

BOROUGH OF EDGEWATER
Schedule of Reserve for Encumbrances

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007		\$ 78,736
Increased by:		
2007-2008 encumbrances		<u>281,361</u>
		360,097
Decreased by:		
Transferred to appropriation reserves		<u>78,736</u>
Balance - June 30, 2008		<u>\$ 281,361</u>

Schedule of Tax Overpayments

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007		\$ 47,590
Increased by:		
2007-08 overpayments		<u>70,809</u>
		118,399
Decreased by:		
Cancelled	33,359	
Refund of overpayments	<u>14,231</u>	<u>47,590</u>
Balance - June 30, 2008		<u>\$ 70,809</u>

BOROUGH OF EDGEWATER

Schedule of Prepaid Taxes

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007	\$ 33,173
Increased by:	
2009 prepaid taxes collected	<u>35,926</u>
	69,099
Decreased by:	
Taxes realized as revenue	<u>33,173</u>
Balance - June 30, 2008	<u><u>\$ 35,926</u></u>

**Schedule of Due to the State - Marriage
License Fees**

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007	
Increased by:	
Cash Receipts	<u>2,175</u>
	2,175
Decreased by:	
Disbursements	<u>1,525</u>
Balance - June 30, 2008	<u><u>\$ 650</u></u>

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

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007	\$ <u>3,844,775</u>
Balance - June 30, 2008	\$ <u><u>3,844,775</u></u>

Schedule of Reserves for
Tax Title Lien Premium

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007	21,700
Decreased by: Disbursed	<u>13,700</u>
Balance - June 30, 2008	\$ <u><u>8,000</u></u>

BOROUGH OF EDGEWATER

Schedule of Interfunds

Current Fund

Year Ended June 30, 2008

<u>Fund</u>	Due from/(to) Balance <u>June 30, 2007</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>June 30, 2008</u>
Escrow Trust Fund	\$ 12,422	647		13,069
Open Space Trust Fund	(10,079)	1,862		(11,941)
General Capital Fund	(204,683)	34,753	212,191	(27,245)
Dedicated Penalty Account	<u>(2,500)</u>			<u>(2,500)</u>
	<u>\$ (204,840)</u>	<u>37,262</u>	<u>212,191</u>	<u>(28,617)</u>
 <u>Analysis</u>				
Due to Current Fund	\$ 12,422			13,069
Due From Current Fund	<u>(217,262)</u>			<u>(41,686)</u>
	<u>\$ (204,840)</u>			<u>(28,617)</u>

Interest on Investments	\$ 647	
Municipal Open Space Levy	1,862	
Disbursements		212,191
Note Principal Paid by Capital	887	
Receipts	<u>33,866</u>	
	<u>\$ 37,262</u>	<u>212,191</u>

BOROUGH OF EDGEWATER

Schedule of Various Reserves

Current Fund

Year ended June 30, 2008

	Balance June 30, <u>2007</u>	<u>Increased</u>	<u>Decreased</u>	Balance June 30, <u>2008</u>
Playgrounds	4,306			4,306
Library Aid	19,780	6,590	17,508	8,862
Parking Offenses Adjudication Account	3,172			3,172
Community Center	18,730			18,730
Developer's Contribution	1,190,376	254,355		1,444,731
Revaluation	106,743		50,000	56,743
BCUA Grant	17,608			17,608
Regional Contribution Agreement	325,066	6,737		331,803
Ferry Agreement	20,000			20,000
Donations	17,425			17,425
Sale of Municipal Assets	1,091			1,091
Arts Festival	1,513			1,513
Centennial	890			890
	<u>\$ 1,726,700</u>	<u>267,682</u>	<u>67,508</u>	<u>1,926,874</u>
		Cash Receipts		
		267,682		
		Cash Disbursements	67,508	
		<u>\$ 267,682</u>	<u>67,508</u>	

BOROUGH OF EDGEWATER

Schedule of Due to Federal and State Grant Fund

Current Fund

Year ended June 30, 2008

Balance - June 30, 2007		\$	401,730
Increased by:			
Grants Received	\$	9,543	
Unappropriated Reserves		<u>17,288</u>	
			<u>26,831</u>
			428,561
Decreased by:			
Cash Disbursements		<u>24,446</u>	
			<u>24,446</u>
Balance - June 30, 2008		\$	<u><u>404,115</u></u>

BOROUGH OF EDGEWATER

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

Current Fund

Year ended June 30, 2008

<u>Date</u>	<u>Purpose</u>	Net	1/5 of	Balance	Reduced	Balance,
<u>Authorized</u>		Amount	Net Amount	June 30,	in 2008	June 30,
		<u>Authorized</u>	<u>Authorized</u>	<u>2007</u>	<u>in 2008</u>	<u>2008</u>
2007	Revaluation	60,000	12,000	60,000	12,000	48,000
9/20/2004	Revaluation	<u>250,000</u>	<u>50,000</u>	<u>150,000</u>	<u>50,000</u>	<u>100,000</u>
		\$ 310,000	<u>62,000</u>	<u>210,000</u>	<u>62,000</u>	<u>148,000</u>

BOROUGH OF EDGEWATER

Schedule of Grants Receivable

State and Federal Grant Fund

Year ended June 30, 2008

<u>Purpose</u>	<u>Balance, June 30, 2007</u>	<u>Grants awarded</u>	<u>Received</u>	<u>Balance, June 30, 2008</u>
Supplemental Safe Neighborhoods Program	\$ 21,650			21,650
Supplemental Fire Services Program	2,544			2,544
Clean Communities	5,999			5,999
Municipal Alliance Grant	4,470		4,470	
Municipal Alliance Grant	26,169		5,073	21,096
Community Development Block Grant	70,000			70,000
Community Affairs - ADA Compliance Grant Fire Operations and Safety	10,800			10,800
	<u>\$ 141,632</u>	<u></u>	<u>9,543</u>	<u>132,089</u>

BOROUGH OF EDGEWATER
Schedule of Appropriated Grant Reserves
State and Federal Grant Fund
Year ended June 30, 2008

<u>Purpose</u>	Balance, June 30, <u>2007</u>	Budget <u>Appropriations</u>	<u>Expended</u>	Balance, June 30, <u>2008</u>
Supplemental Fire Services Program	\$ 2,168			2,168
Drunk Driving Enforcement Fund 1994-1995	2,549			2,549
Drunk Driving Enforcement Fund	1,456			1,456
DOT - Pothole Program	5,725			5,725
Drunk Driving Enforcement Fund 1995-1996	693			693
Alcohol Education and Rehabilitation 1995-1996	453			453
EDA Grant	84,018			84,018
EDA Grant	123,691			123,691
Drunk Driving Enforcement Fund	3,236			3,236
Clean Communities Grant	9,357		9,357	
Clean Communities Grant	9,483		8,507	976
Clean Communities Grant 1997-1998	3,077			3,077
Alcohol Education and Rehabilitation	791			791
Municipal Alliance Grant	850		850	
Community Development Block Grant	15,498			15,498
Body Armor Grant	2,463			2,463
Drunk Driving Enforcement Fund	1,128		548	580
Emergency Medical Grant	3,000			3,000
Universal COPS	121,963			121,963
Clean Communities	9,360			9,360
Clean Communities	3,078			3,078
Drunk Driving Enforcement Fund	453			453
Municipal Alliance Grant	5,080		5,080	
Body Armor Grant	5,976			5,976
Domestic Violence	2,180			2,180
Clean Communities	4,483			4,483
Clean Communities	4,019			4,019
200 Club				
COPS More - Technology Grant	31,483			31,483
Federal BulletProof Vest Partnership Program	3,649			3,649
Body Armor Grant	2,802			2,802

BOROUGH OF EDGEWATER
Schedule of Appropriated Grant Reserves
State and Federal Grant Fund
Year ended June 30, 2008

<u>Purpose</u>	Balance, June 30, <u>2007</u>	Budget <u>Appropriations</u>	<u>Expended</u>	Balance, June 30, <u>2008</u>
Community Affairs - ADA Compliance Grant				
Fire Operations and Safety	13,189			13,189
BCUA Recycling Grant	2,368			2,368
Recycling Grant - NJ Solid Waste Administration	4,761		104	4,657
U.S.Department of Justice	2,078			2,078
BCUA Recycling Grant	2,639			2,639
Alcohol Education and Rehabilitation	2,497			2,497
	<u>491,694</u>	<u> </u>	<u>24,446</u>	<u>467,248</u>
	\$			

BOROUGH OF EDGEWATER

Schedule of Unappropriated Grant Reserves

State and Federal Grant Fund

Year ended June 30, 2008

<u>Purpose</u>	Balance, June 30, <u>2007</u>	<u>Received</u>	Appropriated in 2008 <u>Budget</u>	Balance, June 30, <u>2008</u>
Clean Communities	\$ 9,989	9,307		19,296
Green communities		2,000		2,000
BCUA Recycling	3,365			3,365
Municipal Alliance	1,500			1,500
Storm Water Management	6,351	2,117		8,468
Smart Growth Grant	25,000			25,000
Recycling Tonnage Grant	4,618	2,632		7,250
Alcohol Education Rehabilitation Fund	845	1,232		2,077
	<u>\$ 51,668</u>	<u>17,288</u>		<u>68,956</u>

BOROUGH OF EDGEWATER

Schedule of Cash - Treasurer

Trust Funds

Year ended June 30, 2008

	Animal License <u>Fund</u>	Escrow Trust <u>Fund</u>	Other Trust <u>Funds</u>	Emergency Services <u>LOSAP</u>
Balance - June 30, 2007	\$ 3,132	135,201	1,162,232	282,973
Increased by:				
Animal License Fees	2,763			
Due to State of New Jersey - Dog License Fees	434			
Various Reserves			420,752	
Escrow Deposits		206,213		
Miscellaneous Fees				
Due from Current Fund				
Borough Contributions				48,830
Interest Earned		647		17,568
	<u>3,197</u>	<u>206,860</u>	<u>420,752</u>	<u>66,398</u>
	<u>6,329</u>	<u>342,061</u>	<u>1,582,984</u>	<u>349,371</u>
Decreased by:				
Reserve for Animal License Expenditures	5,200			
Due to State of New Jersey	432			
Escrow Deposits Returned		228,014		
Distributions				1,073
Various Reserves			288,607	
	<u>5,632</u>	<u>228,014</u>	<u>288,607</u>	<u>1,073</u>
Balance - June 30, 2008	\$ <u><u>697</u></u>	<u><u>114,047</u></u>	<u><u>1,294,377</u></u>	<u><u>348,298</u></u>

BOROUGH OF EDGEWATER

**Schedule of Reserve for Expenditures -
Animal License Fund**

Trust Funds

Year ended June 30, 2008

Balance - June 30, 2007		\$	3,101
Increased by:			
Dog license fees	\$	1,872	
Cat license fees		664	
Miscellaneous fees		173	
Interest earned		54	
		<u> </u>	<u>2,763</u>
			5,864
Decreased by:			
Paid to Current Fund		<u>5,200</u>	
			<u>5,200</u>
Balance - June 30, 2008		\$	<u><u>664</u></u>

<u>License Fees Collected</u>		
	2007	2,058
	2006	<u>2,004</u>
		\$ <u><u>4,062</u></u>

BOROUGH OF EDGEWATER

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

Trust Funds

Year ended June 30, 2008

Balance - June 30, 2007	\$	31
Increased by:		
2008 Fees Collected		<u>434</u>
		465
Decreased by:		
Payments to State of New Jersey		<u>432</u>
Balance - June 30, 2008	\$	<u><u>33</u></u>

Schedule of Reserve Escrow Deposits

Trust Funds

Year ended June 30, 2008

Balance - June 30, 2007	\$	122,779
Increased by:		
Escrow Deposits		<u>206,213</u>
		328,992
Decreased by:		
Escrow Deposits Refunded		<u>228,014</u>
Balance - June 30, 2008	\$	<u><u>100,978</u></u>

BOROUGH OF EDGEWATER

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

Year ended June 30, 2008

	<u>Total</u>	<u>Escrow Trust</u>	<u>Open Space Trust</u>	<u>Fire Prevention Trust</u>
Balance - June 30, 2007	\$ (157)	12,422	(10,079)	(2,500)
Increased by:				
Added taxes	(1,862)		1,862	
Interest Earned	647	647		
	<u>(1,372)</u>	<u>13,069</u>	<u>(11,941)</u>	<u>(2,500)</u>
Decreased by:				
Cash Received	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance - June 30, 2008	\$ <u><u>(1,372)</u></u>	<u><u>13,069</u></u>	<u><u>(11,941)</u></u>	<u><u>(2,500)</u></u>

BOROUGH OF EDGEWATER

Schedule of Miscellaneous Reserves

Trust Funds

Year ended June 30, 2008

	Balance, June 30, <u>2007</u>	<u>Increased</u>	<u>Decreased</u>	Balance, June 30, <u>2008</u>
Reserve for:				
Cemetery Bequests	\$ 30,407	628	175	30,860
Bullet Proof Vests	12,286	3,537	8,869	6,954
Ferry Performance Security	186,569	5,930		192,499
Fire Prevention	11,086	1,693		12,779
Edgewater Cares	2,387	18		2,405
Cultural and Historical Society	325	1,406	175	1,556
Open Space Trust	907,273	347,235	275,638	978,870
Recycling Fees	24,478	62,167	3,750	82,895
	<u>\$ 1,174,811</u>	<u>422,614</u>	<u>288,607</u>	<u>1,308,818</u>

BOROUGH OF EDGEWATER

Statement of Service Award Contributions Receivable

Emergency Services Length of Service Award Program

Year ended June 30, 2008

Balance - June 30, 2007	\$ 67,100
Increased by:	
2007 Adjustment	
2008 Borough Contributions	<u>71,300</u>
	138,400
Decreased by:	
2007 Adjustment	14,070
2007 Borough Contributions	<u>53,030</u>
Balance - June 30, 2008	<u><u>\$ 71,300</u></u>

Statement of Net Assets Available for Benefits

Emergency Services Length of Service Award Program

Year ended June 30, 2008

Balance - June 30, 2007	\$ 350,073
Increased by:	
Borough Contributions	\$ 53,030
Investment Income	<u>17,568</u>
	<u>70,598</u>
Decreased by:	
Distributions	<u>1,073</u>
Balance - June 30, 2008	<u><u>\$ 419,598</u></u>

BOROUGH OF EDGEWATER

Schedule of Cash - Treasurer

General Capital Fund

Year ended June 30, 2008

Balance - June 30, 2007		\$ 3,265,194
Increased by receipts:		
Capital Improvement Fund	\$ 75,000	
Green Acres Loan	400,000	
Bond Anticipation Notes	175,000	
NJ EIT Loan	1,283,310	
Reserve for Green Acres	4,705	
NJ DEP Grants	217,555	
Due from Current Fund	212,191	
New Jersey Historic Trust	10,000	
Bergen County Historic Preservation Trust	19,380	
Due from Port Authority	245,548	
Bergen County Open Space Trust Fund	167,550	
		<u>2,810,239</u>
		6,075,433
Decreased by disbursements:		
Improvement Authorizations	5,045,195	
Bond Anticipation Notes	887	
Due from Current Fund	7,241	
		<u>5,053,323</u>
Balance - June 30, 2008		\$ <u><u>1,022,110</u></u>

BOROUGH OF EDGEWATER

Schedule of General Capital Fund Cash

General Capital Fund

June 30, 2008

Grants Receivable - Community Development Block Grant	\$ (507,071)
Grants Receivable - New Jersey Department of Transportation	(356,859)
Grants Receivable - Bergen County Open Space Trust Fund	(300,623)
Grants Receivable - Bergen County Historic Preservation Trust	(240,000)
Grants Receivable - Garden State Preservation Trust	(1,582,445)
Grants Receivable -Livable Communities	(5,375)
Grants Receivable - Department of Community Affairs	(100,000)
Wasterwater Trust Fund Receivable	(53,732)
Due from Current Fund	(27,245)
Capital Improvement Fund	112,043
Reserve fo0r Green acres	4,705
Reserve for Payment of Debt	1,742,000
Reserve for Grants Unappropriated	215,000
Reserve for Grants Receivable	816,859
Fund Balance	306,800

Improvement authorizations:

Ordinance

number

Improvement description

967	Various improvements	(164)
1184	Various improvements	175,818
1223	Various improvements	27,331
1226	Acquisition of Grand Cove Marina	233,649
1227	Various improvements	2,733
1258	Reconstruction of Fire House	226,492

BOROUGH OF EDGEWATER

Schedule of General Capital Fund Cash

General Capital Fund

June 30, 2008

1262	Pension Refunding	(2,681)
1272	Grand Cove Marina	310,866
1285	Various Capital Improvements	251,344
1299	Various Capital Improvements	315,734
1306	Various Capital Projects	3,144
1315	Acquisition of three buses	99,033
1316	Various Capital Improvements	28,491
1325	Various Capital Improvements	(9)
1326	Various Capital Improvements	948,932
1327	Grand Cove Marina	225,460
1343	Improvements to Various streets and Roads	14,938
1359	Dissolution of Edgewater MUA	(1,922)
1365	Various Capital Improvements	(114,665)
1357	Acquisition of Municipal Complex/Police Station	(80,222)
1365	Various Capital Improvements	(24,410)
1372/1382	Dredging of Marina	(2,922,663)
1381/1387	Various Capital Improvements	1,280,824
		\$ <u>1,022,110</u>

BOROUGH OF EDGEWATER
Schedule of Deferred Charges to Future
Taxation - Funded
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007		\$ 13,704,238
Increased by:		
Issuance of Green Acres Loan	400,000	
Issuance of EIT Loans	<u>1,283,310</u>	<u>1,683,310</u>
		15,387,548
Decreased by:		
Infrastructure Loan Payments	\$ 22,425	
Paid via Budget Appropriation		
Capital Lease	9,000	
Serial Bonds	<u>1,055,000</u>	<u>1,086,425</u>
Balance - June 30, 2008		<u><u>\$ 14,301,123</u></u>

BOROUGH OF EDGEWATER

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

General Capital Fund

Year ended June 30, 2008

Ordinance number	Improvement description	Balance, June 30, 2007	2008 Authorizations	Reduced	Balance, June 30, 2008	Analysis of balance		
						Bond anticipation notes	Expenditures	Unexpended improvement authorization
967	Various improvements	\$ 164			164		164	
1258	Reconstruction of Fire House	1,000,000		18,652	981,348		981,348	
1262	Pension Refunding	2,681			2,681		2,681	
1285	Various Capital Improvements	2,556			2,556			2,556
1299	Various Capital Improvements	674,405		33,275	641,130		641,130	
1305	Various Capital Improvements	95,000			95,000		95,000	
1313	Various Capital Improvements	912,000			912,000		912,000	
1315	Acquisition of three buses	190,000			190,000		190,000	
1316	Various Capital Improvements	95,522			95,522		95,522	
1325	Various Capital Improvements	445,709			445,709		445,700	9
1327	Grand Cove Marina	3,047,000			3,047,000		3,047,000	
1343	Improvements to Various Roads/Sidewalks	61,750			61,750		61,750	
1357	Acquisition of Municipal Complex/Police Station	5,500,000			5,500,000		5,500,000	
1359	Dissolution of the Edgewater Municipal Utilities Authority	1,537,170		1,283,310	253,860	175,000	1,922	76,938
1365	Various Capital Improvements	147,250			147,250		114,665	32,585
1366	Separation of Combined Sewers	3,100,000			3,100,000		24,410	3,075,590
1372/1382	Dredging of Marina		4,800,000		4,800,000		2,922,663	1,877,337
1381/1387	Various Capital Improvements		1,942,750	380,000	1,562,750			1,562,750
		<u>\$ 16,811,207</u>	<u>6,742,750</u>	<u>1,715,237</u>	<u>21,838,720</u>	<u>6,644,450</u>	<u>3,146,736</u>	<u>12,047,534</u>

Improvement authorizations - unfunded \$ 12,957,682

Less: Unexpended proceeds of Bond Anticipation Notes

Ord. 1258	226,492
Ord. 1299	315,734
Ord. 1315	99,033
Ord. 1316	28,491
Ord. 1327	225,460
Ord. 1343	14,938

\$ 910,148
\$ 12,047,534

BOROUGH OF EDGEWATER
Schedule of Grants Receivable -
New Jersey Department of Transportation
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007		\$ <u>86,859</u>
Increased by:		
Grant Awards		<u>270,000</u>
Balance - June 30, 2008		\$ <u><u>356,859</u></u>

<u>Analysis of Balance</u>		
Ord. 1343 - Various Sidewalk/Road Impvts		70,000
Ord. 1285 - Leary, Hooks Lanes, Maple St.		16,859
Ord.1381/1387 Improvements to Garden Place		140,000
Ord. 1381/1387 Reconstruction of North Street		<u>130,000</u>
		\$ <u><u>356,859</u></u>

Schedule of Grants Receivable -
Bergen County Open Space Trust Fund
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007		\$ 168,173
Increased by:		
Grant Awards		<u>300,000</u>
		468,173
Decreased by:		
Cash Receipts		<u>167,550</u>
Balance - June 30, 2008		\$ <u><u>300,623</u></u>

<u>Analysis of Balance</u>		
Ord. 1381/1387 Veterans Field Improvements Phase II		300,000
Ord. 1223 - Recreation Equipment		<u>623</u>
		\$ <u><u>300,623</u></u>

BOROUGH OF EDGEWATER
Schedule of Grants Receivable -
New Jersey Historic Trust Grant Program - Ord. 1306

General Capital Fund

Year ended June 30, 2008

Balance - June 30, 2007	\$	10,000
Decreased by:		
Cash Receipts		<u>10,000</u>
Balance - June 30, 2008	\$	<u><u> </u></u>

Schedule of Grants Receivable -
Bergen County Historic Preservation Trust

General Capital Fund

Year ended June 30, 2008

Balance - June 30, 2007	\$	114,380
Increased by:		
Grant Awards		<u>145,000</u>
		259,380
Decreased by:		
Cash Receipts		<u>19,380</u>
Balance - June 30, 2008	\$	<u><u>240,000</u></u>

BOROUGH OF EDGEWATER

Schedule of Community Development Block Grant Receivables

General Capital Fund

Year ended June 30, 2008

Balance - June 30, 2007	\$ 207,071
Increased by:	
Grant Awards	<u>300,000</u>
Balance - June 30, 2008	<u>\$ 507,071</u>

Analysis of Balance

Ord. 1223- Curbs/Sidewalks/Barrier Free	7,071
Ord. 1285 - Northend Firehouse Barrier Free Improvements	100,000
Ord. 1285 - Barrier Free Elevator, Shadyside Firehouse	100,000
Ord. 1381/1387 Improvements to Undercliff Ave.	<u>300,000</u>
	<u>\$ 507,071</u>

BOROUGH OF EDGEWATER
Schedule of Due to/from Current Fund
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007		\$ (204,683)
Increased by:		
Interest Earned	\$ 7,241	
Note Principal Paid by General Capital	887	
Deposited in Current Fund-Grant	26,625	
		34,753
		(239,436)
Decreased by:		
Cash Disbursements	212,191	212,191
Balance - June 30, 2008		\$ <u><u>(27,245)</u></u>

Schedule of Reserve for Unappropriated Grants
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007		\$ <u>215,000</u>
Balance - June 30, 2008		\$ <u><u>215,000</u></u>

BOROUGH OF EDGEWATER
Schedule of New Jersey Environmental
Infrastructure Loan Payable
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007	202,238
Increased by:	
Loans issued	<u>1,283,310</u>
	1,485,548
Decreased by:	
Paid via Budget Appropriation	<u>\$ 22,425</u>
Balance - June 30, 2008	<u><u>\$ 1,463,123</u></u>

<u>Analysis of Balance</u>	
Infrastructure Loan	668,123
Infrastructure Trust	<u>795,000</u>
	<u><u>\$ 1,463,123</u></u>

BOROUGH OF EDGEWATER

Schedule of Serial Bonds

General Capital Fund

Year ended June 30, 2008

Purpose	Date of issue	Original issue	Maturities of bonds outstanding		Interest rate	Balance, June 30, 2007	Decreased	Balance, June 30, 2008
			Date	Amount				
General bonds	Sept. 15, 1997	2,919,000	July 15, 2008	250,000	5.00%	2,209,000	175,000	2,034,000
			July 15, 2009	400,000	5.00%			
			July 15, 2010-11	450,000	5.00%			
			July 15, 2012	484,000	5.00%			
Refunding bonds	Mar. 1, 1999	5,515,000	Jan. 15, 2009	165,000	4.25%	1,930,000	730,000	1,200,000
			Jan. 15, 2010	170,000	4.50%			
			Jan. 15, 2011	175,000	4.50%			
			Jan. 15, 2012	180,000	4.50%			
			Jan. 15, 2013	175,000	4.75%			
		Jan. 15, 2014	170,000	4.75%				
		Jan. 15, 2015	165,000	4.75%				

BOROUGH OF EDGEWATER

Schedule of Serial Bonds

General Capital Fund

Year ended June 30, 2008

Purpose	Date of issue	Original issue	Maturities of bonds outstanding		Interest rate	Balance, June 30, 2007	Decreased	Balance, June 30, 2008
			Date	Amount				
General obligation bonds	Jun. 1, 2004	9,190,000	Jun. 1, 2009	350,000	4.25%	8,915,000	150,000	8,765,000
			Jun. 1, 2010	225,000	4.25%			
			Jun. 1, 2011	250,000	4.25%			
			Jun. 1, 2012	285,000	4.25%			
			Jun. 1, 2013	300,000	4.25%			
			Jun. 1, 2014	825,000	4.25%			
			Jun. 1, 2015	850,000	4.25%			
			Jun. 1, 2016	900,000	4.25%			
			Jun. 1, 2017	930,000	4.30%			
			Jun. 1, 2018	940,000	4.30%			
			Jun. 1, 2019	960,000	4.30%			
		Jun. 1, 2020	970,000	4.30%				
		Jun. 1, 2021	980,000	4.30%				

\$ 13,054,000 1,055,000 11,999,000

BOROUGH OF EDGEWATER
Schedule of Capital Leases Payable

General Capital Fund

Year ended June 30, 2008

Purpose	Date of issue	Original issue	Maturities of lease payments		Interest rate	Balance, June 30, 2007	Decreased	Balance, June 30, 2008
			Date	Amount				
Refund of unfunded pension liability	Mar. 15, 2003	1,083,000	Mar. 15, 2009	12,000	4.75%	448,000	9,000	439,000
			Mar. 15, 2010	14,000	5.00%			
			Mar. 15, 2011	17,000	5.00%			
			Mar. 15, 2012	20,000	5.00%			
			Mar. 15, 2013	24,000	5.25%			
			Mar. 15, 2014	27,000	4.70%			
			Mar. 15, 2015	31,000	4.75%			
			Mar. 15, 2016	36,000	4.80%			
			Mar. 15, 2017	40,000	4.85%			
			Mar. 15, 2018	46,000	4.90%			
			Mar. 15, 2023	172,000	5.35%			
						\$ 448,000	9,000	439,000

BOROUGH OF EDGEWATER
Schedule of Bond Anticipation Notes

General Capital Fund

Year ended June 30, 2008

Ordinance number	Improvement description	Date of original issue	Date of issue	Date of maturity	Interest rate	Balance, June 30, 2007	Increased by:	Decreased by:	Balance, June 30, 2008
1258	Reconstruction of Fire House	Nov. 9, 2004	Aug. 24, 2007	Aug. 22, 2008	3.69%	1,000,000 \$	981,348	1,000,000	981,348
1299	Various Capital Improvements	Nov. 9, 2004	Aug. 24, 2007	Aug. 22, 2008	3.69%	674,405	641,130	674,405	641,130
1316	Various Capital Improvements	Nov. 9, 2005	Aug. 24, 2007	Aug. 22, 2008	3.69%	95,522	95,522	95,522	95,522
1305	Various Capital Improvements	Aug. 25, 2005	Aug. 24, 2007	Aug. 22, 2008	3.69%	95,000	95,000	95,000	95,000
1313	Various Capital Improvements	Aug. 25, 2005	Aug. 24, 2007	Aug. 22, 2008	3.69%	912,000	912,000	912,000	912,000
1315	Acquisition of Three Buses	Aug. 25, 2005	Aug. 24, 2007	Aug. 22, 2008	3.69%	190,000	190,000	190,000	190,000
1325	Various Capital Improvements	Jun. 15, 2006	Jun. 13, 2008	Aug. 22, 2008	2.25%	445,700	445,700	445,700	445,700
1327	Grand Cove Marina	Jun. 15, 2006	Jun. 13, 2008	Aug. 22, 2008	2.25%	3,047,000	3,047,000	3,047,000	3,047,000
1343	Various Road Improvements/Sidewalks	Jun. 15, 2006	Jun. 13, 2008	Aug. 22, 2008	2.25%	61,750	61,750	61,750	61,750
1359	Dissolution of Edgewater MUA	Oct. 5, 2007	Oct. 5, 2007	Oct. 3, 2008	3.80%		175,000		175,000
						<u>\$ 6,521,377</u>	<u>6,644,450</u>	<u>6,521,377</u>	<u>6,644,450</u>
							<u>6,469,450</u>	<u>6,469,450</u>	
							<u>175,000</u>	<u>51,927</u>	
							<u>6,644,450</u>	<u>6,521,377</u>	

Renewed
Cash

BOROUGH OF EDGEWATER
Schedule of Reserve for Grants Receivable
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007	\$	216,859
Increased by:		
Grant Awarded		<u>600,000</u>
Balance - June 30, 2008	\$	<u><u>816,859</u></u>

<u>Analysis of Balance</u>		
Community Development Block Grant		
Ord. 1285/1304		200,000
Green Acres Grant		
Ord. 1372		600,000
New Jersey Department of Transportation		
Ord. 1285/1304		<u>16,859</u>
	\$	<u><u>816,859</u></u>

Schedule of Reserve for Payment of Debt
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007		1,722,000
Increased by:		
2008 Receipt		<u>20,000</u>
Balance - June 30, 2008	\$	<u><u>1,742,000</u></u>

<u>Analysis of Balance</u>		
Ord. 1285		22,000
Ord. 1325		20,000
Ord. 1226		<u>1,700,000</u>
		<u><u>1,742,000</u></u>

BOROUGH OF EDGEWATER
Schedule of Capital Improvement Fund
General Capital Fund
Year ended June 30, 2008

Balance - June 30, 2007	\$ 139,293
Increased by:	
2008 Budget Appropriations	<u>75,000</u>
	214,293
Decreased by:	
Appropriated to Finance	
Improvement Authorizations	<u>102,250</u>
Balance - June 30, 2008	<u>\$ 112,043</u>

BOROUGH OF EDGEWATER

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended June 30, 2008

Ordinance number	Improvement description	Balance, June 30, 2007	2008 Authorizations	Decreased by:	Balance, June 30, 2008
967	Various improvements	\$ 164			164
1262	Pension Refunding	2,681			2,681
1285	Various Capital Improvements	2,556			2,556
1325	Various Capital Improvements	9			9
1357	Acquisition of Municipal Complex/Police Stati	5,500,000			5,500,000
1359	Dissolution of the Edgewater Municipal Utilities Authority	1,537,170		1,458,310	78,860
1365	Various Capital Improvements	147,250			147,250
1366	Separation of Combined Sewers	3,100,000			3,100,000
1372/1382	Dredging of Edgewater Marina		4,800,000		4,800,000
1381/1387	Various Capital Improvements		1,942,750	380,000	1,562,750
		<u>\$ 10,289,830</u>	<u>6,742,750</u>	<u>1,838,310</u>	<u>15,194,270</u>
				175,000	
				1,283,310	
				380,000	
				<u>1,838,310</u>	

BOROUGH OF EDGEWATER
Schedule of Cash - Collector-Treasurer
Marina Utility Fund
Year ended June 30, 2008

Balance - June 30, 2007		\$	180,074
Cash Receipts:			
Revenues	\$	235,670	
			235,670
			415,744
Cash Disbursements:			
2008 Appropriations	164,851		
Refund	951		
2007 Appropriation Reserves	21,128		
			186,930
Balance - June 30, 2008		\$	228,814

BOROUGH OF EDGEWATER

Schedule of Sales Tax Payable

Marina Utility Operating Fund

Year ended June 30, 2008

Balance - June 30, 2007	\$	1,826
Decreased by:		
Cancelled		<u>1,826</u>
Balance-June 30, 2007	\$	<u><u> </u></u>

BOROUGH OF EDGEWATER
Schedule of Encumbrances Payable
Marina Utility Operating Fund
Year ended June 30, 2008

Balance - June 30, 2007	\$	7,153
Increased by:		
Transferred from Budget		<u>1,728</u>
		8,881
Decreased by:		
Transferred to Appropriation Reserves		<u>7,153</u>
Balance - June 30, 2008	\$	<u><u>1,728</u></u>

BOROUGH OF EDGEWATER

Schedule of 2007 Reserves - Operating Fund

Marina Utility Fund

Year ended June 30, 2008

	Balance, June 30, <u>2007</u>	Balance after transfers and <u>encumbrances</u>	Paid or <u>charged</u>	Balance <u>lapsed</u>
Salaries and Wages	\$ 9,828	9,828	9,828	0
Other expenses	<u>24,248</u>	<u>31,401</u>	<u>11,300</u>	<u>20,101</u>
	<u>\$ 34,076</u>	<u>41,229</u>	<u>21,128</u>	<u>20,101</u>
Appropriation Reserves		34,076		
Encumbrances		<u>7,153</u>		
		<u>\$ 41,229</u>		

BOROUGH OF EDGEWATER

Schedule of Cash - Treasurer

Public Assistance Fund

Year ended June 30, 2008

	<u>PATF I</u>	<u>PATF II</u>	<u>Fund Total</u>
Balance - June 30, 2007	\$ 836	21,942	22,778
Increased by:			
State Aid for Public Assistance		41,415	41,415
SSI		5,250	5,250
Interest Earned	<u>6</u>	<u>501</u>	<u>507</u>
	<u>6</u>	<u>47,166</u>	<u>47,172</u>
	842	69,108	69,950
Decreased by:			
Public Assistance		<u>54,381</u>	<u>54,381</u>
		<u>54,381</u>	<u>54,381</u>
Balance - June 30, 2008	\$ <u>842</u>	<u>14,727</u>	<u>15,569</u>

BOROUGH OF EDGEWATER

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

Public Assistance Fund

Year ended June 30, 2008

Balance - June 30, 2008		\$	15,569
Increased by receipts:			
State Aid	\$	15,000	
Interest Earned		<u>17</u>	
			<u>15,017</u>
			30,586
Decreased by:			
General Assistance		<u>17,444</u>	
			<u>17,444</u>
Balance - November 30, 2008		\$	<u><u>13,142</u></u>

<u>Reconciliation - November 30, 2008</u>	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
Balance on Deposit per Statement of:			
Bank of America			
a/c no. 0469000414	\$	12,317	12,317
Mariner's Bank			
a/c no. 1400000756		<u>815</u>	<u>815</u>
		<u>815</u>	<u>13,132</u>
Add: Bank Service Charges	30		30
Less: Outstanding Checks		<u>20</u>	<u>20</u>
Balance - November 30, 2008	\$	<u><u>845</u></u>	<u><u>13,142</u></u>

BOROUGH OF EDGEWATER

Schedule of Public Assistance Cash and Reconciliation

Public Assistance Fund

Year ended June 30, 2008

Balance - June 30, 2007		\$	22,778
Increased by receipts:			
State aid	\$	41,415	
SSI		5,250	
Interest Earned		507	
			<u>47,172</u>
			69,950
Decreased by:			
General Assistance		54,381	
			<u>54,381</u>
Balance - June 30, 2008		\$	<u>15,569</u>

<u>Reconciliation - June 30, 2008</u>	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
Balance on Deposit per Statement of:			
Bank of America			
a/c no. 0469000414	\$	14,747	14,747
Mariner's Bank			
a/c no. 1400000756	812		812
	<u>812</u>	<u>14,747</u>	<u>15,559</u>
Add: Bank Service Charges	30		30
Less: Outstanding Checks		20	20
Balance - June 30, 2008	\$ <u>842</u>	<u>14,727</u>	<u>15,569</u>

BOROUGH OF EDGEWATER

Statement of Public Assistance Revenues

Public Assistance Fund

Year ended June 30, 2008

	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
State Aid Payments	\$	41,415	41,415
Less: Refunds to the State			
SSI Payments		5,250	5,250
Net State Aid Payments		<u>46,665</u>	<u>46,665</u>
Interest Earned		<u>6</u>	<u>507</u>
Total revenues (PATF)	\$	<u>6</u>	<u>47,172</u>

Statement of Public Assistance Expenditures

Public Assistance Fund

Year ended June 30, 2008

	<u>PATF I</u>	<u>PATF II</u>	<u>Total</u>
Payments for Current Year Assistance (Reported):			
Maintenance payments	\$	24,120	24,120
Temporary Rent Assistance		29,689	29,689
Work Related Expenses		72	72
Other:			
Emergency Assistance		435	435
Transient Assistance		65	65
Total Payments Reported		<u>54,381</u>	<u>54,381</u>
Total Disbursements	\$	<u>54,381</u>	<u>54,381</u>

BOROUGH OF EDGEWATER

Schedule of Grants Receivable

Sewer Facilities Grant Fund

Year Ended June 30, 2008

Balance - June 30, 2007	\$ <u>74,501</u>
Balance - June 30, 2008	\$ <u><u>74,501</u></u>

Analysis of Balance

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

BOROUGH OF EDGEWATER
Schedule of Reserve for Grant Expenditures
Sewer Facilities Grant Fund
Year Ended June 30, 2008

Balance - June 30, 2007	\$ 74,501
Balance - June 30, 2008	\$ <u>74,501</u>
<u>Analysis of Balance</u>	
Federal Sewer Facilities Step I Grant - EPA	70,161
Federal Sewer Facilities Step II Grant - EPA	<u>4,340</u>
	\$ <u>74,501</u>

BOROUGH OF EDGEWATER



Letters on Compliance and on Internal Control

Comments and Recommendations

Year ended June 30, 2008

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

Charles J. Ferraioli, Jr., MBA, CPA, RMA
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James J. Cerullo, CPA, RMA
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements-regulatory basis of the Borough of Edgewater in the County of Bergen as of and for the year ended June 30, 2008, and have issued our report thereon dated December 29, 2008. Our report disclosed that, as described in note 1 to the financial statements-regulatory basis, the Borough of Edgewater prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.



Honorable Mayor and
Members of the Borough Council
Page 2.

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

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

Compliance and Other Matters

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

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

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



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



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

December 29, 2008



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

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

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

Compliance

We have audited the compliance of the financial statements of the Borough of Edgewater in the County of Bergen with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Office of Management and Budget's State Aid/Grant Compliance Supplement that are applicable to each of its major state programs for the year ended June 30, 2008. The Borough of Edgewater's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Borough of Edgewater's management. Our responsibility is to express an opinion on the Borough of Edgewater's compliance based on our audit.

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

In our opinion, the Borough of Edgewater complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2008.



Internal Control Over Compliance

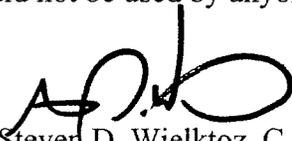
The management of the Borough of Edgewater is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Borough of Edgewater's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

A *control deficiency* is an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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


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


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

December 29, 2008



BOROUGH OF EDGEWATER

Schedule of State Financial Assistance

Year ended June 30, 2008

State grantor	Program	Grant number	Grant period	Award Amount	Balance June 30, 2007	Cash Received	Budgetary Expenditures	Balance June 30, 2008
Current Fund:								
Department of Community Affairs	Supplemental Fire Services Program	8030-150-141650-60	1994-95	\$ 2,544	(2,544)			(2,544)
	Supplemental Fire Services Program	8030-150-141650-60	1993-94	2,168	2,168			2,168
	Supplemental Safe Neighborhood Program	7030-150-041640-60	1993-94	21,650	(21,650)			(21,650)
	Emergency Medical Grant		2001-02	3,000	3,000			3,000
	ADA Compliance - Fire Department		2003-04	22,000	13,189			13,189
					(5,837)			(5,837)
Department of Environmental Protection	Clean Communities Program	4900-765-042-4900-04-VCMC	2005-06	16,325	4,019			4,019
	Clean Communities Program	4900-765-042-4900-04-VCMC	2004-05	8,066	3,370			3,370
	Clean Communities Program	4900-765-042-4900-04-VCMC	2003-04	7,615	4,691			4,691
	Clean Communities Program	4900-765-178910-60	2001-02	1,991	1,219			1,219
	Clean Communities Program	4900-765-178910-60	2000-01	9,701	8,141			8,141
	Clean Communities Program	4900-765-178910-60	1999-00	9,701	5,629		1,576	4,053
	Clean Communities Program	4900-765-178910-60	1998-99	8,350	5,316			5,316
	Clean Communities Program	4900-765-178910-60	1997-98	8,350	1,615			1,615
	Clean Communities Program	4900-765-178910-60	1996-97	14,349	9,357			9,357
	Clean Communities Program	4900-765-178910-60	1995-96	5,999	(5,999)			(5,999)
	Solid Waste Administration							
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y	2002-03	8,313	8,313			8,313
	Recycling Tonnage Grant		2004-05	15,013	4,761		104	4,657
	Recycling Tonnage Grant		2005-06	2,368	2,368			2,368
Green Acres	Improvements to Veterans Field Ord. 1326 (Grant)		2006-07	600,000		217,555	217,555	
	Improvements to Veterans Field Ord. 1326 (Loan)		2006-07	400,000		400,000	400,000	
	Dredging of Edgewater Marina Ord. 1326		2006-07	600,000				
	Dredging of Edgewater Marina Ord. 1372		2007-08	600,000				
EDA Grant			1996-97	134,238	84,018			84,018
EDA Grant			1996-97	127,624	123,691			123,691
					260,509	617,555	635,523	242,541
Department of Transportation	Pot Hole Program		1995-96	6,301	5,725			5,725
Department of Law and Public Safety	Drunk Driving Enforcement Fund	1110-448-031020-22	2002-03	453	453			453
	Drunk Driving Enforcement Fund	1110-448-031020-22	2001-02	620	130			130
	Drunk Driving Enforcement Fund	1110-448-031020-22	2000-01	998	998		548	450
	Drunk Driving Enforcement Fund	1110-448-031020-22	1999-00	1,123	890			890
	Drunk Driving Enforcement Fund	1110-448-031020-22	1998-99	1,681	566			566
	Drunk Driving Enforcement Fund	1110-448-031020-22	1996-97	3,236	3,236			3,236
	Drunk Driving Enforcement Fund	1110-448-031020-22	1995-96	1,491	693			693
	Drunk Driving Enforcement Fund	1110-448-031020-22	1994-95	2,549	2,549			2,549

BOROUGH OF EDGEWATER
Schedule of State Financial Assistance
Year ended June 30, 2008

State grantor	Program	Grant number	Grant period	Award Amount	Balance June 30, 2007	Cash Received	Budgetary Expenditures	Balance June 30, 2008	
Department of Law and Public Safety (cont.)	Domestic Violence Grant		2002-03	2,180	2,180		548	2,180	
					11,695			11,147	
Administrative Office of the Courts	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100	2004-05	125	125			125	
		9735-760-098-Y900-001-X100	2003-04	1,810	1,810			1,810	
		9735-760-098-Y900-001-X100	2005-06	2,378	2,378			2,372	
		9735-760-0600000-60	1999-00	125	125			125	
		9735-760-0600000-60	1996-97	791	791			791	
	Alcohol Education Rehabilitation Fund	9735-760-0600000-60	1995-96	453	453			453	
					5,676			5,676	
Division of Criminal Justice	Body Armor Grant		2004-05	2,802	2,802			2,802	
			2002-03	5,976	5,976			5,976	
			1999-00	2,463	2,463			2,463	
					11,241			11,241	
					289,009	617,555	636,071	270,493	
General Capital Fund: Department of Transportation	Trust Fund Authority Act - Leary & Hooks Lane, and Maple Street - Ord. 1285 Various Sidewalk/Road Imp. Ord. 1343 Improvements to Garden Pl. Ord. 1381/1387 Reconstruction of North St. Ord. 1381/1387		2002-03	70,000	70,000			70,000	
			2006-07	70,000	70,000			70,000	
			2007-08	140,000	140,000			140,000	
			2007-08	130,000	130,000			130,000	
							52,500		52,500
		03-480-078-6320-AG5-6010			52,500			52,500	
Public Assistance Fund: Department of Health and Human Services	Public assistance		2007-08				54,381	(54,381)	
			2005-06		(13,965)	13,965		(13,965)	
			2006-07	7500-150-158010-60		(38,605)	27,450		(11,155)
						52,570	41,415	54,381	(65,536)
County of Bergen (Passed through)	Municipal Alliance Grant Fund		2006-07	13,000	(4,470)	4,470		13,000	
			2003-04	15,500	(3,197)	3,197		15,500	
			2002-03	11,500	1,500			1,500	
			2000-01	10,000	(10,000)	1,876		(8,124)	
			1999-00	10,000	(7,892)		5,080	(12,972)	
			1998-99	10,000	850	850		850	
					(23,209)	9,543	5,930	(19,596)	
					\$ 265,730	668,513	696,382	237,861	

Note: This schedule was not subject to an audit in accordance with N.J. OMB circular 04-04.

**BOROUGH OF EDGEWATER
 NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Grant Fund		\$24,446	\$24,446
General Capital Fund		617,555	617,555
Public Assistance Fund		<u>54,381</u>	<u>54,381</u>
Total Financial Awards	<u>\$0</u>	<u>\$696,382</u>	<u>\$696,382</u>

**BOROUGH OF EDGEWATER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- | | | |
|-------------------------------------------------------------------------------------------|-------------------|------------------|
| 1. Material weakness(es) identified? | <u> </u> yes | <u> X </u> no |
| 2. Significant deficiencies identified that are not considered to be material weaknesses? | <u> X </u> yes | <u> </u> no |

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

Federal Awards

Not Applicable

State Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

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

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

**BOROUGH OF EDGEWATER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008
(continued)**

Section II - Financial Statement Findings

None

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

No matters were reported.

**BOROUGH OF EDGEWATER
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2008**

Status of Prior Year Findings

There were no prior year audit findings.

BOROUGH OF EDGEWATER
GENERAL COMMENTS, (continued)

Collection of Interest on Delinquent Taxes and Assessments

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

The following resolution authorizing interest to be charged on delinquent taxes was adopted at the reorganization meeting held on January 4, 2008.

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

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

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

Delinquent Taxes and Tax Title Liens

All prior year delinquent taxes were paid in full, therefore no tax sale was required.

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

OTHER COMMENTS

Finance/Treasurer

1. That items are being purchased prior to being encumbered.
2. There was an instance that an expenditure was charged to the incorrect budget account.

BOROUGH OF EDGEWATER

OTHER COMMENTS, (continued)

Departments

1. Municipal Court - ATS/ACS Monthly Management Report:
 - a. There are 210 tickets assigned but not issued over 180 days old.
 - b. There are 28 cases eligible for warrants.
 - c. There are 51 tickets eligible for dismissal.
2. The analysis of open bail per ATS/ACS reports does not agree with the reconciled cash balance.

RECOMMENDATIONS

Finance/Treasurer

- 1.* That items be encumbered prior to being purchased.
2. All invoices be charged to the correct budget account to which the services were rendered.

Departments

1. Municipal Court - ATS/ACS Monthly Management Report:
 - a. That all tickets that are assigned but not issued over 180 days old be recalled.
 - b. That all cases eligible for warrants be reviewed and issued warrants.
 - c. That all tickets eligible for dismissal be reviewed and dismissed.
2. That the Municipal Court Administrator compare and agree the analysis of open bail per ATS/ACS to the reconciled balance at month end.

BOROUGH OF EDGEWATER

OTHER COMMENTS, (continued)

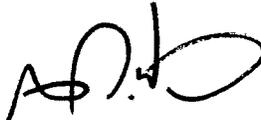
Status of Prior Year Audit Findings/Recommendations

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

Acknowledgment

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

Respectfully submitted



Steven D. Wielkocz
Registered Municipal Accountant
No. CR00413



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

December 29, 2008