

TOWN OF WEST NEW YORK
HUDSON COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED JUNE 30, 2010

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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, 2010

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 accompanying balance sheets - regulatory basis of the various funds and account group of the Town of West New York as of June 30, 2010 and 2009 and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the year ended June 30, 2010. 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 audits.

We conducted our audits 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 audits provide 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 regulatory 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 regulatory accounting practices and the accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

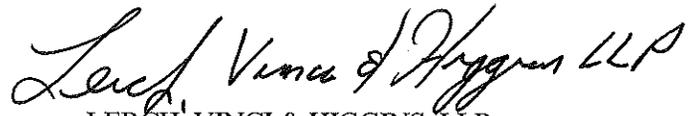
In our opinion, because of the effects of the Town preparing its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to previously do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Town of West New York as of June 30, 2010 and 2009 for the years 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.

INDEPENDENT AUDITORS' REPORT (Continued)

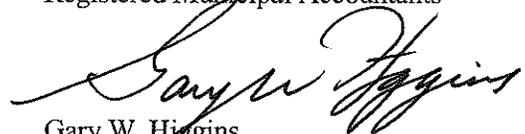
However, in our opinion, the financial statements - regulatory basis referred to previously present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the Town of West New York as of June 30, 2010 and 2009 and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the revenues - regulatory basis and the expenditures - regulatory basis of the Current Fund for the year ended June 30, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated March 8, 2011 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 considered in assessing 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, 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 8, 2011

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF JUNE 30, 2010 AND 2009**

| ASSETS | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|--|------------------|----------------------|----------------------|
| Regular Fund | | | |
| Cash | A-4 | \$ 10,837,288 | \$ 6,311,121 |
| Cash - Change Funds | A-5 | 500 | 500 |
| Due from Board of Education | A-23 | <u>24,366</u> | <u>-</u> |
| | | <u>10,862,154</u> | <u>6,311,621</u> |
| Receivables and Other Assets With Full Reserves | | | |
| Delinquent Property Taxes | A-9 | 63,470 | 2,588,852 |
| Tax Title Liens | A-10 | 170,262 | 342 |
| Prepaid Expense | A-22 | 79,396 | |
| Revenue Accounts Receivable | A-11 | 175,949 | 246,673 |
| Due from Animal Control Fund | B-5 | 10,860 | 26,158 |
| Due from Other Trust Fund | B-6 | | 115,776 |
| Due from Community Development Block Grant Fund | B-19 | <u>105,144</u> | <u>105,141</u> |
| | | <u>605,081</u> | <u>3,082,942</u> |
| Deferred Charges | | | |
| Overexpenditure of Appropriations | A-12 | 456,066 | 397,700 |
| Overexpenditure of Appropriation Reserves | A-12 | <u>800,000</u> | <u>2,050,464</u> |
| | | <u>1,256,066</u> | <u>2,448,164</u> |
| Total Regular Fund | | <u>12,723,301</u> | <u>11,842,727</u> |
| Federal and State Grant Fund | | | |
| Cash - Treasurer | A-7 | 1,982,226 | 1,672,343 |
| Due from Community Development Block Grant Fund | A-24 | 372,635 | 5,000 |
| Due from Current Fund | A-25 | 48,889 | |
| Federal and State Grant Receivables | A-26 | <u>3,257,639</u> | <u>3,018,111</u> |
| Total Federal and State Grant Fund | | <u>5,661,389</u> | <u>4,695,454</u> |
| Total Assets | | <u>\$ 18,384,690</u> | <u>\$ 16,538,181</u> |

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF JUNE 30, 2010 AND 2009

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|---|------------------|---------------------|---------------------|
| LIABILITIES, RESERVES AND FUND BALANCE | | | |
| Regular Fund | | | |
| Appropriation Reserves | A-3,A-13 | \$ 2,935,736 | \$ 3,455,800 |
| Accounts Payable | A-19 | 112,136 | |
| Encumbrances Payable | A-14 | 969,308 | 960,664 |
| Prepaid Taxes | A-15 | 65,463 | 58,482 |
| Tax Overpayments | A-16 | 756,321 | 674,427 |
| Due to Federal and State Grant Fund | A-25 | 48,889 | |
| Due to Other Trust Fund | B-6 | 510,568 | |
| Due to North Hudson Community Action Corporation | C-13 | 84,178 | |
| Due to North Hudson Sewerage Authority | A-20 | | 253,011 |
| Reserve for Tax Appeals | A-8 | 400,000 | 400,000 |
| Due to State of New Jersey for Senior Citizens' and Veterans' Deductions | A-6 | <u>22,685</u> | <u>21,140</u> |
| | | 5,905,284 | 5,823,524 |
| Reserve for Receivables and Other Assets | A | 605,081 | 3,082,942 |
| Fund Balance | A-1 | <u>6,212,936</u> | <u>2,936,261</u> |
| Total Regular Fund | | <u>12,723,301</u> | <u>11,842,727</u> |
| Federal and State Grant Fund | | | |
| Reserve for Federal and State Grants - Appropriated | A-27 | 5,225,249 | 4,474,204 |
| Reserve for Federal and State Grants - Unappropriated | A-28 | 110,448 | 221,250 |
| Due to General Capital Fund | A-29 | <u>325,692</u> | <u>-</u> |
| Total Federal and State Grant Fund | | <u>5,661,389</u> | <u>4,695,454</u> |
| Total Liabilities, Reserves and Fund Balance | | <u>\$18,384,690</u> | <u>\$16,538,181</u> |

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|--|------------------|--------------------|-------------------|
| REVENUE AND OTHER INCOME REALIZED | | | |
| Miscellaneous Revenue Anticipated | A-2 | \$ 34,742,239 | \$ 36,899,212 |
| Receipts from Delinquent Taxes | A-2 | 2,510,963 | 2,148,441 |
| Receipts from Current Taxes | A-2 | 60,829,987 | 59,215,095 |
| Non-Budget Revenue | A-2 | 44,644 | 285,002 |
| Other Credits to Income | | | |
| Unexpended Balances of Appropriation Reserves | A-13 | 2,501,278 | 274,620 |
| Cancellation of Appropriated Grant Reserves | A-25 | 28,466 | 271,406 |
| Cancellation of Unappropriated Grant Reserves | A-26 | | 31,675 |
| Cancellation of Due to North Hudson Sewerage Authority | A-20 | 429 | 442 |
| Interfunds Returned | A | 131,074 | - |
| | | <u>100,789,080</u> | <u>99,125,893</u> |
| EXPENDITURES | | | |
| Budget Appropriations | | | |
| Operations | | | |
| Salaries and Wages | A-3 | 20,295,200 | 22,149,458 |
| Other Expenses | A-3 | 22,276,437 | 22,895,104 |
| Regulatory Expenditures and Deferred Charges | A-3 | 4,093,797 | 3,512,327 |
| Operations Excluded from "CAPS" | | | |
| Salaries and Wages | A-3 | 101,000 | 213,441 |
| Other Expenses | A-3 | 16,763,594 | 15,089,867 |
| Capital Improvements | A-3 | 40,000 | 36,750 |
| Municipal Debt Service | A-3 | 7,802,811 | 6,127,884 |
| Judgements | A-3 | 12,000 | 485,700 |
| For Local School District Purposes | A-3 | <u>1,267,568</u> | <u>1,269,542</u> |
| Total Budget Expenditures | | <u>72,652,407</u> | <u>71,780,073</u> |

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|--|------------------|---------------------|---------------------|
| EXPENDITURES (Continued) | | | |
| County Taxes | A-17 | \$ 10,958,674 | \$ 10,485,277 |
| Open Space Preservation | A-17 | 158,619 | 293,633 |
| Due to County for Added and Omitted Taxes | A-17 | 54,042 | 52,964 |
| Local District School Tax | A-18 | 13,636,640 | 13,636,640 |
| Interfunds Advanced | A | 3 | 214,495 |
| Refund of Prior Year Revenue | A-4 | 30,990 | 1,579,912 |
| Establishment of Reserve for Prepaid Expense | A-1 | <u>79,396</u> | <u>-</u> |
| Total Expenditures | | <u>97,570,771</u> | <u>98,042,994</u> |
| Excess in Revenue | | 3,218,309 | 1,082,899 |
| Adjustments to Income Before Fund Balance: | | | |
| Expenditures Included Above Which Are by Statute | | | |
| Deferred Charges to Budget in Succeeding Fiscal Year | A-1 | <u>58,366</u> | <u>397,700</u> |
| Statutory Excess to Fund Balance | | 3,276,675 | 1,480,599 |
| Fund Balance, Beginning of Year | A-1 | <u>2,936,261</u> | <u>1,455,662</u> |
| Fund Balance, End of Year | A | <u>\$ 6,212,936</u> | <u>\$ 2,936,261</u> |

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <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 | \$ 90,000 | | \$ 118,320 | \$ 28,320 |
| Other | A-2 | 110,000 | | 101,034 | (8,966) |
| Fees and Permits | A-2 | 50,000 | | 42,492 | (7,508) |
| Fines and Costs | | | | | |
| Municipal Court | A-11 | 1,330,000 | | 1,686,617 | 356,617 |
| Interest and Costs on Taxes | A-11 | 450,000 | | 698,888 | 248,888 |
| Interest on Investments and Deposits | A-2 | 35,000 | | 39,681 | 4,681 |
| Payment in Lieu of Taxes | | | | | |
| Overlook Terrace, Parkview and Housing Authority | A-11 | 1,500,000 | | 1,500,000 | |
| Waterfront | A-11 | 14,252,800 | | 15,560,654 | 1,307,854 |
| Rental of Hudson Hall | A-11 | 150,000 | | 150,000 | |
| Cable T.V. Franchise Tax | A-11 | 90,000 | | 116,538 | 26,538 |
| Pool Membership Fees | A-11 | 45,000 | | 66,331 | 21,331 |
| Extraordinary Aid | A-11 | 450,000 | | 450,000 | |
| Consolidated Municipal Property Tax Relief Aid | A-11 | 5,800,432 | | 5,800,432 | |
| Energy Receipts Tax | A-11 | 2,236,918 | | 2,236,918 | |
| Supplemental Energy Receipts Tax | A-11 | 65,421 | | 65,421 | |
| Building Aid for Schools | A-11 | 708,218 | | 708,218 | |
| Uniform Construction Code Fees (N.J.S.A.40A:4-36) | | | | | |
| Uniform Construction Code Fees | A-11 | 275,000 | | 436,013 | 161,013 |
| Interlocal Agreements | | | | | |
| Reimbursement for Health Services | | | | | |
| Weehawken | A-11 | 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-23 | 51,000 | | 51,000 | |
| West New York Board of Education - | | | | | |
| Reimbursement for Recreation Services | A-11 | 795,000 | | 1,012,100 | 217,100 |
| Reimbursement for Police Security | A-11 | 550,000 | | 515,360 | (34,640) |
| Reimbursement for Fuel | A-11 | 37,000 | | 44,200 | 7,200 |
| Reserve for DOT 2010 Road Resurfacing Program | A-26 | 221,500 | | 221,500 | |
| Edward Byrne Memorial Justice Assistance Program | A-26 | 119,670 | | 119,670 | |

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <u>Reference</u> | <u>Budget</u> | Added by N.J.S.A. <u>40A:4-87</u> | <u>Realized</u> | <u>Excess or (Deficit)</u> |
|--|------------------|--------------------------|---|--------------------------|--------------------------------|
| Drunk Driving Enforcement Fund | A-26 | \$ 17,743 | | \$ 17,743 | |
| Justice Assistance Grant | A-26 | 29,022 | | 29,022 | |
| Safe and Secure Grant | A-26 | 54,376 | | 54,376 | |
| DOT 2010 Municipal Aid Program for Various Streets | A-26 | 428,949 | | 428,949 | |
| 2009 Summer Food Program | A-26 | 54,876 | | 54,876 | |
| UEZ - Litter Clean-Up Program Equipment | A-26 | 269,395 | | 269,395 | |
| UEZ - Administration | A-26 | 150,000 | | 150,000 | |
| UEZ - Police Hiring | A-26 | 276,800 | | 276,800 | |
| UEZ - Bergenline Avenue Installment Loan Program | A-26 | | \$ 140,000 | 140,000 | |
| 2010 State Health Services Grant | A-26 | | 195,994 | 195,994 | |
| 2010 Energy Efficiency Community Block Grant | A-26 | | 182,800 | 182,800 | |
| NJ State Council on Arts - 2010 Partnership Grant | A-26 | | 2,839 | 2,839 | |
| NJDEP - Clean Communities Grant | A-26 | | 29,465 | 29,465 | |
| NJDHS - Public Health Priority Funding - 2010 | A-26 | | 28,217 | 28,217 | |
| Housing Inspection Fees | A-11 | 24,000 | | 23,653 | \$ (347) |
| Uniform Fire Safety Act | A-11 | 30,000 | | 9,380 | (20,620) |
| EMS Service Fees | A-11 | 425,000 | | 504,869 | 79,869 |
| Developer Reimbursement - Waterfront HCIA Bonds | A-11 | 552,474 | | 552,474 | |
| Reserve for Prepaid Expense - NHRF Fire District | A-11 | 459,701 | - | - | (459,701) |
| Total Miscellaneous Revenues | A-1 | <u>32,235,295</u> | <u>\$ 579,315</u> | <u>34,742,239</u> | <u>1,927,629</u> |
| RECEIPTS FROM DELINQUENT TAXES | A-1 | <u>2,400,000</u> | <u>-</u> | <u>2,510,963</u> | <u>110,963</u> |
| AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET: | | | | | |
| Local Tax for Municipal Purposes | A-2 | 37,246,297 | | 35,794,571 | (1,451,726) |
| Addition to Local District School Tax | A-2 | 559,350 | - | 559,350 | - |
| TOTAL AMOUNT TO BE RAISED BY TAXES BY FOR SUPPORT OF MUNICIPAL BUDGET | | <u>37,805,647</u> | <u>-</u> | <u>36,353,921</u> | <u>(1,451,726)</u> |
| Total General Revenues | A-3 | <u>\$ 72,440,942</u> | <u>\$ 579,315</u> | 73,607,123 | <u>\$ 586,866</u> |
| Non-Budget Revenue | A-1,A-2,A-4 | | | <u>44,644</u> | |
| | | | | <u>\$ 73,651,767</u> | |

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| ANALYSIS OF REALIZED REVENUES | <u>Reference</u> | |
|--|------------------|----------------------|
| Allocation of Current Tax Collection | | |
| Revenue from Collections | A-1,A-9 | \$ 60,829,987 |
| Less: Allocated to School and County Taxes | A-17,A18 | <u>24,807,975</u> |
| Balance for Support of Municipal Budget Appropriations | | 36,022,012 |
| Add: Appropriation "Reserve for Uncollected Taxes" | A-3 | <u>331,909</u> |
| Amount for Support of Municipal Budget Appropriations | A-2 | <u>\$ 36,353,921</u> |
| Licenses- Other | | |
| Borough Clerk | | \$ 190 |
| Police | | 42,150 |
| Board of Health | | <u>58,694</u> |
| | A-2,A-11 | <u>\$ 101,034</u> |
| Fees and Permits - Other | | |
| Zoning Board | | \$ 24,110 |
| Police | | <u>18,382</u> |
| | A-2,A-11 | <u>\$ 42,492</u> |
| Interest on Investments and Deposits | | |
| Due from Other Trust Fund | B-6 | \$ 24,220 |
| Due from Community Development Block Grant Fund | B-19 | 50 |
| Cash Receipts | A-11 | <u>15,411</u> |
| | A-2 | <u>\$ 39,681</u> |

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Reference

ANALYSIS OF NON-BUDGET REVENUES

| | | |
|--|-------------|------------------|
| Prior Year Insurance Refunds | \$ | 10,198 |
| Assessor's Office - Certified Property Lists | | 750 |
| Town Clerk | | 2,591 |
| Rent Control Board | | 12,590 |
| Municipal Court - Filing Fee/Unclaimed Bail | | 3,271 |
| Rent | | 5,600 |
| Tower Viewer - Donnelly Park | | 962 |
| Miscellaneous | | <u>8,682</u> |
| | A-1,A-2,A-4 | <u>\$ 44,644</u> |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT | Appropriated | | Expended | | Unexpended Balance Cancelled | Over- Expended |
|--|--------------|------------------------------|--------------------|-----------|------------------------------------|-------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | | |
| Director's Office | | | | | | |
| Salaries and Wages | \$ 297,000 | \$ 297,000 | \$ 252,023 | \$ 44,977 | | |
| Other Expenses | 95,000 | 95,000 | 95,000 | | | |
| Town Clerk | | | | | | |
| Salaries and Wages | 186,000 | 206,000 | 203,047 | 2,953 | | |
| Other Expenses | | | | | | |
| Legal Advertising and Publications | 15,000 | 15,000 | 7,545 | 7,455 | | |
| Miscellaneous Other Expenses | 14,000 | 14,000 | 13,981 | 19 | | |
| Codifications of Ordinances | 4,000 | 8,500 | 5,195 | 3,305 | | |
| Poormaster's Fund | | | | | | |
| Other Expenses | 1,000 | 1,000 | | 1,000 | | |
| Elections | | | | | | |
| Other Expenses | 117,000 | 92,500 | 70,124 | 22,376 | | |
| Community Development | 200,000 | 200,000 | 67,421 | 132,579 | | |
| Board of Health | | | | | | |
| Salaries and Wages | 375,000 | 375,000 | 370,072 | 4,928 | | |
| Other Expenses | 34,000 | 34,000 | 32,504 | 1,496 | | |
| Blood Borne Pathogens | 5,000 | 5,000 | | 5,000 | | |
| Prosecutor | | | | | | |
| Salaries and Wages | 35,000 | 35,000 | 25,731 | 9,269 | | |
| Other Expenses | 72,200 | 94,200 | 74,037 | 20,163 | | |
| Public Relations | | | | | | |
| Other Expenses | 61,000 | 61,000 | 59,293 | 1,707 | | |
| Rent Control Board | | | | | | |
| Salaries and Wages | 83,000 | 83,000 | 80,004 | 2,996 | | |
| Other Expenses | 20,000 | 20,000 | 2,725 | 17,275 | | |
| Town Funding Program | | | | | | |
| Other Expenses | 50,000 | 50,000 | 49,000 | 1,000 | | |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT | <u>Appropriated</u> | | <u>Expended</u> | | <u>Unexpended Balance Cancelled</u> | <u>Over- Expended</u> |
|--|---------------------|--------------------------------------|----------------------------|-----------------|---|---------------------------|
| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | | |
| Housing Inspection | | | | | | |
| Salaries and Wages | \$ 224,000 | \$ 224,000 | \$ 197,240 | \$ 26,760 | | |
| Other Expenses | 800 | 800 | | 800 | | |
| Tenants Relations | | | | | | |
| Salaries and Wages | 15,000 | 15,000 | 13,846 | 1,154 | | |
| Other Expenses | 800 | 800 | | 800 | | |
| Law Department | | | | | | |
| Salaries and Wages | 15,000 | 15,000 | 14,370 | 630 | | |
| Other Expenses | 1,150,000 | 1,435,000 | 1,256,788 | 178,212 | | |
| Supervised Play Activity | | | | | | |
| Salaries and Wages | 510,000 | 859,000 | 859,000 | | | |
| Other Expenses | 260,000 | 260,000 | 253,456 | 6,544 | | |
| Senior Citizens Coordinator of Events | | | | | | |
| Salaries and Wages | 69,000 | 69,000 | 68,077 | 923 | | |
| Other Expenses | 54,000 | 54,000 | 48,750 | 5,250 | | |
| Administrative Offices | | | | | | |
| Salaries and Wages | 180,000 | 180,000 | 137,201 | 42,799 | | |
| Other Expenses | 4,000 | 4,000 | 3,857 | 143 | | |
| Insurance Department | | | | | | |
| Salaries and Wages | 84,000 | 85,000 | 84,416 | 584 | | |
| Other Expenses | 400 | 400 | | 400 | | |
| Zoning Board | | | | | | |
| Other Expenses | 25,000 | 25,000 | 15,797 | 9,203 | | |
| Planning Board | | | | | | |
| Salaries and Wages | 42,000 | 42,000 | 41,175 | 825 | | |
| Other Expenses | 25,000 | 25,000 | 24,820 | 180 | | |
| North Hudson Regional Council of Mayors | | | | | | |
| Town Share | 39,100 | 39,100 | 39,100 | | | |
| North Hudson Regional Council of Mayors Aids | | | | | | |
| Task Force | | | | | | |
| Town Share | 11,200 | 11,200 | 11,200 | | | |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT | <u>Appropriated</u> | | <u>Expended</u> | | Unexpended Balance Cancelled | Over- Expended |
|--|---------------------|--------------------------------------|----------------------------|-----------------|------------------------------------|-------------------|
| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | | |
| Urban Enterprise Zone | | | | | | |
| Salaries and Wages | \$ 75,000 | \$ 83,500 | \$ 81,746 | \$ 1,754 | | |
| Other Expenses | 35,000 | 35,000 | 733 | 34,267 | | |
| Director's Office | | | | | | |
| Salaries and Wages | 153,000 | 153,000 | 141,545 | 11,455 | | |
| Other Expenses | 15,000 | 15,000 | 12,212 | 2,788 | | |
| Treasurer's Office | | | | | | |
| Salaries and Wages | 428,000 | 440,000 | 438,005 | 1,995 | | |
| Other Expenses | | | | | | |
| Annual Audit | 100,000 | 100,000 | 78,000 | 22,000 | | |
| Miscellaneous Other Expenses | 640,000 | 640,000 | 463,169 | 176,831 | | |
| Payroll Service Fee | 4,900 | 4,900 | 994 | 3,906 | | |
| Assessment of Taxes | | | | | | |
| Salaries and Wages | 164,000 | 164,000 | 162,545 | 1,455 | | |
| Other Expenses | 12,000 | 18,700 | 18,578 | 122 | | |
| Collection of Taxes | | | | | | |
| Salaries and Wages | 242,000 | 242,000 | 232,292 | 9,708 | | |
| Other Expenses | 36,000 | 36,000 | 35,568 | 432 | | |
| Insurance | | | | | | |
| General Liability Insurance | 500,000 | 500,000 | 500,000 | | | |
| Workers Compensation Insurance | 1,000,000 | 212,646 | 212,646 | | | |
| Employee Group Health | 11,392,000 | 11,392,000 | 10,817,458 | 574,542 | | |
| Unemployment Insurance | 400,000 | 400,000 | 400,000 | | | |
| Purchasing Agent | | | | | | |
| Salaries and Wages | 138,500 | 139,700 | 139,472 | 228 | | |
| Other Expenses | 3,600 | 3,600 | 3,522 | 78 | | |
| DEPARTMENT OF PUBLIC SAFETY | | | | | | |
| Director's Office | | | | | | |
| Salaries and Wages | 290,000 | 300,000 | 298,158 | 1,842 | | |
| Other Expenses | 10,000 | 10,000 | 10,000 | | | |
| Police | | | | | | |
| Salaries and Wages | 11,300,000 | 11,491,000 | 11,465,781 | 25,219 | | |
| Other Expenses | 500,000 | 500,000 | 481,705 | 18,295 | | |
| Juvenile Aid | | | | | | |
| Other Expenses | 4,000 | 4,000 | | 4,000 | | |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <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) | | | | | | |
| Uniform Fire Safety | | | | | | |
| Salaries and Wages | \$ 100,000 | \$ 180,000 | \$ 142,898 | \$ 37,102 | | |
| Ambulance Squad | | | | | | |
| Salaries and Wages | 255,000 | 308,000 | 183,000 | 125,000 | | |
| Other Expenses | 90,000 | 98,000 | 89,395 | 8,605 | | |
| Office of Emergency Management | | | | | | |
| Salaries and Wages | 16,500 | 16,500 | | 16,500 | | |
| Other Expenses | 1,500 | 1,500 | | 1,500 | | |
| Department of Public Works | | | | | | |
| Director's Office | | | | | | |
| Salaries and Wages | 172,000 | 203,500 | 202,291 | 1,209 | | |
| Other Expenses | 11,000 | 11,000 | 11,000 | | | |
| Streets and Sewers | | | | | | |
| Salaries and Wages | 2,025,000 | 1,730,000 | 1,730,000 | | | |
| Other Expenses | 340,000 | 340,000 | 304,863 | 35,137 | | |
| Street Lighting | | | | | | |
| Other Expenses | 650,000 | 650,000 | 678,295 | | | \$ 28,295 |
| Fire Hydrant Rental | | | | | | |
| Other Expenses | 140,000 | 156,000 | 155,836 | 164 | | |
| Recycling | | | | | | |
| Other Expenses | 300,000 | 300,000 | 287,428 | 12,572 | | |
| Garbage and Trash | | | | | | |
| Salaries and Wages | 340,000 | 340,000 | 270,672 | 69,328 | | |
| Other Expenses | | | | | | |
| Contractual | 2,650,000 | 2,365,000 | 2,393,018 | | | 28,018 |
| Miscellaneous Other Expenses | 180,000 | 180,000 | 46,919 | 133,081 | | |
| Engineering Services and Costs | | | | | | |
| Other Expenses | 175,000 | 175,000 | 175,000 | | | |

**TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

| | <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 | \$ 63,000 | \$ 63,000 | \$ 35,579 | \$ 27,421 | | |
| Other Expenses | 4,800 | 4,800 | 4,800 | | | |
| Divisions of Parks | | | | | | |
| Salaries and Wages | 105,000 | 105,000 | 98,444 | 6,556 | | |
| Other Expenses | 105,000 | 105,000 | 58,259 | 46,741 | | |
| Celebration of Public Events Anniversary or Holiday | | | | | | |
| Other Expenses | 33,000 | 33,000 | 33,000 | | | |
| Building Department | | | | | | |
| Salaries and Wages | 595,000 | 595,000 | 568,626 | 26,374 | | |
| Other Expenses | 170,000 | 170,000 | 96,330 | 73,670 | | |
| Light and Power | | | | | | |
| Other Expenses | 470,000 | 470,000 | 320,506 | 149,494 | | |
| Centralized Postage | | | | | | |
| Other Expenses | 100,000 | 100,000 | 84,517 | 15,483 | | |
| Fuel | | | | | | |
| Other Expenses | 130,000 | 141,000 | 130,996 | 10,004 | | |
| Telephone | | | | | | |
| Other Expenses | 210,000 | 210,000 | 175,507 | 34,493 | | |
| Water | | | | | | |
| Other Expenses | 60,000 | 67,500 | 63,587 | 3,913 | | |
| Sewerage | | | | | | |
| Other Expenses | 75,000 | 75,000 | 61,950 | 13,050 | | |
| Signal Bureau | | | | | | |
| Salaries and Wages | 64,000 | 76,000 | 27,933 | 48,067 | | |
| Other Expenses | 8,000 | 11,000 | 13,053 | | | \$ 2,053 |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <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 | \$ 420,000 | \$ 420,000 | \$ 390,799 | \$ 29,201 | | |
| Other Expenses | 27,000 | 32,000 | 31,111 | 889 | | |
| Municipal Court | | | | | | |
| Salaries and Wages | 750,000 | 750,000 | 737,498 | 12,502 | | |
| Other Expenses | 66,000 | 69,500 | 69,112 | 388 | | |
| Public Defender | | | | | | |
| Salaries and Wages | 10,000 | 10,000 | | 10,000 | | |
| Other Expenses | 25,000 | 35,425 | 35,417 | 8 | - | - |
| Total Operations Within "CAPS" | <u>42,753,300</u> | <u>42,513,271</u> | <u>40,178,563</u> | <u>2,393,074</u> | - | <u>\$ 58,366</u> |
| Contingent | - | - | - | - | - | - |
| Total Operations Including Contingent Within "CAPS" | <u>42,753,300</u> | <u>42,513,271</u> | <u>40,178,563</u> | <u>2,393,074</u> | - | <u>58,366</u> |
| Detail: | | | | | | |
| Salaries and Wages | 19,821,000 | 20,295,200 | 19,693,486 | 601,714 | - | - |
| Other Expenses (Including Contingent) | 22,932,300 | 22,218,071 | 20,485,077 | 1,791,360 | - | 58,366 |
| Deferred Charges and Regulatory Expenditures - Municipal Within "CAPS" | | | | | | |
| DEFERRED CHARGES: | | | | | | |
| Prior Year Bills - EMT Back Wages SFY 2008 | 125,000 | 125,000 | 125,000 | | | |
| Prior Year Bills - NHRFR SFY 2008 | 146,614 | 146,614 | 146,614 | | | |
| Overexpenditure of Appropriation Reserves | 1,250,464 | 1,250,464 | 1,250,464 | | | |
| REGULATORY CHARGES | | | | | | |
| Public Employees Retirement System | 383,986 | 383,986 | 383,986 | | | |
| Police and Fireman's Pension Fund | 1,261,234 | 1,380,234 | 1,380,234 | | | |
| Social Security System (O.A.S.I.) | 807,499 | 807,499 | 807,499 | - | - | - |
| Total Deferred Charges and Regulatory Expenditures - Municipal Within "CAPS" | <u>3,974,797</u> | <u>4,093,797</u> | <u>4,093,797</u> | - | - | - |
| Total General Appropriations for Municipal Purposes Within "CAPS" | <u>46,728,097</u> | <u>46,607,068</u> | <u>44,272,360</u> | <u>2,393,074</u> | - | <u>58,366</u> |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <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 - EXCLUDED FROM "CAPS" | | | | |
| Contribution to North Hudson Regional Fire | \$11,908,000 | \$12,029,029 | \$12,029,029 | |
| Maintenance of Free Public Library | 925,731 | 925,731 | 484,399 | \$ 441,332 |
| Public Employees' Retirement System COLA | 389,307 | 389,307 | 389,307 | |
| Police and Fireman's Pension Fund | 1,217,881 | 1,217,881 | 1,217,551 | 330 |
| 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 | 51,000 | 51,000 | | 51,000 |
| Public and Private Programs Offset by Revenues | | | | |
| Public Health Priority Funding Act | | | | |
| Other Expenses | | 28,217 | 28,217 | |
| Clean Communities Grant | | 29,465 | 29,465 | |
| State Health Services Grant | | 195,994 | 195,994 | |
| Summer Food Program | 54,876 | 54,876 | 54,876 | |
| Safe and Secure Grant | 54,376 | 54,376 | 54,376 | |
| Energy Efficiency Community Block Grant | | 182,800 | 182,800 | |
| Justice Assistance Grant Program - ARRA | 119,670 | 119,670 | 119,670 | |
| Justice Assistance Grant Program | 29,022 | 29,022 | 29,022 | |
| UEZ Police Hiring | 276,800 | 276,800 | 276,800 | |
| Drunk Driving Enforcement Fund | 17,743 | 17,743 | 17,743 | |
| UEZ - Bergenline Ave Installment Loan | | 140,000 | 140,000 | |
| NJ State Council on the Arts Block Grant | | 2,839 | 2,839 | |
| UEZ Administration - FY 10 | 150,000 | 150,000 | 150,000 | |
| UEZ Litter Clean-Up Program II | 269,395 | 269,395 | 269,395 | |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <u>Appropriated</u> | | <u>Expended</u> | | <u>Unexpended Balance Cancelled</u> | <u>Over- Expended</u> |
|--|---------------------|--------------------------------------|----------------------------|-------------------|---|---------------------------|
| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | | |
| OPERATIONS - EXCLUDED FROM "CAPS" (Continued) | | | | | | |
| Public and Private Programs Offset by Revenues | | | | | | |
| (Continued) | | | | | | |
| Reserve for DOT 2010 Road Resurfacing Program | \$ 221,500 | \$ 221,500 | \$ 221,500 | | | |
| DOT 2010 Municipal Aid Program | 428,949 | 428,949 | 428,949 | - | - | - |
| Total Operations - Excluded from "CAPS" | 16,164,250 | 16,864,594 | 16,321,932 | \$ 542,662 | - | - |
| Detail: | | | | | | |
| Salaries and Wages | 101,000 | 101,000 | - | 101,000 | - | - |
| Other Expenses | 16,063,250 | 16,763,594 | 16,321,932 | 441,662 | - | - |
| CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS" | | | | | | |
| Capital Improvement Fund | 40,000 | 40,000 | 40,000 | - | - | - |
| Total Capital Improvement Excluded from "CAPS" | 40,000 | 40,000 | 40,000 | - | - | - |
| MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS" | | | | | | |
| Payment of Bond Principal | 2,520,000 | 2,520,000 | 2,520,000 | | | |
| Interest on Bonds | 1,498,661 | 1,498,661 | 1,498,661 | | | |
| Interest on Notes | 83,767 | 83,767 | 76,786 | | \$ 6,981 | |
| Green Trust Loan Program | | | | | | |
| Loan Repayments for Principal and Interest | 147,691 | 147,691 | 134,477 | | 13,214 | |
| Casino Reinvestment Development Authority | 36,613 | 36,613 | 36,612 | | 1 | |
| North Hudson Regional Fire Debt Service | 985,000 | 985,000 | 969,292 | | 15,708 | |
| HCIA Loan Payment | 1,400,000 | 1,400,000 | 1,400,000 | | - | |
| Capital Lease Obligations | | | | | | |
| Principal | 160,000 | 160,000 | 160,000 | | | |
| Interest | 512,912 | 512,912 | 454,509 | | 58,403 | |
| Developers Waterfront HCIA Bonds | | | | | | |
| Principal | 495,000 | 495,000 | 495,000 | | | |
| Interest | 57,474 | 57,474 | 57,474 | | | |
| Total Municipal Debt Service Excluded from "CAPS" | 7,897,118 | 7,897,118 | 7,802,811 | - | 94,307 | - |

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| | <u>Appropriated</u> | <u>Expended</u> | <u>Unexpended</u> | <u>Over-</u> | |
|---|---------------------|---------------------|---------------------|---------------------|------------------|
| | <u>Budget</u> | <u>Budget After</u> | <u>Paid or</u> | <u>Balance</u> | |
| | | <u>Modification</u> | <u>Charged</u> | <u>Cancelled</u> | |
| | | | <u>Reserved</u> | <u>Expended</u> | |
| OPERATIONS - EXCLUDED FROM "CAPS" (Continued) | | | | | |
| Judgements | \$ 12,000 | \$ 12,000 | \$ 12,000 | - | - |
| Total General Appropriations Excluded from "CAPS" | <u>24,113,368</u> | <u>24,813,712</u> | <u>24,176,743</u> | <u>\$ 542,662</u> | <u>\$ 94,307</u> |
| For Local School District Purposes - Excluded from "CAPS" | | | | | |
| Payment of Bond Principal | 1,040,000 | 1,040,000 | 1,040,000 | - | - |
| Interest on Bonds | <u>227,568</u> | <u>227,568</u> | <u>227,568</u> | - | - |
| Total Local School District Purposes - Excluded | <u>1,267,568</u> | <u>1,267,568</u> | <u>1,267,568</u> | - | - |
| Total General Appropriations | 72,109,033 | 72,688,348 | 69,716,671 | 2,935,736 | 94,307 |
| Reserve for Uncollected Taxes | <u>331,909</u> | <u>331,909</u> | <u>331,909</u> | - | - |
| Total General Appropriations | <u>\$72,440,942</u> | <u>\$73,020,257</u> | <u>\$70,048,580</u> | <u>\$ 2,935,736</u> | <u>\$ 94,307</u> |
| | <u>Reference</u> | A-2 | A | A-1 | A-12 |

**TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

| | <u>Reference</u> | <u>Budget After Modification</u> | |
|---|------------------|--------------------------------------|----------------------------|
| Budget as Adopted | A-2 | \$72,440,942 | |
| Added Per N.J.S.A. 40A:4-87 | A-2 | <u>579,315</u> | |
| | | <u>\$73,020,257</u> | |
| | | | <u>Paid or Charged</u> |
| Cash Disbursed | A-4 | | \$ 65,279,955 |
| Deferred Charges | | | |
| Overexpenditures of Appropriation Reserves | A-12 | | 1,250,464 |
| Current Fund Expenditures Paid by Animal Control Fund | B-5 | | 15,298 |
| Reserve for Uncollected Taxes | A-2 | | 331,909 |
| Encumbrances Payable | A-14 | | 969,308 |
| Transfer to Grants Appropriated | A-27 | | <u>2,201,646</u> |
| | | | <u>\$ 70,048,580</u> |

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUND
AS OF JUNE 30, 2010 AND 2009**

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|--|------------------|---------------------|---------------------|
| ASSETS | | | |
| ANIMAL CONTROL FUND | | | |
| Cash | B-1 | \$ 6,302 | \$ 26,413 |
| Due from State of New Jersey | B-3 | | 3 |
| Due from Other Trust Fund | B-17 | 4,454 | 1,068 |
| Due from Dog License Official | B-2 | <u>118</u> | <u>101</u> |
| | | <u>10,874</u> | <u>27,585</u> |
| OTHER TRUST FUND | | | |
| Cash | B-1 | 1,570,020 | 2,546,450 |
| Due from Current Fund | B-6 | 510,568 | |
| 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>2,283,207</u> | <u>2,749,069</u> |
| COMMUNITY DEVELOPMENT BLOCK GRANT FUND | | | |
| Cash | B-1 | 134,556 | |
| Due from Hudson County Community Development Block Grant | B-11 | <u>903,371</u> | <u>659,647</u> |
| | | <u>1,037,927</u> | <u>659,647</u> |
| Total Assets | | <u>\$ 3,332,008</u> | <u>\$ 3,436,301</u> |

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUND
AS OF JUNE 30, 2010 AND 2009

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|---|------------------|---------------------|---------------------|
| LIABILITIES AND RESERVES | | | |
| ANIMAL CONTROL FUND | | | |
| Due to Current Fund | B-5 | \$ 10,860 | \$ 26,158 |
| Due to State of New Jersey | B-3 | 14 | |
| Reserve for Expenditures | B-4 | <u>-</u> | <u>1,427</u> |
| | | <u>10,874</u> | <u>27,585</u> |
| OTHER TRUST FUND | | | |
| Reserve for Various Trust Activities | B-12 | 2,083,342 | 2,226,276 |
| Accrued Salaries and Wages | B-10 | 7,747 | 7,747 |
| Due to Current Fund | B-6 | | 115,776 |
| Due to Animal Control Fund | B-17 | 4,454 | 1,068 |
| Due to State of New Jersey | B-20 | 20,422 | 312,460 |
| Due to Third Party Lienholders | B-13 | 137,965 | 56,465 |
| Due to Hudson County | B-14 | 2,037 | 2,037 |
| Due to West New York Parking Authority | B-15 | <u>27,240</u> | <u>27,240</u> |
| | | <u>2,283,207</u> | <u>2,749,069</u> |
| COMMUNITY DEVELOPMENT BLOCK GRANT FUND | | | |
| Reserve for Community Development Block Grant | B-16 | 494,208 | 483,566 |
| Due to State and Federal Grant Fund | B-21 | 372,635 | 5,000 |
| Due to Current Fund | B-19 | 105,144 | 105,141 |
| Due to General Capital Fund | B-18 | <u>65,940</u> | <u>65,940</u> |
| | | <u>1,037,927</u> | <u>659,647</u> |
| Total Liabilities and Reserves | | <u>\$ 3,332,008</u> | <u>\$ 3,436,301</u> |

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - GENERAL CAPITAL FUND
AS OF JUNE 30, 2010 AND 2009

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|---|------------------|--------------------------|--------------------------|
| ASSETS | | | |
| Cash | C-2,C-3 | \$ 1,559,519 | \$ 760,319 |
| Deferred Charges to Future Taxation - Funded | C-4 | 35,432,226 | 39,138,362 |
| Deferred Charges to Future Taxation - Unfunded | C-5 | 2,543,756 | 3,024,525 |
| Grants Receivable | C-12 | 539,256 | 1,257,025 |
| Due from Community Development Block Grant Fund | C-15 | 65,940 | 65,940 |
| Due from Federal and State Grant Fund | C-16 | 325,692 | |
| 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>\$ 40,515,505</u> | <u>\$ 44,295,287</u> |
| LIABILITIES, RESERVES AND FUND BALANCE | | | |
| Casino Reinvestment Development Authority | | | |
| Loan Payable | C-6 | 118,727 | 148,727 |
| General Serial Bonds | C-7 | 30,078,000 | 32,598,000 |
| School Serial Bonds | C-8 | 3,745,000 | 4,785,000 |
| State of New Jersey - Green Acres Loans Payable | C-9 | 1,490,499 | 1,606,635 |
| Bond Anticipation Notes Payable | C-10 | 2,499,950 | |
| Contracts Payable | C-21 | 485,316 | 1,814,158 |
| Due to Other Trust Fund | C-19 | 151,779 | 151,779 |
| Capital Improvement Fund | C-11 | 60,465 | 33,465 |
| Reserve for Payment of Debt | C-20 | 204,013 | 204,013 |
| Reserve for Grants Receivable | C-12 | 539,256 | 1,257,025 |
| Improvement Authorizations | | | |
| Funded | C-13 | 375,947 | 583,451 |
| Unfunded | C-13 | 759,628 | 1,113,034 |
| Fund Balance | C-1 | <u>6,925</u> | <u>-</u> |
| Total Liabilities, Reserves and Fund Balance | | <u>\$ 40,515,505</u> | <u>\$ 44,295,287</u> |

There were bonds and notes authorized but not issued on June 30, 2010 and 2009 of \$761,575 and \$3,024,525 respectively. (Exhibit C-22)

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

| | <u>Reference</u> | <u>2010</u> | <u>2009</u> |
|---|------------------|-----------------|----------------|
| Balance, Beginning of Year | C | | \$ 520,378 |
| Increased by: | | | |
| Premium on Bond Anticipation Notes | C-2 | \$ 6,925 | |
| Improvement Authorizations Cancelled | C-1 | <u>-</u> | <u>275,792</u> |
| | | <u>6,925</u> | <u>796,170</u> |
| Decreased by: | | | |
| Anticipated Revenue in Current Fund Budget | C-1 | | 646,170 |
| Appropriated to Finance Improvement Authorization | C-1 | <u>-</u> | <u>150,000</u> |
| | | <u>-</u> | <u>796,170</u> |
| Balance, End of Year | C | <u>\$ 6,925</u> | <u>\$ -</u> |

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF JUNE 30, 2010 AND 2009**

| | <u>2010</u> | <u>2009</u> |
|--|--------------------------|--------------------------|
| General Fixed Assets: | | |
| Land | \$ 2,095,513 | \$ 2,095,513 |
| Buildings | 2,408,050 | 2,408,050 |
| Building Improvements | 11,119,957 | 10,944,704 |
| Machinery and Equipment | 868,618 | 575,655 |
| Vehicles | <u>3,661,848</u> | <u>3,007,114</u> |
| Total General Fixed Assets | <u>\$ 20,153,986</u> | <u>\$ 19,031,036</u> |
| Investment in General Fixed Assets | <u>\$ 20,153,986</u> | <u>\$ 19,031,036</u> |

NOTES TO FINANCIAL STATEMENTS

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

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 regulatory 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.

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 did not maintain the accounting records for an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Town has the following funds:

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 general 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 ("regulatory 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:

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 in 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

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property Tax Revenues (Continued)

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.

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, 2010 and 2009 the Town Council increased the original budget by \$579,315 and \$190,458, respectively. The 2010 and 2009 increases were attributable to additional aid allotted. In addition, the governing body approved several budget transfers during 2010 and 2009.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 10 Current Fund Appropriations</u> | | | |
| Street Lighting | | | |
| Other Expenses | \$ 650,000 | \$ 678,295 | \$ 28,295 |
| Garbage and Trash | | | |
| Other Expenses - Contractual | 2,365,000 | 2,393,018 | 28,018 |
| Signal Bureau | | | |
| Other Expenses | 11,000 | 13,053 | 2,053 |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In accordance with the regulatory 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. GAAP does not permit the deferral of overexpenditures at year end.

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.

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.

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 NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Town of West New York has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Town as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years.

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

General Fixed Assets (Continued)

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

Fixed Assets purchased after June 30, 2008 are stated as cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

Fixed Assets purchased prior to June 30, 2008 are stated as follows:

| | |
|-------------------------|---------------------------|
| Land and Buildings | Assessed Value |
| Building Improvements | Estimated Historical Cost |
| Machinery and Equipment | Estimated Historical Cost |
| Vehicles | Estimated Historical Cost |

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.

GAAP requires that capital assets be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

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 may have been made to the June 30, 2009 balances to conform to the June 30, 2010 presentation.

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.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2010 AND 2009**

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 Town is required to deposit their funds in a depository which is protecting such funds pursuant to 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 \$250,000 in the aggregate by the FDIC. SIPC replaces cash claims up to a maximum of \$100,000 for each failed brokerage firm. At June 30, 2010 and 2009, the book value of the Town's deposits were \$16,090,411 and \$11,317,146 and bank and brokerage firm balances of the Town's deposits amounted to \$16,396,770 and \$15,387,102, 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>2010</u> | <u>2009</u> |
| Insured | <u>\$ 16,396,770</u> | <u>\$ 15,387,102</u> |

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, 2010 and 2009, 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, 2010 and 2009 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 regulatory basis of accounting.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 3 TAXES RECEIVABLE

Receivables at June 30, 2010 and 2009 consisted of the following:

| <u>Current Fund</u> | <u>2010</u> | <u>2009</u> |
|---------------------|-------------------|---------------------|
| Property Taxes | \$ 63,470 | \$ 2,588,852 |
| Tax Title Liens | <u>170,262</u> | <u>342</u> |
| | <u>\$ 233,732</u> | <u>\$ 2,589,194</u> |

In 2010 and 2009, the Town collected \$2,510,963 and \$2,148,441 from delinquent taxes, which represented 97% and 97% of the prior year adjusted delinquent taxes receivable balance.

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>2010</u> | <u>2009</u> |
|--|----------------------|----------------------|
| Issued | | |
| General | | |
| Bonds, Notes and Loans | \$ 34,187,176 | \$ 34,353,362 |
| Less Funds Temporarily Held to Pay Bonds and Notes | <u>204,013</u> | <u>204,013</u> |
| Net Debt Issued | <u>33,983,163</u> | <u>34,149,349</u> |
| Authorized But Not Issued | | |
| General | | |
| Bonds and Notes | <u>428,575</u> | <u>2,691,525</u> |
| Net Debt Authorized But Not Issued | <u>428,575</u> | <u>2,691,525</u> |
| Net Bonds and Notes Issued and Authorized But Not Issued | <u>\$ 34,411,738</u> | <u>\$ 36,840,874</u> |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

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 1.07% and 1.24% at June 30, 2010 and 2009, respectively.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|-------------------------------------|----------------------|----------------------|----------------------|
| <u>2010</u> | | | |
| Local School District Debt - Type I | \$ 4,078,000 | \$ 4,078,000 | |
| Debt Guarantees | 27,044,920 | 27,044,920 | |
| General Debt | <u>34,615,751</u> | <u>4,961,782</u> | <u>\$ 29,653,969</u> |
| Total | <u>\$ 65,738,671</u> | <u>\$ 36,084,702</u> | <u>\$ 29,653,969</u> |

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|-------------------------------------|----------------------|----------------------|----------------------|
| <u>2009</u> | | | |
| Local School District Debt - Type I | \$ 5,118,000 | \$ 5,118,000 | |
| Debt Guarantees | 28,193,144 | 28,193,144 | |
| General Debt | <u>37,044,887</u> | <u>4,569,013</u> | <u>\$ 32,475,874</u> |
| Total | <u>\$ 70,356,031</u> | <u>\$ 37,880,157</u> | <u>\$ 32,475,874</u> |

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

| | <u>2010</u> | <u>2009</u> |
|---|----------------------|----------------------|
| 3-1/2% of Equalized Valuation Basis (Municipal) | \$ 96,350,232 | \$ 91,501,130 |
| Net Debt | <u>29,653,969</u> | <u>32,475,874</u> |
| Remaining Borrowing Power | <u>\$ 66,696,263</u> | <u>\$ 59,025,256</u> |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

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>2010</u> | <u>2009</u> |
|--|----------------------|----------------------|
| \$5,350,000, 2003 Pension Refunding Bonds, due in annual installments of \$375,000 to \$810,000 through March 15, 2017, interest at 4.92% | \$ 4,040,000 | \$ 4,365,000 |
| \$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% | | 555,000 |
| \$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 \$850,000 to \$1,088,000 through June 15, 2016, interest at 5.00% | 5,638,000 | 6,288,000 |
| \$4,595,000, 2008 General Improvement Bonds, due in annual installments of \$645,000 to \$655,000 through June 15, 2014, interest at 5.00% | <u>2,610,000</u> | <u>3,600,000</u> |
| | <u>\$ 30,078,000</u> | <u>\$ 32,598,000</u> |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 4 MUNICIPAL DEBT (Continued)

| <u>School Bonds</u> | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| \$5,810,000, 2005 Refunded School Bonds, due in annual installment of \$1,095,000 through April 1, 2011, interest at 5.45% | \$ 1,095,000 | \$ 2,135,000 |
| \$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>\$ 3,745,000</u> | <u>\$ 4,785,000</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>2010</u> | <u>2009</u> |
|---|-------------|-------------|
| \$289,313, 1997 Loan, due in Semi-annual installments of \$7,825 to \$8,906 through January 8, 2017, interest at 2% | \$ 116,972 | \$ 132,391 |
| \$500,000, 2000 Loan, due in Semi-annual installments of \$13,145 to \$15,724 through December 20, 2019, interest at 2% | 273,562 | 299,463 |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 4 MUNICIPAL DEBT (Continued)

General Intergovernmental Loans Payable (Continued)

Green Trust Loans (Continued)

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| \$475,000, 2001 Loan, due in Semi-annual installments of \$11,984 to \$14,622 through September 6, 2020, interest at 2% | \$ 278,489 | \$ 302,102 |
| \$425,000, 2001 Loan, due in Semi-annual installments of \$10,722 to \$13,083 through September 16, 2020, interest at 2% | 249,174 | 270,301 |
| \$675,000, 2006 Loan, due in Semi-annual installments of \$15,264 to \$20,779 through February 9, 2026, interest at 2% | <u>572,302</u> | <u>602,378</u> |
| | <u>\$ 1,490,499</u> | <u>\$ 1,606,635</u> |

Casino Reinvestment Development Authority Loans

| | <u>2010</u> | <u>2009</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>\$ 118,727</u> | <u>\$ 148,727</u> |

The Town's principal and interest for long-term debt issued and outstanding as of June 30, 2010 is as follows:

| Fiscal 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> | |
| 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 | 3,760,000 | 906,008 | 110,000 | 112,250 | 154,485 | 23,210 | 5,065,953 |
| 2015 | 3,330,000 | 726,254 | 135,000 | 106,750 | 128,286 | 19,405 | 4,445,695 |
| 2016-2020 | 10,093,000 | 1,650,602 | 1,060,000 | 407,900 | 609,940 | 58,660 | 13,880,102 |
| 2021-2025 | 3,165,000 | 392,000 | 1,345,000 | 166,400 | 222,562 | 15,288 | 5,306,250 |
| 2026 | - | - | - | - | <u>41,352</u> | <u>621</u> | <u>41,973</u> |
| Total | <u>\$ 30,078,000</u> | <u>\$ 7,369,691</u> | <u>\$ 3,745,000</u> | <u>\$ 1,189,727</u> | <u>\$ 1,609,226</u> | <u>\$ 209,489</u> | <u>\$ 44,201,133</u> |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 4 MUNICIPAL DEBT (Continued)

Changes in Long-Term Municipal Debt

The Town's long-term capital debt activity for the years 2010 and 2009 were as follows:

| | Balance, June 30, <u>2009</u> | <u>Increases</u> | <u>Reductions</u> | Balance, June 30, <u>2010</u> | Due Within <u>One Year</u> |
|---|-------------------------------------|------------------|---------------------|-------------------------------------|----------------------------------|
| <u>2010</u> | | | | | |
| General Capital Fund | | | | | |
| Serial Bonds Payable | \$ 32,598,000 | | \$ 2,520,000 | \$ 30,078,000 | \$ 2,525,000 |
| School Bonds Payable | 4,785,000 | | 1,040,000 | 3,745,000 | 1,095,000 |
| Intergovernmental Loans Payable | <u>1,755,362</u> | <u>-</u> | <u>146,136</u> | <u>1,609,226</u> | <u>148,470</u> |
| General Capital Fund Long-Term Liabilities | <u>\$ 39,138,362</u> | <u>\$ -</u> | <u>\$ 3,706,136</u> | <u>\$ 35,432,226</u> | <u>\$ 3,768,470</u> |

| | Balance, June 30, <u>2008</u> | <u>Increases</u> | <u>Reductions</u> | Balance, June 30, <u>2009</u> | Due Within <u>One Year</u> |
|---|-------------------------------------|------------------|---------------------|-------------------------------------|----------------------------------|
| <u>2009</u> | | | | | |
| General Capital Fund | | | | | |
| Serial Bonds Payable | \$ 35,023,000 | | \$ 2,425,000 | \$ 32,598,000 | \$ 2,520,000 |
| School Bonds Payable | 5,775,000 | | 990,000 | 4,785,000 | 1,040,000 |
| Intergovernmental Loans Payable | <u>1,899,209</u> | <u>-</u> | <u>143,847</u> | <u>1,755,362</u> | <u>146,136</u> |
| General Capital Fund Long-Term Liabilities | <u>\$ 42,697,209</u> | <u>\$ -</u> | <u>\$ 3,558,847</u> | <u>\$ 39,138,362</u> | <u>\$ 3,706,136</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, 2010 AND 2009**

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 5.80% 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% | \$ 435,000 |
| 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%. | 3,435,000 |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

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 5.80% to 6.64%

\$ 3,713,160

HCIA 2006A (tax-exempt) lease revenue bonds, originally issued on January 1, 2006 for \$1,143,296, maturing annually from January 1, 2008 through 2024, bearing interest rates of 4.0% to 5.0%

1,001,660

HCIA 2006B (taxable) lease revenue bonds, originally issued on January 1, 2006 for \$1,051,424, maturing annually from January 1, 2008 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%.

925,100

\$9,509,920

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, 2009 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.

\$7,840,000

The calculated interest rate for the year ended June 30, 2010 was 4.46%.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

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% \$1,040,000

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%. \$8,655,000

Hudson County Improvement Authority – Lease Financing Agreement

On June 15, 1997 the Town and the West New York Parking Authority (the “Authority”) entered into a lease financing agreement with the Hudson County Improvement Authority (HCIA). The Agreement is for the HCIA to provide \$6,400,000 of funding to be shared equally between the Town and the Authority; however, the Town has ultimate responsibility for all amounts due pursuant to the lease. The proceeds of the lease were received equally by the Town and Authority and both entities are responsible for their share of rental payments in connection with the lease.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 4 MUNICIPAL DEBT (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Financing Agreement (Continued)

The Town, as a participant in the Agreement, has received funding of \$4,200,000 from the HCIA for the renovations/rehabilitation of Bergenline Avenue from 48th Street through 68th Street, both east and west sides. In consideration for the funding received, the Town will lease the land to the HCIA and then in turn lease the entire completed improvements from the HCIA for a term to expire July 1, 2025.

Upon the satisfaction of certain criteria, which must include the approval of the Town of West New York, the Authority can elect to purchase the facility from the HCIA. Under the terms of the agreement, it is estimated that the exercise date of the purchase option would be July 1, 2025, the expiration date of the original lease term. The Authority will receive significant credit for the value of net minimum lease payments made to such date to be applied toward the option purchase price. As such, this agreement has been recorded as a capital lease obligation.

The Town is the lessee of the improvements thereto, referred to as the Renovation of Bergenline Avenue, under a capital lease which expires July 1, 2025. The assets and liabilities under capital lease are recorded at the present value of the minimum lease payments.

The capital lease obligation for the years ended June 30, 2010 and 2009 was \$140,000 and \$130,000, respectively.

Minimum future lease payments under the capital lease as of June 30, 2010 for each of the next five years and in the aggregate are:

| Year Ended June 30: | |
|---|--------------------|
| 2011 | \$ 286,500 |
| 2012 | 284,250 |
| 2013 | 286,750 |
| 2014 | 283,750 |
| 2015 | 285,500 |
| 2016-2020 | 1,436,250 |
| 2021-2024 | <u>1,139,250</u> |
| Total minimum lease payments | 4,002,250 |
| Less: Amount representing interest | <u>(1,172,250)</u> |
| Present Value of Net Minimum Lease Payments | <u>\$2,830,000</u> |

The initial interest rate on the capital lease was 5% and was based on the HCIA's borrowing rate at the inception of the lease. The future minimum lease payments set forth above assumes a 5% interest rate. However, as of the date of the Agreement, the interest rate payable on the outstanding principal is reset weekly by the Remarketing Agent for the HCIA Pooled Loan Program. The average estimated interest rate for the years ended June 30, 2010 and 2009 were 2.41% and 2.20%, respectively.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 4 MUNICIPAL DEBT (Continued)

Short-Term Debt

The Town's short-term capital debt activity for the fiscal year 2010 is as follows:

| | Balance, June 30, <u>2009</u> | <u>Increases</u> | <u>Reductions</u> | Balance, June 30, <u>2010</u> |
|-------------------------|-------------------------------------|------------------|-------------------|-------------------------------------|
| <u>2010</u> | | | | |
| Bond Anticipation Notes | | | | |
| General Capital Fund | \$ - | \$ 2,499,950 | \$ - | \$ 2,499,950 |

The Town had no short-term capital debt during the 2009 fiscal year.

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 year 2009 is as follows:

| | Balance, June 30, <u>2008</u> | <u>Increases</u> | <u>Reductions</u> | Balance, June 30, <u>2009</u> |
|------------------------|-------------------------------------|------------------|-------------------|-------------------------------------|
| <u>2009</u> | | | | |
| Tax Anticipation Notes | \$ 7,000,000 | \$ 5,500,000 | \$ 12,500,000 | \$ - |

The Town did not issue any tax anticipation notes during the fiscal year ended June 30, 2010.

NOTE 5 FIXED ASSETS

General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years 2010 and 2009.

| | Balance June 30, <u>2009</u> | <u>Increases</u> | <u>Decreases</u> | Balance, June 30, <u>2010</u> |
|-------------------------------------|------------------------------------|---------------------|------------------|-------------------------------------|
| <u>2010</u> | | | | |
| Land | \$ 2,095,513 | | | \$ 2,095,513 |
| Buildings and Building Improvements | 2,408,050 | | | 2,408,050 |
| Building Improvements | 10,944,704 | \$ 175,253 | | 11,119,957 |
| Machinery and Equipment | 575,655 | 292,963 | | 868,618 |
| Vehicles | 3,007,114 | 654,734 | \$ - | 3,661,848 |
| | <u>\$ 19,031,036</u> | <u>\$ 1,122,950</u> | <u>\$ -</u> | <u>\$ 20,153,986</u> |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 5 FIXED ASSETS (Continued)

General Fixed Assets

| | Balance June 30, <u>2008</u> | <u>Increases</u> | <u>Decreases</u> | Balance, June 30, <u>2009</u> |
|-------------------------|------------------------------------|-------------------|---------------------|-------------------------------------|
| <u>2009</u> | | | | |
| Land | \$ 2,095,513 | | | \$ 2,095,513 |
| Buildings | 2,410,850 | | \$ 2,800 | 2,408,050 |
| Building Improvements | 11,059,019 | | 114,315 | 10,944,704 |
| Machinery and Equipment | 1,088,874 | | 513,219 | 575,655 |
| Vehicles | <u>5,373,047</u> | <u>\$ 117,000</u> | <u>\$ 2,482,933</u> | <u>3,007,114</u> |
| | <u>\$ 22,027,303</u> | <u>\$ 117,000</u> | <u>\$ 3,113,267</u> | <u>\$ 19,031,036</u> |

The Town undertook a physical inventory of general fixed assets as of June 30, 2010. The June 30, 2009 balances were established as a result of reducing actual 2009/10 additions from the June 30, 2010 balances.

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>2010</u> | | <u>2009</u> | |
|--|---------------------------------|-------------------------------|---------------------------------|-------------------------------|
| | <u>Due from Other Funds</u> | <u>Due to Other Funds</u> | <u>Due from Other Funds</u> | <u>Due to Other Funds</u> |
| Current Fund | \$ 116,004 | \$ 619,765 | \$ 247,075 | |
| Federal and State Grant Fund | 481,832 | 325,692 | 5,000 | |
| Animal Control Fund | 4,454 | 10,860 | 1,068 | \$ 26,158 |
| Other Trust Fund | 662,347 | 4,454 | 151,779 | 116,844 |
| Community Development Block Grant Fund | | 543,719 | | 176,081 |
| General Capital Fund | <u>391,632</u> | <u>151,779</u> | <u>65,940</u> | <u>151,779</u> |
| | <u>\$ 1,656,269</u> | <u>\$ 1,656,269</u> | <u>\$ 470,862</u> | <u>\$ 470,862</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, 2010 AND 2009**

NOTE 7 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balance in the Current Fund is comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of June 30 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at June 30, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

| | Fund Balance June 30, <u>2010</u> | Utilized in Subsequent Period's Budget (Transition Year) | Fund Balance June 30, <u>2009</u> | Utilized in Subsequent Year's Budget |
|------------------|--|---|--|--|
| Current Fund | | | | |
| Cash Surplus | \$ 4,932,504 | \$ 300,000 | \$ 488,097 | |
| Non-Cash Surplus | <u>1,280,432</u> | <u>-</u> | <u>2,448,164</u> | <u>-</u> |
| | <u>\$ 6,212,936</u> | <u>\$ 300,000</u> | <u>\$ 2,936,261</u> | <u>\$ -</u> |

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, <u>June 30,</u> | Subsequent Year Budget <u>Appropriation</u> | Balance to Succeeding <u>Budgets</u> |
|---|-----------------------------|---|--|
| <u>2010</u> | | | |
| Current Fund | | | |
| Overexpenditure of Appropriations | \$ 456,066 | \$ 397,700 | \$ 58,366 |
| Overexpenditure of Appropriation Reserves | <u>800,000</u> | <u>800,000</u> | <u>-</u> |
| | <u>\$ 1,256,066</u> | <u>\$ 1,197,700</u> | <u>\$ 58,366</u> |
| <u>2009</u> | | | |
| Current Fund | | | |
| Overexpenditure of Appropriations | \$ 397,700 | | \$ 397,700 |
| Overexpenditure of Appropriation Reserves | <u>2,050,464</u> | <u>\$ 1,250,464</u> | <u>800,000</u> |
| | <u>\$ 2,448,164</u> | <u>\$ 1,250,464</u> | <u>\$ 1,197,700</u> |

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

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 \$7,782,193 and \$8,447,913 at June 30, 2010 and 2009, 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.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Town employees who are eligible for pension 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.

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.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Other Pension Funds (Continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pension.

Basis of Accounting

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

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.

Significant Legislation

P.L. 2009, c. 19, effective March 17, 2009 provides an option for local employers to contribute 50 percent of the normal and accrued liability contribution amounts certified by the PERS and PFRS for payments due in State fiscal year 2009. This law also provides that a local employer may pay 100 percent of the required contribution. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries for PERS and PFRS will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the State fiscal year ending June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

P.L. 2008, c. 89, effective November 1, 2008, increased the TPAF and PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; changed the early retirement provisions; increased the minimum annual compensation required for membership eligibility for new members on or after the effective date of this law.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Significant Legislation (Continued)

P.L. 2007, c. 103, certain parts effective July 1, 2007, provided for the following: changed contribution rates of TPAF, PERS, and Defined Contribution Retirement Program (DCRP) to 5.5 percent of annual compensation; imposed an annual maximum wage contribution base and a new retirement age to new employees; implemented changes to State Health Benefits Program (SHBP) which included the creation of the School Employees' Health Benefit Program (SEHBP) and established an employee contribution of 1.5 percent of the employee's base salary.

Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems, including PERS and PFRS, is 72.6 percent with an unfunded actuarial accrued liability of \$34.4 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 69.6 percent and \$23.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 77.2 percent and \$11.4 billion.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2008 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for all the retirement systems; and (2) 5.45 percent for projected salary increases for all the retirement systems except PFRS.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 5.5% for PERS, 8.50% for PFRS and 5.5% for DCRP of employees' annual compensation.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Annual Pension Cost (APC)

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, annual pension cost equals contributions made. However, due to the enactment of P.L. 2009, c.19, the Town opted to contribute a PFRS and PERS amount that reflected a 50 percent reduction of the normal and accrued liability component of the PFRS and PERS obligations due in the year ended June 30, 2010. The unpaid or deferred amount of \$1,218,584 for PFRS and \$371,001 for PERS will be paid with interest starting in the 2012 year over a 15 year period. The Town is allowed to payoff the deferred pension obligations at any time. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employee contribution.

During the years ended June 30, 2010, 2009 and 2008, the Town, except for the amounts deferred during the year ended June 30, 2009, 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> |
|------------------------------|--------------|-------------|
| 2010 | \$ 2,597,785 | \$ 773,293 |
| 2009 | 1,218,584 | 371,001 |
| 2008 | 2,227,660 | 495,722 |

NOTE 11 POST-RETIREMENT MEDICAL BENEFITS

Plan Description

The Town provides a post employment healthcare plan for its eligible retirees, spouses and dependents. The plan is a single-employer defined benefit healthcare plan administered by the Town. In accordance with Town ordinances, contracts and/or policies, the Town provides medical and prescription benefits to retirees and their covered eligible dependents. The Town pays the full cost for eligible retirees, spouses and dependents. All active employees who retire directly from the Town and meet the eligibility criteria may participate.

Funding Policy

The required contribution is funded on a pay-as-you-go basis. For the fiscal year 2010, the Town contributed \$2,538,103 to the plan reflecting implicit rate subsidies. The total of \$2,538,103 was for current premiums.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 11 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Town’s annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town’s net OPEB obligation to the plan.

| | |
|--|---------------------|
| Annual Required Contribution | \$ 8,531,228 |
| Interest on Net OPEB Obligation | |
| Adjustment to Annual Required Contribution | - |
| Annual OPEB Cost (Expense) | 8,531,228 |
| Contributions Made | <u>(2,538,103)</u> |
| Increase in Net OPEB Obligation | 5,993,125 |
| Net OPEB Obligation - Beginning of Year | - |
| Net OPEB Obligation - End of Year | <u>\$ 5,993,125</u> |

The Town’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year 2010 is as follows:

| Year Ended <u>June 30,</u> | Annual <u>OPEB Cost</u> | Percentage of Annual OPEB <u>Cost Contributed</u> | Net OPEB <u>Obligation</u> |
|-------------------------------|----------------------------|---|----------------------------------|
| 2010 | \$ 8,531,228 | 29.8% | \$ 5,993,125 |

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$85,854,329, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$85,854,329.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 11 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Funded Status and Funding Progress (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation, the closed group actuarial cost method was used. The actuarial assumptions included a 5 percent investment rate of return (net of administrative expense) which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 11 percent initially, reduced by decrements to an ultimate rate of 5 percent increase for 2021 and later years. Both rates included a 2 percent inflation assumption. The UAAL is being amortized as a level dollar amount over 30 years. The remaining amortization period at June 30, 2010 was 29 years.

NOTE 12 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 and a maximum lifetime benefit per person of \$1,850,000, with any excess benefit being reimbursed through a Re-Insurance Agreement with HM 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 \$13,434,823 for the fiscal year ended June 30, 2010. The Town has not created a liability for loss reserves for claims incurred which were unpaid at June 30, 2010 and 2009. 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.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 12 RISK MANAGEMENT (Continued)

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 \$150,000 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.

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.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 12 RISK MANAGEMENT (Continued)

Other Insurance Coverage (Continued)

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> |
|-------------------------------|-------------------------------|-----------------------------------|------------------------------|-------------------------------------|
| 2010 | | \$ 33,620 | \$ 20,422 | \$ 300,669 |
| 2009 | \$ 456,032 | 11,493 | 122,141 | 129,844 |
| 2008 | | 33,127 | 310,087 | (216,032) |

NOTE 13 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, 2010 and 2009. 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. As of June 30, 2010 and 2009, the Town has reserved \$400,000 in the Current Fund for tax appeals pending. 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, 2010 and 2009, 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, 2010 AND 2009**

NOTE 14 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, 2010 and 2009, the Town has not estimated its arbitrage earnings, if any, due to the IRS.

NOTE 15 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, 2010 and 2009, \$-0- and \$6,431,000, respectively, of bonds outstanding are considered defeased.

NOTE 16 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, 2010 AND 2009**

NOTE 16 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, 2010 AND 2009**

NOTE 16 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, 2010.

NOTE 17 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 \$12,029,029 and \$11,736,438 for fiscal years 2010 and 2009 including health insurance and debt service costs.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2010 AND 2009**

NOTE 18 ACCELERATED TAX SALE

Chapter 99 of the Public Laws of 1997 of the State of New Jersey, effective May 12, 1997, authorizes any municipality to have an accelerated tax sale. An accelerated tax sale permits a municipality to have a tax sale when a property is in arrears after the 11th day of the 11th month of each fiscal year. In 2010, the Town had an accelerated tax sale, which resulted in the majority of delinquent taxes being sold to outside lien holders. The Town did not have an accelerated tax sale in the fiscal year 2009. As a result of the accelerated tax sale, the true collection rate which includes the proceeds of the accelerated tax sale was 98.40% for 2010. The underlying tax collection rate was 95.05% for 2010.

NOTE 19 TRANSITION FROM STATE FISCAL YEAR TO CALENDAR YEAR

The Town of West New York has presented its financial activities on the State fiscal year (June 30), pursuant to P.L. 1991, c.75. In accordance with P.L. 2008, c.92 a municipality operating under the State fiscal year, and which has adopted an ordinance authorizing the reversion to a calendar year may apply to the Local Finance Board of the State of New Jersey for approval to revert back to a calendar year.

On May 19, 2010 the Town Council adopted an ordinance authorizing the reversion to a calendar year and received approval from the Local Finance Board on July 14, 2010. As a result of this change the Town prepared a transition year budget for the period July 1, 2010 through December 31, 2010 immediately prior to the beginning of the 2011 calendar year.

CURRENT FUND

TOWN OF WEST NEW YORK
STATEMENT OF CURRENT CASH - TREASURER

| | | |
|---|-------------------|----------------------|
| Balance, July 1, 2009 | | \$ 6,311,121 |
| Increased by Receipts: | | |
| Non-Budget Revenue | \$ 44,644 | |
| Senior Citizens and Veterans Deductions | 72,420 | |
| Taxes Receivable | 63,211,593 | |
| Receipts from General Capital Fund | 1,000,000 | |
| Federal and State Grant Fund Receipts Deposited in Current Fund | 138,380 | |
| Other Trust Fund Receipts Deposited in Current Fund | 650,564 | |
| CDBG Receipts Deposited in Current Fund | 266,276 | |
| Revenue Accounts Receivable | 32,465,323 | |
| Prepaid Taxes | 65,463 | |
| Due from Board of Education | 26,634 | |
| Tax Overpayments | 756,321 | |
| Due to North Hudson Community Action Corporation | 84,178 | |
| | <u>98,781,796</u> | |
| | | 105,092,917 |
| Decreased by Disbursements: | | |
| 2010 Budget Appropriations | 65,279,955 | |
| 2009 Appropriation Reserves | 844,719 | |
| Encumbrances Payable | 958,331 | |
| Payments to General Capital Fund | 1,000,000 | |
| Payments to CDBG Trust Fund | 97,225 | |
| Federal and State Grant Fund Expenditures Paid by Current Fund | 61,025 | |
| CDBG Expenditures Paid by Current Fund | 169,004 | |
| Tax Overpayments | 674,427 | |
| Prepaid Expense | 79,396 | |
| County Taxes Payable | 11,171,335 | |
| School Taxes Payable | 13,636,640 | |
| Refund of Prior Year Revenue | 30,990 | |
| Due to North Hudson Sewerage Authority | 252,582 | |
| | <u>94,255,629</u> | |
| Balance, June 30, 2010 | | <u>\$ 10,837,288</u> |

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

| | Balance, <u>June 30, 2009</u> | Balance, <u>June 30, 2010</u> |
|------------------|----------------------------------|----------------------------------|
| Collector | \$ 100 | \$ 100 |
| Violations Clerk | <u>400</u> | <u>400</u> |
| | <u>\$ 500</u> | <u>\$ 500</u> |

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

| | | |
|--|--------------|------------------|
| Balance, June 30, 2009 | | \$ 21,140 |
| Increased by: | | |
| Cash Received from State | \$ 72,420 | |
| Senior and Veterans Deductions Disallowed | <u>4,625</u> | |
| | | <u>77,045</u> |
| | | 98,185 |
| Decreased by: | | |
| Senior and Veterans Deductions Per Tax Duplicate | 67,000 | |
| Senior and Veterans Deductions Allowed | <u>8,500</u> | |
| | | <u>75,500</u> |
| Balance, June 30, 2010 | | <u>\$ 22,685</u> |

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

| | | |
|--|----------------|---------------------|
| Balance, June 30, 2009 | | \$ 1,672,343 |
| Increased by: | | |
| Grants Receivable | \$ 1,200,774 | |
| Unappropriated Grant Reserves | <u>451,604</u> | |
| | | <u>1,652,378</u> |
| | | 3,324,721 |
| Decreased by: | | |
| Payments to Community Development Block Grant Fund | 125,000 | |
| Appropriated Grant Reserves | 974,860 | |
| CDBG Expenditures Paid by Federal and State Grant Fund | <u>242,635</u> | |
| | | <u>1,342,495</u> |
| Balance, June 30, 2010 | | <u>\$ 1,982,226</u> |

STATEMENT OF RESERVE FOR TAX APPEALS

| | | |
|------------------------|--|-------------------|
| Balance, June 30, 2009 | | \$ <u>400,000</u> |
| Balance, June 30, 2010 | | <u>\$ 400,000</u> |

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

| Year | Balance, July 1, 2009 | 2009/10 Fiscal Year Levy | Added Taxes | Senior Citizens' and Veterans' Deductions Disallowed | Collected In | | Senior Citizens' and Veterans' Deductions Allowed | Cancelled | Transferred to Tax Title Liens | Balance, June 30, 2010 |
|------|-----------------------------|-----------------------------------|-------------------|--|------------------|----------------------|---|-------------------|--------------------------------------|------------------------------|
| | | | | | 2008/09 | 2009/10 | | | | |
| 2005 | \$ 59 | | | | | | | | | \$ 59 |
| 2006 | 8,764 | | | | | | | | | 8,764 |
| 2007 | 8,925 | | | | | | | | | 8,925 |
| 2008 | 42,383 | | | | | \$ 31,782 | | 5,761 | \$ 3,567 | \$ 1,273 |
| 2009 | 2,528,721 | - | \$ 40,701 | - | - | 2,479,181 | - | 27,049 | 59,947 | 3,245 |
| | 2,588,852 | - | 40,701 | - | - | 2,510,963 | - | 50,558 | 63,514 | 4,518 |
| 2010 | - | \$ 61,514,238 | 303,321 | \$ 4,625 | \$ 58,482 | 60,700,630 | \$ 75,500 | 822,214 | \$ 106,406 | 58,952 |
| | <u>\$ 2,588,852</u> | <u>\$ 61,514,238</u> | <u>\$ 344,022</u> | <u>\$ 4,625</u> | <u>\$ 58,482</u> | <u>\$ 63,211,593</u> | <u>\$ 75,500</u> | <u>\$ 872,772</u> | <u>\$ 169,920</u> | <u>\$ 63,470</u> |

Analysis of 2010 Fiscal Year Tax Levy

TAX YIELD

| | |
|-------------------------------------|---------------------|
| General Purpose Tax | \$ 61,514,238 |
| Added Taxes (NJSA 54:4-63.1 et seq) | <u>303,321</u> |
| | <u>\$61,817,559</u> |

TAX LEVY

| | |
|---|---------------------|
| Local District School Tax (Abstract) | \$ 13,636,640 |
| County Tax (Abstract) | \$10,958,674 |
| Open Space Preservation Tax (Abstract) | 158,619 |
| Due County for Added and Omitted Taxes (54:4-63.1) | <u>54,042</u> |
| | 11,171,335 |
| Local Tax for Municipal Purposes | 37,805,647 |
| Add Additional Taxes Levied | <u>(796,063)</u> |
| | <u>37,009,584</u> |
| | <u>\$61,817,559</u> |

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

| | | |
|---|----|----------------|
| Balance, July 1, 2009 | \$ | 342 |
| Increased by: | | |
| Transfer from SFY 2009 Taxes Receivable | \$ | 63,514 |
| Transfer from SFY 2010 Taxes Receivable | | <u>106,406</u> |
| | | <u>169,920</u> |
| Balance, June 30, 2010 | \$ | <u>170,262</u> |

TOWN OF WEST NEW YORK
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

| | Balance, July 1, <u>2009</u> | Accrued in <u>2009/10</u> | <u>Cancelled</u> | <u>Collected</u> | Balance, June 30, <u>2010</u> |
|---|------------------------------------|------------------------------|-------------------|----------------------|-------------------------------------|
| Licenses | | | | | |
| Alcoholic Beverages | | \$ 118,320 | | \$ 118,320 | |
| Other | | 101,034 | | 101,034 | |
| Fines and Costs | | | | | |
| Municipal Court | \$ 127,003 | 1,735,563 | | 1,686,617 | \$ 175,949 |
| Fees and Permits | | 42,492 | | 42,492 | |
| Interest and Costs on Taxes | | 698,888 | | 698,888 | |
| Interest on Investments and Deposits | | 15,411 | | 15,411 | |
| Payment in Lieu of Taxes | | | | | |
| Overlook Terrace, Parking and Housing Authority | | 1,500,000 | | 1,500,000 | |
| Waterfront | | 15,560,654 | | 15,560,654 | |
| Rental of Hudson Hall | | 150,000 | | 150,000 | |
| Cable T.V. Franchise Tax | | 116,538 | | 116,538 | |
| Pay Telephone Commissions | | | | | |
| Pool Membership Fees | | 66,331 | | 66,331 | |
| Extraordinary Aid | | 450,000 | | 450,000 | |
| Consolidated Municipal Property Tax Relief Aid | | 5,800,432 | | 5,800,432 | |
| Energy Receipts Tax | | 2,236,918 | | 2,236,918 | |
| Supplemental Energy Receipts Tax | | 65,421 | | 65,421 | |
| Building Aid for Schools | | 708,218 | | 708,218 | |
| Uniform Construction Code Fees (N.J.S.A. 40A:4_36) | | | | | |
| Uniform Construction Code Fees | | 436,013 | | 436,013 | |
| 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 | | | | | |
| Reimbursement for: | | | | | |
| Recreation Services | | 1,012,100 | | 1,012,100 | |
| Police Security | | 515,360 | | 515,360 | |
| Fuel | | 44,200 | | 44,200 | |
| Edward Byrne Memorial Justice Assistance Program | 119,670 | | \$ 119,670 | | |
| Housing Inspection Fees | | 23,653 | | 23,653 | |
| Uniform Fire Safety Act | | 9,380 | | 9,380 | |
| EMT Service Fees | | 504,869 | | 504,869 | |
| Developer Reimbursement - Waterfront HCIA Bonds | - | 552,474 | - | 552,474 | - |
| | <u>\$ 246,673</u> | <u>\$32,514,269</u> | <u>\$ 119,670</u> | <u>\$ 32,465,323</u> | <u>\$ 175,949</u> |

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

| | Balance, July 1, <u>2009</u> | Raised in FY 2010 <u>Budget</u> | Amount Resulting in <u>FY 2010</u> | Balance, June 30, <u>2010</u> |
|---|------------------------------------|---------------------------------------|--|-------------------------------------|
| Overexpenditure of Appropriations | \$ 397,700 | | \$ 58,366 | \$ 456,066 |
| Overexpenditure of Appropriation Reserves | <u>2,050,464</u> | <u>\$ 1,250,464</u> | <u>-</u> | <u>800,000</u> |
| | <u>\$ 2,448,164</u> | <u>\$ 1,250,464</u> | <u>\$ 58,366</u> | <u>\$ 1,256,066</u> |

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2009 APPROPRIATION RESERVES**

| | Balance, July 1, <u>2009</u> | Cancelled <u>Encumbrances</u> | <u>Transfers</u> | Balance After <u>Modification</u> | <u>Expended</u> | Balance <u>Lapsed</u> |
|---|------------------------------------|----------------------------------|------------------|---|-----------------|--------------------------|
| Department of Public Affairs | | | | | | |
| Director's Office | | | | | | |
| Other Expenses | \$ 3,361 | | | \$ 3,361 | \$ 3,358 | \$ 3 |
| Town Clerk | | | | | | |
| Other Expenses - Miscellaneous | 1,973 | \$ 1,253 | | 3,226 | | 3,226 |
| Other Expenses - Legal Advertising & Publications | 3,817 | | | 3,817 | 3,749 | 68 |
| Elections | | | | | | |
| Other Expenses | 3,671 | | | 3,671 | | 3,671 |
| Community Development | 200,000 | | | 200,000 | | 200,000 |
| Board of Health | | | | | | |
| Salaries and Wages | 8,680 | | | 8,680 | | 8,680 |
| Other Expenses | 40 | 793 | | 833 | | 833 |
| Prosecutor | | | | | | |
| Salaries and Wages | 700 | | | 700 | | 700 |
| Other Expenses | 14,046 | | \$ 7,861 | 21,907 | 21,907 | |
| Public Relations | | | | | | |
| Other Expenses | 15,738 | | | 15,738 | 15,738 | |
| Rent Control Board | | | | | | |
| Salaries and Wages | 144 | | | 144 | | 144 |
| Other Expenses | 748 | | | 748 | 217 | 531 |
| Housing Inspection | | | | | | |
| Salaries and Wages | 1,196 | | | 1,196 | | 1,196 |
| Other Expenses | 1,000 | | | 1,000 | | 1,000 |
| Tenants Relations | | | | | | |
| Other Expenses | 1,000 | | | 1,000 | | 1,000 |
| Law Department | | | | | | |
| Other Expenses | 5,062 | | 1,324 | 6,386 | 6,386 | |
| Supervised Play Activity | | | | | | |
| Salaries and Wages | 22,375 | | | 22,375 | | 22,375 |
| Other Expenses | 1,444 | | 4,274 | 5,718 | 5,718 | |
| Senior Citizens Coordinator of Events | | | | | | |
| Salaries and Wages | 644 | | | 644 | | 644 |
| Other Expenses | 4,703 | | | 4,703 | 3,581 | 1,122 |
| Administrative Offices | | | | | | |
| Salaries and Wages | 487 | | | 487 | | 487 |
| Other Expenses | 2,964 | | | 2,964 | 2,609 | 355 |
| Insurance Department | | | | | | |
| Salaries and Wages | 1,029 | | | 1,029 | | 1,029 |
| Other Expenses | 237 | | | 237 | | 237 |
| Planning Board | | | | | | |
| Salaries and Wages | 4,630 | | | 4,630 | | 4,630 |
| North Hudson Regional Council of Mayors -Town | 7 | | | 7 | | 7 |
| Urban Enterprise Zone | | | | | | |
| Salaries and Wages | 769 | | | 769 | | 769 |
| Other Expenses | 11,178 | 239 | | 11,417 | | 11,417 |
| | - | - | - | - | - | - |
| Total Department of Public Affairs | 311,643 | 2,285 | 13,459 | 327,387 | 63,263 | 264,124 |

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2009 APPROPRIATION RESERVES**

| | Balance, July 1, <u>2009</u> | Cancelled <u>Encumbrances</u> | <u>Transfers</u> | Balance After <u>Modification</u> | <u>Expended</u> | Balance <u>Lapsed</u> |
|--|------------------------------------|----------------------------------|------------------|---|-----------------|--------------------------|
| Department of Revenue and Finance | | | | | | |
| Director's Office | | | | | | |
| Salaries and Wages | \$ 1,335 | | | \$ 1,335 | | \$ 1,335 |
| Other Expenses | 8,021 | | | 8,021 | \$ 501 | 7,520 |
| Treasurer's Office | | | | | | |
| Salaries and Wages | 4,807 | | | 4,807 | | 4,807 |
| Other Expenses | | | | | | |
| Annual Audit | | | \$ 4,494 | 4,494 | 4,494 | |
| Miscellaneous | 94,870 | | | 94,870 | 93,389 | 1,481 |
| Payroll Service Fee | 467 | | | 467 | | 467 |
| Assessment of Taxes | | | | | | |
| Salaries and Wages | 905 | | | 905 | | 905 |
| Other Expenses | 2,137 | \$ 47 | 2,307 | 4,491 | 4,491 | |
| Collection of Taxes | | | | | | |
| Salaries and Wages | 4,491 | | | 4,491 | | 4,491 |
| Other Expenses | 4,861 | | 3,156 | 8,017 | 6,433 | 1,584 |
| Insurance | | | | | | |
| Workers Compensation Insurance | 9,534 | | | 9,534 | 9,534 | |
| Employee Group Health | 1,215,635 | | (537,000) | 678,635 | 230,467 | 448,168 |
| Purchasing Agent | | | | | | |
| Salaries and Wages | 10,114 | | | 10,114 | | 10,114 |
| Other Expenses | 53 | - | - | 53 | - | 53 |
| Total Department of Revenue and Finance | 1,357,230 | 47 | (527,043) | 830,234 | 349,309 | 480,925 |
| Department of Public Safety | | | | | | |
| Director's Office | | | | | | |
| Other Expenses | 4,713 | | | 4,713 | 500 | 4,213 |
| Police | | | | | | |
| Salaries and Wages | 554,044 | | | 554,044 | | 554,044 |
| Other Expenses | 32,451 | | | 32,451 | 20,556 | 11,895 |
| Juvenile Aid | | | | | | |
| Other Expenses | 183 | | | 183 | | 183 |
| Uniform Fire Safety Act | | | | | | |
| Salaries and Wages | 550 | | | 550 | | 550 |
| Other Expenses | 1 | | | 1 | | 1 |
| Ambulance Squad | | | | | | |
| Salaries and Wages | 43,919 | | | 43,919 | | 43,919 |
| Other Expenses | 405 | | 10,904 | 11,309 | 11,309 | |
| Office of Emergency Management | | | | | | |
| Salaries and Wages | 15,000 | | | 15,000 | | 15,000 |
| Other Expenses | 13 | - | - | 13 | - | 13 |
| Total Department of Public Safety | 651,279 | - | 10,904 | 662,183 | 32,365 | 629,818 |

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2009 APPROPRIATION RESERVES**

| | Balance, July 1, <u>2009</u> | Cancelled <u>Encumbrances</u> | <u>Transfers</u> | Balance After <u>Modification</u> | <u>Expended</u> | Balance <u>Lapsed</u> |
|--|------------------------------------|----------------------------------|------------------|---|-----------------|--------------------------|
| Department of Public Works | | | | | | |
| Director's Office | | | | | | |
| Salaries and Wages | \$ 1,329 | | | \$ 1,329 | | \$ 1,329 |
| Other Expenses | 2,564 | | | 2,564 | \$ 500 | 2,064 |
| Streets and Sewers | | | | | | |
| Salaries and Wages | 21,979 | | | 21,979 | | 21,979 |
| Other Expenses | 60,759 | | | 60,759 | 19,907 | 40,852 |
| Street Lighting | | | | | | |
| Other Expenses | 139,126 | | | 139,126 | 105,385 | 33,741 |
| Fire Hydrant Rental | | | | | | |
| Other Expenses | 16,531 | | \$ 41,321 | 57,852 | 57,852 | |
| Recycling | | | | | | |
| Other Expenses | 5,048 | | | 5,048 | 611 | 4,437 |
| Department of Public Works (Continued) | | | | | | |
| Garbage & Trash | | | | | | |
| Salaries and Wages | 32,678 | | | 32,678 | | 32,678 |
| Other Expenses | | | | | | |
| Contractual | 92,091 | | | 92,091 | 8,480 | 83,611 |
| Miscellaneous Other Expenses | 1,616 | | | 1,616 | 149 | 1,467 |
| Engineering Services and Costs | | | | | | |
| Other Expenses | 47,411 | - | 30,116 | 77,527 | 58,210 | 19,317 |
| Total Department of Public Works | 421,132 | - | 71,437 | 492,569 | 251,094 | 241,475 |
| Department of Parks and Public Property | | | | | | |
| Director's Office | | | | | | |
| Salaries and Wages | 3,901 | | | 3,901 | | 3,901 |
| Other Expenses | 2,586 | | | 2,586 | 500 | 2,086 |
| Division of Parks | | | | | | |
| Salaries and Wages | 1,874 | \$ 1 | | 1,875 | | 1,875 |
| Other Expenses | | | 2,942 | 2,942 | 2,942 | |
| Celebration of Public Events | | | | | | |
| Other Expenses | 265 | | 3,000 | 3,265 | 3,190 | 75 |
| Centralized Postage | | | | | | |
| Other Expenses | 15,814 | | | 15,814 | 21 | 15,793 |
| Building Department | | | | | | |
| Salaries and Wages | 22,448 | | | 22,448 | | 22,448 |
| Other Expenses | 5,590 | | | 5,590 | 2,623 | 2,967 |
| Light & Power | | | | | | |
| Other Expenses | 178,331 | | | 178,331 | 93,848 | 84,483 |
| Fuel - Other Expenses | 1,288 | | 1,000 | 2,288 | 2,288 | |
| Telephone - Other Expenses | 56,655 | | | 56,655 | 42,257 | 14,398 |
| Water- Other Expenses | 6,268 | | 11,035 | 17,303 | 17,303 | |
| Sewerage | | | | | | |
| Other Expenses | 64,047 | | | 64,047 | 49,006 | 15,041 |
| Signal Bureau | | | | | | |
| Salaries and Wages | 4,006 | | | 4,006 | | 4,006 |
| Other Expenses | 3,190 | - | - | 3,190 | - | 3,190 |
| Total Department of Parks and Public Property | 366,263 | 1 | 17,977 | 384,241 | 213,978 | 170,263 |

**TOWN OF WEST NEW YORK
STATEMENT OF SFY 2009 APPROPRIATION RESERVES**

| | Balance, July 1, <u>2009</u> | Cancelled <u>Encumbrances</u> | <u>Transfers</u> | Balance After <u>Modification</u> | <u>Expended</u> | Balance <u>Lapsed</u> |
|--|------------------------------------|----------------------------------|------------------|---|-------------------|--------------------------|
| Uniform Construction Code - Appropriations | | | | | | |
| Offset by Dedicated Revenues (N.J.A.C. 5:23-4:17) | | | | | | |
| Construction Code Department | | | | | | |
| Salaries and Wages | \$ 64,754 | | | \$ 64,754 | | \$ 64,754 |
| Other Expenses | <u>1</u> | - | \$ 11,054 | <u>11,055</u> | \$ 11,055 | <u>-</u> |
| Total Uniform Construction Code | <u>64,755</u> | <u>-</u> | <u>11,054</u> | <u>75,809</u> | <u>11,055</u> | <u>64,754</u> |
| Unclassified | | | | | | |
| Municipal Court | | | | | | |
| Salaries and Wages | 25,904 | | | 25,904 | | 25,904 |
| Other Expenses | 28,617 | | | 28,617 | 517 | 28,100 |
| Public Defender | | | | | | |
| Salaries and Wages | 3,077 | | | 3,077 | | 3,077 |
| Other Expenses | <u>762</u> | - | 4,512 | <u>5,274</u> | 5,274 | <u>-</u> |
| Total Unclassified | <u>58,360</u> | <u>-</u> | <u>4,512</u> | <u>62,872</u> | <u>5,791</u> | <u>57,081</u> |
| Total Operations Within "CAPS" | <u>3,230,662</u> | <u>\$ 2,333</u> | <u>(397,700)</u> | <u>2,835,295</u> | <u>926,855</u> | <u>1,908,440</u> |
| Deferred Charges and Statutory Expenditures - | | | | | | |
| Municipal Within "CAPS" Statutory Expenditures | | | | | | |
| Contribution to: | | | | | | |
| Social Security System (O.A.S.I.) | <u>23,324</u> | - | - | <u>23,324</u> | - | <u>23,324</u> |
| Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS" | <u>23,324</u> | <u>-</u> | <u>-</u> | <u>23,324</u> | <u>-</u> | <u>23,324</u> |
| Total General Appropriations for Municipal Purposes Within "CAPS" | <u>3,253,986</u> | <u>2,333</u> | <u>(397,700)</u> | <u>2,858,619</u> | <u>926,855</u> | <u>1,931,764</u> |
| OPERATIONS - EXCLUDED FROM "CAPS" | | | | | | |
| Other Operations - Excluded from "CAPS" | | | | | | |
| NHRFR | | | 397,700 | 397,700 | | 397,700 |
| Maintenance of Free Public Library | 125,032 | | | 125,032 | 30,000 | 95,032 |
| Public Employees' Retirement System COLA | 71,138 | | | 71,138 | | 71,138 |
| Board of Health-Chapter 226 Nursing Serv | <u>5,644</u> | - | - | <u>5,644</u> | - | <u>5,644</u> |
| Total Other Operations - Excluded from "CAPS" | <u>201,814</u> | <u>-</u> | <u>397,700</u> | <u>599,514</u> | <u>30,000</u> | <u>569,514</u> |
| Total General Appropriations | <u>\$ 3,455,800</u> | <u>\$ 2,333</u> | <u>\$ -</u> | <u>\$ 3,458,133</u> | <u>\$ 956,855</u> | <u>\$ 2,501,278</u> |
| | | | | Cash Disbursements | \$ 844,719 | |
| | | | | Transfer to Accounts Payable | <u>112,136</u> | |
| | | | | | <u>\$ 956,855</u> | |

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

| | | |
|---|----------------|--------------------------|
| Balance, July 1, 2009 | | \$ 960,664 |
| Increased by: | | |
| Charges to 2010 Fiscal Year Budget Appropriations | | <u>969,308</u> |
| | | 1,929,972 |
| Decreased by: | | |
| Cancelled to Appropriation Reserves | \$ 2,333 | |
| Cash Disbursements | <u>958,331</u> | |
| | | <u>960,664</u> |
| Balance, June 30, 2010 | | <u><u>\$ 969,308</u></u> |

STATEMENT OF PREPAID TAXES

| | | |
|-------------------------------|--|-------------------------|
| Balance, July 1, 2009 | | \$ 58,482 |
| Increased by: | | |
| Cash Received - TY 2010 Taxes | | <u>65,463</u> |
| | | 123,945 |
| Decreased by: | | |
| Applied to SFY 2010 Taxes | | <u>58,482</u> |
| Balance, June 30, 2010 | | <u><u>\$ 65,463</u></u> |

STATEMENT OF TAX OVERPAYMENTS

| | | |
|------------------------|--|--------------------------|
| Balance, July 1, 2009 | | \$ 674,427 |
| Increased by: | | |
| Cash Received | | <u>756,321</u> |
| | | 1,430,748 |
| Decreased by: | | |
| Cash Disbursed | | <u>674,427</u> |
| Balance, June 30, 2010 | | <u><u>\$ 756,321</u></u> |

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

| | |
|--|----------------------|
| Increased by: | |
| 2010 Fiscal Year Levy | |
| General County Tax (Abstract) | \$ 10,958,674 |
| County Open Space Preservation | 158,619 |
| Due County for Added and Omitted Taxes | <u>54,042</u> |
| | <u>\$ 11,171,335</u> |
| Decreased by: | |
| Cash Disbursed | <u>\$ 11,171,335</u> |

EXHIBIT A-18

STATEMENT OF LOCAL DISTRICT SCHOOL TAXES

| | |
|----------------------------|----------------------|
| Increased by: | |
| Levy - Fiscal Year 2009/10 | <u>\$ 13,636,640</u> |
| Decreased by: | |
| Cash Disbursed | <u>\$ 13,636,640</u> |

EXHIBIT A-19

SCHEDULE OF ACCOUNTS PAYABLE

| | |
|--|-------------------|
| Increased by: | |
| Transferred From 2009 Appropriation Reserves | <u>\$ 112,136</u> |
| Balance, June 30, 2010 | <u>\$ 112,136</u> |

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

| | |
|---------------------------|----------------|
| Balance, July 1, 2009 | \$ 253,011 |
| Decreased by: | |
| Cancelled to Fund Balance | \$ 429 |
| Cash Disbursed | <u>252,582</u> |
| | <u>253,011</u> |
| Balance, June 30, 2010 | <u>\$ -</u> |

EXHIBIT A-21

STATEMENT OF DUE TO NORTH HUDSON COMMUNITY ACTION CORPORATION

| | |
|------------------------|------------------|
| Increased by: | |
| Cash Receipts | <u>\$ 84,178</u> |
| Balance, June 30, 2010 | <u>\$ 84,178</u> |

EXHIBIT A-22

STATEMENT OF PREPAID EXPENSE

| | |
|------------------------|------------------|
| Increased by: | |
| Cash Disbursements | <u>\$ 79,396</u> |
| Balance, June 30, 2010 | <u>\$ 79,396</u> |

EXHIBIT A-23

STATEMENT OF DUE FROM BOARD OF EDUCATION

| | |
|-----------------------------|------------------|
| Increased by: | |
| Non Public Nursing Services | \$ 51,000 |
| Increased by: | |
| Cash Receipts | <u>26,634</u> |
| Balance, June 30, 2010 | <u>\$ 24,366</u> |

**TOWN OF WEST NEW YORK
FEDERAL AND STATE GRANT FUND
STATEMENT OF DUE FROM COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

| | |
|--|-------------------|
| Balance, June 30, 2009 | \$ 5,000 |
| Increased by: | |
| Cash Disbursements | \$ 125,000 |
| CDBG Expenditures Paid by Federal and State Grant Fund | <u>242,635</u> |
| | <u>367,635</u> |
| Balance, June 30, 2010 | <u>\$ 372,635</u> |

EXHIBIT A-25

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

| | |
|--|------------------|
| Increased by: | |
| Grant Receipts Deposited in Current Fund | \$ 138,380 |
| Decreased by: | |
| Cancellation of Appropriated Grant Reserves | 28,466 |
| Federal and State Grant Fund Expenditures Paid by Current Fund | <u>61,025</u> |
| | <u>89,491</u> |
| Balance, June 30, 2010 | <u>\$ 48,889</u> |

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

| | Balance, June 30, <u>2009</u> | 2010 Budget Revenue <u>Realized</u> | Decreased by: | | | Balance, June 30, <u>2010</u> |
|---|-------------------------------------|--|----------------------|--|----------------------|-------------------------------------|
| | | | <u>Cash Receipts</u> | Unappropriated Grant Reserves <u>Applied</u> | <u>Cancellations</u> | |
| Urban Enterprise Zone: | | | | | | |
| Zone Marketing Plan - Phase V | \$ 12,412 | | | | | \$ 12,412 |
| Bergenline Ave Façade Program - 1 | 107,302 | | \$ 29,045 | | | 78,257 |
| Bergenline Ave Installment Loan - Year 9 | 3,742 | | | | | 3,742 |
| Litter Clean Up Phase 1 & Graffiti Truck | 91,784 | | | | | 91,784 |
| General Maintenance - Phase 3 | 150,000 | | 26,100 | | | 123,900 |
| Zone Marketing and Professional Services | 385,000 | | 138,373 | | | 246,627 |
| Bergenline Ave Installment Loan - Year 10 | 133,250 | | 93,367 | | | 39,883 |
| Administration - FY08 | 60,308 | | | | \$ 60,308 | |
| Administration - FY09 | 157,015 | | 75,450 | | | 81,565 |
| Bergenline Ave Installment Loan - Year 11 | | \$ 140,000 | | | | 140,000 |
| Administration - FY10 | | 150,000 | 85,735 | | | 64,265 |
| Litter Clean Up Phase II & Graffiti Truck | | 269,395 | 197,395 | | | 72,000 |
| Rehiring UEZ Police Officer - Year 11 | | 276,800 | 110,956 | \$ 154,350 | | 11,494 |
| NJ Dept of Law and Public Safety: | | | | | | |
| Direct Aid | | | | | | |
| Pedestrian Safety Grant | 15,863 | | 3,333 | | | 12,530 |
| Safe and Secure Communities | | 54,376 | | 54,376 | | |

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

| | Balance, June 30, <u>2009</u> | 2010 Budget Revenue <u>Realized</u> | ----- <u>Cash Receipts</u> | Decreased by: ----- Unappropriated Grant Reserves <u>Applied</u> | <u>Cancellations</u> | Balance, June 30, <u>2010</u> |
|--|-------------------------------------|--|-------------------------------|--|----------------------|-------------------------------------|
| NJ Department of Environmental Protection: | | | | | | |
| Direct Aid | | | | | | |
| 2010 Clean Communities | | \$ 29,465 | | \$ 29,465 | | |
| 2008 Green Communities Grant Phase II | \$ 3,000 | | | | | \$ 3,000 |
| Green Acres Trust Fund: | | | | | | |
| Miller Stadium - Phase II | 500,000 | | | | | 500,000 |
| NJ Department of Community Affairs: | | | | | | |
| Direct Aid | | | | | | |
| Livable Communities Capital Improvements/Refurbish Hudson Hall | 161,000 | | \$ 3,734 | | | 157,266 |
| Livable Communities Historic Buildings Aid Hudson Hall Elevator | 60,000 | | 59,995 | | | 5 |
| Livable Communities ADA Compliance Town Hall Elevator | 75,000 | | 74,652 | | | 348 |
| Passed-Through Hudson County Dept of Finance and Administration: | | | | | | |
| Municipal Alliance on Alcohol & Drug Abuse | 47,452 | | 47,452 | | | |
| NJ Council on the Arts Block Grant | 1,200 | 2,839 | 1,200 | 2,129 | | 710 |
| NJ Administrative Office of the Courts: | | | | | | |
| Direct Aid | | | | | | |
| 2009 Alcohol Education and Rehabilitation | 5 | | 5 | | | |
| NJ Department of Health and Senior Services: | | | | | | |
| Direct Aid | | | | | | |
| 2009 Public Health Priority Funding | 27,516 | | 27,516 | | | |
| 2010 Public Health Priority Funding | | 28,217 | | 28,217 | | |
| 2010 Health Services Grant | | 195,994 | | | | 195,994 |
| Pandemic Flu Preparedness | 3,541 | | | | | 3,541 |

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

| | Balance, June 30, <u>2009</u> | 2010 Budget Revenue <u>Realized</u> | ----- Decreased by: | Balance, June 30, <u>2010</u> |
|---|-------------------------------------|--|---|-------------------------------------|
| | | | Cash Receipts Unappropriated Grant Reserves Applied Cancellations | |
| NJ Department of Transportation (NJTTFAA): | | | | |
| Direct Aid | | | | |
| 65th Street | \$ 20,983 | | | \$ 20,983 |
| 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 | | \$ 31,097 | 62,707 |
| FY05 Municipal Aid Program - Improvements to Broadway | 491,231 | | | 491,231 |
| FY05 Municipal Aid Program - 61st Street, Section 2 | 77,000 | | 77,000 | |
| Road Resurfacing Program | | \$ 221,500 | \$ 221,250 \$ 250 | |
| FY10 Road Resurfacing Program | | 428,949 | | 428,949 |
| US Department of Agriculture: | | | | |
| Passed through NJ Dept of Agriculture | | | | |
| 2009 Summer Food Program | | 54,876 | 54,876 | |
| U.S. Dept of Justice | | | | |
| Direct Aid | | | | |
| Juvenile Accountability Incentive Block Grant | 11,498 | | | 11,498 |
| Passed through Hudson County Prosecutor's Office | | | | |
| Justice Assistance Grant 09 - American Recovery Act | | 119,670 | 73,949 | 45,721 |
| Justice Assistance Grant 09- Annual | | 29,022 | | 29,022 |
| US Department of Transportation: | | | | |
| Direct Aid | | | | |
| Drunk Driving Enforcement Fund | | 17,743 | 17,743 | |

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

| | | 2010 | Decreased by: | | | |
|--|-------------------------------------|--------------------------------------|----------------------|--|----------------------|-------------------------------------|
| | Balance, June 30, <u>2009</u> | Budget Revenue <u>Realized</u> | <u>Cash Receipts</u> | Unappropriated Grant Reserves <u>Applied</u> | <u>Cancellations</u> | Balance, June 30, <u>2010</u> |
| US Department of Energy: | | | | | | |
| Direct Aid | | | | | | |
| 2010 Energy Efficiency Community Block Grant | - | \$ 182,800 | \$ 182,800 | - | - | - |
| | <u>\$ 3,018,111</u> | <u>\$ 2,201,646</u> | <u>\$ 1,339,154</u> | <u>\$ 562,406</u> | <u>\$ 60,558</u> | <u>\$ 3,257,639</u> |
| | | Due From Current Fund \$ 138,380 | | | | |
| | | Cash Receipts <u>1,200,774</u> | | | | |
| | | | <u>\$ 1,339,154</u> | | | |
| | | | | Cancelled to Appropriated Grant Reserves | <u>\$ 60,558</u> | |

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

| | Balance, <u>July 1, 2009</u> | FY 10 <u>Budget</u> | <u>Expended</u> | <u>Cancelled</u> | Balance, <u>June 30, 2010</u> |
|--|---------------------------------|------------------------|-----------------|------------------|----------------------------------|
| NJ DOT - 65th Street | \$ 89,081 | | \$ 2,344 | | \$ 86,737 |
| Green Acres Trust Fund - Miller Stadium Phase II | 191,622 | | 22,774 | | 168,848 |
| NJ DOT - 56th Street, Highland and Monitor Place | 51,787 | | | | 51,787 |
| NJ Special Legislative Grant | | | | | |
| 66th Street Stairs | 348 | | | | 348 |
| 2003 Livable Communities | 63,853 | | 2,611 | | 61,242 |
| NJ DOT - Park Avenue Resurfacing | 200,000 | | 2,612 | | 197,388 |
| NJ DOT - Bergenline Avenue | 85,583 | | | | 85,583 |
| Livable Communities 03 - Bergenline Ave | 150,000 | | | | 150,000 |
| Upgrades to Recreation Facilities Grant | 430,399 | | 430,399 | | |
| Street Paving Grant | 305,420 | | 299,050 | | 6,370 |
| NJ DOT - Bergenline Avenue -04 | 75,873 | | | | 75,873 |
| NJ Dept of Transportation | 32,888 | | 13,418 | | 19,470 |
| NJ Transportation Fund - Municipal Aid | 289,783 | | 2,612 | | 287,171 |
| NJDCA Livable Communities - Elevator Imprvts | 4 | | | \$ (1) | 5 |
| Justice Assistance Grant | 25,895 | | | 25,895 | |
| NJ UEZ - Façade Program - FY 07 | 81,161 | | | | 81,161 |
| Juvenile Accountability Incentive Block Grant | 11,498 | | | | 11,498 |
| NJ DEP - Livable Cities - Hudson Hall Renovations | 157,266 | | | | 157,266 |
| Port Authority of NY and NJ - Parking Garage | 1,000,000 | | | | 1,000,000 |
| Pedestrian Safety Grant | 2,000 | | | | 2,000 |
| Justice Assistance Grant | 8,133 | | | 8,133 | |
| UEZ Fees - Bergenline Renovation | 5,867 | | | | 5,867 |
| NJ State Police EOM Slope Repair at Veterans' Park | 22,003 | | 4,197 | | 17,806 |
| Community Foundation of NJ-Donnelly & Veterans' Park | 14,905 | | 810 | | 14,095 |
| NJ UEZ - Litter Clean-Up Equipment | 75,010 | | | | 75,010 |
| NJ UEZ - General Maintenance - Phase 3 | 147,219 | | | | 147,219 |
| NJ UEZ - Zone Marketing and Professional Services | 316,556 | | 90,454 | | 226,102 |
| NJ UEZ - Bergenline Ave Installment Loan - Yr 10 | 133,250 | | 92,293 | | 40,957 |
| NJ UEZ - Administration - FY 08 | 141,917 | | 18,446 | 60,308 | 63,163 |
| NJ UEZ - Administration - FY 09 | 146,111 | | | | 146,111 |
| 2008 Police Body Armor Replacement | 7,623 | | 13,082 | (5,561) | 102 |
| 2008 Clean Communities | 37,767 | | 37,767 | | |
| 2009 Clean Communities | 48,475 | | 47,233 | | 1,242 |
| 2006 Recycling Tonnage | 11,112 | | 11,030 | | 82 |
| 2007 Recycling Tonnage | 3,966 | | 3,966 | | |
| 2008 Green Communities Grant Phase II | 3,000 | | | | 3,000 |
| Community of Hudson Alliance Committee | | | | | |
| County Share | 25,462 | | 25,462 | | - |
| Local Share | 11,863 | | 11,208 | | 655 |
| NJ Council on the Arts Grant | 4,800 | \$ 2,839 | | | 7,639 |
| 2008 Alcohol Education and Rehabilitation | 1,499 | | | | 1,499 |
| 2009 Alcohol Education and Rehabilitation | 933 | | | | 933 |
| 2009 Public Health Priority Funding | 55,032 | | 55,032 | | |
| Pandemic Flu Preparedness | 6,465 | | | | 6,465 |
| Community Partnership - NJ Dept of Law and Public Safety | 775 | | | | 775 |
| UEZ Administration - FY 10 | | 150,000 | 12,537 | | 137,463 |
| UEZ Litter Clean Up Phase II & Graffiti Truck | | 269,395 | 88,230 | | 181,165 |

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

| | Balance, <u>July 1, 2009</u> | FY 10 <u>Budget</u> | <u>Expended</u> | <u>Cancelled</u> | Balance, <u>June 30, 2010</u> |
|--|---------------------------------|------------------------|---------------------|------------------|----------------------------------|
| UEZ Rehiring Police Officers - Year 11 | | \$ 276,800 | | | \$ 276,800 |
| UEZ Bergenline Ave Installment Loan - Year 11 | | 140,000 | | | 140,000 |
| Safe and Secure Communities | | 54,376 | | | 54,376 |
| Justice Assistance Grant 09- American Recovery Act | | 119,670 | \$ 73,949 | | 45,721 |
| Justice Assistance Grant 09- Annual | | 29,022 | | | 29,022 |
| 2010 Clean Communities Grant | | 29,465 | | | 29,465 |
| 2010 Public Health Priority Funding | | 28,217 | | | 28,217 |
| 2010 State Health Services Grant | | 195,994 | | | 195,994 |
| Reserve for DOT Road Resurfacing Program | | 221,500 | | \$ 250 | 221,250 |
| DOT 2010 Municipal Aid Program for Various Streets | | 428,949 | | | 428,949 |
| 2009 Summer Food Program | | 54,876 | | | 54,876 |
| Drunk Driving Enforcement Fund | | 17,743 | 61 | | 17,682 |
| 2010 Energy Efficiency Community Block Grant | - | 182,800 | - | - | 182,800 |
| | <u>\$ 4,474,204</u> | <u>\$ 2,201,646</u> | <u>\$ 1,361,577</u> | <u>\$ 89,024</u> | <u>\$ 5,225,249</u> |

| | |
|-----------------------------|---------------------|
| Cash Disbursements | \$ 974,860 |
| Due to General Capital Fund | 325,692 |
| Due to Current Fund | <u>61,025</u> |
| | <u>\$ 1,361,577</u> |

| | |
|--------------------------------|------------------|
| Cancelled to Grants Receivable | \$ 60,558 |
| Cancelled to Fund Balance | <u>28,466</u> |
| | <u>\$ 89,024</u> |

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

| | Balance, <u>July 1, 2009</u> | <u>Received</u> | Decreased by <u>2010 Budget Revenue Realized</u> | Balance, <u>June 30, 2010</u> |
|--|---------------------------------|-------------------|---|----------------------------------|
| New Jersey Department of Transportation Road Resurfacing | \$ 221,250 | | \$ 221,250 | |
| Safe and Secure Communities | | \$ 54,376 | 54,376 | |
| 2009 Summer Food Program | | 54,876 | 54,876 | |
| Drunk Driving Enforcement Fund | | 17,743 | 17,743 | |
| UEZ - Rehiring Police Officers - Year 11 | | 154,350 | 154,350 | |
| Clean Communities Program | | 29,465 | 29,465 | |
| Clean Communities Program | | 50,475 | | \$ 50,475 |
| NJ Council on Arts Grant | | 2,129 | 2,129 | |
| Public Health Priority Grant | | 28,217 | 28,217 | |
| Safe and Secure Communities | | 58,067 | | 58,067 |
| Alcohol Education and Rehabilitation | - | 1,906 | - | 1,906 |
| | <u>\$ 221,250</u> | <u>\$ 451,604</u> | <u>\$ 562,406</u> | <u>\$ 110,448</u> |

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

| | |
|--|-------------------|
| Decreased by: | |
| Federal and State Grant Fund Expenditures Paid by General Capital Fund | <u>\$ 325,692</u> |
| Balance, June 30, 2010 | <u>\$ 325,692</u> |

TRUST FUND

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

| | <u>Animal Control</u> <u>Fund</u> | <u>Community Development</u> <u>Block Grant Fund</u> | <u>Other Trust Fund</u> |
|--|--------------------------------------|---|-------------------------|
| Balance, July 1, 2009 | \$ 26,413 | | \$ 2,546,450 |
| Increased by Receipts: | | | |
| Due from Dog License Official | | | |
| Various Reserves and Deposits | | | \$ 1,235,400 |
| Payroll Deductions | | | 11,821,717 |
| Accrued Salaries and Wages | | | 13,849,820 |
| Due to Third Party Lien Holders | | | 1,251,236 |
| Receipts from Current Fund | | \$ 97,225 | |
| Receipts from Federal and State Grant Fund | | 125,000 | |
| Dog License Fees Deposited in Other Trust Fund | | | 3,386 |
| Interest Earned | - | 50 | 24,220 |
| | <hr/> | | <hr/> |
| Total Receipts | - | \$ 222,275 | 28,185,779 |
| | <hr/> | | <hr/> |
| Total Receipts and Beginning Balance | 26,413 | 222,275 | 30,732,229 |
| Decreased by Disbursements: | | | |
| Various Reserves and Deposits | | | 2,166,103 |
| Payroll Deductions | | | 11,821,717 |
| Accrued Salaries and Wages | | | 13,849,820 |
| Reserve for Expenditures | \$ 4,813 | 87,719 | |
| Current Fund Expenditures Paid by Animal | 15,298 | | |
| Due to State of New Jersey - Other Trust Fund | | | 154,833 |
| Due to Third Party Lien Holders | - | - | 1,169,736 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | 20,111 | 87,719 | 29,162,209 |
| | <hr/> | | <hr/> |
| Balance, June 30, 2010 | \$ 6,302 | \$ 134,556 | \$ 1,570,020 |

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

| | | | |
|--|--|----|--------------|
| Balance, July 1, 2009 | | \$ | 101 |
| Increased by: | | | |
| Due to State of New Jersey | | \$ | 1,198 |
| Dog License Fees Deposited in Other Trust Fund | | | <u>3,386</u> |
| | | | 4,584 |
| | | | 4,685 |
| Decreased by: | | | |
| Due to State of New Jersey | | | 1,181 |
| Cash Receipts - Dog License Official | | | <u>3,386</u> |
| | | | 4,567 |
| Balance, June 30, 2010 | | \$ | <u>118</u> |

EXHIBIT B-3

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

| | | | |
|----------------------------------|--|----|--------------|
| Balance, July 1, 2009 (Due From) | | \$ | 3 |
| Increased by: | | | |
| Payments to State | | | <u>1,181</u> |
| | | | 1,184 |
| Decreased by: | | | |
| State Fees Collected | | | <u>1,198</u> |
| Balance, June 30, 2010 (Due to) | | \$ | <u>14</u> |

EXHIBIT B-4

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

| | | | |
|-----------------------------|--|----|--------------|
| Balance, July 1, 2009 | | \$ | 1,427 |
| Increased by: | | | |
| Current Year Fees Collected | | | <u>3,386</u> |
| | | | 4,813 |
| Decreased by: | | | |
| Cash Disbursements | | | <u>4,813</u> |
| Balance, June 30, 2010 | | \$ | <u>-</u> |

EXHIBIT B-5

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

| | | | |
|---|--|----|---------------|
| Balance, July 1, 2009 | | \$ | 26,158 |
| Decreased by: | | | |
| Current Fund Expenditures Paid by Animal Control Fund | | | <u>15,298</u> |
| Balance, June 30, 2010 | | \$ | <u>10,860</u> |

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

| | |
|--|-------------------|
| Balance, June 30, 2009 (Due To) | \$ 115,776 |
| Increased by: | |
| Interest Earned | <u>24,220</u> |
| | 139,996 |
| Decreased by: | |
| Other Trust Receipts Deposited in Current Fund | <u>650,564</u> |
| Balance, June 30, 2010 (Due From) | <u>\$ 510,568</u> |

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

| | |
|------------------------|------------------|
| Balance, July 1, 2009 | \$ <u>50,840</u> |
| Balance, June 30, 2010 | <u>\$ 50,840</u> |

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

| | |
|------------------------|-------------------|
| Balance, July 1, 2009 | \$ <u>151,779</u> |
| Balance, June 30, 2010 | <u>\$ 151,779</u> |

**STATEMENT OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE
OTHER TRUST FUND**

| | |
|-------------------------|-------------------|
| Increased by: | |
| Payroll Deductions | \$11,821,717 |
| Decreased by: | |
| Payroll Deductions Paid | <u>11,821,717</u> |
| Balance, June 30, 2010 | <u>\$ -</u> |

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

| | |
|-----------------------------------|-------------------|
| Balance, July 1, 2009 | \$ 7,747 |
| Increased by: | |
| Accrued Salaries and Wages Earned | <u>13,849,820</u> |
| | 13,857,567 |
| Decreased by: | |
| Accrued Salaries and Wages Paid | <u>13,849,820</u> |
| Balance, June 30, 2010 | <u>\$ 7,747</u> |

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

| | |
|------------------------------|-------------------|
| Balance, July 1, 2009 | \$ 659,647 |
| Increased by: | |
| FY 2010 Grant Funding | <u>510,000</u> |
| | 1,169,647 |
| Decreased by: | |
| Cash Received - Current Fund | <u>266,276</u> |
| Balance, June 30, 2010 | <u>\$ 903,371</u> |

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

| | Balance, July 1, <u>2009</u> | <u>Increases</u> | <u>Decreases</u> | Balance June 30, 2010 |
|---|------------------------------------|---------------------|---------------------|-----------------------------|
| Affordable Housing | \$ 28,244 | | | \$ 28,244 |
| Zoning Board Escrow Fees | 132,548 | | | 132,548 |
| Planning Board Escrow Fees | 73,949 | \$ 116,701 | \$ 168,208 | 22,442 |
| Unemployment Reserve | 129,844 | 191,247 | 20,422 | 300,669 |
| Liability Insurance Reserve | 133,242 | 668,446 | 789,772 | 11,916 |
| Health Insurance Reserve Fund | 621,113 | 286,673 | 594,664 | 313,122 |
| Confiscated Money | 255 | | | 255 |
| Neighborhood Preservation Program | 456 | | | 456 |
| Parking Offenses Adjudication Act | 10,410 | 55,890 | 20,691 | 45,609 |
| Special Law Enforcement | (224) | 4,999 | 1,978 | 2,797 |
| Fire Safety Reserve | 111,173 | 63,118 | 111,696 | 62,595 |
| Unclaimed Bail Reserve | 109,268 | 1,592 | 2,594 | 108,266 |
| Christopher Columbus - Commemorative Committee | 985 | | | 985 |
| Performance Bond Deposits | 11,710 | | | 11,710 |
| Waterfront Developers Reserve Fund | 15,830 | | | 15,830 |
| Premium on Tax Sale | 786,855 | 649,700 | 476,500 | 960,055 |
| Elections | 17,000 | | | 17,000 |
| Public Defender | 900 | 5,225 | | 6,125 |
| Bid Deposits Payable | 15,645 | | | 15,645 |
| Recreation Reserve | 6,300 | | | 6,300 |
| Police Vehicle Lease Fund | <u>20,773</u> | <u>-</u> | <u>-</u> | <u>20,773</u> |
| | <u>\$ 2,226,276</u> | <u>\$ 2,043,591</u> | <u>\$ 2,186,525</u> | <u>\$ 2,083,342</u> |
| Cash Receipts/Cash Disbursements | | \$ 1,235,400 | \$ 2,166,103 | |
| Unemployment Claims Payable | | | 20,422 | |
| Cancelled Accounts Payable | | 157,627 | | |
| Due to/from Current Fund | | <u>650,564</u> | <u>-</u> | |
| | | <u>\$ 2,043,591</u> | <u>\$ 2,186,525</u> | |

EXHIBIT B-13

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

| | |
|------------------------|-------------------|
| Balance, July 1, 2009 | \$ 56,465 |
| Increased by: | |
| Cash Receipts | <u>1,251,236</u> |
| | 1,307,701 |
| Decreased by: | |
| Cash Disbursements | <u>1,169,736</u> |
| Balance, June 30, 2010 | <u>\$ 137,965</u> |

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

| | |
|------------------------|-----------------|
| Balance, July 1, 2009 | <u>\$ 2,037</u> |
| Balance, June 30, 2010 | <u>\$ 2,037</u> |

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

| | |
|------------------------|------------------|
| Balance, July 1, 2009 | <u>\$ 27,240</u> |
| Balance, June 30, 2010 | <u>\$ 27,240</u> |

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

| | |
|--|-------------------|
| Balance, July 1, 2009 | \$ 483,566 |
| Increased by: | |
| FY 2010 Grant Funding | <u>510,000</u> |
| | 993,566 |
| Decreased by: | |
| CDBG Expenditures Paid by Current Fund | \$ 169,004 |
| Cash Disbursements | 87,719 |
| CDBG Expenditures Paid by State and Federal Grant Fund | <u>242,635</u> |
| | <u>499,358</u> |
| Balance, June 30, 2010 | <u>\$ 494,208</u> |

**STATEMENT OF DUE TO ANIMAL CONTROL FUND
OTHER TRUST FUND**

| | |
|--|-----------------|
| Balance, June 30, 2009 | \$ 1,068 |
| Increased by: | |
| Dog License Fees Deposited in Other Trust Fund | <u>3,386</u> |
| Balance, June 30, 2010 | <u>\$ 4,454</u> |

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

| | | |
|------------------------|--|------------------|
| Balance, July 1, 2009 | | \$ <u>65,940</u> |
| Balance, June 30, 2010 | | \$ <u>65,940</u> |

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

| | | |
|---|----------------|-------------------|
| Balance, July 1, 2009 | | \$ 105,141 |
| Increased by: | | |
| Cash Receipts | \$ 97,225 | |
| Interest Earned | 50 | |
| CDBG Expenditures Paid by Current Fund | <u>169,004</u> | |
| | | <u>266,279</u> |
| | | 371,420 |
| Decreased by: | | |
| CDBG Receipts Deposited in Current Fund | | <u>266,276</u> |
| Balance, June 30, 2010 | | \$ <u>105,144</u> |

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

| | | |
|-----------------------------|----------------|------------------|
| Balance, July 1, 2009 | | \$ 312,460 |
| Increased by: | | |
| Unemployment Claims Payable | | <u>20,422</u> |
| | | 332,882 |
| Decreased by: | | |
| Cancelled | \$ 157,627 | |
| Cash Disbursements | <u>154,833</u> | |
| | | <u>312,460</u> |
| Balance, June 30, 2010 | | \$ <u>20,422</u> |

**STATEMENT OF DUE TO STATE AND FEDERAL GRANT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

| | | |
|--|----------------|-------------------|
| Balance, June 30, 2009 | | \$ 5,000 |
| Increased by: | | |
| CDBG Expenditures Paid by State and Federal Grant Fund | \$ 242,635 | |
| Cash Receipts | <u>125,000</u> | |
| | | <u>367,635</u> |
| Balance, June 30, 2010 | | \$ <u>372,635</u> |

GENERAL CAPITAL FUND

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

| | | |
|--|------------------|---------------------|
| Balance, July 1, 2009 | | \$ 760,319 |
| Increased by: | | |
| Budget Appropriation - Capital Improvement Fund | \$ 40,000 | |
| Grants Receivable | 717,769 | |
| Bond Anticipation Notes Proceeds | 2,499,950 | |
| Premium on Bond Anticipation Note Proceeds | 6,925 | |
| Receipts from Current Fund | <u>1,000,000</u> | |
| | | <u>4,264,644</u> |
| | | 5,024,963 |
| Decreased by: | | |
| Contracts Payable | 1,653,987 | |
| Federal and State Grant Fund Expenditures Paid by General Capital Fund | 325,692 | |
| Payments to Current Fund | 1,000,000 | |
| Improvement Authorizations | <u>485,765</u> | |
| | | <u>3,465,444</u> |
| Balance, June 30, 2010 | | <u>\$ 1,559,519</u> |

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

| | Balance, June 30, <u>2010</u> |
|---|-------------------------------------|
| Due from Community Development Block Grant | \$ (65,940) |
| Due from Federal and State Grant Fund | (325,692) |
| Capital Improvement Fund | 60,465 |
| Due from Depository | (3,770) |
| Due from Board of Education | (45,346) |
| Due to Other Trust Fund | 151,779 |
| Reserve for Payment of Debt | 204,013 |
| Contracts Payable | 485,316 |
| Fund Balance | 6,925 |
| Excess Bond Anticipation Note Proceeds - Ord. 05/09 | 717,769 |

Improvement Authorizations:

| Ordinance <u>Number</u> | <u>Improvement Description</u> | |
|----------------------------|--|---------------------|
| 1836 | Improvement to Schools | (275,000) |
| 2072 | Reconstruction and Repair of School Buildings | (39,000) |
| 2081 | Purchase of Land For A New Capital Project - School | (19,000) |
| 24/94 | Improvements to Donnelly Park | (27,097) |
| 31/97 | Reconstruction of Various Streets | (31,228) |
| 03/00 | Improvements to Parks | 123,051 |
| 19/01; 28/01 | Various Capital Improvements | |
| 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 | 14,999 |
| 7/5 | Tax Refunding Ordinance | (55,000) |
| 18/06 | Various Equipment Purchases and Improvements | 7,345 |
| 2/07 | Refunding Authorization - Workers Compensation and Liability | 15,000 |
| 21/07 | Acquisition of Computer Equipment | 32,270 |
| 04/08 | Refunding Emergency - Self-Insured Health Costs | 61,165 |
| 17/08 | Various Improvements | 50,798 |
| 05/09 | Various Capital Improvements | 137,701 |
| 06/09 | Various Capital Improvements | 106,677 |
| 16/09 | Various Capital Improvements | <u>200,000</u> |
| | | <u>\$ 1,559,519</u> |

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

| | | |
|--|----------------|----------------------|
| Balance, July 1, 2009 | | \$ 39,138,362 |
| Decreased by: | | |
| Payments for: | | |
| General Serial Bonds | \$ 2,520,000 | |
| School Serial Bonds | 1,040,000 | |
| Casino Reinvestment Development Authority Loan Payable | 30,000 | |
| State of New Jersey Green Trust Loan Payable | <u>116,136</u> | |
| | | <u>3,706,136</u> |
| Balance, June 30, 2010 | | <u>\$ 35,432,226</u> |

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

| Ordinance Number | Improvement Description | Balance, | Authorized | Grant | Balance, | Bond Anticipation Notes Issued | Analysis of Balance June 30, 2010 | |
|---------------------|---|---------------------|-------------------|-------------------|---------------------------------------|-----------------------------------|-----------------------------------|---|
| | | July 1, 2009 | 2009/10 | Receipts | June 30, 2010 | | Expenditures | Unexpended Improvement Authorizations |
| 1836 | Improvements to Schools | \$ 275,000 | | | \$ 275,000 | | \$ 275,000 | |
| 2072 | Reconstruction and Repair of School Buildings | 39,000 | | | 39,000 | | 39,000 | |
| 2081 | Purchase of Land for a New Capital Project School | 19,000 | | | 19,000 | | 19,000 | |
| 24/94 | Improvement to Donnelly Park | 27,097 | | | 27,097 | | 27,097 | |
| 31/97 | Reconstruction of Various Streets | 31,228 | | | 31,228 | | 31,228 | |
| 22/02 | Early Retirement Incentive Refunding Ordinance | 300,000 | | | 300,000 | | | \$ 300,000 |
| 07/05 | Tax Refunding Ordinance | 70,000 | | | 70,000 | | 55,000 | 15,000 |
| 18/06 | Various Equipment Purchases and Improvements | 250 | | | 250 | | | 250 |
| 05/09 | Various Capital Improvements | 1,692,000 | | \$ 717,769 | 974,231 | \$ 974,231 | | |
| 06/09 | Various Capital Improvements | 570,950 | | | 570,950 | 570,950 | | |
| 16/09 | Various Capital Improvements | - | \$ 237,000 | - | 237,000 | 237,000 | - | - |
| | | <u>\$ 3,024,525</u> | <u>\$ 237,000</u> | <u>\$ 717,769</u> | <u>\$ 2,543,756</u> | <u>\$ 1,782,181</u> | <u>\$ 446,325</u> | <u>\$ 315,250</u> |
| | | | | | Bond Anticipation Notes | \$ 2,499,950 | | |
| | | | | | Less: Excess Proceeds | | | |
| | | | | | Ord. 05/09 | 717,769 | | |
| | | | | | | <u>\$ 1,782,181</u> | | |
| | | | | | Improvement Authorizations - Unfunded | | \$ 759,628 | |
| | | | | | Less: Unexpended Proceeds | | | |
| | | | | | | Ord 05/09 | 137,701 | |
| | | | | | | Ord 06/09 | 106,677 | |
| | | | | | | Ord 16/09 | 200,000 | |
| | | | | | | | <u>\$ 315,250</u> | |

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

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Amount of Original Issue</u> | <u>Maturities of Loan</u> | | <u>Interest Rate</u> | <u>Balance, July 1, 2009</u> | <u>Decreased</u> | <u>Balance, June 30, 2010</u> |
|----------------|----------------------|---------------------------------|---------------------------|---------------------|----------------------|------------------------------|------------------|-------------------------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | |
| Town Bond | 5/20/1994 | \$ 478,727 | 5/1/11-13 5/1/2014 | \$ 30,000 28,727 | 4.446% | <u>\$ 148,727</u> | <u>\$ 30,000</u> | <u>\$ 118,727</u> |

**TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS**

| <u>Purpose</u> | <u>Amount of Original of Issue</u> | <u>Maturities of Loan Outstanding June 30, 2010</u> | | <u>Interest Rate</u> | <u>Balance, July 1, 2009</u> | <u>Decreased</u> | <u>Balance, June 30, 2010</u> |
|--|--|---|---------------|--------------------------|----------------------------------|------------------|-----------------------------------|
| | | <u>Date</u> | <u>Amount</u> | | | | |
| Pension Refunding Bonds, Series 2003 | \$ 5,350,000 | 03/15/11 | \$ 375,000 | 4.92% | \$ 4,365,000 | \$ 325,000 | \$ 4,040,000 |
| | | 03/15/12 | 435,000 | 4.92% | | | |
| | | 03/15/13 | 495,000 | 4.92% | | | |
| | | 03/15/14 | 565,000 | 4.92% | | | |
| | | 03/15/15 | 640,000 | 4.92% | | | |
| | | 03/15/16 | 720,000 | 4.92% | | | |
| | | 03/15/17 | 810,000 | 4.92% | | | |
| General Obligation Refunding Bonds, Series 2006A | 8,100,000 | 4/15/12 | 900,000 | 4.25% | 8,100,000 | | 8,100,000 |
| | | 4/15/13 | 900,000 | 3.50% | | | |
| | | 4/15/14 | 630,000 | 4.00% | | | |
| | | 4/15/15 | 625,000 | 4.00% | | | |
| | | 4/15/16 | 1,175,000 | 4.00% | | | |
| | | 4/15/17 | 1,200,000 | 4.00% | | | |
| | | 4/15/18 | 1,320,000 | 4.00% | | | |
| 4/15/19 | 1,350,000 | 4.00% | | | | | |
| General Obligation Refunding Bonds, Series 2006B | 1,610,000 | | | | 555,000 | 555,000 | |
| General Obligation Refunding Bonds, Series 2006C | 3,590,000 | 04/15/11 | 645,000 | 5.08% | 3,590,000 | | 3,590,000 |
| | | 04/15/12 | 675,000 | 5.04% | | | |
| | | 04/15/13 | 715,000 | 5.09% | | | |
| | | 04/15/14 | 755,000 | 5.12% | | | |
| | | 04/15/15 | 800,000 | 5.18% | | | |

**TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS**

| Purpose | Amount of Original of Issue | Maturities of Loan | | Interest Rate | Balance, July 1, 2009 | Decreased | Balance, June 30, 2010 |
|---|-----------------------------------|---------------------|-------------------------|------------------|--------------------------|---------------------|---------------------------|
| | | Outstanding Date | June 30, 2010 Amount | | | | |
| General Improvement Bonds, Series 2007 | \$ 6,100,000 | 04/15/14 | \$ 240,000 | 4.00% | \$ 6,100,000 | | \$ 6,100,000 |
| | | 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% | | | | | |
| General Improvement Bonds, Series 2008 | 6,888,000 | 6/15/2011 | 850,000 | 5.00% | 6,288,000 | 650,000 | 5,638,000 |
| | | 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% | | | |
| General Obligation Refunding Bonds, Series 2008 | 4,595,000 | 6/15/2011 | 655,000 | 5.00% | 3,600,000 | 990,000 | 2,610,000 |
| | | 6/15/2012 | 655,000 | 5.00% | | | |
| | | 6/15/2013 | 655,000 | 5.00% | | | |
| | | 6/15/2014 | 645,000 | 5.00% | | | |
| | | | | | <u>\$ 32,598,000</u> | <u>\$ 2,520,000</u> | <u>\$ 30,078,000</u> |

TOWN OF WEST NEW YORK
STATEMENT OF SCHOOL SERIAL BONDS

| Purpose | Date of Issue | Amount of Original Amount | Maturities of Loan Outstanding June 30, 2010 | | Interest Rate | Balance, July 1, 2009 | Decreased | Balance, June 30, 2010 |
|-----------------------------|---------------|---------------------------|--|--------------|---------------|-----------------------|---------------------|------------------------|
| | | | Date | Amount | | | | |
| School Bonds, Refunded 2005 | 04/01/05 | \$ 5,810,000 | 04/01/11 | \$ 1,095,000 | 5.45% | \$ 2,135,000 | \$ 1,040,000 | \$ 1,095,000 |
| School Bonds, Series 2007 | 04/15/07 | 2,650,000 | 04/01/14 | 110,000 | 5.00% | <u>2,650,000</u> | <u>-</u> | <u>2,650,000</u> |
| | | | 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% | | | | | | |
| | | | | | | <u>\$ 4,785,000</u> | <u>\$ 1,040,000</u> | <u>\$ 3,745,000</u> |

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, 2010</u> | | <u>Interest Rate</u> | <u>Balance, July 1, 2009</u> | <u>Decreased</u> | <u>Balance, June 30, 2010</u> | | | | | | | |
|-------------------|----------------------|----------------------------------|---|---------------|----------------------|------------------------------|------------------|-------------------------------|---------|----------|--------|--|--|--|--|
| | | | <u>Date</u> | <u>Amount</u> | | | | | | | | | | | |
| Little Miss Field | 07/08/97 | \$ 289,313 | 07/08/10 | \$ 7,825 | 2.00% | \$ 132,391 | \$ 15,419 | \$ 116,972 | | | | | | | |
| | | | 01/08/11 | 7,904 | | | | | | | | | | | |
| | | | 07/08/11 | 7,983 | | | | | | | | | | | |
| | | | 01/08/12 | 8,063 | | | | | | | | | | | |
| | | | 07/08/12 | 8,143 | | | | | | | | | | | |
| | | | 01/08/13 | 8,225 | | | | | | | | | | | |
| | | | 07/08/13 | 8,307 | | | | | | | | | | | |
| | | | 01/08/14 | 8,390 | | | | | | | | | | | |
| | | | 07/08/14 | 8,474 | | | | | | | | | | | |
| | | | 01/08/15 | 8,559 | | | | | | | | | | | |
| | | | 07/08/15 | 8,644 | | | | | | | | | | | |
| | | | 01/08/16 | 8,731 | | | | | | | | | | | |
| | | | 07/08/16 | 8,818 | | | | | | | | | | | |
| | | | 01/08/17 | 8,906 | | | | | | | | | | | |
| | | | Miller Park & Stadium | 12/20/00 | | | | | 500,000 | 12/20/10 | 13,145 | | | | |
| | | | | | | | | | | 06/20/11 | 13,277 | | | | |
| 12/20/11 | 13,409 | | | | | | | | | | | | | | |
| 06/20/12 | 13,543 | | | | | | | | | | | | | | |
| 12/20/12 | 13,679 | | | | | | | | | | | | | | |
| 06/20/13 | 13,816 | | | | | | | | | | | | | | |
| 12/20/13 | 13,954 | | | | | | | | | | | | | | |
| 06/20/14 | 14,093 | | | | | | | | | | | | | | |
| 12/20/14 | 14,234 | | | | | | | | | | | | | | |
| 06/20/15 | 14,377 | | | | | | | | | | | | | | |
| 12/20/15 | 14,520 | | | | | | | | | | | | | | |
| 06/20/16 | 14,666 | | | | | | | | | | | | | | |

**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, 2010</u> | | <u>Interest Rate</u> | <u>Balance, July 1, 2009</u> | <u>Decreased</u> | <u>Balance, June 30, 2010</u> |
|-----------------|----------------------|----------------------------------|---|---------------|----------------------|------------------------------|------------------|-------------------------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | |
| | | | 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% | \$ 299,463 | \$ 25,901 | \$ 273,562 |
| Donelly Park II | 03/09/01 | \$ 475,000 | 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% | 302,102 | 23,613 | 278,489 |

**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 | | Interest Rate | Balance, July 1, 2009 | Decreased | Balance, June 30, 2010 | |
|----------------------------|---------------|---------------------------|--------------------------------|-----------|---------------|-----------------------|-----------|------------------------|--|
| | | | Outstanding June 30, 2010 Date | Amount | | | | | |
| Miller Stadium Ph II | 3/20/01 | \$ 425,000 | 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% | \$ 270,301 | \$ 21,127 | \$ 249,174 | |
| Donnelly and Veterans Park | 05/09/06 | 675,000 | 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**

| Purpose | Date of Issue | Amount of Original Amount | Maturities of Loan | | Interest Rate | Balance, July 1, 2009 | Decreased | Balance, June 30, 2010 | |
|----------------------------|---------------|---------------------------|--------------------------------|-----------|---------------|-----------------------|---------------------|------------------------|---------------------|
| | | | Outstanding June 30, 2010 Date | Amount | | | | | |
| 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% | \$ 602,378 | \$ 30,076 | \$ 572,302 |
| | | | | | | | <u>\$ 1,606,635</u> | <u>\$ 116,136</u> | <u>\$ 1,490,499</u> |

**TOWN OF WEST NEW YORK
STATEMENT OF BOND ANTICIPATION NOTES**

| Ord. No. | <u>Improvement Description</u> | Date of Original Note | Date of Issuance | Date of Maturity | Interest Rate | Balance, July 1, 2009 | Increased | Decreased | Balance, June 30, 2010 |
|-------------|--------------------------------|-----------------------------|---------------------|---------------------|------------------|--------------------------|---------------------|-------------|---------------------------|
| 05/09 | Various Capital Improvements | 9/4/2009 | 9/4/2009 | 9/3/2010 | 1.750% | | \$ 1,692,000 | | \$ 1,692,000 |
| 06/09 | Various Capital Improvements | 9/4/2009 | 9/4/2009 | 9/3/2010 | 1.750% | | 570,950 | | 570,950 |
| 16/09 | Various Capital Improvements | 9/4/2009 | 9/4/2009 | 9/3/2010 | 1.750% | - | 237,000 | - | 237,000 |
| | | | | | | <u>\$ -</u> | <u>\$ 2,499,950</u> | <u>\$ -</u> | <u>\$ 2,499,950</u> |

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

| | |
|---|------------------|
| Balance, July 1, 2009 | \$ 33,465 |
| Increased by: | |
| Budget Appropriation | <u>40,000</u> |
| | 73,465 |
| Decreased by: | |
| Appropriated for Improvement Authorizations | <u>13,000</u> |
| Balance, June 30, 2010 | <u>\$ 60,465</u> |

**TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE**

| | <u>Totals</u> | DOT (Ordinance 05-09) Imprvts to 53rd, 54th and 59th St | DOT (Ordinance 05-09) Imprvts to 62nd, 64th, Mckinley and Madison Streets | DOT (Ordinance 05-09) Imprvts to 58th, Van Buren, Tyler & Schley Place | DOT (Ordinance 05-09) 2009 Safe Walk to Schools Infrastructure |
|----------------------------|-------------------|--|---|--|--|
| Balance, June 30, 2009 | \$ 1,257,025 | \$ 378,000 | \$ 300,000 | \$ 279,025 | \$ 300,000 |
| Decreased by: | | | | | |
| Cash Received | <u>717,769</u> | <u>378,000</u> | <u>290,744</u> | <u>49,025</u> | <u>-</u> |
| Balance, June 30, 2010 | <u>\$ 539,256</u> | <u>\$ -</u> | <u>\$ 9,256</u> | <u>\$ 230,000</u> | <u>\$ 300,000</u> |
| <u>Balance Pledged to:</u> | | | | | |
| Reserve for Receivable | <u>\$ 539,256</u> | <u>\$ -</u> | <u>\$ 9,256</u> | <u>\$ 230,000</u> | <u>\$ 300,000</u> |
| | <u>\$ 539,256</u> | <u>\$ -</u> | <u>\$ 9,256</u> | <u>\$ 230,000</u> | <u>\$ 300,000</u> |

**TOWN OF WEST NEW YORK
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

| Ordinance Number | Improvement Description | Date | Amount | Balance, <u>July 1, 2009</u> | | 2009/2010 Authorizations | | Contracts Payable Cancelled | Expended | Balance, <u>June 30, 2010</u> | |
|---------------------|---|------------|--------------|---------------------------------|---------------------|--------------------------------|---|-----------------------------------|--------------------|----------------------------------|-------------------|
| | | | | Funded | Unfunded | Capital Improvement Fund | Deferred Charges to Future Charges Unfunded | | | Funded | Unfunded |
| 03/00 | Improvements to Parks | 02/16/00 | \$ 1,940,000 | \$ 274,975 | | | | | \$ 151,924 | \$ 123,051 | |
| 19/01, 28/01 | Various Capital Improvements | 01/16/02 | 4,800,000 | 7,170 | | | | | 7,170 | | |
| 22/02 | Early Retirement Incentive Refunding Ordinance | 11/25/02 | 5,650,000 | 33,383 | \$ 300,000 | | | | | 33,383 | \$ 300,000 |
| 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 | 54,749 | | | | | 39,750 | 14,999 | |
| 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 | 7,345 | 250 | | | | | 7,345 | 250 |
| 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 | 18,760 | | | | \$ 13,510 | | 32,270 | |
| 04/08 | Refunding Emergency - Self-Insured Health Costs | 3/19/2008 | 3,920,000 | 61,165 | | | | | | 61,165 | |
| 17/08 | Various Improvements | 11/17/2008 | 150,000 | 55,423 | | | | | 4,625 | 50,798 | |
| 05/09 | Various Capital Improvements | 3/18/2009 | 1,692,000 | | 226,834 | | | | 89,133 | | 137,701 |
| 06/09 | Various Capital Improvements | 3/18/2009 | 601,000 | 17,545 | 570,950 | | | | 481,818 | | 106,677 |
| 16/09 | Various Capital Improvements | 7/15/2009 | 250,000 | - | - | \$ 13,000 | \$ 237,000 | - | 50,000 | - | 200,000 |
| | | | | <u>\$ 583,451</u> | <u>\$ 1,113,034</u> | <u>\$ 13,000</u> | <u>\$ 237,000</u> | <u>\$ 13,510</u> | <u>\$ 824,420</u> | <u>\$ 375,947</u> | <u>\$ 759,628</u> |
| | | | | | | | | | Cash Disbursements | \$ 485,765 | |
| | | | | | | | | | Contracts Payable | 338,655 | |
| | | | | | | | | | <u>\$ 824,420</u> | | |

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

| | | |
|----------------------------|--|------------------|
| Increased by: | | |
| Payments to Current Fund | | \$ 1,000,000 |
| Decreased by: | | |
| Receipts from Current Fund | | <u>1,000,000</u> |
| Balance, June 30, 2010 | | <u>\$ -</u> |

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

| | | |
|------------------------|--|------------------|
| Balance, July 1, 2009 | | \$ <u>65,940</u> |
| Balance, June 30, 2010 | | \$ <u>65,940</u> |

STATEMENT OF DUE FROM FEDERAL AND STATE GRANT FUND

| | | |
|--|--|-------------------|
| Increased by: | | |
| Federal and State Grant Fund Expenditures Paid by General Capital Fund | | \$ <u>325,692</u> |
| Balance, June 30, 2010 | | \$ <u>325,692</u> |

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM BOARD OF EDUCATION**

| | |
|------------------------|------------------|
| Balance, July 1, 2009 | \$ <u>45,346</u> |
| Balance, June 30, 2010 | \$ <u>45,346</u> |

STATEMENT OF DUE FROM DEPOSITORY

| | |
|------------------------|-----------------|
| Balance, July 1, 2009 | \$ <u>3,770</u> |
| Balance, June 30, 2010 | \$ <u>3,770</u> |

STATEMENT OF DUE TO TRUST OTHER FUND

| | |
|------------------------|-------------------|
| Balance, July 1, 2009 | \$ <u>151,779</u> |
| Balance, June 30, 2010 | \$ <u>151,779</u> |

STATEMENT OF RESERVE FOR PAYMENT OF DEBT

| | |
|------------------------|-------------------|
| Balance, July 1, 2009 | \$ <u>204,013</u> |
| Balance, June 30, 2010 | \$ <u>204,013</u> |

STATEMENT OF CONTRACTS PAYABLE

| | |
|------------------------|-------------------|
| Balance, July 1, 2009 | \$ 1,814,158 |
| Increased by: | |
| Contracts Payable | <u>338,655</u> |
| | 2,152,813 |
| Decreased by: | |
| Cancelled | \$ 13,510 |
| Cash Disbursements | <u>1,653,987</u> |
| | <u>1,667,497</u> |
| Balance, June 30, 2010 | \$ <u>485,316</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, <u>2009</u> | 2009/2010 <u>Authorizations</u> | Bond Anticipation <u>Notes Issued</u> | Balance, June 30, <u>2010</u> |
|-----------------------------|--|------------------------------------|------------------------------------|---|-------------------------------------|
| 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 | Improvement to Donnelly Park | 27,097 | | | 27,097 |
| 31/97 | Reconstruction of Various Streets | 31,228 | | | 31,228 |
| 22/02 | Early Retirement Incentive Refunding Ordinance | 300,000 | | | 300,000 |
| 07/05 | Tax Refunding Ordinance | 70,000 | | | 70,000 |
| 18/06 | Various Equipment Purchases and Improvements | 250 | | | 250 |
| 05/09 | Various Capital Improvements | 1,692,000 | | \$ 1,692,000 | |
| 06/09 | Various Capital Improvements | 570,950 | | 570,950 | |
| 16/09 | Various Capital Improvements | - | \$ 237,000 | 237,000 | - |
| | | <u>\$ 3,024,525</u> | <u>\$ 237,000</u> | <u>\$ 2,499,950</u> | <u>\$ 761,575</u> |
| | General Obligation | | | | \$ 128,575 |
| | School | | | | 333,000 |
| | ERIP | | | | <u>300,000</u> |
| | | | | | <u>\$ 761,575</u> |

SINGLE AUDIT SECTION

LERCH, VINCI & HIGGINS, LLP

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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 – regulatory basis of the Town of West New York as of and for the year ended June 30, 2010, and have issued our report thereon dated March 8, 2011 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 regulatory 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. 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2010-1 thru 2010-3 to be material weaknesses.

A significant deficiency is a deficiency, or combination of significant deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2010-1 thru 2010-3 to be significant deficiencies.

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 2010-1 thru 2010-3.

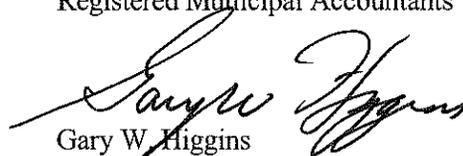
We also noted certain matters that we reported to management of the Town of West New York in Part III of this report of audit entitled "Letter of Comments and Recommendations".

The Town of West New York's responses 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 responses and, accordingly, we express no opinion on the responses.

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.



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



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
March 8, 2011

LERCH, VINCI & HIGGINS, LLP

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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 OMB Circular 04-04 State Aid/Grant Compliance Supplement" that are applicable to each of its major federal and state programs for the year ended June 30, 2010. The 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 requirements 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 Local Government Services, Department of Community Affairs, 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 and 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, 2010.

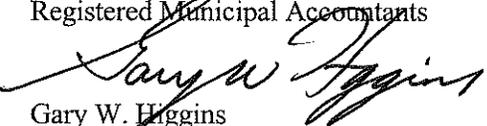
Internal Control Over Compliance

Management of the Town of West New York is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the 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 and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, 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.

A deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended 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.


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

Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
March 8, 2011

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| Federal CFDA Number | Grant or State Proj. Number | Grant Period | | Grant Receipts | Grant Award Amount | Balance, July 1, 2009 | Revenue Realized | Budgetary Expenditures | Adjustments | Balance, June 30, 2010 | |
|---|-----------------------------------|------------------|----------|-------------------|--------------------------|-----------------------------|---------------------|---------------------------|-------------|------------------------------|-----------|
| | | From | To | | | | | | | | |
| U.S. Department of Agriculture | | | | | | | | | | | |
| Passed - Through NJ Dept of Agriculture | | | | | | | | | | | |
| Summer Food Program | 10-559 | 100-010-3360-078 | 7/1/2009 | 9/30/2010 | - | \$ 54,876 | - | \$ 54,876 | - | - | \$ 54,876 |
| Total U.S. Department of Agriculture | | | | | - | - | 54,876 | - | - | 54,876 | |
| U.S. Department of Housing & Urban Development | | | | | | | | | | | |
| Passed-Through Hudson County Dept. of FINANCE & ADMINISTRATION | | | | | | | | | | | |
| Community Development Block Grant | 14.218 | N/A | 9/1/2004 | 6/30/2005 | 858,000 | \$ 76,158 | | | | 76,158 | |
| Community Development Block Grant | 14.218 | N/A | 9/1/2005 | 6/30/2006 | 675,000 | 128,218 | | \$ 3,041 | | 125,177 | |
| Community Development Block Grant | 14.218 | N/A | 9/1/2006 | 6/30/2007 | 600,000 | 14,266 | | 9,640 | | 4,626 | |
| Community Development Block Grant | 14.218 | N/A | 9/1/2007 | 6/30/2008 | 550,000 | 200,894 | | 30,187 | | 170,707 | |
| Community Development Block Grant | 14.218 | N/A | 9/1/2008 | 6/30/2009 | 550,000 | 400,597 | | 279,199 | | 121,398 | |
| Community Development Block Grant | 14.218 | N/A | 9/1/2009 | 6/30/2010 | - | 510,000 | 510,000 | 174,838 | - | 335,162 | |
| Total U.S. Department of Housing & Urban Development | | | | | - | 820,133 | 510,000 | 496,905 | - | 833,228 | |
| U.S. Dept. of Energy | | | | | | | | | | | |
| Direct Aid | | | | | | | | | | | |
| Energy Efficiency Community Block Grant | | N/A | 7/1/2009 | 6/30/2010 | \$ 182,800 | 182,800 | - | 182,800 | - | - | 182,800 |
| Total U.S. Department of Energy | | | | | 182,800 | - | 182,800 | - | - | 182,800 | |
| U.S. Dept. of Justice | | | | | | | | | | | |
| Direct Aid | | | | | | | | | | | |
| Passed Through NJ Dept of Law and Public Safety | | | | | | | | | | | |
| Juvenile Accountability Incentive Block Grant | 16.523 | 1500-209-343010 | N/A | N/A | 13,247 | 11,498 | | | | 11,498 | |
| Justice Assistance Grant 09 - ARRA | N/A | N/A | 7/1/2009 | 6/30/2010 | 73,949 | 119,670 | 119,670 | 73,949 | | 45,721 | |
| Justice Assistance Grant | N/A | N/A | 7/1/2009 | 6/30/2010 | | 29,022 | 29,022 | | | 29,022 | |
| Slope at Veteran Park | | N/A | 1/1/2008 | 12/31/2008 | 46,503 | 22,003 | | 4,197 | | 17,806 | |
| Donnelly & Veterans Park Grant | | N/A | 1/1/2008 | 12/31/2008 | 14,905 | 14,905 | | 810 | | 14,095 | |
| Community Partnership | | N/A | 7/1/2008 | 6/30/2009 | 775 | 775 | | | | 775 | |

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| Federal CFDA Number | Grant or State Proj. Number | Grant Period | | Grant Receipts | Grant Award Amount | Balance, July 1, 2009 | Revenue Realized | Budgetary Expenditures | Adjustments | Balance, June 30, 2010 |
|--|-----------------------------------|--------------|----------|-------------------|--------------------------|-----------------------------|---------------------|---------------------------|--------------------|------------------------------|
| | | From | To | | | | | | | |
| Passed Through Hudson County Prosecutor's Office | | | | | | | | | | |
| Justice Assistance Grant 2006 | 16.592 | N/A | 1/1/2005 | 12/31/2005 | \$ 25,895 | \$ 25,895 | | | \$ (25,895) | |
| Justice Assistance Grant 2007 | 16.592 | N/A | 1/1/2006 | 12/31/2006 | - | 21,094 | - | - | (8,133) | - |
| Total U.S. Dept. of Justice | | | | | <u>\$ 73,949</u> | <u>83,209</u> | <u>\$ 148,692</u> | <u>\$ 78,956</u> | <u>(34,028)</u> | <u>\$ 118,917</u> |
| U.S. Dept. of Transportation | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| Drunk Driving Enforcement Fund | 20.621 | N/A | 7/1/2009 | 6/30/2010 | - | 17,743 | 17,743 | 61 | - | 17,682 |
| Total U.S. Dept. of Transportation | | | | | <u>-</u> | <u>-</u> | <u>17,743</u> | <u>61</u> | <u>-</u> | <u>17,682</u> |
| Total Federal Financial Awards | | | | | <u>\$ 256,749</u> | <u>\$ 903,342</u> | <u>\$ 914,111</u> | <u>\$ 575,922</u> | <u>\$ (34,028)</u> | <u>\$ 1,207,503</u> |

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| State Grant Program | Grant Number | Grant Period From | To | Grant Receipts | Award Amount | Balance, June 30, 2009 | Revenue Realized | Budgetary Expenditures | Adjustments | Balance, June 30, 2010 |
|---|------------------|----------------------|------------|-------------------|-----------------|---------------------------|---------------------|---------------------------|-------------|---------------------------|
| NJ Dept. of Community Affairs | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| Police Body Armor Replacement | 718-066-1021-001 | 7/1/2007 | 6/30/2008 | | \$ 11,317 | \$ 7,623 | | \$ 13,082 | \$ 5,561 | \$ 102 |
| Statewide Livable Communities - Historic Buildings Aid | 100-066-1020-108 | 1/1/2004 | 12/31/2006 | \$ 59,995 | 60,000 | 4 | | | 1 | 5 |
| Statewide Livable Communities - Capital Improvements | 100-042-4800-353 | N/A | N/A | | 190,000 | 157,266 | | | | 157,266 |
| New Jersey Special Legislative Grant - 66th Street | 100-022-8000-000 | 7/1/2001 | 6/30/2004 | - | 75,000 | 348 | - | - | - | 348 |
| Total NJ Dept. of Community Affairs | | | | 59,995 | | 165,241 | - | 13,082 | 5,562 | 157,721 |
| NJ Dept. of Commerce | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| Urban Enterprise Zone - Rehiring Police Officers - Year 11 | 763-020-2830-000 | 7/1/2009 | 6/30/2010 | 110,956 | 276,800 | | \$ 276,800 | | | 276,800 |
| Urban Enterprise Zone - Facade Program | 763-020-2830-000 | 7/1/2006 | 6/30/2007 | 29,045 | 165,000 | 81,161 | | | | 81,161 |
| Urban Enterprise Zone - Administration FY08 | 763-020-2830-000 | 7/1/2006 | 6/30/2007 | | 141,917 | 141,917 | | 18,446 | \$ (60,308) | 63,163 |
| Urban Enterprise Zone - Administration FY09 | 763-020-2830-000 | 7/1/2008 | 6/30/2009 | 75,450 | 176,581 | 146,111 | | | | 146,111 |
| Urban Enterprise Zone - Administration FY10 | 763-020-2830-000 | 7/1/2009 | 6/30/2010 | 85,735 | 150,000 | | 150,000 | 12,537 | | 137,463 |
| Urban Enterprise Zone - Bergenline Ave Installment Loan - Year 9 | 763-020-2830-000 | 7/1/2007 | 6/30/2008 | | 133,250 | 5,867 | | | | 5,867 |
| Urban Enterprise Zone - Bergenline Ave Installment Loan - Year 10 | 763-020-2830-000 | 7/1/2008 | 6/30/2009 | 93,367 | 133,250 | 133,250 | | 92,293 | | 40,957 |
| Urban Enterprise Zone - Bergenline Ave Installment Loan - Year 11 | 763-020-2830-000 | 7/1/2009 | 6/30/2010 | | | | 140,000 | | | 140,000 |
| Urban Enterprise Zone - General Maintenance - Phase 3 | 763-020-2830-000 | 7/1/2008 | 6/30/2009 | 26,100 | 150,000 | 147,219 | | | | 147,219 |
| Urban Enterprise Zone - Litter Clean Up Phase I & Graffiti Truck | 763-020-2830-000 | 7/1/2007 | 6/30/2008 | | 124,360 | 75,010 | | | | 75,010 |
| Urban Enterprise Zone - Litter Clean Up Phase II & Graffiti Truck | 763-020-2830-000 | 7/1/2009 | 6/30/2010 | 197,395 | 269,395 | | 269,395 | 88,230 | | 181,165 |
| Urban Enterprise Zone - Zone Marketing and Professional Services | 763-020-2830-000 | 7/1/2008 | 6/30/2009 | 138,373 | 385,000 | 316,556 | | 90,454 | | 226,102 |
| Total NJ Dept. of Commerce | | | | 756,421 | | 1,047,091 | 836,195 | 301,960 | (60,308) | 1,521,018 |
| NJ Dept. of Environmental Protection | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| Clean Communities Program | 765-042-4900-004 | 7/1/2010 | 6/30/2011 | 50,475 | 50,475 | | | | | |
| Clean Communities Program | 765-042-4900-004 | 7/1/2009 | 6/30/2010 | | 29,465 | | 29,465 | | | 29,465 |
| Clean Communities Program | 765-042-4900-004 | 7/1/2007 | 6/30/2008 | | 37,767 | 37,767 | | 37,767 | | - |
| Clean Communities Program | 765-042-4900-004 | 7/1/2008 | 6/30/2009 | | 48,475 | 48,475 | | 47,233 | | 1,242 |
| Recycling Tonnage | N/A | 7/1/2005 | 6/30/2006 | | 11,112 | 11,112 | | 11,030 | | 82 |
| Recycling Tonnage | N/A | 7/1/2006 | 6/30/2007 | | 3,966 | 3,966 | | 3,966 | | - |
| Green Communities Grant Phase II | | | | | 30,000 | 3,000 | | | | 3,000 |
| Miller Stadium - Phase II | 533-042-4800-003 | 7/1/2000 | 6/30/2004 | - | 500,000 | 191,622 | - | 22,774 | - | 168,848 |
| Total NJ Dept. of Environmental Protection | | | | 50,475 | | 295,942 | 29,465 | 122,770 | - | 202,637 |

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| State Grant Program | Grant Number | Grant Period | | Grant Receipts | Award Amount | Balance, June 30, 2009 | Revenue Realized | Budgetary Expenditures | Adjustments | Balance, June 30, 2010 |
|---|------------------|--------------|------------|----------------|--------------|------------------------|------------------|------------------------|-------------|------------------------|
| | | From | To | | | | | | | |
| N.J. Administrative Office of the Courts | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| Alcohol Education and Rehabilitation | 760-046-4240-002 | 7/1/2007 | 6/30/2008 | | \$ 1,499 | \$ 1,499 | | | | \$ 1,499 |
| Alcohol Education and Rehabilitation | 760-046-4240-002 | 7/1/2008 | 6/30/2009 | | 933 | 933 | | | | 933 |
| Alcohol Education and Rehabilitation | 760-046-4240-002 | 7/1/2009 | 6/30/2010 | \$ 1,906 | 1,906 | - | - | - | - | - |
| Total NJ Dept. of Health | | | | 1,906 | | 2,432 | - | - | - | 2,432 |
| N.J. Dept of Health and Senior Services | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| 2010 State Health Services Grant | N/A | 1/1/2010 | 12/31/2010 | | 195,994 | | \$ 195,994 | | | 195,994 |
| Public Health Priority Funding | 100-046-4230-307 | 1/1/2010 | 12/31/2010 | | 28,217 | | 28,217 | | | 28,217 |
| Public Health Priority Funding | 100-046-4230-307 | 1/1/2009 | 12/31/2009 | \$ 27,516 | 55,032 | 55,032 | | \$ 55,032 | | - |
| Pandemic Flu Preparedness | N/A | 7/1/2008 | 6/30/2009 | - | 13,298 | 6,465 | - | - | - | 6,465 |
| Total NJ Dept. of Health and Senior Services | | | | 27,516 | 61,497 | 224,211 | 55,032 | - | - | 230,676 |
| NJ Dept. of Law & Public Safety | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| Safe and Secure Communities | N/A | 7/1/2010 | 6/30/2011 | 58,067 | 58,067 | | | | | |
| Safe and Secure Communities | N/A | 7/1/2009 | 6/30/2010 | | 54,376 | | 54,376 | | | 54,376 |
| Pedestrian Safety Grant | N/A | 7/1/2007 | 6/30/2008 | 3,333 | 22,000 | 2,000 | - | - | - | 2,000 |
| Total NJ Dept. of Law & Public Safety | | | | 61,400 | 2,000 | 54,376 | - | - | - | 56,376 |

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

| State Grant Program | Grant Number | Grant Period | | Grant Receipts | Award Amount | Balance, June 30, 2009 | Revenue Realized | Budgetary Expenditures | Adjustments | Balance, June 30, 2010 |
|--|------------------|--------------|------------|---------------------|--------------|------------------------|---------------------|------------------------|--------------------|------------------------|
| | | From | To | | | | | | | |
| NJ Dept. of State | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| NJ Council on the Arts Grant | N/A | 7/1/2009 | 6/30/2010 | | \$ 2,839 | | \$ 2,839 | | | \$ 2,839 |
| NJ Council on the Arts Grant | N/A | 7/1/2008 | 6/30/2009 | \$ 1,200 | 4,800 | \$ 4,800 | - | - | - | 4,800 |
| Total NJ Dept. of State | | | | <u>1,200</u> | | <u>4,800</u> | <u>2,839</u> | <u>-</u> | <u>-</u> | <u>7,639</u> |
| NJ Dept. of Transportation | | | | | | | | | | |
| Direct Aid | | | | | | | | | | |
| New Jersey Transportation Trust Fund | | | | | | | | | | |
| <u>Authority Act (NJTFEA):</u> | | | | | | | | | | |
| NJTTFEA - 65th St. | 480-078-6320-300 | 7/1/2000 | 6/30/2004 | | 230,000 | 89,081 | | \$ 2,344 | | 86,737 |
| NJTTFEA - 56th St, Highland, & Monitor Place | 480-078-6320-300 | 7/1/2000 | 6/30/2004 | | 209,000 | 51,787 | | | | 51,787 |
| NJTTFEA - 50th, 55th and 56th St. | 480-078-6320-300 | 7/1/2002 | 6/30/2004 | | 221,250 | 221,250 | | | | 221,250 |
| NJTTFEA - Livable Communities - Park Avenue | 480-078-6320-300 | 7/1/2003 | 6/30/2004 | | 450,000 | 63,853 | | 2,611 | | 61,242 |
| NJTTFEA - Livable Communities - Bergenline/49th Street | 480-078-6320-300 | 7/1/2003 | 6/30/2004 | | 150,000 | 150,000 | | | | 150,000 |
| NJTTFEA - Park Avenue | 480-078-6320-300 | 7/1/2003 | 6/30/2004 | | 200,000 | 200,000 | | 2,612 | | 197,388 |
| NJTTFEA - Bergenline Avenue Signals | 480-078-6320-300 | 7/1/2003 | 6/30/2004 | | 350,000 | 85,583 | | | | 85,583 |
| NJTTFEA - 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 | 31,097 | 290,000 | 32,888 | | 13,418 | | 19,470 |
| FY00 Municipal Aid Program - Improvements to Broadway | 480-078-6320-300 | N/A | N/A | | 1,000,000 | 289,783 | | 2,612 | | 287,171 |
| FY05 Municipal Aid Program - Various Streets | 480-078-6320-300 | 7/1/2009 | 6/30/2010 | | 428,949 | | 428,949 | | | 428,949 |
| Safe Routes to School Program - Ord #05-09 | N/A | 7/1/2008 | 6/30/2009 | - | 300,000 | 300,000 | - | - | - | 300,000 |
| Total NJ Dept. of Transportation | | | | <u>31,097</u> | | <u>1,560,098</u> | <u>428,949</u> | <u>23,597</u> | <u>-</u> | <u>1,965,450</u> |
| 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 | 430,399 | | 430,399 | | - |
| Special Purpose Grant - Street Repavement | 100-094-9420-047 | 7/1/2004 | 12/31/2005 | | 1,350,000 | 305,420 | | 299,050 | | 6,370 |
| 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 | 1/1/2009 | 12/31/2009 | 47,452 | 47,452 | 25,462 | - | 25,462 | | - |
| Local Share | | | | - | 11,863 | 11,863 | - | 11,208 | | 655 |
| | | | | <u>47,452</u> | | <u>773,144</u> | <u>-</u> | <u>766,119</u> | <u>-</u> | <u>7,025</u> |
| Total State Financial Awards | | | | <u>\$ 1,037,462</u> | | <u>\$ 3,912,245</u> | <u>\$ 1,576,035</u> | <u>\$ 1,282,560</u> | <u>\$ (54,746)</u> | <u>\$ 4,150,974</u> |

**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, 2010**

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 regulatory 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 | \$ 404,111 | \$ 1,576,035 | \$ 1,980,146 |
| Community Development Block Grant Fund | <u>510,000</u> | <u>-</u> | <u>510,000</u> |
| | <u>\$ 914,111</u> | <u>\$ 1,576,035</u> | <u>\$ 2,490,146</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, 2010**

NOTE 5 STATE LOANS OUTSTANDING

The Town's state loans outstanding at June 30, 2010, 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 | \$ 1,490,499 |
| Casino Reinvestment Development Authority Loan | <u>118,727</u> |
| | <u>\$ 1,609,226</u> |

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Part I – Summary of Auditor’s Results

Financial Statement Section

| | |
|---|---------------------------------|
| Type of auditor's report issued: | <u>Unqualified</u> |
| Internal control over financial reporting: | |
| 1) Significant deficiencies identified? | <u> X </u> yes <u> </u> no |
| 2) Were significant deficiencies identified that were not considered to be material weaknesses? | <u> </u> yes <u> X </u> no |
| Noncompliance material to financial statements noted? | <u> X </u> yes <u> </u> no |

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Part I – Summary of Auditor's Results

Federal Awards Section

Dollar threshold used to determine Type A programs: \$ 300,000

Auditee qualified as low-risk auditee? yes X no

Type of auditors' report on compliance for major programs: Unqualified

Internal Control over compliance:

1) Significant Deficiencies identified? yes X no

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

Any audit findings disclosed that are required to be reported
in accordance with N.J. OMB Circular 04-04? yes X no

Identification of major programs:

| <u>GMIS Number(s)</u> | <u>Name of State Program</u> |
|-----------------------|-----------------------------------|
| 14.218 | Community Development Block Grant |
| | |
| | |
| | |
| | |
| | |
| | |

**TOWN OF WEST NEW YORK
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Part I – Summary of Auditor’s Results

State Awards Section

Dollar threshold used to determine Type A programs: \$ 300,000

Auditee qualified as low-risk auditee? yes X no

Type of auditors' report on compliance for major programs: Unqualified

Internal Control over compliance:

1) Significant Deficiencies identified? yes X no

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

Any audit findings disclosed that are required to be reported
 in accordance with N.J. OMB Circular 04-04? yes X no

Identification of major programs:

| <u>GMIS Number(s)</u> | <u>Name of State Program</u> |
|-----------------------|------------------------------|
| 100-094-9420-047 | New Jersey Dept. of Treasury |
| 763-020-2830-0000 | Urban Enterprise Zone |
| | |
| | |
| | |
| | |
| | |

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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 2010-1:

Our audit revealed the Town incurred \$58,366 of overexpenditures of S/F/Y 10 appropriations in the fiscal year ended June 30, 2010.

Additionally, the audit indicated certain General Capital Fund contracts and Current Fund operating costs were not encumbered at June 30, 2010.

Criteria or specific requirement:

- N.J.A.C. 5:30-5.2, "Encumbrance Systems".
- NJSA 40A:4-57, expenditures void without appropriations.

Condition:

- Three S/F/Y 2010 budget line items were overexpended as a result of not recording outstanding liabilities.
- Certain outstanding S/F/Y 2010 liabilities were not encumbered at June 30, 2010.

Questioned Costs:

None.

Context:

Overexpenditures

Three S/F/Y 2010 appropriation balances totaling \$58,366 were overexpended.

Unrecorded Liabilities

General Capital Fund—Two vendor contracts totaling \$338,655 were unrecorded.

Current Fund—Operating expenditures outstanding for four vendors totaling \$420,628 were unrecorded.

Certain purchases were initiated by departments prior to a purchase order being generated.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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 2010-1: (Continued)

Effect:

Overexpenditures

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

Unrecorded Liabilities

The financial statements have been adjusted for liabilities determined to be unrecorded at June 30, 2010.

Cause:

Unknown.

Recommendation:

Internal controls over encumbrances be reviewed and enhanced to ensure all encumbrances are recorded timely.

Management's Response:

Internal controls are ongoing within the Finance Department and new procedures have been implemented regarding encumbrance accounting.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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 2010-2:

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.

- Offices Supplies
- Recreation Equipment
- Uniforms
- Ambulance Supplies
- Street Sweeper 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 \$21,000 where no evidence of public bidding or State contract existed.

Questioned Costs:

Undeterminable.

Context:

The Town contracted for goods and without public bids as follows:

Office Supplies - \$70,806
Recreation Equipment - \$74,665
Uniforms - \$39,523
Ambulance Services - \$38,800
Street Sweeper Repairs - \$23,989

Effect:

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

Cause:

Unknown.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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 2010-2: (Continued)

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's Purchasing Agent position is currently vacant and the Town is seeking to fill the position with a new hire. Additionally, the Town is reviewing recurring expenditures to determine which goods and/or services requiring bidding in order 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, 2010**

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 2010-3:

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 2010-3.

Questioned Costs:

Undeterminable.

Context:

See Finding 2010-3.

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 entities 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 and related documents will be reviewed 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, 2010**

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

Not applicable.

CURRENT YEAR STATE AWARDS

There are none.

TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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 2009-1

The Town's fixed asset accounting and reporting system was not updated for the fiscal year ended June 30, 2009.

Current Status

Corrective action has been taken.

Finding 2009-2

Our audit revealed the following overexpenditures were incurred in the fiscal year ended June 30, 2009:

Current Fund – Overexpenditure of Appropriations - \$397,700

Current Fund – Overexpenditure of Appropriation Reserves - \$352,395

Additionally, the audit indicated certain General Capital Fund contracts and Current Fund operating costs were not encumbered at June 30, 2009.

Current Status

See Finding 2010-1.

Finding 2009-3

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.

- Plumbing Services
- Recreation Equipment and Uniforms
- Municipal Pool Repairs
- Electrical Services
- Computer Sales and Services
- HVAC Repairs

Current Status

See Finding 2010-2.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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 2009-4

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.

Current Status

See Finding 2010-3.

Finding 2009-5

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.

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, 2010**

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 2009-6:

Our audit revealed that the Town's notes to the financial statements did not disclose the other post employment benefit obligations related to post-retirement medical benefits provided to its eligible retirees and their dependents.

Current Status

Corrective action has been taken.

TOWN OF WEST NEW YORK

PART III

SUPPORTING DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

FISCAL YEAR ENDED JUNE 30, 2010

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

| | <u>Fiscal Year 2009/10</u> | | <u>Fiscal Year 2008/09</u> | |
|---|----------------------------|-----------------|----------------------------|-----------------|
| | <u>Amount</u> | <u>Percent</u> | <u>Amount</u> | <u>Percent</u> |
| REVENUE AND OTHER INCOME REALIZED | | | | |
| Miscellaneous - From Other Than Local | | | | |
| Property Tax Levies | \$ 34,786,883 | 34.51 % | \$37,184,214 | 37.51 % |
| Collection of Delinquent Taxes and Tax Title Liens | 2,510,963 | 2.49 | 2,148,441 | 2.17 |
| Collection of Current Tax Levy | 60,829,987 | 60.35 | 59,215,095 | 59.74 |
| Other Income | <u>2,661,247</u> | <u>2.65</u> | <u>578,143</u> | <u>0.58</u> |
| Total Income | <u>100,789,080</u> | <u>100.00 %</u> | <u>99,125,893</u> | <u>100.00 %</u> |
| EXPENDITURES | | | | |
| Budget Expenditures | | | | |
| Municipal Purposes | 71,384,839 | 73.16 % | 70,510,531 | 71.94 % |
| Local School Purposes | 1,267,568 | 1.30 | 1,269,542 | 1.30 |
| County Taxes | 11,171,335 | 11.45 | 10,831,874 | 11.05 |
| Local District School Taxes | 13,636,640 | 13.98 | 13,636,640 | 13.91 |
| Other Expenditures | <u>110,389</u> | <u>0.11</u> | <u>1,794,407</u> | <u>1.80</u> |
| Total Expenditures | <u>97,570,771</u> | <u>100.00 %</u> | <u>98,042,994</u> | <u>100.00 %</u> |
| Excess in Revenue | 3,218,309 | | 1,082,899 | |
| Less Expenditures to be Raised by Future Taxes | <u>58,366</u> | | <u>397,700</u> | |
| Statutory Excess to Fund Balance | 3,276,675 | | 1,480,599 | |
| Fund Balance, Beginning of Year | <u>2,936,261</u> | | <u>1,455,662</u> | |
| Fund Balance, End of Year | <u>\$ 6,212,936</u> | | <u>\$ 2,936,261</u> | |

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

| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
|---|----------------------|----------------------|----------------------|
| <u>Tax Rate - Fiscal Year</u> | <u>\$6.413</u> | <u>\$6.927</u> | <u>\$5.620</u> |
| <u>Apportionment of Tax Rate</u> | | | |
| Municipal | 3.744 | 4.302 | 3.073 |
| County | 1.197 | 1.147 | 1.096 |
| Local School | 1.468 | 1.420 | 1.393 |
| Local School Required by Local Municipal Budget | .004 | 0.058 | 0.058 |
| <u>Assessed Valuation</u> | | | |
| 2010 | <u>\$954,042,691</u> | | |
| 2009 | | <u>\$960,305,883</u> | |
| 2008 | | | <u>\$960,679,425</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 Ended</u> <u>June 30</u> | <u>Tax Levy</u> | <u>Cash Collections</u> | <u>Percentage</u> <u>of</u> <u>Collection</u> |
|-------------------------------------|-----------------|-------------------------|---|
| 2010 | \$ 61,514,238 | \$ 60,829,987 | 98.89% |
| 2009 | 62,446,997 | 59,615,095 | 95.47% |
| 2008 | 51,043,457 | 48,557,962 | 95.13% |

**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>Year Ended June 30</u> | Amount of Tax Title <u>Liens</u> | Amount of Delinquent <u>Taxes</u> | Total <u>Delinquent</u> | Percentage of <u>Tax Levy</u> |
|---------------------------|--|---|----------------------------|-------------------------------------|
| 2010 | \$ 170,262 | \$ 63,470 | \$ 233,732 | 0.38% |
| 2009 | 342 | 2,588,852 | 2,589,194 | 4.15% |
| 2008 | 310 | 2,208,572 | 2,208,882 | 4.33% |

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 | 2010 | \$6,212,936 | \$300,000 |
| | 2009 | 2,936,261 | -0- |
| | 2008 | 1,455,662 | -0- |
| | 2007 | 1,455,662 | -0- |
| | 2006 | 2,079,850 | 1,500,000 |
| | 2005 | 1,037,420 | 29,375 |

**TOWN OF WEST NEW YORK
OFFICIALS IN OFFICE AND SURETY BONDS
AS OF JUNE 30, 2010**

| <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 | |
| Joseph McConnell | Business Administrator | | (A) |
| Frederick J. Tomkins | Acting Chief Financial Officer | | (A) |
| Carmela Riccie | Town Clerk | | (A) |
| Kerri Tierney | Tax Collector | | (A) |
| Sal Bonnaccorsi | Tax Assessor; Tax Searcher | | (A) |
| Charles D'Amico | 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.

General Comments Also Included in the Prior Year's Audit

FINANCE

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 - 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 - Recordkeeping pertaining to compensated absences is not centrally maintained. Additionally, certain records are maintained predominantly on a manual basis and the 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.

Finding - Our audit indicated there exists various prior year tax and payment in lieu of taxes overpayments outstanding at June 30, 2010.

Recommendation - Prior year tax and payment in lieu of taxes overpayments outstanding at June 30, 2010 be reviewed and cleared of record.

Finding - As of June 30, 2010, there exists certain inactive intergovernmental accounts receivables and payables.

Recommendation - The inactive intergovernmental accounts receivables and payables open of record at June 30, 2010 be reviewed and cleared of record.

Finding - The audit indicated that the Other Trust escrow ledger included old escrow deposits and certain subsidiary ledger balances are not in agreement with the general ledger balance.

Recommendation - Old escrow deposits be reviewed and cleared of record, where applicable, and subsidiary records be reconciled to the general ledger on a monthly basis.

PURCHASING

Finding - Our audit revealed that certain contracts awarded as an exception to the Local Public Contracts Law under State contracts were not approved by resolution of the Governing Body.

Recommendation - State contract vendors utilized by the Town be awarded by resolution of the Town Commissioners as required by the Local Public Contracts Law.

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

General Comments Also Included in the Prior Year's Audit (Continued)

MUNICIPAL COURT

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 and certain tickets appeared on the "Tickets Issued Not Assigned Report".

Recommendation - All tickets outstanding in excess of six months on the Municipal Court's "Tickets Assigned Not Issued Report" be recalled and tickets on the "Tickets Issued Not Assigned Report" be assigned.

DEPARTMENTS

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

Recommendation – Departments maintaining a bank account prepare bank reconciliations on a monthly basis.

Current Year General Comments

PURCHASING

Finding – The audit of expenditures indicated the required "Chapter 271 Political Contribution Disclosure Form" was not available for audit for certain vendors utilized by the Town.

Recommendation – The Town obtain the required "Chapter 271 Political Contribution Disclosure Form" from applicable vendors paid in excess of \$17,500.

PAYROLL AND BENEFITS

Finding – The audit indicated there is no independent verification of payroll deductions remitted by the Town's third party payroll provider.

Recommendation - The Town implement procedures to verify the payment of payroll deductions by its third party payroll provider.

**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 \$21,000, except by contract or agreement."

The Governing Body of the Town has the responsibility of determining whether the expenditures in any category will exceed \$21,000 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:

| | |
|-------------------------------------|---------------------|
| Acquisition of DPW Vehicles | Summer Food Program |
| Acquisition of Playground Equipment | |

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

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

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Collection of Interest on Delinquent Taxes and Assessments (Continued)

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”.

An accelerated tax sale was held on June 28, 2010 and was incomplete.

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> |
|------------------------|------------------------|
| 2010 | 18 |
| 2009 | 1 |
| 2008 | 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:

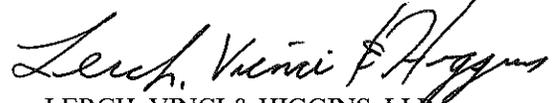
- * 1. Internal controls over encumbrances be reviewed and enhanced to ensure all encumbrances are recorded timely.
- * 2. All contracts for goods and services which in the aggregate exceed the bid threshold be publicly bid in accordance with the New Jersey Local Public Contracts Law.
- * 3. Internal 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.
- * 4. 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.
- * 5. Financial transactions relating to the outside employment of police officers be made in accordance with the requirements of the Division of Local Government Services.
- * 6. All tickets outstanding in excess of six months on the Municipal Court's "Tickets Assigned Not Issued Report" be recalled and tickets on the "Tickets Issued Not Assigned Report" be assigned.
- * 7. Departments maintaining a bank account prepare bank reconciliations on a monthly basis.
- * 8. Recordkeeping for employee compensated absences be centrally maintained, computerized and integrated with the payroll system.
- * 9. Prior year tax and payment in lieu of taxes overpayments outstanding at June 30, 2010 be reviewed and cleared of record.
- * 10. The inactive intergovernmental accounts receivables and payables open of record at June 30, 2010 be reviewed and cleared of record.
- * 11. State contract vendors utilized by the Town be awarded by resolution of the Town Commissioners as required by the Local Public Contracts Law.
- * 12. Old escrow deposits be reviewed and cleared of record, where applicable, and subsidiary records be reconciled to the general ledger on a monthly basis.
- 13. The Town obtain the required "Chapter 271 Political Contribution Disclosure Form" from applicable vendors paid in excess of \$17,500.
- 14. The Town implement procedures to verify the payment of payroll deductions by its third party payroll provider.

**TOWN OF WEST NEW YORK
RECOMMENDATIONS**

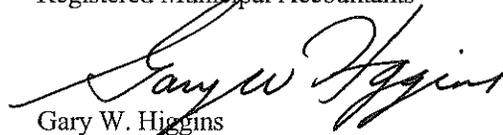
A review was performed on all prior years' recommendations and corrective action was taken with the exception of those recommendations denoted with an asterisk (*).

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