

*Report of Audit*

*on the*

*Financial Statements*

*of the*

*City of Linden*

*in the*

*County of Union*  
*New Jersey*

*for the*

*Year Ended*  
*December 31, 2010*



CITY OF LINDEN

I N D E X

	<u>PAGES</u>
<u>PART I</u>	
Independent Auditor's Report	1-2
	<u>EXHIBITS</u>
<u>Financial Statements - Statutory Basis</u>	
<u>Current Fund:</u>	
Balance Sheets - Statutory Basis	"A"
Statements of Operations and Change in Fund Balance - Statutory Basis	"A-1"
Statement of Revenues - Statutory Basis - Year Ended December 31, 2010	"A-2"
Statement of Expenditures - Statutory Basis - Year Ended December 31, 2010	"A-3"
<u>Trust Fund:</u>	
Balance Sheets - Statutory Basis	"B"
<u>Capital Fund:</u>	
Balance Sheets - Statutory Basis	"C"
Statement of Fund Balance - Statutory Basis - Year Ended December 31, 2010	"C-1"
<u>Sanitary Landfill Utility Fund:</u>	
Balance Sheets - Statutory Basis	"D"
Statements of Operations and Change in Operating Fund Balance - Statutory Basis	"D-1"
Statement of Revenues - Statutory Basis - Sanitary Landfill Operating Fund - Year Ended December 31, 2010	"D-2"
Statement of Expenditures - Statutory Basis - Sanitary Landfill Operating Fund - Year Ended December 31, 2010	"D-3"
Statement of Capital Fund Balance - Statutory Basis - Year Ended December 31, 2010	"D-4"
<u>Public Assistance Trust Fund:</u>	
Balance Sheets - Statutory Basis	"E"
<u>General Fixed Asset Account Group:</u>	
Balance Sheets - Statutory Basis	"F"
	<u>PAGES</u>
Notes to Financial Statements	3-25

CITY OF LINDEN

I N D E X (CONTINUED)

Supplementary Schedules - All Funds

EXHIBITS

Current Fund:

Schedule of Cash-Treasurer	"A-4"
Schedule of Cash-Collector	"A-5"
Schedule of Change Fund	"A-6"
Schedule of Tax Penalties Receivable	"A-7"
Schedule of Due State of New Jersey Per Chapter 20, P.L. 1971	"A-8"
Schedule of Taxes Receivable and Analysis of Property Tax Levy	"A-9"
Schedule of Tax Title Liens	"A-10"
Schedule of Grants Receivable	"A-11"
Schedule of Premium on Tax Sale	"A-12"
Schedule of Revenue Accounts Receivable	"A-13"
Schedule of 2009 Appropriation Reserves	"A-14"
Schedule of Due from Library	"A-15"
Schedule of Commitments Payable	"A-16"
Schedule of Prepaid Taxes	"A-17"
Schedule of Tax Overpayments	"A-18"
Schedule of Reserve for Tax Appeals	"A-19"
Schedule of County Taxes Payable	"A-20"
Schedule of Local District School Tax	"A-21"
Schedule of Reserve for Federal, State and Local Grants-Unappropriated	"A-22"
Schedule of Municipal Charges Receivable	"A-23"
Schedule of Street Opening Deposits	"A-24"
Schedule of Reserve for Compensated Absences	"A-25"
Schedule of Reserve for Grants-Appropriated - Grant Fund	"A-26"
Schedule of Due to Special Improvement District	"A-27"
Schedule of Reserve for Sale of Municipal Assets	"A-28"
Schedule of Reserve for Uniform Fire Safety Act	"A-29"

Trust Fund:

Schedule of Cash-Treasurer	"B-1"
Schedule of Cash-Collector	"B-2"
Schedule of Interfunds	"B-3"
Schedule of Reserve for Animal Control Fund Expenditures	"B-4"
Schedule of Deposits for Redemption of Tax Sale Certificates	"B-5"
Schedule of Community Development Block Grants Receivable	"B-6"
Schedule of Reserve for Community Development Block Grants	"B-7"
Schedule of Miscellaneous Reserves	"B-8"
Schedule of Rehabilitation Escrow	"B-9"
Schedule of Reserve for Regional Contribution Agreements	"B-10"
Schedule of Reserve for Sanitary Landfill Closure for Funds Held by Escrow Agent	"B-11"
Schedule of Reserve for Sanitary Landfill Closure	"B-12"
Schedule of Reserve for Neighborhood Preservation - Recaptured Funds	"B-13"
Schedule of Reserve for Regional Contribution - Recaptured Funds	"B-14"

CITY OF LINDEN

I N D E X (CONTINUED)

EXHIBITS

Capital Fund:

Schedule of Cash-Treasurer	"C-2"
Analysis of Cash and Investments	"C-3"
Schedule of Deferred Charges to Future Taxation-Funded	"C-4"
Schedule of Deferred Charges to Future Taxation-Unfunded	"C-5"
Schedule of Infrastructure Loan Payable (Trust Local Unit Bond)	"C-6"
Schedule of Capital Improvement Fund	"C-7"
Schedule of Improvement Authorizations	"C-8"
Schedule of Commitments Payable	"C-9"
Schedule of Green Trust Loan Payable	"C-10"
Schedule of Other Accounts Receivable	"C-11"
Schedule of Bond Anticipation Notes	"C-12"
Schedule of General Serial Bonds	"C-13"
Schedule of Reserve to Pay Serial Bonds	"C-14"
Schedule of Reserve for UCIA Capital Lease	"C-15"
Reserve for Interest on Security Deposits	"C-16"
Reserve for Linden Airport	"C-17"
Schedule of Due to Current Fund	"C-18"
Schedule of New Jersey Infrastructure Financing Receivable	"C-19"
Schedule of New Jersey Infrastructure Financing Loans Payable	"C-20"
Schedule of Reserve for Football Track Stadium	"C-21"
Schedule of Bonds and Notes Authorized But Not Issued	"C-22"

Sanitary Landfill Utility Fund:

Schedule of Cash	"D-5"
Schedule of Appropriation Reserves-Sanitary Landfill Operating Fund	"D-6"
Schedule of Commitments Payable	"D-7"
Schedule of Sanitary Landfill Bond Anticipation Notes	"D-8"
Schedule of Fixed Capital	"D-9"
Schedule of Deferred Reserve for Amortization	"D-10"

Public Assistance Trust Fund:

Schedule of Public Assistance Cash-Treasurer	"E-1"
Schedule of Public Assistance Cash and Reconciliation Per N.J.S.A. 40A:5-5	"E-2"
Schedule of Public Assistance Cash and Reconciliation as of December 31, 2010	"E-3"
Schedule of Public Assistance Revenues for the Year Ended December 31, 2010	"E-4"
Schedule of Public Assistance Expenditures for the Year Ended December 31, 2010	"E-5"

CITY OF LINDEN

I N D E X (CONTINUED)

	<u>PAGES</u>
<u>PART II</u>	
Independent Auditor's 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	26-27
Independent Auditor's Report on Compliance with Requirements Applicable to Major Federal and State Financial Assistance Programs and Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04	28-29
Schedule of Expenditures of Federal Awards-Year Ended December 31, 2010	30-31
Schedule of Expenditures of State Financial Assistance-Year Ended December 31, 2010	32-33
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance-Year Ended December 31, 2010	34
Schedule of Findings and Questioned Costs for the Year Ended December 31, 2010	35-37
Schedule of Prior Year Audit Findings	38
<u>PART III</u>	
Statistical Data	39-43
Officials in Office and Surety Bonds	44-45
Comments and Recommendations	46-51

CITY OF LINDEN

PART I

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES AND DATA

FINANCIAL STATEMENTS - STATUTORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS- STATUTORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2010 AND 2009



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members  
of the City Council  
City of Linden  
County of Union  
Linden, New Jersey 07036

We have audited the accompanying financial statements - statutory basis of the various individual funds and the account group of the City of Linden, County of Union, New Jersey as of and for the years ended December 31, 2010 and 2009 and for the year ended December 31, 2010 as listed as financial statements - statutory basis in the foregoing table of contents. These financial statements - statutory basis are the responsibility of the management of the City of Linden, County of Union. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the City of Linden, County of Union, prepares its financial statements on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U. S. generally accepted accounting principles.

# SUPLEE, CLOONEY & COMPANY

In our opinion, because the City of Linden prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with U. S. generally accepted accounting principles, the financial position of the various individual funds and account group of the City of Linden, County of Union, as of December 31, 2010 and 2009 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2010.

However, in our opinion, the financial statements - statutory basis present fairly, in all material respects, the financial position - statutory basis of the various individual funds and account group of the City of Linden, County of Union, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance - statutory basis for the years then ended and the revenues, expenditures and changes in fund balance - statutory basis for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated May 9, 2011 on our consideration of the City of Linden's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements - statutory basis taken as a whole. The information included in the schedules of expenditures of federal awards and state financial assistance and the other supplementary schedules and data listed in the table of contents is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations," and New Jersey OMB's, Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended for the information of the City of Linden, County of Union, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 9, 2011

**THIS PAGE INTENTIONALLY LEFT BLANK**

CURRENT FUND

"A"

## CITY OF LINDEN

## CURRENT FUND

## BALANCE SHEETS - STATUTORY BASIS

	REF.	BALANCE DECEMBER 31, 2010	BALANCE DECEMBER 31, 2009
<u>A S S E T S</u>			
Cash - Treasurer	A-4	\$ 21,441,365.87	\$ 27,635,586.16
Cash - Change Funds	A-6	1,200.00	1,200.00
		<u>\$ 21,442,565.87</u>	<u>\$ 27,636,786.16</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	\$ 2,778,834.11	\$ 2,661,602.12
Tax Title Liens Receivable	A-10	5,398,986.02	4,776,353.39
Municipal Charges Receivable	A-23	25,272.80	17,308.25
Property Acquired for Taxes-Assessed Valuation		107,542.50	107,542.50
Tax Penalties Receivable	A-7	53,327.44	82,059.25
Revenue Accounts Receivable	A-13	392,260.53	81,127.13
Due From Library	A-15		212,032.01
Due Trust Other Fund	A-4	36,992.67	
Due Sanitary landfill Operating Fund	A-4	358,655.29	145,418.68
	A	<u>\$ 9,151,871.36</u>	<u>\$ 8,083,443.33</u>
		<u>\$ 30,594,437.23</u>	<u>\$ 35,720,229.49</u>
Grant Fund:			
Cash	A-4	\$ 762,139.84	883,320.33
Grants Receivable	A-11	3,158,218.07	3,735,463.48
Due Current Fund	A-4	11,735.33	8,722.31
		<u>\$ 3,932,093.24</u>	<u>\$ 4,627,506.12</u>
		<u>\$ 34,526,530.47</u>	<u>\$ 40,347,735.61</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3:A-14	\$ 4,829,636.99	\$ 3,817,781.14
Due to State of New Jersey Ch. 20, P.L. 1971	A-8	34,977.86	36,387.65
Premium on Tax Sale	A-12	717,250.00	767,700.00
Commitments Payable	A-16	1,261,926.02	1,616,654.51
Prepaid Taxes	A-17	509,391.77	529,307.89
Tax Overpayments	A-18	108,735.25	515,623.92
County Taxes Payable	A-20	10,405.02	15,771.61
Local District School Tax Payable	A-21	591.98	592.00
Street Opening Deposits	A-24	18,102.68	18,102.68
Due to Special Improvement District	A-27	124,730.84	124,329.92
Due Grant Fund Fund	A-4	11,735.33	8,722.31
Due Trust Other Fund	A-4		39,973.91
Due General Capital Fund	A-4	441,500.00	237,800.00
Reserve for:			
Tax Appeals	A-19	3,710,943.85	9,910,987.93
Compensated Absences	A-25	883,461.55	1,879,517.78
Sale of Municipal Assets	A-28	85.26	85.26
Uniform Fire Safety Act	A-29	64,926.75	63,576.06
		<u>\$ 12,728,401.15</u>	<u>\$ 19,582,914.57</u>
Reserve for Receivables and Other Assets	A	9,151,871.36	8,083,443.33
Fund Balance	A-1	8,714,164.72	8,053,871.59
		<u>\$ 30,594,437.23</u>	<u>\$ 35,720,229.49</u>
Grant Fund:			
Commitments Payable	A-16	\$ 978,515.06	671,122.70
Due Trust Other Fund		14,353.00	12,237.00
Grants - Unappropriated	A-22	13,251.00	13,251.00
Grants - Appropriated	A-26	2,925,974.18	3,930,895.42
		<u>3,932,093.24</u>	<u>4,627,506.12</u>
		<u>\$ 34,526,530.47</u>	<u>\$ 40,347,735.61</u>

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

CITY OF LINDEN

CURRENT FUND

STATEMENTS OF OPERATIONS AND  
CHANGE IN FUND BALANCE - STATUTORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2010	YEAR ENDED DECEMBER 31, 2009
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-2	\$ 7,050,000.00	\$ 6,050,000.00
Miscellaneous Revenue Anticipated	A-2	38,012,356.45	39,940,130.07
Receipts from Delinquent Taxes	A-2	2,343,941.71	2,290,851.49
Receipts from Current Taxes	A-2	145,087,474.52	135,253,471.27
Non-Budget Revenue	A-2	1,236,631.91	713,674.72
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	3,132,086.04	4,496,716.38
Interfunds Returned	A	212,032.01	728,043.82
Cancel for Accounts Payable	A-16	692,297.33	
<u>TOTAL INCOME</u>		\$ <u>197,766,819.97</u>	\$ <u>189,472,887.75</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operations Within "CAPS":			
Operating	A-3	\$ 64,916,788.89	\$ 62,994,528.23
Deferred Charges and Statutory Expenditures	A-3	6,295,686.75	6,315,160.84
Operations Excluded From "CAPS":			
Operating	A-3	9,294,107.73	6,747,905.58
Capital Improvements	A-3	125,000.00	125,000.00
Municipal Debt Service	A-3	9,369,717.95	9,491,110.20
County Taxes	A-20	23,684,079.55	23,657,813.48
Due County for Added and Omitted Taxes	A-20	11,580.77	16,947.36
Local District School Tax	A-21	75,984,658.00	72,910,851.00
Special Improvement District	A-27	124,677.92	124,329.92
Interfunds Advanced	A	250,229.28	
		\$ <u>190,056,526.84</u>	\$ <u>182,383,646.61</u>
Excess in Revenue		\$ 7,710,293.13	\$ 7,089,241.14
Fund Balance, January 1	A	8,053,871.59	7,014,630.45
		\$ <u>15,764,164.72</u>	\$ <u>14,103,871.59</u>
Decreased by:			
Utilized as Anticipated Revenue	A-1:A-2	<u>7,050,000.00</u>	<u>6,050,000.00</u>
Balance, December 31	A	\$ <u>8,714,164.72</u>	\$ <u>8,053,871.59</u>

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

CITY OF LINDEN

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
		BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 7,050,000.00		\$ 7,050,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-13	\$ 60,000.00		\$ 56,749.64	\$ (3,250.36)
Other	A-2	147,000.00		117,913.00	(29,087.00)
Fees and Permits:					
Other	A-2	130,000.00		122,616.82	(7,383.18)
Fines:					
Municipal Court	A-13	1,292,000.00		1,146,530.70	(145,469.30)
Interest and Costs on Taxes	A-2	500,000.00		549,638.19	49,638.19
Parking Meters:					
Municipal	A-13	125,000.00		130,241.84	5,241.84
Linden Railroad Station	A-13	350,000.00		385,851.82	35,851.82
Interest on Investments and Deposits	A-13	300,000.00		115,832.95	(184,167.05)
Energy Receipts Tax	A-13	19,909,229.00		19,909,229.00	
Dedicated Uniform Construction Code Fees:					
Construction Code Official	A-13	500,000.00		511,459.00	11,459.00
Intercal Agreement With:					
Borough of Roselle	A-4	33,396.00		11,132.00	(22,264.00)
Linden Board of Education	A-4	14,900.00		14,900.00	
City of Rahway	A-4	37,620.00		34,020.00	(3,600.00)
Township of Winfield	A-4	2,400.00		2,400.00	
Township of Clark	A-4	22,920.00		22,920.00	
City of Elizabeth		7,825.00			(7,825.00)
Public Health Priority Funding	A-11	7,390.00		7,390.00	
Clean Communities Program	A-11	57,930.80		57,930.80	
Safe and Secure Communities Grant	A-11	60,000.00		60,000.00	
Municipal Alliance Grant	A-11	38,987.00		38,987.00	
Self Contained Breathing Apparatus L.F.D.	A-11	180,022.00		180,022.00	
Suburban Cablevision/Comcast of New Jersey Franchise Fees	A-11	98,990.87		98,990.87	
H1N1 Preparedness Grant	A-11	106,030.00		106,030.00	
Edward Byrne Memorial Justice Assistance Grant - ARRA	A-11	18,013.50		18,013.50	
Safe Corridors Grant	A-11	23,000.00		23,000.00	
Body Armor L.P.D.	A-11	3,796.42		3,796.42	
Body Armor L.P.D.	A-11		10,513.75	10,513.75	
Business Stimulus Grant	A-11	7,000.00		7,000.00	
Waste Water Management	A-11	15,000.00		15,000.00	
Beast Machine DPW	A-11	154,500.00		154,500.00	
Click-it or Ticket	A-11	4,000.00		4,000.00	
Drunk Driving Enforcement Fund	A-11		14,988.75	14,988.75	
Over the Limit Under Arrest	A-11		4,400.00	4,400.00	
Airport Plan Study - FAA	A-11		190,000.00	190,000.00	
Airport Plan Study - DOT Match	A-11		5,000.00	5,000.00	
Airport Plan Study - Local Match	A-11		5,000.00	5,000.00	
Year End Statewide Crack Down	A-11		5,000.00	5,000.00	
Uniform Fire Safety Act	A-29	167,095.89		163,436.50	(3,659.39)
Cogen-Host Community Benefit	A-13	1,400,000.00		1,100,369.07	(299,630.93)
Railroad Station Rent	A-13	50,000.00		47,791.51	(2,208.49)
Capital Surplus	A-4	400,000.00		400,000.00	
Airport Rental	A-13	216,000.00		200,750.00	(15,250.00)
Tosco Polypropylene Host Community Benefit	A-13	579,000.00		690,035.13	111,035.13
Reserve for Airport Lease Payment	A-4	1,356,300.00		1,356,300.00	
Hotel Motel Occupancy Tax	A-13	205,000.00		180,541.75	(24,458.25)
Ambulance Billings Fire Department	A-13	325,000.00		358,657.22	33,657.22
Municipal Court Fines - Red Light Camera Revenue	A-13	750,000.00		1,145,571.00	395,571.00
Reimbursement of Costs	A-13	296,180.00		482,973.76	186,793.76
Reserve for Sell Back Sick Days	A-25	900,000.00		900,000.00	
Board of Education Reimbursement Stadium Debt Service	A-13	299,306.25		299,306.25	
Host Community Benefit Safety Clean	A-13	77,000.00		78,882.21	1,882.21
Reserve for Tax Appeals	A-19	6,124,644.00		6,124,644.00	
Cogen-Host Community Benefit	A-13	300,000.00		42,100.00	(257,900.00)
Puregen-Host Community Benefit	A-13	300,000.00		300,000.00	
	A-1	\$ 37,952,476.73	\$ 234,902.50	\$ 38,012,356.45	\$ (175,022.78)
Receipts From Delinquent Taxes	A-1:A-2	\$ 1,500,000.00		\$ 2,343,941.71	\$ 843,941.71
Amount to be Raised by Taxes for Support of Municipal Budget					
Local Tax for Municipal Purposes	A-2:A-9	\$ 48,634,481.95		\$ 49,075,519.48	\$ 441,037.53
<b>BUDGET TOTALS</b>		\$ 95,136,958.68	\$ 234,902.50	\$ 96,481,817.64	\$ 1,109,956.46
Non-Budget Revenues	A-1:A-2			1,236,631.91	1,236,631.91
		\$ 95,136,958.68	\$ 234,902.50	\$ 97,718,449.55	\$ 2,346,588.37
	REF.	A-3	A-3		

CITY OF LINDEN

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

<u>ANALYSIS OF REALIZED REVENUE</u>	<u>REF.</u>		
Allocation of Current Tax Collections:			
Collections on a Cash Basis	A-1:A-9	\$	145,087,474.52
Allocated To:			
School, County and Special District Taxes			<u>99,804,996.24</u>
Amount for Support of Municipal Budget Appropriation		\$	45,282,478.28
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		<u>3,793,041.20</u>
Amount for Support of Municipal Budget Appropriations	A-2	\$	<u><u>49,075,519.48</u></u>
Receipts from Delinquent Taxes:			
Delinquent Tax Collections	A-9	\$	2,338,081.97
Tax Title Liens Collections	A-10		<u>5,859.74</u>
	A-2	\$	<u><u>2,343,941.71</u></u>
Licenses - Other:			
Clerk	A-13	\$	22,623.95
Health Officer	A-13		32,143.05
License Inspector	A-13		<u>63,146.00</u>
	A-2	\$	<u><u>117,913.00</u></u>
Fees and Permits Other:			
Police Department	A-13	\$	58,086.61
Fire Prevention Bureau	A-13		417.00
Fire Department	A-13		29,347.67
Board of Adjustment	A-13		9,950.00
Planning Board	A-13		12,375.00
Tax Search Officer	A-13		80.00
Field Representative of Housing	A-13		<u>12,360.54</u>
	A-2	\$	<u><u>122,616.82</u></u>
Interest and Costs on Taxes:			
Collector	A-5	\$	516,903.03
Tax Penalties Receivable	A-7		<u>32,735.16</u>
	A-2	\$	<u><u>549,638.19</u></u>

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

CITY OF LINDEN

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	<u>REF.</u>		
Analysis of Non-Budget Revenue:			
City Clerk:			
Miscellaneous Sales	A-13	\$	34,388.14
Engineer:			
Miscellaneous Sales	A-13		4,887.34
Purchase Department:			
Miscellaneous Sales	A-13		6,837.89
Fire Department:			
Miscellaneous	A-13		14,390.00
Recreation Department:			
Miscellaneous	A-13		2,624.93
Municipal Court:			
Miscellaneous	A-13		5,199.24
			\$ 68,327.54
Coin Box Collections		\$	110.18
Jury Duty Refunds			95.00
Property Owner Lists			375.50
Auction City Vehicles and Property			133,811.65
Rentals - Cell Towers			66,441.91
Emergency Management			5,000.00
Probation and Judgment Fees			148,692.82
Medco Rebate			203,305.16
Advertising Signs			2,051.69
Partnership for People			4,375.00
Wood Disposal			8,889.12
Reimbursement Traffic Lights			684.94
Marriage by Mayor			15,500.00
Lease of Bus Shelters			3,653.87
Restitution			1,478.94
Department of Public Works-Misc. and Garbage Removal			3,091.10
Union County Fire Training Facility			10,000.00
Election Files			700.00
WC Refunds			56.70
Back flow Prevention			3,310.00
Sewer Connection Fees			48,265.00
Joan's Transportation			11,000.00
Construction Code Zoning			21,195.00
Juvenile Detention Center			60,000.00
DWP Sewer Payments			27,850.30
Clean Earth			161,008.00
Administrative Fee Senior Citizen and Veterans			8,428.16
SAG Lawsuit Settlement			130,000.00
Health Bills			4,492.98
Verizon Franchise Fee			12,231.06
1.5% Employees Deductions			6,594.90
Miscellaneous			21,754.15
	A-4		1,124,443.13
Municipal Charges	A-23		43,861.24
	A-1:A-2	\$	1,236,631.91

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

CITY OF LINDEN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

OPERATIONS WITHIN "CAPS"	APPROPRIATIONS		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		COMMITMENTS PAYABLE	RESERVED	
<b>GENERAL GOVERNMENT</b>						
Administrative and Executive:						
City Council:						
Salaries and Wages	\$ 197,800.00	\$ 197,800.00	\$ 197,728.48	\$	70.52	
Other Expenses	5,900.00	5,900.00	60.00	900.00	4,940.00	
Mayor's Office:						
Salaries and Wages	177,600.00	177,600.00	177,164.68		435.32	
Other Expenses	2,250.00	2,250.00	1,497.88	425.00	327.12	
City Clerk's Office:						
Salaries and Wages	370,400.00	370,400.00	359,000.75		11,399.25	
Other Expenses	23,500.00	23,500.00	2,357.60	3,000.00	18,142.40	
Linden Economic Development Corp.:						
Other Expenses	65,000.00	65,000.00	65,000.00			
Personnel Consultants and Services:						
Other Expenses	55,000.00	55,000.00	23,506.00	675.00	30,819.00	
Affirmative Action Department:						
Salaries and Wages	10,600.00	10,600.00	10,600.00			
Other Expenses	900.00	900.00	140.00		760.00	
Elections:						
Salaries and Wages	9,100.00	9,100.00	5,261.87		3,838.13	
Other Expenses	28,000.00	28,000.00	21,592.41		6,407.59	
Alcoholic Beverage Control Board:						
Salaries and Wages	3,000.00	3,000.00	2,884.44		115.56	
Other Expenses	1,200.00	1,200.00	46.00	168.00	986.00	
Printing and Legal Advertising:						
Other Expenses	25,000.00	25,000.00	20,580.00	24.00	4,396.00	
Codification and Revision of Ordinance:						
Other Expenses	9,200.00	9,200.00	7,744.50		1,455.50	
Purchasing Department:						
Salaries and Wages	229,800.00	229,800.00	229,800.00			
Other Expenses	386,320.00	386,320.00	244,143.93	33,379.07	108,797.00	
Financial Administration:						
Salaries and Wages	621,200.00	611,200.00	600,696.26		10,503.74	
Other Expenses	214,300.00	214,300.00	158,606.98	16,693.15	38,999.87	
Audit Services:						
Other Expenses	77,000.00	77,000.00	74,325.00		2,675.00	
Assessment of Taxes:						
Salaries and Wages	245,100.00	245,100.00	245,077.82		22.18	
Other Expenses	3,200.00	15,200.00	1,465.95	30.00	13,704.05	
Tax Appeals:						
Other Expenses	395,000.00	383,000.00	109,152.79	90,347.21	183,500.00	
Collection of Taxes:						
Salaries and Wages	202,100.00	197,100.00	193,618.54		3,481.46	
Other Expenses	4,700.00	4,700.00	2,339.72		2,360.28	
Legal Services and Costs:						
Salaries and Wages	496,600.00	381,600.00	377,254.88		4,345.12	
Other Expenses	409,100.00	372,100.00	124,226.65	53,250.50	194,622.85	
Municipal Court:						
Salaries and Wages	702,200.00	710,200.00	709,184.36		1,015.64	
Other Expenses	89,400.00	89,400.00	79,621.37	3,018.96	6,759.67	
Public Defender (P.L. 1997, C.256):						
Salaries and Wages	30,600.00	30,600.00	30,600.00			
Engineering Services and Costs:						
Salaries and Wages	485,500.00	457,600.00	454,226.57		3,273.43	
Other Expenses	110,100.00	110,100.00	77,955.96	17,611.41	14,532.63	
Public Buildings and Grounds:						
Salaries and Wages	777,900.00	757,900.00	738,074.95		19,825.05	
Other Expenses	165,600.00	165,600.00	90,663.39	2,882.13	72,034.48	
Linden Railroad Station:						
Salaries and Wages	10,000.00	10,000.00	9,999.62		0.38	
Other Expenses	227,600.00	227,600.00	149,045.46	1,537.13	77,017.41	
Planning Board:						
Salaries and Wages	29,300.00	29,300.00	29,292.12		7.88	
Other Expenses	44,650.00	44,650.00	33,794.80	55.52	10,799.68	
Zoning Commission:						
Salaries and Wages	35,100.00	35,100.00	35,085.96		14.04	
Other Expenses	6,930.00	6,930.00	3,405.63	796.00	2,728.37	
Environmental Commission (N.J.S. 40:56A-1):						
Salaries and Wages	3,000.00	3,000.00	2,275.00		725.00	
Other Expenses	8,100.00	8,100.00	857.58		7,242.42	
Rent Leveling Board:						
Salaries and Wages	10,600.00	10,600.00	10,572.12		27.88	
Other Expenses	350.00	350.00	110.00		240.00	
Shade Tree Commission:						
Salaries and Wages	3,200.00	3,200.00	3,120.00		80.00	
Other Expenses	29,550.00	29,550.00	755.00		28,795.00	
Personnel/Human Relations:						
Salaries and Wages	243,300.00	243,300.00	242,227.70		1,072.30	
Other Expenses	700.00	700.00	370		330.00	
Morse's Creek Commission:						
Share of Costs R.S. 40:14-16 etc.	800.00	800.00			800.00	
Insurance:						
Group Insurance Plan for Employees:						
General Insurance:						
Salaries and Wages	10,600.00	10,600.00	10,572.12		27.88	
Other Expenses	866,350.00	1,066,350.00	818,571.06		247,778.94	
Worker's Compensation	969,000.00	1,294,000.00	1,121,636.71	1,500.00	170,863.29	
Hospital Medical/Surgical Insurance	12,189,620.00	12,189,620.00	12,189,620.00			

CITY OF LINDEN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

OPERATIONS WITHIN "CAPS" (CONTINUED)	APPROPRIATIONS		PAID OR CHARGED	EXPENDED COMMITMENTS		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		PAYABLE	RESERVED	
<b>PUBLIC SAFETY</b>						
Fire Department:						
Salaries and Wages	\$ 11,363,635.00	\$ 11,570,635.00	\$ 11,495,820.44	\$		\$ 74,814.56
Other Expenses	126,850.00	168,850.00	102,115.13	16,939.35		49,795.52
Uniform Fire Safety Act (P.L. 1983-C 383):						
Fire Official:						
Salaries and Wages	167,095.89	167,095.89	167,095.89			
Fire Service Charge (Hydrants):						
Other Expenses	650,000.00	642,300.00	550,500.00	91,750.00		50.00
Police Department:						
Salaries and Wages	12,898,363.00	12,918,363.00	12,833,545.24			84,817.76
Other Expenses	310,200.00	590,200.00	323,149.28	141,423.21		125,627.51
Municipal Garage:						
Salaries and Wages	1,488,400.00	1,488,400.00	1,463,015.36			25,384.64
Other Expenses	1,102,300.00	1,102,300.00	823,495.85	78,834.10		199,970.05
Transportation and Parking Department:						
Salaries and Wages	395,500.00	395,500.00	389,024.58			6,475.42
Other Expenses	123,200.00	123,200.00	84,640.79	14,615.57		23,743.64
Office of Emergency Management:						
Salaries and Wages	93,100.00	78,100.00	70,570.47			7,529.53
Other Expenses	32,900.00	32,900.00	7,652.38	74.85		25,172.79
Sealer of Weights and Measures:						
Salaries and Wages	59,800.00	34,800.00	34,496.55			303.45
Other Expenses	200.00	200.00				200.00
<b>STREETS AND ROADS</b>						
Street & Road Maintenance:						
Salaries & Wages	691,900.00	626,900.00	603,821.28			23,078.72
Other Expenses	29,300.00	21,300.00	17,243.84	2,272.14		1,784.02
Snow Removal:						
Salaries and Wages	300,000.00	300,000.00	212,062.29			87,937.71
Other Expenses	100,000.00	117,000.00	103,818.60	7,745.38		5,438.02
Street Lighting:						
Other Expenses	900,000.00	900,000.00	601,008.14	146,823.03		152,168.83
Other Public Works Functions:						
Salaries & Wages	2,557,800.00	2,068,850.00	2,018,951.89			49,898.31
Other expenses	125,200.00	116,200.00	63,203.49	31,425.49		23,571.02
Solid Waste Collection:						
Salaries & Wages	2,211,300.00	2,670,300.00	2,613,749.02			56,550.98
Other Expenses	1,390,500.00	1,388,500.00	1,190,861.57	4,771.36		192,867.07
<b>HEALTH AND WELFARE</b>						
Board of Health:						
Salaries and Wages	658,800.00	673,975.00	673,206.10			768.90
Other Expenses	72,000.00	72,000.00	47,894.27	3,712.82		20,393.11
PEOSHA:						
Salaries and Wages	3,600.00	3,775.00	3,765.32			9.68
Other Expenses	10,900.00	10,900.00				10,900.00
Services of Visiting Nurses Contract:						
Other Expenses	6,500.00	6,500.00	3,249.96			3,250.04
Dog Regulation:						
Salaries and Wages	78,000.00	87,300.00	86,990.56			309.44
Department of Community Service:						
Salaries and Wages	98,300.00	98,300.00	98,226.96			73.04
Other Expenses	2,125.00	2,125.00	884.80			1,240.20
Mental Health Program (N.J.S.A. 40:5-2.9):						
Other Expenses	5,000.00	5,000.00	2,500.00			2,500.00
Occupational Center of Union County Inc. (R.S. 40:48-9.4A):						
Other Expenses	7,000.00	7,000.00		7,000.00		
<b>RECREATION AND EDUCATION</b>						
Recreation Services and Programs:						
Salaries and Wages	1,058,200.00	1,019,200.00	993,925.29			25,274.71
Other Expenses	137,000.00	137,000.00	94,261.18	2,433.00		40,305.82
Maintenance of Parks:						
Salaries and Wages	885,800.00	855,800.00	824,474.44			31,325.56
Other Expenses	52,000.00	52,000.00	48,581.39	48.43		3,370.18
Celebration of Public Holiday:						
Other Expenses	6,000.00	6,000.00	4,000.00			2,000.00
<b>CONSTRUCTION CODE</b>						
Construction Code Department:						
Salaries and Wages	654,200.00	574,200.00	558,931.06			15,268.94
Other Expenses	243,750.00	243,750.00	223,675.50			20,074.50
<b>UNCLASSIFIED</b>						
Linden Airport:						
Other Expenses	4,000.00	4,000.00				4,000.00
Appraisal of Property:						
Other Expenses	10,000.00	10,000.00				10,000.00
Salary Adjustments Account:						
Salaries and Wages	600,000.00					
Sick Leave Pay:						
Salaries and Wages	25,000.00	25,000.00	25,000.00			
Back Sick Time:						
Salaries and Wages	25,000.00	25,000.00	25,000.00			
Electric:						
Other Expenses	906,300.00	906,300.00	697,231.32			209,068.68
Gas:						
Other Expenses	306,000.00	306,000.00	92,918.57	17,296.53		195,784.90

CITY OF LINDEN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

OPERATIONS EXCLUDED FROM "CAPS"	APPROPRIATIONS		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		COMMITMENTS PAYABLE	RESERVED	
Linden Roselle Sewerage Authority (40A 14A-9)						
Share of Costs	\$ 20,000.00	\$ 20,000.00	\$ 11,025.00	\$	\$ 8,975.00	\$
Maintenance of Free Public Library	2,192,079.00	2,192,079.00	2,192,079.00			
Central Dispatch-9-1-1						
Salaries and Wages	710,900.00	710,900.00	692,978.49		17,921.51	
Other Expenses	522,450.00	522,450.00	409,506.66	23,730.09	89,213.25	
School Board Elections (N J S A 19.60-12)						
Salaries and Wages	1,500.00	1,500.00	500.00		1,000.00	
Other Expenses	150.00	150.00			150.00	
Fair Share housing Act - Implementation						
Other Expenses	17,600.00	17,600.00			17,600.00	
Insurance (N J S A 40A.4-45 3(00))						
Hospital Medical Surgical Dental Prescription Vision	1,206,080.00	1,206,080.00	385,491.37	67,891.84	752,696.79	
Police & Firemen's retirement System of NJ	2,669,877.66	2,669,877.66	2,669,877.66			
Public Employees Retirement System	769,846.98	769,846.98	769,846.98			
Interlocal Agreement with the Borough of Roselle						
Dog Regulation						
Salaries and Wages	33,396.00	33,396.00	23,536.60		9,859.40	
Interlocal Agreement with the Township of Clark						
Dog Regulation						
Salaries and Wages	22,920.00	22,920.00	22,395.70		524.30	
Interlocal Agreement with the Board of Education						
Board of Health						
Salaries and Wages	14,900.00	14,900.00	14,900.00			
Interlocal Agreement with the City of Elizabeth Traffic Signal Maintenance						
Other Expenses	7,825.00	7,825.00			7,825.00	
interlocal Agreement with the City of Rahway						
Salaries and Wages	10,000.00	10,000.00	9,946.93		53.07	
Other Expenses	27,620.00	27,620.00	3,937.50	462.50	23,220.00	
Interlocal Agreement with the Township of Winfield						
Salaries and Wages	2,400.00	2,400.00	2,299.15		100.85	
Municipal Alliance on Alcoholism and Drug Abuse						
State Grant	38,987.00	38,987.00	38,987.00			
Safe Corridors Grant	23,000.00	23,000.00	23,000.00			
Public Health Priority Funding	7,390.00	7,390.00	7,390.00			
Matching Funds for Grants	55,000.00	55,000.00	36,148.00		18,852.00	
Clean Communities	57,930.80	57,930.80	57,930.80			
Suburban Cablevision/Comcast of New Jersey	98,990.87	98,990.87	98,990.87			
H1N1 Preparedness Grant	106,030.00	106,030.00	106,030.00			
Waste Water Management	15,000.00	15,000.00	15,000.00			
Beast Machine DPW	154,500.00	154,500.00	154,500.00			
Safe and Secure Communities Grant	60,000.00	60,000.00	60,000.00			
Edward Byrne Memorial (JAG) Grant	18,013.50	18,013.50	18,013.50			
Self Contained Breathing Apparatus L F D	180,022.00	180,022.00	180,022.00			
Click-It or Ticket	4,000.00	4,000.00	4,000.00			
Body Armor LPD	3,796.42	3,796.42	3,796.42			
Business Stimulus Grant	7,000.00	7,000.00	7,000.00			
Drunk Driving Enforcement Fund (N J S A 40A:4-87 +14,988.75)		14,988.75	14,988.75			
Over the Limit Under Arrest NJDL&PS Div Traffic Safety (N J S A 40A:4-87 +4,400.00)		4,400.00	4,400.00			
Body Armor LPD (N J S A 40A:4-87 +10,513.75)		10,513.75	10,513.75			
Year End Statewide Crack Down NJDL&PS Div Traffic Safety (N J S A 40A:4-87 +5,000.00)		5,000.00	5,000.00			
Airport Plan Study (N J S A 40A:4-87 +200,000.00)		200,000.00	200,000.00			
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>\$ 9,059,205.23</b>	<b>\$ 9,294,107.73</b>	<b>\$ 8,254,032.13</b>	<b>\$ 92,084.43</b>	<b>\$ 947,991.17</b>	<b>\$</b>
<b>CAPITAL IMPROVEMENTS</b>						
Capital Improvement Fund	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$	\$	\$

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

CITY OF LINDEN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		COMMITMENTS PAYABLE	RESERVED	
<b>MUNICIPAL DEBT SERVICE</b>						
Payment of Bond Principal	\$ 2,000,000.00	\$ 2,000,000.00	\$ 1,925,000.00	\$	\$	75,000.00
Payment of Bond Anticipation Notes and Capital Notes	415,000.00	415,000.00				415,000.00
Interest on Bonds	1,200,000.00	1,200,000.00	839,912.00			360,088.00
Interest on Notes	250,000.00	250,000.00	203,700.00			46,300.00
Green Trust Loan Program						
Estimated Loan Repayment for Principal and Interest N J E D A Loan	150,000.00	150,000.00	127,322.53			22,677.47
Estimated Loan Repayment for Principal and Interest	35,000.00	35,000.00	20,670.00			14,330.00
NJ Environmental Infrastructure Loans	1,300,000.00	1,300,000.00	1,200,452.74			99,547.26
Capital Lease Program (UCIA)	3,984,000.00	3,984,000.00	3,696,239.18			287,760.82
Capital Lease Program-Airport (1998)	1,400,000.00	1,400,000.00	1,356,421.50			43,578.50
<b>TOTAL MUNICIPAL DEBT SERVICE</b>	<b>\$ 10,734,000.00</b>	<b>\$ 10,734,000.00</b>	<b>\$ 9,369,717.95</b>	<b>\$</b>	<b>\$</b>	<b>1,364,282.05</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>\$ 19,918,205.23</b>	<b>\$ 20,153,107.73</b>	<b>\$ 17,748,750.08</b>	<b>\$ 92,084.43</b>	<b>\$ 947,991.17</b>	<b>\$ 1,364,282.05</b>
<b>SUB-TOTAL GENERAL APPROPRIATIONS RESERVE FOR UNCOLLECTED TAXES</b>	<b>\$ 91,343,917.48</b>	<b>\$ 91,578,819.98</b>	<b>\$ 84,272,532.76</b>	<b>\$ 899,131.57</b>	<b>\$ 4,829,636.99</b>	<b>\$ 1,577,518.66</b>
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 95,136,958.68</b>	<b>\$ 95,371,861.18</b>	<b>\$ 88,065,573.96</b>	<b>\$ 899,131.57</b>	<b>\$ 4,829,636.99</b>	<b>\$ 1,577,518.66</b>
<b>REF</b>	<b>A-2</b>		<b>A-1</b>	<b>A-16 A-1</b>	<b>A A-1</b>	
Appropriation By						
40A 4-87	A-2	\$ 234,902.50				
Budget	A-3	95,136,958.68				
		\$ 95,371,861.18				
Disbursed	A-4		\$ 83,176,821.67			
Matching Funds for Grants	A-4, A-26		36,148.00			
Reserve for						
Uncollected Taxes	A-2		3,793,041.20			
Compensated Absences	A-25		50,000.00			
Federal and State Grants	A-26		1,009,563.09			
			\$ 88,065,573.96			

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

TRUST FUND

"B"

CITY OF LINDEN

TRUST FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	B-1	\$ <u>20,988.32</u>	\$ <u>14,101.15</u>
Other Funds:			
Cash - Treasurer	B-1	\$ 3,447,104.63	\$ 5,054,684.19
Cash - Collector	B-2	132,861.67	50,367.91
Cash With Escrow Agent	B-11	685,500.01	1,591,474.69
Due Current Fund	B-3		39,973.91
Due Grant Fund	B-3	14,353.00	12,237.00
Due From Library	B-1		123,172.24
Community Development Block Grants Receivable	B-6	1,329,534.16	805,351.82
		\$ <u>5,609,353.47</u>	\$ <u>7,677,261.76</u>
		\$ <u>5,630,341.79</u>	\$ <u>7,691,362.91</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Expenditures	B-4	\$ <u>20,988.32</u>	\$ <u>14,101.15</u>
		\$ <u>20,988.32</u>	\$ <u>14,101.15</u>
Other Funds:			
Due Current Fund	B-3	\$ 36,992.67	\$
Due General Capital Fund	B-3	5,331.43	
Deposits for Redemption of Tax Sale Certificates	B-5	132,861.67	50,367.91
Due County of Union	B-7	29.73	
Reserve For:			
Community Development Block Grants	B-7	1,139,716.10	877,351.82
Miscellaneous Deposits	B-8	3,060,383.44	5,117,644.54
Rehabilitation Escrow	B-9	129,441.44	96,112.30
Regional Contribution Agreements	B-10	133,469.71	133,304.64
Sanitary Landfill Closure	B-12	685,500.01	896,939.15
Recaptured Funds	B-13	63,002.69	229,024.94
Regional Contribution Recaptured Funds	B-14	222,624.58	276,516.46
		\$ <u>5,609,353.47</u>	\$ <u>7,677,261.76</u>
		\$ <u>5,630,341.79</u>	\$ <u>7,691,362.91</u>

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

GENERAL CAPITAL FUND

CITY OF LINDEN

CAPITAL FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>
<u>A S S E T S</u>			
Cash	C-2	\$ 2,858,510.59	\$ 3,862,729.24
Deferred Charges to Future Taxation:			
Funded	C-4	33,330,107.18	36,271,696.78
Unfunded	C-5	23,153,583.96	21,363,805.96
Other Accounts Receivable	C-11	3,030,205.38	2,107,934.74
New Jersey Infrastructure Financing Receivable	C-19	3,366,185.00	4,518,182.00
Due Current Fund	C-18	441,500.00	237,800.00
Due Trust Fund	C-2	5,331.43	
		<u>\$ 66,185,423.54</u>	<u>\$ 68,362,148.72</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
		\$	\$
Green Trust Loan Payable	C-10	1,307,010.63	1,406,695.20
General Serial Bonds	C-13	18,131,000.00	20,074,000.00
New Jersey Infrastructure Loans Payable	C-20	13,833,596.55	14,713,001.58
Bond Anticipation Notes	C-12	12,575,000.00	10,500,000.00
Due Union County Improvement Authority		2,286.81	2,286.81
Municipal and County Infrastructure Loan -			
Trust Local Unit Bond	C-6	58,500.00	78,000.00
Capital Improvement Fund	C-7	605,470.66	566,117.66
Improvement Authorizations:			
Funded	C-8	2,530,419.38	2,589,496.07
Unfunded	C-8	7,331,808.56	6,867,336.92
Commitments Payable	C-9	5,870,933.38	6,065,427.75
Reserve to Pay Serial Bonds	C-14	18,218.89	18,218.89
Reserve for UCIA Capital Lease	C-15	42,402.85	42,402.85
Reserve for Security Deposits	C-16	16,690.42	16,682.05
Reserve for Linden Airport	C-17	3,322,865.35	4,679,165.35
Reserve for Football Track Stadium	C-21	293,658.64	306,662.49
Accrued Interest on Bond Sale	C-2	2,468.62	
Fund Balance	C-1	243,092.80	436,655.10
		<u>\$ 66,185,423.54</u>	<u>\$ 68,362,148.72</u>

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

CITY OF LINDEN

CAPITAL FUND

STATEMENT OF FUND BALANCE - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	436,655.10
Increased by:			
Premium on Bond Sale	C-2	\$	63,386.60
Premium on Note Sale	C-2		<u>143,051.10</u>
			<u>206,437.70</u>
			643,092.80
Decreased by:			
Payment to Current Fund as Anticipated Revenue	C-2		<u>400,000.00</u>
Balance, December 31, 2010	C	\$	<u><u>243,092.80</u></u>

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

SANITARY LANDFILL UTILITY FUND

"D"

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>
<u>ASSETS</u>			
Operating Fund:			
Cash	D-5	\$ <u>805,927.60</u>	\$ <u>460,291.06</u>
Capital Fund:			
Cash	D-5	\$ 5,129.52	5,129.52
Fixed Capital	D-9	<u>2,019,000.00</u>	<u>2,019,000.00</u>
Total Capital Fund		\$ <u>2,024,129.52</u>	\$ <u>2,024,129.52</u>
		\$ <u><u>2,830,057.12</u></u>	\$ <u><u>2,484,420.58</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3:D-6	\$ 289,287.42	\$ 142,460.26
Commitments Payable	D-7	157,583.69	172,010.92
Due Current Fund	D-5	358,655.29	145,418.68
Tax Escrow		2.88	2.88
		\$ <u>805,529.28</u>	\$ <u>459,892.74</u>
Fund Balance	D-1	<u>398.32</u>	<u>398.32</u>
Total Operating Fund		\$ <u>805,927.60</u>	\$ <u>460,291.06</u>
Capital Fund:			
Bond Anticipation Note Payable	D-8	\$ 1,599,000.00	\$ 1,704,000.00
Deferred Reserve for Amortization	D-10	420,000.00	315,000.00
Fund Balance	D-4	<u>5,129.52</u>	<u>5,129.52</u>
Total Capital Fund		\$ <u>2,024,129.52</u>	\$ <u>2,024,129.52</u>
		\$ <u><u>2,830,057.12</u></u>	\$ <u><u>2,484,420.58</u></u>

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

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

STATEMENTS OF OPERATIONS  
AND CHANGE IN OPERATING FUND BALANCE - STATUTORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2009</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-2	\$	\$ 95.00
Miscellaneous Revenue Anticipated	D-2	2,000.00	26,965.00
Miscellaneous Revenue	D-2	62.85	125.82
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-6	141,036.56	121,760.43
Cancel Commitments Payable	D-7	<u>21,025.20</u>	<u>                    </u>
<u>TOTAL INCOME</u>		\$ <u>164,124.61</u>	\$ <u>148,946.25</u>
<u>EXPENDITURES</u>			
Operating	D-3	\$ 717,700.00	\$ 670,889.00
Debt Service	D-3	<u>135,888.00</u>	<u>158,467.57</u>
<u>TOTAL EXPENDITURES</u>		\$ <u>853,588.00</u>	\$ <u>829,356.57</u>
Deficit in Revenue		\$ 689,463.39	\$ 680,410.32
Adjustments to Income Before Fund Balance:			
Realized from General budget for Anticipated Deficit	D-2	<u>689,463.39</u>	<u>680,410.32</u>
Statutory Excess to Fund Balance		\$	\$
Fund Balance, January 1	D	<u>398.32</u>	<u>493.32</u>
		\$ <u>398.32</u>	\$ <u>493.32</u>
Decreased by:			
Utilized by Sanitary Landfill Utility Budget		<u>                    </u>	<u>95.00</u>
Fund Balance, December 31	D	\$ <u><u>398.32</u></u>	\$ <u><u>398.32</u></u>

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

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

SANITARY LANDFILL OPERATING FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	<u>REF.</u>	<u>ANTICIPATED BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Deficit (General Budget)	D-5	\$ 902,700.00	\$ 689,463.39	\$ (213,236.61)
Reserve for Escrow	D-5	<u>2,000.00</u>	<u>2,000.00</u>	<u>                    </u>
		\$ <u>904,700.00</u>	\$ <u>691,463.39</u>	\$ <u>(213,236.61)</u>
Non-Budget Revenue	D-5	\$ <u>                    </u>	\$ <u>62.85</u>	\$ <u>125.82</u>
		\$ <u><u>904,700.00</u></u>	\$ <u><u>691,526.24</u></u>	\$ <u><u>(213,110.79)</u></u>
	<u>REF.</u>	D-3	D1;D-5	

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

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

SANITARY LANDFILL OPERATING FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	COMMITMENTS PAYABLE	BALANCE CANCELED
				RESERVED	
Operating:					
Salaries and Wages	\$ 243,100.00	\$ 243,100.00	\$ 205,108.90	\$ 37,991.10	\$
Other Expenses	474,600.00	474,600.00	183,601.58	251,296.32	
<b>TOTAL OPERATING</b>	<b>\$ 717,700.00</b>	<b>\$ 717,700.00</b>	<b>\$ 388,710.48</b>	<b>\$ 39,702.10</b>	<b>\$ 289,287.42</b>
Debt Service:					
Payment of Bond Anticipation Notes and Capital Notes	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$	\$ 51,112.00
Interest on Notes	82,000.00	82,000.00	30,888.00		
<b>TOTAL DEBT SERVICE</b>	<b>\$ 187,000.00</b>	<b>\$ 187,000.00</b>	<b>\$ 135,888.00</b>	<b>\$</b>	<b>\$ 51,112.00</b>
<b>TOTAL SANITARY LANDFILL APPROPRIATIONS</b>	<b>\$ 904,700.00</b>	<b>\$ 904,700.00</b>	<b>\$ 524,598.48</b>	<b>\$ 39,702.10</b>	<b>\$ 289,287.42</b>

REF. D-2 D-1: D-5 D-1: D-7 D:D-1

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

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

STATEMENT OF CAPITAL FUND BALANCE - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

REF.

Balance December 31, 2009 and December 31, 2010	D	\$ <u><u>5,129.52</u></u>
--	---	---------------------------

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

PUBLIC ASSISTANCE TRUST FUND

CITY OF LINDEN

PUBLIC ASSISTANCE TRUST FUND

BALANCE SHEETS - STATUTORY BASIS

	REF.	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>ASSETS</u>			
State Aid Receivable	E-1	\$ <u>27,852.49</u>	\$ <u>36,831.36</u>
<u>LIABILITIES</u>			
Cash Deficit	E-1	\$ 13,746.40	\$ 22,742.71
Reserve for Public Assistance		<u>14,106.09</u>	<u>14,088.65</u>
		\$ <u>27,852.49</u>	\$ <u>36,831.36</u>

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

GENERAL FIXED ASSET ACCOUNT GROUP

"F"

CITY OF LINDEN

GENERAL FIXED ASSET ACCOUNT GROUP

BALANCE SHEETS - STATUTORY BASIS

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>Fixed Assets:</u>		
Buildings	\$ 31,410,755.65 \$	14,378,729.36
Machinery and Equipment	23,630,696.53	23,016,800.81
Land	<u>89,014,364.50</u>	<u>89,078,764.50</u>
<u>TOTAL FIXED ASSETS</u>	\$ <u>144,055,816.68</u> \$	<u>126,474,294.67</u>
<u>Reserve:</u>		
Investments in General Fixed Assets	\$ <u>144,055,816.68</u> \$	<u>126,474,294.67</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF LINDEN

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Except as noted below, the financial statements of the City of Linden include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City of Linden, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the City of Linden do not include the operations of the municipal library and local school district, inasmuch as its activities are administered by a separate board.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the City of Linden conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the City of Linden are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services the City accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Sanitary Landfill Utility Operating and Capital Fund – account for the operations and acquisition of capital facilities of the City owned sanitary landfill.

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the City pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that has been acquired by other governmental funds.

C. Basis of Accounting

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

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the City's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the City, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the City's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding fiscal year.

Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - the proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds - Interfunds receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfunds receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the City as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$1,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

The City has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the City's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

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

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

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The City presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The City considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a saving bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statute also requires public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank 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.

The City of Linden had the following cash and cash equivalents at December 31, 2010:

<u>FUND</u>	<u>CASH IN BANK</u>	<u>STATE OF NEW JERSEY CASH MANAGEMENT FUND</u>	<u>CASH HELD BY ESCROW AGENT</u>	<u>CHANGE FUND</u>	<u>TOTAL</u>
Current Fund	\$ 21,359,089.43	\$ 82,276.44	\$	\$ 1,200.00	\$ 21,442,565.87
Grant Fund	762,139.84				\$762,139.84
Animal Control Trust Fund	20,988.32				20,988.32
Public Assistance Trust Fund	(13,746.40)				(13,746.40)
Trust Other Fund	3,579,966.30		685,500.01		4,265,466.31
General Capital Fund	2,780,530.59	77,980.00			2,858,510.59
Sanitary Landfill Utility Operating Fund	805,927.60				805,927.60
Sanitary Landfill Utility Capital Fund	5,129.52				5,129.52
Total December 31, 2010	\$ <u>29,300,025.20</u>	\$ <u>160,256.44</u>	\$ <u>685,500.01</u>	\$ <u>1,200.00</u>	\$ <u>\$30,146,981.65</u>

Based upon GASB criteria, the City considers change funds; cash in bank, investment in certificates of deposits as cash and cash equivalents. Of the cash on balance in the bank of \$30,145,781.65, \$1,304,478.12 was covered by Federal Depository Insurance and \$28,681,047.09 was covered under the provision of NJGUDPA and \$160,256.44 was on deposit with the New Jersey Cash Management Fund.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The City does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute. As of December 31, 2010, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial risk. The New Jersey Cash Management Fund is an investment pool and is not insured by either FDIC or GUDPA.

B. Investments

The purchase of investments by the City is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.

Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 *et seq.*, and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is local;
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. A master repurchase agreement providing for the custody and security of collateral is executed.

The City of Linden investment activities during the year were in accordance with the above New Jersey Statute.

As of December 31, 2010, the City had \$160,256.44 on deposit with the State of New Jersey Cash Management Fund. Based upon the limitation set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the City is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the City are general obligation bonds, backed by the full faith and credit of the City. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds. A summary of bond, note and loan transactions for the year ended December 31, 2010 are detailed on Exhibits "C-6", "C-10", "C-12", "C-13", "C-20" and "D-8".

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT  
AND OPERATING DEBT AND TYPE II SCHOOL DEBT)

	<u>YEAR 2010</u>	<u>YEAR 2009</u>	<u>YEAR 2008</u>
Issued:			
General:			
Bonds and Notes	\$ 30,706,000.00	\$ 30,574,000.00	\$ 29,769,000.00
Bonds and Notes Guaranteed by the City	43,955,000.00	44,550,000.00	46,295,000.00
Loans	<u>15,199,107.18</u>	<u>16,197,696.78</u>	<u>15,339,579.45</u>
	\$ <u>89,860,107.18</u>	\$ <u>91,321,696.78</u>	\$ <u>91,403,579.45</u>
Sanitary Landfill:			
Bonds and Notes	<u>1,599,000.00</u>	<u>1,704,000.00</u>	<u>1,809,000.00</u>
	\$ <u>91,459,107.18</u>	\$ <u>93,025,696.78</u>	\$ <u>93,212,579.45</u>
Less:			
Funds Temporarily Held to Pay Bonds		256,481.89	71,218.89
Refunding Bonds	3,515,000.00	3,515,000.00	3,515,000.00
Bonds Issued by Another Public Body	<u>43,955,000.00</u>	<u>44,550,000.00</u>	<u>46,295,000.00</u>
Total Deductions	\$ <u>47,470,000.00</u>	\$ <u>48,321,481.89</u>	\$ <u>49,881,218.89</u>
Net Debt Issued	\$ <u>43,989,107.18</u>	\$ <u>44,704,214.89</u>	\$ <u>43,331,360.56</u>
Authorized But Not Issued:			
Bonds and Notes	\$ 10,578,583.96	\$ 11,102,068.96	\$ 11,999,615.96
Bonds Guaranteed by the City	<u>60,000.00</u>	<u>60,000.00</u>	<u>60,000.00</u>
	\$ 10,638,583.96	\$ 11,162,068.96	\$ 12,059,615.96
Less:			
Bonds Authorized by Another Public Body	<u>60,000.00</u>	<u>60,000.00</u>	<u>60,000.00</u>
Net Authorized But Not Issued	\$ <u>10,578,583.96</u>	\$ <u>11,102,068.96</u>	\$ <u>11,999,615.96</u>
Net Bonds and Notes Issued and Authorized But Not Issued	\$ <u><u>54,567,691.14</u></u>	\$ <u><u>55,806,283.85</u></u>	\$ <u><u>55,330,976.52</u></u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION-  
ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement as amended and indicates a statutory net debt of .88%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Utility Debt	\$ 1,599,000.00		\$ 1,599,000.00
General Debt	<u>100,38,691.14</u>	<u>\$47,470,000.00</u>	<u>52,968,691.14</u>
	<u>\$102,137,691.14</u>	<u>\$47,470,000.00</u>	<u>\$54,567,691.14</u>

NET DEBT \$54,567,691.14 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.40A:2-2 AS AMENDED \$6,155,059,421.67 EQUALS .88%.

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31 2010	\$6,155,059,421.67
3-1/2% of Equalized Valuation Basis	215,427,079.76
Net Debt	<u>54,567,691.14</u>
Remaining Borrowing Power	<u>\$160,859,388.62</u>

\*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the City for the last three (3) preceding years.

CALCULATION OF "SELF-LIQUIDATING PURPOSE"  
SANITARY LANDFILL UTILITY UNDER N.J.S.A. 40A:2-45

Fund Balance Anticipated and Cash Receipts from Fees, Rents or other	
Charges for Year	\$2,000.00
Deductions	
Operating and Maintenance Cost	\$717,700.00
Debt Service	<u>135,888.00</u>
	<u>853,588.00</u>
Deficit in Revenue - Not Self-Liquidating	<u>(\$851,588.00)</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2010

CALENDAR YEAR	GENERAL		TOTAL
	PRINCIPAL	INTEREST	
2011	\$ 2,195,000.00	\$ 845,205.61	\$ 3,040,205.61
2012	2,180,000.00	644,770.00	2,824,770.00
2013	2,230,000.00	571,018.50	2,801,018.50
2014	2,305,000.00	491,477.50	2,796,477.50
2015	2,366,000.00	404,044.75	2,770,044.75
2016	1,425,000.00	324,487.00	1,749,487.00
2017	1,500,000.00	266,466.00	1,766,466.00
2018	1,140,000.00	205,448.50	1,345,448.50
2019	220,000.00	157,332.00	377,332.00
2020	260,000.00	143,820.00	403,820.00
2021	295,000.00	128,196.75	423,196.75
2022	60,000.00	118,107.50	178,107.50
2023	75,000.00	114,091.25	189,091.25
2024	95,000.00	109,033.75	204,033.75
2025	115,000.00	102,786.25	217,786.25
2026	135,000.00	95,348.75	230,348.75
2027	155,000.00	86,721.25	241,721.25
2028	175,000.00	76,903.75	251,903.75
2029	190,000.00	66,045.00	256,045.00
2030	220,000.00	53,847.50	273,847.50
2031	240,000.00	40,162.50	280,162.50
2032	265,000.00	25,138.75	290,138.75
2033	290,000.00	8,627.50	298,627.50
	\$ <u>18,131,000.00</u>	\$ <u>5,079,080.36</u>	\$ <u>23,210,080.36</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

The General Improvement and Refunding Bonds are comprised of the following issues:

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2010</u>
\$9,098,000.00 in General Obligation Bonds dated January 15, 2001, due in a remaining annual installment of \$740,000.00 due on January 15, 2011 with interest at 4.40%	\$740,000.00
\$5,000,000.00 in General Obligation Bonds dated December 15, 2002, due in remaining annual installments ranging between \$360,000.00 and \$370,000.00 beginning October 15, 2011 and ending October 15, 2017 with interest from 3.75% to 4.20%	2,560,000.00
\$3,515,000.00 in General Obligation Refunding Bonds dated April 1, 2003, due in remaining annual installments ranging between \$60,000.00 and \$290,000.00 beginning April 1, 2013 and ending April 1, 2033 with interest from 5.63% to 5.95%	3,515,000.00
\$2,286,000.00 in General Obligation Bonds dated December 1, 2004, due in remaining annual installments ranging between \$225,000.00 and \$251,000.00 beginning December 1, 2011 and ending December 1, 2015 with interest from 3.25% to 3.50%	1,176,000.00
\$9,500,000.00 in General Obligation Bonds dated December 1, 2006, due in remaining annual installments ranging between 850,000.00 and \$950,000.00 beginning December 1, 2011 and ending December 1, 2015 with interest from 3.75% to 3.85%	7,200,000.00
\$2,940,000.00 in General Obligation Refunding Bonds dated August 1, 2011, due in remaining annual installments ranging between \$20,000.00 and \$745,000.00 beginning December 1, 2011 and ending December 1, 2015 with interest from 2.00% to 4.00%	<u>2,940,000.00</u>
Total	<u><u>\$18,131,000.00</u></u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR GREEN TRUST LOAN PROGRAM

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011 \$	101,688.25	\$ 25,634.31	\$ 127,322.56
2012	103,732.17	23,590.39	127,322.56
2013	105,817.21	21,505.35	127,322.56
2014	98,570.02	19,425.07	117,995.09
2015	100,551.26	17,443.80	117,995.06
2016	79,536.49	15,537.34	95,073.83
2017	81,135.18	13,938.65	95,073.83
2018	82,766.00	12,307.82	95,073.82
2019	84,429.59	10,644.23	95,073.82
2020	86,126.64	8,947.20	95,073.84
2021	87,857.77	7,216.06	95,073.83
2022	89,623.70	5,450.11	95,073.81
2023	59,504.85	3,807.49	63,312.34
2024	60,700.89	2,611.45	63,312.34
2025	41,711.44	1,391.34	43,102.78
2026	16,255.42	755.05	17,010.47
2027	10,640.55	487.13	11,127.68
2028	10,854.42	273.26	11,127.68
2029	5,508.75	55.09	5,563.84
	<u>\$ 1,307,010.60</u>	<u>\$ 191,021.14</u>	<u>\$ 1,498,031.74</u>

SCHEDULE OF ANNUAL SERVICE OF NEW JERSEY  
ECONOMIC AUTHORITY- LOCAL UNIT BONDS

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011 \$	19,500.00	\$ 877.50	\$ 20,377.50
2012	19,500.00	585.00	20,085.00
2013	<u>19,500.00</u>	<u>292.50</u>	<u>19,792.50</u>
	<u>\$ 58,500.00</u>	<u>\$ 1,755.00</u>	<u>\$ 60,255.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL  
AND INTEREST FOR NEW JERSEY ENVIRONMENTAL  
INFRASTRUCTURE LOAN

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$ 939,757.28	\$ 342,226.26	\$ 1,281,983.54
2012	968,508.83	321,476.26	1,289,985.09
2013	993,913.77	300,506.26	1,294,420.03
2014	1,005,174.78	276,453.13	1,281,627.91
2015	1,017,683.78	254,170.00	1,271,853.78
2016	1,054,996.33	233,320.00	1,288,316.33
2017	1,066,654.59	210,920.00	1,277,574.59
2018	1,097,660.64	185,270.00	1,282,930.64
2019	1,114,471.84	157,832.50	1,272,304.34
2020	1,139,097.93	130,432.50	1,269,530.43
2021	1,171,166.45	101,307.50	1,272,473.95
2022	1,198,772.44	69,801.25	1,268,573.69
2023	285,796.26	37,107.50	322,903.76
2024	299,589.43	30,520.00	330,109.43
2025	179,518.45	21,500.00	201,018.45
2026	184,742.13	13,950.00	198,692.13
2027	116,091.62	5,950.00	122,041.62
	<u>\$ 13,833,596.55</u>	<u>\$ 2,692,743.16</u>	<u>\$ 16,526,339.71</u>

BOND ANTICIPATION NOTES

Outstanding Bond Anticipation Notes are summarized as follows:

	<u>INTEREST RATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>AMOUNT</u>
General Capital Fund	1.50%	May 29, 2008	\$ 7,528,500.00
	1.50%	May 28, 2009	2,733,000.00
	1.50%	May 29, 2010	2,313,500.00
Sanitary Landfill Utility Capital Fund	1.50%	May 29, 2004	<u>1,599,000.00</u>
			<u>\$14,174,000.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2010, which were appropriated and included as anticipated revenue in their own respective fund for the year ending December 31, 2011, are as follows:

Current Fund	<u>\$8,050,000.00</u>
--------------	-----------------------

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The City bills and collects its own property taxes and also the taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. City property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the City's Current Fund.

Taxes collected in advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	<u>BALANCE DECEMBER 31, 2010</u>	<u>BALANCE DECEMBER 31, 2009</u>
Prepaid Taxes	<u>\$509,391.77</u>	<u>\$529,307.89</u>

NOTE 6: PENSION PLANS

City employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employee's Retirement System, the Police and Firemen's Retirement System, and the Consolidated Police and Firemen's Pension Fund of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the costs are contributed by the employees. The City's share of pension costs, which is based upon the annual billings received from the State, amounted to \$7,200,603.55 for 2010 and \$3,585,026.84 for 2009.

Certain City employees are also covered by Federal Insurance Contribution Act.

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the City, employees are allowed to accumulate unused sick pay over the life of their working careers which may be taken as time off or paid at a later date as outlined in City personnel policies. It is estimated that at December 31, 2010, the current cost of such unpaid compensation would approximate \$4,350,149.17. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget or paid from a reserve that has been established through annual budget appropriations. At December 31, 2010 the amount reserved for unpaid compensated absences is \$883,461.55.

NOTE 8: CAPITAL LEASES

The City of Linden and the Union County Improvement Authority entered into agreements which:

- a. Leases the airport property and existing improvements thereon owned by the City to the Authority for the Airport Reconstruction Project. The Authority is to pay the sum of \$1.00 to the City under the terms of the lease.
- b. Leases the Authority's Airport Reconstruction Project to the City. The lease requires the City to pay to the Authority a "basic" annual rent which is equal to the debt service on all project bonds outstanding. The Union County Improvement Authority issued Lease Revenue Bonds dated September 1, 1998 to fund the project. As additional rent, the City will pay the Authority an annual administrative fee and actual legal and accounting expenses incurred by the Authority
- c. Leases the Police Athletic League, Inc. of Linden, New Jersey Project to the City. The lease requires the City to pay to the Authority a "basic" annual rent which is equal to the debt service on all project bonds outstanding. The Union County Improvement Authority issued City Guaranteed Loan Revenue Bonds dated August 15, 2003 to fund the project. As additional rent, the City will pay the Authority an annual administrative fee incurred by the Authority.
- d. Lease the Linden - South Wood Avenue Redevelopment Project. The lease requires the City to pay to the Authority a "basic" annual rent which is equal to the debt service on all project bonds outstanding. The Union County Improvement Authority issued City Guaranteed Revenue Bonds dated April 1, 2004 to fund the project. As additional rent, the City will pay the Authority an annual administrative fee incurred by the Authority.

NOTE 8: CAPITAL LEASES (CONTINUED)

- e. Leases the Linden - Fire Houses Project. The lease requires the City to pay to the Authority a "basic" annual rent which is equal to the debt service on all project bonds outstanding. The Union County Improvement Authority issued City Guaranteed Revenue Bonds dated February 9, 2006 to fund the project. As additional rent, the City will pay the Authority an annual administrative fee incurred by the Authority.
- f. Leases the Linden- Morning Star Redevelopment Project. The lease requires the City to pay to the Authority a "basic" annual rent which is equal to the debt service on all projects bonds outstanding. The Union County Improvement Authority issued City Guaranteed Revenue Bonds dated June 14, 2007 to fund the project. As additional rent, the City will pay the Authority an annual administrative fee incurred by the Authority.

The terms of the leases commenced with the issuance of the bonds and will terminate upon retirement of the bonds.

The following is a schedule of future minimum lease payments under the capital leases, after the restructuring together with the net present value of the minimum lease payments.

NOTE 8: CAPITAL LEASES (CONTINUED)

YEAR	TOTAL	AIRPORT RECONSTRUCTION PROJECT	POLICE ATHLETIC FUND	SOUTH WOOD REDEVELOPMENT PROJECT	LINDEN FOOTBALL AND TRACK STADIUM PROJECT	LINDEN LIBRARY PROJECT	LINDEN FIREHOUSES	LINDEN LIBRARY PROJECT	MORNING STAR REDEVELOPMENT PROJECT
2011	\$ 4,697,011.39	\$ 1,353,595.00	\$ 128,831.26	\$ 248,952.50	\$ 302,275.00	\$ 154,215.63	\$ 1,522,142.00	\$ 538,710.00	\$ 448,290.00
2012	4,740,042.76	1,353,784.00	131,311.26	245,445.50	302,887.50	152,325.00	1,563,142.00	538,310.00	452,837.50
2013	4,704,869.01	1,351,880.00	128,498.76	246,813.25	301,812.50	153,275.00	1,531,542.00	537,510.00	451,537.50
2014	4,758,251.50	1,352,829.00	130,592.50	247,930.50	300,512.50	153,062.50	1,600,142.00	523,510.00	449,672.50
2015	4,747,330.50	1,355,921.00	132,352.50	243,922.50	303,987.50	150,812.50	1,564,942.00	543,150.00	452,242.50
2016	5,181,304.40	1,355,990.00	128,846.26	244,789.25	302,981.26	153,265.63	1,959,942.00	586,525.00	448,965.00
2017	5,105,142.53	1,353,420.00	130,233.76	245,405.50	301,181.26	155,312.51	1,901,192.00	568,275.00	450,122.50
2018	5,229,453.28	1,353,045.00	131,318.76	245,771.25	304,168.76	152,250.01	2,037,442.00	555,025.00	450,432.50
2019	5,292,194.15	1,354,345.00	132,091.26	245,886.50	301,731.26	154,078.13	2,093,942.00	560,225.00	449,895.00
2020	5,156,744.65	1,352,142.50	132,541.26	245,299.75	299,081.26	150,796.88	1,987,648.00	540,725.00	448,510.00
2021	4,982,060.53	1,351,448.75	132,658.76	243,989.50	301,218.76	152,406.26	1,827,836.00	521,225.00	451,277.50
2022	4,962,948.14	1,351,931.25	132,433.76	242,385.75	302,687.50	153,796.88	1,802,148.00	529,650.00	447,915.00
2023	5,293,696.64	1,353,257.50	131,913.76	245,341.75	303,718.76	150,078.13	2,139,188.00	521,493.74	448,705.00
2024	5,290,155.01	1,355,095.00	131,093.76	242,857.50	299,312.50	151,250.01	2,138,750.00	523,431.24	448,365.00
2025	5,064,668.13	1,354,175.00		244,933.00	299,687.50	152,203.13	2,057,812.00	503,962.50	451,895.00
2026	4,558,075.49	1,353,625.00		241,568.25	299,625.00	152,875.00	1,576,876.00	484,493.74	449,012.50
2027	4,030,688.75	1,352,375.00		242,763.25	303,825.00	153,262.50	1,513,438.00	465,025.00	
2028	2,052,014.25	1,353,000.00		243,239.25	302,350.00	153,425.00			
2029	696,775.75			242,988.25	300,425.00	153,362.50			
2030	698,259.25			242,134.25	303,050.00	153,075.00			
2031	383,239.75			240,677.25		152,562.50			
2032	390,442.25			238,617.25		151,825.00			
2033	391,666.00			240,803.50		150,862.50			
2034	391,760.25			242,085.25		149,675.00			
2035	148,262.50					148,262.50			
Minimum Lease Payments	\$ 88,957,056.86	\$ 24,361,859.00	\$ 1,834,717.62	\$ 5,854,600.50	\$ 6,036,518.82	\$ 3,810,315.70	\$ 30,818,124.00	\$ 9,041,246.22	\$ 7,199,675.00
Less: Amount Representing Interest									
Present Value of Minimum Lease Payments	\$ 57,775,000.00	\$ 14,880,000.00	\$ 1,330,000.00	\$ 3,150,000.00	\$ 3,960,000.00	\$ 2,305,000.00	\$ 21,200,000.00	\$ 6,290,000.00	\$ 4,660,000.00

NOTE 9: LITIGATION

The City Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the City's insurance carrier or would have a material financial impact on the City's financial condition. Special legal counsels representing the City of Linden have indicated that there are matters concerning the financial condition of the City involving ongoing litigation regarding the Linden Sanitary Landfill and pending tax appeals and it would be reasonable to assume that some of these matters present substantial, though not as yet quantified, exposure.

NOTE 10: TAX APPEALS

There are a substantial number of tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2008 through 2010. Any reduction in assessed valuation will result in a refund of prior years taxes in the years of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The City has made provision, from tax revenues, in the amount of \$3,710,943.85 for these appeals in the event that the tax reductions are grant.

NOTE 11: CONTINGENT LIABILITIES

The City participates in several financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. The state and federal grants received and expended in 2010 were subject to the Single Audit Act of 1984, OMB Circular A-133 and State of New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the City's annual audit. Findings and questioned costs, if any, relative to federal and state financial assistance programs will be discussed in detail in Part II, Single Audit Section of the 2010 audit. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2010, the City does not believe that any material liabilities will result from such audits.

NOTE 12: DEFICIENCY AGREEMENTS

The City of Linden has guarantee agreements with the Union County Improvement Authority in which the City agreed to guarantee the punctual payment of the principal and interest on the following Long-Term Bonds and Bond Anticipation Notes Issued by the Authority.

NOTE 12: DEFICIENCY AGREEMENTS (CONTINUED)

<u>Title of Issue</u>	<u>Dated</u>	<u>Bonds Outstanding December 31, 2010</u>
City of Linden Guaranteed Loan Revenue Bonds Police Athletic League, Inc. Project Series 2003A Bond (Tax Exempt)	August 15, 2005	\$ 1,330,000.00
City of Linden Guaranteed Revenue Bonds South Wood Avenue Redevelopment Project Series 2004 Bond (Federally Taxable)	April 1, 2004	\$ 3,150,000.00
City of Linden Guaranteed Revenue Bonds Linden Library Project Series 2005 Bond (Federally Taxable)	April 12, 2005	\$ 2,305,000.00
City of Linden Guaranteed Revenue Bonds Linden Track and Field Stadium Project Series 2005 Bond (Tax Exempt)	April 7, 2005	\$ 3,960,000.00
City of Linden Guaranteed Revenue Bonds Linden Firehouses Project Series 2006 Bond (Tax Exempt)	February 9, 2006	\$21,200,000.00
City of Linden Guaranteed Revenue Bonds Linden Library Project Series 2007 Bond (Tax Exempt)	November 13, 2007	\$ 6,290,000.00
City of Linden Guaranteed Revenue Bonds Morning Star Redevelopment Project Series 2007 Bond (Federally Taxable)	October 1, 2007	\$ 4,660,000.00
City of Linden Guaranteed Revenue Notes Morning Star Redevelopment Project Bond Anticipation Notes (Federally Taxable)	October 1, 2010	\$ 1,000,000.00

The City of Linden has a guaranteed agreement with the Union County Improvement Authority in which the City agreed to guarantee the punctual payment of the principal and interest on Long-Term Bonds Authorized But Not Issued by the Authority.

<u>Guaranty Ordinances</u>	<u>Dated</u>	<u>Bonds Authorized December 31, 2010</u>
Linden Football and Track and Field Stadium Project	December 14, 2004	\$ 60,000.00

NOTE 13: RISK MANAGEMENT

The City established a self-insurance program in accordance with New Jersey Statute Chapter 40A:10. The City is currently self-insured for dental and prescriptions, and workers' compensation exposures. Additionally, the City maintains insurance policies covering health insurance, property, boiler and machinery, employee fidelity, general liability, automobile, law enforcement liability and excess general liability.

At December 31, 2010, the City's self-insurance fund administrators have estimated that the City's potential exposure for unsettled claims approximated \$1,727,1257.89 for commercial business open claims and \$1,906,453.52 for worker's compensation. The City appropriates annually as required to provide for claims in the year payment is made.

New Jersey Unemployment Compensation Insurance - The City has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the City is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The City is billed quarterly for amounts due to the State. Below is a summary of City's contributions, employee Contributions, reimbursements to the State for benefits paid, and the ending balance of the City's expendable trust fund for the current and previous two years.

<u>Year</u>	<u>Employee and Other Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	\$ 69,130.75	\$ 194,864.58	293,993.27
2009	90,277.35	207,229.10	419,727.10
2008	6,437.34	111,328.95	536,678.85

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following Interfund balances remained on the balance sheets at December 31, 2010:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
Current	\$395,647.96	\$453,235.33
Grant	11,735.33	14,353.00
Trust Other	14,353.00	42,324.10
General Capital	446,831.43	
Sanitary Landfill Utility		358,655.29
	<u>\$868,567.72</u>	<u>\$868,567.72</u>

All Interfund balances resulted from the time lag between the dates that payments between funds are made.

NOTE 15: DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salaries until future years. The City does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1999 and the funding requirements of Internal Revenue Code Section 457(g), the City's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

All assets of the plan are held by an independent administrator, the Hartford and ING Life Insurance and Annuity Company.

The accompanying financial statements do not include the City's Deferred Compensation Plan activities. The City's Deferred Compensation Plan financial statements are contained in a separate report.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement requires the municipality to disclose in the notes to the financial statements the present value of the estimated future cost of the other post-employment benefits (OPEB). OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their balance sheets; however, OPEB obligations are required to be disclosed in the notes to the financial statement.

The City provides Post-Retirement Benefits to certain employees who have retired and meet the eligibility requirements, in accordance with the terms of their various labor agreements or in accordance with municipal ordinance. These benefits include health insurance, prescription and dental coverage.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2001, the City of Linden authorized participation in the SHBP's post-retirement benefit program through resolution number HR-0426-0499. This resolution adopted the provisions of N.J.S.A. 52:14-17.38 under which a public employer may agree to pay for the SHBP coverage of certain retirees, while the entity remains in the SHBP. This will include all eligible employees.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf](http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf)

Funding Policy – Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the City of Linden on a monthly basis. The City of Linden shall pay for 10% of the cost for retirees until amended by resolution.

The City of Linden contributions to SHBP for the years ended December 31, 2010, 2009, and 2008, were 3,637,382.36, \$3,406,610.12 and \$3,019,545.94 respectively, which equaled the required contributions for each year. There were approximately 333, 330 and 311 retired participants eligible at December 31, 2010, 2009, and 2008, respectively.

NOTE 17: COMMITMENT – PENSION CONTRIBUTION DEFERRAL

The State of New Jersey has enacted Public Law 2009, C.19, which authorizes the State Department of Treasury, Division of Pensions and Benefits to provide non-state contributing employers the option of paying an amount that represents a fifty percent (50%) reduction of the normal and accrued liability payment of the required contributions to the Police and Fire Retirement System (PFRS) and the Public Employees Retirement System (PERS) which would have been due April 1, 2009. If the deferral is elected, the amount deferred must be repaid, with interest, over a period of fifteen years, beginning in April, 2012; however, the contributing employer is permitted to pay off the obligation at any time by contacting the Division of Pension and Benefits for a payoff amount. The City of Linden has elected to defer a portion of its pension contributions as follows:

<u>Retirement System</u>	<u>Required Contribution</u>	<u>2009 Amount Deferred</u>	<u>2009 Actual Contribution</u>
PFRS	\$5,253,665.00	\$2,523,084.00	\$2,730,581.00
PERS	<u>1,464,540.00</u>	<u>651,311.00</u>	<u>813,229.00</u>
Total	<u>\$6,718,205.00</u>	<u>\$3,174,395.00</u>	<u>\$3,543,810.00</u>

CITY OF LINDEN

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2010

CITY OF LINDEN  
CURRENT FUND

SCHEDULE OF CASH-TREASURER

REF.		CURRENT FUND	GRANT FUND
A	Balance, December 31, 2009	\$ 27,635,586.16	\$ 883,320.33
	Increased by Receipts:		
A-5	Collector	\$ 147,536,479.96	\$
A-2	Miscellaneous Revenue Not Anticipated	1,124,443.13	
Contra	Petty Cash Funds	1,000.00	
A-8	Senior Citizens and Veterans Deductions	421,408.06	
A-11	Grants Receivable		2,027,223.48
A-13	Revenue Accounts Receivable	27,491,650.21	
A-26	Matching Funds for Grants		9,747.00
A-29	Reserve for Uniform Safety Act	164,787.19	
A-2	Interlocal Agreements	85,372.00	
A-2	Reserve for Airport Lease Payments	1,356,300.00	
A-2	Capital Surplus	400,000.00	
A-15	Due From Library	212,032.01	
A	Due Current Fund		287,443.39
A	Due Grant Fund	3,013.02	
A	Due General Capital Fund	203,700.00	
A	Due Trust Other Fund	123,172.24	
		<u>179,123,357.82</u>	<u>2,337,913.87</u>
		\$ 206,758,943.98	\$ 3,221,234.20
	Decreased by Disbursements:		
A-3	2010 Appropriations	\$ 83,176,821.67	\$
A-3	Matching Funds for Grants	36,148.00	
Contra	Petty Cash Funds	1,000.00	
A-12	Return of Premium on Tax Sale	304,950.00	
A-14	2009 Appropriation Reserves	1,247,257.83	
A-18	Refund of Tax Overpayments	106,606.94	
A-19	Reserve for Tax Appeals	75,400.08	
A-20	County Taxes	23,701,026.91	
A-21	Local District School Tax	75,984,658.02	
A-25	Reserve for Compensated Absences	146,056.23	
A-26	Reserve for Grants - Appropriated		1,453,330.54
A-27	Special Improvement District	124,277.00	
A	Due Trust Other Fund	200,138.82	1,263.00
A	Due Sanitary Landfill Operating Fund	213,236.61	
		<u>185,317,578.11</u>	<u>1,454,593.54</u>
	Balance, December 31, 2010	\$ 21,441,365.87	\$ 1,766,640.66

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>		
Received:			
Interest and Costs on Taxes	A-2	\$ 516,903.03	
Tax Penalties Receivable	A-7	32,735.16	
Due to State of New Jersey-Senior Citizens Deductions Disallowed	A-8	19,126.00	
Taxes Receivable	A-9	146,038,580.92	
Tax Title liens	A-10	5,859.74	
Premium on Tax Sale	A-12	254,500.00	
Revenue Accounts Receivable	A-13	80.00	
2011 Taxes Prepaid	A-17	509,391.77	
Tax Overpayments	A-18	115,442.10	
Municipal Charges	A-23	43,861.24	
		<hr/>	
			\$ 147,536,479.96
Decreased by Disbursements:			
Payment to Treasurer	A-4		\$ <u><u>147,536,479.96</u></u>

"A-6"

CITY OF LINDEN  
CURRENT FUND  
SCHEDULE OF CHANGE FUND

<u>OFFICE</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2009 and 2010</u>
Collector of Taxes	\$ 600.00
Municipal Court	200.00
City Clerk	200.00
Transportation and Parking	<u>200.00</u>
	\$ <u><u>1,200.00</u></u>
<u>REF.</u>	A

"A-7"

SCHEDULE OF TAX PENALTIES RECEIVABLE

Balance, December 31, 2009	A	\$ 82,059.25
Increased by:		
Tax Penalty Charges		<u>69,799.00</u>
		\$ <u>151,858.25</u>
Decreased by:		
Cancelled		\$ 35,239.21
Receipts	A-2:A-5	32,735.16
Transferred to Tax Title Liens	A-10	<u>30,556.44</u>
		<u>98,530.81</u>
Balance, December 31, 2010	A	\$ <u><u>53,327.44</u></u>

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY  
PER CHAPTER 20, P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2009 (Due to)	A	\$	(36,387.65)
Increased by:			
Charges:			
Senior Citizens Deductions Per Tax Billings		\$	149,000.00
Veterans Deductions Per Tax Billings			290,500.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector			<u>8,250.00</u>
			447,750.00
		\$	<u>411,362.35</u>
Decreased by:			
Senior Citizens Deductions Disallowed by Tax Collector:			
2010 Taxes	A-8	\$	5,806.15
2009 Taxes	A-5		19,126.00
Received in Cash From State	A-4		<u>421,408.06</u>
			<u>446,340.21</u>
Balance, December 31, 2010 (Due to)	A	\$	<u><u>(34,977.86)</u></u>

CALCULATION OF STATE'S SHARE OF  
2010 SENIOR CITIZENS DEDUCTIONS ALLOWED  
BY COLLECTOR (CHAPTER 20, P.L. 1971)

Senior Citizens Deductions Per Tax Billings		\$	149,000.00
Veterans Deductions Per Tax Billings			290,500.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector			<u>8,250.00</u>
		\$	<u>447,750.00</u>
Less: Senior Citizens Deductions Disallowed by Collector - 2009 Taxes			<u>5,806.15</u>
	A-9	\$	<u><u>441,943.85</u></u>

CITY OF LINDEN  
CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2009	ADDED TAXES	2009	COLLECTIONS	2010	CANCELLED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2010
1993	\$ 7,938.00							7,938.00
1994	8,379.00							8,379.00
1995	8,783.25							8,783.25
1996	9,555.00							9,555.00
1997	9,555.00							9,555.00
1998	9,849.00							9,849.00
1999	10,143.00							10,143.00
2000	10,216.50							10,216.50
2001	10,764.08							10,764.08
2002	11,366.78							11,366.78
2003	12,348.00							12,348.00
2004	13,296.15							13,296.15
2005	13,858.43							13,858.43
2006	14,806.58							14,806.58
2007	16,666.33							16,666.33
2008	17,543.84							17,263.54
2009	2,476,533.18				260.30			19,316.86
		\$ 72,159.16	\$ 529,307.89	\$ 2,337,821.67	\$ 2,338,081.97	\$ 36,472.52	\$ 82,922.13	\$ 204,125.50
2009	\$ 2,661,602.12	\$ 72,159.16	\$ 529,307.89	\$ 144,558,166.63	\$ 146,896,248.60	\$ 393,213.87	\$ 578,251.86	\$ 2,778,854.11

REF. A

A-2-A-17

A-2

A-10

A

REF.

Cash-Collector  
State Share of 2010 Senior Citizens and Veterans Deductions  
Over Payments Applied

A-5	\$ 146,038,580.92
A-8	441,943.85
A-18	415,723.83
	\$ 146,896,248.60

ANALYSIS OF 2010 PROPERTY TAX LEVY

General Purpose Tax	\$ 148,317,417.13
Special Improvement District Tax	124,677.92
TOTAL	\$ 148,442,095.05
Added Taxes (54.4-63.1 et.seq)	72,159.16
	\$ 148,514,254.21

TAX LEVY

Local District School Tax	A-21	\$ 75,984,658.00
County Taxes (Abstract)	A-20	22,753,870.47
County Open Space Preservation	A-20	930,209.08
Due County for Added Taxes (54.4-63.1 et.seq)	A-20	11,980.77
TOTAL COUNTY TAXES		23,695,660.32

Special Improvement District (Abstract)  
TOTAL SPECIAL IMPROVEMENT TAXES

124,677.92

Local Tax for Municipal Purposes (Abstract)  
Additional Tax Levied  
Local Tax for Municipal Purposes Levied

A-2	\$ 48,634,481.95
	74,776.02
	\$ 48,709,257.97
	\$ 148,514,254.21

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	4,776,353.39
Increased by:			
Transferred from Tax Penalties Receivable	A-7	\$	30,556.44
Transferred from Taxes Receivable	A-9		578,414.96
Interest and Costs Accrued by Sale of June 3, 2010			<u>19,684.07</u>
			628,655.47
			<u>5,405,008.86</u>
Decreased by:			
Cancelled		\$	163.10
Received	A-5		<u>5,859.74</u>
			<u>6,022.84</u>
Balance, December 31, 2010	A	\$	<u><u>5,398,986.02</u></u>

CITY OF LINDEN

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

GRANT	BALANCE	2010 BUDGET			BALANCE
	DECEMBER	REVENUE	RECEIVED	CANCELLED	DECEMBER
	31, 2009	REALIZED			31, 2010
Public Health Priority Funding	\$ 6,105.00	\$ 7,390.00	\$ 7,390.00	\$	6,105.00
Pedestrian Safety	5,879.58				5,879.58
Municipal Alliance On Alcoholism and Drug Abuse	54,598.40	38,987.00	42,573.80		51,011.60
Child Passenger Safety	4,200.00				4,200.00
Safe and Secure Communities Program		60,000.00	60,000.00		
Commission Steward Incentive	2,700.00				2,700.00
Airport Perimeter Fence - FAA	14,981.00				14,981.00
Airport Perimeter Fence - State	4,250.00				4,250.00
Snow Removal Equipment Building - FAA					
Snow Removal Equipment Building - Match Linden Aviation	21,091.29		3,541.29		17,550.00
Linden Aviation Services	6,347.74				6,347.74
NJ Economic Development Authority	1,000.00				1,000.00
Aggressive Enforcement Campaign	24.06				24.06
Tobacco Age of Sale	13,320.00				13,320.00
Automated Weather Observation 2006	2,576.00				2,576.00
Automated Weather Observation - State DOT Match	67.77				67.77
Automated Weather Observation - Linden Aviation Services Match	6,750.00				6,750.00
Local Equipment Preparedness	10,719.53				10,719.53
NJ DOT Railroad Station	36,103.50				36,103.50
Edward Byrne Memorial Grant	2,071.20	18,013.50	18,013.50		2,071.20
Buffer Zone Protection	829.70				829.70
Buffer Zone Protection	680,139.75		423,928.46		256,211.29
Obstruction Study Airport	3,168.21				3,168.21
Board Of Education Nursing	42,917.00				42,917.00
Kids Recreation Trust	25,000.00				25,000.00
Kids Recreation Trust	50,000.00				50,000.00
Kids Recreation Trust	50,000.00				50,000.00
Kids Recreation Trust - Equipment	2,500.00				2,500.00
Click It or Ticket	25.00				25.00
Drunk Driving Over the Limit	50.00				50.00
Interlocal Rahway	2,501.97				2,501.97
Communities Stewardship	3,750.00				3,750.00
Hazardous Discharge	21,748.00				21,748.00
Pandemic Influenza Grant	86.00				86.00
Pandemic Influenza Grant	605.00				605.00
Airport Taxi/Apron - FAA	5,763.00				5,763.00
Airport Taxi/Apron - State	151.80				151.80
Airport Taxi/Apron - Dudley	18,342.00				18,342.00
Smart Growth St. George Avenue	170,000.00				170,000.00
G.R.E.A.T Grant PD	31,996.08		7,475.97		24,520.11
North Taxiway Rehabilitation - DOT	684,000.00		67,193.53		616,806.47
North Taxiway Rehabilitation - Linden Aviation	36,000.00				36,000.00
North Taxiway Apron Crack Repair Phase II	214,776.00		198,114.00		16,662.00
North Taxiway Apron Crack Repair - Local Match	5,652.00				5,652.00
North Taxiway Apron Crack Repair - DOT Match	5,652.00				5,652.00
Infield Drainage Improvements - Linden Airport	475,000.00		11,319.82		463,680.18
Infield Drainage Improvements - Linden Aviation Match	25,000.00				25,000.00
Hazardous Waste Discharge Site - United Lacquer	2,645.00				2,645.00
Lead Hazard Reduction	310,552.00				310,552.00
U.S. Department of Energy	166,800.00		121,342.50		45,457.50
Edward Byrne Memorial Justice Assistance Grant - ARRA	74,277.90		73,064.16		1,213.74
Over the Limit Under Arrest - Year End Statewide Crack Down	5,000.00		5,000.00		
Smart Growth	50,000.00				50,000.00
Communities Stewardship - Shade Tree Planting	25,000.00				25,000.00
Greening Union County - Shade Tree Planting	22,750.00				22,750.00
Urban Areas Security Initiative	330,000.00				330,000.00

CITY OF LINDEN

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

<u>GRANT</u>	BALANCE DECEMBER 31, 2009	2010 BUDGET REVENUE REALIZED	RECEIVED	CANCELLED	BALANCE DECEMBER 31, 2010
Self Contained Breathing Apparatus L.F.D.	\$	\$ 180,022.00	\$ 180,020.00	2.00	\$
H1N1 Preparedness Grant		106,030.00	93,299.88		12,730.12
Waste Water Management		15,000.00			15,000.00
Airport Plan Study FAA		190,000.00			190,000.00
Airport Plan Study DOT Match		5,000.00			5,000.00
Airport Plan Study Local Match		5,000.00			5,000.00
Beast Machine DPW		154,500.00	71,897.75		82,602.25
Over the Limit Under Arrest NJDL&PS Div Traffic Safety		4,400.00	4,400.00		
Year End Statewide Crack Down NJDL&PS Div Traffic Safety		5,000.00			5,000.00
PD Highway Safety-Safe Corridors Grant		23,000.00		23,000.00	
Body Armor LPD		14,310.17	14,309.99	0.18	0.00
Click-It or Ticket		4,000.00	4,000.00		
Drunk Driving Old 999		14,988.75			14,988.75
Business Stimulus Grant		7,000.00			7,000.00
Clean Communities Grant		57,930.80	57,930.80		
Suburban Cablevision/Comcast of New Jersey		98,990.87	98,990.87		
	\$	\$ 3,735,463.48	\$ 1,563,806.32	\$ 23,002.18	\$ 3,158,218.07
REF.	A	A-2	A-4	A-26	A

"A-12"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF PREMIUM ON TAX SALE

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	767,700.00
Increased by:			
Receipts	A-5		<u>254,500.00</u>
		\$	1,022,200.00
Decreased by:			
Disbursements	A-4		<u>304,950.00</u>
Balance, December 31, 2010	A	\$	<u><u>717,250.00</u></u>

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

REF.	BALANCE DECEMBER 31, 2009	ACCRUED IN 2010	COLLECTED BY		BALANCE DECEMBER 31, 2010	
			COLLECTOR	TREASURER		
Clerk:						
Licenses:						
Alcoholic Beverages	A-2 \$	\$ 56,749.64	\$	56,749.64	\$	
Other	A-2	22,623.95		22,623.95		
Miscellaneous Sales	A-2	34,388.14		34,388.14		
Health Officer:						
Licenses	A-2	32,143.05		32,143.05		
License Inspector:						
Licenses	A-2	63,146.00		63,146.00		
Construction Code Official:						
Fees and Permits	A-2	511,459.00		511,459.00		
Municipal Court:						
Fines and Costs	A-2	81,127.13		1,146,530.70	392,260.53	
Red Light Cameras	A-2	1,457,664.10		1,145,571.00		
Miscellaneous	A-2	5,199.24		5,199.24		
Energy Receipts Tax	A-2	19,909,229.00		19,909,229.00		
Tax Search Officer	A-2	80.00	80.00			
Interest on Investments	A-2	1,187,785.93		115,832.95		
Police Department:						
Fees and Permits	A-2	58,086.61		58,086.61		
Fire Prevention Bureau:						
Fees and Permits	A-2	9,556.47		417.00		
Fire Department:						
Fees and Permits	A-2	24,348.20		29,347.67		
Ambulance Billings	A-2	358,657.22		358,657.22		
Miscellaneous	A-2	10,250.00		14,390.00		
Engineer:						
Miscellaneous	A-2	4,887.34		4,887.34		
Board of Adjustment:						
Fees and Permits	A-2	9,950.00		9,950.00		
Parking Meters:						
Linden Railroad Station	A-2	130,241.84		130,241.84		
Municipal	A-2	385,851.82		385,851.82		
Rent - Railroad Station	A-2	47,791.51		47,791.51		
Airport Rental	A-2	200,750.00		200,750.00		
Planning Board:						
Fees and Permits	A-2	12,375.00		12,375.00		
Purchase Department:						
Miscellaneous Sales	A-2	6,837.89		6,837.89		
Field Representative of Housing:						
Fees and Permits	A-2	12,360.54		12,360.54		
Recreation Department:						
Miscellaneous Sales	A-2	2,624.93		2,624.93		
Cogen-Host Community Benefit	A-2	1,100,369.07		1,100,369.07		
Cogen-Host Community Benefit	A-2	42,100.00		42,100.00		
Tosco Polypropylene Host Community Benefit	A-2	690,035.13		690,035.13		
Safety Clean Host Community Benefit	A-2	78,882.21		78,882.21		
Reimbursement of Costs		482,973.76		482,973.76		
Hotel Motel Occupancy Tax	A-2	180,541.75		180,541.75		
Board of Education	A-2	299,306.25		299,306.25		
Puregen-Host Community Benefit		300,000.00		300,000.00		
		<u>\$ 81,127.13</u>	<u>\$ 28,574,816.59</u>	<u>\$ 80.00</u>	<u>\$ 27,491,650.21</u>	<u>\$ 392,260.53</u>
REF.	A		A-5	A-4	A	

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2009		TRANSFERS	BALANCE	PAID OR	BALANCE
	COMMITMENTS			AFTER		LAPSED
	PAYABLE	RESERVED		TRANSFERS	CHARGED	
Salaries and Wages:						
City Council	\$	\$		\$	\$	\$
Mayor's Office		10.90		10.90		10.90
City Clerk's Office		258.13		258.13		258.13
Elections		2,139.53		2,139.53		2,139.53
Alcoholic Beverage Control Board		1,452.28		1,452.28		1,452.28
Purchasing Department		115.56		115.56		115.56
Financial Administration		1,960.83		1,960.83	561.52	1,399.31
Assessment of Taxes		25,355.17	(10,000.00)	25,355.17	10,431.97	14,923.20
Collection of Taxes		98.15		98.15		98.15
Legal Services and Costs		87.19		87.19		87.19
Municipal Court		5,178.00		5,178.00		5,178.00
Engineering Services and Costs		6,729.42		6,729.42	2,317.40	4,412.02
Public Buildings and Grounds		17,997.16	(15,000.00)	17,997.16	14,725.07	3,272.09
Linden Railroad Station		5,000.11		5,000.11	738.88	4,261.23
Planning Board		3,013.39		3,013.39	1,393.39	1,620.00
Zoning Commission		7.88		7.88		7.88
Rent Leveling Board		25.04		25.04		25.04
Shade Tree Commission		15.88		15.88		15.88
Personnel/Human Relations		32.00		32.00		32.00
General Insurance		6.44		6.44		6.44
Fire Department		27.87		27.87		27.87
Police Department		60,181.19	(28,500.00)	60,181.19	37,088.27	23,092.92
Municipal Garage		73,651.51		73,651.51	(31,627.22)	105,278.73
Transportation and Parking Department		32,895.15	(14,250.00)	32,895.15	32,887.83	7.32
Office of Emergency Management		295.23		295.23	29.25	265.98
Sealer of Weights and Measures		3,077.25		3,077.25	3,077.25	
Street and Road Maintenance		2,024.62		2,024.62		2,024.62
Snow Removal		28,623.51	(15,000.00)	28,623.51	24,329.20	4,294.31
Other Public Works Functions		47,000.00		47,000.00		47,000.00
Solid Waste Collection		26,472.73		26,472.73	24,388.09	2,084.64
Board of Health		67,441.87	(9,000.00)	67,441.87	55,783.69	11,658.18
PEOSHA		6,000.00	6,000.00	6,000.00	(6,000.00)	6,000.00
Community Services		26.32		26.32		26.32
Recreation Services and Programs		6,463.44		6,463.44		6,463.44
Maintenance of Parks		84,092.70	(58,000.00)	84,092.70	52,179.02	31,913.68
Construction Code Department		10,402.93	(10,000.00)	10,402.93	10,000.00	402.93
Salary Adjustment		5,241.97		5,241.97		5,241.97
Central Dispatch 9-1-1		1,500.00	(350.00)	1,500.00	350.00	1,150.00
School Board Elections		57,840.56		57,840.56	149.55	57,691.01
		1,000.00		1,000.00		1,000.00
Other Expenses:						
City Council	360.00	3,496.39		3,856.39	360.00	3,496.39
Mayor's Office	500.00	1,036.90		1,536.90	570.00	966.90
City Clerk's Office	10,239.00	5,205.16		15,444.16	10,239.00	5,205.16
Personnel Consultants and Service	3,990.00	9,693.40		13,683.40	4,648.00	9,035.40
Affirmative Action Department		195.75		195.75		195.75
Elections		10,617.55		10,617.55		10,617.55
Alcoholic Beverage Control Board	500.00	837.00		1,337.00	510.00	827.00
Printing and Legal Advertising	2,244.88	5,409.88		7,654.76	3,131.24	4,523.52
Codification and Revision of Ordinance		2,533.50		2,533.50		2,533.50
Purchasing Department	31,056.23	62,522.96		93,579.19	39,812.58	53,766.61
Financial Administration	198.00	42,767.83		42,965.83		42,965.83
Audit Services		8,825.00		8,825.00	6,925.00	1,900.00
Assessment of Taxes	389.70	875.80		1,265.50	563.70	701.80
Tax Appeals	103,425.18	6,139.05		109,564.23	103,425.18	6,139.05
Collection of Taxes		847.40		847.40		847.40
Legal Services and Costs	27,457.61	343,637.94		371,095.55	65,543.84	305,551.71
Municipal Court	6,413.01	5,288.27		11,701.28	9,314.58	2,386.70
Engineering Services and Costs	2,259.55	44,333.73		46,593.28	30,930.60	15,662.68
Public Buildings and Grounds	31,587.22	20,228.14		51,815.36	42,337.72	9,477.64
Linden Railroad Station	2,780.20	87,653.94		90,434.14	47,483.92	42,950.22
Planning Board	2,331.92	9,160.23		11,492.15	4,663.84	6,828.31
Zoning Commission	493.95	2,060.39		2,554.34	532.96	2,021.38
Environmental Commission		990.00	350.00	990.00	(50.00)	1,040.00
Shade Tree Commission		25,489.28		25,489.28	24,495.06	994.22
Personnel/Human relations	110.00	590.00		700.00	110.00	590.00
Morse's Creek Commission		800.00		800.00		800.00
Group Insurance Plan for Employees	14.39	10,089.01		10,103.40	14.39	10,089.01
General Insurance	12,226.00	17,208.18		29,434.18	12,226.00	17,208.18
Workers Compensation	566.35	235,000.00		235,566.35	566.35	235,000.00
Hospital, Medical, Surgical Insurance	4,156.80	230,323.47	99,250.00	234,480.27	(94,321.99)	328,802.26
Fire Department	22,269.03	3,742.90		26,011.93	23,143.11	2,868.82
Fire Hydrant Service	45,875.00	17,375.00	28,500.00	63,250.00	17,375.00	45,875.00
Police Department	33,892.83	7,372.42		41,265.25	38,664.33	2,600.92
Municipal Garage	156,638.82	244,290.09		400,928.91	156,444.50	244,484.41
Transportation and Parking Department	10,496.85	4,719.93		15,216.78	11,108.64	4,108.14
Office of Emergency Management	4,211.03	12,947.64		17,158.67	6,934.93	10,223.74
Sealer of Weights and Measures		400.00		400.00		400.00
Street and Road Maintenance	5,099.34	3,417.79		8,517.13	5,099.34	3,417.79
Snow Removal	39,137.45	28,635.84		67,773.29	39,083.38	28,689.91
Street Lighting		103,345.41	50,000.00	103,345.41	102,776.48	568.93
Other Public Works Functions	27,188.85	7,137.41		34,326.26	27,613.41	6,712.85
Solid Waste Collection	53,121.38	467,264.81	(50,000.00)	520,386.19	206,139.19	314,247.00

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2009		TRANSFERS	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
	COMMITMENTS PAYABLE	RESERVED				
Other Expenses (Continued)						
Board of Health	\$ 22,926.97	\$ 23,717.05		\$ 46,644.02	\$ 5,169.79	\$ 41,474.23
PEOSHA		9,200.00		9,200.00		9,200.00
Services of Visiting Nurses Contract		4,874.78		4,874.78	4,874.78	
Community Services		886.20		886.20		886.20
Recreation Services and Programs	20,703.54	6,846.99		27,550.53	19,959.53	7,591.00
Maintenance of Parks	252.50	44.94		297.44	252.50	44.94
Celebration of Public Holiday		3,528.32		3,528.32	2,000.00	1,528.32
Construction Code Department	2,008.15	44,643.01		46,651.16	2,864.07	43,787.09
Linden Airport		4,000.00		4,000.00		4,000.00
Appraisal of Property		10,000.00		10,000.00		10,000.00
Electric		181,545.63		181,545.63	24,026.40	157,519.23
Gas	3,317.67	215,666.17		218,983.84	45,682.16	173,301.68
Fuel Oil	631.68	78,896.59		79,528.27	16,231.58	63,296.69
Water	539.78	5,429.01		5,968.79	3,920.09	2,048.70
Telephone	26,946.23	51,163.46		78,109.69	48,046.97	30,062.72
Postage	343.98	35,761.36		36,105.34	32,893.98	3,211.36
Contingent		10,000.00		10,000.00	700.00	9,300.00
Social Security System (O.A.S.I.)		376,778.86		376,778.86	8,661.06	368,117.80
Recycling Tax		33,592.00		33,592.00	1,989.66	31,602.34
DCRP Obligation		3,210.33		3,210.33		3,210.33
Linden Roselle Sewerage Authority(40A:14A-9)		10,269.65		10,269.65		10,269.65
Central Dispatch 9-1-1	5,619.01	14,723.53		20,342.54	6,916.23	13,426.31
School Board Elections		150.00		150.00		150.00
Fair Share Housing Act Implementation		15,000.00		15,000.00		15,000.00
Interlocal Agreement-Rahway	5,278.60	7,352.96		12,631.56	7,554.04	5,077.52
Matching Funds for Grants		45,253.00		45,253.00		45,253.00
	\$ 729,798.68	\$ 3,817,781.14		\$ 4,547,579.82	\$ 1,415,493.78	\$ 3,132,086.04
REF.	A-16	A				A-1
Disbursed	A-4				\$ 1,247,257.83	
Accounts Payable	A-16				168,235.95	
					\$ 1,415,493.78	

"A-15"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF DUE FROM LIBRARY

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	212,032.01
Decreased by:			
Receipts		\$	<u>212,032.01</u>

"A-16"

SCHEDULE OF COMMITMENTS PAYABLE

			<u>CURRENT FUND</u>		<u>GRANT FUND</u>
Balance, December 31, 2009	A	\$	1,616,654.51	\$	671,122.70
Increased by:					
Charge to 2010 Appropriation	A-3	\$	899,131.57	\$	
Charge to Appropriation reserves	A-14		168,235.95		
Charge to Reserve for Grants	A-26				978,515.06
		\$	<u>1,067,367.52</u>	\$	<u>978,515.06</u>
Decreased by:					
Cancelled	A-1	\$	692,297.33	\$	
Transferred to Appropriation Reserves	A-14		729,798.68		
Transferred to Reserve for Grants	A-26				671,122.70
		\$	<u>1,422,096.01</u>	\$	<u>671,122.70</u>
Balance, December 31, 2010	A	\$	<u>1,261,926.02</u>	\$	<u>978,515.06</u>

"A-17"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	529,307.89
Increased by:			
Collection - 2011 Taxes	A-5		<u>509,391.77</u>
		\$	<u>1,038,699.66</u>
Decreased by:			
Applied to 2010 Taxes	A-9		<u>529,307.89</u>
	A	\$	<u><u>509,391.77</u></u>

"A-18"

SCHEDULE OF TAX OVERPAYMENTS

Balance, December 31, 2009	A	\$	515,623.92
Increased by:			
Overpayments in 2010	A-5		<u>115,442.10</u>
		\$	<u>631,066.02</u>
Decreased by:			
Refunds	A-4	\$	106,606.94
Applied to Current Year Taxes	A-9		<u>415,723.83</u>
			<u>522,330.77</u>
Balance, December 31, 2010	A	\$	<u><u>108,735.25</u></u>

"A-19"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	9,910,987.93
Decreased by:			
Utilized as Anticipated Revenue in Current Budget	A-2	\$	6,124,644.00
Disbursed	A-4		<u>75,400.08</u>
			<u>6,200,044.08</u>
Balance, December 31, 2010	A	\$	<u><u>3,710,943.85</u></u>

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2009	A	\$	15,771.61
2010 Levy:			
County Taxes	A-1:A-9	\$	22,753,870.47
County Share of Added Taxes	A-1:A-9		11,127.58
County Open Space Preservation	A-1:A-9		930,209.08
County Open Space Preservation Added Taxes	A-1:A-9		<u>453.19</u>
			<u>23,695,660.32</u>
		\$	<u>23,711,431.93</u>
Decreased by:			
Cash Disbursements	A-4		<u>23,701,026.91</u>
Balance, December 31, 2010	A	\$	<u><u>10,405.02</u></u>

"A-21"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

	<u>REF.</u>	
Balance, December 31, 2009	A	\$ 592.00
Calendar Year 2010 Levy	A-1:A-9	<u>75,984,658.00</u>
		\$ <u>75,985,250.00</u>
Decreased by:		
Paid	A-4	<u>75,984,658.02</u>
Balance, December 31, 2010	A	\$ <u><u>591.98</u></u>

"A-22"

SCHEDULE OF RESERVE FOR FEDERAL, STATE AND LOCAL GRANTS-UNAPPROPRIATED

Balance, December 31, 2009 and December 31, 2010	A	\$ <u><u>13,251.00</u></u>
Analysis of Balance:		
Legislative Initiative Block Grant		\$ 3,917.00
Municipal Alliance		<u>9,334.00</u>
		\$ <u><u>13,251.00</u></u>

"A-23"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF MUNICIPAL CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	17,308.25
Increased by:			
Charges			<u>51,825.79</u>
			69,134.04
Decreased by:			
Receipts	A-2:A-5		<u>43,861.24</u>
Balance, December 31, 2010	A	\$	<u>25,272.80</u>
Analysis of Balance:			
Municipal Charges		\$	21,455.24
Municipal Charges - Liens			<u>3,817.05</u>
		\$	<u>25,272.29</u>

"A-24"

SCHEDULE OF STREET OPENING DEPOSITS

Balance, December 31, 2009 and December 31, 2010	A	\$	<u>18,102.68</u>
---	---	----	------------------

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF RESERVE FOR COMPENSATED ABSENCES

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	1,879,517.78
Increased by:			
2010 Budget Appropriation	A-3		<u>50,000.00</u>
			1,929,517.78
Decreased by:			
Utilized as Anticipated Revenue in Current Budget	A-2	\$	900,000.00
Disbursements	A-4		<u>146,056.23</u>
			<u>1,046,056.23</u>
Balance, December 31, 2010	A	\$	<u><u>883,461.55</u></u>

CITY OF LINDEN  
GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2009	RESERVED	TRANSFERRED FROM BUDGET APPROPRIATION	PAID OR CHARGED	COMMITMENTS PAYABLE	CANCELLED	BALANCE DECEMBER 31, 2010
	\$	\$	\$	\$	\$	\$	\$
Drunk Driving Enforcement Fund	19,89	19,89		19,89			6,354.49
Drunk Driving Enforcement Fund	624.74	624.74		624.74			180.00
Public Health Priority Funding	6,354.49	6,354.49					0.26
Public Health Priority Funding	180.00	180.00					1,254.20
Renovations to Three Parks	0.26	0.26		430.21			6,259.97
Prevent Smoking	1,684.41	1,684.41		112.00			88.25
Clean Communities	6,371.97	6,371.97					1,483.87
Clean Communities	88.25	88.25					1,509.72
Clean Communities	1,483.87	1,483.87					32,402.12
Clean Communities	1,509.72	1,509.72					3,166.65
Municipal Alliance	32,402.12	32,402.12					10,860.00
Municipal Alliance 2002	3,166.65	3,166.65					7,641.80
Municipal Alliance 2002 - Match	10,860.00	10,860.00					10,022.00
Municipal Alliance 2003	7,641.80	7,641.80					2,167.00
Municipal Alliance 2003 - Match	10,022.00	10,022.00					10,219.00
Municipal Alliance 2004	2,167.00	2,167.00					170.00
Municipal Alliance 2004 - Match	10,219.00	10,219.00					566.00
Municipal Alliance 2005	170.00	170.00					7,113.00
Municipal Alliance 2005 - Match	566.00	566.00					11,656.00
Municipal Alliance 2006	14,558.00	14,558.00					6,833.28
Municipal Alliance 2006 - Match	7,113.00	7,113.00					440.00
Municipal Alliance 2007	11,656.00	11,656.00					9,747.00
Municipal Alliance 2008	6,833.28	6,833.28					11,000.00
Municipal Alliance 2008 - Match	440.00	440.00					25,000.00
Municipal Alliance 2009	9,747.00	9,747.00					18,254.72
Port Planning Grant	11,000.00	11,000.00					5,054.52
Widening the Streets - Union County Grant	25,000.00	25,000.00					13,055.48
Pedestrian Safety Grant	18,254.72	18,254.72					23.70
Body Armor Replacement Fund 07	5,005.00	5,005.00		5,005.00			4,519.04
Body Armor Replacement Fund 08	5,005.00	5,005.00		5,005.00			11,858.84
Child Passenger Safety Education	13,055.48	13,055.48					4,423.44
Stanwood Ceruzzi - Acquisition of Prop Airport	23.70	23.70					4,380.00
Tobacco Age of Sale	4,519.04	4,519.04					1,000.00
Tobacco Age of Sale	11,858.84	11,858.84					5,601.61
Tobacco Age of Sale	4,423.44	4,423.44					11,823.08
Tobacco Age of Sale	4,380.00	4,380.00		403.38			5.03
NJ Economic Development Grant	1,000.00	1,000.00					224.20
Safe Kids Playground Grant	10,000.00	10,000.00					
Automated Weather Observation	5,601.61	5,601.61					
Local Domestic Preparedness SFY 03	11,823.08	11,823.08					
Nextel BlackBerry Grant	5.03	5.03					
Assistance to Firefighters Grant - Match	224.20	224.20					

CITY OF LINDEN  
GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2009	RESERVED	TRANSFERRED FROM BUDGET APPROPRIATION	PAID OR CHARGED	COMMITMENT PAYABLE	CANCELLED	BALANCE DECEMBER 31, 2010
	\$	\$	\$	\$	\$	\$	\$
State and Local All Hazard Operation Planning Grant		2,405.72					2,405.72
Airport Perimeter Fence - State		394.24					394.24
Airport Perimeter Fence - State Match		394.24					394.24
Airport Perimeter Fence - FAA		14,981.01					14,981.01
Smart Growth Future Grant		370.00					370.00
Livable Communities Grant		12.68					12.68
Municipal Storm Water - 2006		5,238.00		5,238.00			
Buffer Zone Protection Grant		520.70					520.70
Obstruction Study Airport Grant		97,425.00					97,425.00
Obstruction Study Airport Grant- Match		2,500.00					2,500.00
Edward Byrne Memorial Grant		24.52					24.52
Edward Byrne Memorial Grant		1.68					1.68
N.J. Transit Railroad Grant		54,703.50					54,703.50
USTA /NRPA Tennis in Park Grant		235.75					235.75
Kids Recreation Trust Fund County Grant		55,000.00					55,000.00
Kids Recreation Grant Match		7.15					7.15
Kids Recreation Grant Trust Fund		5,000.00					5,000.00
Kids Recreation Grant Trust Fund		5,000.00					5,000.00
Kids Recreation Trust Fund County Grant		95,000.00					95,000.00
Board of Education NP Nursing		42,499.28					42,499.28
Snow Removal Equipment Building Phase II - FAA		13,234.01			2,949.36		13,234.01
Morris Companies ISP Developer					7,500.00		
Enhanced 911 Equipment Grant					166,493.00		
Forestry Green Community Grant							
Shade Tree Grant		135.32					135.32
Click It or Ticket		2,000.00		2,000.00			
Community Stewardship Shade		1,233.71					1,233.71
Community Stewardship Shade Match		175.00					175.00
Cool Cities Grant		15,000.00					15,000.00
Cool Cities Grant - Match		676.00					676.00
Hazardous Discharge 07		22,000.00					22,000.00
Hazardous Discharge		5,500.00					5,500.00
Pandemic Influenza Planning Grant		239,226.00		17,478.00			221,748.00
Pandemic Influenza Planning Grant					10.00		
Cable Television		86.35					86.35
FAA - Airport Taxi/Apron		465.21					465.21
FAA - Airport Taxi/Apron Dudley		254,067.22		4,872.50			190,544.72
Smart Growth - St. George Avenue		1,304.95					1,304.95
OEM Exercise Improvement		170,000.00					170,000.00
Chemical Buffer Zone		79.07					79.07
		54,918.88		59,918.88			8,568.88
		153,078.34					60,881.78

CITY OF LINDEN  
GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2009	RESERVED	TRANSFERRED FROM BUDGET APPROPRIATION	PAID OR CHARGED	COMMITMENT PAYABLE	CANCELLED	BALANCE DECEMBER 31, 2010
	\$	\$	\$	\$	\$	\$	\$
Pedestrian Safety		100.00					100.00
G.R.E.A.T. Grant PD		3,448.27		3,448.27			0.00
G.R.E.A.T. Grant PD Match		4,803.00		4,615.73			187.27
Safe and Secure Communities Program		58,623.00		58,623.00			
Edward Byrne Memorial Grant AARA	63,000.00	5,507.10		68,399.88			107.22
Drunk Driving Enforcement Fund		14,550.61		14,362.94			187.67
Year end Statewide Crack Down		5,000.00		5,000.00			
Recycling Tonnage		97,356.48		97,356.48			
OEM Exercise Improvement		2,500.00					2,500.00
Public Health Priority Funding		1,313.00		2,468.86			0.00
Community Stewart Incentive Program	1,155.86	25,000.00					25,000.00
Greening Union County		11,500.00					11,500.00
Greening Union County		11,250.00					11,250.00
North Taxiway Rehabilitation - DOT		613,294.00		373,108.67	4,457.92		289,465.17
North Taxiway Rehabilitation - Linden Aviation	53,737.76	36,000.00					36,000.00
Infield Drainage Improvements - Linden Airport	53,620.20	415,422.00		6,969.08	135,247.12		326,826.00
Infield Drainage Improvements - Linden Aviation Match		25,000.00					25,000.00
Clean Communities Grant		3,071.83		8,598.73			0.00
Smart Growth		55,000.00		4,000.00			51,000.00
North Taxiway Apron Crack Repair Phase II	214,776.00			208,436.18	6,339.57		0.25
North Taxiway Apron Crack Repair- Local Match	5,652.00			5,485.16	166.84		
North Taxiway Apron Crack Repair- DOT Match	5,652.00			5,485.16	166.84		
Hazardous Waste Discharges Site Remediation Fund United Lacquer	7,294.12	9,551.69		13,265.19	2,681.18		899.44
US Dept of Energy-Energy Efficiency Conservation	22,000.00	318,565.00		139,562.50	6,157.50		318,565.00
Kids Recreation Trust Fund County Grant-Playgrounds		100,000.00		76,448.24			21,080.00
Kids Recreation Trust Fund County Grant-Equip		5,000.00					23,551.76
Suburban Cablevision/Comcast of New Jersey		102,161.68					5,000.00
Urban Area Incentive LFP 09		330,000.00			312,525.49	2.00	102,161.68
Self Contained Breathing Apparatus L.F.D.		180,022.00		180,022.00			17,474.51
Self Contained Breathing Apparatus L.F.D. Match		20,002.00		20,002.00			
Safe and Secure Communities Grant		60,000.00		60,000.00			
PD Highway Safety- Safe Corridors Grant		23,000.00				23,000.00	
Municipal Alliance Grant		38,987.00		11,945.82			27,041.18
Municipal Alliance Grant Match		9,746.00		2,594.31			7,151.69
Edward Byrne Memorial JAG		18,013.50		18,012.86			0.64
Body Armor LPD		3,796.42		4,000.00			3,796.42
Click-It or Ticket		4,000.00		4,000.00			
Body Armor LPD		10,513.75		4,400.00		0.18	10,513.57
Over the Limit Under Arrest NJDL&PS Div Traffic Safety		4,400.00		4,400.00			

CITY OF LINDEN  
GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2009	RESERVED	TRANSFERRED FROM BUDGET APPROPRIATION	PAID OR CHARGED	COMMITMENT PAYABLE	CANCELLED	BALANCE DECEMBER 31, 2010
Drunk Driving Old 999	\$	\$	14,988.75	2,787.40	\$	\$	12,201.35
Year End Statewide Crack Down NJDL&PS Div Traffic Safety			5,000.00				5,000.00
H1N1 Preparedness Grant			106,030.00	93,299.88			12,730.12
Public Health Priority Funding			7,390.00	7,390.00			
Business Stimulus Grant			7,000.00				7,000.00
Waste Water Management Match			6,400.00				6,400.00
Clean Communities Grant			57,930.80	56,926.60			1,004.20
Waste Water Management			15,000.00				15,000.00
Airport Plan Study FAA			190,000.00	14,131.38	175,867.62		1,000.00
Airport Plan Study DOT Match			5,000.00		5,000.00		
Airport Plan Study Local Match			5,000.00		2,201.00		
Beast Machine DPW			154,500.00	45,839.77			2,799.00
Suburban Cablevision/Comcast of New Jersey			98,990.87				108,660.23
	\$ 671,122.70	\$ 3,930,895.42	\$ 1,045,711.09	\$ 1,720,237.80	\$ 978,515.05	\$ 23,002.18	\$ 2,925,974.18
	A-16	A	A-3	A-4	A-16	A-11	A
Federal and State Grants	\$	\$	1,009,563.09				
Matching Funds for Grants			36,148.00				
	\$	\$	1,045,711.09				

REF.  
A-3  
A-3

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF DUE TO SPECIAL IMPROVEMENT DISTRICT

	<u>REF.</u>	
Balance, December 31, 2009	A	\$ 124,329.92
Increased by:		
2010 Levy	A-1:A-9	<u>124,677.92</u>
		249,007.84
Decreased by:		
Disbursed	A-4	<u>124,277.00</u>
Balance, December 31, 2010	A	\$ <u><u>124,730.84</u></u>

"A-28"

CITY OF LINDEN

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

REF.

Balance, December 31, 2009 and December 31, 2010	A	\$	<u><u>85.26</u></u>
---	---	----	---------------------

"A-29"

SCHEDULE OF RESERVE FOR UNIFORM SAFETY ACT

Balance, December 31, 2009	A	\$	63,576.06
Increased by:			
Receipts	A-4		<u>164,787.19</u>
			228,363.25
Decreased by:			
Utilized as Anticipated Revenue	A-2		<u>163,436.50</u>
Balance, December 31, 2010	A	\$	<u><u>64,926.75</u></u>

CITY OF LINDEN

TRUST FUND

SCHEDULE OF CASH - TREASURER

	REF.	ANIMAL CONTROL	OTHER
Balance, December 31, 2009	B	\$ 14,101.15	\$ 5,054,684.19
Increased by Receipts:			
Due from Library	B		123,172.24
Due Current Fund	B:B-3	\$	76,966.58
Due General Capital Fund	B:B-3		5,331.43
Animal Control Licenses	B-4	3,899.00	
Animal Control Fees	B-4	11,954.40	\$
Community Development Grants Receivable	B-6		425,208.37
Miscellaneous Deposits	B-8		3,186,783.51
Rehabilitation Escrow	B-9		226,679.14
Regional Contribution Agreements	B-10		165.07
Intra Fund (Due Trust Other Fund)	B-11		694,535.54
Recaptured Funds	B-13		134,171.41
Regional Contribution Recaptured Funds	B-14		118,218.12
		<u>15,853.40</u>	<u>4,991,231.41</u>
		\$ 29,954.55	\$ 10,045,915.60
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	B-4	\$ 8,966.23	
Due Grant Fund	B:B-3		2,116.00
Reserve for Community Development Grants	B-7		710,996.70
Miscellaneous Deposits	B-8		5,244,044.61
Rehabilitation Escrow	B-9		193,350.00
Recaptured Funds	B-13		448,303.66
		<u>8,966.23</u>	<u>6,598,810.97</u>
Balance, December 31, 2010	B	\$ 20,988.32	\$ 3,447,104.63

"B-2"

CITY OF LINDEN  
TRUST FUND  
SCHEDULE OF CASH-COLLECTOR

	<u>REF.</u>		
Balance, December 31, 2009	B	\$	50,367.91
Increased by Receipts:			
Deposits for Redemption of Tax Sale Certificates	B-5		1,550,261.13
			<u>1,600,629.04</u>
Decreased by Disbursements:			
Redemption of Tax Sale Certificates	B-5		1,467,767.37
			<u>1,467,767.37</u>
Balance, December 31, 2010	B	\$	<u><u>132,861.67</u></u>

"B-3"

SCHEDULE OF INTERFUNDS

		<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>	<u>GENERAL CAPITAL FUND</u>
Balance, December 31, 2009 (Due From)	B	\$ 52,210.91 \$	39,973.91 \$	12,237.00 \$	
Increase by:					
Receipts	B-1	82,298.01	76,966.58		5,331.43
Decreased By:					
Disbursed	B-1	<u>2,116.00</u>		<u>2,116.00</u>	
Balance, December 31, 2010 (Due From)	B	\$ <u>14,353.00</u> \$		\$ <u>14,353.00</u> \$	
Balance, December 31, 2010 (Due To)	B	<u>(42,324.10)</u>	<u>(36,992.67)</u>		<u>(5,331.43)</u>

CITY OF LINDEN

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2009	B	\$	14,101.15
Increased by:			
Animal Control Licenses Collected	B-1	\$	3,899.00
Animal Control Fees Collected-2009	B-1		88.40
Animal Control Fees Collected-2010	B-1		<u>11,866.00</u>
			15,853.40
		\$	<u>29,954.55</u>
Decreased by:			
Expenditures Under R.S.4:19-15.11:			
Cash Disbursements	B-1		<u>8,966.23</u>
Balance, December 31, 2010	B	\$	<u><u>20,988.32</u></u>

LICENSE FEES AND REDEMPTION COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2008	\$ 7,128.80
2009	<u>11,991.60</u>
	\$ <u><u>19,120.40</u></u>

"B-5"

CITY OF LINDEN

TRUST FUND

SCHEDULE OF DEPOSITS FOR REDEMPTION  
OF TAX SALE CERTIFICATES

	<u>REF.</u>		
Balance, December 31, 2009	B	\$	50,367.91
Increased by:			
Deposits Received	B-2		<u>1,550,261.13</u>
			1,600,629.04
Decreased by:			
Tax Sale Certificates Redeemed	B-2		<u>1,467,767.37</u>
Balance, December 31, 2010	B	\$	<u><u>132,861.67</u></u>

"B-6"

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANTS RECEIVABLE

Balance, December 31, 2009	B	\$	805,351.82
Increased by:			
Grant Awards	B-7		<u>983,272.37</u>
			1,788,624.19
Decreased by:			
Receipts	B-1	\$	425,208.37
Cancelled	B-7		9,881.66
Apply NP Recapture Funds	B-13		<u>24,000.00</u>
			<u>459,090.03</u>
Balance, December 31, 2010	B	\$	<u><u>1,329,534.16</u></u>

CITY OF LINDEN

TRUST FUND

SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANTS

	<u>REF.</u>		
Balance, December 31, 2009	B	\$	877,351.82
Increased by:			
Grant Awards	B-6		<u>983,272.37</u>
			1,860,624.19
Decreased by:			
Due County of Union	B	\$	29.73
Disbursements	B-1		710,996.70
Cancelled	B-6		<u>9,881.66</u>
			<u>720,908.09</u>
Balance, December 31, 2010	B	\$	<u><u>1,139,716.10</u></u>

## CITY OF LINDEN

## TRUST FUND

## SCHEDULE OF MISCELLANEOUS RESERVES

	BALANCE DECEMBER 31, 2009	INCREASE	DECREASE	BALANCE DECEMBER 31, 2010
Performance Bonds	\$ 49,370.62	\$ 6,500.00	\$ 8,312.93	\$ 47,557.69
Miscellaneous Donations	72,106.42	57,673.49	71,429.30	58,350.61
Reserve Account	38,136.42			38,136.42
Redemption of Tax Sale Certificate	4.68			4.68
Construction Code Training Fees	303.50	53,181.00	53,190.00	294.50
Marriage License Fees - State	1,350.00	7,225.00	4,475.00	4,100.00
Domestic Partners	475.00			475.00
Recreation Refundable Fees	607.61			607.61
Parking Offense Adjudication Act - POAA	50,775.42	10,452.00	3,760.00	57,467.42
Uniform Fire Safety Act Penalties	3,207.14	500.00		3,707.14
Recycling	263,725.96	240,426.18	95,171.58	408,980.56
Guard Rail-Stiles Street Springfield	12,782.34			12,782.34
Public Defender Fees	13,774.50			13,774.50
American Legion Baseball	8,865.60	13,450.00	12,000.00	10,315.60
Health and Fitness Camp	6,449.70	1,000.00		7,449.70
Memorial Concession Stand	3.19			3.19
Linden Cultural and Heritage	24,359.75	29,207.07	25,770.96	27,795.86
Under Privileged Kids	4,205.00			4,205.00
JTG Senior Citizen Christmas Party	500.00			500.00
Insurance Liability Trust Fund	146,478.74		15,000.00	131,478.74
Police Found Money	1,128.28			1,128.28
SID Winter Wonderland		2,075.00		2,075.00
Weights and Measures	8,949.16	9,880.84	6,351.18	12,478.82
D.A.R.E.	3,977.94			3,977.94
Linden Management Corporation	7,712.59	3,344.00	9,177.07	1,879.52
City Telephone Listing	60.20			60.20
Fire Prevention	2,608.85	1,000.00	1,860.00	1,748.85
Linden Recreation Youth Soccer	14,380.95	19,037.53	9,814.80	23,603.68
Fire Department Penalty - Training and Equipment	17,050.76	500.00	2,015.00	15,535.76
John T. Gregorio Tiger Stadium Scoreboard	13,035.00			13,035.00
Snow Removal	5,061.34	47,000.00	1,738.56	50,322.78
Duke Realty Study	82,130.00		56,673.19	25,456.81
Duke Realty T & M Association	5,784.50			5,784.50
Purchase of Foam DBR	15.00			15.00
Bullet Proof Vest	16,000.00			16,000.00
Athletic Program	24,102.16	18,275.45	21,860.07	20,517.54
Mayors Youth Commission	2,010.00			2,010.00
Volunteer Coach	500.00	500.00		1,000.00
Union County Environmental Healthcom	32.62			32.62
Union County Utilities Authority Payment for Services	5,000.00			5,000.00
Police Outside Overtime	139,423.48	1,837,411.48	1,828,752.98	148,081.98
Environmental Commission - Environmental Library	10.00			10.00
Linden PAL Building Extension	3,624.61			3,624.61
Environmental Commission	3.90			3.90
Environmental Commission	1,061.83	610.00	1,000.00	671.83
6th Ward Recreation Center	2,000.00			2,000.00
Landfill Greenway	360,790.90	326,629.26	392,328.58	295,091.58
COAH	6,577.70	8.15		6,585.85
Dental Plan	114,814.35	134.21		114,948.56
Emergency Response	92,092.11	29,402.62	24,091.00	97,403.73
Environmental Cover and Fill Deposits - Landfill	0.24			0.24
Federal Law Enforcement	6,594.57	35,962.04	22,904.18	19,652.43
Forfeited Property	123,179.98	26,426.02	16,954.26	132,651.74
Hauler's Deposits - Landfill	615.58			615.58
Linden Airport Services	10,511.35	13.03		10,524.38
Middlesex County Waste	2,564.64		2,000.00	564.64
Developers' Deposits - Master Plan	2,159,690.75	111,887.86	2,016,143.07	255,435.54
Prescription Plan	28,584.26	0.42		28,584.68
Recreation Trust	101,201.24	108,954.88	98,798.46	111,357.66
Security Deposits	93,885.42	35,737.32	16,904.66	112,718.08
Payment Program	26,055.89			26,055.89
State Unemployment Insurance	419,727.20	69,130.75	194,864.58	293,993.37
Vision Plan	63,780.33	3.40	3,515.36	60,268.37
Workers' Compensation	192,044.55	83,244.51	227,187.84	48,101.22
Wood Promenade	261,788.72			261,788.72
	<u>\$ 5,117,644.54</u>	<u>\$ 3,186,783.51</u>	<u>\$ 5,244,044.61</u>	<u>\$ 3,060,383.44</u>
	B	B-1	B-1	B

CITY OF LINDEN

TRUST FUND

SCHEDULE OF REHABILITATION ESCROW

	<u>REF.</u>	<u>TOTAL</u>	<u>ADMINISTERED BY</u>	
			<u>DEVELOPMENT DIRECTIONS</u>	<u>FINANCE DEPARTMENT</u>
Balance, December 31, 2009	B	\$ 96,112.30 \$	6,083.59 \$	90,028.71
Increased by:				
Receipts	B-1	226,679.14	226,568.37	110.77
		\$ <u>322,791.44</u> \$	<u>232,651.96</u> \$	<u>90,139.48</u>
Decreased by:				
Disbursements	B-1	<u>193,350.00</u>	<u>193,350.00</u>	
Balance, December 31, 2010	B	\$ <u><u>129,441.44</u></u> \$	<u><u>39,301.96</u></u> \$	<u><u>90,139.48</u></u>

CITY OF LINDEN

TRUST FUND

SCHEDULE OF RESERVE FOR REGIONAL CONTRIBUTION AGREEMENTS

	BALANCE <u>DECEMBER</u> <u>31, 2009</u>	<u>INCREASE</u>	<u>DECREASE</u>	BALANCE <u>DECEMBER</u> <u>31, 2010</u>
Township of Scotch Plains	\$ 6,861.92	\$ 8.50	\$	\$ 6,870.42
Township of Livingston	16,139.25	93.05		16,232.30
Borough Of Chatham	28,041.10	34.73		28,075.83
Borough Of Essex Fells	<u>82,262.37</u>	<u>28.79</u>		<u>82,291.16</u>
	\$ <u>133,304.64</u>	\$ <u>165.07</u>	\$ <u>-0-</u>	\$ <u>133,469.71</u>
<u>REF.</u>	B	B-1		B

"B-11"

CITY OF LINDEN

TRUST FUND

SCHEDULE OF SANITARY LANDFILL CLOSURE  
FUNDS HELD BY ESCROW AGENT

	<u>REF.</u>		
Balance, December 31, 2009	B	\$	1,591,474.69
Increased by:			
Receipts	B-12		<u>0.54</u>
			1,591,475.23
Decreased by:			
Investment Fees	B-12	\$	4,480.22
Disbursements	B-12		206,959.46
Intra Fund (Due Trust Other Fund)	B-1		<u>694,535.54</u>
			<u>905,975.22</u>
Balance, December 31, 2010	B	\$	<u><u>685,500.01</u></u>

"B-12"

SCHEDULE OF RESERVE FOR SANITARY LANDFILL CLOSURE

Balance, December 31, 2009	B	\$	896,939.15
Increased by:			
Receipts	B-11		<u>0.54</u>
			896,939.69
Decreased by:			
Investment Fees	B-11	\$	4,480.22
Disbursements	B-11		<u>206,959.46</u>
			<u>211,439.68</u>
Balance, December 31, 2010	B	\$	<u><u>685,500.01</u></u>

"B-13"

CITY OF LINDEN

TRUST FUND

SCHEDULE OF RESERVE FOR NEIGHBORHOOD PRESERVATION  
RECAPTURED FUNDS

	<u>REF.</u>		
Balance, December 31, 2009	B	\$	229,024.94
Increased by:			
Recaptured Funds	B-1	\$	134,000.00
Interest	B-1		171.41
Transfers	B-14		<u>172,110.00</u>
			<u>306,281.41</u>
			<u>535,306.35</u>
Decreased by:			
Returned to County of Union	B-1	\$	448,303.66
Applied to C.D.B.G. Receivable	B-6		<u>24,000.00</u>
			<u>472,303.66</u>
Balance, December 31, 2010	B	\$	<u><u>63,002.69</u></u>

"B-14"

SCHEDULE OF RESERVE FOR REGIONAL CONTRIBUTION AGREEMENT  
RECAPTURED FUNDS

Balance, December 31, 2009	B	\$	276,516.46
Increased by:			
Recaptured Funds		\$	117,873.00
Interest			<u>345.12</u>
	B-1	\$	<u>118,218.12</u>
			<u>394,734.58</u>
Decreased by:			
Transfers	B-13		<u>172,110.00</u>
Balance, December 31, 2010	B	\$	<u><u>222,624.58</u></u>

"C-2"

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	3,862,729.24
Increased by Receipts:			
Premium on Bond Sale	C-1	\$	63,386.60
Premium on Note Sale	C-1		143,051.10
Budget Appropriations:			
Capital Improvement Fund	C-7		125,000.00
Refunding Bonds (Deferred Charges Unfunded)			90,650.00
Refunds	C-8		5,331.43
Green Trust Loans	C-10		
Other Accounts Receivable	C-11		323,354.36
Sale of Notes	C-12		12,575,000.00
Sale of Bonds	C-13		2,940,000.00
Interest on Security Deposits	C-16		8.37
Infrastructure Financing	C-19		1,151,997.00
Interest on Bond Sale	C		2,468.62
Football Track Stadium	C-21		286,302.40
			<u>17,706,549.88</u>
		\$	<u>21,569,279.12</u>
Decreased by Disbursements:			
Capital Surplus to Current Fund	C-1	\$	400,000.00
Commitments Payable	C-9		5,946,130.85
Bond Anticipation Notes	C-12		10,500,000.00
Reserve for Linden Airport Anticipated	C-17		1,356,300.00
Due Current Fund	C-18		203,700.00
Due Trust Fund	C		5,331.43
Reserve for Football Track Stadium Anticipated	C-21		299,306.25
			<u>18,710,768.53</u>
Balance, December 31, 2010	C	\$	<u>2,858,510.59</u>

"C-3"

ANALYSIS OF CASH AND INVESTMENTS

	BALANCE DECEMBER 31, 2010
Fund Balance	\$ 243,092.80
Capital Improvement Fund	605,470.66
Reserve for Linden Airport	3,322,865.35
Reserve for UCIA Capital Lease	42,402.85
Reserve for Interest on Security Deposits	16,690.42
Reserve to Pay Serial Bonds	18,218.89
Reserve for Football Track Stadium	293,658.64
Commitments Payable	5,870,933.38
Due from Current Fund	(441,500.00)
Due from Trust Fund	(5,331.43)
Due Union County Improvement Authority	2,286.81
Accrued Interest on Bond Sale	2,468.62
Improvement Authorizations:	
Funded as Set Forth on "C-8"	2,530,419.38
Expended as Set Forth on "C-5"	(3,842,341.09)
Unexpended Proceeds of Bond Anticipation Notes - Listed on "C-5"	595,565.69
Infrastructure Financing Receivable	(3,366,185.00)
Other Accounts Receivable as Set Forth on "C-11"	(3,030,205.38)
	<u>\$ 2,858,510.59</u>

REF.

C-2

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	36,271,696.78
Increased by:			
Serial Bonds	C-13		<u>2,940,000.00</u>
			39,211,696.78
Decreased by:			
Serial Bonds Refunded	C-13	\$	2,958,000.00
2010 Budget Appropriation to Pay:			
Infrastructure Loan	C-6		19,500.00
Green Trust Loan	C-10		99,684.57
Serial Bonds	C-13		1,925,000.00
New Jersey Environmental Infrastructure Loans	C-20		<u>879,405.03</u>
			<u>5,881,589.60</u>
Balance, December 31, 2010	C	\$	<u><u>33,330,107.18</u></u>

CITY OF LINDEN  
CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION UNFUNDED

IMPROVEMENT NUMBER	DATE OF ORDINANCE	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE			
			BALANCE DECEMBER 31, 2010	BOND ANTICIPATION NOTES	EXPENDITURES OR COMMITMENTS	UNEXPENDED IMPROVEMENT AUTHORIZATION
319	11/24/93	Expansion of Sanitary Landfill	\$ 946,000.00	\$	\$ 939,155.21	\$ 6,844.79
387	09/16/97	Various Improvements to Downtown Improvement District	56,500.00			56,500.00
397	04/21/98	1898 Roads, Curbs and Sidewalks Improvement Program	57,805.00			57,805.00
475	02/20/01	Redevelopment of Linden Airport	41.00			41.00
476	02/20/01	Construction of Storm Sewers	3,485,500.98		1,521,281.98	1,964,219.00
483	03/20/01	Resurfacing of South Wood Avenue	30,400.00	20,000.00		10,400.00
511	04/17/02	Resurfacing of Linden Avenue	33,250.00			33,250.00
530	04/17/02	Acquisition of Real Property	12,000.00	627,000.00		12,000.00
545	04/17/02	Acquisition of Computer Network Security Equipment	12,000.00			12,000.00
553	01/21/03	Refunding of Unfunded Pension Liabilities	575,000.00			575,000.00
559	05/20/03	Acquisition of One Defibrillator	7,700.00			7,700.00
565	05/20/03	Replacement of Roof for the Municipal Garage	26,125.00			26,125.00
588	05/20/03	Acquisition of Asphalt	31,350.00		348.53	1,125.00
570	05/20/03	Acquisition of Flusher	130,625.00			130,625.00
576	09/16/03	Acquisition of Mobile Communications Vehicle	209,000.00			209,000.00
584	05/20/03	Capeting of Various Municipal Buildings	71.00			71.00
587	05/20/03	Acquisition of Mason Dump Truck with Plow	7,419.00			7,419.00
588	05/20/03	Acquisition of Self Contained Breathing Apparatus Equipment	180.51			180.51
604	08/17/04	Acquisition of Riding Mower	5.00			5.00
615	09/21/04	Acquisition of Infield Grading Machine	450.00			450.00
617	09/21/04	Acquisition of Sports Utility Vehicle	2,130.00			2,130.00
628	11/09/04	Acquisition of Mobile Radios	12.00			12.00
631	02/15/2005-07/19/05; 06/19/07-04/16/08	Landfill	193,214.43			193,214.43
636	4/12/05	Acquisition of Evidence Dryer	790.00			790.00
662	9/20/05	Football and Track and Field Stadium	212,321.49	185,000.00		27,321.49
669	8/20/05	Acquisition of Pick-Up Truck	646.52			646.52
670	4/11/06	Acquisition Sanitation Truck with Plow	205,865.00	200,000.00		5,865.00
671	4/11/06	Council Chamber Renovations	622,250.00	622,000.00		250.00
672	4/11/06	Replace Park Equipment - Various Parks	10,737.00	10,400.00		337.00
673	4/11/06	Acquisition Mason Dump Truck with Plow	38,950.00	35,000.00		3,950.00
674	4/11/06	Acquisition Utility Body Truck with Aerial Lift	76,000.00	76,000.00		
675	4/11/06	Acquisition of Computer Equipment	79,420.00	79,000.00		420.00
676	4/11/06	Acquisition of Computer Equipment	104,500.00	104,500.00		
677	4/11/06	Resurface Commerce Road, Industrial Lane, Summit Terrace	129,200.00	129,000.00		200.00
678	4/11/06	Resurface Various Streets	406,702.03	350,000.00		56,702.03
679	7/18/06	Acquisition of Rescue Equipment	53,295.00	53,000.00		295.00
680	7/18/06	Installation of Curbs and Sidewalks	83,600.00	70,000.00		13,600.00

CITY OF LINDEN  
CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

IMPROVEMENT NUMBER	DATE OF ORDINANCE	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	BOND ANTICIPATION NOTES	ANALYSIS OF BALANCE DECEMBER 31, 2010		UNEXPENDED IMPROVEMENT AUTHORIZATION
					EXPENDITURES OR COMMITMENTS		
681	7/18/06	Sanitary Sewer for Range Road	\$ 418,000.00	\$ 400,000.00	6,612.97	\$ 11,387.03	
682	7/18/06	Acquisition of Computer Equipment - Police Vehicles	171,000.00	170,000.00		1,000.00	
683	7/18/06	Acquisition of Two Pick-Up Trucks with Plovs	62,225.00	62,000.00	225.00		
684	7/18/06	Replacement of Roof at Public Works Garage	418,000.00	300,000.00		118,000.00	
685	8/15/06	Acquisition of a Car Wash	78,375.00	77,000.00		1,375.00	
686	8/15/06	Acquisition of Two Mason Dump Trucks with Plovs	104,500.00	100,000.00		4,500.00	
687	8/15/06	Acquisition of Double Cab Pick-Up Truck with Plow	34,485.00	34,000.00		485.00	
688	8/15/06	Acquisition of Backhoe	73,150.00	70,000.00		3,150.00	
689	8/15/06	Acquisition of Mobile Vision Digital Cameras	104,500.00	104,000.00	500.00		
690	8/15/06	Acquisition of Portable Radios	130,625.00	130,000.00	625.00		
691	10/17/06	Acquisition of Pick-up Truck With Plow	30,305.00	30,000.00		305.00	
692	10/17/06	Acquisition of Radio Equipment - Emergency Management	26,125.00	26,000.00	115.74	8.26	
693	10/17/06	Construction of a Maintenance Garage	1,995,000.00	1,995,000.00			
694	12/19/06	Construction of a Skate Park	418,000.00	350,000.00	34,314.01	33,685.99	
696	4/20/07	Acquisition of Computer Equipment - Various Department	83,600.00	83,000.00	300.00	300.00	
697	4/20/07	Acquisition of Computer Equipment - Police Department	78,375.00	78,000.00	375.00		
698	4/20/07	Resurface Mc Candless Street, Summit Terrace	47,000.00	47,000.00			
699	4/20/07	Resurface Various Streets	475,000.00	475,000.00			
700	7/17/07	Environmental Greenway	1,000,000.00	675,000.00	78,338.15	246,661.85	
701	8/21/07	Reconstruction of Curbs and Sidewalks	83,600.00	83,000.00	600.00		
702	9/19/07	Acquisition of a Sweeper - Public Works Department	167,200.00	167,000.00	200.00		
703	9/18/07	Acquisition of a Fire Pumper - Fire Department	504,735.00	504,000.00	613.80	121.20	
704	9/19/07	Acquisition of a Sport Utility Vehicle - Police Department	73,150.00	73,000.00	134.00	16.00	
705	9/18/07	Acquisition of a Surveillance Vehicle - Police Department	62,700.00	62,000.00	700.00		
706	9/18/07	Acquisition of a Refuse Truck - Public Works Department	229,900.00	200,000.00		29,900.00	
707	9/19/07	Acquisition of a Dump Truck - Public Works Department	62,700.00	62,000.00		700.00	
708	11/20/07	Rehabilitation of Sanitary Sewers	95,000.00	60,000.00	33,289.60	1,710.40	
710	5/20/08	Reconstruction of Curbs and Sidewalks	85,500.00	70,000.00		15,500.00	
711	4/16/08	Resurface Grier Avenue, Summit Terrace	47,500.00	47,500.00		47,500.00	
712	4/16/08	Resurface Various Streets	451,250.00	451,250.00	249.90	0.10	
713	7/15/08	Acquisition of Computer Equipment - Police Department	118,750.00	118,000.00	732.21	17.79	
714	7/15/08	Acquisition of Computer Equipment - Various Departments	77,900.00	70,000.00		7,900.00	
715	9/16/08	Acquisition of Firefighting and Communication Equipment - Fire Department	77,900.00	77,500.00	133.26	266.74	
716	9/16/08	Acquisition of SCBA and Related Equipment - Fire Department	91,200.00	91,000.00	142.87	57.13	
717	9/16/08	Acquisition of a Sport Utility Vehicle - Police Department	83,600.00	80,000.00	2,481.11	1,118.89	
718	9/16/08	Acquisition of a Sewer Vector Truck - Public Works Department	376,200.00	375,000.00		1,200.00	
719	9/16/08	Asphalt - Public Works Department	31,350.00	31,000.00	347.15	2.85	
720	9/16/08	Renovation to City Hall parking Garage	522,500.00	50,000.00		472,500.00	
721	9/16/08	Acquisition of Park Equipment	104,500.00	100,000.00		4,500.00	
722	9/16/08	Acquisition of Fueling Station - Municipal Garage	627,000.00	112,000.00	11,600.00	503,400.00	
723	9/16/08	Storm and Sanitary Sewers - Various Locations	95,000.00	50,000.00		45,000.00	
724	9/16/08	911 Backup Center - Central Dispatch	62,700.00	50,000.00		12,700.00	

CITY OF LINDEN  
CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION, UNFUNDED

IMPROVEMENT NUMBER	DATE OF ORDINANCE	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	BOND ANTICIPATION NOTES	ANALYSIS OF BALANCE DECEMBER 31, 2010		UNEXPENDED IMPROVEMENT AUTHORIZATION
					EXPENDITURES OR COMMITMENTS		
725	3/17/09	Resurface Various Streets	\$ 118,750.00	\$	\$ 28,287.18	\$ 90,462.82	
726	3/17/09	Resurface Various Streets	488,750.00	490,000.00		8,750.00	
727	3/17/09	Improvements to West Brook	380,000.00	100,000.00	238,100.02	41,899.98	
728	6/16/09	Hawk Rise Environmental Walkway	49,375.00		49,375.00		
729	6/16/09	Rehabilitation of Storm and Sanitary Sewers	332,500.00	100,000.00	214,168.80	18,331.20	
730	6/16/09	Reconstruction of Curbs and Sidewalks	85,500.00	85,000.00		500.00	
731	8/18/09	Acquisition of Garbage Truck	209,000.00	200,000.00		9,000.00	
732	8/18/09	Acquisition of Slump Curter	38,000.00		36,844.79	1,155.21	
733	8/18/09	Acquisition of Anti-Graffiti Trailer	61,750.00		61,740.00	10.00	
734	8/18/09	Acquisition of Dump Truck	43,700.00		43,659.79	40.21	
735	8/18/09	Acquisition of Computer Equipment- Police Department	47,500.00	47,500.00			
736	8/18/09	Renovation to Police Range	465,500.00	300,000.00	117,593.99	47,906.01	
737	9/15/09	Firefighting and Communication Equipment	114,950.00	110,100.00		4,850.00	
738	9/15/09	Acquisition of Computer Equipment- Finance Department	47,500.00	20,000.00	26,735.07	764.93	
739	9/15/09	Acquisition of Asphalt	57,000.00	25,000.00	787.43	31,212.57	
740	9/15/09	Safety Material Upgrade	114,000.00			114,000.00	
741	9/15/09	Paving for Linden Multi-Purpose Center	57,000.00			57,000.00	
742	5/18/10	Resurfacing of DeWitt Terrace	95,000.00		2,907.69	92,092.31	
743	5/18/10	Energy audit and improvements	52,250.00			52,250.00	
744	5/18/10	Installation of Pre-emptive Devices at Traffic Signals	61,750.00		57,566.01	4,183.99	
745	5/18/10	City-Wide Curb and Sidewalk Reconstruction	85,500.00		54,555.00	30,945.00	
746	8/17/10	Closure of Landfill	950,000.00		196,250.00	753,750.00	
747	8/17/10	Rehabilitation of Storm and Sanitary Sewers	190,000.00		23,547.05	166,452.95	
748	9/21/10	Acquisition of Computer Equipment- Finance Department	41,800.00		39,619.02	2,180.98	
749	9/21/10	Acquisition of Computer Equipment- Police Department	103,978.00		15,966.80	88,011.20	



"C-6"

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF INFRASTRUCTURE LOAN PAYABLE  
(TRUST LOCAL UNIT BOND)

REF.

Balance, December 31, 2009	C	\$	78,000.00
Decreased by:			
2010 Budget to Pay Loan	C-4		<u>19,500.00</u>
Balance, December 31, 2010	C	\$	<u><u>58,500.00</u></u>

"C-7"

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance, December 31, 2009	C	\$	566,117.66
Increased by:			
2010 Budget Appropriations	C-2		<u>125,000.00</u>
			691,117.66
Decreased by:			
Appropriation to Finance Improvement Authorizations	C-8		<u>85,647.00</u>
Balance, December 31, 2010	C	\$	<u><u>605,470.66</u></u>



CITY OF LINDEN  
CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

IMPROVEMENT NUMBER	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE	AMOUNT	BALANCE DECEMBER 31, 2009		2010 AUTHORIZATIONS		PAID OR CHARGED	COMMITMENTS PAYABLE CANCELLED	AUTHORIZATIONS CANCELLED	BALANCE DECEMBER 31, 2010	
					FUNDED	UNFUNDED	FUNDED	UNFUNDED				FUNDED	UNFUNDED
602	Installation of Handicap Automatic Accessible Dual Doorways	5/19/04		\$ 20,000.00	\$ 12,487.82	\$ 5.00						\$ 12,487.82	\$ 5.00
604	Acquisition of Riding Mower	8/17/04		13,800.00	16,700.62							16,700.62	
608	Acquisition of Communications Radio	8/17/04		24,200.00	8,112.15							8,112.15	
611	Installation of Traffic Signal E. Curtis and McCandless Streets	8/17/04		9,100.00	124,600.00							124,600.00	
612	Regional Contribution Agreement Essex Falls	8/17/04		125,000.00	218.41							218.41	
613	Replacement of the Roof for the Municipal Garage	9/21/04		302,500.00	60,103.46	450.00						60,103.46	450.00
614	Tennis Court Lighting at Memorial Park	9/21/04		88,000.00									
615	Acquisition of Infield Grading Machine	9/21/04		16,500.00	990.73							990.73	
616	Purchase of Playground Equipment	9/21/04		44,000.00									
617	Acquisition of Sports Utility Vehicle	9/21/04		25,300.00	2,130.00							2,130.00	
628	Acquisition of Fire Hose	11/9/04		2,000.00	12.00							12.00	
631	Landfill	02/15/2005; 07/19/05; 06/19/07; 04/16/08		13,000,000.00	48,403.06	193,214.43				23,869.95		72,273.01	193,214.43
635	Development of Wellness Center	3/15/05		55,000.00	2,229.49	790.00						2,229.49	790.00
636	Acquisition of Evidence Dryer	4/12/05		7,900.00									
638	Acquisition of Fire Pumper	5/17/05		474,600.00	71.11			766.47				71.11	
639	Drainage and Intersection Improvements of Various Locations	7/19/05		27,500.00	12,160.14							11,393.67	
641	Resurfacing of Paved Areas at Iozzi and Milkosky Parks	7/19/05		98,000.00	19,323.15							19,323.15	
642	Acquisition of Sports Utility Vehicle	7/19/05		35,000.00	174.70							174.70	
643	Removal and Replacement of Underground Tanks	7/19/05		33,000.00	20,228.73							20,228.73	
644	Acquisition of Carpeting and Furniture	7/19/05		77,500.00	2,360.60							2,360.60	
645	Acquisition of Vehicle Lift	7/19/05		55,000.00	3,479.85							3,479.85	
646	Replacement of Roof at Main Library	7/19/05		54,000.00	48,600.00							48,600.00	
649	Acquisition of Asphalt	7/19/05		33,000.00	0.46							0.46	
655	Acquisition of Digital Mobile Vision Cameras	7/19/05		39,600.00	8.06							8.06	
656	Acquisition of Sewer Camera Truck	7/19/05		220,000.00	31,184.95							31,184.95	
657	Acquisition of Pick-Up Truck	7/19/05		37,000.00	4,367.82							4,367.82	
658	Acquisition of Video Conference System	7/19/05		15,000.00	29.21							29.21	
660	Acquisition of Playground Equipment	7/19/05		288,750.00	8.35							8.35	
661	Various Capital Improvements	9/20/05		400,000.00	91,106.70	31,653.87		328.65				91,106.70	31,325.22
662	Football and Track and Field Stadium	9/20/05		132,000.00	48,584.99							48,584.99	
664	Various Capital Improvements	9/20/05		93,500.00	4.13							4.13	
665	Various Capital Improvements	9/20/05		126,500.00	0.70							0.70	
666	Various Capital Improvements	9/20/05		37,000.00	31.44							31.44	
667	Various Capital Improvements	9/20/05		33,000.00									
669	Acquisition of Pick-Up Truck	9/20/05		21,670.00	646.52							646.52	
670	Acquisition Sanitation Truck with Plow	4/11/06		262,460.00	15,316.16			2,849.27				15,316.16	
672	Replace Park Equipment - Various Parks	4/11/06		41,000.00	53.84							53.84	
673	Acquisition Mason Dump Truck With Plow	4/11/06		80,000.00	4,427.82							4,427.82	
674	Acquisition Utility Body Truck With Aerial Lift	4/11/06		83,600.00	496.00							496.00	
675	Acquisition of Computer Equipment	4/11/06		83,600.00	14.14							14.14	







CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF COMMITMENTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	6,065,427.75
Increased By:			
2010 Commitments Payable	C-8	\$	<u>6,162,654.43</u>
			12,228,082.18
Decreased By:			
Disbursements	C-2	\$	5,946,130.85
Cancelled	C-8		<u>411,017.95</u>
			<u>6,357,148.80</u>
Balance, December 31, 2010	C	\$	<u><u>5,870,933.38</u></u>

"C-10"

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 1,406,695.20
Decreased by:		
2010 Budget Appropriation	C-4	<u>99,684.57</u>
Balance, December 31, 2010	C	\$ <u>1,307,010.63</u>

"C-11"

SCHEDULE OF OTHER ACCOUNTS RECEIVABLE

Balance, December 31, 2009	C	\$ 2,107,934.74
Increased by:		
2010 Improvement Authorizations	C-8	<u>1,245,625.00</u>
		3,353,559.74
Decreased by:		
Received	C-2	<u>323,354.36</u>
Balance, December 31, 2010	C	\$ <u>3,030,205.38</u>

ANALYSIS OF BALANCE, DECEMBER 31, 2010

	<u>AMOUNT</u>
Due From Federal Government:	
Improvement Number 207	\$ 15,280.53
Due from Borough of Chatham	
Improvement Number 594	50,000.00
Due From Township of Livingston:	
Improvement Number 405	720,000.00
Due From Borough of Essex Fells:	
Improvement Number 612	125,000.00
Due From State of New Jersey - DOT:	
Improvement Number 372	28,470.49
Due From State of New Jersey - DOT:	
Improvement Number 554	15,393.40
Due From State of New Jersey - DOT:	
Improvement Number 711	82,897.32
Due From Federal and State of New Jersey - DOT:	
Improvement Number 473	20,388.42
Due From State of New Jersey - DOT:	
Improvement Number 511	33,700.84
Due From State of New Jersey - DOT:	
Improvement Number 634	5,824.66
Due From Department of Agriculture	
Improvement Number 661	52,965.00
Due From Federal Aviation Authority:	
Improvement Number 695	691,200.00
Due From Linden Air Services:	
Improvement Number 695	36,379.00
Due From State of New Jersey - DOT:	
Improvement Number 725	5,955.65
Due From State of New Jersey - DEP:	
Improvement Number 728	1,070,625.00
Due From State of New Jersey - DOT:	
Improvement Number 729	<u>76,125.07</u>
	\$ <u>3,030,205.38</u>

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2010</u>
Various Capital Improvements and Acquisitions	5/29/2008	5/29/2010	5/12/2011	1.50%	7,767,000.00 \$	7,528,500.00 \$	7,767,000.00 \$	7,528,500.00
Various Capital Improvements and Acquisitions	5/28/2009	5/29/2010	5/12/2011	1.50%	2,733,000.00	2,733,000.00	2,733,000.00	2,733,000.00
Various Capital Improvements and Acquisitions	5/29/2010	5/29/2010	5/12/2011	1.50%		2,313,500.00	2,313,500.00	2,313,500.00
				\$	<u>10,500,000.00 \$</u>	<u>12,575,000.00 \$</u>	<u>10,500,000.00 \$</u>	<u>12,575,000.00</u>
				REF.	C	C-2	C-2	C

CITY OF LINDEN  
CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING	INTEREST RATE	BALANCE DECEMBER 31, 2009	INCREASED	DECREASED	BALANCE DECEMBER 31, 2010
GENERAL CITY								
General Obligation	01/15/01	\$ 9,098,000.00	01/15/11	4.40%	\$ 4,438,000.00	\$	\$ 3,698,000.00	\$ 740,000.00
General Obligation	12/15/02	5,000,000.00	10/15/11	3.75%	360,000.00			
			10/15/12-13	4.00%	360,000.00			
			10/15/14	4.00%	370,000.00			
			10/15/15-16	4.10%	370,000.00			
			10/15/17	4.20%	370,000.00		360,000.00	2,560,000.00
General Obligation Refunding	04/01/03	3,515,000.00	04/01/13	5.63%	60,000.00			
			04/01/14	5.63%	80,000.00			
			04/01/15	5.63%	105,000.00			
			04/01/16	5.63%	130,000.00			
			04/01/17	5.63%	160,000.00			
			04/01/18	5.63%	190,000.00			
			04/01/19	5.63%	220,000.00			
			04/01/20	5.63%	260,000.00			
			04/01/21	5.63%	295,000.00			
			04/01/22	5.95%	60,000.00			
			04/01/23	5.95%	75,000.00			
			04/01/24	5.95%	95,000.00			
			04/01/25	5.95%	115,000.00			
			04/01/26	5.95%	135,000.00			
			04/01/27	5.95%	155,000.00			
			04/01/28	5.95%	175,000.00			
			04/01/29	5.95%	190,000.00			
			04/01/30	5.95%	220,000.00			
			04/01/31	5.95%	240,000.00			
			04/01/32	5.95%	265,000.00			
			04/01/33	5.95%	290,000.00			
					3,515,000.00			3,515,000.00



"C-14"

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF RESERVE TO PAY SERIAL BONDS

REF.

Balance, December 31, 2009  
and December 31, 2010

C

\$ 18,218.89

"C-15"

SCHEDULE OF RESERVE FOR UCIA CAPITAL LEASE

Balance, December 31, 2009  
and December 31, 2010

C

\$ 42,402.85

"C-16"

CITY OF LINDEN

CAPITAL FUND

RESERVE FOR INTEREST ON SECURITY DEPOSITS

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	16,682.05
Increased by:			
Interest	C-2		<u>8.37</u>
Balance, December 31, 2010	C	\$	<u><u>16,690.42</u></u>

"C-17"

RESERVE FOR LINDEN AIRPORT

Balance, December 31, 2009	C	\$	4,679,165.35
Decreased by:			
Utilized as Anticipated Revenue	C-2		<u>1,356,300.00</u>
Balance, December 31, 2010	C	\$	<u><u>3,322,865.35</u></u>

"C-18"

SCHEDULE OF DUE TO CURRENT FUND

Balance, December 31, 2009 (Due From)	C	\$	237,800.00
Increased by:			
Disbursements	C-2		<u>203,700.00</u>
Balance, December 31, 2010 (Due From)	C	\$	<u><u>441,500.00</u></u>

"C-19"

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF NEW JERSEY INFRASTRUCTURE FINANCING RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	4,518,182.00
Decreased by:			
Cash Receipts	C-2		<u>1,151,997.00</u>
Balance, December 31, 2010	C	\$	<u><u>3,366,185.00</u></u>

"C-20"

SCHEDULE OF NEW JERSEY INFRASTRUCTURE FINANCING LOANS PAYABLE

		<u>TOTAL</u>	<u>FUND LOAN AGREEMENT</u>	<u>TRUST LOAN AGREEMENT</u>
Balance, December 31, 2009	C	\$ 14,713,001.58	\$ 7,518,001.58	\$ 7,195,000.00
Decreased by:				
2010 Budget Appropriation	C-4	<u>879,405.03</u>	<u>514,405.03</u>	<u>365,000.00</u>
Balance, December 31, 2010	C	\$ <u><u>13,833,596.55</u></u>	\$ <u><u>7,003,596.55</u></u>	\$ <u><u>6,830,000.00</u></u>

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF RESERVE FOR FOOTBALL TRACK STADIUM

	<u>REF.</u>		
Balance, December 31, 2009	C	\$	306,662.49
Increased by:			
Receipts	C-2		<u>286,302.40</u>
			592,964.89
Decreased by:			
Utilized as Anticipated Revenue	C-2		<u>299,306.25</u>
Balance, December 31, 2010	C	\$	<u><u>293,658.64</u></u>

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>IMPROVEMENT NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2010</u>
319	Expansion of Sanitary Landfill	\$ 946,000.00
387	Various Improvements to Down Town Imp. District	56,500.00
397	1998 Roads, Curbs and Sidewalks Improvement Program	57,805.00
475	Redevelopment of Linden Airport	41.00
476	Construction of Storm Sewers	3,485,500.98
483	Resurfacing of South Wood Avenue	10,400.00
511	Resurfacing of Linden Avenue	33,250.00
545	Acquisition of Computer Network Security Equipment	12,000.00
553	Refunding of Unfunded Pension Liabilities	575,000.00
559	Acquisition of One Defibrillator	7,700.00
565	Replacement of Roof for the Municipal Garage	1,125.00
568	Acquisition of Asphalt	350.00
570	Acquisition of Flusher	1,625.00
584	Carpeting of Various Municipal Buildings	71.00
587	Acquisition of Mason Dump Truck With Plow	7,419.00
588	Acquisition of Self Contained Breathing Apparatus Equipment	180.51
604	Acquisition of Riding Mower	5.00
615	Acquisition of Infield Grading Machine	450.00
617	Acquisition of Sports Utility Vehicle	2,130.00
628	Acquisition of Mobile Radios	12.00
631	Landfill	193,214.43
636	Acquisition of Evidence Dryer	790.00
662	Football and Track and Field Stadium	27,321.49
669	Acquisition of Pick-Up Truck	646.52
670	Acquisition Sanitation Truck With Plow	5,865.00
671	Council Chamber Renovations	250.00
672	Replace Park Equipment- Various Parks	337.00
673	Acquisition Mason Dump Truck With Plow	3,950.00
675	Acquisition of Computer Equipment	420.00
677	Resurface Commerce Road, Industrial Lane, Summit Terrace	200.00
678	Resurface Various Streets	56,702.03
679	Acquisition of Rescue Equipment	295.00
680	Installation of Curbs and Sidewalks	13,600.00
681	Animal Control Facility	18,000.00
682	Acquisition of Computer Equipment - Police Vehicles	1,000.00
683	Acquisition of Two Pick-Up Trucks With Plows	225.00
684	Replacement of Roof at Public Works Garage	118,000.00
685	Acquisition of a Car Wash	1,375.00
686	Acquisition of Two Mason Dump Trucks With Plows	4,500.00
687	Acquisition of Double Cab Pick-Up Truck With Plow	485.00
688	Acquisition of Backhoe	3,150.00
689	Acquisition of Mobile Vision Digital Cameras	500.00
690	Acquisition of Portable Radios	625.00
691	Acquisition of Pick-Up Truck With Plow	305.00
692	Acquisition of Radio Equipment - Emergency Management	125.00
694	Construction of a Skate Park	68,000.00
696	Acquisition of Computer Equipment - Various Departments	600.00
697	Acquisition of Computer Equipment - Police Department	375.00
700	Environmental Greenway	325,000.00
701	Reconstruction of Curbs and Sidewalks	600.00
702	Acquisition of a Sweeper - Public Works Department	200.00
703	Acquisition of a Fire Pumper Fire Department	735.00
704	Acquisition of a Sport Utility Vehicle - Police Department	150.00
705	Acquisition of a Surveillance Vehicle - Police Department	700.00

CITY OF LINDEN

CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>IMPROVEMENT NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2010</u>
706	Acquisition of a Refuse Truck - Public Works Department	\$ 29,900.00
707	Acquisition of a Dump Truck - Public Works Department	700.00
708	Rehabilitation of Sanitary Sewers	35,000.00
710	Reconstruction of Curbs and Sidewalks	15,500.00
711	Resurface Grier Avenue, Summit Terrace	47,500.00
712	Resurface Various Streets	250.00
713	Acquisition of Computer Equipment - Police Department	750.00
714	Acquisition of Computer Equipment - Various Departments	7,900.00
715	Acquisition of Firefighting and Communication Equipment - Fire Department	400.00
716	Acquisition of SCBA and Related Equipment - Fire Department	200.00
717	Acquisition of a Sport Utility Vehicle - Police Department	3,600.00
718	Acquisition of a Sewer Vector Truck - Public Works Department	1,200.00
719	Asphalt - Public Works Department	350.00
720	Renovation to City Hall parking Garage	472,500.00
721	Acquisition of Park Equipment	4,500.00
722	Acquisition of Fueling Station - Municipal Garage	515,000.00
723	Storm and Sanitary Sewers - Various Locations	45,000.00
724	911 Backup Center - Central Dispatch	12,700.00
725	Resurface Various Streets	118,750.00
726	Resurface Various Streets	8,750.00
727	Improvements to West Brook	280,000.00
728	Hawk Rise Environmental Walkway	49,375.00
729	Rehabilitation of Storm and Sanitary Sewers	232,500.00
730	Reconstruction of Curbs and Sidewalks	500.00
731	Acquisition of Garbage Truck	9,000.00
732	Acquisition of Stump Cutter	38,000.00
733	Acquisition of Anti-Graffiti Trailer	61,750.00
734	Acquisition of Dump Truck	43,700.00
736	Renovation to Police Range	165,500.00
737	Firefighting and Communication Equipment	4,850.00
737	Acquisition of Computer Equipment - Finance Department	27,500.00
739	Acquisition of Asphalt	32,000.00
740	Safety Material Upgrade	114,000.00
741	Paving for Linden Multi-Purpose Center	57,000.00
742	Resurfacing of DeWitt Terrace	95,000.00
743	Energy Audit and Improvements	52,250.00
744	Installation of Pre-emptive Devices at Traffic Signals	61,750.00
745	City-Wide Curb and Sidewalk Reconstruction	85,500.00
746	Closure of Landfill (Amend)	950,000.00
747	Rehabilitation of Storm and Sanitary Sewers	190,000.00
748	Acquisition of Computer Equipment - Finance Department	41,800.00
749	Acquisition of Computer Equipment - Police Department	103,978.00
750	Acquisition of Firefighting Equipment	47,025.00
751	Refunding Bond Ordinance	469,350.00
		<u>\$ 10,578,583.96</u>

CITY OF LINDEN  
SANITARY LANDFILL UTILITY FUND  
SCHEDULE OF CASH

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2009	D	\$ 460,291.06	\$ 5,129.52
Increased by Receipts:			
Anticipated Deficit (General Budget)	D-2	\$ 689,463.39	\$
Interest on Investments	D-2	62.85	
Tax Escrow	D;D-2	2,000.00	
Due to Current Fund	D	<u>213,236.61</u>	
		<u>904,762.85</u>	
		\$ 1,365,053.91	\$ 5,129.52
Decreased by Disbursements:			
2010 Appropriations	D-3	\$ 524,598.48	
2009 Appropriations Reserves	D-6	<u>34,527.83</u>	
		<u>559,126.31</u>	
Balance, December 31, 2010	D	<u>\$ 805,927.60</u>	<u>\$ 5,129.52</u>

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

SANITARY LANDFILL OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2009	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
	COMMITMENTS PAYABLE	RESERVED		
<u>OPERATING</u>				
Salaries and Wages	\$ 87,282.84	\$ 87,282.84	\$	87,282.84
Other Expenses	133,104.13	55,177.42	134,527.83	53,753.72
<u>TOTAL OPERATING</u>	\$ 133,104.13	142,460.26	134,527.83	141,036.56
<u>TOTAL SANITARY LANDFILL APPROPRIATIONS</u>	\$ 133,104.13	142,460.26	134,527.83	141,036.56

REF.

D-7 D

D-1

Disbursed  
Commitments Payable

\$ 34,527.83  
100,000.00  
\$ 134,527.83

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

SCHEDULE OF COMMITMENTS PAYABLE

	<u>REF.</u>		
Balance December 31, 2009	D		\$ 172,010.92
Increased by:			
Charge to 2010 Appropriations	D-3	\$ 39,702.10	
Charge to 2009 Appropriations	D-6	<u>100,000.00</u>	
			<u>139,702.10</u>
			311,713.02
Decreased by:			
Transferred to Appropriation Reserves	D-6	\$ 133,104.13	
Cancelled	D-1	<u>21,025.20</u>	
			<u>154,129.33</u>
Balance December 31, 2010	D		\$ <u><u>157,583.69</u></u>

CITY OF LINDEN

SANITARY LANDFILL UTILITY FUND

SCHEDULE OF SANITARY LANDFILL BOND ANTICIPATION NOTES

IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2009	INCREASED	DECREASED	BALANCE DECEMBER 31, 2010
Closure of Sanitary Landfill	6/29/04	5/28/09 5/13/10	5/14/10 5/12/11	2.00% 1.50%	\$ 1,704,000.00 \$	1,599,000.00	1,704,000.00 \$	1,599,000.00
					\$ 1,704,000.00 \$	1,599,000.00 \$	1,704,000.00 \$	1,599,000.00
				REF.	D			D
Reissued					\$ 1,599,000.00 \$		1,599,000.00	
Paid by Budget Appropriation				D-10			105,000.00	
					\$ 1,599,000.00 \$		1,704,000.00	

"D-9"

CITY OF LINDEN  
SANITARY LANDFILL UTILITY FUND  
SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2009 AND 2010</u>
Closure of Sanitary Landfill	\$ <u>2,019,000.00</u>
<u>REF.</u>	D

"D-10"

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>PAID FROM OPERATING BUDGET NOTES</u>	<u>BALANCE DECEMBER 31, 2010</u>
Closure of Sanitary Landfill	\$ <u>315,000.00</u>	<u>105,000.00</u> \$	<u>420,000.00</u>
<u>REF.</u>	D	D-8	D

CITY OF LINDEN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH-TREASURER

	<u>REF.</u>	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>P.A.T.F. II</u> <u>ACCOUNT</u>	<u>FUND</u> <u>TOTAL</u>
Balance December 31, 2009	E	\$ <u>14,088.65</u>	\$ <u>(36,831.36)</u>	\$ <u>(22,742.71)</u>
Increased by Receipts:				
State Aid for Public Assistance		\$	\$ 607,650.85	\$ 607,650.85
Other		17.44	6,885.26	6,902.70
Supplemental Security Income Reimbursement			<u>94,921.85</u>	<u>94,921.85</u>
<u>Total Receipts</u>		\$ <u>17.44</u>	\$ <u>709,457.96</u>	\$ <u>709,475.40</u>
		\$ <u>14,106.09</u>	\$ <u>672,626.60</u>	\$ <u>686,732.69</u>
Decreased by:				
Public Assistance - 2010			<u>700,479.09</u>	<u>700,479.09</u>
<u>Total Disbursements</u>		\$	\$ <u>700,479.09</u>	\$ <u>700,479.09</u>
Balance December 31, 2010	E	\$ <u><u>14,106.09</u></u>	\$ <u><u>(27,852.49)</u></u>	\$ <u><u>(13,746.40)</u></u>

CITY OF LINDEN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION PER N.J.S.A. 40A:5-5

	<u>REF.</u>		
Balance, December 31, 2010	E-1	\$	(13,746.40)
Increased by Receipts:			
Cash Receipts Record		\$	<u>46,444.00</u>
		\$	32,697.60
Decreased by Disbursements:			
Cash Disbursements Record:			
2011 Assistance		\$	<u>50,279.67</u>
			<u>50,279.67</u>
Balance, January 31, 2011		\$	<u><u>(17,582.07)</u></u>

<u>Reconciliation, January 31, 2011</u>	<u>P.A.T.F. I ACCOUNT</u>	<u>P.A.T.F. II ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit per Statement of:			
First Union National Bank			
Account #2000921046112	\$ 14,106.69	\$ -0-	\$ 14,106.69
Account #2081305165719	\$ <u>14,106.69</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
	\$ <u>14,106.69</u>	\$ <u>-0-</u>	\$ <u>14,106.69</u>
Less: Outstanding Checks (Per List on File)	\$ <u>                    </u>	\$ <u>(31,688.76)</u>	\$ <u>(31,688.76)</u>
Balance, January 31, 2011	\$ <u><u>14,106.69</u></u>	\$ <u><u>(31,688.76)</u></u>	\$ <u><u>(17,582.07)</u></u>



CITY OF LINDEN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>P.A.T.F. I</u>	<u>P.A.T.F. II</u>	<u>FUND TOTAL</u>
State Aid Payments	\$ -0-	\$ 607,650.85	\$ 607,650.85
Less: Refund to the State	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>Net State Aid Payments</u>	<u>\$ -0-</u>	<u>\$ 607,650.85</u>	<u>\$ 607,650.85</u>
Interest Earned	\$ 17.44	\$	\$ 17.44
Supplemental Security Income:			
State/Municipal Refund		94,921.85	94,921.85
Client Refund		<u>6,885.26</u>	<u>6,885.26</u>
TOTAL REVENUE ( P.A.T.F.)	\$ 17.44	\$ 101,807.11	\$ 101,824.55
Intra-Fund Transfers			
<u>TOTAL RECEIPTS</u>	<u>\$ 17.44</u>	<u>\$ 709,457.96</u>	<u>\$ 709,475.40</u>

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2010

Current Year Assistance (Reported):			
Maintenance Payments	\$	\$ 287,841.35	\$ 287,841.35
Other Medical			
Other:			
Burial		2,770.00	
Transportation		24,136.50	24,136.50
Emergency Assistance and Temporary Rent		287,678.42	287,678.42
Work Related Expenses		206.00	206.00
Recoupment Amount		<u>(1,003.65)</u>	<u>(1,003.65)</u>
<u>Total Reported</u>	\$	\$ 601,628.62	\$ 598,858.62
SSI Payments:			
Reimbursement to State		97,715.87	
Reimbursement to Clients		<u>1,134.60</u>	<u>1,134.60</u>
TOTAL DISBURSEMENTS (P.A.T.F.)	\$ -0-	<u>\$ 700,479.09</u>	<u>\$ 599,993.22</u>

**THIS PAGE INTENTIONALLY LEFT BLANK**

CITY OF LINDEN

PART II

SINGLE AUDIT SECTION

REPORTS 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

REPORTS ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO MAJOR FEDERAL AND STATE FINANCIAL  
ASSISTANCE PROGRAMS AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR NO. A-133  
AND NEW JERSEY OMB CIRCULAR 04-04

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

INDEPENDENT AUDITOR'S 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 City Council  
City of Linden  
County of Union  
Linden, New Jersey 07036

We have audited the accompanying financial statements - statutory basis of the City of Linden, County of Union, New Jersey as of December 31, 2010 and have issued our report thereon dated May 9, 2011. Our report disclosed that, as described in Note 1 to the financial statements, the City of Linden 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 and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. We conducted our audit in accordance with U.S. generally accepted auditing standards, 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 City of Linden's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the City of Linden's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Linden's internal control over financial reporting.

## SUPLEE, CLOONEY & COMPANY

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, we noted immaterial control deficiencies which are discussed in Part III, General Comments and Recommendations Section of this report.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Linden's financial statements - statutory 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 or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information of the City of Linden, New Jersey, the Division of Local Government Services and federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 9, 2011



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133 AND  
NEW JERSEY OMB CIRCULAR 04-04

The Honorable Mayor and Members  
of the City Council  
City of Linden  
County of Union  
Linden, New Jersey 07036

## Compliance

We have audited the compliance of the City of Linden, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the compliance requirements described in the State of New Jersey, Department of Treasury, Office of Management and Budget's State Grant Compliance Supplement that are applicable to each of its major federal and state programs for the year ended December 31, 2010. The City of Linden's major federal and 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 federal and state programs is the responsibility of the City of Linden's management. Our responsibility is to express an opinion on the City of Linden's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the City of Linden'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 City of Linden's compliance with those requirements.

## SUPLEE, CLOONEY & COMPANY

In our opinion, the City of Linden complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2010.

### Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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.

This report is intended for the information of the City of Linden, County of Union, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 9, 2011

CITY OF LINDEN

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2010

FEDERAL C.F.D.A. NUMBER	GRANTOR'S NUMBER	GRANT PERIOD FROM	TO	GRANT AWARD AMOUNT	2010 FUNDS RECEIVED	2010 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2010
16.737	N/A	4/1/08	3/31/09	\$ 43,102.00	\$ 7,475.97	\$ 3,448.27	\$ 43,102.00
Department of Justice							
Direct Program:							
Gang Resistance Education and Training							
Pass Through County of Union:							
16.580	2005F-F5439-NJ-DJ	N/A		\$ 19,597.50	\$	\$	\$ 19,574.98
16.580	2006F-F5439-NJ-DJ	N/A		\$ 11,379.00			\$ 11,379.00
16.580	2007F-F5439-NJ-DJ	N/A		\$ 15,733.80			\$ 15,732.12
16.580	2009-H08624-NJ-SB R	N/A		\$ 74,277.90	\$ 68,398.88		\$ 74,170.68
16.580	2010-H08624-NJ-SB R	N/A		\$ 18,013.50	\$ 18,012.86		\$ 18,012.86
				\$ 91,077.66	\$ 86,412.74		\$ 138,867.64
81.128		9/4/09	9/4/12	\$ 166,800.00	\$ 121,342.50	\$ 139,562.50	\$ 139,562.50
Department of Energy							
Energy Efficiency and Conservation Block grant							
Department of Agriculture							
Direct Program:							
Asian Longhorned Beetle (ALB.) Program							
10.025	10-8234-0696-CA	2/1/2010	3/2/2012	\$ 154,500.00	\$ 71,897.75	\$ 45,839.77	\$ 45,839.77
10.688	FY10-100-042-4870	4/1/2010	9/30/2011	\$ 7,000.00	\$ 71,897.75	\$ 45,839.77	\$ 45,839.77
Department of Health and Human Services							
Pass through State of New Jersey							
Local Public Health Emergency Response to H1N1:							
93.069	100-046-4E01-480-002-6120-7239	10/1/2009	7/30/2012	\$ 53,015.00	\$ 46,044.71	\$ 46,044.71	\$ 46,044.71
93.069	100-046-4E14-480-002-6120-7239	10/1/2009	7/30/2012	\$ 53,015.00	\$ 47,255.17	\$ 47,255.17	\$ 47,255.17
				\$ 93,299.88	\$ 93,299.88	\$ 93,299.88	\$ 93,299.88
97.044	2010-M9-3120GF-25000000-4101-D	2/26/10	2/25/11	\$ 180,020.00	\$ 180,020.00	\$ 180,020.00	\$ 180,020.00
97.078	N/A	N/A		\$ 145,600.00	\$	\$	\$ 145,600.00
97.078	N/A	N/A		\$ 896,340.00	\$ 423,928.46	\$ 59,918.88	\$ 750,261.66
97.078	2008-GE-T8-0015	N/A		\$ 330,000.00	\$ 423,928.46	\$ 59,918.88	\$ 895,340.96
Department of Transportation:							
Federal Aviation Administration							
Pass through State of New Jersey							
Design and Construction of Asphalt							
20.106	3-34-0019-05-04	Contract Date 8/11/04		\$ 161,500.00	\$	\$	\$ 146,518.99
20.106	3-34-0019-07-04	Contract Date 8/23/04		\$ 241,200.00	\$	\$	\$ 241,200.00
20.106	3-34-0019-09-05	Contract Date 8/24/05		\$ 94,927.00	\$	\$	\$ 91,810.10
20.106	3-34-0019-15-06	Contract Date 8/17/06		\$ 256,500.00	\$	\$	\$ 251,178.49
20.106	3-34-0019-12-08	Contract Date 6/16/08		\$ 696,990.00	\$	\$	\$ 692,228.98
20.106	3-34-0019-013-09	Contract Date 8/21/09		\$ 214,776.00	\$ 198,114.00	\$ 208,436.18	\$ 208,436.18
		Contract Date 7/15/10		\$ 190,000.00	\$ 13,424.81	\$	\$ 13,424.81
				\$ 1,631,372.14	\$ 208,436.18	\$	\$ 1,631,372.14



CITY OF LINDEN

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2010

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2010 FUNDS RECEIVED	2010 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2010
		FROM	TO				
<b>DEPARTMENT OF HEALTH AND SENIOR SERVICES</b>							
Public Health Priority Funding:							
2004	046-4230-100-307-04-05	1/1/04	12/31/04	26,800.00	\$	\$	20,445.51
2007	046-4230-100-307-04-07	1/1/07	12/31/07	15,602.00			15,422.00
2008	046-4230-100-307-04-08	1/1/08	12/31/08	15,044.00			15,044.00
2009	046-4230-100-307-04-09	1/1/09	12/31/09	14,758.00		2,468.86	14,758.00
2010	046-4230-603-054-9	1/1/10	12/31/10	7,390.00	7,390.00	7,390.00	7,390.00
	Prevent Smoking	1/1/01	12/31/01	2,880.00		430.21	1,625.80
	Pandemic Flu Preparedness Grant Phase II	1/1/06	8/30/07	8,782.00			8,695.65
	Pandemic Flu Preparedness Grant Phase II	1/1/07	8/30/08	9,102.00			8,636.79
2002	97-1709-ADA	10/01/01	03/31/03	8,520.00			4,041.16
2003	046-4240-100-130-04	1/1/03	12/31/03	7,380.00			1,499.94
2004	046-4240-100-130-05	4/01/05	3/31/06	5,520.00		403.38	
2005	046-4240-100-130-06	4/01/06	3/31/07	4,380.00			
				\$	7,390.00	10,692.45	97,558.85
<b>DEPARTMENT OF LAW AND PUBLIC SAFETY</b>							
	1110-101-030000-129040		Various	10,082.34	\$	19.89	10,082.34
	1110-101-030000-129040		Various	16,928.58		624.74	16,928.58
	1110-101-030000-129040		Various	31,611.28		14,362.94	31,423.61
	1020-718-0666-1020-001-YCJS-6120	1/1/07	12/31/07	14,988.75		2,787.40	2,787.40
	1020-718-0666-1020-001-YCJS-6120	1/1/08	12/31/08	14,644.91		5,005.39	14,595.39
	1020-718-0666-1020-001-YCJS-6120	1/2/09	12/31/09	13,055.48		5,005.00	5,005.00
	1020-718-0666-1020-001-YCJS-6120	12/10	12/31/10	3,796.42	3,796.42	3,796.42	3,796.42
	Safe and Secure Communities Act Program	1/1/09	12/31/09	58,623.00		58,623.00	58,623.00
	Safe and Secure Communities Act Program	1/1/10	12/31/10	60,000.00	60,000.00	60,000.00	60,000.00
	SFY03 Statewide Local Domestic Preparedness Equipment	1/1/03	12/31/03	75,000.00			63,176.92
	State and Local All Hazard Operation Planning	1/1/04	12/31/04	2,405.72			
				\$	74,309.95	150,224.65	266,418.66
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION</b>							
Clean Communities Grant:							
2005	042-4900-765-004-05	1/1/05	12/31/05	34,302.68	\$	\$	34,214.43
2006	042-4900-765-004-06	1/1/06	12/31/06	35,965.09			34,481.22
2008	042-4900-765-004-08	1/1/08	12/31/08	43,376.66			41,866.94
2009	042-4900-765-004-09	1/1/09	12/31/09	55,569.06		8,598.73	55,569.06
2010	4900-765-042-4900-004-V42Y-6020	1/1/10	12/31/10	57,930.80	57,930.80	56,926.50	56,926.50
	Wastewater Management Project	9/1/09	12/31/2011	15,000.00			
	Green Acres-25% Matching Grant-Hawk Rise Environmental Walkway	11/9/2010	11/9/2012	400,625.00			
	Natural Resources Restoration Grant	N/A	11/9/2012	670,000.00			
	Recycling Grant	11/9/2010	11/9/2012				
2008	042-4900-752-001-08	1/1/08	12/31/08	97,356.48		97,356.48	97,356.48
	Community Stewardship Incentive program:						
2006	4870-100-042-4870-074-V42F-6120	1/1/06	12/31/06	25,000.00			23,766.29
2007	4870-100-042-4870-074-V42F-6120	01/01/07	12/31/07	25,000.00			10,000.00
2008	2008- Shade	01/01/08	12/31/08	25,000.00			
	Hazardous Discharge Site Remediation:						
2005		5/10/05	Completion	17,152.00			16,152.00
2007		9/19/07	Completion	239,226.00			17,478.00
2008				218,386.00			218,376.00
2009	2009 United Laquer	3/1/05	2/28/06	29,095.00			25,514.38
	Municipal Stormwater Regulation	4/1/05	3/31/06	20,619.00			20,619.00
	Statewide Livable Communities	1/1/06	12/31/06	120,000.00			119,987.32
	Green Communities Grant			2,000.00		2,000.00	2,000.00
				\$	57,930.80	200,863.00	774,307.72

CITY OF LINDEN

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2010

STATE GRANTOR/PROGRAM TITLE DEPARTMENT OF HUMAN SERVICES *Payments for Costs of General Assistance (State Share) 2010	STATE ACCOUNT NUMBER	FROM	GRANT PERIOD TO	GRANT AMOUNT	2010 FUNDS RECEIVED	2010 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2010	
	7500-150-158010-60	01/01/10	12/31/09	\$ 700,479.09	\$ 700,479.09	\$ 700,479.09	\$ 700,479.09	
DEPARTMENT OF TRANSPORTATION Municipal Aid Program: Railroad Station Grifer Ave./ Summit Terr. West Blanke/Grier/ Rosewood/Wheatstearf Road DeWitt Terrace and East Linden Avenue	6320-480-078-6320-TCAP-6010 6320-480-078-6320-AJ3-TCAP-6010 09-480-078-6320-AKE-6010 6320-480-078-6320-AKN-TCAP-6010	N/A N/A N/A N/A	667,031.76	100,000.00 215,000.00 225,000.00 300,000.00	12,730.06 86,749.37 223,874.93 323,354.36	\$ 217,466.85 223,874.93 441,341.78	48,296.50 132,102.98 217,466.85 235,119.92 633,986.25	
Airport Safety Act of 1980 Snow Removal Equipment Building Phase II Airport Taxi/Apron Infield Drainage Improvements Runway 9 Bypass Taxiway North Taxiway Crack Repair Airport Layout Plan Update	6300-480-078-6300-DCJ-TCAP-7310 6300-480-078-6300-CSM-TCAP-6130	Contract Date Contract Date Contract Date Contract Date Contract Date	8/14/2007 6/17/2008 1/21/2009 3/25/09 8/21/09 7/15/10	17,550.00 18,342.00 475,000.00 684,000.00 5,652.00 5,000.00	3,541.29 11,319.82 67,193.53	\$ 6,969.08 373,108.57 5,485.16 353.28	17,550.00 18,342.00 12,926.88 390,076.81 5,485.16 353.28 444,734.13	
DEPARTMENT OF TREASURY Office of Information Technology Office of Emergency Telecommunications Services: Enhanced 911 Equipment Grant Enhanced 911 General Assistance Grant	06-100-082-2034-050 2034-100-082-SBE7-050-UOAB-6120	7/1/06 1/1/07	6/30/07 12/31/07	166,493.00 36,790.00	\$ 0.00	\$ 0.00	36,654.68 36,654.68	
DEPARTMENT OF COMMUNITY AFFAIRS Playground Safety Smart Future Growth Plan - St. George Avenue Smart Future Growth Plan	100-022-8049-006-FSMR-6120 100-022-8049-006-FSMR-6120 100-022-8049-006-FSMR-6120	1/1/06 12/1/08	7/1/08 8/30/10	50,000.00 170,000.00 55,000.00	\$ 0.00	\$ 4,000.00 4,000.00	49,630.00 4,000.00 53,630.00	
OFFICE OF EMERGENCY MANAGEMENT Emergency Management Preparedness Grant Exercise Improvement Grant	A006872748	1/01/08	12/31/08	7,500.00	\$	2,146.11	7,491.44	
GOVERNOR'S COUNCIL ON ALCOHOLISM AND DRUG ABUSE Municipal Alliance Grant -2000 Municipal Alliance Grant -2001 Municipal Alliance Grant -2002 Municipal Alliance Grant -2003 Municipal Alliance Grant -2004 Municipal Alliance Grant -2005 Municipal Alliance Grant -2006 Municipal Alliance Grant -2007 Municipal Alliance Grant -2008 Municipal Alliance Grant -2009 Municipal Alliance Grant -2010	00-ALL-100 01-ALL-107 02-ALL-117 03-ALL-117 04-ALL-117 05-ALL-117 06-ALL-117 07-ALL-117 08-ALL-117 09-ALL-117 10-ALL-109	1/1/00 1/1/00 1/1/02 1/1/03 1/1/04 1/1/05 1/1/06 1/1/07 1/1/08 1/1/09 1/1/10	12/31/00 12/31/00 12/31/02 12/31/03 12/31/04 12/31/05 12/31/06 12/31/07 12/31/08 12/31/09 12/31/10	36,802.00 40,802.00 43,441.00 40,087.00 40,877.00 30,196.00 39,777.00 39,777.00 39,053.00 38,987.00 38,987.00	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	28,849.88 35,752.00 40,274.35 32,445.20 38,710.00 30,028.00 25,219.00 26,121.00 32,219.72 29,240.00 11,945.82 11,945.82 332,804.97 3,346,065.79	
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>							<b>\$ 1,907,609.03</b>	<b>\$ 3,346,065.79</b>

CITY OF LINDEN

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2010

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial awards of the City of Linden, County of Union, New Jersey. All federal and state financial awards received directly from federal or state agencies, as well as federal financial awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the City's financial statements - statutory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - STATUTORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the City's statutory basis financial statements. These amounts are reported in either the Current Fund, General Capital Fund or Trust Other Fund.

NOTE 5. OTHER

Matching contributions expended by the City in accordance with terms of the various grants are not reported in the accompanying schedule.

**City of Linden**  
**Union County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2010**

**Section I - Summary of Auditor's Results**

**Financial Statements**

- |  |               |
|--|---------------|
| (1) Type of Auditor's Report Issued:   | Unqualified   |
| (2) Internal Control Over Financial Reporting:   |               |
| (a) Material weakness identified?  | No            |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| (3) Noncompliance material to the financial statements noted during the audit?             | No            |

**Federal Program(s)**

- |   |               |
|---|---------------|
| (1) Internal Control Over Major Federal Programs:   |               |
| (a) Material weakness identified?   | No            |
| (b) Significant deficiencies identified that are not considered to be material weaknesses?  | None Reported |
| (1) Type of Auditor's Report issued on compliance for major federal program(s)?   | Unqualified   |
| (2) Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133 and listed in Section III of this schedule? | None Reported |

**City of Linden**  
**Union County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2010**

**Federal Program(s) (Continued)**

(3) Identification of Major Federal Program(s):

<u>Program</u>	<u>Grant Number</u>	<u>Award Period</u>	<u>Type</u>	<u>Award Amount</u>	<u>Amounts Expended</u>
Community Development Block Grant	14.218	09/01/08-8/31/10	A	\$1,166,272.37	\$ 553,029.93
ARRA-Community Development Block Grant	14.253	06/01/09-09/30/09	B	\$ 390,118.34	\$ 59,061.77

(5) Program Threshold Determination:

Type A Federal Program Threshold > \$300,000.00

Type B Federal Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

**State Program(s)**

(1) Internal Control Over Major State Programs:

Material weaknesses identified?	No
(a) Deficiencies identified as material weaknesses?	No
(b) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported

(2) Type of Auditor's Report issued on compliance for major state program(s)? Unqualified

(3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04 and listed in Section III of this schedule? None Reported

**City of Linden**  
**Union County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2010**

**State Program(s) (Continued)**

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>	<u>Grant Period</u>	<u>Type</u>	<u>Award Amount</u>	<u>Amount Expended</u>
Payments for Costs of General Assistance	7500-150-158010-60	1/01/07-12/31/07	A	\$ 700,479.09	\$700,479.09
Municipal Aid Program		N/A	A	\$ 525,000.00	\$456,586.77
Airport Safety Improvement Aid		N/A	A	\$1,169,652.00	\$385,916.09

(5) Program Threshold Determination:

Type A State Program Threshold > \$300,000.00  
Type B State Program Threshold < \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular A-133?                      YES

**Section II - Financial Statement Audit - Reported Findings Under Government Auditing Standards**

**Internal Control Findings**

None Reported

**Compliance Findings**

None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

**Federal Programs**

None

**State Programs**

None

City of Linden  
Union County, New Jersey

Schedule of Prior Year Audit Findings

State Programs – Not Applicable

Federal Programs – Not Applicable

PART III

CITY OF LINDEN

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

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

	YEAR 2010		YEAR 2009	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 7,050,000.00	3.56%	\$ 6,050,000.00	3.19%
Miscellaneous - From Other Than Local Property Tax Levies	43,285,403.74	21.89%	45,878,564.99	24.21%
Collection of Delinquent Taxes and Tax Title Liens	2,343,941.71	1.19%	2,290,851.49	1.21%
Collection of Current Tax Levy	145,087,474.52	73.36%	135,253,471.27	71.38%
<u>Total Income</u>	\$ 197,766,819.97	100.00%	\$ 189,472,887.75	100.00%
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 90,001,301.32	47.36%	\$ 85,673,704.85	46.97%
County Taxes	23,695,660.32	12.47%	23,674,760.84	12.98%
Local School Taxes	75,984,658.00	39.98%	72,910,851.00	39.98%
Other Expenditures	374,907.20	0.20%	124,329.92	0.07%
<u>Total Expenditures</u>	\$ 190,056,526.84	100.00%	\$ 182,383,646.61	100.00%
Excess in Revenue	\$ 7,710,293.13		\$ 7,089,241.14	
Fund Balance, January 1	\$ 8,053,871.59		\$ 7,014,630.45	
	\$ 15,764,164.72		\$ 14,103,871.59	
Decreased by:				
Utilized as Anticipated Revenue	7,050,000.00		6,050,000.00	
Fund Balance, December 31	\$ 8,714,164.72		\$ 8,053,871.59	

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE  
IN FUND BALANCE - SANITARY LANDFILL OPERATING FUND

	<u>YEAR 2009</u>		<u>YEAR 2009</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Revenue and Other Income Realized:				
Fund Balance Utilized	\$	0.00%	\$ 95.00	0.06%
Miscellaneous	<u>164,124.61</u>	<u>100.00%</u>	<u>148,851.25</u>	<u>99.94%</u>
<u>TOTAL INCOME</u>	<u>\$ 164,124.61</u>	<u>100.00%</u>	<u>\$ 148,946.25</u>	<u>100.00%</u>
Expenditures:				
Operating	\$ 717,700.00	84.08%	\$ 670,889.00	80.89%
Debt Service	<u>135,888.00</u>	<u>15.92%</u>	<u>158,467.57</u>	<u>19.11%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 853,588.00</u>	<u>100.00%</u>	<u>\$ 829,356.57</u>	<u>100.00%</u>
Deficit in Revenue	\$ (689,463.39)		\$ (680,410.32)	
Adjustments to Income Before Fund Balance:				
Realized from General Budget for Anticipated Deficit	<u>689,463.39</u>		<u>680,410.32</u>	
Statutory Excess to Fund Balance	\$		\$	
Fund Balance, January 1	<u>398.32</u>		<u>493.32</u>	
	\$ 398.32		\$ 493.32	
Decreased by:				
Utilized by Sanitary Landfill Utility Budget			<u>95.00</u>	
Fund Balance, December 31	<u>\$ 398.32</u>		<u>\$ 398.32</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	<u>\$5.309</u>	<u>\$4.916</u>	<u>\$4.703</u>
Apportionment of Tax Rate:			
Municipal	\$1.741	\$1.491	\$1.417
County	0.848	0.838	0.746
School	2.720	2.587	2.540

ASSESSED VALUATIONS:

2010	<u>\$2,793,697,705.00</u>	
2009		<u>\$2,819,342,144.00</u>
2008		<u>\$2,823,142,942.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTION</u>	<u>PERCENTAGE OF COLLECTIONS</u>
2010	\$148,514,254.00	\$145,087,474.52	97.69%
2009	138,823,068.89	135,253,471.07	97.42%
2008	133,514,985.32	130,788,490.88	97.95%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2010	\$5,398,986.02	\$2,778,834.11	\$8,177,820.13	5.51%
2009	4,776,353.39	2,661,602.12	7,437,955.51	5.36%
2008	4,446,385.55	2,530,647.30	6,977,032.85	5.23%
2007	4,160,953.47	2,469,999.93	6,630,953.40	5.24%
2006	3,900,096.88	2,153,211.53	6,053,308.41	5.17%

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>
2010	\$107,542.50
2009	107,542.50
2008	107,542.50
2007	107,542.50
2006	107,542.50

COMPARATIVE SCHEDULE OF FUND BALANCES

		<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
CURRENT FUND	2010	\$8,714,164.72	\$8,050,000.00 *
	2009	8,053,671.59	7,050,000.00
	2008	7,014,630.45	6,050,000.00
	2007	7,095,777.98	86,860,000.00
	2006	9,994,752.84	8,113,850.00
SANITARY LANDFILL OPERATING FUND	2010	\$398.32	-0-
	2009	398.32	-0-
	2008	493.32	\$95.00
	2007	78,493.32	78,000.00
	2006	1,090,686.74	1,090,500.00

\*Per introduced budget

EQUALIZED VALUATIONS - REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2010	\$ 5,770,362,715.00
2009	6,123,110,724.00
2008	6,571,704,826.00

OFFICIALS IN OFFICE SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF CORPORATE OR PERSONAL SURETY</u>
Richard J. Gerbounka	Mayor	*	
Robert F. Bunk	President of Council	*	
Christopher Kolibas	Councilman – 1 <sup>st</sup> Ward	*	
Richard Koziol	Councilman – 2 <sup>nd</sup> Ward	*	
Joseph E. Harvanik	Councilman – 3 <sup>rd</sup> Ward	*	
Derek Armstead	Councilman – 4 <sup>th</sup> Ward	*	
Eugene Davis	Councilman – 5 <sup>th</sup> Ward	*	
Bob Sadowski	Councilman – 6 <sup>th</sup> Ward	*	
John D. Sheedy	Councilman – 7 <sup>th</sup> Ward	*	
Michele Yamakaitis	Councilwoman – 8 <sup>th</sup> Ward	*	
Robert Frazier	Councilman – 9 <sup>th</sup> Ward	*	
Richard Puschel	Councilman – 10 <sup>th</sup> Ward	*	
Joseph Bodek	City Clerk – Secretary and Registrar of Vital Statistics, and ABC Board	*	
Stacy L. Carron	Receiver of Taxes and Tax Search Officer from	\$560,000	R.L.I. Insurance
Alexis Zack	Chief Financial Officer	\$500,000	R.L.I. Insurance
John G. Hudak	City Attorney	*	
Louis M. DiLeo	Municipal Magistrate	\$260,000	R.L.I. Insurance
Elizabeth A. Gavigan	Municipal Court Administrator	\$260,000	R.L.I. Insurance
Dorethea Blassingame	Deputy Municipal Court	*	
Nancy Koblis	Health Officer	*	
Frank Gadomsky	Construction Code Official/ Plumbing Inspector	*	

OFFICIALS IN OFFICE SURETY BONDS (CONTINUED)

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF CORPORATE OR PERSONAL SURETY</u>
Joseph Rizzo	Fire Chief	*	
James Schulhafer	Emergency Management Coordinator	*	
Alfred D. MacDonald	Director Public Property/ Community Services	*	
Michael F. Boyle	Police Chief	*	
George R. Virchik	City Engineer-Officer for Searches For Municipal Improvements	*	
Michael Frangella	Secretary-Board of Assessors	*	
Brian C. Fritzsche	Secretary-Zoning Board	*	
John Mesler III	Superintendent of Public Works	*	
Mary Ellen Tango	City Welfare Director	*	
Edward J. Malanda	Superintendent of Weights and Measures	*	
Gregory J. Imbriaco, Sr.	Housing Inspector	*	
Louis Milonas	Electrical Inspector	*	
Mark Ritacco	Zoning Officer/Plumbing Inspector	*	
Joseph LaPlaca	Chairman of Planning Board	*	
Doreen C. Fritzsche	Purchasing Agent	*	
Annamarie Whelan	Purchasing Agent	*	

\*Public Employee Dishonesty \$150,000.00, deductible \$2,500.00  
Great American Insurance Group

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS TO BE  
ADVERTISED FOR N.J.S.A. 40A:11-4

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 by the governing body of the contracting unit 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 of a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c. 198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2010, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$29,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$29,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the City Counsel's opinion should be sought before a commitment is made. Disbursements were reviewed to determine whether any clear cut violations existed.

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

- Graffiti Cleaning Machine
- Stump Cutter
- Gabion/Timber Wall - Police Pistol Range
- Printed Matter
- Bus Service
- Leasing Six Photocopiers
- Reconstruction-Sanitary Sewers
- Street Improvements – Various Streets
- Excavator
- Runway 9 Bypass Taxiway
- Decontamination Apparatus
- Audio visual System – TV 36
- Three Portable Message Machines
- Curbs and Sidewalks
- Traffic Signal Maintenance
- Rental Finlay Screener
- Boiler Public Works Building
- Landfill Walkway
- Monitoring Emergency Response System
- Pre-emption Traffic Signals Rt. 1 and 9

CONTRACTS AND AGREEMENTS TO BE  
ADVERTISED FOR N.J.S.A. 40A:11-4 (CONTINUED)

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 \$29,000.00 "for the performance of any work or 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 provisions of N.J.S.A. 40A:11-6.

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

- Bond Counsel
- Auditing
- Special Counsels
- Engineering Services
- Real Estate Appraisal Services
- Redevelopment Counsel
- Outside Prosecutor
- Appraiser/Consultant/Expert Witness
- Medical and Health Services
- Public Defender
- Landfill Monitoring
- State and Federal Fundings
- Material Testing and Inspection
- Expert Witness
- Municipal Attorney
- Assistant Municipal Attorneys
- Financial and Investment Advisors
- Veterinarian Services

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 2, 2009 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED, by the City Council of the City of Linden, Union County, New Jersey, that the interest charged on all delinquent taxes shall be at the rate of 8% per annum on the first \$1,500.00 of delinquent taxes and 18% per annum on any amount in excess of \$1,500.00, to be calculated from the date the tax was payable until the date of actual payment, provided that no interest shall be charged if any installment is made within the tenth (10th) calendar day following the date on which the same became payable.”

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

DELINQUENT TAXES AND TAX TITLE LIENS

A tax sale was held on June 3, 2010 and was complete.

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

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2010	44
2009	27
2008	17

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>TYPE</u>	
Payments of 2011 Taxes	25
Payments of 2010 Taxes	25
Delinquent Taxes	30
Tax Title Liens	6

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

It is the City's policy to review and liquidate all interfund balances on a periodic basis

Other Departments

The audit, of the condition of records maintained by the various departments of the City, was designed to determine whether minimum levels of internal controls and accountability were maintained, that cash receipts were deposited or turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15 and that the amounts collected were in accordance with various ordinances, statutes, contracts or agreements. Our audit revealed the following exceptions:

Construction Code

Deposits were not made within 48 hours as required by N.J.S.A. 40A: 5-15.

Recreation

Deposits were not made within 48 hours as required by N.J.S.A. 40A:5-15.

Housing

Deposits were not made within 48 hours as required by N.J.S.A. 40A:5-15.

Police

Deposits were not made within 48 hours as required by N.J.S.A. 40A:5-15.

## OTHER COMMENTS (CONTINUED)

### State and Federal Programs

#### Community Development Block Grant Program-Neighborhood Preservation Program CFDA# 14.218

The Neighborhood Preservation Funds held in escrow for the benefit of homeowners approved to have their homes improved has remained inactive since the investigation of the program by the Federal Bureau of Investigation. As of December 31, 2010 the balance in the escrow bank account amounted to \$90,139.48.

The administration of the Neighborhood Preservation Program has been taken over by Development Directions, LLC and a new escrow account was established. As of December 31, 2010 the balance in the new escrow bank account amounted to \$39,301.96.

We recommend that the balance in the inactive account be analyzed and if the projects previously approved will not be completed, the funds be returned to the County of Union.

### Municipal Court

#### Fine Account

The fine account was reconciled on a monthly basis to the adjusted book balance. However the reconciliations continue to reflect the accumulated total of bad checks and other reconciling items which were carried forward from prior years.

Bank reconciling items that date back to 2008 and prior should be written off if uncollectible.

Credit card charge backs are carried on the bank reconciliation. These items should be investigated and the tickets reopened in a timely manner.

#### Traffic and Criminal Bail Accounts

The traffic and criminal bail bank accounts were closed during the month of July 2009 by transferring the cash in both accounts to a new bail account. The new bail account was reconciled to the book balance each month. The detailed listing of open cash bail deposits did not agree with the reconciled book balance.

In addition the outstanding checks relative to the closed accounts have not been written off.

#### Exception Reporting

There are many tickets listed on the Tickets Not Assigned by Court report. The exception report listed tickets that were not issued by City officers and the ATS help desk has been unable to resolve this exception.

The Time Payment Status Report contains 58 tickets pending suspension with past due time payments without warrants issued.

## RECOMMENDATIONS

That all Departmental receipts be deposited with in 48 hours per N.J.S.A. 40A:5-15.

That the balance in the Neighborhood Preservation Escrow Account be analyzed and any uncompleted project funds be returned to the County of Union.

That the Municipal Court:

Investigate old reconciling items and take appropriate action to remove them from the monthly bank reconciliations.

Investigate credit card charge backs and reopen the tickets as appropriate.

Reconcile the detailed list of open traffic and criminal bails to the balance on deposit in the bank accounts.

Review all outstanding tickets and complaints for proper disposition.



