

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

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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

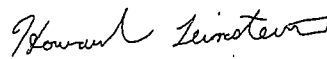
In addition to internal accounting controls, the City maintains centralized budgetary controls. The objective of these budgetary controls is to ensure compliance with the legal spending provisions authorized in the annual budget. Annual appropriated budgets are adopted for the current fund. Project length 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>
ELECTED OFFICIALS:		
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, Wielkott, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkott, 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.

FWCC

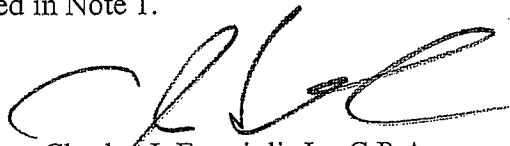
Honorable Mayor and
Members of the City Council
Page 2.

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



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

July 10, 2009



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)

	<u>Governmental Funds</u>					<u>General Fixed Asset Account Group</u>	<u>Free Public Library</u>	<u>Totals</u>	
	<u>General Fund</u>	<u>Capital Fund</u>	<u>Debt Service Fund</u>	<u>Trust Funds (1)</u>				<u>Memorandum Only 2008</u>	<u>2007</u>
ASSETS AND OTHER DEBITS									
Cash and Cash Equivalents	12,011,402	13,756,753	58,425	2,238,018			180,819	28,245,417	30,841,278
Investments							71,665	71,665	69,931
Receivables and Other Assets:									
Delinquent Property Taxes	3,000,716							3,000,716	3,029,869
Bankruptcy Receivable	3,275							3,275	6,856
Tax Title Liens Receivable	60,385							60,385	54,600
Property Acquired for Taxes- Assessed Valuation	70,979							70,979	70,979
Other Accounts Receivable	50,490	777,327		440,766				1,268,583	2,258,164
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		1,184,895	1,184,895
Building and Building Improvements						9,005,807		9,005,807	9,005,807
Machinery and Equipment						11,372,287		11,372,287	9,788,271
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	<u>16,601,040</u>	<u>73,902,501</u>	<u>58,425</u>	<u>2,678,784</u>		<u>21,562,989</u>	<u>252,484</u>	<u>115,056,223</u>	<u>115,573,106</u>

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)

	<u>Governmental Funds</u>			<u>Trust Funds (1)</u>	<u>General Fixed Asset Account Group</u>	<u>Free Public Library</u>	<u>Totals</u>
	<u>General Fund</u>	<u>Capital Fund</u>	<u>Debt Service Fund</u>				<u>Memorandum Only</u>
							<u>2008</u>
							<u>2007</u>
LIABILITIES, RESERVES AND FUND BALANCE:							
Appropriation Reserves	3,552,868						3,594,697
Improvement Authorizations:							
Funded		2,602,713					3,451,316
Unfunded		15,238,426					17,004,881
Capital Improvement Fund		235,563					137,349
Bonds and Interest Payable			58,425				58,425
Due to State - Board of Health							
Other Liabilities and Reserves							
Payroll Deductions Payable							
Investment in General Fixed Assets	3,223,130			2,678,784			6,647,204
Interfund Payables	230,842				21,562,989		19,978,973
Serial Bonds		20,092					359,579
Bond Anticipation Notes		5,019,000					6,044,000
Capital Lease Payable		35,119,369					32,026,139
Reserve for Receivables and Other Assets		14,613,984					15,316,016
Fund Balance	3,205,936	532,205					3,274,793
Federal and State Grant Fund:	5,605,055	521,149				252,484	6,750,262
Appropriated Reserves	697,831						856,356
Unappropriated Reserves	85,378						73,116
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	16,601,040	73,902,501	58,425	2,678,784	21,562,989	252,484	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	
Type I School District Debt Service	355,590
Reserve for Uncollected Taxes	<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	<u> </u>
Statutory Excess to Fund Balance	4,547,090
Fund Balance January 1,	<u>6,057,965</u>
	10,605,055
Decreased by:	
Utilized in Budget	<u>5,000,000</u>
Fund Balance December 31,	<u><u>5,605,055</u></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

	Budget as Modified	2008 Actual	Variance
Revenues:			
Fund Balance Anticipated	\$ 5,000,000	\$ 5,000,000	
Miscellaneous Revenues	4,005,675	5,004,745	999,070
State Aid	3,465,110	3,478,951	13,841
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	58,406,923	60,387,843	1,980,920
Other Credits to Income		2,703,130	2,703,130
Taxes Allocated to School and County		55,488,737	55,488,737
Total Revenues	58,406,923	118,579,710	60,172,787
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	2,825,000	2,825,000	
Total Budget Expenditures	58,406,923	58,397,798	9,125
Other Expenses and Charges to Income		55,634,822	(55,634,822)
Total Expenditures	58,406,923	114,032,620	(55,625,697)
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>	2008 <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		<u> </u>	
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 Firemen's 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 Firemen's 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:

	Balance Dec. 31, 2007	Additions	Reductions	Ending Balance	Amounts Due Within One Year
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>\$44,374,433</u>	<u>\$41,593,139</u>	<u>\$41,037,552</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>44,374,433</u>
	<u>\$68,912,775</u>	<u>\$24,538,342</u>	<u>\$44,374,433</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>\$132,182,470</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 Year	General		School		Total
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</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 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.	<u>319,000</u>
	<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, <u>2007</u>	Amount Resulting from 2008	2008 Budget <u>Appropriation</u>	Balance to Succeeding <u>Years</u>
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 Dec 31, 2008</u>	<u>Balance 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	\$ 12,011,402	\$ 11,114,281
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	3,000,716	3,029,869
Taxes Receivable in Bankruptcy	3,275	6,856
Tax Title Liens Receivable	60,385	54,600
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	230,842	203,893
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	<u>230,842</u>	<u>203,893</u>
Reserve for Receivables and Other Assets	<u>3,205,936</u>	<u>3,274,793</u>
Fund Balance	<u>5,605,055</u>	<u>6,057,965</u>
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	\$ <u>16,601,040</u>	\$ <u>16,206,685</u>

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		48,188
Type I School District Debt Service	355,590	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><u>5,605,055</u></u>	\$ <u><u>6,057,965</u></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

	Budget <u>As Modified</u>	2008 <u>Realized</u>	Excess/ <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	<u>4,005,675</u>	<u>5,004,745</u>	<u>999,070</u>
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
	<u>3,465,110</u>	<u>3,478,951</u>	<u>13,841</u>

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>
SPECIAL ITEMS OF REVENUE OFFSET WITH APPROPRIATIONS			
State and Federal Grants:			
State of N.J.- Dept. of Health - Adolescent Health	\$	\$	
Public Health Priority Funding	10,704	10,704	
Clean Communities Program	27,016	27,016	
Recycling Tonnage Grant	25,905	25,905	
Drunk Driving Enforcement Fund	9,153	9,153	
Municipal Alliance on Alcoholism and Drug Abuse			
Domestic Violence Training Program			
Obey the Signs or Pay the Fines			
NJ/NY Port Authority Grant			
Reach and Teach	24,000	24,000	
Municipal Alliance	17,500	17,500	
Hepatitis B			
Pandemic Flu Preparedness Grant	7,915	7,915	
Open Space Park Improvement Program			
Community Development - Get Fit Englewood	10,000	10,000	
Donations - Operation of Trolley Shuttle Service	460,000	460,000	
	<u>592,193</u>	<u>592,193</u>	
Receipts from Delinquent Taxes	<u>1,350,000</u>	<u>2,021,704</u>	<u>671,704</u>
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	<u>355,590</u>	<u>355,590</u>	
Total Amount to be Raised	<u>43,993,945</u>	<u>44,290,250</u>	<u>296,305</u>
Total Budget Revenues	<u>58,406,923</u>	<u>60,387,843</u>	<u>1,980,920</u>
Other Credits to Income:			
Non-Budget Revenues		677,136	677,136
Prior Year Interfunds Returned		64,940	64,940
Unexpended Balance of Appropriation Reserves		<u>1,961,054</u>	<u>1,961,054</u>
		<u>2,703,130</u>	<u>2,703,130</u>
Taxes Allocated to School and County		<u>55,488,738</u>	<u>55,488,738</u>
Total Other Credits to Income		<u>58,191,868</u>	<u>58,191,868</u>
Total Revenues and Credits to Income	\$ <u>58,406,923</u>	<u>118,579,711</u>	\$ <u>60,172,788</u>

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>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>	<u>Over-</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Cancelled</u>	<u>Expended</u>
(A) Operations-within "CAPS"						
GENERAL GOVERNMENT:						
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

	APPROPRIATED 2008 Budget	Budget After Modification	Paid or Charged	Expended	Unexpended Balance Cancelled	Over- Expended
	10,000	10,000	7,937	2,063		
Public Defender(Contractual)						
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

	APPROPRIATED 2008 Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Cancelled	Over- Expended
MUNICIPAL LAND USE							
Planning Board:							
Other expenses	56,350	56,350	48,573	7,777			
PUBLIC SAFETY:							
Fire Division:							
Salaries and wages	6,481,610	6,236,610	6,104,584	132,026			
Other expenses	283,050	283,050	274,758	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	6,951,660	6,706,660	6,566,342	140,318			
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	12,561,050	13,061,050	12,038,726	1,022,324			
Subtotal Public Safety	19,512,710	19,767,710	18,605,068	1,162,642			
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>Reserved</u>	<u>Balance</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	Unexpended Balance Cancelled	Over- Expended
COMMUNITY SERVICES ACT							
Condominium Community Costs	161,000	161,000	49,309		111,691		
HEALTH AND HUMAN SERVICES							
Board of Health:							
Salaries and wages	700,000	620,000	574,792		45,208		
Other expenses	102,750	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			1,500		
Other expenses	40,000	40,000	38,518		1,482		
Mental Health Advisory Committee (N.J.S.A. 44:5-2)	17,500	17,500	16,500		1,000		
Child Development Center (N.J.S.A. 40:5-2.9)	58,413	58,413	29,207		29,206		
Administration of Public Assistance:							
Salaries and wages							
Other expenses							
Relocation Assistance:							
Other expenses	12,500	12,500	4,589		7,911		
Subtotal Health and Human Services	957,164	912,164	794,274		117,890		
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	950,291	1,025,291	994,010		31,281		
OTHER OPERATING FUNCTIONS							
Terminal Leave Program							
Salaries and Wages	350,000	222,500	129,064		93,436		
Construction Code official							
Salaries and wages	763,502	763,502	729,442		34,060		
Other expenses	108,575	108,575	71,087		37,488		
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			20,000		
Street Lighting	814,000	814,000	813,996		4		
Water	35,000	35,000	28,154		6,846		
Fire Hydrant Fees (Hackensack Water Company)	270,000	270,000	261,826		8,174		

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>Reserved</u>	<u>Balance</u>	<u>Expended</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>	
Landfill Dumping Fees (BCUA)	1,305,000	1,205,000	923,174	281,826		
Leaf Disposal Site	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	8,000		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							

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</u>	<u>Paid or</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2008</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Balance</u>	<u>Expended</u>
	<u>Budget</u>				<u>Cancelled</u>	
Domestic Violence Training Program	4,375	4,375	4,375			
Municipal Alliance						
Hepatitis B Inoculation Fund	24,000	24,000	24,000			
NI/NY Part Authority Grant	7,915	7,915	7,915			
Obey the Signs or Pay the Fines						
Reach and Teach						
Pandemic Flu Preparedness Grant						
Open Space Park Improvement Program	10,000	10,000	10,000			
Healthy Community Development - Fet Fit Englewood		460,000	460,000			
Donation - Operation of Trolley Shuttle Service						
	<u>119,068</u>	<u>596,568</u>	<u>596,568</u>			
Subtotal State and Federal Programs Outside of "CAPS"						
	<u>9,204,164</u>	<u>9,681,664</u>	<u>9,585,891</u>	<u>95,773</u>		
Total Operations Excluded From "CAPS"						
Details:						
Salaries and Wages	246,845	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

	APPROPRIATED 2008 Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Cancelled	Over- Expended
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				
Total Municipal Debt Service Excluded From "CAPS"	3,478,075	3,478,075	3,468,950			9,125	
Deferred Charges-Municipal Excluded From "CAPS":							
Special Emergency Authorizations-5 years	165,200	165,200	165,200				
Total Deferred Charges-Municipal Excluded From "CAPS"	165,200	165,200	165,200				
Judgments							
Total General Appropriations For Municipal Purposes Excluded from "CAPS"	13,147,439	13,624,939	13,520,041	95,773		9,125	
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				
Total Type I School District Debt Service - Excluded from "CAPS"	355,590	355,590	355,590				
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

	APPROPRIATED 2008 Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Cancelled	Over- Expended
Subtotal General Appropriations	55,104,423	55,581,923	52,019,929	3,552,869	9,125		
Reserve for Uncollected Taxes	2,825,000	2,825,000	2,825,000				
Total General Appropriations	\$ 57,929,423	\$ 58,406,923	\$ 54,844,929	\$ 3,552,869	\$ 9,125	\$	
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 2008	2007	State Veterans' and Senior Citizens' Deductions	State of N.J. REAP	Transferred	Remitted and Canceled	Balance, Dec. 31, 2008
2007	3,029,869	565,904		2,021,704					656,366	917,703
2008		339,227	99,540,981	96,226,775	672,780	119,000	541,627	9,059	227,954	2,083,013
	<u>3,029,869</u>	<u>905,131</u>	<u>99,540,981</u>	<u>98,248,479</u>	<u>672,780</u>	<u>119,000</u>	<u>541,627</u>	<u>9,059</u>	<u>884,320</u>	<u>3,000,716</u>

Tax Title Liens 5,784
 Bankruptcy 3,275

9,059

Analysis of 2008 Property Tax Levy

Tax Yield:	
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	<u>101,221</u>
	<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	\$	<u><u>60,385</u></u>

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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><u>3,275</u></u>

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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>
			368,124
Decreased by:			
Collections and Other Credits	<u>317,634</u>		<u>317,634</u>
Balance December 31, 2008		\$	<u>50,490</u>

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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><u>244,892</u></u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2007 APPROPRIATION RESERVES

	Balance, Dec. 31, <u>2007</u>	Balance after <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>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
Unemploment 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

	Balance, Dec. 31, <u>2007</u>	Balance after <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>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

	Balance, Dec. 31, 2007	Balance after Modifications	Paid or Charged	Balance Lapsed
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

	Balance, Dec. 31, <u>2007</u>	Balance after <u>Modifications</u>	<u>Paid or Charged</u>	Balance <u>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	
	<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		
		<u>4,258,809</u>		

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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	<u>24</u>	<u>520</u>		<u>544</u>
	<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>	Balance December 31, 2007	Received 2008	Appropriated 2008	Balance December 31, 2008
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	338			338
	<u>73,116</u>	<u>85,040</u>	<u>72,778</u>	<u>85,378</u>

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>2008</u>	<u>2008</u>	<u>2008</u>
	<u>2007</u>	<u>2007</u>	<u>2007</u>	<u>2007</u>
ASSETS:				
Cash and Cash Equivalents	59,159	2,015,657	163,202	2,238,018
	52,999	3,203,184	130,378	3,386,561
Other Accounts Receivable:				
Grant Receivable-CDBG		440,614		440,614
		210,614		210,614
		210,614		210,614
Interfund Receivable	152			152
	59,311	2,456,271	163,202	2,678,784
	52,999	3,413,798	130,378	3,597,175

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>	<u>2008</u>	<u>2007</u>
LIABILITIES, RESERVES AND FUND BALANCE:								
Other Liabilities and Reserves:								
Due to the State of New Jersey	167	16					167	16
Payroll Deductions Payable			404,955	529,301			404,955	529,301
Reserve for Unemployment Insurance Trust					163,202	130,378		
Program Authorizations			440,614	210,614			163,202	130,378
Other Reserves			1,610,702	2,583,123			440,614	210,614
Reserve for:							1,610,702	2,583,123
Animal Control Expenditures	59,144	52,983					59,144	52,983
Public Assistance								
	59,311	52,999	2,456,271	3,323,038	163,202	130,378	2,678,784	3,506,415
Interfund Accounts Payable				90,760				90,760
	59,311	52,999	2,456,271	3,413,798	163,202	130,378	2,678,784	3,597,175

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

BALANCE, DECEMBER 31, 2007		52,983
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	1,383	
		<u>13,583</u>
		66,566
Decreased by:		
Expended		<u>7,422</u>
BALANCE, DECEMBER 31, 2008		<u><u>59,144</u></u>

License Fees Collected:

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

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THE CITY OF ENGLEWOOD
TRUST-OTHER FUNDS
STATEMENT OF COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

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

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

	Balance December 31, 2007	Increased	Decreased	Balance December 31, 2008
Reserve For:				
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>

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

BALANCE, DECEMBER 31, 2007	130,378
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Increased by:

Payroll Deductions

41,014

Interest Earned on Investments and Deposits

3,945

44,959

175,337

Decreased by:

Unemployment Compensation Claims Paid

12,135

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	39,355,433	35,549,139
	<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	15,238,426	17,004,881
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
ANALYSIS OF GENERAL CAPITAL CASH

	<u>Ordinance</u> <u>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	
		<u>13,756,753</u>	<u>16,143,991</u>

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

Ordinance Number	Improvements	Balance December 31, 2007	Cancelled or Notes Paid by Budget Appropriation	Balance December 31, 2008	Financed by Bond Anticipation Notes	Analysis of Balance	
						Expenditures	Unexpended Improvement Authorizations
85-22	Transfer Station	35,600		35,600		35,600	
98-13	Construction Parking Lot Elmore Ave						
03-04	Acquisition of Lincoln & Liberty School	6,057,458	106,271	5,951,187	5,951,187		
03-11	Acquisition of Lincoln & Liberty School	4,576,101	78,899	4,497,202	4,497,202		
03-18	Roadway Construction Route 4	4,905,897	629,103	4,276,794	4,276,794		
04-11	Various Capital Improvements	1,092,500	57,500	1,035,000	1,035,000		
04-12	Various Capital Improvements	997,500	24,673	972,827	972,827		
04-25	Various Capital Improvements	285,000	14,250	270,750	270,750		
04-30	Renovations to Lincoln School	2,850,000		2,850,000			2,850,000
05-04	Recon. Of Windrop Place	380,000	20,000	360,000	360,000		
05-11	Various Capital Improvements	4,390,835		4,390,835	4,390,835		
05-18	Access Area Route 4	1,900,000		1,900,000	1,900,000		
06-08	Various Capital Improvements	5,090,388		4,930,664	4,930,664		
07-01	Various Capital Improvements	2,036,175	159,724	2,036,175	2,036,175		
07-02	Improvement to Mackay Park	314,285		314,285	314,285		
07-20	Various Equipment for Fire Dept.	637,400		637,400	637,400		
08-07	Route 4 Access						
08-10	Various Capital Improvements		2,598,250	637,400	2,598,250		
08-16	Various Improvements		948,000	948,000	948,000		
08-25	Renovations to City Hall		361,900	361,900		828,539	160,025
							361,900
		35,549,139	4,896,714	39,355,433	35,119,369	864,139	3,371,925

Analysis of Balance, December 31, 2008

Improvement Authorizations - Unfunded

Less: Unexpended Proceeds of Bond Anticipation

Notes Issued:

Ordinance No:

03-04
03-11
03-18
04-11
04-12
05-04
05-11
05-18
06-08
07-01
07-02
08-07
08-10

1,896,764
4,655,000
20,388
65,051
302,277
115,186
486,368
48,000
1,558,539
755,138
56,902
1,139,063
767,825

\$ 11,866,501

3,371,925

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS

General Purposes	Original Issue		Maturity of Bonds Outstanding December 31, 2008		Interest Rate	Balance December 31, 2007	Increased by Bonds Issued	Decreased by Payments	Balance December 31, 2008
	Date	Amount	Date	Amount					
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%	5,200,000		600,000	4,600,000
			7/1/14	850,000	4.000%				
Subtotal General Serial Bonds						5,400,000		700,000	4,700,000
<u>School Purposes</u>									
School Purposes	7/15/1999	3,244,000	7/15/09	319,000	4.750%	644,000		325,000	319,000
Subtotal School Serial Bonds						644,000		325,000	319,000
GRAND TOTAL						6,044,000		1,025,000	5,019,000

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

Ordinance Number	General Improvements	Date of Issue	Date of Maturity	Balance December 31, 2007	Increased	Decreased	Balance December 31, 2008
03-04	Acquisition - Liberty/Lincoln Schools	10/20/2003	7/1/2009	6,057,458	5,951,187	6,057,458	5,951,187
03-11	Acquisition - Liberty/Lincoln Schools	7/9/2004	7/1/2009	4,576,101	4,497,202	4,576,101	4,497,202
03-18	Route 4 Access Area	7/9/2004	7/1/2009	4,905,897	4,276,794	4,905,897	4,276,794
04-11	Various Equipment	7/8/2005	7/1/2009	1,092,500	1,035,000	1,092,500	1,035,000
04-12	Various Improvements	7/9/2005	7/1/2009	997,500	972,827	997,500	972,827
04-25	Various Capital Improvements	7/10/2005	7/1/2009	285,000	270,750	285,000	270,750
05-04	Recon. Of Winthrop Place	7/11/2005	7/1/2009	380,000	360,000	380,000	360,000
05-11	Various Capital Improvements	7/7/2006	7/1/2009	4,390,835	4,390,835	4,390,835	4,390,835
05-18	Route 4 Access	7/7/2006	7/1/2009	1,900,000	1,900,000	1,900,000	1,900,000
06-08	Various Capital Improvements	7/6/2007	7/1/2009	5,090,388	4,930,664	5,090,388	4,930,664
07-01	Various Capital Improvements	7/6/2007	7/1/2009	2,036,175	2,036,175	2,036,175	2,036,175
07-02	MacKay Park Improvements	7/6/2007	7/1/2009	314,285	314,285	314,285	314,285
07-20	Fire Dept. Equipment	7/1/2008	7/1/2009		637,400		637,400
08-10	Various Capital Improvements	7/1/2008	7/1/2009		948,000		948,000
08-07	Route 4 Access	7/1/2008	7/1/2009		2,598,250		2,598,250
				\$ 32,026,139	\$ 35,119,369	\$ 32,026,139	\$ 35,119,369
Issued for Cash					4,183,654		
Renewals					30,935,715	30,935,715	
From F.E.M.A.						159,724	
From Developer						500,000	
Paid by Budget Appropriation						430,700	
					35,119,369	32,026,139	

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Description	Date	Original Amount	Balance		Deferred Charges		Capital Improvement Fund	Expended (Refunded) or Cancelled	Balance	
				December 31, 2007		To Future Taxation	December 31, 2008				
				Funded	Unfunded					Funded	Unfunded
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	394,708	
02-07	Various Improvements and DPW Equipment	05/07/02	1,150,000	163,487					17,976	145,511	
02-08	Jones Rd. and Flat Rock Brook	05/07/02	500,000	78,600					29,800	48,800	
02-21	Overpeck Channel Creek	09/03/02	900,000								
02-22	Various Road Improvements	09/03/02	750,000	1,202						1,202	1,896,764
03-04	Acquisition: Lincoln/Liberty School	07/01/03	6,600,000		1,896,764						
03-08	Various Capital Improvements	07/01/03	1,890,000	822,979					737,886	85,093	
03-09	Various Road Improvements	07/01/03	2,900,000	367,371					44,709	322,662	
03-11	Acquisition: Lincoln/Liberty School	09/02/03	4,900,000	215,293	4,655,000					215,293	4,655,000
03-15	Various Capital Improvements	12/16/03	1,185,000	1,117,392					42,993	1,074,399	
03-18	Roadway Construction Route 4	12/16/03	5,300,000		130,166				109,778	20,388	
04-06	Construction of Parking Garage	04/20/04	1,750,000	35,807					2,580	33,227	
04-11	Various Capital Improvements	06/29/04	1,150,000		241,976				176,925	65,051	
04-12	Various Capital Improvements	06/29/04	1,050,000		399,248				96,971	302,277	
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	2,850,000					148,826	2,850,000
05-04	Reconstruction Winthrop Place	03/01/05	400,000		115,186						115,186
05-11	Various Capital Improvements	06/14/05	4,610,000		710,324				223,956	486,368	
05-18	Access Area Route 4	12/28/05	3,200,000		1,038,222				990,222	48,000	
06-08	Various Capital Improvements	06/20/06	5,345,000		3,174,557				1,616,018	1,558,539	
07-01	Various Capital Improvements	02/13/07	2,138,000		1,074,076				318,938	755,138	
07-02	Improvement to Mackay Park	02/13/07	330,000		119,940				63,038	56,902	
07-15	Purchase of Ambulance	07/17/07	81,100	6,137						6,137	
07-20	Various Equipment for Fire Dept.	08/14/07	669,300		555,883				555,883		
08-07	Access Area Route 4	03/18/08	1,535,000			1,398,250		136,750	395,937	1,139,063	
08-09	Various Equipment	05/06/08	179,800					179,800	75,118	104,682	
08-10	Various Equipment	05/06/08	995,500			948,000		47,500	227,675	767,825	
08-16	Various Capital Improvements	06/17/08	1,038,000			988,564		49,436	877,975	160,025	
08-25	City Hall ADA Compliance	09/16/08	380,000			361,900		18,100	415	17,685	361,900
				3,451,317	17,004,881	3,696,714		431,586	6,743,359	2,602,713	15,238,426

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

Purpose	Original Issue		Maturity of Bonds Outstanding December 31, 2008		Yield	Price	Accretion	Final Maturity Amount
	Date	Amount	Date	Amount				
County Guaranteed Governmental Loan Revenue Bonds Series 2005B	9/20/2005	15,316,016	09/01/09	686,798	3.250%	88.051	93,202	780,000
			09/01/10	1,065,910	3.410%	84.596	194,090	1,260,000
			09/01/11	1,023,864	3.520%	81.259	236,136	1,260,000
			09/01/12	980,015	3.650%	77.779	279,985	1,260,000
			09/01/13	936,394	3.770%	74.317	323,606	1,260,000
			09/01/14	894,965	3.860%	71.029	365,035	1,260,000
			09/01/15	1,496,192	3.960%	67.701	713,808	2,210,000
			09/01/16	1,420,257	4.080%	64.265	789,743	2,210,000
			09/01/17	1,349,735	4.170%	61.074	860,265	2,210,000
			09/01/18	1,285,336	4.230%	58.160	924,664	2,210,000
			09/01/19	1,219,257	4.310%	55.170	990,743	2,210,000
			09/01/20	1,156,449	4.380%	52.328	1,053,551	2,210,000
			09/01/21	1,098,812	4.430%	49.720	1,111,188	2,210,000

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		637,400		
08-07	Route 4 Access		2,598,250	2,598,250		
08-10	Various Capital Improvements		948,000	948,000		
08-16	Various Improvements		988,564			988,564
08-25	Renovations to City Hall		361,900			361,900
		<u>\$ 3,523,000</u>	<u>\$ 4,896,714</u>	<u>\$ 4,183,650</u>	<u>\$</u>	<u>4,236,064</u>

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	<u>71,665</u>	<u>69,931</u>
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	185,797	
		<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	2,320	
		<u>452,779</u>
FUND BALANCE, DECEMBER 31, 2008		<u><u>150,367</u></u>
ANALYSIS OF BALANCE:		
Petty Cash		370
Cash		<u>149,997</u>
		<u><u>150,367</u></u>

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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	<u>1,734</u>
FUND BALANCE, DECEMBER 31, 2008	<u><u>71,665</u></u>
ANALYSIS OF BALANCE:	
Investments	<u><u>71,665</u></u>

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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>	
		<u>27,009</u>
		65,369
Decreased by:		
Microfilm	4,282	
Books and Periodicals	<u>30,635</u>	
		<u>34,917</u>
FUND BALANCE, DECEMBER 31, 2008		<u><u>30,452</u></u>
ANALYSIS OF BALANCE:		
Cash		<u><u>30,452</u></u>

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><u>71,665</u></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

Year	General Government	Public Safety	Streets and Roads	Health and Welfare	Recreation and Education	Deferred Charges and Statutory Expenditures	State and Federal Grants	Capital Improvements	Debt Service	Reserve for Uncollected Taxes	Total
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>	Net Assessed Valuation <u>Taxable</u>	Estimated Full Cash <u>Valuations</u>	Percentage of Net Assessed to Estimated <u>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	15,240,000	0.29%
	<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%.

Table 6

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 Rate (1)	Total Per Capita Income(2)	Population(2)
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.



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



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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.

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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.
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FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
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:	14.218						
	Barrier Free Improvements		\$210,614	210,614	-	-	210,614	-
	Knickerbocker Road Reconstruction		\$230,000	-	-	-	-	-
U.S. Department of Justice	Edward Byrne Memorial Justice Assistance Grant	16.58	\$5,000	423	-	-	423	4,577
	National Night Out	2005-DJ-BX-1734						
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-VCNC-6020	\$21,193	21,193	-	21,193	-	21,193
		4900-765-042-4900-004-VCNC-6020	\$22,220	22,220	-	22,220	-	22,220
		4900-765-042-4900-004-VCNC-6020	\$27,016	-	27,016	15,405	11,611	15,405
Department of Community Affairs	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
		4220-100-046-4535-129-1002-6140	\$112,922	33,838	-	6,941	28,897	84,025
Department of Community Affairs	Adolescent Health Grant	4220-100-046-4535-129-1002-6140	\$89,268	89,268	-	-	89,268	-
		4220-100-046-4535-129-1002-6140	\$48,600	48,600	-	-	48,600	-
		4220-100-046-4535-109-1002-6020	\$9,076	8,992	-	8,992	-	9,076
		4220-100-046-4535-109-1002-6020	\$10,704	-	10,704	6,836	3,868	6,836
Statewide Livable Communities Local Library Grant	Public Health Priority Funding	100-022-8030-654-FFFF-6120	\$25,000	(21,206)	21,206	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 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
Affairs (cont.)								
	Smart Future 2006	2006-100-022-8020-090-FSMR-6120	\$55,000	-	-	55,000	(55,000)	55,000
	Hepatitis B Grant			-	5,000	2,226	2,774	2,226
	Municipal Alliance		\$17,500	(12,428)	12,450	17,083	(17,061)	12,428
Division of Motor Vehicles	Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	\$5,383	-	-	4,531	-	5,383
		6400-100-078-6400-YYYY	\$15,213	4,531	-	16,117	-	15,213
		6400-100-078-6400-YYYY	\$16,117	16,117	-	17,046	-	16,117
		6400-100-078-6400-YYYY	\$28,635	28,635	-	11,589	11,589	17,046
		6400-100-078-6400-YYYY	\$1,725	1,725	-	1,725	1,725	-
		6400-100-078-6400-YYYY	\$9,153	-	9,153	9,153	9,153	-
Alcohol Education and Rehabilitation Grant		9735-760-098-Y900-001-X100-6020	\$902	902	-	-	902	-
		9735-760-098-Y900-001-X100-6020	\$51	51	-	-	51	-
		9735-760-098-Y900-001-X100-6020	\$937	937	-	-	937	-
		9735-760-098-Y900-001-X100-6020	\$682	682	-	-	682	-
Department of Transportation	Municipal Aid Program Jones Road		\$140,000	(60,000)	150,000	-	(60,000)	140,000
			\$150,000	(150,000)	-	-	-	150,000
Green Community and Forestry								2,000
Pandemic Flu Planning		06-1337-BT-L-O	\$7,915	-	4,921	2,097	2,824	-
Enhanced 911 General Assistance		05-G-02-536	\$24,000	24,000	-	24,000	-	-
Total State Financial Assistance				94,454	266,355	339,989	20,820	698,999

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
County of Bergen:								
	Municipal Alliance Program	n/a	\$22,495	518		8,750	(8,232)	21,977
		n/a	\$10,016	10,016			10,016	-
		n/a	\$13,844	13,844			13,844	-
		n/a	\$13,844	6,446			6,446	-
	Improvement and Signalization of the Palisades Ave. and Woodland Ave. Intersection	n/a	\$693,504	262,185			262,185	81,318
	Bio-Terrorism Subgrant	n/a	\$3,000	1,998		297	1,701	1,002
	County of Bergen: Open Space Grant	n/a	\$353,125	-		353,125	(353,125)	-
Subtotal County Awards				296,507	-	362,172	(65,665)	104,297
Other Awards:								
City and County Health	Healthy Community - Get Fit Englewood	n/a	\$10,000	-	10,000			
	Operation of Trolley Bus Shuttle	n/a	\$460,000	-	460,000	16,588		
Englewood Hospital	Reach and Teach Program	n/a	\$24,000	2,000	24,000	21,294	4,706	21,294
Total County and Other Awards				2,000	494,000	47,882	4,706	21,294
				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	Fire Dept. Rescue Boat
Heating & Air Conditioning Services	Public Safety Complex HVAC System Replacement
Personal Escape System for Fire Personnel	2008 Roads Rehabilitation Program
Rt 4. - Sheffield Connector Road	Survey of Knickerbocker Road
Electrical Services	Library HVAC System Replacement
Park Play Area/Basketball Courts Reconstruction	City Vehicles Repair
Cleaning Services for Public Safety Complex & DPW	Linden Avenue Reconstruction
Recreation Bus Services	Six-Yard Refuse Collection Truck Body Replacement
Pool Management Services	Firefighter Personal Protective Equipment
Recreation Dept. Special Events	City Hall ADA Compliance Project
Plumbing Services	Inlet Reconstruction Project
W. Palisades Ave. Island Reconstruction Project	Uniforms for DPW Employees
Public Safety Complex Sound System	

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 "*".

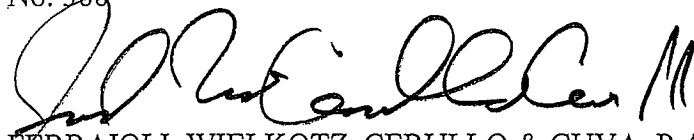
ACKNOWLEDGMENT

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