

TOWN OF WEST NEW YORK
HUDSON COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED JUNE 30, 2008

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**TOWN OF WEST NEW YORK
HUDSON COUNTY, NEW JERSEY**

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

LERCH, VINCI & HIGGINS, LLP

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Board of Commissioners
Town of West New York
West New York, New Jersey

We have audited the financial statements - statutory basis of the Town of West New York, as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of the Town of West New York's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Town of West New York as of June 30, 2007, were audited by other auditors whose report dated April 1, 2008 expressed an unqualified opinion on those financial statements prepared using statutory accounting practices which differ from 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 Town of West New York's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Town has prepared these financial statements using accounting practices that demonstrate compliance with the statutory basis of accounting and budget laws prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. We were also unable to audit the General Fixed Assets Account Group because the financial records were not updated for capital asset acquisitions and retirements for the year ended June 30, 2008. The amount by which this departure would affect the financial statements of the Town of West New York from accounting practices prescribed or permitted by the Division of Local Government Services is not reasonably determinable.

INDEPENDENT AUDITORS' REPORT (Continued)

In our opinion, because of the effects of the Town preparing 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 Town of West New York, as of June 30, 2008 or the changes in its financial position for the year then ended. Further, the Town has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

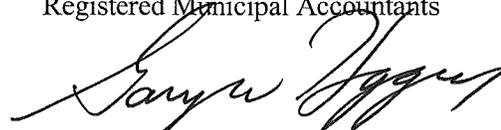
Also, in our opinion, except for such adjustments, if any, as might had been determined to be necessary had we been able to audit the General Fixed Assets Account Group as described in the third paragraph of this report, the financial statements - statutory basis referred to above present fairly, in all material respects, the financial position - statutory basis of the Town of West New York, as of June 30, 2008 and the results of its operations - statutory basis 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 March 30, 2009 on our consideration of the Town of West New York's internal control over financial reporting and on 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 over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Town of West New York. The supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Town of West New York. Additionally, the accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" and are also not a required part of the financial statements of the Town of West New York. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, except for such adjustments, if any, as might had been determined to be necessary had we been able to audit the General Fixed Assets Account Group, 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.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
March 30, 2009

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - CURRENT FUND
AS OF JUNE 30, 2008 AND 2007

ASSETS	<u>Reference</u>	<u>2008</u>	<u>2007</u>
Cash	A-4	\$ 18,182,175	\$ 5,319,392
Cash - Change Funds	A-5	500	380
Due from State of New Jersey for Senior Citizens' and Veterans' Deductions	A-6	16,620	23,620
Accounts Receivable State and Other	A-8	<u>-</u>	<u>17,000</u>
		<u>18,199,295</u>	<u>5,360,392</u>
Receivables and Other Assets With Full Reserves			
Delinquent Property Taxes	A-9	2,208,572	1,181,990
Tax Title Liens	A-10	310	284
Revenue Accounts Receivable	A-11	110,185	
Due from Animal Control Fund	B-5	26,158	23,826
Due from Community Development Block Grant Fund	B-18	6,422	
Due from Board of Education	A-13	<u>-</u>	<u>47,971</u>
		<u>2,351,647</u>	<u>1,254,071</u>
Deferred Charges			
Emergency Authorizations	A-12	485,700	4,671,000
Operating Deficit	A-12	549,288	
Overexpenditure of Appropriations	A-12	192,422	124,686
Overexpenditure of Appropriation Reserves	A-12	<u>1,698,069</u>	<u>391,770</u>
		<u>2,925,479</u>	<u>5,187,456</u>
Federal and State Grant Fund			
Cash - Treasurer	A-7		318
Due from West New York Parking Authority	A-25		3,730
Due from Current Fund	A-26	1,966,410	2,372,570
Federal and State Grant Receivables	A-27	<u>3,659,724</u>	<u>3,800,194</u>
		<u>5,626,134</u>	<u>6,176,812</u>
Total Assets		<u>\$29,102,555</u>	<u>\$17,978,731</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - CURRENT FUND
AS OF JUNE 30, 2008 AND 2007

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Appropriation Reserves	A-3,A-14	\$ 1,730,216	\$ 940,110
Accounts Payable	A-21	1,165,068	
Encumbrances Payable	A-15	4,670,175	390,377
Prepaid Taxes	A-16	53,041	49,635
Tax Overpayments	A-17	482,877	680,056
Due to Federal and State Grant Fund	A-26	1,966,410	2,372,570
Due to Other Trust Fund	B-6	739,538	886,120
Due to General Capital Fund	C-13	1,710,652	1,587,336
Due to North Hudson Sewage Authority	A-22	151,135	181,885
Tax Anticipation Notes	A-23	7,000,000	2,000,000
Accrued Interest Payable	A-24	<u>-</u>	<u>4,097</u>
		19,669,112	9,092,186
Reserve for Receivables and Other Assets	A	2,351,647	1,254,071
Fund Balance	A-1	<u>1,455,662</u>	<u>1,455,662</u>
		<u>23,476,421</u>	<u>11,801,919</u>
Federal and State Grant Fund			
Reserve for Federal and State Grants - Appropriated	A-28	4,962,304	5,627,571
Reserve for Federal and State Grants - Unappropriated	A-29	406,023	291,212
Due to General Capital Fund	A-30	<u>257,807</u>	<u>258,029</u>
		<u>5,626,134</u>	<u>6,176,812</u>
		<u>\$29,102,555</u>	<u>\$17,978,731</u>

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2008 AND 2007

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2		\$ 1,500,000
Miscellaneous Revenue Anticipated	A-2	\$36,347,935	30,135,953
Receipts from Delinquent Taxes	A-2	1,138,759	798,630
Receipts from Current Taxes	A-2	48,557,962	45,426,463
Non-Budget Revenue	A-2	283,869	92,552
Other Credits to Income			
Unexpended Balances of Appropriation Reserves	A-14	178,672	78,880
Statutory Excess in Animal Control Fund	B-5	2,332	2,863
Other Accounts Receivable Reserve Returned	A	47,971	
Cancellation of Accrued Interest Payable	A-24	4,097	
Cancellation of Prior Year Encumbrances Payable	A-15	213,099	-
		<u>86,774,696</u>	<u>78,035,341</u>
EXPENDITURES			
Budget Appropriations			
Operations			
Salaries and Wages	A-3	19,988,408	19,899,666
Other Expenses	A-3	16,474,112	29,177,417
Statutory Expenditures and Deferred Charges	A-3	1,043,560	1,156,842
Operations Excluded from "CAPS"			
Salaries and Wages	A-3	660,012	598,396
Other Expenses	A-3	19,220,271	4,815,269
Capital Improvements	A-3	36,750	106,750
Municipal Debt Service	A-3	4,162,866	3,319,497
Deferred Charges Excluded from "CAPS"	A-3	1,622,771	265,255
For Local District School Taxes Payable	A-3	1,268,423	1,157,712
		<u>64,477,173</u>	<u>60,496,804</u>

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2008 AND 2007

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
EXPENDITURES (Continued)			
County Taxes	A-18	\$ 10,051,727	\$ 9,465,224
Open Space Preservation	A-18	263,866	221,991
Due to County for Added and Omitted Taxes	A-18	67,702	112,330
Local District School Tax	A-19	13,112,154	12,607,840
Interfunds Advanced	B-5	8,754	2,863
Cancellation of Other Receivables	A-8,A-25	20,730	
Due from Board of Education	A-13		47,971
Overexpenditure of Appropriation Reserves	A-14	<u>1,698,069</u>	<u>-</u>
 Total Expenditures		 89,700,175	 82,955,023
 Excess(Deficit) in Revenue		 (2,925,479)	 (4,919,682)
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget in Succeeding Fiscal Year	A-12	2,376,191	4,795,686
Expenditures Included Above Which were			
Funded by Bond Ordinance	A-1	<u>-</u>	<u>1,000,000</u>
 Statutory Excess to Fund Balance			 876,004
 Deficit in Operations to be Raised in Budget of Succeeding Year	A-12	 <u>\$ 549,288</u>	
 Fund Balance, Beginning of Year	A-1	 <u>\$ 1,455,662</u>	 <u>2,079,658</u>
		1,455,662	2,955,662
Decreased by			
Utilization as Anticipated Revenue	A-1	<u>-</u>	<u>1,500,000</u>
 Fund Balance, End of Year	A	 <u>\$ 1,455,662</u>	 <u>\$ 1,455,662</u>

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Reference</u>	<u>Budget</u>	<u>Added by N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
MISCELLANEOUS REVENUES					
Licenses					
Alcoholic Beverages	A-11	\$ 130,840		\$ 113,452	\$ (17,388)
Other	A-2	145,195		118,288	(26,907)
Fees and Permits	A-2	83,273		104,967	21,694
Fines and Costs					
Municipal Court	A-11	1,469,591		1,485,042	15,451
Interest and Costs on Taxes	A-11	304,560		381,145	76,585
Interest on Investments and Deposits	A-2	267,849		91,234	(176,615)
Payment in Lieu of Taxes					
Overlook Terrace, Parking and Housing Authority	A-11	2,131,438		2,136,591	5,153
Waterfront	A-11	10,763,635		11,274,261	510,626
Rental of Hudson Hall	A-11	150,000		150,000	
Cable T.V. Franchise Tax	A-11	71,400		71,400	
Pay Telephone Commissions	A-11	1,723		1,103	(620)
Pool Membership Fees	A-11	90,000		77,000	(13,000)
Legislative Initiative Municipal Block					
Grant	A-11	179,457		179,457	
Consolidated Municipal Property Tax Relief Aid	A-11	6,753,495		6,753,495	
Energy Receipts Tax	A-11	1,482,337		1,482,337	
Supplemental Energy Receipts Tax	A-11	65,421		65,421	
Municipal Property Tax Assistance	A-11	166,645		166,645	
Building Aid for Schools	A-11	708,742		708,742	
Homeland Security	A-11	140,000		140,000	
Uniform Construction Code Fees (N.J.S.A.40A:4-36)					
Uniform Construction Code Fees	A-11	760,063		418,401	(341,662)
Interlocal Agreements					
Reimbursement for Health Services					
Weehawken	A-11	30,000		15,000	(15,000)
Guttenberg	A-11	15,000		15,000	
Secaucus	A-11	20,000		20,000	
West New York Board of Education -					
Chapter 226-Non Public Nursing Services	A-11	56,133		56,133	
West New York Board of Education -					
Reimbursement for Recreation Services	A-11	585,000		607,300	22,300
Reimbursement for Police Security	A-11	301,039		296,985	(4,054)
Reimbursement for Other Expenses	A-11	175,000		189,100	14,100
Reimbursement for Fuel	A-11	65,000		44,200	(20,800)
Public Health Priority Funding	A-27	53,196		53,196	
Cablevision Telecommunications Grant	A-27	50,000		50,000	
Municipal Alliance in Alcoholism and Drug Abuse	A-27	52,997		52,997	
Safe and Secure Communities Program -					
P.L. 1994, Chapter 220	A-27	60,000		60,000	
Drunk Driving Enforcement Fund	A-27	5,000		5,000	
NJ State Police OEM Veteran's Park Slope Repair	A-27	46,503		46,503	
Community Foundation of NJ -Donnelly & Veterans P.	A-27		\$ 14,905	14,905	
Domestic Violence Grant	A-27	6,329		6,329	

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Reference</u>	<u>Budget</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
Body Armor Replacement Grant	A-27	\$ 12,904		\$ 12,904	
Additional Body Armor Replacement -FY 06	A-27	1,476		1,476	
Pedestrian Safety Grant	A-27	22,000		22,000	
Summer Food Service Program	A-27	56,245		56,245	
Justice Assistance Grant Program	A-27	21,094		21,094	
UEZ Fees - Police Projects	A-27	225,000		225,000	
UEZ Fees - Bergenline Ave	A-27	133,250		133,250	
UEZ Fees - General Maintenance	A-27	180,000		180,000	
UEZ Fees - Litter Clean - Up Program S and W	A-27	190,683		190,683	
UEZ Fees - Litter Clean - Up Program Equipment	A-27	124,360		124,360	
UEZ Fees	A-11	85,000		85,000	
Housing Inspection Fees	A-11	41,849		41,849	
Sale of Municipal Asset	A-11	7,800,000		7,554,026	\$ (245,974)
Added Assessments	A-11	<u>248,419</u>	-	<u>248,419</u>	-
 Total Miscellaneous Revenues	 A-1	 <u>36,529,141</u>	 \$ 14,905	 <u>36,347,935</u>	 <u>(196,111)</u>
 RECEIPTS FROM DELINQUENT TAXES	 A-1	 <u>1,142,574</u>	 -	 <u>1,138,759</u>	 <u>(3,815)</u>
 LOCAL TAX FOR MUNICIPAL PURPOSES	 A-2	 <u>27,097,431</u>	 -	 <u>26,047,513</u>	 <u>(1,049,918)</u>
 Total General Revenues	 A-3	 <u>\$ 64,769,146</u>	 <u>\$ 14,905</u>	 <u>63,534,207</u>	 <u>\$ (1,249,844)</u>
 Non-Budget Revenue	 A-1,A-2,A-4			 <u>283,869</u>	
				 <u>\$ 63,818,076</u>	

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

ANALYSIS OF REALIZED REVENUES	<u>Reference</u>	
Allocation of Current Tax Collection		
Revenue from Collections	A-1,A-9	\$ 48,557,962
Less: Allocated to School and County Taxes	A-18,A19	<u>23,495,449</u>
		25,062,513
Balance for Support of Municipal Budget Appropriations		
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>985,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 26,047,513</u>
Licenses- Other		
Borough Clerk	A-11	\$ 3,180
Police	A-11	58,897
Board of Health	A-11	<u>56,211</u>
	A-2	<u>\$ 118,288</u>
Fees and Permits - Other		
Department of Public Works	A-11	\$ 15,255
Tax Collector	A-11	18,800
Borough Clerk	A-11	55,820
Police	A-11	<u>15,092</u>
	A-2	<u>\$ 104,967</u>
Interest on Investments and Deposits		
Due from Other Trust Fund	B-6	1,234
Due from General Capital Fund	C-13	475
Cash Receipts	A-11	<u>89,525</u>
	A-2	<u>\$ 91,234</u>

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Reference

ANALYSIS OF NON-BUDGET REVENUES

Cancellation of Old Outstanding Checks	\$	112,175
Assessor's Office - Certified Property Lists		1,226
Town Clerk		3,409
Rent Control Board		19,310
DMV Inspection		2,150
Elections		300
Tower Viewer - Donnelly Park		473
Miscellaneous		<u>144,826</u>
	A-1,A-2,A-4	<u>\$ 283,869</u>

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended	Over-
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Expended</u>
Director's Office						
Salaries and Wages	\$ 343,748	\$ 246,594	\$ 246,594			
Other Expenses	110,000	100,000	84,563	\$ 15,437		
Town Clerk						
Salaries and Wages	224,548	196,744	196,744			
Other Expenses						
Legal Advertising & Publications	20,000	12,000	10,388	1,612		
Miscellaneous Other Expenses	15,000	25,223	25,223			
Codifications of Ordinances	5,000	2,600	1,607	993		
Poormaster's Fund						
Other Expenses	9,000	2,726	2,726			
Elections						
Other Expenses	38,314	39,166	39,166			
Community Development	200,000	147,200	147,157	43		
Board of Health						
Salaries and Wages	340,000	316,838	316,838			
Other Expenses	35,000	30,000	29,750	250		
Blood Borne Pathogens	5,000					
Prosecutor						
Salaries and Wages	5,000	5,000	5,000			
Other Expenses	100,000	115,000	106,598	8,402		
Public Relations						
Other Expenses	80,000	80,000	79,059	941		
Rent Control Board						
Salaries and Wages	115,000	97,843	97,843			
Other Expenses	3,000	2,000	1,217	783		
Community Relations						
Salaries and Wages	3,900	150	150			
Other Expenses	10,000	3,113	3,113			
Town Funding Program						
Other Expenses	45,000	42,000	38,500	3,500		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended	Over-
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Expended</u>
Housing Inspection						
Salaries and Wages	\$ 240,371	\$ 237,920	\$ 237,920			
Other Expenses	4,000					
Tenants Relations						
Salaries and Wages	15,000	15,000	15,000			
Other Expenses	5,000					
Law Department						
Salaries and Wages	35,000	35,000	34,733	\$ 267		
Other Expenses	400,000	435,000	500,497			\$ 65,497
Supervised Play Activity						
Salaries and Wages	790,000	897,208	897,208			
Other Expenses	250,000	250,000	248,499	1,501		
Senior Citizens Coordinator of Events						
Salaries and Wages	76,721	79,316	79,316			
Other Expenses	50,000	60,948	60,948			
Administrative Offices						
Salaries and Wages	105,000	102,579	102,579			
Other Expenses	80,000	79,325	79,325			
Insurance Department						
Salaries and Wages	60,000	75,495	75,495			
Other Expenses	500	533	533			
Zoning Board						
Salaries and Wages	65,300	2,748	2,748			
Other Expenses	10,000	21,000	20,359	641		
Planning Board						
Salaries and Wages	59,452	49,925	49,925			
Other Expenses	20,000	20,000	17,151	2,849		
North Hudson Regional Council of Mayors						
Town Share	39,100	39,100	39,100			
North Hudson Community Action	25,000	25,000		25,000		
North Hudson Senior Care Program	1,000					
North Hudson Regional Council of Mayors Aids						
Task Force						
Town Share	12,000	11,193	10,385	808		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Over- Expended</u>
Urban Enterprise Zone						
Salaries and Wages	\$ 122,082	\$ 103,129	\$ 103,129			
Other Expenses	55,000	55,234	55,234			
Director's Office						
Salaries and Wages	110,312	108,982	108,982			
Other Expenses	2,000	7,017	7,017			
Treasurer's Office						
Salaries and Wages	440,000	426,777	426,777			
Other Expenses						
Annual Audit	80,000	89,981	89,981			
Miscellaneous Other Expenses	75,000	75,000	75,000			
Payroll Service Fee	500	500		\$ 500		
Assessment of Taxes						
Salaries and Wages	173,379	170,724	170,724			
Other Expenses	15,000	17,087	17,087			
Collection of Taxes						
Salaries and Wages	225,000	214,159	214,159			
Other Expenses	25,000	29,184	29,184			
Insurance						
General Liability Insurance	463,066	464,396	464,396			
Workers Compensation Insurance	314,026	322,041	322,041			
Employee Group Health	7,275,221	7,528,221	7,304,264	223,957		
Other Insurance Premiums - Unemployment	5,000	5,000		5,000		
Purchasing Agent						
Salaries and Wages	125,000	119,691	119,691			
Other Expenses	2,000	1,400	1,304	96		
DEPARTMENT OF PUBLIC SAFETY						
Director's Office						
Salaries and Wages	317,361	371,490	371,490			
Other Expenses	6,000	6,000	5,957	43		
Police						
Salaries and Wages	10,200,000	10,706,731	10,706,731			
Other Expenses	521,000	511,000	501,223	9,777		
Juvenile Aid						
Other Expenses	2,000					

**TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Over-</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Expended</u>
OPERATIONS - WITHIN "CAPS"						
GENERAL GOVERNMENT (Continued)						
DEPARTMENT OF PUBLIC SAFETY (Continued)						
North Hudson Communication Authority						
Town Share	\$ 259,000					
Ambulance Squad						
Salaries and Wages	246,840	\$ 255,688	\$ 255,688			
Other Expenses	52,500	49,500	48,323	\$ 1,177		
Office of Emergency Management						
Salaries and Wages	15,000	15,000	15,000			
Other Expenses	1,000					
Department of Public Works						
Director's Office						
Salaries and Wages	170,427	178,914	178,914			
Other Expenses	4,000	11,300	11,251	49		
Streets & Sewers						
Salaries and Wages	2,105,152	2,036,468	2,036,468			
Other Expenses	265,577	324,386	324,386			
Street Lighting						
Other Expenses	650,000	755,000	759,295			\$ 4,295
Fire Hydrant Rental						
Other Expenses	154,080	154,080	152,043	2,037		
Recycling						
Other Expenses	300,000	290,300	290,215	85		
Garbage & Trash						
Salaries and Wages	440,000	415,585	415,585			
Other Expenses						
Contractual	2,750,000	2,570,000	2,570,000			
Miscellaneous Other Expenses	100,000	45,000	43,615	1,385		
Engineering Services and Costs						
Other Expenses	60,000	68,500	68,048	452		

**TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Over-</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u>	<u>Balance</u> <u>Cancelled</u>	<u>Expended</u>
OPERATIONS - WITHIN "CAPS"						
GENERAL GOVERNMENT (Continued)						
DEPARTMENT OF PUBLIC SAFETY (Continued)						
Department of Parks and Public Property						
Director's Office						
Salaries and Wages	\$ 113,633	\$ 97,915	\$ 97,915			
Other Expenses	2,000	2,429	2,429			
Divisions of Parks						
Salaries and Wages	157,144	155,771	155,771			
Other Expenses	90,000	90,000	90,000			
Celebration of Public Events Anniversary or Holiday						
Other Expenses	20,000	20,000	20,000			
Building Department						
Salaries and Wages	790,071	820,088	820,088			
Other Expenses	80,000	132,162	254,792			\$ 122,630
Light and Power						
Other Expenses	375,000	373,300	373,300			
Centralized Postage						
Other Expenses	60,000	58,250	58,230	\$ 20		
Fuel						
Other Expenses	60,000	65,000	60,389	4,611		
Telephone						
Other Expenses	150,000	223,929	223,817	112		
Water						
Other Expenses	50,000	50,000	49,998	2		
Sewerage						
Other Expenses	50,000	73,552	73,552			
Signal Bureau						
Salaries and Wages	62,939	62,903	62,903			
Other Expenses	5,000	4,000	3,700	300		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Over-</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Expended</u>
UNIFORM CONSTRUCTION CODE						
CODE ENFORCEMENT AND ADMINISTRATION						
Uniform Construction Code Enforcement Functions						
Construction Code Official						
Salaries and Wages	\$ 520,000	\$ 534,107	\$ 534,107			
Other Expenses	30,000	30,000	29,140	\$ 860		
Unclassified:						
Retirement Benefits	120,250	120,250	120,250			
Prior Year Bills	23,700	18,200	18,200			
Various Projects	500					
Municipal Court						
Salaries and Wages	829,321	835,926	835,926			
Other Expenses	40,363	52,364	51,865	499		
Public Defender						
Other Expenses	45,000	45,000	30,586	14,414	-	-
Total Operations Within "CAPS"	<u>35,853,398</u>	<u>36,270,098</u>	<u>36,134,117</u>	<u>328,403</u>	<u>-</u>	<u>\$ 192,422</u>
Contingent						
Total Operations Including Contingent Withi	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operations Including Contingent Withi	<u>35,853,398</u>	<u>36,270,098</u>	<u>36,134,117</u>	<u>328,403</u>	<u>-</u>	<u>192,422</u>
Detail:						
Salaries and Wages	19,642,701	19,988,408	19,988,141	267	-	-
Other Expenses (Including Contingent)	<u>16,210,697</u>	<u>16,281,690</u>	<u>16,145,976</u>	<u>328,136</u>	<u>-</u>	<u>192,422</u>
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"						
DEFERRED CHARGES						
Deferred Charge	4,874	4,874	4,874			
Overexpenditures of Appropriations						
Elections	45,686	45,686	45,686			
Police - Other Expenses	79,000	79,000	79,000			
STATUTORY CHARGES						
Social Security System (O.A.S.I.)	<u>845,000</u>	<u>914,000</u>	<u>912,660</u>	<u>1,340</u>	<u>-</u>	<u>-</u>
Total Deferred Charges and Statutory Expens	<u>974,560</u>	<u>1,043,560</u>	<u>1,042,220</u>	<u>1,340</u>	<u>-</u>	<u>-</u>
Municipal Within "CAPS"						
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>36,827,958</u>	<u>37,313,658</u>	<u>37,176,337</u>	<u>329,743</u>	<u>-</u>	<u>192,422</u>

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Over-</u> <u>Expended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	
OPERATIONS - EXCLUDED FROM "CAPS"						
Employee Group Health (P.L. 2007, C.62)	\$ 2,259,114	\$ 2,259,114	\$ 2,259,114			
NHRF - Health Benefits	1,458,500	1,458,500	1,458,500			
Contribution to NHRF	11,201,138	11,201,138	9,800,665	\$ 1,400,473		
Maintenance of Free Public Library	791,687	791,687	791,687			
Police and Fireman's Retirement System of New	2,227,660	2,227,660	2,227,660			
Public Employees' Retirement System	495,722	495,722	495,722			
Public Employees' Retirement System COLA	71,138	71,138	71,138			
Interlocal Municipal Service Agreements						
Reimbursements for Health Services						
Board of Health - Weehawken						
Salaries and Wages	15,000	15,000	15,000			
Board of Health - Guttenberg						
Salaries and Wages	15,000	15,000	15,000			
Board of Health - Secaucus						
Salaries and Wages	20,000	20,000	20,000			
Board of Health-Chapter 226 Nursing Serv.						
Salaries and Wages	56,133	56,133	56,133			
Public and Private Programs Offsert by Revenues						
Community of Hudson Alliance Committee						
County Share	52,997	52,997	52,997			
Local Share	13,249	13,249	13,249			
Public Health Priority Funding Act						
Salaries and Wages	53,196	53,196	53,196			
State of New Jersey						
Summer Food Program	56,245	56,245	56,245			
UEZ Maintenance	180,000	180,000	180,000			
Impaired Driving Enforcement Grant	5,000	5,000	5,000			
Pedestrian Safety Grant						
Salaries and Wages	20,000	20,000	20,000			
Other Expenses	2,000	2,000	2,000			
Cablevision Telecommunications Grant	50,000	50,000	50,000			
Additional 2006 Body Armor Replacement	1,476	1,476	1,476			
Body Armor Replacement	12,904	12,904	12,904			
Domestic Violence Training	6,329	6,329	6,329			
Justice Assistance Grant	21,094	21,094	21,094			
UEZ Fees - Bergenline Renovation	133,250	133,250	133,250			
NJ State Police EOM Slope Repair at Veterans	46,503	46,503	46,503			
Community Foundation of NJ-Donnelly & Veterans' Park		14,905	14,905			

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Over- Expended</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)						
Public and Private Programs Offsert by Revenues						
(Continued)						
UEZ Litter Clean-Up						
Salaries and Wages	\$ 190,683	\$ 190,683	\$ 190,683			
UEZ Litter Clean-Up Equipment	124,360	124,360	124,360			
Safe and Secure Communities Programs						
Salaries and Wages	60,000	60,000	60,000			
UEZ Grant						
Police Grant						
Salaries and Wages	225,000	225,000	225,000	-	-	-
Total Operations - Excluded from "CAPS"	19,865,378	19,880,283	18,479,810	\$ 1,400,473	-	-
Detail:						
Salaries and Wages	660,012	660,012	660,012	-	-	-
Other Expenses	19,205,366	19,220,271	17,819,798	1,400,473	-	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund						
	36,750	36,750	36,750	-	-	-
Total Capital Improvement Excluded from "CAPS"	36,750	36,750	36,750	-	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal						
	1,555,000	1,555,000	1,555,000			
Interest on Bonds						
	1,114,358	1,114,358	1,114,358			
Interest on Notes						
	378,541	378,541	378,541			
Green Trust Loan Program						
Loan Repayments for Principal and Interest	149,297	149,297	149,297			
Casino Reinvestment Development Authority	39,280	39,280	39,280			
North Hudson Regional Fire Debt Service	926,390	926,390	926,390	-	-	-
Total Municipal Debt Service Excluded from "CAPS"	4,162,866	4,162,866	4,162,866	-	-	-
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Emergency Authorizations	821,000	821,000	821,000	-	-	-
Refunding Bond Ord. Approved by LFB	340,000	340,000	340,000			
Overexpenditure of Appropriation Reserves	391,771	391,771	391,771			
Deferred Charge to Future Taxation - TARN	70,000	70,000	70,000	-	-	-
Total Deferred Charges - Municipal Excluded from "CAPS"	1,622,771	1,622,771	1,622,771	-	-	-
Total General Appropriations Excluded from "CAPS"	25,687,765	25,702,670	24,302,197	\$ 1,400,473	-	-

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>	<u>Over- Expended</u>
For Local School District Purposes - Excluded from "CAPS"						
Payment of Bond Principal	\$ 940,000	\$ 940,000	\$ 940,000			
Interest on Bonds	<u>328,423</u>	<u>328,423</u>	<u>328,423</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Local School District Purposes - Exclud	<u>1,268,423</u>	<u>1,268,423</u>	<u>1,268,423</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	63,784,146	64,284,751	62,746,957	\$ 1,730,216	-	\$ 192,422
Reserve for Uncollected Taxes	<u>985,000</u>	<u>985,000</u>	<u>985,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$64,769,146</u>	<u>\$65,269,751</u>	<u>\$63,731,957</u>	<u>\$ 1,730,216</u>	<u>\$ -</u>	<u>\$ 192,422</u>
<u>Reference</u>	A-2			A	A-1	A-12

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Reference</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Budget as Adopted	A-2	\$64,769,146	
Added Per N.J.S.A. 40A:4-87	A-2	14,905	
Emergency Authorizations	A-12	<u>485,700</u>	
		<u>\$65,269,751</u>	
Cash Disbursed	A-4		\$ 55,433,384
Deferred Charges			
Emergency Authorization	A-12		821,000
Overexpenditures of Appropriation	A-12		124,686
Overexpenditure of Appropriation Reserves	A-12		391,771
Due to General Capital Fund	C-13		36,750
Reserve for Uncollected Taxes	A-2		985,000
Encumbrances Payable	A-15		4,670,175
Transfer to Grants Appropriated	A-28		<u>1,269,191</u>
			<u>\$ 63,731,957</u>

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - TRUST FUND
AS OF JUNE 30, 2008 AND 2007**

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
ASSETS			
ANIMAL CONTROL FUND			
Cash	B-1	\$ 31,909	\$ 29,077
Due from State of New Jersey	B-3	3	
Due from Dog License Official	B-2	<u>101</u>	<u>114</u>
		<u>32,013</u>	<u>29,191</u>
OTHER TRUST FUND			
Cash	B-1	860,001	913,852
Due from Current Fund	B-6	739,538	886,120
Due from State of New Jersey	B-7	50,840	50,840
Due from General Capital Fund	B-8	<u>151,779</u>	<u>151,779</u>
		<u>1,802,158</u>	<u>2,002,591</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
Due from Hudson County Community Development Block Grant	B-11	<u>500,495</u>	<u>420,729</u>
		<u>500,495</u>	<u>420,729</u>
Total Assets		<u>\$ 2,334,666</u>	<u>\$ 2,452,511</u>

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - TRUST FUND
AS OF JUNE 30, 2008 AND 2007**

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
LIABILITIES AND RESERVES			
ANIMAL CONTROL FUND			
Due to State of New Jersey	B-3		\$ 48
Due to Current Fund	B-5	\$ 26,158	23,826
Reserve for Expenditures	B-4	5,855	5,317
		<u>32,013</u>	<u>29,191</u>
OTHER TRUST FUND			
Reserve for Various Trust Activities	B-12	1,519,261	1,894,934
Reserve (Deficit) for Payroll Deductions Payable	B-9	(3,050)	49,503
Accrued Salaries & Wages	B-10	8,403	6,392
Due to State of New Jersey	B-19	229,580	
Due to Third Party Lienholders	B-13	18,687	22,485
Due to Hudson County	B-14	2,037	2,037
Due to West New York Parking Authority	B-15	27,240	27,240
		<u>1,802,158</u>	<u>2,002,591</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
Reserve for Community Development Block Grant	B-16	428,133	354,789
Due to Current Fund	B-18	6,422	
Due to General Capital Fund	B-17	65,940	65,940
		<u>500,495</u>	<u>420,729</u>
Total Liabilities and Reserves		<u>\$ 2,334,666</u>	<u>\$ 2,452,511</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - GENERAL CAPITAL FUND
AS OF JUNE 30, 2008 AND 2007

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
ASSETS			
Cash	C-2,C-3	\$ 35,827	\$ 9,316
Deferred Charges to Future Taxation - Funded	C-4	42,697,209	33,852,404
Deferred Charges to Future Taxation - Unfunded	C-5	764,047	8,477,047
Due from Current Fund	C-13	1,710,652	1,587,336
Due from Community Development Block Grant	C-14	65,940	65,940
Due from Federal and State Grant Fund	C-15	257,807	258,029
Due from Board of Education	C-17	45,346	45,346
Due from Depository	C-18	<u>3,770</u>	<u>3,770</u>
 Total Assets		 <u>\$ 45,580,598</u>	 <u>\$ 44,299,188</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Casino Reinvestment Development Authority			
Loan Payable	C-6	178,727	208,727
General Serial Bonds	C-7	35,023,000	25,095,000
School Serial Bonds	C-8	5,775,000	6,715,000
State of New Jersey - Green Acres Loans Payable	C-9	1,720,482	1,833,677
Bond Anticipation Notes	C-11		7,713,000
Contracts Payable	C-20	50,956	
Due to Other Trust Fund	C-16	151,779	151,779
Capital Improvement Fund	C-10	26,765	15
Reserve for Payment of Debt	C-19	204,013	204,013
Improvement Authorizations			
Funded	C-12	1,573,840	2,013,319
Unfunded	C-12	355,658	355,658
Fund Balance	C-1	<u>520,378</u>	<u>9,000</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 45,580,598</u>	 <u>\$ 44,299,188</u>

There were bonds and notes authorized but not issued on June 30, 2008 and 2007 of \$764,047. (Exhibit C-21)

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - STATUTORY BASIS
GENERAL CAPITAL FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2008 AND 2007

	<u>Reference</u>	<u>2008</u>	<u>2007</u>
Balance, Beginning of Year	C	\$ 9,000	\$ 6,000
Increased by:			
Premium on Sale of Bonds	C-13	<u>511,378</u>	<u>3,000</u>
Balance, End of Year	C	<u>\$ 520,378</u>	<u>\$ 9,000</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS- STATUTORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF JUNE 30, 2008(UNAUDITED) AND 2007

	<u>2008</u> (Unaudited)	<u>2007</u>
ASSETS		
Land	\$ 2,095,513	\$ 2,095,513
Buildings and Building Improvements	13,469,869	13,469,869
Machinery and Equipment	<u>6,461,921</u>	<u>6,461,921</u>
 Total Assets	 <u>\$ 22,027,303</u>	 <u>\$ 22,027,303</u>
 FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 22,027,303</u>	<u>\$ 22,027,303</u>

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NOTES TO FINANCIAL STATEMENTS

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of West New York have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a statutory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). 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 Town accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

A. Reporting Entity

The Town of West New York (the "Town") was incorporated in 1898 and operates under an elected (Commission) form of government. The Town's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Town is financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organization; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Town in that the Town approves the budget, the issuance of debt or the levying of taxes. The Town is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Town do not include the municipal library, housing authority or parking authority, which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Town uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Town functions or activities. The Town also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The Town has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Town as an agent for individuals, private organizations, or other governments are recorded in the Trust Funds.

Animal Control Fund - This fund is used to account for fees collected from dog and cat licenses and expenditures which are regulated by NJS 4:19-15.11.

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the Town as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Town as collateral.

Community Development Block Grant Fund - This fund is used to account for grant proceeds and related expenditures for Block grant entitlements.

General Capital Fund – This fund is used to account for the receipt and disbursement of funds used and related financial transactions related to the acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

General Fixed Assets Account Group - This account group is used to account for all fixed assets of the Town. The Town's infrastructure is not reported in the account group.

The Town of West New York follows a modified accrual basis of accounting. Under this method of accounting, revenues, except State/Federal Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division ("statutory basis of accounting") differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed semi-annually in June of the preceding fiscal year and October of the current fiscal year for that fiscal year's levy. Taxes are payable in four quarterly installments on August 1, November 1, February 1, and May 1. The amount due for the August 1 and November 1 installments are determined based upon the estimated taxes to be levied for municipal purposes in the current fiscal year, plus the full tax levied for the current tax year (calendar year) for county and school taxes, less the amount charged in the February and May installments. The February 1 and May 1 installments are determined as the full tax levied for municipal purposes for the current fiscal year less the amounts charged for municipal purposes as the August 1 and November 1 installments of the current fiscal year, plus one half of the total tax levied for county and school purposes in the preceding tax year (calendar year). If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Town. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a tax sale. The Town may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Town's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

Grant and Similar Award Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Town's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Town and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The Town is not required to adopt budgets for the following funds:

Trust Funds
General Capital Fund

The governing body is required to introduce and approve the annual budget no later than August 10, of the fiscal year. The budget is required to be adopted no later than September 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During years ended June 30, 2008 and 2007 the Town Council increased the original budget by \$500,605 and \$7,126,552, respectively. The 2008 increase was attributable to additional aid allotted of \$14,905 and an emergency appropriation for Police Salaries and Wages of \$485,700. The 2007 increase was funded by additional aid allotted to the Town of \$1,455,552 and an emergency appropriation for the Group Health Insurance in the amount of \$5,671,000. In addition, the governing body approved several budget transfers during 2008 and 2007.

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 an encumbrance accounting system. Outstanding encumbrances at June 30, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at June 30, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgements, which are recognized when due.

Encumbrances - Contractual orders outstanding at June 30, are reported as expenditures and liabilities through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures or liabilities under GAAP.

Appropriation Reserves – Appropriation reserves are recorded as liabilities and are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Available Balance</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
<u>SFY 08 Current Fund Appropriations</u>			
Law Department – Other Expenses	\$435,000	\$500,497	\$65,497
Street Lighting – Other Expenses	755,000	759,295	4,295
Building Department – Other Expenses	132,162	254,792	122,630
<u>SFY 07 Current Fund Appropriation Reserves</u>			
Employee Group Health	152,743	685,744	533,001
Contribution to NHRFR		1,165,068	1,165,068

In accordance with the statutory basis of accounting, the above variances or overexpenditures were recorded as deferred charges on the balance sheet of the respective fund at year end and are required to be funded in the succeeding year's budget.

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations are recorded as a long-term obligation in the government-wide financial statements.

Property Acquired for Taxes – Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired, and is fully reserved. GAAP requires such property to be recorded as a capital asset in the government-wide financial statements at fair value on the date of acquisition.

Interfunds - 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 for interfunds and, therefore, does not recognize income in the year liquidated.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Incurred But Not Reported (IBNR) Reserves and Claims Payable - The Town has not created a reserve for any potential unreported self-insurance losses which have taken place but in which the Town has not received notices or report of losses (i.e. IBNR). Additionally, the Town has not recorded a liability for those claims filed, but which have not been paid (i.e. claims payable). GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining potential claims are recorded as a long-term obligation in the government-wide financial statements.

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

General Fixed Assets - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, the Town of West New York has developed a fixed assets accounting and reporting system, however the records were not updated for acquisitions and retirements for the fiscal year ended June 30, 2008.

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 are not capitalized.

Fixed Assets are stated at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for 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.

Use of Estimates - The preparation of financial statements requires management of the Town to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Reclassifications - Certain reclassifications have been made to the June 30, 2007 balances to conform to the June 30, 2008 presentation.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Comparative Data - Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

C. Basic Financial Statements

The GASB Codification also requires the financial statements of a governmental unit to be presented in the basic financial statements in accordance with GAAP. The Town presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from reporting requirements under GAAP.

NOTE 2 DEPOSITS AND INVESTMENTS

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

Deposits

The Town's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Bank balances are insured up to \$100,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$100,000 for each failed brokerage firm. At June 30, 2008 and 2007, the book value of the Town's deposits were \$19,110,412 and \$6,272,335 and bank and brokerage firm balances of the Town's deposits amounted to \$24,948,576 and \$6,378,727, respectively. The Town's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2008</u>	<u>2007</u>
Insured	\$ <u>24,948,576</u>	\$ <u>6,378,727</u>

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 2 DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

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 Town does not have a formal policy for custodial credit risk other than depositing all of its funds in banks covered by GUDPA. As of June 30, 2008 and 2007, none of the Town’s bank balances were exposed to custodial credit risk.

Investments

The Town is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Town or bonds or other obligations of the school districts which are a part of the Town or school districts located within the Town, Local Government investment pools, and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

As of June 30, 2008 and 2007 the Town had no outstanding investments.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the statutory basis of accounting.

NOTE 3 TAXES RECEIVABLE

Receivables at June 30, 2008 and 2007 consisted of the following:

	<u>2008</u>	<u>2007</u>
<u>Current Fund</u>		
Property Taxes	\$ 2,208,572	\$ 1,181,990
Tax Title Liens	<u>310</u>	<u>284</u>
	<u>\$ 2,208,882</u>	<u>\$ 1,182,274</u>

In 2008 and 2007, the Town collected \$1,138,759 and \$798,630 from delinquent taxes, which represented 96% and 97% of the prior year adjusted delinquent taxes receivable balance.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and four months or retired by the issuance of bonds.

The Town's debt is summarized as follows:

	<u>2008</u>	<u>2007</u>
Issued		
General		
Bonds, Notes and Loans	\$ 36,922,209	\$ 34,850,404
Less Funds Temporarily Held to Pay Bonds and Notes	<u>204,013</u>	<u>204,013</u>
Net Debt Issued	<u>36,718,196</u>	<u>34,646,391</u>
Authorized But Not Issued		
General		
Bonds and Notes	<u>431,047</u>	<u>431,047</u>
Net Debt Authorized But Not Issued	<u>431,047</u>	<u>431,047</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 37,149,243</u>	<u>\$ 35,077,438</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

The statement of debt condition that follows is extracted from the Town's Annual Debt Statement and indicates a statutory net debt of 1.37% and 1.50% at June 30, 2008 and 2007, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2008</u>			
Local School District Debt - Type I	\$ 6,108,000	\$ 6,108,000	
Debt Guarantees	20,588,504	20,588,504	
General Debt	<u>37,353,256</u>	<u>5,144,013</u>	<u>\$ 32,209,243</u>
Total	<u>\$ 64,049,760</u>	<u>\$ 31,840,517</u>	<u>\$ 32,209,243</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2007</u>			
Local School District Debt - Type I	\$ 7,048,000	\$ 7,048,000	
Debt Guarantees	20,737,720	20,737,720	
General Debt	<u>35,281,451</u>	<u>5,379,013</u>	<u>\$ 29,902,438</u>
Total	<u>\$ 63,067,171</u>	<u>\$ 33,164,733</u>	<u>\$ 29,902,438</u>

The Town's remaining borrowing power under N.J.S. 40A:2-6, as amended, at June 30, was as follows:

	<u>2008</u>	<u>2007</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 82,111,073	\$ 69,743,033
Net Debt	<u>32,209,243</u>	<u>29,902,438</u>
Remaining Borrowing Power	<u>\$ 49,901,830</u>	<u>\$ 39,840,595</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

The Town's long-term debt consisted of the following at June 30:

General Obligation Bonds

The Town levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at June 30 are as follows:

	<u>2008</u>	<u>2007</u>
\$4,965,000, 2002 Tax Appeal Refunding Bonds, due in annual installments of \$820,000 through March 15, 2008, interest at 3.75%		\$ 820,000
\$5,350,000, 2003 Pension Refunding Bonds, due in annual installments of \$275,000 to \$810,000 through March 15, 2017, interest at 4.92%	\$ 4,640,000	4,875,000
\$8,100,000, 2006A Refunding Bonds, due in annual installments of \$900,000 to \$1,350,000 through April 15, 2019, interest at 3.50% to 4.25%	8,100,000	8,100,000
\$1,610,000, 2006B Refunding Bonds, due in annual installments of \$555,000 through April 15, 2010, interest at 5.05% to 5.10%	1,110,000	1,610,000
\$3,590,000, 2006C Refunding Bonds, due in annual installments of \$645,000 to \$800,000 through April 15, 2015, interest at 5.04% to 5.18%	3,590,000	3,590,000
\$6,100,000, 2007 General Improvement Bonds, due in annual installments of \$240,000 to \$695,000 through April 15, 2025, interest at 4.00% to 5.50%	6,100,000	6,100,000
\$6,888,000, 2008 General Improvement Bonds, due in annual installments of \$600,000 to \$1,088,000 through June 15, 2016, interest at 5.00%	6,888,000	
\$4,595,000, 2008 General Improvement Bonds, due in annual installments of \$645,000 to \$995,000 through June 15, 2014, interest at 5.00%	<u>4,595,000</u>	<u>-</u>
	<u>\$ 35,023,000</u>	<u>\$ 25,095,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

<u>School Bonds</u>	<u>2008</u>	<u>2007</u>
\$5,810,000, 2005 Refunded School Bonds, due in annual installments of \$990,000 through \$1,095,000 through April 1, 2011, interest at 5.25% to 5.45%	\$ 3,125,000	\$ 4,065,000
\$2,650,000, 2007 School Bonds, due in annual installments of \$110,000 to \$295,000 through April 1, 2025, interest at 4.00% to 5.00%	<u>2,650,000</u>	<u>2,650,000</u>
	<u>\$ 5,775,000</u>	<u>\$ 6,715,000</u>

School Debt

The West New York Board of Education is 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. Bonds and notes authorized by the Board of School Estimate to finance capital expenditures are general obligations of the Town and are reported on the balance sheet of the Town's General Capital Fund.

General Intergovernmental Loans Payable

The Town has entered into loan agreements with the State under the New Jersey Green Trust Bond Act of 1983 and Casino Reinvestment Development Authority for the financing relating to the various improvements. The Town levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at June 30 are as follows:

<u>Green Trust Loans</u>	<u>2008</u>	<u>2007</u>
\$51,675, 1988 Loan, due in Semi-annual installments through August 1, 2007 interest at 2%		\$ 1,591
\$289,313, 1997 Loan, due in Semi-annual installments of \$7,520 to \$8,906 through January 8, 2017, interest at 2%	\$ 147,506	162,324
\$500,000, 2000 Loan, due in Semi-annual installments of \$12,632 to \$15,724 through December 20, 2019, interest at 2%	324,854	349,744

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

General Intergovernmental Loans Payable (Continued)

Green Trust Loans (Continued)

	<u>2008</u>	<u>2007</u>
\$475,000, 2001 Loan, due in Semi-annual installments of \$11,516 to \$14,622 through September 6, 2020, interest at 2%	\$ 325,249	\$ 347,940
\$425,000, 2001 Loan, due in Semi-annual installments of \$10,304 to \$13,083 through September 16, 2020, interest at 2%	291,012	311,315
\$675,000, 2006 Loan, due in Semi-annual installments of \$14,668 to \$20,779 through February 9, 2026, interest at 2%	<u>631,861</u>	<u>660,763</u>
	<u>\$ 1,720,482</u>	<u>\$ 1,833,677</u>

Casino Reinvestment Development Authority Loans

	<u>2008</u>	<u>2007</u>
\$478,727, 1994 Loan, due in Semi-annual installments of \$28,727 to \$30,000 through May 1, 2014, interest at 4.446%	<u>\$ 178,727</u>	<u>\$ 208,727</u>

The Town's principal and interest for long-term debt issued and outstanding as of June 30, 2008 is as follows:

Calendar Year	<u>General</u>		<u>School</u>		<u>Loans</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2009	\$ 2,425,000	\$ 1,602,702	\$ 990,000	\$ 279,543	\$ 143,847	\$ 41,789	\$ 5,482,881
2010	2,520,000	1,498,662	1,040,000	227,567	146,136	38,167	5,470,532
2011	2,525,000	1,372,644	1,095,000	171,927	148,470	34,499	5,347,540
2012	3,540,000	1,246,178		112,250	150,851	30,784	5,080,063
2013	3,665,000	1,076,005		112,250	153,280	27,022	5,033,557
2014-2018	14,743,000	2,909,864	845,000	491,500	665,228	85,238	19,739,830
2019-2023	4,245,000	682,800	1,230,000	267,000	369,769	27,654	6,822,223
2024-2028	<u>1,360,000</u>	<u>82,200</u>	<u>575,000</u>	<u>34,800</u>	<u>121,628</u>	<u>4,292</u>	<u>2,177,920</u>
Total	<u>\$ 35,023,000</u>	<u>\$ 10,471,055</u>	<u>\$ 5,775,000</u>	<u>\$ 1,696,837</u>	<u>\$ 1,899,209</u>	<u>\$ 289,445</u>	<u>\$ 55,154,546</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

Changes in Long-Term Municipal Debt

The Town's long-term capital debt activity for the years 2008 and 2007 were as follows:

	Balance, June 30, <u>2007</u>	<u>Increases</u>	<u>Reductions</u>	Balance, June 30, <u>2008</u>	Due Within <u>One Year</u>
<u>2008</u>					
General Capital Fund					
Serial Bonds Payable	\$ 25,095,000	\$ 11,483,000	\$ 1,555,000	\$ 35,023,000	\$ 2,425,000
School Bonds Payable	6,715,000		940,000	5,775,000	990,000
Intergovernmental Loans Payable	<u>2,042,404</u>	<u>-</u>	<u>143,195</u>	<u>1,899,209</u>	<u>143,847</u>
General Capital Fund Long-Term Liabilities	<u>\$ 33,852,404</u>	<u>\$ 11,483,000</u>	<u>\$ 2,638,195</u>	<u>\$ 42,697,209</u>	<u>\$ 3,558,847</u>
	Balance, June 30, <u>2006</u>	<u>Increases</u>	<u>Reductions</u>	Balance, June 30, <u>2007</u>	Due Within <u>One Year</u>
<u>2007</u>					
General Capital Fund					
Serial Bonds Payable	\$ 19,536,000	\$ 19,400,000	\$ 13,841,000	\$ 25,095,000	\$ 1,555,000
School Bonds Payable	4,960,000	2,650,000	895,000	6,715,000	940,000
Intergovernmental Loans Payable	<u>2,170,847</u>	<u>-</u>	<u>128,443</u>	<u>2,042,404</u>	<u>143,195</u>
General Capital Fund Long-Term Liabilities	<u>\$ 26,666,847</u>	<u>\$ 22,050,000</u>	<u>\$ 14,864,443</u>	<u>\$ 33,852,404</u>	<u>\$ 2,638,195</u>

Debt Guarantees

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue

On June 14, 1999, the Town introduced ordinance 7/99, in which the Town is guaranteeing an amount not to exceed \$7,500,000, for its proportionate share of a \$30,000,000 debt authorization by the Hudson County Improvement Authority ("HCIA"), in connection with the HCIA's financing of the acquisition of property to be leased to the North Hudson Regional Fire and Rescue ("NHRFR"), a consolidation of five Hudson County municipalities' former fire departments.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (Continued)

On October 1, 1999, the HCIA issued Lease Revenue Bonds in connection with this authorization as Series A (tax-exempt) and Series B (taxable), and allocated each in accordance with each NHRFR participating municipality's proportionate share. The Town's share in the debt service on these bonds is approximately 25%, which is proportionate to the Town's share in the contribution to create the NHRFR. These bonds are not considered as bonds payable of the Town, but rather a lease agreement between the Town (acting on behalf of the NHRFR) and the HCIA. Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 1999A and 1999B Lease Revenue Bonds, plus an administrative fee payable to the HCIA (one tenth of one per cent of the outstanding principal on the Town's share of the bonds).

In August 2003, the Town guaranteed an amount not to exceed \$3,828,000 for its proportionate share of \$15,000,000 debt authorized by the HCIA in connection with the HCIA's financing of the costs of the public facilities as defined in that ordinance. On January 11, 2004 the HCIA issued Variable Rate Lease Revenue Bonds (federally taxable) in connection with this authorization. The Town's share in the debt service on these bonds is approximately 25.52%, which is proportionate to the Town's share in the contribution to create the NHRFR. These bonds are not considered as bonds payable of the Town, but rather a lease agreement between the Town (acting on behalf of the NHRFR) and the HCIA. Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2003 Lease Revenue Bonds.

The 2003 Bonds had an interest rate of 3.01% (the "Initial Interest Rate") until January 1, 2007 (the "Initial Interest Rate Period"). At January 2007 a variable rate of 5.33% was issued for a one year period. Subsequent to year end the bond rate was fixed at rates ranging between 5.85% and 6.640%.

In January 2006, HCIA issued Lease Revenue Bonds in connection with this authorization as Series A (tax-exempt) and Series B (taxable), and allocated each in accordance with each NHRFR participating municipality's proportionate share. The Town's share in the debt service on these bonds is approximately 25%, which is proportionate to the Town's share in the contribution to create the NHRFR. These bonds are not considered as bonds payable of the Town, but rather a lease agreement between the Town (acting on behalf of the NHRFR) and the HCIA. Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2006A and 2006B Lease Revenue Bonds, plus an administrative fee payable to the HCIA (one tenth of one per cent of the outstanding principal on the Town's share of the bonds).

The Town's proportionate share of the North Hudson Regional Fire and Rescue Bonds are as follows:

HCIA 1999A (tax-exempt) lease revenue bonds, originally issued on October 1, 1999 for \$580,000, maturing annually from August 1, 2002 through August 1, 2023, bearing interest rates of 4.3% to 5.7%	\$ 475,000
HCIA 1999B (taxable) lease revenue bonds, originally issued on October 1, 1999 for \$4,305,000, maturing annually from August 1, 2002 through August 1, 2023, bearing interest rates of 6.7% to 8%.	3,700,000

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (Continued)

HCIA 2003 (taxable) lease revenue bonds, originally issued on January 1, 2004 for \$3,828,000, maturing annually from January 2009 through 2024, bearing an initial interest rate of 3.01%. Following expiration of the Initial Interest Rate Period, and rates of 5.85% to 6.64%

\$ 3,828,000

HCIA 2006A (tax-exempt) lease revenue bonds, originally issued on January 1, 2006 for \$1,143,296, maturing annually from January 1, 2007 through 2024, bearing interest rates of 4.0% to 5.0%

1,098,636

HCIA 2006B (taxable) lease revenue bonds, originally issued on January 1, 2006 for \$1,051,424, maturing annually from January 1, 2007 to 2015. At January 1, 2015 the issue requires term bond optional redemptions or sinking funds to 2020 and 2024. The bond bears interest of 4.99% to 5.4%.

1,011,868

\$10,113,504

Hudson County Improvement Authority DPW Garage Lease Revenue Bonds

On October 17, 2007 the Town adopted an ordinance in which the Town is guaranteeing an amount not to exceed \$8,000,000 in debt authorized by the Hudson County Improvement Authority (“HCIA”) in connection with the project (“Project”) known as West New York Garage Project. On June 30, 2008 the HCIA issued the DPW Garage Project Lease Revenue Bonds in the amount of \$8,000,000. A lease agreement was issued to the Town of West New York DPW Garage Project as the guarantor.

The Town’s guarantee under the lease agreement is as follows:

HCIA 2008 (taxable) DPW Garage Project Bonds issued on June 30, 2008 for \$8,000,000, maturing annually from December 15, 2009 through June 15, 2023, bearing a variable interest rate. The interest rate is calculated at 4% above the Libor rate determined as of June 30 and December 30 preceding the respective interest payment dates of December 15 and June 15.

\$8,000,000

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority Waterfront Improvement Bonds

On January 16, 2002 the Town adopted an ordinance 29/01 in which the Town is guaranteeing an amount not to exceed \$4,500,000 in debt authorized by The Hudson County Improvement Authority ("HCIA") in connection with the HCIA's financing of the redevelopment project ("Project") known as The West New York Hudson Walkway Project. On August 6, 2002 the HCIA issued the Waterfront Improvement Bonds for the West New York Project in the amount of \$4,200,000. A loan agreement was issued to the Town of West New York Project as the guarantor. The Town in its capacity as the redevelopment entity under NJSA 40:56-19 anticipates that special assessments paid by the owners of the property benefitted by the project will be paid to the Town and will be contributed by the Town in amounts sufficient to pay the loan made by the Authority.

The Town's guarantee under the loan agreement is as follows:

HCIA 2002B Waterfront Improvement Bonds issued on August 6, 2002 for \$4,200,000, maturing annually from July 1, 2004 through July 1, 2012, bearing interest of 2.25% to 3.850%

\$2,475,000

West New York Parking Authority

On October 4, 2006 the Town adopted a guaranty ordinance #17/06, in which the Town is guaranteeing an amount not to exceed \$9,000,000 in Guaranteed Revenue Bonds for the construction of parking decks. On October 19, 2006, the Parking Authority of the Town of West New York issued \$9,000,000 in Parking Revenue Bonds, Series 2006. As the Guarantor, the Town's responsibility is limited to the extent of the amounts outstanding in the event of default.

The Town's guarantee under the loan agreement is as follows:

Parking Revenue Bonds, Series 2006 issued on October 19, 2006 for \$9,000,000, maturing annually beginning July 1, 2008 through 2024. The Bonds maturing on July 1, 2030 and 2036 are subject to mandatory sinking fund redemptions on July 1 from 2025 through 2036. Interest is paid semiannually at interest rates ranging from 3.5% to 5%.

\$9,000,000

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 4 MUNICIPAL DEBT (Continued)

Short-Term Debt

The Town's short-term capital debt activity for the years 2008 and 2007 was as follows:

	Balance, June 30, <u>2007</u>	<u>Increases</u>	<u>Reductions</u>	Balance, June 30, <u>2008</u>
<u>2008</u>				
Bond Anticipation Notes				
General Capital Fund	\$ 7,713,000	\$ -	\$ 7,713,000	\$ -
	Balance, June 30, <u>2006</u>	<u>Increases</u>	<u>Reductions</u>	Balance, June 30, <u>2007</u>
<u>2007</u>				
Bond Anticipation Notes				
General Capital Fund	\$ 14,751,607	\$ 7,713,000	\$ 14,751,607	\$ 7,713,000

In addition to the debt shown in the above schedule, municipalities may issue debt to meet cash flow needs (Tax Anticipation Notes) to temporarily finance operating expenditures. This debt which is not included in the Town's statutory debt limit calculation is reported in the Current Fund for the years 2008 and 2007 as follows:

	Balance, June 30, <u>2007</u>	<u>Increases</u>	<u>Reductions</u>	Balance, June 30, <u>2008</u>
<u>2008</u>				
Tax Anticipation Notes	\$ 2,000,000	\$ 7,000,000	\$ 2,000,000	\$ 7,000,000
	Balance, June 30, <u>2006</u>	<u>Increases</u>	<u>Reductions</u>	Balance, June 30, <u>2007</u>
<u>2007</u>				
Tax Anticipation Notes	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000

Short Term Guaranteed Notes

On October 1, 2006 the Town guaranteed an amount not to exceed \$1,400,000 for the West New York Senior Citizen Housing Building Project. Notes were renewed on October 14, 2008 with a maturity date of October 13, 2009 and the notes bear an interest rate of 5.5%.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 5 FIXED ASSETS

The following is a summary of changes in the general fixed assets account group for the years 2008 and 2007.

<u>2008</u>	Balance June 30, <u>2007</u>	<u>Additions</u>	<u>Retirements</u>	Balance, June 30, <u>2008</u> (Unaudited)
Land	\$ 2,095,513			\$ 2,095,513
Buildings and Building Improvements	13,469,869			13,469,869
Machinery and Equipment	6,461,921	-	-	6,461,921
	<u>\$ 22,027,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,027,303</u>
<u>2007</u>	Balance June 30, <u>2006</u>	<u>Additions</u>	<u>Retirements</u>	Balance, June 30, <u>2007</u>
Land	\$ 2,095,513			\$ 2,095,513
Buildings and Building Improvements	12,589,545	\$ 880,324		13,469,869
Machinery and Equipment	6,081,629	380,292	-	6,461,921
	<u>\$ 20,766,687</u>	<u>\$ 1,260,616</u>	<u>\$ -</u>	<u>\$ 22,027,303</u>

NOTE 6 DUE TO/FROM OTHER FUNDS

As of June 30, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>2008</u>		<u>2007</u>	
	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>
Current Fund	\$ 32,580	\$ 4,416,600	\$ 23,826	\$ 4,846,026
Federal and State Grant Fund	1,966,410	257,807	2,372,570	258,029
Animal Control Fund		26,158		23,826
Other Trust Fund	891,317		1,037,899	
Community Development Block Grant Fund		72,362		65,940
General Capital Fund	<u>2,034,399</u>	<u>151,779</u>	<u>1,911,305</u>	<u>151,779</u>
	<u>\$ 4,924,706</u>	<u>\$ 4,924,706</u>	<u>\$ 5,345,600</u>	<u>\$ 5,345,600</u>

The above balances are the result of expenditures being paid by one fund on behalf of another.

The Town expects all interfund balances to be liquidated within one year.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 7 FUND BALANCES APPROPRIATED

Fund balances at June 30, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding years were as follows:

	Fund Balance June 30, 2008	Utilized in Subsequent Year's Budget	Fund Balance June 30, 2007	Utilized in Subsequent Year's Budget
Current Fund	<u>\$1,455,662</u>	<u>\$ (A)</u>	<u>\$1,455,662</u>	<u>\$ -</u>

(A) The 2009 municipal budget has not been legally adopted as of the date of audit. The introduced budget includes no fund balance as a result of none of the June 30, 2008 fund balance being cash surplus available for tax relief.

NOTE 8 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At June 30, the following deferred charges are reported on the balance sheets of the following funds:

	Balance, June 30,	Subsequent Year Budget Appropriation (A)	Funded by Capital Ordinance	Balance to Succeeding Budgets
<u>2008</u>				
Current Fund				
Emergency Authorizations	\$ 485,700	\$ 485,700		
Operating Deficit	549,288	549,288		
Overexpenditure of Appropriations	192,422	192,422		
Overexpenditure of Appropriation Reserves	<u>1,698,069</u>	<u>-</u>	<u>-</u>	<u>\$ 1,698,069</u>
	<u>\$ 2,925,479</u>	<u>\$ 1,227,410</u>	<u>\$ -</u>	<u>\$ 1,698,069</u>
<u>2007</u>				
Current Fund				
Emergency Authorizations	\$ 4,671,000	\$ 821,000	\$ 3,850,000	
Overexpenditure of Appropriations	124,686	124,686		
Overexpenditure of Appropriation Reserves	<u>391,770</u>	<u>391,770</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,187,456</u>	<u>\$ 1,337,456</u>	<u>\$ 3,850,000</u>	<u>\$ -</u>

(A) These budget amounts represent appropriations to be included in the 2009 amended budget.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 9 COMPENSATED ABSENCES

Under the existing policies and labor agreements of the Town, employees are allowed to accumulate (with certain restrictions) unused vacation benefits, personal, sick leave and compensation time in lieu of overtime over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$4,074,770 and \$3,950,827 at June 30, 2008 and 2007, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Town employees who are eligible for pension coverage.

Police and Firemen's Retirement System (PFRS) – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

Public Employees' Retirement System (PERS) – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement healthcare for those eligible employees whose local employers elected to do so, 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 to 10 years of service for pension benefits and 25 years for post-retirement healthcare coverage.

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Other Pension Funds (Continued)

The State also administers the Pensions Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which includes the CPFPPF. This benefit is funded by the State as benefit allowances become payable.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required contributions for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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 of each of the above systems, funds, and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Basis of Accounting

The financial statements of the various pension Funds are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the Funds. Benefits or refunds are recognized when due and payable in accordance with the terms of the funds.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D and Common Pension Fund E. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Significant Legislation

Chapter 108, P.L. 2003, effective July 1, 2003 provided that the State Treasurer shall reduce the normal and accrued liability contributions payable by employers other than the State, excluding the contribution payable from the benefit enhancement fund, to a percentage of the amount certified annually by the retirement system, which for PERS will be as follows: for payments due in the State fiscal year ending June 30, 2005, 20 percent; for payments due in the State fiscal year ending June 30, 2006, not more than 40 percent; for payments due in the State fiscal year ending June 30, 2007, not more than 60 percent; and for payments due in the State fiscal year ending June 30, 2008, not more than 80 percent. The law provides that local employers' PFRS normal and accrued liability contributions shall be as follows: for payments due in the State fiscal year ending June 30, 2004, 20 percent; for payments due in the State fiscal year ending June 30, 2005, not more than 40 percent; for payments due in the State fiscal year ending June 30, 2006, not more than 60 percent; for payments due in the State fiscal year ending June 30, 2007, not more than 80 percent.

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

Contribution Requirement

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 8.50% for PFRS of the employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in all Funds except the PAF. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS. In the PERS, the employer contribution includes funding for post-retirement medical premiums for participating local governments.

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997.

During the years ended June 30, 2008, 2007 and 2006, the Town was required to contribute for normal cost pension contributions the following amounts which equaled the required contributions for each year:

Year Ended <u>June 30</u>	<u>PFRS</u>	<u>PERS</u>
2008	\$2,227,660	\$ 495,722
2007	1,447,390	287,370
2006	897,343	156,661

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 11 RISK MANAGEMENT

Employee Group Health

The Town has established a group insurance benefit plan for its employees and their eligible dependents. The Town funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum benefit per person, per year of \$150,000, with any excess benefit being reimbursed through a Re-Insurance Agreement with Symetra Life Insurance Company with a maximum reimbursement of \$1,000,000 per year per person. The reinsurance policy also contains an aggregate loss provision in the amount of \$13,258,549 for the fiscal year ended June 30, 2008. The Town has not created a liability for loss reserves for claims incurred which were unpaid at June 30, 2008 and 2007. In addition, the Town has not created a liability for reserves for any potential unreported losses which have taken place but in which the Town has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the Town under existing reinsurance agreements.

Workers Compensation

The Town has established a worker's compensation plan for its employees. Transactions related to the plan are accounted for in the Current Fund. The Town funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$100,000 for any one accident or occurrence, with any excess benefits up to \$1,000,000 per occurrence being reimbursed through an excess workers compensation policy with the New Jersey Municipal Self Insurer's Joint Insurance Fund (NJMSIJIF). A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company may not be able to meet their obligations to the Town under existing reinsurance agreements.

General Liability

The Town has established a general liability self insurance. Transactions related to the plan are accounted for in the Current Fund. The Town funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$100,000 for any one accident or occurrence, with any excess benefit being reimbursed through an excess liability policy with the New Jersey Municipal Self Insurer's Joint Insurance Fund (NJMSIJIF). A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company may not be able to meet their obligations to the Town under existing reinsurance agreements.

Other Insurance Coverage

The Town of West New York is a member of the Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance fund is an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Fund is a risk-sharing public entity pools. The MEL coverage amounts are on file with the Town.

The relationship between the Town and insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Town is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, to cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which the municipality was a member.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 11 RISK MANAGEMENT (Continued)

The fund provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the fund can be obtained by contacting the respective fund's Treasurer.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage in any of the prior three years.

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

<u>Year Ended June 30</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance (Deficit)</u>
2008		\$ 33,127	\$ 310,087	\$ (216,032)
2007	\$ 23,188	37,740		60,928
2006	42,973	34,776	77,749	

NOTE 12 CONTINGENT LIABILITIES

The Town is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Town's Attorney, the potential claims against the Town not covered by insurance policies would not materially affect the financial condition of the Town.

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at June 30, 2008 and 2007. Amounts claimed have not yet been determined. The Town is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Town does not recognize a liability, if any, until these cases have been adjudicated. The Town does not expect such amounts, if any, to be material. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

Federal and State Awards - The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. As of June 30, 2008 and 2007, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Town believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 13 FEDERAL ARBITRAGE REGULATIONS

The Town is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2008 and 2007, the Town has not estimated its arbitrage earnings, if any, due to the IRS.

NOTE 14 PRIOR-YEAR DEFEASANCE OF DEBT

In prior years, the Town defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the Town's financial statements. On June 30, 2008 and 2007, \$7,131,000 and \$7,861,000, respectively, of bonds outstanding are considered defeased.

NOTE 15 RELATED PARTY TRANSACTIONS

North Hudson Sewerage Authority

In October, 1996, the West New York Municipal Utilities Authority (WNYMUA) was acquired by the Hoboken – Union City – Weehawken Sewerage Authority (HUCWSA), and together, these entities were consolidated to create the North Hudson Sewerage Authority (NHSA). The acquisition was executed through the issuance and sale of \$104,945,000 Sewer Revenue Bonds, Series 1996, issued by the NHSA on October 15, 1996. Upon delivery of the bonds on October 31, 1996, the NHSA acquired all of the existing wastewater collection and treatment facilities of the Town and the WNYMUA. On February 16, 2000, the WNYMUA was officially dissolved pursuant to N.J.S. 40A:5A-20, through Town ordinance 25/99. By virtue of this ordinance, the Town assumed all remaining assets and liabilities of the now defunct WNYMUA.

In connection with the creation of the NHSA, a service agreement between the Town (together with the Hudson County municipalities of Hoboken, Union City and Weehawken) and the NHSA was executed. This agreement supersedes a previous service agreement between the Town and the WNYMUA. The related obligation of the Town with respect to the current service agreement pertains to services charges and annual charges, as described below.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 15 RELATED PARTY TRANSACTIONS (Continued)

Service Charges

The NHSA will charge (to users of its system) service charges, pursuant to the service agreement, with respect to all sewerage treated or disposed of by the NHSA and for all use and services of its system, in accordance with the New Jersey Sewerage Authorities Law, ch. 138, L. 1946, and in a manner consistent with the submission relied upon by the United States Environmental Protection Agency (EPA) and the New Jersey Department of Environmental Protection (NJDEP) in issuing a federal grant or in such other manner that the EPA and the NJDEP approve. Such service charges shall be established at rates estimated to be sufficient to provide for all amounts necessary to pay or provide for the expenses of operation and maintenance of the NHSA's system and the principal and interest on any and all bonds as they become due, to maintain the amounts required to be held on deposit in the sinking fund and the bond reserve fund and to comply in all respects with the terms of provisions of the general bond resolution adopted by the NUCWSA on April 24, 1989, as amended and the New Jersey Sewerage Authorities Law, provided, however, that the NHSA may charge service charges which are less than sufficient to comply with the requirements referred to above if each of the municipalities gives its written consent to such lesser service charges.

Annual Charges

Annual charges are based upon application of a formula which is explained in the next two paragraphs. If, but only if, the application of the formula yields a positive dollar amount for any fiscal year during which the service agreement is in effect, the Town shall be obligated to pay to the NHSA its allocable share of such positive dollar amount as an annual charge. Such annual charges shall be the excess, if any of the amount determined by the items in the first paragraph following less the amount determined by the items in the second paragraph following to determine the excess, if any.

The sum of all of the amounts reasonably expected by the NHSA to be expended in the fiscal year of the NHSA (1) to pay or provide for the expenses of construction, acquisition, operation and maintenance of its system, as well as administrative and other expenses of the NHSA related to its system prior to placing the system in operation, and the principal of and interest on all bonds as the same become due; (2) to maintain such reserves or sinking funds as may be required by the terms of the contract of the NHSA or any bond resolution, or as may be deemed necessary by the NHSA; and (3) to comply in all respects with the terms of the general bond resolution adopted by the HUCWSA on April 24, 1989, as amended, and the New Jersey Sewerage Authorities Law.

The sum of the following amounts to the extent available to be used to pay or provide for the amounts described in the preceding paragraph: (1) service charges collected by the NHSA; (2) the proceeds of bonds received by or for account of the NHSA with respect to its system; (3) the proceeds of insurance awards received by or for account of the NHSA with respect to its system; (4) contributions received by or for account of the NHSA with respect to its system and not under any circumstances repayable by the NHSA until after the payment in full of all other obligations of the NHSA including its bonds, original or refunding or both, or (5) any other funds on hand or available therefore.

Annual charges, if any, are assessed to and payable by the Town in the same percentage as the most recent determination by the NHSA of the allocation of the annual flow among the municipalities. The most recent determination by the NHSA of the allocation of the annual flow is as follows: (i) Hoboken 31%, (ii) Union City 35%, (iii) Weehawken 8% and (iv) West New York 26%.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 15 RELATED PARTY TRANSACTIONS (Continued)

On or before January 1 of each fiscal year, the NHSA will make an estimate of the amount of the annual charges, if any, which will become payable by the Town for such fiscal year. On or before February 15 of each fiscal year, the Town will pay to the NHSA the amount of any annual charges not paid relating to any prior fiscal year. The Town will pay to the NHSA that part of the estimated amount of the annual charges for the current fiscal year in four equal installments on March 1, June 1, September 1, and November 1 of such fiscal year.

There was no annual charge due to the NHSA for the year ended June 30, 2008.

NOTE 16 JOINT GOVERNED ORGANIZATION

North Hudson Regional Fire and Rescue

The North Hudson Regional Fire and Rescue was created pursuant to the second Amended and Restated Consolidated Municipal Services Agreement (Agreement) for the Formation of a Joint Meeting Pursuant to N.J.S.A. 40:8B-1 et seq.

Background of the Agreement

On October 1, 1998, the Hudson County municipalities of North Bergen, Union City, Weehawken and West New York had formed the Agreement in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:8B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire and Rescue (NHRFR), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

The Town adopted an ordinance on September 30, 1998, authorizing the sale, lease transfer, conveyance or other disposition of and improvement of real and personal property to the NHRFR, pursuant to New Jersey Statutes.

On December 30, 1998, the Town of Guttenberg, duly adopted a resolution approving it to officially enter into the Agreement, and Guttenberg was admitted to participate in the NHRFR.

The terms of the Agreement expires September 30, 2023, but may be subject to earlier termination pursuant to the Act. The operations of the NHRFR commenced on January 1, 1999. The NHRFR is governed by a five member management committee, consisting of one representative from each municipality, and this committee may appoint one or two executive director(s), and other such officers, employees and counsel as it deems necessary. A municipality's admission to or withdrawal from the NHRFR requires four votes from the management committee.

This annual contribution is based on each an allocation formula set for the original four participating municipalities and subsequent agreement with the Town of Guttenberg on the annual budgeted costs of North Hudson Regional Fire and Rescue. The Towns contribution was \$10,727,055 and \$9,910,213 for fiscal years 2008 and 2007 including health insurance and debt service costs.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007**

NOTE 17 SUBSEQUENT EVENTS

Tax Anticipation Notes

On October 1, 2008 the Town authorized the Acting Chief Financial Officer to issue \$5,500,000 of Tax Anticipation Notes to temporarily finance the Town's operating expenditures. The Town has awarded the sale of said notes to TD Bank N.A. at an interest rate of 4.250%. These notes dated October 1, 2008 matured on March 2, 2009.

Debt Authorized

On February 18, 2009 the Town introduced bond ordinances authorizing the issuance of \$1,692,000 and \$570,950 in bonds or bond anticipation notes to fund certain various projects and DPW improvements, respectively. It is anticipated these ordinances will be adopted on March 18, 2009.

State Supervision

Subsequent to the close of SFY 2008, and due to events reflected in the SFY 2008 audit and in the preparation of the SFY 2009 budget, the Town was faced with a need to seek all available options to secure assistance from the State of New Jersey (the "State"). Among those options, which emerged from discussions with the State Division of Local Government Services within the Department of Community Affairs, was the option to seek State supervision under appropriate statutory authority. On March 27, 2009 such supervision was authorized by the Superior Court in an action initiated by the Town. Among the positive results of such supervision is the ability to secure approval of the SFY 2009 budget. With such supervision, it is anticipated that the SFY 2009 budget will receive approval from the State and that State supervision will assist in stabilizing the fiscal condition of the Town.

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CURRENT FUND

**TOWN OF WEST NEW YORK
STATEMENT OF CURRENT CASH - TREASURER**

Balance, July 1, 2007		\$ 5,319,392
Increased by Receipts:		
Non-Budget Revenue	\$ 283,869	
Senior Citizens and Veterans Deductions	71,000	
Change Fund	220	
Taxes Receivable	49,577,720	
Due from Federal and State Grant Fund	1,511,223	
Receipts from Federal and State Grant Fund	318	
Other Trust Fund Receipts Deposited in Current Fund	49,173	
CDBG Receipts Deposited in Current Fund	470,234	
General Capital Receipts Deposited in Current Fund		
Serial Bond Proceeds	11,483,000	
Premium on Sale of Serial Bonds	511,378	
Revenue Accounts Receivable	35,090,014	
Prepaid Taxes	53,041	
Tax Overpayments	271,871	
Reserve for State Library Aid	19,643	
Due to North Hudson Sewerage Authority	150,693	
Due from Board of Education	47,971	
Tax Anticipation Notes	<u>7,000,000</u>	
		<u>106,591,368</u>
		111,910,760
Decreased by Disbursements:		
2008 Budget Appropriations	55,433,384	
2007 Appropriation Reserves	1,334,560	
Change Fund	100	
Federal and State Grants Fund Expenditures Paid by Current Fund	1,834,458	
CDBG Grant Fund Expenditures Paid by Current Fund	476,656	
Payments to Federal and State Grant Fund	100,222	
Payments to General Capital Fund	583,000	
Other Trust Expenditures Paid by Current Fund	194,521	
General Capital Expenditures Paid by Current Fund	7,474,337	
Encumbrances Payable	137,127	
Tax Overpayments	463,685	
Tax Anticipation Notes	2,000,000	
County Taxes Payable	10,383,295	
School Taxes Payable	13,112,154	
Reserve for State Library Aid	19,643	
Due to North Hudson Sewerage Authority	<u>181,443</u>	
		<u>93,728,585</u>
Balance, June 30, 2008		<u>\$ 18,182,175</u>

**TOWN OF WEST NEW YORK
STATEMENT OF CHANGE FUND**

	Balance, <u>June 30, 2007</u>	<u>Increased</u>	<u>Decreased</u>	Balance, <u>June 30, 2008</u>
Collector	\$ 200		\$ 100	\$ 100
Violations Clerk	<u>180</u>	<u>\$ 220</u>	<u>-</u>	<u>400</u>
	<u>\$ 380</u>	<u>\$ 220</u>	<u>\$ 100</u>	<u>\$ 500</u>

**STATEMENT OF DUE FROM STATE OF NEW JERSEY
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

Balance, July 1, 2007	\$ 23,620
Increased by:	
Senior and Veterans Deductions Per Tax Duplicate	<u>70,000</u>
	93,620
Decreased by:	
Cash Received from State	\$ 71,000
Senior and Veterans Deductions Disallowed	<u>6,000</u>
	<u>77,000</u>
Balance, June 30, 2008	<u>\$ 16,620</u>

**TOWN OF WEST NEW YORK
STATEMENT OF CURRENT CASH - TREASURER
FEDERAL AND STATE GRANT FUND**

Balance, July 1, 2007		\$ 318
Increased by:		
Receipts from Current Fund		<u>100,222</u>
		100,540
Decreased by:		
Payments to Current Fund	\$ 318	
General Capital Fund Expenditures Paid by Federal and State Grant Fund	<u>100,222</u>	
		<u>100,540</u>
Balance, June 30, 2008		<u><u>\$ -</u></u>

SCHEDULE OF ACCOUNTS RECEIVABLE DUE FROM STATE AND OTHERS

Balance, July 1, 2007		\$ 17,000
Decreased by:		
Cancellation to Operations		<u>17,000</u>
Balance, June 30, 2008		<u><u>\$ -</u></u>

**TOWN OF WEST NEW YORK
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year	2007/08 Fiscal Year Levy	Senior Citizens' and Veterans' Deductions Disallowed	Senior Citizens' and Veterans' Deductions Allowed	2008/09 Collected In	Tax Overpayments Applied	Cancelled Title Liens	Balance, June 30, 2008
2003	\$ 797			\$ 797			
2004	833			833			
2005	926			867			\$ 59
2006	24,933			1,021	\$ 6,142		17,770
2007	<u>1,154,501</u>	-	-	<u>1,135,241</u>	-	<u>7,059</u>	<u>12,201</u>
	1,181,990	-	-	1,138,759	-	13,201	30,030
2008	-	\$ 6,000	\$ 70,000	\$ 49,635	\$ 5,365	\$ 306,928	\$ 2,178,542
	<u>\$ 1,181,990</u>	<u>\$ 6,000</u>	<u>\$ 70,000</u>	<u>\$ 49,635</u>	<u>\$ 5,365</u>	<u>\$ 320,129</u>	<u>\$ 2,208,572</u>

Analysis of 2008 Fiscal Year Tax Levy

TAX YIELD	
General Purpose Tax	\$ 50,724,669
Added Taxes (NJSA 54:4-63.1 et seq)	<u>318,788</u>
	<u>\$51,043,457</u>
TAX LEVY	
Local District School Tax (Abstract)	\$ 13,112,154
County Tax (Abstract)	\$10,051,727
Open Space Preservation Tax (Abstract)	263,866
Due County for Added and Omitted Taxes (54:4-63.1)	<u>67,702</u>
	10,383,295
Local Tax for Municipal Purposes	27,097,431
Add Additional Taxes Levied	<u>450,577</u>
	<u>27,548,008</u>
	<u>\$51,043,457</u>

**TOWN OF WEST NEW YORK
STATEMENT OF TAX TITLE LIENS**

Balance, July 1, 2007	\$ 284
Increased by:	
Transfer from Taxes Receivable	<u>26</u>
Balance, June 30, 2008	<u>\$ 310</u>

TOWN OF WEST NEW YORK
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance, July 1, <u>2007</u>	Accrued in 2007/08	Collected	Balance, June 30, <u>2008</u>
Borough Clerk				
Licenses				
Alcoholic Beverages		\$ 113,452	\$ 113,452	
Other		118,288	118,288	
Fines and Costs				
Municipal Court		1,595,227	1,485,042	\$ 110,185
Fees and Permits		104,967	104,967	
Interest and Costs on Taxes		381,145	381,145	
Interest on Investments and Deposits		89,525	89,525	
Payment in Lieu of Taxes				
Overlook Terrace, Parking and Housing Authority		2,136,591	2,136,591	
Waterfront		11,274,261	11,274,261	
Rental of Hudson Hall		150,000	150,000	
Cable T.V. Franchise Tax		71,400	71,400	
Pay Telephone Commissions		1,103	1,103	
Pool Membership Fees		77,000	77,000	
Legislative Initiative Municipal Block Block Grant		179,457	179,457	
Consolidated Municipal Property Tax Relief Aid		6,753,495	6,753,495	
Energy Receipts Tax		1,482,337	1,482,337	
Supplemental Energy Receipts Tax		65,421	65,421	
Municipal Property Tax Assistance		166,645	166,645	
Building Aid for Schools		708,742	708,742	
Homeland Security		140,000	140,000	
Uniform Construction Code Fees (N.J.S.A. 40A:4_36)				
Uniform Construction Code Fees		418,401	418,401	
Interlocal Agreements				
Reimbursement for Health Services				
Weehawken		15,000	15,000	
Guttenberg		15,000	15,000	
Secaucus		20,000	20,000	
West New York Board of Education				
Chapter 226-Non Public Nursing Services		56,133	56,133	
West New York Board of Education				
Reimbursement for:				
Recreation Services		607,030	607,030	
Police Security		296,985	296,985	
Other Expenses		189,100	189,100	
Fuel		44,200	44,200	
UEZ Fees		85,000	85,000	
Housing Inspection Fees		41,849	41,849	
Sale of Municipal Assets		7,554,026	7,554,026	
Added Assessments	-	248,419	248,419	-
	<u>\$ -</u>	<u>\$35,200,199</u>	<u>\$ 35,090,014</u>	<u>\$ 110,185</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DEFERRED CHARGES**

	Balance, July 1, <u>2007</u>	Raised in FY 2008 <u>Budget</u>	Amount Resulting in <u>FY 2008</u>	Funded by Capital <u>Ordinance</u>	Balance, June 30, <u>2008</u>
Emergency Authorization (40A:4-47)	\$ 4,671,000	\$ 821,000	\$ 485,700	\$ 3,850,000	\$ 485,700
Overexpenditure of Appropriation	124,686	124,686	192,422		192,422
Operating Deficit			549,288		549,288
Overexpenditure of Appropriation Reserves	<u>391,771</u>	<u>391,771</u>	<u>1,698,069</u>	<u>-</u>	<u>1,698,069</u>
	<u>\$ 5,187,457</u>	<u>\$ 1,337,457</u>	<u>\$ 2,925,479</u>	<u>\$ 3,850,000</u>	<u>\$ 2,925,479</u>

STATEMENT OF DUE FROM BOARD OF EDUCATION

Balance, July 1, 2007	\$ 47,971
Decreased by:	
Cash Receipts	<u>47,971</u>
Balance, June 30, 2008	<u>\$ -</u>

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2007 APPROPRIATION RESERVES**

EXHIBIT A-14

	Balance, July 1, <u>2007</u>	Cancelled Encumbrances	Transfers	Balance After Modification	Expended	Balance Lapsed	Over Expenditure
Department of Public Affairs							
Director's Office							
Salaries and Wages	\$ 74			\$ 74		\$ 74	
Other Expenses	8		\$ 9,700	9,708	\$ 8,702	1,006	
Town Clerk							
Salaries and Wages	2,441		(2,441)	-			
Other Expenses	9,148		(5,000)	4,148	61	4,087	
Poormaster's Fund							
Other Expenses		\$ 25		25		25	
Elections							
Other Expenses		543		543		543	
Board of Health							
Salaries and Wages	788		(788)	-			
Other Expenses			176	176	156	20	
Public Relations							
Other Expenses	11,699			11,699	300	11,399	
Rent Control Board							
Salaries and Wages	493		(493)	-			
Other Expenses	258		(258)	-			
Community Relations							
Salaries and Wages	278		(278)	-			
Town Funding Program							
Other Expenses	3,500			3,500	3,500		
Housing Inspection							
Salaries and Wages	416		(416)	-			
Tenant Relations							
Salaries and Wages	578		(578)	-			
Law Department							
Other Expenses	10,509	7,105		17,614		17,614	
Supervised Play Activity							
Salaries and Wages	21,776			21,776		21,776	
Other Expenses	146	1,613		1,759		1,759	
Senior Citizens Coordinator of Events							
Other Expenses	316			316	219	97	
Insurance Department							
Other Expenses	211		(211)	-			
Zoning Board							
Salaries and Wages	2			2		2	
Other Expenses	643		(600)	43		43	
Planning Board							
Salaries and Wages	6,168		(6,168)	-			
Other Expenses	2,354			2,354		2,354	
North Hudson Regional							
Council of Mayor Aids - Task Force - Town Share	417			417		417	
Urban Enterprise Zone							
Salaries and Wages	69			69		69	
Other Expenses	905	-	(905)	-	-	-	-
Total Department of Public Affairs	<u>73,197</u>	<u>9,286</u>	<u>(8,260)</u>	<u>74,223</u>	<u>12,938</u>	<u>61,285</u>	<u>-</u>

TOWN OF WEST NEW YORK
STATEMENT OF SFY 2007 APPROPRIATION RESERVES

EXHIBIT A-14

	Balance, July 1, 2007	Cancelled Encumbrances	Transfers	Balance After Modification	Expended	Balance Lapsed	Over Expenditure
Department of Revenue and Finance							
Director's Office							
Salaries and Wages	\$ 804		\$ (800)	\$ 4		\$ 4	
Other Expenses	89			89		89	
Treasurer's Office							
Other Expenses							
Miscellaneous Expense	960			960	\$ 135	825	
Assessment of Taxes							
Salaries and Wages	321			321		321	
Other Expenses	121	\$ 229		350		350	
Collection of Taxes							
Salaries and Wages	1,166			1,166		1,166	
Other Expenses	1,227			1,227	877	350	
Insurance							
General Liability Insurance							
General Liability Insurance	295,213			295,213	295,213		
Workers Compensation Insurance							
Workers Compensation Insurance	188,794			188,794	188,794		
Employee Group Health							
Employee Group Health	152,743			152,743	685,744		\$ 533,001
NHRF Health							
NHRF Health	5,486			5,486	5,486		
Purchasing Agent							
Other Expenses							
Other Expenses	154	-	(154)	-	-	-	-
Total Department of Revenue and Finance	<u>647,078</u>	<u>229</u>	<u>(954)</u>	<u>646,353</u>	<u>1,176,249</u>	<u>3,105</u>	<u>533,001</u>
Department of Public Safety							
Police							
Salaries and Wages	20,593			20,593	20,593		
Other Expenses			6,200	6,200	4,755	1,445	
North Hudson Communication Authority							
Town Share	65,350			65,350	65,246	104	
Ambulance Squad							
Salaries and Wages	11,764		(11,764)	-			
Other Expenses	1			1		1	
Office of Emergency Management							
Other Expenses	1,822	-	(1,822)	-	-	-	-
Total Department of Public Safety	<u>99,530</u>	<u>-</u>	<u>(7,386)</u>	<u>92,144</u>	<u>90,594</u>	<u>1,550</u>	<u>-</u>
Department of Public Works							
Salaries and Wages	5,959		(5,958)	1		1	
Other Expenses	89			89		89	
Streets and Sewers							
Salaries and Wages		20,564		20,564		20,564	
Other Expenses	485		1,575	2,060	660	1,400	
Fire Hydrant Rental							
Other Expenses	15,267			15,267	12,747	2,520	
Recycling							
Other Expenses	962			962		962	

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2007 APPROPRIATION RESERVES**

EXHIBIT A-14

	Balance, July 1, 2007	Cancelled Encumbrances	Transfers	Balance After Modification	Expended	Balance Lapsed	Over Expenditure
Department of Public Works (Continued)							
Garbage & Trash							
Salaries and Wages	\$ 293	\$ 10,048		\$ 10,341		\$ 10,341	
Engineering Services and Costs							
Other Expenses	1,480	-	-	1,480	\$ 169	1,311	-
Total Department of Public Works	24,535	30,612	\$ (4,383)	50,764	13,576	37,188	-
Department of Parks and Public Property							
Director's Office							
Other Expenses	258			258	187	71	
Division of Parks							
Other Expenses	372			372	242	130	
Building Department							
Salaries and Wages	4,656			4,656		4,656	
Fuel - Other Expenses	307		33,700	34,007	33,967	40	
Telephone - Other Expenses	3,464			3,464	2,086	1,378	
Water- Other Expenses			4,000	4,000	3,594	406	
Signal Bureau							
Salaries and Wages		21		21		21	
Other Expenses	5	-	-	5	-	5	-
Total Department of Parks and Public Property	9,062	21	37,700	46,783	40,076	6,707	-
Uniform Construction Code - Appropriations							
Offset by Dedicated Revenues (N.J.A.C. 5:23-4:17)							
Construction Code Department							
Salaries and Wages	10,817		(10,817)	-			
Other Expenses	226	-	-	226	-	226	-
Total Uniform Construction Code	11,043	-	(10,817)	226	-	226	-
Unclassified							
Municipal Court							
Salaries and Wages	5,913	3	(5,900)	16		16	
Other Expenses	782			782	657	125	
Various Projects	500	-	-	500	500	-	-
Total Unclassified	7,195	3	(5,900)	1,298	1,157	141	-
Total Operations Within "CAPS"	871,640	40,151	-	911,791	1,334,590	110,202	533,001
Deferred Charges and Statutory Expenditures -							
Municipal Within "CAPS" Statutory Expenditures							
Contribution to:							
Social Security System (O.A.S.I.)	-	-	-	-	-	-	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	-	-	-	-	-	-	-
Total General Appropriations for Municipal Purposes Within "CAPS"	871,640	40,151	-	911,791	1,334,590	110,202	533,001

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2007 APPROPRIATION RESERVES**

EXHIBIT A-14

	Balance, July 1, <u>2007</u>	Cancelled <u>Encumbrances</u>	Transfers	Balance After <u>Modification</u>	Expended	Balance <u>Lapsed</u>	Over <u>Expenditure</u>
OPERATIONS - EXCLUDED FROM "CAPS"							
Other Operations - Excluded from "CAPS"							
Contribution to NHRF					\$ 1,165,068		\$1,165,068
Maintenance of Free Public Library	\$ 68,470	-	-	\$ 68,470	-	\$ 68,470	-
Total Other Operations - Excluded from "CAPS"	<u>68,470</u>	<u>-</u>	<u>-</u>	<u>68,470</u>	<u>1,165,068</u>	<u>68,470</u>	<u>1,165,068</u>
Total General Appropriations	<u>\$ 940,110</u>	<u>\$ 40,151</u>	<u>\$ -</u>	<u>\$ 980,261</u>	<u>\$ 2,499,658</u>	<u>\$ 178,672</u>	<u>\$1,698,069</u>
				Cash Disbursements	\$ 1,334,560		
				Transfer to Accounts Payable	<u>1,165,098</u>		
					<u>\$ 2,499,658</u>		

**TOWN OF WEST NEW YORK
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, July 1, 2007		\$ 390,377
Increased by:		
Charges to 2008 Fiscal Year Budget Appropriations		<u>4,670,175</u>
		5,060,552
Decreased by:		
Cancelled to Appropriation Reserves	\$ 40,151	
Cancelled to Operations	213,099	
Cash Disbursements	<u>137,127</u>	
		<u>390,377</u>
Balance, June 30, 2008		<u><u>\$ 4,670,175</u></u>

STATEMENT OF PREPAID TAXES

Balance, July 1, 2007		\$ 49,635
Increased by:		
Cash Received - SFY 2009 Taxes		<u>53,041</u>
		102,676
Decreased by:		
Applied to SFY 2008 Taxes		<u>49,635</u>
Balance, June 30, 2008		<u><u>\$ 53,041</u></u>

STATEMENT OF TAX OVERPAYMENTS

Balance, July 1, 2007		\$ 680,056
Increased by:		
Cash Received		<u>271,871</u>
		951,927
Decreased by:		
Applied to SFY 2008 Taxes Receivable	\$ 5,365	
Cash Disbursed	<u>463,685</u>	
		<u>469,050</u>
Balance, June 30, 2008		<u><u>\$ 482,877</u></u>

**TOWN OF WEST NEW YORK
STATEMENT OF COUNTY TAXES PAYABLE**

Increased by:	
2008 Fiscal Year Levy	
General County Tax (Abstract)	\$ 10,051,727
County Open Space Preservation	263,866
Due County for Added and Omitted Taxes	<u>67,702</u>
	<u>\$ 10,383,295</u>
Decreased by:	
Cash Disbursed	<u>\$ 10,383,295</u>

EXHIBIT A-19

STATEMENT OF LOCAL DISTRICT SCHOOL TAXES

Increased by:	
Levy - Fiscal Year 2007/08	<u>\$ 13,112,154</u>
Decreased by:	
Cash Disbursed	<u>\$ 13,112,154</u>

EXHIBIT A-20

STATEMENT OF RESERVE FOR STATE LIBRARY

Increased by:	
Cash Received	<u>\$ 19,643</u>
Decreased by:	
Cash Disbursed	<u>\$ 19,643</u>

EXHIBIT A-21

SCHEDULE OF ACCOUNTS PAYABLE

Increased by:	
Charges to 2007 Appropriation Reserves	<u>\$ 1,165,098</u>
Balance, June 30, 2008	<u>\$ 1,165,098</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO NORTH HUDSON SEWERAGE AUTHORITY**

Balance, July 1, 2007	\$	181,885
Increased by:		
Cash Receipts		150,693
		332,578
Decreased by:		
Cash Disbursed		181,443
Balance, June 30, 2008	\$	151,135

EXHIBIT A-23

STATEMENT OF TAX ANTICIPATION NOTES

Balance, July 1, 2007	\$	2,000,000
Increased by:		
Cash Receipts		7,000,000
		9,000,000
Decreased by:		
Cash Disbursements		2,000,000
Balance, June 30, 2008	\$	7,000,000

EXHIBIT A-24

STATEMENT OF ACCRUED INTEREST PAYABLE

Balance, July 1, 2007	\$	4,097
Decreased by:		
Cancelled to Operations		4,097
Balance, June 30, 2008	\$	-

**TOWN OF WEST NEW YORK
FEDERAL AND STATE GRANT FUND
STATEMENT OF DUE FROM WEST NEW YORK PARKING AUTHORITY**

Balance, July 1, 2007	\$ 3,730
Decreased by:	
Cancellation	<u>3,730</u>
Balance, June 30, 2008	<u>\$ -</u>

EXHIBIT A-26

**STATEMENT OF DUE FROM CURRENT FUND
FEDERAL AND STATE GRANT FUND**

Balance, July 1, 2007	\$ 2,372,570
Increased by:	
Local Match	\$ 13,249
Cash Received in Current Fund - Anticipated Grants	1,396,412
Payments to Current Fund	318
Cancellation of Receivable	3,730
Cash Received in Current Fund - Unappropriated Grants	<u>114,811</u>
	<u>1,528,520</u>
	3,901,090
Decreased by:	
Receipts from Current Fund	100,222
Federal and State Grant Fund Expenditures Paid by Current Fund	<u>1,834,458</u>
	<u>1,934,680</u>
Balance, June 30, 2008	<u>\$ 1,966,410</u>

TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND

	2007	2008		
	Balance, June 30, 2007	Budget Revenue Realized	Cash Receipts	Corrections/ Cancellations
				Balance, June 30, 2008
Urban Enterprise Zone:				
Expansion of Litter Removal Program	\$ 2,208			\$ 2,208
Injection Vapor System	3,107			3,107
Clock and Maintenance	1,122			1,122
Bergeline Ave Installment Loan - Year VI	86,787			86,787
Bergeline Ave Installment Loan - Year VII	9,544		\$ 6,940	2,604
Marketing Program	150,627			16,109
Purchase of Fireliner (Sweeper Truck)	7,200			7,200
Rehiring UEZ Police Officers - Year 8	65,817		152,281	-
Bergeline Ave Installment Loan - Year 8	48,678		133,250	-
Zone Marketing Plan - Phase V	291,043		160,008	131,035
Bergeline Ave Façade Program - 1	113,784		6,482	107,302
Administration	61,519		25,001	-
Rehiring UEZ Police Officers - Year 10		\$ 225,000	133,101	91,899
Bergeline Ave Installment Loan - Year 9		133,250	4,538	128,712
General Maintenance - Phase 2		180,000	149,159	30,841
Litter Clean Up Phase 1 & Graffiti Truck		190,683		190,683
Litter Clean Up Phase 1 & Graffiti Truck		124,360		124,360
NJ Dept of Law and Public Safety:				
Direct Aid				
06 Police Body Armor Replacement		1,476		1,476
07 Police Body Armor Replacement		12,904	12,904	-
Safe and Secure Communities		60,000	60,000	-
Pedestrian Safety Grant		22,000		22,000

TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND

	Balance, June 30, <u>2007</u>	2008 Budget Revenue <u>Realized</u>	Cash Receipts	Corrections/ <u>Cancellations</u>	Balance, June 30, <u>2008</u>
2007 Public Health Priority Funding	\$	\$ 53,196	\$ 26,598		\$ 26,598
NJ Department of State:					
Direct Aid					
NJ Heritage Historical Resources Survey	\$ 237				237
NJ Department of Transportation (NJTFPA):					
Direct Aid					
Improvements to 57th and 58th, Bergenline to Park	4,880				4,880
Improvements to 63rd and Bergenline Avenue	16,408				16,408
67th St Project	16,530				16,530
Improvements to Broadway	8,219				8,219
Improvements to Jefferson Street	46,000				46,000
Municipal Urban Aid, 1995	76,150				76,150
Highway Safety Grant	1,500				1,500
Overhead Signal, 60th and Bergenline	2,603				2,603
Improvements to Palisade Avenue, 49th to 60th Street	115,000				115,000
Improvements to Washington Avenue	5,389				5,389
Polk Street	16,361				16,361
66th Street	39,228				39,228
54th Street	17,361				17,361
65th Street	20,983				20,983
Livable Communities - Park Avenue	112,500				112,500
Livable Communities - Bergenline/49th Street	7,529				7,529
Municipal Aid 2003 - Bergenline Avenue	10,978				10,978
Discretionary Aid - Bergenline Avenue Section 2	309,698				309,698
FY05 Municipal Aid Program - Various Streets	93,804				93,804
FY05 Municipal Aid Program - Improvements to Broadway	491,231				491,231

TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND

	Balance, June 30, 2007	2008 Budget Revenue Realized	Cash Receipts	Corrections/ Cancellations	Balance, June 30, 2008
FY05 Municipal Aid Program - 61st Street, Section 2	\$ 77,000				\$ 77,000
FY05 Municipal Aid Program - Jackson Avenue	31,250				31,250
US Department of Agriculture:					
Passed through NJ Dept of Agriculture					
Summer Food Program	3,690				3,690
Summer Food Program	866				866
Summer Food Program	1,207				1,207
Summer Food Program	546				546
Summer Food Program	9,602				9,602
Summer Food Program	3,092				3,092
Summer Food Program	7,972				7,972
Summer Food Program		\$ 56,245	\$ 54,566		1,679
U.S. Dept of Justice					
Direct Aid					
Cops Fast Grant	8,608		5,560		3,048
Passed Through NJ Dept of Law and Public Safety					
Juvenile Accountability Incentive Block Grant	6				6
Juvenile Accountability Incentive Block Grant	11,498				11,498
Passed through Hudson County Prosecutor's Office					
Justice Assistance Grant 06	11,252				11,252
Justice Assistance Grant 07		21,094	11,600		9,494
Local Law Enforcement Block Grant	3,999				3,999
US Department of Transportation:					
Direct Aid					
Drunk Driving Enforcement Fund	199				199
Drunk Driving Enforcement Fund	7,083				7,083

TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND

	Balance, June 30, 2007	2008 Budget Revenue Realized	Cash Receipts	Corrections/ Cancellations	Balance, June 30, 2008
Drunk Driving Enforcement Fund	\$ 6,330				\$ 6,330
Drunk Driving Enforcement Fund	1,314				1,314
Drunk Driving Enforcement Fund	1,634				1,634
Drunk Driving Enforcement Fund	3,234				3,234
Drunk Driving Enforcement Fund	2,435				2,435
Drunk Driving Enforcement Fund	5,958				5,958
Drunk Driving Enforcement Fund		\$ 5,000	\$ 4,690		310
US Department of Homeland Security: Passed Through NJ Dept of Law and Public Safety					-
State and Local All Hazards Emergency Operation Planning	2,406				-
US Emergency Management Agency Passed Through NJ Dept of Law and Public Safety					2,406
Slope at Veteran Park		46,503	46,503		-
Donnelly & Veterans Park Grant		14,905	14,905		-
Cable TV Grant 2008		50,000	50,000		-
	\$ 3,800,194	\$ 1,255,942	\$ 1,396,412	\$ -	\$ 3,659,724

**TOWN OF WEST NEW YORK
STATEMENT OF APPROPRIATED GRANT RESERVES
FEDERAL AND STATE GRANT FUND**

	Balance, <u>July 1, 2007</u>	FY 08 <u>Budget</u>	<u>Expended</u>	Cancelled/ <u>Adjustments</u>	Balance, <u>June 30, 2008</u>
Department of Transportation					
63rd Street and Bergenline Avenue	\$ 59,379		\$ 41,530		\$ 17,849
Palisades Avenue	6,622				6,622
57th Street and 58th Street Bergenline Ave to Park Ave	19,080				19,080
60th Street and Bergenline Avenue Overhead Signal	5,176				5,176
Overhead Signal 60th Street and Park Avenue	10,102				10,102
Overhead Signal 67th Street and Broadway	18,882				18,882
57th Street - Section 2	20,763				20,763
64th Street	6,524				6,524
Washington Street	8,150				8,150
New Jersey Heritage Historical Resources Survey	2,331				2,331
Safe Housing and Transportation	11,907				11,907
NJ DOT - 60th Street - Municipal and Urban Aid	5,498				5,498
State of NJ - Summer Food Service Program	14,289				14,289
State of NJ - Summer Food Service Program	9,021				9,021
Clean Communities Program - Other Expenses	5,385				5,385
County of Hudson Alliance Committee					
County Share	4,118				4,118
Local Share	13				13
Drunk Driving Enforcement Fund	10,000				10,000
State of NJ - Summer Food Service Program	18,543				18,543
Clean Communities Program - Other Expenses	10,719				10,719
County of Hudson Alliance Committee					
County Share	8,929				8,929
Local Share	529				529
Drunk Driving Enforcement Fund	10,000				10,000
State of NJ - Summer Food Service Program	15,202				15,202
NJ DOT - 66th Street	1,913				1,913
Clean Communities Program - Other Expenses	5,192				5,192
Drunk Driving Enforcement Fund	1,712				1,712
NJ Special Legislative Grant	745				745
Alcohol Education and Rehabilitation Enforcement	893				893
Environmental Grant	331				331
County of Hudson Alliance Committee					
County Share	15,279				15,279
Local Share	3,820				3,820
Alcohol Education and Rehabilitation Enforcement	1,687				1,687
NJ DOT - 65th Street	89,081				89,081
Green Acres Trust Fund - Miller Stadium Phase II	191,622				191,622
NJ DOT - 56th Street, Highland and Monitor Place	51,787				51,787
Alcohol Education and Rehabilitation Enforcement	1,416				1,416
County of Hudson Alliance Committee					
County Share	4,238				4,238
Local Share	1,413				1,413
NJ Special Legislative Grant					
66th Street Stairs	75,000		63,504		11,496
Social Worker	5,812				5,812
County of Hudson Alliance Committee					
County Share	3,750				3,750
Local Share	329				329
Body Armor Replacement Fund	458			\$ (458)	-

**TOWN OF WEST NEW YORK
STATEMENT OF APPROPRIATED GRANT RESERVES
FEDERAL AND STATE GRANT FUND**

	Balance, <u>July 1, 2007</u>	FY 08 <u>Budget</u>	<u>Expended</u>	Cancelled/ <u>Adjustments</u>	Balance, <u>June 30, 2008</u>
Body Armor Replacement Fund	\$ 10,000		\$ 3,718	\$ (6,282)	
SFY 03 Child Literacy Program	5,000				\$ 5,000
2003 Livable Communities	63,853				63,853
NJ DOT - Park Avenue Resurfacing	200,000				200,000
NJ UEZ - Litter Removal Expansion Program	1,135		1,135		
NJ UEZ - Injection Vapor System	1,950				1,950
Juvenile Accountability Incentive Block Grant	1,288				1,288
NJ DOT - Bergenline Avenue	85,583				85,583
Livable Communities 03 - Bergenline Ave	150,000				150,000
Livable Communities 03 - Weigen Park	50,000				50,000
County of Hudson Alliance Committee					
County Share	6,726				6,726
Local Share	1,844				1,844
EDA Remediation Grant	11,238				11,238
Upgrades to Recreation Facilities Grant	774,729		326,759		447,970
Street Paving Grant	360,506		6,700		353,806
Downtown Beautification Grant	114,270		19,960		94,310
Parking Garage Refurbishment	96,007		96,007		
NJ DOT - Bergenline Avenue -04	75,873				75,873
County of Hudson Alliance Committee	3,413				3,413
County of Hudson Alliance Committee					
County Share	3,011				3,011
Local Share	753				753
Public Health Priority Funding	1,891				1,891
NJ Summer Food Service Program	2,458				2,458
NJ UEZ - Bergenline Avenue	81,672				81,672
NJ Dept of Transportation	32,888				32,888
County of Hudson Alliance Committee					
County Share	42				42
NJ Summer Food Service Program	16,545				16,545
Alcohol Education and Rehabilitation	779		525		254
Body Armor Replacement Fund	5,534		5,534		
UEZ Fees - Bergenline Ave	14,764				14,764
NJ State Police SLAHEOP Grant	364				364
NJ UEZ - Marketing Program	119,026		57,897		61,129
Domestic Violence Training Program	3,760				3,760
NJDCA Livable Communities - Weigand Park	131,028		131,028		
NJ Transportation Fund - Municipal Aid	379,914		90,131		289,783
NJ UEZ - Sweeper Truck	6,260				6,260
NJ Dept of Treasury - Special Purpose -Astroturf	50,000		50,000		
NJDCA Livable Communities - Elevator Imprvts	54,030		43,884		10,146
County of Hudson Alliance Committee:					
County Share	15,277				15,277
Local Share	676				676
Summer Food Service Program	22,999				22,999
NJ UEZ - Police Projects - FY07	10,625				10,625
NJ UEZ - Bergenline Ave - FY07	23,629				23,629
NJ UEZ - Marketing Program - FY07	180,844		49,413		131,431
Body Armor Replacement Fund - FY 07	394	\$ 1,476	1,870	6,740	6,740
Domestic Violence Training Program - FY07	7,500				7,500
Justice Assistance Grant	25,895				25,895

**TOWN OF WEST NEW YORK
STATEMENT OF APPROPRIATED GRANT RESERVES
FEDERAL AND STATE GRANT FUND**

	Balance, <u>July 1, 2007</u>	FY 08 <u>Budget</u>	<u>Expended</u>	Cancelled/ <u>Adjustments</u>	Balance, <u>June 30, 2008</u>
NJ UEZ - Façade Program - FY 07	\$ 104,767				\$ 104,767
DOT-Municipal Aid Program					
Roadway Improvement	185,427		\$ 185,427		
Jackson Street	125,000		125,000		
Juvenile Accountability Incentive Block Grant	11,498				11,498
NJ DEP - Livable Cities - Hudson Hall Renovations	157,266				157,266
NJ DEP - Livable Cities - St Mary's Park	100,000		100,000		
Port Authority of NY and NJ - Parking Garage	1,000,000				1,000,000
Community of Hudson Alliance Committee					
County Share		\$ 52,997			52,997
Local Share		13,249			13,249
Public Health Priority Funding Act		53,196			53,196
Summer Food Service Program		56,245			56,245
NJ UEZ - Maintenance		180,000	180,000		
Impaired Driving Enforcement Grant		5,000	5,000		
Pedestrian Safety Grant		22,000	20,000		2,000
Cablevision Telecommunications Grant		50,000			50,000
Body Armor Replacement - 2008		12,904			12,904
Domestic Violence Training		6,329			6,329
Justice Assistance Grant		21,094	12,961		8,133
UEZ Fees - Bergenline Renovation		133,250			133,250
NJ State Police EOM Slope Repair at Veterans' Park		46,503	24,500		22,003
Community Foundation of NJ-Donnelly & Veterans' Park		14,905			14,905
NJ UEZ - Litter Clean-Up		190,683	6,844		183,839
NJ UEZ - Litter Clean-Up Equipment		124,360	131		124,229
Safe and Secure Communities Programs		60,000	60,000		
NJ UEZ - Police Grant	-	225,000	225,000	-	-
	<u>\$ 5,627,571</u>	<u>\$ 1,269,191</u>	<u>\$ 1,934,458</u>	<u>\$ -</u>	<u>\$ 4,962,304</u>
			Cash Disbursements \$ 1,834,458		
			Due to General Capital Fund 100,000		
			<u>\$ 1,934,458</u>		

**TOWN OF WEST NEW YORK
STATEMENT OF UNAPPROPRIATED GRANT RESERVES
FEDERAL AND STATE GRANT FUND**

	Balance, <u>July 1, 2007</u>	<u>Received</u>	Balance, <u>June 30, 2008</u>
State of New Jersey Youth and Family Service	\$ 6,500		\$ 6,500
Additional Municipal Purpose Tax Assistance	759		759
Neighborhood Preservation Balanced Housing	15,177		15,177
Public Health Priority Funding	375		375
Alcohol Education and Rehabilitation	1,240		1,240
Defibrillator Grant	5,000		5,000
Juvenile Accountability Incentive Block Grant - 2001	13,247		13,247
New Jersey Department of Transportation Road Resurfacing	221,250		221,250
Body Armor Replacement Fund - 2006	14,377		14,377
Drunk Driving Enforcement Fund	3,358		3,358
Clean Communities	9,929		9,929
UEZ Administration - FY 08 (08-33)		\$ 35,800	35,800
2008 Clean Communities		37,767	37,767
2008 Alcohol Education and Rehab		1,499	1,499
2007 Recycling Tonnage		3,966	3,966
Over the Limit/Under Arrest - 2007		3,833	3,833
Community Partnership		775	775
Domestic Violence Training Grant		5,033	5,033
Public Health Priority Funding - 2008	-	26,138	26,138
	<u>\$ 291,212</u>	<u>\$ 114,811</u>	<u>\$ 406,023</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO GENERAL CAPITAL FUND
FEDERAL AND STATE GRANT FUND**

Balance, July 1, 2007	\$ 258,029
Increased by:	
Grant Receipts	<u>100,000</u>
	358,029
Decreased by:	
General Capital Fund Expenditures Paid by Federal and State Grant Fund	<u>100,222</u>
Balance, June 30, 2008	<u>\$ 257,807</u>

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TRUST FUND

**TOWN OF WEST NEW YORK
STATEMENT OF TRUST CASH**

	Animal Control Fund	Other Trust Fund
Balance, July 1, 2007	\$ 29,077	\$ 913,852
Increased by Receipts:		
Due from Dog License Official	\$ 2,832	
Due from Hudson County - CDBG		
Various Reserves and Deposits		\$ 945,420
Payroll Deductions		9,130,395
Accrued Salaries & Wages		14,323,230
Due to Third Party Lien Holders		1,114,530
Interest Earned	-	1,234
	<hr/>	<hr/>
Total Receipts	2,832	25,514,809
	<hr/>	<hr/>
Total Receipts and Beginning Balance	31,909	26,428,661
Decreased by Disbursements:		
Various Reserves and Deposits		946,165
Reserve for CDBG		
Payroll Deductions		9,182,948
Accrued Salaries & Wages		14,321,219
Due to Third Party Lien Holders	-	1,118,328
	<hr/>	<hr/>
Total Disbursements	-	25,568,660
	<hr/>	<hr/>
Balance, June 30, 2008	\$ 31,909	\$ 860,001
	<hr/>	<hr/>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM DOG LICENSE OFFICIAL
ANIMAL CONTROL FUND**

Balance, July 1, 2007		\$ 114
Increased by:		
Due to State of New Jersey	\$ 1,022	
Dog License Fees	<u>2,870</u>	
		3,892
		4,006
Decreased by:		
Due to State of New Jersey	1,073	
Cash Receipts	<u>2,832</u>	
		3,905
Balance, June 30, 2008		<u>\$ 101</u>

**STATEMENT OF DUE TO/FROM STATE OF NEW JERSEY
ANIMAL CONTROL FUND**

Balance, July 1, 2007 (Due To)		\$ 48
Increased by:		
State Fees Collected		<u>1,022</u>
		1,070
Decreased by:		
Payments to State		<u>1,073</u>
Balance, June 30, 2008 (Due From)		<u>\$ 3</u>

**STATEMENT OF RESERVE FOR EXPENDITURES
ANIMAL CONTROL FUND**

Balance, July 1, 2007		\$ 5,317
Increased by:		
Current Year Fees Collected		<u>2,870</u>
		8,187
Decreased by:		
Statutory Excess Due to Current Fund		<u>2,332</u>
Balance, June 30, 2008		<u>\$ 5,855</u>

**STATEMENT OF DUE TO CURRENT FUND
ANIMAL CONTROL FUND**

Balance, July 1, 2007		\$ 23,826
Increased by:		
Statutory Excess Due to Current Fund		<u>2,332</u>
Balance, June 30, 2008		<u>\$ 26,158</u>

EXHIBIT B-6

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM CURRENT FUND
OTHER TRUST FUND**

Balance, July 1, 2007		\$ 886,120	
Increased by:			
Other Trust Receipts Deposited in Current Fund		<u>49,173</u>	
			935,293
Decreased by:			
Interest Earned	\$ 1,234		
Other Trust Expenditures Paid by Current Fund		<u>194,521</u>	
			<u>195,755</u>
Balance, June 30, 2008			<u>\$ 739,538</u>

EXHIBIT B-7

**STATEMENT OF DUE FROM STATE OF NEW JERSEY
OTHER TRUST FUND**

Balance, July 1, 2007		<u>\$ 50,840</u>	
Balance, June 30, 2008			<u>\$ 50,840</u>

EXHIBIT B-8

**STATEMENT OF DUE FROM GENERAL CAPITAL FUND
OTHER TRUST FUND**

Balance, July 1, 2007		<u>\$ 151,779</u>	
Balance, June 30, 2008			<u>\$ 151,779</u>

EXHIBIT B-9

**STATEMENT OF RESERVE/(DEFICIT) FOR PAYROLL DEDUCTIONS PAYABLE
OTHER TRUST FUND**

Balance, July 1, 2007		\$ 49,503	
Increased by:			
Payroll Deductions		<u>9,130,395</u>	
			9,179,898
Decreased by:			
Payroll Deductions Paid		<u>9,182,948</u>	
Balance (Deficit), June 30, 2008			<u>\$ (3,050)</u>

**TOWN OF WEST NEW YORK
STATEMENT OF ACCRUED SALARIES AND WAGES
OTHER TRUST FUND**

Balance, July 1, 2007	\$ 6,392
Increased by:	
Accrued Salaries and Wages Earned	<u>14,323,230</u>
	14,329,622
Decreased by:	
Accrued Salaries and Wages Paid	<u>14,321,219</u>
Balance, June 30, 2008	<u>\$ 8,403</u>

**STATEMENT OF DUE FROM HUDSON COUNTY - COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, July 1, 2007	\$ 420,729
Increased by:	
FY 2008 Grant Funding	<u>550,000</u>
	970,729
Decreased by:	
Cash Received - Current Fund	<u>470,234</u>
Balance, June 30, 2008	<u>\$ 500,495</u>

**TOWN OF WEST NEW YORK
STATEMENT OF TRUST FUND RESERVES AND DEPOSITS
OTHER TRUST FUND**

	Balance, July 1, <u>2007</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2008</u>
Affordable Housing	\$ 160,231		\$ 23,637	\$ 136,594
Zoning Board Escrow Fees	136,501	\$ 82,250	58,180	160,571
Planning Board Escrow Fees	68,393	29,172	14,651	82,914
Unemployment Reserve	60,928	33,127	310,087	(216,032)
Liability Insurance Reserve	9,473	369,516	367,525	11,464
Workman's Compensation Reserve	42,461	384,145	384,539	42,067
Confiscated Money	255			255
Neighborhood Preservation Program	7,957	9	7,510	456
Parking Offenses Adjudication Act	69,670	69,796	88,322	51,144
Special Law Enforcement	18,155		13,932	4,223
Law Enforcement Agency	6,936	8,384	4,648	10,672
Law Enforcement Agency Penalties	70		70	
Christopher Columbus - Commemorative Committee	2,073		1,088	985
Performance Bond Deposits	11,710			11,710
Health Insurance Reserve Fund	71,541	294		71,835
Waterfront Developers Reserve Fund	18,755		2,925	15,830
Premium on Tax Sale	1,173,407		91,402	1,082,005
Elections		17,000		17,000
Public Defender		900	1,750	(850)
Bid Deposits Payable	15,645			15,645
Police Vehicle Lease Fund	<u>20,773</u>	<u>-</u>	<u>-</u>	<u>20,773</u>
	<u>\$ 1,894,934</u>	<u>\$ 994,593</u>	<u>\$ 1,370,266</u>	<u>\$ 1,519,261</u>
Cash Receipts/Cash Disbursements		\$ 945,420	\$ 946,165	
Accounts Payable			229,580	
Due to/from Current Fund		<u>49,173</u>	<u>194,521</u>	
		<u>\$ 994,593</u>	<u>\$ 1,370,266</u>	

EXHIBIT B-13

**STATEMENT OF DUE TO THIRD PARTY LIENHOLDERS
OTHER TRUST FUND**

Balance, July 1, 2007	\$ 22,485
Increased by:	
Cash Receipts	<u>1,114,530</u>
	1,137,015
Decreased by:	
Cash Disbursements	<u>1,118,328</u>
Balance, June 30, 2008	<u>\$ 18,687</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO HUDSON COUNTY
OTHER TRUST FUND**

Balance, July 1, 2007	\$ <u>2,037</u>
Balance, June 30, 2008	\$ <u>2,037</u>

**STATEMENT OF DUE TO WEST NEW YORK PARKING AUTHORITY
OTHER TRUST FUND**

Balance, July 1, 2007	\$ <u>27,240</u>
Balance, June 30, 2008	\$ <u>27,240</u>

**STATEMENT OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, July 1, 2007	\$ 354,789
Increased by:	
FY 2008 Grant Funding	<u>550,000</u>
	904,789
Decreased by:	
CDBG Expenditures Paid by Current Fund	<u>476,656</u>
Balance, June 30, 2008	\$ <u>428,133</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO GENERAL CAPITAL FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, July 1, 2007	\$ <u>65,940</u>
Balance, June 30, 2008	\$ <u>65,940</u>

**STATEMENT OF DUE TO CURRENT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Increased by:	
CDBG Reserve	\$ 476,656
Decreased by:	
Due from Hudson County	<u>470,234</u>
Balance, June 30, 2008	\$ <u>6,422</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY
OTHER TRUST FUND**

Increased by:	
Unemployment Claims Payable	\$ <u>229,580</u>
Balance, June 30, 2008	\$ <u>229,580</u>

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GENERAL CAPITAL FUND

**TOWN OF WEST NEW YORK
STATEMENT OF CASH - TREASURER
GENERAL CAPITAL FUND**

Balance, July 1, 2007	\$ 9,316
Increased by:	
Interest Earned	\$ 475
Receipts from Current Fund	<u>583,000</u>
	<u>583,475</u>
	592,791
Decreased by:	
Improvement Authorizations	<u>556,964</u>
Balance, June 30, 2008	<u>\$ 35,827</u>

**TOWN OF WEST NEW YORK
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS**

	Balance, June 30, <u>2008</u>
Due from Community Development Block Grant	\$ (65,940)
Capital Improvement Fund	26,765
Fund Balance	520,378
Due from Depository	(3,770)
Due from Current Fund	(1,710,652)
Due from Board of Education	(45,346)
Due from Federal and State Grant Fund	(257,807)
Due to Other Trust Fund	151,779
Reserve for Payment of Debt	204,013
Contracts Payable	50,956
 Improvement Authorizations:	
Ordinance	
<u>Number</u>	<u>Improvement Description</u>
1391	Reconstruction and Renovation of School #5
	20,234
1601/1604	Reconstruction and Renovation of Schools
	78,816
1803	Acquisition or Construction of Various Improvements
	1,875
1836	Improvement to Schools
	(275,000)
1884	Acquisition or Construction of Various Improvements
	40
1949	Acquisition or Construction of Various Capital Improvements - Recreation Center
	1,138
1950/1975	Acquisition of Construction of Various Capital Improvements
	5,577
1976	Acquisition and Reconditioning Self-Contained Breathing Apparatus - Public Safety
	25
2072	Reconstruction and Repair of School Buildings
	(39,000)
1984	Improvement of Swimming Pool
	1
1985	Improvements to Recreation Center
	6,373
2062	Acquisition of Various Equipment
	629
2081	Purchase of Land For A New Capital Project - School
	(19,000)
2091	Purchase of Land and Improvements
	26,623
24/94	Improvements to Donnelly Park
	(27,097)
91/94	Improvements to Miller Park
	98,031
12/95	Protective Clothing for the Use of the Fire Depart
	8,182
31/97	Reconstruction of Various Streets
	(31,228)
4/98	Acquisition of Vehicles and Equipment
	252
16/98	1198 Road Program
	17,707
21/98	Broadway Streetscape
	10,289
03/00	Improvements to Parks
	320,057
19/01; 28/01	Various Capital Improvements
	138,496
22/02	Early Retirement Incentive Refunding Ordinance
	33,383
19/02	Refurbish Ambulances
	18,457
05/03	Tax Refunding Ordinance
	19,479
18/03; 06/04	Various Capital Improvements and Related Expenses
	513,497
7/5	Tax Appeals
	(55,000)
18/06	Various Equipment Purchases and Improvements
	65,428
2/07	Refunding Ordinance - Emergency Auth. Worker Cor.
	15,000
21/07	Acquisition of Various Computer Equipment
	142,187
04/08	Refunding Emergency - Self-Insured Health Costs
	<u>70,000</u>
	 \$ 35,827

TOWN OF WEST NEW YORK
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance, July 1, 2007		\$ 33,852,404
Increased by:		
General Improvement Bonds Issued	\$ 6,888,000	
Refunding Bonds Issued	<u>4,595,000</u>	
		<u>11,483,000</u>
		45,335,404
Decreased by:		
Payments for:		
General Serial Bonds	1,555,000	
School Serial Bonds	940,000	
Casino Reinvestment Development Authority Loan Payable	30,000	
State of New Jersey Green Trust Loan Payable	<u>113,195</u>	
		<u>2,638,195</u>
Balance, June 30, 2008		<u>\$ 42,697,209</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ordinance Number	<u>Improvement Description</u>	Balance, July 1, 2007	Authorized 2007/08	Notes Paid By Budget	Issuance of Bonds	Balance, June 30, 2008	Analysis of Balance June 30, 2008	
						Expenditures	Unexpended Improvement Authorizations	
		\$ 275,000				\$ 275,000	\$ 275,000	
1836	Improvements to Schools	39,000				39,000	39,000	
2072	Reconstruction and Repair of School Buildings	19,000				19,000	19,000	
2081	Purchase of Land for a New Capital Projects School	27,097				27,097	27,097	
24/94	Improvement to Donnelly Park	33,700				33,700	31,228	\$ 2,472
31/97	Reconstruction of Various Streets	300,000				300,000	300,000	
22/02	Early Retirement Incentive Refunding Ordinance	70,000				70,000	55,000	15,000
07/05	Tax Refunding Ordinance	6,000,000			\$ 6,000,000			
08/05	Reserve for Self Insurance Program							
18/06	Various Equipment Purchases and Improvements	698,250				698,000	250	
	to Buildings							
02/07	Refunding Authorization - Workers Comp. & Liability	1,015,000		\$ 340,000		675,000		
21/07	Acquisition of Various Computer Equipment		\$ 190,000			190,000		
04/08	Refunding Emergency - Self-Insured Health Costs	-	3,920,000	-	3,920,000	-	-	-
		<u>\$ 8,477,047</u>	<u>\$ 4,110,000</u>	<u>\$ 340,000</u>	<u>\$ 11,483,000</u>	<u>\$ 764,047</u>	<u>\$ 446,325</u>	<u>\$ 317,722</u>

	Improvement Authorizations - Unfunded	\$ 355,658
	Less: Unexpended Proceeds	
	Ord 19/02	18,457
	Ord 05/03	19,479
		<u>\$ 317,722</u>

**TOWN OF WEST NEW YORK
STATEMENT OF CASINO REINVESTMENT DEVELOPMENT AUTHORITY LOAN PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loan		Interest Rate	Balance, July 1, 2007	Decreased	Balance, June 30, 2008
			Outstanding June 30, 2008	Date				
Town Bond	5/20/1994	\$ 478,727	\$ 30,000	5/1/09-13	4.446%	\$ 208,727	\$ 30,000	\$ 178,727
			28,727	5/1/2014				

TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Amount of Original of Issue	Maturities of Loan Outstanding June 30, 2008	Interest Rate	Balance, July 1, 2007	Issued	Decreased	Balance, June 30, 2008
General Obligation Bond, Series 2002	\$ 4,965,000			\$ 820,000		\$ 820,000	
Pension Refunding Bonds, Series 2003	5,350,000	03/15/09	4.92%				
		03/15/10	4.92%	\$ 275,000			
		03/15/11	4.92%	325,000			
		03/15/12	4.92%	375,000			
		03/15/13	4.92%	435,000			
		03/15/14	4.92%	495,000			
		03/15/15	4.92%	565,000			
	03/15/16	4.92%	640,000				
	03/15/17	4.92%	720,000				
				4,875,000		235,000	\$ 4,640,000
General Obligation Refunding Bonds, Series 2006A	8,100,000	4/15/12	4.25%				
		4/15/13	3.50%	900,000			
		4/15/14	4.00%	900,000			
		4/15/15	4.00%	630,000			
		4/15/16	4.00%	625,000			
		4/15/17	4.00%	1,175,000			
		4/15/18	4.00%	1,200,000			
	4/15/19	4.00%	1,320,000				
				8,100,000			8,100,000
General Obligation Refunding Bonds, Series 2006B	1,610,000	04/15/09	5.10%	555,000			
		04/15/10	5.05%	555,000		500,000	1,110,000
General Obligation Refunding Bonds, Series 2006C	3,590,000	04/15/11	5.08%	645,000			
		04/15/12	5.04%	675,000			
		04/15/13	5.09%	715,000			
		04/15/14	5.12%	755,000			
		04/15/15	5.18%	800,000			
				3,590,000			3,590,000

TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Amount of Original of Issue	Maturities of Loan Outstanding June 30, 2008	Interest Rate	Balance, July 1, 2007	Issued	Decreased	Balance, June 30, 2008
General Improvement Bonds, Series 2007	\$ 6,100,000	04/15/14 \$ 240,000 4.00% 04/15/15 265,000 4.00% 04/15/16 335,000 5.50% 04/15/17 495,000 5.50% 04/15/18 510,000 4.00% 04/15/19 535,000 4.00% 04/15/20 555,000 4.00% 04/15/21 575,000 4.00% 04/15/22 600,000 4.00% 04/15/23 630,000 4.00% 04/15/24 665,000 4.00% 04/15/25 695,000 4.00%		\$ 6,100,000			\$ 6,100,000
General Improvement Bonds, Series 2008	6,888,000	6/15/2009 600,000 5.00% 6/15/2010 650,000 5.00% 6/15/2011 850,000 5.00% 6/15/2012 875,000 5.00% 6/15/2013 900,000 5.00% 6/15/2014 925,000 5.00% 6/15/2015 1,000,000 5.00% 6/15/2016 1,088,000 5.00%			\$ 6,888,000		6,888,000
General Obligation Refunding Bonds, Series 2008	4,595,000	6/15/2009 995,000 5.00% 6/15/2010 990,000 5.00% 6/15/2011 655,000 5.00% 6/15/2012 655,000 5.00% 6/15/2013 655,000 5.00% 6/15/2014 645,000 5.00%			4,595,000	-	4,595,000
				\$25,095,000	\$11,483,000	\$ 1,555,000	\$ 35,023,000

TOWN OF WEST NEW YORK
STATEMENT OF SCHOOL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Amount	Maturities of Loan		Interest Rate	Balance, July 1, 2007	Decreased	Balance, June 30, 2008
			Outstanding Date	June 30, 2008 Amount				
School Bonds, Refunded 2005	04/01/05	\$ 5,810,000	04/01/09	\$ 990,000	5.25%	\$ 4,065,000	\$ 940,000	\$ 3,125,000
			04/01/10	1,040,000	5.35%			
			04/01/11	1,095,000	5.45%			
School Bonds, Series 2007	04/15/07	2,650,000	04/01/14	110,000	5.00%	2,650,000	-	2,650,000
			04/01/15	135,000	5.00%			
			04/01/16	170,000	5.00%			
			04/01/17	210,000	5.00%			
			04/01/18	220,000	4.00%			
			04/01/19	225,000	4.00%			
			04/01/20	235,000	4.00%			
			04/01/21	245,000	4.00%			
			04/01/22	255,000	4.00%			
			04/01/23	270,000	4.00%			
			04/01/24	280,000	4.00%			
		04/01/25	295,000	4.00%				
						\$ 6,715,000	\$ 940,000	\$ 5,775,000

TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE

Purpose	Date of Issue	Amount of Original Amount	Maturities of Loan Outstanding June 30, 2008 Date	Interest Rate	Balance	
					July 1, 2007	June 30, 2008
St. Mary's Park	02/01/88	\$ 51,675		2.00%	\$ 1,591	\$ 1,591
Little Miss Field	07/08/97	289,313	07/08/08			
			01/08/09		\$ 7,520	
			07/08/09		7,595	
			01/08/10		7,671	
			07/08/10		7,748	
			01/08/11		7,825	
			07/08/11		7,904	
			01/08/12		7,983	
			07/08/12		8,063	
			01/08/13		8,143	
			07/08/13		8,225	
			01/08/14		8,307	
			07/08/14		8,390	
			01/08/15		8,474	
			07/08/15		8,559	
Miller Park & Stadium	12/20/00	500,000	12/20/08			
			06/20/09		12,632	
			12/20/09		12,759	
			06/20/10		12,886	
			12/20/10		13,015	
			06/20/11		13,145	
			12/20/11		13,277	
			06/20/12		13,409	
			12/20/12		13,543	
			06/20/13		13,679	
			12/20/13		13,816	
			06/20/14		13,954	
			12/20/14		14,093	
			06/20/15		14,234	
			12/20/15		14,377	
		06/20/16		14,520		
				14,666		
				162,324	147,506	
				14,818	1,591	

TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE

Purpose	Date of Issue	Amount of Original Amount	Maturities of Loan Outstanding June 30, 2008		Interest Rate	Balance, July 1, 2007	Decreased	Balance, June 30, 2008
			Date	Amount				
			12/20/16	\$ 14,812				
			06/20/17	14,960				
			12/20/17	15,110				
			06/20/18	15,261				
			12/20/18	15,414				
			06/20/19	15,568				
			12/20/19	15,724	2.00%	\$ 349,744	\$ 24,890	\$ 324,854
	03/09/01	\$ 475,000	09/06/08	11,516				
			03/06/09	11,631				
			09/06/09	11,748				
			03/06/10	11,865				
			09/06/10	11,984				
			03/06/11	12,103				
			09/06/11	12,224				
			03/06/12	12,347				
			09/06/12	12,470				
			03/06/13	12,595				
			09/06/13	12,721				
			03/06/14	12,848				
			09/06/14	12,977				
			03/06/15	13,106				
			09/06/15	13,237				
			03/06/16	13,370				
			09/06/16	13,503				
			03/06/17	13,638				
			09/06/17	13,775				
			03/06/18	13,913				
			09/06/18	14,052				
			03/06/19	14,192				
			09/06/19	14,334				
			03/06/20	14,478				
			09/06/20	14,622	2.00%	347,940	22,691	325,249

Donelly Park II

TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan Outstanding June 30, 2008</u> <u>Date</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2007</u>	<u>Decreased</u>	<u>Balance, June 30, 2008</u>
Miller Stadium Ph II	3/20/01	\$ 425,000	09/16/08 \$ 10,304				
			03/16/09 10,407				
			09/16/09 10,511				
			03/16/10 10,616				
			09/16/10 10,722				
			03/16/11 10,829				
			09/16/11 10,938				
			03/16/12 11,047				
			09/16/12 11,157				
			03/16/13 11,269				
			09/16/13 11,382				
			03/16/14 11,496				
			09/16/14 11,611				
			03/16/15 11,727				
			09/16/15 11,844				
			03/16/16 11,962				
			09/16/16 12,082				
			03/16/17 12,203				
			09/16/17 12,325				
			03/16/18 12,448				
		09/16/18 12,573					
		03/16/19 12,698					
		09/16/19 12,825					
		03/16/20 12,953					
		09/16/20 13,083					
				2.00%	\$ 311,315	\$ 20,303	\$ 291,012
Donnelly and Veterans Park	05/09/06	\$ 675,000	08/09/08 14,668				
			02/09/09 14,815				
			08/09/09 14,963				
			02/09/10 15,113				
			08/09/10 15,264				
			02/09/11 15,416				
			08/09/11 15,571				
			02/09/12 15,726				
			08/09/12 15,884				
			02/09/13 16,042				
			08/09/13 16,203				
			02/09/14 16,365				
			08/09/14 16,528				
			02/09/15 16,694				
		08/09/15 16,861					

TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan Outstanding June 30, 2008</u> <u>Date</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2007</u>	<u>Decreased</u>	<u>Balance, June 30, 2008</u>	
Donnelly and Veterans Park	02/09/16		\$ 17,029					
	08/09/16		17,200					
	02/09/17		17,372					
	08/09/17		17,545					
	02/09/18		17,721					
	08/09/18		17,898					
	02/09/19		18,077					
	08/09/19		18,258					
	02/09/20		18,440					
	08/09/20		18,625					
	02/09/21		18,811					
	08/09/21		18,999					
	02/09/22		19,189					
	08/09/22		19,381					
	02/09/23		19,575					
	08/09/23		19,770					
	02/09/24		19,968					
	08/09/24		20,168					
	02/09/25		20,370					
	08/09/25		20,573					
	02/09/26		20,779					
					2.00%	\$ 660,763	\$ 28,902	\$ 631,861
						<u>\$ 1,833,677</u>	<u>\$ 113,195</u>	<u>\$ 1,720,482</u>

**TOWN OF WEST NEW YORK
STATEMENT OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND**

Balance, July 1, 2007	\$ 15
Increased by:	
Budget Appropriation	<u>36,750</u>
	36,765
Decreased by:	
Appropriated for Improvement Authorizations	<u>10,000</u>
Balance, June 30, 2008	<u>\$ 26,765</u>

TOWN OF WEST NEW YORK
STATEMENT OF BOND ANTICIPATION NOTES

Ord. No.	Improvement Description	Date of Original Note	Date of Issuance	Date of Maturity	Interest Rate	Balance, July 1, 2007	Decreased	Balance, June 30, 2008
8/05	Self-Insurance Reserve Funds	06/23/05	04/20/06	04/18/08	5.900%	\$ 6,000,000	\$ 6,000,000	
18/06	Various Equipment Purchases and Improvements	06/29/07	6/29/07	6/27/08	4.250%	698,000	698,000	
2/07	Refunding Authorization - Workers Comp. & Liability	06/29/07	6/29/07	6/27/08	4.250%	1,015,000	1,015,000	
						<u>\$ 7,713,000</u>	<u>\$ 7,713,000</u>	<u>\$ -</u>
							\$ 340,000	
							<u>7,373,000</u>	
							\$ 7,713,000	

Paid by Budget
Permanently Funded

TOWN OF WEST NEW YORK
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	2007/2008 Authorizations		Due from Grant Fund	Expended	Balance, June 30, 2008		
				Deferred Charges to Future Charges					Funded	Unfunded
				Capital Improvement Fund	Unfunded					
1391	Reconstruction and Renovation of School No. 5	05/21/80	\$ 1,185,000	\$	20,234	\$	20,234			
1601, 1604	Reconstruction and Renovation of Schools	05/03/83	1,100,000		78,816		78,816			
1803	Acquisition or Construction of Various Impvts.	03/18/88	132,500		1,875		1,875			
1884	Acquisition or Construction of Various Impvts.	05/16/90	2,750,000		40		40			
1949	Acquisition or Construction of Various Impvts. - Recreation Center	09/18/91	590,000		1,138		1,138			
1950, 1975	Acquisition or Construction of Various Impvts. - Capital Improvements	09/18/91	990,000		5,577		5,577			
1976	Acquisition and Recondition Self-Contained Breathing Apparatus - Public Safety	03/18/92	45,000		25		25			
1984	Improvement to Swimming Pool	05/01/92	125,000		1		1			
1985	Improvement to Recreation Center	05/01/92	440,000		6,373		6,373			
2062	Acquisition of Various Equipment	06/16/93	120,000		629		629			
2091	Purchase of Land and Improvements	10/23/93	200,000		26,623		26,623			
91/94	Improvements to Miller Park and Equipment	08/17/94	12,200,000		98,031		98,031			
12/95	Protective Clothing for the Use of the Fire Dept.	03/15/95	450,000		8,182		8,182			
31/97	Reconstruction of Various Streets	11/12/97	81,700		\$ 2,472		\$ 2,472			
4/98	Acquisition of Vehicles and Equipment	02/18/98	296,412		252		252			
16/98	1998 Road Program	09/16/98	278,796		17,707		17,707			
21/98	Broadway Streetscape	11/23/98	95,000		10,289		10,289			
03/00	Improvements to Parks	02/16/00	1,940,000		423,057	\$ 100,000	320,057			
19/01, 28/01	Various Capital Improvements	01/16/02	4,800,000		127,950		138,496			
22/02	Early Retirement Incentive Refunding Ordinance	11/25/02	5,650,000		33,383		33,383			
19/02	Refurbish Ambulances	11/25/02	135,000		18,457		18,457			
05/03	Tax Refunding Ordinance	02/19/03	440,000		19,479		19,479			
18/03, 06/04	Various Capital Improvements and Related Expenses	09/17/03	5,000,000		597,590		513,497			
7/05	Tax Appeals	06/15/05	210,000		15,000		15,000			
18/06	Various Equipment Purchases and Improvements	10/25/06	735,000		540,547		65,428			
2/07	Refunding Authorization - Workers Compensation and Liability	05/15/07	1,015,000		15,000		15,000			
21/07	Acquisition of Computer Equipment	1/16/2008	200,000	\$ 10,000	\$ 190,000		57,813			
04/08	Refunding Emergency - Self-Insured Health Costs	3/19/2008	3,920,000		3,920,000		70,000			
			\$ 2,013,319	\$ 355,658	\$ 10,000	\$ 100,000	\$ 4,659,479	\$ 355,658		

Cash Disbursed \$ 556,964
 Due to Current Fund 3,951,337
 Due to State and Federal Grant 100,222
 Contracts Payable 50,956
\$ 4,659,479

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM CURRENT FUND**

Balance, July 1, 2007		\$ 1,587,336
Increased by:		
Capital Improvement Fund	\$ 36,750	
Serial Bonds Issued	11,483,000	
Premium on Serial Bonds Issued	<u>511,378</u>	
		<u>12,031,128</u>
		13,618,464
Decreased by:		
Receipts from Current Fund	583,000	
Bond Ordinance to Fund Emergency Authorization	3,850,000	
Interest Earned	475	
General Capital Expenditures Paid by Current Fund	101,337	
Bond Anticipation Notes	<u>7,373,000</u>	
		<u>11,907,812</u>
Balance, June 30, 2008		<u>\$ 1,710,652</u>

EXHIBIT C-14

**STATEMENT OF DUE FROM COMMUNITY
DEVELOPMENT BLOCK GRANT**

Balance, July 1, 2007		<u>\$ 65,940</u>
Balance, June 30, 2008		<u>\$ 65,940</u>

EXHIBIT C-15

STATEMENT OF DUE FROM FEDERAL AND STATE GRANT FUND

Balance, July 1, 2007		\$ 258,029
Increased by:		
Grant Receipts		<u>100,000</u>
		358,029
Decreased by:		
General Capital Fund Expenditures Paid by Federal and State Grant Fund		<u>100,222</u>
Balance, June 30, 2008		<u>\$ 257,807</u>

EXHIBIT C-16

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO TRUST OTHER FUND**

Balance, July 1, 2007	\$ <u>151,779</u>
Balance, June 30, 2008	\$ <u><u>151,779</u></u>

EXHIBIT C-17

STATEMENT OF DUE FROM BOARD OF EDUCATION

Balance, July 1, 2007	\$ <u>45,346</u>
Balance, June 30, 2008	\$ <u><u>45,346</u></u>

EXHIBIT C-18

STATEMENT OF DUE FROM DEPOSITORY

Balance, July 1, 2007	\$ <u>3,770</u>
Balance, June 30, 2008	\$ <u><u>3,770</u></u>

EXHIBIT C-19

STATEMENT OF RESERVE FOR PAYMENT OF DEBT

Balance, July 1, 2007	\$ <u>204,013</u>
Balance, June 30, 2008	\$ <u><u>204,013</u></u>

EXHIBIT C-20

STATEMENT OF CONTRACTS PAYABLE

Increased by:	
Charges to Improvement Authorizations	\$ <u>50,956</u>
Balance, June 30, 2008	\$ <u><u>50,956</u></u>

**TOWN OF WEST NEW YORK
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance, July 1, 2007	2008 Authorizations	Serial Bonds Issued	Balance, June 30, 2008
1836	Improvements to Schools	\$ 275,000			\$ 275,000
2072	Reconstruction and Repair of School Buildings	39,000			39,000
2081	Purchase of Land for a New Capital Project - School	19,000			19,000
24/94	Purchase of Land and Improvements	27,097			27,097
31/97	Reconstruction of Various Streets	33,700			33,700
22/02	Early Retirement Incentive Refunding Ordinance	300,000			300,000
07/05	Tax Refunding Ordinance	70,000			70,000
18/06	Equipment Purchases and Improvements	250			250
21/07	Acquisition of Various Computer Equipment		\$ 190,000	\$ 190,000	
04/08	Refunding Emergency - Self-Insured Health Costs	-	3,920,000	3,920,000	-
		<u>\$ 764,047</u>	<u>\$ 4,110,000</u>	<u>\$ 4,110,000</u>	<u>\$ 764,047</u>
	General Obligation				\$ 131,047
	School				333,000
	ERIP				<u>300,000</u>
					<u>\$ 764,047</u>

SINGLE AUDIT SECTION

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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 Board of Commissioners
Town of West New York
West New York, New Jersey

We have audited the financial statements – statutory basis of the Town of West New York as of and for the year ended June 30, 2008, and have issued our report thereon dated March 30, 2009 which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared using the statutory basis of accounting prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. In addition, our report on the financial statements – statutory basis was qualified because the General Fixed Assets Account Group financial statements were not updated for capital asset acquisitions and retirements for the year ended June 30, 2008. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of West New York'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, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the statutory basis of accounting such that there is more than a remote likelihood that a misstatement of the Town's financial statements that is more than inconsequential will not be prevented or detected by the Town's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2008-1 thru 2008-6 to be significant deficiencies in internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we considered items 2008-1 through 2008-6 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of West New York's financial statements 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as items 2008-1 through 2008-5.

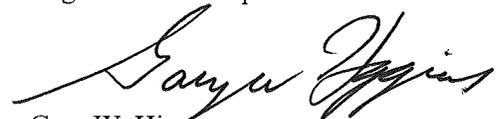
We also noted certain matters that we reported to management of the Town of West New York in Part III of this report of audit entitled "Letter of Comments and Recommendations".

The Town of West New York's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Town's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the governing body, management, New Jersey Department of Community Affairs and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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Certified Public Accountants
Registered Municipal Accountants



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

Honorable Mayor and Board of Commissioners
Town of West New York
West New York, New Jersey

Compliance

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

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

In our opinion, the Town of West New York complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04 and which are described in the accompanying schedule of findings and questioned costs as item 2008-7.

Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the Town's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A control deficiency in the Town's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the Town's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2008-7 to be a significant deficiency.

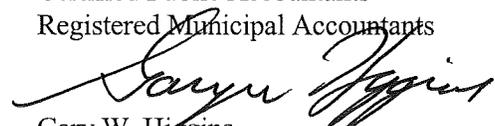
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the Town's internal control. The significant deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs, as item 2008-7 is considered to be a material weakness.

The Town of West New York's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Town of West New York's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the governing body, management, New Jersey Department of Community Affairs and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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Registered Municipal Accountants



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
March 30, 2009

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Federal CFDA Number	Grant or State Proj. Number	Grant Period From	Grant Period To	Grant Receipts	Grant Award Amount	Balance, July 1, 2007	Revenue Realized	Budgetary Expenditures	Adjustments	Balance, June 30, 2008
U.S. Department of Agriculture										
Passed - Through NJ Dept of Agriculture										
10.559	100-010-3360-078	7/1/1995	9/30/2002		\$ 31,582	\$ 14,289				\$ 14,289
10.559	100-010-3360-078	7/1/1996	9/30/2002		33,829	9,021				9,021
10.559	100-010-3360-078	7/1/1997	9/30/2002		38,399	18,543				18,543
10.559	100-010-3360-078	7/1/1998	9/30/2002		38,399	15,202				15,202
10.559	100-010-3360-078	7/1/2004	9/30/2002		43,421	2,458				2,458
10.559	100-010-3360-078	7/1/2005	9/30/2002		49,985	16,545				16,545
10.559	100-010-3360-078	7/1/2006	9/30/2007		56,245	23,000				23,000
10.559	100-010-3360-078	7/1/2007	9/30/2008	\$ 54,566	56,245	-	\$ 56,245	-	-	56,245
Total U.S. Department of Agriculture						99,058	56,245	-	-	155,303
U.S. Department of Housing & Urban Development										
Passed-Through Hudson County Dept. of FINANCE & ADMINISTRATION										
14.218		9/1/2004	6/30/2005		858,000	76,180		\$ (76,180)		
14.218		9/1/2005	6/30/2006		675,000	204,601		(199,847)		4,754
14.218		9/1/2006	6/30/2007		600,000	52,669		(66,491)	\$ 19,723	5,901
14.218		9/1/2007	6/30/2008		550,000	-	550,000	(242,682)	-	307,318
Total U.S. Department of Housing & Urban Development						333,450	550,000	(585,200)	19,723	317,973
U.S. Dept. of Justice										
Direct Aid										
16.711		7/1/1996	6/30/2001		75,000					
16.523	1500-209-343010	6/14/2003	6/13/2004		15,720	1,288				1,288
16.523	1500-209-343010				13,247	13,247				13,247
16.526		1/1/2008	12/31/2008	46,503	7,500	3,760				3,760
16.526		1/1/2008	12/31/2008	14,905	7,500	7,500		(24,500)		7,500
		1/1/2008	12/31/2008	14,905			46,503			22,003
		1/1/2008	12/31/2008	50,000			50,000			14,905
										50,000

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Federal CFDA Number	Grant or State Proj. Number	Grant Period From	Grant Period To	Grant Receipts	Grant Award Amount	Balance, July 1, 2007	Revenue Realized	Budgetary Expenditures	Adjustments	Balance, June 30, 2008
Passed Through Hudson County Prosecutor's Office										
16.592	Local Law Enforcement Block Grant	1/1/2002	12/31/2002		\$ 49,994					
16.592	Justice Assistance Grant 2006	1/1/2005	12/31/2005	\$ 11,600	25,895	\$ 25,895	\$ 21,094	\$ (12,961)		\$ 25,895
16.592	Justice Assistance Grant 2007	1/1/2006	12/31/2006							8,133
Total U.S. Dept. of Justice						51,690	132,502	(37,461)		146,731
U.S. Dept. of Transportation										
Direct Aid										
20.601	Drunk Driving Enforcement Fund	7/1/1996	6/30/2003		10,302	10,000				10,000
20.601	Drunk Driving Enforcement Fund	7/1/1998	6/30/2003		10,000	10,000				10,000
20.601	Drunk Driving Enforcement Fund	7/1/1999	6/30/2003		10,000	1,712				1,712
20.621	Drunk Driving Enforcement Fund	7/1/2005	6/30/2006	4,690	10,000	3,358	5,000	(5,000)		3,358
20.621	Drunk Driving Enforcement Fund	7/1/2006	6/30/2007		10,000					
Total U.S. Dept. of Transportation						25,070	5,000	(5,000)		25,070
Total Federal Financial Awards						\$ 509,268	\$ 743,747	\$ (627,661)	\$ 19,723	\$ 645,077

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

State Grant Program	Grant Number	Grant Period From To	Grant Receipts	Award Amount	Balance, June 30, 2007	Revenue Realized	Budgetary Expenditures	Balance, June 30, 2008
NJ Dept. of Community Affairs								
Direct Aid								
Additional Municipal Purpose Tax Assistance	100-222-8000-000	7/1/1995 6/30/2004		\$ 759	\$ 759			\$ 759
Neighborhood Preservation	100-222-8020-101	9/1/1996 6/30/2004		15,177	15,177			15,177
Neighborhood Preservation	100-222-8020-093	9/1/1997 6/30/2004		13,291	711			711
Neighborhood Preservation	100-222-8020-093	9/1/1996 6/30/2004		13,683	7,054			7,054
Safe Housing and Transportation	100-222-8000-000	7/1/1996 6/30/2004		37,500	11,907			11,907
Domestic Violence Training Grant		7/1/2007 6/30/2008	\$ 6,329			\$ 6,329		6,329
Police Body Armor Replacement	718-066-1021-001	7/1/2002 6/30/2004		10,000	458			458
Police Body Armor Replacement	718-066-1021-001	7/1/2003 6/30/2004		11,290	10,000	\$ (3,718)		6,282
Police Body Armor Replacement	718-066-1021-001	7/1/2004 6/30/2005		16,213	5,533	(5,533)		
Police Body Armor Replacement	718-066-1021-001	7/1/2006 6/30/2007		10,000	394	1,476	(1,870)	
Police Body Armor Replacement	718-066-1021-001	7/1/2006 6/30/2007		13,346	14,377			14,377
Statewide Livable Communities - Historic Buildings Aid	100-066-1020-108	1/1/2004 12/31/2006		60,000	54,030		(43,884)	10,146
Statewide Livable Communities - Capital Improvements	100-042-4800-353	4/30/2007 4/30/2007	29,000	190,000	157,266			157,266
Statewide Livable Communities - Senior Outreach		7/1/2006 6/30/2007	250,000	250,000				
Special Legislative Grant	100-022-8050-508	7/1/1999 6/30/2004		100,000	745			745
Deflator Grant	100-022-8000-000	7/1/2000 6/30/2004		5,000	5,000			5,000
New Jersey Special Legislative Grant -								
66th Street	100-022-8000-000	7/1/2001 6/30/2004		75,000	75,000		(63,504)	11,496
Social Worker	100-022-8000-000	7/1/2001 6/30/2004		50,000	5,812			5,812
Total NJ Dept. of Community Affairs			<u>285,329</u>	<u>364,223</u>	<u>7,805</u>	<u>(118,509)</u>		<u>253,519</u>

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

State Grant Program	Grant Number	Grant Period From To	Grant Receipts	Award Amount	Balance, June 30, 2007	Revenue Realized	Budgetary Expenditures	Balance, June 30, 2008
NJ Dept. of Commerce								
Direct Aid								
Urban Enterprise Zone - Litter Removal Program	763-020-2830-000	5/31/2004 5/31/2005		\$ 64,000	\$ 1,135	\$	(1,135)	\$ 1,950
Urban Enterprise Zone - Injection Vapor System	763-020-2830-000	7/15/2003 7/31/2004		10,486	1,950			81,673
Urban Enterprise Zone - Bergenline Ave	763-020-2830-000	10/13/2004 10/13/2005		133,250	81,673			61,129
Urban Enterprise Zone - Marketing Project	763-020-2830-000	6/9/2004 1/31/2006		340,000	119,026		(57,897)	
Urban Enterprise Zone - Police Rehiring	763-020-2830-000	7/1/2007 6/30/2008	\$ 133,101	225,000		\$ 225,000	(225,000)	14,764
Urban Enterprise Zone - Bergenline Ave	763-020-2830-000	10/13/2005 10/13/2006	6,940	133,250	14,764			6,260
Urban Enterprise Zone - Sweeper Truck	763-020-2830-000	1/12/2006 1/31/2007		178,800	6,260			10,625
Urban Enterprise Zone - Police Projects	763-020-2830-000	7/1/2006 6/30/2007	152,281	345,977	10,625			23,629
Urban Enterprise Zone - Bergenline Ave	763-020-2830-000	10/13/2006 10/13/2007	133,250	133,250	23,629		(49,413)	131,431
Urban Enterprise Zone - Marketing Program	763-020-2830-000	7/1/2006 6/30/2007	160,008	385,000	180,844			104,767
Urban Enterprise Zone - Facade Program	763-020-2830-000	7/1/2006 6/30/2007	6,482	165,000	104,767			
Urban Enterprise Zone - Administration	763-020-2830-000	7/1/2006 6/30/2007	25,001	85,000				
Urban Enterprise Zone - Bergenline Ave Intallment Loan - Year 9	763-020-2830-000	7/1/2007 6/30/2008	4,538	133,250	133,250		(180,000)	183,839
Urban Enterprise Zone - General Maintenance - Phase 2	763-020-2830-000	7/1/2007 6/30/2008	149,159	180,000	180,000		(6,844)	124,360
Urban Enterprise Zone - Litter Clean Up Phase 1 & Graffiti Truck	763-020-2830-000	7/1/2007 6/30/2008		190,683			(131)	
Urban Enterprise Zone - Litter Clean Up Phase 1 & Graffiti Truck	763-020-2830-000	7/1/2007 6/30/2008		124,360				
Total NJ Dept. of Commerce					544,673	853,293	(520,420)	877,546
NJ Dept. of Environmental Protection								
Direct Aid								
Clean Communities Program	765-042-4900-004	7/1/1997 6/30/2001		62,198	5,385			10,719
Clean Communities Program	765-042-4900-004	7/1/1998 6/30/2001		62,198	10,719			5,192
Clean Communities Program	765-042-4900-004	7/1/1999 6/30/2001		3,000	5,192			2,524
Clean Communities Program	765-042-4900-004	7/1/2001 6/30/2002		41,705	7,405			
Clean Communities Program	765-042-4900-004	7/1/2006 6/30/2007						
Green Acres Trust Fund								
Miller Stadium - Phase II	533-042-4800-003	7/1/2000 6/30/2004		500,000	191,622			50,000
Livable Communities - Wiegand Park Renovations								
Statewide Livable Communities - Weignand Park Rehabilitation	100-042-4875-353	7/1/2003 6/30/2004		150,000	50,000		(131,028)	
Statewide Livable Communities - Saint Mary's Park								
Statewide Livable Communities - Saint Mary's Park				199,976	131,028		(100,000)	
Statewide Livable Communities - Saint Mary's Park				100,000	100,000			
Passed-Through Hudson County Improvement Authority (HCIA)								
Environmental Grant	765-042-4900-004	7/1/1999 6/30/2001		6,930	331			

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

State Grant Program	Grant Number	Grant Period From To	Grant Receipts	Award Amount	Balance, June 30, 2007	Revenue Realized	Budgetary Expenditures	Balance, June 30, 2008
NJ Dept. of Environmental Protection								
Passed-Through New Jersey Economic Development Authority	P14583		-	\$ 77,611	\$ 11,239	-	-	\$ 11,239
Hazardous Discharge Site Remediation Municipal Grant			-		515,445	-	\$ (231,028)	284,417
N.J. Administrative Office of the Courts								
Direct Aid								
Alcohol Education and Rehabilitation	760-046-4240-001	7/1/1999 6/30/2001		2,638	893			893
Alcohol Education and Rehabilitation	760-046-4240-001	7/1/1999 6/30/2001		22,687	1,687			1,687
Alcohol Education and Rehabilitation	760-046-4240-002	7/2/2002 6/30/2003		2,358	1,416			1,416
Alcohol Education and Rehabilitation	760-046-4240-002	7/2/2004 6/30/2005		4,279	779		(525)	254
Alcohol Education and Rehabilitation	760-046-4240-002	7/2/2006 6/30/2007		1,240	1,240		-	1,240
Total NJ Dept. of Health			-	-	6,015	-	(525)	5,490
N.J. Dept of Health and Senior Services								
Direct Aid								
Public Health Priority Funding	100-046-4230-307	1/1/2004 12/31/2004		53,137	1,891			1,891
Public Health Priority Funding	100-046-4230-307	1/1/2005 12/31/2005		55,120	375			375
Public Health Priority Funding	100-046-4230-307	1/1/2008 12/31/2008	\$ 26,598	53,196	-	53,196	-	53,196
Total NJ Dept. of Human Services			26,598		2,266	53,196	-	55,462
NJ Dept. of Human Services								
Direct Aid								
Youth & Family Services	100-054-7570-051	7/1/1994 6/30/1995		6,500	6,500			6,500
Total NJ Dept. of Human Services			-	6,500	6,500	-	-	6,500
NJ Dept. of Law & Public Safety								
Direct Aid								
2007 Police Body Armor Replacement		7/1/2007 6/30/2008	12,904	12,904		12,904		12,904
Safe & Secure Communities PL 1994 Chapter 221	100-066-1020-108	7/1/2007 6/30/2008	60,000	60,000		60,000	(60,000)	
Pedestrian Safety Grant		7/1/2007 6/30/2008	-	22,000		22,000	(20,000)	2,000
Total NJ Dept. of Law & Public Safety			72,904		-	94,904	(80,000)	14,904

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

State Grant Program	Grant Number	Grant Period From To	Grant Receipts	Award Amount	Balance, June 30, 2007	Revenue Realized	Budgetary Expenditures	Balance, June 30, 2008
NJ Dept. of State								
Direct Aid								
NJ Heritage Historical Resources Survey	480-078-6320-497	7/1/1993 6/30/1994	-	\$ 8,250	\$ 2,331	-	-	\$ 2,331
Total NJ Dept. of State					2,331			2,331
NJ Dept. of Transportation								
Direct Aid								
New Jersey Transportation Trust Fund Authority Act (NJTFCAA):								
NJTFFAA - 57th & 58th St.	480-078-6320-497	7/1/1996 6/30/2003		115,000	19,080			19,080
NJTFFAA - 57th St. Section 2	480-078-6320-300	7/1/1996 6/30/2003		66,000	20,763			20,763
NJTFFAA - 63rd & Bergenline	480-078-6320-497	7/1/1996 6/30/2003		115,000	59,379	\$ (41,530)		17,849
NJTFFAA - 64th St.	480-078-6320-300	7/1/1996 6/30/2003		30,000	6,524			6,524
NJTFFAA - Municipal Urban Aid, 1995	480-078-6320-497	7/1/1994 6/30/2004		170,000	5,498			5,498
NJTFFAA - Overhead Signal, 60th & Bergenline	480-078-6320-497	7/1/1996 6/30/2004		115,000	5,176			5,176
NJTFFAA - Overhead Signal, 60th & Park Ave.	480-078-6320-497	7/1/1996 6/30/2004		130,000	10,102			10,102
NJTFFAA - Overhead Signal, 67th & Broadway	480-078-6320-172	7/1/1996 6/30/2004		120,000	18,882			18,882
NJTFFAA - Pallasades, 49th	480-078-6320-497	7/1/1996 6/30/2004		115,000	6,622			6,622
NJTFFAA - Washington	480-078-6320-300	7/1/1996 6/30/2004		33,000	8,150			8,150
NJTFFAA - 66th St.	480-078-6320-300	7/1/1998 6/30/2004		200,000	1,913			1,913
NJTFFAA - 65th St.	480-078-6320-300	7/1/2000 6/30/2004		230,000	89,081			89,081
NJTFFAA - 56th St, Highland, & Monitor Place	480-078-6320-300	7/1/2000 6/30/2004		209,000	51,787			51,787
NJTFFAA - 50th, 55th and 56th St.	480-078-6320-300	7/1/2002 6/30/2004		221,250	221,250			221,250
NJTFFAA - Livable Communities - Park Avenue	480-078-6320-300	7/1/2003 6/30/2004		450,000	63,853			63,853
NJTFFAA - Livable Communities - Bergenline/49th Street	480-078-6320-300	7/1/2003 6/30/2004		150,000	150,000			150,000
NJTFFAA - Park Avenue	480-078-6320-300	7/1/2003 6/30/2004		200,000	200,000			200,000
NJTFFAA - Bergenline Avenue Signals	480-078-6320-300	7/1/2003 6/30/2004		350,000	85,583			85,583
NJTFFAA - Bergenline Section 2	480-078-6320-300	7/1/2004 6/30/2005		600,000	75,873			75,873
FY05 Municipal Aid Program - Various Streets	480-078-6320-300	7/1/2004 6/30/2005		290,000	32,888			32,888
FY00 Municipal Aid Program - Improvements to Broadway	480-078-6320-300			1,000,000	379,914	(90,133)		289,781
FY06 Municipal Aid Program - 61st Street, Section 2	480-078-6320-300			308,000	185,426	(185,426)		-
FY04 Municipal Aid Program - Jackson Ave.	480-078-6320-300			125,000	125,000	(125,000)		-
Total NJ Dept. of Transportation					1,822,744		(442,089)	1,380,655

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

State Grant Program	Grant Number	Grant Period From To	Grant Receipts	Award Amount	Balance, June 30, 2007	Revenue Realized	Budgetary Expenditures	Balance, June 30, 2008
NJ Dept. of the Treasury								
Direct Aid								
Special Purpose Grant - Upgrades to Recreational Facilities	100-094-9420-047	7/1/2004 12/31/2005		\$ 1,400,000	\$ 774,729		\$ (326,759)	\$ 447,970
Special Purpose Grant - Street Repavement	100-094-9420-047	7/1/2004 12/31/2005		1,350,000	360,506		(6,700)	353,806
Special Purpose Grant - Downtown Beautification	100-094-9420-047	7/1/2004 12/31/2005		250,000	114,270		(19,960)	94,310
Special Purpose Grant - Parking Garage Refurbishment	100-094-9420-047	7/1/2004 12/31/2005		2,000,000	96,007		(96,007)	
Special Purpose Grant - Memorial Recreation Complex	100-094-9420-047	1/1/2006 12/31/2006		50,000	50,000		(50,000)	
NJ Dept. of the Treasury								
Passed-Through Hudson County Dept. of Finance & Administration								
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	7/1/1997 6/30/2001		55,080	4,118			4,118
Local Share				13,783	13			13
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	7/1/1998 6/30/2001		55,080	8,929			8,929
Local Share				13,783	529			529
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	7/1/2000 6/30/2001		43,228	15,279			15,279
Local Share				10,807	3,820			3,820
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	7/1/2001 6/30/2002		40,946	4,238			4,238
Local Share				13,650	1,413			1,413
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2003 12/31/2003		40,946	3,750			3,750
Local Share				13,650	329			329
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2004 12/31/2004		48,334	6,726			6,726
Local Share				15,950	1,844			1,844
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2004 12/31/2004		3,413	3,413			3,413
Local Share								
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2005 12/31/2005		40,946	3,011			3,011
Local Share				10,237	753			753
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2006 12/31/2006			42			42
Local Share								
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2007 12/31/2007		52,997	15,278			15,278
Local Share				13,249	676			676
Municipal Alliance on Alcoholism & Drug Abuse - County Share	100-082-2000-044	1/1/2008 12/31/2008	\$ 52,997	52,997	-	\$ 52,997	-	52,997
			52,997		1,469,673	52,997	(499,426)	1,023,244
			\$ 1,208,588	\$ 1,062,195	\$ 4,733,870	\$ 1,891,997	\$ (1,891,997)	\$ 3,904,068

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

**TOWN OF WEST NEW YORK
 NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 YEAR ENDED JUNE 30, 2008**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal awards and state financial assistance programs of the Town of West New York. The Town is defined in Note 1(A) to the Town's financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards.

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Federal and State Grant Fund	\$ 193,747	\$ 1,062,195	\$ 1,255,942
Community Development Block Grant Fund	<u>550,000</u>	<u>-</u>	<u>550,000</u>
	<u>\$ 743,747</u>	<u>\$ 1,062,195</u>	<u>\$ 1,805,942</u>

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Town's fiscal year and grant program year.

**TOWN OF WEST NEW YORK
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2008**

NOTE 5 STATE LOANS OUTSTANDING

The Town's state loans outstanding at June 30, 2008, which are not required to be reported on the schedule of state financial assistance, are as follows:

<u>Loan Program</u>	<u>Total</u>
State of NJ Green Trust Loans	\$ 1,720,482
Casino Reinvestment Development Authority Loan	<u>178,727</u>
	<u>\$ 1,899,209</u>

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Qualified

Internal control over financial reporting:

1) Significant Deficiencies identified? X yes no

2) Were significant deficiencies identified that were
not considered to be material weaknesses? yes X no

Noncompliance material to financial
statements noted? X yes no

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-1:

Certain accounts in the general ledgers for the year ended June 30, 2008 were not in agreement with the Treasurer's monthly reports, supporting reconciliations, subsidiary records and/or journals.

Criteria or specific requirement:

- N.J.A.C. 5:30-5.7 General Ledger Accounting Systems.
- Technical Accounting Directive No. 85-3 "General Ledger Accounting System".

Condition:

See Finding 2008-1.

Questioned Costs:

Not Applicable

Context:

The general ledgers were not reconciled to the subsidiary records of the Town resulting in various general ledger accounts being materially misstated at June 30, 2008.

Effect:

Financial statements presented for audit contained material misstatements, however, numerous audit adjustments were applied to the financial statements in order to properly reflect account balances.

Cause:

Unknown.

Recommendation:

Internal controls over financial reporting be reviewed and enhanced to ensure financial statements maintained by the Town are properly reported.

Management's Response:

The Town has leased a new accounting software package as of July 1, 2008 that should allow these issues to be resolved.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-2:

The Town's fixed asset accounting and reporting system was not updated for the fiscal year ended June 30, 2008.

Criteria or specific requirement:

Technical Accounting Directive No. 85-2 "Accounting for Governmental Fixed Assets".

Condition:

Fixed asset records were not updated for assets acquired or disposed of during the fiscal year ended June 30, 2008.

Questioned Costs:

Not Applicable.

Context:

No fixed asset acquisition or retirements were recorded in the fixed asset accounting and reporting system.

Effect:

The June 30 financial statements were not fairly stated for the General Fixed Assets Account Group. The June 30, 2008 auditors' opinion was qualified for this matter.

Cause:

Unknown.

Recommendation:

The Town's fixed asset accounting and reporting system be currently maintained.

Management's Response:

The Town is in the process of contracting with an outside consultant to update the fixed asset accounting and reporting system.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-3:

Our audit revealed the following as of June 30, 2008:

Current Fund – Overexpenditure of Appropriations - \$192,422
 Current Fund – Overexpenditure of Appropriation Reserves - \$1,698,069
 Other Trust Fund – Overexpenditure of Unemployment Reserve - \$216,032

Criteria or specific requirement:

- Technical Accounting Directive No. 85-1 “Encumbrance Accounting System.
- NJSA 40A:4-57, expenditures void without appropriations.

Condition:

- Certain expenditures were charged to the incorrect budget year.
- All overexpenditures set forth above resulted from audit adjustments made to record liabilities which were not recorded in the accounting records and/or mischarged to the incorrect budget year.

Questioned Costs:

None.

Context:

- Liabilities relating to the SFY 2007 appropriation reserves were not properly encumbered against reserve balances resulting in overexpenditures of the following budget accounts

Employee Group Health	\$ 533,000
Contribution to North Hudson Regional Fire	<u>1,165,068</u>
	<u>\$1,698,069</u>

- Liabilities relating to the SFY 2008 appropriations were not properly encumbered against appropriation balances resulting in overexpenditures of the following budget accounts:

Law Department – Other Expenses	\$ 65,497
Street Lighting	4,295
Building Department – Other Expenses	<u>122,630</u>
	<u>\$192,422</u>

- Liabilities relating to the unemployment reserve in the Other Trust Fund were not properly encumbered against the reserve balance resulting in a deficit balance of \$216,032.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-3: (Continued)

Effect:

Certain appropriations were not sufficient to fund liabilities incurred resulting in deferred charges that must be raised in future years' budgets.

Cause:

Unknown.

Recommendation:

Internal controls over encumbrances be reviewed and enhanced and expenditures be charged to the proper budget year.

Management's Response:

Internal controls have been reviewed within the Finance Department and new procedures have been implemented regarding encumbrances and ensuring the proper budget is charged.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-4:

Purchases of the following types of goods exceeded the bid threshold in aggregate and were not awarded by public bid in accordance with 40A:11, et. seq.

- Diesel Fuel
- Recreation Equipment
- Municipal Pool Repairs

Criteria or specific requirement:

New Jersey Local Public Contracts Law – NJSA 40A:11-4 “Contracts Required to be Advertised”.

Condition:

The Town contracted for certain goods in excess of the bid threshold of \$29,000 where no evidence of public bidding or State contract existed.

Questioned Costs:

Undeterminable.

Context:

The Town contracted for diesel fuel, recreation equipment, and municipal pool repairs in the amount of \$79,099, \$85,190 and \$122,630 without public bids.

Effect:

The Town is not in compliance with NJ Local Public Contracts Law.

Cause:

Unknown.

Recommendation:

All contracts for goods and services which in the aggregate exceed the bid threshold be publicly bid in accordance with the New Jersey Local Public Contracts Law.

Management’s Response:

The Town has appointed a new Qualified Purchasing Agent (“QPA”) to ensure compliance with the Local Public Contracts Law.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-5:

The audit of Payments In Lieu of Taxes (PILOT) revenue indicated the following:

- Periodic year to date financial reports representing all PILOT agreements including billings, cash receipts and outstanding balances were not available for audit.
- Certain PILOT financial agreements were not available for audit.
- Annual audits required to be submitted by entity's owning projects subject to an approved PILOT were not on file with the Town.
- The Town did not remit 5% of the annual service charge to the County of Hudson for financial agreements entered into on or after July 9, 2003, if any.

Criteria or specific requirement:

- N.J.S. 40A:20-1 et. seq. (the "Exemption Law").
- Specific Financial Agreements.

Condition:

See Finding 2008-5.

Questioned Costs:

Undeterminable.

Context:

See Finding 2008-5.

Effect:

Inability to determine accuracy of PILOT revenues, receivable balances and compliance with terms of financial agreements.

Cause:

A town employee has not been designated with responsibility in ensuring compliance of requirements contained in financial agreements between the Town and various entity's receiving long-term tax exemptions.

Recommendation:

Internal controls over payment in lieu of taxes revenue be reviewed and enhanced. Additionally, compliance requirements relating to financial agreements and the New Jersey Long-Term Exemption Law be adhered with.

Management's Response:

All PILOT financial agreements will be obtained, reviewed and appropriate action taken to ensure compliance with agreements and State Laws.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2008-6:

The audit of the Town's Information Technology (IT) indicated the following:

- An inventory of all software and hardware is not maintained.
- Data is backed up on a daily basis, however it is not stored offsite.
- Formal policies and procedures do not exist for acceptable use of computers.
- One Town employee is not assigned overall responsibility of Information Technology.

Criteria or specific requirement:

Internal controls over Information Technology.

Condition:

See Finding 2008-6.

Questioned Costs:

Not Applicable.

Context:

See Finding 2008-6.

Effect:

Controls pertaining to the Town's Information Technology do not exist to ensure: 1) systems are always available and protected against losses, 2) information is limited only to personnel who are permitted access to the Town's data, and 3) the information provided by the systems are accurate, reliable and timely.

Cause:

Unknown.

Recommendation:

Internal controls over Information Technology be reviewed and enhanced to ensure the control environment is secure, effective and efficient.

Management's Response:

The Business Administrator is reviewing the Town's alternatives with respect to the management of Information Technology.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

Finding 2008-7:

Our audit revealed the Town did not submit to the Division of Local Aid an application form (SA-96) and a cost reimbursement request form for projects completed.

Information on the State program:

N.J. Department of Transportation 480-078-6320-300

Criteria or specific requirement:

According to the terms of the State program of the Department of Transportation and N.J.A.C. Chapter 20A & 20B, a grantee is required to maintain complete documentation of the project. These documents include for the Grantee to prepare and submit to the Division of Local Aid an Application Form (SA-96) and a cost reimbursement request forms (state voucher form).

Condition:

Town of West New York was unable to provide, on three (3) projects, the applications and cost certifications submitted and approved for expenditures for various projects funded by New Jersey Department of Transportation in the period under audit.

Context:

Required documents for three projects totaling \$442,089 in expenditures were not completed.

Effect:

Town of West New York is not in compliance with the requirements of the grant agreements for maintaining the required documentation for audit inspection.

Cause:

Town of West New York did not maintain approved copies of the Form SA-96 and cost certifications submitted to the Department of Transportation for three projects.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

CURRENT YEAR STATE AWARDS (Continued)

Finding 2008-7: (Continued)

Questioned Costs:

None.

Recommendation:

The Town should implement policies and procedures to ensure that required applications, forms and reports are filed timely, reconciled and maintained for the required period of time as defined in the Department of Transportation agreements.

Management's Response:

The Acting Chief Financial Officer is actively reviewing outstanding grant balances and related filings.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

This section identified the status of prior-year findings related to the financial statements – statutory basis and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315(a)(b)) and New Jersey OMB's Circular 04-04.

STATUS OF PRIOR YEAR FINDINGS

Finding 2007-1

At June 30, 2007, numerous journal entries were required to record the activity of the Trust and Capital Funds in order to properly reflect the activity and balances in these funds.

Current Status

This item is similarly repeated in the current year as Finding 2008-1.

Finding 2007-2

At June 30, 2007, the Town had incurred a liability for prior year bills without sufficient available appropriations. The amounts incurred without an appropriation was for \$124,686. This amount will be resolved by being raised in a subsequent budget.

Current Status

This item is similarly repeated in the current year as Finding 2008-3.

Finding 2007-3

**New Jersey Department of Commerce
Urban Enterprise Zone – State Project #763-020-2830-000**

The Town of West New York did not file interim expenditures, financial progress, and final reports by the due dates.

Current Status

Corrective action has been taken.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

This section identified the status of prior-year findings related to the financial statements – statutory basis and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315(a)(b)) and New Jersey OMB's Circular 04-04.

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2007-4

**New Jersey Department of Treasury
State Project #100-094-9420-047**

Condition:

The Town of West New York did not have procedures in place to monitor, summarize and report the amount of interest earned on advanced State payments.

Current Status

Corrective action has been taken.

Finding 2007-5

**New Jersey Department of Transportation
New Jersey Transportation Trust Fund – State Project #480-078-6320-300**

Condition:

The Town of West New York was unable to provide, on two (2) projects, the applications and cost certifications submitted and approved for expenditures for various projects funded by New Jersey Department of Transportation in the period under audit.

Current Status

This item is similarly reported in the current year as findings 2008-7.

TOWN OF WEST NEW YORK

PART III

SUPPORTING DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

FISCAL YEAR ENDED JUNE 30, 2008

**TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
CURRENT FUND**

	<u>Fiscal Year 2007/08</u>		<u>Fiscal Year 2006/07</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized			\$ 1,500,000	1.92 %
Miscellaneous - From Other Than Local				
Property Tax Levies	\$ 36,631,804	42.22 %	30,228,505	38.74
Collection of Delinquent Taxes and Tax Title Liens	1,138,759	1.31	798,630	1.02
Collection of Current Tax Levy	48,557,962	55.96	45,426,463	58.21
Other Credits	<u>446,171</u>	<u>0.51</u>	<u>81,743</u>	<u>0.11</u>
Total Income	<u>86,774,696</u>	<u>100.00 %</u>	<u>78,035,341</u>	<u>100.00 %</u>
EXPENDITURES				
Budget Expenditures				
Municipal Purposes	63,208,750	71.83 %	59,339,962	71.53 %
Local School Purposes	1,268,423	1.44	1,156,842	1.39
County Taxes	10,383,295	11.80	9,799,545	11.81
Local District School Taxes	13,112,154	14.90	12,607,840	15.20
Other Expenditures - Debits	<u>1,727,553</u>	<u>0.03</u>	<u>50,834</u>	<u>0.07</u>
Total Expenditures	<u>89,700,175</u>	<u>100.00 %</u>	<u>82,955,023</u>	<u>100.00 %</u>
Excess(Deficit) in Revenue	(2,925,479)		(4,919,682)	
Less Expenditures to be Raised by Future Taxes	2,376,191		4,795,686	
Less Expenditures Which Were Funded by Bond Ordinance	<u>-</u>		<u>1,000,000</u>	
Statutory Excess to Fund Balance			876,004	
Deficit in Operations to be Raised in Budget of Succeeding Year	<u>\$ 549,288</u>		<u>-</u>	
Fund Balance, Beginning of Year	<u>1,455,662</u>		<u>2,079,658</u>	
	1,455,662		2,955,662	
Less Utilization as Anticipated Revenue	<u>-</u>		<u>1,500,000</u>	
Fund Balance, End of Year	<u>\$ 1,455,662</u>		<u>\$ 1,455,662</u>	

**TOWN OF WEST NEW YORK
COMPARATIVE SCHEDULE OF TAX RATE INFORMATION**

	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Tax Rate - Fiscal Year</u>	<u>\$5.620</u>	<u>\$4.962</u>	<u>\$4.876</u>
<u>Apportionment of Tax Rate</u>			
Municipal	3.073	2.508	2.442
County	1.096	1.054	0.998
Local School	1.393	1.353	1.386
Local School Required by Local Municipal Budget	0.058	0.047	0.050
<u>Assessed Valuation</u>			
2008	<u>\$960,679,425</u>		
2007		<u>\$950,480,860</u>	
2006			<u>\$942,324,238</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
June 30, 2008	\$ 51,043,457	\$ 48,557,962	95.13%
June 30, 2007	46,697,391	45,426,463	96.89%
June 30, 2006	45,396,111	44,675,649	98.41%

**TOWN OF WEST NEW YORK
DELINQUENT TAXES AND TAX TITLE LIENS**

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

<u>Period Ended</u>	Amount of Tax Title <u>Liens</u>	Amount of Delinquent <u>Taxes</u>	Total <u>Delinquent</u>	Percentage of <u>Tax Levy</u>
June 30, 2008	\$ 310	\$ 2,208,572	\$ 2,208,882	4.33%
June 30, 2007	284	1,181,990	1,182,274	2.53%
June 30, 2006	190	765,789	765,979	1.69%

COMPARATIVE SCHEDULE OF FUND BALANCE

	<u>June 30 Year</u>	<u>Balance Year End</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2008	\$1,455,662	\$-0-
	2007	1,455,662	-0-
	2006	2,079,850	1,500,000
	2005	1,037,420	29,375
	2004	1,623,794	670,931

**TOWN OF WEST NEW YORK
OFFICIALS IN OFFICE AND SURETY BONDS
AS OF JUNE 30, 2008**

<u>Name</u>	<u>Title</u>	<u>Term</u>	<u>Amount of Bond</u>
Silverio Vega	Mayor; Director of Department of Public Affairs	May 1, 2007-2011	
Alberto Rodriguez	Commissioner; Director of Department of Parks and Public Property	May 1, 2007-2011	
Gerald Lange, Jr	Commissioner; Director of Department of Revenue and Finance	May 1, 2007-2011	
Lawrence Riccardi	Commissioner; Director of Department of Public Safety	May 1, 2007-2011	
Michelle Fernandez-Lopez	Commissioner; Director of Department of Public Works	May 1, 2007-2011	
Nicholas Goldsach	Business Administrator		(A)
Darren Maloney	Chief Financial Officer; Treasurer; Purchasing Agent		(A)
Carmela Riccie	Town Clerk		(A)
Kerri Tierney	Tax Collector		(A)
Sal Bonnaccorsi	Tax Assessor; Tax Searcher		(A)
Amarilis A. Diaz	Judge		(A)
Daisy Bello	Court Administrator		(A)

(A) The employees were covered by a policy in the amount of \$1,000,000 under the Municipal Excess Liability Joint Insurance Fund.

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Our comments with respect to our examination and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the examination are herewith set forth.

FINANCE

Finding - Our audit revealed inactive grant receivable and appropriated reserve balances in the Federal and State Grant Fund as of June 30, 2008.

Recommendation - Inactive grant receivable and appropriated reserve balances be reviewed and cleared of record.

[Finding same as prior year 2007-8]

Finding - The audit of the Other Trust Fund indicated the Town utilizes numerous bank accounts to maintain the Fund's financial transactions.

Recommendation - Consideration be given to consolidate the numerous bank accounts maintained for the Other Trust Fund.

Finding - The audit revealed the Town maintained certain miscellaneous reserves in the Other Trust Fund; however, a dedication by rider was not sought from the Division of Local Government Services.

Recommendation - The miscellaneous reserves in the Other Trust Fund with no approved dedication by rider be cleared of record or approval of a dedication by rider be requested from the Division of Local Government Services.

[Finding same as prior year 2007-9]

Finding - Our audit revealed that the accounting for outside employment of police officers was not made in compliance with practices prescribed by the Division of Local Government Services.

Recommendation - Financial transactions relating to the outside employment of police officers be made in accordance with the requirements of the Division of Local Government Services.

Finding - Our audit revealed numerous Interfunds exist at June 30, 2008.

Recommendation - Interfund balances be liquidated as of June 30.

Finding - Our audit of bank reconciliations indicated that certain reconciling items existed at June 30, 2008 which should be reviewed for validity and cleared of record.

Recommendation - Reconciling items on bank reconciliations be reviewed for validity and cleared of record.

Finding - The Town incurred a Current Fund operating deficit of \$549,288 in fiscal year 2008.

Recommendation - Internal controls be enhanced to ensure an operating deficit does not reoccur in future years.

Finding - Recordkeeping pertaining to compensated absences is not centrally maintained. Additionally, certain records are maintained predominantly on a manual basis and actual liability amount is not calculated on a periodic basis.

Recommendation - Recordkeeping for employee compensated absences be centrally maintained, computerized and integrated with the payroll system.

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

FINANCE (Continued)

Finding – Our audit revealed the delinquent balances per the Tax Collector subsidiary tax ledgers did not agree to the delinquent balances per the general ledger.

Recommendation – The Tax Collector’s subsidiary tax ledgers be reconciled to the general ledger on a monthly basis.

MUNICIPAL COURT

Finding - The audit of the Municipal Court indicated there exists old outstanding checks on both the bail and regular account bank reconciliations.

Recommendation – The old outstanding checks on both the Municipal Court bail and regular accounts bank reconciliations be reviewed and cleared of record.

Finding - The audit of the Municipal Court indicated numerous tickets included on the “Tickets Assigned Not Issued Report” were outstanding in excess of six months.

Recommendation - All tickets outstanding in excess of six months on the Municipal Court’s “Tickets Assigned Not Issued Report” be recalled.

[Finding same as prior year 2007-13]

DEPARTMENTS

Finding – The Tax Collector Department, Health Department and Fire Prevention Department did not prepare standard bank reconciliations on a monthly basis.

Recommendation – All departments prepare bank reconciliations on a monthly basis.

[Findings same as prior year 2007-18, 2007-19 and 2007-22]

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$29,000, except by contract or agreement."

The Governing Body of the Town has the responsibility of determining whether the expenditures in any category will exceed \$29,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Town Counsel's opinion should be sought before a commitment is made.

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

Refurbishing Elevator at Town Hall	Graffiti Equipment Retrofit
General Contracting Services	DPW Vehicles
Printing Services	Summer Food Program
Acquisition of UEZ Green Machines	Landscaping Services
Janitorial Supplies	Tree Planting and Beautification

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Collection of Interest on Delinquent Taxes and Assessments

The statutes provide 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.

No record was found in the minutes of the period under audit, but upon inquiry, the municipal clerk could produce a prior minute record of the action of the governing body authorizing the rate of interest to be charged on delinquent taxes. The governing body on April 15, 1992 adopted the following resolution authorizing interest to be charged on delinquent taxes.

"BE IT RESOLVED, that in accordance with N.J.S.A. 54:4-67 as amended by Chapter 435, New Jersey Laws of 1979, that interest shall be charged for the non-payment of taxes or assessments on real property in the Town of West New York, on or after the date when they would become delinquent; and

BE IT FURTHER RESOLVED, that the rate of interest for the non-payment of taxes or assessments on real property in the Town of West New York, on or after the date when they would become delinquent, shall be eight percent (8%) per annum on the first \$1,500 provided, however, that no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same become payable. Installments of taxes or assessments received after the expiration of the grace period herein granted shall bear interest from the due date of the installment. A six (6%) percent penalty made be charged on any delinquency in excess of \$10,000 if not paid by the end of the fiscal year; and

BE IT FURTHER RESOLVED, that the provisions of this resolution shall be effective with respect to all payments of taxes and assessments, and interest upon delinquent installments thereon, which shall be assessed from and after the date of this resolution, and

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Collection of Interest on Delinquent Taxes and Assessments (Continued)

BE IT FURTHER RESOLVED, that any resolution heretofore adopted with respect to the payment of interest by reason of the non-payment of delinquent installments upon taxes and assessments herewith, are hereby rescinded; and

BE IT FURTHER RESOLVED, that the Assistant Tax Collector be authorized to hold an annual sale on back taxes pursuant to N.J.S.A. 54:5-19; and

BE IT FURTHER RESOLVED that the provisions of this resolution be effective upon adoption”.

The last tax sale was held on May 30, 2008 and was complete.

The following comparison is made of the number of tax title liens receivable on June 30 of the last three years.

<u>Fiscal Year</u>	<u>Number of Liens</u>
2008	1
2007	1
2006	1

Suggestions to Management

It is suggested:

- Continued efforts be made to collect delinquent fines and costs levied by the Municipal Court.
- Contract between the Town and its insurance “third party administrator” be amended to specify the requirement of obtaining an annual service provider internal control opinion.

TOWN OF WEST NEW YORK RECOMMENDATIONS

It is recommended that:

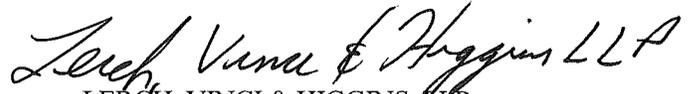
- * 1. Internal controls over financial reporting be reviewed and enhanced to ensure financial statements maintained by the Town are properly reported.
- 2. The Town's fixed asset accounting and reporting system be currently maintained.
- * 3. Internal controls over encumbrances be reviewed and enhanced and expenditures be charged to the proper budget year.
- 4. All contracts for goods and services which in the aggregate exceed the bid threshold be publicly bid in accordance with the New Jersey Local Public Contracts Law.
- 5. Internal controls over payment in lieu of taxes revenue be reviewed and enhanced. Additionally, compliance requirements relating to financial agreements and the New Jersey Long-Term Exemption Law be adhered with.
- 6. Internal controls over Information Technology be reviewed and enhanced to ensure the control environment is secure, effective and efficient.
- * 7. The Town should implement policies and procedures to ensure that required applications, forms and reports are filed timely, reconciled and maintained for the required period of time as defined in the Department of Transportation Agreements.
- * 8. Inactive grant receivable and appropriated reserve balances be reviewed and cleared of record.
- 9. Consideration be given to consolidate the numerous bank accounts maintained for the Other Trust Fund.
- * 10. The miscellaneous reserves in the Other Trust Fund with no approved dedication by rider be cleared of record or approval of a dedication by rider be requested from the Division of Local Government Services.
- 11. Financial transactions relating to the outside employment of police officers be made in accordance with the requirements of the Division of Local Government Services.
- 12. The old outstanding checks on both the Municipal Court bail and regular accounts bank reconciliations be reviewed and cleared of record.
- * 13. All tickets outstanding in excess of six months on the Municipal Court's "Tickets Assigned Not Issued Report" be recalled.
- 14. Interfund balances be liquidated as of June 30.
- 15. Reconciling items on bank reconciliations be reviewed for validity and cleared of record.
- 16. Internal controls be enhanced to ensure an operating deficit does not reoccur in future years.
- 17. The Tax Collector's subsidiary tax ledgers be reconciled to the general ledger on a monthly basis.
- * 18. All departments prepare bank reconciliations on a monthly basis.
- 19. Recordkeeping for employee compensated absences be centrally maintained, computerized and integrated with the payroll system.

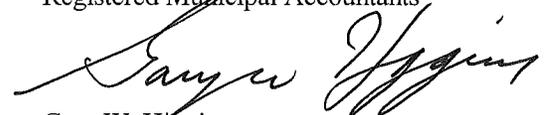
**TOWN OF WEST NEW YORK
RECOMMENDATIONS**

A review was performed on all prior years' recommendations and corrective action was taken with the exception of those recommendations denoted with an asterisk (*).

The findings noted in our audit were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants


Gary W. Higgins
Certified Public Accountant
RMA Number CR00405