

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE

BOROUGH OF ROOSEVELT

**33 North Rochdale Avenue
Roosevelt, New Jersey 08555**

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE

BOROUGH OF ROOSEVELT

**33 North Rochdale Avenue
Roosevelt, New Jersey 08555**

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

**Presented by
George Lang
Chief Financial Officer
Borough of Roosevelt**

BOROUGH OF ROOSEVELT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2015

		<u>Page</u>
<u>INTRODUCTORY SECTION</u>		
	Letter of Transmittal	1-7
	Roster of Officials	8
	Consultants and Advisors	9
 <u>FINANCIAL SECTION</u>		
	Independent Auditors' Report	10-12
	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	13-14
<u>Exhibit Number</u>		
 <u>GENERAL PURPOSE FINANCIAL STATEMENTS</u>		
A	Combined Statement of Assets, Liabilities, Reserves and Fund Balance - All Funds and Accounts - Regulatory Basis	15-16
A-1	Combined Statement of Revenues, Expenses and Changes in Fund Balance - Regulatory Basis - Budget and Actual - Current and Water-Sewer Utility Operating Funds	17-19
A-2	Statement of Change in Fund Balance - General Capital Fund - Regulatory Basis	20
A-3	Statement of Change in Fund Balance – Water-Sewer Utility Capital Fund – Regulatory Basis	21
	Notes to Financial Statements	22-58
 <u>COMBINING AND INDIVIDUAL FUND AND ACCOUNTS STATEMENTS</u>		
Current Fund:		
B	Comparative Statement of Assets, Liabilities and Fund Balance - Regulatory Basis	59-60
B-1	Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis	61-62
B-2	Statement of Revenues - Regulatory Basis	63
B-3	Statement of Expenditures - Regulatory Basis	64-68
B-4	Statement of Taxes Receivable and Analysis of Property Tax Levy	69-70
B-5	Statement of Deferred Charges	71

BOROUGH OF ROOSEVELT
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Page

FINANCIAL SECTION (CONTINUED)

Exhibit
Number

COMBINING AND INDIVIDUAL FUND AND ACCOUNTS
STATEMENTS (CONTINUED)

	Current Fund (Continued):	
B-6	Statement of 2014 Appropriation Reserves	72-73
B-7	Statement of Local District School Taxes Payable	74
B-8	Statement of Grants Receivable – Grant Fund	75
B-9	Statement of Appropriated Reserves – Grant Fund	76
	Trust and Agency Fund:	
C	Combining Balance Sheets - Regulatory Basis	77
C-1	Statement of Reserve for Animal Control Expenditures	78
C-2	Statement of Reserve for Trust Deposits	79
C-3	Statement of Payroll Deductions	80
	General Capital Fund:	
D	Comparative Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	81
D-1	Analysis of Cash and Cash Equivalents	82
D-2	Statement of Intergovernmental Accounts Receivable	83
D-3	Statement of Deferred Charges to Future Taxation, Unfunded	84
D-4	Statement of Improvement Authorizations	85
D-5	Statement of Capital Improvement Fund	86
D-6	Statement of Loans Payable – MCIA	87
D-7	Statement of Bonds and Notes Authorized but Not Issued	88
	Water-Sewer Utility Operating Fund:	
E	Comparative Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	89-90
E-1	Comparative Statement of Operations and Change in Operating Fund Balance - Regulatory Basis	91
E-2	Statement of Revenues - Regulatory Basis	92
E-3	Statement of Expenditures - Regulatory Basis	93
E-4	Statement of Consumer Accounts Receivable	94
E-5	Statement of 2014 Appropriation Reserves	95
E-6	Schedule of Accrued Interest on Loans	96

BOROUGH OF ROOSEVELT
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Page

FINANCIAL SECTION (CONTINUED)

Exhibit
Number

COMBINING AND INDIVIDUAL FUND AND ACCOUNTS
STATEMENTS (CONTINUED)

Water-Sewer Utility Capital Fund:		
F	Comparative Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	97-98
F-1	Analysis of Cash and Cash Equivalents	99
F-2	Statement of Fixed Capital	100
F-3	Statement of Fixed Capital Authorized and Uncompleted	101
F-4	Statement of Loans Payable – MCIA	102
F-5	Statement of Loans Payable - NJEIT	103-104
F-6	Statement of Farmer's Home Administration Loans	105
F-7	Statement of Bond Anticipation Note	106
F-8	Statement of Improvement Authorizations	107
F-9	Statement of Bonds and Notes Authorized But Not Issued	108
Capital Asset:		
G	Comparative Statement of Capital Assets	109

STATISTICAL SECTION

H-1	Current Fund Expenditures by Function	110
H-2	Current Fund Revenues by Function	111
H-3	Water-Sewer Utility Operating Fund Expenditures by Function	112
H-4	Property Tax Rates Per \$100 of Assessed Valuation	113
H-5	Municipal Property Tax Levies and Collections	114
H-6	Delinquent Taxes and Tax Title Liens	115
H-7	Assessed and Estimated Actual Value of Taxable Property	116
H-8	Schedule of Ten Largest Taxpayers	117
H-9	Computation of Legal Debt Margin	118
H-10	Ratio of Bonded Debt, Bond Anticipation Notes and Loans to Equalized Value and Net Debt Per Capita	119
H-11	Calculation of "Self-Liquidating Purpose" Per N.J.S. 40A:2-45 - Water-Sewer Utility Operating Fund	120
H-12	Demographic Statistics	121
H-13	Miscellaneous Statistics	122

BOROUGH OF ROOSEVELT
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

	<u>Page</u>
<u>AUDITOR'S COMMENTS AND RECOMMENDATIONS</u>	
General Comments:	
Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4	123
Collection of Interest on Delinquent Taxes and Utility Charges	124
Delinquent Taxes and Tax Title Liens	125
Water-Sewer Utility Receivables	125
Cash Balances	125
Revenues	125
Expenditures	125
Payroll	125
Miscellaneous Comments	126
Surety Bond Coverage	126
Municipal Court	126
Minutes of Governing Body Meetings	126
Technical Directives – State of New Jersey	126
Interfund Receivable/Payable	126
Other Matters	126
Appreciation	126
Recommendations	127

INTRODUCTORY SECTION



Borough of Roosevelt

Jersey Homestead Historic District

P.O. BOX 128 • 33 N. ROCHDALE AVENUE • ROOSEVELT, NEW JERSEY 08555

OFFICE: (609) 448-0539 • FAX: (609) 448-8716

July 27, 2016

TO: The Honorable Mayor and Council Members

RE: Comprehensive Annual Financial Report for the
Year Ended December 31, 2015

The Comprehensive Annual Financial Report for the Borough of Roosevelt, County of Monmouth, State of New Jersey, is submitted herewith and includes financial statements and supplemental schedules. I believe that it is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the Borough of Roosevelt as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain maximum understanding of the Borough's financial affairs have been included.

The Comprehensive Annual Financial Report (CAFR) is presented in four (4) sections: Introductory, Financial, Statistical and Auditor's Comments and Recommendations. The Introductory Section includes this transmittal letter, the Borough's Organizational Chart and a Roster of Officials. The Financial Section includes the annual financial statements and individual fund financial schedules, as well as the Independent Auditors' Report. The Statistical Section includes selected financial, economic and demographic information, generally presented on a multi-year basis. Responsibility for completeness and clarity of the report, including disclosures, rests with the Chief Financial Officer and ultimately with the Mayor and Council. The fourth and final section is prepared by the Independent Auditor and contains their required annual comments and recommendations, if any, to the Mayor and Council. The Mayor and Council are required to adopt a plan of action on the implementation of any audit recommendations.

The financial statements have been audited by Gerard Stankiewicz, CPA, RMA of Samuel Klein and Company, Certified Public Accountants, whose opinion is expressed in the Financial Section. Please note that the Independent Auditors' Report on the regulatory basis is unqualified and states that the financial statements – regulatory basis, are presented fairly in conformity with the basis of accounting as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

PRESENT AND FUTURE CHALLENGES

During the 2015 calendar year, the Borough of Roosevelt has made progress in a number of operational and financial areas; however, this administration is clearly aware of the issues and problems that continue to demand our attention and improvement. While we take pride in the accomplishments of the past year, we are mindful of the issues that continue to face us.

CURRENT FUND

In 2015, our Current Fund, which encompasses the general government functions of the Borough had revenues, exclusive of fund balance utilized of \$1,185,725.34 and expenditures of \$1,087,465.50 and an increase of \$3,892.70 in fund balance at year-end. The Current Fund total revenues increased approximately 4.55% or \$66,038.61, compared to 2014 caused primarily by increases in miscellaneous revenues and other credits.

	<u>2015</u>	<u>2014</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Local Sources:				
Fund Balance Utilized	\$ 322,500.00	\$ 259,873.15	\$ 62,626.85	24.10 %
Current Tax Revenue	749,830.74	710,478.82	39,351.92	5.54
Delinquent Tax Revenue	53,207.77	81,118.39	(27,910.62)	(34.41)
Miscellaneous Revenues Anticipated	10,136.50	62,326.85	(52,190.35)	(83.74)
Nonbudget Revenues	47,323.11	53,112.87	(5,789.76)	(10.90)
Other Credits to Income	<u>249,128.22</u>	<u>192,127.65</u>	<u>57,000.57</u>	<u>29.67</u>
 Total Revenues from Local Sources	 \$ 1,432,126.34	 \$ 1,359,037.73	 \$ 73,088.61	 5.38 %
State Aid	81,849.00	81,849.00	0.00	0.00
Grants	<u>4,250.00</u>	<u>11,300.00</u>	<u>(7,050.00)</u>	<u>(62.39)</u>
 Total Current Fund Revenues	 <u>\$ 1,518,225.34</u>	 <u>\$ 1,452,186.73</u>	 <u>\$ 66,038.61</u>	 <u>4.55 %</u>

1. Current and Delinquent Taxes – These are the collections on taxes levied on all property owners residing in the Borough.
2. State Aid and Grants – This represents funds received from the State of New Jersey or the Federal Government in the form of grants or direct aid.
3. Miscellaneous Revenues Anticipated – This represents all of the miscellaneous revenues of the Borough including fees, fines, licenses, interest and other direct charges, except those detailed separately above.
4. Nonbudget Revenue and Other Credits – These are items that are not budgeted as revenue items, however, are included in the overall revenue.

The increase in expenditures in 2015 compared to 2014 was \$3,009.50, or 0.28%. Below is a comparison of the Current Fund expenditures:

	2015	2014	Increase/(Decrease)	
			Amount	Percent
Within "CAPS":				
General Government	\$ 298,085.00	\$ 272,921.00	\$ 25,164.00	9.22 %
Land Use	23,093.00	37,993.00	(14,900.00)	(39.22)
Insurance	40,500.00	46,500.00	(6,000.00)	(12.90)
Public Works	139,650.00	99,050.00	40,600.00	40.99
Health and Human Services	19,000.00	15,900.00	3,100.00	19.50
Parks and Recreation	26,392.00	26,792.00	(400.00)	(1.49)
Utilities	35,000.00	33,500.00	1,500.00	4.48
Other Common Functions	1,000.00	1,000.00	0.00	0.00
Public Safety	57,050.00	53,950.00	3,100.00	5.75
Sanitation	35,000.00	35,000.00	0.00	0.00
UCC	0.00	3,560.00	(3,560.00)	(100.00)
Deferred Charges and Statutory Expenditures	<u>52,965.00</u>	<u>84,755.00</u>	<u>(31,790.00)</u>	<u>(37.51)</u>
Total Expenditures within "CAPS"	<u>\$ 727,735.00</u>	<u>\$ 710,921.00</u>	<u>\$ 16,814.00</u>	<u>2.37 %</u>
Outside "CAPS":				
Public Safety	\$ 7,421.00	\$ 7,347.00	\$ 74.00	1.01 %
Sanitation	62,400.00	80,400.00	(18,000.00)	(22.39)
General Government	35,700.00	0.00	35,700.00	100.00
Grants	4,250.00	11,300.00	(7,050.00)	(62.39)
Capital Improvements	58,000.00	40,000.00	18,000.00	45.00
Deferred Charges and Statutory Expenditures	7,759.50	60,087.71	(52,328.21)	(87.09)
Debt Service	<u>14,200.00</u>	<u>14,400.29</u>	<u>(200.29)</u>	<u>(1.39)</u>
Total Expenditures outside "CAPS"	<u>\$ 189,730.50</u>	<u>\$ 213,535.00</u>	<u>\$ (23,804.50)</u>	<u>(11.15) %</u>
Reserve for Uncollected Taxes	<u>\$ 170,000.00</u>	<u>\$ 160,000.00</u>	<u>\$ 10,000.00</u>	<u>6.25</u>
	<u>\$ 1,087,465.50</u>	<u>\$ 1,084,456.00</u>	<u>\$ 3,009.50</u>	<u>0.28 %</u>

For the foreseeable future, our elected and appointed leaders will have to deal with the need to maintain stable tax rates, and deal with serious water-sewer infrastructure problems. The governing body and the administration will have to introduce new ideas and creative solutions to solve these problems.

The remainder of this transmittal letter will provide greater details relating to our progress during 2015 and some of our plans for the future.

WATER-SEWER UTILITY FUND

Our Water-Sewer Utility Operating Fund generated operating revenues \$877,228.96 and incurred operating expenses of \$816,169.87. The increase in operating expenses from 2015 to 2014 was \$2,047.49 or 0.25%. The following schedule summarizes revenues and expenses for 2015 and 2014.

	<u>2015</u>	<u>2014</u>	<u>Increase/(Decrease)</u>	
<u>Revenues</u>			<u>Amount</u>	<u>Percent</u>
Rents	\$ 746,261.82	\$ 732,603.16	\$ 13,658.66	1.86 %
Cell Tower Fees	65,535.28	60,621.59	4,913.69	8.11
Interest on Delinquent Rents	12,460.21	11,527.23	932.98	8.09
Deficit General Budget		9,266.86	(9,266.86)	(100.00)
Nonbudgetary Revenue	161.73	103.54	58.19	56.20
Other Credits to Income:				
Unexpended Balance of				
Appropriation Reserves	<u>52,809.92</u>	<u> </u>	<u>52,809.92</u>	<u>100.00</u>
	<u>\$ 877,228.96</u>	<u>\$ 814,122.38</u>	<u>\$ 63,106.58</u>	<u>7.75 %</u>
 <u>Expenditures</u>				
Operating	\$ 562,635.00	527,810.00	\$ 34,825.00	6.60 %
Debt Service	232,034.87	230,547.38	1,487.49	0.65
Deferred Charges and				
Statutory Expenditures	<u>21,500.00</u>	<u>55,765.00</u>	<u>(34,265.00)</u>	<u>(61.45)</u>
	<u>\$ 816,169.87</u>	<u>\$ 814,122.38</u>	<u>\$ 2,047.49</u>	<u>0.25 %</u>

STATUTORY AUTHORITY

The Borough is organized and administered in accordance with the provisions of New Jersey State Law and consists of an elected Mayor and a six (6) member Council responsible for providing all basic governmental services, except education, to its 882 local residents.

The Borough, pursuant to law, has the authority to levy taxes and issue debt.

In accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board, the Borough, for reporting entity determination purposes, is considered an independent government entity.

MAJOR ACTIVITIES AFFECTING BUDGET/FINANCIAL CONDITIONS

The Borough Council is actively involved in all decisions of the operation of the Borough and has expressed a genuine concern for all residents. The Governing Body is consistently searching for new and innovative ways to provide cost efficient services to its residents.

The Borough maintains its own Water-Sewer Treatment Plant.

The Borough's Water-Sewer Utility Budget is always under review and evaluation of the user charges to support the budget is done frequently in order for the utility to remain solvent. Major repairs and upkeep are done after careful scrutiny and with great concern by the Borough's Governing Body.

The Borough also annually appropriates funds for road reconstruction; however, the funding mix usually includes NJDOT grants.

The Borough offers a recreation program for various activities. The Borough offers a summer camp program for children of the Borough. Starting in 2016 the program was expanded to after care.

The Borough provides for emergency response dispatching through Monmouth County 911.

The Borough of Roosevelt is unique in that it was designated as a historic district by the State of New Jersey since the forefathers of the town were part of a social experiment in the 1930's post-depression era. The Borough is trying to maintain the charming character of the community as the millennium began. The Borough is also known for many of its artistic residents.

The Borough is a participant in the State of New Jersey Environmental Infrastructure Trust (NJEIT), a low interest loan program which is utilized to do major repairs to the Borough water tower.

CASH MANAGEMENT

Bank balances are insured up to \$250,000.00 in the aggregate by the Federal Deposit Insurance Corporation for each bank. In addition, the State of New Jersey Unit Deposit Protection Act insures the remaining balance of funds on deposit in registered depositories. At December 31, 2015, all cash funds on deposit were in registered depositories and were covered by these insurers.

The Borough invests all surplus funds for appropriate periods of time as determined by the Chief Financial Officer. During 2015, idle funds were invested in a money market fund. The Chief Financial Officer of the Borough monitors available cash balances for investment on an ongoing basis in order to maximize earnings on invested cash. The Borough has not entered into any compensating balance agreements.

ACCOUNTING AND BUDGET INFORMATION

Accounting

The Borough maintains a computerized accounting system to record all financial transactions.

In developing and evaluating the Borough's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed the benefits expected to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

Management of the Borough is responsible for establishing and maintaining an adequate internal control structure.

Budget

The local budget law for the State of New Jersey requires every local unit to adopt an Operating Budget in the form required by the Division of Local Government Services (the "Division"), Department of Community Affairs of the State of New Jersey. Certain items of revenue and appropriation are regulated by law and the proposed budget must be certified by the Director of the Division prior to final adoption. The Budget Law requires each local unit to appropriate sufficient funds for the payment of current debt service, and the Director is required to review the adequacy of such appropriations, unless a specific amount is required by law. The review function, focusing on anticipated revenues, serves to protect the solvency of all local units.

Section 5:30-4 of the New Jersey Administrative Code provides that every local unit that proposes to spend \$25,000.00 or more on capital equipment, construction or improvements must prepare a Capital Budget. If the Borough's population exceeds 10,000, the Capital Program shall include by title all projects anticipated for the budget year and the five succeeding years, with the estimated costs and the anticipated financing by sources and amounts.

A Capital Budget Section included with the Annual Budget does not in itself confer any authorization to raise or expend funds. Rather, it is a document used as part of the local unit's planning and management program. Specific authorization to expend funds for purposes described in the Capital Budget must be granted separately, through the adoption of a bond ordinance, by appropriating funds from the Capital Improvement Fund, or other lawful means.

The budget of the Borough is categorized into appropriations by function. Each appropriation represents a service program or division within the Borough. Funds are appropriated to each of the budget lines by the Mayor and Council in accordance with procedures prescribed by the State of New Jersey Local Budget Law.

Distinct appropriations are required for "salaries and wages" and for "other expenses". The Borough delineates each appropriation into sub accounts by budget codes.

The Chief Financial Officer monitors expenditures throughout the fiscal year to ensure that spending remains within the amounts of funds authorized. Budget modifications are processed in the last two months of the year to transfer funds from one area to another as needed.

DEBT ADMINISTRATION

The authorized bonded indebtedness of municipalities in the State of New Jersey is limited by statute to an amount equal to 3 1/2% of their equalized value. The equalized valuation basis of the Borough is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements and certain railroad property within its boundaries as annually determined by the State Board of Taxation.

The Borough has gross debt authorized and outstanding of \$4,506,779.28 of which \$4,214,529.28 is attributed to the Water-Sewer Utility and \$292,250.00 is attributed to the General Capital Fund.

RISK MANAGEMENT

The Borough, like many other municipalities in the early '80's, was faced with an insurance crisis. It was unable to obtain coverage at any price. The Borough banded together with other municipalities to form the Monmouth County Municipal Joint Insurance and the New Jersey Municipal Excess Liability Funds. These Funds procure insurance on a pooled basis, generally self-insuring the initial level of loss for workers' compensation, property, general liability and automobile. The Funds provide their members with risk management services, including the defense of and settlement of claims and establish reasonable and necessary loss reduction and prevention procedures to be followed by the members.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Administration Department and the Finance Department. I would also like to express my appreciation to Gerard Stankiewicz, CPA, RMA of Samuel Klein and Company for his help and assistance in preparation of the Borough's CAFR.

Respectfully submitted,

George Lang

George Lang
Chief Financial Officer

BOROUGH OF ROOSEVELT
ROSTER OF OFFICIALS
DECEMBER 31, 2015

Governing Body

Elsbeth Battel, Mayor

Michael Ticktin, Council President

Thomas Curry, Councilman

Jeff Ellentuck, Councilman

Peggy Malkin, Councilwoman

Bonna Stacey, Councilwoman

Other Officials

Debra Sopronyi, Borough Clerk

George J. Lang, Chief Financial Officer

Ana Debevec, Treasurer

Salvatore P. Cannizzaro, Tax Collector and Water-Sewer Collector

Donna Taylor, Tax Assessor

Roberts Engineering Group, LLC, Borough Engineer

Richard Shaklee, Borough Attorney

Thomas F. X. Foley, Municipal Court Judge

Diane Canzanella, Municipal Court Administrator

Michele Donato, Planning Board Attorney

BOROUGH OF ROOSEVELT
CONSULTANTS AND ADVISORS

DECEMBER 31, 2015

AUDIT FIRM

Gerard Stankiewicz, CPA, RMA, PSA
of the firm
Samuel Klein and Company
36 West Main Street
Suite 303
Freehold, New Jersey 07728

ATTORNEY

Richard J. Shaklee, Esq.
McLaughlin, Stauffer, Shaklee, PC
4814 Outlook Drive, Suite 112
Wall, NJ 07753

BOND COUNSEL

Dilworth Paxson LLP
One River Centre
331 Newman Springs Road
Building 1, Suite 136
Red Bank, NJ 07701

OFFICIAL DEPOSITORY

1st Constitution Bank

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Roosevelt
County of Monmouth
State of New Jersey

To the Honorable Mayor and Members of the Borough Council:

Report on the Financial Statements

We have audited the financial statements – regulatory basis of the various funds and account groups of the Borough of Roosevelt, County of Monmouth, State of New Jersey as of December 31, 2015, and the related statement of operations and change in fund balance – regulatory basis for the year then ended, the related statement of revenues – regulatory basis, statement of expenditures – regulatory basis, and the related notes to the financial statements for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements – regulatory basis, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements – regulatory basis, based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and auditing standards prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements – regulatory basis, the financial statements are prepared by the Borough on a basis of the financial reporting provisions of the regulatory basis of the accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of Jersey which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on the United States Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of Roosevelt, County of Monmouth, State of New Jersey as of December 31, 2015, and change in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects the financial statements – regulatory basis of the various funds and account groups of the Borough of Roosevelt, County of Monmouth, State of New Jersey, as of December 31, 2015, and the results of its operations and change in fund balance of such funds – regulatory basis for the year then ended, and the revenues – regulatory basis, expenditures – regulatory basis of the various funds and account groups for the year ended December 31, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements – regulatory basis referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing the reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2016, on our consideration of the Borough of Roosevelt's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Roosevelt's internal control over financial reporting and compliance.



Gerard Stankiewicz
Certified Public Accountant
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY

Freehold, New Jersey
July 27, 2016

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

The Honorable Mayor and Members
of the Borough Council
Borough of Roosevelt
County of Monmouth
State of New Jersey

To the Honorable Mayor and Members of the Borough Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Borough of Roosevelt (herein referred to as “the Borough”), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Borough’s basic financial statements, and have issued our report thereon dated July 27, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements – regulatory basis, we considered the Borough’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough’s internal control.

**INDEPENDENT AUDITORS 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 (CONTINUED)**

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements - regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*. However, we noted certain immaterial instances of non-compliance that we have reported to the management of the Borough in the "General Comments and Recommendations" section of this report.

This report is intended solely for the information of the governing body, management 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.



Gerard Stankiewicz
Certified Public Accountant
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY

Freehold, New Jersey
July 27, 2016

GENERAL-PURPOSE FINANCIAL STATEMENTS

BOROUGH OF ROOSEVELT
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE -
ALL FUNDS AND ACCOUNT GROUPS - REGULATORY BASIS
DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	Governmental Funds		Trust and Agency	Water-Sewer Utility		Capital Assets Account Group	Totals Memorandum Only	
	Current	General Capital		Operating	Capital		2015	2014
<u>ASSETS AND OTHER DEBITS</u>								
Cash and Cash Equivalents	\$ 1,340,563.41	\$ 17,897.51	\$ 67,055.82	\$ 3,870.07	\$ 668.44		\$ 1,430,055.25	\$ 1,475,205.75
Intergovernmental Accounts Receivable		84,489.01					84,489.01	321,424.14
Receivables and Other Assets:								
Delinquent Property Taxes Receivable	43,107.26						43,107.26	55,520.54
Tax Title Lien	5,873.74						5,873.74	
Foreclosed Property	181,700.00						181,700.00	181,700.00
Consumer Accounts Receivable				89,280.65			89,280.65	98,569.19
Interfunds Receivable	173,572.86		12,500.00	346,636.64			532,709.50	335,463.69
Inventory								
Revenue Accounts Receivable	65.56						65.56	147.04
Deferred Charges		292,250.00					292,250.00	362,250.00
Fixed Capital					7,100,433.31		7,100,433.31	7,100,433.31
Fixed Assets						\$ 2,451,472.98	2,451,472.98	2,451,472.98
Grant Fund:								
Interfunds Receivable	35,326.66						35,326.66	39,666.64
Total Assets and Other Debits	\$ 1,780,209.49	\$ 394,636.52	\$ 79,555.82	\$ 439,787.36	\$ 7,101,101.75	\$ 2,451,472.98	\$ 12,246,763.92	\$ 12,421,853.28

See Notes to Financial Statements.

BOROUGH OF ROOSEVELT
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE -
ALL FUNDS AND ACCOUNT GROUPS - REGULATORY BASIS
DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	<u>Governmental Funds</u>		<u>Trust and Agency</u>	<u>Water-Sewer Utility</u>		<u>Capital Assets Account Group</u>	<u>Totals Memorandum Only</u>	
	<u>Current</u>	<u>General Capital</u>		<u>Operating</u>	<u>Capital</u>		<u>2015</u>	<u>2014</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>								
Liabilities and Reserves:								
Appropriation Reserves	\$ 149,738.83			\$ 65,628.40			\$ 215,367.23	\$ 230,525.51
Other Liabilities and Reserves	349,864.37	\$ 181,703.15	\$ 79,555.82	37,746.36	\$ 29,323.50		678,193.20	1,256,204.17
Bond Anticipation Notes					541,513.00		541,513.00	
Loans Payable					2,540,379.28		2,540,379.28	2,678,829.41
Improvement Authorizations		211,077.40			756,422.34		967,499.74	1,341,851.74
Interfunds Payable	35,326.66			186,072.86	346,636.64		568,036.16	375,130.33
Reserve for Amortization					2,885,904.03		2,885,904.03	2,747,453.90
Reserve for Receivables and Other Assets	404,319.42			89,280.65			493,600.07	496,198.82
Grant Fund:								
Reserve for Encumbrances	2,510.00						2,510.00	2,510.00
Appropriated Reserves	32,816.66						32,816.66	36,906.64
Unappropriated Reserves								250.00
Total Liabilities and Reserves	\$ 974,575.94	\$ 392,780.55	\$ 79,555.82	\$ 378,728.27	\$ 7,100,178.79		\$ 8,925,819.37	\$ 9,165,860.52
Equity and Other Credits:								
Investment in Capital Assets						\$ 2,451,472.98	2,451,472.98	\$ 2,451,472.98
Fund Balance	\$ 805,633.55	\$ 1,855.97		61,059.09	\$ 922.96		\$ 869,471.57	\$ 804,519.78
Total Equity and Other Credits	\$ 805,633.55	\$ 1,855.97		61,059.09	\$ 922.96	\$ 2,451,472.98	\$ 3,320,944.55	\$ 3,255,992.76
Total Liabilities, Reserves and Fund Balance	\$ 1,780,209.49	\$ 394,636.52	\$ 79,555.82	\$ 439,787.36	\$ 7,101,101.75	\$ 2,451,472.98	\$ 12,246,763.92	\$ 12,421,853.28

See Notes to Financial Statements.

BOROUGH OF ROOSEVELT
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - REGULATORY BASIS
BUDGET AND ACTUAL - CURRENT AND WATER-SEWER UTILITY OPERATING FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	<u>Current Fund</u>			<u>Water-Sewer Utility Operating Fund</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:						
Fund Balance Anticipated	\$ 322,500.00	\$ 322,500.00				
Water-Sewer Rents				\$ 730,000.00	\$ 746,261.82	\$ 16,261.82
Miscellaneous Revenues	9,000.00	10,136.50	\$ 1,136.50	69,000.00	77,995.49	8,995.49
State Aid	81,849.00	81,849.00				
Deficit (General Budget)				17,179.00		(17,179.00)
Grants	<u>4,250.00</u>	<u>4,250.00</u>				
	\$ 417,599.00	\$ 418,735.50	\$ 1,136.50	\$ 816,179.00	\$ 824,257.31	\$ 8,078.31
Receipts from Delinquent Taxes	45,000.00	53,207.77	8,207.77			
Amount to be Raised by Taxes for Support of Municipal Budget:						
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>624,866.50</u>	<u>749,830.74</u>	<u>124,964.24</u>			
Budget Totals	\$ 1,087,465.50	\$ 1,221,774.01	\$ 134,308.51	\$ 816,179.00	\$ 824,257.31	\$ 8,078.31
Nonbudget Revenue		47,323.11	47,323.11		161.73	161.73
Taxes Allocated to School and County	1,880,297.45	1,880,297.45				
Other Credits to Income		<u>249,128.22</u>	<u>249,128.22</u>		<u>52,809.92</u>	<u>52,809.92</u>
Total Revenues	<u>\$ 2,967,762.95</u>	<u>\$ 3,398,522.79</u>	<u>\$ 430,759.84</u>	<u>\$ 816,179.00</u>	<u>\$ 877,228.96</u>	<u>\$ 61,049.96</u>

See Notes to Financial Statements.

BOROUGH OF ROOSEVELT
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - REGULATORY BASIS
BUDGET AND ACTUAL - CURRENT AND WATER-SEWER UTILITY OPERATING FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	Current Fund			Water-Sewer Utility Operating Fund		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:						
Current:						
Within "CAPS":						
General Government	\$ 298,085.00	\$ 298,085.00				
Land Use	23,093.00	23,093.00				
Insurance	40,500.00	40,500.00				
Public Safety	57,050.00	57,050.00				
Public Works	139,650.00	139,650.00				
Health and Human Services	19,000.00	19,000.00				
Parks and Recreation	26,392.00	26,392.00				
Utilities	35,000.00	35,000.00				
Other Common Functions	1,000.00	1,000.00				
Sanitation	35,000.00	35,000.00				
Deferred Charges and Statutory Expenditures	52,965.00	52,965.00				
Excluded from "CAPS":						
Sanitation	62,400.00	62,400.00				
Public Safety	7,421.00	7,421.00				
Grants	4,250.00	4,250.00				
General Government	35,700.00	35,700.00				
Operating				\$ 562,635.00	\$ 562,635.00	
Capital Improvements	58,000.00	58,000.00				
Debt Service	14,200.00	14,200.00		232,044.00	232,034.87	\$ 9.13
Deferred Charges and Statutory Expenditures	7,759.50	7,759.50		21,500.00	21,500.00	
Reserve for Uncollected Taxes	170,000.00	170,000.00				
Total Budget Expenditures	\$ 1,087,465.50	\$ 1,087,465.50		\$ 816,179.00	\$ 816,169.87	\$ 9.13

See Notes to Financial Statements.

BOROUGH OF ROOSEVELT
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - REGULATORY BASIS
BUDGET AND ACTUAL - CURRENT AND WATER-SEWER UTILITY OPERATING FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	<u>Current Fund</u>			<u>Water-Sewer Utility Operating Fund</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures (Continued):						
County Taxes including County Added and Omitted	\$ 267,928.45	\$ 267,928.45				
Local District School Taxes	1,612,369.00	1,612,369.00				
Interfund Advanced		104,367.14	\$ (104,367.14)			
Total Expenditures	\$ 2,967,762.95	\$ 3,072,130.09	\$ (104,367.14)	\$ 816,179.00	\$ 816,169.87	\$ 9.13
Excess/(Deficit) in Revenues Over/(Under) Expenditures		\$ 326,392.70	\$ 326,392.70		\$ 61,059.09	\$ 61,059.09
Fund Balance, January 1, 2015		801,740.85	801,740.85			
		\$ 1,128,133.55	\$ 1,128,133.55			
Decreased By:						
Utilization as Anticipated Revenue		322,500.00	322,500.00			
Fund Balance, December 31, 2015		\$ 805,633.55	\$ 805,633.55		\$ 61,059.09	\$ 61,059.09

See Notes to Financial Statements.

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF CHANGE IN FUND BALANCE -
REGULATORY BASIS

BALANCE, DECEMBER 31, 2014

AND

BALANCE, DECEMBER 31, 2015

\$ 1,855.97

(There was no change during the year.)

See Notes to Financial Statements.

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF CHANGE IN FUND BALANCE -
REGULATORY BASIS

BALANCE, DECEMBER 31, 2014

AND

BALANCE, DECEMBER 31, 2015

\$ 922.96

(There was no change during the year.)

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. Reporting Entity - The Borough of Roosevelt is located approximately forty-five (45) miles southwest of the City of New York and fifty (50) miles northeast of the City of Philadelphia. The population, according to the 2010 census, is 882.

The Borough of Roosevelt operates under the Borough form of government. The governing body consists of a Mayor and six Council members. All action is passed by a majority or, when required, a two-thirds (2/3) vote of the Council. The Mayor votes only in the event of a tie. The Mayor has veto power over all ordinances passed by the Borough Council. This veto can be overridden by a two-thirds (2/3) vote of the Council.

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

The financial statements of the Borough of Roosevelt contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. These principles are regulatory basis, which differs from accounting principles generally accepted in the United States of America ("GAAP") for governmental entities. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough of Roosevelt accounts for its financial transactions through the following separate funds which differs from the funds required by accounting principles generally accepted in the United States of America (GAAP).

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

Trust Funds - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The Trust Other Fund, Animal Control Fund and Payroll Trust Fund are part of this Trust.

General Capital Fund - The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund and are offset by deferred charges to future taxation.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. **Description of Funds (Continued)**

Utility Fund - The Water-Sewer Utility maintains an Operating Fund and a Capital Fund which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Payroll Trust Fund - Net salaries, certain payroll deductions and social security contributions of municipal and utility operations are deposited into bank accounts of the Payroll Fund. Other deductions are retained by the operating funds and paid directly there from. A Payroll Fund does not exist under GAAP.

Capital Asset Accounts - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Borough as discussed under the caption of "Basis of Accounting".

C. **Basis of Accounting** - The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from accounting principles generally accepted in the United States of America (GAAP). The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue - Property Taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

Expenditures - Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been canceled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures (Continued)

Grant appropriations are charged upon budget adoption to create spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31 are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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

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

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Property Acquired for Taxes - Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital assets account group at market value on the date of acquisition.

Interfund Accounts Receivable - Interfund Accounts Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfund Accounts Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfund Accounts Receivable of one fund are offset with Interfund Accounts Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies - Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Water-Sewer Utility is required, by regulation, to be prepared by Borough personnel for inclusion on the Water-Sewer Utility Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Assets

General - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Capital Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Borough of Roosevelt has developed a capital asset accounting and reporting system.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Capital assets used in governmental operations (capital assets) are accounted for in the Capital Asset Accounts. Public domain ("infrastructure") capital assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Capital Assets (Continued)

General (Continued)

Acquisition of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual capital asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established capital assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Borough.

Utilities - Capital acquisitions, including utility infrastructure costs of the Water-Sewer Utility, are recorded at cost upon purchase or project completion in the Fixed Capital account of the utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include moveable fixed assets of the Utility but are not specifically identified.

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only.

Memorandum Only – Total Columns - Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Other Accounting Standards

The Borough is currently reviewing the following for applicability and potential impact on the financial statements:

- *GASB Statement No. 70 Accounting and Financial Reporting for Nonexchange Financial Guarantees.*

Effective Date: The provisions of Statement are effective for financial statements for reporting beginning after June 15, 2013. Earlier application is encouraged. The Borough does not expect this Statement to impact its financial statements.

- *GASB Statement No. 74. Financial Reporting for Postemployment Benefit Other Than Pension Plans.*

Effective Date: The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. Earlier application is encouraged. The Borough does not expect this Statement to impact its financial statements.

- *GASB Statement No. 75. Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

Effective Date: The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The Borough does not expect this Statement to impact its financial statements.

- *GASB Statement No. 76. The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.*

Effective Date: The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. Earlier application is encouraged. The Borough does not expect this Statement to impact its financial statements.

- *GASB Statement No. 77. Tax Abatement Disclosures.*

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The Borough does not expect this Statement to impact its financial statements.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Other Accounting Standards (Continued)

- *GASB Statement No. 78. Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.*

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The Borough does not expect this Statement to impact its financial statements.

E. Subsequent Events

Management has reviewed and evaluated all events and transactions from December 31, 2015 through July 27, 2016, the date that the financial statements are issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the Borough that would require disclosure.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

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

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the arbitrage maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey ("GUDPA"), public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

As of December 31, 2015, the Borough had funds on deposit in interest bearing checking accounts. The amount of the Borough's cash and cash equivalents on deposits as of December 31, 2015 was \$1,480,029.19. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 3 as amended by GASB No. 40.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. Investments

New Jersey statutes permit the Borough to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- Local government investment pools, such as New Jersey CLASS and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of State laws permit local governments to invest in a wide range of obligations issued by State governments and its agencies.

C. Risk Category

The deposits of the Borough are covered by the FDIC and where applicable by GUDPA and present minimal risk.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 3. **TAXES AND TAX TITLE LIENS RECEIVABLE**

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Borough, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the Board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay that delinquency as billed prior to the end of the fiscal year. The penalty so fixed shall not exceed 6% of the amount of the delinquency with respect to each most recent fiscal year only. The resolution also sets a grace period of ten days before interest is calculated.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes became in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 3. TAXES AND TAX TITLE LIENS RECEIVABLE (CONTINUED)

Comparative Schedule of Tax Rates

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	\$ 2.919	\$ 2.996	\$ 2.913	\$ 2.841	\$ 2.817
Apportionment of Tax Rate:					
Municipal	0.728	0.749	0.748	0.748	0.747
County	0.312	0.306	0.313	0.313	0.320
Local School	1.879	1.941	1.852	1.780	1.750

Assessed Valuation

2015	\$ 85,837,215.00
2014	81,996,061.00
2013	84,211,290.00
2012	84,443,098.00
2011	84,206,586.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2015	\$ 2,508,575.69	\$ 2,460,128.19	98.07%
2014	2,457,517.51	2,392,927.73	97.37%
2013	2,453,383.85	2,364,694.04	96.39%
2012	2,399,625.97	2,318,058.00	96.60%
2011	2,372,099.72	2,292,739.51	96.65%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2015	\$ 5,873.74	\$ 43,107.26	\$ 48,981.00	2.12%
2014	None	55,520.54	55,520.54	2.26%
2013	None	80,868.39	80,868.39	3.30%
2012	None	81,567.97	81,567.97	3.40%
2011	6,499.81	74,362.85	80,862.66	3.41%

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2015	\$ 181,700.00
2014	181,700.00
2013	181,700.00
2012	181,700.00
2011	181,700.00

Note 5. WATER-SEWER UTILITY

The Borough operates its own water treatment plant and sewerage treatment plant. The water-sewer delinquent balances are subject to the same requirements of the tax sale provision of the New Jersey Statutes in effect for taxes. Customers are billed at a base rate for a minimum usage plus a factor for excess consumption on a bi-monthly basis for 2015.

Billings and Collections

<u>Year</u>	<u>Amount Levied</u>	<u>Collections*</u>
2015	\$ 736,973.28	\$ 746,261.82 **
2014	735,597.83	732,603.16 **
2013	667,925.70	662,432.23 **
2012	623,737.65	608,002.73
2011	626,734.91	633,186.70

* May include amounts levied in prior years

** Rate increase effective

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 6. **DEFERRED SCHOOL TAXES**

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

The Borough of Roosevelt raises its share of Local District School Taxes on a school year basis.

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>	<u>Increase</u>
Balance of Tax *	\$ 805,841.00	\$ 795,534.02	\$ 10,306.98
Deferred Portion	<u>491,850.50</u>	<u>491,850.50</u>	<u>None</u>
Tax Payable	<u>\$ 313,990.50</u>	<u>\$ 303,683.52</u>	<u>\$ 10,306.98</u>

* Required for school operations for the six-month period following December 31st.

Note 7. **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of each year and the amounts utilized in the subsequent year's budget.

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2015	\$ 805,633.55	\$ 391,000.00	48.53%
2014	801,740.85	322,500.00	40.22%
2013	690,598.27	259,873.15	37.63%
2012	707,788.52	199,618.00	28.20%
2011	475,531.84	174,742.00	36.75%
<u>Water-Sewer Utility Operating Fund</u>			
2015	\$ 61,059.09	\$ 61,059.09	100.00%
2014	None	None	None
2013	None	None	None
2012	None	None	None
2011	17,473.47	17,473.47	100.00%

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT

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

Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2015</u>	<u>Year 2014</u>	<u>Year 2013</u>
<u>Issued</u>			
General:			
Notes	\$ None	\$ None	\$ None
Loans	135,000.00	145,000.00	155,000.00
Water-Sewer Utility:			
Notes	541,513.00	None	None
Loans	<u>2,540,379.28</u>	<u>2,678,829.41</u>	<u>2,811,679.34</u>
Debt Issued	<u>\$ 3,216,892.28</u>	<u>\$ 2,823,829.41</u>	<u>\$ 2,966,679.34</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	\$ 157,250.00	\$ 217,250.00	\$ 177,250.00
Water-Sewer Utility:			
Bonds and Notes	<u>1,132,637.00</u>	<u>1,674,150.00</u>	<u>1,643,750.00</u>
Total Authorized but Not Issued	<u>\$ 1,289,887.00</u>	<u>\$ 1,891,400.00</u>	<u>\$ 1,821,000.00</u>
Net Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 4,506,779.28</u>	<u>\$ 4,715,229.41</u>	<u>\$ 4,787,679.34</u>

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. **MUNICIPAL DEBT (CONTINUED)**

Summary of Statutory Debt Condition, Annual Debt Statement

The summarized statement of debt condition that follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory debt of 0.351%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 506,000.00	\$ 506,000.00	\$ None
Water-Sewer Utility Debt	4,214,529.28	4,214,529.28	None
General Capital Debt	<u>292,250.00</u>	<u>None</u>	<u>292,250.00</u>
	<u>\$ 5,012,779.28</u>	<u>\$ 4,720,529.28</u>	<u>\$ 292,250.00</u>

Equalized Valuation basis per N.J.S. 40A:2-2 As Amended is \$84,012,090.67. The Annual Debt Statement as amended has been filed.

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

3½% of Equalized Valuation Basis (Municipal)	\$ 2,913,708.61
Net Debt	<u>292,250.00</u>
Remaining Borrowing Power	<u>\$ 2,621,458.61</u>

School Debt Deductions

School debt is deductible up to the extent of 3.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 824,119.24
Deductions:		
Operating and Maintenance Cost	\$ 584,135.00	
Debt Service	<u>232,034.87</u>	<u>816,169.87</u>
Excess in Revenue		\$ <u><u>7,949.37</u></u>

There being an excess in revenue for the Water-Sewer Utility, the fund was self-liquidating and therefore, all the related debt is deductible for purposes of the annual debt statement and resultant net debt calculation.

General Capital Fund

On December 4, 2012 the Borough permanently financed the remaining balance of Bond Anticipation Notes of \$165,000.00 and provided for related debt issuance costs through the Monmouth County Improvement Authority ("MCIA"), with the proceeds from the issuance of a \$165,000.00 loan plus a premium of \$12,872.75.

The repayment of bonds issued by the MCIA on December 4, 2012 will occur through December 1, 2027 at principal amounts of ranging from \$10,000.00 to \$15,000.00 at interest rates ranging from 2.0% to 4.0%.

Redemption:

The MCIA ("Issuer") Series 2012 Bonds are subject to optional redemption at the discretion of the Issuer. Bonds maturing on or after December 1, 2022 will be subject to redemption at 100% of par on or after December 1, 2021 in accordance with the terms of the issuer's bond agreement. An early redemption and/or refunding would not affect the Borough's obligation to repay the principal portion of the loan in accordance with the original terms.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

General Capital Fund (Continued)

Schedule of Annual Debt Service for Principal and Interest for Debt Issued and Outstanding

<u>Calender Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	10,000.00	4,000.00	\$ 14,000.00
2017	10,000.00	3,750.00	13,750.00
2018	10,000.00	3,450.00	13,450.00
2019	10,000.00	3,150.00	13,150.00
2020	10,000.00	2,850.00	12,850.00
	<u>50,000.00</u>	<u>17,200.00</u>	<u>67,200.00</u>
2021	10,000.00	2,450.00	12,450.00
2022	10,000.00	2,050.00	12,050.00
2023	10,000.00	1,650.00	11,650.00
2024	10,000.00	1,250.00	11,250.00
2025	15,000.00	1,050.00	16,050.00
	<u>55,000.00</u>	<u>8,450.00</u>	<u>63,450.00</u>
2026	15,000.00	600.00	15,600.00
2027	15,000.00	300.00	15,300.00
	<u>30,000.00</u>	<u>900.00</u>	<u>30,900.00</u>
	<u>\$ 135,000.00</u>	<u>\$ 26,550.00</u>	<u>\$ 161,550.00</u>

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Water-Sewer Utility Capital Fund

The long-term debt of the Borough consists of the Farmer's Home Administration ("FHA") Loan.

Schedule of Annual Debt Service for Principal and Interest for Debt Issued and Outstanding

<u>Calendar Year</u>	<u>1992 Loan Principal and Interest</u>
2016	\$ 18,000.00
2017	18,000.00
2018	18,000.00
2019	18,000.00
2020	18,000.00
	<u>90,000.00</u>
2021	18,000.00
2022	9,000.00
	<u>27,000.00</u>
Total	<u>\$ 117,000.00</u>
Detail:	
Principal	\$ 97,074.14
Interest	19,925.86
	<u>\$ 117,000.00</u>

Interest Rate:	5%
Due Dates:	March and September
Maturity:	March 31, 2022
Purpose:	Improvements to the Water System

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Water-Sewer Utility Capital Fund (Continued)

Serial Bonds Payable

Schedule of Annual Debt Service for Principal and Interest for Debt Issued and Outstanding

<u>Calendar Year</u>	<u>MCIA Refunding Loan - 2011</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2016	\$ 70,000.00	\$ 65,900.00	\$ 135,900.00
2017	75,000.00	62,400.00	137,400.00
2018	75,000.00	58,650.00	133,650.00
2019	80,000.00	54,900.00	134,900.00
2020	85,000.00	50,900.00	135,900.00
	<u>385,000.00</u>	<u>292,750.00</u>	<u>677,750.00</u>
2021	90,000.00	46,650.00	136,650.00
2022	95,000.00	42,150.00	137,150.00
2023	95,000.00	38,350.00	133,350.00
2024	100,000.00	34,550.00	134,550.00
2025	105,000.00	31,550.00	136,550.00
	<u>485,000.00</u>	<u>193,250.00</u>	<u>678,250.00</u>
2026	105,000.00	28,400.00	133,400.00
2027	110,000.00	25,250.00	135,250.00
2028	115,000.00	21,950.00	136,950.00
2029	115,000.00	18,500.00	133,500.00
2030	125,000.00	12,750.00	137,750.00
	<u>570,000.00</u>	<u>106,850.00</u>	<u>676,850.00</u>
2031	<u>130,000.00</u>	<u>6,500.00</u>	<u>136,500.00</u>
Total	<u>\$ 1,570,000.00</u>	<u>\$ 599,350.00</u>	<u>\$ 2,169,350.00</u>

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Water-Sewer Utility Capital Fund (Continued)

Serial Bonds Payable (Continued)

Schedule of Annual Debt Service for Principal and Interest for Debt Issued and Outstanding (Continued)

<u>Calendar Year</u>	<u>MCIA Loan - 2012</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2016	\$ 35,000.00	\$ 14,275.00	\$ 49,275.00
2017	35,000.00	13,400.00	48,400.00
2018	35,000.00	12,350.00	47,350.00
2019	35,000.00	11,300.00	46,300.00
2020	35,000.00	10,250.00	45,250.00
	<u>175,000.00</u>	<u>61,575.00</u>	<u>236,575.00</u>
2021	40,000.00	8,850.00	48,850.00
2022	40,000.00	7,250.00	47,250.00
2023	40,000.00	5,650.00	45,650.00
2024	45,000.00	4,050.00	49,050.00
2025	45,000.00	3,150.00	48,150.00
	<u>210,000.00</u>	<u>28,950.00</u>	<u>238,950.00</u>
2026	45,000.00	1,800.00	46,800.00
2027	45,000.00	900.00	45,900.00
	<u>90,000.00</u>	<u>2,700.00</u>	<u>92,700.00</u>
Total	<u>\$ 475,000.00</u>	<u>\$ 93,225.00</u>	<u>\$ 568,225.00</u>

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Water-Sewer Utility Capital Fund (Continued)

Serial Bonds Payable (Continued)

Schedule of Annual Debt Service for Principal and Interest for Debt Issued and Outstanding (Continued)

<u>Calender Year</u>	<u>Combined MCIA Loans</u>		<u>Grand Total</u>
	<u>2011</u>	<u>2012</u>	
2016	\$ 135,900.00	\$ 49,275.00	\$ 185,175.00
2017	137,400.00	48,400.00	185,800.00
2018	133,650.00	47,350.00	181,000.00
2019	134,900.00	46,300.00	181,200.00
2020	135,900.00	45,250.00	181,150.00
	<u>677,750.00</u>	<u>236,575.00</u>	<u>914,325.00</u>
2021	136,650.00	48,850.00	185,500.00
2022	137,150.00	47,250.00	184,400.00
2023	133,350.00	45,650.00	179,000.00
2024	134,550.00	49,050.00	183,600.00
2025	136,550.00	48,150.00	184,700.00
	<u>678,250.00</u>	<u>238,950.00</u>	<u>917,200.00</u>
2026	133,400.00	46,800.00	180,200.00
2027	135,250.00	45,900.00	181,150.00
2028	136,950.00	-	136,950.00
2029	133,500.00	-	133,500.00
2030	137,750.00	-	137,750.00
	<u>676,850.00</u>	<u>92,700.00</u>	<u>769,550.00</u>
2031	136,500.00		136,500.00
2032	-		-
	<u>136,500.00</u>	<u>-</u>	<u>136,500.00</u>
Total	<u>\$ 2,169,350.00</u>	<u>\$ 568,225.00</u>	<u>\$ 2,737,575.00</u>

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Water-Sewer Utility Capital Fund – Serial Bonds Payable (Continued)

MCIA Refunding Loan – 2011

On December 29, 2011 the Borough refinanced the remaining balance of the USDA 1992 Loan \$1,983,362.01 through the Monmouth County Improvement Authority (“MCIA”), with the proceeds from the issuance of a \$1,825,000.00 loan plus a premium of \$191,019.25. The refinancing was approved by the Local Finance Board and resulted in a net present value savings of \$616,240.61, or 31.44%.

The repayment of bonds issued by the MCIA on December 29, 2011 will occur through December 1, 2031 at principal amounts of ranging from \$70,000.00 to \$130,000.00 and interest rates ranging from 3.0% to 5.0%. The USDA 1992 Loan was paid off on January 14, 2012 in accordance with the requirements.

Redemption

The MCIA Series 2011 Bonds (“Issuer”) are subject to optional redemption at the discretion of the Issuer. Bonds maturing on or after December 1, 2021 will be subject to redemption at 100% of par on or after December 1, 2020 in accordance with the terms of the issuer’s bond agreement. An early redemption and/or refunding would not affect the Borough’s obligation to repay the principal portion of the bond in accordance with the original terms.

MCIA Loan – 2012

On December 4, 2012 the Borough permanently financed the remaining balance Bond Anticipation Notes of \$572,400.00 and provided for related debt issuance costs through the Monmouth County Improvement Authority (“MCIA”), with the proceeds from the issuance of a \$570,000.00 loan plus a premium of \$47,601.50.

The repayment of bonds issued by the MCIA on December 4, 2012 will occur through December 1, 2027 at principal amounts ranging from \$35,000.00 to \$45,000.00 and interest rates ranging from 2.5% to 4.0%.

Redemption

The MCIA Series 2012 Bonds (“Issuer”) are subject to optional redemption at the discretion of the Issuer. Bonds maturing on or after December 1, 2022 will be subject to redemption at 100% of par on or after December 1, 2021 in accordance with the terms of the issuer’s bond agreement. An early redemption and/or refunding would not affect the Borough’s obligation to repay the principal portion of the bond in accordance with the original terms.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

State of New Jersey Environmental Infrastructure Trust Loans (NJEIT)

Water-Sewer Utility Capital Fund

State Portion:

\$135,000.00 NJEIT -

2010 Winter Program - Annual maturities of
\$5,000.00 to \$10,000.00 through August 1, 2029
at interest rates ranging from 3.0% to 5.0%.

\$ 110,000.00 *

Federal Portion:

\$405,000.00 NJEIT -

2010 Winter Program - Annual maturities of
\$20,593.21 through August 1, 2029. There is no
interest being charged on this loan. The loan is
not subject to early redemption or refunding.

\$ 288,305.14

* Redemption:

The Series 2011 Winter Program Bonds of the NJEIT ("Issuer") are subject to optional redemption at the discretion of the Issuer. Bonds maturing on or after September 1, 2019 will be subject to redemption at 100% of par on or after September 1, 2018 in accordance with the terms of the issuer's bond agreement. The Series 2011 Bonds of the Issuer are also subject refunding; however, only on a parity basis subject to the terms of issuer's bond agreement. An early redemption and/or refunding would not affect the Borough's obligation to repay the principal portion of the loan in accordance with the original terms.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

State of New Jersey Environmental Infrastructure Trust Loans (NJEIT) (Continued)

2010 Winter Program				
	Principal		Interest	Total
	Federal	State	State	
2016	\$ 20,593.21	\$ 5,000.00	\$ 4,500.00	\$ 30,093.21
2017	20,593.21	5,000.00	4,250.00	29,843.21
2018	20,593.21	5,000.00	4,000.00	29,593.21
2019	20,593.21	5,000.00	3,750.00	29,343.21
2020	20,593.21	5,000.00	3,550.00	29,143.21
	102,966.05	25,000.00	20,050.00	148,016.05
2021	20,593.21	5,000.00	3,300.00	28,893.21
2022	20,593.21	10,000.00	3,150.00	33,743.21
2023	20,593.21	10,000.00	2,750.00	33,343.21
2024	20,593.21	10,000.00	2,350.00	32,943.21
2025	20,593.21	10,000.00	1,950.00	32,543.21
	102,966.05	45,000.00	13,500.00	161,466.05
2026	20,593.21	10,000.00	1,550.00	32,143.21
2027	20,593.21	10,000.00	1,200.00	31,793.21
2028	20,593.21	10,000.00	800.00	31,393.21
2029	20,593.41	10,000.00	400.00	30,993.41
	82,373.04	40,000.00	3,950.00	126,323.04
	\$ 288,305.14	\$ 110,000.00	\$ 37,500.00	\$ 435,805.14

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Combined Schedule of Water-Sewer Utility Capital Fund Indebtedness

Calendar Year	FHA Loan	MCIA Loan	NJEIT Loan	Total
2016	\$ 18,000.00	\$ 185,175.00	\$ 30,093.21	\$ 233,268.21
2017	18,000.00	185,800.00	29,843.21	233,643.21
2018	18,000.00	181,000.00	29,593.21	228,593.21
2019	18,000.00	181,200.00	29,343.21	228,543.21
2020	18,000.00	181,150.00	29,143.21	228,293.21
	<u>90,000.00</u>	<u>914,325.00</u>	<u>148,016.05</u>	<u>1,152,341.05</u>
2021	18,000.00	185,500.00	28,893.21	232,393.21
2022	9,000.00	184,400.00	33,743.21	227,143.21
2023	-	179,000.00	33,343.21	212,343.21
2024	-	183,600.00	32,943.21	216,543.21
2025	-	184,700.00	32,543.21	217,243.21
	<u>27,000.00</u>	<u>917,200.00</u>	<u>161,466.05</u>	<u>1,105,666.05</u>
2026	-	180,200.00	32,143.21	212,343.21
2027	-	181,150.00	31,793.21	212,943.21
2028	-	136,950.00	31,393.21	168,343.21
2029	-	133,500.00	30,993.41	164,493.41
2030	-	137,750.00	-	137,750.00
	<u>-</u>	<u>769,550.00</u>	<u>126,323.04</u>	<u>895,873.04</u>
2031		136,500.00	-	136,500.00
2032		-	-	-
	<u>-</u>	<u>136,500.00</u>	<u>-</u>	<u>136,500.00</u>
Total	<u>\$ 117,000.00</u>	<u>\$ 2,737,575.00</u>	<u>\$ 435,805.14</u>	<u>\$ 3,290,380.14</u>

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 8. MUNICIPAL DEBT (CONTINUED)

Bond Anticipation Notes

Bond Anticipation Notes Outstanding totaled \$541,513 as of December 31, 2015 represents a temporary loan from the NJEIT pending permanent financing in May of 2016.

Bonds and Notes Authorized but not Issued

At December 31, 2015, the Borough had notes authorized but not issued as follows:

<u>Fund</u>	<u>Amount</u>
General Capital	\$ 157,250.00
Water-Sewer Utility Capital	<u>1,132,637.00</u>
	<u>\$ 1,289,887.00</u>

Subsequent Events

Improvement Authorizations

The Borough adopted a bond ordinance for water-sewer improvements totaling \$210,000.00, of which \$10,000.00 is from the Capital Improvement Fund and the balance \$200,000.00 is Bonds and Notes Authorized.

Prior to the issuance of this report, an improvement authorization of \$128,100.00 for water-sewer improvements was introduced. The funding consists of a Capital Improvement Fund contribution of \$6,100.00 and Bonds and Notes authorized of \$122,000.00.

NJEIT Loan

Subsequent to yearend, the Borough applied for participation in the 2016 NJEIT permanent financing for a wastewater project. The financing is 75% federal funds at no interest and 25% state funds at interest rates ranging from 2.0% to 5.0%. The amount in total is \$799,558.00 and will be repaid annually at an average annual amount of \$45,613.00 through August 1, 2035.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN

Plan Description

Substantially all of the Borough's employees participate in the Public Employees' Retirement System (PERS). This system is sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System is considered to be a cost sharing multiple-employer plan.

Public Employees' Retirement System

The Public Employees' Retirement System (PERS) was established January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after eight to ten years of service and twenty-five years for health care coverage. Members are eligible for retirement at age sixty with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age sixty with twenty-five or more years of credited service. Pension benefits for members enrolled in the system after May 21, 2010 would be based on 1/60th of the average annual compensation for the last five (5) years of service or any five (5) fiscal years of membership that provide the largest benefit to the member of the member's beneficiary. Anyone who retires early and is under age fifty-five receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age fifty-five).

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Plan Description (Continued)

Significant Legislation

P.L. 2011, c.78, effective June 28, 2011 made various changes to the manner in which PERS operates and to the benefit provisions of that system.

This new legislation'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 ¼ to 1 percent 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 PERS members enrolled after June 28, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.
- Active member contribution rates will increase. PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contributions for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

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

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Contributions Required to be Made

Employee contributions for 2015 were 6.92% through June 30, 2015 and 7.06% thereafter for PERS. Employer's contributions are actuarially determined annually by the Division of Pensions. The Borough's contributions to the plan for the past three (3) years are as follows:

	<u>PERS</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Covered Payroll	\$ 142,960	\$ 123,077	\$ 176,168
Covered Employee - Payroll	291,018	263,980	298,484
Actuarial Contribution Requirements	37,299	30,228	19,845
Total Contributions Employer Share	37,299	30,228	19,845
Percent of Covered Employee - Payroll	12.82 %	11.45 %	6.65 %
Employee's Share	10,010	8,421	11,820
Percent of Covered Payroll	7.00 %	6.84 %	6.71 %

Pension (PERS) Accrual

The Borough is required to report on its financial statements on an "Other Comprehensive Basis of Accounting" (OCBOA) Regulatory Basis, which does not require an accrual for its obligations inclusive of pension. If the Borough were required to reflect the obligation under Generally Accepted Accounting Principles (GAAP) then an accrual for the PERS obligation due April 1, 2016 would be needed in the amount of \$12,961 since the obligation relates to the period December 31, 2015 and prior. The accrual would affect the fund balance at yearend.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Government-Wide Financial Statements GASB#68

Public Employees Retirement System (PERS)

The information for PERS was abstracted from State of New Jersey Public Employees' Retirement System Schedules of Employer Allocations and Schedules of Pension Amounts by Employer as of June 30, 2015 and June 30, 2014 Independent Auditor's Report dated April 14, 2016 and November 13, 2015, respectively.

The Borough's reported liability of \$356,538.00 and \$472,596.00 for its proportionate share of the net pension liability at December 31, 2015 (*measurement date of June 30, 2015*) and December 31, 2014 (*measurement date of June 30, 2014*), respectively. The net pension liability was measured as of June 30, 2015 and June 30, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

	June 30, (Measurement Date)	
	2015	2014
Local Group Share		
Borough Proportionate Percentage	0.0015882600 %	0.0025241829 %
Difference - Decrease	(0.0009359229) %	

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Government-Wide Financial Statements GASB#68 (Continued)

Public Employees Retirement System (PERS) (Continued)

For the year ended December 31, 2015, the Borough's recognizable pension income of \$54,279.00. At December 31, 2015, the Borough reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions	\$ 38,289	
Net difference between expected and actual experience	8,506	
Net difference between projected and actual investment earnings on pension plan investment		\$ 5,732
Changes in proportion	-	353,665
Total	\$ 46,795	\$ 359,397

The \$46,795.00 reported as deferred outflows of resources related to pensions resulting from entities contributions subsequent to the measurement date (i.e. for the Borough year ending December 31, 2015, the plan measurement date is June 30, 2015) will be recognized as a reduction of the net pension liability in the Borough year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense based on local share is as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2016	\$ 7,475
2017	7,475
2018	7,475
2019	11,905
2020	6,730

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Government-Wide Financial Statements GASB#68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Additional Information:

Collective (local and state employers) balances at June 30, 2015 and June 30, 2014 are as follows:

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Collective deferred outflows of resources		
Local Group	\$ 3,578,755,666	\$ 952,194,675
State Group	2,244,541,929	500,510,863
	<u>\$ 5,823,297,595</u>	<u>\$ 1,452,705,538</u>
Collective deferred inflows of resources		
Local Group	\$ 993,410,455	\$ 1,479,224,662
State Group	221,779,892	667,494,350
	<u>\$ 1,215,190,347</u>	<u>\$ 2,146,719,012</u>
Collective net pension liability		
Local Group	\$ 22,447,996,119	\$ 18,722,735,003
State Group	23,722,135,537	20,127,103,950
	<u>\$ 46,170,131,656</u>	<u>\$ 38,849,838,953</u>
Borough's proportion (of Local Group)	<u>0.0015882600 %</u>	<u>0.0025241829 %</u>

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which rolled forward to June 30, 2015. The total pension liability for the December 31, 2015 measurement date was determined by an actuarial valuation as of June 30, 2015. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	3.04 Percent
Salary Increases:	
2012-2021	2.15-4.40 Percent (based on age)
Thereafter	3.15-5.40 Percent (based on age)
Investment Rate of Return	7.90 Percent

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Government-Wide Financial Statements GASB #68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Mortality Rates

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback one year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Government-Wide Financial Statements GASB#68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00 %	1.04 %
U.S. Treasuries	1.75	1.64
Investment Grade Credit	10.00	1.79
Mortgages	2.10	1.62
High Yield Bonds	2.00	4.03
Inflation-Indexed Bonds	1.50	3.25
Broad U.S. Equities	27.25	8.52
Developed Foreign Equities	12.00	6.88
Emerging Market Equities	6.40	10.00
Private Equity	9.25	12.41
Hedge Funds / Absolute Return	12.00	4.72
Real Estate (Property)	2.00	6.83
Commodities	1.00	5.32
Global Debt ex U.S.	3.50	-0.40
REIT	4.25	5.12
	<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% as of June 30, 2015 based on the *Bond Buyer* GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 9. PENSION PLAN (CONTINUED)

Government-Wide Financial Statements GASB #68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of The Collective Net Pension Liability to Changes in the Discount Rate.

The following presents the collective net pension liability of the participating employers as of (*measurement dates*) June 30, 2015 and June 30, 2014, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

		December 31, 2015		
		1% Decrease	At Current Discount Rate	1% Increase
		<u>3.90%</u>	<u>4.90%</u>	<u>5.90%</u>
Borough's proportionate share of the pension liability	\$	443,126	\$	356,538
			\$	283,932
		December 31, 2014		
		1% Decrease	At Current Discount Rate	1% Increase
		<u>4.39%</u>	<u>5.39%</u>	<u>6.39%</u>
Borough's proportionate share of the pension liability	\$	594,541	\$	472,596
			\$	370,192

Pension Plan Fiduciary Net Position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS).

BOROUGH OF ROOSEVELT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2015

Note 13. RISK MANAGEMENT (CONTINUED)

For the year ending December 31, 2015, the Fund provided coverage for Property, Boiler and Machinery, Automobile, General Liability, Workmen's Compensation and Public Employee Blanket Bond.

The Borough has contracted with a private insurance carrier related to public officials' surety bond coverage and public officials' liability insurance. The coverage is subject to certain policy limits and deductible amounts. The coverage is designed to minimize the impact of any potential losses to the Borough for matters which may have been caused or related to the Borough or its employees. The Borough's employees are covered through the State of New Jersey Health Benefits Program.

Note 14. CONTINGENT LIABILITIES

A. Litigation

There are no matters of litigation that would, in the result of an adverse opinion, have a material impact on the financial condition of the Borough.

B. Grants

The Borough of Roosevelt participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Borough is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

C. Compensated Absences

The Borough allows employees to carryover unused vacation days at the end of the year. The amount of liability is minimal. Unused sick time does not accumulate and therefore no liability exists as of December 31, 2015.

D. State Tax Appeals

There was one state tax appeal pending at December 31, 2015. The outcome as of the date of this report has not been determined; however, in the event of an adverse ruling it is not expected to have a negative impact on the financial condition of the Borough.

**COMBINING AND INDIVIDUAL FUND AND
ACCOUNTS STATEMENTS**

CURRENT FUND

BOROUGH OF ROOSEVELT
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

<u>ASSETS</u>	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
Cash and Cash Equivalents	\$ <u>1,340,563.41</u>	\$ <u>1,366,025.06</u>
	\$ <u>1,340,563.41</u>	\$ <u>1,366,025.06</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes	\$ 43,107.26	\$ 55,520.54
Tax Title Liens	5,873.74	
Foreclosed Property	181,700.00	181,700.00
Revenue Accounts Receivable	65.56	128.52
Interfunds Receivable:		
Due From Water-Sewer Operating Fund	173,572.86	69,206.42
Due From Water-Sewer Capital Fund	<u> </u>	<u>91,056.33</u>
	\$ <u>404,319.42</u>	\$ <u>397,611.81</u>
Total Current Fund	\$ <u>1,744,882.83</u>	\$ <u>1,763,636.87</u>
Grant Fund:		
Due from Current Fund	\$ <u>35,326.66</u>	\$ <u>39,666.64</u>
Total Grant Fund	\$ <u>35,326.66</u>	\$ <u>39,666.64</u>
Total Assets	\$ <u><u>1,780,209.49</u></u>	\$ <u><u>1,803,303.51</u></u>

BOROUGH OF ROOSEVELT
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Current Fund:		
Liabilities:		
Appropriation Reserves	\$ 149,738.83	\$ 167,102.83
Reserve for Encumbrances	18,346.37	30,149.91
Prepaid Taxes	6,938.45	5,493.17
Tax Overpayments	250.00	7,819.56
Accounts Payable	3,900.00	3,900.00
Due to State of New Jersey - Chapter 20 P.L. 1971	1,124.89	1,374.89
Local District School Tax Payable	313,990.50	303,683.52
Interfunds Payable - Due to Grant Fund	35,326.66	39,666.64
Due County for Added and Omitted Taxes	314.16	93.69
Reserve for: Cable Television, Appropriated	<u>5,000.00</u>	<u>5,000.00</u>
Total Liabilities	<u>\$ 534,929.86</u>	<u>\$ 564,284.21</u>
Reserve for Receivables and Other Assets	<u>\$ 404,319.42</u>	<u>\$ 397,611.81</u>
Fund Balance	<u>\$ 805,633.55</u>	<u>\$ 801,740.85</u>
Total Current Fund	<u>\$ 1,744,882.83</u>	<u>\$ 1,763,636.87</u>
Grant Fund:		
Appropriated Reserves	\$ 32,816.66	\$ 36,906.64
Unappropriated Reserves		250.00
Reserve for Encumbrances	<u>2,510.00</u>	<u>2,510.00</u>
Total Grant Fund	<u>\$ 35,326.66</u>	<u>\$ 39,666.64</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 1,780,209.49</u>	<u>\$ 1,803,303.51</u>

BOROUGH OF ROOSEVELT
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Revenues and Other Income Realized:		
Fund Balance Utilized	\$ 322,500.00	\$ 259,873.15
Miscellaneous Revenues Anticipated	10,136.50	62,326.85
State Aid	81,849.00	81,849.00
Grants	4,250.00	11,300.00
Receipts from Delinquent Taxes	53,207.77	81,118.39
Receipts from Current Taxes	749,830.74	710,478.82
Nonbudget Revenue	47,323.11	53,136.94
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	131,626.03	115,878.79
Current Appropriations Cancelled	17,179.00	44,679.06
Prior Year Interfunds Liquidated	91,056.33	27,413.46
2014 Appropriation Reserves:		
Water-Sewer Utility Operating	9,266.86	4,132.27
Allocated to School and County Taxes	<u>1,880,297.45</u>	<u>1,842,448.91</u>
 Total Income	 <u>\$ 3,398,522.79</u>	 <u>\$ 3,294,635.64</u>
Expenditures:		
Budget Appropriations:		
Within "CAPS":		
General Government	\$ 298,085.00	\$ 272,921.00
Land Use	23,093.00	37,993.00
Insurance	40,500.00	46,500.00
Public Safety	57,050.00	53,950.00
Public Works	139,650.00	99,050.00
Health and Human Services	19,000.00	15,900.00
Parks and Recreation	26,392.00	26,792.00
Utilities	35,000.00	33,500.00
Other Common Functions	1,000.00	1,000.00
Sanitation	35,000.00	35,000.00
Deferred Charges and Statutory Expenditures	52,965.00	84,755.00

BOROUGH OF ROOSEVELT
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Expenditures (Continued):		
Budget Appropriations (Continued):		
Excluded from "CAPS":		
Public Safety	\$ 7,421.00	\$ 7,347.00
Sanitation	62,400.00	60,400.00
General Government	35,700.00	20,000.00
Grant Programs	4,250.00	11,300.00
Capital Improvements	58,000.00	40,000.00
Debt Service	14,200.00	14,400.29
Deferred Charges and Statutory Expenditures	7,759.50	60,087.71
Reserve for Uncollected Taxes	170,000.00	160,000.00
Local District School Taxes	1,612,369.00	1,591,768.00
County Taxes	267,614.29	250,587.22
County Taxes - Added and Omitted	314.16	93.69
Prior Year Senior Citizen Deduction Disallowed		250.00
Interfund Advanced	104,367.14	
Refund of Prior Year Revenue		25.00
	\$ 3,072,130.09	\$ 2,923,619.91
Excess in Revenue over Expenditures	\$ 326,392.70	\$ 371,015.73
Fund Balance, January 1	801,740.85	690,598.27
	\$ 1,128,133.55	\$ 1,061,614.00
Decreased By:		
Utilized As Anticipated Revenue	322,500.00	259,873.15
Fund Balance, December 31	\$ 805,633.55	\$ 801,740.85

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Budget as <u>Modified</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ <u>322,500.00</u>	\$ <u>322,500.00</u>	<u> </u>
State Aid Without Offsetting Appropriations:			
Consolidated Municipal Property Tax Relief Aid	\$ 3,150.00	\$ 3,150.00	
Energy Receipts Tax	<u>78,699.00</u>	<u>78,699.00</u>	<u> </u>
	\$ <u>81,849.00</u>	\$ <u>81,849.00</u>	<u> </u>
Public and Private Programs Offset With Appropriations:			
Clean Communities Program	\$ 4,000.00	\$ 4,000.00	
JIF Safety Grant	<u>250.00</u>	<u>250.00</u>	<u> </u>
	\$ <u>4,250.00</u>	\$ <u>4,250.00</u>	<u> </u>
Other Special Items:			
Recreation Fees	\$ <u>9,000.00</u>	\$ <u>10,136.50</u>	\$ <u>1,136.50</u>
Receipts from Delinquent Taxes	\$ <u>45,000.00</u>	\$ <u>53,207.77</u>	\$ <u>8,207.77</u>
Amount to be Raised by Taxation for Support of Municipal Budget:			
Local Tax for Municipal Purposes	\$ <u>624,866.50</u>	\$ <u>749,830.74</u>	\$ <u>124,964.24</u>
Budget Totals	\$ 1,087,465.50	\$ 1,221,774.01	\$ 134,308.51
Nonbudget Revenue	<u> </u>	<u>47,323.11</u>	<u>47,323.11</u>
	\$ <u>1,087,465.50</u>	\$ <u>1,269,097.12</u>	\$ <u>181,631.62</u>

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
<u>GENERAL GOVERNMENT FUNCTIONS</u>						
General Administration:						
Salaries and Wages	\$ 34,054.00	\$ 34,054.00	\$ 34,021.33		\$ 32.67	
Data Processing	8,700.00	9,700.00	8,969.00		731.00	
Other Expenses	14,800.00	15,800.00	14,838.71	\$ 728.17	233.12	
Mayor and Council:						
Other Expenses	600.00	600.00	551.92	19.48	28.60	
Municipal Clerk:						
Salaries and Wages	42,601.00	38,601.00	28,089.91		10,511.09	
Other Expenses	9,000.00	15,000.00	11,254.07	2,003.87	1,742.06	
Financial Administration:						
Salaries and Wages	21,873.00	21,873.00	20,658.00		1,215.00	
Other Expenses	4,650.00	4,650.00	2,816.86	133.25	1,699.89	
Audit Services:						
Other Expenses	11,100.00	11,100.00	10,750.00		350.00	
Revenue Administration:						
Salaries and Wages	8,140.00	8,140.00	8,140.00			
Other Expenses	9,300.00	9,300.00	3,000.60		6,299.40	
Tax Assessment Administration:						
Salaries and Wages	9,167.00	9,167.00	8,987.00		180.00	
Other Expenses	3,600.00	3,600.00	2,382.40		1,217.60	
Legal Services and Costs:						
Other Expenses	88,000.00	89,500.00	75,537.58		13,962.42	
Engineering Services and Costs:						
Other Expenses	20,000.00	27,000.00	23,429.25		3,570.75	
<u>LAND USE ADMINISTRATION</u>						
Planning Board:						
Salaries and Wages	4,100.00	4,100.00	1,505.10		2,594.90	
Other Expenses	20,300.00	8,400.00	1,834.47	5.29	6,560.24	
Zoning Officer:						
Salaries and Wages	6,233.00	6,233.00	6,110.00		123.00	
Other Expenses	800.00	800.00	50.00		750.00	
Code Enforcement:						
Salaries and Wages	1,112.00	1,112.00	1,100.00		12.00	
Housing Inspection:						
Salaries and Wages	2,448.00	2,448.00	1,500.00		948.00	

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
<u>INSURANCE</u>						
Purchase of Insurance:						
Liability	\$ 14,000.00	\$ 14,000.00	\$ 12,802.40		\$ 1,197.60	
Worker Compensation	17,000.00	17,000.00	15,720.30		1,279.70	
Employee Group Plans	14,000.00	8,000.00	1,874.91		6,125.09	
Unemployment Compensation Insurance	1,500.00	1,500.00	1,030.23		469.77	
<u>PUBLIC SAFETY FUNCTIONS</u>						
Office of Emergency Management:						
Other Expenses	2,800.00	2,800.00	2,276.97		523.03	
Aid to Volunteer First Aid:						
Other Expenses	16,650.00	16,650.00	16,650.00			
Fire Department:						
Other Expenses	18,000.00	19,500.00	16,115.40	\$ 2,602.83	781.77	
School Crossing Guards:						
Salaries and Wages	12,000.00	12,000.00	8,070.34		3,929.66	
Municipal Court:						
Other Expenses	6,000.00	6,000.00	6,000.00			
Public Defender:						
Other Expenses	100.00	100.00			100.00	
<u>PUBLIC WORKS FUNCTIONS</u>						
Streets and Road Maintenance:						
Salaries and Wages	18,000.00	18,000.00	17,878.73		121.27	
Other Expenses	47,450.00	47,450.00	43,172.11		4,277.89	
Solid Waste Collection:						
Other Expenses	19,800.00	19,800.00	19,600.00		200.00	
Public Buildings and Grounds:						
Other Expenses	49,000.00	53,000.00	44,021.46	7,575.48	1,403.06	
Vehicle Maintenance:						
Other Expenses	1,400.00	1,400.00	167.11		1,232.89	
<u>HEALTH AND HUMAN SERVICES FUNCTIONS</u>						
Public Health Services:						
Other Expenses	9,000.00	9,000.00	6,045.00		2,955.00	
Environmental Commission:						
Salaries and Wages	2,200.00	2,200.00	903.75		1,296.25	
Other Expenses	3,900.00	5,900.00	853.42	4,900.00	146.58	
Animal Control:						
Other Expenses	1,000.00	1,900.00	1,611.00		289.00	

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
<u>PARK AND RECREATION FUNCTIONS</u>						
Recreation Services and Programs:						
Salaries and Wages	\$ 17,392.00	\$ 17,392.00	\$ 17,361.38		\$ 30.62	
Other Expenses	12,000.00	9,000.00	4,912.96	\$ 83.00	4,004.04	
<u>OTHER COMMON OPERATING FUNCTIONS</u>						
Celebration of Public Events:						
Other Expenses	1,000.00	1,000.00	1,000.00			
<u>UTILITY EXPENSE AND BULK PURCHASES</u>						
Electricity	4,500.00	4,500.00	3,388.03		1,111.97	
Street Lighting	12,000.00	12,000.00	8,233.78		3,766.22	
Telephone	7,000.00	7,000.00	5,437.27		1,562.73	
Gas (Natural and Propane)	9,000.00	9,000.00	4,720.10		4,279.90	
Gasoline	2,500.00	2,500.00	990.76		1,509.24	
<u>LANDFILL/SOLID WASTE DISPOSAL COSTS</u>						
Landfill Tipping Fees:						
Other Expenses	<u>35,000.00</u>	<u>35,000.00</u>	<u>24,045.52</u>		<u>10,954.48</u>	
Total Operations within "CAPS"	674,770.00	674,770.00	550,409.13	18,051.37	106,309.50	
Total Operations Including Contingent - within "CAPS"	<u>\$ 674,770.00</u>	<u>\$ 674,770.00</u>	<u>\$ 550,409.13</u>	<u>\$ 18,051.37</u>	<u>\$ 106,309.50</u>	
Detail:						
Salaries and Wages	\$ 179,320.00	\$ 175,320.00	\$ 154,325.54		\$ 20,994.46	
Other Expenses (Including Contingent)	495,450.00	499,450.00	396,083.59	\$ 18,051.37	85,315.04	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>						
Deferred Charges:						
Anticipated Deficit Water-Sewer Utility	\$ 17,179.00	\$ 17,179.00	\$			\$ 17,179.00
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System:						
Other Expenses	16,086.00	16,086.00	11,965.00		\$ 4,121.00	
Social Security System (O.A.S.I.)	14,700.00	14,700.00	11,699.23		3,000.77	
Defined Contribution Benefit Plan	<u>5,000.00</u>	<u>5,000.00</u>			<u>5,000.00</u>	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	<u>\$ 52,965.00</u>	<u>\$ 52,965.00</u>	<u>\$ 23,664.23</u>		<u>\$ 12,121.77</u>	<u>17,179.00</u>

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
Total General Appropriations for Municipal Purposes within "CAPS"	\$ 727,735.00	\$ 727,735.00	\$ 574,073.36	\$ 18,051.37	\$ 118,431.27	\$ 17,179.00
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>						
Other Operations - Excluded from "CAPS":						
Recycling Tax	\$ 1,400.00	\$ 1,400.00	\$ 1,074.84	_____	\$ 325.16	_____
Total Other Operations - Excluded from "CAPS"	<u>1,400.00</u>	<u>1,400.00</u>	<u>1,074.84</u>	_____	<u>325.16</u>	_____
Shared Service Agreements:						
Solid Waste Collection(Borough of Hightstown)						
Other Expenses	61,000.00	61,000.00	61,000.00	_____	_____	_____
911 Communication Center (County of Monmouth)						
Other Expenses	7,421.00	7,421.00	7,420.20	_____	0.80	_____
Borough Clerk Services(Borough of Hightstown)						
Other Expenses	<u>35,700.00</u>	<u>35,700.00</u>	<u>26,578.90</u>	_____	<u>9,121.10</u>	_____
Total Shared Service Agreements	<u>104,121.00</u>	<u>104,121.00</u>	<u>94,999.10</u>	_____	<u>9,121.90</u>	_____
Public and Private Programs Offset by Revenues:						
Clean Communities Program	4,000.00	4,000.00	4,000.00	_____	_____	_____
JIF Safety Grant	<u>250.00</u>	<u>250.00</u>	<u>250.00</u>	_____	_____	_____
Total Public and Private Programs Offset by Revenues	<u>4,250.00</u>	<u>4,250.00</u>	<u>4,250.00</u>	_____	_____	_____
Total Operations - Excluded from "CAPS"	\$ <u>109,771.00</u>	\$ <u>109,771.00</u>	\$ <u>100,323.94</u>	_____	\$ <u>9,447.06</u>	_____
Detail:						
Other Expenses	\$ 109,771.00	\$ 109,771.00	\$ 100,323.94	_____	\$ 9,447.06	_____
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	\$ 33,000.00	\$ 33,000.00	\$ 33,000.00	_____	_____	_____
Municipal Building Improvements	<u>25,000.00</u>	<u>25,000.00</u>	<u>2,844.50</u>	\$ 295.00	\$ 21,860.50	_____
Total Capital Improvements Excluded from "CAPS"	\$ <u>58,000.00</u>	\$ <u>58,000.00</u>	\$ <u>35,844.50</u>	\$ 295.00	\$ 21,860.50	_____

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
Interest on Bonds	<u>4,200.00</u>	<u>4,200.00</u>	<u>4,200.00</u>			
Total Municipal Debt Service Excluded from "CAPS"	<u>14,200.00</u>	<u>14,200.00</u>	<u>14,200.00</u>			
Deferred Charges - Municipal - Excluded From "CAPS"						
Deferred Charges to Future Taxation - Unfunded - Ord. 252 Oscar Drive Improvements	<u>7,759.50</u>	<u>7,759.50</u>	<u>7,759.50</u>			
Total Def. Charges - Municipal - Excluded From "CAPS"	<u>7,759.50</u>	<u>7,759.50</u>	<u>7,759.50</u>			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	\$ <u>189,730.50</u>	\$ <u>189,730.50</u>	\$ <u>158,127.94</u>	\$ <u>295.00</u>	\$ <u>31,307.56</u>	
Total General Appropriations - Excluded from "CAPS"	\$ <u>189,730.50</u>	\$ <u>189,730.50</u>	\$ <u>158,127.94</u>	\$ <u>295.00</u>	\$ <u>31,307.56</u>	
Subtotal General Appropriations	\$ 917,465.50	\$ 917,465.50	\$ 732,201.30	\$ 18,346.37	\$ 149,738.83	\$ 17,179.00
<u>RESERVE FOR UNCOLLECTED TAXES</u>	<u>170,000.00</u>	<u>170,000.00</u>	<u>170,000.00</u>			
Total General Appropriations	\$ <u><u>1,087,465.50</u></u>	\$ <u><u>1,087,465.50</u></u>	\$ <u><u>902,201.30</u></u>	\$ <u><u>18,346.37</u></u>	\$ <u><u>149,738.83</u></u>	\$ <u><u>17,179.00</u></u>

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	Tax Levy	Collections		State Share Senior Citizens' and Veterans' Deductions Allowed	Transfer to Tax Title Liens	Cancellation	Balance
	December 31, 2014		2014	2015				December 31, 2015
2014	\$ 55,520.54		\$ 53,207.77			\$ 2,312.77		
2015		\$ 2,508,575.69	\$ 5,493.17	2,450,135.02	\$ 4,500.00	\$ 3,278.04	\$ 2,062.20	\$ 43,107.26
	<u>\$ 55,520.54</u>	<u>\$ 2,508,575.69</u>	<u>\$ 5,493.17</u>	<u>\$ 2,503,342.79</u>	<u>\$ 4,500.00</u>	<u>\$ 5,590.81</u>	<u>\$ 2,062.20</u>	<u>\$ 43,107.26</u>

Detail:

Cash Received	\$ 2,442,315.46
Tax Overpayment Applied	7,819.56
Senior Citizen and Veterans Deductions	4,500.00
Prepaid Taxes	<u>5,493.17</u>
	<u>\$ 2,460,128.19</u>

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

ANALYSIS OF 2015 PROPERTY TAX LEVY

Tax Yield

General Purpose Taxes		\$ <u>2,508,575.69</u>
-----------------------	--	------------------------

Tax Levy

Local District School Taxes		\$ 1,612,369.00
-----------------------------	--	-----------------

County Taxes:

County Taxes	\$ 234,579.47	
County Library Tax	15,461.01	
County Health Tax	4,644.15	
County Open Space Tax	12,929.66	
County Added and Omitted Taxes	<u>314.16</u>	

Total County Taxes		<u>267,928.45</u>
--------------------	--	-------------------

		\$ 1,880,297.45
--	--	-----------------

Local Tax for Municipal Purpose	\$ 624,866.50	
---------------------------------	---------------	--

Add: Additional Tax Levy	<u>3,411.74</u>	<u>628,278.24</u>
--------------------------	-----------------	-------------------

Total Tax Levy		\$ <u>2,508,575.69</u>
----------------	--	------------------------

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF TAX TITLE LIENS RECEIVABLE

INCREASED BY

Transferred from Taxes Receivable
Interest and Costs

\$ 5,590.81
282.90

\$ 5,873.71

BALANCE, DECEMBER 31, 2015

\$ 5,873.71

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF 2014 APPROPRIATION RESERVES

	<u>Balance</u> <u>December 31, 2014</u>		<u>Balance</u> <u>After</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Appropriation</u> <u>Reserves</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Transfers</u>		
Salaries and Wages:					
Operations - Within "CAPS":					
General Administration	\$ 4,581.74		\$ 4,581.74		\$ 4,581.74
Municipal Clerk	19,272.07		19,272.07	1,069.35	18,202.72
Financial Administration	1,215.00		1,215.00		1,215.00
Tax Assessment Administration	180.00		180.00		180.00
Planning Board	1,725.95		1,725.95	\$ 1,117.20	608.75
Zoning Officer	123.00		123.00	100.00	23.00
School Crossing Guards	2,173.40		2,173.40		2,173.40
Streets and Road Maintenance	2,192.10		2,192.10	535.05	1,657.05
Environmental Commission	757.85		757.85	668.85	89.00
Recreation Services and Programs	106.25		106.25		106.25
Code Enforcement	12.00		12.00		12.00
Housing Inspection	948.00		948.00	935.00	13.00
Total Salaries and Wages	\$ 33,287.36		\$ 33,287.36	\$ 4,425.45	\$ 28,861.91
Other Expenses:					
Operations - Within "CAPS":					
General Administration:					
Data Processing	\$ 1,196.64	\$ 8,400.00	\$ 9,596.64	\$ 8,700.00	\$ 896.64
Other Expenses	3,374.55	168.97	3,543.52	1,492.23	2,051.29
Mayor and Council	34.60		34.60		34.60
Municipal Clerk	3,137.90	566.44	3,704.34	2,383.02	1,321.32
Financial Administration	2,372.20		2,372.20		2,372.20
Revenue Administration	5,256.95	311.18	5,568.13	578.80	4,989.33
Tax Assessment Administration	405.84	871.56	1,277.40	871.56	405.84
Legal Services and Costs	14,873.13	4,010.22	18,883.35	4,010.22	14,873.13
Engineering Services and Costs	3,257.25		3,257.25	1,946.50	1,310.75
Planning Board	16,899.49	1,174.67	18,074.16	6,358.25	11,715.91
Zoning Officer	578.52	111.48	690.00		690.00
Purchase of Insurance:					
Liability	1,249.46		1,249.46		1,249.46
Worker Compensation	1,534.80		1,534.80		1,534.80
Employee Group Plans	7,638.48		7,638.48		7,638.48
Unemployment Compensation Insurance	527.09		527.09	233.81	293.28

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF 2014 APPROPRIATION RESERVES

	Balance December 31, 2014				
	<u>Appropriation Reserves</u>	<u>Reserve for Encumbrances</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Other Expenses(Continued):					
Operations - Within "CAPS": (Continued)					
Office of Emergency Management	\$ 1,184.83		\$ 1,184.83		\$ 1,184.83
Fire Department	3,480.48	\$ 7,706.00	11,186.48	\$ 8,470.20	2,716.28
Public Defender	100.00		100.00		100.00
Streets and Road Maintenance	6,154.51		6,154.51		6,154.51
Solid Waste Collection	4,100.00	1,200.00	5,300.00	1,200.00	4,100.00
Public Buildings and Grounds	1,516.71	812.85	2,329.56	756.16	1,573.40
Vehicle Maintenance	1,400.00		1,400.00		1,400.00
Public Health Services	3,265.00	2,015.00	5,280.00	4,185.00	1,095.00
Environmental Commission	3,296.16		3,296.16		3,296.16
Animal Control	1,000.00		1,000.00		1,000.00
Recreation Services and Programs	6,387.40		6,387.40		6,387.40
Celebration of Public Events	249.27	156.82	406.09	235.47	170.62
Electricity	1,625.74	296.96	1,922.70	852.83	1,069.87
Street Lighting	4,060.42	779.43	4,839.85	2,346.97	2,492.88
Telephone	347.44	912.34	1,259.78	1,231.00	28.78
Gas (Natural and Propane)	1,601.38	655.99	2,257.37	1,959.53	297.84
Gasoline	885.12		885.12	50.77	834.35
Landfill Tipping Fees	11,683.77		11,683.77	4,058.04	7,625.73
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	589.00		589.00		589.00
Social Security System (O.A.S.I.)	4,032.28		4,032.28	338.55	3,693.73
Defined Contribution Benefit Plan	5,000.00		5,000.00		5,000.00
Operations - Excluded from "CAPS":					
Recycling Tax	288.08		288.08		288.08
Shared Services:					
Borough Clerk Services (Borough of Hightstown)	9,230.72		9,230.72	8,942.35	288.37
911 Communications Center(County of Monmouth)	0.26		0.26		0.26
Total Other Expenses	<u>\$ 133,815.47</u>	<u>\$ 30,149.91</u>	<u>\$ 163,965.38</u>	<u>\$ 61,201.26</u>	<u>\$ 102,764.12</u>
Grand Total	<u>\$ 167,102.83</u>	<u>\$ 30,149.91</u>	<u>\$ 197,252.74</u>	<u>\$ 65,626.71</u>	<u>\$ 131,626.03</u>

BOROUGH OF ROOSEVELT
CURRENT FUND
STATEMENT OF LOCAL DISTRICT SCHOOL TAXES PAYABLE

<u>BALANCE, DECEMBER 31, 2014</u>		
School Tax Payable	\$ 303,683.52	
School Tax Deferred	<u>491,850.50</u>	\$ 795,534.02
 <u>INCREASED BY</u>		
Levy - School Year July 1, 2015 to June 30, 2016		<u>1,612,369.00</u>
		\$ 2,407,903.02
 <u>DECREASED BY</u>		
Payments		<u>1,602,062.02</u>
 <u>BALANCE, DECEMBER 31, 2015</u>		 <u><u>\$ 805,841.00</u></u>
 <u>ANALYSIS OF BALANCE</u>		
School Tax Payable	\$ 313,990.50	
School Tax Deferred	<u>491,850.50</u>	
	 <u><u>\$ 805,841.00</u></u>	
 <u>2015 LIABILITY FOR LOCAL SCHOOL TAX</u>		
Tax Paid		\$ 1,602,062.02
Less: Tax Payable, December 31, 2014		<u>303,683.52</u>
		\$ 1,298,378.50
 Add: Tax Payable, December 31, 2015		 <u>313,990.50</u>
 <u>AMOUNT CHARGED TO OPERATIONS</u>		 <u><u>\$ 1,612,369.00</u></u>

BOROUGH OF ROOSEVELT
GRANT FUND
STATEMENT OF GRANTS RECEIVABLE

	<u>2015</u> <u>Revenue Realized</u>	<u>Decreased by</u>	
<u>Grant</u>	<u>As Adopted</u>	<u>Cash</u> <u>Receipt</u>	<u>Transferred from</u> <u>Unappropriated</u> <u>Reserve</u>
State:			
Clean Communities Program	\$ 4,000.00	\$ 4,000.00	
JIF Safety Grant	<u>250.00</u>	<u> </u>	\$ <u>250.00</u>
	<u>\$ 4,250.00</u>	<u>\$ 4,000.00</u>	<u>\$ 250.00</u>

BOROUGH OF ROOSEVELT
GRANT FUND
STATEMENT OF APPROPRIATED RESERVES

<u>Grant</u>	Balance December 31, <u>2014</u>	2015 Budget <u>Appropriation</u> <u>As Adopted</u>	<u>Decreased by</u> <u>Disbursed</u>	Balance December 31, <u>2015</u>
State:				
NJ DEP:				
Recycling Tonnage Grant	\$ 10,116.81			\$ 10,116.81
Clean Communities Program	19,223.02	\$ 4,000.00	\$ 1,482.35	21,740.67
Sustainable New Jersey Small Grant	2,000.00		1,894.13	105.87
Fund for Roosevelt	5,300.00		4,963.50	336.50
Municipal Alcohol Education and Rehabilitation Fund	266.81			266.81
JIF Safety Grant		<u>250.00</u>		<u>250.00</u>
	<u>\$ 36,906.64</u>	<u>\$ 4,250.00</u>	<u>\$ 8,339.98</u>	<u>\$ 32,816.66</u>

TRUST AND AGENCY FUND

**BOROUGH OF ROOSEVELT
TRUST AND AGENCY FUND
COMBINING BALANCE SHEETS - REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014**

	<u>Expendable Trust</u>				<u>Agency</u>		<u>Totals</u>	
	<u>Animal Control</u>		<u>Trust Other</u>		<u>Payroll</u>		<u>2015</u>	<u>2014</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>		
<u>ASSETS</u>								
Cash and Cash Equivalents	\$ 438.80	\$ 387.20	\$ 64,483.55	\$ 75,502.70	\$ 2,133.47		\$ 67,055.82	\$ 75,889.90
Receivables and Other Assets:								
Interfund Receivable - Due from Water-Sewer Operating Fund			<u>12,500.00</u>				<u>12,500.00</u>	
Total Assets and Other Debits	<u>\$ 438.80</u>	<u>\$ 387.20</u>	<u>\$ 76,983.55</u>	<u>\$ 75,502.70</u>	<u>\$ 2,133.47</u>		<u>\$ 79,555.82</u>	<u>\$ 75,889.90</u>
<u>LIABILITIES AND RESERVES</u>								
Due to State of New Jersey	\$ 8.40	\$ 16.80					\$ 8.40	\$ 16.80
Payroll Deductions Payable					\$ 2,133.47		2,133.47	
Reserves	<u>430.40</u>	<u>370.40</u>	<u>\$ 76,983.55</u>	<u>\$ 75,502.70</u>			<u>77,413.95</u>	<u>75,873.10</u>
Total Liabilities and Reserves	<u>\$ 438.80</u>	<u>\$ 387.20</u>	<u>\$ 76,983.55</u>	<u>\$ 75,502.70</u>	<u>\$ 2,133.47</u>		<u>\$ 79,555.82</u>	<u>\$ 75,889.90</u>

BOROUGH OF ROOSEVELT
TRUST FUND
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

<u>BALANCE, DECEMBER 31, 2014</u>		\$	370.40
<u>INCREASED BY</u>			
Dog License Fees	\$	343.00	
Late Fees/Miscellaneous		17.00	360.00
			\$ 730.40
<u>DECREASED BY</u>			
Expenditures			300.00
<u>BALANCE, DECEMBER 31, 2015</u>		\$	430.40

BOROUGH LICENSE FEES COLLECTED

<u>Year</u>	<u>Amount</u>
2013	512.80
2014	397.00
	\$ 909.80

AUDITOR'S NOTE:

R.S. 4:19-15.11

"There shall be transferred from such special account to the general funds of the Municipality any amounts then in such account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding."

BOROUGH OF ROOSEVELT
TRUST OTHER FUND
STATEMENT OF RESERVE FOR TRUST DEPOSITS

	Balance December 31, <u>2014</u>	Increased By Receipts	Decreased By Disbursed	Balance December 31, <u>2015</u>
Parking Offense	\$ 11.00			\$ 11.00
Historical Commission Donations	315.00			315.00
Recreation Donations	350.00		100.00	250.00
Fire Department Donations	100.00			100.00
Escrow Funds	18,469.70	\$ 500.00	\$ 319.15	18,650.55
Third Party Lien Redemption		21,846.89	21,846.89	
Tax Sale Premiums	56,100.00	13,600.00	12,200.00	57,500.00
Public Defender - Millstone Township	<u>157.00</u>			<u>157.00</u>
	<u>\$ 75,502.70</u>	<u>\$ 35,946.89</u>	<u>\$ 34,466.04</u>	<u>\$ 76,983.55</u>

BOROUGH OF ROOSEVELT
TRUST OTHER FUND
STATEMENT OF PAYROLL DEDUCTIONS

	<u>Increased by Payroll Deductions</u>	<u>Decreased by Cash Disbursed</u>	<u>Balance December 31, 2015</u>
Federal Withholding Tax	\$ 24,614.00	\$ 24,614.00	
Public Employees Retirement System:			
Regular	10,009.64	9,023.32	\$ 986.32
Contributory Insurance	714.83	644.99	69.84
Social Security and Medicare Taxes	44,525.48	44,525.48	
State Income Tax	7,798.43	6,999.79	798.64
New Jersey Unemployment/Family Leave	2,354.19	2,166.59	187.60
New Jersey Disability Tax	715.19	624.12	91.07
Health Insurance Deductions	7,086.81	7,086.81	
Deferred Compensation	<u>1,300.00</u>	<u>1,300.00</u>	
	<u>\$ 99,118.57</u>	<u>\$ 96,985.10</u>	<u>\$ 2,133.47</u>
Payroll Deductions	\$ 75,008.57		
Social Security:			
Current Fund	12,037.78		
Water-Sewer Utility Operating Fund	10,224.97		
Unemployment Taxes:			
Current Fund	1,264.04		
Water-Sewer Utility Operating Fund	<u>583.21</u>		
	<u>\$ 99,118.57</u>		

GENERAL CAPITAL FUND

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ <u>17,897.51</u>	\$ <u>12,003.50</u>
Intergovernmental Accounts Receivable	\$ <u>84,489.01</u>	\$ <u>321,424.14</u>
Deferred Charges to Future Taxation - Funded	\$ 135,000.00	\$ 145,000.00
Unfunded	<u>157,250.00</u>	<u>217,250.00</u>
Total Assets	\$ <u><u>394,636.52</u></u>	\$ <u><u>695,677.64</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Other Liabilities and Reserves:		
Bonds Payable	\$ 135,000.00	\$ 145,000.00
Capital Improvement Fund	36,603.15	33,603.15
Reserve for Ambulance Purchase	10,100.00	10,100.00
Reserve for Encumbrances	<u> </u>	<u>3,823.50</u>
	\$ <u>181,703.15</u>	\$ <u>192,526.65</u>
Improvement Authorizations:		
Funded	\$ 62,688.94	\$ 284,045.02
Unfunded	<u>148,388.46</u>	<u>217,250.00</u>
	\$ <u>211,077.40</u>	\$ <u>501,295.02</u>
Fund Balance	\$ <u>1,855.97</u>	\$ <u>1,855.97</u>
Total Liabilities, Reserves and Fund Balance	\$ <u><u>394,636.52</u></u>	\$ <u><u>695,677.64</u></u>

There were \$157,250.00 Bonds and Notes Authorized but not Issued at December 31, 2015.

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS

	<u>Balance</u> December 31, 2014	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursed</u>	<u>Transfers</u>		<u>Balance</u> December 31, 2015
				<u>From</u>	<u>To</u>	
Fund Balance	\$ 1,855.97					\$ 1,855.97
Capital Improvement Fund	33,603.15	\$ 33,000.00		\$ 30,000.00		36,603.15
Due from NJ DOT	(321,424.14)	191,101.14			\$ 45,833.99	(84,489.01)
Reserve for Encumbrances	3,823.50		\$ 3,823.50			
Reserve for Ambulance Purchase	10,100.00					10,100.00
Improvement Authorizations:						
<u>Ordinance</u>						
<u>Number</u>	<u>Improvement Description</u>					
228	Reconstruct Manholes	11,842.68				11,842.68
231	Reconstruction of Pine Drive Storm Sewers	8,409.82				8,409.82
234	Soil Removal	7,943.27				7,943.27
252	Improvements to Oscar Drive	38,074.49	7,759.50	45,833.99		
260	Road Improvements to Nurko Road	5,241.51				5,241.51
264	Road Improvements to South Valley Road	212,533.25		221,394.79		(8,861.54)
15-006	Road Improvements to Windsor Road	_____		748.34	30,000.00	29,251.66
		<u>\$ 12,003.50</u>	<u>\$ 231,860.64</u>	<u>\$ 225,966.63</u>	<u>\$ 75,833.99</u> <u>\$ 75,833.99</u>	<u>\$ 17,897.51</u>

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF INTERGOVERNMENTAL ACCOUNTS RECEIVABLE

	<u>New Jersey Department of Transportation - Ordinance #252</u>	<u>New Jersey Department of Transportation - Ordinance #260</u>	<u>New Jersey Department of Transportation - Ordinance #264</u>	<u>Total</u>
<u>BALANCE, DECEMBER 31, 2014</u>	\$ 45,833.99	\$ 65,590.15	\$ 210,000.00	\$ 321,424.14
<u>DECREASED BY</u>				
Cash Received		35,457.28	155,643.86	191,101.14
Improvement Authorization Canceled	<u>45,833.99</u>			<u>45,833.99</u>
<u>BALANCE, DECEMBER 31, 2015</u>	<u><u> </u></u>	<u><u>\$ 30,132.87</u></u>	<u><u>\$ 54,356.14</u></u>	<u><u>\$ 84,489.01</u></u>

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2014</u>	<u>Authorized 2015</u>	<u>Decreased by Canceled</u>	<u>Decreased by Budget Appropriation</u>	<u>Balance December 31, 2015</u>	<u>Analysis of Balance</u>	
							<u>Expenditures</u>	<u>Unexpended Balance of Improvement Authorizations</u>
231	Reconstruction of Pine Drive Storm Sewers	\$ 62,250.00				\$ 62,250.00		\$ 62,250.00
252	Road Improvements to Oscar Drive	70,000.00		\$ 62,240.50	\$ 7,759.50			
260	Road Improvements to Nurko Road	45,000.00				45,000.00		45,000.00
264	Road Improvements to South Valley Road	40,000.00				40,000.00	\$ 8,861.54	31,138.46
2015-006	Road Improvements to Windsor Road		\$ 10,000.00			10,000.00		10,000.00
		<u>\$ 217,250.00</u>	<u>\$ 10,000.00</u>	<u>\$ 62,240.50</u>	<u>\$ 7,759.50</u>	<u>\$ 157,250.00</u>	<u>\$ 8,861.54</u>	<u>\$ 148,388.46</u>

**BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Title	Ordinance		Balance December 31, 2014		2015 Authorizations		Cancellation	Paid or Charged	Balance December 31, 2015	
		Date	Amount	Funded	Unfunded	Capital Improvement Fund	Def. Charges to Future Taxation			Funded	Unfunded
228	Reconstruct Manholes	8/27/2007	\$ 12,000.00	\$ 11,842.68						\$ 11,842.68	
231	Reconstruction of Pine Dr. Storm Sewers	2/25/2008	175,000.00	8,409.82	\$ 62,250.00					8,409.82	\$ 62,250.00
234	Soil Removal	8/11/2008	18,000.00	7,943.27						7,943.27	
252	Improvements to Oscar Drive	8/13/2012	310,000.00	38,074.49	70,000.00			\$ 108,074.49			
260	Improvements to Nurko Road	11/25/2013	250,000.00	5,241.51	45,000.00					5,241.51	45,000.00
264	Improvements to South Valley Road	6/23/2014	280,000.00	212,533.25	40,000.00				\$ 221,394.79		31,138.46
15-006	Improvements to Windsor Road	8/10/2015	40,000.00			\$ 30,000.00	\$ 10,000.00		748.34	29,251.66	10,000.00
				\$ 284,045.02	\$ 217,250.00	\$ 30,000.00	\$ 10,000.00	\$ 108,074.49	\$ 222,143.13	\$ 62,688.94	\$ 148,388.46
	Unfunded NJDOT Grant Receivable							\$ 62,240.50		45,833.99	
								\$ 108,074.49			

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND

<u>BALANCE, DECEMBER 31, 2014</u>	\$ 33,603.15
<u>INCREASED BY</u>	
2015 Budget Appropriation	<u>33,000.00</u>
	\$ 66,603.15
<u>DECREASED BY</u>	
Appropriated to Finance Improvement Authorizations	<u>30,000.00</u>
<u>BALANCE, DECEMBER 31, 2015</u>	<u>\$ 36,603.15</u>

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF BONDS PAYABLE

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
Monmouth County Improvement Authority Pooled Loan Revenue (Refunding) Bonds Serial Bonds	12/4/2012	\$ 165,000	12/1/2016	10,000.00	2.50%	\$ 145,000.00	\$ 10,000.00	\$ 135,000.00
			12/1/2017	10,000.00	3.00%			
			12/1/2018	10,000.00	3.00%			
			12/1/2019	10,000.00	3.00%			
			12/1/2020	10,000.00	4.00%			
			12/1/2021	10,000.00	4.00%			
			12/1/2022	10,000.00	4.00%			
			12/1/2023	10,000.00	4.00%			
			12/1/2024	10,000.00	2.00%			
			12/1/2025	15,000.00	3.00%			
			12/1/2026	15,000.00	2.00%			
			12/1/2027	15,000.00	2.00%			
						<u> </u>	<u> </u>	<u> </u>
						<u>\$ 145,000.00</u>	<u>10,000.00</u>	<u>\$ 135,000.00</u>

BOROUGH OF ROOSEVELT
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Description</u>	Balance December 31, <u>2014</u>	2015 <u>Authorization</u>	<u>Cancelled</u>	Balance December 31, <u>2015</u>
231	Reconstruction of Pine Drive Storm Sewers	\$ 62,250.00			\$ 62,250.00
264	Improvements to South Valley Road	40,000.00			40,000.00
252	Road Improvement to Oscar Drive	70,000.00		\$ 70,000.00	
260	Road Improvements to Nurko Road	45,000.00			45,000.00
2015-006	Road Improvements to Windsor Road	<u> </u>	<u>10,000.00</u>	<u> </u>	<u>10,000.00</u>
		<u>\$ 217,250.00</u>	<u>\$ 10,000.00</u>	<u>\$ 70,000.00</u>	<u>\$ 157,250.00</u>

WATER-SEWER UTILITY OPERATING FUND

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ <u>3,870.07</u>	\$ <u>20,899.64</u>
Interfunds Receivable:		
Due from Water-Sewer Utility Capital Fund	\$ <u>346,636.64</u>	\$ <u>175,201.64</u>
Receivables and Other Assets:		
Consumer Accounts Receivable	\$ <u>89,280.65</u>	\$ <u>98,569.19</u>
Total Assets	\$ <u><u>439,787.36</u></u>	\$ <u><u>294,670.47</u></u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
<u>LIABILITIES, RESERVES AND</u>		
<u>FUND BALANCE</u>		
Liabilities:		
Appropriation Reserves	\$ <u>65,628.40</u>	\$ <u>63,405.88</u>
Other Liabilities and Reserves:		
Reserve for Encumbrances	\$ 22,979.60	\$ 47,620.62
Prepaid Rents	4,461.45	4,710.41
Rent Overpayments		420.00
Accrued Interest on Bonds and Loans	10,305.31	10,738.65
Interfund Payable:		
Due to Current Fund	173,572.86	69,205.72
Due to Other Trust	<u>12,500.00</u>	<u> </u>
	\$ <u>223,819.22</u>	\$ <u>132,695.40</u>
Reserve for Receivables and Inventory	\$ <u>89,280.65</u>	\$ <u>98,569.19</u>
Fund Balance	\$ <u>61,059.09</u>	\$ <u> </u>
Total Liabilities, Reserves and Fund Balance	\$ <u><u>439,787.36</u></u>	\$ <u><u>294,670.47</u></u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Revenue and Other Income Realized:		
Rents	\$ 746,261.82	\$ 732,603.16
Cell Tower Fees	65,535.28	60,621.59
Interest on Delinquent Rents	12,460.21	11,527.23
Deficit (General Budget)		9,266.86
Nonbudget Revenue	161.73	103.54
Other Credits to Income		
Unexpended Balance of Appropriation Reserves	<u>52,809.92</u>	<u> </u>
Total Income	<u>\$ 877,228.96</u>	<u>\$ 814,122.38</u>
Expenditures:		
Operating	\$ 562,635.00	\$ 527,810.00
Debt Service	232,034.87	230,547.38
Deferred Charges and Statutory Expenditures	<u>21,500.00</u>	<u>55,765.00</u>
Total Expenditures	<u>\$ 816,169.87</u>	<u>\$ 814,122.38</u>
Excess/(Deficit) in Revenue	61,059.09	
Fund Balance, January 1	<u> </u>	<u> </u>
Fund Balance, December 31	<u>\$ 61,059.09</u>	<u> </u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Anticipated</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Rents	\$ 730,000.00	\$ 746,261.82	\$ 16,261.82
Cell Tower Fees	60,000.00	65,535.28	5,535.28
Interest on Delinquent Rents	9,000.00	12,460.21	3,460.21
Deficit (General Budget)	<u>17,179.00</u>	<u> </u>	<u>(17,179.00)</u>
	\$ 816,179.00	\$ 824,257.31	\$ 8,078.31
Nonbudget Revenue	<u> </u>	<u>161.73</u>	<u>161.73</u>
	<u>\$ 816,179.00</u>	<u>\$ 824,419.04</u>	<u>\$ 8,240.04</u>

ANALYSIS OF NONBUDGET REVENUE

Interest on Investments:

Received by Water-Sewer Utility
 Operating Fund

\$ 161.73

**BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
<u>OPERATING</u>						
Salaries and Wages	\$ 133,735.00	\$ 143,735.00	\$ 137,934.25		\$ 5,800.75	
Other Expenses	428,900.00	418,900.00	338,101.92	\$ 22,979.60	57,818.48	
Total Operating	<u>\$ 562,635.00</u>	<u>\$ 562,635.00</u>	<u>\$ 476,036.17</u>	<u>\$ 22,979.60</u>	<u>\$ 63,619.23</u>	
<u>DEBT SERVICE</u>						
Payment of Bond Principal	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00			
Interest on Bonds	83,800.00	83,800.00	83,795.83			\$ 4.17
Principal and Interest on 1982 Farmers Home Administration Loan	18,000.00	18,000.00	18,000.00			
NJEIT 2010 Loan	30,244.00	30,244.00	30,239.04			4.96
Total Debt Service	<u>\$ 232,044.00</u>	<u>\$ 232,044.00</u>	<u>\$ 232,034.87</u>			<u>\$ 9.13</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	\$ 10,300.00	\$ 10,300.00	\$ 8,844.00		\$ 1,456.00	
Social Security System (O.A.S.I.)	10,500.00	10,500.00	10,142.18		357.82	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	700.00	700.00	504.65		195.35	
Total Deferred Charges and Statutory Expenditures	<u>\$ 21,500.00</u>	<u>\$ 21,500.00</u>	<u>\$ 19,490.83</u>		<u>\$ 2,009.17</u>	
Total Water-Sewer Utility Appropriations	<u>\$ 816,179.00</u>	<u>\$ 816,179.00</u>	<u>\$ 727,561.87</u>	<u>\$ 22,979.60</u>	<u>\$ 65,628.40</u>	<u>\$ 9.13</u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF CONSUMER ACCOUNTS RECEIVABLE

<u>BALANCE, DECEMBER 31, 2014</u>		\$	98,569.19
 <u>INCREASED BY</u>			
Water-Sewer Rents Levied			736,973.28
			835,542.47
 <u>DECREASED BY</u>			
Collections	\$	741,551.41	
Prepaid Rents Applied		4,710.41	
			746,261.82
 <u>BALANCE, DECEMBER 31, 2015</u>		 \$	 89,280.65

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF 2014 APPROPRIATION RESERVES

	Balance December 31, 2014		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Appropriation Reserves</u>	<u>Reserve for Encumbrance</u>			
Operating:					
Salaries and Wages	\$ 8,427.85		\$ 8,427.85	\$ 1,082.21	\$ 7,345.64
Other Expenses	53,569.30	\$ 47,620.62	101,189.92	47,706.16	53,483.76
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution:					
Social Security System (O.A.S.I.)	1,252.01		1,252.01	82.79	1,169.22
Unemployment Compensation Insurance	<u>156.72</u>		<u>156.72</u>	<u>78.56</u>	<u>78.16</u>
	<u>\$ 63,405.88</u>	<u>\$ 47,620.62</u>	<u>\$ 111,026.50</u>	<u>\$ 48,949.72</u>	<u>\$ 62,076.78</u>
Lapsed to Current Fund					\$ 9,266.86
Lapsed to Operations					<u>52,809.92</u>
					<u>\$ 62,076.78</u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND LOANS

<u>BALANCE, DECEMBER 31, 2014</u>	\$ 10,738.65
<u>INCREASED BY:</u>	
Budget Appropriations:	
Interest on Bonds	\$ 83,795.83
Interest on NJEIT Loan	4,645.83
Interest on USDA Loan	<u>5,143.08</u>
	<u>93,584.74</u>
	104,323.39
<u>DECREASED BY:</u>	
Cash Disbursed	<u>94,018.08</u>
<u>BALANCE, DECEMBER 31, 2015</u>	<u>\$ 10,305.31</u>

ANALYSIS OF ACCRUED INTEREST - DECEMBER 31, 2015

	Outstanding December 31, <u>2015</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Loan - NJEIT	\$ 110,000.00	various	08/01/15	12/31/15	5 months	\$ 1,875.00
Loan - USDA	97,074.14	5.00%	10/01/15	12/31/15	3 months	1,749.06
Bonds	2,045,000.00	various	12/01/15	12/31/15	1 month	<u>6,681.25</u>
						<u>\$ 10,305.31</u>

WATER-SEWER UTILITY CAPITAL FUND

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ <u>668.44</u>	\$ <u>387.65</u>
Fixed Capital	5,234,793.06	5,234,017.43
Fixed Capital Authorized and Uncompleted	<u>1,865,640.25</u>	<u>1,866,415.88</u>
	<u>7,100,433.31</u>	<u>7,100,433.31</u>
 Total Assets	 \$ <u><u>7,101,101.75</u></u>	 \$ <u><u>7,100,820.96</u></u>
 <u>LIABILITIES, RESERVES AND</u> <u>FUND BALANCE</u>		
Bond Anticipation Notes	\$ <u>541,513.00</u>	<u> </u>
Loans Payable:		
Farmer's Home Administration Loan	97,074.14	\$ 109,931.06
NJEIT Loan	398,305.14	423,898.35
MCIA Loan	<u>2,045,000.00</u>	<u>2,145,000.00</u>
	<u>2,540,379.28</u>	<u>2,678,829.41</u>
Other Liabilities and Reserves:		
Reserve for Encumbrances	20,173.50	557,650.00
Capital Improvement Fund	<u>9,150.00</u>	<u>9,150.00</u>
	<u>29,323.50</u>	<u>566,800.00</u>
Interfunds Payable:		
Due to Water-Sewer Utility Operating Fund	346,636.64	175,201.64
Due to Current Fund	<u> </u>	<u>91,056.33</u>
	 \$ <u><u>346,636.64</u></u>	 \$ <u><u>266,257.97</u></u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
<u>LIABILITIES, RESERVES AND</u>		
<u>FUND BALANCE (CONTINUED)</u>		
Improvement Authorizations:		
Funded	\$ 3,640.25	\$ 6,213.76
Unfunded	<u>752,782.09</u>	<u>834,342.96</u>
	<u>756,422.34</u>	<u>840,556.72</u>
Reserve for Amortization	2,883,054.03	2,744,603.90
Deferred Reserve for Amortization	<u>2,850.00</u>	<u>2,850.00</u>
	<u>2,885,904.03</u>	<u>2,747,453.90</u>
Fund Balance	<u>922.96</u>	<u>922.96</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 7,101,101.75</u>	<u>\$ 7,100,820.96</u>

There were Bonds and Notes Authorized but not Issued at December 31, 2015 of \$1,132,637.00

**BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Balance December 31, 2014	Disbursements			Transfer		Balance December 31, 2015	
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Capital Improvement Fund	\$ 9,150.00						\$ 9,150.00	
Due to Water-Sewer Utility Operating Fund	175,201.64					\$ 171,435.00	346,636.64	
Due to Current Fund	91,056.33			\$ 493,717.56		402,661.23		
Reserve for Encumbrances	557,650.00		\$ 16,487.27		\$ 541,162.73	20,173.50	20,173.50	
Fund Balance	922.96						922.96	
<u>Ordinance Number</u>	<u>Improvement Authorizations</u>							
207	Various Water-Sewer Improvement	197.88			197.88			
221	Maple Ct./N. Rochdale Improvements	3,640.25					3,640.25	
237	Upgrades to Water Treatment Plant and Rehabilitation of Water Storage Tank	775.63			775.63			
247/256	Acquisition and Installation of an Automatic Bar Screen and Inter Weir Replacement	(19,104.29)					(19,104.29)	
257/261	Various Water-Sewer Improvement	(820,702.75)	\$ 541,513.00	31,027.38	24,446.49		(334,663.62)	
265	Improvements to Lake Drive Pump Station	1,600.00			27,687.00		(26,087.00)	
		<u>\$ 387.65</u>	<u>\$ 541,513.00</u>	<u>\$ 47,514.65</u>	<u>\$ 493,717.56</u>	<u>\$ 594,269.73</u>	<u>\$ 594,269.73</u>	<u>\$ 668.44</u>

Bracketed amount () denotes deficit.

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL

BALANCE, DECEMBER 31, 2014 \$ 5,234,017.43

INCREASED BY

Transferred from Fixed Capital Authorized
and Uncompleted 775.63

BALANCE, DECEMBER 31, 2015 \$ 5,234,793.06

Detail:

Improvements to the Water-Sewer Treatment Plant	\$ 775,000.00
Capital Outlay - 1990	52,466.86
Capital Outlay - 1989 - Appropriation Reserves	41,394.85
Capital Outlay - 1991	21,252.65
Capital Outlay - 1990 - Appropriation Reserves	10,791.33
Capital Outlay - 1992	102,443.93
Capital Outlay - 1991 - Appropriation Reserves	93,051.58
Installation of Fire Suppression System in Chemical Building	55,000.00
Sludge Removal - Imhoff	45,000.00
Expansion of Water-Sewer Treatment Plant and Rehabilitation of Sanitary Sewers	2,000,000.00
Capital Outlay - 1992 - Appropriation Reserves	84,479.07
Capital Outlay - 1993 - Appropriation Reserves	46,901.43
Capital Outlay - 1994	26,827.67
Capital Outlay - 1994 - Appropriation Reserves	2,840.95
Capital Outlay - 1995	34,463.77
Capital Outlay - 1995 - Appropriation Reserves	5,536.23
Capital Outlay - 1996	37,397.00
Capital Outlay - 1996 Appropriation Reserves	720.00
Capital Outlay - 1997	35,641.90
Improvements to the Water System - 1980	515,164.32
Other Adjustments	32,616.38
Capital Outlay - 1998	31,497.00
Capital Outlay - 1999	32,655.39
Capital Outlay - 2000	12,714.00
Capital Outlay - 2001	4,545.00
Rehabilitation to Well #3	50,000.00
Capital Outlay - 2003	14,032.00
Installation of Water Meters	125,000.00
Water-Sewer Improvements - Ord. 195	100,000.00
Water-Sewer Improvements - Ord. 219	85,000.00
Water-Sewer Improvements - Ord. 225	154,000.00
Maple Ct/North Rochdale Improvements	41,359.75
Upgrades to Water Treatment Plant and Rehabilitation of Water Storage Tank	<u>565,000.00</u>
	<u><u>\$ 5,234,793.06</u></u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ordinance Number</u>	<u>Description</u>	<u>Date Authorized</u>	<u>Balance December 31, 2014</u>	<u>Transferred to Fixed Capital</u>	<u>Balance December 31, 2015</u>
221	Maple Ct. / N. Rochdale Improvements	07/10/06	\$ 3,640.25		\$ 3,640.25
237	Upgrades Water Treatment Plant and Rehab. Water Storage Tank	07/13/09	775.63	\$ 775.63	
247/256	Acquisition and Installation of an Automatic Bar Screen and Inlet Weir Replacement	05/23/11 03/27/13	210,000.00		210,000.00
257/261	Various Water-Sewer Improvements	03/27/13 12/09/13	1,620,000.00		1,620,000.00
265	Improvements to Lake Drive Pump Station	06/23/14	32,000.00		32,000.00
			<u>\$ 1,866,415.88</u>	<u>\$ 775.63</u>	<u>\$ 1,865,640.25</u>

**BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF LOANS PAYABLE - MONMOUTH COUNTY IMPROVEMENT AUTHORITY**

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
Monmouth County Improvement Authority Pooled Loan Revenue (Refunding) Bonds Serial Bonds	12/29/2011	\$ 1,125,000	12/1/2016	70,000.00	5.00%	\$ 1,635,000.00	\$ 65,000.00	\$ 1,570,000.00
			12/1/2017	75,000.00	5.00%			
			12/1/2018	75,000.00	5.00%			
			12/1/2019	80,000.00	5.00%			
			12/1/2020	85,000.00	5.00%			
			12/1/2021	90,000.00	5.00%			
			12/1/2022	95,000.00	4.00%			
			12/1/2023	95,000.00	4.00%			
			12/1/2024	100,000.00	3.00%			
			12/1/2025	105,000.00	3.00%			
Term Bonds	12/29/2011	700,000	12/1/2026	105,000.00	3.00%			
			12/1/2027	110,000.00	3.00%			
			12/1/2028	115,000.00	3.00%			
			12/1/2029	115,000.00	5.00%			
			12/1/2030	125,000.00	5.00%			
			12/1/2031	130,000.00	5.00%			
Monmouth County Improvement Authority	12/4/2012	570,000	12/1/2016	35,000.00	2.50%	510,000.00	35,000.00	475,000.00
			12/1/2017	35,000.00	3.00%			
			12/1/2018	35,000.00	3.00%			
			12/1/2019	35,000.00	3.00%			
			12/1/2020	35,000.00	4.00%			
			12/1/2021	40,000.00	4.00%			
			12/1/2022	40,000.00	4.00%			
			12/1/2023	40,000.00	4.00%			
			12/1/2024	45,000.00	2.00%			
			12/1/2025	45,000.00	3.00%			
			12/1/2026	45,000.00	2.00%			
			12/1/2027	45,000.00	2.00%			

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF LOANS PAYABLE
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

<u>Purpose</u>	<u>Date Of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loan Outstanding December 31, 2015</u>		<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Decreased By</u>	<u>Balance December 31, 2015</u>
			<u>Date</u>	<u>Amount</u>				
<u>NJEIT - STATE</u>								
2010 Winter Program:	03/01/10	\$ 135,000.00	08/01/16	5,000.00	5.00 %	\$ 115,000.00	\$ 5,000.00	\$ 110,000.00
Water-Sewer System Improvements -			08/01/17	5,000.00	5.00			
State Portion Ord #10-237			08/01/18	5,000.00	5.00			
			08/01/19	5,000.00	4.00			
			08/01/20	5,000.00	5.00			
			08/01/21	5,000.00	3.00			
			08/01/22	10,000.00	4.00			
			08/01/23	10,000.00	4.00			
			08/01/24	10,000.00	4.00			
			08/01/25	10,000.00	4.00			
			08/01/26	10,000.00	3.50			
			08/01/27	10,000.00	4.00			
			08/01/28	10,000.00	4.00			
			08/01/29	10,000.00	4.00			
Total NJEIT - State						\$ 115,000.00	\$ 5,000.00	\$ 110,000.00

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF LOANS PAYABLE
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

<u>Purpose</u>	<u>Date Of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loan Outstanding December 31, 2015</u>		<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Decreased By</u>	<u>Balance December 31, 2015</u>
			<u>Date</u>	<u>Amount</u>				
<u>NJEIT - FEDERAL</u>								
Water-Sewer System Improvements - Federal Portion Ord #10-237	03/01/10	\$ 405,000.00	02/01/16	\$ 6,864.40	0.00 %	\$ 308,898.35	\$ 20,593.21	\$ 288,305.14
			08/01/16	13,728.81				
			02/01/17	6,864.40				
			08/01/17	13,728.81				
			02/01/18	6,864.40				
			08/01/18	13,728.81				
			02/01/19	6,864.40				
			08/01/19	13,728.81				
			02/01/20	6,864.40				
			08/01/20	13,728.81				
			02/01/21	6,864.40				
			08/01/21	13,728.81				
			02/01/22	6,864.40				
			08/01/22	13,728.81				
			02/01/23	6,864.40				
			08/01/23	13,728.81				
			02/01/24	6,864.40				
			08/01/24	13,728.81				
			02/01/25	6,864.40				
			08/01/25	13,728.81				
			02/01/26	6,864.40				
			08/01/26	13,728.81				
			02/01/27	6,864.40				
			08/01/27	13,728.81				
			02/01/28	6,864.40				
			08/01/28	13,728.81				
			02/01/29	6,864.40				
			08/01/29	13,729.01				
Total NJEIT - Federal						\$ 308,898.35	\$ 20,593.21	\$ 288,305.14
						\$ 423,898.35	\$ 25,593.21	\$ 398,305.14

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF FARMER'S HOME ADMINISTRATION LOANS

	<u>Interest Rate</u>	<u>Due Date</u>	<u>Annual Principal and Interest Due</u>	<u>Final Maturity</u>	<u>Balance December 31, 2014</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
1982 Farmer's Home Administration Loan	5.00%	3/31 and 9/30	\$ 18,000.00	2022	\$ <u>109,931.06</u>	\$ <u>12,856.92</u>	\$ <u>97,074.14</u>
					\$ <u><u>109,931.06</u></u>	\$ <u><u>12,856.92</u></u>	\$ <u><u>97,074.14</u></u>

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
257/261	Various Water-Sewer Improvements	Various	Various	2016	0.00%	\$ <u>541,513.00</u>	<u> </u>	\$ <u>541,513.00</u>
						\$ <u>541,513.00</u>	<u> </u>	\$ <u>541,513.00</u>

**BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Title	Ordinance		Balance December 31, 2014		Paid or Charged	Balance December 31, 2015	
		Date	Amount	Funded	Unfunded		Funded	Unfunded
207	Various Water- Sewer Improvements	6/14/2004	\$ 100,000.00	\$ 197.88		\$ 197.88		
221	Maple Court / N. Rochdale Improvements	7/10/2006	45,000.00	3,640.25			\$ 3,640.25	
237	Upgrades to Water Treatment Plant and Rehabilitation of Water Storage Tank	7/13/2009	565,000.00	775.63		775.63		
247/256	Acquisition and Installation of an Automatic Bar Screen and Inlet Weir Replacement	5/23/2011 3/27/2013	185,000.00 25,000.00		\$ 4,645.71		\$ 4,645.71	
257/261	Various Water-Sewer Improvements	3/27/2013 12/9/2013	215,000.00 1,405,000.00		799,297.25	55,473.87		743,823.38
265	Improvements to Lake Drive Pump Station	6/23/2014	32,000.00	1,600.00	30,400.00	27,687.00		4,313.00
				\$ 6,213.76	\$ 834,342.96	\$ 84,134.38	\$ 3,640.25	\$ 752,782.09
Detail:								
Disbursed						\$ 317.19		
Reserve for Encumbrances						20,173.50		
Due to Water-Sewer Utility Operating Fund						67,975.51		
						\$ 88,466.20		

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Description</u>	Balance December 31, <u>2014</u>	Bond Anticipation <u>Note Issued</u>	Balance December 31, <u>2015</u>
247/256	Acquisition and Installation of an Automatic Bar Screen and Inlet Weir Replacement	\$ 23,750.00		\$ 23,750.00
257/261	Various Water-Sewer Improvements	1,620,000.00	\$ 541,513.00	1,078,487.00
265	Improvements to Lake Drive Pump Station	<u>30,400.00</u>		<u>30,400.00</u>
		<u>\$ 1,674,150.00</u>	<u>\$ 541,513.00</u>	<u>\$ 1,132,637.00</u>

CAPITAL ASSET

BOROUGH OF ROOSEVELT
CAPITAL ASSET ACCOUNT
COMPARATIVE STATEMENT OF CAPITAL ASSETS
AS OF DECEMBER 31, 2015 AND 2014

	Balance December 31, <u>2015</u>	Balance December 31, <u>2014</u>
Capital Assets:		
Land and Buildings	\$ 2,357,400.00	\$ 2,357,400.00
Machinery and Equipment	<u>94,072.98</u>	<u>94,072.98</u>
	<u>\$ 2,451,472.98</u>	<u>\$ 2,451,472.98</u>
 Investment in Capital Assets	 <u>\$ 2,451,472.98</u>	 <u>\$ 2,451,472.98</u>

STATISTICAL SECTION
(UNAUDITED)

BOROUGH OF ROOSEVELT
CURRENT FUND EXPENDITURES BY FUNCTION
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government	\$ 333,785.00	\$ 272,921.00	\$ 271,919.00	\$ 268,518.00	\$ 314,118.00	\$ 309,472.00	\$ 443,959.00	\$ 353,002.00	\$ 364,890.00	\$ 213,510.00
Land Use	23,093.00	37,993.00	34,789.00	35,233.00	57,343.00	60,810.00	61,100.00	43,700.00	81,600.00	30,025.00
Insurance	40,500.00	46,500.00	50,300.00	48,800.00	50,100.00	47,400.00	43,900.00	39,400.00	42,900.00	43,900.00
Public Works	139,650.00	99,050.00	85,900.00	155,250.00	72,250.00	76,833.00	129,042.00	115,550.00	117,750.00	128,025.00
Health and Human Services	19,000.00	15,900.00	18,500.00	18,500.00	18,000.00	15,500.00	16,600.00	15,309.00	11,685.00	15,010.00
Parks and Recreation	26,392.00	26,792.00	19,792.00	19,792.00	19,792.00	19,000.00	19,600.00	17,200.00	20,300.00	22,750.00
Utilities	35,000.00	33,500.00	30,500.00	30,200.00	28,500.00	27,500.00	27,500.00	27,500.00	26,300.00	25,200.00
Other Common Functions	1,000.00	1,000.00	1,000.00	5,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Public Safety	64,471.00	61,297.00	50,400.00	44,400.00	42,400.00	33,300.00	34,850.00	34,650.00	35,350.00	57,150.00
Sanitation	97,400.00	115,400.00	93,400.00	36,400.00	39,400.00	42,000.00	40,600.00	40,600.00	40,500.00	37,000.00
Uniform Construction Code				3,560.00	3,460.00	3,000.00				
Contingent										1,000.00
Deferred Charges and Statutory Expenditures	60,724.50	144,842.71	115,131.29	123,460.00	26,768.00	32,240.00	30,167.00	143,830.00	33,360.00	19,975.00
Interlocal Service Agreement				61,379.00	59,917.00	65,218.00		7,000.00	13,000.00	
Grant Programs	4,250.00	11,300.00	4,301.45	11,441.68	4,732.52	4,050.27	4,534.52	4,542.20	4,333.86	9,523.25
Debt Service	14,200.00	14,400.29	14,370.00	9,640.00	7,700.00	4,200.00	8,830.00	2,601.00		
Capital Improvements	58,000.00	40,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	30,000.00	26,000.00
Reserve for Uncollected Taxes	170,000.00	160,000.00	160,000.00	150,000.00	150,000.00	140,000.00	130,000.00	130,000.00	130,000.00	120,000.00
Total Current Fund Expenditures	\$ 1,087,465.50	\$ 1,080,896.00	\$ 970,302.74	\$ 1,041,573.68	\$ 915,480.52	\$ 901,523.27	\$ 1,011,682.52	\$ 995,884.20	\$ 952,968.86	\$ 750,068.25

BOROUGH OF ROOSEVELT
CURRENT FUND REVENUES BY FUNCTION
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Local Sources:										
Fund Balance Utilized	\$ 322,500.00	\$ 259,873.15	\$ 199,618.00	\$ 174,742.00	\$ 138,100.00	\$ 120,999.18	\$ 225,000.00	\$ 275,000.00	\$ 245,000.00	\$ 302,800.00
Current Tax Revenue	749,830.74	710,478.82	702,009.25	701,598.58	700,064.81	704,930.53	673,527.30	589,044.08	469,779.55	352,021.24
Delinquent Tax Revenue	53,207.77	81,118.39	81,567.97	80,862.46	62,607.04	67,140.59	49,134.13	84,423.42	48,655.92	47,380.91
Miscellaneous Revenues Anticipated	10,136.50	62,326.85	4,872.29	1,100.00	1,605.00	1,660.00	26,114.00	1,550.00	1,645.00	3,945.00
Non-Budget Revenues	47,323.11	53,112.87	87,036.73	113,304.91	101,252.42	58,570.25	31,887.94	36,872.99	44,758.90	58,654.09
Other Credits to Income	249,128.22	192,127.65	189,630.13	204,173.73	81,584.12	80,708.10	34,522.69		135,426.00	101,689.10
Interlocal Service Agreement								4,608.20	3,514.50	
State Aid	81,849.00	81,849.00	81,848.88	81,849.00	81,849.00	82,930.82	104,119.50	136,906.38	123,313.08	121,150.75
Grants	4,250.00	11,300.00	4,301.45	11,441.68	4,732.52	4,050.27	4,534.52	4,542.20	4,333.86	9,523.25
Total Current Fund Revenues	\$ 1,518,225.34	\$ 1,452,186.73	\$ 1,350,884.70	\$ 1,369,072.36	\$ 1,171,794.91	\$ 1,120,989.74	\$ 1,148,840.08	\$ 1,132,947.27	\$ 1,076,426.81	\$ 997,164.34

BOROUGH OF ROOSEVELT
WATER-SEWER UTILITY OPERATING FUND EXPENDITURES BY FUNCTION
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Operating	\$ 562,635.00	\$ 527,810.00	\$ 494,959.94	\$ 455,939.33	\$ 437,540.00	\$ 433,937.00	\$ 426,337.00	\$ 404,100.69	\$ 394,624.00	\$ 409,042.00
Capital Improvements			12,000.00						7,400.00	
Debt Service	232,034.87	230,547.38	229,353.03	307,785.00	248,653.00	238,953.05	215,280.63	208,514.00	197,914.00	210,014.00
Deferred Charges and Statutory Expenditures	<u>21,500.00</u>	<u>55,765.00</u>	<u>37,157.22</u>	<u>22,793.00</u>	<u>22,707.00</u>	<u>20,429.00</u>	<u>19,049.00</u>	<u>37,285.31</u>	<u>44,662.00</u>	<u>11,700.00</u>
	<u>\$ 816,169.87</u>	<u>\$ 814,122.38</u>	<u>\$ 773,470.19</u>	<u>\$ 786,517.33</u>	<u>\$ 708,900.00</u>	<u>\$ 693,319.05</u>	<u>\$ 660,666.63</u>	<u>\$ 649,900.00</u>	<u>\$ 644,600.00</u>	<u>\$ 630,756.00</u>

BOROUGH OF ROOSEVELT
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Assessment Year</u>	<u>Borough</u>	<u>Local School District</u>	<u>County</u>	<u>Total</u>
2015	\$ 0.728	\$ 1.879	\$ 0.312	\$ 2.919
2014	0.749	1.941	0.306	2.996
2013	0.748	1.852	0.313	2.913
2012	0.748	1.780	0.313	2.841
2011	0.747	1.750	0.320	2.817
2010	0.748	1.714	0.308	2.770
2009	0.634	1.425	0.268	2.327
2008 *	0.530	1.371	0.242	2.143
2007	0.442	1.325	0.256	2.023
2006	0.766	3.374	0.640	4.780

Source: Tax Collector.

* Revaluation Effective

BOROUGH OF ROOSEVELT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Year Ended</u> <u>December 31,</u>	<u>Total</u> <u>Tax Levy</u>	<u>Current Tax</u> <u>Collections</u>	<u>Tax Levy</u> <u>Collected</u>
2015	\$ 2,508,575.69	\$ 2,460,128.19	98.07%
2014	2,457,517.51	2,392,927.73	97.37%
2013	2,453,383.85	2,364,694.04	96.39%
2012	2,399,625.97	2,318,058.00	96.60%
2011	2,372,099.72	2,292,739.51	96.65%
2010	2,338,055.07	2,269,420.62	97.06%
2009	2,234,179.82	2,167,288.73	97.01%
2008	2,065,395.22	2,013,071.59	97.47%
2007	1,940,971.15	1,856,797.73	95.66%
2006	1,740,005.09	1,691,599.17	97.22%

BOROUGH OF ROOSEVELT
DELINQUENT TAXES AND TAX TITLE LIENS
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Year Ended</u> <u>December 31,</u>	<u>Amount of</u> <u>Tax Title Liens</u>	<u>Amount of</u> <u>Delinquent</u> <u>Taxes</u>	<u>Total</u> <u>Delinquent</u>	<u>Percentage</u> <u>of Tax Levy</u>
2015	\$ 5,873.74	\$ 43,107.26	\$ 48,981.00	1.96%
2014	None	55,520.54	55,520.54	2.26%
2013	None	80,868.39	80,868.39	3.30%
2012	None	81,567.97	81,567.97	3.40%
2011	6,499.81	74,362.85	80,862.66	3.41%
2010	None	63,374.22	63,374.22	2.71%
2009	None	66,891.09	66,891.09	2.99%
2008	None	49,134.13	49,134.13	2.38%
2007	None	84,173.42	84,173.42	4.34%
2006	None	48,405.92	48,405.92	2.78%

BOROUGH OF ROOSEVELT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Year Ended</u> <u>December 31,</u>	<u>Net</u> <u>Assessed</u> <u>Valuations</u>	<u>Estimated</u> <u>Full Cash</u> <u>Valuations</u>	<u>Percentage of</u> <u>Net Assessed</u> <u>to Estimated</u> <u>Full Cash</u> <u>Valuations</u>
2015	\$ 85,725,600	\$ 85,507,544	100.26%
2014	81,873,900	85,758,772	95.47%
2013	84,087,500	81,480,136	103.20%
2012	84,280,100	84,797,364	99.39%
2011	84,103,400	88,548,357	94.98%
2010	84,156,300	94,029,385	89.50%
2009	95,806,200	94,149,175	101.76%
2008 *	96,270,800	98,225,487	98.01%
2007	95,836,500	89,291,438	107.33%
2006	36,308,910	89,123,490	40.74%

Source: Table of Equalized Valuations, State of New Jersey, Division of Taxation.

* Revaluation Effective

BOROUGH OF ROOSEVELT
SCHEDULE OF TEN LARGEST TAXPAYERS
YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

<u>Taxpayer</u>	<u>Assessed Value - 2015</u>	<u>As a Percent of Net Assessed Valuation Taxable</u>
Gade, Sreenivasa and Kanigiri	\$ 1,587,000	1.85%
Battel, Elsbeth G	1,060,000	1.24%
Wojnicki, John	1,006,400	1.17%
Wong, Wallace and Arlene	642,700	0.75%
Gerling, Paul and Peggy	486,000	0.57%
Dexheimer, W. Kim	533,600	0.62%
Prestopino, Paul	499,400	0.58%
Marko, Neil & Joy E. Marder	508,000	0.59%
Herman Richard	470,500	0.55%
Arthur Stinson	<u>475,600</u>	<u>0.55%</u>
	<u>\$ 7,269,200</u>	<u>8.48%</u>

BOROUGH OF ROOSEVELT
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

<u>Year</u>	<u>Equalized Valuation Basis ⁽¹⁾</u>
2015	\$ 82,507,544.00
2014	85,758,772.00
2013	<u>81,480,136.00</u>
	<u>\$ 249,746,452.00</u>
Average Equalized Valuation of Taxable Property	<u>\$ 83,248,817.33</u>
Municipal Borrowing Margin - 3½% of \$83,248,817.33	\$ 2,913,708.61
Gross Debt	\$ 5,012,779.28
Deductions	<u>4,720,529.28</u>
Net Municipal Debt as of December 31, 2015	<u>292,250.00</u>
Municipal Borrowing Margin Available	<u>\$ 2,621,458.61</u>
<u>MUNICIPAL OVERLAPPING DEBT TOTAL</u>	
Borough Net Debt	\$ 292,250.00
Overlapping Debt Apportioned to Borough:	
County of Monmouth:	
.076302 of \$437,619,303.20 ⁽²⁾	<u>333,586.98</u>
	<u>\$ 625,836.98</u>

Source: (1) Equalized Valuation Basis were provided by the Annual Report of the State of New Jersey, Department of the Treasury, Division of Taxation for 2015, 2014 and 2013.

(2) County of Monmouth Chief Financial Officer.

BOROUGH OF ROOSEVELT
RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES AND LOANS TO
EQUALIZED VALUE AND NET DEBT PER CAPITA
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Year Ended</u> <u>December 31,</u>	<u>Borough</u> <u>Population (1)</u>	<u>Equalized</u> <u>Valuation (2)</u>	<u>Net</u> <u>Debt</u> <u>Issued (3)</u>	<u>Less</u> <u>Self-</u> <u>Liquidating</u> <u>Debt</u>	<u>Net</u> <u>Debt</u>	<u>Ratio of</u> <u>Net</u> <u>Debt to</u> <u>Assessed</u> <u>Value</u>	<u>Net</u> <u>Debt Per</u> <u>Capita</u>
2015	882	\$ 82,507,544.00	\$ 4,506,779.28	\$ 4,214,529.28	\$ 292,250.00	0.35%	\$ 331.35
2014	882	85,758,772.00	4,715,229.41	4,352,979.41	362,250.00	0.42%	\$ 410.71
2013	882	81,480,136.00	4,787,679.34	4,325,393.74	462,285.60	0.56%	524.13
2012	882	84,797,364.00	3,404,736.03	2,444,106.03	960,630.00	1.13%	1,089.15
2011	882	88,548,537.00	3,841,793.33	3,520,293.33	321,500.00	0.36%	364.51
2010	882	94,029,385.00	3,923,602.09	3,688,102.09	235,500.00	0.25%	267.01
2009	937	94,149,175.00	3,763,075.67	3,478,403.87	284,671.80	0.30%	303.81
2008	937	98,225,487.00	2,963,887.25	2,726,387.25	237,500.00	-	-
2007	933	89,291,438.00	2,851,176.21	2,779,926.21	71,250.00	-	-
2006	933	89,123,490.00	2,683,309.83	1,476,091.43	1,207,218.40	-	-

(1) U.S. Bureau of the Census, Population Division for 2010.

(2) Per the State of New Jersey.

(3) Includes Water-Sewer Utility Debt only.

BOROUGH OF ROOSEVELT
CALCULATION OF "SELF-LIQUIDATING PURPOSE" PER N.J.S. 40A:2-45
WATER-SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 824,119.24
Deductions:		
Operating and Maintenance Cost	\$ 584,135.00	
Debt Service	<u>232,034.87</u>	
Total Deductions		<u>816,169.87</u>
Excess in Revenue		<u><u>\$ 7,949.37</u></u>

BOROUGH OF ROOSEVELT
DEMOGRAPHIC STATISTICS
FOR THE LAST TEN (10) FISCAL YEARS
(UNAUDITED)

<u>Year Ended</u> <u>December 31,</u>	<u>Unemployment</u> <u>Rate</u> (1)	<u>Per Capita</u> <u>Income</u> (2)	<u>Borough</u> <u>Population</u> (3)
2015	5.4%	\$ 33,863.00	882
2014	5.7%	33,863.00	882
2013	7.6%	33,863.00	882
2012	8.3%	33,863.00	882
2011	8.0%	54,801.00	882
2010	7.9%	54,801.00	882
2009	7.8%	54,801.00	907
2008	4.7%	54,801.00	907
2007	3.7%	54,801.00	913
2006	4.0%	51,437.00	923

Source: (1) New Jersey Department of Labor, Bureau of Labor Force Statistics.
(2) County of Monmouth.
(3) Based on Census of 2010 for year 2010-2015 and census of 2000 for Years 2006-2009 .

BOROUGH OF ROOSEVELT
MISCELLANEOUS STATISTICS
DECEMBER 31, 2015

Date Established - 1937

Incorporated - 1942

Area

1.69 sq. miles

	<u>Full Time</u>	<u>Part Time</u>
Employees:		
Administrative	1	1
Public Works		1
Finance		3
Recreation		1
Water-Sewer	<u>1</u>	<u>2</u>
	<u>2</u>	<u>8 *</u>
Volunteer Firemen		<u>6</u>
Volunteer First Aid		<u>9</u>

Source: Borough Records.

AUDITOR'S COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS
DECEMBER 31, 2015

Contracts And Agreements Required To Be Advertised For N.J.S. 40A:11-4

N.J.S. 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. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500.00 in the absence of a Qualified Purchasing Agent ("QPA"), except by contract or agreement."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500.00 within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Borough Attorney's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the year as follows:

Improvements to South Valley Road

Removal and Hauling of Liquid Sludge

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

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$17,500.00 "for the performance of any work or the furnishing or hiring of any materials or supplies" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

The governing body, on January 5, 2015, adopted the following resolution authorizing interest to be charged on delinquent taxes, water-sewer charges and assessments:

WHEREAS, the Mayor and Council of the Borough of Roosevelt are empowered, pursuant to N.J.S.A. 54:4-67, to fix the rate of interest to be charged for nonpayment of taxes and other municipal charges; and

WHEREAS, the Mayor and Council of the Borough of Roosevelt find the assessment of interest against delinquent municipal taxes and other charges will encourage prompt payment of the same by property owners, resulting in more efficient collection of revenues by the Borough of Roosevelt; and

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2015

Collection of Interest on Delinquent Taxes and Utility Charges

WHEREAS, the Mayor and Council of the Borough of Roosevelt find that it is in the best interest of the citizens of the Borough of Roosevelt to assess such interest.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Roosevelt, in the County of Monmouth and State of New Jersey, that the Tax Collector is hereby authorized to charge the maximum legal rate of interest allowed pursuant to N.J.S.A. 54:4-67 for delinquencies as defined therein, as may be amended and supplemented from time to time, which rates presently are as follows:

Eight percent (8%) interest on delinquencies up to one thousand five hundred dollars (\$1,500.00);

Eighteen percent (18%) interest on delinquencies equal to or greater than one thousand five hundred dollars and one cent (\$1,500.01)

provided that no interest shall be charged on payment if any installment is made ten (10) calendar days following the date upon when the installment becomes payable.

BE IT FURTHER RESOLVED that where any delinquency as defined in N.J.S.A. 54:4-67, is in excess of ten thousand dollars (\$10,000.00), the Borough of Roosevelt Tax Collector is hereby authorized to impose the penalty thereon at a minimum legal rate of interest allowed pursuant to N.J.S.A. 54:4, as may be amended and supplemented from time to time, which penalty is presently six percent (6%).

BE IT FURTHER RESOLVED that the Borough of Roosevelt Water-Sewer Collector is hereby authorized to charge the maximum rate of interest allowed by law for the water-sewer delinquencies, as may be amended and supplemented from time to time, which rates are presently as follows:

0.0067% per month interest on delinquencies up to one thousand five hundred dollars and one cent (\$1,500.01);

0.0150% per month on delinquencies equal to or greater than one thousand five hundred dollars and one cent (\$1,500.01)

provided that no interest be charged if payment of any installments were made within ten (10) calendar days following the date upon when payable.

The intent of the resolution was to charge 0.67% per month up to \$1,500.01 and 1.50% per month over \$1,500.01. This matter should be reviewed and correction made.

It appears from an examination of the Tax Collector and the Water-Sewer Collector records that interest was collected in accordance with the foregoing resolution.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2015

Delinquent Taxes and Tax Title Liens

The detail of all unpaid taxes for 2015 is being properly carried in the Tax Collector's records. An abstract taken from these records as at December 31, 2015 covering all unpaid charges on that date was verified with the accounting control figures shown in this report.

There was no tax sale in 2015.

There were tax title liens receivable as of December 31, 2015 in the amount of \$5,873.14.

Water-Sewer Utility Receivables

The details of the Consumer Accounts Receivable Account as reflected on the Balance Sheet (Exhibit E-1) have been proven to the detail on file in the Water-Sewer Utility Collector's office.

Cash Balances

The cash balances in all funds were verified by independent certifications obtained from the depositories as at December 31, 2015. Supplemental bank reconciliations as of June 30, 2016 have also been prepared.

Cash counts were made on various dates in all departments of the Borough and bank balances were independently reconciled from the books and records to such schedules of receipts and disbursements provided for audit.

Revenues

Receipts from licenses, fees, fines and costs, etc., for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary.

Expenditures

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute. The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute. Our examination of expenditures revealed for the most part, compliance with procedures and requirements have been adhered to.

Payroll

An examination was made of the employees' compensation records for the year 2015 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance. Overtime and part-time wages were checked and found to be properly authorized.

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2015

Miscellaneous Comments

The confirmation sent to the Local Board of Education verified that the school taxes payable at December 31, 2015 was correct.

Surety Bond Coverage

It appears as though the surety bond coverage for the Tax Collector, Water-Sewer Collector and Chief Financial Officer, Treasurer and Municipal Court are adequate.

Municipal Court

The Borough of Roosevelt has an Interlocal Services Agreement with the Township of Millstone to provide Municipal Court administration services. The Township of Millstone Court personnel handle all operations of the Borough of Roosevelt Municipal Court. A separate report has been issued on the Borough of Roosevelt's portion of their operation.

Minutes of Governing Body Meetings

During 2015 the minutes of the governing body for several meetings were not prepared. Resolution and ordinance books were maintained in the normal course of Borough business. We have been advised that subsequent to the yearend, the minutes were in the process of being prepared for governing body approval.

Technical Directives – State of New Jersey

The general ledger for 2015 was maintained in accordance with acceptable accounting control standards. A complete encumbrance system for budgetary purposes was maintained during 2015. A fixed assets detail was maintained in 2015.

Interfund Receivable/Payable

There are interfunds that relate to the water-sewer utility capital fund that were caused by expenditures paid on behalf of the fund by other funds which are pending receipt of the NJEIT permanent financing. The other interfund represents amounts due to the Grant Fund which does not have a checking account. The interfunds are expected to be liquidated once the NJEIT loan is closed.

Other Matters

The contents of this audit report have been discussed at an exit conference, with the appropriate Borough Officials, in accordance with the auditing standards general accepted in the United States of America for governmental audits.

Appreciation

I desire to express my appreciation for the cooperation received from the Borough officials and employees and the courtesies extended during the course of the audit.

RECOMMENDATIONS
DECEMBER 31, 2015

None.

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

Should any questions arise as to my comments, please do not hesitate to call me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gerard Stankiewicz". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gerard Stankiewicz
Certified Public Accountant
Registered Municipal Accountant #431

For The Firm
SAMUEL KLEIN AND COMPANY