

**CITY OF ENGLEWOOD
COUNTY OF BERGEN, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2008**

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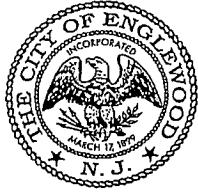
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Englewood

P.O. Box 228 • Englewood, NJ 07631

July 10, 2009

To: The Englewood City Council and Mayor Wildes
From: Howard Feinstein, CFO
RE: Annual Financial Report and Audit

On behalf of the entire administration, I am pleased to provide you with the Comprehensive Annual Financial Report (CAFR) of the City of Englewood for the year ended December 31, 2008. The City of Englewood management is responsible for both the accuracy of the data and completeness and fairness of the presentation of this report, including all disclosures. As such, we internally prepare the underlying financial records and encourage a rigorous external and independent audit beyond what is legally required. The information presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups within each fund. All disclosures necessary to enable the reader to gain an understanding of the City's financial position have been included.

This financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter and a list of principle officials. The financial section includes the general purpose financial statements and schedules, as well as the Independent Auditor's Report. The statistical section includes financial and demographic information, presented on a multi-year basis. The City is required to undergo an annual single audit in conformance with the provisions of the Single Audit Act of 1984 and the US Office of Management and Budget Circular A-128, "Audits of State and Local Governments", and the State Treasury Circular Letter 93-05 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to the single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and City Services

The City of Englewood is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement 3. All funds and account groups of the City are included in this report. The City provides a full range of municipal services including traditional law enforcement services, a paid full-time fire department, municipal sanitation collection, road maintenance, parks and recreation, health services, and a state of the art library. Each year a business plan outlining service initiatives, redevelopment opportunities, and capital projects is prepared and presented to the City Council as a guideline for service and policy initiatives.

2. Internal Accounting Control

City of Englewood management is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting information is compiled to allow for the preparation of financial statements in conformance with the comprehensive basis of accounting promulgated by the State of New Jersey Division of Local Government Services. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. City departments regularly review the internal control structure. The principle elements the City's internal control plan are cash receipts and cash verification, purchasing procedures, budget monitoring, fixed asset monitoring, and payroll control.

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs.

As part of the City's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including the portion related to federal and state financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

3. Budgetary Controls

In addition to internal accounting controls, the City maintains centralized budgetary controls. The objective of these budgetary controls is to ensure compliance with the legal spending provisions authorized in the annual budget. Annual appropriated budgets are adopted for the current fund. Project length budgets are approved for capital improvements and accounted for in the general capital fund. The final budget amount, as amended, for the fiscal year is reflected in the financial section of this report.

An encumbrance system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either cancelled or are included as a reserve in the subsequent year. Those amounts to be reserved are reported at December 31, 2008.

4. Account System and Reports

The City of Englewood's accounting records reflect the reporting requirements of the State of New Jersey Division of Government Services. The accounting system of the City is organized on the basis of funds and account groups within each fund. These funds and account groups are explained in "Notes to the Financial Statements", Note 1. Management internally prepares the City's Annual Financial Statements, which are then independently audited.

Sincerely,



Howard Feinstein
Chief Financial Officer

THE CITY OF ENGLEWOOD

Roster of Officials Year Ended December 31, 2008

<u>Name</u>	<u>Title</u>	<u>Term Expired (12/31)</u>
Michael Wildes	Mayor	2009
Jack Drakeford	Councilperson	2010
Gordon Johnson	Councilperson	2009
Scott Reddin	Councilperson	2011
Kenneth Rosenzweig	Councilperson	2011
Charlotte Schoen	Councilperson	2010

OTHER OFFICIALS:

Daniel W. Fitzpatrick	City Manager
Donald Jacobsen	Library Director
William Bailey	City Solicitor
Diana Patino	City Treasurer
Lenore Schiavelli	City Clerk
James Dow	Municipal Magistrate
Tamara A. Beamer	Tax Collector
Claire Psota	Tax Assessor
Debbian Parr	Municipal Court Administrator
Robert Gorman	Director of Human Resources
Ken Albert	City Engineer/City Planner
Merle Simons	Director of Recreation
Arthur O'Keefe	Police Chief
Robert Moran	Chief of Fire Department
Piero Abballe	Construction Official
Charles J. Ferraioli, Jr.	City Auditor
Clyde Sweatt	Director of Public Works
Sue Amin	Property Maintenance Superintendent
Donald Porrino	Zoning Officer
Howard Feinstein	Chief Financial Officer

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

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkotz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

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INDEPENDENT AUDITORS REPORT

The Honorable Mayor and
Members of the City Council
City of Englewood
Englewood, NJ 07631

We have audited the accompanying financial statements-regulatory basis of the various funds of the City of Englewood in the County of Bergen, as of and for the year ended December 31, 2008, as listed in the foregoing table of contents. These financial statements are the responsibility of the City of Englewood's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed below, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, these financial statements were prepared in conformity with the accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The affect on the financial statements of the variances between the prescribed basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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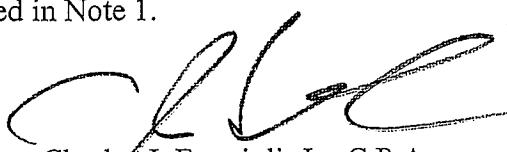
Honorable Mayor and
Members of the City Council
Page 2.

In our opinion, because of the City of Englewood's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Englewood, New Jersey as of December 31, 2008 or the results of its operations for the year then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position-regulatory basis of the various funds of the City of Englewood, New Jersey at December 31, 2008, and the results of its operations and the changes in fund balance-regulatory basis of such funds for the year then ended, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated July 10, 2009 on our consideration of the City of Englewood, New Jersey internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control 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 for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information and schedules of expenditure of State and Federal Awards listed in the table of contents are not required parts of the financial statements, but are presented as additional analytical data, as required by the Division of Local Government Services, and by OMB Circular A-133, Audits of States, Local Governments, and Non Profit Organizations and New Jersey OMB Circular 04-04. This information has been subjected to the tests and other auditing procedures applied in the examination 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, on the basis of accounting described in Note 1.



Charles J. Ferraioli, Jr., C.P.A.
Registered Municipal Accountant
No. 388



J. Wielkotz

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

July 10, 2009



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CITY OF ENGLEWOOD
 Combined Statement of Assets, Liabilities, Reserves and Fund Balances-All Fund Types and Account Groups-Regulatory Basis
 December 31, 2008
 (With comparative totals for 2007)

Governmental Funds						Totals	
	<u>General Fund</u>	<u>Capital Fund</u>	<u>Debt Service Fund</u>	<u>Trust Funds (1)</u>	<u>General Fixed Asset Account Group</u>	<u>Free Public Library</u>	<u>Memorandum Only</u>
	<u>2007</u>	<u>2008</u>				<u>2008</u>	<u>2007</u>
ASSETS AND OTHER DEBITS							
Cash and Cash Equivalents Investments	12,011,402	13,756,753	58,425	2,238,018		180,819 71,665	28,245,417 71,665
Receivables and Other Assets: Delinquent Property Taxes Bankruptcy Receivable Tax Title Liens Receivable Property Acquired for Taxes-Assessed Valuation Other Accounts Receivable	3,000,716 3,275 60,385 70,979 50,490					3,000,716 3,275 60,385	3,029,869 6,856 54,600
Interfunds Receivable	20,092					20,092	155,686
Due From County of Bergen			342,504			342,504	342,504
Due From County of Morris			37,500			37,500	37,500
Due from State - Bd of Education Academics @ Englewood	244,892					244,892	367,339
Land					1,184,895 9,005,807 11,372,287		1,184,895 9,005,807 11,372,287
Building and Building Improvements							
Machinery and Equipment							
Deferred Charges to Future Taxation:							
Unfunded	39,355,433					39,355,433	35,549,139
Funded	19,632,984					19,632,984	21,360,016
Deferred Charges:							
Overexpenditure of Appropriation							
Emergency Authorization	355,600					355,600	520,800
Federal and State Grant Fund:							
Interfund Receivable	230,842					230,842	203,893
Federal and State Grants Receivable	552,367					552,367	725,579
TOTAL ASSETS AND OTHER DEBITS	16,601,040	73,902,501	58,425	2,678,784	21,562,989	252,484	115,056,223
							115,573,106

CITY OF ENGLEWOOD
 Combined Statement of Assets, Liabilities, Reserves and Fund Balances-All Fund Types and Account Groups-Regulatory Basis
 December 31, 2008
 (With comparative totals for 2007)

	Governmental Funds					General Fixed Asset Account Group	Free Public Library	2008	2007	Totals Memorandum Only
	General Fund	Capital Fund	Debt Service Fund	Trust Funds (1)						
LIABILITIES, RESERVES AND FUND BALANCE:										
Appropriation Reserves	3,552,868									3,552,868
Improvement Authorizations:										3,594,697
Funded	2,602,713									2,602,713
Unfunded	15,238,426									15,238,426
Capital Improvement Fund	235,563									235,563
Bonds and Interest Payable					58,425					58,425
Due to State - Board of Health										137,349
Other Liabilities and Reserves	3,223,130					2,678,784				58,425
Payroll Deductions Payable										58,425
Investment in General Fixed Assets	230,842			20,092						58,425
Interfund Payables				5,019,000						58,425
Serial Bonds										58,425
Bond Anticipation Notes	35,119,369									58,425
Capital Lease Payable	14,613,984									58,425
Reserve for Receivables and Other Assets	3,205,936			532,205						58,425
Fund Balance	5,605,055			521,149						58,425
Federal and State Grant Fund:										58,425
Appropriated Reserves	697,831									58,425
Unappropriated Reserves	85,378									58,425
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	16,601,040		73,902,501	58,425		2,678,784	21,567,989	252,484	115,056,223	115,573,106

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

(1) Includes Public Assistance, Animal Control

CITY OF ENGLEWOOD
Combined Statement of Revenues, Expenses and Changes in Fund Balance-Regulatory Basis
Current Fund
For the Year Ended December 31, 2008

Revenues:		
Fund Balance Anticipated	\$	5,000,000
Miscellaneous Revenues		5,004,745
State Aid		3,478,951
State and Federal Grants		592,193
Receipts from Delinquent Taxes		2,021,704
Amount to be Raised by Taxes for Support of Municipal Budget:		
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes		<u>44,290,250</u>
Total Budget Revenues		60,387,843
Non-Budget Revenues		2,703,130
Taxes Allocated to School and County		<u>55,488,737</u>
Total Revenues		<u>118,579,710</u>
Expenditures:		
Current Fund Within CAPS:		
General Government		9,388,263
Municipal Land Use		56,350
Public Safety		19,767,710
Public Works		4,828,192
Community Service Act		161,000
Health and Welfare		912,164
Recreation and Education		1,025,291
Unclassified		4,208,577
Deferred Charges and Statutory Expenditures		1,245,847
Contingent		8,000
Current Fund Excluded from CAPS:		
General Government		9,085,096
State and Federal Grants		596,568
Capital Improvements		300,000
Municipal Debt Service		3,468,950
Deferred Charges		165,200
Judgments		355,590
Type I School District Debt Service		<u>2,825,000</u>
Total Budget Expenditures		58,397,798
Other Expenses		<u>55,634,822</u>
Total Expenditures		114,032,620
Excess in Revenues		4,547,090

CITY OF ENGLEWOOD
Combined Statement of Revenues, Expenses and Changes in Fund Balance-Regulatory Basis
Current Fund
For the Year Ended December 31, 2008

Excess in Revenues over Expenditures (Carried Forward)	4,547,090
Adjustment to Income Before Fund Balance:	
Expenditures included above which are by Statute	_____
Deferred Charges to Budget of Succeeding Years	_____
Statutory Excess to Fund Balance	4,547,090
Fund Balance January 1,	<u>6,057,965</u>
Decreased by:	10,605,055
Utilized in Budget	<u>5,000,000</u>
Fund Balance December 31,	<u>5,605,055</u>

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

CITY OF ENGLEWOOD
Combined Statement of Revenues, Expenses and Changes in Fund Balance-Regulatory Basis
Budget and Actual-Current Fund
For the Year Ended December 31, 2008

	<u>Budget</u> <u>as Modified</u>	<u>2008</u> <u>Actual</u>	<u>Variance</u>
Revenues:			
Fund Balance Anticipated	\$ 5,000,000	\$ 5,000,000	\$ 999,070
Miscellaneous Revenues	4,005,675	5,004,745	13,841
State Aid	3,465,110	3,478,951	
State, Federal and County Grants	592,193	592,193	
Receipts from Delinquent Taxes	1,350,000	2,021,704	671,704
Amount to be Raised by Taxes for Support of Municipal Budget:			
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	43,993,945	44,290,250	296,305
Total Budget Revenues	<u>58,406,923</u>	<u>60,387,843</u>	<u>1,980,920</u>
Other Credits to Income		2,703,130	2,703,130
Taxes Allocated to School and County		<u>55,488,737</u>	<u>55,488,737</u>
Total Revenues	<u>58,406,923</u>	<u>118,579,710</u>	<u>60,172,787</u>
Expenditures:			
Current Fund Within CAPS:			
General Government	9,388,263	9,388,263	
Municipal Land Use	56,350	56,350	
Public Safety	19,767,710	19,767,710	
Public Works	4,828,192	4,828,192	
Community Services Act	161,000	161,000	
Health and Human Services	912,164	912,164	
Recreation and Education	1,025,291	1,025,291	
Other Operating Functions	4,208,577	4,208,577	
Deferred Charges and Statutory Expenditures	1,245,847	1,245,847	
Contingent	8,000	8,000	
Current Fund Excluded from CAPS:			
General Government	9,085,096	9,085,096	
State and Federal Grants	596,568	596,568	
Capital Improvements	300,000	300,000	
Municipal Debt Service	3,478,075	3,468,950	9,125
Deferred Charges	165,200	165,200	
Judgments			
Type I School District Debt Service	355,590	355,590	
Reserve for Uncollected Taxes	<u>2,825,000</u>	<u>2,825,000</u>	
Total Budget Expenditures	<u>58,406,923</u>	<u>58,397,798</u>	<u>9,125</u>
Other Expenses and Charges to Income		<u>55,634,822</u>	<u>(55,634,822)</u>
Total Expenditures	<u>58,406,923</u>	<u>114,032,620</u>	<u>(55,625,697)</u>
Excess in Revenues		4,547,090	

CITY OF ENGLEWOOD
Combined Statement of Revenues, Expenses and Changes in Fund Balance-Regulatory Basis
Budget and Actual-Current Fund
For the Year Ended December 31, 2008

	<u>Budget</u> <u>as Modified</u>	<u>2008</u> <u>Actual</u>	<u>Variance</u>
(Continued)			
Excess in Revenues over Expenditures (Carried Forward)		4,547,090	
Adjustment to Income Before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Years			_____
Statutory Excess to Fund Balance		4,547,090	
Fund Balance January 1, 2007		<u>6,057,965</u>	
		10,605,055	
Decreased by:			
Utilized in Budget		<u>5,000,000</u>	
Fund Balance December 31, 2007		<u>\$ 5,605,055</u>	

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

**CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The City of Englewood is located in Bergen County, New Jersey, only minutes from the George Washington Bridge and New York City. The population according to the 2000 census is 26,203.

The City of Englewood was incorporated in 1899 and operates under a Council-Manager form of government. There are five council seats with four council members elected by ward for staggered three-year terms. The fifth council member is elected at large for a three-year term. The Mayor is elected for a three-year term.

Component Units - The financial statements of the component units of the City of Englewood are not presented in accordance with Government Accounting Standards Board Statement No. 14. If the provisions of GASB No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the City, the primary government: The Englewood Economic Development Corporation.

Basis of Presentation, Fund Accounting - The financial statements of the City of Englewood contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. 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 City of Englewood accounts for its financial transactions through the following separate funds which differs from the funds required by generally accepted accounting principles (GAAP).

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

Trust Funds - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The Trust Fund includes the Public Assistance Fund which accounts for receipt and disbursement of funds that provide assistance to certain residents of the City pursuant to Title 44 of New Jersey statutes.

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

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Free Public Library Trust Funds - Receipts, Custodianship and disbursement of monies, which can be used for specific Library purposes and other purposes at the discretion of the Library's Board of Trustees. The operating expenditures of the Library are accounted for in the Current Fund, and fixed assets are accounted for in the General Fixed Asset Account Group.

General Fixed Assets Account Group - Historical cost of fixed assets acquired by the City.

Debt Service Fund - Receipts and disbursements of funds for payment of interest and principal on outstanding debt.

Basis of Accounting - A modified accrual basis of accounting is followed with minor exceptions. Accounting principles prescribed for New Jersey municipalities by the Department of Community Affairs, Division of Local Government Services differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant differences are explained in the following paragraphs.

Budgets and Budgetary Accounting - The City of Englewood must adopt an annual budget in accordance with the N.J.S.A. 40A:4 et al. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the City's financial statements.

Cash and Investments - New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Cash and Investments, (continued)

The cash management plan adopted by the City of Englewood requires it to deposit funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Public funds are defined as the funds of any government unit. Public depositories include banks (both State and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, are available to pay the full amount of their deposits to the governmental units.

The City considers petty cash, cash in banks and certificates of deposit with a maturity of three months or less from the original purchase date as cash.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund 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. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

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.

General Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

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

No depreciation on general fixed assets is recorded in the financial statements.

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

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

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Assets Account Group. GAAP requires property to be recorded in the General Fixed Assets account group at the market value at the time of acquisition.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year end 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. Appropriation reserves are not established under GAAP.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance - Fund balances included in the current fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized as when anticipated as such in the City's budget. 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 generally requires that grant revenues be recognized when the actual expenditures financed by the grant is made.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. Property taxes unpaid on April 1 of the year following their final due date are subject to tax sale in accordance with the statutes. The amount of tax levied includes not only the amount required in support of the City's annual budget, but also the amounts required in support of the budgets of the entities that follow. 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. GAAP requires such revenue to be recognized when they are available and measurable reduced by an allowance for doubtful accounts.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the City of Englewood School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Bergen. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, Operations is charged for the County share of Added and Omitted Taxes certified by the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the City's annual budget protects the City from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A Reserve for Uncollected Taxes is not established under GAAP.

Expenditures - 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 recorded as a cash liability. Appropriations for principal payments on outstanding general capital bonds and notes is provided on the cash basis; interest on general capital indebtedness is on the cash basis. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long term debt which is recognized when due.

Compensated Absences and Post-employment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for post-employment benefits, if any, which are also funded on a pay-as-you-go basis. Amounts estimated to be paid to employees in future years are included as gross debt, any funded reserve is shown as a reduction of gross debt. GAAP requires that the amount that would normally be liquidated with expendable financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as long term obligations.

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

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2008, \$-0- of the City's bank balance of \$28,988,591 was exposed to custodial credit risk.

**CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)**

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

Investment Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limit the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limit municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

New Jersey Cash Management Fund - All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of December 31, 2008, the City had \$12,477,933 on deposit with the New Jersey Cash Management Fund.

Concentration of Credit Risk

The City places no limit on the amount the City may invest in any one issuer.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 3: PROPERTY TAXES

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

Comparative Schedule of Tax Rates

	<u>2008</u>	<u>2007⁽¹⁾</u>	<u>2006</u>	<u>2005</u>
Tax Rate	1.881	1.84	4.160	4.020
Apportionment of Tax Rate:				
Municipal	.808	.777	1.629	1.612
County*	.189	.173	.373	.362
Local School	.879	.886	2.044	1.970
B.C.U.A. Sewer Tax	.005	.004	.114	.076

* Includes County Open Space

⁽¹⁾ Revaluation Year

Assessed Valuation:

2008	\$5,222,506,856
2007 ⁽¹⁾	4,992,356,340
2006	2,063,655,113
2005	2,044,264,194

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2008	\$99,880,208	\$97,560,182	97.68%
2007	93,191,140	90,880,539	97.52
2006	86,175,435	83,775,765	97.22
2005	82,704,212	80,397,254	97.21
2004	77,905,199	75,773,166	97.26

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2008	\$60,385	\$3,000,716	\$3,061,101	3.06%
2007	54,600	3,029,869	3,084,469	3.31
2006	49,016	2,191,163	2,240,179	2.60
2005	45,513	2,696,459	2,741,972	3.32
2004	41,490	2,672,230	2,713,720	3.48

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2008	\$70,979
2007	70,979
2006	70,979
2005	70,979
2004	70,979

NOTE 5: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2008	\$5,605,055	\$4,800,000	85.64%
2007	6,057,965	5,000,000	82.54
2006	5,460,168	4,800,000	87.91
2005	4,847,043	4,479,000	92.41
2004	5,333,807	4,800,000	89.99

NOTE 6: PENSION PLANS

Description of Systems:

Substantially all of the City's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemens' Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Public Employees' Retirement System and the Police and Firemens' Retirement System (PFRS) are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 6: PENSION PLANS, (continued)

Description of Systems, (continued)

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8-10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55). Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Police and Firemens' Retirement System (PFRS)

The Police and Firemens' Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.

Enrolled members of the Police and Firemens' Retirement System may retire at age 55 with no minimum service requirement. The annual allowance is equal to 2% of the members' final average compensation for each year of service up to 30 years, plus 1% of each year of creditable service over 30 years or 1/60 of final average compensation multiplied by the number of years of creditable service, whichever is greater. Special retirement is permitted to members who have 25 or more years of creditable service in the system. Benefits fully vest on reaching 10 years of service. Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 6: PENSION PLANS, (continued)

Description of Systems, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for PERS and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Divisions of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Significant Legislation

Chapter 108, P.L. 2003, effective July 1, 2003 provided that the State Treasurer shall reduce the normal and accrued liability contributions payable by employers other than the State, excluding the contribution payable from the benefit enhancement fund, to a percentage of the amount certified annually by the retirement system, which for PERS will be as follows: for payments due in the State fiscal year ending June 30, 2005, 20 percent; for payments due in the State fiscal year ending June 30, 2006, not more than 40 percent; for payments due in the State fiscal year ending June 30, 2007, not more than 60 percent; and for payments due in the State fiscal year ending June 30, 2008, not more than 80 percent.

Chapter 108 (P.L. 2003), effective July 1, 2003, provided that local employer PFRS normal and accrued liability contributions will be 20% of the amount certified by the PFRS for payments due in State fiscal year 2004 and thereafter a percentage of the amount certified by the System as the State Treasurer will determine, but not more than 40% in fiscal year 2005, not more than 60% in fiscal year 2006, and not more than 80% in fiscal year 2007. According to the Appropriation Act of 2003, the State as well is paying pension obligations through a five-year phase-in.

Chapter 42, P.L. 2002 permitted local government units to issue refunding bonds to retire unfunded accrued liability resulting from early retirement benefits under PERS and PFRS, effective July 12, 2002.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.0% for PERS and 8.5% for PFRS of the employee's annual compensation, as defined through June 30, 2007. Under Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, the PERS and employee contribution rate will increase to 5.5 percent effective July 1, 2007. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 6: PENSION PLANS, (continued)

Contribution Requirements, (continued)

The City's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2008	\$427,210	\$3,095,063
2007	256,358	1,944,974
2006	409,274	1,231,258

NOTE 7: OTHER POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 6, the City provides post employment health care benefits in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, P.L. 1981, at its cost.

Plan Description

The City of Englewood contributes to the State Health Benefits Program (SHBP) a cost-sharing, multi-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. The 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.

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. 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 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 <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 7: OTHER POST EMPLOYMENT BENEFITS, (Continued)

Plan Coverage

Any employee who retires after twenty-five (25) years or more of service within the City shall be entitled to be continued in the above health insurance coverage on a family-plan basis, with the cost thereof to be paid by the City. This does not include dental benefits.

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 employees in the SHBP are billed to the City of Englewood on a monthly basis. The rates charges by the system for the year ended December 31, 2008 were as follows:

The City of Englewood contributions to SHBP for post-retirement benefits for the year ended December 31, 2008 was \$722,258 which equaled the required contribution for the year.

NOTE 8: COMPENSATED ABSENCES

City employees are entitled to varying amounts of paid sick leave each year, depending upon the length of service. Unused sick leave may be accumulated and upon retirement is paid at the rate at the time of retirement. Unused vacation leave may be accumulated and carried forward and upon retirement or termination of service is paid at the current pay rate. It is estimated that the cost of such unpaid compensation would be \$4,924,528 as of December 31, 2008.

NOTE 9: LONG TERM DEBT

Long-term debt as of December 31, 2008 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable:					
General Obligation Debt	\$5,400,000	\$	\$700,000	\$4,700,000	\$4,700,000
School Debt	<u>644,000</u>	<u> </u>	<u>325,000</u>	<u>319,000</u>	<u>319,000</u>
	<u>\$6,044,000</u>	<u>\$ -</u>	<u>\$1,025,000</u>	<u>\$5,019,000</u>	<u>\$5,019,000</u>

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 9: LONG TERM DEBT, (continued)

Summary of Debt

	<u>Year 2008</u>	<u>Year 2007</u>	<u>Year 2006</u>
<u>Issued</u>			
General:			
Serial Bonds	\$4,700,000	\$5,400,000	\$6,955,000
Notes	35,119,369	32,026,139	27,749,564
School Purposes:			
Bonds	<u>319,000</u>	<u>644,000</u>	<u>969,000</u>
Total Issued	40,138,369	38,070,139	35,673,564
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	<u>4,236,064</u>	<u>3,523,000</u>	<u>5,363,988</u>
	<u><u>\$44,374,433</u></u>	<u><u>\$41,593,139</u></u>	<u><u>\$41,037,552</u></u>

Summary of Statutory Debt Condition - Annual Debt Statement

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

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$24,538,342	\$24,538,342	\$0
General	<u>44,374,433</u>	<u><u>\$24,538,342</u></u>	<u>44,374,433</u>
	<u><u>\$68,912,775</u></u>	<u><u>\$24,538,342</u></u>	<u><u>\$44,374,433</u></u>

Net Debt \$44,374,433 Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$5,044,482,942 = .88%.

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

3 ½% of Equalized Valuation Basis (Municipal)	\$176,556,903
Net Debt	<u>44,374,433</u>
Remaining Borrowing Power	<u><u>\$132,182,470</u></u>

The gross debt shown above is not in agreement with the annual debt statement. An amended annual debt statement should be filed.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 9: LONG TERM DEBT, (continued)

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

Calendar <u>Year</u>	General		School		
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$750,000	\$178,125	\$319,000	\$15,153	\$1,262,278
2010	700,000	150,625			850,625
2011	750,000	126,125			876,125
2012	800,000	98,000			898,000
2013	850,000	68,000			918,000
2014	850,000	34,000			884,000
	<u>\$4,700,000</u>	<u>\$654,875</u>	<u>\$319,000</u>	<u>\$15,153</u>	<u>\$5,689,028</u>

The City's long term debt consisted of the following at December 31, 2008:

Outstanding bonds whose principal and interest are paid from the current fund budget of the City.

	<u>Amount</u>	<u>Outstanding</u>
\$6,700,000 General Improvement Bonds dated June 10, 2004 payable in annual installments through July 1, 2014. Interest is paid semiannually at rates of 3.00% to 4.00%.	\$4,700,000	
\$3,244,000.00 School Purpose Bonds dated July 15, 1999 payable in annual installments through July 15, 2009. Interest is paid semiannually at a rate of 4.75% per annum.	319,000	
	<u>\$5,019,000</u>	

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 10: CAPITAL LEASE PAYABLE

On September 20, 2005, the City entered into an agreement with the Bergen County Improvement Authority whereby the Bergen County Improvement Authority issued \$15,316,016 of Capital Appreciation Bonds (Series 2005B). Simultaneously with the issuance of these bonds, the Authority entered into a Borrower Purchase Agreement with the City of Englewood whereby the Authority purchased a Borrower Bond from the City in the principal amount of the bonds issued. Under the Borrower Bond, the City is required to make the loan repayments to the Bergen County Improvement Authority in the amount of principal and interest, if any, on the Bonds. The payments commence September 1, 2008 and continue through September 1, 2021.

<u>Date</u>	<u>Initial Payment</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Accretion</u>	<u>Final Maturity Amount</u>
03/01/09	\$ -	0.000%	0.000%	\$ -	\$ -	\$ -
09/01/09	686,797.80	0.000%	3.250%	88.051	93,202.20	780,000.00
03/01/10	-	0.000%	0.000%	-	-	
09/01/10	1,065,909.60	0.000%	3.410%	84.596	194,090.40	1,260,000.00
03/01/11	-	0.000%	0.000%	-	-	
09/01/11	1,023,863.40	0.000%	3.520%	81.259	236,136.60	1,260,000.00
03/01/12	-	0.000%	0.000%	-	-	
09/01/12	980,015.40	0.000%	3.650%	77.779	279,984.60	1,260,000.00
03/01/13	-	0.000%	0.000%	-	-	
09/01/13	936,394.20	0.000%	3.770%	74.317	323,605.80	1,260,000.00
03/01/14	-	0.000%	0.000%	-	-	
09/01/14	894,965.40	0.000%	3.860%	71.029	365,034.60	1,260,000.00
03/01/15	-	0.000%	0.000%	-	-	
09/01/15	1,496,192.10	0.000%	3.960%	67.701	713,807.90	2,210,000.00
03/01/16	-	0.000%	0.000%	-	-	
09/01/16	1,420,256.50	0.000%	4.080%	64.265	789,743.50	2,210,000.00
03/01/17	-	0.000%	0.000%	-	-	
09/01/17	1,349,735.40	0.000%	4.170%	61.074	860,264.60	2,210,000.00
03/01/18	-	0.000%	0.000%	-	-	
09/01/18	1,285,336.00	0.000%	4.230%	58.160	924,664.00	2,210,000.00
03/01/19	-	0.000%	0.000%	-	-	
09/01/19	1,219,257.00	0.000%	4.310%	55.170	990,743.00	2,210,000.00
03/01/20	-	0.000%	0.000%	-	-	
09/01/20	1,156,448.80	0.000%	4.380%	52.328	1,053,551.20	2,210,000.00
03/01/21	-	0.000%	0.000%	-	-	
09/01/21	<u>1,098,812.00</u>	0.000%	4.430%	49.720	<u>1,111,188.00</u>	<u>2,210,000.00</u>
	<u>\$14,613,983.60</u>				<u>\$7,936,016.40</u>	<u>\$22,550,000.00</u>

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 11: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2008, the following deferred charges are shown on the balance sheets of the various funds of the city:

	Balance December 31, 2007	Amount Resulting from 2008	2008 Budget Appropriation	Balance to Succeeding Years
Current Fund:				
Special Emergency	<u>\$520,800</u>	<u>\$ -0-</u>	<u>\$165,200</u>	<u>\$355,600</u>

The City has included the required \$165,200 appropriation in its 2009 budget.

NOTE 12: SCHOOL DEBT

During the year 2000 a referendum was passed changing the Board of Education to a Type II School District. Members of the Board of Education will be elected by the voters. Board of Education budgets and capital expenditures financed by bonds must be approved by the voters. The bonds will be reported on the balance sheet of the Board of Education. Prior to this the Englewood Board of Education was a Type I School District. As such, the members of the Board of Education are appointed by the Mayor and school appropriations are set by a Board of School Estimate and City Council. Bonds and notes authorized by the City Council to finance capital expenditures are general obligations of the City and are reported on the balance sheet of the City's General Capital Fund. Debt service on the school debt is included in the City's budget and is levied as part of the school levy in accordance with State law.

NOTE 13: BOND ANTICIPATION NOTES

The City issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the Notes can not exceed one year but the Notes may be renewed from time to time for a period not exceeding one year. Generally, such Notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original Notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original Note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such Notes were issued be paid or retired. A second and third legal installment must be paid if the Notes are to be renewed beyond the forth and fifth anniversary date of the original issuance.

On December 31, 2008, the City had \$35,119,369 in outstanding general capital bond anticipation notes maturing on July 1, 2009 at an interest rate of 2.75%.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 13: BOND ANTICIPATION NOTES (continued)

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2008.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Notes Payable	<u>\$32,016,139</u>	<u>\$35,119,369</u>	<u>\$32,016,139</u>	<u>\$35,119,369</u>

NOTE 14: TAX APPEALS

There are appeals pending before the State Board of Taxation, requesting a reduction of assessed valuation for years 2001 through 2006. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from the City's tax levy or through the issuance of refunding bonds per N.J.S. 40A:2-51. In accordance with GASB Statement No. 4, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences," the City charges to Current Fund operations all state board judgments rendered during the year which will be paid from expendable available financial resources.

NOTE 15: DELAYED HEALTH INSURANCE PREMIUMS

The City of Englewood has elected to delay its premiums for two months under the New Jersey State Health Benefits Program. If the City should elect to terminate its participation in the State Health Benefits Program or if the Program ceases to exist, these delayed premiums will become due and payable immediately and will be based on the current rates payable at the time of termination.

The City has not set up a liability for the two month delay on its financial statement.

NOTE 16: OTHER MATTERS

There is \$244,892 due from the State of New Jersey for the equity and excellence plan of the Englewood Public School District (Academies at Englewood Program). This balance should be collected or cancelled.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2008 AND 2007
(CONTINUED)

NOTE 17: DUE TO/FROM OTHER FUNDS

The City has the following interfund receivables and payables at December 31, 2008:

\$20,092	Due to Current from General Capital Fund to reimburse expenditures paid by Current Fund.
<u>230,842</u>	Due Federal and State Grant Fund from Current Fund for grants received in Current Fund.
<u>\$250,934</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 18: PUBLIC ASSISTANCE

The City of Englewood administered the Public Assistance Trust Funds in accordance with Title 44 of New Jersey statutes through May 31, 2000. Subsequent to May 31, 2000 the administration of the Public Assistance Trust Fund was assumed by the County of Bergen.

NOTE 19: CONTINGENT LIABILITIES

We are advised by City Counsel that the City is involved in litigation that is normal for a governmental unit and is covered by the insurance carrier or that would not materially affect the financial position of the City.

NOTE 20: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	<u>Balance</u> <u>Dec 31, 2008</u>	<u>Balance</u> <u>Dec 31, 2007</u>
Prepaid Taxes	<u>\$557,054</u>	<u>\$672,780</u>
Cash Liability for Taxes Collected in Advance	<u>\$557,054</u>	<u>\$672,780</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
REGULATORY BASIS
AS OF DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
ASSETS:		
Cash and Cash Equivalents	\$ <u>12,011,402</u>	\$ <u>11,114,281</u>
Due from State - Board of Education - Academies at Englewood	<u>244,892</u>	<u>367,339</u>
	<u>244,892</u>	<u>367,339</u>
 Receivables and Other Assets with Full Reserves:		
Taxes Receivable:		
Delinquent Taxes Receivable	<u>3,000,716</u>	<u>3,029,869</u>
Taxes Receivable in Bankruptcy	<u>3,275</u>	<u>6,856</u>
Tax Title Liens Receivable	<u>60,385</u>	<u>54,600</u>
Property Acquired for Taxes-Assessed Valuation	<u>70,979</u>	<u>70,979</u>
Total Taxes Receivable	<u>3,135,355</u>	<u>3,162,304</u>
Other Accounts Receivable:		
Sewer User Charges Receivable	<u>50,490</u>	<u>47,550</u>
Total Other Accounts Receivable	<u>50,490</u>	<u>47,550</u>
Interfund Accounts Receivable	<u>20,092</u>	<u>64,939</u>
Total Receivables and Other Assets with Full Reserves	<u>3,205,937</u>	<u>3,274,793</u>
 Deferred Charges:		
Emergency Authorization	<u>355,600</u>	<u>520,800</u>
	<u>355,600</u>	<u>520,800</u>
 Federal and State Grant Funds:		
Interfund Accounts Receivable	<u>230,842</u>	<u>203,893</u>
Federal and State Grants Receivable	<u>552,367</u>	<u>725,579</u>
Total Federal and State Grant Funds	<u>783,209</u>	<u>929,472</u>
 Total Assets	\$ <u>16,601,040</u>	\$ <u>16,206,685</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
REGULATORY BASIS
AS OF DECEMBER 31, 2008 AND 2007

LIABILITIES, RESERVES AND FUND BALANCE

	<u>2008</u>	<u>2007</u>
Appropriation Reserves	\$ 3,552,868	\$ 3,594,697
Other Liabilities and Reserves:		
Reserve for Encumbrances	1,620,068	664,122
Prepaid Taxes	557,054	672,780
Due to State of N.J. - Vets and S.C.	1,022	522
County Taxes Payable	33,046	130,655
Emergency Note Payable	495,600	660,800
Reserve for Tax Appeals	500,000	
Other Reserves	16,340	16,986
	<u>3,223,130</u>	<u>2,145,865</u>
Interfund Accounts Payable	230,842	203,893
Reserve for Receivables and Other Assets	3,205,936	3,274,793
Fund Balance	5,605,055	6,057,965
Federal and State Grant Funds:		
Appropriated Reserves	697,831	856,356
Unappropriated Reserves	85,378	73,116
	<u>783,209</u>	<u>929,472</u>
Total Liabilities, Reserves and Fund Balances	\$ 16,601,040	\$ 16,206,685

CITY OF ENGLEWOOD
Combined Statement of Revenues, Expenses and Changes in Fund Balance-Regulatory Basis
Current Fund
For the Year Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Revenues:		
Fund Balance Anticipated	\$ 5,000,000	\$ 4,800,000
Miscellaneous Revenues	5,004,745	5,002,982
State Aid	3,478,951	4,068,703
State and Federal Grants	592,193	510,297
Receipts from Delinquent Taxes	2,021,704	1,583,313
Amount to be Raised by Taxes for Support of Municipal Budget:		
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>44,290,250</u>	<u>40,110,077</u>
Total Budget Revenues	60,387,843	56,075,372
Non-Budget Revenues	2,703,130	2,654,706
Taxes Allocated to School and County	<u>55,488,737</u>	<u>52,568,810</u>
Total Revenues	<u>118,579,710</u>	<u>111,298,888</u>
Expenditures:		
Current Fund Within CAPS:		
General Government	9,388,263	9,555,363
Municipal Land Use	56,350	61,350
Public Safety	19,767,710	18,336,613
Public Works	4,828,192	4,342,295
Community Service Act	161,000	163,000
Health and Welfare	912,164	978,641
Recreation and Education	1,025,291	1,095,563
Unclassified	4,208,577	4,172,178
Deferred Charges and Statutory Expenditures	1,245,847	1,119,735
Contingent	8,000	8,000
Current Fund Excluded from CAPS:		
General Government	9,085,096	6,686,169
State and Federal Grants	596,568	510,297
Capital Improvements	300,000	300,000
Municipal Debt Service	3,468,950	3,387,716
Deferred Charges	165,200	124,200
Judgments	355,590	48,188
Type I School District Debt Service	2,825,000	371,028
Reserve for Uncollected Taxes	<u>2,825,000</u>	<u>2,003,643</u>
Total Budget Expenditures	58,397,798	53,263,979
Other Expenses	<u>55,634,822</u>	<u>52,637,112</u>
Total Expenditures	114,032,620	105,901,091
Excess in Revenues	4,547,090	5,397,797

CITY OF ENGLEWOOD
Combined Statement of Revenues, Expenses and Changes in Fund Balance-Regulatory Basis
Current Fund
For the Year Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Excess in Revenues over Expenditures (Carried Forward)	4,547,090	5,397,797
Adjustment to Income Before Fund Balance:		
Expenditures included above which are by Statute	_____	_____
Deferred Charges to Budget of Succeeding Years	_____	_____
Statutory Excess to Fund Balance	4,547,090	5,397,797
Fund Balance January 1,	<u>6,057,965</u>	<u>5,460,168</u>
	10,605,055	10,857,965
Decreased by:		
Utilized in Budget	<u>5,000,000</u>	<u>4,800,000</u>
Fund Balance December 31,	<u>\$ 5,605,055</u>	<u>\$ 6,057,965</u>

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

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budget</u> <u>As Modified</u>	<u>2008</u> <u>Realized</u>	<u>Excess/</u> <u>(Deficit)</u>
Surplus Anticipated	\$ 5,000,000	\$ 5,000,000	\$ _____
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverage	55,000	56,700	1,700
Other	180,000	196,972	16,972
Fees and Permits			
Construction Code Official	650,000	775,923	125,923
Other	52,000	64,729	12,729
Fines and Costs:			
Municipal Court	490,000	784,822	294,822
Interest and Costs on Taxes	315,000	471,901	156,901
Interest on Investments and Deposits	600,000	571,192	(28,808)
Parking Meters	400,000	558,394	158,394
Recreation Advisory Committee	176,000	262,954	86,954
Fire Prevention Fees	150,000	162,684	12,684
Burglar Alarms	2,800		(2,800)
Payments in Lieu of Taxes	360,000	379,703	19,703
Exempt Sewer Charges	288,000	317,634	29,634
Parking Garage Fees	194,000	229,196	35,196
Municipal Hotel Tax	92,875	171,941	79,066
Total Miscellaneous Revenues	4,005,675	5,004,745	999,070
STATE AID WITHOUT OFFSETTING APPROPRIATIONS			
Energy Receipts Tax	2,640,691	2,640,691	
Consolidated Municipal Property Tax Relief Aid	824,419	838,260	13,841
	3,465,110	3,478,951	13,841

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budget <u>As Modified</u>	2008 <u>Realized</u>	Excess/ <u>(Deficit)</u>
SPECIAL ITEMS OF REVENUE OFFSET			
WITH APPROPRIATIONS			
State and Federal Grants:			
State of N.J.- Dept. of Health - Adolescent Health	\$ 10,704	\$ 10,704	\$
Public Health Priority Funding	27,016	27,016	
Clean Communities Program	25,905	25,905	
Recycling Tonnage Grant	9,153	9,153	
Drunk Driving Enforcement Fund	Municipal Alliance on Alcoholism and Drug Abuse	24,000	24,000
Domestic Violence Training Program	17,500	17,500	
Obey the Signs or Pay the Fines	NJ/NY Port Authority Grant	7,915	7,915
Reach and Teach	24,000	24,000	
Municipal Alliance	17,500	17,500	
Hepatitis B	Pandemic Flu Preparedness Grant	10,000	10,000
Open Space Park Improvement Program	460,000	460,000	
Community Development - Get Fit Englewood	592,193	592,193	
Donations - Operation of Trolley Shuttle Service	1,350,000	2,021,704	671,704
Receipts from Delinquent Taxes	1,350,000	2,021,704	671,704
Amount to be Raised by Taxation:			
For Support of Municipal Budget	43,638,355	43,934,660	296,305
Addition to Local District School Tax	355,590	355,590	
Total Amount to be Raised	43,993,945	44,290,250	296,305
Total Budget Revenues	58,406,923	60,387,843	1,980,920
Other Credits to Income:			
Non-Budget Revenues	677,136	677,136	
Prior Year Interfunds Returned	64,940	64,940	
Unexpended Balance of Appropriation Reserves	1,961,054	1,961,054	
Taxes Allocated to School and County	2,703,130	2,703,130	
Total Other Credits to Income	55,488,738	55,488,738	
Total Revenues and Credits to Income	\$ 58,406,923	\$ 118,579,711	\$ 60,172,788

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>	<u>Over- Expended</u>
<u>(A) Operations-within "CAPS"</u>							
<u>GENERAL GOVERNMENT:</u>							
Administrative and Executive							
Mayor and Council:							
Salaries and wages	\$ 30,000	30,000		30,000			
Other expenses	11,400	14,400		13,843		557	
City Manager's Office:							
Salaries and wages	225,213	225,213		181,833		43,380	
Other expenses	145,500	145,500		138,504		6,996	
City Clerk's Office:							
Salaries and wages	125,870	130,370		130,250		120	
Other expenses	74,000	74,000		54,735		19,265	
Human Resources:							
Salaries and wages	236,000	237,400		237,156		244	
Other expenses	13,700	13,700		9,944		3,756	
Purchasing Department:							
Other Expenses	3,850	4,350		3,803		547	
Finance Department:							
Salaries and wages	307,687	307,687		287,234		20,453	
Other expenses	101,750	101,750		69,026		32,724	
Data Processing:							
Salaries and wages	53,054	53,054		53,053		1	
Other expenses	31,850	31,850		23,766		8,084	
Assessment of Taxes:							
Salaries and wages	135,221	136,621		136,566		55	
Other expenses	32,040	33,040		32,889		151	
Collection of Taxes:							
Salaries and wages	162,725	166,725		159,409		7,316	
Other expenses	34,790	36,790		32,969		3,821	
Legal Services and Costs:							
Salaries and wages (Prosecutor)	41,573	47,773		47,764		9	
Other expenses	407,000	527,000		502,698		24,302	
Engineering Services and Costs:							
Other expenses	109,800	109,800		94,816		14,984	
Community Development Office:							
Salaries and Wages	200,900	200,900		187,564		13,336	
Other expenses	160,250	160,250		147,402		12,848	
Municipal Court:							
Salaries and Wages	435,760	370,760		350,255		20,505	
Other expenses	136,900	136,900		103,811		33,089	

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u>	<u>Expended</u>	<u>Unexpended</u>	
	<u>2008</u>	<u>Paid or</u>	<u>Balance</u>	<u>Over-</u>
	<u>Budget</u>	<u>Charged</u>	<u>Cancelled</u>	<u>Expended</u>
Public Defender(Contractual)	10,000	10,000		2,063
Insurance:				
Medical and Surgical	4,710,000	4,430,000	4,061,009	368,991
Other Insurance Premiums	750,000	750,000	722,258	27,742
Workers Compensation	808,700	808,700	677,228	131,472
Unemployment Compensation	75,000	75,000	44,000	31,000
Property Maintenance Code Violation				
Abatement Program:				
Other expenses	18,730	18,730		18,730
Subtotal General Government	9,589,263	9,388,263	8,541,722	846,541

THE CITY OF ENGLEWOOD
 CURRENT FUND
 STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u> 2008 <u>Budget</u>	<u>Expended</u> Budget After Modification	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>	<u>Over- Expended</u>
MUNICIPAL LAND USE						
Planning Board:	56,350	56,350		48,573	7,777	
Other expenses						
PUBLIC SAFETY:						
Fire Division:						
Salaries and wages	6,481,610	6,236,610	6,104,584		132,026	
Other expenses	283,050	283,050	274,738		8,292	
Fire Prevention Division:						
Salaries and wages	182,000	182,000	182,000			
Other expenses	5,000	5,000	5,000			
Total Fire Department	<u>6,951,660</u>	<u>6,706,660</u>	<u>6,566,342</u>		<u>140,318</u>	
Police Department:						
Salaries and wages	11,622,000	12,122,000	11,191,959		930,041	
Other expenses	700,800	700,800	636,351		64,449	
Aid to Volunteer Ambulance	230,000	230,000	210,416		19,584	
Emergency Management Services:						
Other expenses	8,250	8,250			8,250	
Total Police Department	<u>12,561,050</u>	<u>13,061,050</u>	<u>12,038,726</u>		<u>1,022,324</u>	
Subtotal Public Safety	<u>19,512,710</u>	<u>19,767,710</u>	<u>18,605,068</u>		<u>1,162,642</u>	
PUBLIC WORKS						
Public Works Administration:						
Salaries and wages	228,599	208,599	190,465		18,134	
Other expenses	58,450	58,450	28,538		29,912	
Public Buildings and Grounds						
Other expenses	154,250	154,250	139,885		14,365	
Shade Tree Department						
Salaries and wages	67,678	67,678	52,415		15,263	
Other expenses	31,600	31,600	9,084		22,516	
Road Repairs and Maintenance:						
Salaries and wages	1,074,697	1,096,197	1,085,817		10,380	
Other expenses	148,700	148,700	71,673		77,027	
Central Maintenance Garage:						
Salaries and wages	280,552	280,552	260,177		20,375	
Other expenses	308,650	398,650	375,436		23,214	
Construction and Facilities Maintenance						

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2008</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Expended</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Cancelled</u>
Salaries and wages	231,298	243,298	232,838	10,460
Other expenses	79,500	79,500	49,318	30,182
Sanitation Collection Costs:				
Salaries and wages	1,707,868	1,707,868	1,594,913	112,955
Other expenses	68,650	68,650	24,546	44,104
Sewer Department:				
Salaries and wages	174,825	174,825	158,810	16,015
Other expenses	109,375	109,375	52,716	56,659
Subtotal Public Works	<u>4,724,692</u>	<u>4,828,192</u>	<u>4,326,631</u>	<u>501,561</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	APPROPRIATED 2008 Budget	Budget After Modification	Paid or Charged	Expended Reserved	Unexpected Balance Cancelled	Over- Expended Expenditure
COMMUNITY SERVICES ACT Condominium Community Costs	<u>161,000</u>	<u>161,000</u>	<u>49,309</u>	<u>111,691</u>		
HEALTH AND HUMAN SERVICES						
Board of Health:						
Salaries and wages	700,000	620,000	574,792	45,208		
Other expenses	102,500	137,750	106,168	31,582		
City Physician (Contractual)	24,501	24,501	24,500	1		
Dog Regulation:						
Salaries and wages	1,500	1,500	38,518	1,500		
Other expenses	40,000	40,000	16,500	1,482		
Mental Health Advisory Committee (N.J.S.A.44:5-2)	17,500	17,500	29,207	1,000		
Child Development Center (N.J.S.A. 40:5-2.9)	58,413	58,413		29,206		
Administration of Public Assistance:						
Salaries and wages						
Other expenses	12,500	12,500	4,589	7,911		
Relocation Assistance:						
Other expenses	957,164	912,164	794,274	117,890		
Subtotal Health and Human Services	<u>950,291</u>	<u>1,025,291</u>	<u>994,010</u>	<u>31,281</u>		
RECREATION						
Recreation Department:						
Salaries and wages	538,215	538,215	517,773	20,442		
Other expenses	412,076	487,076	476,237	10,839		
Subtotal Recreation	<u>950,291</u>	<u>1,025,291</u>	<u>994,010</u>	<u>31,281</u>		
OTHER OPERATING FUNCTIONS						
Terminal Leave Program	350,000	222,500	129,064	93,436		
Salaries and Wages						
Construction Code official	763,502	763,502	729,442	34,060		
Salaries and wages	108,575	108,575	71,087	37,488		
Other expenses						
Utilities						
Electricity	315,000	355,000	331,463	23,537		
Telephone and Communications	240,000	240,000	201,266	38,734		
Heating Oil	20,000	20,000	16,000	20,000		
Street Lighting	814,000	814,000	813,996	28,154	6,846	
Water	35,000	35,000	35,000	270,000	261,826	8,174
Fire Hydrant Fees (Hackensack Water Company)	270,000					

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Unexpended Balance Cancelled</u>	<u>Over- Expended</u>
	<u>2008</u>	<u>Budget After Modification</u>	<u>Reserved</u>		
Landfill Dumping Fees (BCUA) Leaf Disposal Site	1,305,000	1,205,000	923,174	281,826	
	175,000	175,000	68,675	106,325	
Subtotal Other Operating Functions	4,396,077	4,208,577	3,558,147	650,430	
Total Operations within "CAPS"	40,347,547	40,347,547	36,917,734	3,429,813	
CONTINGENT:				8,000	
Total Operations Including Contingent Within "CAPS"	40,355,547	40,355,547	36,917,734	3,437,813	
Details:					
Salaries and wages	26,358,347	26,371,847	24,806,132	1,304,707	
Other expenses (including Contingent)	14,005,200	13,991,700	12,111,603	2,268,635	

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	APPROPRIATED 2008 Budget	BUDGET AFTER MODIFICATION	Paid or Charged	EXPENDED	RESERVED	UNEXPENDED BALANCE CANCELLED	OVER- EXPENDED
DEFERRED CHARGES & STATUTORY EXPENDITURES:							
Overexpenditure of Appropriations							
Prior Years Bills	211,681	211,681		211,681			
Contributions to:							
Social Security System (O.A.S.I.)	975,000	975,000		962,748		12,252	
Consolidated Police and Firemen's Pension Fund	45,666	45,666		45,665		1	
DCRP Contribution	13,500	13,500		6,470		7,030	
Total Deferred Charges and Statutory Expenditures-Municipal Purposes Within "CAPS"	1,245,847	1,245,847		1,226,564		19,283	
Total General Appropriations for Municipal Purposes Within "CAPS"	41,601,394	41,601,394		38,144,298		3,457,096	
OPERATIONS EXCLUDED FROM "CAPS"							
GENERAL GOVERNMENT:							
Bergen County Utilities Authority's Share of Cost	2,686,994	2,686,994		2,657,601		29,393	
Maintenance of Free Public Library (C.64, P.L. 1985):	2,053,983	2,053,983		1,987,604		66,379	
Insurance:							
Medical and Surgical							
Other Insurance Premiums							
Workers Compensation	3,095,064	3,095,064		3,095,063		1	
Police and Fire Retirement System	427,210	427,210		427,210			
Public Employees' Retirement System							
Stormwater and Water Pollution:							
Salaries and Wages	246,845	246,845		246,845			
Other Expenses	25,000	25,000		25,000			
Reserve for Tax Appeals	550,000	550,000		550,000			
Subtotal General Government Outside "CAPS"	9,085,096	9,085,096		8,989,323		95,773	
STATE AND FEDERAL PROGRAMS OFFSET							
BY REVENUES							
Recycling Tonnage Grant	25,905	25,905		25,905			
Public Health Priority	10,704	10,704		10,704			
Clean Communities Program	27,016	27,016		27,016			
Drunk Driving Enforcement Fund	9,153	9,153		9,153			
Municipal Alliance on Alcoholism and Drug Abuse							
Domestic Violence Training Program							
	17,500	17,500		17,500			

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u> 2008 Budget	<u>Budget After Modification</u>	<u>EXPENDED</u> Paid or Charged	<u>RESERVED</u>	<u>UNEXPENDED BALANCE CANCELLED</u>	<u>OVER- EXPENDED</u>
Domestic Violence Training Program	4,375	4,375				
Municipal Alliance						
Hepatitis B Inoculation Fund						
NJ/NY Port Authority Grant						
Obey the Signs or Pay the Fines	24,000 7,915	24,000 7,915			24,000 7,915	
Reach and Teach						
Pandemic Flu Preparedness Grant						
Open Space Park Improvement Program	10,000	10,000			10,000	
Healthy Community Development - Pet Fit Englewood						
Donation - Operation of Trolley Shuttle Service						
Subtotal State and Federal Programs Outside of "CAPS"	119,068	596,568			596,568	
Total Operations Excluded From "CAPS"	9,204,164	9,681,564			9,585,891	95,773
Details:						
Salaries and Wages	246,845	246,845				
Other expenses	8,957,319	9,434,819			9,339,046	15,690

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u>	<u>Paid or Expended</u>	<u>Unexpended Balance</u>	<u>Over-Expended</u>
	<u>2008 Budget</u>	<u>Budget After Modification</u>	<u>Cancelled</u>	<u>Expended</u>
Capital Improvements Excluded From "CAPS"				
Capital Improvement Fund	300,000	300,000	300,000	
Total Capital Improvements Excluded From "CAPS"	300,000	300,000	300,000	
Debt Service Excluded From "CAPS":				
Payment of Bond Principal	700,000	700,000	700,000	
Payment of Bond Anticipation Notes and Capital Notes	430,700	430,700	430,700	
Interest on Bonds	203,875	203,875	203,875	
Interest on Notes	1,350,000	1,350,000	1,342,207	7,793
Interest on Emergency Notes	23,500	23,500	22,168	1,332
BCIA Lease	770,000	770,000	770,000	
	3,478,075	3,478,075	3,468,950	9,125
Total Municipal Debt Service Excluded From "CAPS"				
Deferred Charges-Municipal Excluded From "CAPS":				
Special Emergency Authorizations-5 years	165,200	165,200	165,200	
	165,200	165,200	165,200	
Total Deferred Charges-Municipal Excluded From "CAPS"				
Judgments				
Total General Appropriations For Municipal Purposes				
Excluded from "CAPS"				
Type I District School Debt Service:				
Payment of Bond Principal	325,000	325,000	325,000	
Interest on Bonds	30,590	30,590	30,590	
	355,590	355,590	355,590	
Total Type I School District Debt Service - Excluded from "CAPS"				
Total General Appropriations - Excluded From "CAPS"	13,503,029	13,980,529	13,875,631	95,773
				9,125

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>APPROPRIATED</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2008</u>	<u>Paid or</u>	<u>Balance</u>	<u>Expended</u>
	<u>Budget</u>	<u>Charged</u>	<u>Cancelled</u>	<u>Cancelled</u>
Subtotal General Appropriations				
Reserve for Uncollected Taxes	55,104,423	55,581,923	52,019,929	3,552,869
	<u>2,825,000</u>	<u>2,825,000</u>	<u>2,825,000</u>	<u>9,125</u>
	<u>\$ 57,929,423</u>	<u>\$ 58,406,923</u>	<u>\$ 54,844,929</u>	<u>\$ 3,552,869</u>
Total General Appropriations				
Adopted Budget	\$ 57,929,423			
Emergency Appropriation		\$ 477,500		
\$ 58,406,923				
Other Expenses and Charges to Income:				
County Taxes			\$ 9,913,865	
Prior Year Receivable cancelled			122,447	
Prior Year Senior Citizens Disallowed			3,546	
Local School Taxes			45,574,872	
Interfunds Advanced			20,092	
			\$ 55,634,822	

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance, Dec. 31, 2007	Added Taxes In 2008	Levy	Collected		State of N.J. REAP	Transferred	Remitted and Cancelled	Balance, Dec. 31, 2008
				2008	2007				
2007	3,029,869	565,904		2,021,704				656,366	917,703
2008	<u>3,029,869</u>	<u>339,227</u>	<u>99,540,981</u>	<u>96,226,775</u>	<u>672,780</u>	<u>119,000</u>	<u>541,627</u>	<u>9,059</u>	<u>2,083,013</u>
Analysis of 2008 Property Tax Levy									
Tax Yield:								<u>9,059</u>	
General Property Tax				\$	99,353,959				
Utilities					187,022				
Added Tax (R.S. 54:4-63.1 et seq.)					<u>339,227</u>				
				\$	<u>99,880,208</u>				
Tax Levy:									
Local District School Tax				\$	45,574,872				
County Tax					9,880,819				
Added and Omitted County Taxes					33,046				
Local Tax for Municipal Purposes					43,934,660				
Addition to Local District School Tax					355,590				
Add: Additional Tax Levies					101,221				
				\$	<u>99,880,208</u>				

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THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF TAX TITLE LIENS

Balance December 31, 2007	\$ 54,600
Increased by:	
Transfer from taxes receivable	<u>5,785</u>
	60,385
Decreased by:	
Collections	<u> </u>
Balance December 31, 2008	\$ 60,385

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE IN BANKRUPTCY

Balance December 31, 2007	\$ 6,856
Increased by:	
2008 Taxes	<u>3,275</u>
	10,131
Decreased by:	
Collections or Cancellations	<u>6,856</u>
Balance December 31, 2008	\$ <u>3,275</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF SEWER USER CHARGE RECEIVABLE

Balance December 31, 2007	\$ 47,550
Increased by	
Billings	<u>320,574</u>
	<u>320,574</u>
	<u>368,124</u>
Decreased by:	
Collections and Other Credits	<u>317,634</u>
	<u>317,634</u>
Balance December 31, 2008	\$ <u>50,490</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF DUE FROM STATE OF N.J. ACADEMIES AT ENGLEWOOD

Balance December 31, 2007	\$ 367,339
Decreased by:	
Cancellations	<u>122,447</u>
Balance December 31, 2008	\$ <u>244,892</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2007 APPROPRIATION RESERVES

	<u>Balance, Dec. 31, 2007</u>	<u>Balance after Modifications</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
GENERAL GOVERNMENT:				
Administrative and Executive:				
Mayor and Council:				
Other Expenses	3,360	3,814	(80)	3,894
City Manager:				
Salaries and Wages	778	778		778
Other Expenses	59,738	78,128	19,354	58,774
City Clerk's Office:				
Salaries and Wages	73	73		73
Other Expenses	12,833	14,157	1,649	12,508
Human Resource:				
Salaries and Wages	5,988	5,988		5,988
Other Expenses	3,047	3,824	777	3,047
Purchasing:				
Other Expenses	1,057	1,556	499	1,057
Finance Department:				
Salaries and Wages	23,996	23,996		23,996
Other Expenses	17,796	17,903	16,129	1,774
Data Processing:				
Salaries and Wages				
Other Expenses	8,503	9,579	1,292	8,287
Assessment of Taxes:				
Salaries and Wages	70	70		70
Other Expenses	6,111	6,111	460	5,651
Collection of Taxes:				
Salaries and Wages	913	913		913
Other Expenses	676	1,113	437	676
Legal Services and Costs:				
Salaries and Wages	1	1		1
Other Expenses	64,543	117,477	77,741	39,736
Engineering Services and Costs:				
Other Expenses	7,939	26,989	22,670	4,319
Community Development Office				
Salaries and Wages	41,133	47,121	13,491	33,630
Other Expenses	35,000	41,133		41,133
Municipal Court				
Salaries and Wages	25,473	25,473	(739)	26,212
Other Expenses	46,237	54,156	13,505	40,651
Public Defender (Contractual)	5,173	5,173	833	4,340
Insurance:				
Medical and Surgical	148,831	148,831	840	147,991
Other Insurance Premiums	200,778	223,170	33,736	189,434
Workmen's Compensation	98,860	98,860	41,116	57,744
Unemployment Compensation	20,586	20,586		20,586
Property Maintenance Code Violation Abatement				
Other Expenses	18,730	18,730		18,730
Municipal Land Use				
Planning Board:				
Other Expenses	37,830	38,380	9,006	29,374

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2007 APPROPRIATION RESERVES

	<u>Balance, Dec. 31, 2007</u>	<u>Balance after Modifications</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
PUBLIC SAFETY:				
Fire:				
Salaries and Wages	25,073	25,073		25,073
Other Expenses	2,975	30,148	29,962	186
Police:				
Salaries and Wages	765,094	765,094	677,441	87,653
Other Expenses	101,408	119,169	104,952	14,217

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2007 APPROPRIATION RESERVES

	<u>Balance, Dec. 31, 2007</u>	<u>Balance after Modifications</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
PUBLIC SAFETY (Continued):				
Emergency Management Services				
Other Expenses	8,250	8,250		8,250
PUBLIC WORKS				
Public Works Administration:				
Salaries and Wages	279	279		279
Other Expenses	60,630	62,459	4,095	58,364
Building and Grounds				
Other Expenses	44,595	48,834	30,654	18,180
Shade Tree Commission:				
Salaries and Wages	215	215		215
Other Expenses	26,546	26,862	5,546	21,316
Road Repairs and Maintenance:				
Salaries and Wages	585	585		585
Other Expenses	73,568	92,445	24,239	68,206
Central Maintenance Garage:				
Salaries and Wages	74	74		74
Other Expenses	31,176	59,167	58,871	296
Construction and Facilities Maintenance				
Salaries and Wages	13	13		13
Other Expenses	40,094	40,529	435	40,094
Sanitation Collection Costs:				
Salaries and Wages	93,570	43,570		43,570
Other Expenses	27,970	33,745	6,249	27,496
Sewer Department:				
Salaries and Wages	9,769	9,769		9,769
Other Expenses	59,527	61,566	11,127	50,439
COMMUNITY SERVICES ACT:				
Condominium Community Costs	23,360	23,360	(28,000)	51,360
HEALTH AND WELFARE:				
Board of Health:				
Salaries and Wages	102,706	72,706	9,351	63,355
Other Expenses	30,395	42,232	33,775	8,457
City Physician	1	1		1
Dog Regulation:				
Salaries and Wages	1,500	1,500		1,500
Other Expenses	27,450	27,450		27,450
Mental Health Advisory Committee	1,000	17,500	16,500	1,000
Relocation Assistance				
Other Expenses	12,500	12,500		12,500

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2007 APPROPRIATION RESERVES

	<u>Balance, Dec. 31, 2007</u>	<u>Balance after Modifications</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
RECREATION AND EDUCATION:				
Recreation Department:				
Salaries and Wages	1,214	1,214		1,214
Other Expenses	60,749	123,458	86,750	36,708
OTHER OPERATING FUNCTIONS				
Terminal Leave Compensation, Salary Adjustments:				
Salaries and Wages	159,285	159,285		159,285
Construction Code Official				
Salaries and Wages	46,906	46,906		46,906
Other Expenses	20,223	42,090	29,342	12,748
Utilities:				
Electricity	76,070	76,070	55,473	20,597
Telephone and Communications	65,381	73,538	20,164	53,374
Heating Oil	20,000	20,000		20,000
Fire Hydrants	101,513	101,513	68,009	33,504
Street Lighting	138,684	204,349	202,402	1,947
Water	24,323	24,323	5,164	19,159
Landfill Dumping Fees (BCUA)	284,422	389,187	277,248	111,939
Leaf Disposal Site	100,196	147,597	147,472	125
CONTINGENT:	8,000	8,000	7,074	926
STATUTORY EXPENDITURES:				
Contributions to:				
Social Security (O.A.S.I.)	2,666	2,666		2,666
Consolidated Police and Firemen's Retirement System	3,001	3,001		3,001
GENERAL GOVERNMENT				
Bergen County Utilities Authority's Share of Costs	1	1		1
Maintenance of Free Public Library (C.64, P.L. 1985)	10,688	17,008	6,320	10,688
Police and Fire Employees' Retirement System	2,001	2,001		2,001
Police Employees' Retirement System	3,000	3,000		3,000
Grants and Other Programs				
Safe St. to Schools Liberty Road		10,223	10,223	
NJ TTFAMA Program Liberty Road		140,000	140,000	
Municipal Alliance-2008		3,816	3,816	
Public Health Priority Fund		385	385	
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>3,594,699</u>	<u>4,258,809</u>	<u>2,297,755</u>	<u>1,961,054</u>
Budget Reserve		3,594,697		
Reserve for Encumbrances		664,112		
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>4,258,809</u>			

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF OTHER RESERVES

	Balance, Dec. 31, <u>2007</u>	<u>Increased</u>	<u>Decreased</u>	Balance, Dec. 31, <u>2008</u>
Tax Overpayments	20			20
Reserve for Codification	15,776			15,776
Self-Insurance	1,186			1,186
South Dean Street Parking Garage	24	520		544
	<u>16,986</u>	<u>540</u>	<u>1,186</u>	<u>16,340</u>

THE CITY OF ENGLEWOOD
FEDERAL AND STATE GRANT FUND
STATEMENT OF FEDERAL AND STATE GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance, Dec. 31, 2007</u>	<u>2008 Revenue</u>	<u>Receipts</u>	<u>Cancelled</u>	<u>Balance, Dec. 31, 2008</u>
State of New Jersey:					
Livable Community Library Grant	21,206		21,206		
Municipal Alliance	17,500	17,500	12,450	5,050	17,500
Statewide Livable Community Grant	60,000				60,000
N.J. Transportation Muni. Aid Program	60,000				60,000
N.J. Dept. of Transportation-Jones Rd.	150,000		150,000		
State of New Jersey Clean Communities Program		27,016	27,016		
State of New Jersey Recycling Tonnage Grant		25,905	25,905		
State of New Jersey Drunk Driving Enforcement Fund		9,153	9,153		
State of New Jersey - Public Health Priority Funds		10,704	10,704		
NJ/NY Port Authority Hazmat Grant					
Smart Future Award Grant	55,000				55,000
Reach and Teach Grant		24,000	24,000		
Pandemic Flu Preparedness	3,748	7,915	4,921		6,742
Bergen County - Open Space	353,125				353,125
Hepatitis B Grant	5,000		5,000		
Healthy Community - Get Fit Englewood		10,000	10,000		
Operation of Trolley Shuttle Service		460,000	460,000		
	<u>725,579</u>	<u>592,193</u>	<u>760,355</u>	<u>5,050</u>	<u>552,367</u>
Cash Receipts			687,577		
Transfer from Unapprop. Reserves			72,778		
			<u>760,355</u>		

THE CITY OF ENGLEWOOD
FEDERAL AND STATE GRANT FUND
STATEMENT OF RESERVE FOR FEDERAL AND STATE GRANTS -
APPROPRIATED

<u>Grant</u>	<u>Balance December 31, 2007</u>	<u>Appropriated 2008</u>	<u>Expended or Cancelled</u>	<u>Balance December 31, 2008</u>
State of New Jersey Recycling Tonnage Grant	33,340	25,905	59,245	-
New Jersey Alcohol Education and Rehabilitation Fund	2,572			2,572
State of N.J. Adolescent Health	173,706		6,942	166,764
State of New Jersey Clean Communities Program	44,470	27,016	59,875	11,611
State of New Jersey - Public Health Priority Funds	8,992	10,704	15,827	3,869
Drunk Driving Enforcement Funds	51,008	9,153	37,694	22,467
County of Bergen - Municipal Alliance Program	30,824		8,750	22,074
Municipal Alliance -State of NJ - 2007	5,072		5,050	22
Bio-Terrorism Sub-Grant	3,498		297	3,201
Municipal Alliance : State		21,875	17,083	4,792
Statewide Livable Community Grant	60,000		60,000	-
Smart Future Award Grant	55,000		55,000	-
Reach and Teach Grant	2,000	24,000	21,294	4,706
Pandemic Flu Preparedness	3,749	7,915	2,097	9,567
Hepatitis B Grant	5,000		2,226	2,774
Bergen County - Open Space	353,125		353,125	-
Enhanced 9-1-1 Grant	24,000		24,000	-
Healthy Community - Get Fit Englewood		10,000	10,000	-
Operation of Trolley Bus Shuttle		460,000	16,588	443,412
	<u>856,356</u>	<u>596,568</u>	<u>755,093</u>	<u>697,831</u>

THE CITY OF ENGLEWOOD
FEDERAL AND STATE GRANT FUND
STATEMENT OF RESERVE FOR FEDERAL AND STATE GRANTS-UNAPPROPRIATED

<u>Grant</u>	<u>Balance December 31, 2007</u>	<u>Received 2008</u>	<u>Appropriated 2008</u>	<u>Balance December 31, 2008</u>
Recycling Tonnage Grant	25,905	40,194	25,905	40,194
State of New Jersey - Public Health Priority Funds	10,704	9,924	10,704	9,924
State of New Jersey Clean Communities Program	27,016	28,282	27,016	28,282
Drunk Driving Enforcement Fund	9,153	6,640	9,153	6,640
State of N.J. Adolescent Health	<u>338</u>	<u>85,040</u>	<u>72,778</u>	<u>338</u>
	<u><u>73,116</u></u>	<u><u>85,040</u></u>	<u><u>72,778</u></u>	<u><u>85,378</u></u>

THE CITY OF ENGLEWOOD
TRUST FUNDS
STATEMENT OF ASSETS, LIABILITIES AND RESERVES-REGULATORY BASIS
AS OF DECEMBER 31, 2008 AND 2007

THE CITY OF ENGLEWOOD
TRUST FUNDS
STATEMENT OF ASSETS, LIABILITIES AND RESERVES-REGULATORY BASIS
AS OF DECEMBER 31, 2008 AND 2007

	<u>Animal Control</u>		<u>Other</u>		<u>Unemployment Compensation</u>		<u>Totals</u>
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	
LIABILITIES, RESERVES AND FUND BALANCE:							
Other Liabilities and Reserves:							
Due to the State of New Jersey	167	16	404,955	529,301			404,955
Payroll Deductions Payable							167
Reserve for Unemployment							16
Insurance Trust							529,301
Program Authorizations							
Other Reserves							
Reserve for:							
Animal Control Expenditures	59,144	52,983					59,144
Public Assistance	59,311	52,999	2,456,271	3,323,038	163,202	130,378	52,983
Interfund Accounts Payable							
	<u>59,311</u>	<u>52,999</u>	<u>2,456,271</u>	<u>3,323,038</u>	<u>163,202</u>	<u>130,378</u>	<u>2,678,784</u>
							<u>3,506,415</u>
							<u>90,760</u>

THE CITY OF ENGLEWOOD
TRUST FUND
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

BALANCE, DECEMBER 31, 2007	52,983
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Increased by:

Dog License Fees Collected	7,363
Cat License Fees Collected	1,365
Late Fees	3,467
Duplicate Tag Fee	5
Interest on Investment	<u>1,383</u>
	<u>13,583</u>
	66,566

Decreased by:

Expended	<u>7,422</u>
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BALANCE, DECEMBER 31, 2008	<u>59,144</u>
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License Fees Collected:

2007	8,021
2008	<u>8,728</u>
	<u>16,749</u>

B-2

THE CITY OF ENGLEWOOD
TRUST-OTHER FUNDS

STATEMENT OF COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

BALANCE, DECEMBER 31, 2007	210,614
Increased by:	
Grant Award	440,614
	651,228
Decreased by:	
Receipts	210,614
BALANCE, DECEMBER 31, 2008	<u>440,614</u>

Exhibit B-3

THE CITY OF ENGLEWOOD
TRUST-OTHER FUNDS
STATEMENT OF RESERVES AND SPECIAL DEPOSITS

Reserve For:	Balance December 31, 2007	Increased	Decreased	Balance December 31, 2008
Tax Sale Redemption	70,495	459,205	480,382	49,318
Environmental Commission	649	6,932	1,919	5,662
EEDC Corporation	166,204	386,669	335,381	217,492
Lease Escrow - Metro One	5,511	9		5,520
Lease Escrow - NYNEX Rental	6,031	10		6,041
Lease Escrow - EEDC	18,653	31		18,684
Neighborhood Preservation Program	1			1
Other Trust	752,610	84,367	526,207	310,770
Tax Sale Premiums	606,566	67,200	444,000	229,766
Developer's Trust	951,472	370,588	561,128	760,932
National Night Out	2			2
Depot Square	1,651			1,651
Fourth of July Fireworks	3,278	35,000	33,415	4,863
	<u>2,583,123</u>	<u>1,410,011</u>	<u>2,382,432</u>	<u>1,610,702</u>

THE CITY OF ENGLEWOOD
TRUST-OTHER FUNDS
STATEMENT OF RESERVE FOR NEW JERSEY UNEMPLOYMENT
COMPENSATION INSURANCE

BALANCE, DECEMBER 31, 2007 130,378

Increased by:

Payroll Deductions	41,014
Interest Earned on Investments and Deposits	<u>3,945</u>
	<u>44,959</u>
	175,337

Decreased by:

Unemployment Compensation Claims Paid	<u>12,135</u>
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BALANCE, DECEMBER 31, 2008 163,202

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
BALANCE SHEETS

DECEMBER 31, 2008 AND 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Cash and Cash Equivalents	13,756,753	16,143,991
Accounts Receivable	777,327	2,000,000
Interfund Receivable	90,747	
Due From County of Bergen	342,504	342,504
Due From County of Morris	37,500	37,500
Deferred Charges to Future Taxation:		
Funded	19,632,984	21,360,016
Unfunded	<u>39,355,433</u>	<u>35,549,139</u>
	<u>73,902,501</u>	<u>75,523,897</u>

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	4,700,000	5,400,000
School Serial Bonds	319,000	644,000
Bond Anticipation Notes	35,119,369	32,026,139
Capital Lease Payable - Bergen County Imp. Authority	14,613,984	15,316,016
Interfund Payables	20,092	64,926
Improvement Authorizations:		
Funded	2,602,713	3,451,316
Unfunded	<u>15,238,426</u>	<u>17,004,881</u>
Capital Improvement Fund	235,563	137,349
Reserve for Capital Improvements	532,205	994,924
Fund Balance	<u>521,149</u>	<u>484,346</u>
	<u>73,902,501</u>	<u>75,523,897</u>

The City of Englewood had bonds and notes authorized but not issued in the amount of

\$4,236,064 as per exhibit C-7

See accompanying notes to financial statements.

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND

	<u>Ordinance Adoption</u>	<u>2008</u>	<u>2007</u>
Interfund Receivable			(90,748)
Interfund Payables		20,092	64,926
Due From County of Bergen		(342,504)	(342,504)
Due From County of Morris		(37,500)	(37,500)
Accounts Receivable		(777,327)	(2,000,000)
Capital Improvement Fund		235,563	137,349
Reserve - Other		532,205	994,924
Fund Balance		521,149	484,346
Improvement Authorizations:			
No. 80-13		1,247	1,247
No. 85-22	05/07/85	(35,600)	(35,600)
No. 00-11	05/02/00	3,241	3,241
No. 01-10	05/01/01	-	35,660
No. 01-12	05/01/01	394,708	454,075
No. 02-07	05/07/02	145,510	163,487
No. 02-08	05/07/02	48,800	78,600
No. 02-22	09/03/02	1,202	1,202
No. 03-04	07/01/03	1,896,765	1,896,764
No. 03-08	07/01/03	85,092	822,979
No. 03-09	07/01/03	322,661	367,371
No. 03-11	09/12/03	4,870,293	4,870,293
No. 03-15	12/16/03	1,074,400	1,117,392
No. 03-18	12/16/03	20,389	130,166
No. 04-06	04/20/04	33,227	35,807
No. 04-11	06/29/04	65,051	241,976
No. 04-12	06/29/04	302,278	399,248
No. 04-25	10/05/04	-	43,539
No. 04-30	12/07/04	148,826	148,826
No. 05-04	02/08/05	115,185	115,186
No. 05-11	06/14/05	486,368	710,324
No. 05-18	12/28/05	48,000	1,038,222
No. 06-08	06/20/06	1,558,538	3,174,557
No. 07-01	02/13/07	755,139	1,074,076
No. 07-02	02/13/07	56,901	119,940
No. 07-15	07/17/07	6,137	6,137
No. 07-20	08/14/07	-	(81,517)
No. 08-07	03/18/08	1,139,063	
No. 08-09	05/06/08	104,682	
No. 08-10	05/06/08	767,826	
No. 08-16	06/17/08	(828,539)	
No. 08-25	09/16/08	17,685	
			13,756,753
			16,143,991

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

11,866,501 3,371,925

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS

General Purposes	Original Issue <u>Date</u>	Amount <u>Amount</u>	Maturity of Bonds Outstanding December 31, 2008 <u>Date</u>	Interest <u>Rate</u>	Balance December 31, <u>2007</u>	Increased by Bonds <u>Issued</u>	Decreased by Payments	Balance December 31, <u>2008</u>
General Improvements	7/15/1999	1,000,000	7/15/09-10	100,000	4.750%	200,000	100,000	100,000
General Improvements	6/10/2004	6,700,000	7/1/09	650,000	3.500%			
			7/1/10	700,000	3.500%			
			7/1/11	750,000	3.750%			
			7/1/12	800,000	3.750%			
			7/1/13	850,000	4.000%			
			7/1/14	850,000	4.000%	5,200,000	600,000	4,600,000
						5,400,000	700,000	4,700,000
Subtotal General Serial Bonds								
School Purposes								
School Purposes	7/15/1999	3,244,000	7/15/09	319,000	4.750%	644,000		325,000
						644,000		325,900
Subtotal School Serial Bonds								319,000
GRAND TOTAL								5,019,000

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Issued for Cash
Renewals
From F.E.M.A.
From Developers
Paid by Budget

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Description	Date	Original Amount		Balance December 31, 2007		2008 Authorizations		Balance December 31, 2008	
			Funded		Unfunded		Deferred Charges To Future Taxation		Capital Improvement Fund	
			Funded		Unfunded		Unfunded		Expenditure (Refunded) or Cancelled	
80-13	Meltzer Brook Construction	05/02/00	32,940		1,247				1,247	
00-11	Various Improvements		500,000		3,241				3,241	
01-10	Construction W. Palisade Median	05/01/01	1,713,000		35,660				35,660	
01-12	Various Impr: City Hall, Fire, Parks	05/01/01	1,400,000		454,075				59,367	
02-07	Various Improvements and DPW Equipment	05/07/02	1,150,000		163,487				17,976	
02-08	Jones Rd. and Flat Rock Brook	05/07/02	500,000		78,600				145,511	
02-21	Overpeck Channel Creek	09/03/02	900,000		900,000				48,800	
02-22	Various Road Improvements	09/03/02	750,000		1,202				1,202	
03-04	Acquisition: Lincoln/Liberty School	07/01/03	6,500,000		1,896,764				1,896,764	
03-08	Various Capital Improvements	07/01/03	1,890,000		822,979				85,093	
03-09	Various Road Improvements	07/01/03	2,900,000		367,371				44,709	
03-11	Acquisition: Lincoln/Liberty School	09/02/03	4,900,000		215,293				322,662	
03-15	Various Capital Improvements	12/16/03	1,185,000		1,117,392				215,293	
03-18	Roadway Construction Route 4	12/16/03	5,300,000		130,166				1,074,399	
04-06	Construction of Parking Garage	04/20/04	1,750,000		35,807				2,580	
04-11	Various Capital Improvements	06/29/04	1,150,000		241,976				176,925	
04-12	Various Capital Improvements	06/29/04	1,050,000		399,248				96,971	
04-25	Various Capital Improvements	10/05/04	300,000		43,539				43,539	
04-30	Renovations to Lincoln School	12/07/04	3,000,000		148,826				148,826	
05-04	Reconstruction Winthrop Place	03/01/05	400,000		2,850,000				2,850,000	
05-11	Various Capital Improvements	06/14/05	4,610,000		115,186				115,186	
05-18	Access Area Route 4	12/28/05	3,200,000		710,324				486,968	
06-08	Various Capital Improvements	06/20/06	5,345,000		1,038,222				990,222	
07-01	Various Capital Improvements	02/13/07	2,138,000		3,174,557				1,516,018	
07-02	Improvement to Mackay Park	02/13/07	330,000		1,074,076				318,938	
07-15	Purchase of Ambulance	07/17/07	81,100		119,940				63,038	
07-20	Various Equipment for Fire Dept.	08/14/07	555,883		6,137				6,137	
08-07	Access Area Route 4	03/18/08	669,300		555,883				555,883	
08-09	Various Equipment	05/06/08	1,535,000		1,398,250				395,937	
08-10	Various Capital Improvements	05/06/08	179,800		179,800				75,118	
08-16	Various Equipment	06/17/08	995,500		948,000				47,500	
08-25	Various Capital Improvements	09/16/08	1,038,000		988,564				227,675	
	City Hall ADA Compliance		380,000		361,900				877,975	
									415	
									17,685	
									361,900	
										15,238,426
										2,602,713
										3,696,714
										431,586
										6,743,359
										2,602,713
										3,451,317

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL LEASE OBLIGATIONS PAYABLE

THE CITY OF ENGLEWOOD
 GENERAL CAPITAL FUND
 STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvements</u>	<u>Balance December 31, 2007</u>	<u>Authorizations</u>	<u>Bond Anticipation Notes</u>	<u>Cancelled</u>	<u>Balance December 31, 2008</u>
		\$	\$	\$	\$	\$
85-22	Various Improvements	\$ 35,600				\$ 35,600
04-30	Renovations to Lincoln School	2,850,000				2,850,000
07-20	Various Equipment for Fire Dept.	637,400				
08-07	Route 4 Access		2,598,250	637,400		
08-10	Various Capital Improvements		948,000	2,598,250		
08-16	Various Improvements		988,564	948,000		
08-25	Renovations to City Hall		361,900			988,564
						361,900
		\$ 3,523,000	\$ 4,896,714	\$ 4,183,650	\$ 4,236,064	

D

THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
BALANCE SHEET
DECEMBER 31, 2007 AND 2006

ASSETS	<u>2008</u>	<u>2007</u>
Cash and Cash Equivalents	180,819	138,020
Investments	<u>71,665</u>	<u>69,931</u>
	<u>252,484</u>	<u>207,951</u>
FUND BALANCES		
General Fund		
Restricted:		
Library Restricted	9,735	3,735
Unrestricted:		
Undesignated	140,632	95,925
Custodian Fund	71,665	69,931
State Aid Fund	<u>30,452</u>	<u>38,360</u>
	<u>252,484</u>	<u>207,951</u>

THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - GENERAL FUND

FUND BALANCE, DECEMBER 31, 2007 99,660

Increased by:

Coin Copiers and Readers	8,556
Lost and Paid Books	5,674
Fines	22,978
	125
Miscellaneous - Other	36,260
Gifts / Grants	16,530
Interest on Investments	3,901
Video Cassettes	9,568
Englewood Cliffs	194,345
Bergen County Library	6,068
	8,184
	5,000
Crane Family Children's Media Fund	500
City Operating Funds	<u>185,797</u>
	<u>503,486</u>
	603,146

Decreased by:

Office Supplies	19,791
Office Equipment/Service/Maintenance	2,281
Postage	4,213
Books and Periodicals	105,654
Binding	687
Utilities	100,913
Art Records and Cassettes	13,638
Janitorial Supplies	2,720
Printing And Publications	10,978
Staff Development	3,334
Programs	13,865
Other Contracted Services	122,719
Automation	49,666
Other Miscellaneous	<u>2,320</u>
	<u>452,779</u>
	<u>150,367</u>

FUND BALANCE, DECEMBER 31, 2008 150,367

ANALYSIS OF BALANCE:

Petty Cash	370
Cash	<u>149,997</u>
	<u>150,367</u>

D-2

THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CUSTODIAN FUND

FUND BALANCE, DECEMBER 31, 2007 69,931

Increased by:
Interest on Investments 1,734

FUND BALANCE, DECEMBER 31, 2008 71,665

ANALYSIS OF BALANCE:
Investments 71,665

THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - STATE AID FUND

FUND BALANCE, DECEMBER 31, 2007 38,360

Increased by:

Interest on Investments	360
State Aid	26,572
Miscellaneous	<u>77</u>

27,009

65,369

Decreased by:

Microfilm	4,282
Books and Periodicals	<u>30,635</u>

34,917

FUND BALANCE, DECEMBER 31, 2008 30,452

ANALYSIS OF BALANCE:

Cash	<u>30,452</u>
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THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
SCHEDULE OF INVESTMENTS, AT COST
DECEMBER 31, 2008

	<u>Account Number</u>	<u>Book Value</u>
CUSTODIAN FUND:		
State of New Jersey Cash Management Fund	#171-000126306	\$ 34,594
State of New Jersey Cash Management Fund	#171-000125091	31,082
State of New Jersey Cash Management Fund	#171-000125105	<u>5,989</u>
		\$ <u>71,665</u>

E

THE CITY OF ENGLEWOOD
GENERAL FIXED ASSETS ACCOUNT GROUP
BALANCE SHEET
DECEMBER 31, 2008 AND 2007

ASSETS	<u>2008</u>	<u>2007</u>
GENERAL FIXED ASSETS:		
Land	1,184,895	1,184,895
Building and Building Improvements	9,005,807	9,005,807
Machinery and Equipment	<u>11,372,287</u>	<u>9,788,271</u>
	<u>21,562,989</u>	<u>19,978,973</u>
INVESTMENT IN GENERAL FIXED ASSETS	<u>21,562,989</u>	<u>19,978,973</u>

F

THE CITY OF ENGLEWOOD
DEBT SERVICE FUND
BALANCE SHEETS
DECEMBER 31, 2008 AND 2007

ASSETS	<u>2008</u>	<u>2007</u>
Cash and Cash Equivalents	<u>58,425</u>	<u>58,425</u>
LIABILITIES		
Bonds Payable	47,000	47,000
Interest Payable	<u>11,425</u>	<u>11,425</u>
	<u>58,425</u>	<u>58,425</u>

Table 1

THE CITY OF ENGLEWOOD
CURRENT FUND EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets and Roads</u>	<u>Health and Welfare</u>	<u>Recreation and Education</u>	<u>Deferred Charges and Statutory Expenditures</u>	<u>State and Federal Grants</u>	<u>Capital Improvements</u>	<u>Debt Service</u>	<u>Reserve for Uncollected Taxes</u>	<u>Total</u>
2008	23,063,361	19,767,710	4,828,192	912,164	1,025,291	1,245,847	596,568	300,000	3,833,665	2,825,000	58,397,798
2007	20,694,248	18,336,613	4,342,295	978,641	1,095,563	1,243,935	510,297	300,000	3,758,744	2,003,643	53,263,979
2006	19,089,876	17,315,518	4,263,436	1,251,145	1,226,617	1,381,556	450,368	379,000	2,951,474	2,351,059	50,660,049
2005	18,460,638	16,950,896	4,325,141	1,122,043	1,203,910	1,064,000	540,657	320,000	3,450,852	2,260,778	49,698,915
2004	15,408,687	15,942,979	4,280,331	1,117,381	1,132,872	2,945,842	191,588	350,000	2,789,961	2,265,683	46,425,324
2003	14,045,790	15,437,727	4,013,318	1,036,692	1,037,350	1,056,348	78,677	1,280,202	2,762,197	4,516,417	45,264,718
2002	13,388,722	13,921,312	3,938,644	969,921	856,873	1,180,678	184,793	425,000	2,793,241	4,413,555	42,072,739
2001	13,382,367	13,122,897	3,608,372	994,827	742,812	1,431,883	145,484	275,000	2,845,918	4,411,847	40,961,407
2000	13,309,184	12,237,689	3,634,689	1,040,415	737,360	2,041,000	148,550	255,000	2,880,840	4,350,909	40,635,636
1999	12,187,085	12,184,395	3,677,933	1,036,750	675,460	2,382,000	92,484	514,000	2,791,325	4,273,493	39,814,925

(1) Appropriations divided between inside "CAPS" and outside "CAPS" have been combined.

Table 2

THE CITY OF ENGLEWOOD
CURRENT FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>Taxes (1)</u>	<u>Delinquent Taxes</u>	<u>Fees, Permits Fines and Licenses</u>	<u>State Aid</u>	<u>State and Federal Grants</u>	<u>Surplus From Other Funds</u>	<u>Surplus Anticipated</u>	<u>Non Budget Revenues and Other Items</u>	<u>Total</u>
2008	44,290,250	2,021,704	5,004,745	3,478,951	592,193	-0-	5,000,000	2,703,130	63,090,973
2007	40,110,077	1,583,313	5,002,982	4,068,703	510,297	-0-	4,800,000	2,654,706	58,730,078
2006	36,375,002	1,847,634	4,120,915	4,098,447	445,993	400,000	4,479,000	3,822,770	55,589,761
2005	35,180,234	1,342,076	4,091,479	4,098,447	535,282	700,000	4,800,000	2,720,045	53,467,563
2004	34,106,105	1,800,264	3,208,138	3,798,447	191,588	-0-	4,800,000	1,412,894	49,317,436
2003	34,407,561	1,497,167	2,810,180	3,527,434	78,677	-0-	4,600,000	1,541,870	48,462,889
2002	32,471,816	2,679,134	2,841,793	3,506,575	184,793	-0-	4,600,000	1,187,079	47,471,190
2001	30,826,211	1,961,829	2,946,010	3,506,578	145,481	-0-	4,700,000	1,194,864	45,280,973
2000	30,497,827	1,913,017	3,218,211	3,671,566	148,550	-0-	4,380,000	1,085,861	44,915,032
1999	30,901,100	1,961,491	3,127,838	3,406,067	92,484	-0-	4,200,000	1,482,251	45,171,231

(1) Excludes taxes allocated to county and school.

Table 3

THE CITY OF ENGLEWOOD
ASSESSED VALUE AND ESTIMATE OF TOTAL VALUE
UNAUDITED

<u>Year</u>	<u>Net Assessed Valuation Taxable</u>	<u>Estimated Full Cash Valuations</u>	<u>Percentage of Net Assessed to Estimated Full Cash Valuations</u>
2008	5,222,506,856	5,460,711,137	95.64%
2007	4,992,356,340	4,749,003,469	105.12%
2006	2,063,655,113	4,600,985,028	44.85%
2005	2,044,264,194	4,187,316,968	48.82%
2004	2,032,445,033	3,734,017,512	54.43%
2003	2,026,213,856	2,992,144,064	67.72%
2002	2,020,638,645	2,817,761,758	71.71%
2001	2,000,454,538	2,620,206,996	76.35%
2000	2,074,213,192	2,369,716,887	87.53%
1999	1,972,971,895	2,254,052,205	87.53%

Source: State of N.J. Dept. of the Treasury Division of Taxation
Certification of the Table of Equalized Valuations

Table 4

THE CITY OF ENGLEWOOD
SCHEDULE OF TEN LARGEST TAXPAYERS
UNAUDITED

<u>Taxpayer</u>		<u>Assessed Valuation 2008</u>	<u>Percentage of Net Assessed Valuation</u>
Englewood Redevelopment Assoc.	\$	129,000,000	2.47%
Englewood Terrace LLC		46,500,000	0.89%
SHG Englewood South II		34,461,200	0.66%
S. Van Brunt Invest, LLC		20,616,400	0.39%
Rockwood Property Holding, LLC		19,738,600	0.38%
Flatrock 3 LLC		17,989,800	0.34%
SHG Englewood South II		17,143,800	0.33%
Englewood Village, LLC		16,103,400	0.31%
Lackland Partners		15,413,900	0.30%
USF Property Company		<u>15,240,000</u>	<u>0.29%</u>
	\$	<u>332,207,100</u>	<u>6.36%</u>

Source: City Tax Department

Table 5

THE CITY OF ENGLEWOOD
COMPUTATION OF LEGAL DEBT MARGIN AND OVERLAPPING DEBT
FOR THE YEAR ENDED DECEMBER 31, 2008
UNAUDITED

Average Equalized Valuation	\$ <u>5,044,482,942</u>
Borrowing Power 3 1/2% of Average Equalized Valuation	\$ 176,556,903
Net Debt	<u>44,374,433</u>
Remaining Borrowing Power	\$ <u>132,182,470</u>

	Gross Debt	Deductions	Net Debt
Local School Restricted	\$ 24,538,342	\$ 24,538,342	\$ 0
Municipal Debt:			
City of Englewood	<u>44,374,433</u>	<u>0</u>	<u>44,374,433</u>
	<u>\$ 68,912,775</u>	<u>\$ 24,538,342</u>	<u>\$ 44,374,433</u>

Overlapping Debt Apportioned to the Municipality:

County of Bergen (1);(A)	17,803,851
County of Bergen Utilities Authority (B)	<u>14,394,130</u>
	<u>\$ 32,197,981</u>

(1) County of Bergen 2008 Annual Debt Statement

(A) The debt for this entity was apportioned to the City of Englewood by dividing the municipality's 2008 equalized value by the total 2008 equalized value for Bergen County which results in an apportionment of 2.82%.

(B) The apportionment of debt for the City of Englewood for Sewer which was obtained from the B.C.U.A. is 4.99%.

THE CITY OF ENGLEWOOD
RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES AND
LOANS TO EQUALIZED VALUE
AND DEBT PER CAPITA
LAST TEN FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>Population (1)</u>	<u>Average Equalized Valuation (2)</u>	<u>Gross Debt</u>	<u>Gross Debt per Capita</u>	<u>Ratio of Gross Bonded Debt To Equalized Valuation</u>	<u>Net Debt</u>	<u>Ratio of Net Bonded Debt To Equalized Valuation</u>	<u>Net Bonded Debt per Capita</u>
2008	26,203	5,044,482,942	68,912,775	2,630	1.37%	44,374,433	0.88%	1,693
2007	26,203	4,623,288,971	41,593,139	1,587	0.90%	40,949,139	0.89%	1,563
2006	26,203	4,174,106,503	41,037,522	1,566	0.98%	39,163,522	0.94%	1,495
2005	26,203	3,755,680,491	37,848,435	1,444	1.01%	34,779,435	0.93%	1,327
2004	26,203	3,354,428,696	48,177,850	1,839	1.44%	43,948,850	1.31%	1,677
2003	26,203	2,983,158,524	41,078,361	1,568	1.38%	37,658,361	1.26%	1,437
2002	26,203	2,681,323,127	24,434,881	933	0.91%	21,135,881	0.79%	807
2001	26,203	2,433,651,984	17,322,651	661	0.71%	13,183,651	0.54%	503
2000	26,203	2,251,742,552	14,598,730	557	0.65%	9,619,730	0.43%	367
1999	24,850	2,114,293,802	14,527,600	585	0.69%	8,708,600	0.41%	350

(1) U.S. Bureau of the Census, Population Division (2000 Census)

(2) Per the State of New Jersey, Department of the Treasury, Division of Taxation
 Certification of the Table of Equalized Valuations.

Table 7

THE CITY OF ENGLEWOOD
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES-CURRENT FUND
LAST TEN FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Current Fund Governmental Expenditures</u>	<u>Ratio of Debt Service to Current Fund Expenditures</u>
2008	2,225,700	1,607,965	3,833,665	58,397,798	6.56%
2007	2,194,273	1,564,471	3,758,744	53,263,979	7.06%
2006	1,901,271	1,050,203	2,951,474	50,660,049	5.83%
2005	1,986,850	1,464,001	3,450,851	49,698,915	6.94%
2004	2,234,511	555,450	2,789,961	46,425,324	6.01%
2003	2,253,770	508,427	2,762,197	45,264,718	6.10%
2002	2,253,770	539,471	2,793,241	42,072,739	6.64%
2001	2,282,529	563,389	2,845,918	40,961,407	6.95%
2000	2,312,770	568,070	2,880,840	40,635,636	7.09%
1999	2,685,000	625,320	3,310,320	39,814,925	8.31%
1998	2,708,000	577,844	3,285,844	39,471,480	8.32%

Table 8

THE CITY OF ENGLEWOOD
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

December 31,	Unemployment <u>Rate (1)</u>	Total Per Capita <u>Income(2)</u>	<u>Population(2)</u>
2008	5.50%	N/A	26,203
2007	4.00%	N/A	26,203
2006	4.50%	N/A	26,203
2005	4.70%	N/A	26,203
2004	4.50%	N/A	26,203
2003	7.80%	N/A	26,203
2002	7.70%	N/A	26,203
2001	5.80%	N/A	26,203
2000	4.90%	N/A	26,203
1999	4.50%	N/A	24,850

SOURCE

- 1) NEW JERSEY DEPARTMENT OF LABOR AVERAGE ANNUAL LABOR FORCE
- 2) UNITED STATES BUREAU OF CENSUS

Table 9

THE CITY OF ENGLEWOOD
MISCELLANEOUS STATISTICS
UNAUDITED

Date of Incorporation	March 17, 1899
Form of Government	Council-Manager
Area in Square Miles	4.95
Miles of streets	71

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

Honorable Mayor and
Members of the City Council
City of Englewood
County of Bergen, New Jersey

We have audited the financial statements-regulatory basis of the City of Englewood in the County of Bergen as of and for the year ended December 31, 2008, and have issued our report thereon dated July 10, 2009. Our report disclosed that, as described in note 1 to the financial statements-regulatory basis, the City of Englewood prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

FWCC

Honorable Mayor and
Members of the City Council
Page 2.

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

As noted in the accompanying Schedule of Findings and Questioned Costs, we consider the following to be a significant deficiency:

- The Chief Financial Officer had previously developed and currently has access to the source code of the City's accounting software.
- The City has not established adequate monitoring procedures for collection of parking garage fees.
- The City's management does not properly monitor parking meter collections.

We did not consider the significant deficiency noted above to be a material weakness.

Compliance and Other Matters

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

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

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



Charles J. Ferraioli, Jr., C.P.A.
Registered Municipal Accountant
No. 388



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

July 10, 2009



FWCC

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

Honorable Mayor and
Members of the City Council
City of Englewood
County of Bergen, New Jersey

Compliance

We have audited the compliance of the City of Englewood in the County of Bergen with the types of compliance requirements described in the New Jersey State Office of Management and Budget's State Aid/Grant Compliance Supplement that are applicable to each of its major state programs for the year ended December 31, 2008. City of Englewood's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the City of Englewood's management. Our responsibility is to express an opinion on the City of Englewood's compliance based on our audit.

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

In our opinion, the City of Englewood complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended December 31, 2008.



Internal Control Over Compliance

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

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

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

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

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



Charles J. Ferraioli, Jr., C.P.A.
Registered Municipal Accountant
No. 388



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Certified Public Accountants



July 10, 2009

CITY OF ENGLEWOOD, NEW JERSEY

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2008

Name of Federal Agency Or Department	Federal Program	C.F.D.A. / Account No.	Program Amount	Balance Jan. 1, 2008	Receipts/ Revenues	Expended	Balance Dec. 31, 2008	Cumulative Expenditures
U.S. Department of Housing and Urban Development	Community Development Block Grants: Barrier Free Improvements	14.218	\$210,614	210,614				210,614
	Knickeboker Road Reconstruction		\$230,000					
U.S. Department of Justice	Edward Byrne Memorial Justice Assistance Grant National Night Out	16.58 2005-DJ-BX-1734	\$5,000	423			423	4,577
	Total Federal Awards			211,037			211,037	4,577

CITY OF ENGLEWOOD, NEW JERSEY
 Schedule of Expenditures of State/County Financial Assistance

For the Year Ended December 31, 2008

State Agency Or Department	State Program	State Program/ Account No.	Program Amount	Balance Jan. 1, 2008	Receipts/ Revenues	Expended	Balance Dec. 31, 2008	Cumulative Expenditures
Department of Environmental Protection and Energy	Clean Communities Program							
	4900-765-042-4900-004-VCMC-6020		\$21,326	1,057	-	1,057	-	21,326
	4900-765-042-4900-004-VCMC-6020	\$21,193	21,193	-	-	21,193	-	21,193
	4900-765-042-4900-004-VCMC-6020	\$22,220	22,220	-	-	22,220	-	22,220
	4900-765-042-4900-004-VCMC-6020	\$27,016	-	27,016	15,405	15,405	-	15,405
Recycling Tonnage Grant								
	4900-752-042-4900-001-VREV-6020	\$21,918	129	-	129	-	21,789	-
	4900-752-042-4900-001-VREV-6020	\$33,211	33,211	-	-	33,211	-	33,211
	4900-752-042-4900-001-VREV-6020	\$25,905	-	25,905	25,905	25,905	-	25,905
Department of Community Affairs	Adolescent Health Grant							
	4220-100-046-4535-129-J002-6140	\$112,922	35,338	-	6,941	28,897	84,025	-
	4220-100-046-4535-129-J002-6140	\$89,268	89,268	-	-	89,268	-	89,268
	4220-100-046-4535-129-J002-6140	\$48,600	48,600	-	-	48,600	-	48,600
Public Health Priority Funding								
	4220-100-046-4535-109-J002-6020	\$9,076	8,992	-	8,992	-	9,076	-
	4220-100-046-4535-109-J002-6020	\$10,704	-	10,704	6,836	6,836	-	6,836
Statewide Livable Communities Local Library Grant								
	100-022-8030-654-FFFF-6120	\$25,000	(21,206)	21,206	60,000	60,000	-	22,600
	100-022-8030-654-FFFF-6120	\$60,000	-	(60,000)	-	-	-	-

CITY OF ENGLEWOOD, NEW JERSEY
Schedule of Expenditures of State(County Financial A-

CITY OF ENGLEWOOD, NEW JERSEY
Schedule of Expenditures of State/County and Other Financial Assistance
For the Year Ended December 31, 2008

State Agency Or Department	State Program	State Program/ Account No.	Program Amount	Balance Jan. 1, 2008	Receipts/ Revenues	Expended	Balance Dec. 31, 2008	Cumulative Expenditures
							Recipients/ Revenues	
County of Bergen:								
	Municipal Alliance Program	n/a	\$22,495	518			8,750	
		n/a	\$10,016	10,016				(8,232)
		n/a	\$13,844	13,844				21,977
		n/a	\$13,844	6,446				10,016
								13,844
								6,446
	Improvement and Signalization of the Palisades Ave. and Woodland Ave. Intersection	n/a	\$693,504	262,185			262,185	
	Bio-Terrorism Subgrant	n/a	\$3,000	1,998			297	
	County of Bergen: Open Space Grant	n/a	\$3,531,125	1,500			1,701	
							1,500	1,002
	Subtotal County Awards		296,507				353,125	
	Other Awards:						362,172	
	City and County Health	n/a	\$10,000	-			(65,665)	
	Healthy Community - Get Fit Englewood	n/a	\$460,000	-			104,297	
	Operation of Trolley Bus Shuttle	n/a	\$24,000	2,000	24,000	21,294		
	Englewood Hospital	Reach and Teach Program					4,706	
								21,294
	Total County and Other Awards		392,961	760,355			750,043	
							(40,139)	824,590

CITY OF ENGLEWOOD**NOTES TO THE SCHEDULES
OF EXPENDITURES OF FEDERAL AWARDS AND
STATE AND COUNTY FINANCIAL ASSISTANCE****NOTE 1: GENERAL**

The accompanying Schedules of Expenditures of Federal Awards and State and County Financial Assistance is not prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are used during the year for budgetary control purposes and lapse at year end.

NOTE 2: REPORTING ENTITY

The City of Englewood, New Jersey for purpose of the Schedule of Expenditures of Federal Awards and State and County Financial Assistance includes all of the funds as defined by the Division of Local Government Services as described in Note 1 to the financial statements, The Financial Reporting Entity. It does not include the City of Englewood Board of Education in as much as their activities are administered by separate boards. This component unit also receives financial assistance, but separately satisfies the audit requirements of OMB Circular A-133.

NOTE 3: RELATIONSHIP TO FINANCIAL STATEMENTS

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

	<u>Federal</u>	<u>State</u>	<u>County/Other</u>	<u>Total</u>
Current Grant Fund	-0-	266,355	<u>494,000</u>	760,355

CITY OF ENGLEWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINDING 2008-1:

STATE OF CONDITION

The City's Chief Financial Officer, formerly the IT Manager, had previously developed and currently has access to the source code of the City's accounting software.

EFFECT

There is no back-up to the Chief Financial Officer with access of knowledge to the source code.

CAUSE

The Chief Financial Officer was formally the IT Manager.

RECOMMENDATION

That someone be trained in the source codes of the software and exception reports be run on a regular basis and examined by an independent party and there is no segregation of duties between the programmer and user of the software.

CITY OF ENGLEWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

FINDING 2008-2:

STATE OF CONDITION

The City has not established adequate monitoring procedures for the collection of parking garage lot fees and daily parking receipts.

EFFECT

There is a risk of fraud, errors or employee theft going undetected by management throughout the course of a fiscal period.

CAUSE

Daily parking slip totals are generated but not always analyzed by individuals separate from the collection function.

RECOMMENDATION

The City should consider establishing a proper system of monitoring that includes a comparison of daily parking slips to actual cash received, periodic spot checks and rotation of personnel collecting and recording cash receipts.

CITY OF ENGLEWOOD

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)**

FINDING 2008-3:

STATE OF CONDITION

The City's management does not properly monitor parking meter collection duties.

EFFECT

There is a risk of fraud, errors or employee theft going undetected by management throughout the course of a fiscal period.

CAUSE

One individual handles the collection and deposits of (through use of an armored car service) all parking meter money. Daily deposits are not closely monitored or analyzed regularly by individuals separate from the collection process.

RECOMMENDATION

The City should consider analyzing parking meter receipts, periodically rotating personnel in charge of collection and implementing spot checks.

GENERAL COMMENTS AND RECOMMENDATIONS

Contracts and Agreements

N.J.S.A. 40A:11-4 states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law."

Effective April 17, 2000 and thereafter the bid thresholds in accordance with N.J.S.A. 40A:11-3 (as amended) is \$17,500. On July 1, 2005, the bid threshold was increased to \$21,000. If the purchasing agent is a qualified purchasing agent the governing body may establish a bid threshold up to \$29,000.

N.J.S.A. 40A:11-2 contains definitions for terms used throughout N.J.S.A. 40A:11-1 et seq. and was amended under P.L. 1999, c.440. It includes as subsection (23) the term 'competitive contracting', which is defined as "the method described in sections 1 through 5 of P.L. 1999, c.440 (C.40:11-4.1 through C.40A:11-4.5) of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel; and the governing body awards a contract to a vendor or vendors from among the formal proposals received."

N.J.S.A. 40A:11-3 was amended with P.L. 1999, c.440 to raise the bid threshold and require award by governing body resolution. "When the cost or price of any contract awarded by the purchasing agent in the aggregate does not exceed in a contract year the total sum of \$17,500 or \$21,000 after July 1, 2005, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids and bidding therefore, except that the governing body may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations." If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section."

N.J.S.A. 40A:11-15 was amended with P.L. 1999, c.440 to extend the base contract period. "Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection (a) of N.J.S.A. 40A:11-5 may be awarded for a period not exceeding 12 consecutive months."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500 or \$21,000 after July 1, 2005 within the contract 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.

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

Communication Equipment Repair
Heating & Air Conditioning Services
Personal Escape System for Fire Personnel
Rt 4. - Sheffield Connector Road
Electrical Services
Park Play Area/Basketball Courts Reconstruction
Cleaning Services for Public Safety Complex & DPW
Recreation Bus Services
Pool Management Services
Recreation Dept. Special Events
Plumbing Services
W. Palisades Ave. Island Reconstruction Project
Public Safety Complex Sound System

Fire Dept. Rescue Boat
Public Safety Complex HVAC System Replacement
2008 Roads Rehabilitation Program
Survey of Knickerbocker Road
Library HVAC System Replacement
City Vehicles Repair
Linden Avenue Reconstruction
Six-Yard Refuse Collection Truck Body Replacement
Firefighter Personal Protective Equipment
City Hall ADA Compliance Project
Inlet Reconstruction Project
Uniforms for DPW Employees

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

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

BONDED OFFICIALS

The following officials were bonded during the year ended December 31, 2008.

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Howard Feinstein	Chief Financial Officer	\$250,000
Tamara Beamer	Tax Collector	250,000
Diana M. Patino	Treasurer	150,000
Debbian Barr	Municipal Court	40,000
Gerald Krane	Treasurer of the Free Library	100,000
Judge James Dow	Municipal Court	50,000

All employees not covered by specific bonds listed above are covered by a Public Official's Liability Policy in the sum of \$1,000,000.

COLLECTION OF INTEREST ON DELINQUENT TAXES

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 audit of the Collector's records on a test basis indicated no differences between the amount of interest payable on delinquent tax payments, based on our calculations, and the actual amount of interest charged.

CONFIRMATION OF DELINQUENT TAXES AND OTHER CHARGES

A test confirmation of delinquent charges and current payment was made in accordance with the regulations of the Division of Local Government Services.

The results of the test confirmations, which were made as of December 31, 2008 are not yet known, but a separate report will be rendered if any irregularities develop. In addition, analytical review procedures were utilized.

COMMENTS AND RECOMMENDATIONS

BOROUGH CLERK

- 1.* Deposits are not always being made within 48 hours as required by statute.

FINANCE OFFICE

1. Several capital purchases noted in the police budget line were not included as additions to the City's fixed asset list.
2. The amount presented as "Land and Improvements" on the City's fixed asset list could not be supported.
3. It was noted that several eligible part-time employees are not enrolled in the State of New Jersey Pension System.
4. The assertion of the City's ambulance loan should be made by council resolution.
5. The \$1,200,000 that is due from developer (Route 4 project) and amended in the 2008 ordinance should be made by council resolution.

MUNICIPAL COURT

1. State DMV fines are being deposited and retained in the court's ATS/ACS account.

POLICE DEPARTMENT

- 1.* Police Department cash receipts journal is not being reconciled to the tax collector's receipts on a monthly basis.
- 2.* Several receipts tested were not turned over to the tax collector within 48 hours as required by statute.

HEALTH DEPARTMENT

1. It was noted that the August and December 2008 dog reports were never filed with the State of New Jersey.

RECREATION DEPARTMENT

1. Some receipts tested were not turned over to the tax collector within 48 hours as required by statute.
2. Cash receipt journals are not being reconciled to the tax collector's receipts on a monthly basis.

STATUS OF PRIOR YEAR FINDINGS

A review was performed on prior year recommendations and corrective action was taken on all items except for the items marked with an “*”.

ACKNOWLEDGMENT

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

Very truly yours,


Charles J. Ferraioli, Jr., C.P.A.
Registered Municipal Accountant
No. 388

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