

BOROUGH OF RIDGEFIELD
BERGEN COUNTY, NEW JERSEY
REPORT OF AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

**BOROUGH OF RIDGEFIELD
TABLE OF CONTENTS**

<u>Exhibits</u>		<u>Page</u>
<u>PART I</u>		
	Independent Auditors' Report	1-2
A	Comparative Balance Sheets – Statutory Basis - Current Fund	3-4
A-1	Comparative Statements of Operations and Changes in Fund Balance - Statutory Basis - Current Fund	5
A-2	Statement of Revenues – Statutory Basis – Current Fund	6-9
A-3	Statement of Expenditures – Statutory Basis – Current Fund	10-16
B	Comparative Balance Sheets – Statutory Basis - Trust Funds	17-18
C	Comparative Balance Sheets – Statutory Basis - General Capital Fund	19
C-1	Comparative Statements of Changes in Fund Balance – Statutory Basis – General Capital Fund	20
D	Comparative Balance Sheets – Statutory Basis – Swim Pool Utility Fund	21-22
D-1	Comparative Statements of Operations and Changes in Operating Fund Balance – Statutory Basis - Swim Pool Utility Operating Fund	23
D-2	Comparative Statements of Changes in Fund Balance – Statutory Basis – Swim Pool Utility Capital Fund	24
D-3	Statement of Revenues – Statutory Basis – Swim Pool Utility Operating Fund	25
D-4	Statement of Expenditures – Statutory Basis – Swim Pool Utility Operating Fund	26
E	Comparative Balance Sheets – Statutory Basis - Public Assistance Fund	27
F	Comparative Balance Sheets – Statutory Basis - General Fixed Assets Account Group	28
	Notes to Financial Statements	29-51
<u>Supplementary Schedules</u>		
<u>Current Fund</u>		
A-4	Statement of Current Cash - Treasurer	52
A-5	Statement of Change Fund	53
A-6	Statement of Due From State of New Jersey Senior Citizens' and Veterans' Deductions	53
A-7	Statement of Grant Receivables	53
A-8	Statement of Taxes Receivable and Analysis of Property Tax Levy	54
A-9	Statement of Tax Title Liens	55
A-10	Statement of Property Acquired for Taxes (At Assessed Valuation)	55
A-11	Statement of Revenue Accounts Receivable	56
A-12	Statement of Deferred Charges	57
A-13	Statement of Deferred Charges – Special Emergency – 5 Years	57
A-14	Statement of Appropriation Reserves	58-60
A-15	Statement of Encumbrances Payable	61
A-16	Statement of Tax Appeal Judgements Payable	61
A-17	Statement of Accounts Payable	61
A-18	Statement of Tax Overpayments	61
A-19	Statement of Due to State of New Jersey – Fees Payable	62
A-20	Statement of County Taxes Payable	62
A-21	Statement of Local District School Taxes	62
A-22	Statement of Reserve for Tax Appeals	62
A-23	Statement of Miscellaneous Deposits and Reserves	63
A-24	Statement of Appropriated Reserves for Grants	64
A-25	Statement of Unappropriated Reserves for Grants	64
A-26	Statement of Special Emergency Note Payable	65

BOROUGH OF RIDGEFIELD
TABLE OF CONTENTS
(Continued)

<u>Exhibits</u>		<u>Page</u>
<u>Trust Fund</u>		
B-1	Statement of Trust Cash and Investments	66
B-2	Statement of Reserve for Animal Control Expenditures – Animal Control Fund	67
B-3	Statement of Due to State of New Jersey Dog License Fees – Animal Control Fund	67
B-4	Statement of Prepaid Licenses – Animal Control Fund	67
B-5	Statement of Due to Current Fund – Animal Control Fund	68
B-6	Statement of Due to Current Fund – Payroll – Other Trust Fund	68
B-7	Statement of Due From Current Fund – Other Trust – Other Trust Fund	68
B-8	Statement of Escrow Deposits – Other Trust Fund	69
B-9	Statement of Miscellaneous Reserves - Other Trust Fund	69
B-10	Statement of Payroll and Payroll Deductions Payable - Other Trust Fund	70
B-11	Statement of Reserve for Unemployment Insurance Benefits – Unemployment Insurance Trust Fund	70
B-12	Statement of Due to State of New Jersey - Unemployment Insurance Trust Fund	70
B-13	Statement of Due to Current Fund – Unemployment Insurance Trust Fund	71
B-14	Statement of Due to Animal Control – Unemployment Insurance Trust Fund	71
<u>General Capital Fund</u>		
C-2	Statement of General Capital Cash - Treasurer	72
C-3	Analysis of General Capital Cash	73
C-4	Statement of Grants Receivable	74
C-5	Statement of Other Receivables – Due from Vendor	75
C-6	Statement of Due To Current Fund	75
C-7	Statement of Deferred Charges to Future Taxation	75
C-8	Statement of Deferred Charges to Future Taxation - Funded	76
C-9	Statement of Deferred Charges to Future Taxation - Unfunded	77
C-10	Statement of Improvement Authorizations	78
C-11	Statement of Contracts Payable	79
C-12	Statement of Other Payable – Due to Board of Education	79
C-13	Statement of Capital Improvement Fund	79
C-14	Statement of Miscellaneous Reserves	80
C-15	Statement of Bond Anticipation Notes	81
C-16	Statement of New Jersey Environmental Infrastructure Trust Loan	82
C-17	Statement of General Serial Bonds	83
C-18	Statement of Bonds and Notes Authorized But Not Issued	84
<u>Swim Pool Utility Fund</u>		
D-5	Statement of Swim Pool Utility Cash – Treasurer	85
D-6	Analysis of Swim Pool Utility Capital Cash	86
D-7	Statement of Due from State of New Jersey – Swim Pool Utility Capital Fund	86
D-8	Statement of Fixed Capital – Swim Pool Utility Capital Fund	87
D-9	Statement of Fixed Capital Authorized and Uncompleted – Swim Pool Utility Capital Fund	87
D-10	Statement of SFY 2008 Appropriation Reserves	88
D-11	Statement of Due to Swim Pool Utility Operating Fund – Swim Pool Utility Capital Fund	88

BOROUGH OF RIDGEFIELD
TABLE OF CONTENTS
(Continued)

<u>Exhibits</u>		<u>Page</u>
	<u>Swim Pool Utility Fund (Continued)</u>	
D-12	Statement of Due to Current Fund – Swim Pool Utility Operating Fund	88
D-13	Statement of Encumbrances Payable – Swim Pool Utility Operating Fund	89
D-14	Statement of Accounts Payable – Swim Pool Utility Operating Fund	89
D-15	Statement of Prepaid Revenue – Swim Pool Utility Operating Fund	89
D-16	Statement of Improvement Authorizations – Swim Pool Utility Capital Fund	89
D-17	Statement of Reserve for Amortization – Swim Pool Utility Capital Fund	90
D-18	Statement of Deferred Reserve for Amortization – Swim Pool Utility Capital Fund	90
D-19	Statement of Reserve for Capital Outlay – Swim Pool Utility Capital Fund	90
D-20	Statement of Bonds and Notes Authorized But Not Issued – Swim Pool Utility Capital Fund	90
	<u>Public Assistance Fund</u>	
E-1	Statement of Public Assistance Cash - Treasurer	91
E-2	Statement of Reserve for Public Assistance Expenditures	91
E-3	Statement of Public Assistance Revenues	92
E-4	Statement of Public Assistance Expenditures	92
E-5	Statement of Due To/From Current Fund	93
	<u>PART II</u>	
	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	94-95
Sch. A	Schedule of Expenditures of Federal Awards	96-97
Sch. B	Schedule of Expenditures of State Financial Assistance	98-99
	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	100-101
	Schedule of Findings and Questioned Costs	102
	<u>PART III</u>	
	Comparative Schedules of Operations and Changes in Fund Balance - Current Fund	103
	Comparative Schedules of Operations and Changes in Fund Balance – Swim Pool Utility Operating Fund	104
	Comparative Schedule of Calendar Year Tax Rate Information	105
	Comparison of Tax Levies and Collection Currently	105
	Delinquent Taxes and Tax Title Liens	106
	Property Acquired by Tax Title Lien Liquidation	106
	Comparative Schedule of Fund Balances	106
	Officials in Office and Surety Bonds	107
	Schedule of Findings and Responses	108-109
	General Comments	109-113
	Suggestions to Management	113
	Recommendations	114-115

**BOROUGH OF RIDGEFIELD
BERGEN COUNTY, NEW JERSEY**

**PART I
REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

17 - 17 ROUTE 208
FAIR LAWN, NJ 07410
TELEPHONE (201) 791-7100
FACSIMILE (201) 791-3035
WWW.LVHCPA.COM

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH KOZAK, CPA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
RALPH M. PICONE, CPA, RMA, PSA

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Ridgefield
Ridgefield, New Jersey

We have audited the accompanying balance sheets - statutory basis of the various funds and account group of the Borough of Ridgefield as of June 30, 2009 and 2008 and the related statements of operations and changes in fund balance - statutory basis for the years then ended and the related statement of revenues - statutory basis and statement of expenditures - statutory basis of the various funds for the year ended June 30, 2009. These financial statements are the responsibility of the Borough of Ridgefield'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 Borough of Ridgefield'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 Borough has prepared these financial statements using accounting practices that demonstrate compliance with the statutory basis of accounting and budget laws prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these statutory accounting practices and the accounting principles generally accepted in the United States of America, although not reasonable determinable, are presumed to be material.

In our opinion, because of the effects of the Borough preparing its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Ridgefield, as of June 30, 2009 and 2008, the changes in its financial position, or, where applicable, its cash flows for the years then ended. Further, the Borough 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)

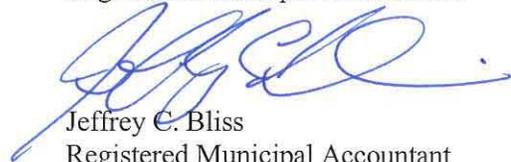
Also, in our opinion, the financial statements - statutory basis referred to above present fairly, in all material respects, the financial position - statutory basis of the various funds and account group of the Borough of Ridgefield, as of June 30, 2009 and 2008 and the results of its operations - and changes in fund balance - statutory basis of such funds for the years then ended and the statement of revenues - statutory basis and the statement of expenditures - statutory basis of the various funds for the year then ended June 30, 2009 on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated February 5, 2010 on our consideration of the Borough of Ridgefield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Ridgefield. 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 Borough of Ridgefield. 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 Borough of Ridgefield. 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

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



Jeffrey C. Bliss
Registered Municipal Accountant
RMA Number CR00429

Fair Lawn, New Jersey
February 5, 2010

BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
CURRENT FUND
AS OF JUNE 30, 2009 AND 2008

ASSETS	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Cash	A-4	\$ 3,075,914	\$ 2,900,064
Cash - Change Funds	A-5	450	400
Due from State of New Jersey for Senior Citizens' and Veterans' Deductions	A-6	118,022	113,772
Grants Receivable	A-7	<u>151,863</u>	<u>18,535</u>
		<u>3,346,249</u>	<u>3,032,771</u>
Receivables and Other Assets With Full Reserves			
Delinquent Property Taxes	A-8	651,287	453,165
Tax Title Liens	A-9	17,061	63,849
Property Acquired for Taxes (at Assessed Valuation)	A-10	81,180	81,180
Revenue Accounts Receivable	A-11	51,032	71,808
Due from Animal Control Trust Fund	B-5	11,903	3
Due from Other Trust Fund (Payroll)	B-6	159	5,593
Due from Unemployment Trust Fund	B-13		3,300
Due from General Capital Fund	C-6	20,009	233,945
Due from Swim Pool Utility Operating Fund	D-12	18,781	
Due from Public Assistance Fund	E-5	<u>214</u>	<u>2,783</u>
		<u>851,626</u>	<u>915,626</u>
Deferred Charges			
Overexpenditure of Budget Appropriations	A-12		1,491
Overexpenditure of Appropriation Reserves	A-12		52,961
Special Emergency Authorizations	A-13	<u>-</u>	<u>46,000</u>
		<u>-</u>	<u>100,452</u>
Total Assets		<u>\$ 4,197,875</u>	<u>\$ 4,048,849</u>

BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
CURRENT FUND
AS OF JUNE 30, 2009 AND 2008

LIABILITIES, RESERVES AND FUND BALANCE	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Appropriation Reserves	A-3,A-14	\$ 965,507	\$ 561,354
Encumbrances Payable	A-15	472,661	489,391
Tax Appeal Judgements Payable	A-16		142,730
Accounts Payable	A-17		18,251
Tax Overpayments	A-18	50,311	41,201
Due to State of New Jersey-Fees Payable	A-19	595	4,190
Special Emergency Note	A-26		46,000
Reserve for:			
Tax Appeals	A-22	321,153	401,239
Revaluation of Real Property	A-23	19,953	19,953
911 Center Donations	A-23	300	300
Sale of Assets	A-23		16,935
Appropriated Reserve for Grants	A-24	59,849	174,432
Unappropriated Reserve for Grants	A-25	57,461	23,063
Due to Other Trust Fund (Other Trust)	B-7	<u>24,657</u>	<u>155,812</u>
		1,972,447	2,094,851
Reserve for Receivables and Other Assets	A	851,626	915,626
Fund Balance	A-1	<u>1,373,802</u>	<u>1,038,372</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 4,197,875</u>	 <u>\$ 4,048,849</u>

BOROUGH OF RIDGEFIELD
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
STATUTORY BASIS - CURRENT FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2	\$ 700,000	\$ 400,000
Miscellaneous Revenue Anticipated	A-2	9,784,128	10,089,407
Receipts from Delinquent Taxes	A-2	504,816	307,711
Receipts from Current Taxes	A-2	27,690,142	26,442,296
Non-Budget Revenue	A-2	224,174	208,357
Other Credits to Income			
Unexpended Balances of Appropriation Reserves	A-14	283,388	350,292
Cancelled Accounts Payable	A-17	17,676	484
Cancelled Tax Overpayments	A-18		66,128
Cancelled Other Trust Fund Reserves	B-7		84,514
Cancelled Appropriated Grants Expended in Prior Years	A-24	130,454	
Interfunds Returned	A	194,558	45,659
Statutory Excess in Animal Control Trust Fund		11,900	-
		<u>39,541,236</u>	<u>37,994,848</u>
EXPENDITURES			
Budget Appropriations			
Operations			
Salaries and Wages	A-3	6,291,900	6,039,374
Other Expenses	A-3	10,282,658	10,092,224
Deferred Charges and Statutory Expenditures	A-3	608,172	491,178
Capital Improvements	A-3	189,430	200,000
Municipal Debt Service	A-3	1,431,187	1,432,963
County Taxes Payable	A-20	4,048,694	3,584,830
Local District School Taxes Payable	A-21	15,584,000	15,175,940
Overexpenditures of Appropriation Reserves	A-14		52,961
Refund of Prior Year's Revenue	A-1	60,059	
Cancel of Grants Receivable	A-7	9,706	
Interfunds Advance Originating	A	-	243,450
		<u>38,505,806</u>	<u>37,312,920</u>
Total Expenditures			
Excess in Revenue		1,035,430	681,928
Adjustments to Income Before Fund Balance			
Expenditures Included as Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-12	-	54,452
Statutory Excess to Fund Balance		1,035,430	736,380
Fund Balance, Beginning of Year	A-1	<u>1,038,372</u>	<u>701,992</u>
		2,073,802	1,438,372
Decreased by			
Utilization as Anticipated Revenue	A-1	<u>700,000</u>	<u>400,000</u>
Fund Balance, End of Year	A	<u>\$ 1,373,802</u>	<u>\$ 1,038,372</u>

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF REVENUES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Reference</u>	<u>Budget</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
FUND BALANCE ANTICIPATED	A-1	\$ 700,000	-	\$ 700,000	-
MISCELLANEOUS REVENUES					
Licenses					
Alcoholic Beverages	A-11	20,000		23,753	\$ 3,753
Other	A-2	29,000		36,584	7,584
Fees and Permits	A-2	150,000		160,642	10,642
Fines and Costs					
Municipal Court	A-11	425,000		438,181	13,181
Interest and Costs on Taxes	A-11	75,000		154,604	79,604
Interest on Investments and Deposits	A-2	90,000		9,977	(80,023)
Hackensack Meadowlands Adjustment to					
Tax Sharing (NJS 13:17-60 et seq.)	A-11	1,144,000		1,176,935	32,935
Energy Receipts Tax	A-11	5,669,191		5,669,191	
Supplemental Energy Receipts Tax	A-11	255,930		255,930	
Uniform Construction Code Fees	A-11	261,949		344,575	82,626
Uniform Fire Safety Act	A-11	44,960		32,133	(12,827)
Rental of Borough Property - Shaler Lease	A-11	250,000		250,000	
Rental of Borough Property - Shaler Lease -					
Debt Service Reimbursement	A-11	358,200		358,200	
Sewer Charges	A-11	117,650		134,042	16,392
Sewer Charges - Additional - Tier II User Charge	A-11	320,000		462,559	142,559
Cable TV Franchise Fee	A-11	58,154		58,153	(1)
Reserve for Sale of Assets	A-23	16,935		16,935	
Hackensack Meadowlands Commission - Hybrid Vehicle	A-7	20,000		20,000	
Hackensack Meadowlands Commission -COAH	A-7	17,226		17,226	
Hackensack Meadowlands Commission - Sign Board	A-7	26,300		26,300	
Hackensack Meadowlands Commission	A-7		\$ 100,000	100,000	
Click it or Ticket	A-7		4,000	3,646	(354)
Green Communities	A-25	2,750		2,750	
Recycling Tonnage Grant	A-25	3,374		3,374	
Drunk Driving Enforcement Fund	A-25	2,843		2,843	
Clean Communities Program	A-25	11,201		11,201	
Municipal Alliance on Alcoholism and Drug Abuse	A-7	11,500		11,500	
Body Armor Replacement	A-25	2,894	-	2,894	-
 Total Miscellaneous Revenues	 A-1	 <u>9,384,057</u>	 <u>104,000</u>	 <u>9,784,128</u>	 <u>296,071</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF REVENUES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Reference</u>	<u>Budget</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
RECEIPTS FROM DELINQUENT TAXES	A-1,A-8	\$ 400,000	-	\$ 504,816	\$ 104,816
LOCAL TAX FOR MUNICIPAL PURPOSES	A-2	<u>8,852,237</u>	-	<u>8,632,448</u>	<u>(219,789)</u>
Total General Revenues	A-3	<u>\$ 19,336,294</u>	<u>\$ 104,000</u>	19,621,392	<u>\$ 181,098</u>
Non-Budget Revenue	A-2,A-1			<u>224,174</u>	
				<u>\$ 19,845,566</u>	

BOROUGH OF RIDGEFIELD
STATEMENT OF REVENUES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

ANALYSIS OF REALIZED REVENUES	<u>Reference</u>	
Allocation of Current Tax Collection		
Revenue from Collections	A-8	\$27,690,142
Less: Transfer to Reserve for Tax Appeals	A-22	<u>-</u>
Revenue Realized	A-2	27,690,142
Less: Allocated to School and County Taxes	A-20,A-21	<u>19,632,694</u>
Balance for Support of Municipal Budget Appropriations		8,057,448
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>575,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 8,632,448</u>
Receipts from Delinquent Taxes		
Delinquent Tax Collections		\$ 457,179
Tax Title Lien Collections		<u>47,637</u>
		<u>\$ 504,816</u>
Licenses- Other		
Borough Clerk	A-11	\$ 3,224
Board of Health	A-11	<u>33,360</u>
	A-2	<u>\$ 36,584</u>
Fees and Permits - Other		
Borough Clerk	A-11	\$ 713
Department of Public Works	A-11	1,075
Tax Collector	A-11	648
Fire Prevention	A-11	39,140
Recreation	A-11	64,686
Police Department	A-11	16,428
Planning Board	A-11	690
Board of Adjustment	A-11	5,083
Board of Health	A-11	<u>32,179</u>
	A-2	<u>\$ 160,642</u>
Interest on Investments and Deposits		
Due from General Capital Fund	C-6	\$ 242
Due from Public Assistance Fund	E-5	214
Due from Other Trust Fund - Other Trust	B-7	727
Due from Other Trust Fund - Payroll	B-6	159
Due from Animal Control Fund	B-5	35
Cash Receipts	A-11	<u>8,600</u>
	A-2	<u>\$ 9,977</u>

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF REVENUES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Reference

ANALYSIS OF NON-BUDGET REVENUES

Joint Insurance Fund Surplus Refunds	\$	41,568	
DMV Inspection		29,788	
NJ Turnpike Ambulance Donation		1,490	
Administrative Fee - Seniors and Veterans		1,840	
Health Department Flu Program		11,077	
Accrued Interest on Bond Sale		13,253	
Unclaimed Escrow and Trust Fees		63,681	
Maintenance Liens		2,165	
Sale of Assets		5,738	
State of NJ Housing Inspections		2,537	
State of NJ Hotel Fee		33,492	
Prior Year Outstanding Checks		782	
BCUA Sewer Connection		2,067	
Miscellaneous		<u>14,696</u>	
	A-1,A-2	<u>\$ 224,174</u>	
Cash Receipts	A-4	<u>\$ 224,174</u>	

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration (Administrative Executive)					
Salaries and Wages	\$ 117,000	\$ 113,600	\$ 111,112	\$ 2,488	
Other Expenses	35,000	35,000	32,910	2,090	
Rent Leveling					
Salaries and Wages	5,000	5,000	5,000		
Other Expenses	8,000	8,000	5,145	2,855	
Mayor & Council					
Salaries and Wages	44,500	42,500	42,118	382	
Other Expenses	18,000	18,000	15,747	2,253	
Municipal Clerk					
Salaries and Wages	83,000	75,500	73,976	1,524	
Other Expenses	30,000	38,000	34,030	3,970	
Financial Administration					
Salaries and Wages	142,000	131,000	127,907	3,093	
Other Expenses					
Annual Audit	38,000	38,000	36,400	1,600	
Miscellaneous Other Expenses	60,000	53,800	47,283	6,517	
Collection of Taxes					
Salaries and Wages	80,000	75,800	74,171	1,629	
Other Expenses	25,000	31,800	31,108	692	
Assessment of Taxes					
Salaries and Wages	16,000	15,600	14,978	622	
Other Expenses	3,000	3,000	2,680	320	
Professional Services	14,000	14,000	5,249	8,751	
Legal Services and Costs					
Salaries and Wages	49,500	49,500	48,080	1,420	
Other Expenses	192,000	192,000	177,519	14,481	
PBA Settlement	58,000	58,000	57,941	59	
Engineering Services					
Other Expenses	120,000	161,200	161,182	18	
Municipal Land Use Law (NJSA 40:55D-1)					
Planning Board					
Salaries and Wages	5,000	5,000	4,907	93	
Other Expenses	1,000	1,000	900	100	
Professional Services	15,000	15,000	14,028	972	

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	Budget After	Paid or	<u>Reserved</u>	Balance
OPERATIONS - WITHIN "CAPS"		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
GENERAL GOVERNMENT (Continued)					
Board of Adjustment					
Salaries and Wages	\$ 5,000	\$ 5,000	\$ 5,000		
Other Expenses	15,000	10,000	2,824	\$ 7,176	
Insurance					
Unemployment Insurance	45,000	45,000	45,000		
Liability Insurance	400,000	400,000	374,567	25,433	
Workers Compensation Insurance	387,000	371,700	364,642	7,058	
Employees Group Health Insurance	2,076,000	1,977,000	1,768,489	208,511	
PUBLIC SAFETY					
Fire					
Other Expenses					
Clothing Allowance	210,000	235,000	192,340	42,660	
Fire Hydrant Service	100,000	100,000	98,675	1,325	
Miscellaneous	120,000	105,000	95,637	9,363	
Fire Prevention Bureau					
Salaries and Wages	60,000	66,000	65,180	820	
Other Expenses	26,000	26,000	24,276	1,724	
Police					
Salaries and Wages	3,260,000	3,367,000	3,237,105	129,895	
Other Expenses	130,000	130,000	105,331	24,669	
Purchase of Police Vehicle	40,000	40,000	36,119	3,881	
Police Dispatching/911					
Salaries and Wages	62,400	60,100	58,889	1,211	
911 Service Agreement - Contractual	250,000	250,000	250,000		
First Aid Organization					
Other Expenses					
Clothing Allowance	82,000	70,000	54,652	15,348	
Miscellaneous	38,000	38,000	17,493	20,507	
Community Service Center					
Salaries and Wages	94,000	94,800	93,939	861	
Other Expenses	14,000	14,000	3,981	10,019	
Emergency Management Services					
Salaries and Wages	30,000	30,000	28,490	1,510	
Other Expenses	7,000	7,000	4,166	2,834	
Municipal Prosecutor					
Salaries and Wages	13,000	13,000	12,500	500	

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
STREETS AND ROADS					
Road Repairs and Maintenance					
Salaries and Wages	\$ 1,250,000	\$ 1,255,000	\$ 1,210,936	\$ 44,064	
Other Expenses	150,000	176,000	171,255	4,745	
Maintenance of Borough Vehicles					
Other Expenses					
Streets and Roads	50,000	50,000	49,625	375	
Fire	30,000	45,000	38,741	6,259	
Police	43,000	43,000	31,627	11,373	
Ambulance	6,000	6,000	(4,869)	10,869	
Garbage	25,000	25,000	24,450	550	
Building	1,000	1,000		1,000	
Health	500	500		500	
Sanitation					
Garbage and Trash Removal					
Salaries and Wages	245,000	203,000	192,803	10,197	
Other Expenses	65,000	87,000	74,670	12,330	
Sanitary Landfill Disposal Costs - Contractual	375,000	380,000	340,150	39,850	
Recycling Program					
Salaries and Wages	7,000	7,000	6,810	190	
Public Buildings and Grounds					
Other Expenses					
Maintenance and Repair	155,000	155,000	139,088	15,912	
HEALTH AND WELFARE					
Board of Health					
Salaries and Wages	125,000	126,000	123,322	2,678	
Other Expenses	75,000	75,000	70,190	4,810	
Bergen County Animal Shelter	13,000	13,000	12,077	923	
Environmental Commission					
Other Expenses - Miscellaneous	4,000	4,000	4,000		
Other Expenses - Arborist	3,000	3,000	3,000		
Other Expenses - Matching Funds for Grants	5,000	5,000	4,790	210	
Administration of Public Assistance					
Salaries and Wages	24,000	24,000	22,124	1,876	
Other Expenses	1,500	1,500	654	846	
Miscellaneous - Contribution to Public Assistance Trust	6,000	6,000	6,000		

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
PARK AND RECREATION FUNCTIONS					
Recreation and Education					
Parks and Recreation					
Salaries and Wages	\$ 140,000	\$ 140,000	\$ 137,982	\$ 2,018	
Other Expenses	123,000	138,000	137,222	778	
Youth Commission					
Salaries and Wages	11,000	11,000	10,495	505	
Other Expenses	1,250	1,250		1,250	
Celebration of Public Events					
Other Expenses	26,000	26,000	23,545	2,455	
UNIFORM CONSTRUCTION CODE					
APPROPRIATIONS OFFSET BY DEDICATED REVENUES					
(N.J.A.C. 5:23-4-17)					
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement Functions					
Construction Code Official					
Salaries and Wages	150,000	150,000	137,223	12,777	
Other Expenses	25,000	25,000	12,234	12,766	
Property Maintenance					
Salaries and Wages	7,000	7,000	6,485	515	
Other Expenses	1,000	1,000		1,000	
MUNICIPAL COURT FUNCTIONS					
Municipal Court					
Salaries and Wages	222,000	219,500	201,928	17,572	
Other Expenses	40,000	40,000	38,436	1,564	
Public Defender					
Other Expenses	5,000	5,000	5,000	-	
UNCLASSIFIED					
Street Lighting	183,000	183,000	181,872	1,128	
Electric and Gas	277,000	287,000	287,000	-	
Telephone	112,000	112,000	92,449	19,551	
Water	16,000	16,000	9,631	6,369	
Gasoline	180,000	169,000	153,606	15,394	-
Total Operations Within "CAPS"	12,801,650	12,856,650	12,020,217	836,433	-
Contingent	5,000	5,000	-	5,000	-
Total Operations Including Contingent Within "CAPS"	12,806,650	12,861,650	12,020,217	841,433	-
Detail:					
Salaries and Wages	6,247,400	6,291,900	6,053,460	238,440	-
Other Expenses (Including Contingent)	6,559,250	6,569,750	5,966,757	602,993	-

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	Balance <u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Continued)					
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
DEFERRED CHARGES					
Overexpenditure of Budget Appropriations - SFY 08	\$ 1,491	\$ 1,491	\$ 1,491		
Overexpenditure of Appropriation Reserves - SFY 07	52,961	52,961	52,961		
Anticipated Deficit in Swim Pool Utility	24,000	24,000	5,220		\$ 18,780
STATUTORY EXPENDITURES					
Contribution to:					
Social Security System (O.A.S.I.)	340,000	310,000	306,578	\$ 3,422	
Pension of Widow Volunteer Firemen	22,000	22,000	14,139	7,861	
Volunteer Fireman's Pension	5,000	5,000		5,000	
Volunteer Fireman's Over Age Burial Fund	10,000	10,000	4,420	5,580	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>455,452</u>	<u>425,452</u>	<u>384,809</u>	<u>21,863</u>	<u>18,780</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>13,262,102</u>	<u>13,287,102</u>	<u>12,405,026</u>	<u>863,296</u>	<u>18,780</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Bergen County Utilities Authority					
Sewerage Processing and Disposal - BCUA	1,853,628	1,853,628	1,853,628		
Maintenance of Free Public Library					
Contribution to Library	688,899	688,899	688,899		
Public Employees Retirement System	244,722	244,722	244,722		
Police and Firemen's Retirement System	621,050	621,050	621,050		
Reserve for Tax Appeals	100,000	100,000	100,000		
Recycling Tax	25,000				
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Clean Communities Program	11,201	11,201	11,197	4	
Body Armor	2,894	2,894	2,894		
Drunk Driving Enforcement Fund	2,843	2,843	2,843		
Municipal Alliance					
Other Expenses	11,500	11,500	8,472	3,028	
Matching Funds	2,875	2,875		2,875	
Recycling Tonnage Grant					
Other Expenses	3,374	3,374		3,374	

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
NJ Meadowlands Comm Grant Hybrid Vehicle	\$ 20,000	\$ 20,000	\$ 20,000		
Green Communities Grant	2,750	2,750	2,750		
NJ Meadowlands Comm. Grant - COAH	17,226	17,226	17,226		
NJ Meadowlands Comm. Grant - Sign Board	26,300	26,300		\$ 26,300	
NJ Meadowlands Comm. Grant		100,000	33,370	66,630	
Click it or Ticket Grant	-	4,000	3,646	-	\$ 354
Total Operations - Excluded from "CAPS"	<u>3,634,262</u>	<u>3,713,262</u>	<u>\$ 3,610,697</u>	<u>102,211</u>	<u>354</u>
Detail:					
Other Expenses	<u>3,634,262</u>	<u>3,713,262</u>	<u>3,610,697</u>	<u>102,211</u>	<u>354</u>
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	<u>189,430</u>	<u>189,430</u>	<u>189,430</u>	<u>-</u>	<u>-</u>
Total Capital Improvement Excluded from "CAPS"	<u>189,430</u>	<u>189,430</u>	<u>189,430</u>	<u>-</u>	<u>-</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	650,000	650,000	650,000		
Principal on Bond Anticipation Notes					
Interest on Bonds	540,000	540,000	535,321		4,679
Interest on Notes	220,000	220,000	185,253		34,747
Infrastructure Trust Loan Program	<u>64,000</u>	<u>64,000</u>	<u>60,613</u>	<u>-</u>	<u>3,387</u>
Total Municipal Debt Service Excluded from "CAPS"	<u>1,474,000</u>	<u>1,474,000</u>	<u>1,431,187</u>	<u>-</u>	<u>42,813</u>
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"					
Special Emergency Authorizations-5 years	46,000	46,000	46,000		
Deferred Charges Unfunded					
Cancelled Capital Grants	<u>155,500</u>	<u>155,500</u>	<u>155,500</u>	<u>-</u>	<u>-</u>
Total Deferred Charges - Municipal Excluded from "CAPS"	<u>201,500</u>	<u>201,500</u>	<u>201,500</u>	<u>-</u>	<u>-</u>
Total General Appropriations Excluded from "CAPS"	<u>5,499,192</u>	<u>5,578,192</u>	<u>5,432,814</u>	<u>102,211</u>	<u>43,167</u>
Total General Appropriations	18,761,294	18,865,294	17,837,840	965,507	61,947
Reserve for Uncollected Taxes	<u>575,000</u>	<u>575,000</u>	<u>575,000</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$19,336,294</u>	<u>\$19,440,294</u>	<u>\$18,412,840</u>	<u>\$ 965,507</u>	<u>\$ 61,947</u>
	<u>Reference</u>	A-2	A-3	A-1	A,A-1

The Accompanying Notes are an Integral Part of These Financial Statements

BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Reference</u>	<u>Budget After Modification</u>	
Budget as Adopted	A-3	\$19,336,294	
Added by N.J.S.A. 40A:4-87	A-2	<u>104,000</u>	
	A-3	<u>\$19,440,294</u>	
			<u>Paid or Charged</u>
Cash Disbursed	A-4		\$ 17,164,727
Encumbrances Payable	A-15		472,661
Deferred Charges			
Overexpenditure of Budget Appropriations	A-12		1,491
Overexpenditure of Appropriation Reserves	A-12		52,961
Special Emergency	A-13		46,000
Reserve for Tax Appeals	A-22		100,000
Reserve for Uncollected Taxes	A-2		<u>575,000</u>
	A-3		<u>\$ 18,412,840</u>

BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
TRUST FUNDS
AS OF JUNE 30, 2009 AND 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
ASSETS			
ANIMAL CONTROL FUND			
Cash	B-1	\$ 21,584	\$ 14,244
Due from Unemployment Trust Fund	B-14	<u>19</u>	<u>-</u>
		<u>21,603</u>	<u>14,244</u>
OTHER TRUST FUND			
Cash	B-1	1,780,947	1,680,370
Due from Current Fund -(Other Trust)	B-7	<u>24,657</u>	<u>155,812</u>
		<u>1,805,604</u>	<u>1,836,182</u>
UNEMPLOYMENT INSURANCE TRUST FUND			
Cash	B-1	<u>2,974</u>	<u>19,645</u>
Total Assets		<u>\$ 1,830,181</u>	<u>\$ 1,870,071</u>

BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
TRUST FUNDS
AS OF JUNE 30, 2009 AND 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
LIABILITIES AND RESERVES			
ANIMAL CONTROL FUND			
Due to Current Fund	B-5	\$ 11,903	\$ 3
Prepaid Licenses	B-4	2,567	1,800
Due to State of New Jersey	B-3	578	519
Reserve for Animal Control Expenditures	B-2	<u>6,555</u>	<u>11,922</u>
		<u>21,603</u>	<u>14,244</u>
OTHER TRUST FUND			
Due to Current Fund (Payroll)	B-6	159	5,593
Escrow Deposits	B-8	149,795	286,025
Payroll and Payroll Deduction Payable	B-10	31,981	34,714
Miscellaneous Reserves	B-9	<u>1,623,669</u>	<u>1,509,850</u>
		<u>1,805,604</u>	<u>1,836,182</u>
UNEMPLOYMENT INSURANCE TRUST FUND			
Due to Current Fund	B-13		3,300
Due to Animal Control Fund	B-14	19	
Due to State of New Jersey	B-12	7,979	1,658
Reserve for Unemployment Compensation Insurance (Deficit)	B-11	<u>(5,024)</u>	<u>14,687</u>
		<u>2,974</u>	<u>19,645</u>
Total Liabilities and Reserves		<u>\$ 1,830,181</u>	<u>\$ 1,870,071</u>

**BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
GENERAL CAPITAL FUND
AS OF JUNE 30, 2009 AND 2008**

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
ASSETS			
Cash	C-2	\$ 287,016	\$ 94,347
Grants Receivable	C-4	282,236	269,123
Other Receivables	C-5		78,461
Deferred Charges to Future Taxation			
Cancelled Grants	C-7	621,718	777,218
Overexpenditure of Ordinance Appropriation	C-7	2,600	
Expenditure Without Ordinance Appropriation	C-7	78,461	
Funded	C-8	16,617,448	10,655,804
Unfunded	C-9	<u>95,000</u>	<u>6,751,900</u>
 Total Assets		 <u>\$17,984,479</u>	 <u>\$ 18,626,853</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	C-17	\$15,956,000	\$ 9,950,000
NJ Environmental Infrastructure Trust Loan	C-16	661,448	705,804
Bond Anticipation Notes	C-15		6,276,900
Contracts Payable	C-11	237,329	215,522
Other Payables	C-12		13,995
Due to Current Fund	C-6	20,009	233,945
Improvement Authorizations			
Funded	C-10	909,754	316,391
Unfunded	C-10	51,303	680,458
Capital Improvement Fund	C-13	90,775	194,345
Reserve for:			
Insurance Recoveries	C-14	18,570	
Payment of Debt	C-14	5,648	
Capital Projects	C-14	6,650	
Fund Balance	C-1	<u>26,993</u>	<u>39,493</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$17,984,479</u>	 <u>\$ 18,626,853</u>

There were bonds and notes authorized but not issued on June 30, 2009 and 2008 of \$95,000 and \$475,000 respectively. (Exhibit C-18)

BOROUGH OF RIDGEFIELD
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - STATUTORY BASIS
GENERAL CAPITAL FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Fund Balance, Beginning of Year	C	\$ 39,493	\$ 25,064
Increased by:			
Premium on Sale of Notes	C-1	-	14,429
		39,493	39,493
Decreased by:			
Cancellation of Grant Receivable	C-4	12,500	-
Fund Balance, End of Year	C	<u>\$ 26,993</u>	<u>\$ 39,493</u>

**BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
SWIM POOL UTILITY FUND
AS OF JUNE 30, 2009 AND 2008**

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
ASSETS			
OPERATING FUND			
Cash	D-5	\$ 70,303	\$ 75,981
Due From Swim Pool Utility Capital Fund	D-11	<u>23,629</u>	<u>23,627</u>
Total Operating Fund		<u>93,932</u>	<u>99,608</u>
CAPITAL FUND			
Cash	D-5	883	
Due from State of New Jersey	D	5,252	50,000
Fixed Capital	D-8	1,808,453	1,759,795
Fixed Capital Authorized and Uncompleted	D-9	<u>1,342</u>	<u>50,000</u>
Total Capital Fund		<u>1,815,930</u>	<u>1,859,795</u>
Total Assets		<u>\$ 1,909,862</u>	<u>\$ 1,959,403</u>

**BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
SWIM POOL UTILITY FUND
AS OF JUNE 30, 2009 AND 2008**

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
LIABILITIES, RESERVES AND FUND BALANCES			
OPERATING FUND			
Liabilities			
Appropriation Reserves	D-4,D-10	\$ 21,302	\$ 42,559
Encumbrances Payable	D-13	22,196	11,686
Accounts Payable	D-14		1,010
Prepaid Revenue	D-15	7,300	
Due to Current Fund	D-12	<u>18,781</u>	<u>-</u>
		69,579	55,255
Fund Balance	D-1	<u>24,353</u>	<u>44,353</u>
Total Operating Fund		<u>93,932</u>	<u>99,608</u>
CAPITAL FUND			
Cash Overdraft	D-5		39,957
Due to Swim Pool Utility Operating Fund	D-11	23,629	23,627
Improvement Authorizations:			
Funded	D-16	1,342	5,331
Reserve for Amortization	D-17	1,766,353	1,717,695
Deferred Reserve for Amortization	D-18	1,342	50,000
Reserve for Capital Outlay	D-19	21,455	21,455
Fund Balance	D-2	<u>1,809</u>	<u>1,730</u>
Total Capital Fund		<u>1,815,930</u>	<u>1,859,795</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 1,909,862</u>	<u>\$ 1,959,403</u>

There were bonds and notes authorized but not issued at June 30, 2009 and 2008 of \$42,100 and \$42,100, respectively, (See Exhibit D-20)

BOROUGH OF RIDGEFIELD
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN OPERATING
FUND BALANCE - STATUTORY BASIS
SWIM POOL UTILITY OPERATING FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
REVENUE AND OTHER INCOME REALIZED			
Surplus Anticipated	D-3	\$ 20,000	\$ 50,000
Membership Fees	D-3	169,035	188,830
Miscellaneous Fees	D-3	34,758	29,435
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-10	32,177	22,064
Cancelled Accounts Payable	D-14	<u>1,010</u>	<u>-</u>
 Total Income		 <u>256,980</u>	 <u>290,329</u>
EXPENDITURES			
Budget Appropriations			
Operating	D-4	245,300	240,000
Capital Improvements	D-4	5,000	5,000
Deferred Charges and Statutory Expenditures	D-4	<u>11,900</u>	<u>19,346</u>
 Total Expenditures		 <u>262,200</u>	 <u>264,346</u>
 Excess (Deficit) in Revenue		 (5,220)	 25,983
Adjustments to Income before Fund Balance:			
Realized from General Budget for Anticipated Deficit	D-3	<u>5,220</u>	<u>-</u>
 Statutory Excess in Fund Balance		 -	 25,983
 Fund Balance, Beginning of Year	D	 <u>44,353</u>	 <u>68,370</u>
		44,353	94,353
Decreased by:			
Utilized as Anticipated Revenue	D-1,D-3	<u>20,000</u>	<u>50,000</u>
 Fund Balance, End of Year	D	 <u>\$ 24,353</u>	 <u>\$ 44,353</u>

BOROUGH OF RIDGEFIELD
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - STATUTORY BASIS
SWIM POOL UTILITY CAPITAL FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Balance, Beginning of Year	D	\$ 1,730	\$ 1,730
Increased by:			
Cancellation of Improvement Authorization	D-16	<u>79</u>	<u>-</u>
Balance, End of Year	D	<u>\$ 1,809</u>	<u>\$ 1,730</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF REVENUES - STATUTORY BASIS
SWIM POOL UTILITY OPERATING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Surplus Anticipated	D-1	\$ 20,000	\$ 20,000	
Membership	D-5	188,800	169,035	\$ (19,765)
Miscellaneous	D-3	29,400	34,758	5,358
Deficit in General Budget	D-5	<u>24,000</u>	<u>5,220</u>	<u>(18,780)</u>
	D-4	<u>\$ 262,200</u>	<u>\$ 229,013</u>	<u>\$ (33,187)</u>
 <u>Analysis of Realized Revenues</u>				
Chair Rental			\$ 472	
Guest Fees			26,276	
Concessions			6,200	
Interest			37	
Other Miscellaneous			<u>1,773</u>	
	D-3		<u>\$ 34,758</u>	
Cash Receipts	D-5		\$ 34,756	
Due From Swim Pool Utility Capital Fund	D-11		<u>2</u>	
	D-3		<u>\$ 34,758</u>	

**BOROUGH OF RIDGEFIELD
STATEMENT OF EXPENDITURES - STATUTORY BASIS
SWIM POOL UTILITY OPERATING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
OPERATING				
Salaries and Wages	\$ 146,000	\$ 145,300	\$ 138,832	\$ 6,468
Other Expenses	100,000	100,000	85,225	14,775
CAPITAL IMPROVEMENTS				
Capital Outlay	5,000	5,000	5,000	
STATUTORY EXPENDITURES				
Social Security System	11,200	11,900	11,841	59
	<u>\$ 262,200</u>	<u>\$ 262,200</u>	<u>\$ 240,898</u>	<u>\$ 21,302</u>
<u>Reference</u>	D-3	D-3	D-1	D,D-1
Cash Disbursed	D-5		\$ 218,702	
Encumbrances Payable	D-13		22,196	
	D-4		<u>\$ 240,898</u>	

**BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS - STATUTORY BASIS
PUBLIC ASSISTANCE FUND
AS OF JUNE 30, 2009 AND 2008**

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
ASSETS			
Cash	E-1	\$ 46,297	\$ 33,526
		<u>\$ 46,297</u>	<u>\$ 33,526</u>
LIABILITIES			
Due to Current Fund	E-5	\$ 214	\$ 2,783
Reserve for Public Assistance	E-2	<u>46,083</u>	<u>30,743</u>
		<u>\$ 46,297</u>	<u>\$ 33,526</u>

**BOROUGH OF RIDGEFIELD
COMPARATIVE BALANCE SHEETS- STATUTORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
ASSETS		
Land	\$ 19,927,700	\$ 19,927,700
Land Improvements	211,025	206,575
Buildings and Improvements	10,920,223	10,906,936
Automobiles and Vehicles	5,221,489	5,525,667
Machinery and Equipment	<u>1,247,746</u>	<u>1,208,773</u>
 Total Assets	 <u>\$37,528,183</u>	 <u>\$ 37,775,651</u>
 FUND BALANCE		
Investment in General Fixed Assets	<u>\$37,528,183</u>	<u>\$ 37,775,651</u>

NOTES TO FINANCIAL STATEMENTS

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Borough of Ridgefield have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a statutory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough 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 Borough of Ridgefield (the "Borough") was incorporated in 1892 and operates under an elected Mayor/Council form of government. The Borough'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 Borough is financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of taxes. The Borough 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 Borough do not include the municipal library, volunteer fire department or volunteer ambulance squad 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 Borough 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 Borough functions or activities. The Borough also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Borough has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Borough 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 Borough 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 Borough as collateral.

Unemployment Insurance Fund - This fund is used to account for employee and employer contributions for the purpose of providing unemployment benefits to eligible employees.

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.

Swim Pool Utility Fund - This fund is used to account for the revenues and expenditures for operation of the Borough's swimming and recreational facilities and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities for the swim pool utility is accounted for in the capital section of the fund.

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes.

General Fixed Assets Account Group - This account group is used to account for all fixed assets of the Borough, other than those accounted for in the swim pool utility fund. The Borough's infrastructure is not reported in the account group.

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

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed semi-annually in June and December 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 August 1 and November 1 installments are determined as one half the estimated fiscal year tax levy for municipal purposes for 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 as the February 1 and May 1 installments for county and school purposes of the previous fiscal year. The amounts due for the February 1 and May 1 installments are determined as the full tax levied for municipal purposes for the current fiscal year less the amounts charged for municipal purposes as the August 1 and November 1 installments of the current fiscal year, plus one half of the total tax levied for county and school purposes in the preceding tax year (calendar year). If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. 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 August 15, November 15, February 15, and May 15 to the County by the Borough. 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 Borough 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 Borough's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Utility Charges - Swim pool utility charges are based upon a flat fee by membership type (i.e., family, single, senior, etc.). Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's swim pool utility operating fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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 Borough'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 Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Trust Funds
General Capital Funds
Swim Pool Utility Capital Fund
Public Assistance 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 2009 and 2008 the Borough Council approved several budget transfers.

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.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve for interfunds and, therefore, does not recognize income in the year liquidated.

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

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

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

General Fixed Assets - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, the Borough of Ridgefield has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Borough as assets with an initial, individual cost of \$1,000 and an estimated useful life in excess of two years.

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

Fixed Assets purchased after June 30, 1995 are stated as cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

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 purchased prior to June 30, 1995 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Replacement 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.

Accounting for utility fund "fixed capital" remains unchanged under the Requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the swim pool utility fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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 Borough 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.

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 Borough'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 Borough 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.

**BOROUGH OF RIDGEFIELD
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 2 DEPOSITS AND INVESTMENTS

The Borough considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

Deposits

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

At June 30, 2009 and 2008, bank balances are insured up to \$250,000 and \$100,000, respectively, in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$100,000 for each failed brokerage firm. At June 30, 2009 and 2008, the book value of the Borough's deposits were \$5,286,368 and \$4,778,620 and bank and brokerage firm balances of the Borough's deposits amounted to \$5,392,157 and \$5,106,670, respectively. The Borough'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>2009</u>	<u>2008</u>
Insured	<u>\$ 5,392,157</u>	<u>\$ 5,106,670</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 Borough does not have a formal policy for custodial credit risk. As of June 30, 2009 and 2008, the Borough had no deposits exposed to custodial credit risk.

Investments

The Borough 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 Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, 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, 2009 and 2008, the Borough had no outstanding investments.

Interest earned in the General Capital Fund, Public Assistance Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the statutory basis of accounting. Interest earned in the Swim Pool Utility Capital Fund is assigned to the Swim Pool Utility Operating Fund in accordance with the statutory basis of accounting.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 3 TAXES RECEIVABLE

Receivables at June 30, 2009 and 2008 consisted of the following:

	<u>2009</u>	<u>2008</u>
<u>Current Fund</u>		
Property Taxes	\$ 651,287	\$ 453,165
Tax Title Liens	<u>17,061</u>	<u>63,849</u>
	<u>\$ 668,348</u>	<u>\$ 517,014</u>

In 2009 and 2008, the Borough collected \$504,816 and \$307,711 from delinquent taxes, which represented 98% and 85% of the prior year 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 both general capital and swim pool projects. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. 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 Borough's debt is summarized as follows:

	<u>2009</u>	<u>2008</u>
Issued		
General		
Bonds, Notes and Loans	\$ 16,617,448	\$ 16,932,704
Less Funds Temporarily Held to Pay Bonds and Notes	<u>5,648</u>	<u>-</u>
Net Debt Issued	16,611,800	16,932,704
Authorized But Not Issued		
General		
Bonds and Notes	95,000	475,000
Swim Pool		
Bonds and Notes	<u>42,100</u>	<u>42,100</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 16,748,900</u>	<u>\$ 17,449,804</u>

BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

NOTE 4 MUNICIPAL DEBT (Continued)

The statement of debt condition that follows is extracted from the Borough's Annual Debt Statement and indicates a statutory net debt of .81% and .92% at June 30, 2009 and 2008, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2009</u>			
General Debt	\$ 16,712,448	\$ 5,648	\$ 16,706,800
Swim Pool Utility	42,100		42,100
School Debt	<u>7,758,000</u>	<u>7,758,000</u>	<u>-</u>
Total	<u>\$ 24,512,548</u>	<u>\$ 7,763,648</u>	<u>\$ 16,748,900</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2008</u>			
General Debt	\$ 17,407,704		\$ 17,407,704
Swim Pool Utility	42,100	\$ 42,100	
School Debt	<u>8,098,000</u>	<u>8,098,000</u>	<u>-</u>
Total	<u>\$ 25,547,804</u>	<u>\$ 8,140,100</u>	<u>\$ 17,407,704</u>

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

	<u>2009</u>	<u>2008</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 71,559,110	\$ 65,948,210
Net Debt	<u>16,748,900</u>	<u>17,407,704</u>
Remaining Borrowing Power	<u>\$ 54,810,210</u>	<u>\$ 48,540,506</u>

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 4 MUNICIPAL DEBT (Continued)

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

General Obligation Bonds

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

	<u>2009</u>	<u>2008</u>
\$6,200,000, 2002 Bonds, due in annual installments of \$455,000 to \$590,000 through August 2017, interest at 3.30% to 4.25%	\$ 4,705,000	\$ 5,160,000
\$4,950,000, 2006 Bonds, due in annual installments of \$170,000 to \$320,000 through October 2026, interest at 4.00%	4,620,000	4,790,000
\$6,656,000, 2008 Bonds, due in annual installments of \$75,000 to \$706,000 through April 2025, interest at 4.125% to 4.625%	<u>6,631,000</u>	<u>-</u>
	<u>\$ 15,956,000</u>	<u>\$ 9,950,000</u>

General Intergovernmental Loans Payable

The Borough has entered into a loan agreement with the New Jersey Environmental Infrastructure Trust for the financing relating to the sewer improvements. General intergovernmental loans outstanding at June 30 are as follows:

	<u>2009</u>	<u>2008</u>
\$490,000, 2000 Loan, due in Semi-annual installments of \$20,000 to \$40,000 through August 2020, interest at 5.00% to 5.25%	\$ 360,000	\$ 380,000
\$500,000, 2000 Loan, due in Semi-annual installments of \$657 to \$25,678 through August 2020, interest free	<u>301,448</u>	<u>325,804</u>
	<u>\$ 661,448</u>	<u>\$ 705,804</u>

BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

NOTE 4 MUNICIPAL DEBT (Continued)

The Borough's principal and interest for long-term debt issued and outstanding as of June 30, 2009 is as follows:

Fiscal Year	General		Loans		Total
	Principal	Interest	Principal	Interest	
2010	\$ 725,000	\$ 662,228	\$ 51,780	\$ 17,813	\$ 1,456,821
2011	755,000	635,384	50,998	16,563	1,457,945
2012	790,000	605,224	50,216	15,313	1,460,753
2013	810,000	572,474	49,435	14,063	1,445,972
2014	1,035,000	538,809	48,652	12,813	1,635,274
2015-2019	5,320,000	2,033,309	285,908	41,289	7,680,506
2020-2024	4,855,000	978,426	124,459	4,069	5,961,954
2025-2027	1,666,000	90,253	-	-	1,756,253
Total	<u>\$ 15,956,000</u>	<u>\$ 6,116,107</u>	<u>\$ 661,448</u>	<u>\$ 121,923</u>	<u>\$ 22,855,478</u>

Changes in Long-Term Municipal Debt

The Borough's long-term capital debt activity for the years 2009 and 2008 were as follows:

	Balance, June 30, 2008	Additions	Reductions	Balance, June 30, 2009	Due Within One Year
<u>2009</u>					
General Capital Fund					
Bonds Payable	\$ 9,950,000	\$ 6,656,000	\$ 650,000	\$ 15,956,000	\$ 725,000
Intergovernmental Loan Payable	705,804	-	44,356	661,448	51,780
General Capital Fund Long-Term Liabilities	<u>\$ 10,655,804</u>	<u>\$ 6,656,000</u>	<u>\$ 694,356</u>	<u>\$ 16,617,448</u>	<u>\$ 776,780</u>
	Balance, June 30, 2007	Additions	Reductions	Balance, June 30, 2008	Due Within One Year
<u>2008</u>					
General Capital Fund					
Bonds Payable	\$ 10,555,000		\$ 605,000	\$ 9,950,000	\$ 625,000
Intergovernmental Loan Payable	750,786	-	44,982	705,804	44,356
General Capital Fund Long-Term Liabilities	<u>\$ 11,305,786</u>	<u>\$ -</u>	<u>\$ 649,982</u>	<u>\$ 10,655,804</u>	<u>\$ 669,356</u>

BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

NOTE 4 MUNICIPAL DEBT (Continued)

Short-Term Debt

The Borough's short-term capital debt activity for the years 2009 and 2008 was as follows:

	Balance, June 30, <u>2008</u>	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, <u>2009</u>
<u>2009</u>				
Bond Anticipation Notes				
General Capital Fund	\$ 6,276,900	\$ -	\$ 6,276,900	\$ -
	Balance, June 30, <u>2007</u>	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, <u>2008</u>
<u>2008</u>				
Bond Anticipation Notes				
General Capital Fund	\$ 6,361,900	\$ 10,977,250	\$ 11,062,250	\$ 6,276,900

In addition to the debt shown in the above schedule, municipalities may issue debt to finance special emergency appropriations. This debt which is not included in the Borough's statutory debt limit calculation is reported in the Current Fund for the fiscal years ended June 30, 2009 and 2008 as follows:

	Balance, June 30, <u>2008</u>	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, <u>2009</u>
<u>2009</u>				
Special Emergency Notes	\$ 46,000	\$ -	\$ 46,000	\$ -
	Balance, June 30, <u>2007</u>	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, <u>2008</u>
<u>2008</u>				
Special Emergency Notes	\$ 92,000	\$ 46,000	\$ 92,000	\$ 46,000

BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

NOTE 5 FIXED ASSETS

General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ending June 30, 2009 and 2008.

<u>2009</u>	Balance June 30, <u>2008</u>	<u>Additions</u>	<u>Retirements</u>	Balance, June 30, <u>2009</u>
Land	\$ 19,927,700			\$ 19,927,700
Land Improvements	206,575	\$ 4,450		211,025
Buildings and Building Improvements	10,906,936	13,287		10,920,223
Automobiles and Vehicles	5,525,667	46,575	\$ (350,753)	5,221,489
Machinery and Equipment	1,208,773	38,973	-	1,247,746
	<u>\$ 37,775,651</u>	<u>\$ 103,285</u>	<u>\$ (350,753)</u>	<u>\$ 37,528,183</u>
<u>2008</u>	Balance June 30, <u>2007</u>	<u>Additions</u>	<u>Retirements</u>	Balance, June 30, <u>2008</u>
Land	\$ 19,927,700			\$ 19,927,700
Land Improvements	189,935	\$ 16,640		206,575
Buildings and Building Improvements	10,906,936			10,906,936
Automobiles and Vehicles	4,840,024	685,643		5,525,667
Machinery and Equipment	1,151,736	57,037	-	1,208,773
	<u>\$ 37,016,331</u>	<u>\$ 759,320</u>	<u>\$ -</u>	<u>\$ 37,775,651</u>

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 5 FIXED ASSETS (Continued)

Swim Pool Utility Fund Fixed Assets

The following is a summary of changes in the swim pool utility fund fixed assets for the years ended June 30, 2009 and 2008:

<u>2009</u>	Balance June 30, <u>2008</u>	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, <u>2009</u>
Fixed Capital				
Facility and Facility Improvements Equipment	\$ 1,560,032 <u>199,763</u>	\$ 48,658 <u>-</u>	<u>-</u>	\$ 1,608,690 <u>199,763</u>
	<u>\$ 1,759,795</u>	<u>\$ 48,658</u>	<u>\$ -</u>	<u>\$ 1,808,453</u>
<u>2008</u>	Balance June 30, <u>2007</u>	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, <u>2008</u>
Fixed Capital				
Facility and Facility Improvements Equipment	\$ 1,560,032 <u>199,763</u>	<u>-</u>	<u>-</u>	\$ 1,560,032 <u>199,763</u>
	<u>\$ 1,759,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,759,795</u>

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

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>2009</u>		<u>2008</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	\$ 51,066	\$ 24,657	\$ 245,624	\$ 155,812
Trust Funds:				
Animal Control Fund	19	11,903		3
Other Trust Fund	24,657	159	155,812	5,593
Unemployment Fund		19		3,300
General Capital Fund		20,009		233,945
Swim Pool Utility Fund				
Operating	23,629	18,781	23,627	
Capital		23,629		23,627
Public Assistance Fund	-	214	-	2,783
	<u>\$ 99,371</u>	<u>\$ 99,371</u>	<u>\$ 425,063</u>	<u>\$ 425,063</u>

The above balances are the result of amounts deposited in one fund due to another fund and interest earnings received in one fund which is due to another fund.

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

NOTE 7 FUND BALANCES APPROPRIATED

Under the statutory basis of accounting, fund balances in the Current Fund and Swim Pool Utility Operating Fund are 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:

	<u>Fund Balance June 30, 2009</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance June 30, 2008</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 1,103,917	\$ 850,000	\$ 851,613	\$ 700,000
Non-Cash Surplus	<u>269,885</u>	<u>-</u>	<u>186,759</u>	<u>-</u>
	<u>\$ 1,373,802</u>	<u>\$ 850,000</u>	<u>\$ 1,038,372</u>	<u>\$ 700,000</u>
Swim Pool Utility Operating Fund				
Cash Surplus	\$ 24,353	\$ 10,000	\$ 44,353	\$ 20,000
Non-Cash Surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 24,353</u>	<u>\$ 10,000</u>	<u>\$ 44,353</u>	<u>\$ 20,000</u>

**BOROUGH OF RIDGEFIELD
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 8 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

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

	Balance, June 30,	Subsequent Year Budget Appropriation	<u>Balance</u>
<u>2009</u>			
Capital Fund			
Overexpenditure of Ordinance Appropriation	\$ 2,600	\$ 2,600	
Expenditure Without Ordinance Appropriation	78,461	78,461	
 <u>2008</u>			
Current Fund			
Overexpenditure of Budget Appropriations	\$ 1,491	\$ 1,491	
Overexpenditure of Appropriation Reserves	52,961	52,961	
Special Emergency Authorizations	46,000	46,000	

NOTE 9 COMPENSATED ABSENCES

Under the existing policies and labor agreements of the Borough, employees are allowed to accumulate (with certain restrictions) unused vacation benefits and sick leave over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon retirement or death.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$643,394 and \$523,951 at June 30, 2009 and 2008, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

As of June 30, 2009 and 2008, the Borough has reserved \$120,321 and \$120,321, respectively to fund compensated absences in accordance with NJSA 40A:4-39.

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 Borough 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.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 system (retirement system) covering certain state and local government employees which include those Borough employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership.

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.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Basis of Accounting

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

Investment Valuation

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

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Investment Valuation (Continued)

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. 2007, c.92, implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform: established a Defined Contribution Retirement Program (DCRP) for elected and certain appointed officials, effective July 1, 2007; closed the Workers' Compensation Judges part of PERS to new members, effective July 1, 2007; eliminated the four percent fixed rate of interest for loans from the defined benefit plans and provided that the rate of interest will be set by the State Treasurer at a commercially reasonable rate as required by the Internal Revenue Code and permitted that an administrative processing fee may be charged for such loans. It also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the system when excess assets are available.

P.L. 2007, c.103, certain parts effective July 1, 2007, provided for the following: changed employee contribution rates of PERS (State employees only) and 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) and established for State employees an employee contribution of 1.5 percent of the employee's base salary.

Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying the full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the PERS and/or PFRS obligations for payments due in the State fiscal year ending June 30, 2009. These payments were due on April 1, 2009.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS, 8.50% for PFRS and 5.5% for DCRP of the employees' annual compensation, as defined. Employees are required to contribute at an actuarially determined rate in all funds except the DCRP. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS. In the PERS, the employer contribution includes funding for post-retirement medical premiums for participating local governments. In the DCRP, member contributions are matched by a 3% employer contribution.

During the year ended June 30, 2008 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997. For DCRP, which is a defined contribution plan, annual pension costs equals amount required contribution.

**BOROUGH OF RIDGEFIELD
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Employer and Employee Pension Contributions (Continued)

During the years ended June 30, 2009, 2008 and 2007, the Borough 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>	<u>DCRP</u>
2009	\$ 621,050	\$ 244,722	\$ 295
2008	593,165	181,482	150
2007	413,559	103,720	

NOTE 11 POST-RETIREMENT MEDICAL BENEFITS

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for participating municipalities including the Borough. The Plans are cost-sharing multiple employer-defined benefit plans.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, PDP-State, and the PRM of the PERS are combined and reported as a fund (Health Benefits Program Fund - State). The SHBP-Local, PDP-Local, and the PRM of the TPAF are combined and reported as a separate fund (Health Benefits Program Fund -Local) in the State's CAFR. The health benefit programs had a total of 454 state and local participating employers and contributing entities for Fiscal Year 2007.

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

Basis of Accounting

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

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.

BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

NOTE 11 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Investment Valuation (Continued)

The State of New Jersey, Department of Treasury, Division of Investment, issues publicly available financial reports. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 2909, Trenton, New Jersey 08625-0290.

Funding Policy

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Public Employees' Retirement System to fund post-retirement medical benefits for those State and participating local government employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2007, there were 75,860 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the State and participating local governments in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

P.L. 1977, c. 136 provides for the State and participating local governments to pay health benefits on a pay-as-you-go basis for all enrolled retired employees, regardless of retirement date, under two provisions. The first is for employees whose pensions are based on 25 years or more of credited service (except those who elect a deferred retirement). The second is for retired employees who are eligible for a disability retirement regardless of years of service. The State and participating local governments contributed \$64.6 million for 6,304 eligible retired members for Fiscal Year 2007.

PERS retirees are excluded from the provisions set forth in P.L. 1977, c. 136 since their health benefits coverage is funded through each of their respective pension fund systems via an annual appropriation. The State and participating local governments made post-retirement medical (PRM) contributions of \$224.3 million for PERS in Fiscal Year 2007.

P.L. 1997, c. 330 provides paid post-retirement health benefits to qualified retirees of the Police and Firemen's Retirement System and to dependents of qualified retirees. The State and participating local governments are responsible for 80 percent of the premium for the category of coverage elected by the retiree under the State managed care plan or a health maintenance organization participating in the program, whichever provides the lower charge. The State and participating local governments contributed \$20.8 million in fiscal year 2007 to provide benefits under Chapter 330 to qualified retirees.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the *annual required contribution of the employers (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) of the plan over a period not to exceed thirty years. The Borough's contributions to the State Health Benefits Program Fund for post-retirement benefits for the years ended June 30, 2009, 2008 and 2007 were \$643,050, \$613,980 and \$646,667, respectively, which equaled the required contributions for each year.

**BOROUGH OF RIDGEFIELD
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 12 RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Borough has obtained commercial insurance coverage to guard against these events to minimize the exposure to the Borough should they occur.

The Borough of Ridgefield is a member of the Public Alliance Insurance Coverage Fund (PAICF). The joint insurance fund is both 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 pool. The PAICF coverage amounts are on file with the Borough.

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

The funds 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 funds can be obtained by contacting the respective fund's Treasurer.

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

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

<u>Year Ended June 30,</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance (Deficit)</u>
2009	\$ 45,000	\$ 11,292	\$ 76,003	\$ (5,024)
2008	44,700	11,076	41,089	14,687
2007		17,323	38,964	

NOTE 13 CONTINGENT LIABILITIES

The Borough 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 Borough's Attorney, the potential claims against the Borough not covered by insurance policies would not materially affect the financial condition of the Borough.

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 13 CONTINGENT LIABILITIES (Continued)

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at June 30, 2009 and 2008. Amounts claimed have not yet been determined. The Borough 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 Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be material. As of June 30, 2009 and 2008, the Borough reserved \$321,153 and \$401,239, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

Federal and State Awards - The Borough 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 Borough may be required to reimburse the grantor government. As of June 30, 2009 and 2008, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Borough.

NOTE 14 FEDERAL ARBITRAGE REGULATIONS

The Borough 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, 2009 and 2008, the Borough had not determined its estimated arbitrage earnings due to the IRS, if any.

NOTE 15 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of June 30, the Borough had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction Commitment</u>	<u>Estimated Date of Completion</u>
<u>2009</u>		
Improvements to Salt Shed	\$ 102,400	2009/10
Sewer & Roadway Improvements	93,228	2009/10
Acquisition of Dump Truck	44,320	2009/10
<u>2008</u>		
Replacement of Library Roof	\$ 105,840	2008/09
Road Improvements - Veterans Memorial Park And Edison Street	90,923	2008/09

**BOROUGH OF RIDGEFIELD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 16 SUBSEQUENT EVENTS

On July 27, 2009 and November 23, 2009, the Borough adopted Bond Ordinances authorizing the issuance of \$523,000 and \$770,000, respectively, in Bonds or Bond Anticipation Notes to fund certain capital projects. As of the date of this report, the Borough has not issued nor awarded the sale of said Bonds or Notes.

SUPPLEMENTARY SCHEDULES

CURRENT FUND

BOROUGH OF RIDGEFIELD
STATEMENT OF CURRENT CASH - TREASURER

Balance, June 30, 2008		\$ 2,900,064
Increased by Receipts:		
Taxes Receivable	\$ 28,051,071	
Non-Budget Revenue	224,174	
Grant Receivable	15,638	
Revenue Accounts Receivable	9,564,082	
Due from State of New Jersey	92,000	
Tax Overpayments	51,832	
Tax Title Liens	47,637	
Unappropriated Reserves for Grants	57,460	
Due to State of New Jersey - Fees Payable	17,635	
Receipts from General Capital Fund	234,178	
Receipts from Other Trust Fund (Other Trust)	23,436	
Receipts from Other Trust Fund (Payroll)	5,593	
Receipts from Swim Pool Utility Operating Fund	134,500	
Receipts from Public Assistance Trust Fund	2,783	
Receipts from Animal Control Fund	35	
Receipts from Unemployment Insurance Trust Fund	<u>3,300</u>	
		<u>38,525,354</u>
		41,425,418
Decreased by Disbursements:		
SFY 2009 Budget Appropriations	17,164,727	
SFY 2008 Appropriation Reserves	261,599	
Encumbrances Payable	480,819	
Accounts Payable	575	
County Taxes Payable	4,048,694	
Local School District Taxes Payable	15,584,000	
Tax Overpayments	42,722	
Appropriated Reserves for Grants	7,120	
Due to State of New Jersey - Fees Payable	21,230	
Special Emergency Note	46,000	
Tax Appeal Judgements Payable	142,730	
Tax Appeal Refunds	180,086	
Refund Prior Year Revenue	60,059	
Change Fund	50	
Payments to Other Trust Fund (Other Trust)	155,812	
Payments to Swim Pool Utility Operating Fund	<u>153,281</u>	
		<u>38,349,504</u>
Balance, June 30, 2009		<u>\$ 3,075,914</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF CHANGE FUND**

	<u>Change Fund</u>
Balance, June 30, 2008	\$ 400
Increased by:	
Received by Treasurer Disbursement	50
Balance, June 30, 2009	\$ 450

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

Balance, June 30, 2008		\$ 113,772
Increased by:		
Senior Citizens' Deductions Per Tax Billings	\$29,750	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	2,500	
Veterans' Deductions Per Tax Billings	64,000	
		96,250
		210,022
Decreased by:		
Cash Received from State		92,000
Balance, June 30, 2009		\$ 118,022

STATEMENT OF GRANT RECEIVABLES

	<u>Balance June 30, 2008</u>	<u>Accrued in 2009</u>	<u>Received</u>	<u>Cancelled</u>	<u>Balance June 30, 2009</u>
Municipal Alliance on Alcoholism and Drug Abuse	\$ 3,560	\$ 11,500	\$ 10,230		\$ 4,830
Secure Our Schools Grant	14,975		4,536	\$ 9,706	733
Hackensack Meadowlands Commission - Hybrid Vehicle		20,000			20,000
Hackensack Meadowlands Commission -COAH		17,226	17,226		
Hackensack Meadowlands Commission - Sign Board		26,300			26,300
Hackensack Meadowlands Commission		100,000			100,000
Click It or Ticket	-	3,646	3,646	-	-
	<u>\$ 18,535</u>	<u>\$ 178,672</u>	<u>\$ 35,638</u>	<u>\$ 9,706</u>	<u>\$ 151,863</u>
Cash Receipts			\$ 15,638		
Due from General Capital Fund			20,000		
			<u>\$ 35,638</u>		

**BOROUGH OF RIDGEFIELD
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Fiscal Year	Balance, June 30, <u>2008</u>	2008/2009 Fiscal Year Levy	Added in 2008/2009	Senior Citizens' and Veterans'	Collected In		Senior Citizens' and Veterans'	Tax	Transferred to Tax Title Liens	Balance, June 30, <u>2009</u>	
				Deductions Disallowed	2007/2008	2008/2009	Deductions Allowed	Overpayments Applied			Cancelled
SFY 2008	\$ 453,165	-	\$ 5,445	-	-	\$ 457,179	-	-	-	\$ 1,431	
	453,165	-	5,445	-	-	457,179	-	-	-	1,431	
SFY 2009	-	\$ 28,580,505	-	\$ -	\$ -	27,593,892	\$ 96,250	\$ -	\$ 239,658	\$ 849	649,856
	<u>\$ 453,165</u>	<u>\$ 28,580,505</u>	<u>\$ 5,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,051,071</u>	<u>\$ 96,250</u>	<u>\$ -</u>	<u>\$ 239,658</u>	<u>\$ 849</u>	<u>\$ 651,287</u>

Analysis of 2008/2009 Fiscal Year Tax Levy

TAX YIELD

General Purpose Tax	\$ 28,476,124
Added and Omitted Taxes (NJSA 54:4-63.12 et seq)	104,381
	<u>\$28,580,505</u>

TAX LEVY

Local District School Tax	\$ 15,584,000
County Tax	\$ 3,816,834
County Open Tax	217,321
Due County for Added and Omitted Taxes (54:4-63.1)	<u>14,539</u>
	4,048,694
Local Tax for Municipal Purposes	8,852,237
Additional Tax Levied	<u>95,574</u>
	<u>8,947,811</u>
	<u>\$28,580,505</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF TAX TITLE LIENS**

Balance, June 30, 2008	\$ 63,849
Increased by:	
Transfer from Taxes Receivable	849
	64,698
Decreased by:	
Collections	47,637
Balance, June 30, 2009	\$ 17,061

STATEMENT OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)

Balance, June 30, 2008	\$ <u>81,180</u>
Balance, June 30, 2009	\$ <u>81,180</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance, June 30, <u>2008</u>	Accrued in 2008/2009	Collected	Balance, June 30, <u>2009</u>
Borough Clerk				
Licenses				
Alcoholic Beverages		\$ 23,753	\$ 23,753	
Licenses		3,224	3,224	
Fees and Permits		713	713	
Construction Code Official				
Fees and Permits		344,575	344,575	
Board of Health				
Licenses		33,360	33,360	
Fees and Permits		32,179	32,179	
Department of Public Works				
Fees and Permits		1,075	1,075	
Fire Prevention				
Fees and Permits		39,140	39,140	
Police Department				
Fees and Permits		16,428	16,428	
Tax Collector				
Fees and Permits		648	648	
Recreation				
Fees and Permits		64,686	64,686	
Planning Board				
Fees and Permits		690	690	
Zoning Board of Adjustment				
Fees and Permits		5,083	5,083	
Municipal Court				
Fines and Costs	\$ 43,970	433,258	438,181	\$ 39,047
Interest and Costs on Taxes		154,604	154,604	
Interest on Deposits and				
Investments		8,600	8,600	
Hackensack Meadowlands Adjustment to Tax Sharing		1,176,935	1,176,935	
Energy Receipts Tax		5,669,191	5,669,191	
Supplemental Energy Receipts Tax		255,930	255,930	
Uniform Fire Safety		44,118	32,133	11,985
Rental of Borough Property - Shaler Lease		250,000	250,000	
Rental of Borough Property - Shaler Lease - Debt Service Reimbursement		358,200	358,200	
Sewer Charges		134,042	134,042	
Sewer Charges - Additional- Ticer II User Charge		462,559	462,559	
Cable TV Franchise Fees	27,838	30,315	58,153	-
	<u>\$ 71,808</u>	<u>\$ 9,543,306</u>	<u>\$ 9,564,082</u>	<u>\$ 51,032</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF DEFERRED CHARGES**

	Balance, June 30, <u>2008</u>	Decreased in <u>SFY 2009</u>	Added in <u>SFY 2009</u>	Balance, June 30, <u>2009</u>
Overexpenditure of Budget Appropriations	\$ 1,491	\$ 1,491		
Overexpenditure of Appropriation Reserves	<u>52,961</u>	<u>52,961</u>	-	-
	<u>\$ 54,452</u>	<u>\$ 54,452</u>	<u>\$ -</u>	<u>\$ -</u>

**STATEMENT OF DEFERRED CHARGES
SPECIAL EMERGENCY - 5 YEARS**

Date Authorized	Purpose	Net Amount <u>Authorized</u>	1/5 of Net Amount <u>Authorized</u>	Balance, June 30, 2008 <u></u>	Reduced in SFY 2009 <u></u>	Balance, June 30, 2009 <u></u>
8/11/2003	Revaluation of Real Property	\$ 230,000	\$ 46,000	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ -</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF APPROPRIATION RESERVES

	Balance, June 30, <u>2008</u>	Balance After <u>Modification</u>	<u>Expended</u>	Transfer To Trust <u>Reserves</u>	Balance <u>Lapsed</u>
General Administration					
Salaries and Wages	\$ 4	\$ 4			\$ 4
Other Expenses	555	555	\$ 494		61
Rent Leveling					
Other Expenses	2,998	2,998	356		2,642
Mayor and Council					
Salaries and Wages	8	8			8
Other Expenses	1,008	1,008	385		623
Municipal Clerk					
Salaries and Wages	4,294	4,294			4,294
Other Expenses	11,116	11,116	11,116		
Financial Administration					
Salaries and Wages	2	2			2
Other Expenses					
Miscellaneous Other Expenses	14,339	14,339	14,265		74
Collection of Taxes					
Salaries and Wages	3,676	3,676			3,676
Other Expenses	34	34			34
Assessment of Taxes					
Salaries and Wages	734	734			734
Other Expenses	394	394	191		203
Professional Services	20,654	20,654			20,654
Legal Services and Costs					
Salaries and Wages	75	75			75
Other Expenses	32,426	32,426	32,426		
Engineering Services and Costs					
Other Expenses	27,023	27,023	27,023		
Planning Board					
Salaries and Wages	500	500			500
Miscellaneous Other Expenses	930	2,650			2,650
Professional Services	70	70			70
Board of Adjustment					
Salaries and Wages	500	500			500
Other Expenses	7,082	7,082	3,292		3,790
Insurance					
Unemployment	3,300	3,300			3,300
Liability Insurance	261	261			261
Worker's Compensation Insurance	32	32			32
Employees' Health Insurance	3,328	3,328	204		3,124
Public Safety					
Fire					
Other Expenses					
Clothing Allowance	46,446	46,446	44,735		1,711
Fire Hydrant Service	8,128	8,128	7,863		265
Miscellaneous	6,739	6,739	779		5,960
Fire Prevention Bureau/Life Hazard Fees					
Salaries and Wages	1	1			1
Other Expenses	99	134			134

**BOROUGH OF RIDGEFIELD
STATEMENT OF APPROPRIATION RESERVES**

	Balance, June 30, <u>2008</u>	Balance After <u>Modification</u>	<u>Expended</u>	Transfer To Trust <u>Reserves</u>	Balance <u>Lapsed</u>
Police					
Other Expenses	\$ 35,636	\$ 35,636	\$ 17,924		\$ 17,712
Purchase of Police Cars	535	535			535
Police Dispatching/911					
First Aid Organization					
Other Expenses					
Clothing Allowance	20,031	20,031	20,031		
Miscellaneous	5,702	5,702	46		5,656
Community Service Officers (EMT)					
Other Expenses	1,170	1,320			1,320
Emergency Management Services					
Other Expenses	5,628	5,628	688		4,940
Municipal Prosecutor					
Salaries and Wages	1,500	1,500			1,500
Streets and Roads					
Road Repairs and Maintenance					
Other Expenses	149	1,765		\$ 1,765	
Maintenance of Borough Vehicles					
Other Expenses					
Streets and Roads	857	2,205			2,205
Fire	9,550	9,550	6,017		3,533
Police	15,799	15,799	3,827		11,972
Ambulance	614	614	560		54
Garbage	2,228	2,228	75		2,153
Building	1,000	1,000			1,000
Health	500	500			500
Sanitation					
Garbage and Trash Removal					
Other Expenses	9,584	9,584	8,617	183	784
Sanitary Landfill - Contractual	15,452	15,452	6,742		8,710
Recycling Program					
Public Buildings and Grounds					
Other Expenses					
Maintenance and Repair	6,758	6,758	4,509		2,249
Health and Welfare					
Board of Health					
Salaries and Wages	1	1			1
Other Expenses	8,844	8,844	8,700		144
Bergen County Animal Shelter	98	98			98
Environmental Commission					
Matching Funds for Grants	1500	1500			1,500
Administration of Public Assistance					
Salaries and Wages	\$ 53	\$ 53			53
Other Expenses	1,049	1,049			1,049
Recreation and Education					
Parks and Playgrounds					
Other Expenses	8,035	8,035	\$ 6,835		1,200
Youth Commission					
Salaries and Wages	635	635			635
Other Expenses	1,250	1,250			1,250
Celebration of Public Events					
Other Expenses	2,000	2,000	1,656		344

**BOROUGH OF RIDGEFIELD
STATEMENT OF APPROPRIATION RESERVES**

	Balance, June 30, <u>2007</u>	Balance After <u>Modification</u>	<u>Expended</u>	Transfer To Trust <u>Reserves</u>	Balance <u>Lapsed</u>
Construction Code Official					
Salaries and Wages	\$ 53	\$ 53			\$ 53
Other Expenses	4,579	4,707			4,707
Property Maintenance					
Salaries and Wages	2,320	2,320	\$ 1,050		1,270
Municipal Court					
Salaries and Wages	1	1			1
Other Expenses	13,962	14,153			14,153
Public Defender					
Other Expenses	1,400	1,400			1,400
Unclassified					
Street Lighting	13,670	13,670			13,670
Electric and Gas	21,317	21,317	-		21,317
Telephone	29,518	29,518	8,432		21,086
Water	1,233	1,233	1,233		
Salary and Wage Adjustment	50,000	50,000			50,000
Contingent	300	300			300
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
Statutory Expenditures					
Contribution to:					
Social Security System	1	1			1
Pension of Widow Volunteer Firemen		3,384			3,384
Volunteer Fireman's Pension	5,000	5,000			5,000
Volunteer Fireman's Over Age Burial Fund	10,000	10,000			10,000
Operations - Excluded from "CAPS"					
Bergen County Utilities Authority					
Sewage Processing and Disposal - Contractual	10,567	10,567			10,567
Stormwater Grant	10,207	10,207	10,207		
Secure Our Schools Grant	14,975	14,975	14,975		
Reserve for Municipal Alliance					
Other Expenses	2,944	2,944	2,944		
Matching Funds	700	700	700		
Clean Communities Program	34	34	34		
Emergency Management Assistance	5,000	5,000	5,000		
Municipal Recycling Assistance Program	214	214	214		
Body Armor	1,297	1,297	1,297		
Drunk Driving Enforcement Fund	3,204	3,204	3,204		
Municipal Alliance - State	988	988	988		
Municipal Alliance - Matching Funds	775	775	775		
Recycling Tonnage Grant	<u>4,181</u>	<u>4,181</u>	<u>4,181</u>	-	-
 Total General Appropriations	 <u>\$ 561,354</u>	 <u>\$ 569,926</u>	 <u>\$ 284,590</u>	 <u>\$ 1,948</u>	 <u>\$ 283,388</u>
 Balance, June 30, 2008		 \$ 561,354			
Cancelled Payables Restored to Appropriation Reserves		<u>8,572</u>			
		 <u>\$ 569,926</u>			
 Cash Disbursements			 \$ 261,599		
Transferred to Appropriated Reserves for Grants			22,991		
Due to Other Trust Fund - Snow Removal Reserve			-	\$ 1,948	
			 <u>\$ 284,590</u>	 <u>\$ 1,948</u>	

**BOROUGH OF RIDGEFIELD
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, June 30, 2008		\$ 489,391
Increased by:		
Charges to Budget Appropriations		<u>472,661</u>
		962,052
Decreased by:		
Payments	\$ 480,819	
Cancellations Restored to Appropriation Reserves	<u>8,572</u>	
		<u>489,391</u>
Balance, June 30, 2009		<u>\$ 472,661</u>

STATEMENT OF TAX APPEAL JUDGEMENTS PAYABLE

Balance, June 30, 2008		\$ 142,730
Decreased by:		
Cash Disbursed		<u>\$ 142,730</u>

STATEMENT OF ACCOUNTS PAYABLE

Balance, June 30, 2008		\$ 18,251
Decreased by:		
Cash Disbursement	\$ 575	
Cancellation of Prior Year Payable	<u>17,676</u>	
		<u>\$ 18,251</u>

STATEMENT OF TAX OVERPAYMENTS

Balance, June 30, 2008		\$ 41,201
Increased by:		
Cash Receipts		<u>51,832</u>
		93,033
Decreased by:		
Cash Disbursements		<u>42,722</u>
Balance, June 30, 2009		<u>\$ 50,311</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF DUE TO STATE OF NEW JERSEY - FEES PAYABLE

	Balance, June 30, <u>2008</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2009</u>
Marriage License Fees	\$ 660	\$ 1,275	\$ 1,575	\$ 360
Burial Fees	640	1,335	1,740	235
State Training Fees	<u>2,890</u>	<u>15,025</u>	<u>17,915</u>	<u>-</u>
	<u>\$ 4,190</u>	<u>\$ 17,635</u>	<u>\$ 21,230</u>	<u>\$ 595</u>

EXHIBIT A-20

STATEMENT OF COUNTY TAXES PAYABLE

Increased by:				
2009 Fiscal Year Levy				
General County Tax			\$ 3,816,834	
County Open Space Preservation			217,321	
2009 Added and Omitted Taxes			<u>14,539</u>	
				\$ 4,048,694
Decreased by:				
Payments				<u>\$ 4,048,694</u>

EXHIBIT A-21

STATEMENT OF LOCAL DISTRICT SCHOOL TAXES

Increased by:			
2009 Fiscal Year Levy			\$ 15,584,000
Decreased by:			
Payments			<u>\$ 15,584,000</u>

EXHIBIT A-22

STATEMENT OF RESERVE FOR TAX APPEALS

Balance, June 30, 2008	\$ 401,239
Increased by:	
Budget Appropriation	<u>100,000</u>
	501,239
Decreased by:	
Payments made to Appellants	<u>180,086</u>
Balance, June 30, 2009	<u>\$ 321,153</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF MISCELLANEOUS DEPOSITS AND RESERVES

	Balance, June 30, <u>2008</u>	Cash <u>Receipts</u>	Anticipated in SFY 09 <u>Budget</u>	Balance, June 30, <u>2009</u>
Revaluation of Real Property	\$ 19,953			\$ 19,953
911 Center Donations	300			300
Sale of Municipal Assets	<u>16,935</u>	<u>-</u>	<u>\$ 16,935</u>	<u>-</u>
	<u>\$ 37,188</u>	<u>\$ -</u>	<u>\$ 16,935</u>	<u>\$ 20,253</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF APPROPRIATED RESERVES FOR GRANTS

	Balance, June 30, <u>2008</u>	Transfer from Appropriation Reserves	Paid or Charged	Cancelled	Balance, June 30, <u>2009</u>
Drunk Driving Enforcement Fund	\$ 19,301	\$ 3,204		\$ 19,301	\$ 3,204
Emergency Management Assistance	15,205	5,000			20,205
Body Armor Replacement Fund	2,195	505			2,700
Hazardous Material Emergency	797			797	
Special Legislative Grant	58,697			58,697	
Alcohol Education and Rehabilitation Fund	6,150				6,150
NJ Transportation Trust	35,927			35,927	
Municipal Alliance on Alcoholism and Drug Abuse					
County Share	5,382	3,932			9,314
Local Share	2,744	1,475			4,219
Municipal Recycling Assistance Program	2,915	214	\$ 2,915		214
Recycling Tonnage Grant	8,250	4,181	3,068		9,363
COPS Universal Hiring Program					
Federal Share	2,183			2,183	
Local Share	4,770			4,770	
Clean Communities Grants	1,137	34	1,137		34
Stormwater Management		4,446			4,446
Click It or Ticket	8,779	-	-	8,779	-
	<u>\$ 174,432</u>	<u>\$ 22,991</u>	<u>\$ 7,120</u>	<u>\$ 130,454</u>	<u>\$ 59,849</u>

STATEMENT OF UNAPPROPRIATED RESERVES FOR GRANTS

	Balance, June 30, <u>2008</u>	Cash Receipts	Anticipated in SFY 09 Budget	Balance, June 30, <u>2009</u>
Drunk Driving Enforcement Fund	\$ 2,843	\$ 3,476	\$ 2,843	\$ 3,476
Recycling Tonnage Grant	3,374	10,733	3,374	10,733
Clean Communities Grant	11,201	14,376	11,201	14,376
Green Communities Grant	2,750		2,750	
Emergency Management Assistance Program		5,000		5,000
Body Armor Replacement Fund	2,895	2,625	2,894	2,626
CSIP Grant - Forestry	-	21,250	-	21,250
	<u>\$ 23,063</u>	<u>\$ 57,460</u>	<u>\$ 23,062</u>	<u>\$ 57,461</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF SPECIAL EMERGENCY NOTE PAYABLE**

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	Balance June 30, <u>2008</u>	<u>Decreased</u>	Balance June 30, <u>2009</u>
Revaluation of Real Property	6/13/2008	9/12/2008	3.00%	\$ <u>46,000</u>	<u>46,000</u>	\$ <u>-</u>
				\$ <u>46,000</u>	\$ <u>46,000</u>	\$ <u>-</u>
					Cash Disbursed	
					\$ <u>46,000</u>	
					\$ <u>46,000</u>	

TRUST FUND

**BOROUGH OF RIDGEFIELD
STATEMENT OF TRUST CASH AND INVESTMENTS**

	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>	<u>Unemployment Trust Fund</u>
Balance, June 30, 2008	\$ 14,244	\$ 1,680,370	\$ 19,645
Increased by Receipts:			
Borough's Share of Dog Licenses	\$ 5,389		
Prepaid Dog Licenses	1,911		
Budget Appropriation			\$ 45,000
Employee Contributions			11,292
State Dog License Fees	1,227		
Receipts from Animal Control Fund			19
Receipts from Current Fund - Payroll			
Cancellation of Miscellaneous Reserves		\$ 155,812	
Escrow Deposits		75,465	
Interest on Deposits	35	886	
Miscellaneous Reserves		844,588	
Payroll and Payroll Deductions Payable	-	9,985,816	-
	<u>8,562</u>	<u>11,062,567</u>	<u>56,311</u>
	22,806	12,742,937	75,956
Decreased by Disbursements:			
Payment to State of New Jersey -			
State Dog License Fees	1,168		
Unemployment Claims			69,682
Payments to Current Fund	35	23,436	3,300
Payments to Unemployment Fund	19		
Payments to Current Fund - Payroll		5,593	
Escrow Deposits		211,695	
Miscellaneous Reserves		732,717	
Payroll and Payroll Deductions Payable	-	9,988,549	-
	<u>1,222</u>	<u>10,961,990</u>	<u>72,982</u>
Balance, June 30, 2009	<u>\$ 21,584</u>	<u>\$ 1,780,947</u>	<u>\$ 2,974</u>

BOROUGH OF RIDGEFIELD
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
ANIMAL CONTROL FUND

Balance, June 30, 2008		\$ 11,922
Increased by:		
Dog License Fees Collected	\$ 5,389	
Prepaid Licenses Applied	<u>1,144</u>	
		<u>6,533</u>
		18,455
Decreased by:		
Statutory Excess Due Current Fund		<u>11,900</u>
Balance, June 30, 2009		<u>\$ 6,555</u>

STATEMENT OF DUE TO STATE OF NEW JERSEY-DOG LICENSE FEES
ANIMAL CONTROL FUND

Balance, June 30, 2008		\$ 519
Increased by:		
State Fees Collected		<u>1,227</u>
		1,746
Decreased by:		
Payments to State		<u>1,168</u>
Balance, June 30, 2009		<u>\$ 578</u>

STATEMENT OF PREPAID LICENSES
ANIMAL CONTROL FUND

Balance, June 30, 2008		\$ 1,800
Increased by:		
Prepaid Fees Collected		<u>1,911</u>
		3,711
Decreased by:		
Prepaid Licenses Applied		<u>1,144</u>
Balance, June 30, 2009		<u>\$ 2,567</u>

Analysis of Balance

SFY 2010		\$ 1,611
SFY 2011		<u>956</u>
		<u>\$ 2,567</u>

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

Balance, June 30, 2008		\$ 3
Increased by:		
Interest on Deposits	\$ 35	
Statutory Excess	<u>11,900</u>	
		<u>11,935</u>
		11,938
Decreased by:		
Cash Disbursements		<u>35</u>
Balance, June 30, 2009		<u>\$ 11,903</u>

**STATEMENT OF DUE TO CURRENT FUND - PAYROLL
OTHER TRUST FUND**

Balance, June 30, 2008		\$ 5,593
Increased by:		
Interest on Deposits		<u>159</u>
		5,752
Decreased by:		
Cash Disbursed to Current Fund		<u>5,593</u>
Balance, June 30, 2009		<u>\$ 159</u>

**STATEMENT OF DUE FROM CURRENT FUND-OTHER TRUST
OTHER TRUST FUND**

Balance, June 30, 2008		\$ 155,812
Increased by:		
Payments to Current Fund	\$ 23,436	
Transfers From Appropriation Reserves:		
Snow Removal Reserve Due From Current	<u>1,948</u>	
		<u>25,384</u>
		181,196
Decreased by:		
Interest on Deposits and Investments	727	
Received from Current Fund	<u>155,812</u>	
		<u>156,539</u>
Balance, June 30, 2009		<u>\$ 24,657</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF ESCROW DEPOSITS
OTHER TRUST FUND**

Balance, June 30, 2008	\$ 286,025
Increased by:	
Cash Receipts	75,465
	361,490
Decreased by:	
Cash Disbursements	211,695
Balance, June 30, 2009	\$ 149,795

**STATEMENT OF MISCELLANEOUS RESERVES
OTHER TRUST FUND**

	Balance, June 30, <u>2008</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2009</u>
POAA	\$ 3,978	\$ 1,382		\$ 5,360
Fire Prevention	4,691	38,397	\$ 34,571	8,517
Landlord Security and Maintenance Deposits	59,062	569		59,631
Tax Sale Premiums	15,600	62,600	5,000	73,200
Recycling Program	126,339	51,212	48,120	129,431
Affordable Housing	100,112	27,145		127,257
Community Gardens		1,726	282	1,444
Bail - Excess Funds				
Shade Tree Commission		14,201	2,498	11,703
Recreation Fees	51,268	45,003	51,299	44,972
Police Vehicle Maintenance				
Public Defender Fees	12,390	868	2,000	11,258
Library Donation	2,250			2,250
COAH	889,704	184,110	171,786	902,028
Board of Health	5,110			5,110
Police Outside Duty Pay	70,973	393,797	416,561	48,209
Accumulated Unused Sick Leave	120,321			120,321
Rent Leveling Escrow		12,277		12,277
Snow Removal	48,052	1,948		50,000
Miscellaneous	-	11,301	600	10,701
	<u>\$1,509,850</u>	<u>\$ 846,536</u>	<u>\$ 732,717</u>	<u>\$ 1,623,669</u>
Due from Current Fund		\$ 1,948		
Cash Receipts		844,588		
Due To Current Fund		-		
		<u>\$ 846,536</u>		

**BOROUGH OF RIDGEFIELD
STATEMENT OF PAYROLL AND PAYROLL DEDUCTIONS PAYABLE
OTHER TRUST FUND**

Balance, June 30, 2008		\$ 34,714
Increased by:		
Cash Receipts:		<u>9,985,816</u>
		10,020,530
Decreased by:		
Cash Disbursements:		<u>9,988,549</u>
Balance, June 30, 2009		<u>\$ 31,981</u>

**STATE OF RESERVE FOR UNEMPLOYMENT INSURANCE BENEFITS
UNEMPLOYMENT INSURANCE TRUST FUND**

Balance, June 30, 2008		\$ 14,687
Increased by:		
Employee Contributions	\$ 11,292	
Budget Appropriation	<u>45,000</u>	
		<u>56,292</u>
		70,979
Decreased by:		
Claims Due to State of New Jersey		<u>76,003</u>
Balance, June 30, 2009 (Deficit)		<u>\$ (5,024)</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY
UNEMPLOYMENT INSURANCE TRUST FUND**

Balance, June 30, 2008		\$ 1,658
Increased by:		
Unemployment Claims		<u>76,003</u>
		77,661
Decreased by:		
Payments to State		<u>69,682</u>
Balance, June 30, 2009		<u>\$ 7,979</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF DUE TO CURRENT FUND
UNEMPLOYMENT INSURANCE TRUST FUND**

Balance, June 30, 2008	\$ 3,300
Decreased by:	
Cash Disbursements:	<u>\$ 3,300</u>

**STATEMENT OF DUE TO ANIMAL CONTROL
UNEMPLOYMENT INSURANCE TRUST FUND**

Increased by:	
Received from Animal Control Fund	<u>\$ 19</u>
Balance, June 30, 2009	<u>\$ 19</u>

GENERAL CAPITAL FUND

BOROUGH OF RIDGEFIELD
STATEMENT OF GENERAL CAPITAL CASH - TREASURER

Balance, June 30, 2008		\$	94,347
Increased by Receipts:			
Budget Appropriations			
Cancelled Grants	\$	155,500	
Capital Improvement Fund		189,430	
General Serial Bond Proceeds		6,656,000	
Grant Receivables		317,737	
Interest on Investments and Deposits		242	
Deferred Charges - Unfunded - Grant Receipts		900	
Miscellaneous Reserves		30,868	
Grant Receipts Due to Current Fund		<u>20,000</u>	
			<u>7,370,677</u>
			7,465,024
Decreased by Disbursements:			
Bond Anticipation Notes		6,276,900	
Improvement Authorizations		455,111	
Contracts Payable		197,824	
Other Payable		13,995	
Payments to Current Fund		<u>234,178</u>	
			<u>7,178,008</u>
Balance, June 30, 2009		\$	<u><u>287,016</u></u>

**BOROUGH OF RIDGEFIELD
ANALYSIS OF GENERAL CAPITAL CASH**

	Balance, June 30, <u>2009</u>
Grants Receivable	\$ (282,236)
Deferred Charges - Cancelled Grants	(621,718)
Deferred Charges - Overexpenditure of Ordinance Appropriation	(2,600)
Deferred Charges - Expenditure Without Ordinance Appropriation	(78,461)
Contracts Payable	237,329
Due to Current Fund	20,009
Capital Improvement Fund	90,775
Reserve for Insurance Recoveries	18,570
Reserve for Payment of Debt	5,648
Reserve for Capital Projects	6,650
Fund Balance	26,993

Improvement Authorizations:

Ordinance Number	<u>Improvement Description</u>	
1715	Improvements to Willis Park	10,000
1791	Improvements to Willis Park	92,817
1816	Lighting at Meadowlands Park	10,923
1829	Various Improvements	4,141
1834	Oak Street Improvements	75
1842	Construction of New Library	1,021
1845	Develop of Transit Oriented Development	293
1859	Various Improvements	23,854
1888	Addition to Shaler Academy	70,117
1899	Stormwater Pollution Prevention Plan	19
1918	Improvements to Veterans Field	2,040
1919	Redevelopment Plan for Overpeck Creek	3,061
1924	Resurfacing of Prospect Avenue	435
1917/1927	Various Improvements	97,735
1928	Various Road Improvements	6,923
1930	Construction of New Library	189
1931	Wolf Creek Flood Study	14,000
1932	NJDEP Stormwater Management	14,315
1944	Improvements to Ridgefield Library	266,970
1945	Improvements to Municipal Complex	46
1952	Various Road Improvements	(43,697)
1953	Safe Streets to Schools Program	13,207
2005	Various Capital Improvements	167,832
2062	Art Lane Improvements	16,849
2065/2069	Construction of a Salt Barn	86,120
2080	Various Sewer & Roadway Improvements	<u>6,772</u>
		<u>\$ 287,016</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF GRANTS RECEIVABLE**

	<u>Ordinance Number</u>	<u>Balance June 30, 2008</u>	<u>Grant Awards</u>	<u>Cash Receipts</u>	<u>Cancelled</u>	<u>Balance June 30, 2009</u>
CDBG - Road Improvements	1928	\$ 100,000		\$ 79,902		\$ 20,098
NJ Meadowlands Commission	1931	14,000				14,000
NJ Meadowlands Commission	1932	14,812				14,812
NJDEP Liveable Communities	1945	20,000				20,000
NJ Smart Growth	1845	12,500			\$ 12,500	
NJ Smart Growth	1919	60,000		31,985		28,015
D.O.T. Safe Streets to Schools	1953	47,811				47,811
NJ Meadowlands Commission	2062		\$ 93,350	93,350		
NJ Department of Transportation	2062		150,000	112,500		37,500
CDBG - Sewer and Roadway Impvts.	2080	-	100,000	-	-	100,000
		<u>\$ 269,123</u>	<u>\$ 343,350</u>	<u>\$ 317,737</u>	<u>\$ 12,500</u>	<u>\$ 282,236</u>
				<u>\$ 317,737</u>		

**BOROUGH OF RIDGEFIELD
STATEMENT OF OTHER RECEIVABLES - DUE FROM VENDOR**

Balance, June 30, 2008	\$	78,461
Decreased by:		
Cancellation to Deferred Charges - Expenditure Without Ordinance Appropriation	\$	<u>78,461</u>

EXHIBIT C-6

STATEMENT OF DUE TO CURRENT FUND

Balance, June 30, 2008	\$	233,945
Increased by:		
Interest on Investments and Deposits	\$	242
Current Fund Grant Receipts Deposited in General Capital Fund		<u>20,000</u>
		<u>20,242</u>
		254,187
Decreased by:		
Payments to Current Fund		<u>234,178</u>
Balance, June 30, 2009	\$	<u>20,009</u>

EXHIBIT C-7

STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION

	Balance, June 30, <u>2008</u>	<u>Increased</u>	<u>Decreased</u>	Balance, June 30, <u>2009</u>
Cancelled Grants	\$ 777,218		\$ 155,500	\$ 621,718
Overexpenditure of Ordinance Appropriation		\$ 2,600		2,600
Expenditure Without Ordinance Appropriation	<u>-</u>	<u>78,461</u>	<u>-</u>	<u>78,461</u>
	<u>\$ 777,218</u>	<u>\$ 81,061</u>	<u>\$ 155,500</u>	<u>\$ 702,779</u>
Improvement Authorizations		\$ 2,600		
Other Receivables		78,461		
SFY 2009 Budget Appropriation		<u>-</u>	<u>\$ 155,500</u>	
		<u>\$ 81,061</u>	<u>\$ 155,500</u>	

BOROUGH OF RIDGEFIELD
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance, June 30, 2008		\$ 10,655,804
Increased by:		
Improvement Costs Funded by:		
Serial Bonds Issued		<u>6,656,000</u>
		17,311,804
Decreased by:		
Budget Appropriation to Pay Bonds	\$ 650,000	
Budget Appropriation to Pay Environmental Infrastructure Trust Loan	<u>44,356</u>	
		<u>694,356</u>
Balance, June 30, 2009		<u>\$ 16,617,448</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Analysis of Balance, June 30, 2009

Ordinance Number	Improvement Description	Balance, June 30, 2008	Authorized SFY 2009	Transfer to Deferred Charges- Funded	Grant Receipts	Balance, June 30, 2009	Bond Anticipation Notes	Expenditures	Improvement Authorizations Unfunded
1775	Construction of New Library	\$ 1,576,335		\$ 1,576,335					
1786	Various Road Improvements	148,500		148,500					
1791	Improvements to Willis Park	176,445		176,445					
1819/1858	Various Improvements	1,649,800		1,649,800					
1829	Various Improvements	178,125		178,125					
1859	Various Improvements	166,250		166,250					
1889	Improvements to Various Roads	17,750		17,750					
1918	Improvements to Veterans Field	25,175		25,175					
1924	Resurfacing of Prospect Avenue	16,150		16,150					
1917/1927	Various Improvements	637,070		637,070					
1928	Various Road Improvements	23,750		23,750					
1952	Various Road Improvements	95,000				\$ 95,000		\$ 43,697	\$ 51,303
2005	Various Public Improvements	1,661,550		1,661,550					
2037	Construction of New Library - Supplemental	380,000	-	379,100	\$ 900	-	-	-	-
		<u>\$ 6,751,900</u>	<u>\$ -</u>	<u>\$ 6,656,000</u>	<u>\$ 900</u>	<u>\$ 95,000</u>	<u>\$ -</u>	<u>\$ 43,697</u>	<u>\$ 51,303</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

SFY 2009 Authorizations

Number	Improvement Description	Ordinance Amount	Balance, June 30, 2008		Capital Improvement Fund	Grant Awards	Cancelled Contracts Payable	Paid or Charged	Balance, June 30, 2009		Over- Expended
			Funded	Unfunded					Funded	Unfunded	
1715	Improvements to Willis Park	\$ 25,000	\$ 10,000						\$ 10,000		
1775	Library Improvements	3,100,000		\$ 500				\$ 500			
1786	Various Road Improvements	275,000		2,198				2,198			
1791	Improvements to Willis Field	200,000		121				121			
1816	Lighting at Meadowlands Park	125,000	92,817						92,817		
1819/1858	Various Improvements	446,500		11,630		\$ 5,820	6,527		10,923		
1829	Various Improvements	206,000		4,141					4,141		
1834	Oak Street Improvements	140,000	75						75		
1842	Construction of New Library	75,000	1,021						1,021		
1845	Develop. Of Transit-Oriented Development	25,000	293						293		
1859	Various Improvements	142,700		24,354			500		23,854		
1888	Addition to Shaler Academy	5,198,000	68,437			1,680			70,117		
1889	Improvement to Various Roads	125,000		1,226			1,226				
1899	Stormwater Pollution Prevention Plan	10,207	19						19		
1918	Improvement to Veterans Field	53,000		7,214				5,174	2,040		
1919	Redevelopment Plan for Overpeck Creek	80,000	43,418		\$ 20,000			60,357	3,061		
1924	Resurfacing of Prospect Ave.	152,000		9,135				8,700	435		
1917/1927	Various Improvements	670,600		90,097		9,638	2,000		97,735		
1928	Various Road Improvements	125,000		848	35,000		28,925		6,923		
1930	Construction of New Library	571,667	189						189		
1931	Wolf Creek Flood Study	75,000	14,000						14,000		
1932	NJDEP Stormwater Management	25,000	14,315						14,315		
1944	Improvement to Ridgefield Library	50,000	38,600	294,160			560	66,350	266,970		
1945	Improvement to Municipal Complex	20,000	20,000					19,954	46		
1952	Various Road Improvements	200,000		56,253				4,950		\$ 51,303	
1953	Safe Streets to Schools Program	125,000	13,207						13,207		
2005	Various Capital Improvements	1,949,000		178,581				10,749	167,832		
2062	Art Lane Improvements	243,350				\$ 243,350		226,501	16,849		
2065/2069	Construction of a Salt Barn	190,000			190,000			103,880	86,120		
2068	Sidewalk Repairs/Ambulance Corps Roof	48,000		48,000				50,600		\$ 2,600	
2080	Various Sewer & Roadway Improvements	100,000	-	-	-	100,000	-	93,228	6,772	-	-
			<u>\$ 316,391</u>	<u>\$ 680,458</u>	<u>\$ 293,000</u>	<u>\$ 343,350</u>	<u>\$ 17,698</u>	<u>\$ 692,440</u>	<u>\$ 909,754</u>	<u>\$ 51,303</u>	<u>\$ 2,600</u>

Cash Disbursements \$ 455,111
Contracts Payable 237,329

\$ 692,440

**BOROUGH OF RIDGEFIELD
STATEMENT OF CONTRACTS PAYABLE**

Balance, June 30, 2008		\$ 215,522
Increased by:		
Charges to Improvement Authorizations		237,329
		452,851
Decreased by:		
Cash Disbursed	\$ 197,824	
Cancellations Restored to Improvement Authorizations	17,698	
		215,522
Balance, June 30, 2009		\$ 237,329

STATEMENT OF OTHER PAYABLE - DUE TO BOARD OF EDUCATION

Balance, June 30, 2008		\$ 13,995
Decreased by:		
Cash Disbursed		\$ 13,995

STATEMENT OF CAPITAL IMPROVEMENT FUND

Balance, June 30, 2008		\$ 194,345
Increased by:		
SFY 2009 Budget Appropriation		189,430
		383,775
Decreased by:		
Appropriation to Finance Improvement Authorizations		293,000
Balance, June 30, 2009		\$ 90,775

BOROUGH OF RIDGEFIELD
STATEMENT OF MISCELLANEOUS RESERVES

	<u>Increases</u>	Balance June 30, <u>2009</u>
Reserve for Insurance Recoveries	\$ 18,570	\$ 18,570
Reserve for Payment of Debt	5,648	5,648
Reserve for Capital Projects - Art Lane	<u>6,650</u>	<u>6,650</u>
	<u>\$ 30,868</u>	<u>\$ 30,868</u>
Cash Receipts	<u>\$ 30,868</u>	

**BOROUGH OF RIDGEFIELD
STATEMENT OF BOND ANTICIPATION NOTES**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2008</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2009</u>
1775	Construction of New Library	10/20/2003	10/19/2007	8/1/2008	4.00 %	\$ 1,576,335		\$ 1,576,335	
1786	Various Road Improvements	10/20/2003	10/19/2007	8/1/2008	4.00	148,500		148,500	
1791	Improvements to Willis Field	10/20/2003	10/19/2007	8/1/2008	4.00	176,445		176,445	
1819	Various Capital Improvements	10/20/2003	10/19/2007	8/1/2008	4.00	1,269,800		1,269,800	
1889	Improvements to Various Roads	1/27/2005	10/19/2007	8/1/2008	4.00	17,750		17,750	
1829	Various Capital Improvements	8/3/2006	10/19/2007	8/1/2008	4.00	178,125		178,125	
1858	Various Capital Improvements	8/3/2006	10/19/2007	8/1/2008	4.00	380,000		380,000	
1859	Various Capital Improvements	8/3/2006	10/19/2007	8/1/2008	4.00	166,250		166,250	
1917/1927	Various Capital Improvements	8/3/2006	10/19/2007	8/1/2008	4.00	637,070		637,070	
1918	Improvements to Veterans Field	8/3/2006	10/19/2007	8/1/2008	4.00	25,175		25,175	
1924	Resurfacing of Prospect Avenue	8/3/2006	10/19/2007	8/1/2008	4.00	16,150		16,150	
1928	Various Road Improvements	8/3/2006	10/19/2007	8/1/2008	4.00	23,750		23,750	
2005	Various Capital Improvements	4/10/2007	4/10/2007	8/1/2008	1.95	<u>1,661,550</u>	<u>-</u>	<u>1,661,550</u>	<u>-</u>
						<u>\$ 6,276,900</u>	<u>\$ -</u>	<u>\$ 6,276,900</u>	<u>\$ -</u>
						Paid by Serial Bond Proceeds		<u>6,276,900</u>	
								<u>\$ 6,276,900</u>	

BOROUGH OF RIDGEFIELD
STATEMENT OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loans Outstanding June 30, 2009</u>		<u>Interest Rate</u>	<u>Balance, June 30, 2008</u>	<u>Decreased</u>	<u>Balance, June 30, 2009</u>
			<u>Date</u>	<u>Amount</u>				
NJ Environmental Infrastructure Trust Loan	11/9/2000	\$ 990,000	8/1/2009	\$ 46,404	0% - 5.25%			
			2/1/2010	5,376				
			8/1/2010	46,013				
			2/1/2011	4,985				
			8/1/2011	45,622				
			2/1/2012	4,594				
			8/1/2012	45,232				
			2/1/2013	4,203				
			8/1/2013	44,841				
			2/1/2014	3,812				
			8/1/2014	52,577				
			2/1/2015	3,343				
			8/1/2015	52,108				
			2/1/2016	2,862				
			8/1/2016	51,627				
			2/1/2017	2,381				
			8/1/2017	59,274				
			2/1/2018	1,806				
			8/1/2018	58,699				
			2/1/2019	1,231				
8/1/2019	58,125							
5/1/2020	657							
8/1/2020	65,676				\$ 705,804	\$ 44,356	\$ 661,448	

Paid by Budget Appropriation \$ 44,356

**BOROUGH OF RIDGEFIELD
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance, June 30, <u>2008</u>	Grant <u>Receipts</u>	Serial Bonds <u>Issued</u>	Balance, June 30, <u>2009</u>
1952	Various Road Improvements	\$ 95,000			\$ 95,000
2037	Improvements to Ridgefield Library	<u>380,000</u>	<u>\$ 900</u>	<u>\$ 379,100</u>	<u>-</u>
		<u>\$ 475,000</u>	<u>\$ 900</u>	<u>\$ 379,100</u>	<u>\$ 95,000</u>

SWIM POOL UTILITY FUND

BOROUGH OF RIDGEFIELD
STATEMENT OF SWIM POOL UTILITY CASH - TREASURER

	<u>Operating</u>	<u>Capital</u>
Balance (Overdraft), June 30, 2008	\$ 75,981	\$ (39,957)
Increased by Receipts:		
Membership Fees	\$ 169,035	
Miscellaneous	34,756	
Anticipated Deficit - General Budget	5,220	
Prepaid Revenue	7,300	
Interest Due to Operating Fund		\$ 2
Due from State of New Jersey		44,748
Cash Received from Current Fund	<u>153,281</u>	<u>-</u>
	<u>369,592</u>	<u>44,750</u>
	445,573	4,793
Decreased by Disbursements:		
Budget Appropriations	218,702	
Appropriation Reserves	10,382	
Encumbrances Payable	11,686	
Improvement Authorizations		3,910
Payments to Current Fund	<u>134,500</u>	<u>-</u>
	<u>375,270</u>	<u>3,910</u>
Balance, June 30, 2009	<u>\$ 70,303</u>	<u>\$ 883</u>

**BOROUGH OF RIDGEFIELD
ANALYSIS OF SWIM POOL UTILITY CAPITAL CASH**

	Balance, June 30, <u>2009</u>
Fund Balance	\$ 1,809
Reserve for Capital Outlay	21,455
Due To Swim Pool Utility Operating Fund	23,629
Due From State of New Jersey	(5,252)
 Improvement Authorizations	
Ord. No. 1771 Various Improvements	(42,100)
Ord. No. 1835 ADA Improvements	<u>1,342</u>
	 <u>\$ 883</u>

EXHIBIT D-7

**STATEMENT OF DUE FROM STATE OF NEW JERSEY
SWIM POOL UTILITY CAPITAL FUND**

<u>Ord.</u> <u>No.</u>	Balance, June 30, <u>2008</u>	<u>Received</u>	Balance, June 30, <u>2009</u>
1835 DCA Grant - ADA Improvements	<u>\$ 50,000</u>	<u>\$ 44,748</u>	<u>\$ 5,252</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF FIXED CAPITAL
SWIM POOL UTILITY CAPITAL FUND**

<u>Description</u>	<u>Balance, June 30, 2008</u>	<u>Additions by Ordinance</u>	<u>Balance, June 30, 2009</u>
Municipal Pool Facility	\$ 1,512,339		\$ 1,512,339
ADA Site Improvements		\$ 48,658	48,658
Pumps and Filters	37,808		37,808
Fire Alarms	9,885		9,885
Equipment	<u>199,763</u>	<u>-</u>	<u>199,763</u>
	<u>\$ 1,759,795</u>	<u>\$ 48,658</u>	<u>\$ 1,808,453</u>

EXHIBIT D-9

**STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SWIM POOL UTILITY CAPITAL FUND**

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Ordinance Amount</u>	<u>Balance, June 30, 2008</u>	<u>Costs to Fixed Capital</u>	<u>Balance, June 30, 2009</u>
1835	ADA Improvements	\$ 50,000	<u>\$ 50,000</u>	<u>\$ 48,658</u>	<u>\$ 1,342</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF SFY 2008 APPROPRIATION RESERVES**

	Balance, June 30, <u>2008</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Operating				
Salaries & Wages	\$ 23,378	\$ 23,378		\$ 23,378
Other Expenses	12,048	12,048	\$ 8,262	3,786
Capital Improvements				
Capital Outlay	5,000	5,000		5,000
Statutory Expenditures				
Social Security System	<u>2,133</u>	<u>2,133</u>	<u>2,120</u>	<u>13</u>
	<u>\$ 42,559</u>	<u>\$ 42,559</u>	<u>\$ 10,382</u>	<u>\$ 32,177</u>
			<u>\$ 10,382</u>	

EXHIBIT D-11

**STATEMENT OF DUE TO SWIM POOL UTILITY OPERATING FUND
SWIM POOL UTILITY CAPITAL FUND**

Balance, June 30, 2008	\$ 23,627
Increased by:	
Interest on Investments and Deposits	<u>2</u>
Balance, June 30, 2009	<u>\$ 23,629</u>

EXHIBIT D-12

**STATEMENT OF DUE TO CURRENT FUND
SWIM POOL UTILITY OPERATING FUND**

Increased by:	
Cash Receipts from Current Fund	\$ 153,281
Decreased by:	
Payments to Current Fund	<u>134,500</u>
Balance, June 30, 2009	<u>\$ 18,781</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF ENCUMBRANCES PAYABLE
SWIM POOL UTILITY OPERATING FUND**

Balance, June 30, 2008	\$ 11,686
Increased by:	
Charges to Budget Appropriations	<u>22,196</u>
	33,882
Decreased by:	
Cash Disbursements	<u>11,686</u>
Balance, June 30, 2009	<u>\$ 22,196</u>

**STATEMENT OF ACCOUNTS PAYABLE
SWIM POOL UTILITY OPERATING FUND**

Balance, June 30, 2008	\$ 1,010
Decreased by:	
Cancellation of Accounts Payable	<u>\$ 1,010</u>

**STATEMENT OF PREPAID REVENUE
SWIM POOL UTILITY OPERATING FUND**

Increased by:	
Cash Receipts - SFY 2010 Concession Fee	<u>\$ 7,300</u>
Balance, June 30, 2009	<u>\$ 7,300</u>

**STATEMENT OF IMPROVEMENT AUTHORIZATIONS
SWIM POOL UTILITY CAPITAL FUND**

Ord. No.	<u>Improvement Description</u>	Ordinance Amount Appropriated	Balance, <u>June 30, 2008</u> Funded	Paid or Charged	Cancelled	Balance, <u>June 30, 2009</u> Funded
1550	Improvements and Purchase of Equipment	\$ 10,000	\$ 79		\$ 79	
1835	ADA Improvements	50,000	<u>5,252</u>	\$ 3,910	-	\$ 1,342
			<u>\$ 5,331</u>	<u>\$ 3,910</u>	<u>\$ 79</u>	<u>\$ 1,342</u>
		Cash Disbursed		\$ 3,910		
		Fund Balance		<u>-</u>	<u>\$ 79</u>	
				<u>\$ 3,910</u>	<u>\$ 79</u>	

**BOROUGH OF RIDGEFIELD
STATEMENT OF RESERVE FOR AMORTIZATION
SWIM POOL UTILITY CAPITAL FUND**

Balance, June 30, 2008	\$ 1,717,695
Increased by:	
Transfer from Deferred Reserve for Amortization	48,658
Balance, June 30, 2009	\$ 1,766,353

EXHIBIT D-18

**STATEMENT OF DEFERRED RESERVE FOR AMORTIZATION
SWIM POOL UTILITY CAPITAL FUND**

Ordinance Number	Improvement <u>Description</u>	Balance, June 30, 2008	Transfer to Reserve for Amortization	Balance, June 30, 2009
1835	ADA Improvements	\$ 50,000	\$ 48,658	\$ 1,342

EXHIBIT D-19

**STATEMENT OF RESERVE FOR CAPITAL OUTLAY
SWIM POOL UTILITY CAPITAL FUND**

Balance, June 30, 2008	\$ 21,455
Balance, June 30, 2009	\$ 21,455

EXHIBIT D-20

**STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
SWIM POOL UTILITY CAPITAL FUND**

<u>Ord.</u> <u>No.</u>	<u>Purpose</u>	Balance, June 30, 2008	Balance, June 30, 2009
1771	Various Improvements	\$ 42,100	\$ 42,100

PUBLIC ASSISTANCE FUND

BOROUGH OF RIDGEFIELD
STATEMENT OF PUBLIC ASSISTANCE CASH - TREASURER

	<u>Total</u>	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>Petty Cash Account</u>	<u>Relocation Account</u>
Balance, June 30, 2008	\$ 33,526	\$ 4,848	\$ 15,005	-	\$ 13,673
Increased by:					
State Aid	132,800		132,800		
Supplemental Security Income					
Municipal Refund	5,950		5,950		
Interest	214	32	120	\$ 3	59
Budget Appropriation	11,500	11,500			
Refunds/Donations	6,371	4,001	2,070	300	
IntraFund Transfer	65,221	7,245	33,532	10,749	13,695
	<u>222,056</u>	<u>22,778</u>	<u>174,472</u>	<u>11,052</u>	<u>13,754</u>
	<u>255,582</u>	<u>27,626</u>	<u>189,477</u>	<u>11,052</u>	<u>27,427</u>
Decreased by:					
Assistance - Eligible	124,566		124,566		
Assistance - Ineligible	16,715			8,915	7,800
IntraFund Transfer	65,221	15,859	33,532	2,135	13,695
Payments to Current Fund	2,783	-	2,783	-	-
	<u>209,285</u>	<u>15,859</u>	<u>160,881</u>	<u>11,050</u>	<u>21,495</u>
Balance, June 30, 2009	<u>\$ 46,297</u>	<u>\$ 11,767</u>	<u>\$ 28,596</u>	<u>\$ 2</u>	<u>\$ 5,932</u>

EXHIBIT E-2

STATEMENT OF RESERVE FOR PUBLIC ASSISTANCE EXPENDITURES

	<u>Total</u>	<u>P.A.T.F. Account #1/ Petty Cash</u>	<u>P.A.T.F. Account #2</u>	<u>Relocation Account</u>
Balance, June 30, 2008	\$ 30,743	\$ 4,848	\$ 12,224	\$ 13,671
Increased by:				
Revenues	156,621	15,801	140,820	-
	187,364	20,649	153,044	13,671
Decreased by:				
Expenditures	141,281	8,915	124,566	7,800
Balance, June 30, 2009	<u>\$ 46,083</u>	<u>\$ 11,734</u>	<u>\$ 28,478</u>	<u>\$ 5,871</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF PUBLIC ASSISTANCE REVENUES**

	<u>Total</u>	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>Petty Cash Account</u>	<u>Relocation Account</u>
State Aid	\$ 132,800		\$ 132,800		
Budget Appropriation	11,500	\$ 11,500			
Refunds/Donations					
Non State Matched	4,301	4,001		\$ 300	
State Matched Assistance	2,070		2,070		
Supplemental Security Income					
Municipal Refund	<u>5,950</u>	<u>-</u>	<u>5,950</u>	<u>-</u>	<u>-</u>
 Total Revenues	 156,621	 15,501	 140,820	 300	 -
 IntraFund Transfers	 65,221	 7,245	 33,532	 10,749	 \$ 13,695
Interest	<u>214</u>	<u>32</u>	<u>120</u>	<u>3</u>	<u>59</u>
	<u>\$ 222,056</u>	<u>\$ 22,778</u>	<u>\$ 174,472</u>	<u>\$ 11,052</u>	<u>\$ 13,754</u>

EXHIBIT E-4

STATEMENT OF PUBLIC ASSISTANCE EXPENDITURES

	<u>Total</u>	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>Petty Cash Account</u>	<u>Relocation Account</u>
Current Year Assistance					
Maintenance	\$ 49,260		\$ 49,260		
Temporary Rental Assistance	66,259		66,259		
Transportation	220		220		
Work Related	25		25		
Emergency Assistance					
Rent	4,622		4,622		
Shelter/Motel	869		869		
Utilities	326		326		
Security Deposits	2,915		2,915		
Emergency	70		70		
Assistance - Ineligible for State Aid	<u>16,715</u>	<u>-</u>	<u>-</u>	<u>\$ 8,915</u>	<u>\$ 7,800</u>
 Total Expenditures	 141,281	 -	 124,566	 8,915	 7,800
 IntraFund Transfers	 65,221	 \$ 15,859	 33,532	 2,135	 13,695
Payments to Current Fund	<u>2,783</u>	<u>-</u>	<u>2,783</u>	<u>-</u>	<u>-</u>
 Total Disbursements	 <u>\$ 209,285</u>	 <u>\$ 15,859</u>	 <u>\$ 160,881</u>	 <u>\$ 11,050</u>	 <u>\$ 21,495</u>

**BOROUGH OF RIDGEFIELD
STATEMENT OF DUE TO/FROM CURRENT FUND**

Balance, June 30, 2008	\$ 2,783
Increased by:	
Interest Earned on Investments and Deposits	<u>214</u>
	2,997
Decreased by:	
Payments to Current Fund	<u>2,783</u>
Balance, June 30, 2009	<u><u>\$ 214</u></u>

**BOROUGH OF RIDGEFIELD
BERGEN COUNTY, NEW JERSEY**

PART II

**GOVERNMENT AUDITING STANDARDS SECTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

17 - 17 ROUTE 208
FAIR LAWN, NJ 07410
TELEPHONE (201) 791-7100
FACSIMILE (201) 791-3035
WWW.LVHCPA.COM

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH KOZAK, CPA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
RALPH M. PICONE, CPA, RMA, PSA

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

Honorable Mayor and Members
of the Borough Council
Borough of Ridgefield
Ridgefield, New Jersey

We have audited the financial statements – statutory basis of the Borough of Ridgefield as of and for the fiscal year ended June 30, 2009, and have issued our report thereon dated February 5, 2010 which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared using the statutory basis of accounting prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. 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 Borough of Ridgefield'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 Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Borough's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the statutory basis of accounting such that there is more than a remote likelihood that a misstatement of the Borough's financial statements that is more than inconsequential will not be prevented or detected by the Borough's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses as 2009-1 and 2009-2 to be significant deficiencies in internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Ridgefield'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 responses as items 2009-1 to 2009-3.

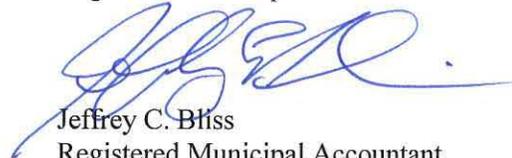
We also noted certain matters that we reported to management of the Borough of Ridgefield in Part III of this report of audit entitled "Letter of Comments and Recommendations".

The Borough of Ridgefield's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Borough's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the governing body, management, New Jersey Department of Community Affairs and 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

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



Jeffrey C. Bliss
Registered Municipal Accountant
RMA Number CR00429

Fair Lawn, New Jersey
February 5, 2010

**BOROUGH OF RIDGEFIELD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

<u>Grantor Agency</u> <u>Program</u>	<u>State</u> <u>Account</u> <u>Number</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Grant</u> <u>Year</u>	<u>Grant</u> <u>Award</u> <u>Amount</u>	<u>SFY</u> <u>2009</u> <u>Grant</u> <u>Receipts</u>	<u>Balance,</u> <u>June 30,</u> <u>2008</u>	<u>Revenue</u> <u>Realized</u>	<u>Expenditures</u>	<u>Adjustments</u>	<u>Balance,</u> <u>June 30,</u> <u>2009</u>	<u>Cumulative</u> <u>Expended</u>
U.S. Department of Housing and Urban Development (Passed through County Dept. of Community Development) Community Development Block Grants		14.219									
Road Improvements (Ord. 1928)				\$ 100,000	\$ 79,902						\$ 100,000
Sewer and Road Improvements (Ord. 2080)			2009	100,000			\$ 100,000	\$ 93,228		\$ 6,772	93,228
U.S. Department of Environmental Protection Municipal Stormwater Regulation		66.605		10,207		\$ 19			\$ (19)		10,207
			2007	10,207		10,207		5,761		4,446	5,761
U.S. Department of Law and Public Safety State and Community Highway Safety (Passed through N.J. Division of Highway Traffic Safety) Click It Or Ticket Program	066-00-1160-100-119	20.600									
			2009	3,646	3,646		3,646	3,646			3,646
			2006	3,464		3,464			(3,464)		3,464
			2005	664		664			(664)		664
			2004	4,000		4,000			(4,000)		4,000
			2003	5,000		651			(651)		5,000
U.S. Department of Agriculture Cooperative Forestry Assistance (Passed Through State Department of Environmental Protection) Green Communities Grant	4870-100-038/110230S	10.664									
			2008	2,750			2,750	2,750			2,750
U.S. Department of Justice COPS Universal Hiring		16.710		25,000		2,183			(2,183)		25,000

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

**BOROUGH OF RIDGEFIELD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

<u>Grantor Agency</u> <u>Program</u>	<u>State</u> <u>Account</u> <u>Number</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Grant</u> <u>Year</u>	<u>Grant</u> <u>Award</u> <u>Amount</u>	<u>SFY</u> <u>2009</u> <u>Grant</u> <u>Receipts</u>	<u>Balance,</u> <u>June 30,</u> <u>2008</u>	<u>Revenue</u> <u>Realized</u>	<u>Expenditures</u>	<u>Adjustments</u>	<u>Balance,</u> <u>June 30,</u> <u>2009</u>	<u>Cumulative</u> <u>Expended</u>
U.S. Department of Homeland Security Emergency Management Performance Grant (Pass Through N.J. Department of Law and Public Safety) Emergency Management Assistance	066-00-1200-100-726		2009	\$ 5,000	\$ 5,000						
			2007	5,000		\$ 5,000				\$ 5,000	
			2006	5,000		5,000				5,000	
			2005	3,250		3,250				3,250	
			2004	3,250		3,250				3,250	
			2003	3,250		3,250				3,250	
			2002	3,250		455				455	\$ 2,795
U.S. Department of Transportation Occupancy Protection Grant (Pass Through N.J. Department of Law and Public Safety) Body Armor Replacement Fund	1020-718-066-YCJS/030600	20.602	2009	2,625	2,625						
			2008	2,894			\$ 2,894	\$ 2,894			2,894
			2007	2,732		1,297		792		505	2,227
			2006	2,447		331				331	2,116
			2005	2,618		1,864				1,864	754
Highway Planning and Construction (Pass Through N.J. Department of Transportation) Safe Streets to Schools (Ord. 1953) Art Lane Improvements (Ord. 2062)	480-078-6320 078-00-6320-480-AJ2	20.205	2009	125,000 150,000	112,500	13,207 -	150,000	150,000	-	13,207 -	111,793 150,000
Total						\$ 58,092	\$ 259,290	\$ 259,071	\$ (10,981)	\$ 47,330	

**BOROUGH OF RIDGEFIELD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>SFY 2009 Grant Receipts</u>	<u>Balance, June 30, 2008</u>	<u>Revenue Realized</u>	<u>Expended</u>	<u>Adjustments*</u>	<u>Balance, June 30, 2009</u>	<u>Cumulative Expended</u>
Department of Environmental Protection Clean Communities Grant	4900-765-178900	2009	\$ 14,376	\$ 14,376						
		2008	11,201			\$ 11,201	\$ 11,197		\$ 4	\$ 11,197
		2007	10,924		\$ 34				34	10,890
		2006	9,887		1,137		1,137			9,887
Recycling Tonnage Grant	4900-752-178840-60	2009	10,733	10,733						
		2008	3,374			3,374			3,374	
		2007	4,181		4,181				4,181	
		2006	5,453		5,453		271		5,182	271
		2007	12,553		2,797		2,797			12,553
State Forestry Services - CSIP Grant	4870-100-074	2009	21,250	21,250						
Division of Motor Vehicles Drunk Driving Enforcement Fund	1110-448-031020-22	2009	3,476	3,476						
		2008	2,843			2,843	2,843			2,843
		2007	3,204		3,204				3,204	
		2006	5,414		3,965			\$ (3,965)		3,965
		2006	4,506		4,506			(4,506)		4,506
		2004	8,563		8,563			(8,563)		8,563
		2003	3,781		2,267			(2,267)		3,781
Department of Community Affairs Alcohol Education and Rehabilitation	4250-700-050000-63		4,353		1,256				1,256	3,097
			1,757		1,399				1,399	358
			2,270		1,770				1,770	500
			1,663		1,663				1,663	
			62		62				62	
Special Legislative Grant	8050-100-002-8050-280		155,000		58,697			(58,697)		155,000

**BOROUGH OF RIDGEFIELD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>SFY 2009 Grant Receipts</u>	<u>Balance, June 30, 2008</u>	<u>Revenue Realized</u>	<u>Expended</u>	<u>Adjustments *</u>	<u>Balance, June 30, 2009</u>	<u>Cumulative Expended</u>
Department of Community Affairs Hazardous Material	N/A		\$ 2,500		\$ 797			\$ (797)		\$ 2,500
ADA Compliance Grant ADA Improvement Swim Pool (Ord. 1835)	022-99-8030-100-652	2003	50,000	\$ 44,748	5,252		\$ 3,910		\$ 1,342	48,658
Livable Communities Municipal Complex (Ord. 1945)	100-042-4875-353		20,000		20,000		19,954		46	19,954
NJ Smart Growth Redemp. Plan Overpeck Creek (Ord. 1919) Transit-Oriented Development (Ord. 1845)	100-022-8070-39-999000		60,000	31,985	43,418		40,357		3,061	56,939
			12,500		293			(293)		12,500
Department of Health Services General Assistance	7550-100-054-121-6020	2009	132,800	132,800	12,224	\$ 132,800	124,566	8,020	28,478	124,566
Department of Transportation NJ Transportation Trust Fund	480-078-6320-6010		125,000		35,927			(35,927)		125,000
Discretionary Aid Oak Street (Ord. 1834)	480-078-6320		140,000		75			(75)		140,000
County of Bergen Pass Thru Grants Municipal Drug Alliance	N/A	2009	11,500	6,670		11,500	8,472		3,028	8,472
		2008	11,500	3,560	988				988	10,512
		2007	11,500		2,944				2,944	8,556
		2006	11,500		5,382				5,382	6,118
Municipal Recycling Assistance Program	N/A	2007	4,674		214				214	4,460
		2005	6,604		2,915		2,915			6,604
Department of Law and Public Safety Secure Our School Grant	100-066-1020-107	2008	14,975	4,536	14,975	-	5,269	(9,706)	-	5,269
					<u>\$ 246,358</u>	<u>\$ 161,718</u>	<u>\$ 223,688</u>	<u>\$ (116,776)</u>	<u>\$ 67,612</u>	

* Adjustments for prior year expenditures or to realize program income

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

**BOROUGH OF RIDGEFIELD
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2009**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal awards and state financial assistance programs of the Borough of Ridgefield. The Borough is defined in Note 1(A) to the Borough'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 awards.

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ 9,290	\$ 28,918	\$ 38,208
General Capital Fund	250,000		250,000
Public Assistance Fund	<u>-</u>	<u>132,800</u>	<u>132,800</u>
	<u>\$ 259,290</u>	<u>\$ 161,718</u>	<u>\$ 421,008</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 Borough's fiscal year and grant program year.

**BOROUGH OF RIDGEFIELD
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2009**

NOTE 5 FEDERAL AND STATE LOANS OUTSTANDING

The Borough's federal and state loans outstanding at June 30, 2009, which are not required to be reported on the schedules of expenditures of federal awards and state financial assistance, are as follows:

Loan Program

New Jersey Environmental
Infrastructure Trust

Trust Loan	\$ 360,000
Fund Loan	<u>301,448</u>
	<u>\$ 661,448</u>

**BOROUGH OF RIDGEFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

1) Material weakness(es) identified? X yes no

2) Were reportable condition(s) identified that were
not considered to be material weaknesses? yes X no

Noncompliance material to financial
statements noted? X yes no

State Awards Section

NOT APPLICABLE

Federal Awards Section

NOT APPLICABLE

**BOROUGH OF RIDGEFIELD
BERGEN COUNTY, NEW JERSEY**

PART III

SUPPORTING DATA

**SCHEDULE OF FINDINGS AND RESPONSES
LETTER OF COMMENTS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**BOROUGH OF RIDGEFIELD
COMPARATIVE SCHEDULES OF OPERATIONS AND CHANGES IN FUND BALANCE –
CURRENT FUND**

	<u>Fiscal Year 2009</u>		<u>Fiscal Year 2008</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	\$ 700,000	1.77 %	\$ 400,000	1.05 %
Miscellaneous - From Other Than Local				
Property Tax Levies	10,008,302	25.31	10,297,764	27.10
Collection of Delinquent Taxes and Tax Title Liens	504,816	1.28	307,711	0.81
Collection of Current Tax Levy	27,690,142	70.03	26,442,296	69.60
Other Credits	<u>637,976</u>	<u>1.61</u>	<u>547,077</u>	<u>1.44</u>
 Total Income	 <u>39,541,236</u>	 <u>100.00 %</u>	 <u>37,994,848</u>	 <u>100.00 %</u>
 EXPENDITURES				
Budget Expenditures				
Municipal Purposes	18,803,347	48.83 %	18,255,739	48.93 %
County Taxes	4,048,694	10.51	3,584,830	9.61
Local District School Taxes	15,584,000	40.47	15,175,940	40.67
Other Expenditures - Debits	<u>69,765</u>	<u>0.18</u>	<u>296,411</u>	<u>0.79</u>
 Total Expenditures	 <u>38,505,806</u>	 <u>100.00 %</u>	 <u>37,312,920</u>	 <u>100.00 %</u>
 Less: Expenditures to be Raised by Future Revenue	 <u>-</u>		 <u>54,452</u>	
 Total Adjusted Expenditures	 <u>38,505,806</u>		 <u>37,258,468</u>	
 Excess in Revenue	 1,035,430		 736,380	
 Fund Balance, Beginning of Year	 <u>1,038,372</u>		 <u>701,992</u>	
	 2,073,802		 1,438,372	
 Less Utilization as Anticipated Revenue	 <u>700,000</u>		 <u>400,000</u>	
 Fund Balance, End of Year	 <u>\$ 1,373,802</u>		 <u>\$ 1,038,372</u>	

**BOROUGH OF RIDGEFIELD
COMPARATIVE SCHEDULES OF OPERATIONS AND CHANGES IN FUND BALANCE –
SWIM POOL UTILITY OPERATING FUND**

	<u>Fiscal Year 2009</u>		<u>Fiscal Year 2008</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED				
Surplus Anticipated	\$ 20,000	7.78 %	\$ 50,000	17.22 %
Membership Fees	169,035	65.78	188,830	65.04
Miscellaneous Fees	34,758	13.53	29,435	10.14
Other Credits to Income	<u>33,187</u>	<u>12.91</u>	<u>22,064</u>	<u>7.60</u>
Total Income	<u>256,980</u>	<u>100.00 %</u>	<u>290,329</u>	<u>100.00 %</u>
EXPENDITURES				
Budget Expenditures				
Operating	245,300	93.55 %	240,000	90.80 %
Capital Improvements	5,000	1.91	5,000	1.88
Deferred Charges and Statutory Expenditures	<u>11,900</u>	<u>4.54</u>	<u>19,346</u>	<u>7.32</u>
Total Expenditures	<u>262,200</u>	<u>100.00 %</u>	<u>264,346</u>	<u>100.00 %</u>
Excess (Deficit) in Revenues	(5,220)		25,983	
Adjustments to Income Before Fund Balance				
Realized from General Budget for				
Anticipated Deficit	<u>5,220</u>		<u>-</u>	
Statutory Excess in Revenue	-		25,983	
Fund Balance, Beginning of Year	<u>44,353</u>		<u>68,370</u>	
	44,353		94,353	
Decreased by:				
Utilized as Anticipated Revenue	<u>20,000</u>		<u>50,000</u>	
Fund Balance, End of Year	<u>\$ 24,353</u>		<u>\$ 44,353</u>	

**BOROUGH OF RIDGEFIELD
GENERAL INFORMATION**

COMPARATIVE SCHEDULE OF CALENDAR YEAR TAX RATE INFORMATION

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Calendar Year Tax Rate	\$ <u>1.563</u>	\$ <u>1.491</u>	\$ <u>1.370</u>
Apportionment of Tax Rate			
Municipal	\$ 0.486	\$ 0.458	\$ 0.424
County	0.213	0.196	0.176
County Open Space	0.012	0.012	0.010
Local School	0.852	0.825	0.760
Assessed Valuation			
2009	\$ <u>1,841,585,527</u>		
2008	\$ <u>1,852,804,740</u>		
2007	\$ <u>1,853,343,069</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.

Year Ended <u>June 30</u>	<u>Tax Levy</u>	Cash <u>Collections</u>	Percentage of <u>Collection</u>
2009	\$ 28,580,505	\$ 27,690,142	96.88%
2008	27,279,267	26,762,296	98.10%
2007	23,012,149	22,677,985	98.54%

**BOROUGH OF RIDGEFIELD
GENERAL INFORMATION**

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 three years.

Year Ended <u>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>
2009	\$ 17,061	\$ 651,287	\$ 668,348	2.34%
2008	63,849	453,165	517,014	1.89%
2007	55,179	305,217	360,396	1.56%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens at year-end, on the basis of the last assessed valuation of such properties, was as follows:

Year Ended <u>June 30</u>	<u>Amount</u>
2009	\$81,180
2008	81,180
2007	81,180

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year Ended <u>June 30</u>	Fund <u>Balance</u>	Utilized In Budget of Succeeding <u>Year</u>
Current Fund	2009	\$1,373,802	\$850,000
	2008	1,038,372	700,000
	2007	701,992	400,000
Swim Pool	2009	\$24,353	\$10,000
Utility Operating	2008	44,353	20,000
Fund	2007	68,370	50,000

**BOROUGH OF RIDGEFIELD
GENERAL INFORMATION**

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Corporate Surety</u>
Anthony Suarez	Mayor		
Angus Todd	Councilman		
Warren Vincentz	Councilman		
Nicholas Lonziser	Councilman		
Angelo Severino	Councilman		
Javier Acosta	Councilman from 1/1/09		
Russell Castelli	Councilman from 1/1/09		
Robert Avery	Councilman to 12/31/08		
Thomas Blackley	Councilman to 12/31/08		
John Baldino	Administrator from 6/29/09		
Roberta Stern	Administrator to 5/26/09	\$100,000	Western Surety Co.
Martin Gobbo	Borough Clerk	300,000	Western Surety Co.
Linda Prina	Deputy Clerk	150,000	Western Surety Co.
Joseph Luppino	Chief Financial Officer		
Erik Lenander	Assistant to CFO		
Alexis Melchionne	Payroll/Finance Clerk	150,000	Western Surety Co.
Frank Berardo	Tax Collector	150,000	Western Surety Co.
Joan Gallagher	Assistant to Tax Assessor/Tax Clerk	25,000	Western Surety Co.
Jennifer Kees	Tax Clerk/Tax Search Officer	50,000	Western Surety Co.
George Reggo	Assessor		
Bernie McHugh	Director of Welfare/Relocation Officer	60,000	Western Surety Co.
Robert Binetti	Magistrate	10,000	Western Surety Co.
Stephanie Seyr	Court Administrator to 1/31/09	75,000	Western Surety Co.
Jasna Gega	Court Administrator from 2/1/09	75,000	Western Surety Co.
Rosemary Sutton	Court Clerk	50,000	Western Surety Co.
Andrea Beth Novak	Court Clerk	50,000	Western Surety Co.
Douglas Doyle, Esq.	Attorney		

All officials handling cash were covered by a blanket crime coverage issued by the Public Alliance Joint Insurance Fund in the amount of \$1,000,000.

**BOROUGH OF RIDGEFIELD
SCHEDULE OF FINDINGS AND RESPONSES**

Prior Year Findings Unresolved

Finding 2009-1 – Our audit revealed in certain instances, goods and/or services were ordered prior to the issuance of an approved purchase order.

Criteria – Division of Local Government Services Technical Accounting Directive 85-1 “Encumbrance Accounting”.

Condition – Goods are ordered and services rendered prior to a purchase order being approved and issued to the respective vendor.

Cause – Approved purchase orders are not issued prior to the ordering of goods or services.

Effect – Appropriations may not be available for goods ordered or services rendered without an approved purchase.

Recommendation – Internal controls be reviewed and revised to ensure approved purchase orders are issued prior to the ordering of goods or services and commitment of Borough funds.

Response – The Borough has reviewed this finding and has indicated continued efforts will be made to ensure corrective action is taken.

* * * * *

Finding 2009-2 – Our audit revealed that the minutes of the Mayor and Council meetings were not transcribed, approved by the governing body and permanently bound in a timely manner.

Criteria – Requirements of Audit.

Condition – Official minutes of the Mayor/Council meeting were not prepared, approved and bound in a timely manner.

Cause – Unknown.

Effect – The minutes of the Mayor/Council meetings which are required as a permanent record of the Borough are not being maintained properly.

Recommendation – The minutes of all Mayor and Council meetings be prepared and submitted to the governing body for their approval in a timely manner. Furthermore, the approved minutes of the borough be permanently bound and available for review.

Response - The Borough has reviewed this finding and has indicated appropriate corrective action will be implemented.

**BOROUGH OF RIDGEFIELD
SCHEDULE OF FINDINGS AND RESPONSES**

Prior Year Findings Unresolved (Continued)

Finding 2009-3 – Our audit revealed certain vendors were paid in excess of the bid threshold for which no public advertising for bids were sought or evidence of bidding exemption existed. In certain instances the cumulative purchases of certain items exceeded the bid threshold and were not publicly advertised for bid.

Criteria – N.J.S.A. 40A:11-4

Condition – Purchases for auto parts, gasoline and diesel fuel were not publicly advertised for bids.

Cause – Unknown.

Effect – It appeared the Borough did not adhere to the Local Public Contracts Law in regards to bidding.

Recommendation – Bids be publicly advertised for purchases that exceed the bidding threshold.

Response – Management has reviewed this finding and has indicated appropriate corrective action will be implemented.

GENERAL COMMENTS

Prior Year Findings – Unresolved

Our audit of Other Trust Fund escrow deposits and reserves revealed that balances per Borough subsidiary records are not reconciled with prior year audit balances, cash balances and general ledger account balances. In addition, state regulations for escrow deposit accounting and reporting are not being adhered to. It is recommended that all Other Trust Fund escrow deposits and reserve subsidiary report balances be reconciled with audit, cash and general ledger account balances and the Borough adhere to state regulations regarding escrow accounting and reporting.

Our audit of municipal departments revealed the following:

- Majority of records are manually maintained
- Monthly reports are not always prepared and filed with the Borough
- Certain applications, licenses and permits are not prenumbered
- Prenumbered receipts are not issued for all monies collected

It is recommended that internal controls over department financial recordkeeping be reviewed and enhanced to ensure a standardized revenue accounting and reporting system is maintained.

Our audit of the Swim Pool and Recreation fees revealed that the accounting to support the daily cash receipt entries in the ledger and the respective bank deposit amounts was not sufficient to provide a proper audit trail. We were unable in certain instances to determine the individuals, types of fees and amounts received and deposited from each individual transaction from the records provided for audit. It is recommended that continued efforts be made to improve the accounting over daily cash receipt entries and deposits to ensure a proper audit trail is provided to support these amounts.

**BOROUGH OF RIDGEFIELD
GENERAL COMMENTS (Continued)**

Prior Year Findings – Unresolved (Continued)

Our audit of the Municipal Court revealed 313 tickets and 1,399 special complaints were assigned and not issued which were outstanding over six months and not recalled. It is recommended that continued efforts be made to ensure all tickets and special complaints assigned and not issued which are outstanding over six months be recalled and reassigned by the Municipal Court Administrator.

Our audit of the Municipal Court revealed 160 tickets and 1,053 special complaints were issued but not assigned. It is recommended that continued efforts be made to ensure all tickets and special complaints be assigned prior to their release from the Municipal Court office.

Our audit of the Borough Clerk noted several entries not recorded in the cash receipt ledger. We noted the prenumbered receipt tickets entered into the cash receipts ledger had receipt tickets missing. It is recommended that internal controls over revenue collection procedures in the Borough Clerk's office be reviewed and revised to ensure monies collected are recorded and deposited in a timely manner.

Our audit of the Recreation Department revealed numerous instances where late fees were not charged for a late registration. It is recommended that late fees be consistently charged for late registrations.

Our audit revealed that the Youth Commission maintains a separate bank account for fundraising deposits and expenses related to Youth Center activities. We noted that disbursements were not made through the Borough's purchasing procedures, there was only one signature on checks and disbursements were not approved in the Borough minutes. It is recommended that the Youth Commission bank account be maintained by the Chief Financial Officer and all Borough purchasing and payment procedures be followed and adhered to.

Our review of the Borough's salary ordinance revealed police officers' salaries are not included as part of the approved salary and compensation ordinance. It is recommended that the Borough's salary and compensation ordinance be amended to include all police officers' salary levels.

Current Year Findings

Our audit of the Borough's Affordable Housing Reserves revealed the annual financial report required to be filed with the State Council on Affordable Housing was not available for audit. It appears the annual report for the current fiscal year may not have been filed. It is recommended that the annual financial report to the State Council on Affordable Housing be filed for the 2009 fiscal year and all future year reports be filed timely and made available for audit.

Our audit of the General Capital Fund revealed an overexpenditure of ordinance appropriations of \$2,600 at June 30, 2009. This overexpenditure was the result of a misposted payment in the general ledger which was adjusted during the preparation of the unaudited financial statements. This appeared to be an isolated instance, therefore, no recommendation is deemed warranted.

**BOROUGH OF RIDGEFIELD
GENERAL COMMENTS (Continued)**

Current Year Findings (Continued)

Our audit of the General Capital Fund revealed an expenditure without ordinance appropriation of \$78,461 at June 30, 2009. This expenditure occurred as the result of the Borough taking corrective action on a prior year audit recommendation to clear of record a vendor account receivable outstanding in the General Capital Fund. The vendor accounts receivable was the result of a payment to a vendor that was thought to be an overpayment when made during fiscal year 2006. Upon further review by Borough Officials it was determined the payment was made for services rendered during fiscal year 2006 for which no appropriation is available for the expenditure to be charged against resulting in a deferred charge for an expenditures without an ordinance appropriation. The Borough has provided an appropriation in its' 2010 fiscal year budget to fund this deferred charge in its entirety. Therefore, since this instance was the result of the Borough taking corrective action on a prior year audit recommendation, no recommendation is deemed warranted in this report regarding this item.

Our audit of the Swim Pool Utility Capital Fund revealed an improvement authorization over five years old with a deficit cash balance at year end. It is recommended funds be provided either by debt financing or budget appropriation for the Swim Pool Utility Capital Fund improvement authorization with a deficit cash balance that is over five years old.

Our audit revealed that the June 30, 2008 audit synopsis publication was not available for audit. We were unable to determine if the June 30, 2008 synopsis of audit was published in the Borough's official newspapers. It is recommended that the Borough maintain proof of the publication of the audit synopsis.

Our audit revealed proof of publication of professional service contract awards was not available for audit. We were unable to determine if professional service contract awards were published in the Borough's official newspapers. It is recommended that the Borough maintain proof of publication of professional service contract awards.

Our audit revealed political contribution disclosure forms were not obtained for certain vendors whose contracts exceeded \$17,500. It is recommended that political contribution disclosure forms be obtained from all vendors whose contracts exceed \$17,500.

Our audit of payroll revealed certain payroll tax returns' (i.e., IRS Form 941, NJ-927) mailing and/or e-mail addresses are not that of the Borough but appear to be the payroll service providers address. It is recommended that the mailing and e-mail addresses on the Borough's payroll tax returns reflect the Borough's official addresses and not that of the payroll service provider.

Our audit of the Health Benefit premium bills revealed certain terminated individuals who were not removed in a timely manner. It is recommended that greater care be exercised to ensure terminated employees are removed from Health Benefit coverage in a timely manner.

Our audit of the Municipal Court revealed instances where bail account checks were issued with only one signature, whereas two are required. It is recommended that all bail account checks issued by the Municipal Court contain the two required authorized signatures.

Contracts and Agreements Required to be Advertised for N.J.S. 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 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 of \$21,000, except by contract or agreement."

**BOROUGH OF RIDGEFIELD
GENERAL COMMENTS (Continued)**

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4 (Continued)

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where a question arises as to whether any contract agreement might result in violation of the statute, the Borough 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:

Various Sewer and Roadway Improvements	Roadway and Drainage Improvements at Art Lane
Roof Replacement at Ambulance Corp.	4 Wheel Drive Dump Truck with Plow
Salt Storage Shed Construction	Tree Pruning, Tree and Stump Removal

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

Our examination of expenditures revealed instances where individual payments exceeded the bid threshold "for the performance of any work, or the furnishing or hiring of any materials or supplies," where bids had not been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJS 40A:11-6.

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 statute provides the method for authorizing interest and the maximum rates to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on January 5, 2009 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, taxes are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year and installments become delinquent if not paid on or before these dates,

THEREFORE, BE IT RESOLVED that Mayor and Council authorize an interest charge of 8% per annum, upon delinquent installments of taxes and assessments and,

BE IT FURTHER RESOLVED, that the Mayor and Council authorize an interest charge of 18% per annum upon delinquent installments of taxes in excess of \$1,500.00.

BE IT FURTHER RESOLVED, that the Mayor and Council provide a grace period of 10 days, within which an installment of taxes or assessment may be received without an additional charge of interest; and

BE IT FURTHER RESOLVED, that any installment received after the expiration of the grace period shall bear interest from the due date,

BE IT FURTHER RESOLVED that the rate of interest to be charged upon tax liens is hereby set at 18% per annum, and a copy of this resolution is to be filed with the Tax Collector – Treasurer and the Tax Assessor of the Borough of Ridgefield.

**BOROUGH OF RIDGEFIELD
GENERAL COMMENTS (Continued)**

Collection of Interest on Delinquent Taxes and Assessments

It appears from an examination of the Collector's records that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on June 10, 2009 and was complete.

The following comparison is made of the number of tax title liens receivable at year-end of the last three years.

<u>Year Ended June 30</u>	<u>Number of Liens</u>
2009	1
2008	2
2007	2

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis.

Suggestions to Management

- The Borough review with area banks the establishment of an accu-track account for its escrow deposit accounts.
- Consideration be given to a review of the Finance, Tax and Public Assistance department operations to ensure there is sufficient segregation of duties and cross training of employees related to the various financial functions.
- The Borough adopt a formal petty cash policy.
- The Borough review its investment policies to ensure investment income is being maximized.
- The Borough consider implementing a formal procedure to document employees approved salaries and salary changes (i.e., payroll action notice) to the payroll clerk.

**BOROUGH OF RIDGEFIELD
RECOMMENDATIONS**

It is recommended that:

- * 1. Internal control procedures be reviewed and revised to ensure approved purchase orders are issued prior to the ordering of goods or services and commitment of Borough funds.
- * 2. The minutes of all Mayor and Council meetings be prepared and submitted to the governing body for their approval in a timely manner. Furthermore, the approved minutes of the Borough be permanently bound and available for review.
- * 3. Bids be publicly advertised for purchases that exceed the bidding threshold.
- * 4. All Other Trust Fund escrow deposits and reserve subsidiary report balances be reconciled with audit, cash, and general ledger account balances and the Borough adhere to state regulations regarding escrow accounting and reporting.
- * 5. Internal controls over department financial accounting and reporting be reviewed and enhanced to ensure a standardized revenue accounting and reporting system is maintained.
- * 6. Continued efforts be made to improve the accounting over daily cash receipt entries and deposits for Swim Pool and Recreation fees to ensure a proper audit trail is provided to support these amounts.
- 7. With respect to the Municipal Court:
 - * a. Continued efforts be made to ensure all tickets assigned and not issued which are outstanding over six months be recalled and reassigned by the Municipal Court Administrator.
 - * b. Continued efforts be made to ensure all tickets and special complaints be assigned prior to their release from the Municipal Court office.
 - c. All bail account checks issued by the Municipal Court contain the required two authorized signatures.
- * 8. Internal controls over revenue collection procedures in the Borough Clerk's office be reviewed and revised to ensure monies collected are recorded and deposited in a timely manner.
- * 9. Late fees be consistently charged by the Recreation Department for late registrations.
- * 10. The Youth Commission bank account be maintained by the Chief Financial Officer and all Borough purchasing and payment procedures be followed and adhered to.
- * 11. The Borough's salary and compensation ordinance be amended to include all police officers' salary levels.
- 12. The annual finance report to the State Council on Affordable Housing be filed for the 2009 fiscal year and all future year reports be filed timely and made available for audit.
- 13. Funds be provided either by debt financing or budget appropriation for the Swim Pool Utility Capital Fund improvement authorization with a deficit cash balance that is over five years old.
- 14. The Borough maintain proof of the publication of the audit synopsis.

**BOROUGH OF RIDGEFIELD
RECOMMENDATIONS (Continued)**

It is recommended that:

- 15. The Borough maintain proof of the publication of professional service contract awards.
- 16. Political contribution disclosure forms be obtained from all vendors whose contracts exceed \$17,500.
- 17. The mailing and e-mail addresses on the Borough's payroll tax returns reflect the Borough's official addresses and not that of the payroll service provider.
- 18. Greater care be exercised to ensure terminated employees are removed from Health Benefit coverage in a timely manner.

Status of Prior Year's Audit Findings/Recommendations

A review was performed on all prior year's recommendations and corrective action was taken on all; however, further action needs to be taken on the above recommendations denoted with an asterisk (*).

The problems and weaknesses 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

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



Jeffrey C. Bliss
Certified Public Accountant
RMA Number CR00429