

CITY OF ENGLEWOOD
COUNTY OF BERGEN, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2009

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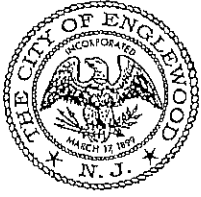
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Introductory Section

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Englewood

P.O. Box 228 • Englewood, NJ 07631

July 13, 2010

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, 2009. 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

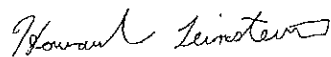
In addition to internal accounting controls, the City maintains centralized budgetary controls. The objective of these budgetary controls is to ensure compliance with the legal spending provisions authorized in the annual budget. Annual appropriated budgets are adopted for the current fund. Project length 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, 2009

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, 2009

<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

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Financial Section

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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, 2009, 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 audit.

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.



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, 2009 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, 2009, 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 June 7, 2010 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

June 7, 2010



Financial Statements

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CITY OF ENGLEWOOD
Combined Statement of Assets, Liabilities, Reserves and Fund Balances-All Fund Types and Account Groups-Regulatory Basis
December 31, 2009
(With comparative totals for 2008)

	<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>2009</u> <u>Memorandum Only 2008</u>
ASSETS AND OTHER DEBITS							
Cash and Cash Equivalents	10,151,479	11,997,484	58,425	2,206,105		123,500	24,536,993
Investments				27,923		72,123	100,046
Receivables and Other Assets:	3,691,016						3,691,016
Delinquent Property Taxes							28,245,417
Bankruptcy Receivable							71,665
Tax Title Liens Receivable	70,553						3,275
Property Acquired for Taxes-Assessed Valuation	70,979						60,385
Other Accounts Receivable	199,461	757,421		230,000			70,979
Interfunds Receivable	3,012			2,612			1,186,882
Prospective Assessment Funded				10,035,000			5,624
Due from State - Senior Citizen and Veterans Deductions							20,092
Due From County of Bergen							
Due From County of Morris		37,500					342,504
Due from State - Bd of Education Academics @ Englewood	122,445						37,500
Land							
Building and Building Improvements					1,184,895		244,892
Machinery and Equipment					9,005,807		1,184,895
Deferred Charges to Future Taxation:					11,605,724		9,005,807
Funded		17,877,186					11,372,287
Unfunded		33,828,450					
Deferred Charges:							
Emergency Authorization	190,400						39,355,433
Federal and State Grant Fund:							19,632,984
Interfund Receivable	786,395						
Federal and State Grants Receivable	436,198						786,395
TOTAL ASSETS AND OTHER DEBITS	<u>15,721,938</u>	<u>64,498,041</u>	<u>58,425</u>	<u>12,501,640</u>	<u>21,796,426</u>	<u>195,623</u>	<u>114,772,093</u> <u>115,056,223</u>

CITY OF ENGLEWOOD
Combined Statement of Assets, Liabilities, Reserves and Fund Balances-All Fund Types and Account Groups-Regulatory Basis
December 31, 2009
(With comparative totals for 2008)

	<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</u> <u>2009</u> <u>2008</u>
LIABILITIES, RESERVES AND FUND BALANCE:							
Appropriation Reserves	3,682,174						3,682,174 3,552,868
Improvement Authorizations:							
Funded		3,035,856					3,035,856 2,602,713
Unfunded		14,711,285					14,711,285 15,238,426
Capital Improvement Fund		268,096					268,096 235,563
Bonds and Interest Payable			58,425				58,425 58,425
Due to State - Board of Health							
Other Liabilities and Reserves		345,243		12,501,640			15,353,398 5,901,914
Payroll Deductions Payable	2,506,515						
Investment in General Fixed Assets					21,796,426		21,796,426 21,562,989
Interfund Payables	789,007						792,019 250,934
Serial Bonds		3,012					3,950,000 5,019,000
Bond Anticipation Notes		3,950,000					27,238,850 35,119,369
Capital Lease Payable		27,238,850					13,927,186 14,613,984
Reserve for Receivables and Other Assets	4,035,022						4,035,022 3,738,141
Fund Balance	3,486,627	1,018,513				195,623	4,700,763 6,378,688
Federal and State Grant Fund:							
Appropriated Reserves	1,076,357						1,076,357 697,831
Unappropriated Reserves	146,236						146,236 85,378
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	15,721,938	64,498,041	58,425	12,501,640	21,796,426	195,623	114,772,093 115,056,223

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, 2009

Revenues:	
Fund Balance Anticipated	\$ 4,800,000
Miscellaneous Revenues	4,344,478
State Aid	3,409,372
State and Federal Grants	654,727
Receipts from Delinquent Taxes	2,094,265
Amount to be Raised by Taxes for Support of Municipal Budget:	
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>46,222,122</u>
Total Budget Revenues	61,524,964
Non-Budget Revenues	1,957,174
Taxes Allocated to School and County	<u>57,959,448</u>
Total Revenues	<u>121,441,586</u>
Expenditures:	
Current Fund Within CAPS:	
General Government	9,830,165
Municipal Land Use	76,350
Public Safety	20,938,991
Public Works	5,262,668
Community Service Act	173,394
Health and Welfare	997,053
Recreation and Education	939,429
Unclassified	4,347,198
Deferred Charges and Statutory Expenditures	1,709,382
Contingent	8,000
Current Fund Excluded from CAPS:	
General Government	8,791,019
State and Federal Grants	663,838
Capital Improvements	310,000
Municipal Debt Service	3,206,842
Deferred Charges	165,200
Type I School District Debt Service	334,153
Reserve for Uncollected Taxes	<u>2,900,000</u>
Total Budget Expenditures	60,653,682
Other Expenses	<u>58,106,332</u>
Total Expenditures	118,760,014
Excess in Revenues	2,681,572

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
 Current Fund
 For the Year Ended December 31, 2009

Excess in Revenues over Expenditures (Carried Forward)	2,681,572
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	2,681,572
Fund Balance January 1,	<u>5,605,055</u>
	8,286,627
Decreased by:	
Utilized in Budget	<u>4,800,000</u>
Fund Balance December 31,	<u><u>3,486,627</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, 2009

	Budget <u>as Modified</u>	2009 <u>Actual</u>	<u>Variance</u>
Revenues:			
Fund Balance Anticipated	\$ 4,800,000	\$ 4,800,000	\$
Miscellaneous Revenues	4,374,000	4,344,478	(29,522)
State Aid	3,409,372	3,409,372	
State, Federal and County Grants	654,727	654,727	
Receipts from Delinquent Taxes	1,350,000	2,094,265	744,265
Amount to be Raised by Taxes for Support of Municipal Budget:			
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	46,065,583	46,222,122	156,539
Total Budget Revenues	60,653,682	61,524,964	871,282
Other Credits to Income		1,957,174	1,957,174
Taxes Allocated to School and County		57,959,448	57,959,448
Total Revenues	60,653,682	121,441,586	60,787,904
Expenditures:			
Current Fund Within CAPS:			
General Government	9,830,166	9,830,166	
Municipal Land Use	76,350	76,350	
Public Safety	20,938,991	20,938,991	
Public Works	5,262,666	5,262,666	
Community Services Act	173,394	173,394	
Health and Welfare	997,054	997,054	
Recreation and Education	939,430	939,430	
Other Operating Functions	4,347,197	4,347,197	
Deferred Charges and Statutory Expenditures	1,709,382	1,709,382	
Contingent	8,000	8,000	
Current Fund Excluded from CAPS:			
General Government	8,791,019	8,791,019	
State and Federal Grants	663,838	663,838	
Capital Improvements	310,000	310,000	
Municipal Debt Service	3,206,842	3,206,842	
Deferred Charges	165,200	165,200	
Type I School District Debt Service	334,153	334,153	
Reserve for Uncollected Taxes	2,900,000	2,900,000	
Total Budget Expenditures	60,653,682	60,653,682	
Other Expenses and Charges to Income		58,106,332	(58,106,332)
Total Expenditures	60,653,682	118,760,014	(58,106,332)
Excess in Revenues		2,681,572	

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, 2009

	Budget <u>as Modified</u>	2009 <u>Actual</u>	<u>Variance</u>
			(Continued)
Excess in Revenues over Expenditures (Carried Forward)		2,681,572	
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		2,681,572	
Fund Balance January 1, 2007		<u>5,605,055</u>	
		8,286,627	
Decreased by:			
Utilized in Budget		<u>4,800,000</u>	
Fund Balance December 31, 2007		<u>\$ 3,486,627</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, 2009 AND 2008

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, 2009 AND 2008
(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, 2009 AND 2008
(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, 2009 AND 2008
(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, 2009 AND 2008
(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, 2009 AND 2008
(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, 2009, \$0- of the City's bank balance of \$24,722,167 was exposed to custodial credit risk.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(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, 2009, the City had \$1,131,257 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, 2009 AND 2008
(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>2009</u>	<u>2008</u>	<u>2007⁽¹⁾</u>	<u>2006</u>
Tax Rate	1.968	1.881	1.84	4.160
Apportionment of Tax Rate:				
Municipal	.815	.808	.777	1.629
County*	.202	.189	.173	.373
Local School	.901	.879	.886	2.044
B.C.U.A. Sewer Tax	.050	.005	.004	.114

* Includes County Open Space

⁽¹⁾ Revaluation Year

Assessed Valuation:

2009	\$5,284,140,122
2008	5,222,506,856
2007 ⁽¹⁾	4,992,356,340
2006	2,063,655,113

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2009	\$104,424,525	\$101,281,571	96.99%
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

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>
2009	\$70,553	\$3,691,016	\$3,761,569	3.60%
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

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(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>
2009	\$70,979
2008	70,979
2007	70,979
2006	70,979
2005	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>
2009	\$3,486,627	\$2,600,000	74.57%
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

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, 2009 AND 2008
(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, 2009 AND 2008
(CONTINUED)

NOTE 6: PENSION PLANS, (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

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The City of Englewood opted to pay this deferral in full during the 2009 fiscal year.

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, 2009 AND 2008
(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>
2009	\$609,315	\$3,077,198
2008	427,210	3,095,063
2007	256,358	1,944,974

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000 annually, the official may choose to waive participation in the DCRP for that office or position. The waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee, employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment option provided by the employer.

The law requires that three classes of employees enroll in the DCRP detailed as follows:

All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may retain in the PERS. A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(CONTINUED)

NOTE 6: PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator, or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

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, 2009 AND 2008
(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, 2009 were as follows:

The City of Englewood contributions to SHBP for post-retirement benefits for the year ended December 31, 2009 was \$791,615.50 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 \$5,353,654 as of December 31, 2009.

NOTE 9: LONG TERM DEBT

Long-term debt as of December 31, 2009 consisted of the following:

	Balance Dec. 31, 2008	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds Payable:					
General Obligation Debt	\$4,700,000	\$ -0-	\$750,000	\$3,950,000	\$700,000
School Debt	<u>319,000</u>	<u> </u>	<u>319,000</u>	<u>0</u>	<u> </u>
	<u>\$5,019,000</u>	<u>\$ -0-</u>	<u>\$1,069,000</u>	<u>\$3,950,000</u>	<u>\$700,000</u>

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(CONTINUED)

NOTE 9: LONG TERM DEBT, (continued)

Summary of Debt

	<u>Year 2009</u>	<u>Year 2008</u>	<u>Year 2007</u>
<u>Issued</u>			
General:			
Serial Bonds	\$3,950,000	\$4,700,000	\$5,400,000
Notes	27,238,850	35,119,369	32,026,139
Assessment Bonds	8,775,000		
School Purposes:			
Bonds	<u>-0-</u>	<u>319,000</u>	<u>644,000</u>
Total Issued	39,963,850	40,138,369	38,070,139
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	<u>6,589,600</u>	<u>4,236,064</u>	<u>3,523,000</u>
	<u>\$46,553,450</u>	<u>\$44,374,433</u>	<u>\$41,593,139</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 .87%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$22,962,941	\$22,962,941	\$0
General	<u>46,553,450</u>	<u>-0-</u>	<u>46,553,450</u>
	<u>\$69,516,391</u>	<u>\$22,962,941</u>	<u>\$46,553,450</u>

Net Debt \$46,553,450 Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$5,356,203,303 = .87%.

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

3 ½% of Equalized Valuation Basis (Municipal)	\$187,467,116
Net Debt	<u>46,553,450</u>
Remaining Borrowing Power	<u>\$140,913,666</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, 2009 AND 2008
(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		Assessment		Total
	Principal	Interest	Principal	Interest	
2010	\$700,000	\$150,625			\$850,625
2011	750,000	126,125	\$630,000	\$285,188	1,791,313
2012	800,000	98,000	630,000	264,713	1,792,713
2013	850,000	68,000	630,000	244,238	1,792,238
2014	850,000	34,000	630,000	240,975	1,754,975
2015			630,000	226,744	856,744
2016			630,000	210,938	840,938
2017			630,000	199,800	829,800
2018			630,000	185,513	815,513
2019			630,000	186,750	816,750
2020			630,000	155,250	785,250
2021			630,000	123,750	753,750
2022			630,000	92,250	722,250
2023			630,000	60,750	690,750
2024			585,000	29,250	614,250
	<u>\$3,950,000</u>	<u>\$476,750</u>	<u>\$8,775,000</u>	<u>\$2,506,109</u>	<u>\$15,707,859</u>

The City's long term debt consisted of the following at December 31, 2009:

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%.	\$3,950,000
\$8,775,000.00 Assessment Bonds dated December 16, 2008 payable in annual installments through January 1, 2024. Interest is paid semiannually at rates of 3.25% to 5.00%.	<u>8,775,000</u>
	<u>\$12,725,000</u>

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(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>
03/01/10	-	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>\$13,927,185.80</u>				<u>\$7,842,814.20</u>	<u>\$21,770,000.00</u>

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(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, 2009, the following deferred charges are shown on the balance sheets of the various funds of the city:

	Balance December 31, <u>2008</u>	Amount Resulting from 2009	2009 Budget <u>Appropriation</u>	Balance to Succeeding <u>Years</u>
Current Fund:				
Special Emergency	<u>\$355,600</u>	<u>\$ -0-</u>	<u>\$165,200</u>	<u>\$190,400</u>

The City has included the required \$165,200 appropriation in its 2010 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, 2009, the City had \$27,238,850 in outstanding general capital bond anticipation notes maturing on May 11, 2010 at an interest rate of 1.25%.

CITY OF ENGLEWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(CONTINUED)

NOTE 13: BOND ANTICIPATION NOTES, (continued)

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2009.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Notes Payable	<u>\$35,119,369</u>	<u>\$27,238,850</u>	<u>\$35,119,369</u>	<u>\$27,238,850</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 \$122,445 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, 2009 AND 2008
(CONTINUED)

NOTE 17: DUE TO/FROM OTHER FUNDS

The City has the following interfund receivables and payables at December 31, 2009:

\$3,012	Due to Current from General Capital Fund to reimburse expenditures paid by Current Fund.
786,395	Due Federal and State Grant Fund from Current Fund for grants received in Current Fund.
2,542	Due Other Trust Fund from Current Fund for amounts received in Current Fund
<u>70</u>	Due Dog Trust Fund from Current Fund for receipts received in Current Fund
<u>\$792,019</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:

	Balance <u>Dec 31, 2009</u>	Balance <u>Dec 31, 2008</u>
Prepaid Taxes	<u>\$591,849</u>	<u>\$557,054</u>
Cash Liability for Taxes Collected in Advance	<u>\$591,849</u>	<u>\$557,054</u>

Supplementary Schedules

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THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS:		
Cash and Cash Equivalents	\$ 10,151,479	\$ 12,011,402
Due from State - Board of Education - Academies at Englewood	<u>122,445</u>	<u>244,892</u>
	<u>122,445</u>	<u>244,892</u>
Receivables and Other Assets with Full Reserves:		
Taxes Receivable:		
Delinquent Taxes Receivable	3,691,016	3,000,716
Taxes Receivable in Bankruptcy		3,275
Tax Title Liens Receivable	70,553	60,385
Property Acquired for Taxes-Assessed Valuation	<u>70,979</u>	<u>70,979</u>
Total Taxes Receivable	<u>3,832,548</u>	<u>3,135,355</u>
Other Accounts Receivable:		
Sewer User Charges Receivable	<u>199,461</u>	<u>50,490</u>
Total Other Accounts Receivable	<u>199,461</u>	<u>50,490</u>
Interfund Accounts Receivable	<u>3,012</u>	<u>20,092</u>
Total Receivables and Other Assets with Full Reserves	<u>4,035,021</u>	<u>3,205,937</u>
Deferred Charges:		
Overexpenditure of Appropriations		
Emergency Authorization	<u>190,400</u>	<u>355,600</u>
	<u>190,400</u>	<u>355,600</u>
Federal and State Grant Funds:		
Interfund Accounts Receivable	786,395	230,842
Federal and State Grants Receivable	<u>436,198</u>	<u>552,367</u>
Total Federal and State Grant Funds	<u>1,222,593</u>	<u>783,209</u>
Total Assets	<u>\$ 15,721,938</u>	<u>\$ 16,601,040</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
LIABILITIES, RESERVES AND FUND BALANCE		
Appropriation Reserves	\$ 3,682,174	\$ 3,552,868
Other Liabilities and Reserves:		
Reserve for Encumbrances	1,074,141	1,620,068
Prepaid Taxes	591,849	557,054
Due to State of N.J. - Vets and S.C.	580	1,022
County Taxes Payable	44,571	33,046
Emergency Note Payable	330,400	495,600
Reserve for Tax Appeals	451,423	500,000
Other Reserves	13,551	16,340
	<u>2,506,515</u>	<u>3,223,130</u>
Interfund Accounts Payable	<u>789,007</u>	<u>230,842</u>
Reserve for Receivables and Other Assets	<u>4,035,022</u>	<u>3,205,936</u>
Fund Balance	<u>3,486,627</u>	<u>5,605,055</u>
Federal and State Grant Funds:		
Appropriated Reserves	1,076,357	697,831
Unappropriated Reserves	146,236	85,378
	<u>1,222,593</u>	<u>783,209</u>
Total Liabilities, Reserves and Fund Balances	<u>\$ 15,721,938</u>	<u>\$ 16,601,040</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Revenues:		
Fund Balance Anticipated	\$ 4,800,000	\$ 5,000,000
Miscellaneous Revenues	4,344,478	5,004,745
State Aid	3,409,372	3,478,951
State and Federal Grants	654,727	592,193
Receipts from Delinquent Taxes	2,094,265	2,021,704
Amount to be Raised by Taxes for Support of Municipal Budget:		
Local Tax for Municipal Purposes Including		
Reserve for Uncollected Taxes	46,222,122	44,290,250
Total Budget Revenues	61,524,964	60,387,843
Non-Budget Revenues	1,957,174	2,703,130
Taxes Allocated to School and County	57,959,448	55,488,737
Total Revenues	121,441,586	118,579,710
Expenditures:		
Current Fund Within CAPS:		
General Government	9,830,165	9,388,263
Municipal Land Use	76,350	56,350
Public Safety	20,938,991	19,767,710
Public Works	5,262,668	4,828,192
Community Service Act	173,394	161,000
Health and Welfare	997,053	912,164
Recreation and Education	939,429	1,025,291
Unclassified	4,347,198	4,208,577
Deferred Charges and Statutory Expenditures	1,709,382	1,245,847
Contingent	8,000	8,000
Current Fund Excluded from CAPS:		
General Government	8,791,019	9,085,096
State and Federal Grants	663,838	596,568
Capital Improvements	310,000	300,000
Municipal Debt Service	3,206,842	3,468,950
Deferred Charges	165,200	165,200
Type I School District Debt Service	334,153	355,590
Reserve for Uncollected Taxes	2,900,000	2,825,000
Total Budget Expenditures	60,653,682	58,397,798
Other Expenses	58,106,332	55,634,822
Total Expenditures	118,760,014	114,032,620
Excess in Revenues	2,681,572	4,547,090

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Excess in Revenues over Expenditures (Carried Forward)	2,681,572	4,547,090
Adjustment to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Years		
Statutory Excess to Fund Balance	2,681,572	4,547,090
Fund Balance January 1,	<u>5,605,055</u>	<u>6,057,965</u>
	8,286,627	10,605,055
Decreased by:		
Utilized in Budget	<u>4,800,000</u>	<u>5,000,000</u>
Fund Balance December 31,	\$ <u><u>3,486,627</u></u>	\$ <u><u>5,605,055</u></u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budget</u> <u>As Modified</u>	<u>2009</u> <u>Realized</u>	<u>Excess/</u> <u>(Deficit)</u>
Surplus Anticipated	\$ 4,800,000	4,800,000	\$
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverage	55,000	55,989	989
Other	180,000	197,605	17,605
Fees and Permits			
Construction Code Official	690,000	570,669	(119,331)
Other	58,000	62,731	4,731
Fines and Costs:			
Municipal Court	650,000	718,995	68,995
Interest and Costs on Taxes	400,000	520,534	120,534
Interest on Investments and Deposits	430,000	159,842	(270,158)
Parking Meters	510,000	532,829	22,829
Recreation Advisory Committee	230,000	252,161	22,161
Fire Prevention Fees	150,000	167,372	17,372
Burglar Alarms	50,000	95,480	45,480
Payments in Lieu of Taxes	341,000	392,855	51,855
Exempt Sewer Charges	300,000	285,295	(14,705)
Parking Garage Fees	200,000	199,713	(287)
Municipal Hotel Tax	130,000	132,408	2,408
Total Miscellaneous Revenues	4,374,000	4,344,478	(29,522)
STATE AID WITHOUT OFFSETTING			
APPROPRIATIONS			
Energy Receipts Tax	2,800,491	2,800,491	
Consolidated Municipal Property Tax Relief Aid	608,881	608,881	
	3,409,372	3,409,372	

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budget</u> <u>As Modified</u>	<u>2009</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	9,924	9,924	
Clean Communities Program	28,282	28,282	
Recycling Tonnage Grant	40,194	40,194	
Drunk Driving Enforcement Fund	6,640	6,640	
Reach and Teach	24,000	24,000	
Municipal Alliance	16,765	16,765	
Lead Identification and Field Testing Grant	23,395	23,395	
Justice Assistance Grant	10,003	10,003	
NJ DHSS Emergency Preparedness Grant	2,500	2,500	
200 Club of Bergen County	93,744	93,744	
Bergen County Open Space Grant	155,000	155,000	
NJ DOT Municipal Aid Program	200,000	200,000	
FEMA - Firefighters Grant	44,280	44,280	
	<u>654,727</u>	<u>654,727</u>	
Receipts from Delinquent Taxes	<u>1,350,000</u>	<u>2,094,265</u>	<u>744,265</u>
Amount to be Raised by Taxation:			
For Support of Municipal Budget	45,731,430	45,887,969	156,539
Addition to Local District School Tax	<u>334,153</u>	<u>334,153</u>	
Total Amount to be Raised	<u>46,065,583</u>	<u>46,222,122</u>	<u>156,539</u>
Total Budget Revenues	<u>60,653,682</u>	<u>61,524,964</u>	<u>871,282</u>
Other Credits to Income:			
Non-Budget Revenues		573,587	573,587
Prior Year Interfunds Returned		20,092	20,092
Unexpended Balance of Appropriation Reserves		<u>1,363,495</u>	<u>1,363,495</u>
		<u>1,957,174</u>	<u>1,957,174</u>
Taxes Allocated to School and County		<u>57,959,448</u>	<u>57,959,448</u>
Total Other Credits to Income		<u>59,916,622</u>	<u>59,916,622</u>
Total Revenues and Credits to Income	\$ <u>60,653,682</u>	<u>121,441,586</u>	\$ <u>60,787,904</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	2009	Appropriated	Budget After	Paid or	Expended	Unexpended	Over-
	Budget	Modification	Charged	Reserved	Balance	Cancelled	Expended
(A) Operations-within "CAPS"							
GENERAL GOVERNMENT:							
Administrative and Executive							
Mayor and Council:							
Salaries and wages	\$ 30,000	30,000	30,000				
Other expenses	18,400	18,400	10,815	7,585			
City Manager's Office:							
Salaries and wages	261,729	261,729	244,677	17,052			
Other expenses	145,500	145,500	102,010	43,490			
City Clerk's Office:							
Salaries and wages	134,276	139,276	132,902	6,374			
Other expenses	74,000	74,000	57,534	16,466			
Human Resources:							
Salaries and wages	246,494	249,994	248,255	1,739			
Other expenses	17,000	17,000	10,064	6,936			
Purchasing Department:							
Other Expenses	4,000	4,000	227	3,773			
Finance Department:							
Salaries and wages	327,751	327,751	308,757	18,994			
Other expenses	101,750	101,750	82,875	18,875			
Data Processing:							
Salaries and wages	53,393	53,393	53,365	28			
Other expenses	31,500	31,500	14,036	17,464			
Assessment of Taxes:							
Salaries and wages	140,201	144,201	140,368	3,833			
Other expenses	32,800	40,300	39,434	866			
Collection of Taxes:							
Salaries and wages	167,064	171,064	162,735	8,329			
Other expenses	48,550	48,550	26,507	22,043			
Legal Services and Costs:							
Salaries and wages (Prosecutor)	47,264	58,264	56,795	1,469			
Other expenses	514,000	814,000	742,614	71,386			
Engineering Services and Costs:							
Other expenses	109,800	109,800	105,036	4,764			
Community Development Office:							
Salaries and Wages	200,211	212,211	209,189	3,022			
Other expenses	270,500	270,500	226,731	43,769			

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2009</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Cancelled</u>
			<u>Reserved</u>	<u>Expended</u>
Municipal Court:				
Salaries and Wages	384,447	354,447	325,042	29,405
Other expenses	163,500	163,500	115,692	47,808
Public Defender(Contractual)	12,000	12,000	7,925	4,075
Insurance:				
Medical and Surgical	4,437,306	4,237,306	3,615,967	621,339
Other Insurance Premiums	846,000	846,000	755,564	90,436
Workers Compensation	800,000	800,000	645,847	154,153
Unemployment Compensation	75,000	75,000		75,000
Property Maintenance Code Violation				
Abatement Program:				
Other expenses	18,730	18,730		18,730
Subtotal General Government	9,713,166	9,830,166	8,470,963	1,359,202
MUNICIPAL LAND USE				
Planning Board:				
Other expenses	56,350	76,350	70,244	6,106

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2009</u>	<u>Paid or</u>	<u>Balance</u>	<u>Expended</u>
	<u>Budget</u>	<u>Charged</u>	<u>Cancelled</u>	<u>Expended</u>
PUBLIC SAFETY:				
Fire Division:				
Salaries and wages	6,827,242	6,303,549		523,693
Other expenses	298,050	325,182		42,868
Fire Prevention Division:				
Salaries and wages	185,000	185,000		
Other expenses	5,000	5,000		
Emergency Management Services:				
Other expenses	70,000			
Total Fire Department	7,385,292	6,818,731		566,561
Police Department:				
Salaries and wages	12,582,749	12,418,838		163,911
Other expenses	757,700	590,762		166,938
Aid to Volunteer Ambulance	155,000	148,536		6,464
Emergency Management Services:				
Other expenses	58,250	41,886		16,364
Total Police Department	13,553,699	13,200,022		353,677
Subtotal Public Safety	20,938,991	20,018,753		920,238

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>2009</u> <u>Budget</u>	<u>Appropriated</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u> <u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Cancelled</u>	<u>Over-</u> <u>Expended</u>
PUBLIC WORKS						
Public Works Administration:						
Salaries and wages	226,751	274,466	262,777	11,689		
Other expenses	59,820	59,820	51,098	8,722		
Public Buildings and Grounds						
Other expenses	157,750	182,750	157,583	25,167		
Shade Tree Department						
Salaries and wages	196,578	209,578	204,108	5,470		
Other expenses	32,000	32,000	2,823	29,177		
Road Repairs and Maintenance:						
Salaries and wages	1,048,835	1,189,731	1,168,805	20,926		
Other expenses	191,700	191,700	182,805	8,895		
Central Maintenance Garage:						
Salaries and wages	339,300	327,300	316,999	10,301		
Other expenses	430,900	455,900	379,776	76,124		
Construction and Facilities Maintenance						
Salaries and wages	307,168	287,168	265,021	22,147		
Other expenses	80,000	80,000	40,872	39,128		
Sanitation Collection Costs:						
Salaries and wages	1,313,044	1,213,044	1,114,410	98,634		
Other expenses	51,150	51,150	19,291	31,859		
Sewer Department:						
Salaries and wages	207,822	285,255	268,437	16,818		
Other expenses	109,675	109,675	58,141	51,534		
Parks Department:						
Salaries and wages	299,929	303,929	298,990	4,939		
Other expenses	9,200	9,200		9,200		
Subtotal Public Works	5,061,622	5,262,666	4,791,936	470,732		

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2009</u>	<u>Paid or</u>	<u>Balance</u>	<u>Expended</u>
	<u>Budget</u>	<u>Charged</u>	<u>Cancelled</u>	<u>Expended</u>
COMMUNITY SERVICES ACT				
Condominium Community Costs	169,922	173,394		
HEALTH AND HUMAN SERVICES				
Board of Health:				
Salaries and wages	736,215	696,215		27,036
Other expenses	107,425	142,083		5,342
City Physician (Contractual)	24,501	15,125		9,376
Dog Regulation:				
Salaries and wages	1,500	1,500		1,500
Other expenses	40,000	39,829		171
Mental Health Advisory Committee (N.J.S.A. 44:5-2)	16,500	16,500		16,500
Child Development Center (N.J.S.A. 40:5-2.9)	58,413	58,413		
Relocation Assistance:				
Other expenses	12,500	2,731		9,769
Subtotal Health and Human Services	997,054	927,360		69,693
RECREATION				
Recreation Department:				
Salaries and wages	508,755	448,755		11,508
Other expenses	430,675	490,675		13,613
Subtotal Recreation	939,430	939,430		25,120

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>2009</u> <u>Budget</u>	<u>Appropriated</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u> <u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Cancelled</u>	<u>Over-</u> <u>Expended</u>
OTHER OPERATING FUNCTIONS						
Terminal Leave Program	336,559	348,559	344,045	4,514		
Salaries and Wages						
Construction Code official	781,663	746,663	712,451	34,212		
Salaries and wages	116,975	116,975	82,595	34,380		
Other expenses						
Utilities						
Electricity	315,000	375,000	366,678	8,322		
Telephone and Communications	225,000	225,000	209,503	15,497		
Heating Oil	20,000	20,000		20,000		
Street Lighting	825,000	825,000	738,987	86,013		
Water	35,000	35,000	26,716	8,284		
Fire Hydrant Fees (Hackensack Water Company)	300,000	325,000	302,552	22,448		
Landfill Dumping Fees (BCUA)	1,305,000	1,155,000	776,571	378,429		
Leaf Disposal Site	175,000	175,000	136,639	38,361		
Subtotal Other Operating Functions	4,435,197	4,347,197	3,696,737	650,461		
Total Operations within "CAPS"	42,311,732	42,565,248	39,063,696	3,501,552		
CONTINGENT:	8,000	8,000		8,000		
Total Operations Including Contingent Within "CAPS"	42,319,732	42,573,248	39,063,696	3,509,552		
Details:						
Salaries and wages	27,891,940	27,929,484	26,881,941	1,047,543		
Other expenses (Including Contingent)	14,427,792	14,643,764	12,181,755	2,462,009		

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

DEFERRED CHARGES & STATUTORY EXPENDITURES:

Overexpenditure of Appropriations
Prior Years Bills
Contributions to:

Social Security System (O.A.S.I.)
Consolidated Police and Firemen's Pension Fund
Public Employees' Retirement Fund
DCRP Contribution

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2009</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Cancelled</u>
				<u>Expended</u>
	1,025,000	1,025,000	967,217	57,783
	48,567	48,567	48,566	1
	609,315	609,315	609,315	
	26,500	26,500	26,500	
	<u>1,709,382</u>	<u>1,709,382</u>	<u>1,651,598</u>	<u>57,784</u>
	<u>44,029,114</u>	<u>44,282,630</u>	<u>40,715,294</u>	<u>3,567,336</u>

Total Deferred Charges and Statutory Expenditures-
Municipal Purposes Within "CAPS"

Total General Appropriations for Municipal
Purposes Within "CAPS"

OPERATIONS EXCLUDED FROM "CAPS"

GENERAL GOVERNMENT:

Bergen County Utilities Authority's Share of Cost
Maintenance of Free Public Library (C.64, P.L. 1985):
Stormwater and Water Pollution:
Salaries and Wages
Other Expenses
Police and Fire Retirement System
Reserve for Tax Appeals

Subtotal General Government Outside "CAPS"

	2,666,925	2,666,925	2,646,157	20,768
	2,296,896	2,296,896	2,202,826	94,070
	269,229			
	25,000			
	3,077,198	3,077,198	3,077,198	
	750,000	750,000	750,000	
	<u>9,085,248</u>	<u>8,791,019</u>	<u>8,676,181</u>	<u>114,838</u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Over-</u>
	<u>2009</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>	
STATE AND FEDERAL PROGRAMS OFFSET						
BY REVENUES						
Recycling Tonnage Grant	40,194	40,194	40,194			
Public Health Priority	9,924	9,924	9,924			
Clean Communities Program	28,282	28,282	28,282			
Drunk Driving Enforcement Fund	6,640	6,640	6,640			
Municipal Alliance on Alcoholism and Drug Abuse		16,765	16,765			
NJDHSS Emergency Preparedness		2,500	2,500			
Municipal Alliance	4,191	4,191	4,191			
Teaneck - 200 Club Bergen County		17,500	17,500			
200 Club of Bergen County Grant		35,000	35,000			
Reach and Teach	24,000	24,000	24,000			
NJ Lead ID & Field Testing		23,395	23,395			
BC/US Dept. of Justice		51,247	51,247			
Bergen County Open Space Grant	155,000	155,000	155,000			
NJ DOT Municipal Aid Program	200,000	200,000	200,000			
FEMA - Firefighters Grant	44,280	44,280	44,280			
FEMA - Firefighters Grant - Local Share	4,920	4,920	4,920			
Subtotal State and Federal Programs Outside of "CAPS"	517,431	663,838	663,838			
Total Operations Excluded From "CAPS"	9,602,679	9,454,857	9,340,019	114,838		
Details:						
Salaries and Wages	269,229					
Other expenses	6,207,052	6,328,459	6,262,821	114,838		
Capital Improvements Excluded From "CAPS"						
Capital Improvement Fund	310,000	310,000	310,000			
Total Capital Improvements Excluded From "CAPS"	310,000	310,000	310,000			

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>	<u>Over-</u>
	<u>2009</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Cancelled</u>
				<u>Expended</u>
Debt Service Excluded From "CAPS":				
Payment of Bond Principal	750,000	750,000	750,000	
Payment of Bond Anticipation Notes and Capital Notes	455,983	455,983	455,983	
Interest on Bonds	320,719	361,432	361,432	
Interest on Notes	845,798	845,798	845,796	2
Interest on Emergency Notes	13,629	13,629	13,631	2
BCIA Lease	780,000	780,000	780,000	
Total Municipal Debt Service Excluded From "CAPS"	3,166,129	3,206,842	3,206,842	2
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"	13,244,008	13,136,899	13,022,061	2
Type I District School Debt Service:				
Payment of Bond Principal	319,000	319,000	319,000	
Interest on Bonds	15,153	15,153	15,153	
Total Type I School District Debt Service - Excluded from "CAPS"	334,153	334,153	334,153	
Total General Appropriations - Excluded From "CAPS"	13,578,161	13,471,052	13,356,214	2

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Over-</u>
	<u>2009</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>	
Subtotal General Appropriations	57,607,275	57,753,682	54,071,508	3,682,174	2	2
Reserve for Uncollected Taxes	2,900,000	2,900,000	2,900,000			
Total General Appropriations	\$ 60,507,275	\$ 60,653,682	\$ 56,971,508	\$ 3,682,174	\$ 2	\$ 2
Adopted Budget	\$ 60,507,275					
Emergency Appropriation	146,407					
	\$ 60,653,682					
Other Expenses and Charges to Income:						
County Taxes	\$ 10,655,876					
Prior Year Senior Citizens Disallowed	1,252					
Reduction of Receivable from State of NJ	122,447					
Cancelled Grant Expended	20,125					
Local School Taxes	47,303,572					
Interfunds Advanced	3,060					
	\$ 58,106,332					

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

Year	Balance, Dec. 31, 2008	Added Taxes In 2009	Collected		State Veterans' and Senior Citizens' Deductions	State of N.J. REAP	Transferred	Remitted and Canceled	Balance, Dec. 31, 2009
			Levy	2009					
2007	917,703								917,703
2008	2,083,013	14,091		2,094,265			2,151	250	438
2009		432,647	103,991,878	100,083,710	116,500	524,307	8,017	362,062	2,772,875
	<u>3,000,716</u>	<u>446,738</u>	<u>103,991,878</u>	<u>102,177,975</u>	<u>116,500</u>	<u>524,307</u>	<u>10,168</u>	<u>362,312</u>	<u>3,691,016</u>
Analysis of 2009 Property Tax Levy									
Tax Yield:									
General Property Tax				\$	101,369,953				
Utilities					2,621,925				
Added Tax (R.S. 54:4-63.1 et seq.)					<u>432,647</u>				
				\$	<u>104,424,525</u>				
Tax Levy:									
Local District School Tax				\$	47,303,572				
County Tax					10,611,305				
Added and Omitted County Taxes					44,571				
				\$	<u>104,424,525</u>				

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF TAX TITLE LIENS

Balance December 31, 2008	\$ 60,385
Increased by:	
Transfer from taxes receivable	<u>10,168</u>
Balance December 31, 2009	<u>\$ 70,553</u>

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

Balance December 31, 2008	\$ 3,275
Decreased by:	
Collections or Cancellations	<u>3,275</u>
Balance December 31, 2009	\$ <u><u> </u></u>

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

Balance December 31, 2008		\$	50,490
Increased by			
Billings	<u>434,266</u>		<u>434,266</u>
			484,756
Decreased by:			
Collections and Other Credits	<u>285,295</u>		<u>285,295</u>
Balance December 31, 2009		\$	<u>199,461</u>

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

Balance December 31, 2008	\$ 244,892
Decreased by:	
Cancellations	<u>122,447</u>
Balance December 31, 2009	\$ <u><u>122,445</u></u>

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	<u>Balance,</u> <u>Dec. 31,</u> <u>2008</u>	<u>Balance</u> <u>after</u> <u>Modifications</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
GENERAL GOVERNMENT:				
Administrative and Executive:				
Mayor and Council:				
Other Expenses	557	1,067	700	367
City Manager:				
Salaries and Wages	43,380	43,380		43,380
Other Expenses	6,996	29,701	16,662	13,039
City Clerk's Office:				
Salaries and Wages	120	120		120
Other Expenses	19,265	33,448	12,029	21,419
Human Resources:				
Salaries and Wages	244	244		244
Other Expenses	3,756	9,556	6,829	2,727
Purchasing:				
Adolescent Health		99,575	98,948	627
Other Expenses	546	1,247	(48)	1,295
Finance Department:				
Salaries and Wages	20,453	20,453		20,453
Other Expenses	32,724	32,914	25,333	7,581
Data Processing:				
Salaries and Wages	1	1		1
Other Expenses	8,084	9,173	1,096	8,077
Assessment of Taxes:				
Salaries and Wages	55	55		55
Other Expenses	151	151	132	19
Collection of Taxes:				
Salaries and Wages	7,316	7,316		7,316
Other Expenses	3,821	4,872	877	3,995
Legal Services and Costs:				
Salaries and Wages	9	9		9
Other Expenses	24,302	197,312	195,185	2,127
Engineering Services and Costs:				
Other Expenses	14,984	22,884	7,900	14,984
Community Development Office				
Salaries and Wages	13,336	13,336		13,336
Other Expenses	12,848	43,882	34,297	9,585
Municipal Court				
Salaries and Wages	20,505	20,505		20,505
Other Expenses	33,089	55,665	21,370	34,295
Public Defender (Contractual)	2,063	2,063		2,063
Insurance:				
Medical and Surgical	368,991	368,990	366,060	2,930
Other Insurance Premiums	27,742	49,910	22,168	27,742
Worker's Compensation	131,472	132,472	132,284	188
Unemployment	31,000	31,000		31,000
Property Maintenance Code Violation Abatement				
Other Expenses	18,730	18,730		18,730
Municipal Land Use				
Planning Board:				
Other Expenses	7,777	28,202	27,249	953

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	Balance, Dec. 31, 2008	Balance after Modifications	Paid or Charged	Balance Lapsed
PUBLIC SAFETY:				
Fire:				
Salaries and Wages	132,026	32,026		32,026
Other Expenses	8,292	61,875	53,955	7,920
Police:				
Salaries and Wages	930,041	1,362,623	1,350,608	12,015
Other Expenses	64,449	136,400	63,440	72,960
Aid to Volunteer Ambulance	19,584	19,584	2,572	17,012
Emergency Management Services				
Other Expenses	8,250	8,250	1,000	7,250
PUBLIC WORKS				
Public Works Administration:				
Salaries and Wages	18,134	18,134		18,134
Other Expenses	29,912	32,320	10,237	22,083
Building and Grounds				
Other Expenses	14,365	50,167	47,712	2,455
Shade Tree Commission:				
Salaries and Wages	15,263	15,263		15,263
Other Expenses	22,516	25,346	2,474	22,872
Road Repairs and Maintenance:				
Salaries and Wages	10,380	10,380		10,380
Other Expenses	77,027	108,497	90,153	18,344
Central Maintenance Garage:				
Salaries and Wages	20,375	20,375		20,375
Other Expenses	23,214	89,464	84,223	5,241
Construction and Facilities Maintenance				
Salaries and Wages	10,460	10,460		10,460
Other Expenses	30,182	38,580	14,696	23,884
Sanitation Collection Costs:				
Salaries and Wages	112,955	12,955		12,955
Other Expenses	44,104	44,104	15,713	28,391
Sewer Department:				
Salaries and Wages	16,015	16,015		16,015
Other Expenses	56,659	69,027	16,062	52,965
COMMUNITY SERVICES ACT:				
Condominium Community Costs	111,691	159,000	157,898	1,102
HEALTH AND WELFARE:				
Board of Health:				
Salaries and Wages	45,208	45,208		45,208
Other Expenses	31,582	85,732	54,533	31,199
City Physician	1	1		1
Dog Regulation:				
Salaries and Wages	1,500	1,500		1,500
Other Expenses	1,482	1,482		1,482
Mental Health Advisory Committee	1,000	1,000		1,000
Child Development Center	29,206	29,206	29,206	
Relocation Assistance				
Other Expenses	7,911	7,911		7,911

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF 2008 APPROPRIATION RESERVES

	<u>Balance, Dec. 31, 2008</u>	<u>Balance after Modifications</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
RECREATION AND EDUCATION:				
Recreation Department:				
Salaries and Wages	20,442	20,442		20,442
Other Expenses	10,839	133,299	117,603	15,696
OTHER OPERATING FUNCTIONS				
Terminal Leave Compensation, Salary Adjustments:				
Salaries and Wages	93,436	93,436		93,436
Construction Code Official				
Salaries and Wages	34,060	34,060		34,060
Other Expenses	37,488	54,588	33,179	21,409
Utilities:				
Electricity	23,537	78,229	77,725	504
Telephone and Communications	38,734	57,342	17,109	40,233
Heating Oil	20,000	20,000		20,000
Fire Hydrants	8,174	72,446	71,185	1,261
Street Lighting	4	72,763	6,771	65,992
Water	6,846	22,018	13,067	8,951
Landfill Dumping Fees (BCUA)	281,826	468,048	355,210	112,838
Leaf Disposal Site	106,325	118,425	118,368	57
CONTINGENT:	8,000	8,000		8,000
STATUTORY EXPENDITURES:				
Contributions to:				
Social Security (O.A.S.I.)	12,252	12,252		12,252
Consolidated Police and Firemen's				
Retirement System	1	1		1
DCRF Contributions	7,030	7,030		7,030
GENERAL GOVERNMENT:				
Bergen County Utilities Authority's Share of Cost	29,393	35,717	11,751	23,966
Maintenance of Free Public Library	66,379	73,721	23,920	49,801
Police and Fire Retirement System	1	1		1
	<u>3,552,868</u>	<u>5,172,936</u>	<u>3,809,441</u>	<u>1,363,495</u>
Budget Reserve		3,552,868		
Reserve for Encumbrances		<u>1,620,068</u>		
		<u>5,172,936</u>		

THE CITY OF ENGLEWOOD
CURRENT FUND
STATEMENT OF OTHER RESERVES

	Balance, Dec. 31, <u>2008</u>	<u>Increased</u>	<u>Decreased</u>	Balance, Dec. 31, <u>2009</u>
Tax Overpayments	20	755		775
Reserve for Codification	15,776		3,000	12,776
South Dean Street Parking Garage	<u>544</u>	<u></u>	<u>544</u>	<u></u>
	<u>16,340</u>	<u>755</u>	<u>3,544</u>	<u>13,551</u>

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

<u>Grant</u>	<u>Balance, Dec. 31, 2008</u>	<u>2009 Revenue</u>	<u>Receipts</u>	<u>Cancelled</u>	<u>Balance, Dec. 31, 2009</u>
Federal:					
DOJ - Justice Grant (JAG)		51,247	51,247		
FEMA - Firefighters Grant		44,280	44,280		
State of New Jersey:					
NJ DCA - Municipal Alliance Grant	17,500	16,765	13,125	5,184	15,956
NJ DCA - Public Health Priority Funds		9,924	9,924		
NJ DCA - Smart Future Award Grant	55,000			55,000	
NJ DCA - Statewide Livable Community Grant	60,000		60,000		
NJ DEP - Clean Communities Program		28,282	28,282		
NJ DEP - Recycling Tonnage Grant		40,194	40,194		
NJ DHSS - Emergency Preparedness Grant		2,500	2,363	137	
NJ DMV - Drunk Driving Enforcement Fund		6,640	6,640		
NJ DOT - Municipal Aid (2008)	60,000		60,000		
NJ DOT - Municipal Aid (2009)		200,000			200,000
NJ DOT - Pandemic Flu Preparedness	6,742				6,742
NJ Lead and Field Testing (LIFT)		23,395	23,395		
County of Bergen:					
Open Space Grant	353,125	155,000	353,125		155,000
Other Sources:					
200 Club of Bergen County		35,000			35,000
200 Club of Bergen County (Teaneck Match)		17,500			17,500
Reach and Teach Grant		24,000	18,000		6,000
	<u>552,367</u>	<u>654,727</u>	<u>710,575</u>	<u>60,321</u>	<u>436,198</u>
Cash Receipts			625,535		
Transfer from Unapprop. Reserves			85,040		
			<u>710,575</u>		

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

<u>Grant</u>	<u>Balance</u> <u>December 31,</u> <u>2008</u>	<u>Appropriated</u> <u>2009</u>	<u>Expended</u> <u>or</u> <u>Cancelled</u>	<u>Balance</u> <u>December 31,</u> <u>2009</u>
Federal:				
DOJ - Justice Grant (JAG)		51,247		51,247
FEMA - Firefighters Grant		44,280	33,183	11,097
FEMA - Firefighters Grant (Local Match)		4,920	4,920	-
State of New Jersey:				
NJ DCA - Adolescent Health Grant	166,764		11,821	154,943
NJ DCA - Hepatitis B Grant	2,774			2,774
NJ DCA - Public Health Priority Funds	3,869	9,924	5,225	8,568
NJ DEP - Clean Communities Program	11,611	28,282	33,774	6,119
NJ DEP - Recycling Tonnage Grant		40,194	40,194	-
NJ DHSS - Emergency Preparedness Grant		2,500	2,500	-
NJ DMV - Alcohol Education & Rehab. Fund	2,572			2,572
NJ DMV - Drunk Driving Enforcement Fund	22,467	6,640	2,500	26,607
NJ DOT - Municipal Aid (2007)	4,375	16,765	21,139	1
NJ DOT - Municipal Aid (2008)	417	4,191	1,088	3,520
NJ DOT - Municipal Aid (2009)		200,000		200,000
NJ DOT - Pandemic Flu Preparedness	9,567			9,567
NJ Lead and Field Testing (LIFT)		23,395	17,817	5,578
County of Bergen:				
Bio-Terrorism Subgrant	3,201			3,201
Municipal Alliance Program	22,096			22,096
Open Space Grant		155,000		155,000
Other Sources:				
200 Club of Bergen County		35,000		35,000
200 Club of Bergen County (Teaneck Match)		17,500		17,500
Operation of Trolley Bus Shuttle	443,412		88,445	354,967
Reach and Teach Grant	4,706	24,000	22,706	6,000
	<u>697,831</u>	<u>663,838</u>	<u>285,312</u>	<u>1,076,357</u>

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

<u>Grant</u>	<u>Balance December 31, 2008</u>	<u>Received 2009</u>	<u>Appropriated 2009</u>	<u>Balance December 31, 2009</u>
State of New Jersey:				
NJ DCA - Adolescent Health Grant	338			338
NJ DCA - Public Health Priority Funds	9,924	9,348	9,924	9,348
NJ DEP - Clean Communities Program	28,282	36,216	28,282	36,216
NJ DEP - Recycling Tonnage Grant	40,194	44,608	40,194	44,608
NJ DHSS - H1N1 Emergency Preparedness		27,034		27,034
NJ DMV - Drunk Driving Enforcement Fund	6,640	23,692	6,640	23,692
Other Sources:				
NJ / NY Port Authority - Hazmat Grant		5,000		5,000
	<u>85,378</u>	<u>145,898</u>	<u>85,040</u>	<u>146,236</u>

THE CITY OF ENGLEWOOD
TRUST FUNDS
STATEMENT OF ASSETS, LIABILITIES AND RESERVES-REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	Animal Control	Other	Unemployment Compensation	Assessment Trust	Totals
	2009	2009	2009	2009	2009
ASSETS:					
Cash and Cash Equivalents	66,461	1,991,351	148,293		2,206,105
Investments		27,923			27,923
Other Accounts Receivable:					
Grant Receivable-CDBG		230,000			230,000
Prospective Assessment Funded				10,035,000	10,035,000
Interfund Receivable	70	2,542			2,612
	66,531	2,251,816	148,293	10,035,000	12,501,640
					2,678,784

THE CITY OF ENGLEWOOD
TRUST FUNDS
STATEMENT OF ASSETS, LIABILITIES AND RESERVES-REGULATORY BASIS
AS OF DECEMBER 31, 2009 AND 2008

	<u>Animal Control</u>	<u>Other</u>	<u>Unemployment Compensation</u>	<u>Assessment Trust</u>	<u>Totals</u>
	<u>2009</u>	<u>2009</u>	<u>2009</u>	<u>2009</u>	<u>2008</u>
LIABILITIES, RESERVES AND FUND BALANCE:					
Other Liabilities and Reserves:					
Due to the State of New Jersey	26	167			26
Payroll Deductions Payable		689,802			689,802
Reserve for Unemployment Insurance Trust			148,293		148,293
Program Authorizations		230,000			230,000
Other Reserves		1,332,014			1,332,014
Assessment Serial Bonds				8,775,000	8,775,000
Reserve for:					
Animal Control Expenditures	66,505	59,144			66,505
Assessments and Liens				1,260,000	1,260,000
	66,531	59,311	148,293	10,035,000	12,501,640
Interfund Accounts Payable					
	66,531	59,311	148,293	10,035,000	12,501,640
					2,678,784

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

BALANCE, DECEMBER 31, 2008	59,144
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Increased by:

Dog License Fees Collected	7,288	
Cat License Fees Collected	1,324	
Late Fees	3,536	
Duplicate Tag Fee	5	
Interest on Investment	157	
		12,310

71,454

Decreased by:

Expended		4,949
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BALANCE, DECEMBER 31, 2009	66,505
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License Fees Collected:

2008		8,728
2009		8,612
		17,340

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

BALANCE, DECEMBER 31, 2008	440,614
Increased by:	
Grant Award	<u>230,000</u>
	670,614
Decreased by:	
Receipts	<u>440,614</u>
BALANCE, DECEMBER 31, 2009	<u><u>230,000</u></u>

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

	Balance December 31, 2008	Increased	Decreased	Balance December 31, 2009
Reserve For:				
Tax Sale Redemption	49,318	760,034	771,939	37,413
Environmental Commission	5,662	380	405	5,637
EEDC Corporation	217,492	346,402	424,005	139,889
Lease Escrow - Metro One	5,520	9		5,529
Lease Escrow - NYNEX Rental	6,041	10		6,051
Lease Escrow - EEDC	18,684	30		18,714
Neighborhood Preservation Program	1		1	
Other Trust	310,770	118,054	13,007	415,817
Tax Sale Premiums	229,766	257,600	364,600	122,766
Developer's Trust	760,932	376,323	583,829	553,426
National Night Out	2			2
Depot Square	1,651			1,651
Police Extra Duty		634,568	610,552	24,016
Fourth of July Fireworks	4,863	10,500	14,260	1,103
	<u>1,610,702</u>	<u>2,503,910</u>	<u>2,782,598</u>	<u>1,332,014</u>

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

BALANCE, DECEMBER 31, 2008		163,202
Increased by:		
Payroll Deductions	59,654	
Interest Earned on Investments and Deposits	<u>619</u>	
		<u>60,273</u>
		223,475
Decreased by:		
Unemployment Compensation Claims Paid		<u>75,182</u>
BALANCE, DECEMBER 31, 2009		<u><u>148,293</u></u>

THE CITY OF ENGLEWOOD
TRUST FUNDS - TRUST ASSESSMENT
SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

Ordinance Number	Improvements	Balance December 31, 2008	Assessments Funded	Balance December 31, 2009	Balance Pledged to:	
					Bonds	Reserve
03-18	Roadway Construction Route 4		5,300,000	5,300,000	4,276,750	1,023,250
05-18	Access Area Route 4		3,200,000	3,200,000	1,900,000	1,300,000
08-07	Route 4 Access		1,535,000	1,535,000	2,598,250	(1,063,250)
			10,035,000	10,035,000	8,775,000	1,260,000

THE CITY OF ENGLEWOOD
TRUST FUNDS - TRUST ASSESSMENT
SCHEDULE OF ASSESSMENT BONDS

<u>Description</u>	<u>Original Issue</u>		<u>Maturity of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Increased by Bonds Issued</u>	<u>Balance December 31, 2009</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Assessment Bonds of 2009	12/16/08	8,775,000	01/01/11	630,000	3.250%			
			01/01/12	630,000	3.250%			
			01/01/13	630,000	3.250%			
			01/01/14	630,000	3.500%			
			01/01/15	630,000	3.625%			
			01/01/16	630,000	3.750%			
			01/01/17	630,000	4.000%			
			01/01/18	630,000	4.250%			
			01/01/19	630,000	5.000%			
			01/01/20	630,000	5.000%			
			01/01/21	630,000	5.000%			
			01/01/22	630,000	5.000%			
			01/01/23	630,000	5.000%			
			01/01/24	585,000	5.000%			
						8,775,000	8,775,000	
Total Assessment Bonds						8,775,000	8,775,000	

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
BALANCE SHEETS

DECEMBER 31, 2009 AND 2008

ASSETS

	<u>2009</u>	<u>2008</u>
Cash and Cash Equivalents	11,997,484	13,756,753
Accounts Receivable	757,421	777,327
Interfund Receivable		
Due From County of Bergen		342,504
Due From County of Morris	37,500	37,500
Deferred Charges to Future Taxation:		
Funded	17,877,186	19,632,984
Unfunded	33,828,450	39,355,433
	<u>64,498,041</u>	<u>73,902,501</u>

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	3,950,000	4,700,000
School Serial Bonds		319,000
Bond Anticipation Notes	27,238,850	35,119,369
Capital Lease Payable - Bergen County Imp. Authority	13,927,186	14,613,984
Interfund Payables	3,012	20,092
Improvement Authorizations:		
Funded	3,035,856	2,602,713
Unfunded	14,711,285	15,238,426
Capital Improvement Fund	268,096	235,563
Reserve for Capital Improvements	345,243	532,205
Fund Balance	<u>1,018,513</u>	<u>521,149</u>
	<u>64,498,041</u>	<u>73,902,501</u>

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

\$6,589,600 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>2009</u>	<u>2008</u>
Interfund Payables		3,012	20,092
Due From County of Bergen		-	(342,504)
Due From County of Morris		(37,500)	(37,500)
Accounts Receivable		(757,421)	(777,327)
Capital Improvement Fund		268,096	235,563
Reserve - Other		345,243	532,205
Fund Balance		1,018,513	521,149
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. 01-12	05/01/01	269,352	394,708
No. 02-07	05/07/02	101,310	145,510
No. 02-08	05/07/02	48,800	48,800
No. 02-22	09/03/02	1,202	1,202
No. 03-04	07/01/03	1,896,764	1,896,765
No. 03-08	07/01/03	30,682	85,092
No. 03-09	07/01/03	189,150	322,661
No. 03-11	09/12/03	4,870,293	4,870,293
No. 03-15	12/16/03	1,071,106	1,074,400
No. 03-18	12/16/03	19,077	20,389
No. 04-06	04/20/04	33,227	33,227
No. 04-11	06/29/04	5,671	65,051
No. 04-12	06/29/04	214,768	302,278
No. 04-30	12/07/04	148,826	148,826
No. 05-04	02/08/05	7,000	115,185
No. 05-11	06/14/05	62,521	486,368
No. 05-18	12/28/05	-	48,000
No. 06-08	06/20/06	1,086,480	1,558,538
No. 07-01	02/13/07	747,902	755,139
No. 07-02	02/13/07	40,297	56,901
No. 07-15	07/17/07	5,604	6,137
No. 08-07	03/18/08	793,885	1,139,063
No. 08-09	05/06/08	61,687	104,682
No. 08-10	05/06/08	211,504	767,826
No. 08-16	06/17/08	46,322	(826,539)
No. 08-25	09/16/08	379,067	17,685
No. 09-13	07/07/09	(1,178,844)	-
No. 09-22	11/09/09	25,000	-
		<u>11,997,484</u>	<u>13,758,753</u>

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

Ordinance Number	Improvements	Balance December 31, 2008	Cancelled or Notes Paid by Budget Appropriation	Balance December 31, 2009	Financed by Bond Anticipation Notes	Analysis of Balance	
						Expenditures	Unexpended Improvement Authorizations
85-22	Transfer Station	35,600		35,600		35,600	
03-04	Acquisition of Lincoln & Liberty School	5,951,187	106,271	5,844,916	5,844,916		
03-11	Acquisition of Lincoln & Liberty School	4,497,202	78,899	4,418,303	4,418,303		
03-18	Roadway Construction Route 4	4,276,794	4,276,794				
04-11	Various Capital Improvements	1,035,000	57,500	977,500	977,500		
04-12	Various Capital Improvements	972,827	24,673	948,154	948,154		
04-25	Various Capital Improvements	270,750	14,250	256,500	256,500		
04-30	Renovations to Lincoln School	2,850,000		2,850,000			2,850,000
05-04	Recon. Of Windthrop Place	360,000	20,000	340,000	340,000		
05-11	Various Capital Improvements	4,390,835	154,346	4,236,489	4,236,489		
05-18	Access Area Route 4	1,900,000	1,900,000				
06-08	Various Capital Improvements	4,930,664		4,930,664	4,930,664		
07-01	Various Capital Improvements	2,036,175		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	2,598,250	2,598,250				
08-10	Various Capital Improvements	948,000		948,000	948,000		
08-16	Various Improvements	988,564		988,564	988,564		
08-25	Renovations to City Hall	361,900		361,900	361,900		
09-13	Various Capital Improvements			3,229,000	3,229,000	1,178,844	2,050,156
09-22	Fire Truck and Various Equipment			475,000	475,000		475,000
		39,355,433	9,230,983	33,828,450	27,238,850	1,214,444	5,375,156

Analysis of Balance, December 31, 2009

Improvement Authorizations - Unfunded

\$ 14,711,285

Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

Notes Issued:	Ordinance No:	
	03-04	1,896,764
	03-11	4,655,000
	04-11	5,671
	04-12	214,768
	05-04	7,000
	05-11	62,521
	06-08	1,086,481
	07-01	747,901
	07-02	40,298
	08-10	211,503
	08-16	46,322
	08-25	361,900
		\$ 9,336,129

5,375,156

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS

<u>General Purposes</u>	<u>Original Issue</u>		<u>Maturity of Bonds Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Increased by Bonds Issued</u>	<u>Decreased by Payments</u>	<u>Balance December 31, 2009</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>					
General Improvements	07/15/99	1,000,000				100,000		100,000	
General Improvements	06/10/04	6,700,000	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%	4,600,000	650,000	3,950,000	
			7/1/14	850,000	4.000%				
Subtotal General Serial Bonds						4,700,000		750,000	3,950,000
<u>School Purposes</u>									
School Purposes	07/15/99	3,244,000				319,000		319,000	
Subtotal School Serial Bonds						319,000		319,000	
GRAND TOTAL						5,019,000		1,069,000	3,950,000

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

Ordinance Number	Date of Issue of Original Note	General Improvements	Date of		Balance December 31, 2008	Increased	Decreased	Balance December 31, 2009
			Issue	Maturity				
03-04	10/20/03	Acquisition - Liberty/Lincoln Schools	07/01/09	07/01/10	5,951,187	5,844,916	5,951,187	5,844,916
03-11	07/09/04	Acquisition - Liberty/Lincoln Schools	07/01/09	07/01/10	4,497,202	4,418,303	4,497,202	4,418,303
03-18	07/09/04	Route 4 Access Area	07/01/09	07/01/10	4,276,794		4,276,794	
04-11	07/08/05	Various Equipment	07/01/09	07/01/10	1,035,000	977,500	1,035,000	977,500
04-12	07/09/05	Various Improvements	07/01/09	07/01/10	972,827	948,154	972,827	948,154
04-25	07/10/05	Various Capital Improvements	07/01/09	07/01/10	270,750	256,500	270,750	256,500
05-04	07/11/05	Recon. Of Windrop Place	07/01/09	07/01/10	360,000	340,000	360,000	340,000
05-11	07/07/06	Various Capital Improvements	07/01/09	07/01/10	4,390,835	4,236,489	4,390,835	4,236,489
05-18	07/07/06	Route 4 Access	07/01/09	07/01/10	1,900,000		1,900,000	
06-08	07/06/07	Various Capital Improvements	07/01/09	07/01/10	4,930,664	4,930,664	4,930,664	4,930,664
07-01	07/06/07	Various Capital Improvements	07/01/09	07/01/10	2,036,175	2,036,175	2,036,175	2,036,175
07-02	07/06/07	MacKay Park Improvements	07/01/09	07/01/10	314,285	314,285	314,285	314,285
07-20	07/01/08	Fire Department Equipment	07/01/09	07/01/10	637,400	637,400	637,400	637,400
08-10	07/01/08	Various Capital Improvements	07/01/09	07/01/10	948,000	948,000	948,000	948,000
08-07	07/01/08	Route 4 Access	07/01/09	07/01/10	2,598,250		2,598,250	
08-16	06/17/08	Various Improvements	07/01/09	07/01/10		988,564		988,564
08-25	09/19/08	Renovations to City Hall	07/01/09	07/01/10		361,900		361,900
					\$ 35,119,369	\$ 27,238,850	\$ 35,119,369	\$ 27,238,850
Issued for Cash						1,350,464		
Renewals						25,888,386		
Transfer to Trust Assessment Fund							25,888,386	
Paid by Budget Appropriation							8,775,000	
							455,983	
						27,238,850	35,119,369	

THE CITY OF ENGLEWOOD
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Description	Date	Original Amount	Balance December 31, 2008		2009 Authorizations		Capital Improvement Fund	Expended (Refunded) or Cancelled	Balance December 31, 2009	
				Funded	Unfunded	To Future Taxation	Unfunded			Funded	Unfunded
98-13	Meltzer Brook Construction	05/02/00	32,940	1,247						1,247	
00-11	Various Improvements	05/01/01	500,000	3,241						3,241	
01-12	Various Impr: City Hall, Fire, Parks	05/01/01	1,400,000	394,708					125,355	269,353	
02-07	Various Improvements and DPW Equipment	05/07/02	1,150,000	145,511					44,200	101,311	
02-08	Jones Rd. and Flat Rock Brook	05/07/02	500,000	48,800						48,800	
02-22	Various Road Improvements	09/03/02	750,000	1,202						1,202	
03-04	Acquisition: Lincoln/Liberty School	07/01/03	6,600,000		1,896,764						1,896,764
03-08	Various Capital Improvements	07/01/03	1,890,000	85,093					54,411	30,682	
03-09	Various Road Improvements	07/01/03	2,900,000	322,662					133,511	189,151	
03-11	Acquisition: Lincoln/Liberty School	09/02/03	4,900,000	215,293					3,294	215,293	
03-15	Various Capital Improvements	12/16/03	1,185,000	1,074,399					1,312	1,071,105	
03-18	Roadway Construction Route 4	12/16/03	5,300,000		20,388					19,076	
04-06	Construction of Parking Garage	04/20/04	1,750,000	33,227						33,227	
04-11	Various Capital Improvements	06/29/04	1,150,000		65,051				59,380		5,671
04-12	Various Capital Improvements	06/29/04	1,050,000		302,277				87,509		214,768
04-30	Renovations to Lincoln School	12/07/04	3,000,000	148,826						148,826	
05-04	Reconstruction Winthrop Place	03/01/05	400,000		115,186				108,186		7,000
05-11	Various Capital Improvements	06/14/05	4,610,000		486,368				423,847		62,521
05-18	Access Area Route 4	12/28/05	3,200,000		48,000				48,000		
06-08	Various Capital Improvements	06/20/06	5,345,000		1,558,539				472,058		1,086,481
07-01	Various Capital Improvements	02/13/07	2,138,000		755,138				7,237		747,901
07-02	Improvement to Mackay Park	02/13/07	330,000		56,902				16,604		40,298
07-15	Purchase of Ambulance	07/17/07	81,100	6,137					533		
08-07	Route 4 Access	03/18/08	1,535,000		1,139,063				345,178		
08-09	Various Equipment	05/06/08	179,800	104,682					42,996		
08-10	Various Equipment	05/06/08	995,500		767,825				556,322		211,503
08-16	Various Capital Improvements	06/17/08	1,038,000		160,025				113,703		46,322
08-25	Various Capital Improvements	09/16/08	380,000	17,685					518		361,900
09-13	Various Capital Improvements	07/07/09	3,392,000		361,900				1,341,844		2,050,156
09-17	Acquisition of Ambulance	07/07/09	50,000						50,000		
09-22	Fire Truck Refurb. & Acquisition of Equipment	11/09/09	500,000								
										25,000	475,000
									</		

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

Purpose	Original Issue		Maturity of Bonds Outstanding December 31, 2009		Yield	Price	Accretion	Final Maturity Amount
	Date	Amount	Date	Amount				
County Guaranteed Governmental Loan Revenue Bonds Series 2005B	09/20/05	15,316,016	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, 2008</u>	<u>Authorizations</u>	<u>Bond Anticipation Notes</u>	<u>Cancelled</u>	<u>Balance December 31, 2009</u>
85-22	Various Improvements	\$ 35,600	\$	\$		\$ 35,600
04-30	Renovations to Lincoln School	2,850,000				2,850,000
08-16	Various Improvements	988,564		988,564		
08-25	Renovations to City Hall	361,900		361,900		
09-13	Various Capital Improvements		3,229,000			3,229,000
09-22	Fire Truck Refurb. & Acquisition of Equipment		475,000			475,000
		\$ 4,236,064	\$ 3,704,000	\$ 1,350,464	\$	\$ 6,589,600

THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
BALANCE SHEET
DECEMBER 31, 2009 and 2008

ASSETS	<u>2009</u>	<u>2008</u>
Cash and Cash Equivalents	123,500	180,819
Investments	<u>72,123</u>	<u>71,665</u>
	<u>195,623</u>	<u>252,484</u>
 FUND BALANCES		
General Fund		
Restricted:		
Library Restricted	10,485	9,735
Unrestricted:		
Undesignated	84,641	140,632
Custodian Fund	72,123	71,665
State Aid Fund	<u>28,374</u>	<u>30,452</u>
	<u>195,623</u>	<u>252,484</u>

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

FUND BALANCE, DECEMBER 31, 2008 150,367

Increased by:

Coin Copiers and Readers	8,112	
Lost and Paid Books	7,467	
Fines	21,245	
Miscellaneous - Other	713	
Gifts / Grants	8,855	
Interest on Investments	3,080	
Videos	10,623	
Englewood Cliffs	200,000	
Bergen County Library	7,642	
Friends of the Library	9,400	
Melvin Lubin Fund	2,500	
LVA	4,097	
City Operating Funds	2,202,826	
		2,486,560
		2,636,927

Decreased by:

Salaries	1,554,099	
PERS	75,000	
FICA	119,419	
Insurance	290,206	
Office Supplies	25,688	
Office Equipment/Service/Maintenance	1,716	
Postage	8,307	
Books and Periodicals	149,090	
Utilities	81,111	
Art Records and Videos	18,648	
Printing And Publications	9,485	
Staff Development	3,588	
Programs	11,056	
LVA	7,683	
Other Contracted Services	115,106	
Facilities Maintenance	10,970	
Automation	58,405	
Melvin Lubin Fund	1,750	
Other Miscellaneous	474	
		2,541,801

FUND BALANCE, DECEMBER 31, 2009 95,126

ANALYSIS OF BALANCE:

Petty Cash		370
Cash		94,756
		95,126

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

FUND BALANCE, DECEMBER 31, 2008	71,665
Increased by:	
Interest on Investments	<u>458</u>
FUND BALANCE, DECEMBER 31, 2009	<u><u>72,123</u></u>
ANALYSIS OF BALANCE:	
Investments	<u><u>72,123</u></u>

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

FUND BALANCE, DECEMBER 31, 2008		30,452
Increased by:		
Interest on Investments	164	
State Aid	24,284	
Miscellaneous	<u>50</u>	
		<u>24,498</u>
		54,950
Decreased by:		
Microfilm	5,053	
Books and Periodicals	<u>21,523</u>	
		<u>26,576</u>
FUND BALANCE, DECEMBER 31, 2009		<u><u>28,374</u></u>
ANALYSIS OF BALANCE:		
Cash		<u><u>28,374</u></u>

THE CITY OF ENGLEWOOD
FREE PUBLIC LIBRARY
SCHEDULE OF INVESTMENTS, AT COST
DECEMBER 31, 2009

	<u>Account Number</u>	<u>Book Value</u>
CUSTODIAN FUND:		
State of New Jersey Cash Management Fund	#171-000126306	\$ 34,815
State of New Jersey Cash Management Fund	#171-000125091	31,281
State of New Jersey Cash Management Fund	#171-000125105	<u>6,027</u>
		\$ <u><u>72,123</u></u>

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THE CITY OF ENGLEWOOD
GENERAL FIXED ASSETS ACCOUNT GROUP
BALANCE SHEET
DECEMBER 31, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</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>11,605,724</u>	<u>11,372,287</u>
	<u>21,796,426</u>	<u>21,562,989</u>
 INVESTMENT IN GENERAL FIXED ASSETS	 <u>21,796,426</u>	 <u>21,562,989</u>

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THE CITY OF ENGLEWOOD
DEBT SERVICE FUND
BALANCE SHEETS
DECEMBER 31, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</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>

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STATISTICAL SECTION

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

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets and Roads</u>	<u>Health and Welfare</u>	<u>Recreation and Education</u>	<u>Deferred Charges and Statutory Expenditures</u>	<u>State and Federal Grants</u>	<u>Capital Improvements</u>	<u>Debt Service</u>	<u>Reserve for Uncollected Taxes</u>	<u>Total</u>
2009	20,648,281	20,938,991	5,262,668	997,053	939,429	4,786,580	663,838	310,000	3,206,842	2,900,000	60,653,682
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

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

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>
2009	46,222,122	2,094,265	4,344,478	3,409,372	654,727	-0-	4,800,000	1,957,174	63,482,138
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

(1) Excludes taxes allocated to county and school.

Table 3

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

<u>Year</u>	<u>Net Assessed Valuation Taxable</u>	<u>Estimated Full Cash Valuations</u>	<u>Percentage of Net Assessed to Estimated Full Cash Valuations</u>
2009	5,274,286,400	5,545,999,833	95.10%
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%

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 2009</u>	<u>Percentage of Net Assessed Valuation</u>
Englewood Redevelopment Assoc.	\$ 129,000,000	2.45%
Englewood Terrace LLC	46,500,000	0.88%
SHG Englewood South I, LLC	34,461,200	0.65%
SHG Englewood South II, LLC	29,393,400	0.56%
S. Van Brunt Invest, LLC	20,616,400	0.39%
Rockwood Property Holding, LLC	19,738,600	0.37%
Flatrock 3, LLC	17,989,800	0.34%
Englewood Village, LLC	16,103,400	0.31%
Lackland Partners	15,413,900	0.29%
Seoul Shik Poom, Inc.	15,240,000	0.29%
	<u>\$ 344,456,700</u>	<u>6.53%</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, 2009
UNAUDITED

Average Equalized Valuation	\$ <u>5,356,203,303</u>
Borrowing Power 3 1/2% of Average Equalized Valuation	\$ 187,467,116
Net Debt	<u>46,553,450</u>
Remaining Borrowing Power	\$ <u>140,913,666</u>

	Gross Debt	Deductions	Net Debt
Municipal Debt:			
City of Englewood	\$ <u>69,516,391</u>	\$ <u>22,962,941</u>	\$ <u>46,553,450</u>
Overlapping Debt Apportioned to the Municipality:			
County of Bergen (1):(A)			20,735,117
County of Bergen Utilities Authority (B)			<u>13,115,031</u>
			\$ <u>33,850,148</u>

(1) County of Bergen 2009 Annual Debt Statement

(A) The debt for this entity was apportioned to the City of Englewood by dividing the municipality's 2009 equalized value by the total 2009 equalized value for Bergen County which results in an apportionment of 3.04%.

(B) The apportionment of debt for the City of Englewood for Sewer which was obtained from the B.C.U.A. is 4.72%.

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>
2009	26,203	5,356,203,303	69,516,391	2,653	1.30%	46,553,450	0.87%	1,777
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

(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>
2009	2,304,983	1,236,012	3,540,995	60,653,682	5.84%
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%

Table 8

THE CITY OF ENGLEWOOD
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

December 31,	Unemployment Rate (1)	Total Per Capita Income(2)	Population(2)
2009	8.00%	N/A	26,203
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

SOURCE

1) NEW JERSEY DEPARTMENT OF LABOR AVERAGE ANNUAL LABOR FORCE

2) UNITED STATES BUREAU OF CENSUS

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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ADDITIONAL SCHEDULES

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CITY OF ENGLEWOOD, NEW JERSEY

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2009

Name of Federal Agency Or Department	Federal Program	C.F.D.A. / Account No.	Program Amount	Balance Jan. 1, 2009	Receipts/ Revenues	Expended	Balance Dec. 31, 2009	Cumulative Expenditures
U.S. Department of Housing and Urban Development	Community Development Block Grants:	14.218	\$210,614	210,614	-	-	210,614	-
	Barrier Free Improvements							
U.S. Department of Homeland Security	CDBG Project		\$421,228	-	421,228	421,228	-	421,228
	FEMA - Firefighter Grant	97.044	\$44,280	-	44,280	33,183	11,097	33,183
U.S. Department of Justice	Edward Byrne Memorial Justice Assistance Grant	16.58	\$51,247	-	51,247	-	51,247	-
	Justice Assistance Grant		\$5,000	423	-	-	423	4,577
	National Night Out							
Total Federal Awards				211,037	516,755	454,411	273,381	458,988

Note: This schedule is not subject to an audit in accordance with Federal OMB Circular A-133.

CITY OF ENGLEWOOD, NEW JERSEY

Schedule of Expenditures of State/County Financial Assistance

For the Year Ended December 31, 2009

State Agency Or Department	State Program	State Program/ Account No.	Program Amount	Balance Jan. 1, 2009	Receipts/ Revenues	Expended	Balance Dec. 31, 2009	Cumulative Expenditures
Department of Environmental Protection and Energy	Clean Communities Program	4900-765-042-4900-004-VCNMC-6020	\$27,016	(15,405)	-	-	(15,405)	15,405
		4900-765-042-4900-004-VCNMC-6020	\$33,774	-	22,282	33,774	(11,492)	33,774
	Recycling Tonnage Grant	4900-752-042-4900-001-VREY-6020	\$25,905	(25,905)	-	-	(25,905)	25,905
		4900-752-042-4900-001-VREY-6020	\$40,194	-	40,194	40,194	-	40,194
Department of Community Affairs	Adolescent Health Grant	4220-100-046-4535-129-1002-6140	\$112,922	28,897	-	11,821	17,076	95,846
		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	-
		4220-100-046-4535-129-1002-6140	-	-	-	-	-	-
	Public Health Priority Funding	4220-100-046-4535-109-1002-6020	\$10,704	2,664	-	-	2,664	6,836
		4220-100-046-4535-109-1002-6020	\$9,924	-	9,924	5,225	4,699	5,225
		100-022-8030-654-FFFF-6120	\$60,000	(60,000)	60,000	-	-	60,000
		2006-100-022-8020-090-FSMR-6120	\$23,395	-	23,395	17,817	5,578	17,817
	Statewide Livable Communities Local Library Grant	2006-100-022-8020-090-FSMR-6120	\$55,000	(55,000)	-	-	(55,000)	55,000
		Lead and Field Testing	-	-	-	-	-	-
		Smart Future 2006	-	-	-	-	-	-
		Hepatitis B Grant	-	2,774	-	-	2,774	2,226
	Municipal Alliance	-	\$17,500	(17,061)	13,125	-	(3,936)	12,428

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

CITY OF ENGLEWOOD, NEW JERSEY

Schedule of Expenditures of State/County Financial Assistance

For the Year Ended December 31, 2009

State Agency Or Department	State Program	State Program/ Account No.	Program Amount	Balance Jan. 1, 2009	Receipts/ Revenues	Expended	Balance Dec. 31, 2009	Cumulative Expenditures
Department of Health and Human Services	HIN1 Emergency Preparedness Grant		\$2,500	-	2,362	2,500	(138)	2,500
Division of Motor Vehicles	Drunk Driving Enforcement Fund							
		6400-100-078-6400-YYYY	\$28,635	11,589	-	-	11,589	17,046
		6400-100-078-6400-YYYY	\$1,725	1,725	-	-	1,725	-
		6400-100-078-6400-YYYY	\$9,153	-	-	-	-	-
		6400-100-078-6400-YYYY	\$6,640	-	6,640	2,500	4,140	2,500
	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		\$140,000	(60,000)	60,000	-	-	140,000
	Municipal Aid Program		\$200,000	-	-	22,227	(22,227)	22,227
	Green Community and Forestry							2,000
Office of Information	Pandemic Flu Planning	06-1337-BT-L-O	\$7,915	2,824	-	-	2,824	-
	Enhanced 911 General Assistance	05-G-02-536	\$24,000	-	-	-	-	-
Total State Financial Assistance				(42,458)	237,922	136,058	59,406	556,929

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

CITY OF ENGLEWOOD, NEW JERSEY

Schedule of Expenditures of State/County and Other Financial Assistance

For the Year Ended December 31, 2009

State Agency Or Department	State Program/ Account No.	Program Amount	Balance Jan. 1, 2009	Receipts/ Revenues	Expended	Balance Dec. 31, 2009	Cumulative Expenditures
County of Bergen:							
	Municipal Alliance Program	\$22,495	-	-	-	-	21,977
	n/a	\$10,016	1,784	-	-	1,784	8,232
	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	\$693,504	262,185	-	-	262,185	\$1,213
	n/a						
	Bio-Terrorism Subgrant	\$3,000	1,701	-	-	1,701	1,299
	n/a		1,500	-	-	1,500	-
	County of Bergen: Open Space Grant	\$353,125	(353,125)	353,125	-	-	353,125
	n/a						
Subtotal County Awards			(65,665)	353,125	-	287,460	465,951
Other Awards:							
City and County Health	Healthy Community - Get Fit Englewood	\$10,000	-	-	-	16,588	10,000
	n/a	\$460,000	-	-	88,445	16,588	16,588
Englewood Hospital	Operation of Trolley Bus Shuttle	\$24,000	2,000	18,000	-	2,000	22,000
	n/a	\$24,000	-	-	22,706	(4,706)	22,706
	Reach and Teach Program		2,000	18,000	111,151	30,470	71,294
	n/a		(196,123)	609,047	247,209	377,336	1,094,174
Total County and Other Awards							

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

General Comments and Recommendations

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

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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, 2009, and have issued our report thereon dated June 7, 2010. 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.



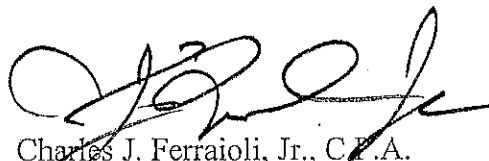
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies in internal control over financial report. See Findings 2009-1, 2009-2 and 2009-3. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

June 7, 2010

CITY OF ENGLEWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINDING 2009-1:

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.

MANAGEMENT RESPONSE

The City is currently investigating accounting software packages from outside companies. By switching software, the CFO would no longer have access to source code.

CITY OF ENGLEWOOD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FINDING 2009-2:

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.

MANAGEMENT RESPONSE

The City will consider the cost/benefit of establishing a proper system of monitoring.

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

FINDING 2009-3:

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.

MANAGEMENT RESPONSE

The City's finance department will analyze parking meter receipts regularly throughout the year.

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CITY OF ENGLEWOOD

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.

CITY OF ENGLEWOOD

GENERAL COMMENTS AND RECOMMENDATIONS, (continued)

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

Electronic Message Board	2009 Road Rehabilitation Project
Health Department Alterations	Elevator Inspections
Recreational Bus Service	Liberty School/Ice Rink Re-use Study
Coach Bus Service	Emergency Medical Service Billing
Pool Snack Bar Operation	Survey Services
Pool Management Services	Fire Education Trailer
Curb & Sidewalk Repair	Palisade Avenue Garage Entrance
Major Vehicle Repair	Bus Shelter Replacements
Minor Vehicle Repair	

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, 2009.

<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.

CITY OF ENGLEWOOD

GENERAL COMMENTS AND RECOMMENDATIONS, (continued)

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, 2009 are not yet known, but a separate report will be rendered if any irregularities develop. In addition, analytical review procedures were utilized.

OTHER COMMENTS

FINANCE OFFICE

- 1.* The amount presented as "Land and Improvements" on the City's fixed asset list could not be supported.
2. Encumbrances are not always recorded on a timely basis.
3. In one instance, a purchase over \$3,150 was made without obtaining three quotes.
4. In one instance, prevailing wage documentation was not available for an awarded contract.
5. In one instance, overtime was paid to an ineligible employee.
6. Old outstanding checks and adjustments should be reviewed for possible elimination.

MUNICIPAL COURT

- 1.* State DMV fines are being deposited and retained in the Court's ATS/STC account.

CITY OF ENGLEWOOD

OTHER COMMENTS, (continued)

HEALTH DEPARTMENT

1. Differences between cash received and the cash receipt register are not regularly investigated by management.

POLICE DEPARTMENT

1. The Department is not charging "Accident Report Fees" in accordance with the current fee ordinance.
- 2.* Several receipts tested were not turned over to the tax collector within 48 hours as required by statute.

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.

PARKING DEPARTMENT

1. Cash receipt journals are not being reconciled to the tax collector's receipts on a monthly basis.

OTHER RECOMMENDATIONS

FINANCE OFFICE

- 1.* The City should support all fixed assets with an itemized list.
2. Encumbrances should be recorded on a timely basis.
3. Purchases should be made in accordance with Local Public Contract Law.
4. Controls should be awarded in accordance with Local Public Contract Law.
5. Employees should be paid in accordance with the terms of their employment contract.
6. Old outstanding checks and adjustments should be reviewed for possible elimination.

CITY OF ENGLEWOOD

OTHER RECOMMENDATIONS, (continued)

MUNICIPAL COURT

- 1.* State DMV fines should be turned over to the State.

HEALTH DEPARTMENT

1. Cash registers should be reviewed and reconciled to the Treasurer's records on a regular basis.

POLICE DEPARTMENT

1. Fees should be charged in accordance with current ordinances.
- 2.* Receipts should be turned over to the Tax Collector within 48 hours.

RECREATION DEPARTMENT

- 1.* Receipts should be turned over to the Tax Collector within 48 hours.
- 2.* Cash registers should be reviewed and reconciled to the Treasurer's records on a regular basis.

PARKING DEPARTMENT

1. Cash registers should be reviewed and reconciled to the Treasurer's records on a regular 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 "*".

CITY OF ENGLEWOOD

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



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