

**TOWNSHIP OF SADDLE BROOK  
BERGEN COUNTY, NEW JERSEY**

**FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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TOWNSHIP OF SADDLE BROOK  
BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members  
of the Township Council  
Township of Saddle Brook  
County of Bergen  
Saddle Brook, New Jersey 07663

We have audited the accompanying statements of financial position – regulatory basis of the various funds of the Township of Saddle Brook (“Township”), State of New Jersey, as of and for the years ended December 31, 2009 and December 31, 2008, and the related statements of operations and changes in fund balance – regulatory basis, and statement of revenue and expenditures – regulatory basis of accounts for the year ended December 31, 2009. These financial statements are the responsibility of the Township’s management. Our responsibility is to express an opinion on these financial statements, based on our audit.

Except as discussed in the following paragraph, 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 in compliance with the 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting principles prescribed by the *Division of Local Government Services, Department of Community Affairs, State of New Jersey*, which differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between the regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

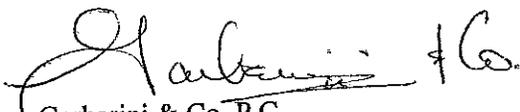
In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with accounting practices on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough, State of New Jersey, as of December 31, 2009 and December 31, 2008, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds of the Township as of December 31, 2009 and December 31, 2008, and the results of its operations and the changes in fund balance of such funds for the years then ended, and the revenues and expenditures of the various funds for the year ended December 31, 2009 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated June 29, 2010 on our consideration of the Township of Saddle Brook, State of New Jersey, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or 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 audits were performed for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The accompanying schedules of expenditures of federal awards and/or state financial assistance programs are presented for the purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the financial statements. In addition, the supplementary financial statements presented for the various funds are presented for the purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects, in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

  
Paul C. Garbarini, CPA  
Registered Municipal Accountant  
No. 120

  
Garbarini & Co. P.C.  
Certified Public Accountants

June 29, 2010  
Carlstadt, New Jersey

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND

**COMPARATIVE STATEMENT OF FINANCIAL POSITION**

A

	<u>Reference</u>	<u>At December 31,</u>	
		<u>2009</u>	<u>2008</u>
<b><u>ASSETS</u></b>			
Cash	A-4	\$1,235,571.09	\$1,676,081.66
Cash - Change Fund	A-6	475.00	475.00
Due from State of New Jersey - Seniors / Veterans Deductions	A-7	<u>10,037.86</u>	<u>8,066.64</u>
		<u>1,246,083.95</u>	<u>1,684,623.30</u>
Deferred Charges:			
Emergency Authorization - Municipal	A-25	<u>0.00</u>	<u>257,730.00</u>
	A-25	<u>0.00</u>	<u>257,730.00</u>
Receivable and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	339,618.88	442,955.69
Tax Title Liens Receivable	A-10	101,530.03	97,092.73
Property Acquired for Taxes - Assessed Valuation	A-11	742,249.00	742,249.00
Revenue Accounts Receivable	A-12	18,972.02	15,857.24
Due from Animal License Fund	B	4,024.91	32,914.23
Due from Board of Education	A-20	9,963.77	9,963.77
Due from Other Trust Funds	B	2,825.37	18,380.84
Due from Water Operating Fund	D	<u>20,726.58</u>	<u>18,380.84</u>
	Contra	<u>1,239,910.56</u>	<u>1,359,413.50</u>
<b>TOTAL ASSETS</b>		<u><u>\$2,485,994.51</u></u>	<u><u>\$3,301,766.80</u></u>

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND

COMPARATIVE STATEMENT OF FINANCIAL POSITION

A

	<u>Reference</u>	At December 31,	
		<u>2009</u>	<u>2008</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE:</u></b>			
Liabilities:			
Appropriation Reserve	A-3,A-13	\$66,621.15	\$273,144.61
Encumbrance Payable	A-16	109,241.35	54,497.63
Prepaid Taxes	A-17	183,184.53	164,605.18
Tax Overpayments	A-18	136,299.16	28,360.82
Reserve for FEMA-Fire Department Grant	A-24	3,617.97	3,617.97
Fees Payable	A-21	3,886.00	3,159.00
Due to Self-Insurance Trust Fund	B		41,644.51
Reserve for Library State Aid Expenditures	A-23	50,653.02	50,653.02
Special Reserve - Amb / Fireman Pension	A-14	37,050.00	37,050.00
Special Reserve - Employee Sick Leave	A-15		30,842.73
Reserve for Preparation of Master Plan	A-22	628.00	628.00
County Taxes Payable	A-19	13,881.39	17,140.27
Reserve for Sewer User Fees	A-26		158,276.83
Outside Tax Title Liens Payable	A-9	47,679.61	
Due to General Capital Fund	C	105,488.40	434,288.50
Due to Grant Fund	E	152,469.44	122,475.03
		<hr/>	<hr/>
		910,700.02	1,420,384.10
Reserve for Receivable and Other Assets	Contra	1,239,910.56	1,359,413.50
Fund Balance	A-1	<hr/>	<hr/>
		335,383.93	521,969.20
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<hr/> <hr/>	<hr/> <hr/>
		\$2,485,994.51	\$3,301,766.80

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

A-1

	<u>Reference</u>	For the Years Ended December 31,	
		<u>2009</u>	<u>2008</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>			
Fund Balance Utilized	A-2	\$257,547.92	\$1,033,000.00
Miscellaneous Revenue Anticipated	A-2	4,007,225.17	3,157,931.57
Receipts from Current Taxes	A-2	42,829,290.37	41,520,173.25
Receipts from Delinquent Taxes	A-2	392,272.78	261,253.72
Non-Budget Revenue	A-2	36,121.06	459,783.01
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	51,554.52	29,601.97
Interfunds Returned		51,295.07	273,418.65
Lapsed Appropriations	A-3	170.91	371.09
Canceled Reserve for Employee Sick Leave	A-15	30,842.73	0.00
Cancel Fees Payable			822.34
Statutory Excess-Animal License Fund	B-9	3,984.60	4,803.96
		<u>47,660,305.13</u>	<u>46,741,159.56</u>
Total Income			
<b>EXPENDITURES</b>			
Budget and Emergency Appropriations	A-3	17,886,786.52	18,134,181.93
Local District School Tax	A-20	24,800,734.00	23,857,489.00
County Taxes	A-19	4,464,768.10	4,320,480.09
County Share of Added and Omitted Taxes	A-19	13,881.39	17,140.27
County Open Space	A-19	246,938.81	247,235.02
Prior Year County Tax Adjustment			44.00
Interfund Advances		25,695.81	29,959.01
Misc. Service Charges			121.83
Tax Appeals / Prior Year Judgments	A-18	150,537.85	252,537.76
		<u>47,589,342.48</u>	<u>46,859,188.91</u>
Total Expenditures		70,962.65	(118,029.35)
Excess / (Deficit) in Revenue			
Fund Balance January 1	A	<u>521,969.20</u>	<u>1,415,268.55</u>
		592,931.85	1,297,239.20
Deferred Charges to be raised in next year Budget	A-3		257,730.00
Less: Amount of Fund Balance Utilized as Revenue	A-2	<u>257,547.92</u>	<u>1,033,000.00</u>
Fund Balance December 31	A	<u>\$335,383.93</u>	<u>\$521,969.20</u>

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

STATEMENT OF REVENUES

A-2

	<u>Reference</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	A-1	<u>\$257,547.92</u>	<u>\$257,547.92</u>	<u>\$0.00</u>
Miscellaneous Revenues				
Licenses	A-12	11,700.00	11,250.00	(450.00)
Alcoholic Beverages	Below	25,500.00	29,696.10	4,196.10
Other	Below	229,200.00	150,700.50	(78,499.50)
Fees and Permits	A-12	213,000.00	313,395.11	100,395.11
Fines and Costs - Municipal Court	A-12	71,000.00	104,852.33	33,852.33
Interest and Costs on Taxes		45,300.00	4,603.06	(40,696.94)
Interest on Investments and Deposits	A-12	3,300.00	5,201.51	1,901.51
Tax Search Fees		327,989.00	327,989.00	0.00
Consolidated Municipal Property Tax Relief Aid		1,482,404.00	1,482,404.00	0.00
Energy Receipts Tax (N.J.S.A. 54:30A-24.1 et.seq.)	A-12	197,600.00	99,886.00	(97,714.00)
Uniform Construction Code Fees		200,000.00	200,000.00	0.00
NJ Transportation Trust Fund Authority Act		17,294.66	17,294.66	0.00
Recycling Tonnage Grant - Chapter 159		18,915.50	18,915.50	0.00
Clean Communities Program		82,914.00	82,914.00	0.00
Community Development - Senior Citizens		3,107.68	3,107.68	0.00
Body Armor Replacement Fund		81,349.00	81,349.00	0.00
FEMA Firefighter Grant		50,000.00	50,000.00	0.00
COAH Interest Income				
Reserve Items:		3,107.68	3,107.68	0.00
Body Armor Replacement Fund		197,400.00	197,400.00	0.00
Utility Operating Surplus of Prior Year	A-12	49,000.00	44,816.50	(4,183.50)
Uniform Fire Safety Act		143,713.97	143,713.97	0.00
Cable Franchise Tax		108,241.00	162,276.83	54,035.83
Sewer Fees		397,000.00	292,204.59	(104,795.41)
Hotel Fees				
Due From Capital Fund:		180,147.15	180,147.15	0.00
Reserve for Payment of BANS				
Total Miscellaneous Revenues	A-1, Below	4,139,183.64	4,007,225.17	(131,958.47)
Receipts from Delinquent Taxes	A-1	386,000.00	392,272.78	6,272.78
Amount to be Raised by Taxes for Support of Municipal Budget	A-8, Below	<u>13,640,354.96</u>	<u>13,839,268.07</u>	<u>198,913.11</u>
Total Revenues	A-3	<u>\$18,423,086.52</u>	<u>\$18,496,313.94</u>	<u>\$73,227.42</u>
Non-Budget Revenues	A-1, Below		<u>36,121.06</u>	
			<u>\$18,532,435.00</u>	

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

A-2

STATEMENT OF REVENUES

	<u>Reference</u>	
<b>ANALYSIS OF REALIZED REVENUES</b>		
Allocation of Current Tax Collections	A-1	\$42,829,290.37
Revenue from Collections	A-19,20	<u>29,526,322.30</u>
Less: Allocated to School and County Taxes		13,302,968.07
		<u>536,300.00</u>
Add Appropriation "Reserve for Uncollected Taxes"	A-3	<u>\$13,839,268.07</u>
Amount for support of Municipal Budget Appropriations	Above	
Licenses	A-12	\$29,488.10
Clerk	A-12	<u>208.00</u>
Registrar	Above	<u>\$29,696.10</u>
Fees and Permits	A-12	\$21,882.00
Board of Health	A-12	5,655.50
Registrar	A-12	21,888.00
Plumbing Inspector	A-12	10,387.00
Fire Sub-Code Inspector	A-12	2,725.00
Board of Adjustment	A-12	5,400.00
Planning Board	A-12	46,285.00
Fire Safety	A-12	930.00
Police/Firearms	A-12	5,578.00
Fire Prevention	A-12	4,395.00
Alarms	A-12	24,080.00
Electrical Inspector	A-12	120.00
Road Openings Fees	A-12	1,375.00
Building Non-Permit Penalties	Above	<u>\$150,700.50</u>
<b>ANALYSIS OF MISCELLANEOUS REVENUES ANTICIPATED</b>		
Cash Receipts	A-4	3,559,818.98
Grants Receivable	E-3	3,107.68
Unappropriated Grant Reserves	E-4	3,107.68
Reserve for Sewer User Fees	A-26	158,276.83
Due from Capital Fund - Anticipated Revenue- Grants Receivable	C-8	<u>282,914.00</u>
	Above	<u>\$4,007,225.17</u>
<b>ANALYSIS OF NON-BUDGET REVENUES</b>		
Police Reports / Copies		\$5,320.40
Other Misc- Maps / Bid Specs		2,928.12
Police Misc. Fees		1,286.00
Division of Motor Vehicles- Inspection Fines		2,065.50
Sen. / Vet. 2% Admin. Fee		5,018.12
JIF Awards		357.67
Revoked/Unclaimed Bail		6,600.00
Bergen County Snow Plowing Reimbursement		11,790.00
Recycled/Scrap Meters		755.25
	A-1, 4, Above	<u>\$36,121.06</u>

See Accompanying Notes To Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS			EXPENDED		
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Lapsed
<b>OPERATIONS - WITHIN "CAPS"</b>						
<b>GENERAL GOVERNMENT:</b>						
Office of the Mayor	\$4,608.00	\$	\$4,608.00	\$4,603.59	\$4.41	\$
Salaries and Wages	4,000.00		4,000.00	3,886.40	113.60	
Other Expenses						
Township Council	23,040.00		23,040.00	22,655.20	384.80	
Salaries and Wages	2,650.00		2,650.00	2,626.92	23.08	
Other Expenses						
Office of the Township Clerk	131,000.00		131,000.00	129,009.75	1,990.25	
Salaries and Wages	10,000.00		7,157.73	7,157.73	0.00	
Other Expenses	1,700.00		450.00	450.00	0.00	
Land Use	5,000.00		3,000.00	3,000.00	0.00	
Codification of Ordinance						
Elections	12,000.00		13,456.71	13,456.71	0.00	
Other Expenses						
Planning Board	5,200.00		5,200.00	5,200.00	0.00	
Salaries and Wages	1,500.00		1,074.86	1,074.86	0.00	
Other Expenses						
Board of Adjustments	4,865.00		4,865.00	4,864.56	0.44	
Salaries and Wages	3,000.00		597.82	597.82	0.00	
Other Expenses						
Department of Administration and Finance						
Office of the Business Administrator	131,000.00		131,000.00	130,813.63	186.37	
Salaries and Wages	106,000.00		106,000.00	106,000.00	0.00	
Salary - Business Administrator	8,000.00		7,731.31	7,731.31	0.00	
Other Expenses - Miscellaneous	90,000.00		100,400.00	100,317.44	82.56	
Other Expenses - Telephone	16,000.00		15,300.93	15,300.93	0.00	
Other Expenses - Postage	20,000.00		19,915.14	19,915.14	0.00	
Contractual Services	58,000.00		57,900.30	57,900.30	0.00	
Other Expenses-Computer Service Contract						
Motor Fuel	110,000.00		110,000.00	110,000.00	0.00	
Other Expenses						
Insurance	65,000.00		65,000.00	65,000.00	0.00	
Unemployment Compensation						
Division of Collector	77,000.00		77,000.00	75,623.30	1,376.70	
Office of the Tax Collector	8,000.00		7,571.29	7,571.29	0.00	
Salaries and Wages						
Other Expenses						

(Continued Next Page)

See Accompany Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009  
STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS			EXPENDED		Lapsed
	Budget	Emergency Appropriation	Budget After Modification	Fund or Charged	Received	
<b>OPERATIONS WITHIN "CAPS" (Cont'd)</b>						
Office of the Assessor	\$45,000.00	\$	\$45,000.00	\$44,483.45	\$516.55	\$
Salaries and Wages	3,000.00		2,556.68	2,556.68	0.00	
Other Expenses						
Division of the Treasury	42,000.00		42,000.00	41,703.89	296.11	
Salaries and Wages	2,000.00		1,778.06	1,778.06	0.00	
Other Expenses	30,000.00		30,000.00	30,000.00	0.00	
Statutory Audit	16,750.00		15,260.00	15,260.00	0.00	
Other Financial Services	15,000.00		5,230.00	5,230.00	0.00	
Special Financial Services						
Department of Law	27,900.00		27,900.00	22,351.26	5,547.74	
Office of the Township Attorney	125,600.00		131,620.89	131,620.89	0.00	
Salaries and Wages						
Other Expenses						
Municipal Court	153,000.00		153,000.00	153,000.00	0.00	
Salaries and Wages	12,000.00		12,400.00	12,380.45	19.55	
Overtime	10,000.00		9,443.47	9,443.47	0.00	
Other Expenses						
Insurance	1,824,960.00		1,761,150.63	1,761,150.63	0.00	
Employee Group Health Premiums	220,000.00		216,300.00	216,285.54	14.46	
Other Insurance	198,000.00		187,400.00	187,398.82	1.18	
Worker's Compensation	520,000.00		653,210.48	653,106.32	104.16	
Self-Insurance Health Benefits Claims						
<b>STREET AND ROADS:</b>						
Department of Public Works	1,500.00		1,500.00	1,500.00	0.00	
Division of Engineering	22,000.00		22,000.00	21,931.33	68.67	
Salaries and Wages						
Other Expenses						
Street Lighting	230,500.00		229,500.00	229,394.76	105.24	
Division of Buildings and Property	36,200.00		36,200.00	33,778.49	2,421.51	
Salaries and Wages	1.00		0.00	0.00	0.00	
Rental of Buildings	269,500.00		227,500.00	227,449.87	50.13	
Utility Charges	16,000.00		16,001.00	16,001.00	0.00	
Other Expenses						
Division of Street Services	796,000.00		783,000.00	784,121.85	878.15	
Salaries and Wages	55,000.00		33,000.00	29,752.14	3,247.86	
Overtime	130,000.00		143,000.00	142,997.68	2.32	
Miscellaneous			6,000.00	6,000.00	0.00	
Salt						
<b>SANITATION:</b>						
Solid Waste Management Act	10,000.00		0.00		0.00	
Other Expenses						
Division of Sewers	95,500.00		95,500.00	94,549.46	950.54	
Salaries and Wages	6,000.00		2,400.00	2,400.00	0.00	
Overtime	13,300.00		18,400.00	18,393.21	6.79	
Other Expenses - Miscellaneous & Repairs to Pump Station						

(Continued Next Page)

See Accompany Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS			EXPENDED		
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Lapsed
<b>OPERATIONS WITHIN "CAPS" (Cont'd)</b>						
<b>SANITATION (Cont'd):</b>						
Garbage and Trash Removal			\$780,000.00	\$778,199.13	\$1,800.87	\$
Contractual	128,000.00		128,000.00	128,000.00	0.00	
Dumping Fees						
Recycling:						
Contractual	104,000.00		104,000.00	103,980.00	20.00	
<b>DEPARTMENT OF PUBLIC SAFETY:</b>						
Division of Police - Salaries & Wages						
Regular	4,005,000.00		4,039,000.00	4,038,786.26	213.74	
Marshal and Crossing Guards	478,000.00		478,700.00	478,684.40	15.60	
Overtime	50,000.00		17,000.00	16,984.29	15.71	
Clerical, Dispatchers, Etc.	101,000.00		101,000.00	100,122.68	877.32	
Miscellaneous Expense	72,000.00		74,900.00	74,853.64	46.36	
Uniform Allowance	35,750.00		33,750.00	33,750.00	0.00	
Marshalls' Uniforms	1,000.00		1,902.00	1,902.00	0.00	
Acquisition of Police Vehicles	49,500.00		49,440.70	49,440.70	0.00	
First Aid Organization						
Other Expenses	45,000.00		45,000.00	45,000.00	0.00	
<b>Division of Fire</b>						
Fire Department						
Other Expenses - Clothing Allowance	76,000.00		72,100.00	72,100.00	0.00	
Miscellaneous Other Expenses	115,929.00		118,729.00	118,720.23	8.77	
Uniform Fire Safety Code						
Salaries and Wages	113,000.00		113,000.00	112,019.62	980.38	
Other Expenses	7,000.00		7,000.00	7,000.00	0.00	
<b>DIVISION OF HEALTH, WELFARE &amp; RECREATION</b>						
Division of Health						
General Health Service						
Salaries and Wages	4,850.00		4,850.00	4,850.00	0.00	
Other Expenses	72,000.00		70,200.00	70,176.74	23.26	
Dog Regulation						
Other Expenses	22,000.00		21,756.57	21,756.57	0.00	

See Accompany Notes to Financial Statements.

(Continued Next Page)

TOWNSHIP OF SADDLE BROOK  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

A-3

STATEMENT OF EXPENDITURES

	APPROPRIATIONS			EXPENDED		
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Unleased
OPERATIONS WITHIN "CAPS" (Cont'd)						
RECREATION, EDUCATION & SENIOR CITIZENS:						
Division of Recreation	\$44,500.00	\$	\$44,500.00	\$43,677.04	\$822.96	\$
Salaries and Wages						
Other Expenses	2,500.00		2,500.00	2,500.00	0.00	
Community School Program	80,000.00		80,000.00	79,760.81	239.19	
Miscellaneous Expenses	4,000.00		4,000.00	4,000.00	0.00	
Other Expenses - Project Graduation	7,500.00		7,500.00	7,499.39	0.61	
Other Expenses - Memorial Day						
Senior Citizens Center	18,500.00		18,500.00	16,818.04	1,681.96	
Salaries and Wages	5,000.00		5,000.00	3,199.75	1,800.25	
Other Expenses-Miscellaneous						
Division of Recreation	3,000.00		3,000.00	3,000.00	0.00	
Senior Annual Dinner Dance						
UNIFORM CONSTRUCTION CODE: (N.J.S.A.52:27D-120 et seq)						
CONSTRUCTION CODE OFFICIAL	137,000.00		137,000.00	132,656.18	4,343.82	
Salaries and Wages	4,500.00		4,404.41	4,404.41	0.00	
Other Expenses						
Plumbing/Fire Sub-Code Official-Salaries and Wages	40,000.00		41,000.00	40,263.62	736.38	
UNCLASSIFIED:						
Field Maintenance	11,000.00		4,500.00	4,490.15	9.85	
TOTAL OPERATIONS WITHIN "CAPS"	\$12,421,803.00	\$0.00	\$12,421,403.00	\$12,389,372.80	\$32,030.20	\$0.00
Detail:						
Salaries and Wages	6,724,663.00		6,711,163.00	6,683,654.15	27,508.85	
Other Expenses (Including Contingent)	5,697,140.00		5,710,240.00	5,705,718.65	4,521.35	

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See Accompany Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

A-3

STATEMENT OF EXPENDITURES

	APPROPRIATIONS			EXPENDED		
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Lapsed
DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"						
DEFERRED CHARGES:						
Prior Year Bills	\$90,000.00	\$	\$90,000.00	\$89,967.77	\$22.23	\$
STATUTORY EXPENDITURES:						
Contributions to:						
Public Employees' Retirement System - ERI	29,736.00		29,736.00	29,736.00	0.00	
Public Employees' Retirement System (PERS)	\$140,397.00		140,397.00	125,677.96	14,719.04	
Social Security System (O.A.S.I.)	240,000.00		240,000.00	226,278.87	13,721.13	
Police and Fireman's Retirement System of NJ	467,563.00		472,563.00	472,562.80	0.20	
Pension of Widow of Volunteer Fireman (R.S. 43:12-28.1)	5,000.00				0.00	
Pension Volunteer Fire	90,000.00		85,100.00	85,100.00	0.00	
Pension Volunteer Ambulance	43,000.00		44,850.00	44,850.00	0.00	
TOTAL DEFERRED CHARGES AND STATUTORY EXPEND-MUNICIPAL WITHIN "CAPS"	1,105,696.00	0.00	1,102,646.00	1,074,173.40	28,472.60	0.00
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	13,527,499.00	0.00	13,524,049.00	13,463,546.20	60,502.80	0.00
OPERATIONS EXCLUDED FROM "CAPS"						
Division of Sewers						
Passaic Valley Sewerage Commission - Contractual	790,000.00		790,000.00	789,363.55	636.45	
Borough of Lodi-Contractual	20,000.00		20,000.00	20,000.00	0.00	
Maintenance of Free Public Library (Chap. 82, P.L. 1985)	811,589.00		811,589.00	806,107.10	5,481.90	
Garbage and Trash Removal Tonnage Tax	18,000.00		21,450.00	21,450.00	0.00	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Reserve						
Body Armor Replacement Fund	3,107.68		3,107.68	3,107.68	0.00	
Body Armor Replacement Fund	3,107.68		3,107.68	3,107.68	0.00	

(Continued Next Page)

See Accompany Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009  
STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS			EXPENDED		
	Budget	Emergency Appropriation	Budget Alter Modification	Paid or Charged	Reserved	Unaud.
Clean Communities Program	\$18,915.50	\$	\$18,915.50	\$18,915.50	\$0.00	\$
FEMA Firefighter Grant	81,349.00		81,349.00	81,349.00	0.00	
COAH OE Expenses	50,000.00		50,000.00	50,000.00	0.00	
Community Development Grant - Senior Citizens	82,914.00		82,914.00	82,914.00	0.00	
Recycling Tonnage Grant	17,294.66		17,294.66	17,294.66	0.00	
TOTAL PUBLIC AND PRIVATE PROGRAMS	256,688.52	0.00	256,688.52	256,688.52	0.00	0.00
OFFSET BY REVENUES	1,896,277.52	0.00	1,899,727.52	1,893,609.17	6,118.35	0.00
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"						
Detail:						
Salaries and Wages	0.00	0.00	0.00	0.00	0.00	0.00
Other Expenses	1,896,277.52	0.00	1,899,727.52	1,893,609.17	6,118.35	0.00
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	75,000.00		75,000.00	75,000.00	0.00	
New Jersey Transportation Trust Fund Authority Act	200,000.00		200,000.00	200,000.00	0.00	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	275,000.00	0.00	275,000.00	275,000.00	0.00	0.00
MUNICIPAL DEBT - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	771,359.00		771,359.00	771,358.75	0.25	
Interest on Bonds	1,021,415.00		1,021,415.00	1,021,383.07	31.93	
Interest on Notes	53,506.00		53,506.00	53,507.27	1.38	73
TOTAL MUNICIPAL DEBT - EXCLUDED FROM "CAPS"	1,846,280.00	0.00	1,846,280.00	1,846,109.09	0.00	170.91
DEFERRED CHARGES:						
Emergency Authorizations	257,730.00		257,730.00	257,730.00	0.00	
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	84,000.00		84,000.00	84,000.00	0.00	
TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"	341,730.00	0.00	341,730.00	341,730.00	0.00	0.00
TOTAL GENERAL APPROPRIATIONS - EXCLUDED FROM "CAPS"	4,349,287.52	0.00	4,362,737.52	4,356,448.26	6,118.35	170.91
Subtotal General Appropriations	17,886,786.52	0.00	17,886,786.52	17,819,994.46	66,621.15	170.91
Reserve for Uncollected Taxes	536,300.00		536,300.00	536,300.00	0.00	0.00
TOTAL GENERAL APPROPRIATIONS	\$18,423,086.52	\$0.00	\$18,423,086.52	\$18,356,294.46	\$66,621.15	\$170.91
	A-2	A-1	Below	A		A-1
Reference						
A-4	Cash Expended		\$17,373,786.76			
A-2	Reserve for Uncollected Taxes		536,300.00			
A-4	Budget Offsets		(317,918.17)			
A-16	Encumbrance Payable		109,241.35			
E-2	Grant Fund Reserves		30,240.52			
C-17	Revaluation - Deferred Charge Due to Capital		84,000.00			
C-8	Due to Capital Fund - Grants Unexpended		282,914.00			
A-25	Deferred Charges - Current Fund		257,730.00			
Above			\$18,356,294.46			

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
TRUST FUND

COMPARATIVE STATEMENT OF FINANCIAL POSITION

B

		At December 31,	
	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>			
<u>Self-Insurance Trust Fund</u>			
Cash	B-1	\$ 35,367.51	\$ 12,109.01
Due from Current Fund	A,B-2		41,644.51
		35,367.51	53,753.52
 <u>Unemployment Insurance Trust Fund</u>			
Cash	B-1	32,584.65	25,714.37
Due from Payroll Account	B-23	772.88	934.12
Due from Payroll Agency Account	B-6		6,462.33
		33,357.53	33,110.82
 <u>Animal License Fund</u>			
Cash	B-1	11,969.71	41,127.83
Due From State of New Jersey	B-8	5.40	4.20
		11,975.11	41,132.03
 <u>Other Trust Funds</u>			
Cash-Trust Funds		2,137,052.86	1,907,760.82
Cash-Payroll Agency		33,107.72	50,956.35
Cash-Payroll Account		6,291.14	1,453.07
	B-1	2,176,451.72	1,960,170.24
Due from Unemployment Trust-Treasurer's Trust	B-22		2,090.07
Due from Grant Fund-Police Department Trust	E	11,775.28	11,775.28
		2,188,227.00	1,974,035.59
 <b>TOTAL ASSETS</b>		 <b>\$2,268,927.15</b>	 <b>\$2,102,031.96</b>

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
TRUST FUND

**COMPARATIVE STATEMENT OF FINANCIAL POSITION**  
**(CONTINUED)**

B

		At December 31,	
	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<b>LIABILITIES, RESERVE AND FUND BALANCE</b>			
<u>Self-Insurance Trust Fund</u>			
Reserve for Health Insurance	B-3	\$35,367.51	\$40,837.52
Due to Water Operating Fund	D, B-7		12,916.00
		35,367.51	53,753.52
<u>Unemployment Insurance Trust Fund</u>			
Reserve For Expenditures	B-4	33,357.53	26,020.75
Due to Water Operating Fund	D, B-5		5,000.00
Due to Treasurer's Trust	B-22		2,090.07
		33,357.53	33,110.82
<u>Animal License Fund</u>			
Due to Current Fund	A, B-9	4,024.91	32,914.23
Overpayment	B-1	7.00	
Reserve for Dog License Expenditures	B-10	7,943.20	8,217.80
		11,975.11	41,132.03
<u>Other Trust Funds</u>			
Due to Current Fund	A, B-11	2,825.37	18,380.84
WTC Relief Fund	B-12	501.35	501.35
Due to Unemployment Trust Fund from Payroll Agency	B-6		6,462.33
Due to Unemployment Trust Fund from Payroll Account	B-23	772.88	934.12
Escrow Deposits	B-13	65,940.26	66,740.26
Community Projects / Town Picnic	B-14	1,551.07	1,550.78
Reserve for POAA	B-15	5,346.82	4,982.00
Reserve for Police Outside Overtime Escrow Acct	B-20	35,173.91	29,853.74
Payroll Deductions Payable	B-16	37,552.27	44,154.58
Special Reserves and Trust Fund Deposits	B-17	2,029,908.68	1,787,946.15
Due to VCCB	B-18	7,154.39	11,129.44
Reserve for Tax Sale Premium	B-19	1,500.00	1,400.00
		2,188,227.00	1,974,035.59
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$2,268,927.15</b>	<b>\$2,102,031.96</b>

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

COMPARATIVE STATEMENT OF FINANCIAL POSITION

C

	<u>Reference</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<b>ASSETS</b>			
Cash	C-2	\$1,397,685.93	\$1,211,437.95
Grants Receivable-Without Reserves	C-5	453,388.90	1,176,961.56
Due From Water Capital Fund	C-4		7,168.31
Due From Current Fund	A,C-8	105,488.40	434,288.50
Due From Board of Education	C-12	37,500.00	
Due From NJ Environmental Infrastructure Loan Receivable	C-21	56,846.00	1,123,798.00
Deferred Charges to Future Taxation			
Funded	C-6	21,692,554.02	22,463,912.77
Unfunded	C-7	4,545,096.00	4,450,096.00
Special Emergency - Revaluation	C-17	167,000.00	251,000.00
<b>TOTAL ASSETS</b>		<u>\$28,455,559.25</u>	<u>\$31,118,663.09</u>
 <b>LIABILITIES, RESERVE AND FUND BALANCE</b>			
Serial Bonds	C-15	\$19,755,644.59	\$20,440,758.77
Bond Anticipation Notes	C-14	2,550,096.00	2,425,250.00
NJ Environmental Infrastructure Trust Loan	C-22	1,936,909.43	2,023,154.00
Improvement Authorizations			
Funded	C-9	896,846.32	1,275,385.02
Unfunded	C-9	2,292,746.00	2,321,069.28
Capital Improvement Fund	C-10	105,506.71	135,506.71
Encumbrances Payable	C-18	115,895.39	1,404,090.71
Reserve for Revaluation	C-19		111,474.65
Reserve for Payment of BANS/Bonds	C-11	695,139.69	875,942.54
Due to Water Operating Fund	C-13		1,065.82
Reserve for Accrued Interest	C-19		0.00
Reserve for Mount Laurel Development	C-20	100,000.00	100,000.00
Fund Balance	C-1	6,775.12	4,965.59
<b>TOTAL LIABILITIES, RESERVE AND FUND BALANCE</b>		<u>\$28,455,559.25</u>	<u>\$31,118,663.09</u>

There were bonds and notes authorized but not issued on December 31, 2009  
in the amount of \$1,995,000 (Exhibit C-16).

STATEMENT OF FUND BALANCE

C-1

Balance December 31, 2008	Reference C		\$4,965.59
Increased by:			
Canceled Ordinances	C-9	\$215,592.70	
Cancel Reserve for Pmt of BANS	C-11	<u>245,387.25</u>	
			<u>460,979.95</u>
Decreased by:			
Grants Canceled	C-5	261,670.42	
Funding of Bond Ordinance	C-7,16	<u>197,500.00</u>	
			<u>459,170.42</u>
Balance December 31, 2009	C		<u>\$6,775.12</u>

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND

COMPARATIVE STATEMENT OF FINANCIAL POSITION

D

		<u>At December 31,</u>	
<b>ASSETS</b>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<b>Operating Fund:</b>			
Cash	D-4	\$98,847.56	\$393,882.82
Change Fund	D-5	20.00	20.00
Due from Unemployment Trust	B,D-21		5,000.00
Consumer Accounts Receivable	D-6	208,575.33	135,935.45
Water Utility Liens	D-7	3,571.27	3,571.27
Due from Self-Insurance Trust Fund	B		12,916.00
Due from General Capital Fund	C,D-20		1,065.82
<b>Deferred Charges:</b>			
Over-Expenditure of Appropriations	D-11A	7,849.06	
Deficit in Operations-Current Year	D-11A	8,636.43	25,532.66
Total Operating Fund		327,499.65	577,924.02
<b>Capital Fund:</b>			
Cash	D-4	87,073.71	62,703.10
Cash-Water Main Project	D-4	10,134.20	10,114.27
Fixed Capital	D-8	2,447,025.79	2,447,025.79
Fixed Capital Authorized and Uncompleted	D-9	12,992.21	12,992.21
Due from Water Operating Fund	D-10	65.63	31,473.29
Total Capital Fund		2,557,291.54	2,564,308.66
<b>TOTAL ASSETS</b>		<b>\$2,884,791.19</b>	<b>\$3,142,232.68</b>
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>Operating Fund:</b>			
<b>Liabilities</b>			
Appropriation Reserves	D-3,11	\$973.02	\$16,393.19
Encumbrance Payable	D-12	3,827.96	15,593.93
Water Rent Overpayments	D-13	17,236.45	11,587.93
Due to Current Fund	A,D-14	20,726.58	
Accrued Interest on Bonds	D-22	25,035.10	25,369.24
Due to Water Capital Fund	D-10	65.63	31,473.29
Reserve for Receivable	D-6,7	212,146.60	139,506.72
Fund Balance	D-1	47,619.57	337,999.72
Total Operating Fund		327,630.91	577,924.02
<b>Capital Fund:</b>			
Water Utility Capital Bonds	D-23	1,394,355.41	1,434,241.23
Improvement Authorizations - Funded	D-15	12,992.21	12,992.21
Capital Improvement Fund	D-16	75,485.13	75,485.13
Due to General Capital Fund	D-19		7,168.31
Reserve for Amortization	D-17	1,017,993.33	978,107.51
Reserve for Deferred Amortization	D-18	46,200.00	46,200.00
Reserve for Water Main Project	D-24	10,134.20	10,114.27
Total Capital Fund		2,557,160.28	2,564,308.66
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$2,884,791.19</b>	<b>\$3,142,232.68</b>

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND

**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN OPERATING FUND BALANCE**

D-1

	<u>Reference</u>	<u>For the Years Ended December 31:</u>	
		<u>2009</u>	<u>2008</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>			
Surplus Anticipated	D-2	\$321,000.00	\$68,000.00
Water Rents and Delinquent Water Rents	D-2	2,004,557.44	1,995,077.51
Miscellaneous Charges	D-2	8,769.43	6,877.50
Interest on Investments	D-2	358.50	5,372.35
Unexpended Balance of Appropriation Reserves	D-11	16,393.19	40,597.65
Canceled Balance - Appropriations	D-3	8,637.52	0.80
Canceled Water Rents Overpayments		<hr/>	<hr/>
Total Income		<u>2,359,716.08</u>	<u>2,115,925.81</u>
 <b>EXPENDITURES</b>			
Operating	D-3	1,950,157.62	1,961,447.40
Statutory Expenditures	D-3	262,396.23	63,552.60
Debt Service	D-3	116,542.38	108,272.00
Accrued Interest on Bonds		<hr/>	<hr/>
Total Expenditures		<u>2,329,096.23</u>	<u>2,141,458.47</u>
<b>EXCESS/ (DEFICIT) IN REVENUES</b>		30,619.85	(25,532.66)
Deferred Charges to be Appropriated in Next Years Budget- Deficit In Operations	D-11A	<hr/>	<hr/>
		30,619.85	25,532.66 (0.00)
Fund Balance - Operating - January 1	D	<u>337,999.72</u>	<u>405,999.72</u>
		368,619.57	405,999.72
Utilization by Water Operating Budget	Above	<u>321,000.00</u>	<u>68,000.00</u>
<b>FUND BALANCE - OPERATING - DECEMBER 31</b>	D	<u><u>\$47,619.57</u></u>	<u><u>\$337,999.72</u></u>

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

STATEMENT OF REVENUES

D-2

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$321,000.00	\$321,000.00	\$ -
Rents	1,904,000.00	1,912,561.21	(8,561.21)
Miscellaneous	6,800.00	8,769.43	(1,969.43)
Interest on Investments	5,300.00	358.50	4,941.50
Delinquent Rents	91,996.23	91,996.23	0.00
	2,008,096.23	2,013,685.37	(5,589.14)
	\$2,329,096.23	\$2,334,685.37	\$5,589.14
<u>Reference</u>	D-3	D-1,Below	

Analysis of Revenue

Surplus Anticipated	D-1	\$321,000.00
Consumer Accounts Receivable:		
Cash Collections-Water Rents and Delinquent Rents	D-4,6	2,004,557.44
	D-1	2,004,557.44
Miscellaneous Charges:		
Water / Sewer Interest	D-4	8,769.43
	D-1,4	8,769.43
Interest on Investments:		
Cash Receipts	D-4	292.87
Due From Water Capital Fund	D-4,10	65.63
	D-1	358.50
 TOTAL	 Above	 \$2,334,685.37

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

STATEMENT OF EXPENDITURES

D-3

	Appropriated		Budget After Modification	Expended		Reserved	Lapsed	Over-expenditure
	Budget	Emergency		Paid or Charged				
<b>Operating:</b>								
Salaries and Wages	\$643,000.00	\$	\$643,000.00	\$642,267.47	\$732.53	\$		
Overtime	30,000.00		30,000.00	29,866.37	133.63			
Other Expenses	1,273,257.62		1,277,157.62	1,285,006.68	0.00			(7,849.06)
Total Operating	1,946,257.62	-	1,950,157.62	1,957,140.52	866.16			(7,849.06)
<b>Debt Service:</b>								
Payment of Bond Principal	39,886.00		39,886.00	39,885.82	0.18			
Interest on Bonds	76,656.38		76,656.38	68,019.04			8,637.34	
Total Debt Service	116,542.38	-	116,542.38	107,904.86	0.00		8,637.52	0.00
<b>Statutory Expenditures :</b>								
Social Security System (O.A.S.I.)	52,000.00		48,100.00	47,993.14	106.86			
Deficit in Operations	16,896.23		16,896.23	16,896.23	0.00			
Surplus (General Budget)	197,400.00		197,400.00	197,400.00	0.00			
Total Statutory Expenditures	266,296.23	-	262,396.23	262,289.37	106.86			
<b>TOTAL WATER UTILITY APPROPRIATIONS</b>	<b>\$2,329,096.23</b>	<b>\$ -</b>	<b>\$2,329,096.23</b>	<b>\$2,327,334.75</b>	<b>\$973.02</b>		<b>\$8,637.52</b>	<b>(\$7,849.06)</b>
				Below	D		D-1	D-11A
Cash Disbursements				\$2,286,218.12				
Encumbrances Payable				3,827.96				
Deferred Charges				16,896.23				
Accrued Interest Adjustment				(334.14)				
Due to Current Fund-Expended in Current Fund				20,726.58				
				<u>\$2,327,334.75</u>				

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
GRANT FUND

COMPARATIVE STATEMENT OF FINANCIAL POSITION

E

		At December 31,	
	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>			
Grants Receivable	E-3	\$95,313.22	\$97,090.09
Due from Current Fund	A,E-1	152,469.44	122,475.03
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>		<u>\$247,782.66</u>	<u>\$219,565.12</u>
 <b>LIABILITIES AND RESERVES</b>			
Reserve for Appropriated Grants	E-2	\$222,746.33	\$204,682.16
Reserve for Unappropriated Grants	E-4	13,261.05	3,107.68
Due to Trust Fund-Police Department Trust	B, E-5	11,775.28	11,775.28
		<hr/>	<hr/>
<b>TOTAL LIABILITIES AND RESERVES</b>		<u>\$247,782.66</u>	<u>\$219,565.12</u>

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
GENERAL FIXED ASSETS GROUP

**COMPARATIVE STATEMENT OF FINANCIAL POSITION**  
**(UNAUDITED)**

F

	At December 31,	
	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Land	\$13,708,700.00	\$7,716,700.00
Buildings	12,582,606.00	12,275,712.00
Machinery and Equipment	3,171,679.00	3,801,577.00
Vehicles	4,460,413.00	4,436,413.00
<b>TOTAL ASSETS</b>	<u>\$33,923,398.00</u>	<u>\$28,230,402.00</u>
 <b>FUND BALANCE</b>		
Investment in General Fixed Assets	<u>\$33,923,398.00</u>	<u>\$28,230,402.00</u>

Source for 2009:

Land - Tax Duplicate - Assessed Valuations

All other values are from the Insured Statement of Values

See Accompanying Notes to Financial Statements.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009

**1. Summary of Significant Accounting Policies**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with generally accepted accounting principles (GAAP).

The financial statements of the Township of Saddle Brook have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey (the "Division"). 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 Township accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

***A. Reporting Entity***

The Township of Saddle Brook (the "Township") operates under an elected Mayor/Council Falkner Act, Plan "A" form of government. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14, which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not issue financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. 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 Township do not include the municipal library, volunteer fire department or volunteer ambulance squad, which are component units under GAAP.

***B. Fund Accounting***

The Township 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 functions or activities.

Funds are classified as follows:

*Current Fund* - This fund is used to account for resources and expenditures for governmental operations of general nature.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009

(Continued)

1. Summary of Significant Accounting Policies (Continued)

*B. Fund Accounting (Continued)*

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Township as an agent for individual, private organization, or other governments are recorded in the Trust Fund. The Division of Local Government Services regulates the accounting for these funds.

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

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

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

Self-Insurance Fund - This fund is used to account for expenditures for health, workers compensation and auto and general liability insurance claims and premiums.

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

Deferred Compensation Fund - This fund is used to account for deferred compensation plan assets held by the Township in a trustee capacity for the Township's employees.

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

Grant Fund - This fund is used to account for receipts and disbursements from Federal and State Grants.

Water Utility Fund - Revenues and expenditures for the operation of the Township's water utility and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities for the water utility are accounted for in the capital section of the fund.

General Fixed Assets Account Group - To account for all fixed assets of the Township, other than those accounted for in the Water Utility Fund. The Township's infrastructure is not reported in the group. All fixed assets are valued at historical cost or insurable cost if the actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

1. Summary of Significant Accounting Policies (Continued)

*C. Basis of Accounting*

A modified accrual basis of accounting is followed by the Township of Saddle Brook. 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 for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units.

The more significant differences are as follows:

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the Municipal budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the municipality's Current Fund. Accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the municipality, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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 Township's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Utility Rents - Utility charges are levied semi-annually for residential users and quarterly for commercial users based upon a flat service charge and if applicable, an excess consumption or usage charge. 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 Township's water 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 Revenues - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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 Township and approved by the State Division of Local Government Services per N.J.S.A. 40A:4. Transfers can be made during the last two months and the first three months of the following year. The budget may also be amended by emergency appropriation which must be raised in the succeeding year's budget. Special items of revenue and corresponding expenditure may be added to the budget with special written consent from the Division of Local Government Services (Chapter 159).

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

- Trust Funds
- General Capital Fund
- Water Utility Capital Fund

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

Expenditures - are recorded in 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 December 31 are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled 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, which should be recognized when due.

Encumbrances - contractual orders outstanding at December 31 are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves - 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.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

Self-Insurance Contributions - payments to self-insurance funds are charged to current budget appropriations. GAAP requires payments to be accounted for as an operating transfer and not as expenditure.

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.

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.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost and are limited by N.J.S.A. 40A:5-15.1 to bonds or obligations of, or guaranteed by, the Federal Government and bonds or other obligations of Federal or local units having a maturity date not more than twelve months from the date of purchase.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

*Incurred But Not Reported (IBNR) Reserves* - The Township has not created a reserve for any potential unreported losses which have taken place but in which the Township has not received notices or report of losses. Additionally, the Township has not recorded a liability for those claims filed, but which have not been paid. GAAP requires the establishment of reserves for such potential claims, if material.

*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 and not when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

*Use of Estimates* - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

*General Fixed Assets* - N.J.A.C. 5:30-5.6 codifies fixed asset accounting, the Technical Accounting Directive No. 86-2 (the "TAD") took affect in 1986. This TAD required local units to create and maintain a fixed asset accounting system for their physical assets. The requirement has now been codified as N.J.A.C. 5:30-5.6. The codification updates the definition of a fixed asset to refer to the 1997 edition of the U.S. Office of Management and Budget Circular A-87, Cost Principals for State, Local and Indian Governments. The regulation continues the requirement of the local units to:

1. Place a value of all fixed assets put into service
2. Have a subsidiary ledger of detailed records of fixed assets
3. Provide property management standards to control fixed assets
4. Provide a statement of fixed assets in the annual audit.

GAAP requires that fixed assets be capitalized at historical cost or at estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded. Schedule F of the Financial Statement will disclose the major classes of Fixed Assets as of December 31, 2007 and December 31, 2006, no depreciation has been provided for in the financial statements.

Fixed Assets purchased after December 31, 1989 are stated as cost. Fixed Assets purchased prior to December 31, 1989 are stated as follows:

Land and Buildings	Estimated Market Value
Machinery and Equipment	Estimated Market Value

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**2. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

***General Fixed Assets (Continued)***

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 Water 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 replacement 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 represent charges to operations for the costs of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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

***D. Basic Financial Statements***

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements in accordance with GAAP. The Township 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 GAAP.

**3. Cash and Cash Equivalents**

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**2. Cash and Cash Equivalents (Continued)**

At December 31, 2009, the Township of Saddle Brook had the following cash held by a custodial bank or financial institution:

Current Fund	\$ 1,235,571.09
Trust Funds	2,256,373.59
Capital Fund	1,397,685.93
Water Utility Fund	98,847.56
Water Capital Fund	87,073.71
Water Main Project	10,134.20
	<hr/>
	\$ 5,085,686.08
Municipal Court *	
- Bail Account	\$ 36,382.87
- Fines and Costs	57,412.43
	<hr/>
	\$ 93,795.30
	<hr/>

**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 Township's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A: 5-15.1(a) that are treated as cash equivalents. As of December 31, 2009, \$0 of the Borough's bank balance of \$ 5,767,822.52 was exposed to custodial credit risk.

The carrying amount of the Township's cash at December 31, 2009 was \$ 5,179,481.38 and the bank balance was \$ 5,767,822.52, of which \$209,285.98 was covered by federal depository insurance and \$5,558,536.54 was covered by the State of New Jersey, Governmental Unit Deposit Protection Act.

**Investments**

When authorized by a cash management plan approved pursuant to N.J.S.40A:5-14, any local unit may use moneys which may be in hand for the purchase of securities, as listed under Title 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**2. Cash and Cash Equivalents (Continued)**

4. Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
5. Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund; or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. The underlying securities are permitted investments pursuant to paragraphs 1 and 3 above;
  - b. The custody of collateral is transferred to a third party;
  - c. The maturity of the agreement is not more than 30 days;
  - d. The underlying securities are purchased through a public depository as defined in statute; and
  - e. A master repurchase agreement providing for the custody and security of collateral is executed.

**Interest Rate Risk.** The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A: 5-15.1(a) limits the length of time for most investments to 397 days.

**Credit Risk.** New Jersey Statutes 40A: 5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The Township places no limit on the amount the Township may invest in any one issuer.

The Township of Saddle Brook did not have any investments outstanding during and for the year ended December 31, 2009 except for one certificate of deposit at Columbia Savings Bank with a balance of \$ 100,490.14 for Community Youth Center Trust Account.



TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**3. Long-Term Debt (Continued)**

The statement of debt condition which follows is extracted from the Township's Annual Debt Statement indicates a statutory net debt of 1.084 %.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Debt	\$ 18,023,000.00	\$ 18,023,000.00	\$ -
Utility Debt	1,394,355.41	1,394,355.41	-
General Debt	26,237,650.02	-	26,237,650.02
<b>Total</b>	<u>\$ 45,655,005.43</u>	<u>\$ 19,417,355.41</u>	<u>\$ 26,237,650.02</u>

Net debt \$ 26,237,650 divided by Equalized Valuation Basis per N.J.S.40A:2-2  
 \$ 2,421,464,260 equals 1.084 %.

The Township's remaining borrowing power under N.J.S. 40A:2-6 at December 31, 2009 was as follows:

<u>Borrowing Power</u>	
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 84,751,249.00
Net Debt	26,237,650.02
Remaining Borrowing Power	<u>\$ 58,513,598.98</u>

<u>Calculation of "Self-Liquidating Purpose", Water Utility</u>	
Cash Receipts from Fees, Rents or Other Charges	\$ 2,013,685.00

<u>Deductions:</u>	
Operating and Maintenance Cost (Net of Appr. Canceled)	\$ 2,005,134.00
Debt Service	107,905.00
Total Deductions	<u>2,113,039.00</u>
Excess/(Deficit) in Revenues	<u>\$ (99,354.00)</u>

TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**3. Long-Term Debt (Continued)**

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

**General Obligation Bonds**

**General Obligation Bonds-County Guaranteed Governmental Loan Bonds**

**\$21,394,942.75**, 2006 Bonds, due in annual installments of:

\$588,466.01 due 8/17/10, interest at 3.50%;  
 \$607,147.47 due 8/17/11, interest at 3.75%;  
 \$630,499.30 due 8/17/12, \$653,851.12 due 8/17/13,  
 \$677,202.95 due 8/17/14, interest at 3.75%; \$705,225.14 due  
 8/17/15, interest at 3.80%; \$728,576.96 due 8/17/16,  
 \$770,610.25 due 8/17/17, interest at 5.50%; \$812,643.54 due  
 8/17/18, \$854,676.82 due 8/17/19, \$896,710.11 due 8/17/20,  
 \$938,743.40 due 8/17/21, \$990,117.41 due 8/17/22,  
 \$1,036,821.06 due 8/17/23, \$1,088,195.08 due 8/17/24,  
 \$1,144,239.46 due 8/17/25, \$1,200,283.84 due 8/17/26,  
 \$1,260,998.59 due 8/17/27, \$1,321,713.34 due 8/17/28,  
 \$1,391,768.81 due 8/17/29, \$1,457,153.93 due 8/17/30,  
 interest at 5.00%.

\$19,755,644.59

**Total, General Obligation Serial Bonds**

**\$ 19,755,644.59**

**Bond Anticipation Notes - \$1,565,000.00**, issued March 4, 2009,  
 due March 4, 2010 bearing interest of 2.36%, and, **\$984,596.00**,  
 issued September 28, 2009, due March 4, 2010, bearing interest  
 of 1.00%.

**\$ 2,550,096.00**

**New Jersey Environmental Infrastructure Trust Loan**

**\$ 1,936,909.43**

**Total General Obligation Serial Bonds, Bond Anticipation Notes, and  
 Loans:**

**\$ 24,242,650.02**

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**3. Long-Term Debt (Continued)**

The Township's principal and interest for bonded debt issued and outstanding is as follows:

<u>Calendar Year</u>	<u>General</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 588,466.01	\$ 971,838.71
2011	\$ 607,147.47	\$ 945,879.71
2012	\$ 630,499.30	\$ 902,515.37
2013	\$ 653,851.12	\$ 878,871.65
2014	\$ 677,202.95	\$ 854,352.23
2015-2019	\$ 3,871,732.71	\$ 3,791,976.88
2020-2024	\$ 4,950,587.06	\$ 3,389,751.03
2025-2029	\$ 6,319,004.04	\$ 1,342,963.50
2030	\$ 1,457,153.93	\$ 72,857.70
	<u>\$ 19,755,644.59</u>	<u>\$ 13,151,006.78</u>

Water Utility Debt

**Water Utility - County Guaranteed Governmental Loan Bonds**

<b>\$ 1,510,057.25</b>	2006 Bonds, due in annual installments of: \$41,533.99 due 8/17/10, interest at 3.50%; \$42,852.53 due 8/17/11, interest at 3.75%; \$44,500.70 due 8/17/12, \$46,148.88 due 8/17/13, \$47,797.05 due 8/17/14, interest at 3.75%; \$49,774.86 due 8/17/15, interest at 3.80%; \$51,423.04 due 8/17/16, \$54,389.75 due 8/17/17, interest at 5.50%; \$57,356.46 due 8/17/18, \$60,323.18 due 8/17/19, \$63,289.89 due 8/17/20, \$66,256.60 due 8/17/21, \$69,882.59 due 8/17/22, \$73,178.94 due 8/17/23, \$76,804.92 due 8/17/24, \$80,760.54 due 8/17/25, \$84,716.16 due 8/17/26, \$89,001.41 due 8/17/27, \$93,286.66 due 8/17/28, \$98,231.19 due 8/17/29, \$102,846.07 due 8/17/30, interest at 5.00%.	<u>\$ 1,394,355.41</u>
		<u>\$ 1,394,355.41</u>

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**3. Long-Term Debt (Continued)**

The Township's principal and interest for Water Utility bonded debt issued and outstanding is as follows:

<u>Calendar Year</u>	<b>General</b>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 41,533.99	\$ 66,760.29
2011	\$ 42,852.53	\$ 65,306.60
2012	\$ 44,500.70	\$ 63,699.63
2013	\$ 46,148.88	\$ 62,030.85
2014	\$ 47,797.05	\$ 60,300.27
2015-2019	\$ 273,267.29	\$ 267,638.12
2020-2024	\$ 349,412.94	\$ 191,320.06
2025-2029	\$ 445,995.96	\$ 94,786.50
2030	\$ 102,846.07	\$ 5,142.30
	<u>\$ 1,394,355.41</u>	<u>\$ 876,984.62</u>

**Interfund Receivables and Payables**

Interfund receivables and payables at December 31, 2009 were as follows:

<u>Fund Type</u>	<u>Receivables</u>	<u>Payables</u>
Current	\$27,576.86	\$257,957.84
Trust	12,548.16	7,623.16
Capital	105,488.40	
Water Utility		20,792.21
Water Capital	65.63	
Grant	152,469.44	11,775.28
Total Interfund Receivables/Payables	<u>\$298,148.49</u>	<u>\$298,148.49</u>

**4. Contingencies**

***Litigation***

The Township is a party to various legal proceedings, which normally occur in governmental operations. The Township Attorney has reported in accordance with Financial Accounting Standards No. 5; and it is in his opinion, that there are no measurable contingent liabilities that would result in a material liability to the Township, in relation to its financial position.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**5. Risk Management -Claims and Judgments**

*Insurance/Risk Management*

On December 16, 2008 the township signed an agreement with Horizon Blue Cross Blue Shield of New Jersey for health insurance. The Township's health insurance benefits provide for preventative care, diagnostic procedures, hospital care, mental health service and other services. Individual or family coverage is provided as well as in net-work and out-of-network options. As with most health care coverage, when program participants receive care from Horizon BCBS of NJ network providers, the cost of health care services is less than use of out-of-network providers. When participants use in-network facilities or doctors, they will generally only pay their co-payment and any applicable in-network coinsurance or deductible. Should a participant choose to have services performed by an out-of-network facility or provider, they are responsible for the amounts exceeding Horizon BCBSNJ's allowable reimbursement for that particular service.

With respect to the liability and workers comp insurance, the Township is a member of the South Bergen Municipal Joint Insurance Fund (JIF). The South Bergen Municipal Joint Insurance Fund was created on January 1, 1992, and is organized pursuant to N.J.S.A. 40A:10-36 et seq. The Fund is a self-administered group of municipalities established for the purpose of providing low-cost insurance coverage to member municipalities. The following coverages are offered by the Fund to its members: property damage, liability (other than automobile), automobile liability, worker's compensation and employers' liability. Participating municipalities are also members of the Municipal Excess Liability Joint Insurance Fund that provides excess insurance for all coverage except property. Excess property coverage is purchased from a commercial carrier. Fund members are subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities. The Fund considers anticipated investment income when assessing the adequacy of reserves. Claims are paid directly from JIF up to maximum coverage of \$1,000,000 (General Liability) & \$200,000 (Workmen's Compensation) for any one accident or occurrence with any excess benefit being paid up to an additional \$5,000,000 (General Liability) & \$2,000,000 (Workmen's Compensation) through a reinsurance agreement with Municipal Excess Liability & Municipal Excess Liability Joint Insurance Fund.

The Township has not created a loss reserve for claims incurred which were unpaid at December 31, 2009. In addition, the Township has not created a reserve for any potential unreported losses which have taken place but in which the Township has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the Township under existing reinsurance agreements. There has been no reduction in insurance coverage from prior years and settlements did not exceed insurance coverage for the past three years.

TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**5. Risk Management -Claims and Judgments (Continued)**

*Claims and Judgments*

The Township 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 Township may be required to reimburse the grantor government. As of December 31, 2009, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Township believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Township.

**6. Fund Balances Appropriated**

Fund balances at December 31, 2009, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2010, were as follows:

Current Fund	\$325,000.00
Water Utility Fund	\$47,485.49

The above fund balance amount appropriated represents the surplus anticipated in the 2010 introduced municipal budget.

**7. Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2009, the following deferred charges were listed in the Unaudited Annual Financial Statement of Current Fund and Water Utility Fund, and raised in the 2010 Budget.

	Audited Balance	2010 Budget	Subsequent
<u>Capital Fund</u>			
Special Emergency - Revaluation	\$167,000.00	\$84,000.00	\$83,000.00
 Water Utility Fund			
Overexpenditure of Appropriations	7,849.06	7,849.06	0.00
Deficit in Operations-Prior Year	8,636.43	8,636.43	0.00
	\$183,485.49	\$100,485.49	\$83,000.00

TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**8. Taxes Collected In Advance**

Taxes collected in advance, and the amounts set forth as cash liabilities in the financial statements are as follows:

	Balance <u>Dec. 31, 2009</u>	Balance <u>Dec. 31, 2008</u>
Prepaid Taxes	\$183,184.53	\$164,605.18

**9. Retirement Plans**

*Description of Plans*

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemen's Retirement System (PFRS) or the Public Employees' Retirement System (PERS). Those systems are sponsored and administered by the State of New Jersey and are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for PERS and PFRS. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625.

*Public Employees' Retirement System (PERS)*

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system or other state or local jurisdiction.

*Police and Firemen's Retirement System (PFRS)*

The Police and Firemen's Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.

TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**9. Retirement Plans (Continued):**

*Funding Policy*

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 employees. 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 and 8.5% for PFRS of the employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in PERS and PFRS. The Borough's contributions to PERS and PFRS were as follows:

Year Ended December 31,	PERS Amount	PFRS Amount
2009	\$ 155,413.96	\$ 472,562.80
2008	184,136.94	814,952.80
2007	96,509.00	516,122.20

*Deferred Compensation Plan*

The Township of Saddle Brook maintains a Deferred Compensation Plan in accordance with the Internal Revenue Code Section 457. Any employee of the Township is eligible to participate in the Plan. Participation in the Plan is entirely voluntary on the part of each employee. The Township does not and is not required to make contributions to the Plan. Nationwide Retirement Solutions, Inc. is the administrator of the Plan. Fund assets at December 31, 2009 totaled \$ 1,727,432.77. An independent review of the Plan is performed annually, separate from the annual audit.

**10. Post Employment Benefits**

The Township of Saddle Brook pays health insurance for employees who have retired only after they have completed 25 years or more of service. Currently the Township has 37 retired employees that have this benefit. In 2009, the costs of these health insurance benefits were \$ 68,265.01.

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**11. Compensated Absences**

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

The maximum sick leave benefit an employee is entitled to at retirement depends upon the actual years of service; however, the maximum number of days an employee is entitled to is 225 days for blue and white collar employees and 383 days for police department.

It is estimated that the unaudited current cost of such unpaid compensation would approximate \$ 1,295,495.22 for sick pay and \$ 0.00 for unused vacation pay. This amount, which is considered material to the financial statements, is not reported either as an expenditure or liability.

**12. Leases**

On April 12, 2007, the Township of Saddle Brook entered into a 36-month lease-purchase agreement with Ford Motor Credit Company for (6) 2007 Dodge Chargers for the Police Department. The annual payments of \$ 49,440.70 began on October 11, 2007. The total cost of the (6) vehicles is \$139,579.40. The lease bears interest of 6.4% and the total lease payments are \$148,322.10.

**13. Property Tax Calendar**

The Township of Saddle Brook property taxes are due the first of February, May, August, and November. The levy is determined upon certification of tax rate by the county. Liens are sold at a tax sale in the subsequent year. The tax sale was held for 2009 taxes on December 16, 2009.

**14. Municipal Court**

Municipal Court will be found in a separate municipal audit report. There were no comments.

TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**15. Comparative Schedule of Fund Balances**

Current Fund	<u>Year</u>	Balance <u>December 31</u>	Utilized In Budget of <u>Succeeding Year</u>
	2009	\$ 335,383.93	\$ 325,000.00
	2008	521,969.20	257,547.92
	2007	1,415,268.55	1,033,000.00
	2006	2,251,033.11	1,900,000.00
	2005	2,005,896.23	1,000,000.00

Water Utility Operating Fund	<u>Year</u>	Balance <u>December 31</u>	Utilized In Budget of <u>Succeeding Year</u>
	2009	\$ 47,619.57	\$ 47,485.49
	2008	337,999.72	321,000.00
	2007	405,999.72	68,000.00
	2006	401,636.96	328,900.00
	2005	404,636.96	-
	2004	10,150.78	0.00

**16. Comparative Schedule of Tax Rate Information**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Tax Rate	<u>1.885</u> *	<u>3.525</u>	<u>3.300</u>	<u>3.120</u>	<u>2.940</u>	<u>2.750</u>

**Apportionment of Tax Rate**

Municipal	0.595	1.133	1.016	0.915	0.902	0.818
County	0.207	0.385	0.348	0.33	0.296	0.291
Local School	1.083	2.007	1.936	1.875	1.742	1.641

\* Revaluation

TOWNSHIP OF SADDLE BROOK  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2009  
 (Continued)

**16. Comparative Schedule of Tax Rate Information (Continued)**

Net Valuation Taxable as listed in the Bergen County Board of Taxation Levy Duplicate

2009	<u>\$2,469,388,148</u>	* Revaluation
2008	<u>\$1,188,560,803</u>	
2007	<u>\$1,186,063,206</u>	
2006	<u>\$1,168,694,606</u>	
2005	<u>\$1,163,358,395</u>	
2004	<u>\$1,153,990,034</u>	

Under the provisions of Chapter 173, P.L. 1963 (R.S. 54:4-46.1) the County Board of Taxation must add the estimated amount of approved Veterans' and Senior Citizens' tax deductions to the required tax levy for the purpose of computing the above tax rates. The total amount of such tax deductions used in computing the 2009 tax rate was \$177,500.00.

**17. Comparison of Tax Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2009	\$ 43,281,950.64	\$ 42,829,290.37	98.95%
2008	42,053,812.35	41,520,173.25	98.73%
2007	39,277,734.97	38,930,911.31	99.12%
2006	36,861,478.37	36,357,493.96	98.63%
2005	34,377,090.11	34,014,922.57	98.95%
2004	32,031,899.55	31,618,724.77	98.71%

TOWNSHIP OF SADDLE BROOK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009  
(Continued)

**18. Delinquent Taxes and Tax Title Liens**

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

<u>December Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total</u>	<u>Percentage of Tax Levy</u>
2009	\$ 101,530.03	\$ 339,618.88	\$ 441,148.91	1.02%
2008	97,092.73	442,955.69	540,048.42	1.28%
2007	0.00	292,546.15	292,546.15	0.75%
2006	0.00	406,494.71	406,494.71	1.10%
2005	78,008.27	310,049.58	388,057.85	1.12%
2004	174,854.51	364,161.70	539,016.21	1.68%

**19. Property Acquired by Tax Title Lien Liquidation**

The value of property acquired by liquidation on tax title liens at December 31, on the basis of the last assessment valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2009	\$ 742,249.00
2008	742,249.00
2007	934,149.00
2006	934,149.00
2005	742,249.00
2004	742,249.00

**20. Comparison of Water Utility Levies**

<u>December Year</u>	<u>Levy</u>	<u>Cash Collection</u>	<u>Percentage of Collection</u>
2009	\$ 2,077,197.32	\$ 2,004,557.44	96.50%
2008	2,032,554.79	1,988,833.29	97.85%
2007	2,043,267.43	2,031,782.11	99.44%
2006	1,867,018.58	2,028,253.43	108.64%
2005	1,777,372.62	1,886,169.45	106.12%
2004	1,987,760.00	1,445,948.15	72.74%

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF CASH - TREASURER

A-4

	<u>Reference</u>		
Balance December 31, 2008	A		\$1,676,081.66
Increased by Receipts:			
Taxes Receivable	A-5,8	\$42,782,868.76	
Miscellaneous Revenue Anticipated	A-2	3,559,818.98	
Non-Budget Revenue	A-2	36,121.06	
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	A-7	250,906.17	
Tax Overpayments	A-18	59,868.12	
Outside Tax Title Liens	A-9	66,729.59	
Prepaid Taxes	A-17	183,184.53	
Budget Offsets	A-3	317,918.17	
Fees Payable	A-21	14,301.00	
Transfer from Water Operating Fund-Interfund	Contra	50,000.00	
Transfer from Capital Fund-Interfund	C-8	700,000.00	
Interfund Capital Fund	Contra	400,036.00	
Due from Animal License Fund	B-1	32,914.23	
Due from Other Trust Fund	B-1	20,063.56	
Interfund Escrow Fund	Contra	7,885.00	
Due to Other Trust Fund-Developers Fee (Mount Laurel)	Contra	12,500.00	
Due to Grant Fund-Municipal Alliance Grant Receivable	E-3	4,884.55	
Due to Grant Fund -Unappropriated Grants Rec.	E-4	13,261.05	
			48,513,260.77
			50,189,342.43
Decreased by Disbursements:			
2009 Budget Appropriations	A-3	17,373,786.76	
2008 Appropriation Reserves	A-13	276,087.72	
County Taxes Payable	A-19	4,728,847.18	
Local District School Taxes Payable	A-20	24,800,734.00	
Fees Payable-Due State of New Jersey	A-21	13,574.00	
Transfer From Water Operating Fund- Interfund	Contra	50,000.00	
Due to Self-Insurance Fund	B-1	41,644.51	
Grant Fund Expenditures	E-2	12,176.35	
Due to Capital Fund	C-8	1,112,768.72	
Interfund Capital Fund	Contra	400,036.00	
Interfund Escrow Fund	Contra	7,885.00	
Due to Other Trust Fund-Developers Fee (Mount Laurel)	Contra	12,500.00	
Refund of Tax Overpayments	A-18	81,255.81	
Outside Tax Title Liens Payable	A-9	19,049.98	
Due to Other Trust Fund	B-1	2,698.73	
Due from Water Operating	D-14	20,726.58	
			48,953,771.34
Balance December 31, 2009	A		\$1,235,571.09

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF CASH - COLLECTOR**

A-5

	<u>Reference</u>		
Balance December 31, 2008	A		\$0.00
Increased by:			
Tax Overpayments	A-18	\$59,868.12	
Revenue Accounts Receivable	A-12	110,053.84	
Taxes Receivable	A-4, 8	42,782,868.76	
2010 Prepaid Taxes	A-17	<u>183,184.53</u>	
	Contra		<u>43,135,975.25</u>
			43,135,975.25
Decreased by:			
Payments to Treasurer	Contra		<u>43,135,975.25</u>
Balance December 31, 2009	A		<u><u>\$0.00</u></u>

**SCHEDULE OF CHANGE FUNDS**

A-6

<u>Office</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2008</u>
Tax Collector	\$50.00	\$50.00
Central Cashier	125.00	125.00
Building Inspector	50.00	50.00
Municipal Court	<u>250.00</u>	<u>250.00</u>
	<u>\$475.00</u>	<u>\$475.00</u>
	A	A

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE FROM STATE OF NEW JERSEY FOR  
SENIOR CITIZENS AND VETERANS DEDUCTIONS (CHAPTER. 20, P.L. 1971)**

A-7

	<u>Reference</u>		
Balance December 31, 2008 Due From State	A		\$8,066.64
Increased by:			
Senior Citizen's and Veteran's Deductions Per Tax billing	A-8, Below	\$ 249,250.00	
Senior Citizen's and Veteran's Deductions Allowed by Collector	Below	<u>5,250.00</u>	
			<u>254,500.00</u>
			262,566.64
Decreased by:			
Receipts from State of New Jersey Senior Citizen's and Veteran's Deductions	A-4	250,906.17	
Disallowed by Collector	Below	<u>1,622.61</u>	
			<u>252,528.78</u>
Balance December 31, 2009 Due from State	A		<u><u>\$10,037.86</u></u>
Analysis of Senior Citizen's & Veteran's Deductions Allowed Per tax Billing:			
Senior Citizen's & Veteran's Deductions			
Per Tax Billing	Above	\$ 249,250.00	
Senior Citizen's and Veteran's Deductions Allowed by Collector	Above	5,250.00	
Senior Citizen's and Veteran's Deductions Disallowed by Collector	Above	<u>(1,622.61)</u>	
			<u>252,877.39</u>
Realized as Tax Revenue	A-8		<u><u>\$252,877.39</u></u>

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-8

Year	Cash Collections				County/State Board Judgments/ Canceled	Transfer To Tax Title Liens	Balance 12/31/09
	2009 Levy	2008	2009	Added			
2007	\$ 31,792.43	\$	\$ 20,298.73	\$	\$ 6,771.40	\$	\$ 4,722.30
2008	411,163.26		371,974.05		34,144.93		5,044.28
2009	43,281,950.64	164,605.18	42,664,685.19	14,050.00	132,420.67	4,437.30	329,852.30
Reference	\$ 442,955.69	\$ 164,605.18	\$ 43,056,957.97	\$ 14,050.00	\$ 173,337.00	\$ 4,437.30	\$ 339,618.88
	A	A-17	Below			A-10	A

Cash - Current Year	Reference
Senior Citizens & Veterans Deductions	A-4,5
Tax Overpayments Applied	A-7
	A-18
	Above
	\$ 42,782,868.76
	252,877.39
	21,211.82
	\$ 43,056,957.97

ANALYSIS OF 2009 PROPERTY TAX LEVY

TAX YIELD	Reference
General Purpose Tax	
\$ 42,906,281.03	
State Share of Senior Citizens and Veterans Deductions	A-7
249,250.00	
Added Taxes (54:4-63.1 et seq.)	
126,419.61	
	Above
\$ 43,281,950.64	

TAX LEVY

Local District School Tax (Abst.)	A-20	\$ 24,800,734.00
County Taxes (Abstract)	A-19	4,464,768.10
Due County for Added Taxes	A-19	13,881.39
Due County Open Space	A-19	246,938.81
Local Tax for Municipal Purp.	A-2	13,640,354.96
Add: Additional Taxes		115,273.38
Total Tax Levy	Above	\$ 43,281,950.64

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF OUTSIDE TAX TITLE LIENS**

A-9

	<u>Reference</u>	
Balance December 31, 2008	A	\$0.00
Increased by:		
Receipts	A-4	66,729.59
		66,729.59
Decreased by:		
Disbursements	A-4	19,049.98
		19,049.98
Balance December 31, 2009	A	\$47,679.61

**SCHEDULE OF TAX TITLE LIENS-MUNICIPAL**

A-10

	<u>Reference</u>	
Balance December 31, 2008	A	\$97,092.73
Increased by:		
Tax Title Liens receivable-prior years		
Transferred from 2009 Taxes	A-8	4,437.30
		4,437.30
Balance December 31, 2009	A, Below	\$101,530.03

<u>Block &amp; Lot</u>	
201/2	\$4,636.57
403/1	21,360.77
703/13	5,684.24
707/37	19,046.46
906/1	33,024.74
906/11	17,777.25
	\$101,530.03
	Above

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES**  
**(AT ASSESSED VALUATION)**

A-11

	<u>Reference</u>	
Balance December 31, 2008	A	\$742,249.00
Balance December 31, 2009	A	\$742,249.00

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

			A-12		
	Balance December 31, <u>2008</u>	Accrued in <u>2009</u>	Collected by		Balance December 31, <u>2009</u>
			<u>Treasurer</u>	<u>Collector</u>	
Township Clerk					
Licenses	\$	\$	\$	\$	\$
Alcoholic Beverages		11,250.00	11,250.00		0.00
Other		29,488.10	29,488.10		0.00
Board of Health					
Fees and Permits		21,882.00	21,882.00		0.00
Registrar					
Licenses		208.00	208.00		0.00
Fees and Permits		5,655.50	5,655.50		0.00
Plumbing Inspector					
Fees and Permits		21,888.00	21,888.00		0.00
Fire Sub-Code Inspector					
Fees and Permits		10,387.00	10,387.00		0.00
Board of Adjustment					
Fees and Permits		2,725.00	2,725.00		0.00
Planning Board					
Fees and Permits		5,400.00	5,400.00		0.00
Fire Safety					
Fees and Permits		46,285.00	46,285.00		0.00
Police Department					
Fees and Permits		930.00	930.00		0.00
Fire Prevention					
Fees and Permits		5,578.00	5,578.00		0.00
Alarms					
Fees and Permits		4,395.00	4,395.00		0.00
Electrical Inspector					
Fees and Permits		24,080.00	24,080.00		0.00
Municipal Court					
Fines and Costs	15,857.24	316,509.89	313,395.11		18,972.02
Interest and Costs on Taxes		104,852.33		104,852.33	0.00
Uniform Construction Code Fees		99,886.00	99,886.00		0.00
Tax Search Fees		5,201.51		5,201.51	0.00
Uniform Fire Safety Act		44,816.50	44,816.50		0.00
Road Openings Fees		120.00	120.00		0.00
Building Non-Permit Penalties		1,375.00	1,375.00		0.00
<b>TOTALS</b>	<u>\$15,857.24</u>	<u>\$762,912.83</u>	<u>\$649,744.21</u>	<u>\$110,053.84</u>	<u>\$18,972.02</u>
	A		A-2	A-5	A

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF 2008 APPROPRIATION RESERVES

A-13

	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>2008</u> <u>Encumbrances</u>	<u>Modified by</u> <u>Transfers</u>	<u>Paid</u> <u>or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
<b>GENERAL GOVERNMENT</b>					
<b>Office of the Mayor</b>					
Salaries and Wages	\$0.32	\$0.00	\$0.32	\$0.00	\$0.32
Other Expenses	77.62	500.00	577.62	500.00	77.62
<b>Township Council</b>					
Salaries and Wages	458.30	0.00	458.30	0.00	458.30
Other Expenses	164.72	0.00	164.72	0.00	164.72
Zoning Application Appeal	548.25	0.00	548.25	0.00	548.25
Legal Fees	12,685.00	4,315.00	17,000.00	15,375.62	1,624.38
<b>Elections</b>					
Other Expenses	0.23	0.00	0.23	0.00	0.23
<b>Office of the Township Clerk</b>					
Salaries and Wages	0.00	0.00	0.00	0.00	0.00
Other Expenses	16.22	806.99	\$823.21	812.96	10.25
Codification of Ordinance	0.40	4,365.60	\$4,366.00	4,365.60	0.40
<b>Planning Board</b>					
Other Expenses	2.44	0.00	2.44	0.00	2.44
<b>Board of Adjustments</b>					
Other Expenses	3.77	0.00	\$3.77	0.00	3.77
<b>Department of Administration and Finance</b>					
<b>Office of the Business Administrator</b>					
Salaries and Wages	0.00	0.00	0.00	0.00	0.00
Salary - Business Administrator	0.00	0.00	0.00	0.00	0.00
Other Expenses - Miscellaneous	0.00	40.14	40.14	0.00	40.14
Other Expenses - Telephone	250.60	0.00	250.60	0.00	250.60
Other Expenses - Computer Service Contract	67.12	0.00	67.12	0.00	67.12
<b>Motor Fuel</b>					
Other Expenses	3,022.47	0.00	3,022.47	0.00	3,022.47
<b>Insurance</b>					
Unemployment Compensation	8.86	0.00	8.86	0.00	8.86
<b>Division of Collector</b>					
<b>Office of the Tax Collector</b>					
Salaries and Wages	5.90	0.00	5.90	0.00	5.90
Other Expenses	0.00	380.00	380.00	380.00	0.00
<b>Office of the Assessor</b>					
Salaries and Wages	49.99	0.00	49.99	0.00	49.99
Other Expenses	0.00	0.00	0.00	0.00	0.00
<b>Division of Treasury</b>					
Salaries and Wages	0.00	0.00	0.00	0.00	0.00
Other Expenses	0.73	0.00	0.73	0.00	0.73
Statutory Audit	0.00	0.00	0.00	0.00	0.00
Other Financial Services	11.25	5,600.00	5,611.25	5,611.25	0.00
Other Expenses-Financial Officer	23.50	4,580.00	4,603.50	3,832.50	771.00
<b>Department of Law</b>					
<b>Office of the Township Attorney</b>					
Salaries and Wages	67.00	0.00	67.00	0.00	67.00
Other Expenses	3.36	5,000.00	5,003.36	5,000.00	3.36
<b>Municipal Court</b>					
Salaries and Wages	145.86	120.00	265.86	120.00	145.86
Other Expenses	30.51	471.50	502.01	471.50	30.51

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF 2008 APPROPRIATION RESERVES

A-13

	Balance Dec. 31, 2008	2008 Encumbrances	Modified by Transfers	Paid or Charged	Balance Lapsed
Insurance					
Self-Insurance Health Benefits Claims	\$504.73	\$0.00	\$504.73	\$501.98	\$2.75
<b>STREET AND ROADS:</b>					
Department of Public Works					
Division of Engineering					
Salaries and Wages	0.00	0.00	0.00	0.00	0.00
Other Expenses	494.58	0.00	494.58	0.00	494.58
Street Lighting	0.00	0.00	0.00	0.00	0.00
Division of Buildings and Property					
Salaries and Wages	0.00	0.00		0.00	0.00
Utility Charges	0.00	0.00		0.00	0.00
Other Expenses	382.55	0.00	382.55	0.00	382.55
Division of Street Services					
Salaries and Wages	0.00	0.00		0.00	0.00
Miscellaneous	70.73	11,117.61	11,188.34	11,138.64	49.70
<b>SANITATION:</b>					
Division of Sewers					
Salaries and Wages	0.00	0.00	0.00	0.00	0.00
Overtime	370.63		370.63	0.00	370.63
Repairs to Pump Station	188.61	331.85	520.46	331.85	188.61
Garbage and Trash Removal					
Contractual	35.72	0.00	35.72	0.00	35.72
Dumping Fees	0.00	8,411.76	8,411.76	8,411.76	0.00
Recycling					
Contractual	20.00	0.00	20.00	0.00	20.00
<b>DEPARTMENT OF PUBLIC SAFETY:</b>					
Division of Police - Salaries and Wages					
Regular	164,275.29	0.00	164,275.29	156,258.40	8,016.89
Overtime	0.00	0.00	0.00	0.00	0.00
Marshall and Crossing Guards	26,145.02	0.00	26,145.02	26,145.02	0.00
Clerical, Dispatchers, etc.	18.10	0.00	18.10	0.00	18.10
Miscellaneous Expense	242.47	261.00	503.47	261.00	242.47
Marshalls' Uniforms	13.09	0.00	13.09	0.00	13.09
Acquisition of Police Vehicles	0.30	0.00	0.30	0.00	0.30
Emergency Management Services					
Other Expenses	0.71	0.00	0.71	0.00	0.71
Division of Fire					
Fire Department					
Miscellaneous Other Expenses	395.15	717.58	1,112.73	717.58	395.15
Other Expenses - Clothing Allowance	0.00	0.00	0.00	0.00	0.00
Uniform Fire Safety Code					
Salaries and Wages	0.00	0.00	0.00	0.00	0.00
Other Expenses	12.73	852.53	865.26	852.53	12.73
<b>DIVISION OF HEALTH, WELFARE, &amp; RECREATION</b>					
Division of Health					
General Health Services					
Other Expenses	1.29	0.00	1.29	0.00	1.29
Dog Regulation					
Other Expenses	0.15	0.00	0.15	0.00	0.15

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF 2008 APPROPRIATION RESERVES**

A-13

	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>2008</u> <u>Encumbrances</u>	<u>Modified by</u> <u>Transfers</u>	<u>Paid</u> <u>or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
<b>RECREATION, EDUCATION, &amp; SENIOR CITIZENS:</b>					
Division of Recreation					
Salaries and Wages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Expenses					
Miscellaneous Expenses	1,505.38	6,215.43	7,720.81	7,199.59	521.22
Recreation Community	645.25	100.55	745.80	100.55	645.25
Senior Citizens Center					
Salaries and Wages	0.00	0.00		0.00	0.00
Other Expenses-Miscellaneous	0.00	272.51	272.51	272.51	0.00
Division of Recreation					
Saddle Brook Seniors	0.00	0.00	0.00	0.00	0.00
<b>UNIFORM CONSTRUCTION CODE:</b>					
(N.J.S.A. 52:27D-120 et seq)					
Construction Code Official					
Salaries and Wages	2,325.88	0.00	2,325.88	0.00	2,325.88
Other Expenses	0.83	37.58	38.41	37.58	0.83
Plumbing /Fire Sub-Code Official-Salaries and Wages	2,458.20		2,458.20		2,458.20
Field Maintenance	14.85	0.00	14.85	0.00	14.85
Prior Year Bills	192.94		192.94	0.00	192.94
<b>STATUTORY EXPENDITURES:</b>					
Social Security	11,366.68		11,366.68	11,366.68	0.00
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
<b>STATUTORY EXPENDITURES:</b>					
Contributions to:					
Public Employees' Retirement System	18,216.86		18,216.86	0.00	18,216.86
Police & Fire Pension Fund	0.20		0.20	0.00	0.20
Division of Sewers					
Passaic Valley Sewerage Commission-Contractual	9,578.65		9,578.65	0.00	9,578.65
Maintenance of Free Public Library (Ch. 82, P.L. 1985)	16,022.62		16,022.62	16,022.62	0.00
<b>TOTALS</b>	<u>\$273,144.61</u>	<u>\$54,497.63</u>	<u>\$327,642.24</u>	<u>\$276,087.72</u>	<u>\$51,554.52</u>
Reference	A	A-16	A-4	A-4	A-1

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF SPECIAL RESERVES - AMBULANCE/FIREMEN PENSION**

A-14

	<u>Reference</u>	
Balance December 31, 2008	A	<u>\$37,050.00</u>
Balance December 31, 2009	A	<u>\$37,050.00</u>

**SCHEDULE OF SPECIAL RESERVE FOR EMPLOYEE SICK LEAVE**

A-15

	<u>Reference</u>	
Balance December 31, 2008	A	\$30,842.73
Decreased by:		
Canceled to Fund Balance	A-1	<u>\$30,842.73</u>
Balance December 31, 2009	A	<u>\$0.00</u>

**SCHEDULE OF ENCUMBRANCES PAYABLE**

A-16

	<u>Reference</u>	
Balance December 31, 2008	A	\$54,497.63
Increased by:		
Charges to 2009 Appropriations	A-3	<u>109,241.35</u>
		163,738.98
Decreased by:		
Payments	A-13	<u>54,497.63</u>
Balance December 31, 2009	A	<u>\$109,241.35</u>

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF PREPAID TAXES**

A-17

	<u>Reference</u>	
Balance December 31, 2008	A	\$164,605.18
Increased by:		
Collection of 2010 Taxes	A-4,5	183,184.53
		<u>347,789.71</u>
Decreased by:		
Application to 2009 Taxes Receivable	A-8	164,605.18
		<u>164,605.18</u>
Balance December 31, 2009	A	<u><u>\$183,184.53</u></u>

**SCHEDULE OF TAX OVERPAYMENTS**

A-18

	<u>Reference</u>	
Balance December 31, 2008	A	\$28,360.82
Increased by:		
Cash Receipts	A-4,5	\$59,868.12
Prior Year Judgments	A-1	150,537.85
		<u>210,405.97</u>
		238,766.79
Decreased by:		
Tax Overpayments Refunded	A-4	81,255.81
Applied to 2009 Taxes	A-8	21,211.82
		<u>102,467.63</u>
Balance December 31, 2009	A	<u><u>\$136,299.16</u></u>

**SCHEDULE OF COUNTY TAXES PAYABLE**

A-19

	<u>Reference</u>	
Balance December 31, 2008	A	\$17,140.27
Increased by:		
County Tax	A-1,2,8	\$4,464,768.10
Due County for Added and Omitted Taxes	A-1,2,8	13,881.39
Due County - Open Space	A-1,2,8	246,938.81
		<u>4,725,588.30</u>
		4,742,728.57
Decreased by:		
Payments	A-4	4,728,847.18
		<u>4,728,847.18</u>
Balance December 31, 2009	A	<u><u>\$13,881.39</u></u>

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE TO / (FROM) BOARD OF EDUCATION**

A-20

	<u>Reference</u>	<u>Local District School Tax</u>
Balance December 31, 2008	A	(\$9,963.77)
Increased by:		
2009 Levy	A-1,2,8	24,800,734.00
		<u>24,790,770.23</u>
Decreased by:		
Payments	A-4	24,800,734.00
Balance December 31, 2009	A	<u><u>(\$9,963.77)</u></u>

**SCHEDULE OF FEES PAYABLE**

A-21

	<u>Balance December 31, 2008</u>	<u>Fees Collected</u>	<u>Payments</u>	<u>Adjustment</u>	<u>Balance December 31, 2009</u>
Due State of New Jersey					
State Training Fees	\$1,774.00	\$9,241.00	\$8,349.00	\$	\$2,666.00
Marriage License	275.00	1,525.00	1,475.00		325.00
Death Certificates	1,110.00	3,535.00	3,750.00		895.00
	<u>\$3,159.00</u>	<u>\$14,301.00</u>	<u>\$13,574.00</u>	<u>\$0.00</u>	<u>\$3,886.00</u>
	A	A-4	A-4	A-1	A

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF RESERVE FOR PREPARATION OF A MASTER PLAN**

A-22

	<u>Reference</u>	
Balance December 31, 2008	A	<u>\$628.00</u>
Balance December 31, 2009	A	<u><u>\$628.00</u></u>

**SCHEDULE OF RESERVE FOR LIBRARY STATE AID EXPENDITURES**

A-23

	<u>Reference</u>	
Balance December 31, 2008	A	<u>\$50,653.02</u>
Balance December 31, 2009	A	<u><u>\$50,653.02</u></u>

**SCHEDULE OF RESERVE FOR FEMA - FIRE DEPARTMENT GRANT**

A-24

	<u>Reference</u>	
Balance December 31, 2008	A	<u>\$3,617.97</u>
Balance December 31, 2009	A	<u><u>\$3,617.97</u></u>

TOWNSHIP OF SADDLE BROOK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DEFERRED CHARGES**

A-25

	<u>Balance Dec. 31, 2008</u>	<u>Amount Resulting From Operations</u>	<u>Raised In Budget</u>	<u>Balance Dec. 31, 2009</u>
Emergency Authorization - Municipal	\$257,730.00	\$	\$257,730.00	\$0.00
	<u>\$257,730.00</u>	<u>\$0.00</u>	<u>\$257,730.00</u>	<u>\$0.00</u>
Reference	A	A-13,27	A-3	A

**SCHEDULE OF RESERVE FOR SEWER USER FEES**

A-26

	<u>Reference</u>	
Balance December 31, 2008	A	\$158,276.83
Decreased by:		
Anticipated as Revenue	A-2	<u>158,276.83</u>
Balance December 31, 2009	A	<u>\$0.00</u>

TOWNSHIP OF SADDLE BROOK  
TRUST FUND

SCHEDULE OF CASH - TRUST FUND

B-1

	<u>Reference</u>	<u>Self Insurance</u>	<u>Unemployment</u>	<u>Animal License</u>	<u>Other Trust Funds</u>
Balance December 31, 2008	B	\$12,109.01	\$25,714.37	\$41,127.83	\$1,960,170.24
Increased by:					
Budget Appropriation	B-3,4	140,759.03	65,000.00		
Prior Year Voided Insurance Checks	B-3	37,159.76			
Interest on Investments	B-3,4,9,11	41.09	334.50	40.31	1,635.11
Due From Current Fund- Self Insurance Trust	B-2	41,644.51			
Interfund-Due from Payroll Agency Account	B-6		6,462.33		
Interfund-transfer from Payroll Account to Unemployment	B-23		27,306.95		
Transfer from Unemployment to Treasurers Trust Fund	B-22				2,090.07
Prior Year Voided Payroll Checks- Due to Current Fund	B-11				1,075.87
Transfer from Current Fund	A-4, B-11				2,698.73
Cat License Fees Collected	B-10			175.00	
Dog License Official Fees Collected	B-10			3,335.00	
Due State of NJ - Dog License Fees Payable	B-8			955.80	
Dog License Fees-Overpayment	B			7.00	
Late Fees	B-10			200.00	
Community Projects/Town Picnic	B-14				0.29
Reserve for POAA	B-15				364.82
Employee Payroll Deductions/Payroll Payable	B-16				9,808,157.00
NJ Sui Refunds Due to Unemployment Fund	B-23				27,145.71
Transfer from Unemployment to Payroll	B-16				17,761.06
Special Reserves and Trust Fund Deposits	B-17				562,539.63
Tax Title Lien Premiums	B-19				100.00
Police Outside Overtime Escrow	B-20				57,195.09
		<u>219,604.39</u>	<u>99,103.78</u>	<u>4,713.11</u>	<u>10,480,763.38</u>
		<u>231,713.40</u>	<u>124,818.15</u>	<u>45,840.94</u>	<u>12,440,933.62</u>
Decreased by:					
Self-Insurance Expenditures	B-3	183,429.89			
To State of NJ - Dog License Fees Payable	B-8			957.00	
Escrow Deposit Disbursements	B-13				800.00
Employee Payroll Deductions Payable	B-16				9,832,520.37
Special Reserves and Trust Fund Deposits	B-17				324,516.15
Transfer to Water Operating Fund	B-5,7,21	12,916.00	5,000.00		
Transfer to Treasurers Trust -from Unemployment Fund	B-22		2,090.07		
Transfer to Unemployment - Payroll Agency Account	B-6				6,462.33
Transfer to Unemployment - Payroll Account	B-23				27,306.95
Bank Charges	B-4		19.61		
Transfer to Current Fund-Interest	B-11				937.62
Due to Current Fund	A-4, B-11				20,063.56
Transfer to Current Fund	A-4,B-9			32,914.23	
Police Outside Overtime Escrow	B-20				51,874.92
Transfer to Payroll- Unemployment Trust Fund	B-4		17,761.06		
To State of NJ - Unemployment Fund	B-4		67,362.76		
		<u>196,345.89</u>	<u>92,233.50</u>	<u>33,871.23</u>	<u>10,264,481.90</u>
Balance December 31, 2009	B	<u>\$35,367.51</u>	<u>\$32,584.65</u>	<u>\$11,969.71</u>	<u>\$2,176,451.72</u>

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE FROM CURRENT FUND**  
**SELF-INSURANCE TRUST FUND**

**B-2**

	<u>Reference</u>	
Balance December 31, 2008	B	\$41,644.51
Decreased by:		
Transfer From Current Fund	B-1	41,644.51
Balance December 31, 2009	B	\$0.00

**SCHEDULE OF RESERVE / ( DEFICIT ) FOR SELF-INSURANCE-HEALTH INSURANCE**

**B-3**

	<u>Reference</u>	
Balance December 31, 2008	B	\$40,837.52
Increased by:		
Budget Appropriation	B-1	\$140,759.03
Prior Year Voided Checks	B-1	\$37,159.76
Interest on Investments	B-1	41.09
		177,959.88
		218,797.40
Decreased by:		
Self-Insurance Expenditures	B-1	183,429.89
Balance December 31, 2009	B	\$35,367.51

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF RESERVE FOR UNEMPLOYMENT INSURANCE-EXPENDITURES**

B-4

	<u>Reference</u>		
Balance December 31, 2008	B		\$26,020.75
Increased by:			
2009 Budget Approp.-Transfer from Current Fund	B-1	\$65,000.00	
Interest Income	B-1	334.50	
NJ-SUI refunds due from Payroll Account	B-23	27,145.71	
			92,480.21
			118,500.96
Decreased by:			
State of New Jersey Unemployment Fund	B-1	67,362.76	
Transfer to Payroll Account	B-1,16	17,761.06	
Bank Charges	B-1	19.61	
			85,143.43
Balance December 31, 2009	B		\$33,357.53

**SCHEDULE OF DUE TO WATER OPERATING FUND  
UNEMPLOYMENT INSURANCE TRUST FUND**

B-5

	<u>Reference</u>		
Balance December 31, 2008	B		\$5,000.00
Decreased by:			
Transfer to Water Operating Fund	B-1		5,000.00
Balance December 31, 2009	B		\$0.00

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE FROM PAYROLL AGENCY ACCOUNT**  
**UNEMPLOYMENT INSURANCE TRUST FUND**

B-6

	<u>Reference</u>	
Balance December 31, 2008	B	\$6,462.33
Decreased by:		
Receipt	B-1	6,462.33
Balance December 31, 2009	B	\$0.00

**SCHEDULE OF DUE TO WATER OPERATING FUND**  
**SELF-INSURANCE TRUST FUND**

B-7

	<u>Reference</u>	
Balance December 31, 2008	B	\$12,916.00
Decreased by:		
Transfer to Water Operating Fund	B-1	12,916.00
Balance December 31, 2009	B	\$0.00

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF DUE TO / (FROM) STATE OF NEW JERSEY  
ANIMAL LICENSE FUND

B-8

	<u>Reference</u>	
Balance December 31, 2008	B	\$ (4.20)
Increased by:		
Due to State of NJ-Dog License Fees Payable	B-1	955.80
		951.60
Decreased by:		
Disbursements	B-1	957.00
		957.00
Balance December 31, 2009	B	\$ (5.40)

SCHEDULE OF DUE TO CURRENT FUND  
ANIMAL LICENSE FUND

B-9

	<u>Reference</u>	
Balance December 31, 2008	B	\$32,914.23
Increased by:		
Interest Income	B-1	40.31
Excess of Reserve for Dog License Expenditure	A-1,B-10	3,984.60
		4,024.91
		36,939.14
Decreased by:		
Transfer to Current Fund	B-1	32,914.23
		32,914.23
Balance December 31, 2009	B	\$4,024.91

TOWNSHIP OF SADDLE BROOK  
 TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF RESERVE FOR ANIMAL FUND EXPENDITURES

B-10

	<u>Reference</u>		
Balance December 31, 2008	B		\$8,217.80
Increased by:			
Cat License Fees Collected	B-1	\$175.00	
Dog License Fees Collected	B-1	3,335.00	
Late Fee/ Replacement Fee	B-1	<u>200.00</u>	
			<u>3,710.00</u>
			11,927.80
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-1	0.00	
Excess of Reserve for Dog License Expenditures	B-9	<u>3,984.60</u>	
			<u>3,984.60</u>
Balance December 31, 2009	B		<u><u>\$7,943.20</u></u>

License Fees Collected

2007	\$3,996.20
2008	<u>3,947.00</u>
	<u><u>\$7,943.20</u></u>

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF DUE TO CURRENT FUND  
OTHER TRUST FUNDS

B-11

	<u>Reference</u>		
Balance December 31, 2008	B		\$18,380.84
Increased by:			
Cancel Due From Community Youth Fund	B-17	\$36.00	
Payroll- Prior Year Void Checks	B-1	1,075.87	
Transfer from Current Fund	B-1	2,698.73	
Interest Due to Current Fund	B-1	1,635.11	
			5,445.71
			23,826.55
Decreased by:			
Transfer to Current Fund - Interest	B-1	937.62	
Due to Current Fund	B-1	20,063.56	
			21,001.18
Balance December 31, 2009	B, Below		\$2,825.37

Analysis of Balance:

Due to Current Fund from Escrow Management	\$751.50
Due to Current Fund from Treasurer's Trust	952.76
Due to Current Fund to Disaster Relief Fund	15.61
Due from Current Fund to Payroll Agency Account	(1.59)
Due to Current Fund from Payroll Account	1,075.30
Due to Current Fund to Outside Police Overtime Trust	31.79
B, Above	\$2,825.37

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF WTC RELIEF FUND

B-12

	<u>Reference</u>	
Balance December 31, 2008	B	<u>\$501.35</u>
Balance December 31, 2009	B	<u><u>\$501.35</u></u>

SCHEDULE OF ESCROW DEPOSITS  
OTHER TRUST FUND

B-13

	<u>Reference</u>	
Balance December 31, 2008	B	\$66,740.26
Decreased by:		
Disbursements	B-1	<u>800.00</u>
Balance December 31, 2009	B	<u><u>\$65,940.26</u></u>

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF COMMUNITY PROJECTS / TOWN PICNIC

B-14

	<u>Reference</u>	
Balance December 31, 2008	B	\$1,550.78
Increased by:		
Receipts-interest income	B-1	0.29
Balance December 31, 2009	B	\$1,551.07

SCHEDULE OF RESERVE FOR POAA

B-15

	<u>Reference</u>	
Balance December 31, 2008	B	\$4,982.00
Increased by:		
Interest Income		\$58.82
Deposits from Municipal Court		306.00
	B-1	364.82
Balance December 31, 2009	B	\$5,346.82

SCHEDULE OF PAYROLL DEDUCTIONS / PAYROLL PAYABLE

B-16

	<u>Reference</u>	
Balance December 31, 2008	B	\$44,154.58
Increased by:		
Employee Payroll Deductions / Payroll Payable	B-1	\$9,808,157.00
Transfer From Unemployment Trust Fund	B-1	17,761.06
		9,825,918.06
		9,870,072.64
Decreased by:		
Payroll Deductions Payable	B-1	9,832,520.37
Balance December 31, 2009	B	\$37,552.27

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF SPECIAL RESERVES AND TRUST FUND DEPOSITS

B-17

	<u>Balance</u> <u>December 31, 2008</u>	<u>Increased by</u> <u>Receipts</u>	<u>Decreased by</u> <u>Expenditures</u>	<u>Cancel</u> <u>Due From</u> <u>Current</u>	<u>Due from Criminal</u> <u>Dis. &amp; Review</u> <u>Collection Fund</u>	<u>Balance</u> <u>December 31, 2009</u>
Reserve Public Defender	\$1,875.00	\$6,259.28	\$2,265.58		\$3,975.05	\$9,843.75
Reserve Community Youth Center	96,616.54	3,909.60		36.00		100,490.14
Reserve Police Pistol Range	2,120.38	32.11				2,152.49
Special Escrow Management Account	427,777.57	112,183.31	225,976.41			313,984.47
Disaster Relief Fund	2,957.30					2,957.30
Senior Center	1,507.52	6,920.51	4,999.16			3,428.87
Support Our Troops	556.63					556.63
Fire Safety Dedicated - Penalty	1,153.23	14.50				1,167.73
Mount Laurel	1,211,540.22	427,352.80	62,500.00			1,576,393.02
Shade Tree Commission	6,066.59	76.26				6,142.85
Reserve Police Department Trust	35,774.17	14.07	23,000.00			12,788.24
Memorial Day Parade Trust		5,777.19	5,775.00			2.19
American Cancer Society	<u>1.00</u>					<u>1.00</u>
	<u>\$1,787,946.15</u>	<u>\$562,539.63</u>	<u>\$324,516.15</u>	<u>\$36.00</u>	<u>\$3,975.05</u>	<u>\$2,029,908.68</u>
	B	B-1	B-1	B-11	B-18	B

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE TO (VCCB) VICTIM OF CRIMES COMPENSATION BOARD**  
**(Criminal Disposition - Review Collection Fund)**

B-18

	<u>Reference</u>	
Balance December 31, 2008	B	\$11,129.44
Decreased by:		
Reserve for Public Defender	B-17	3,975.05
Balance December 31, 2009	B	\$7,154.39

**SCHEDULE OF RESERVE FOR TAX SALE PREMIUM**

B-19

	<u>Reference</u>	
Balance December 31, 2008	B	\$1,400.00
Increased by:		
Cash Receipts	B-1	100.00
Balance December 31, 2009	B	\$1,500.00

**SCHEDULE OF RESERVE FOR POLICE OUTSIDE OVERTIME ESCROW**

B-20

	<u>Reference</u>	
Balance December 31, 2008	B	\$29,853.74
Increased by:		
Receipts	B-1	57,195.09
Decreased by:		
Disbursements	B-1	51,874.92
Balance December 31, 2009	B	\$35,173.91

TOWNSHIP OF SADDLE BROOK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF DUE TO WATER OPERATING FUND  
UNEMPLOYMENT TRUST FUND

B-21

	<u>Reference</u>	
Balance December 31, 2008	B	\$5,000.00
Decreased by:		
Transfer to Water Operating Fund	B-1	5,000.00
Balance December 31, 2009	B	\$0.00

SCHEDULE OF DUE TO TREASURER'S TRUST  
UNEMPLOYMENT INSURANCE TRUST FUND

B-22

	<u>Reference</u>	
Balance December 31, 2008	B	\$2,090.07
Decreased by:		
Transfer to Treasurer's Trust Fund	B-1	2,090.07
Balance December 31, 2009	B	\$0.00

SCHEDULE OF DUE FROM PAYROLL ACCOUNT  
UNEMPLOYMENT INSURANCE TRUST FUND

B-23

	<u>Reference</u>	
Balance December 31, 2008	B	\$934.12
Increased by:		
NJ SUI Refunds	B-1,4	27,145.71
		28,079.83
Decreased by:		
Transfers from Payroll account	B-1	27,306.95
Balance December 31, 2009	B	\$772.88

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF CASH - TREASURER

C-2

	<u>Reference</u>		
Balance December 31, 2008	C,C-3		\$1,211,437.95
Increased by:			
Interest on Investments	C-8	\$938.75	
Transfer From Current Fund-Interfund	C-8	1,112,768.72	
Transfer From Current Fund-CIF	C-10	75,000.00	
Grants Receivable	C-5	238,425.10	
BC Open Space Grant Received - Ord. 07-1424	C-11	45,000.00	
Community Development Grant- Ord # 1355-05	C-11	125,000.00	
NJ Environmental Infrastructure Loan Receivable	C-21	1,066,952.00	
Transfer From Water Capital Fund	C-4	7,168.31	
Reserve For Revaluation- Reimbursement	C-19	1,430.35	
Due From Water Operating- Interfund	Contra	200,000.00	
BANS-Rollover		1,413,500.00	
BANS-New	C-14	276,846.00	
	C-3	<u>4,563,029.23</u>	<u>5,774,467.18</u>
Decreased by:			
Improvement Authorizations	C-9	314,930.42	
Transfer to Water Operating Fund	C-13	1,065.82	
Encumbrances Payable	C-18	1,301,325.49	
Transfer to Current Fund-Interest	C-8	907.37	
Transfer to Current Fund-Interfund	C-8	700,000.00	
Due to Current Fund- Ant. Revenue- Reserve Pmt BANS	C-11	180,147.15	
Due From Water Operating- Interfund	Contra	200,000.00	
Payment of BANS	C-14	1,565,500.00	
Reserve for Revaluation	C-19	112,905.00	
	C-3	<u>4,376,781.25</u>	<u>4,376,781.25</u>
Balance December 31, 2009	C,C-3		<u><u>\$1,397,685.93</u></u>

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

C-3

	<u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfer</u>	<u>Balance</u>
	<u>Dec. 31, 2008</u>			<u>To/(From)</u>	<u>Dec. 31, 2009</u>
Bond Anticipation Notes Issued	\$0.00				0.00
Fund Balance	4,965.59			1,809.53	6,775.12
Capital Improvement Fund	135,506.71	75,000.00		(105,000.00)	105,506.71
Due from Current Fund	(434,288.50)	1,113,707.47	700,907.37	(84,000.00)	(105,488.40)
Grants Receivable	(1,176,961.56)	238,425.10		485,147.56	(453,388.90)
Due From Board of Education				(37,500.00)	(37,500.00)
Due From Water Capital Fund	(7,168.31)	7,168.31			0.00
Due To Water Operating Fund	1,065.82	200,000.00	201,065.82		0.00
Reserve for Payment of BANS	875,942.54	170,000.00	180,147.15	(170,655.70)	695,139.69
NJ Environmental Infrastructure Loan Receivable	(1,123,798.00)	1,066,952.00			(56,846.00)
Special Emergency-Revaluation	(251,000.00)			84,000.00	(167,000.00)
Reserve for Revaluation	111,474.65	1,430.35	112,905.00		0.00
Reserve for Mount Laurel Development	100,000.00				100,000.00
Encumbrances Payable	1,404,090.71		1,301,325.49	13,130.17	115,895.39
Bond Anticipation Note Issued - Duplicate ( Ord.#1375)	152,000.00	1,413,500.00	1,565,500.00		0.00
 Improvement Authorizations:					
<u>Ord. #</u>	<u>Improvement Description</u>				
1156/1282	Restoration of Various Recreation Fields	14,643.88		(14,643.88)	0.00
1175	Barrier Free Curbs	9,741.50		(9,741.50)	0.00
1179	Renovation of Police Station & Acq. of Play Ground				
	Equipment for Mayhill Street Park	364,229.75		(364,229.75)	0.00
1187	Acq. Real Property & New Equipment	1,483.39			1,483.39
1188/1283	Various Improv. Fifth St. Park & Barrier Free Improv. Municipal Bldg.	950.26			950.26
1206/1229	Installation of Burglar & Fire Alarm Systems	2,684.37			2,684.37
1212	Phase I Improvements to Schepis Avenue	38,031.04		(38,031.04)	0.00
1217/1266	Acq. & Improvements of Real Property	2,541.66			2,541.66
1228	Phase II Impr. to Schepis Avenue	91,910.31		(91,910.31)	0.00
1234	Acq. New, Add., Repl. Equip. and Machinery & Automotive Vehicles	16,942.62			16,942.62

(Continued on Next Page)

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

C-3

Improvement Description	Dec. 31, 2008	Receipts	Disbursements	Transfer To/(From)	Dec. 31, 2009
1246 Acq. Property for Police Department	\$ 3,744.00				\$ 3,744.00
1253 Acq. New Pumper Fire Engine	0.00				0.00
1263 Various Public Improvements	295,778.85			(295,778.85)	0.00
1264/1289/131 HS Athletic Field	7,579.26				7,579.26
1270 Reconstruction of Presidents Street	28,188.68			(28,188.68)	0.00
1286/1296/134 Reconstruction of New Police Dept. Headquarters	55,333.92		22,512.00	(10,770.25)	22,051.67
1288 Various Sanitary Sewer System Imp. & Acq. of Sewer/Water Lines	129.94				129.94
1317 Various Equipment Purchases	42,954.09		548.00		42,406.09
1318 Sewer and Water Extensions	20,205.16				20,205.16
1319 2004 Road and Drainage Improvement Program	1,730.00			(1,730.00)	0.00
1325 Acquisition of Pumper Fire Truck	1,416.73				1,416.73
1341 Sewer System Upgrade Study and Repairs	2,504.92		2,504.92		0.00
1350 Various Improvements	1,647.56				1,647.56
1351 Construction Sidewalks-Midland Ave.	34,497.01			(34,497.01)	0.00
1354 Purchase Land for DPW	8,662.00			(8,662.00)	0.00
1355 Improvement to Sampson St. Recreation Fields	29,827.15				29,827.15
1375 Police Dept. Computers & Equipment	35,777.82				35,777.82
138/1391 Improvements to Buildings & Facilities	3,006.30				3,006.30
1382 Vehicles & Equipment for Fire Dept. & DPW	14,708.29				14,708.29
1385 Sewage Pump Station on Mayhill St. & N. 5th St.	(165,252.26)	276,846.00	42,035.33	(2,878.30)	66,680.11
1394 Road Improvement Program 2006	11,160.89			(11,160.89)	(0.00)
1415 Road Improvement Program - Oxford Avenue	130,157.43			(130,157.43)	0.00
1424 Purchase and Improvements of Land	119,318.52			(20,148.94)	42,195.76
1426 Sewer Repair Work at Market Street	16,171.66		56,973.82	(16,171.66)	0.00
1429 Renovation & Expansion of SB Library	97,696.69				97,696.69
1441 Oxford Ave Road and Drainage Improvements-Phase II	79,504.91			39,585.86	119,090.77
1468 Repairs and Addition to Hook & Ladder Co. 1			14,540.20	1,000.00	(13,540.20)
1471 Senior Center ADA Improvements			134,388.88		191,300.14
1474 Capital Improvements to Oxford Ave Phase I			41,427.27		239,992.73
1479 DPW Facility Rehab Improvements Phase I				74,074.05	74,074.05
1480 Rochelle Parkway Improvements Phase I				20,000.00	20,000.00
1484 Rehabilitation of Township Tennis Courts				150,000.00	150,000.00
Reference	\$1,211,437.95	\$4,563,029.23	\$4,376,781.25	(\$0.00)	\$1,397,685.93
	C-2	C-2	C-2		C-2

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE (TO)/FROM WATER UTILITY CAPITAL FUND**

C-4

	<u>Reference</u>	
Balance December 31, 2008	C	\$7,168.31
Decreased by:		
Transfer From Water Capital Fund	C-2	7,168.31
Balance December 31, 2009	C	\$0.00

**SCHEDULE OF GRANTS RECEIVABLE / REIMBURSEMENTS**

C-5

	<u>Reference</u>	
Balance December 31, 2008	C	\$1,176,961.56
Increased By Grants Awarded:		
Community Development- Ord #1471 - Senior Center		\$220,292.00
Community Development- Ord #1471 - ADA Improvements		96,522.00
NJDOT - Road Improv. Oxford Ave Phase III-Ord. #1474		200,000.00
Bergen County Open Space- Ord #1484- Tennis Courts		75,000.00
	C-16	591,814.00
		1,768,775.56
Decreased By:		
Grants Receipts	C-2	238,425.10
Grants Canceled to Surplus	C-1	261,670.42
Grants Canceled to Improvement Authorizations	C-9	815,291.14
		1,315,386.66
Balance December 31, 2009	C, Below	\$453,388.90

**Analysis of Balance**

<u>Name</u>	<u>Ord. No.</u>	
Community Development- Senior Center	1471	\$220,292.00
Community Development- ADA Improvements	1471	96,522.00
NJDOT - Road Improv. Oxford Ave Phase III	1474	61,574.90
Bergen County Open Space- Tennis Courts	1484	75,000.00
		\$453,388.90

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

C-6

	<u>Reference</u>	
Balance December 31, 2008	C	\$22,463,912.77
Decreased by:		
2009 Budget Appropriation to Pay Bonds	C-15	\$685,114.18
2009 Budget Appropriation to Pay Infrastructure Loans	C-22	86,244.57
		771,358.75
Balance December 31, 2009	C	\$21,692,554.02

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-7

Ord. #	Improvement Description	Balance Dec. 31, 2008	2009 Authorizations	Capital Improvement Fund	Grants	Due from Board of Education	Funded by Capital Surplus	Balance Dec. 31, 2009	Expenditures	Unexpended Improvement Authorizations
1355/1378	Improvement to Sampson St. Recreation Fields (Veterans Park)	\$ 434,750.00	\$	\$	\$	\$	\$	\$ 434,750.00	\$ 404,922.85	\$ 29,827.15
1375	Police Dept. Computers & Equipment	152,000.00						152,000.00	116,222.18	35,777.82
1381/1391	Improvements to Buildings & Facilities	356,250.00						356,250.00	353,243.70	3,006.30
1382	Vehicles & Equipment for Fire Dept. & DPW	213,750.00						213,750.00	199,041.71	14,708.29
1385	Sewerage Pump Station on Mayhill St. & N. 5th St.	276,846.00						276,846.00	210,165.89	66,680.11
1394	Road Improvement Program 2006	408,750.00						408,750.00	408,750.00	-
1424	Purchase and Improvement of Land	380,000.00						380,000.00	337,804.24	42,195.76
1426	Sewer Repair Work at Market Street	114,000.00						114,000.00	114,000.00	-
1429	Renovation & Expansion of SB Library	1,900,000.00						1,900,000.00	-	1,900,000.00
1441	Oxford Ave Road and Drainage Improvements-Phase II	213,750.00	100,000.00	5,000.00				213,750.00	94,659.23	119,090.77
1468	Repairs and Addition to Hook & Ladder Co. I		376,814.00		316,814.00		60,000.00	95,000.00	13,546.20	81,459.80
1471	Senior Center ADA Improvements		300,000.00		200,000.00		100,000.00	0.00		
1474	Capital Improvements to Oxford Ave Phase I		80,000.00	80,000.00				0.00		
1479	DPW Facility Rehab Improvements Phase I		20,000.00	20,000.00				0.00		
1480	Rochelle Parkway Improvements Phase I		150,000.00		75,000.00	37,500.00	37,500.00	0.00		
1484	Rehabilitation of Township Tennis Courts							0.00		
		<u>\$ 4,450,096.00</u>	<u>\$ 1,026,814.00</u>	<u>\$ 105,000.00</u>	<u>\$ 591,814.00</u>	<u>\$ 37,500.00</u>	<u>\$ 197,500.00</u>	<u>\$ 4,545,096.00</u>	<u>\$ 2,252,350.00</u>	<u>\$ 2,292,746.00</u>
		C	C-9	C-10,16	C-5,16	C-12,16	C-1,16	C		C-9

Reference

TOWNSHIP OF SADDLE BROOK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF DUE FROM CURRENT FUND

C-8

	<u>Reference</u>		
Balance December 31, 2008	C		\$434,288.50
Increased by:			
Grant Budget Appropriation- Unspent	A-3, Contra	\$282,914.00	
Transfer of Interest	C-2	907.37	
Due to Current Fund-Interfund	A-4,C-2	700,000.00	
Due from Current Revaluation - Deferred Charge	C-17	84,000.00	
			1,067,821.37
			1,502,109.87
Decreased by:			
Interest Earned on Investments	C-2	938.75	
Due to Current Fund - Interfund	A-4, C-2	1,112,768.72	
Grants Receivable- Anticipated Current Fund	A-2, Contra	282,914.00	
			1,396,621.47
Balance December 31, 2009	C		\$105,488.40

CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

C-9

Ord. #	Improvement Description	Balance December 31, 2008		Year 2009 Authorizations	Expend.	Prior Year Encumbrance Cancelled	Cancelled	Balance December 31, 2009	
		Funded	Unfunded					Funded	Unfunded
1156/1232/1334	Restoration of Various Recreation Fields at Avon Park	\$ 14,643.88	\$	\$	\$	\$	\$ 14,643.88	\$	\$
1175	Barrier Free Curbs	9,741.50					9,741.50	0.00	0.00
1179	Remov. Police Sutr'n & Acq. Playground Equip. for Mayhill St. Park	364,229.75					364,229.75	0.00	0.00
1187	Acq. Real Property & New Equipment	1,483.39					1,483.39		
1188/1283	Various Imp. Fifth St. Park & Barrier Free Imp. Municipal Building	950.26					950.26		
1206/1229	Installation of Burglar and Fire Alarm Systems	2,684.37					2,684.37		
1212	Phase I Improvement to Schepis Avenue	38,031.04					38,031.04	0.00	0.00
1217/1266/1301/1316	Acquisition & Improvement of Real Property	2,541.66					2,541.66		
1228	Phase II Improvement to Schepis Avenue	91,910.31					91,910.31	0.00	0.00
1234	Acq. New Add., Repl. Equip. Machinery & Automotive Veh.	16,942.62					16,942.62		
1246	Acq. Property for Police Department	3,744.00					3,744.00		
1263	Various Public Improvements	295,778.85					295,778.85	0.00	0.00
1264/1289/1313	Construction of Recreation Fields	7,579.26					7,579.26		
1270	Reconstruction of President Street	28,188.68					28,188.68	0.00	0.00
1286/1296/1330/1348	Police Department Headquarters	55,333.92			22,512.00		10,770.25	22,051.67	
1288	Var. Sanitary Sewer Sys. Imp. & Acq. of Camera/Vehicle	129.94						129.94	
1317	Various Equipment Purchases	42,954.09			548.00			42,406.09	
1318	Sewer and Water Extensions	20,205.16						20,205.16	
1319	2004 Road and Drainage Improvement Program	1,750.00					1,750.00	(0.00)	
1325	Acquisition of Pumper Fire Truck	1,416.73	0.00					1,416.73	0.00
1341/1416	Sewer System Upgrade Study and Repairs	2,504.92			2,504.92			(0.00)	
1350	Various Improvements	1,647.56						1,647.56	
1351	Construction Sidewalks-Midland Ave.	34,497.01					34,497.01	0.00	
1354	Purchase Land for DPW	8,662.00					8,662.00	0.00	
1355/1378	Improvement to Sampson St. Recreation Fields		29,827.15						29,827.15
1375	Police Dept. Computers & Equipment		35,777.82						35,777.82
1381/1391	Improvements to Buildings & Facilities		3,006.30						3,006.30



TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF CAPITAL IMPROVEMENT FUND**

C-10

	<u>Reference</u>	
Balance December 31, 2008	C	\$135,506.71
Increased by:		
Budget Appropriations	A-3,C-2	75,000.00
		210,506.71
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-7,16	105,000.00
		105,000.00
Balance December 31, 2009	C	\$105,506.71

**SCHEDULE OF RESERVE FOR PAYMENT OF BOND ANTICIPATION NOTES**

C-11

	<u>Reference</u>	
Balance December 31, 2008	C	\$875,942.54
Increased by:		
BC Open Space Grant- Ord # 07-1424	C-2	\$45,000.00
Community Development Grant- Ord # 1355-05	C-2	125,000.00
Canceled Capital Ordinances	C-9	74,731.55
		244,731.55
		1,120,674.09
Decreased by:		
Canceled to Surplus- For Bonded Debt	C-1	245,387.25
Due to Current Fund-Anticipated Revenue	C-2	180,147.15
		425,534.40
Balance December 31, 2009	C,Below	\$695,139.69

Analysis of Balance

<u>Ordinance #</u>		
#1355/1378	BC Open Space Trust Fund	\$409,087.78
#1355/1378	State of NJ - Veterans Field/Avon Park	41,320.36
#1424	BC Open Space Trust Fund	45,000.00
#1355/1378	Community Development Grant	125,000.00
# 1394/1420	Canceled Ordinance	58,559.89
#1426	Canceled Ordinance	16,171.66
	Above	\$695,139.69

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE FROM BOARD OF EDUCATION**

C-12

	<u>Reference</u>	
Balance December 31, 2008	C	\$0.00
Increased by		
Due from Board of Education for Tennis Courts	C-7	<u>37,500.00</u>
Balance December 31, 2009	C	<u><u>\$37,500.00</u></u>

**SCHEDULE OF DUE TO WATER OPERATING FUND**

C-13

	<u>Reference</u>	
Balance December 31, 2008	C	\$1,065.82
Decreased by:		
Transfer to Water Operating Fund	C-2	<u>1,065.82</u>
Balance December 31, 2009	C	<u><u>\$0.00</u></u>



TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

C-15

SCHEDULE OF SERIAL BONDS

<u>Purpose:</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding 12/31/09</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2009</u>
General Bonds of 1996	05/15/96	\$1,378,000.00			5.15%	\$120,000.00	\$120,000.00	\$0.00
General Bonds - County Guaranteed	03/07/06	21,394,942.75	08/17/10 - 2030	various	3.75% - 5.00%	20,320,758.77	565,114.18	19,755,644.59
						<u>\$20,440,758.77</u>	<u>\$685,114.18</u>	<u>\$19,755,644.59</u>
						C		C

Paid by Budget Appropriation  
\$685,114.18  
A-3,C-6

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

C-16

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. #	<u>Improvement Description</u> <u>General Improvements</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>2009</u> <u>Authorizations</u>	<u>BAN's</u> <u>Issued</u>	<u>Capital Surplus</u>	<u>Due from</u> <u>Board of</u> <u>Education</u>	<u>Capital</u> <u>Improvement</u> <u>Fund</u>	<u>Funded by</u> <u>Grants</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
1385	Sewerage Pump Station on Mayhill St. & N. 5th St.	\$ 276,846.00	\$	\$ 276,846.00	\$	\$	\$	\$	\$ 1,900,000.00
1429	Renovation & Expansion of Saddle Brook Library	1,900,000.00							0.00
1375	Police Dept. Computers & Equipment	(152,000.00)		(152,000.00)				316,814.00	95,000.00
1468	Repairs and Addition to Hook & Ladder Co. 1		100,000.00				5,000.00		0.00
1471	Senior Center ADA Improvements		376,814.00		60,000.00			200,000.00	0.00
1474	Capital Improvements to Oxford Ave Phase 1		300,000.00		100,000.00		80,000.00		0.00
1479	DPW Facility Rehab Improvements Phase 1		80,000.00				20,000.00		0.00
1480	Rochelle Parkway Improvements Phase 1		20,000.00					75,000.00	0.00
1484	Rehabilitation of Township Tennis Courts		150,000.00		37,500.00	37,500.00			0.00
		<u>\$ 2,024,846.00</u>	<u>\$ 1,026,814.00</u>	<u>\$ 124,846.00</u>	<u>\$ 197,500.00</u>	<u>\$ 37,500.00</u>	<u>\$ 105,000.00</u>	<u>\$ 591,814.00</u>	<u>\$ 1,995,000.00</u>
	<u>Reference</u>		<u>C-7,9</u>	<u>C-14</u>	<u>C-1</u>	<u>C-7</u>	<u>C-7,10</u>	<u>Below, C-7</u>	<u>C</u>

TOWNSHIP OF SADDLE BROOK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION**  
**SPECIAL EMERGENCY - REVALUATION**

C-17

	<u>Reference</u>	
Balance December 31, 2008	C	\$251,000.00
Decreased by:		
Raised in Budget-Due From Current Fund	C-8	84,000.00
Balance December 31, 2009	C	\$167,000.00

**SCHEDULE OF ENCUMBRANCES PAYABLE**

C-18

	<u>Reference</u>	
Balance December 31, 2008	C	\$1,404,090.71
Increased by:		
Charges to Improvement Authorizations-2009	C-9	102,658.17
		1,506,748.88
Decreased by:		
Canceled Encumbrances	C-9	\$89,528.00
Payments-2008 Encumbrances	C-2	1,301,325.49
		1,390,853.49
Balance December 31, 2009	C	\$115,895.39

TOWNSHIP OF SADDLE BROOK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF RESERVE FOR REVALUATION**

	<u>Reference</u>		C-19
Balance December 31, 2008	C	\$111,474.65	
Increased by:			
Receipts/ Reimbursements	C-2	1,430.35	
		<u>112,905.00</u>	
Decreased by:			
Expenditures	C-2	112,905.00	
		<u>112,905.00</u>	
Balance December 31, 2009	C	<u>\$0.00</u>	

**SCHEDULE OF RESERVE FOR MOUNT LAUREL DEVELOPMENT**

	<u>Reference</u>		C-20
Balance December 31, 2008	C	<u>\$100,000.00</u>	
Balance December 31, 2009	C	<u>\$100,000.00</u>	

**SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE  
LOAN RECEIVABLE**

	<u>Reference</u>		C-21
Balance December 31, 2008	C	\$1,123,798.00	
Decreased by:			
Receipts	C-2	1,066,952.00	
		<u>1,066,952.00</u>	
Balance December 31, 2009	C	<u>\$56,846.00</u>	

TOWNSHIP OF SADDLE BROOK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

C-22

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN

Purpose:	Loan Agreement Dated	Loan Amount	Loan Principal due date	Loan Maturities Outstanding Dec. 31, 2009	Interest due dates	Interest Rate	Balance Dec. 31, 2008	Decreased	Balance Dec. 31, 2009
New Jersey Environmental Infrastructure Trust Series 2007A, Trust Loan	11/08/07	\$1,040,000.00	08/01/10 - 2027	various	02/01/10 - 8/01/27	3.40% - 5.00%	\$ 1,040,000.00	\$ 35,000.00	\$ 1,005,000.00
State of New Jersey Fund 2007A Loan	11/08/07	983,154.00	02/01/10 - 8/01/27	various	N/A	None	983,154.00	51,244.57	931,909.43
		<u>\$2,023,154.00</u>					<u>\$ 2,023,154.00</u>	<u>\$ 86,244.57</u>	<u>\$ 1,936,909.43</u>
							C	C-6	C

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND  
FOR YEAR ENDED DECEMBER 21, 2009

SCHEDULE OF CASH

D-4

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>	<u>Water Main Project</u>
Balance December 31, 2008	D	\$393,882.82	\$62,703.10	\$10,114.27
Increased by Receipts:				
Water Overpayment	D-13	6,465.56		
Consumer Accounts Receivable	D-2,6	2,004,557.44		
Miscellaneous Charges	D-2	8,769.43		
Transfer From Water Operating Fund	D-10		31,473.29	
Transfer From Self Insurance Fund	B,D	12,916.00		
Transfer From Current Fund-Interfund	D-14	250,000.00		
Transfer From Unemployment Fund	D-21	5,000.00		
Transfer From General Capital Fund	D-20	1,065.82		
Interest on Investments	D-2,10, 24	292.87	65.63	19.93
		<u>2,289,067.12</u>	<u>31,538.92</u>	<u>19.93</u>
		<u>2,682,949.94</u>	<u>94,242.02</u>	<u>10,134.20</u>
Decreased by Disbursements:				
2009 Appropriations	D-3	2,286,218.12		
2008 Appropriation Reserves	D-11	15,593.93		
Transfer To Water Capital Fund	D-10	31,473.29		
Transfer to Current Fund-Interfund	D-14	250,000.00		
Transfer to General Capital Fund	D-19		7,168.31	
Refund-Water Rent Overpayment	D-13	817.04		
		<u>2,584,102.38</u>	<u>7,168.31</u>	<u>0.00</u>
Balance December 31, 2009	D	<u>\$98,847.56</u>	<u>\$87,073.71</u>	<u>\$10,134.20</u>

SCHEDULE OF CHANGE FUND

D-5

	<u>Reference</u>	
Balance December 31, 2008	D	<u>\$20.00</u>
Balance December 31, 2009	D	<u>\$20.00</u>

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF ACCOUNTS RECEIVABLE**

D-6

	<u>Reference</u>	
Balance December 31, 2008	D	\$135,935.45
Increased by:		
Water Rents/Miscellaneous Charges Levied		<u>2,077,197.32</u>
		2,213,132.77
Decreased by:		
Collections:		
Water Rents/Misc Charges	D-2,4	<u>2,004,557.44</u>
Balance December 31, 2009	D	<u><u>\$208,575.33</u></u>

**SCHEDULE OF WATER UTILITY LIENS**

D-7

Balance December 31, 2008	D	\$3,571.27
<hr/>		
Balance December 31, 2009	D	<u><u>\$3,571.27</u></u>

**SCHEDULE OF FIXED CAPITAL**

D-8

	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Increased</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
General Equipment	\$650,832.74	\$	\$650,832.74
Water Utility Improvements	457,650.00		457,650.00
Water Main	2,650.00		2,650.00
Hydrants	5,000.00		5,000.00
Water Meters	813,897.06		813,897.06
Water Mains	<u>516,995.99</u>		<u>516,995.99</u>
	<u>\$2,447,025.79</u>	<u>\$0.00</u>	<u>\$2,447,025.79</u>
Reference	D	D-9	D

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

D-9

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance</u>	<u>Amount</u>	Balance December 31, 2008	Balance December 31, 2009
1200/1411	Extension of Water Mains/Purchase of Meters	03/09/00		\$215,000.00	\$12,650.01	\$12,650.01
1205	Automatic Meter Reading Equipment	05/11/00		295,000.00	342.20	342.20
					\$12,992.21	\$12,992.21
			Reference		D	D

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE TO WATER CAPITAL FUND  
 FROM WATER OPERATING FUND**

D-10

	<u>Reference</u>	
Balance December 31, 2008	D	\$31,473.29
Decreased by:		
Transfer to Water Capital Fund	D-4	\$31,473.29
Interest	D-2,4	65.63
		31,538.92
Balance December 31, 2009	D	\$65.63

**SCHEDULE OF 2008 APPROPRIATION RESERVES**

D-11

	<u>Balance Dec. 31, 2008</u>	<u>2008 Encumbrances</u>	<u>Modified Balance</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
<b>Operating:</b>					
Other Expenses	\$1,393.19	\$15,593.93	\$16,987.12	\$15,593.93	\$1,393.19
<b>Statutory Expenditures:</b>					
Public Employees Retirement System	15,000.00		15,000.00		15,000.00
<b>Total Water Utility Appropriations</b>	<b>\$16,393.19</b>	<b>\$15,593.93</b>	<b>\$31,987.12</b>	<b>\$15,593.93</b>	<b>\$16,393.19</b>
<u>Reference</u>	D	D	D	D-4,12	D-1

**SCHEDULE OF DEFERRED CHARGES**

D-11A

	<u>Balance Dec. 31, 2008</u>	<u>Amount Resulting From Operations</u>	<u>Raised In Budget</u>	<u>Balance Dec. 31, 2009</u>
Over-Expenditure of Appropriations	\$	\$ 7,849.06	\$	\$ 7,849.06
Deficit in Operations-Current Year	25,532.66		16,896.23	8,636.43
	<b>\$ 25,532.66</b>	<b>\$ 7,849.06</b>	<b>\$ 16,896.23</b>	<b>\$ 16,485.49</b>
<u>Reference</u>	D	D-3	D-3	D

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND  
FOR YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF ENCUMBRANCES PAYABLE**  
**WATER OPERATING FUND**

D-12

	<u>Reference</u>	
Balance December 31, 2008	D	\$15,593.93
Increased by:		
Charges to 2009 Appropriations	D-3	3,827.96
		19,421.89
Decreased by:		
Cash Disbursements	D-4	15,593.93
		15,593.93
Balance December 31, 2009	D	\$3,827.96

**SCHEDULE OF WATER RENT OVERPAYMENTS**

D-13

	<u>Reference</u>	
Balance December 31, 2008	D	\$11,587.93
Increased by:		
Overpayments Received	D-4	6,465.56
		18,053.49
Decreased by:		
Refunds	D-4	817.04
		817.04
Balance December 31, 2009	D	\$17,236.45

**SCHEDULE OF DUE TO CURRENT FUND - WATER OPERATING FUND**

D-14

	<u>Reference</u>	
Balance December 31, 2008	D	\$0.00
Increased by:		
Interfund Transfer	D-4	\$250,000.00
Budget Appropriation paid in Current Fund	D-3	20,726.58
		270,726.58
Decreased by:		
Interfund Transfer	D-4	250,000.00
		250,000.00
Balance December 31, 2009	D	\$20,726.58

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. #	Improvement Description	Date	Ordinance: Amount	Balance December 31, 2008		Expended	Balance December 31, 2009		D-15
				Funded	Unfunded		Funded	Unfunded	
1200/1411	Extension of Water Mains/Purchase of Meters	03/09/00	\$ 215,000	\$ 12,650.01	\$	\$	12,650.01	\$	
1205	Automatic Meter Reading Equipment	05/11/00	\$ 295,000	342.20			342.20		
				<u>\$12,992.21</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$12,992.21</u>	<u>\$0.00</u>	
			<u>Reference</u>	<u>D</u>	<u>D</u>	<u>D-4</u>	<u>D</u>	<u>D</u>	<u>D</u>

TOWNSHIP OF SADDLE BROOK  
WATER UTILITY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF WATER CAPITAL IMPROVEMENT FUND**

D-16

	<u>Reference</u>	
Balance December 31, 2008	D	<u>\$75,485.13</u>
Balance December 31, 2009	D	<u><u>\$75,485.13</u></u>

**SCHEDULE OF RESERVE FOR AMORTIZATION**

D-17

	<u>Reference</u>	
Balance December 31, 2008	D	\$978,107.51
Increased by:		
Payment of Bond Principal by Budget Approp.	D-3,23	<u>39,885.82</u>
Balance December 31, 2009	D	<u><u>\$1,017,993.33</u></u>

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION**

D-18

Ord. No.	<u>Improvement Description</u>	<u>Date of Ordinance</u>	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
1073/1410	Water Utility Improvements/Purchase of Meters	04/28/94	\$21,800.00	\$21,800.00
1200/1411	Extension of Water Mains/Purchase of Meters	03/09/00	10,300.00	10,300.00
1205	Automatic Meter Reading Equipment	05/11/00	14,100.00	14,100.00
			\$46,200.00	\$46,200.00
		Reference	D	D

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE TO GENERAL CAPITAL FUND -  
 WATER CAPITAL FUND**

D-19

	<u>Reference</u>	
Balance December 31, 2008	D	\$ 7,168.31
Decreased by:		
Transfer to General Capital Fund	D-4	<u>7,168.31</u>
Balance December 31, 2009	D	<u><u>\$0.00</u></u>

**SCHEDULE OF DUE FROM GENERAL CAPITAL FUND -  
 WATER OPERATING FUND**

D-20

	<u>Reference</u>	
Balance December 31, 2008	D	\$ 1,065.82
Decreased by:		
Transfer from General Capital Fund	D-4	<u>1,065.82</u>
Balance December 31, 2009	D	<u><u>\$0.00</u></u>

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF DUE FROM UNEMPLOYMENT TRUST FUND**

**D-21**

	<u>Reference</u>	
Balance December 31, 2008	D	\$5,000.00
Decreased by:		
Transfer from Unemployment Fund	D-4	5,000.00
Balance December 31, 2009	D	\$0.00

**SCHEDULE OF ACCRUED INTEREST ON BANS/BONDS**

**D-22**

	<u>Reference</u>	
Balance December 31, 2008	D	\$25,369.24
Decreased by:		
Accrued interest on Bonds	D-3	334.14
Balance December 31, 2009	D	\$25,035.10

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

D-23

SCHEDULE OF UTILITY CAPITAL BONDS

Purpose:	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2009	Amount	Interest Rate	Balance	Payment	Balance
						Dec. 31, 2008		Dec. 31, 2009
Water Utility Projects	03/07/06	\$1,510,057.25	08/17/10	\$41,533.99	3.50%	\$1,434,241.23	\$39,885.82	\$1,394,355.41
Water Utility Bonds - County Guaranteed			08/17/11	42,852.53	3.75%			
Governmental Loan Bonds, Series 2006			08/17/12	44,500.70	3.75%			
			08/17/13	46,148.88	3.75%			
			08/17/14	47,797.05	3.75%			
			08/17/15	49,774.86	3.80%			
			08/17/16	51,423.04	5.50%			
			08/17/17	54,389.75	5.50%			
			08/17/18	57,356.46	5.00%			
			08/17/19	60,323.18	5.00%			
			08/17/20	63,289.89	5.00%			
			08/17/21	66,256.60	5.00%			
			08/17/22	69,882.59	5.00%			
			08/17/23	73,178.94	5.00%			
			08/17/24	76,804.92	5.00%			
			08/17/25	80,760.54	5.00%			
			08/17/26	84,716.16	5.00%			
			08/17/27	89,001.41	5.00%			
			08/17/28	93,286.66	5.00%			
			08/17/29	98,231.19	5.00%			
			08/17/30	102,846.07	5.00%			

<u>\$1,434,241.23</u>	D	<u>\$39,885.82</u>	D-3	<u>\$1,394,355.41</u>	D
Reference					

TOWNSHIP OF SADDLE BROOK  
 WATER UTILITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF RESERVE FOR WATER MAIN PROJECT

D-24

	<u>Reference</u>	
Balance December 31, 2008	D	\$10,114.27
Increased by:		
Interest on Investments	D-4	19.93
Balance December 31, 2009	D, Below	\$10,134.20
 <u>Analysis of Balance:</u>		
Reserve for Van Bussem		\$10,000.00
Interest		134.20
	Above	\$10,134.20

TOWNSHIP OF SADDLE BROOK  
GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE OF DUE FROM CURRENT FUND

E-1

	<u>Reference</u>		
Balance December 31, 2008	E		\$122,475.03
Increased by:			
Budget Appropriation	E-2	\$123,774.52	
Unappropriated Grants Received	E-4	13,261.05	
Receipt-Grants Receivable	E-3	4,884.55	
		141,920.12	
			264,395.15
Decreased by:			
Current Fund - Expenditures	E-2	\$105,710.35	
Transferred to 2008 Budget Approp.	E-4	3,107.68	
2008 Budget Revenue Realized	E-3	3,107.68	
		111,925.71	
Balance December 31, 2009	E		\$152,469.44

SCHEDULE OF APPROPRIATED RESERVES FOR GRANTS

E-2

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Transferred from</u> <u>2009 Budget</u> <u>Appropriation</u>	<u>2008</u> <u>Encumbrance</u> <u>Cancelled</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Clean Communities Grant	\$38,158.94	\$18,915.50	\$	\$18,023.11	\$39,051.33
Municipal Alliance Program	40,346.78			190.00	40,156.78
Alcohol Education & Rehabilitation	677.39				677.39
Drunk Driving Enforcement Fund	10,783.09				10,783.09
Municipal Purpose Tax Ass. Act	1,183.00				1,183.00
Cops Fast Program	3.00				3.00
NY Susquelanna Parkway	1,425.00				1,425.00
Body Armor Replacement Fund	8,038.57	6,215.36			14,253.93
OSHA - Chap. 516 PL 1983 - Safety Equipment	404.40				404.40
Arts Grant	855.72				855.72
Community Development - Senior Bus	5,528.15				5,528.15
Storm Water Management Grant	24,609.50				24,609.50
Click-it-or-Ticket Grant	4,000.00				4,000.00
Recycling Tonnage Grant	31,206.92	17,294.66		6,148.24	42,353.34
BCUA	10,466.87				10,466.87
Domestic Violence Team	3,500.00				3,500.00
FEMA Storm Grant	21,089.11				21,089.11
OEM State Grant	2,405.72				2,405.72
FEMA-Firefighters Grant	0.00	81,349.00		81,349.00	0.00
	<u>\$204,682.16</u>	<u>\$123,774.52</u>	<u>\$0.00</u>	<u>\$105,710.35</u>	<u>\$222,746.33</u>
<u>Reference</u>	E	A-3, E-1, Below		Below, E-1	E

Current Fund - Expenditures	A-3	\$93,534.00	
Current Fund Budget Approp. - Unspent	A-3	30,240.52	
	Above	<u>\$123,774.52</u>	

Current Fund - Expenditures	A-3	\$93,534.00	
Expenditures Prior Year Reserves	A-4	12,176.35	
	Above	<u>\$105,710.35</u>	

TOWNSHIP OF SADDLE BROOK  
GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

**SCHEDULE OF GRANTS RECEIVABLE**

E-3

<u>Grant</u>	Balance <u>Dec. 31, 2008</u>	Current Fund <u>Receipts</u>	2009 Budget <u>Revenue Realized</u>	Balance <u>Dec. 31, 2009</u>
Safe & Secure Communities Grant	\$15,000.00	\$	\$	\$15,000.00
Municipal Alliance Program	34,850.53	4,884.55		29,965.98
Alcohol Education & Rehabilitation	1,310.06			1,310.06
COPS FAST	9,500.00			9,500.00
Community Development - Senior Bus	5,808.50			5,808.50
Storm Water Grant	30,621.00			30,621.00
Body Armor Replacement Fund	0.00		3,107.68	3,107.68
	<u>\$97,090.09</u>	<u>\$4,884.55</u>	<u>\$3,107.68</u>	<u>\$95,313.22</u>
<u>Reference</u>	E	A-4, E-1	A-2, E-1	E

**SCHEDULE OF RESERVE FOR UNAPPROPRIATED GRANTS**

E-4

	Balance <u>Dec. 31, 2008</u>	Transferred to 2009 <u>Budget Appropriation</u>	<u>Received</u>	Balance <u>Dec. 31, 2009</u>
Body Armor Replacement Fund	\$3,107.68	\$3,107.68	\$0.00	\$0.00
Recycling Tonnage Grant	0.00		13,261.05	13,261.05
	<u>\$3,107.68</u>	<u>\$3,107.68</u>	<u>\$13,261.05</u>	<u>\$13,261.05</u>
<u>Reference</u>	E	A-2, E-1	A-4, E-1	E

**SCHEDULE OF DUE TO TRUST FUND POLICE DEPARTMENT TRUST**

E-5

Balance December 31, 2008	<u>Reference</u> E	<u>\$11,775.28</u>
Balance December 31, 2009	E	<u>\$11,775.28</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**

The Honorable Mayor and Members  
of the Township Council  
Township of Saddle Brook  
County of Bergen  
Saddle Brook, New Jersey 07663

We have audited the financial statements of the Township of Saddle Brook ("Township"), State of New Jersey, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 29, 2010. Our report disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statement on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 audits, we considered the Township'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 entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

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

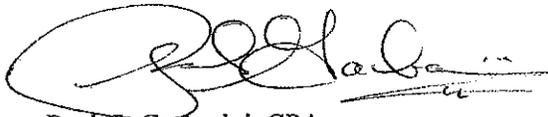
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses.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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township'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 no 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.

We noted certain matters that we reported to management of the Township of Saddle Brook, New Jersey, in a separate letter dated June 29, 2010.

This report is intended solely for the information and use of the Township's management, and council members, others within the organization, the Division of Local Government Services, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Paul C. Garbarini, CPA  
Registered Municipal Accountant  
No. 120



Garbarini & Co. P.C.  
Certified Public Accountants

June 29, 2010  
Carlstadt, New Jersey

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

The Honorable Mayor and Members  
of the Township Council  
Township of Saddle Brook  
County of Bergen  
Saddle Brook, New Jersey 07663

Compliance

We have audited the compliance of the Township of Saddle Brook, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Office of Management and Budget's (OMB) State Grant Compliance Supplement* that are applicable to each of its major federal and state programs for the year ended December 31, 2009. The Township's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Township's management. Our responsibility is to express an opinion on the Township's compliance based on our audit.

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

In our opinion, the Township complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2009.

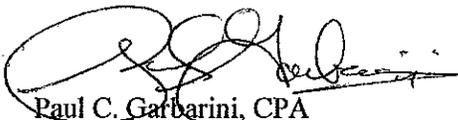
Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and/or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and/or state program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the Township's management and council members, others within the organization, the DLGS, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Paul C. Garbarini, CPA  
Registered Municipal Accountant  
No. 120



Garbarini & Co. P.C.  
Certified Public Accountants

June 29, 2010  
Carlstadt, New Jersey

TOWNSHIP OF SADDLE BROOK  
 SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2009

Schedule I-1

Federal Grantor/ Pass-Through Grantor Program	Federal CFDA#	Pass - Through Entity ID #	Grant Period	Cash Received	Program Expenditures
<u>Non - Major Programs:</u>					
FEMA - Firefighters Grant	97.036	NJ Div. Of Law & Public Safety	01/01/09-12/31/09	\$ 81,349.00	\$ 81,349.00
Transportation State Aid Highway Projects Highway Planning and Construction New Jersey Department of Transportation - Oxford Ave. Project Phase III- Ord. #1474	20.205	480-078-6320-AKE-MA09	11/14/08-09/25/10	138,425.10	0.00
U.S. Department of Housing and Urban Development (Passed through County Department of Community Development) Community Development Block Grants - Senior Citizen Center Improvements-Ord. # 1471 (\$82,914 CN-15-08) - ADA Improvements - Ord. # 1471 (\$50,000 CN-19-09)	20.205	Bergen County	7/01/08-6/30/09 7/01/09-6/30/10		81,870.00 40,041.00
New Jersey Environmental Infrastructure Trust Loan - Series 2007A Ord # 1385/1419: Sewer Pump Stations	66.458	S340 148-02	11/08/07-12/31/10	533,476.00	533,476.00
<b>Total Federal Financial Assistance</b>				<b>\$ 753,250.10</b>	<b>\$ 736,736.00</b>

TOWNSHIP OF SADDLE BROOK  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2009

Schedule I-2

<u>State Grant Program</u>	<u>Pass - Through Entity ID #</u>	<u>State Account Number</u>	<u>Grant Period</u>	<u>Cash Received</u>	<u>Program Expenditures</u>	<u>Expended Prior Year(s)</u>
New Jersey Solid Waste Administration: Department of Environmental Protection						
- Clean Communities Program Grant		4900-765-004-042	01/01/09-12/31/09	\$ 18,915.50	\$ 18,023.11	\$ -
- Recycling Tonnage Grant		4900-752-001-042	01/01/09-12/31/09	30,555.71	6,148.24	
Department of Community Affairs						
- Statewide Livable Communities Ord # 1318 Sewer Water Extension		8030-100-655-022	Prior Years	100,000.00		100,000.00
New Jersey Division of State Library						
- Per Capita Library Aid (Received Directly by Library)		2541-100-006-074	01/01/09-12/31/09	12,191.00	12,191.00	
New Jersey Environmental Infrastructure Fund Loan						
- Series 2007A Ord # 1419: Sewer Pump Stations		S340 148-02	11/08/07-12/31/10	533,476.00	533,476.00	
<b>Total State Financial Assistance:</b>				<u>\$ 695,138.21</u>	<u>\$ 569,838.35</u>	<u>\$ 100,000.00</u>

TOWNSHIP OF SADDLE BROOK  
 SCHEDULE OF EXPENDITURES OF COUNTY FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2009

<u>County Grant Program</u>	<u>Pass - Through Entity ID #</u>	<u>County Account Number</u>	<u>Grant Period</u>	<u>Cash Received</u>	<u>Program Expenditures</u>	<u>Expended Prior Year(s)</u>
Bergen County Open Space Trust Fund :						
- Ord. #1355 - Veterans Field Improvements		OST-SB-06	08/01/07-09/30/08	\$ 125,000.00	-	\$ 125,000.00
- Ord. #1424 - Property Acquisition		OST-SB-07	07/01/08-08/31/09	45,000.00		45,000.00
Municipal Alliance			01/01/09-12/31/09	4,884.55	190.00	
<b>Total County Financial Assistance:</b>				<u>\$ 174,884.55</u>	<u>\$ 190.00</u>	<u>\$ 170,000.00</u>

TOWNSHIP OF SADDLE BROOK  
 NOTES TO THE SCHEDULES OF EXPENDITURES  
 OF FEDERAL AND STATE FINANCIAL ASSISTANCE  
 YEAR ENDED DECEMBER 31, 2009

**1. General**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Township of Saddle Brook. The Township is defined in Note 1A of the Township'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.

**2. Basis of Accounting**

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

**3. Relationship of Financial Statements**

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements, exclusive of the unappropriated reserves. Financial assistance awards are reported in the Township's financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>County</u>	<u>Total</u>
Grant Fund	\$ 81,349.00	\$24,171.35	\$ 190.00	\$105,710.35
Trust Fund				0.00
Capital Fund	655,387.00	533,476.00		1,188,863.00
Library- Direct		12,191.00		12,191.00
	<u>\$736,736.00</u>	<u>\$569,838.35</u>	<u>\$190.00</u>	<u>\$1,294,573.35</u>

**4. Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Township of Saddle Brook  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2009

Summary of Auditor's Results

**Financial Statement Section**

A) Type of Auditors Report Issued	<u>Unqualified - Statutory basis</u>		
B) Internal Control over Financial Reporting			
1) Material weakness identified?	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Were reportable conditions identified that were not considered to be material weaknesses?	<u>X</u>	<u>Yes</u>	<u>No</u>
C) Noncompliance material to financial statements notes?	<u>Yes</u>	<u>X</u>	<u>No</u>

**Federal Awards Section**

D) Dollar threshold used to determine Type A Program	<u>\$300,000</u>		
E) Auditee qualified as low-risk auditee?	<u>Yes</u>	<u>X</u>	<u>No</u>
F) Type of auditor's report on compliance for major programs	<u>Unqualified - Statutory basis</u>		
G) Internal Control over major programs			
1) Material weakness identified?	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Were reportable conditions identified that were not considered to be material weaknesses?	<u>Yes</u>	<u>X</u>	<u>No</u>
H) Any audit findings disclosed that are required to be Reported in accordance with OMB Circular A-133 [section 510(e)]?	<u>Yes</u>	<u>X</u>	<u>No</u>
I) Identification of major programs	<u>Department of Environmental Protection NJ Environmental Infrastructure Trust Loan</u>		

Township of Saddle Brook  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended December 31, 2009

Summary of Auditor's Results (Continued)

**State Awards Section**

J) Dollar threshold used to determine Type A Program	<u>\$300,000</u>		
K) Audited qualified as low-risk auditee?	<u>Yes</u>	<u>X</u>	<u>No</u>
L) Type of auditor's report on compliance for major Programs	<u>Unqualified - Statutory basis</u>		
M) Internal Control over Compliance			
1) Material weakness identified?	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Were reportable conditions identified that were not considered to be material weaknesses?	<u>Yes</u>	<u>X</u>	<u>No</u>
N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04, as amended?	<u>Yes</u>	<u>X</u>	<u>No</u>
O) Identification of major programs			

<u>Grant Number / Project Number</u>	<u>S340-148-02</u>
<u>Name of State Program</u>	<u>New Jersey Environmental Infrastructure Fund Loan</u>

Township of Saddle Brook  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended December 31, 2009

Part 2 - Schedule of Federal and State Awards Findings and Questioned Costs

(This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB Circular 04-04, as amended.)

NONE

Status of Prior Year Findings

(This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 [section .315 (a)(b)] and New Jersey OMB Circular 04-04, as amended.)

NONE

TOWNSHIP OF SADDLE BROOK  
 ROSTER OF OFFICIALS AND SURETY BONDS  
 AT DECEMBER 31, 2009

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Louis D'Arminio	Mayor	
Omar Rodriguez	Council President	
Florence Mazzer	Councilwoman	
Edward F. Kugler	Councilman	
Andrew Cimiluca	Councilman	
Joseph C. Setticase	Councilman	
Robert Elia	Business Administrator/Treasurer	\$ 1,000,000
Peter Lo Dico	Township Clerk	
Durene M. Ayer	Chief Financial Officer	
Michele Sanzari	Tax Collector – Tax Search Officer	\$ 1,000,000
Art Carlson, Jr.	Tax Assessor	
Linda Pellicier	Principal Cashier	
Donna Kovalovsky	Utilities Clerk	\$ 1,000,000
Robert Kugler	Police Chief	
Nicholas Nasarenko	Municipal Court Judge	\$ 50,000
Thomas Cuomo	Court Administrator	\$ 50,000
Eileen Pinto	Acting Deputy Court Administrator	\$ 50,000
Debra Zafonte	Acting Violations Clerk	\$ 50,000
Tracy Adams	Secretary to Health Department and Registrar of Vital Statistics	
Anthony Ambrogio	Construction Official	
Michael Seitz	Fire Sub-Code Official	
Birdsall Engineering	Township Engineer	
Brian Eyerman	Acting Township Attorney	

Effective January 1, 2009, the Insurer is the Municipal Excess Liability Joint Insurance Fund.

The Statutory positions, the Treasurer and the Tax Collector, are covered by the Statutory Bond in the amount of \$1,000,000 limit per occurrence.

The Statutory positions associated with the court, the Magistrate, Court Administrator, Court Clerk, are covered under the blanket JIF "Courts" coverage for the sum of \$50,000 limit per occurrence.

All other employees are covered by JIF Blanket Crime Coverage, for the sum of \$1,000,000 per loss included in the coverage provided by the Municipal Excess Liability Joint Insurance Fund.

Township of Saddle Brook  
General Comments  
For the Year Ended December 31, 2009

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

N.J.S.A. 40A:11-4 states "Every contract awarded by the contracting agents, for the provision or performance of any goods or services, the cost of which in the aggregate exceed the bid threshold [40A:11-3 "a contract year the total sum of \$21,000...If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$29,000."], shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

N.J.S.A. 40A:11-9 states "The governing body of any contracting unit may by ordinance, in the case of a municipality, by ordinance or resolution, as the case may be, in the case of a county, or by resolution in all other cases, establish the office of purchasing agent, or a purchasing department or a purchasing board, with the authority, responsibility, and accountability as its contracting agent, for the purchasing activity for the contract in unit, to prepare public advertising for bids and to receive bids for the provision or performance of goods or services on behalf of the contracting unit and to award contracts permitted pursuant to subsection a. of section 3 of P.L.1971, c. 198 (C.40A:11-3) in the name of the contracting unit, and conduct any activities as may be necessary or appropriate to the purchasing function of the contracting unit."

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$29,000.00 within the calendar year or any twelve-month period. Where questions arise as to whether any contract or agreement might result in a violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

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

Our examination of expenditures did not reveal individual payments, contracts or agreements in excess of \$29,000.00 "for the performance of any work, or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

Expenditure of \$4,350 and More and Less Than \$ 29,000.00 Per N.J.S.A. 40A:11-6.1

N.J.S.A 40A:11-6.1 states, "a. For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5), except for paragraph (a) of that subsection professional services and paragraph (b) of the subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The contracting agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor. d. Whenever two or more responses to a request of a contracting agent offer equal prices and are the lowest responsible bids or proposals, the contracting unit may award the contract to the vendor whose response, in the discretion of the contracting unit, is the most advantageous, price and other factors considered. In such a case, the award resolution or purchase order documentation shall explain why the vendor selected is the most advantageous."

Township of Saddle Brook  
General Comments (Continued)  
For the Year Ended December 31, 2009

Collection of Interest of Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on January 1, 2009 adopted the following resolution authorizing interest to be charged on delinquent taxes.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Council of the Township of Saddle Brook, County of Bergen, State of New Jersey as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged against the delinquency.
2. There is a ten-day grace period of quarterly tax payments made by cash, check, or money order.
3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

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

Collection of Interest on Delinquent Utility Rents

The Governing Body on January 1, 2009 adopted the following resolution authorizing interest to be charged on delinquent water rents:

Be it resolved, by the Township Council of the Township of Saddle Brook that the penalty interest rate for the year 2009 chargeable against all persons who are delinquent in the payment of Water charges, is hereby established at eight percent (8%) per annum on the first One Thousand Five Hundred (\$1,500.00) dollars of delinquency and a rate of eighteen percent (18%) per annum on any amount in excess of One Thousand Five Hundred (\$1,500.00).

Be it further resolved that the penalty interest on water charges shall revert to 8% per annum from the first day of billing unless the water charges for the period are paid during the first 30 days of the same period.

Be it further resolved that the penalty interest will be charged at the rate of 18% per annum on all delinquent water charges in excess of \$1,500.00 to be calculated from the date of billing until the date of actual payment, unless the water charges are paid during the first 30 days of the billing period or on the first business day thereafter if the office of the Treasurer is closed.

Be it further resolved that the penalty interest rate on water charges shall revert to 18% per annum from the first day of the billing unless the water charges are in excess of \$1,500.00 for the same period are paid during the first 30 days of the billing.

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

Township of Saddle Brook  
General Comments (Continued)  
For the Year Ended December 31, 2009

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 16, 2009 and was complete.

Inspection of tax sale certification on file revealed that all tax sale certifications were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31, of the last six years:

<u>Year</u>	<u>Number of Liens</u>
2009	6
2008	6
2007	0
2006	0
2005	6
2004	8

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.

TOWNSHIP OF SADDLE BROOK  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**PRIOR YEAR AUDIT FINDINGS:**

**\* #08-1: *Recommendation:***

All expenditures must be charged to the period in which the expenses were incurred.

***Status:***

Corrective action has been taken.

**\* Repeated from prior year's audit**

TOWNSHIP OF SADDLE BROOK  
AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**FINDINGS:**

NONE

**RECOMMENDATIONS:**

NONE

Appreciation

We desire to express our appreciation of the assistance and courtesies rendered by the Township Officials and employees during the year.

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The problems and weaknesses noted in our review are not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

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June 29, 2009