection of all bills and invoices to the users of both the Water and Sewer Utility and all costs and expenses associated therewith. LWC has no right to any revenue attributable to the Sewer Utility. The revenues collected by LWC for the Sewer Utility are disbursed to the City on a daily basis. LWC pays all expenses required for the operation, maintenance and management of the water system.

(12) Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary to future years. Individuals are one hundred percent vested. The plan is funded solely from voluntary employee payroll deductions. Distribution is available to employees upon termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely property and rights of the individual contributors and are not subject to the claims of the City's general creditors.

(13) Fixed Assets

The City records assets with a useful life in excess of five years and with a value over \$5,000 as a fixed asset. The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

Fixed assets used in governmental operation (general fixed assets) are accounted for in the General Fixed Assets. Public domain (“Infrastructure”) general fixed assets consisting of certain improvement other than building, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

The City’s fixed assets are summarized as follows:

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance</u> <u>June 30, 2011</u>
General fixed assets:				
Land and buildings	\$ 41,978,500	1,500,000	—	43,478,500
Equipment	11,866,625	—	1,389	11,865,236
Vehicles	18,949,021	—	409,743	18,539,278
	<u>\$ 72,794,146</u>	<u>1,500,000</u>	<u>411,132</u>	<u>73,883,014</u>
	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance</u> <u>June 30, 2010</u>
General fixed assets:				
Land and buildings	\$ 41,978,500	—	—	41,978,500
Equipment	11,859,056	8,189	620	11,866,625
Vehicles	18,922,854	360,509	334,342	18,949,021
	<u>\$ 72,760,410</u>	<u>368,698</u>	<u>334,962</u>	<u>\$ 72,794,146</u>

(14) Cash

Cash and cash equivalents includes amounts on deposit, and short term investments with original maturities of three months or less from the date of acquisition.

Deposits

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes Government Unit Deposit Protection Act (GUDPA) require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires 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 institution, the City 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 June 30, 2011 the City's bank deposits are insured or covered by the State's Government Unit Deposit Protection Act or are collateralized with the federal securities held by another institution in the City's name.

(15) State Loans

Green Trust Loans:

1989 Green Trust Program – Westfield Ave. Ball Field Acquisition

Interest is 2% with payments through Feb. 14, 2017.

Future minimum loan payments under the lease program as of June 30, 2011 are:

Fiscal Year	
Ending	Amount
June 30	
2012	\$ 4,664
2013	4,664
2014	4,664
2015	4,664
2016	4,664
2017	<u>4,662</u>
Total	27,982
Less interest	<u>1,736</u>
Principal Balance	\$26,246

1995 Green Trust Program – Westfield Ave. Ball field Improvements

Interest is 2% with payments through May 1, 2019.

Future minimum loan payments under the lease program as of June 30, 2011 are:

Fiscal Year	
Ending	Amount
June 30	
2012	\$ 27,767
2013	27,767
2014	27,767
2015	27,767
2016	27,767
2017-2019	<u>83,302</u>
Total	222,137
Less interest	<u>17,801</u>
Principal Balance	\$204,336

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

1992 Green Trust Program – Arthur Kill Additions

Interest is 2% with payments through Jan. 22, 2017.

Future minimum loan payments under the lease program as of June 30, 2011 are:

Fiscal Year	
<u>Ending</u>	<u>Amount</u>
<u>June 30</u>	
2012	\$ 13,537
2013	13,537
2014	13,537
2015	13,537
2016	13,537
2017	<u>13,538</u>
Total	81,223
Less interest	<u>5,041</u>
Principal Balance	\$ 76,182

2004 Green Trust Program – Elmora Raquet Club

Interest is 2% with payments through May 7, 2028.

Future minimum loan payments under the lease program as of June 30, 2011 are:

Fiscal Year	
<u>Ending</u>	<u>Amount</u>
<u>June 30</u>	
2012	\$ 24,873
2013	24,873
2014	24,873
2015	24,874
2016	24,873
2017-2021	124,366
2022-2026	124,367
2027-2028	<u>49,747</u>
Total	422,845
Less interest	<u>65,880</u>
Principal Balance	\$ 356,965

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

1992 Green Trust Program – Kenah Center Acquisition

Interest is 2% with payments through Sep. 2, 2018.

Future minimum loan payments under the lease program as of June 30, 2011 are:

Fiscal Year	
Ending	<u>Amount</u>
June 30	
2012	\$ 4,353
2013	4,353
2014	4,352
2015	4,353
2016	4,353
2017-2019	<u>10,882</u>
Total	32,646
Less interest	<u>2,470</u>
Principal Balance	\$30,176

2004 Green Trust Program – Kenah Center Field

Interest is 2% with payments through September 24, 2028.

Future minimum loan payments under the lease program as of June 30, 2011 are:

Fiscal Year	
Ending	<u>Amount</u>
June 30	
2012	\$ 17,470
2013	17,470
2014	17,470
2015	17,470
2016	17,470
2017-2021	87,347
2022-2026	87,347
2027-2029	<u>43,674</u>
Total	305,718
Less interest	<u>48,840</u>
Principal Balance	\$ 256,878

(16) Sewer Utility

The City owns a city wide sewer collection system which is managed under a March 3, 2001 Wastewater Service Agreement by E'Town Corporation, a wholly owned subsidiary of New Jersey American Water, a wholly owned subsidiary of American Water, the largest investor-owned water and wastewater utility company in the United States. Sewage treatment is provided under a contractual agreement with the Joint Meeting of Essex and Union Counties (JMEUC) which is owned and operated by eleven other municipalities. The City pays fees for treatment based upon the usage of the system. The City finances its collection system capital requirements as well as its JMEUC capital contributions through a combination of utility bond issues, state grants and State low interest loans.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

The Sewer Utility franchised the sewer system to the Union County Improvement Authority and has a \$35,716,736 lease agreement dated March 1, 2002 with the Union County Improvement Authority to lease its franchise of the wastewater system. The City is required to pay rent due on each September 1 and March 1, commencing September 1, 2002 through April 1, 2022. Future minimum lease payments under the lease program as of June 30, 2011 are:

<u>Year</u>	<u>Amount</u>
2012	\$ 1,924,315
2013	1,928,125
2014	1,924,318
2015	1,923,892
2016	1,922,532
2017-2021	9,627,024
2022	1,924,852

17) Interfund Balances

The City has interfund balances at June 30, 2011 and 2010 as follows:

	<u>2011</u>		<u>2010</u>	
	<u>FROM</u>	<u>TO</u>	<u>FROM</u>	<u>TO</u>
Current Fund:				
CDBG	\$ —	25,347	—	25,347
Federal and State Grant	2,110,642	—	1,909,584	—
General Capital	204,514	—	—	68,666
Federal and State Grant:				
Current	—	2,110,642	—	1,909,584
Other Federal Grant:				
UDAG	225,519	—	225,519	—
UDAG:				
Other Federal Grant	—	225,519	—	225,519
CDBG:				
Current	25,347	—	25,347	—
Capital:				
Current	—	204,514	68,666	—
Water Operating:				
Water Capital	407	—	1,184	—
Water Trust	—	—	14	—
Water Trust:				
Water Operating	—	—	—	14
Water Capital:				
Water Operating	—	407	—	1,184
Sewer Operating:				
Sewer Capital	—	—	4	—
Sewer Capital:				
Sewer Operating	—	—	—	4

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

The Interfunds with the grant fund result from expenditures made prior to reimbursement from the granting agency. The remaining Interfunds are to record the transfer of interest to the operating funds and to record expenditures paid from other funds.

(18) Post Retirement Medical Benefits

PERS, PFRS and CFPF require post retirement medical benefits to be funded on a pay-as-you-go basis for employees that have 25 years of accumulated service. Benefits include medical and prescription coverage for the participant and family.

Plan Description: The City contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. On September 14th, 1976, the City authorized participation in the SHBP's post-retirement benefit program by resolution. Premiums or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the program, but not including survivors, if such employees retired from a State or locally – administered retirement system effective after the date the employer adopted the State Health Benefits Program on a benefit based on 25 years or more of service credited in such retirement system, excepting the employees who elected deferred retirement, but including the employees who retired on disability pensions based on fewer years of service credited in such retirement system and also to reimburse such retired employees for their premium charges under Part B of the Federal Medicare Program covering the retired employees and their spouses in accordance to the regulations of the State Health Benefits Commission.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions.gasb-43-sept2088.pdf.

Funding Policy: Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the City on a monthly basis.

The City contributions to the SHBP for the years ended June 30, 2011, 2010, 2009 and 2008 were \$7,205,133, \$7,289,143.93, \$6,838,829, and \$7,172,358 respectively, which equaled the required contributions for each year. There were approximately 727, 712, 702 and 703 retired participants eligible at June 30, 2011, 2010, 2009, and 2008 respectively.

(19) City Bond Guaranty

The City on December 21, 2006 entered into an agreement with the Parking Authority of the City of Elizabeth on behalf of the \$3,500,000 City Guaranteed Parking Revenue Bonds, Series 2006.

The Authority and the City have entered into the Guaranty Agreement in order to, among other things, provide security to the holders of obligations of the Authority. The Series 2006 Bonds, while outstanding, are entitled to the benefits of the Guaranty Agreement. Pursuant to its terms, the Guaranty Agreement will remain in full force and effect as long as any obligations of the Authority which are entitled to benefits thereof remain outstanding.

Pursuant to the terms of the Guaranty Agreement, if, sixty (60) days prior to any date established for the payment of the principal of and interest on the Series 2006 Bonds, the amount which is on deposit in the applicable account in the Bond Service Fund established under the Resolution (the "Applicable Debt Service Account(s)"), after giving effect to any required transfers from the applicable account (if any) within the Bond Reserve Fund, is insufficient to provide for the payment of the interest and/or principal due and payable on such payment date, the Trustee shall notify the Authority, the Mayor and the City Clerk in writing by certified mail (return receipt request) of the amounts which are necessary to provide for the payment of the principal of and interest on the Series 2006 Bonds. The City shall be obligated to make payment to the Trustee of the amount referred to above no later than said payment date except to the extent the Applicable Debt Service Account(s) otherwise has sufficient funds on hand on the date or dates required for the payment of such principal and/or interest. In such event, such sum shall be applied by the Trustee for deposit into the Applicable Debt Service Account(s). Forty-five (45) days prior to said payment date the City must notify the Trustee in writing as to the source of funds to provide for such payment. Notwithstanding any other provision in the Guaranty Agreement, failure by the Trustee to give the City notice as provided therein shall not relieve the City of its obligation to make payment under the terms of the City Guaranty. There are bonds outstanding at June 30, 2011 of \$2,985,000.

Deficiency Agreement

On February 1, 2007 the City entered into a deficiency agreement with the Elizabeth Development Company whereby the City will provide funding for payment of \$7,195,000 for the Parking Revenue Refunding Bonds Series 2007A and B in the event there is not sufficient funds to pay the debt service on these bonds. The City has authorized bonding in an amount equal to the refunding bonds to fund such payments if necessary. The agreement will terminate upon mutual consent of the parties thereto; or upon final payment of the bonds. There are bonds outstanding at June 30, 2011 of \$6,190,000.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

In connection with the construction and operation of a parking facility within the Midtown Elizabeth Redevelopment Area the City has entered into a Subsidy Agreement with PACE QALICB, Inc., a nonprofit corporation organized and existing under the laws of the State of New Jersey providing for payment by the City to or on behalf of the Corporation, if necessary, to assume the timely payment of principal and interest on the \$16,520,000 Series 2010 Bonds.

In connection with the acquisition and renovation by CIS Oakwood, LLC of an affordable residential development in the City of Elizabeth, including the demolition of existing facilities and their replacement with new, affordable housing for seniors and families, the City has entered into a Deficiency Agreement with the County of Union and the UCIA. The UCIA issued not to exceed \$20,000,000 Guaranteed Mortgage Revenue Notes, Series 2010 in order to restructure the debt service under the \$16,870,000 Union County Guaranteed Revenue Bonds, Series 2009. The Series 2010 refunding was necessary to allow the project a longer term to be self-supporting and to allow for the receipt of New Jersey Department of Community Affairs funds and other grants over a longer period of time. Pursuant to the Deficiency Agreement, the City will make payment to the County for one-half, not to exceed \$10,000,000 of the principal and interest on the Series 2010 Bonds that may be paid by the County of Union under their Guaranty with UCIA.

(20) Other Loans

1998 New Jersey Department of Transportation Loan

Future payments for this \$5,000,000 loan as of June 30, 2011 will be \$500,000 per year after the initial payment date is established.

Water Front Park Project Loan

The repayment schedule for this \$821,796 loan has not yet been established.

2002 Underground Storage Tank Loan

Future payments for this loan as of June 30, 2011 are:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2012	<u>87,720</u>
	\$87,720

2003 Demolition Loan

Future payments for this loan as of June 30, 2011 are:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2012	<u>85,800</u>
Total	85,800
Less interest	<u>3,300</u>
Principal Balance	\$ 82,500

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2011

(21) Subsequent Event

On July 6, 2011 the City issued \$2,715,000 of General Improvement Refunding Bonds, Series 2011 and \$2,555,000 Sewer Utility Refunding Bonds, Series 2011. Interest rates range from 2.25% to 5%. The Refunding Bonds are issued to (i) refund (a) \$2,615,000 of the City's General Improvement Bonds, Series 2001 dated November 1, 2001, maturing November 1 in the years 2012 to 2021, inclusive, (b) \$2,010,000 of the City's Sewer Utility Bonds, Series 2001 dated November 1, 2001, maturing November 1 in the years 2012 to 2021, inclusive, and (c) \$465,000 of the City's Sewer Utility Refunding Bonds, Series 2001 dated December 1, 2001, maturing November 15 in the years 2011 and 2012, and (ii) pay costs of issuance in connection with the issuance of the Refunding Bonds.

ADDITIONAL FINANCIAL INFORMATION

CITY OF ELIZABETH

Schedule of Current Cash - Treasurer

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>38,351,264</u>
Increased by receipts:	
Due from State of New Jersey	354,304
Federal and State grants receivable	21,095,476
Taxes receivable	201,256,981
Tax title liens	174,230
Revenue accounts receivable	60,312,593
Reserve for special purposes	5,074,144
Miscellaneous payables and deposits	654,212
Emergency Notes	3,000,000
Miscellaneous	185,341
Nonbudget revenue	<u>3,030,228</u>
	<u>295,137,509</u>
	<u>333,488,773</u>
Decreased by disbursements:	
Budget appropriations	172,465,418
Appropriation reserves	4,742,533
Accounts payable	9,990
County taxes payable	33,249,139
Special district taxes payable	420,000
School taxes	48,673,325
Miscellaneous payables and deposits	566,898
Interfunds	68,666
Federal and State grants advance - net	22,287,828
Reserve for special purposes	<u>7,499,673</u>
	<u>289,983,470</u>
Balance, June 30, 2011	\$ <u><u>43,505,303</u></u>

CITY OF ELIZABETH

Schedule of Due from State of New Jersey -
Senior Citizens' and Veterans' Deductions

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>332,661</u>
Increased by:	
Senior Citizens' deductions per tax billings	167,250
Veterans' deductions per tax billings	203,500
Senior Citizens' deductions allowed by Tax Collector	9,500
Veterans' deductions allowed by Tax Collector	<u>2,500</u>
	<u>382,750</u>
	<u>715,411</u>
Decreased by:	
Cash received	354,304
Senior Citizens' deductions disallowed by Tax Collector	<u>51,210</u>
	<u>405,514</u>
Balance, June 30, 2011	\$ <u><u>309,897</u></u>

CITY OF ELIZABETH

Schedule of Taxes Receivable and Analysis of
Property Tax Levy

Current Fund

Year ended June 30, 2011

Year	Balance, June 30, 2010	2011 tax levy	Additional charges	Collections 2011	Veterans and Senior Citizens	Transferred to tax title liens	Remitted, abated or canceled	Balance, June 30, 2011
2004	\$ 457	—	—	—	—	—	—	457
2006	2,829	—	—	—	—	—	—	2,829
2007	10,307	—	—	—	—	—	—	10,307
2008	81,599	—	—	—	—	—	—	81,599
2009	125,781	—	—	—	—	—	—	125,781
2010	6,312,623	—	—	6,215,507	—	75,346	—	21,770
	6,533,596	—	—	6,215,507	—	75,346	—	242,743
2011	—	203,243,054	—	195,041,474	331,540	439,223	397,349	7,033,468
	\$ 6,533,596	203,243,054	—	201,256,981	331,540	514,569	397,349	7,276,211

Analysis of Property Tax Levy

Tax levy:	
Local school district tax	\$ 48,673,325
County taxes	31,885,212
County tax - added and omitted	1,251,298
County Open Space Tax	112,629
Special Improvement district	420,000
Local tax for municipal purposes	117,967,253
Additional taxes levied (adjustment)	2,933,337
Actual taxes levied	\$ 203,243,054

CITY OF ELIZABETH

Schedule of Tax Title Liens Receivable

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>1,302,040</u>
Increased by:	
Transfers from property taxes receivable	514,569
Interest and costs	<u>19,099</u>
	<u>533,668</u>
	<u>1,835,708</u>
Decreased by:	
Collections	<u>174,230</u>
Balance, June 30, 2011	\$ <u><u>1,661,478</u></u>

CITY OF ELIZABETH

Schedule of Property Acquired for Taxes

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>2,504,200</u>
Balance, June 30, 2011	\$ <u>2,504,200</u>

CITY OF ELIZABETH

Schedule of Revenue Accounts Receivable

Current Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Accrued in 2011	Collected	Balance, June 30, 2011
Licenses:				
Alcoholic beverages	\$ —	193,796	193,796	—
Other	—	585,589	585,589	—
Fees and permits	—	708,264	708,264	—
Municipal Court - fines and costs	17,568	4,337,053	4,280,798	73,823
Interest and costs on taxes	—	1,669,845	1,669,845	—
Interest on investments and deposits	—	414,736	414,736	—
LEAA rebates - fire	—	159,953	159,953	—
Franchise assessments - Jersey Garden Mall	—	5,279,161	5,279,161	—
Airport parking tax	—	1,332,434	1,332,434	—
Port Authority capital projects aid	—	3,000,000	3,000,000	—
Receipts from Port Authority - Leased Property 13A	—	480,000	480,000	—
Rental of City property	—	1,700	1,700	—
Dock rental fees	—	94,528	94,528	—
Sale of junk vehicles and other property	—	13,100	13,100	—
CATV fees	—	273,375	273,375	—
Solid waste disposal - host community	—	239,722	239,722	—
Emergency medical services - ambulance charges	9,265,786	3,163,769	2,403,643	10,025,912
Miscellaneous gasoline sales	—	202,839	202,839	—
P.I.L.O.T. - Pierce Manor Corp.	—	334,557	334,557	—
P.I.L.O.T. - Port Authority NY/ NJ	—	63,242	63,242	—
P.I.L.O.T. - IKEA	—	842,181	842,181	—
P.I.L.O.T. - Residential	—	874,975	874,975	—
P.I.L.O.T. - R.W.B. Associates	—	221,316	221,316	—
P.I.L.O.T. - Newark/North Avenue	—	81,376	81,376	—
P.I.L.O.T. - IKEA - Toys R Us	—	139,753	139,753	—
P.I.L.O.T. - IKEA Expansion	—	289,488	289,488	—
P.I.L.O.T. - Elizabeth Senior Citizens, National Church Residence	—	38,768	38,768	—
P.I.L.O.T Immaculate Conception Residence	—	64,970	64,970	—
P.I.L.O.T Marina Village Residence	—	27,675	27,675	—
P.I.L.O.T 349 First street	—	14,401	14,401	—
P.I.L.O.T Winfield Scott Residence	—	27,161	27,161	—
P.I.L.O.T. - Atalanta (DanicC	—	171,963	171,963	—
P.I.L.O.T. - West Port Homes	—	70,380	70,380	—
State aid without offsetting appropriations:				
Consolidated municipal property relief act	—	8,274,684	8,274,684	—
Energy Receipts Tax	—	20,916,003	20,916,003	—
Dedicated uniform construction code fees offset with appropriations:				
Uniform construction code fees	—	796,770	796,770	—
Parking Tax	—	1,110,900	1,110,900	—
Hotel and Motel Occupancy Tax	—	3,114,684	3,114,684	—
Hotel Occupancy Tax	—	1,503,863	1,503,863	—
	<u>\$ 9,283,354</u>	<u>59,625,111</u>	<u>60,312,593</u>	<u>10,099,735</u>

CITY OF ELIZABETH

Schedule of Interfund Accounts Receivable (Payable)

Current Fund

Year ended June 30, 2011

	General Capital Fund	Community Develop- ment Block Grant	Total
Balance, June 30, 2010, Due from (to)	\$ (68,666)	(25,347)	(94,013)
Increased by:			
Transfer from reserves	204,513	—	204,513
Cash disbursed	68,666	—	68,666
	<u>273,179</u>	<u>—</u>	<u>273,179</u>
Balance, June 30, 2011, Due from (to)	\$ <u>204,513</u>	<u>(25,347)</u>	<u>179,166</u>

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2011

Description	Balance June 30, 2010	Balance after transfers	Paid or charged	Balance lapsed
Salaries and wages:				
City Council	\$ 33	33	—	33
Alcoholic Beverage Control	59	59	—	59
City Clerk	12	12	—	12
Elections	8,000	8,000	625	7,375
Mayor's Office	12	12	—	12
Department of Law	7,275	7,275	—	7,275
Business Administrator's Office	68	68	—	68
Division of Budget and Personnel	24	24	—	24
Division of Purchasing	32	32	—	32
Division of Data Processing	2,272	2,272	—	2,272
Division of Employee Benefits	1,444	1,444	—	1,444
Division of EMS Billing and Collection	5,294	5,294	—	5,294
Division of Accounts and Controls	5,664	5,664	—	5,664
Division of Assessments	6,944	6,944	—	6,944
Division of Revenue	1,983	1,983	—	1,983
Department of Neighborhood Services:				
Bureau of Construction and Zoning	13,374	13,374	—	13,374
Bureau of Housing	1,459	1,459	—	1,459
Bureau of Central Licensing	7,940	7,940	—	7,940
Bureau of Rent Control	43	43	—	43
Agency of Weights and Measures	28	28	—	28
Department of Policy and Community Development:				
Director's Office	6,754	6,754	—	6,754
Bureau of Public Information and Citizen Participation and Services	8,015	8,015	—	8,015
Bureau of Planning and Zoning	124	124	—	124
Bureau of Economic Development	40	40	—	40
Bureau of Cultural & Heritage Affairs	1,908	1,908	—	1,908
Human Rights Commission	49	49	—	49
Department of Public Works:				
Director's Office	1,863	1,863	—	1,863
Bureau of Public Buildings	68,657	68,657	—	68,657
Bureau of Streets, Parks and Trees	214,854	214,854	—	214,854
Bureau of Yard Maintenance and Equipment	19,579	23,689	—	23,689
Marina	9,420	9,420	—	9,420
Division of Recycling	7,040	7,040	—	7,040

(continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2011

Description	Balance June 30, 2010	Balance after transfers	Paid or charged	Balance lapsed
Department of Health, Welfare and Housing:				
Director's Office	\$ 1	1	—	1
Division of Health	28,127	28,127	—	28,127
Division of Human Services	1,018	1,018	—	1,018
Office of Social Services:	23,099	23,099	—	23,099
Office of Vital Statistics	7,444	7,444	—	7,444
Office of Youth Services	25,818	25,818	—	25,818
Office on Aging	39,743	39,743	—	39,743
Division Air Pollution	603	603	—	603
Office of Relocation	11,415	11,415	—	11,415
Public Health Nurses Division	36,619	36,619	—	36,619
Public Safety:				
Fire Department	4,609	4,609	—	4,609
Uniform Fire Safety Act	1,236	1,236	—	1,236
Police Department	1,624,247	1,089,885	(49,452)	1,139,337
Emergency Medical Services	44,804	44,804	—	44,804
Recreation Department	50,096	50,096	—	50,096
Municipal Court	236,008	238,189	—	238,189
Other expenses:				
City Council	17,148	17,507	657	16,850
Alcoholic Beverage Control	1,411	2,226	1,245	981
City Clerk	4,134	4,224	116	4,108
Elections	42,000	42,000	9,156	32,844
Printing and Publications	108,876	116,382	7,502	108,880
Mayor's Office	2,434	2,571	479	2,092
Department of Law	139,343	146,157	15,329	130,828
Business Administrator's Office	45,898	168,217	142,969	25,248
Public Safety Telecommunications	—	—	—	—
Division of Budget and Personnel	20	266	246	20
Division of Purchasing	83,723	97,241	26,243	70,998
Division of Data Processing	79,171	167,122	81,873	85,249
Division of Employee Benefits	7	268	261	7
Division of Accounts and Controls	6,951	7,902	1,078	6,824
Audit Fees	—	14,250	14,250	—
Audit other funds	—	14,250	14,250	—
Single Audit	—	14,250	14,250	—
Financial Audit	—	5,000	5,000	—
Division of Assessments	6,713	22,706	17,021	5,685
Division of Revenue	1,069	24,889	21,417	3,472

(continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2011

Description	Balance June 30, 2010	Balance after transfers	Paid or charged	Balance lapsed
Department of Neighborhood Services:				
Director's Office	\$ 2,434	2,434	—	2,434
Bureau of Construction and Zoning	135,555	136,540	8,928	127,612
Division of Housing	5,105	5,435	867	4,568
Central License Bureau	15,267	16,206	7,756	8,450
Bureau of Rent Control	4,543	5,160	617	4,543
Division of Weights and Measures	709	709	—	709
Department of Planning & Community Development:				
Director's Office	2,695	2,695	—	2,695
Bureau of Public Information and Citizen Participation and Services	42,642	44,200	33,407	10,793
Bureau of Community Development	762	762	—	762
Bureau of Planning and Zoning	54,597	92,175	39,849	52,326
Bureau of Economic Development	1,142	1,142	—	1,142
Bureau of Elizabeth Home Improvement	78	258	227	31
Bureau of Cultural & Heritage Affairs	22,635	27,335	8,965	18,370
Human Rights Commission	2,443	2,443	—	2,443
Department of Public Works:				
Director's Office	4,137	4,236	220	4,016
Bureau of Public Buildings	8,536	233,764	205,500	28,264
Bureau of Streets, Parks and Trees	129	27,123	18,470	8,653
Bureau of Yard Maintenance and Equipment	8,331	269,911	266,976	2,935
Marina	26,932	103,162	85,468	17,694
Recycling Program	108	5,149	5,041	108
Garbage and Trash Removal	993,480	1,053,322	691,536	361,786
Department of Health and Human Services:				
Director's Office	122,240	123,251	1,436	121,815
Division of Human Services	8,913	9,051	187	8,864
Division of Health	160,109	420,438	164,334	256,104
Office of Social Services:	8,384	8,384	—	8,384
Office of Vital Statistics	903	2,234	1,394	840
Office of Youth Services	178,374	225,562	90,271	135,291
Office of Relocation	64,295	70,584	9,564	61,020
Office on Aging	42,029	49,489	7,462	42,027
Public Safety:				
Fire Department	276,368	378,989	107,368	271,621
Uniform Fire Safety Act	46,885	51,350	4,803	46,547
Police Department	541,413	848,957	328,224	520,733
Emergency Medical Services	38,166	74,207	27,164	47,043
Recreation Department	71,080	141,440	86,310	55,130
Insurance	123,321	158,117	127,296	30,821

(continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2011

Description	Balance June 30, 2010	Balance after transfers	Paid or charged	Balance lapsed
Group Insurance	\$ 33,384	33,384	—	33,384
Hospital, Medical, Dental Insurance	1,935,395	2,302,907	1,327,687	975,220
Cobra Administration	1,455	4,564	1,769	2,795
Right to Know Law	15,000	15,000	—	15,000
Annual Dues:				
N.J. State League of Municipalities	10,000	10,000	—	10,000
Utilities:				
Electricity	629	175,336	124,745	50,591
Street Lighting	117,430	394,482	270,629	123,853
Natural Gas	231,591	237,757	10,326	227,431
Gasoline	250,306	350,072	290,981	59,091
Fuel Oil	3,952	3,952	—	3,952
Telephone	1,613	196,239	137,993	58,246
Postage	57,907	83,294	25,387	57,907
Contingent	112,651	122,651	9,200	113,451
Contributions to:				
Public Employees' Retirement System	82,815	82,815	—	82,815
Social Security System (O.A.S.I.)	114,439	114,439	(282)	114,721
Police and Firemen's Retirement System of N. J.	162,397	162,397	—	162,397
Assessment for CIF/RTK	8,000	8,000	2,668	5,332
N.J. Unemployment Fund	8,833	83,833	44,790	39,043
Municipal Court	26,886	56,257	46,470	9,787
Public Defender	126,100	129,700	9,600	120,100
Matching Funds - City Grants	333,229	333,229	—	333,229
	\$ <u>9,722,800</u>	<u>12,371,029</u>	<u>4,956,118</u>	<u>7,414,911</u>

CITY OF ELIZABETH

Schedule of Accounts Payable

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	419,771
Increased by transfers from 2010 appropriations		<u>213,585</u>
		633,356
Decreased by:		
Disbursed		<u>9,990</u>
Balance, June 30, 2011	\$	<u><u>623,366</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Special Purposes

Current Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Receipts	Decreased	Balance, June 30, 2011
Purchases of ABC licenses	\$ 507,854	32,800	—	540,654
Tax overpayments	975,450	3,806,570	3,966,353	815,667
Metromall loan	—	800,000	—	800,000
Unallocated reserve	—	631,008	—	631,008
Workmen's compensation insurance	—	20,312	20,312	—
Reserve for Admin Fee off duty police	—	583,453	583,453	—
Sales tax	—	1	—	1
Accumulated absences	—	1,422,912	—	1,422,912
Reserve for arbitrage	90,069	—	58,764	31,305
Reserve for tax appeals	1,401,137	2,500,000	2,870,791	1,030,346
	<u>\$ 2,974,510</u>	<u>9,797,056</u>	<u>7,499,673</u>	<u>5,271,893</u>
Cash received	\$ 5,074,144	—	—	
Cash disbursed	—	—	7,499,673	
Transferred	—	4,722,912	—	
		<u>\$ 9,797,056</u>	<u>7,499,673</u>	

CITY OF ELIZABETH

Schedule of County Taxes Payable

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u> —</u>
Increased by levy:	
General County	31,885,212
Open Space Preservation	1,251,298
Added and omitted taxes	<u>112,629</u>
	<u>33,249,139</u>
	33,249,139
Decreased by payments	<u>33,249,139</u>
Balance, June 30, 2011	\$ <u><u> —</u></u>

CITY OF ELIZABETH

Schedule of Special District Taxes Payable

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	—
Increased by tax levy		<u>420,000</u>
		420,000
Decreased by payments		<u>420,000</u>
Balance, June 30, 2011	\$	<u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Local District School Taxes

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	—
Increased by school tax levy		<u>48,673,325</u>
		48,673,325
Decreased by payments		<u>48,673,325</u>
Balance, June 30, 2011	\$	<u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Encumbrances Payable

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	2,646,300
Increased by:		
Transfer from appropriations		<u>2,058,018</u>
		<u>4,704,318</u>
Decreased by:		
Transfer to appropriation reserves		<u>2,646,300</u>
Balance, June 30, 2011	\$	<u><u>2,058,018</u></u>

CITY OF ELIZABETH

Schedule of Miscellaneous Payables and Deposits

Current Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Increases	Decreases	Balance, June 30, 2011
Deposits:				
Foreclosed property	\$ 74,910	—	—	74,910
Franchise assessments due to county	378,529	588,173	561,702	405,000
Special sales	6,600	20,000	5,000	21,600
Prepaid taxes	—	196	196	—
Unreconciled property taxes	6,337	45,843	—	52,180
	<u>\$ 466,376</u>	<u>654,212</u>	<u>566,898</u>	<u>553,690</u>

CITY OF ELIZABETH

Schedule of Emergency Notes

Current Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	—
Increased by:		
Notes issued		<u>3,000,000</u>
Balance, June 30, 2011	\$	<u><u>3,000,000</u></u>

CITY OF ELIZABETH

Schedule of Due to Current Fund

Federal and State Grant Fund

Year ended June 30, 2011

Balance, (Due to) June 30, 2010	\$ <u>(1,909,584)</u>
Increased by:	
Budget appropriations for grants	16,583,863
Federal and State grants received	21,095,476
Receivables canceled	3,526,520
Adjustment to prior year appropriations	<u>2,181</u>
	<u>41,208,040</u>
	<u>39,298,456</u>
Decreased by:	
Realized grant revenue	15,649,450
Reserves canceled	3,467,710
Federal and State grants expended	<u>22,291,938</u>
	<u>41,409,098</u>
Balance, (Due to) June 30, 2011	\$ <u><u>(2,110,642)</u></u>

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
Morris Ave. Streetscape	\$ 98,755	—		—	98,755	—
UEZ 01-74 East Jersey Streetscape Improvement Design	1,000	—	—	—	—	1,000
Field of Dreams	7,894	—	—	—	—	7,894
Lead Paint Analyzer Grant	11,610	—	—	—	—	11,610
Centers of Place Program Bike	2,318	—	—	—	2,318	—
Transportation Enhancement FY03	270,498	—	263,966	—	—	6,532
Green the Streets Local Share	56,957	—	—	—	—	56,957
First Responder Preparation Grant	6,825	—	—	—	—	6,825
Recreational Opportunities Individuals with Disability	15,000	—	—	—	—	15,000
Recreational Opportunities Individuals with Disability Local Share	1,500	—	—	—	—	1,500
Elizabeth Avenue Streetscape Grant - NJDOT	500,000	—	500,000	—	—	—
Lead based Paint Grant	45,189	—	150	—	—	45,039
UEZ 2nd gen Greater Elizabeth Midtown (local)	5,000	—	—	—	—	5,000
UEZ 2nd gen Broad and Morris Ave. (local)	3,543	—	—	—	—	3,543
UEZ 2nd Gen Upstairs/ Downstairs (local)	153,655	—	—	—	—	153,655
UEZ 05-97 Portside Homes Infrastructure	57,752	—	57,752	—	—	—
UEZ 05-95 Broad St. Streetscape	1,621,070	—	432,673	—	—	1,188,397
Future City KH Flower (private funds)	60,709	—	—	—	—	60,709
Future City KH Flower local share	7,923	—	—	—	—	7,923
Lead based paints 82 Livingston St.	4,422	—	—	—	—	4,422
Statewide Livable Communities Grant - 6th street	3,050	—	—	—	—	3,050
BH Associates 64	21,500	—	—	—	—	21,500
NPP increase 01-1626-05	21,658	—	—	—	21,658	—
UEZ 2nd gen East Jersey Street (local)	246,387	—	—	—	—	246,387
UEZ Wayfinding study increase	4,679	—	—	—	—	4,679
Enhanced 9-1-1 Equipment Grant	59,000	—	—	—	—	59,000
Enhanced 9-1-1 Equipment Grant	306,997	—	—	—	—	306,997

(Continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
Enhanced 9-1-1 General Assistance Grant	43,125	—	—	—	—	43,125
Kids Recreation Trust Grant - Union County	\$ 350,000	—	—	—	—	350,000
UEZ 2nd gen Midtown Concert (local)	3,097	—	—	—	—	3,097
UEZ 07-151 Elizabeth Ave. Streetscape	4,411,313	—	940,010	—	2,000,000	1,471,303
Recycling Tonnage Grant	27,504	—	3,439	—	—	24,065
UEZ 08-41 Financial Lending	775,615	—	—	—	—	775,615
Lead Based Paint Abatement	30,168	—	—	—	—	30,168
2007 Body Armor Replacement Fund	283	—	283	—	—	—
UEZ 08-104 Midtown Elizabeth Train Station	290,246	—	262,229	—	—	28,017
DEP HDSRF Three Elizabeth BDA Sites	242,309	—	—	—	—	242,309
Pandemic Influenza Funding Phase III	7,247	—	—	—	—	7,247
Preserve Union County Public Library	50,000	—	—	—	—	50,000
Preserve Union County Public Library- local	50,000	—	—	—	—	50,000
Clean Communities FY 2008	24,305	—	20,003	—	—	4,302
UEZ 08-146 Streetscape	885,247	—	—	—	—	885,247
UEZ 08-147 Powerwashing and Graffiti Removal	446,556	—	24,250	—	—	422,306
UEZ 08-148 Façade	192,843	—	20,025	—	—	172,818
Recycling Tonnage Grant 2006	25,231	—	20,125	—	—	5,106
Kids Recreation Fund-Local Share	100,000	—	60,120	—	—	39,880
UEZ 09-46 Marketing Plan 2009	344,523	—	87,298	—	—	257,225
Kids Recreation Trust Fund	72,943	—	72,943	—	—	—
Kids Recreation Trust Fund	70,000	—	69,919	—	—	81
Kids Recreation Fund-Local Share	70,000	—	—	—	—	70,000
COPS other tech 2008	7,682	—	2,415	—	—	5,267
CY-2009 Municipal Alliance	20,443	—	9,500	—	—	10,943
UEZ 09-101 Way Finding Program	28,172	—	—	—	—	28,172
Clean Communities FY 2009	55,815	—	14,644	—	—	41,171

Continued

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
UEZ 09-132 City of Elizabeth Festivals	\$ 1,636	—	—	—	1,636	—
UEZ 09-129 Way Finding Signage	580,141	—	80,340	—	—	499,801
DOT Broad Street Streetscape	503,948	—	503,948	—	—	—
Broad Street Streetscape DOT	511,000	—	511,000	—	—	—
H.O.P.W.A. FY 2010	357,365	—	357,365	—	—	—
Greening Union County 2009 - Local Share	8,950	—	8,950	—	—	—
Body Armor 2009	8,656	—	8,656	—	—	—
Clean Communities Grant 2010	94,441	—	63,015	—	—	31,426
Municipal Alliance Grant 2009	70,449	—	49,080	—	—	21,369
Municipal Alliance Grant 2009 - Local Share	17,612	—	17,612	—	—	—
Alcohol Education Rehabilitation	—	—	—	2,181	—	2,181
Alcohol Education Rehabilitation and Enforcement	2,262	—	—	—	—	2,262
STD Grant 2009	11,334	—	11,334	—	—	—
Summer Food Services Program	64,174	—	18,182	—	45,992	—
Lead ID and Testing Grant	1,920	—	1,920	—	—	—
State Health Services Grant 2010	197,512	—	18,747	—	—	178,765
Port Security Grant (ARRA)	1,850,000	—	1,736,615	—	—	113,385
COPS Hiring Recovery Program	4,456,181	—	1,241,738	—	—	3,214,443
UASI Fire Subcommittee Coordinator Position	129	—	117	—	12	—
Elizabeth Ave. Streetscape NJDOT	500,000	—	—	—	—	500,000
Acquisition of 1 West End Place	82,642	—	8,142	—	—	74,500
Recycling Tonnage Grant 2007	79,468	—	—	—	—	79,468
Edward Byrne Memorial JAG	—	—	—	—	—	—
Edward Byrne Memorial JAG 2009- DJ-BX-1319	125,904	—	114,345	—	—	11,559
Safe and Secure Grant 2009	—	—	—	—	—	—
Energy Efficiency and Conservation Block Grant	1,176,700	—	743	—	—	1,175,957

(Continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
N.J. Urban Enterprise Zone (UEZ):						
09-127 Police Security 12 Officers	\$ 102,252	—	49,319	—	52,933	—
09-127 Police Security 12 Officers- Local Share	25,563	—	12,330	—	13,233	—
09-128 Commercial District Security Program	45,748	—	38,545	—	7,203	—
09-128 Commercial District Security Program - Local Share	11,437	—	9,636	—	1,801	—
09-130 Graffiti and Litter Removal Program	25,528	—	4,110	—	21,418	—
09-149 Invest Elizabeth Economic Stimulus Program	1,280,000	—	18,000	—	1,066,000	196,000
09-150 Westfield Ave. Median Planting Program	565,053	—	31,204	—	—	533,849
09-151 Midtown Sewer Rehab	363,544	—	323,400	—	—	40,144
09-10 Administrative 2009	144,102	—	96,068	—	48,034	—
09-28 Acquisition of 1084-1086 Elizabeth Ave.	432,492	—	—	—	—	432,492
09-167 Financial Lending Program III	806,332	—	734,942	—	71,390	—
09-168 Liberty International Initiative GNC & Visitor Bureau	657,030	—	300,012	—	—	357,018
09-169 Façade Improvement Program VII	198,600	—	127,680	—	—	70,920
09-753 Purchase of Four Police Scooters	87,981	—	79,315	—	8,666	—
10-112 Renewable Energy Capital Stimulus Grant	931,000	—	248,243	—	—	682,757
10-342 Revitalization Feasibility Study - Morris Ave.	128,320	—	92,795	—	—	35,525
09-130 Graffiti and Litter Removal Program III	35,656	—	28,995	—	6,661	—
Customer Service Skills Training Initiative Phase 2	105,000	—	105,000	—	—	—
Construction of Building- Trinitas Hosp. Regional Ed. Facility	500,000	—	—	—	—	500,000
GO Elizabeth - NJ Monthly Star Ledger Insert	112,000	—	112,000	—	—	—
Elizabeth Streetscape Phase IV	46,940	—	—	—	—	46,940
Elizabeth Streetscape Phase IV - Local Share	2,860	—	—	—	—	2,860
09-167 Financial Lending Program III Increase	30,692	—	—	—	—	30,692
06-90 Historic Midtown Elizabeth SID 2010	102,250	—	102,250	—	—	—
North Broad Streetscape	148,080	—	18,000	—	—	130,080
North Broad Streetscape Local Share	3,520	—	—	—	—	3,520

(continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
CCTV Public Security Project	\$ 2,134,856	—	630,805	—	—	1,504,051
CCTV Public Security Project - Local Share	91,590	—	—	—	—	91,590
Drunk Driving Enforcement Grant	—	11,649	—	—	—	11,649
Drunk Driving Enforcement Grant 2009	—	61,985	17,993	—	—	43,992
H.O.P.W.A. FY 2011	—	931,200	377,891	—	—	553,309
H.O.P.W.A. 2009 increase	—	35,458	8,607	—	—	26,851
Greening Union County	—	7,450	7,450	—	—	—
Greening Union County - local share	—	7,450	7,450	—	—	—
Body Armor 2010	—	27,702	27,260	—	—	442
Clean Communities Grant 2011	—	134,704	40,605	—	—	94,099
Clean Communities Grant	—	56,310	—	—	—	56,310
Municipal Alliance Grant 2011	—	82,881	21,031	—	—	61,850
Municipal Alliance Grant 2011 - local share	—	20,720	5,180	—	—	15,540
Shipboard Firefighting Personal Protective Equipment	—	586,013	586,013	—	—	—
Shipboard Firefighting Personal Protective Equipment - Local share	—	195,337	194,137	—	—	1,200
Alcohol Education Rehabilitation and Enforcement	—	4,638	—	—	—	4,638
STD Grant 2011	—	45,335	—	—	—	45,335
Pedestrian Safety Education and Enforcement Grant 2010	—	20,000	19,700	—	—	300
Summer Food Services Program	—	260,996	136,489	—	—	124,507
NSP Elizabethport Neighborhood Development Project	—	500,000	450,000	—	—	50,000
NSP 628-630 South Park St. Rehabilitation	—	240,000	216,000	—	—	24,000
NSP MAR Acquisition Group LLC E'PORT Neighborhood	—	349,317	323,861	—	—	25,456
NSP MAR Acquisition Group LLC New Point Neighborhood	—	447,139	97,150	—	—	349,989
NSP 88 Division Street	—	720,000	720,000	—	—	—
NSP East Jersey Street	—	750,000	750,000	—	—	—
NSP 807 Martin St.	—	203,000	—	—	—	203,000
NSP E'PORT Homeownership Phase II	—	600,000	—	—	—	600,000

(continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
NSP Emma St. Project	\$ —	300,000		—	—	300,000
Division of Highway Safety 2010	—	4,550	4,550	—	—	—
Edward Byrne - Targeting Violent Crime	—	69,000	69,000	—	—	—
Dept. of Homeland Security Emergency Management Grant	—	10,000	—	—	—	10,000
Dept. of Homeland Security Emergency Management Grant - local share	—	10,000	—	—	—	10,000
Safe Streets to Transit	—	150,000	—	—	—	150,000
UASI Urban Areas Security Initiative 2009	—	25,000	—	—	—	25,000
Non Public School Nursing Grant	—	126,752	126,752	—	—	—
Union County Children's Recreation Grant	—	150,000	1,350	—	—	148,650
Kids Recreation Trust Fund	—	200,000	—	—	—	200,000
Kids Recreation Trust Fund - local share	—	183,510	—	—	—	183,510
NJDOT Traffic Safety North Ave. & Broad St.	—	300,000	—	—	—	300,000
Safe and Secure Grant 2011	—	147,409	—	—	—	147,409
Safe and Secure Grant 2011 - local share	—	36,852	—	—	—	36,852

(continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Transfers from Budget Appropriations	Expended	Adjustments	Cancelled	Balance, June 30, 2011
N.J. Urban Enterprise Zone (UEZ):						
10-0759 Police Security 9 Officers 2011	\$ —	812,626	767,335	—	—	45,291
10-0759 Police Security 9 Officers 2011 - local share	—	203,157	191,834	—	—	11,323
10-0760 Commercial District Security Program	—	666,730	636,712	—	—	30,018
10-0760 Commercial District Security Program - local share	—	166,682	159,641	—	—	7,041
09-130 Graffiti and Litter Removal Program 2011	—	442,821	432,979	—	—	9,842
09-130 Graffiti and Litter Removal Program 2011 - local share	—	110,705	110,705	—	—	—
10-07610 Elizabeth Ave. SID 2010-11	—	222,750	222,750	—	—	—
Marketing Initiative - Employment and Training	—	395,400	264,000	—	—	131,400
Loan Elberon Development Co. LLC	—	2,500,000	2,500,000	—	—	—
Administrative 2010	—	669,000	578,441	—	—	90,559
10-18 SGF Financial Lending Program IV	—	2,229,385	1,366,705	—	—	862,680
Historic Midtown Elizabeth SID 2011	—	152,250	76,125	—	—	76,125
	<u>\$ 32,859,572</u>	<u>16,583,863</u>	<u>22,291,938</u>	<u>2,181</u>	<u>3,467,710</u>	<u>23,685,968</u>
Local Share	\$ 934,413					
Grants		<u>15,649,450</u>				
		<u>\$ 16,583,863</u>				
		State	\$ 14,164,618			
		Federal	7,660,243			
		Local	315,415			
		County	<u>151,662</u>			
			<u>\$ 22,291,938</u>			

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Budget	Collected	Adjustments	Cancelled	Balance, June 30, 2011
Morris Ave. Streetscape	\$ 98,860	—	—	—	98,860	—
Field of Dreams	20,000	—	—	—	—	20,000
Transportation Enhancement FY03	400,000	—	24,990	—	—	375,010
Green the Streets	125,000	—	—	—	—	125,000
BALANCED HOUSING Assoc. 64	21,500	—	—	—	—	21,500
Elizabeth Avenue Streetscape Grant - NJDOT	500,000	—	—	—	—	500,000
Historic Midtown Elizabeth Neighborhood Revitalization Plan	40,000	—	—	—	—	40,000
Kids Recreational Trust	22,700	—	—	—	—	22,700
Lead based Paint Grant	38,302	—	—	—	—	38,302
N.J. Urban Enterprise Zone (UEZ):						
UEZ 05-97 Portside Homes Infrastructure	57,752	—	57,752	—	—	—
UEZ 05-95 Broad St. Streetscape	1,621,070	—	432,323	—	—	1,188,747
Future City/ Keighry Head Fl.	67,000	—	—	—	—	67,000
Federal Bullet proof Vest Grant	5,626	—	—	—	—	5,626
NPP Award Increase	49,801	—	—	—	49,801	—
Bulletproof vest grant	4,264	—	—	—	—	4,264
Kids Recreation Trust Grant - Union County	175,000	—	—	—	—	175,000
N.J. Urban Enterprise Zone (UEZ):						
UEZ 07-151 Elizabeth Ave. Streetscape	4,411,313	—	940,010	—	2,000,000	1,471,303
Federal Bulletproof Vest Partnership	8,562	—	—	—	—	8,562
UEZ 08-41 Financial Lending	1,025,616	—	—	—	—	1,025,616
Lead Based Paint Abatement (LICAR)	30,168	—	—	—	—	30,168
UEZ 08-104 Midtown Elizabeth Train Station	290,246	—	214,985	—	—	75,261
DEP HDSRF Three Elizabeth BDA Sites	33,813	—	—	—	—	33,813
Preserve Union County Public Library	50,000	—	—	—	—	50,000
			—			

(Continued)

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Budget	Collected	Adjustments	Cancelled	Balance, June 30, 2011
UEZ 08-146 Streetscape	\$ 885,247	—	—	—	—	885,247
UEZ 08-147 Powerwashing and Graffiti Removal	446,556	—	24,250	—	—	422,306
UEZ 08-148 Façade	199,043	—	25,225	—	—	173,818
UEZ 09-14 Cust serv skills training Phase 1	75,000	—	75,000	—	—	—
Kids Recreation Fund-Local Share	100,000	—	100,000	—	—	—
UEZ 09-46 Marketing Plan 2009	344,523	—	87,298	—	—	257,225
Kids Recreation Trust Fund	35,000	—	—	—	—	35,000
Greening Union County	14,550	—	—	—	—	14,550
COPS other tech 2008	37,149	—	31,883	—	—	5,266
UEZ 09-76 Historic Midtown Eliz SID	132,958	—	132,958	—	—	—
Eliz. Midtown Transit Village	25,000	—	—	—	—	25,000
UEZ 09-101 Way Finding Program	36,152	—	7,981	—	—	28,171
This Way to Elizabeth Assistance Res. DOT	75,000	—	—	—	—	75,000
Relocation Assistance Saxony Motel	9,250	—	—	—	—	9,250
UEZ 09-132 City of Elizabeth Festivals	49,840	—	48,223	—	1,617	—
UEZ 09-129 Way Finding Signage	676,573	—	176,772	—	—	499,801
DOT Broad Street Streetscape	503,948	—	—	—	—	503,948
Broad Street Streetscape DOT	511,000	—	—	—	—	511,000
H.O.P.W.A. FY 2010	545,937	—	379,200	—	—	166,737
Greening Union County 2009	8,950	—	8,950	—	—	—
Municipal Alliance Grant 2009	82,881	—	82,517	—	—	364
STD Grant 2009	11,335	—	11,335	—	—	—
Summer Food Services Program	45,992	—	—	—	45,992	—
State Health Services Grant 2010	139,196	—	—	—	—	139,196
Port Security Grant (ARRA)	1,850,000	—	1,730,466	—	—	119,534
COPS Hiring Recovery Program	4,749,377	—	1,217,699	—	—	3,531,678
UASI Fire Subcommittee Coordinator Position	15,000	—	14,988	—	12	—

(Continued)

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Budget	Collected	Adjustments	Cancelled	Balance, June 30, 2011
Elizabeth Ave. Streetscape NJDOT	\$ 500,000	—	—	—	—	500,000
Acquisition of 1 West End Place	100,500	—	—	—	—	100,500
Edward Byrne Memorial JAG 2009-H0624-NJ-SBR	519,164	—	49,548	—	—	469,616
Edward Byrne Memorial JAG 2009- DJ-BX-1319	125,904	—	114,345	—	—	11,559
Safe and Secure Grant 2010	156,525	—	156,525	—	—	—
Safe Streets and Neighborhoods	300,000	—	—	—	—	300,000
Energy Efficiency and Conservation Block Grant	1,176,700	—	410,000	—	—	766,700
N.J. Urban Enterprise Zone (UEZ):						
09-127 Police Security 12 Officers	593,924	—	540,991	—	52,933	—
09-128 Commercial District Security Program	273,511	—	266,308	—	7,203	—
09-130 Graffiti and Litter Removal Program	147,774	—	126,356	—	21,418	—
09-131 Elizabeth Ave. SID	223,050	—	223,050	—	—	—
09-149 Invest Elizabeth Economic Stimulus Program	1,280,000	—	18,000	—	1,066,000	196,000
09-150 Westfield Ave. Median Planting Program	581,200	—	47,351	—	—	533,849
09-151 Midtown Sewer Rehab	363,544	—	316,344	—	—	47,200
09-10 Administrative 2009	647,098	—	554,311	—	92,787	—
09-28 Acquisition of 1084-1086 Elizabeth Ave.	432,492	—	—	—	—	432,492
09-167 Financial Lending Program III	981,525	—	910,135	—	71,390	—
09-168 Liberty International Initiative GNC & Visitor Bureau	657,030	—	300,012	—	—	357,018
09-169 Façade Improvement Program VII	225,696	—	143,202	—	—	82,494
09-753 Purchase of Four Police Scooters	87,981	—	79,315	—	8,666	—
10-112 Renewable Energy Capital Stimulus Grant	931,000	—	248,243	—	—	682,757
10-342 Revitalization Feasibility Study - Morris Ave.	135,000	—	80,268	—	—	54,732
09-130 Graffiti and Litter Removal Program III	50,000	—	43,358	—	6,642	—
Customer Service Skills Training Initiative Phase 2	300,000	—	300,000	—	—	—
Business District Holiday Lighting & Entertainment	44,420	—	41,221	—	3,199	—
Construction of Building- Trinitas Hosp. Regional Ed. Facility	500,000	—	—	—	—	500,000

(Continued)

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Budget	Collected	Adjustments	Cancelled	Balance, June 30, 2011
GO Elizabeth - NJ Monthly Star Ledger Insert	\$ 168,000	—	154,000	—	—	14,000
Elizabeth Streetscape Phase IV	46,940	—	—	—	—	46,940
09-167 Financial Lending Program III Increase	30,692	—	—	—	—	30,692
06-90 Historic Midtown Elizabeth SID 2010	204,500	—	27,591	—	—	176,909
North Broad Streetscape	148,080	—	18,000	—	—	130,080
CCTV Public Security Project	2,134,856	—	592,755	—	—	1,542,101
Drunk Driving Enforcement Grant	—	11,649	11,649	—	—	—
Drunk Driving Enforcement Grant 2009	—	61,985	61,985	—	—	—
H.O.P.W.A. FY 2011	—	931,200	259,963	—	—	671,237
H.O.P.W.A. 2009 increase	—	35,458	—	—	—	35,458
Greening Union County	—	7,450	—	—	—	7,450
Body Armor 2010	—	27,702	27,702	—	—	—
Clean Communities Grant 2011	—	134,704	134,704	—	—	—
Clean Communities Grant	—	56,310	56,310	—	—	—
Municipal Alliance Grant 2011	—	82,881	9,028	—	—	73,853
Shipboard Firefighting Personal Protective Equipment	—	586,013	—	—	—	586,013
Alcohol Education Rehabilitation and Enforcement	—	4,638	4,638	—	—	—
STD Grant 2011	—	45,335	11,333	—	—	34,002
Pedestrian Safety Education and Enforcement Grant 2010	—	20,000	19,700	—	—	300
Summer Food Services Program	—	260,996	148,736	—	—	112,260
NSP Elizabethport Neighborhood Development Project	—	500,000	450,000	—	—	50,000
NSP 628-630 South Park St. Rehabilitation	—	240,000	216,000	—	—	24,000
NSP MAR Acquisition Group LLC E'PORT Neighborhood	—	349,317	323,861	—	—	25,456
NSP MAR Acquisition Group LLC New Point Neighborhood	—	447,139	97,150	—	—	349,989
NSP 88 Division Street	—	720,000	720,000	—	—	—
NSP East Jersey Street	—	750,000	750,000	—	—	—

(Continued)

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Budget	Collected	Adjustments	Cancelled	Balance, June 30, 2011
NSP 807 Martin St.	\$ —	203,000	—	—	—	203,000
NSP E'PORT Homeownership Phase II	—	600,000	—	—	—	600,000
NSP Emma St. Project	—	300,000	—	—	—	300,000
Division of Highway Safety 2010	—	4,550	4,550	—	—	—
Edward Byrne - Targeting Violent Crime	—	69,000	69,000	—	—	—
Dept. of Homeland Security Emergency Management Grant	—	10,000	—	—	—	10,000
Safe Streets to Transit	—	150,000	58,824	—	—	91,176
UASI Urban Areas Security Initiative 2009	—	25,000	—	—	—	25,000
Non Public School Nursing Grant	—	126,752	126,752	—	—	—
Union County Children's Recreation Grant	—	150,000	1,350	—	—	148,650
Kids Recreation Trust Fund	—	200,000	—	—	—	200,000
NJDOT Traffic Safety North Ave. & Broad St.	—	300,000	—	—	—	300,000
Safe and Secure Grant 2011	—	147,409	—	—	—	147,409
N.J. Urban Enterprise Zone (UEZ):				—	—	
10-0759 Police Security 9 Officers 2011	—	812,626	597,889	—	—	214,737
10-0760 Commercial District Security Program	—	666,730	477,520	—	—	189,210
09-130 Graffiti and Litter Removal Program 2011	—	442,821	318,095	—	—	124,726
10-07610 Elizabeth Ave. SID 2010-11	—	222,750	110,610	—	—	112,140
Marketing Initiative - Employment and Training	—	395,400	264,000	—	—	131,400
Loan Elberon Development Co. LLC	—	2,500,000	2,500,000	—	—	—
Administrative 2010	—	669,000	311,389	—	—	357,611
10-18 SGF Financial Lending Program IV	—	2,229,385	1,366,704	—	—	862,681
Historic Midtown Elizabeth SID 2011	—	152,250	—	—	—	152,250
	<u>\$ 34,769,156</u>	<u>15,649,450</u>	<u>21,095,476</u>	<u>—</u>	<u>3,526,520</u>	<u>25,796,610</u>

CITY OF ELIZABETH

Schedule of Cash - Treasurer

Trust Funds

Year ended June 30, 2011

	Dog License Fund	Other Federal Grant Funds	Urban Development Action Grant Fund	Community Development Block Grant Fund	General Trust Funds
Balance, June 30, 2010	\$ 19,426	27,870	1,358,556	2,178	16,129,764
Increased by receipts:					
Dog license fees due to State	3,570	—	—	—	—
Municipal fees	12,838	—	—	—	—
Drawdown on Federal and State grants	—	1,738,914	—	3,322,036	—
Program income	—	—	—	8,528	—
Off Duty Police	—	—	—	—	8,908,949
Reserve for Special Purposes	—	—	—	—	43,843,599
Total receipts	<u>16,408</u>	<u>1,738,914</u>	<u>—</u>	<u>3,330,564</u>	<u>52,752,548</u>
Subtotal	<u>35,834</u>	<u>1,766,784</u>	<u>1,358,556</u>	<u>3,332,742</u>	<u>68,882,312</u>
Decreased by disbursements:					
Dog license expenditures	8,131	—	—	—	—
Due to State of New Jersey	3,508	—	—	—	—
Grant expenditures	—	1,766,234	—	—	—
UDAG expenditures	—	—	5,638	—	—
Community Development Block Grant expenditures	—	—	—	3,210,641	—
Emergency Shelter Grant expenditures	—	—	—	106,967	—
Program Income	—	—	—	6,399	—
Off Duty Police	—	—	—	—	8,846,131
Reserve for Special Purposes	—	—	—	—	44,022,797
Total disbursements	<u>11,639</u>	<u>1,766,234</u>	<u>5,638</u>	<u>3,324,007</u>	<u>52,868,928</u>
Balance, June 30, 2011	<u>\$ 24,195</u>	<u>550</u>	<u>1,352,918</u>	<u>8,735</u>	<u>16,013,384</u>

CITY OF ELIZABETH

Schedule of Due from Trustee

General Trust Fund

Year ended June 30, 2011

Balance, June 30, 2010 and 2011

\$ 13,976

CITY OF ELIZABETH

Schedule of Reserve for UDAG Loans Receivable

Urban Development Action Grant Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Increases	Decreases	Balance, June 30, 2011
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Repayment Loan - Reserve:				
Northern Feather	\$ 75,258	—	—	75,258
Puelo Manufacturing	4,066	—	—	4,066
AWG Inc.	184,570	—	—	184,570
1000 South Elmora Avenue	751,848	—	619	751,229
Repayment Loan Reserve Interest	16,379	—	5,019	11,360
Vista Hotel delinquent interest	99,150	—	—	99,150
	<u>\$ 1,131,271</u>	<u> </u>	<u>5,638</u>	<u>1,125,633</u>

CITY OF ELIZABETH

Schedule of Reserves for Special Purposes

General Trust Funds

Year ended June 30, 2011

Reserve	Balance, June 30, 2010	Increased	Decreased	Balance, June 30, 2011
Tax sale redemptions	\$ 3,537,926	9,129,197	9,152,931	3,514,192
Police and Firemen's Retirement System	335,344	22,722,952	22,466,379	591,917
Public Employees' Retirement System	139,655	5,674,536	5,570,253	243,938
Workmen's Compensation Insurance	366,730	1,254,244	1,146,708	474,266
General Liability Insurance	239,475	1,528,160	1,145,983	621,652
Developers escrow	615,827	711,889	416,466	911,250
Confiscated funds	473,005	—	—	473,005
Unemployment Fund	570,244	190,193	84,889	675,548
Snow Removal	1,000,000	—	—	1,000,000
E-Port Community Center	101,860	59,720	89,580	72,000
Elevator subcode	17,407	102,308	89,481	30,234
Elevator inspection 15% city share	12,675	35,838	40,319	8,194
Utility opening permit	47,577	—	2	47,575
On-site inspection	8	—	—	8
Police narcotics	279,786	293,637	60,000	513,423
Federal forfeit	832,586	224,734	380,432	676,888
Parking Offense Adjudication Act	24,421	52,124	41,374	35,171
Public Defender	46,694	79,369	100,000	26,063
Reserve for trust fund	174	—	174	—
Shade trees - NJ Tree Foundation	437	—	—	437
Midtown redevelopment loans	79,084	7	—	79,091
Waterfront - Kull Industries	170,344	163,431	305,827	27,948
Escrow Exxon 312-320 Atlantic	10,000	—	—	10,000
Midtown redevelopment loan repayment	3	132,040	132,040	3
Elizabeth River Walkway	90,596	44,171	16,500	118,267
Deposit Boundary Monuments	134,250	4,200	—	138,450
Deposit Advance Fuel Marina	318,082	74,996	1,214	391,864
State Training Fees	35,837	87,418	73,475	49,780
Elevators DCA	8,087	3,183	65	11,205
State gasoline tax	1,400	3,841	4,540	701
Due to State Marriage Licenses	22,736	29,975	30,425	22,286
Due to State Domestic Partnership	75	—	—	75
Fire Penalties	10,750	—	—	10,750
Kapkowski Road Sanitary Sewer	1,023,866	2,169	203	1,025,832
Escrow Veterans Memorial Park	67,000	6,111	6,111	67,000
EDC Second Generation Funds	4,221,324	24,095	1,366,705	2,878,714
Baker Center Project	—	550,000	550,000	—
Police DWI DDEF MV	—	61,985	61,985	—
Donation PA Mun alliance	1,200	—	—	1,200
Donation Conoco Philips	3,870	—	—	3,870
Donation Sprint Spectrum	500	—	—	500

(Continued)

CITY OF ELIZABETH

Schedule of Reserves for Special Purposes

General Trust Funds

Year ended June 30, 2011

Reserve	Balance, June 30, 2010	Increased	Decreased	Balance, June 30, 2011
Donation Trees Julia Investment	\$ 500	—	—	500
Donation National Night Out	6	—	—	6
Donation Housing Fair - Wells Fargo	1,000	—	—	1,000
Donation IKEA	154	—	—	154
Donation Lions Club	4,680	—	2,000	2,680
Donation Port Authority Ambulance bureau	10	—	—	10
Donation Night of Fine Arts	100	—	—	100
Donation Intersystems	120	—	—	120
Donation June tenth cha dept.	1,465	—	640	825
Donation Conoco Bayway Refinery	—	173,000	173,000	—
Donation NJ Tree Foundation	250	—	—	250
Donation African American History(Schering)	61	—	—	61
Donation Bollwage	1,185	—	800	385
Pine St Urban Renewals LP	—	5,126	—	5,126
Elizabethport Hope VI Phase I U.R. Assoc	—	3,741	—	3,741
620 First St Urban Renewal Corp	—	3,574	—	3,574
Millenium Urban Renewal Corp	—	6,111	—	6,111
Reserve for Union County Danic	—	137,960	137,960	—
Donation New York Community Bank	—	1,000	840	160
Donation Conoco Pipeline	41,540	—	41,540	—
Donation Gun Buy Back	50,000	—	50,000	—
R.C.A. Fairfield	397,418	33,831	34,939	396,310
R.C.A. Fairfield - administration	32,616	36,625	15,375	53,866
R.C.A. Summit	213,493	122,750	—	336,243
R.C.A. Summit - administration	31,373	1,150	—	32,523
Reserve for Union County IKEA	214,030	72,208	231,642	54,596
	<u>\$ 15,830,836</u>	<u>43,843,599</u>	<u>44,022,797</u>	<u>15,651,638</u>
		<u>\$ 43,843,599</u>	<u>44,022,797</u>	
		<u>\$ 43,843,599</u>	<u>44,022,797</u>	

CITY OF ELIZABETH

Schedule of Due from Current Fund

Community Development Block Grant Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>25,347</u>
Balance, June 30, 2011	\$ <u><u>25,347</u></u>

CITY OF ELIZABETH

Schedule of Due to State of New Jersey

Dog License Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	304
Increased by fees collected		
Fees collected		<u>3,570</u>
		3,874
Decreased by cash disbursements:		
Cash disbursements		<u>3,508</u>
Balance, June 30, 2011	\$	<u><u>366</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Dog License Fund

Dog License Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>19,122</u>
Increased by:	
Prior year fees in transit	80
Municipal fees	<u>12,758</u>
Increased by cash receipts	<u>12,838</u>
	31,960
Decreased by:	
Cash disbursements	<u>8,131</u>
Balance, June 30, 2011	\$ <u><u>23,829</u></u>
Fees collected for fiscal year ended:	
June 30, 2010	\$ 11,279
June 30, 2009	<u>12,307</u>
	\$ <u><u>23,586</u></u>

CITY OF ELIZABETH

Schedule of Grants Receivable

Other Federal Grant Funds

Year ended June 30, 2011

Balance, June 30, 2010	\$ 2,870,963
Increased by:	
Increased by Home Improvement Grant - HUD	<u>1,501,323</u>
	4,372,286
Decreased by:	
Cash received - Home Improvement Grant - HUD	<u>1,532,777</u>
Balance, June 30, 2011	<u><u>\$ 2,839,509</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Grants

Other Federal Grant Funds

Year ended June 30, 2011

Balance, June 30, 2010	\$ 3,114,825
Increased by:	
Home Improvement Grant - HUD	<u>1,501,323</u>
	4,616,148
Decreased by:	
Cash disbursed:	
Home Improvement Grant - HUD	<u>1,550,570</u>
	<u>1,550,570</u>
Balance, June 30, 2011	<u><u>\$ 3,065,578</u></u>

CITY OF ELIZABETH

Schedule of Federal Grants Receivable

Community Development Block Grant Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>2,885,257</u>
Increased by:	
Community Development Block Grant	2,270,945
Emergency Shelter Grant	<u>91,292</u>
	<u>2,362,237</u>
	5,247,494
Decreased by:	
Community Development Block Grant	3,211,056
Emergency Shelter Grant	<u>110,980</u>
	<u>3,322,036</u>
Balance, June 30, 2011	\$ <u><u>1,925,458</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Community
Development Block Grant

Community Development Block Grant Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	<u>2,993,454</u>
Increased by:		
Community Development Block Grant		2,270,945
Emergency Shelter Grant		<u>91,292</u>
		<u>2,362,237</u>
		<u>5,355,691</u>
Decreased by expenditures:		
Community Development Block Grant		3,210,641
Emergency Shelter Grant		<u>106,967</u>
		<u>3,317,608</u>
Balance, June 30, 2011	\$	<u><u>2,038,083</u></u>

CITY OF ELIZABETH

Schedule of Due from Urban
Development Action Grant Fund

Other Federal Grant Funds

Year ended June 30, 2011

Balance, June 30, 2010 and 2011

\$ 225,519

CITY OF ELIZABETH

Schedule of Reserve for Police Off Duty

Trust Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	312,904
Increased by:		
Collections		<u>8,908,949</u>
		9,221,853
Decreased by cash disbursements		<u>8,846,131</u>
Balance, June 30, 2011	\$	<u><u>375,722</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Program Income

Community Development Block Grant Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	—
Increased by cash receipts		<u>8,528</u>
		8,528
Decreased by cash disbursements		<u>6,399</u>
Balance, June 30, 2011	\$	<u><u>2,129</u></u>

CITY OF ELIZABETH

Schedule of Due from Elizabeth Development Corp

Community Development Block Grant Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>80,672</u>
Balance, June 30, 2011	\$ <u>80,672</u>

CITY OF ELIZABETH

Schedule of Accounts Payable

Urban Development Action Grant Fund

Year ended June 30, 2011

Balance, June 30, 2010 and 2011	\$ <u>1,766</u>
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CITY OF ELIZABETH

Schedule of HPRP Receivable

Other Federal Grants Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	214,026
Increased by Award		<u>—</u>
		214,026
Decreased by:		
Collections		<u>206,137</u>
Balance, June 30, 2011	\$	<u><u>7,889</u></u>

CITY OF ELIZABETH

Schedule of Reserve for HPRP Expenditures

Other Federal Grants Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	223,553
Increased by Award		<u>—</u>
		223,553
Decreased by:		
Disbursements		<u>215,664</u>
Balance, June 30, 2011	\$	<u><u>7,889</u></u>

CITY OF ELIZABETH

Schedule of Cash - Treasurer

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>20,941,688</u>
Increased by receipts:	
UCIA loans receivable	222,596
Capital Improvement Fund	900,000
UCIA reimbursement	385,302
Sale of bonds	13,985,000
Sale of property	<u>273,180</u>
	<u>15,766,078</u>
	<u>36,707,766</u>
Decreased by:	
Improvement authorizations	15,315,967
Bond sale expense	104,979
Paid to Current Fund	<u>123,519</u>
	<u>15,544,465</u>
Balance, June 30, 2011	\$ <u><u>21,163,301</u></u>

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

General Capital Fund

June 30, 2011

<u>Description</u>	<u>Amount</u>
Fund balance	\$ 6,707,846
Capital Improvement Fund	3,422,171
Reserve for bond sale expense	10,354
Reserve for retirement of debt	3,167,874
Waterfront Park Loan Receivable	(267,196)
Due to Current Fund	204,514
Due from Department of Environmental Protection	(267,196)
Due from Union County Improvement Authority	(889,693)
Improvement authorizations:	
<u>Account number</u>	
904	75,012
935	937,279
948	1,596,576
965	(47,000)
966	68,132
967	5,658
968	100,363
972	61,322
973	(183,016)
974	(10,307)
975	233,731
976	(284,251)
979	199,336
977	13,889
978	507,541
980	92,238
981	10,650
983	149,707
984	384,028
988	179,833
989	763
990	4,084
991	(197,674)
992	49,741

(Continued)

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

General Capital Fund

June 30, 2011

<u>Description</u>	<u>Amount</u>
993	82,407
994	(280,997)
995	408,049
997	8,719
998	24,474
X01	1,360,938
X02	3,253
X03	57,502
X04	39,459
X08	369,310
X09	150,000
X10	40,413
X11	100,000
X12	100,000
X13	(626,607)
X14	(698,843)
X16	120,013
X17	29,744
X18	487,258
X19	(375,630)
X20	196,254
X22	(1,301,180)
X23	1,758,140
X24	135,632
X25	2,073,729
X26	(224,020)
X27	300,000
X28	15,000
X29	83,661
X30	771,308
X31	20,000
X32	(610,994)
X33	250,000
X34	30,000
X35	150,000
X36	60,000
X37	20,000
	\$ 21,163,301

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2011

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2011		Rate of interest	Balance, June 30, 2010	Increased by bonds issued	Decreased by payments	Balance, June 30, 2011
			Date	Amount					
General Improvement Bonds (Bonds maturing on or after 2012 are subject to redemption)	\$ 5,225,000	11/1/2001	11/1/2011	\$ 261,000	4.125%				
			11/1/2012	261,000	4.125%				
			11/1/2013	261,000	4.250%				
			11/1/2014	261,000	4.375%				
			11/1/2015	261,000	4.375%				
			11/1/2016	261,000	4.500%				
			11/1/2017	262,000	4.625%				
			11/1/2018	262,000	4.625%				
			11/1/2019	262,000	4.700%				
			11/1/2020	262,000	4.750%				
			11/1/2021	262,000	4.750%			3,137,000	—
General Improvement Bonds, 2003 (Bonds maturing on or after 2014 are subject to redemption)	14,250,000	5/15/2003	5/15/2012	1,500,000	3.500%				
			5/15/2013	1,500,000	3.750%				
			5/15/2014	1,500,000	3.750%				
			5/15/2015	1,500,000	3.750%				
			5/15/2016	1,600,000	3.750%				
			5/15/2017	1,750,000	3.750%				
			5/15/2018	2,000,000	3.750%	\$ 12,850,000	—	1,500,000	11,350,000
ERI Refunding Bonds, Series 2004 (Bonds maturing on or after 2015 are subject to redemption)	\$ 2,330,000	12/14/2004	3/1/2012	170,000	4.680%				
			3/1/2013	180,000	4.680%				
			3/1/2014	185,000	4.680%				
			3/1/2015	195,000	4.680%				
			3/1/2016	205,000	5.300%				
			3/1/2017	215,000	5.300%				
			3/1/2018	230,000	5.300%				
			3/1/2019	240,000	5.300%				
			3/1/2020	255,000	5.300%	\$ 2,040,000	—	165,000	1,875,000

(Continued)

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2011

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2011		Rate of interest	Balance, June 30, 2010	Increased by bonds issued	Decreased by payments	Balance, June 30, 2011
			Date	Amount					
General Improvement Bonds, Series 2005 (Bonds maturing on or after 2016 are subject to redemption)	\$ 15,000,000	5/15/2005	5/15/2012	\$ 600,000	4.125%				
			5/15/2013	650,000	4.125%				
			5/15/2014	700,000	4.125%				
			5/15/2015	750,000	4.250%				
			5/15/2016	750,000	4.250%				
			5/15/2017	750,000	4.250%				
			5/15/2018	750,000	4.250%				
			5/15/2019	750,000	4.250%				
			5/15/2020	750,000	4.250%				
			5/15/2001	750,000	4.250%				
			5/15/2022	750,000	4.250%				
			5/15/2023	750,000	4.250%				
			5/15/2024	750,000	4.250%				
			5/15/2025	750,000	4.250%				
			5/15/2026	750,000	4.250%				
			5/15/2027	750,000	4.250%				
			5/15/2028	750,000	4.375%				
5/15/2029	750,000	4.375%							
5/15/2030	700,000	4.375%			14,500,000	—	600,000	13,900,000	
General Improvement Bonds, Series 2006 (Bonds maturing on or after 2017 are subject to redemption)	\$ 11,500,000	5/15/2006	5/15/2012	955,000	4.125%				
			5/15/2013	955,000	4.125%				
			5/15/2014	955,000	4.125%				
			5/15/2015	955,000	4.250%				
			5/15/2016	955,000	4.250%				
			5/15/2017	955,000	4.250%				
			5/15/2018	955,000	4.250%				
			5/15/2019	955,000	4.250%				
			5/15/2020	955,000	4.250%				
			5/15/2021	950,000	4.250%			\$ 10,500,000	—

(Continued)

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2011

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2011		Rate of interest	Balance, June 30, 2010	Increased by bonds issued	Decreased by payments	Balance, June 30, 2011
			Date	Amount					
General Improvement Bonds, Series 2007	12,325,000	6/15/2007	6/15/2012	425,000	4.250%	11,575,000	—	265,000	11,310,000
			6/15/2013	535,000	4.250%				
			6/15/2014	665,000	4.250%				
			6/15/2015	2,745,000	4.250%				
			6/15/2016	3,400,000	4.250%				
			6/15/2017	3,540,000	4.250%				
General Improvement Refunding Bonds, Series 2008	12,645,000	6/12/2008	11/15/2011	550,000	3.250%	9,605,000	—	2,175,000	7,430,000
			11/15/2011	1,680,000	4.000%				
			11/15/2012	1,560,000	4.000%				
			11/15/2012	750,000	5.000%				
			11/15/2013	1,080,000	4.000%				
			11/15/2013	1,315,000	5.000%				
			11/15/2014	495,000	3.500%				
General Improvement Bonds, Series 2008 (Bonds maturing on or after 2019 are subject to redemption)	12,455,000	8/15/2008	8/15/2011	690,000	4.250%	12,205,000	—	665,000	11,540,000
			8/15/2012	720,000	4.250%				
			8/15/2013	745,000	4.250%				
			8/15/2014	775,000	4.250%				
			8/15/2015	805,000	4.250%				
			8/15/2016	840,000	4.250%				
			8/15/2017	875,000	4.250%				
			8/15/2018	910,000	4.250%				
			8/15/2019	950,000	4.250%				
			8/15/2020	990,000	4.250%				
			8/15/2021	1,035,000	4.375%				
			8/15/2022	1,080,000	4.375%				
			8/15/2023	1,125,000	4.375%				

(Continued)

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2011

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2011		Rate of interest	Balance, June 30, 2010	Increased by bonds issued	Decreased by payments	Balance, June 30, 2011		
			Date	Amount							
General Improvement Bonds, Series 2011 (Bonds maturing on or after 2022 are subject to redemption)	\$ 12,755,000	4/15/2011	4/15/2012	570,000	4.250%						
			4/15/2013	570,000	4.250%						
			4/15/2014	570,000	4.250%						
			4/15/2015	615,000	4.250%						
			4/15/2016	645,000	4.250%						
			4/15/2017	680,000	4.250%						
			4/15/2018	715,000	4.500%						
			4/15/2019	755,000	4.500%						
			4/15/2020	790,000	4.500%						
			4/15/2001	835,000	4.500%						
			4/15/2022	880,000	4.500%						
			4/15/2023	925,000	4.500%						
			4/15/2024	970,000	4.750%						
			4/15/2025	1,025,000	4.750%						
			4/15/2026	1,075,000	5.000%						
			4/15/2027	1,135,000	5.250%			—	12,755,000	—	12,755,000
			Refunding Bonds, Series 2011	1,230,000	4/15/2011	4/15/2012	410,000	4.250%			
4/15/2013	410,000	4.250%									
4/15/2014	410,000	4.250%									
								—	1,230,000	—	1,230,000
						<u>\$ 76,412,000</u>	<u>13,985,000</u>	<u>6,586,000</u>	<u>83,811,000</u>		
						Refunding bonds issued	\$ —	—			
						Bonds issued	13,985,000	—			
						2011 budget appropriation	—	6,586,000			
							<u>\$ 13,985,000</u>	<u>6,586,000</u>			

CITY OF ELIZABETH

Schedule of Waterfront Park Loans Receivable

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>267,196</u>
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Balance, June 30, 2011	<u>267,196</u>
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Analysis of Balance

Waterfront park loan	<u>267,196</u>
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	\$ <u>267,196</u>
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CITY OF ELIZABETH

Schedule of Due to Current Fund

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010, Due from /(to)	\$ 68,666
Increased by:	
Other	<u>273,180</u>
Balance, June 30, 2011, Due from/ (to)	<u><u>\$ (204,514)</u></u>

CITY OF ELIZABETH

Schedule of Deferred Charges to Future
Taxation-Funded

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ 83,597,577
Increased by:	
Bonds	<u>13,985,000</u>
	<u>97,582,577</u>
Decreased by:	
Budget appropriations to pay bonds and loans:	
Loans payable	242,778
General serial bonds	<u>6,586,000</u>
	<u>6,828,778</u>
Balance, June 30, 2011	<u><u>\$ 90,753,799</u></u>

CITY OF ELIZABETH

Schedule of Deferred Charges to Future
Taxation-Unfunded

General Capital Fund

Year ended June 30, 2011

Ordinance number	Account number	General improvements	Year of ordinance	Balance, June 30, 2010	2011 authorizations	Sale of Bonds	Balance, June 30, 2011	Analysis of balance		
								Expenditures	Unexpended improvement authorizations	
2370	931	City hall roof	1991	\$ —	—	—	—	—	—	
2746	945	Library renovation	1995	—	—	—	—	—	—	
3118	965	Underground storage tanks	1999	47,000	—	—	47,000	47,000	—	
3313	973	Various Capital Improvements	2001	275,000	—	—	275,000	183,016	91,984	
3314	974	Midtown Streetscape-Pedestrian Plaza	2001	10,307	—	—	10,307	10,307	—	
3357	976	Various improvements and acq. of equip.	2002	1,215,000	—	—	1,215,000	284,251	930,749	
3560	981	Broad Street streetscape	2004	1,425,000	—	—	1,425,000	—	1,425,000	
3635	989	Environment Engineering & Regulatory various	2004	1,280,000	—	1,280,000	—	—	—	
3654	991	City Hall Improvements	2004	475,000	—	—	475,000	197,674	277,326	
3661	992	Broad Street Streetscape	2004	1,900,000	—	—	1,900,000	—	1,900,000	
3667	994	Iron Oxide property improvement	2004	950,000	—	—	950,000	280,997	669,003	
3757	998	Library Renovations	2005	590,000	—	—	590,000	—	590,000	
3778	X01	Mack Building - E'Port	2006	2,110,000	—	—	2,110,000	—	2,110,000	
3915	X12	Mack Building Improvements, supplemental	2008	1,900,000	—	—	1,900,000	—	1,900,000	
3916	X13	Recreation Improvements	2008	1,090,000	—	—	1,090,000	626,607	463,393	
3925	X14	Acquisition of property, Equipment and Vehicle	2008	900,000	—	—	900,000	698,843	201,157	
3980	X18	Police headquarters renovation	2009	3,800,000	—	2,000,000	1,800,000	—	1,800,000	
3981	X19	Various recreation facility improvements	2009	1,140,000	—	—	1,140,000	375,630	764,370	
4092	X21	Union Street	2010	1,425,000	—	1,425,000	—	—	—	
4122	X22	Acquisition Grimmerald Place	2010	1,330,000	—	—	1,330,000	1,301,180	28,820	
4123	X23	Resurfacing Various Roads	2010	3,800,000	—	3,800,000	—	—	—	
4124	X24	Roof replacements	2010	2,090,000	—	1,500,000	590,000	—	590,000	
4125	X25	Synthetic Turf Soccer Fields	2010	2,600,000	—	2,000,000	600,000	—	600,000	
4126	X26	Waterfront Park Improvements	2010	950,000	—	—	950,000	224,020	725,980	
4156	X28	Refunding Emergency Appropriation	2011	—	1,230,000	1,230,000	—	—	—	
4165	X29	Environmental Engineering - various properties	2011	—	1,900,000	—	1,900,000	—	1,900,000	
4166	X30	Traffic Lights and Road Resurfacing	2011	—	950,000	750,000	200,000	—	200,000	
4167	X31	Mechanical Street Sweepers	2011	—	380,000	—	380,000	—	380,000	
4173		Refunding bonds	2011	—	3,000,000	—	3,000,000	—	3,000,000	
4169	X32	Water Park - Mickey Walker Center	2011	—	1,235,000	—	1,235,000	610,994	624,006	
4193	X36	Elizabeth River Walkway	2011	—	1,140,000	—	1,140,000	—	1,140,000	
4195	X33	Resurfacing Various Roads	2011	—	4,750,000	—	4,750,000	—	4,750,000	
4196	X34	Traffic Lights	2011	—	570,000	—	570,000	—	570,000	
4197	X35	Environmental Engineering - various properties	2011	—	2,850,000	—	2,850,000	—	2,850,000	
4209	X37	Environmental Engineering - various properties	2011	—	380,000	—	380,000	—	380,000	
				\$	<u>31,302,307</u>	<u>18,385,000</u>	<u>13,985,000</u>	<u>35,702,307</u>	<u>4,840,519</u>	<u>30,861,788</u>

CITY OF ELIZABETH

Schedule of Reserve for Bond Sale Expense

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	115,333
Decreased by cash disbursements		<u>104,979</u>
Balance, June 30, 2011	\$	<u><u>10,354</u></u>

CITY OF ELIZABETH

Schedule of Due from
Department of Transportation

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u><u>136,693</u></u>
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Balance, June 30, 2011	\$ <u><u>136,693</u></u>
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Analysis of Balance

Dowd Ave. Section 8 (Ord. 3620)	<u>136,693</u>
	\$ <u><u>136,693</u></u>

CITY OF ELIZABETH

Schedule of Improvement Authorizations

General Capital Fund

Year ended June 30, 2011

Improvement description	Ordinance number	Account number	Balance, June 30, 2010		2011 Authorizations			Balance, June 30, 2011	
			Funded	Unfunded	Down Payment	Deferred Charges to Future Taxation Unfunded	Expended	Funded	Unfunded
Waterfront Park		904	\$ 75,012	—	—	—	—	75,012	—
Acquisition of real property public park	2466/2616	935	937,279	—	—	—	—	937,279	—
Midtown acquisition real property	2791	948	1,788,724	—	—	—	192,148	1,596,576	—
Public improvements	3138/3358	966	68,132	—	—	—	—	68,132	—
Capital leasing	3136	967	5,658	—	—	—	—	5,658	—
Demolition of unsafe building	3218	968	103,243	—	—	—	2,880	100,363	—
Improvements to city property	3288	972	61,322	—	—	—	—	61,322	—
Various capital improvements	3313	973	—	91,984	—	—	—	—	91,984
Leasing UCIA Ord. 3299	3299	975	233,731	—	—	—	—	233,731	—
Various improvements and acquisition of equipment	3357	976	—	966,269	—	—	35,520	—	930,749
Fire headquarters	3463	979	199,336	—	—	—	—	199,336	—
Road resurfacing	3460	977	13,889	—	—	—	—	13,889	—
Various Improvements	3461	978	572,650	—	—	—	65,109	507,541	—
Acquisition of various equipment	3464	980	123,238	—	—	—	31,000	92,238	—
Broad Street Streetscape	3560	981	75,000	1,425,000	—	—	64,350	10,650	1,425,000
Emergency response facility	3581	983	149,707	—	—	—	—	149,707	—
Elmora Racquet Club	3615	984	384,028	—	—	—	—	384,028	—
Road resurfacing	3620	985	82,423	—	—	—	82,423	—	—
O'Donnell Dempsey Center	3633	988	179,833	—	—	—	—	179,833	—
Environment Engineering & Regulatory various properties	3635	989	—	485,381	—	—	484,618	763	—
Marina improvements	3637	990	239,793	—	—	—	235,709	4,084	—
City Hall Improvements	3654	991	—	277,326	—	—	—	—	277,326
Broad Street Streetscape	3661	992	60,593	1,900,000	—	—	10,852	49,741	1,900,000
60-90 Broadway	3662	993	82,407	—	—	—	—	82,407	—
Iron Oxide Property improvements	3667	994	—	669,003	—	—	—	—	669,003
Leasing UCIA Ord. 2004	3647	995	509,693	—	—	—	101,644	408,049	—
Police and Fire communications equipment	3697	997	8,719	—	—	—	—	8,719	—
Library Renovations	3757	998	1,339,075	590,000	—	—	1,314,601	24,474	590,000
Mack Building - E'Port	3778	X01	1,360,938	2,110,000	—	—	—	1,360,938	2,110,000
Miller- Evans- Logan Recreation Center	3779	X02	3,253	—	—	—	—	3,253	—
Hazardous Material Response Vehicle	3792	X03	57,502	—	—	—	—	57,502	—

(Continued)

CITY OF ELIZABETH

Schedule of Improvement Authorizations

General Capital Fund

Year ended June 30, 2011

Improvement description	Ordinance number	Account number	Balance, June 30, 2010		2011 Authorizations			Balance, June 30, 2011	
			Funded	Unfunded	Down Payment	Deferred Charges to Future Taxation Unfunded	Expended	Funded	Unfunded
Bike, Hike, Roll Multipurpose Throughway	3793	X04	39,459	—	—	—	—	39,459	—
Road resurfacing - reappropriation	3830	X06	\$ —	—	—	—	—	—	—
Road Improvements	3847	X08	1,483,269	—	—	—	1,113,959	369,310	—
Acquisition of bus - reappropriation	3848	X09	150,000	—	—	—	—	150,000	—
60 - 90 Broadway - supplemental	3854	X10	40,413	—	—	—	—	40,413	—
Acquisition of Saxony Motel	3914	X11	398,000	—	—	—	298,000	100,000	—
Mack Building Improvements, supplemental	3915	X12	100,000	1,900,000	—	—	—	100,000	1,900,000
Recreation Improvements	3916	X13	—	611,336	—	—	147,943	—	463,393
Acquisition of property, Equipment and Vehicles	3925	X14	—	256,131	—	—	54,974	—	201,157
Acquisition of N. Elizabeth Little League Field	3929	X15	—	—	—	—	—	—	—
Spray Fountain for Kellog Park	3940	X16	120,013	—	—	—	—	120,013	—
Police headquarters reappropriation		X17	486,645	—	—	—	456,901	29,744	—
Police headquarters renovation	3980	X18	200,000	3,800,000	—	—	1,712,742	487,258	1,800,000
Various recreation facility improvements	3981	X19	—	764,370	—	—	—	—	764,370
Acquisition of 60-90 Broadway	4005	X20	233,124	—	—	—	36,870	196,254	—
Union Street	4092	X21	75,000	1,425,000	—	—	1,500,000	—	—
Acquisition Grimmauld Place	4122	X22	70,000	1,330,000	—	—	1,371,180	—	28,820
Resurfacing Various Roads	4123	X23	200,000	3,800,000	—	—	2,241,860	1,758,140	—
Roof replacements	4124	X24	110,000	2,090,000	—	—	1,474,368	135,632	590,000
Synthetic Turf Soccer Fields	4125	X25	150,000	2,600,000	—	—	76,271	2,073,729	600,000
Waterfront Park Improvements	4126	X26	50,000	950,000	—	—	274,020	—	725,980
Rehabilitation of Parks	4137	X27	300,000	—	—	—	—	300,000	—
Guslavage Judgement	4156	X28	—	—	—	1,230,000	1,215,000	15,000	—
Environmental Engineering - various properties	4165	X29	—	—	100,000	1,900,000	16,339	83,661	1,900,000
Traffic Lights and Road Resurfacing	4166	X30	—	—	50,000	950,000	28,692	771,308	200,000
Mechanical Street Sweepers	4167	X31	—	—	20,000	380,000	—	20,000	380,000
Water Park - Mickey Walker Center	4169	X32	—	—	65,000	1,235,000	675,994	—	624,006
Refunding Bonds	4173		—	—	—	3,000,000	—	—	3,000,000
Elizabeth River Walkway	4193	X36	—	—	60,000	1,140,000	—	60,000	1,140,000
Resurfacing Various Roads	4195	X33	—	—	250,000	4,750,000	—	250,000	4,750,000
Traffic Lights	4196	X34	—	—	30,000	570,000	—	30,000	570,000
Environmental Engineering - various properties	4197	X35	—	—	150,000	2,850,000	—	150,000	2,850,000
Environmental Engineering - various properties	4209	X37	—	—	20,000	380,000	—	20,000	380,000
			<u>\$ 12,921,101</u>	<u>28,041,800</u>	<u>745,000</u>	<u>18,385,000</u>	<u>15,315,967</u>	<u>13,915,146</u>	<u>30,861,788</u>
					Capital Improvement Fund	\$ 745,000			
					Capital Surplus	—			
						<u>\$ 745,000</u>			

CITY OF ELIZABETH

Schedule of Capital Improvement Fund

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	3,267,171
Increased by:		
Budget appropriation		<u>900,000</u>
		4,167,171
Decreased by improvement authorizations funded		<u>745,000</u>
Balance, June 30, 2011	\$	<u><u>3,422,171</u></u>

CITY OF ELIZABETH

Schedule of Reserve for
Retirement of Debt

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	3,291,393
Decreased by:		
Disbursement to Current Fund		<u>123,519</u>
Balance, June 30, 2011	\$	<u><u>3,167,874</u></u>

CITY OF ELIZABETH

Schedule of Due from Department
of Environmental Protection

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010 \$ 267,196

Balance, June 30, 2011 \$ 267,196

Analysis of Balance

Waterfront Park Grant \$ 267,196

\$ 267,196

CITY OF ELIZABETH

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended June 30, 2011

Ordinance number	Account number	General improvements	Year of ordinance	Balance, June 30, 2010	2011 authorizations	Reductions	Balance, June 30, 2010
2370	931	City hall roof	1991	—	—	—	—
2746	945	Library renovation	1995	—	—	—	—
3118	965	Underground storage tanks	1999	47,000	—	—	47,000
3313	973	Various Capital Improvements	2001	275,000	—	—	275,000
3314	974	Midtown Streetscape-Pedestrian Plaza	2001	10,307	—	—	10,307
3357	976	Various improvements and acquisition of equipment	2002	1,215,000	—	—	1,215,000
3560	981	Broad Street Streetscape	2004	1,425,000	—	—	1,425,000
3635	989	Environment Engineering & Reg various properties	2004	1,280,000	—	1,280,000	—
3637	990	Marina improvements	2004	—	—	—	—
3654	991	City Hall Improvements	2004	475,000	—	—	475,000
3661	992	Broad Street Streetscape	2004	1,900,000	—	—	1,900,000
3667	994	Iron Oxide	2004	950,000	—	—	950,000
3757	998	Library Renovations	2005	590,000	—	—	590,000
3778	X01	Mack Building - E'Port	2006	2,110,000	—	—	2,110,000
3915	X12	Mack Building Improvements, supplemental	2008	1,900,000	—	—	1,900,000
3916	X13	Recreation Improvements	2008	1,090,000	—	—	1,090,000
3925	X14	Acquisition of property, Equipment and Vehicles	2008	900,000	—	—	900,000
3980	X18	Police headquarters renovation	2009	3,800,000	—	2,000,000	1,800,000
3981	X19	Various recreation facility improvements	2009	1,140,000	—	—	1,140,000
4092	X21	Union Street	2010	1,425,000	—	1,425,000	—
4122	X22	Acquisition Grimmauld Place	2010	1,330,000	—	—	1,330,000
4123	X23	Resurfacing Various Roads	2010	3,800,000	—	3,800,000	—
4124	X24	Roof replacements	2010	2,090,000	—	1,500,000	590,000
4125	X25	Synthetic Turf Soccer Fields	2010	2,600,000	—	2,000,000	600,000
4126	X26	Waterfront Park Improvements	2010	950,000	—	—	950,000
4156	X28	Refunding Emergency Appropriation	2011	—	1,230,000	1,230,000	—
4165	X29	Environmental Engineering - various properties	2011	—	1,900,000	—	1,900,000
4166	X30	Traffic Lights and Road Resurfacing	2011	—	950,000	750,000	200,000
4167	X31	Mechanical Street Sweepers	2011	—	380,000	—	380,000
4169	X32	Water Park - Mickey Walker Center	2011	—	1,235,000	—	1,235,000
4173		Refunding Bonds	2011	—	3,000,000	—	3,000,000
4193	X36	Elizabeth River Walkway	2011	—	1,140,000	—	1,140,000
4195	X33	Resurfacing Various Roads	2011	—	4,750,000	—	4,750,000
4196	X34	Traffic Lights	2011	—	570,000	—	570,000
4197	X35	Environmental Engineering - various properties	2011	—	2,850,000	—	2,850,000
4209	X37	Environmental Engineering - various properties	2011	—	380,000	—	380,000
				\$ 31,302,307	18,385,000	13,985,000	35,702,307

CITY OF ELIZABETH

Schedule of Due from Union County
Improvement Authority

General Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ 1,112,289
Decreased by reimbursements	<u>222,596</u>
Balance, June 30, 2011	<u><u>\$ 889,693</u></u>

Analysis of Balance

1997 lease	\$ 131,073
1999 lease	44,989
2001 lease	308,559
2004 lease	<u>405,072</u>
	<u><u>\$ 889,693</u></u>

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2011

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2011		Balance June 30, 2010	Increased by new loan proceeds	Decreased by	Balance June 30, 2011
					Date	Amount				
2004-92-103	Land for public parking	\$ 217,700	4/18/1997	2.00%	7/22/2011	\$ 6,007				
					1/22/2012	6,067				
					7/22/2012	6,128				
					1/22/2013	6,189				
					7/22/2013	6,251				
					1/22/2014	6,313				
					7/22/2014	6,376				
					1/22/2015	6,440				
					7/22/2015	6,505				
					1/22/2016	6,569				
					7/22/2016	6,634				
					1/22/2017	6,703				
2004-90-080	Ball field - Westfield Ave.	75,000	5/14/1997	2.00%	8/14/2011	2,069				
					2/14/2012	2,090				
					8/14/2012	2,111				
					2/14/2013	2,132				
					8/14/2013	2,153				
					2/14/2014	2,175				
					8/14/2014	2,197				
					2/14/2015	2,219				
					8/14/2015	2,241				
					2/14/2016	2,263				
					8/14/2016	2,286				
					2/14/2017	2,310				
—	NJ Department of Transportation	5,000,000	7/13/1998	various	10 years	500,000	5,000,000	—	—	5,000,000

(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2011

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2011		Balance June 30, 2010	Increased by new loan proceeds	Decreased by	Balance June 30, 2011
					Date	Amount				
2004-95-130	Ball field - Westfield Ave.	\$ 337,599	5/1/2005	2.00%	10/29/2011	11,840				
					4/30/2012	11,959				
					10/29/2012	12,078				
					4/30/2013	12,199				
					10/29/2013	12,321				
					4/30/2014	12,444				
					10/29/2014	12,569				
					4/30/2015	12,694				
					10/29/2015	12,821				
					4/30/2016	12,949				
					10/29/2016	13,079				
					4/30/2017	13,210				
					10/29/2017	13,342				
					4/30/2018	13,475				
10/29/2018	13,610									
					4/30/2019	13,746	227,666	—	23,330	204,336
2004-92-105	Kenah Center Acquisitions	70,000	12/2/1998	2.00%	9/2/2011	1,875				
					3/2/2012	1,893				
					9/2/2012	1,912				
					3/2/2013	1,931				
					9/2/2013	1,951				
					3/2/2014	1,970				
					9/2/2014	1,990				
					3/2/2015	2,010				
					9/2/2015	2,030				
					3/2/2016	2,050				
					9/2/2016	2,071				
					3/2/2017	2,092				
					9/2/2017	2,112				
					3/2/2018	2,134				
					9/2/2018	2,155	33,870	—	3,694	30,176

(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2011

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2011		Balance June 30, 2010	Increased by new loan proceeds	Decreased by	Balance June 30, 2011
					Date	Amount				
105229	Underground storage tanks	\$ 877,200	5/1/2002	0.00%	5/1/2012	87,720	175,440	—	87,720	87,720
00-2019-02	Demolition Loan Payable	825,000	10/9/2003	4.00%	10/9/2011	82,500	165,000	—	82,500	82,500
2004-03-081	Elmora Raquet Club	\$ 400,000	8/1/2008	2.00%	11/7/2011	8,867				
					5/7/2012	8,956				
					11/7/2012	9,045				
					5/7/2013	9,136				
					11/7/2013	9,227				
					5/7/2014	9,319				
					11/7/2014	9,412				
					5/7/2015	9,507				
					11/7/2015	9,602				
					5/7/2016	9,698				
					11/7/2016	9,795				
					5/7/2017	9,896				
					11/7/2017	9,991				
					5/7/2018	10,091				
					11/7/2018	10,192				
					5/7/2019	10,294				
					11/7/2019	10,397				
					5/7/2020	10,501				
					11/7/2020	10,606				
					5/7/2021	10,712				
					11/7/2021	10,819				
					5/7/2022	10,927				

(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2011

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2011		Balance June 30, 2010	Increased by new loan proceeds	Decreased by	Balance June 30, 2011
					Date	Amount				
2004-03-081	Elmora Raquet Club	\$ 400,000	8/1/2008	2.00%	11/7/2022	11,037				
					5/7/2023	11,147				
					11/7/2023	11,259				
					5/7/2024	11,371				
					11/7/2024	11,485				
					5/7/2025	11,600				
					11/7/2025	11,716				
					5/7/2026	11,833				
					11/7/2026	11,951				
					5/7/2027	12,071				
					11/7/2027	12,192				
					5/7/2028	12,313				
2004-97-018	Kenah Field Expansion	\$ 280,938	12/22/2008	2.00%	9/24/2011	6,166				
					3/24/2012	6,228				
					9/24/2012	6,290				
					3/24/2013	6,353				
					9/24/2013	6,416				
					3/24/2014	6,481				
					9/24/2014	6,545				
					3/24/2015	6,611				
					9/24/2015	6,677				
					3/24/2016	6,744				
					9/24/2016	6,811				
					3/24/2017	6,879				
					9/24/2017	6,948				
					3/24/2018	7,018				
					9/24/2018	7,088				
					3/24/2019	7,159				
9/24/2019	7,230									
3/24/2020	7,302									
9/24/2020	7,375									
3/24/2021	7,449									
9/24/2021	7,524									
3/24/2022	7,599									
9/24/2022	7,675									

(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2011

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2011		Balance June 30, 2010	Increased by new loan proceeds	Decreased by	Balance June 30, 2011
					Date	Amount				
2004-97-018	Kenah Field Expansion	\$ 280,938	12/22/2008	2.00%	3/24/2023	7,752				
					9/24/2023	7,829				
					3/24/2024	7,907				
					9/24/2024	7,986				
					3/24/2025	8,066				
					9/24/2025	8,147				
					3/24/2026	8,229				
					9/24/2026	8,311				
					3/24/2027	8,394				
					9/24/2027	8,478				
					3/24/2028	8,563				
	9/24/2028	8,648	269,028	—	12,150	256,878				
N/A	Water front Park Project	804,496	N/A	0.00%	N/A	N/A	821,796	—	—	821,796
						\$ 7,185,577	—	242,778	6,942,799	
						Payments	\$ 242,778		\$ 242,778	

CITY OF ELIZABETH

Schedule of Cash

Water Utility Funds

Year ended June 30, 2011

	<u>Operating Fund</u>	<u>Trust Fund</u>	<u>Capital Fund</u>
Balance, June 30, 2010	\$ 998,085	157,486	2,830,659
Increased by receipts:			
Due to Liberty Water	—	—	—
Reserve for capital expenditures	—	—	2,226,524
Interest earned	11,230	—	—
Interfund receipts	8,972	32	8,149
Total receipts	<u>20,202</u>	<u>32</u>	<u>2,234,673</u>
Subtotal	<u>1,018,287</u>	<u>157,518</u>	<u>5,065,332</u>
Decreased by disbursements:			
Interfund disbursements	8,181	46	8,926
Payment to Liberty Water for Improvements	180,849	—	3,584,768
Total disbursements	<u>189,030</u>	<u>46</u>	<u>3,593,694</u>
Balance, June 30, 2011	\$ <u><u>829,257</u></u>	<u><u>157,472</u></u>	<u><u>1,471,638</u></u>

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

Water Utility Capital Fund

June 30, 2011

<u>Description</u>	<u>Amount</u>
Capital Improvement Fund	\$ 697,239
Reserve for capital expenditures	773,992
Due to Water Operating Fund	<u>407</u>
	<u>\$ 1,471,638</u>

CITY OF ELIZABETH

Schedule of Reserve for Customer Deposits

Water Utility Trust Fund

Year ended June 30, 2011

Balance, June 30, 2010 and 2011	\$ <u>157,472</u>
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CITY OF ELIZABETH

Reserve for Capital Expenditures

Water Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	2,132,236
Increased by collections from Liberty Water		<u>2,226,524</u>
		4,358,760
Decreased by expenditures		<u>3,584,768</u>
Balance, June 30, 2011	\$	<u><u>773,992</u></u>

CITY OF ELIZABETH

Schedule of Interfund Accounts Receivable (Payable)

Water Utility Operating Fund

Year ended June 30, 2011

	<u>Total</u>	<u>Water Capital Fund</u>	<u>Water Trust Fund</u>
Balance, June 30, 2010, Due from (to)	\$ 1,198	1,184	14
Increased by:			
Interest earned	8,181	8,149	32
	9,379	9,333	46
Decreased by:			
Cash receipts	8,972	8,926	46
Balance, June 30, 2011, Due from (to)	\$ <u>407</u>	<u>407</u>	<u>—</u>

CITY OF ELIZABETH

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010 and 2011	\$ <u>697,239</u>
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CITY OF ELIZABETH

Schedule of Water Liens Receivable

Water Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	13,063
Increased by new liens		<u>28,566</u>
		41,629
Decreased by:		
Collections due to Liberty Water		<u>278</u>
Balance, June 30, 2011	\$	<u><u>41,351</u></u>

CITY OF ELIZABETH

Due to Liberty Water

Water Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	180,849
Decreased by expenditures		<u>180,849</u>
Balance, June 30, 2011	\$	<u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>16,441,271</u>
Balance, June 30, 2011	\$ <u>16,441,271</u>

CITY OF ELIZABETH

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended June 30, 2011

<u>Description</u>	<u>Balance, June 30, 2010</u>	<u>Additions</u>	<u>Balance, June 30, 2011</u>
Capital acquisitions	\$ 1,092,716	—	1,092,716
Land	14,013	—	14,013
General structures	350,250	—	350,250
Distributions mains and accessories	9,023,984	—	9,023,984
Meters, meter boxes and vaults	987,199	—	987,199
Service pipe and stops	1,896,542	—	1,896,542
Hydrants	136,929	—	136,929
General equipment	2,172,691	—	2,172,691
Miscellaneous service not distributed	445,555	—	445,555
Engineering and supervision	79,059	—	79,059
Computer equipment	6,949	—	6,949
Maintenance of City roads	235,384	—	235,384
	<u>\$ 16,441,271</u>	<u>—</u>	<u>16,441,271</u>

CITY OF ELIZABETH

Schedule of Accounts Payable

Water Utility Operating Fund

Year Ended June 30, 2011

Balance, June 30, 2010	\$	36,028
Decreased by cancellation		<u>36,028</u>
Balance, June 30, 2011	\$	<u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Cash - Treasurer

Sewer Utility Funds

Year ended June 30, 2011

	Operating Fund	Capital Fund
	<u> </u>	<u> </u>
Balance, June 30, 2010	\$ 4,933,430	3,031,698
Increased by receipts:		
Consumers' accounts receivable	17,997,698	—
Miscellaneous revenues	632,716	—
Notes issued	—	3,000,000
Premium on sale of notes	—	15,180
Environmental Infrastructure Loan	—	3,708,933
Interfund receipts	4	—
	<u>18,630,418</u>	<u>6,724,113</u>
Total receipts		
Subtotal	<u>23,563,848</u>	<u>9,755,811</u>
Decreased by disbursements:		
Budget appropriations	16,266,443	—
Appropriation reserves	771,858	—
Accounts payable	10,037	—
Interest on bonds and notes	755,530	—
Bond sale expenses	—	43,711
Interfund disbursements	—	4
Improvement authorizations	—	4,454,719
	<u>17,803,868</u>	<u>4,498,434</u>
Total disbursements		
Balance, June 30, 2011	\$ <u>5,759,980</u>	<u>5,257,377</u>

CITY OF ELIZABETH

Schedule of Analysis of Sewer Utility Capital Cash

Sewer Utility Capital Fund

Year ended June 30, 2011

	Balance June 30, 2010	Receipts		Disbursements		Transfer		Balance June 30, 2011
		Notes issued	Miscellaneous	Improvement authorizations	Miscellaneous	From	To	
Due from NJ Wastewater Treatment Trust	\$ (508,053)	—	—	—	—	—	—	(508,053)
Stormwater grant receivable	(5,155)	—	—	—	—	—	—	(5,155)
Bond sale expense payable	48,705	—	—	—	43,711	—	—	4,994
Reserve for renewal and replacement	364,000	—	—	—	—	—	—	364,000
Capital Improvement Fund	788,338	—	—	—	—	—	—	788,338
EITF receivable	(9,135,082)	—	3,708,933	—	—	—	4,169,802	(1,256,347)
Due to Sewer Operating Fund	4	—	—	—	4	—	—	—
Appropriated reserve for grants	20,619	—	—	—	—	—	—	20,619
Fund Balance	962,476	—	15,180	—	—	—	—	977,656
Improvement authorizations:								
Ordinance								
number								
1848	(332,000)	—	—	—	—	—	—	(332,000)
2340	(105,686)	—	—	—	—	—	—	(105,686)
2481	(101,766)	—	—	—	—	—	—	(101,766)
2834	(219,876)	—	—	—	—	—	—	(219,876)
2909	656,083	—	—	—	—	—	—	656,083
3245	2,045,928	—	—	—	—	—	—	2,045,928
3119	38,925	—	—	—	—	—	—	38,925
3634	(991,658)	—	—	—	—	—	—	(991,658)
3636	968,023	—	—	29,761	—	—	—	938,262
3652	(59,964)	—	—	—	—	—	—	(59,964)
3653	(475,000)	—	—	—	—	—	—	(475,000)
3720	483,545	—	—	—	—	—	—	483,545
3748	(262,593)	—	—	—	—	—	—	(262,593)
3795	(364,854)	—	—	—	—	—	—	(364,854)
3878	(1,825,391)	—	—	115,944	—	—	—	(1,941,335)
3982	5,131,817	—	—	2,227,604	—	—	—	2,904,213
3992	770,012	—	—	536,082	—	—	—	233,930
3993	4,193,069	—	—	—	—	4,169,802	—	23,267
4035	(485,808)	—	—	164,192	—	—	—	(650,000)
4036	(10,000)	—	—	—	—	—	—	(10,000)
4093	1,443,040	3,000,000	—	1,346,456	—	—	—	3,096,584
4170	—	—	—	34,680	—	—	—	(34,680)
	<u>\$ 3,031,698</u>	<u>3,000,000</u>	<u>3,724,113</u>	<u>4,454,719</u>	<u>43,715</u>	<u>4,169,802</u>	<u>4,169,802</u>	<u>5,257,377</u>

CITY OF ELIZABETH

Schedule of Consumers' Accounts Receivable

Sewer Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ 173,504
Increased by:	
Rents levied	<u>17,853,803</u>
	<u>18,027,307</u>
Decreased by:	
Transfer to Liens	18,766
Collections	<u>17,997,698</u>
	<u>18,016,464</u>
Balance, June 30, 2011	\$ <u><u>10,843</u></u>

CITY OF ELIZABETH

Schedule of Interfund Accounts Receivable (Payable)

Sewer Utility Operating Fund

Year ended June 30, 2011

	<u>Total</u>	<u>Sewer Capital Fund</u>
Balance, June 30, 2010, Due from (to)	\$ 4	4
Decreased by collection	<u>4</u>	<u>4</u>
Balance, June 30, 2011, Due from (to)	<u>\$ —</u>	<u>—</u>

CITY OF ELIZABETH

Schedule of Fixed Capital

Sewer Utility Capital Fund

Year ended June 30, 2011

	Balance, June 30, 2010	Balance, June 30, 2011
	<u> </u>	<u> </u>
Sewer pumps	\$ 1,335,787	1,335,787
Computer equipment	47,728	47,728
Transportation equipment	263,450	263,450
General equipment	734,495	734,495
Joint Meeting Dewatering Plant	15,775,548	15,775,548
Sewer lines	8,890,510	8,890,510
Sanitary sewer system	22,883,241	22,883,241
Refunding bond issuance costs	235,000	235,000
Overflow pollution abatement program	256,000	256,000
	<u>\$ 50,421,759</u>	<u>50,421,759</u>

CITY OF ELIZABETH

Schedule of Fixed Capital Authorized and Uncompleted

Sewer Utility Capital Fund

Year ended June 30, 2011

Ordinance number	Improvement description	Ordinance authorization	Balance, June 30, 2010	2011 improvement authorizations	Balance June 30, 2011
	Pollution abatement program	\$ 4,550,000	4,550,000	—	4,550,000
2287	Joint Meeting Dewatering Plant	3,200,000	3,200,000	—	3,200,000
2386	Fiscal year adjustment bonds	1,425,000	1,425,000	—	1,425,000
2525	Joint Meeting Dewatering Plant	4,775,000	4,775,000	—	4,775,000
2812	Sewer jet and catch basin	85,000	85,000	—	85,000
2909	Infiltration and inflow reduction	3,210,000	1,589,582	—	1,589,582
3119	Overflow pollution abatement program	840,000	584,000	—	584,000
3245	NJ environmental infrastructure trust	14,920,000	14,920,000	—	14,920,000
3340	Sewer refunding bonds	2,875,000	125,000	—	125,000
3462	Combined Sewer System	1,200,000	1,200,000	—	1,200,000
3634	CSO Characterization study	1,400,000	1,400,000	—	1,400,000
3636	Various Storm and Sewer Improvements	5,500,000	5,500,000	—	5,500,000
3652	Storm sewer Improvements	400,000	400,000	—	400,000
3653	Construction Harding Road Storm sewer	500,000	500,000	—	500,000
3720	Joint Meeting capital construction	3,600,000	3,600,000	—	3,600,000
3748	Harding Rd. Supplement Ord. 3653	300,000	300,000	—	300,000
3795	Harding Rd. Storm Sewer	500,000	500,000	—	500,000
3878	Verona Ave. - Gebhardt Storm Sewer	4,000,000	4,000,000	—	4,000,000
3982	Verona Ave. - Gebhardt Storm Sewer - Supplemental	3,500,000	3,500,000	—	3,500,000
3992	Summer St. Storm Sewer Improvements	1,000,000	1,000,000	—	1,000,000
3993	Joint Meeting Capital Projects	4,500,000	306,931	—	306,931
4035	Midtown sewer improvements	14,000,000	14,000,000	—	14,000,000
4036	Verona Ave. - Gebhardt Storm Sewer	1,000,000	1,000,000	—	1,000,000
4037	Summer St. Storm Sewer Improvements	200,000	200,000	—	200,000
4093	Infrastructure Upgrades Phase I	12,000,000	12,000,000	—	12,000,000
4170	North Ave. sewer modification	1,500,000	—	1,500,000	1,500,000
4198	Western Ave. sewer system improvement	12,000,000	—	12,000,000	12,000,000
4199	Third Ave. sewer modification	2,600,000	—	2,600,000	2,600,000
4200	South St. sewer modification	1,500,000	—	1,500,000	1,500,000
			\$ 80,660,513	17,600,000	98,260,513

CITY OF ELIZABETH

Schedule of Reserve for Renewal and Replacement of
Property, Plant, and Equipment

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010 and 2011	\$ <u>364,000</u>
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CITY OF ELIZABETH

Schedule of 2010 Appropriation Reserves

Sewer Utility Operating Fund

Year ended June 30, 2011

	<u>Balance, June 30, 2010</u>	<u>Encumbrance payable cancelled</u>	<u>Balance after modification</u>	<u>Paid</u>	<u>Balance lapsed</u>
Operating:					
Management fee	2,134,143	191,380	2,325,523	504,130	1,821,393
Joint meeting	418,037	—	418,037	207,527	210,510
Capital improvements:					
Capital outlay	<u>46,557</u>	<u>92,501</u>	<u>139,058</u>	<u>92,500</u>	<u>46,558</u>
	<u>\$ 2,598,737</u>	<u>283,881</u>	<u>2,882,618</u>	<u>804,157</u>	<u>2,078,461</u>
			Cash	\$ 771,858	
			Accounts payable	<u>32,299</u>	
				<u>\$ 804,157</u>	

CITY OF ELIZABETH

Schedule of Accounts Payable

Sewer Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>710,078</u>
Increased by:	
2011 budget	32,500
2010 budget appropriation	<u>32,299</u>
	<u>64,799</u>
	774,877
Decreased by:	
Disbursements	<u>10,037</u>
Balance, June 30, 2011	\$ <u><u>764,840</u></u>

CITY OF ELIZABETH

Schedule of Bond Anticipation Notes

Sewer Utility Capital Fund

Year ended June 30, 2011

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of original issue</u>	<u>Issue Date</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, June 30, 2010</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2011</u>
4093	Infrastructure Upgrades Phase I	6/30/2010	4/15/2011	4/13/2012	1.500%	\$ 3,000,000	3,000,000	3,000,000	3,000,000
		6/10/2011	6/10/2011	4/13/2012	1.250%	—	3,000,000	—	3,000,000
						<u>\$ 3,000,000</u>	<u>6,000,000</u>	<u>3,000,000</u>	<u>6,000,000</u>
					Renewed		\$ 3,000,000	3,000,000	
					Issued		<u>3,000,000</u>	—	
							<u>\$ 6,000,000</u>	<u>3,000,000</u>	

CITY OF ELIZABETH

Schedule of Accrued Interest on Bonds and Notes

Sewer Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	220,379
Increased by budget appropriation		<u>790,461</u>
		1,010,840
Decreased by cash disbursements		<u>755,530</u>
Balance, June 30, 2011	\$	<u><u>255,310</u></u>

CITY OF ELIZABETH

Schedule of Due from Trustee
Environmental Infrastructure Trust and Fund Loans

Sewer Utility Capital Fund

Year ended June 30, 2011

<u>Loan Description</u>	<u>Balance June 30, 2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 2011</u>
NJEIT fund loan - Ord. 3636 -06ST 06Sf	\$ 34,655	—	—	34,655
NJEIT fund loan - Ord. 3720 -06STJ 06SFJ	488,545	—	—	488,545
NJEIT Verona Ave. ORD. 3878/3982/4036	1,755,000	—	1,060,504	694,496
Due from State Ord. 3878/3982/4036	1,766,428	—	1,766,428	—
NJEIT ord. 3992/4037	220,000	—	220,000	—
Due from State Ord. 3992/4037 Summer St.	666,915	—	662,001	4,914
	<u>\$ 4,931,543</u>	<u>—</u>	<u>3,708,933</u>	<u>1,222,610</u>
Collected			<u>\$ 3,708,933</u>	
			<u>\$ 3,708,933</u>	

CITY OF ELIZABETH

Schedule of Serial Bonds

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Paid by	Balance, June 30, 2011
			Date	Amount				
Sewer improvements	7/15/1998	\$ 2,924,000	7/15/2011-13	\$ 145,000	5.000	\$ 1,330,000	145,000	1,185,000
			7/15/2014-18	150,000	5.000			
Sewer Utility Bonds (Bonds maturing on or after 2012 are subject to redemption)	11/1/2001	4,030,000	11/1/2011	202,000	4.125	2,414,000	202,000	2,212,000
			11/1/2012	201,000	4.125			
			11/1/2013	201,000	4.250			
			11/1/2014	201,000	4.375			
			11/1/2015	201,000	4.375			
			11/1/2016	201,000	4.500			
			11/1/2017	201,000	4.625			
			11/1/2018	201,000	4.625			
			11/1/2019	201,000	4.700			
			11/1/2020	201,000	4.750			
			11/1/2021	201,000	4.750			
Sewer refunding bonds (Bonds maturing on or after 2011 are subject to redemption)	12/1/2001	2,875,000	11/15/2011	235,000	4.250	705,000	240,000	465,000
			11/15/2012	230,000	4.500			
						<u>\$ 4,449,000</u>	<u>587,000</u>	<u>3,862,000</u>
						Budget appropriation	\$ <u>587,000</u>	
							\$ <u>587,000</u>	

CITY OF ELIZABETH

Schedule of Local Unit Bonds

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Bond number	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount				
Wastewater Treatment Bonds - Wastewater Treatment Fund Trust Loan (Ord. 2909)	97L	\$ 1,600,000	9/1/2011	\$ 71,463	Non-interest bearing			
			3/1/2012	9,232				
			9/1/2012	72,903				
			3/1/2013	7,561				
			9/1/2013	74,264				
			3/1/2014	5,810				
			9/1/2014	75,545				
			3/1/2015	3,979				
			9/1/2015	76,746				
			3/1/2016	2,069				
			9/1/2016	83,965		\$ 564,303	80,767	483,536
Wastewater Treatment Bonds - Wastewater Treatment Trust Loan (Ord. 2909)	97T	\$ 1,610,000	9/1/2011	100,000	5.25			
			9/1/2012	105,000	5.25			
			9/1/2013	110,000	5.25			
			9/1/2014	115,000	5.25			
			9/1/2015	120,000	5.25			
			9/1/2016	130,000	5.25			
					\$ 1,339,303	175,767	1,163,536	

CITY OF ELIZABETH

Schedule of Improvement Authorizations

Sewer Utility Capital Fund

Year ended June 30, 2011

Improvement description	Ordinance			Balance, June 30, 2010		Bonds and notes authorized not issued	Paid or charged	Cancelled	Balance, June 30, 2011	
	Number	Date	Amount	Funded	Unfunded				Funded	Unfunded
Reconstruction of sanitary/storm sewer - infiltration and inflow reduction	2909	8/28/1996	\$ 3,210,000	656,083	—	—	—	—	656,083	—
Combined Sewer System	3119	11/24/1998	840,000	38,925	—	—	—	—	38,925	—
Combined sewer outflow system	3245	10/1/2000	14,920,000	2,045,928	248,870	—	—	—	2,045,928	248,870
Combined Sewer System	3462	3/25/2003	1,200,000	—	1,200,000	—	—	—	—	1,200,000
CSO Characterization study	3634	8/24/2004	1,400,000	—	75,555	—	—	—	—	75,555
Various Storm and Sewer Improvements	3636	8/24/2004	5,500,000	968,023	2,308,966	—	29,761	—	938,262	2,308,966
Storm sewer Improvements	3652	9/28/2004	400,000	—	320,036	—	—	—	—	320,036
Joint Meeting Capital Construction	3720	5/24/2005	3,600,000	483,545	196,665	—	—	—	483,545	196,665
Harding Rd. Supplement Ord. 3653	3748	8/23/2005	300,000	—	22,407	—	—	—	—	22,407
Harding Rd. Storm Sewer	3795	2/26/2006	500,000	—	110,146	—	—	—	—	110,146
Verona Ave. - Gebhardt Storm Sewer	3878	2/1/2007	4,000,000	—	211,444	—	115,944	—	—	95,500
Verona Ave. - Gebhardt Storm Sewer - Supplem	3982	8/26/2008	3,500,000	—	3,167,321	—	2,227,604	—	—	939,717
Summer St. Storm Sewer Improvements	3992	10/28/2008	1,000,000	—	830,792	—	536,082	—	—	294,710
Joint Meeting Capital Projects	3993	10/28/2008	4,500,000	—	330,198	—	—	—	—	330,198
Midtown sewer improvements	4035	4/14/2009	14,000,000	—	13,514,192	—	164,192	—	—	13,350,000
Verona Ave. - Gebhardt Storm Sewer	4036	4/14/2009	1,000,000	—	990,000	—	—	—	—	990,000
Summer St. Storm Sewer Improvements	4037	4/14/2009	200,000	—	200,000	—	—	—	—	200,000
Infrastructure Upgrades Phase I	4093	1/12/2010	12,000,000	—	10,443,040	—	1,346,456	—	—	9,096,584
North Ave. sewer modification	4170	11/10/2010	1,500,000	—	—	1,500,000	34,680	—	—	1,465,320
Western Ave. sewer system improvement	4198	3/22/2011	12,000,000	—	—	12,000,000	—	—	—	12,000,000
Third Ave. sewer modification	4199	3/22/2011	2,600,000	—	—	2,600,000	—	—	—	2,600,000
South St. sewer modification	4200	3/22/2011	1,500,000	—	—	1,500,000	—	—	—	1,500,000
				\$ 4,192,504	34,169,632	17,600,000	4,454,719	—	4,162,743	47,344,674

CITY OF ELIZABETH

Schedule of Reserve for Amortization

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>59,186,728</u>
Increased by:	
Local Unit bonds paid by operating budget	175,767
Environmental infrastructure Loans payable	1,244,332
Serial bonds paid by operating budget	<u>587,000</u>
	<u>2,007,099</u>
Balance, June 30, 2011	\$ <u><u>61,193,827</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Deferred Amortization

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>8,796,766</u>
Balance, June 30, 2011	\$ <u>8,796,766</u>

CITY OF ELIZABETH

Schedule of Bonds and Notes Authorized but not Issued

Sewer Utility Capital Fund

Year ended June 30, 2011

Ordinance number	Improvement description	Balance, June 30, 2010	2011 improvement authori- zations	Decreased By	Balance, June 30, 2011
1848	Trenton Ave. pumping station	\$ 332,000	—	—	332,000
2340	Purchase of equipment	105,686	—	—	105,686
2481	Water/storm sanitary sewer	101,766	—	—	101,766
2834	Reconstruction and rehabilitation of combined sewer system - overflow pollution abatement program	219,876	—	—	219,876
3245	Combined sewer outflow system	248,870	—	—	248,870
3462	CSO Characterization study	1,200,000	—	—	1,200,000
3634	CSO Characterization study	1,330,000	—	—	1,330,000
3636	Various Storm and Sewer Improvements	2,308,966	—	—	2,308,966
3652	Storm sewer Improvements	380,000	—	—	380,000
3653	Construction Harding Road Storm sewer	475,000	—	—	475,000
3720	Joint Meeting Capital Projects	196,665	—	—	196,665
3748	Harding Rd. Supplement Ord. 3653	285,000	—	—	285,000
3795	Harding Rd. Storm Sewer	475,000	—	—	475,000
3878	Verona Ave. - Gebhardt Storm Sewer	—	—	—	—
3982	Verona Ave. - Gebhardt Storm Sewer - Supplemental	80,502	—	—	80,502
3992	Summer St. Storm Sewer Improvements	63,085	—	—	63,085
3993	Joint Meeting Capital Projects	330,200	—	—	330,200
4035	Midtown sewer improvements	14,000,000	—	—	14,000,000
4036	Verona Ave. - Gebhardt Storm Sewer	1,000,000	—	—	1,000,000
4037	Summer St. Storm Sewer Improvements	200,000	—	—	200,000
4093	Infrastructure Upgrades Phase I	9,000,000	—	3,000,000	6,000,000
4170	North Ave. sewer modification	—	1,500,000	—	1,500,000
4198	Western Ave. sewer system improvement	—	12,000,000	—	12,000,000
4199	Third Ave. sewer modification	—	2,600,000	—	2,600,000
4200	South St. sewer modification	—	1,500,000	—	1,500,000
		<u>\$ 32,332,616</u>	<u>17,600,000</u>	<u>3,000,000</u>	<u>46,932,616</u>
			Bond anticipation notes	<u>\$ 3,000,000</u>	
				<u>\$ 3,000,000</u>	

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Trust Loan (Ord. 3245)	10/1/2000	\$ 2,635,000	8/1/2010	\$ 130,000	5.00				
			8/1/2011	135,000	5.00				
			8/1/2012	140,000	5.00				
			8/1/2013	145,000	5.00				
			8/1/2014	155,000	5.00				
			8/1/2015	160,000	5.13				
			8/1/2016	170,000	5.13				
			8/1/2017	180,000	5.25				
			8/1/2018	190,000	5.25				
			8/1/2019	200,000	5.25				
			8/1/2020	210,000	5.25	\$ 1,815,000	—	130,000	1,685,000
NJ Environmental Fund Loan (Ord. 3245)	Semi-annual payments on 8/1and 2/1	2,548,815	8/1/2010	136,068	Non-interest bearing				
			8/1/2011	135,063					
			8/1/2012	133,902					
			8/1/2013	132,587					
			8/1/2014	134,134					
			8/1/2015	132,293					
			8/1/2016	133,249					
			8/1/2017	133,817					
			8/1/2018	133,996					
			8/1/2019	133,849					
			8/1/2020	133,377		1,472,335	—	136,068	1,336,267
NJ Environmental Fund Loan 2001A - 11/8/2001 (Ord. 3245)	Semi-annual \$ payments on 8/1and 2/1	3,130,000	8/1/2010	150,000	5.50				
			8/1/2011	155,000	5.50				
			8/1/2012	165,000	5.50				
			8/1/2013	175,000	5.50				
			8/1/2014	185,000	5.00				
			8/1/2015	190,000	5.00				
			8/1/2016	200,000	5.00				
			8/1/2017	210,000	5.00				
			8/1/2018	220,000	5.00				
			8/1/2019	235,000	5.00				
			8/1/2020	245,000	4.75				
			8/1/2021	255,000	4.75				

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan 2002A - 03ST (Ord. 3428)	8/1/2002	\$ 1,945,000	8/1/2010	\$ 90,000	5.00				
			8/1/2011	95,000	5.00				
			8/1/2012	100,000	5.00				
			8/1/2013	105,000	5.25				
			8/1/2014	110,000	5.25				
			8/1/2015	115,000	5.00				
			8/1/2016	125,000	5.00				
			8/1/2017	130,000	5.00				
			8/1/2018	135,000	5.00				
			8/1/2019	145,000	5.00				
			8/1/2020	150,000	5.00				
			8/1/2021	155,000	5.00				
			8/1/2022	165,000	4.75				
NJ Environmental Fund Loan 2002A (Ord. 3428)	Semi-annual payments on 8/1 and 2/1	\$ 1,775,000	2011	102,324	Non-interest bearing				
			2012	102,551					
			2013	102,627					
			2014	102,471					
			2015	102,082					
			2016	101,620					
			2017	104,043					
			2018	103,210					
			2019	102,225					
			2020	104,043					
			2021	102,603					
			2022	101,013					
			2023	102,349					
NJ Environmental Fund Loan 2001A (Ord. 3245)	11/8/2001	\$ 3,084,896	8/1/2010	134,350	Non-interest bearing				
			2/1/2011	36,033					
			8/1/2011	134,908					
			2/1/2012	33,314					
			8/1/2012	138,568					
			2/1/2013	30,420					
			8/1/2013	142,053					
			2/1/2014	27,350					
			8/1/2014	145,362					

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
			2/1/2015	\$ 24,400					
			8/1/2015	145,601					
			2/1/2016	21,370					
			8/1/2016	148,950					
			2/1/2017	18,180					
			8/1/2017	152,139					
			2/1/2018	14,831					
			8/1/2018	155,169					
			2/1/2019	11,323					
			8/1/2019	161,229					
			2/1/2020	7,575					
			8/1/2020	163,861					
			2/1/2021	3,863					
			8/1/2021	166,528	\$	2,017,377	—	170,383	1,846,994
NJ Environmental Fund Loan 2006A (Ord. 3636)	11/29/2006	\$ 755,000	8/1/2010	30,000	4.000				
			8/1/2011	30,000	5.000				
			8/1/2012	30,000	5.000				
			8/1/2013	35,000	5.000				
			8/1/2014	35,000	5.000				
			8/1/2015	35,000	5.000				
			8/1/2016	40,000	5.000				
			8/1/2017	40,000	4.000				
			8/1/2018	40,000	4.000				
			8/1/2019	40,000	4.000				
			8/1/2020	45,000	4.000				
			8/1/2021	45,000	4.125				
			8/1/2022	50,000	4.125				
			8/1/2023	50,000	4.250				
			8/1/2024	50,000	5.000				
			8/1/2025	55,000	4.250				
			8/1/2026	55,000	4.250	705,000	—	30,000	675,000
NJ Environmental Fund Loan 2006A (Ord. 3636)	11/29/2006	2,161,034	8/1/2010	85,535	Non-interest bearing				
			2/1/2011	28,180					
			8/1/2011	84,410					
			2/1/2012	26,774					
			8/1/2012	83,005					
			2/1/2013	25,368					

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
			8/1/2013	\$ 90,971					
			2/1/2014	23,728					
			8/1/2014	89,331					
			2/1/2015	22,088					
			8/1/2015	87,691					
			2/1/2016	20,448					
			8/1/2016	95,422					
			2/1/2017	18,574					
			8/1/2017	93,548					
			2/1/2018	17,074					
			8/1/2018	92,048					
			2/1/2019	15,575					
			8/1/2019	90,549					
			2/1/2020	14,075					
			8/1/2020	98,421					
			2/1/2021	12,389					
			8/1/2021	96,734					
			2/1/2022	10,649					
			8/1/2022	104,366					
			2/1/2023	8,716					
			8/1/2023	102,434					
			2/1/2024	6,724					
			8/1/2024	100,442					
			2/1/2025	4,381					
			8/1/2025	107,471					
			2/1/2026	2,191					
			8/1/2026	105,280		1,864,592	—	113,715	1,750,877
NJ Environmental Fund Loan 2006A (Ord. 3720)	11/29/2006	\$ 880,000	8/1/2010	35,000	4.000				
			8/1/2011	35,000	5.000				
			8/1/2012	35,000	5.000				
			8/1/2013	40,000	5.000				
			8/1/2014	40,000	5.000				
			8/1/2015	40,000	5.000				
			8/1/2016	45,000	5.000				
			8/1/2017	45,000	4.000				
			8/1/2018	45,000	4.000				
			8/1/2019	50,000	4.000				
			8/1/2020	50,000	4.000				

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
			8/1/2021	\$ 55,000	4.125				
			8/1/2022	55,000	4.125				
			8/1/2023	60,000	4.250				
			8/1/2024	60,000	5.000				
			8/1/2025	65,000	4.250				
			8/1/2026	65,000	4.250	\$ 820,000	—	35,000	785,000
NJ Environmental Fund Loan 2006A (Ord. 3720)	11/29/2006	\$ 2,523,335	8/1/2010	99,784	Non-interest bearing				
			2/1/2011	32,800					
			8/1/2011	98,471					
			2/1/2012	31,158					
			8/1/2012	96,829					
			2/1/2013	29,516					
			8/1/2013	104,568					
			2/1/2014	27,641					
			8/1/2014	102,692					
			2/1/2015	25,764					
			8/1/2015	100,816					
			2/1/2016	23,888					
			8/1/2016	108,321					
			2/1/2017	21,777					
			8/1/2017	106,210					
			2/1/2018	20,088					
			8/1/2018	104,522					
			2/1/2019	18,399					
			8/1/2019	112,214					
			2/1/2020	16,524					
			8/1/2020	110,338					
			2/1/2021	14,647					
			8/1/2021	117,843					
			2/1/2022	12,518					
			8/1/2022	115,715					
			2/1/2023	10,390					
			8/1/2023	122,968					
			2/1/2024	7,998					
			8/1/2024	120,576					
			2/1/2025	5,183					
			8/1/2025	127,143					
			2/1/2026	2,592					
			8/1/2026	124,551		\$ 2,174,444	—	132,584	2,041,860

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan (Ord. 3878) (09ST)	12/1/2009 Semi-annual payments on 8/1 and 2/1	\$ 1,755,000	8/1/2010		2.00				
			2/1/2011		2.00				
			8/1/2011	\$ 65,000	2.00				
			2/1/2012		2.00				
			8/1/2012	65,000	3.00				
			2/1/2013		3.00				
			8/1/2013	65,000	5.00				
			2/1/2014		5.00				
			8/1/2014	70,000	5.00				
			2/1/2015		5.00				
			8/1/2015	70,000	5.00				
			2/1/2016		5.00				
			8/1/2016	75,000	5.00				
			2/1/2017		5.00				
			8/1/2017	80,000	5.00				
			2/1/2018		5.00				
			8/1/2018	85,000	5.00				
			2/1/2019		5.00				
			8/1/2019	90,000	4.00				
			2/1/2020		4.00				
			8/1/2020	90,000	4.00				
			2/1/2021		4.00				
			8/1/2021	95,000	4.00				
			2/1/2022		4.00				
			8/1/2022	100,000	3.50				
			2/1/2023		3.50				
			8/1/2023	100,000	4.00				
			2/1/2024		4.00				
			8/1/2024	105,000	4.00				
			2/1/2025		4.00				
8/1/2025	110,000	3.75							
2/1/2026		3.75							
8/1/2026	115,000	4.00							
2/1/2027		4.00							
8/1/2027	120,000	4.00							
2/1/2028		4.00							
8/1/2028	125,000	4.00							
2/1/2029		4.00							
8/1/2029	130,000	4.00			\$ 1,755,000	—	—	1,755,000	

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan (Ord. 3878) (09SF)	12/1/2009 Semi-annual payments on 8/1 and 2/1	\$ 1,763,165	8/1/2010	\$ 59,768	Non-interest bearing				
			2/1/2011	29,884					
			8/1/2011	59,768					
			2/1/2012	29,885					
			8/1/2012	59,768					
			2/1/2013	29,884					
			8/1/2013	59,768					
			2/1/2014	29,885					
			8/1/2014	59,768					
			2/1/2015	29,884					
			8/1/2015	59,768					
			2/1/2016	29,885					
			8/1/2016	59,768					
			2/1/2017	29,884					
			8/1/2017	59,768					
			2/1/2018	29,885					
			8/1/2018	59,768					
			2/1/2019	29,884					
			8/1/2019	59,768					
			2/1/2020	29,885					
			8/1/2020	59,768					
			2/1/2021	29,885					
			8/1/2021	59,768					
			2/1/2022	29,884					
			8/1/2022	59,768					
			2/1/2023	29,884					
			8/1/2023	59,768					
			2/1/2024	29,884					
			8/1/2024	59,768					
			2/1/2025	29,885					
8/1/2025	59,768								
2/1/2026	29,884								
8/1/2026	59,768								
2/1/2027	29,885								
8/1/2027	59,768								
2/1/2028	29,884								
8/1/2028	59,768								
2/1/2029	29,885								
			8/1/2029	59,768		1,763,165	—	89,652	1,673,513

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan (Ord. 3993) (09SFJ) Series 2010 A (CW-ARRA)	12/1/2009 Semi-annual payments on 8/1and 2/1	\$ 1,025,000	8/1/2010						
			2/1/2011						
			8/1/2011	\$ 35,000	4.00				
			2/1/2012						
			8/1/2012	35,000	5.00				
			2/1/2013						
			8/1/2013	40,000	5.00				
			2/1/2014						
			8/1/2014	40,000	5.00				
			2/1/2015						
			8/1/2015	40,000	5.00				
			2/1/2016						
			8/1/2016	45,000	5.00				
			2/1/2017						
			8/1/2017	45,000	5.00				
			2/1/2018						
			8/1/2018	50,000	5.00				
			2/1/2019						
			8/1/2019	50,000	4.00				
			2/1/2020						
			8/1/2020	55,000	5.00				
			2/1/2021						
			8/1/2021	55,000	3.00				
			2/1/2022						
			8/1/2022	60,000	4.00				
			2/1/2023						
			8/1/2023	60,000	4.00				
			2/1/2024						
			8/1/2024	60,000	4.00				
			2/1/2025						
8/1/2025	65,000	4.00							
2/1/2026									
8/1/2026	70,000	3.50							
2/1/2027									
8/1/2027	70,000	4.00							
2/1/2028									
8/1/2028	75,000	4.00							
2/1/2029									
8/1/2029	75,000	4.00	\$ 1,025,000	—	—	1,025,000			

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan (Ord. 3993) (09SFJ)	12/1/2009 Semi-annual payments on 8/1 and 2/1	\$ 1,048,267	8/1/2010	\$ 35,534	Non-interest bearing				
			2/1/2011	17,768					
			8/1/2011	35,534					
			2/1/2012	17,767					
			8/1/2012	35,534					
			2/1/2013	17,768					
			8/1/2013	35,534					
			2/1/2014	17,767					
			8/1/2014	35,534					
			2/1/2015	17,768					
			8/1/2015	35,534					
			2/1/2016	17,768					
			8/1/2016	35,534					
			2/1/2017	17,767					
			8/1/2017	35,534					
			2/1/2018	17,768					
			8/1/2018	35,534					
			2/1/2019	17,768					
			8/1/2019	35,534					
			2/1/2020	17,768					
			8/1/2020	\$ 35,534					
			2/1/2021	17,768					
			8/1/2021	35,534					
			2/1/2022	17,768					
			8/1/2022	35,534					
			2/1/2023	17,768					
			8/1/2023	35,534					
			2/1/2024	17,767					
			8/1/2024	35,534					
			2/1/2025	17,768					
			8/1/2025	35,534					
			2/1/2026	17,768					
8/1/2026	35,534								
2/1/2027	17,768								
8/1/2027	35,534								
2/1/2028	17,768								
8/1/2028	35,534								
2/1/2029	17,767								
			8/1/2029	35,534		\$ 1,048,267	—	53,302	994,965

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan (Ord. 3992) (09STJ) Series 2010 A (CW-ARRA)	12/1/2009 Semi-annual payments on 8/1and 2/1	\$ 220,000	8/1/2010						
			2/1/2011						
			8/1/2011	\$ 5,000	4.00				
			2/1/2012						
			8/1/2012	10,000	5.00				
			2/1/2013						
			8/1/2013	10,000	5.00				
			2/1/2014						
			8/1/2014	10,000	5.00				
			2/1/2015						
			8/1/2015	10,000	5.00				
			2/1/2016						
			8/1/2016	10,000	5.00				
			2/1/2017						
			8/1/2017	10,000	5.00				
			2/1/2018						
			8/1/2018	10,000	5.00				
			2/1/2019						
			8/1/2019	10,000	4.00				
			2/1/2020						
			8/1/2020	10,000	4.00				
			2/1/2021						
			8/1/2021	10,000	3.00				
			2/1/2022						
			8/1/2022	10,000	4.00				
			2/1/2023						
			8/1/2023	15,000	4.00				
			2/1/2024						
			8/1/2024	15,000	4.00				
2/1/2025									
8/1/2025	15,000	4.00							
2/1/2026									
8/1/2026	15,000	3.50							
2/1/2027									
8/1/2027	15,000	4.00							
2/1/2028									
8/1/2028	15,000	4.00							
2/1/2029									
8/1/2029	15,000	4.00			220,000	—	—	220,000	

(Continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2011		Interest rate	Balance, June 30, 2010	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2011
			Date	Amount					
NJ Environmental Fund Loan (Ord. 3992) (09SFJ)	12/1/2009 Semi-annual payments on 8/1 and 2/1	\$ 222,305	8/1/2010	\$ 7,536	Non-interest bearing				
			2/1/2011	3,768					
			8/1/2011	7,536					
			2/1/2012	3,767					
			8/1/2012	7,536					
			2/1/2013	3,768					
			8/1/2013	7,536					
			2/1/2014	3,767					
			8/1/2014	7,536					
			2/1/2015	3,768					
			8/1/2015	7,536					
			2/1/2016	3,767					
			8/1/2016	7,536					
			2/1/2017	3,768					
			8/1/2017	7,536					
			2/1/2018	3,768					
			8/1/2018	7,536					
			2/1/2019	3,768					
			8/1/2019	7,536					
			2/1/2020	3,767					
			8/1/2020	7,536					
			2/1/2021	3,768					
			8/1/2021	7,536					
			2/1/2022	3,767					
			8/1/2022	7,536					
			2/1/2023	3,768					
			8/1/2023	7,536					
			2/1/2024	3,767					
			8/1/2024	7,536					
			2/1/2025	3,768					
8/1/2025	7,536								
2/1/2026	3,768								
8/1/2026	7,536								
2/1/2027	3,768								
8/1/2027	7,536								
2/1/2028	3,767								
8/1/2028	7,536								
2/1/2029	3,768								
8/1/2029	7,536								
						222,305	—	11,304	211,001
						<u>\$ 22,240,646</u>	<u>—</u>	<u>1,244,332</u>	<u>20,996,314</u>

CITY OF ELIZABETH

Schedule of Sewer Liens Receivable

Sewer Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>10,280</u>
Increased by:	
Transfer from accounts receivable	18,766
Penalties and costs	<u>1,793</u>
	<u>20,559</u>
	30,839
Decreased by collections	<u>207</u>
Balance, June 30, 2011	\$ <u><u>30,632</u></u>

CITY OF ELIZABETH

Schedule of Capital Improvement Fund

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>788,338</u>
Balance, June 30, 2011	\$ <u>788,338</u>

CITY OF ELIZABETH

Schedule of Encumbrances Payable

Sewer Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ 283,881
Increased by budget appropriation	<u>10,386</u>
	294,267
Decreased by cancellation to appropriation reserve	<u>283,881</u>
Balance, June 30, 2011	<u><u>\$ 10,386</u></u>

CITY OF ELIZABETH

Schedule of Due from State of New Jersey -
Wastewater Treatment Trust Fund

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>508,053</u>
Balance, June 30, 2011	\$ <u>508,053</u>
	<u>Analysis of balance</u>
Grant due from State	\$ 15,535
Wastewater trust loan	241,259
Wastewater trust loan	<u>251,259</u>
	\$ <u>508,053</u>

CITY OF ELIZABETH

Schedule of Miscellaneous Rents Receivable

Sewer Utility Operating Fund

Year ended June 30, 2011

Balance, June 30, 2010 and 2011	\$ <u>5,342</u>
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CITY OF ELIZABETH

Schedule of Bond Sale Expense Payable

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$	48,705
Decreased by disbursements		<u>43,711</u>
Balance, June 30, 2011	\$	<u><u>4,994</u></u>

CITY OF ELIZABETH

Schedule of State Grant Receivable

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>5,155</u>
Balance, June 30, 2011	\$ <u>5,155</u>

CITY OF ELIZABETH

Schedule of Appropriated Reserve for State Grants

Sewer Utility Capital Fund

Year ended June 30, 2011

Balance, June 30, 2010	\$ <u>20,619</u>
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Balance, June 30, 2011	\$ <u>20,619</u>
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CITY OF ELIZABETH

Schedule of Changes in General Fixed Assets

General Fixed Assets Account Group

Year ended June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance</u> <u>June 30, 2011</u>
General fixed assets:				
Land and buildings	\$ 41,978,500	1,500,000	—	43,478,500
Equipment	11,866,625	—	1,389	11,865,236
Vehicles	18,949,021	—	409,743	18,539,278
	<u>\$ 72,794,146</u>	<u>1,500,000</u>	<u>411,132</u>	<u>73,883,014</u>

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	State Funds Received	Funds Available 06/30/10	Grant Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Pass through Number	Grant Period	
										From	To
Department of Health and Human Services (Passed through the NJ Department of Health and Senior Services)											
Maternal and Child Health Services Block Grant to the States LEAD Paint Analyzer	93.994	\$ 25,000	—	11,610	—	—	—	11,610	4220-100-046-4535-315-J002-6140	5/1/2002	6/30/2002
Pandemic Flu Grant Phase III	93.283	16,408	—	7,247	—	—	—	7,247			
				7,247	—	—	—	7,247			
Total Department of Health and Human Services			—	30,191	—	—	—	18,857			
Department of Housing and Urban Development:											
Community Development Block Grant:	14.218								N/A		
Unallocated			—	116,817	—	—	204,915	(88,098)		4/1/2001	3/31/2002
2002-03		2,793,000	—	93,783	—	15,000	44,530	34,253		4/1/2002	3/31/2003
2003-04		2,545,000	—	152,265	—	152,265	—	—		4/1/2003	3/31/2004
2004-05		2,493,794	—	31,561	—	16,221	6,540	8,800		4/1/2004	3/31/2005
2005-06		2,353,936	—	259,728	—	44,769	121,954	93,005		4/1/2005	3/31/2006
2006-07		2,106,146	—	142,820	—	48,962	77,502	16,356		4/1/2006	3/31/2007
2007-08		2,185,737	—	372,806	—	247,055	(116,496)	242,247		4/1/2007	3/31/2008
2008-09		2,021,606	—	362,651	—	69,654	256,686	36,311		4/1/2008	3/31/2009
2009-10		2,083,270	—	912,415	—	749,116	(551,169)	714,468		4/1/2009	3/31/2010
2010-11		2,270,945	—	—	2,270,945	1,421,056	(10,346)	860,235		4/1/2009	3/31/2010
				2,236,376	2,270,945	2,764,098	34,116	1,917,576			
Community Development Block Grant ARRA Entitlement Grants	14.253	548,608	—	548,608	—	467,977	—	80,631			
(Passed through the State of New Jersey Department of Community Affairs)											
Neighborhood Stabilization	14.228										
2009-02293-1746-00		500,000	450,000	500,000	—	450,000	—	50,000	2009-02293-1746-00	5/8/2009	9/9/2010
2009-02293-1747-00		240,000	216,000	240,000	—	216,000	—	24,000	2009-02293-1747-00	5/8/2009	9/9/2010
2009-02293-1748-00		349,317	323,861	349,317	—	323,861	—	25,456	2009-02293-1748-00	5/8/2009	9/9/2010
2009-02293-1749-00		447,139	97,150	447,139	—	97,150	—	349,989	2009-02293-1749-00	5/8/2009	9/9/2010
2009-02293-1750-00		720,000	720,000	720,000	—	720,000	—	—	2009-02293-1750-00	5/8/2009	9/9/2010
2009-02293-1751-00		750,000	750,000	750,000	—	750,000	—	—	2009-02293-1751-00	5/8/2009	9/9/2010
2009-02293-1752-00		203,000	—	203,000	—	—	—	203,000	2009-02293-1752-00	5/8/2009	9/9/2010
2009-02293-1757-00		600,000	—	600,000	—	—	—	600,000	2009-02293-1757-00	5/8/2009	9/9/2010
			2,557,011	3,809,456	—	2,557,011	—	1,252,445			(Continued)

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	State Funds Received	Funds Available 06/30/10	Grant Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Pass through Number	Grant Period	
										From	To
HOME Investment Partnership:	14.239								N/A		
2003-2004		1,545,595	—	9,843	—	—	—	9,843		4/1/2009	3/31/2010
2006-2007		1,411,274	—	238,004	—	238,004	—	—			
2008-2009		1,356,283	—	1,356,283	—	1,312,566	—	43,717			
2009-2010		1,510,695	—	1,510,695	—	—	—	1,510,695			
2010-2011		1,501,323	—	—	1,501,323	—	—	1,501,323		4/1/2007	3/31/2008
				<u>3,045,348</u>	<u>1,501,323</u>	<u>1,550,570</u>	<u>—</u>	<u>3,065,578</u>			
Emergency Shelter Grant	14.231								N/A		
2008-09		90,261	—	4,014	—	4,014	—	—		4/1/2007	3/31/2008
2009-10		90,009	—	43,483	—	43,483	—	—		4/1/2008	3/31/2009
2010-11		91,292	—	—	91,292	55,431	—	35,861		4/1/2009	3/31/2010
				<u>47,497</u>	<u>91,292</u>	<u>102,928</u>	<u>—</u>	<u>35,861</u>			
Homeless Prevention & Rapid Re-Housing Program (ARRA)	14.257	839,604	—	223,553	—	215,665	—	7,888			
Housing Opportunity for Persons with AIDS (Passed through the City of Newark)	14.241										
2009-10		783,186	—	357,365	35,000	365,972	—	26,393		1/1/2009	12/31/2009
2010-11		931,200	—	—	931,200	377,891	—	553,309		1/1/2010	12/31/2010
				<u>357,365</u>	<u>966,200</u>	<u>743,863</u>	<u>—</u>	<u>579,702</u>			
Lead Based Paint Hazard Control in Privately Owned Housing	14.900	\$ 305,700	—	46,189	—	150	—	46,039			
Total Department of Housing and Urban Development:				<u>10,344,560</u>	<u>—</u>	<u>8,402,262</u>	<u>34,116</u>	<u>6,985,720</u>			
Department of Transportation (Passed through the State of New Jersey Department of Transportation)											
Highway Planning and Construction	20.205								100-078-6100-030		
Broad Street Streetscape DOT		514,948	—	514,948	—	514,948	—	—			
Broad Street Streetscape DOT		500,000	—	500,000	—	500,000	—	—			
Safe Streets to Transit		150,000	58,824	—	150,000	—	—	150,000			
Elizabeth Ave Streetscape Project		500,000	—	500,000	—	—	—	500,000			
			<u>58,824</u>	<u>1,514,948</u>	<u>150,000</u>	<u>1,014,948</u>	<u>—</u>	<u>650,000</u>			
Highway Planning and Construction (ARRA)	20.205								100-078-6100-030		
Transportation Enhancement - Broad Street Streetscape (ARRA)		400,000	24,990	270,498	—	263,966	—	6,532			
Elizabeth Avenue Streetscape Enhancement Project (ARRA)		500,000	—	500,000	—	500,000	—	—			
			<u>24,990</u>	<u>770,498</u>	<u>—</u>	<u>763,966</u>	<u>—</u>	<u>6,532</u>			

(Continued)

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	State Funds Received	Funds Available 06/30/10	Grant Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Pass through Number	Grant Period	
										From	To
(Passed through NJ Department of Law and Public Safety) State and Community Highway Safety	20.609										
Pedestrian Safety Education and Enforcement		20,000	19,700	—	20,000	19,700	—	300	RS07-46-01-02	10/01/2006	9/30/2007
Highway Safety Program		4,550	4,550	—	4,550	4,500	—	50	1160-100-066-1160-111-YHTS-6020	11/1/2008	12/31/2008
			<u>24,250</u>	<u>—</u>	<u>24,550</u>	<u>24,200</u>	<u>—</u>	<u>350</u>			
Total Department of Transportation			<u>108,064</u>	<u>2,285,446</u>	<u>174,550</u>	<u>1,803,114</u>	<u>—</u>	<u>656,882</u>			
Department of Justice (Passed through the County of Union) Edward Byrne Memorial Justice Assistance (ARRA)	16.804										
2009-DJ-BX-1319		125,904	—	125,904	—	114,345	—	11,559			
2009-H0624-NJ-SB		519,164	—	519,164	—	—	—	519,164			
			<u>—</u>	<u>645,068</u>	<u>—</u>	<u>114,345</u>	<u>—</u>	<u>530,723</u>			
(Passed through the State of New Jersey) Edward Byrne Discretionary Grant - TVCA	16.580	69,000	69,000	69,000	—	69,000	—	—			
Public Safety Partnership and Community Policing Grants COPS Hiring Recovery Program (ARRA)	16.710	4,961,943	—	4,456,181	—	1,241,738	—	3,214,443	N/A	7/1/2009	6/30/2012
Law Enforcement Technology		355,414	—	7,681	—	2,415	—	5,266		12/26/2007	12/25/2010
			<u>—</u>	<u>4,463,862</u>	<u>—</u>	<u>1,244,153</u>	<u>—</u>	<u>3,219,709</u>			
(Passed through the County of Union) State Domestic Preparedness Equipment Support Program	16.007	250,000	—	6,825	—	—	—	6,825	N/A	1/1/2004	12/31/2004
Total Department of Justice			<u>69,000</u>	<u>5,184,755</u>	<u>—</u>	<u>1,427,498</u>	<u>—</u>	<u>3,757,257</u>			
Department of Environmental Protection Brownfield's Assessment and Clean up Cooperative Agreement	66.818	200,000	—	4,422	—	—	—	4,422			
(Passed through the New Jersey Department of Environmental Protection) Capitalization Grants for Clean Water State Revolving Funds	66.458										
Verona/Gebhardt Ave (ARRA)		5,570,746	1,822,921	1,822,921	—	1,822,921	—	—	S340942-09		
Summer Street (ARRA)			512,534	512,534	—	512,534	—	—	S340942-12		
			<u>2,335,455</u>	<u>2,335,455</u>	<u>—</u>	<u>2,335,455</u>	<u>—</u>	<u>—</u>			
Total Department of Environmental Protection			<u>2,335,455</u>	<u>2,339,877</u>	<u>—</u>	<u>2,335,455</u>	<u>—</u>	<u>4,422</u>			(Continued)

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	State Funds Received	Funds Available 06/30/10	Grant Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Pass through Number	Grant Period	
										From	To
Department of Homeland Security											
(Passed through the New Jersey Office of Homeland Security)											
Non-Profit Security Program	97.008	15,000	14,988	129	—	117	12	—	90125265 FIR 101, Code B41 1200-100-975		
Urban Areas Security Initiative	97.008	25,000	—	—	25,000	—	—	25,000			
			14,988	129	25,000	117	12	25,000			
(Passed through the Port of Authority of New York and New Jersey)											
American Recovery and Reinvestment Act Port Security (ARRA)	97.116	586,012	—	—	586,012	586,012	—	—			
American Recovery and Reinvestment Act Port Security (ARRA)	97.116	1,850,000	—	1,850,000	—	1,736,615	—	113,385			
Total Department of Homeland Security			14,988	1,850,129	611,012	2,322,744	12	138,385			
Department of Energy											
Energy Efficiency and Conservation Block Grant (ARRA)	81.128	1,176,700	—	1,176,700	—	742	—	1,175,958			
Renewable Energy Research and Development (ARRA)	81.087	1,000,000	—	1,000,000	—	—	—	1,000,000			
Total Department of Energy			—	2,176,700	—	742	—	2,175,958			
Department of Agriculture											
(Passed through the NJ Department of Agriculture)											
Summer Food Service Program for Children	10.559										
2010		217,867	—	64,174	—	18,182	45,992	—	3360-100-010-3360-078-CCCC-6130	7/1/2008	6/30/2009
2011		260,996	148,736	—	260,996	136,489	—	124,507	3360-100-010-3360-078-CCCC-6130	7/1/2009	6/30/2010
Total Department of Agriculture				64,174	260,996	154,671	45,992	124,507			
			2,527,507	\$ 24,275,703	1,046,558	16,446,486	80,120	13,861,988			

See accompanying notes to schedule of expenditures of awards.

CITY OF ELIZABETH

Schedule of Expenditures of State Awards

Year ended June 30, 2011

Grantor/ Program Title	State Account Number	Program or Award Amount	(Unaudited) Total Expenditures	Funds Received	Funds Available 06/30/10	Grants Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Grant Period	
										From	To
Department of Commerce and Economic Development											
Urban Enterprise Zone Assistance Fund	763-020-2830-009										
2004-05		10,641,450	3,629,809	490,075	1,678,822	—	490,425	—	1,188,397	7/1/2004	6/30/2005
2007-08		14,779,712	11,024,406	1,204,470	7,001,819	—	1,246,513	2,000,000	3,755,306	7/1/2007	6/30/2008
2008-09		6,110,056	5,324,859	528,233	954,471	—	167,638	1,636	785,197	7/1/2008	6/30/2009
2009-10		13,267,321	9,139,346	5,030,809	8,546,855	—	3,136,575	1,282,305	4,127,975	7/1/2009	6/30/2010
2010-11		5,043,312	3,797,396	5,946,206	—	8,090,962	6,845,046	—	1,245,916	7/1/2010	6/30/2011
Total Department of Commerce and Economic Development			32,915,816	13,199,793	18,186,077	8,090,962	11,886,197	3,283,941	11,102,791		
Department of Community Affairs											
Lead Identification and Field Testing	2009-745-022-8050-001-FLFT-6130	18,690	18,690	—	1,920	—	1,920	—	—	6/1/2009	5/31/2010
Neighborhood Preservation - Balanced Housing Associates Sixty Four	100-022-8020-101-F352-6120	1,021,381	999,881	—	21,500	—	—	—	21,500	1/01/2006	12/30/2009
Neighborhood Preservation Program Increase 01-1626-05		300,000	300,000	—	21,658	—	—	21,658	—	7/1/2006	6/30/2007
Work Program		165,363	165,363	—	—	—	—	—	—	7/1/2007	6/30/2008
			465,363	—	21,658	—	—	21,658	—		
Recreation Opportunities for Individuals with Disabilities	04-100-022-8050-035-F157-6120-0001	15,000	—	—	15,000	—	—	—	15,000	2/1/2004	1/31/2005
Total Department of Community Affairs			1,483,934	—	60,078	—	1,920	21,658	36,500		
Department of Environmental Protection											
Statewide Livable Communities CY05	100-042-4875-353	185,000	181,950	—	3,050	—	—	—	3,050	7/1/2005	6/30/2006
			181,950	—	3,050	—	—	—	3,050		
Hazardous Discharge Three Elizabeth BPA		371,943	—	—	242,309	—	—	—	242,309	7/1/2007	6/30/2008
			—	—	242,309	—	—	—	242,309		
Green Acres											
Future City/Keighry Head Flow		67,000	6,291	—	60,709	—	—	—	60,709		
Acquisition of 1 West End Place		100,500	26,000	—	82,642	—	8,142	—	74,500		
			32,291	—	143,351	—	8,142	—	135,209		

(Continued)

CITY OF ELIZABETH

Schedule of Expenditures of State Awards

Year ended June 30, 2011

Grantor/ Program Title	State Account Number	Program or Award Amount	(Unaudited) Total Expenditures	Funds Received	Funds Available 06/30/10	Grants Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Grant Period	
										From	To
Clean Communities Entitlement	4900-765-042-4900-004-VCMC-6020										
2007-08		103,038	98,736	—	24,305	—	20,003	—	4,302	7/1/2007	6/30/2008
2008-09		132,254	91,084	—	55,814	—	14,644	—	41,170	7/1/2008	6/30/2009
2009-10		137,659	106,232	—	94,442	—	63,015	—	31,427	7/1/2009	6/30/2010
2010-11		134,704	40,605	134,704	—	134,704	40,605	—	94,099	7/1/2010	6/30/2011
			<u>336,657</u>	<u>134,704</u>	<u>174,561</u>	<u>134,704</u>	<u>138,267</u>	<u>—</u>	<u>170,998</u>		
Recycling Grant	4900-752-042-4900-001-V42Y-6020										
2007-08		29,232	5,168	—	27,504	—	3,440	—	24,064	7/1/2007	6/30/2008
2008-09		71,992	66,886	—	25,231	—	20,125	—	5,106	7/1/2008	6/30/2009
2009-10		79,468	—	—	79,468	—	—	—	79,468	7/1/2009	6/30/2010
2010-11		56,310	—	56,310	—	56,310	—	—	56,310		
			<u>72,054</u>	<u>56,310</u>	<u>132,203</u>	<u>56,310</u>	<u>23,565</u>	<u>—</u>	<u>164,948</u>		
Total Department of Environmental Protection			<u>622,952</u>	<u>191,014</u>	<u>695,474</u>	<u>191,014</u>	<u>169,974</u>	<u>—</u>	<u>716,514</u>		
Department of Health and Senior Services											
State Health Services Grant	10-960-BT-L-1	262,696	<u>83,931</u>	<u>—</u>	<u>197,512</u>	<u>—</u>	<u>18,747</u>	<u>—</u>	<u>178,765</u>		
Preventive Health Services - Sexually Transmitted Diseases Control Grant											
2009-2010		45,337	45,337	11,334	11,334	—	11,334	—	—	7/1/2009	6/30/2010
2010-2011		45,335	—	11,333	—	45,335	—	—	45,335	7/1/2010	6/30/2011
			<u>45,337</u>	<u>22,667</u>	<u>11,334</u>	<u>45,335</u>	<u>11,334</u>	<u>—</u>	<u>45,335</u>		
Total Department of Health and Senior Services			<u>129,268</u>	<u>22,667</u>	<u>208,846</u>	<u>45,335</u>	<u>30,081</u>	<u>—</u>	<u>224,100</u>		
Department of Law and Public Safety											
Division of Criminal Justice											
Safe and Secure FY2011	100-066-1020-107-090940	147,409	<u>—</u>	<u>—</u>	<u>—</u>	<u>147,409</u>	<u>—</u>	<u>—</u>	<u>147,409</u>		
Body Armor	1020-718-066-1020-100-YCJS-6120										
2009-10		8,655	8,655	—	8,655	—	8,655	—	—	7/1/2008	6/30/2009
2010-11		27,702	27,260	—	—	27,702	27,260	—	442	7/1/2010	6/30/2011
			<u>35,915</u>	<u>—</u>	<u>8,655</u>	<u>27,702</u>	<u>35,915</u>	<u>—</u>	<u>442</u>		
Total Department of Law and Public Safety			<u>35,915</u>	<u>—</u>	<u>8,655</u>	<u>175,111</u>	<u>35,915</u>	<u>—</u>	<u>147,851</u>		(Continued)

CITY OF ELIZABETH

Schedule of Expenditures of State Awards

Year ended June 30, 2011

Grantor/ Program Title	State Account Number	Program or Award Amount	(Unaudited) Total Expenditures	Funds Received	Funds Available 06/30/10	Grants Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/11	Grant Period	
										From	To
Department of Information Technology											
Enhanced 9-1-1	06-100-082-2034-050										
Equipment		59,000	—	—	59,000	—	—	—	59,000	1/1/2004	12/31/2006
Equipment		306,997	—	—	306,997	—	—	—	306,997	1/1/2004	12/31/2006
General Assistance		114,704	71,579	—	43,125	—	—	—	43,125	1/1/2004	12/31/2006
Total Department of Information Technology			71,579	—	409,122	—	—	—	409,122		
Department of Transportation											
Revenue and Information Processing											
DDEF 2009		61,985	17,993	61,985	—	61,985	17,993	—	43,992		
DDEF 2010		11,649	—	11,649	—	11,649	—	—	11,649		
			17,993	73,634	409,122	73,634	17,993	—	55,641		
Municipal Aid Formula and Discretionary Aid	480-078-6320-XXX										
Traffic Congestion and Safety Enhancement		300,000	—	—	300,000	—	—	—	300,000		
Total Department of Transportation			17,993	73,634	709,122	73,634	17,993	—	355,641		
Administrative Office of the Courts											
Municipal Court Alcohol Education, Rehabilitation and Enforcement Fund	9735-760-098-Y900-001-X100-6020										
CY2010		2,262	—	—	2,262	—	—	—	2,262		
CY2011		4,638	—	4,638	—	4,638	—	—	4,638		
Total Administrative Office of the Courts			—	4,638	2,262	4,638	—	—	6,900		
Governor's Council on Alcoholism & Drug Abuse (Passed through the County of Union)											
Municipal Alliance	02-40-405-411-734										
CY2009		82,881	71,938	—	20,443	—	9,500	—	10,943	1/1/2009	12/31/2009
CY2010		82,881	61,512	—	70,449	—	49,080	—	21,369	1/1/2010	12/31/2010
CY2011		82,881	21,031	9,028	—	82,881	21,031	—	61,850	1/1/2011	12/31/2011
Total Governor's Council on Alcoholism & Drug Abuse			154,481	9,028	90,892	82,881	79,611	—	94,162		
Total State Assistance			\$ 35,481,938	13,500,774	19,607,289	8,663,575	12,221,691	3,305,599	13,093,581		

See accompanying notes to schedule of expenditures of awards.

CITY OF ELIZABETH

Notes to Schedules of Expenditures of Awards

June 30, 2011

(1) General

The accompanying schedules of expenditures of Federal and State of New Jersey awards present the activity of Federal and State of New Jersey awards programs of the City of Elizabeth. The City is defined in Note 1 to the City's financial statements. Federal awards received directly from Federal agencies, as well as Federal awards passed through other government agencies are included on the schedule of expenditures of Federal awards.

(2) Basis of Accounting

The accompanying schedules of expenditures awards are presented using the budgetary basis of accounting. The basis of accounting is described in Note 1 to the City's financial statements.

(3) Relationship to General Purpose Financial Statements

Amounts reported in the accompanying schedules agree with or are reconcilable to amounts reported in the City's financial statements. Expenditures of awards are reported in the City's financial statements as follows:

	<u>Federal</u>	<u>State</u>
Current/ Grant Fund	\$9,009,793	\$12,221,691
General Capital	2,335,455	0
Trust Funds	<u>5,101,238</u>	<u>0</u>
	\$16,446,486	\$12,221,691

(4) Relationship to Federal and State of New Jersey Financial Reports

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedule which is prepared on the cash basis.

(5) Subrecipient programs

Certain Federal programs have various subrecipients but obtaining those amounts is not practical.

SUPPLEMENTARY DATA

CITY OF ELIZABETH

Supplementary Data

Comparative Schedule of Tax Rate Information

<u>Calendar Year</u>		<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax Rate	\$	<u>22.780</u>	<u>21.170</u>	<u>20.157</u>
Apportionment of tax rate:				
Municipal		13.790	12.170	11.681
County		3.620	3.630	3.595
Local school		<u>5.370</u>	<u>5.370</u>	<u>4.881</u>

Tax rates are based on municipal assessed valuations.

Assessed valuations:

2011	\$	906,866,041
2010		906,491,116
2009		906,472,825
2008		903,721,608
2007		905,207,569

Comparison of Tax Levies and Collection Currently

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

<u>Year</u>		<u>Tax levy</u>	<u>Currently</u>	
			<u>Cash collections</u>	<u>Percentage of collection</u>
2011	\$	203,243,054	195,373,014	96.13%
2010		187,074,906	180,090,169	96.27%
2009		180,163,786	171,494,369	95.19%
2008		167,407,269	160,768,228	96.03%
2007		158,766,478	153,430,493	96.64%

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 three years.

		<u>Amount of tax title liens</u>	<u>Amount of delinquent taxes</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2011	\$	1,661,478	7,276,211	8,937,689	4.40%
2010		1,302,040	6,533,596	7,835,636	4.19%
2009		805,208	7,892,898	8,698,106	4.83%
2008		636,488	6,061,979	6,698,467	4.00%
2007		673,894	5,979,972	6,653,866	4.19%

(Continued)

CITY OF ELIZABETH

Supplementary Data

Property Acquired by Tax Title Lien Liquidation

The value of property acquired by liquidation of tax title liens on June 30, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2011	\$ 2,504,200
2010	2,504,200
2009	2,504,200
2008	2,469,200
2007	2,469,200

Comparison of Sewer Utility Levies

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>
2011	\$ 17,853,803	17,997,698
2010	16,192,166	16,320,832
2009	14,520,570	14,625,593
2008	14,892,736	14,892,736
2007	15,252,883	15,253,883

Comparative Schedule of Fund Balances

	<u>Year</u>	<u>Balance, June 30,</u>	<u>Utilized in budget of succeeding year</u>
Current Fund	2011	\$ 25,046,861	22,000,000
	2010	22,361,355	20,000,000
	2009	19,112,187	17,000,000
	2008	23,510,361	20,000,000
	2007	21,914,264	20,000,000
Water Utility	2011	829,664	—
	2010	782,406	—
	2009	762,661	—
	2008	2,661,124	—
	2007	2,073,366	—
Sewer Utility	2011	2,829,234	1,500,000
	2010	1,120,359	1,000,000
	2009	4,048,660	3,500,000
	2008	9,318,894	6,500,000
	2007	10,922,041	3,000,000

(Continued)

CITY OF ELIZABETH

Supplementary Data

Officials in Office and Surety Bonds

The following officials were in office at June 30, 2011:

<u>Name</u>	<u>Office</u>	<u>Bond Amount</u>
J. Christian Bollwage	Mayor	
Joseph Keenan	Councilman- Third Ward, President of City Council	
Frank J. Cuesta	Councilman-at-Large	
Patricia Perkins-Auguste	Councilwoman-at-Large	
Edward Jackus	Councilman-at-Large	
Manny Grova, Jr.	Councilman- First Ward	
Nelson Gonzalez	Councilman- Second Ward	
Carlos Cedeno	Councilman- Fourth Ward	
William Gallman, Jr	Councilman- Fifth Ward	
Frank Mazza	Councilman- Sixth Ward	
Yolanda M. Roberts	City Clerk	
Bridget S. Zellner	Business Administrator	
Anthony M. Zengaro	Comptroller, Chief Financial Officer	
Paul Lesniak	City Treasurer, Collector of Taxes	\$ 500,000
William R. Holzapfel	City Attorney	
William Reyes	Director of Policy and Planning	
Onofrio Vitullo	Director of Fire Department	
Charlene W. Mason-Reese	Director of Health, Welfare & Housing	
James Cosgrove	Director of Police Department	
John F Papetti, Jr	Director of Public Works	
Paul M. Addressa	Director of Recreation Department	
Roman Montes	Presiding Judge	125,000 blanket bond
Carl L. Marshall	Municipal Court Judge	125,000 blanket bond
Daniel J. Russell	Acting Municipal Court Judge	125,000 blanket bond
Teresa Iturralde Estrada	Municipal Court Director	125,000 blanket bond
Margaret Gonzalez	Court Administrator	125,000 blanket bond

CITY OF ELIZABETH

General Comments and Recommendations

Year ended June 30, 2011

CITY OF ELIZABETH

General Comments and Recommendations

General Comments

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

N.J.S.A. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements that exceeded the bid threshold, that may have been negotiated and awarded without public advertising for bids and bidding per N.J.S.A. 40A:11-5.

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on March 22, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"RESOLVED, that in accordance with N.J.S.A. 54:4-67, as amended and supplemented by Chapter 435 of the Laws of 1979 and Chapter 75 of the Laws of 1991, the Tax Collector is hereby authorized to accept payment of taxes without interest charges provided said payment is made within the tenth calendar day following the date upon which the same became payable; and be it

FURTHER RESOLVED, that when a Saturday, Sunday or legal holiday occurs on the tenth day period referred to above, an extra day or days grace be given for said holiday (s); and be it

CITY OF ELIZABETH

General Comments and Recommendations

FURTHER RESOLVED, that the governing body does hereby fix as the rate of interest to be charged for delinquent taxes, assessments, water, and sewer charges at eight per centum (8%) per annum for the first \$1,500 of the delinquency, and eighteen per centum (18%) per annum on amounts in excess of \$1,500, to be calculated from the date the tax was payable until the date of actual payment: and be it

FURTHER RESOLVED, by the City Council of the City of Elizabeth to add an additional penalty of six per centum (6%) on delinquent taxes in excess of \$10,000 that are not paid prior to the end of the fiscal year.”

It appears from the audit that interest was collected in accordance with the foregoing resolution.

Status of Prior Year Statutory Comments Recommendations:

All prior year recommendations are resolved except the following.

Dog License Fund

Recommendation - that the Division of Licensing transfer all money collected within two business days of receipt to the custody of the Treasury Department and that all licenses be dated properly.

Data Processing Center

Recommendation – that a disaster recovery plan be completed to include all components.

Fire Department

Recommendation – The list of open invoices should be investigated for collection.

Current Year Comments and Recommendations:

Data Processing Center:

1. Comment - In addition to remote storage of data and programs, the disaster recovery plan should also include a remote operating agreement and identification of individual responsibilities.

Recommendation - The disaster recovery plan should be completed to include remote storage of data and programs, a remote operating agreement and identification of individual responsibilities.

Dog License Fund

1. Comment - Five out of the twenty-five deposits tested were not transferred to Treasury within two business days of receipt.

Recommendation - All transfers should be made within two business days of receipt.

2. Comment – The department’s personnel make change from their personal money when change is not available.

Recommendation – If change is not available the customer should be instructed to come back with a correct amount.

Fire Department

1. Comment – There exists a list of open invoices that are old and outstanding.

Recommendation – The list of open invoices should be investigated for collection.

Treasury

1. Comment – Seven out of twenty-five of dog license receipts were not deposited in the appropriate bank account within two business days of receipts.

Recommendation – All money received should be deposited in the appropriate bank account within two business days of receipts.

Finance

1. Comment – Differences between the finance reconciliation of the general ledger cash accounts and the treasury bank reconciliations are not investigated and resolved.

Recommendation – Differences between finance general ledger cash balances and treasury bank reconciliations should be investigated and necessary adjustments made.

Planning and Zoning

1. Comment - Six out of fifteen deposits tested were not transferred to Treasury within two business days of receipt.

Recommendation - All collections should be transferred to treasury within two business days of receipt.

Construction

1. Comment – Receipts entered into the elevator inspection cash receipt program are entered using the date on the check rather than the date the payment was received.

Recommendation – The date payment was received should be used in the cash receipt program.

2. Comment – There is no formal process for the billing, collection and aging of elevator inspection fees or a reconciliation of fees assessed by the inspection company.

Recommendation – A formal process should be developed for the billing, collection and aging of elevator inspection fees and a reconciliation to fees assessed by the inspection company.

3. Comment – The department makes change from their personal money when there is no change available.

Recommendation – If change is not available the customer should be instructed to come back with a correct amount.

4. Comment – A unsigned check was received from a customer that was withheld from deposit and there was not follow up in regards to collection of funds.

Recommendation – All checks received should be verified that they are completed accurately prior to the completion of the transaction.

Sewer Utility

1. Comment – The service organization which is responsible for billing and collections of sewer user charges has not provided the City with details of the activity or an aged receivable schedule.

Recommendation – The City should obtain from the Sewer Utility service organization details of the activity and an aged schedule of receivables.

2. Comment – The City has not obtained from the Sewer Utility service organization a “Statement on Standards for Attestations Engagement No. 16” report, formerly SAS 70, on their internal controls related to the billing collection and accounting processes.

Recommendation – The City should obtain from the service organization SSAE No. 16 (SAS 70) report on its internal controls.

Trust Funds

1. Comment – Various trust funds have receivables that remain unchanged during the year.

Recommendation – Receivables that are unchanged during the year should be reviewed for disposition.

Fixed Assets

1. Comment – The City does not have a formal procedure manual for accounting for fixed assets.

Recommendation – There should be a formal procedure manual for accounting for fixed assets and an current fixed asset list should be distributed to each department to verify the information is accurate.