

**CITY OF UNION CITY
NEW JERSEY
AUDIT OF FINANCIAL STATEMENTS
AND
FEDERAL AND STATE GRANT PROGRAMS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008
WITH
REPORTS OF INDEPENDENT AUDITORS
AND
LETTERS OF COMMENTS AND RECOMMENDATIONS**

CITY OF UNION CITY

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INTRODUCTORY SECTION

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
City of Union City, New Jersey

We have audited the accompanying balance sheets of the individual funds of the City of Union City, New Jersey (the "City") as of June 30, 2009 and 2008 and the related statements of operations and changes in fund balance for the years then ended; and the related statement of revenues, expenditures and fund balance for the year ended June 30, 2009 as listed in the foregoing table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in conformity with accounting principles prescribed by the Division, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these 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 City's policy to prepare its financial statements on the basis of accounting discussed in the second preceding paragraph the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of June 30, 2009 and 2008, or the results of its operations for the years then ended.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the various funds of the City as of June 30, 2009 and 2008, and the results of its operations of such funds and the changes in its fund balances for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 4, 2010, on our consideration of the City's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The financial information listed as Supplementary Data, Additional Information Relating to Federal Awards and State Financial Assistance Programs, and Accompanying Information, in the foregoing table of contents, are presented for purposes of additional analysis as required by the Division and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Such information is also the responsibility of the management of the City and is presented for the purpose of additional analysis and is not a required part of the financial statements. 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 taken as a whole, on the basis of accounting described in Note 1.


DONOHUE, GIRONDA & DORIA
Certified Public Accountants


FREDERICK J. TOMKINS
Registered Municipal Accountant #327

Bayonne, New Jersey
February 4, 2010

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

The Honorable Mayor and
Members of the City Council
City of Union City, New Jersey

We have audited the financial statements of the City of Union City, New Jersey (the "City"), as of and for the year ended June 30, 2009, and have issued our report thereon dated February 4, 2010. 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.

As disclosed in Note 1, the financial statements were prepared in conformity with accounting practices 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City'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 City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designated to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified deficiencies in internal control over financial reporting that we consider to be material weaknesses.

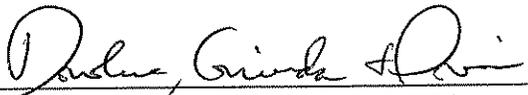
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. *FS09-01* and *FS09-02*.

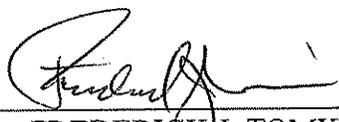
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questions Costs as Finding *FS08-03* and *FS08-04*. We also noted certain other matters that we reported to management of the City in the Comments and Recommendations section of this report.

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

This report is intended solely for the information of the Mayor, City Council, management of the City, Division of Local Government Services, applicable 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.


DONOHUE, GIRONDA & DORIA
Certified Public Accountants


FREDERICK J. TOMKINS
Registered Municipal Accountant #327

Bayonne, New Jersey
February 4, 2010

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

The Honorable Mayor and
Members of the City Council
City of Union City, New Jersey

Compliance

We have audited the compliance of the City of Union City, New Jersey (the "City"), 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 Grant Compliance Supplement, that are applicable to each of its major federal and state programs for the year ended June 30, 2009. The City's major federal and state programs are identified in the summary of auditors' 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 City's management. Our responsibility is to express an opinion on the City'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 the 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 the State of New Jersey's OMB's 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 direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City 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 fiscal year ended June 30, 2009.

Internal Control over Compliance

The management of the City 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 City's internal control over compliance with 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 City's internal control over compliance.

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

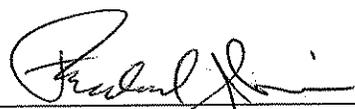
A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control over compliance described in the accompanying schedule of findings and questioned costs as items SA09-05 through SA09-07 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item SA09-05 to be a material weakness.

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

This report is intended solely for the information and use of the Mayor, City Council, management of the City, Division of Local Government Services, applicable 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.


DONOHUE, GIRONDA & DORIA
Certified Public Accountants


FREDERICK J. TOMKINS
Registered Municipal Accountant #327

Bayonne, New Jersey
February 4, 2010

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FINANCIAL SECTION

CURRENT FUND

EXHIBIT A

**THE CITY OF UNION CITY
CURRENT FUND
JUNE 30, 2009 AND 2008**

COMPARATIVE BALANCE SHEETS

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	A-4	\$ 9,393,707	\$ 15,296,947
Change Fund	Unchanged	830	830
		<u>9,394,537</u>	<u>15,297,777</u>
Other Assets:			
Revenue Accounts Receivable	A-10	-	-
Grants Receivable	A-24	6,860,699	7,954,605
		<u>6,860,699</u>	<u>7,954,605</u>
Deferred Charges	A-23	713,458	1,575,909
		<u>713,458</u>	<u>1,575,909</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-7	2,550,105	2,857,557
Property Acquired for Taxes at Assessed Valuation	A-9	171,900	171,900
Other Receivables	A-13	65,754	251,525
Interfunds Receivable:			
Due from Other Trust Fund	A-11	338,465	-
Due from Unemployment Trust	A-11	29,292	-
Due from Public Defender Trust Fund	A-11	7,471	230
Due from Dog License Trust	A-11	11,435	11,555
Due from CDA Trust	A-11	1,838,686	1,861,855
Due from Payroll Agency	A-11	7,853	7,853
	A	<u>5,020,961</u>	<u>5,162,475</u>
Total Assets		<u>\$ 21,989,655</u>	<u>\$ 29,990,766</u>

EXHIBIT A

**THE CITY OF UNION CITY
CURRENT FUND
JUNE 30, 2009 AND 2008**

COMPARATIVE BALANCE SHEETS

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves	A-3, A-15	\$ 4,523,601	\$ 5,288,986
Tax Overpayments	A-8	11,492	252,842
Prepaid Taxes	A-17	102,270	147,493
Accounts Payable	A-20	606,253	537,440
Reserve for Encumbrances	A-21	1,795,190	2,446,955
Reserve for Unappropriated Grants	A-25	170,752	21,866
Reserve for Appropriated Grants	A-26	602,240	809,587
Reserve for Neighborhood Housing	A-27	1,824	1,824
Other Reserves	A-16	840,510	124,246
Local School District Taxes Payable	A-18	4,625,591	3,083,727
County Taxes Payable	A-19	-	3,510,157
Intergovernmental Payables:			
Due to State of NJ - Sr. Citizens' & Veterans'	A-12	8,125	5,954
North Hudson Sewerage Authority	A-14	44,555	-
Union City Parking Authority	A-22	-	-
Interfunds Payable:			
Due to Capital Fund	A-11	2,183,907	7,952,656
Due to Other Trust Fund	A-11	-	619,558
Due to Unemployment Trust Fund	A-11	-	25,000
		<u>15,516,310</u>	<u>24,828,291</u>
Reserve for Receivables	Above	<u>5,020,961</u>	<u>5,162,475</u>
Total Liabilities		<u>20,537,271</u>	<u>29,990,766</u>
Fund Balance	A-1	<u>1,452,384</u>	<u>-</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 21,989,655</u>	<u>\$ 29,990,766</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009 AND 2008**

**COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE**

	Ref.	2009	2008
Fund Balance Utilized	A-1	\$ -	\$ 864,903
Miscellaneous Revenue Anticipated	A-2	42,719,685	48,302,567
Receipts from Delinquent Taxes	A-2	2,822,957	40,846
Receipts from Current Taxes	A-2	84,816,833	72,345,792
Non-Budget Revenues	A-2	184,038	163,851
Unexpended Balances of 2009 Appropriations Cancelled	A-3	88,098	109,324
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-15	603,242	900,538
Interfunds:			
Dog License Fund - Statutory Excess	A-11	1,135	4,240
Capital Fund Surplus Anticipated			691,145
Interfunds Returned	A-11	949,554	3,245
Grants Appropriated Cancelled			758,636
		<u>132,185,542</u>	<u>124,185,087</u>
Budget Appropriations	A-3	97,872,110	93,783,782
Local School District Taxes	A-2, A-18	15,418,637	15,418,637
County Taxes	A-2, A-19	14,670,553	14,633,895
Interfund Advances Originating in Current Year	A-11	2,233,202	1,873,640
Other Receivable Advances			51,042
Grants Receivable Cancelled	A-24	538,656	-
Grants Appropriated Reprogrammed	A-26	-	-
		<u>130,733,158</u>	<u>125,760,996</u>
Excess (Deficit) in Operations		1,452,384	(1,575,909)
Adjustments:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year			
Deficit		-	1,575,909
Fund Balance, Beginning of Year	A	-	864,903
		1,452,384	864,903
Decreased by:			
Utilized as Anticipated Revenue	A-1	-	864,903
Fund Balance, End of Year	A	<u>\$ 1,452,384</u>	<u>\$ -</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF REVENUES

	Ref.	Budget	Realized	Excess or (Deficit)
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverage	A-10	\$ 318,480	\$ 318,480	\$ -
Other	A-10	71,800	74,766	2,966
Fees and Permits	A-10	216,900	190,176	(26,724)
Fines and Costs:				
Municipal Court	A-10	3,400,000	3,399,222	(778)
Interest and Costs on Taxes	A-10	412,075	504,778	92,703
Interest on Investments and Deposits	A-10	65,000	76,965	11,965
Wedding Fees	A-10	22,295	23,100	805
Public Telephone Commissions	A-10	2,500	1,916	(584)
Cable Franchise Fees	A-10	106,637	116,390	9,753
Payment in Lieu of Taxes				
Union Plaza	A-10	191,000	183,674	(7,326)
Union City Housing Authority	A-10	44,000	51,733	7,733
Union City Renaissance Urban Renewal Assoc.	A-10	3,200	288	(2,912)
Palisade Urban Renewal Assoc.	A-10	41,000	26,986	(14,014)
Holy Rosary	A-10	14,521	27,359	12,838
Total Local Revenues		<u>4,909,408</u>	<u>4,995,833</u>	<u>86,425</u>
State Aid Without Offsetting Appropriations				
Consolidated Municipal Property Tax Relief Aid	A-10	15,440,619	15,440,619	-
Energy Receipts Taxes	A-10	2,619,184	2,619,184	-
Additional State School Aid	A-10	1,665,609	1,665,609	-
Special Municipal Aid	A-10	11,800,000	11,800,000	-
Total State Aid Without Offsetting Appropriations		<u>31,525,412</u>	<u>31,525,412</u>	<u>-</u>
Dedicated Uniform Construction Code Fees Offset with Appropriations				
Uniform Construction Code Fees	A-10	1,328,000	1,288,542	(39,458)
Special Items of Revenue - Interlocal Service Agreements				
Union City Board of Education:				
Lease Recreational Center	A-10	176,000	181,280	5,280
Solid Waste Removal	A-10	240,000	240,000	-
Gasoline	A-10	40,000	6,695	(33,305)
47th Street Pool	A-10	100,000	102,750	2,750
Lease Central Maintenance Facility	A-10	30,000	48,266	18,266
Snow Removal	A-10	100,000	13,925	(86,075)
Total Special Items of Revenue - Interlocal Service Agreements		<u>686,000</u>	<u>592,916</u>	<u>(93,084)</u>
Special Items of Revenue - Public and Private Revenues				
Public Health Priority Funding Act		60,258	60,258	-
Drunk Driving Enforcement Fund		26,849	26,849	-
NJ DOT - Various Streets		303,888	303,888	-
Department of Justice Earmark Grant		268,305	268,305	-
COPS Secure Our Schools		135,194	135,194	-
Byrne Justice Assistance Grant		16,714	16,714	-
NJ DOT - Central Avenue		220,000	220,000	-
Body Armor Fund		16,339	16,339	-
Clean Communities Challenge Grant		53,014	53,014	-
Municipal Alliance Program		68,772	68,772	-
Summer Food Program		107,215	107,215	-
UEZ Purchase of Gumbusters		49,216	49,216	-
UEZ Business Recruitment Marketing Program		367,644	367,644	-
UEZ Administration		140,396	140,396	-
UEZ Litter Clean-Up Project		336,960	336,960	-
Total Special Items of Revenue - Public and Private Revenues	A-24	<u>2,170,764</u>	<u>2,170,764</u>	<u>-</u>

EXHIBIT A-2

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF REVENUES

	Ref.	Budget	Realized	Excess or (Deficit)
Special Items of Revenue - Other				
Uniform Fire Safety Act	A-10	\$ 53,030	\$ 13,508	\$ (39,522)
Interfunds:				-
Due from CDA Trust	A-10, A-11	931,939	931,939	-
Due from Redevelopment Agency	A-10, A-13	185,771	185,771	-
Emergency Medical Services	A-10	1,015,000	1,015,000	
Total Special Items of Revenue - Other		<u>2,185,740</u>	<u>2,146,218</u>	<u>(39,522)</u>
Total Miscellaneous Revenues	A-1	42,805,324	42,719,685	(85,639)
Receipts From Delinquent Taxes	A-1, A-7	2,847,187	2,822,957	(24,230)
Subtotal General Revenues and Fund Balance Anticipated		<u>45,652,511</u>	<u>45,542,642</u>	<u>(109,869)</u>
Amount to Be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes		\$ 51,510,604	\$ 54,018,648	\$ 2,508,044
Addition to Local District School Tax		708,995	708,995	-
Total Amount to Be Raised by Taxes for Support of Municipal Budget	Below, A-7	<u>52,219,599</u>	<u>54,727,643</u>	<u>2,508,044</u>
Non-Budget Revenues	Below, A-1, A-4	-	184,038	184,038
Total General Revenues	A-3	<u>\$ 97,872,110</u>	<u>\$ 100,454,323</u>	<u>\$ 2,582,213</u>
			Below	
ANALYSIS OF REALIZED REVENUE				
Allocation of Current Taxes				
Revenue from Collections	A-7	\$ 80,036,143		
Add: Reserve for Uncollected Taxes	A-3	4,780,690		
	A-1	84,816,833		
Less:				
Allocated to School Taxes	A-1, A-18	15,418,637		
Allocated to County Taxes	A-1, A-29	14,670,553		
Amount for Support of Municipal Budget	Above		\$ 54,727,643	
Receipts from Delinquent Taxes				
Delinquent Tax Collections	A-1, A-7		2,822,957	
Miscellaneous Revenues Anticipated	A-10	40,548,921		
Public and Private Revenues	A-24	2,170,764		
	A-1		42,719,685	
ANALYSIS OF NON-BUDGET REVENUE				
Refunds		3,174		
Police Administrative Fees		17,607		
Various Miscellaneous Items		163,257		
	Above, A-1		<u>184,038</u>	
	Above		<u>\$ 100,454,323</u>	

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref.	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
Operations within "CAPS"					
DEPARTMENT OF PUBLIC AFFAIRS					
Director's Office					
Salaries and Wages		\$ 112,700	\$ 112,700	101,059	\$ 11,641
Other Expenses		5,000	5,000	4,412	588
Municipal Court					
Salaries and Wages		1,255,000	1,296,000	1,282,910	13,090
Other Expenses		205,000	205,000	195,565	9,435
Public Defender					
Salaries and Wages		35,100	37,600	37,455	145
Other Expenses		100	100	-	100
Senior Citizens					
Salaries and Wages		191,100	177,100	174,081	3,019
Other Expenses		58,000	69,000	68,981	19
Hispanic/Cultural Affairs					
Other Expenses		65,000	65,000	64,262	738
North Hudson Council of Mayors					
Other Expenses		69,000	69,000	34,106	34,894
Municipal Land Use Law (NJS 40:55D-1)					
Regional Planning Board					
Salaries and Wages		15,500	15,500	12,269	3,231
Other Expenses		500	500	500	-
Continuous Planning Program		29,000	29,000	28,800	200
Veterans Affairs					
Other Expenses		500	500	-	500
Celebration of Public Events					
Other Expenses		29,000	29,000	29,000	-
Total Department Of Public Affairs		2,070,500	2,111,000	2,033,400	77,600
Detail:					
Salaries and Wages		1,609,400	1,638,900	1,607,774	31,126
Other Expenses		461,100	472,100	425,626	46,474
DEPARTMENT OF REVENUE AND FINANCE					
Director's Office					
Salaries and Wages		155,273	155,273	153,858	1,415
Other Expenses		4,500	4,500	4,236	264
City Clerk's Office					
Salaries and Wages		468,500	458,500	454,803	3,697
Other Expenses		81,000	81,000	49,323	31,677
Treasurer's Office					
Salaries and Wages		627,000	627,000	601,477	25,523
Other Expenses		64,000	64,000	62,362	1,638
Assessment of Taxes					
Salaries and Wages		265,000	258,000	257,413	587
Other Expenses		70,000	70,000	67,201	2,799
Collection of Taxes					
Salaries and Wages		385,000	385,000	358,734	26,266
Other Expenses		52,000	52,000	51,009	991

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref.	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
DEPARTMENT OF REVENUE AND FINANCE					
(Continued)					
Central Purchasing					
Salaries and Wages		\$ 126,000	\$ 126,000	\$ 116,652	\$ 9,348
Other Expenses		3,200	3,200	3,032	168
Rent Control Board					
Salaries and Wages		347,000	338,000	336,606	1,394
Other Expenses		35,000	35,000	28,298	6,702
Insurance					
General Liability		1,210,000	1,210,000	1,205,801	4,199
Workers Compensation		1,750,000	1,750,000	1,277,307	472,693
Employee Group Health		13,265,156	13,265,156	13,255,823	9,333
Tax Searches					
Salaries and Wages		5,100	5,100	5,000	100
Other Expenses		-	-	-	-
Elections					
Salaries and Wages		12,000	12,000	2,782	9,218
Other Expenses		32,000	32,000	6,393	25,607
Membership NJ League of Municipalities					
Other Expenses		4,000	4,000	3,808	192
Annual Audit					
Other Expenses		67,700	67,700	-	67,700
Tax Sale Costs					
Other Expenses		5,000	5,000	-	5,000
Postage-All Departments					
Other Expenses		171,000	171,000	167,586	3,414
Data Processing					
Other Expenses		60,000	60,000	42,878	17,122
Day Care Center					
Other Expenses		260,000	260,000	260,000	-
Total Department Of Revenue And Finance		<u>19,525,429</u>	<u>19,499,429</u>	<u>18,772,382</u>	<u>727,047</u>
Detail:					
Salaries and Wages		2,390,873	2,364,873	2,287,325	77,548
Other Expenses		<u>17,134,556</u>	<u>17,134,556</u>	<u>16,485,057</u>	<u>649,499</u>
DEPARTMENT OF PUBLIC SAFETY					
Director's Office					
Salaries and Wages		232,000	268,000	267,763	237
Other Expenses		22,000	22,000	21,989	11
Weddings					
Salaries and Wages		22,295	22,295	22,275	20
Legal Department					
Salaries and Wages		44,500	44,500	43,102	1,398
Other Expenses		1,100,000	1,100,000	1,001,341	98,659
Police Department					
Salaries and Wages		17,810,000	17,638,300	17,426,666	211,634
Overtime		435,000	435,000	432,680	2,320
Other Expenses		448,000	448,000	435,648	12,352
Traffic Signs and Safety					
Other Expenses		60,000	60,000	32,934	27,066

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref.	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
DEPARTMENT OF PUBLIC SAFETY					
(Continued)					
Emergency Management Services					
Salaries and Wages		\$ 18,500	\$ 45,500	\$ 44,654	\$ 846
Other Expenses		4,000	4,000	2,385	1,615
Emergency Medical Services					
Salaries and Wages		822,000	822,000	808,207	13,793
Other Expenses		61,000	80,000	68,780	11,220
Life Hazard Use Fee-Uniform Fire Safety					
Salaries and Wages		185,000	185,000	160,606	24,394
Other Expenses		16,000	16,000	10,788	5,212
Contribution to Union City Redevelopment Agency		75,000	75,000	35,541	39,459
Board of Health					
Salaries and Wages		659,000	659,000	575,854	83,146
Other Expenses		86,000	86,000	83,141	2,859
Divisions of Inspections					
Other Expenses		1,200	1,200	1,200	-
School Crossing Guards					
Salaries and Wages		641,000	641,000	617,161	23,839
Total Department Of Public Safety		<u>22,742,495</u>	<u>22,652,795</u>	<u>22,092,715</u>	<u>560,080</u>
Detail:					
Salaries and Wages		20,869,295	20,760,595	20,398,968	361,627
Other Expenses		<u>1,873,200</u>	<u>1,892,200</u>	<u>1,693,747</u>	<u>198,453</u>
DEPARTMENT OF PUBLIC WORKS					
Director's Office					
Salaries and Wages		192,500	192,500	188,732	3,768
Other Expenses		3,000	3,000	808	2,192
Street Cleaning					
Salaries and Wages		2,090,000	2,090,000	2,087,961	2,039
Other Expenses		146,000	146,000	144,347	1,653
Streets Repairs and Maintenance					
Salaries and Wages		28,500	23,500	18,967	4,533
Other Expenses		20,000	20,000	19,644	356
Snow Removal					
Salaries and Wages		45,000	55,000	54,712	288
Other Expenses		265,000	265,000	263,661	1,339
Board of Adjustment					
Salaries and Wages		20,600	22,800	22,712	88
Other Expenses		72,000	72,000	63,504	8,496
Solid Waste Disposal					
Salaries and Wages		970,000	1,018,000	1,017,870	130
Other Expenses		4,300,000	4,300,000	3,910,659	389,341
Recycling Program					
Other Expenses		83,000	83,000	71,225	11,775
Public Assistance					
Other Expenses		50,000	50,000	49,012	988
Engineering Services					
Other Expenses		170,000	170,000	130,994	39,006
Total Department Of Public Works		<u>8,455,600</u>	<u>8,510,800</u>	<u>8,044,808</u>	<u>465,992</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref.	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
Detail:					
Salaries and Wages		\$ 3,346,600	\$ 3,401,800	\$ 3,390,954	\$ 10,846
Other Expenses		5,109,000	5,109,000	4,653,854	455,146
DEPARTMENT OF PARKS AND PUBLIC PROPERTY					
Director's Office					
Salaries and Wages		111,000	111,000	108,628	2,372
Other Expenses		4,000	4,000	2,003	1,997
Parks and Playgrounds					
Salaries and Wages		667,000	702,000	645,317	56,683
Other Expenses		135,000	135,000	107,300	27,700
Public Buildings and Grounds					
Salaries and Wages		792,000	752,000	742,261	9,739
Other Expenses		358,583	347,583	285,954	61,629
Recreation					
Salaries and Wages		530,000	566,000	565,894	106
Other Expenses		230,000	230,000	207,271	22,729
Total Department Of Parks And Public Property		2,827,583	2,847,583	2,664,628	182,955
Detail:					
Salaries and Wages		2,100,000	2,131,000	2,062,100	68,900
Other Expenses		727,583	716,583	602,528	114,055
UNIFORM CONSTRUCTION CODE					
State Uniform Construction Code Officials					
Salaries and Wages		365,000	365,000	355,084	9,916
Other Expenses		300,000	300,000	267,565	32,435
Building Demolition					
Sub-Code Officials					
Plumbing Inspector					
Salaries and Wages		91,000	91,000	67,925	23,075
Other Expenses		6,500	6,500	6,396	104
Electrical Inspector					
Salaries and Wages		37,000	37,000	32,752	4,248
Other Expenses		6,500	6,500	2,447	4,053
Elevator Inspector					
Other Expenses		65,000	65,000	55,330	9,670
Fire Inspector					
Salaries and Wages		21,000	21,000	20,838	162
Other Expenses		6,500	6,500	1,653	4,847
Total Uniform Construction Code		898,500	898,500	809,990	88,510
Detail:					
Salaries and Wages		514,000	514,000	476,599	37,401
Other Expenses		384,500	384,500	333,391	51,109
UNCLASSIFIED					
Retirement Benefits		450,000	450,000	431,868	18,132
Gasoline		460,000	460,000	420,377	39,623
Telephone		215,000	215,000	204,553	10,447

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
UNCLASSIFIED					
(Continued)					
Electricity		\$ 520,000	\$ 520,000	\$ 514,678	\$ 5,322
Water		53,000	53,000	32,671	20,329
Natural Gas		410,000	410,000	365,213	44,787
Street Lighting		1,060,000	1,060,000	872,186	187,814
Sewer		41,000	41,000	36,095	4,905
Fire Hydrants		236,000	236,000	222,150	13,850
Printing-All Departments		195,000	195,000	194,742	258
Photocopying		70,000	70,000	51,928	18,072
Fleet Maintenance & Repairs					
Other Expenses		315,000	315,000	314,484	516
Total Unclassified		<u>4,025,000</u>	<u>4,025,000</u>	<u>3,660,945</u>	<u>364,055</u>
Detail:					
Salaries and Wages		-	-	-	-
Other Expenses		4,025,000	4,025,000	3,660,945	364,055
TOTAL OPERATIONS WITHIN "CAPS"		<u>60,545,107</u>	<u>60,545,107</u>	<u>58,078,868</u>	<u>2,466,239</u>
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"					
		<u>60,545,107</u>	<u>60,545,107</u>	<u>58,078,868</u>	<u>2,466,239</u>
Detail					
Salaries and Wages		30,830,168	30,811,168	30,223,720	587,448
Other Expenses		29,714,939	29,733,939	27,855,148	1,878,791
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Deferred Charges:					
Prior Year Bills		28,800	28,800	28,800	-
Statutory Expenditures - Contributions to:					
Social Security System (O.A.S.I.)		1,173,400	1,173,400	1,138,720	34,680
Consolidated Police and Firemen's Pension Fund		170,000	170,000	153,975	16,025
Police and Fire Retirement System		2,125,124	2,125,124	2,125,124	-
Public Employees Retirement System		667,091	667,091	666,070	1,021
Unemployment Insurance		30,000	30,000	30,000	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"		<u>4,194,415</u>	<u>4,194,415</u>	<u>4,142,689</u>	<u>51,726</u>
Cash Deficit of preceding year		<u>1,507,420</u>	<u>1,507,420</u>	<u>1,507,420</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"		<u>66,246,942</u>	<u>66,246,942</u>	<u>63,728,977</u>	<u>2,517,965</u>
OTHER OPERATIONS EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library		1,230,817	1,230,817	620,326	610,491
Contribution to North Hudson Fire & Rescue Joint Meeting		14,961,648	14,961,648	13,660,510	1,301,138
Total Other Operations Excluded from "CAPS"		<u>16,192,465</u>	<u>16,192,465</u>	<u>14,280,836</u>	<u>1,911,629</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref.	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Union City Board of Education					
Solid Waste Removal		\$ 240,000	\$ 240,000	\$ 240,000	\$ -
Lease Recreation Center		176,000	176,000	121,993	54,007
Gasoline		40,000	40,000	-	40,000
Lease Central Maintenance Facility		30,000	30,000	30,000	-
47th Street Pool		100,000	100,000	100,000	-
Snow Removal		100,000	100,000	13,925	86,075
Total Interlocal Municipal Service Agreements		<u>686,000</u>	<u>686,000</u>	<u>505,918</u>	<u>180,082</u>
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Public Health Priority Funding Act		60,258	60,258	60,258	-
Drunk Driving Enforcement Fund		26,849	26,849	26,849	-
NJ DOT - Various Streets		303,888	303,888	303,888	-
Dept of Justice Earmarks Grant					
Salaries & Wages		136,212	136,212	136,212	-
Other Expenses		132,093	132,093	132,093	-
COPS Secure our Schools		135,194	135,194	135,194	-
COPS Secure our Schools - City Match		135,194	135,194	135,194	-
Byrne Justice Assistance Grant		16,714	16,714	16,714	-
NJDOT Central Avenue		220,000	220,000	220,000	-
Body Armor Grant		16,339	16,339	16,339	-
Clean Communities Challenge		53,014	53,014	53,014	-
Municipal Alliance		68,772	68,772	68,772	-
Municipal Alliance - City Match		17,193	17,193	17,193	-
Summer Food Program		107,215	107,215	107,215	-
UEZ - Gumbusters		49,216	49,216	49,216	-
UEZ - Business Recruitment Marketing Program		367,644	367,644	367,644	-
UEZ Administration:					
UEZ Administration		140,396	140,396	140,396	-
UEZ Administration - City Match		87,065	87,065	87,065	-
UEZ - Litter Clean-Up Project		336,960	336,960	336,960	-
Total Public and Private Programs Offset by Revenue		<u>2,410,216</u>	<u>2,410,216</u>	<u>2,410,216</u>	<u>-</u>
Total Operations Excluded from "CAPS"		<u>19,288,681</u>	<u>19,288,681</u>	<u>17,196,970</u>	<u>2,091,711</u>
Detail					
Salaries and Wages		213,663	213,663	213,663	-
Other Expenses		19,075,018	19,075,018	16,983,307	2,091,711
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"					
Capital Improvement Fund		50,000	50,000	50,000	-
Total Capital Improvements Excluded from "CAPS"		<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"					
Payment of Bond Principal		1,420,000	1,420,000	1,420,000	-
Interest on Bonds		2,475,375	2,475,375	2,473,352	2,023
Interest on Notes		306,475	306,475	306,475	-
Green Trust Loan Program					
Loan Repayments for Principal and Interest		9,741	9,741	9,741	-

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF EXPENDITURES

Expenditures	Ref.	SFY 2009	Total for SFY 2009 as Modified by all Transfers	Expended SFY 2009	
				Paid or Charged	Reserved
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"					
(Continued)					
Demolition Bond - Principal and Interest		\$ 16,347	\$ 16,347	\$ 16,347	\$ -
Green Loan Trust Program		89,530	89,530	89,530	-
Hudson County Improvement Authority -					
Fire Dept Assets - Principal		117,075	117,075	117,075	-
Fire Dept Assets - Interest		696,650	696,650	696,650	-
Total Municipal Debt Service Excluded from "CAPS"		<u>5,131,193</u>	<u>5,131,193</u>	<u>5,129,170</u>	<u>2,023</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		<u>24,469,874</u>	<u>24,469,874</u>	<u>22,376,140</u>	<u>2,093,734</u>
LOCAL DISTRICT SCHOOL PURPOSES EXCLUDED FROM "CAPS"					
Type I District School Debt Service					
Payment of Bond Principal		1,670,000	1,670,000	1,670,000	-
Interest on Bonds		704,604	704,604	704,604	-
Total Local District School Purposes Excluded from "CAPS"		<u>2,374,604</u>	<u>2,374,604</u>	<u>2,374,604</u>	<u>-</u>
Total General Appropriations Excluded from "CAPS"		<u>26,844,478</u>	<u>26,844,478</u>	<u>24,750,744</u>	<u>2,093,734</u>
Subtotal General Appropriations		93,091,420	93,091,420	88,479,721	4,611,699
Reserve for Uncollected Taxes		<u>4,780,690</u>	<u>4,780,690</u>	<u>4,780,690</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS		<u>\$ 97,872,110</u>	<u>\$ 97,872,110</u>	<u>93,260,411</u>	<u>\$ 4,611,699</u>
	Ref.	A-2	A-1	Below	Below
Reserve for Uncollected Taxes	A-2			\$ 4,780,690	
Cash Disbursements	A-4			82,224,025	
Capital Improvement Fund	A-11			50,000	
Unemployment Insurance	A-11			30,000	
Grants Appropriated	A-26			2,110,506	
Grants Appropriated - City Match	A-26			239,452	
Grants Appropriated 40A:4-87	A-26			60,258	
Transfer from Accounts Payable	A-20			606,253	
Transfer to Reserve for Encumbrances	A-21			1,651,807	
Deferred Charges	A-23			1,507,420	
	Above			<u>\$ 93,260,411</u>	
Unexpended Balances Cancelled	A-1				\$ 88,098
Unexpended Balances Reserved	A				<u>4,523,601</u>
	Above				<u>\$ 4,611,699</u>

TRUST FUNDS

EXHIBIT B

**THE CITY OF UNION CITY
TRUST FUNDS
JUNE 30, 2009 AND 2008**

COMPARATIVE BALANCE SHEETS

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Dog License Fund			
Cash and Cash Equivalents	B-1	\$ 21,726	\$ 22,432
Total Dog License Fund		<u>21,726</u>	<u>22,432</u>
Unemployment Trust Fund			
Cash and Cash Equivalents	B-5	32,286	32,286
Due from Current Fund	B-7	-	25,000
Total Unemployment Trust Fund		<u>32,286</u>	<u>57,286</u>
Other Trust Fund			
Cash and Cash Equivalents	B-8	2,147,061	1,271,048
Due from Current Fund	B-9	-	619,558
Total Other Trust Fund		<u>2,147,061</u>	<u>1,890,606</u>
Community Development Agency Fund			
Cash and Cash Equivalents	B-11	7,173	9,224
Due from HUD CDA Grant	B-12	1,849,927	1,835,714
Total Community Development Agency Fund		<u>1,857,100</u>	<u>1,844,938</u>
Public Defender Trust Fund			
Cash and Cash Equivalents	B-16	8,887	8,887
Total Public Defender Trust Fund		<u>8,887</u>	<u>8,887</u>
Payroll Agency Fund			
Cash and Cash Equivalents	Contra	7,853	7,853
Total Payroll Agency Trust Fund		<u>7,853</u>	<u>7,853</u>
Total Assets		<u>\$ 4,074,913</u>	<u>\$ 3,832,002</u>

See Accompanying Notes to the Financial Statements.

EXHIBIT B

**THE CITY OF UNION CITY
TRUST FUNDS
JUNE 30, 2009 AND 2008**

COMPARATIVE BALANCE SHEETS

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Dog License Fund			
Due to State of New Jersey	B-2	\$ 2,696	\$ 3,282
Reserve for Dog License Expenditures	B-3	7,595	7,595
Due to Current Fund	B-4	<u>11,435</u>	<u>11,555</u>
Total Dog License Fund		<u>21,726</u>	<u>22,432</u>
Unemployment Trust Fund			
Reserve for Unemployment Trust	B-6	2,994	57,286
Due to Current Fund	B-7	<u>29,292</u>	<u>-</u>
Total Unemployment Trust Fund		<u>32,286</u>	<u>57,286</u>
Other Trust Fund			
Do to Current Fund	B-9	338,465	-
Reserve for Other Trust Activities	B-10	<u>1,808,596</u>	<u>1,890,606</u>
Total Other Trust Fund		<u>2,147,061</u>	<u>1,890,606</u>
Community Development Agency Fund			
Reserve for Program Income	B-13	18,414	18,414
Due to Current Fund	B-14	1,838,686	1,861,855
Reserve for Community Development Block Grant	B-15	<u>-</u>	<u>(35,331)</u>
Total Community Development Agency Fund		<u>1,857,100</u>	<u>1,844,938</u>
Public Defender Trust Fund			
Reserve for Public Defender Trust Expenditures	B-17	1,416	8,657
Due to Current Fund	B-18	<u>7,471</u>	<u>230</u>
Total Public Defender Trust Fund		<u>8,887</u>	<u>8,887</u>
Payroll Agency Fund			
Due to Current Fund	Contra	<u>7,853</u>	<u>7,853</u>
Total Payroll Agency Trust Fund		<u>7,853</u>	<u>7,853</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 4,074,913</u>	<u>\$ 3,832,002</u>

See Accompanying Notes to the Financial Statements.

GENERAL CAPITAL FUND

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
JUNE 30, 2009 AND 2008**

COMPARATIVE BALANCE SHEETS

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
ASSETS			
Cash and Cash Equivalents	C-2, C-3	\$ 526	\$ 526
Due from State of New Jersey - Green Acres	C-17	429,834	429,834
Due from State of New Jersey - Green Trust	C-18	107,777	107,777
Due from Current Fund	C-15	2,183,907	7,952,656
Deferred Charges to Future Taxation:			
Funded	C-5	75,614,092	78,845,233
Unfunded	C-4	12,733,834	12,733,834
Total Assets and Deferred Charges		<u>\$ 91,069,970</u>	<u>\$ 100,069,860</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	C-8	\$ 57,129,999	\$ 58,549,999
School Serial Bonds	C-9	10,200,000	11,870,000
Capital Lease Payable - HCIA	C-10	8,189,240	8,306,315
Green Acres Loan	C-11	63,330	71,678
Demolition Loan	C-12	31,523	47,241
Improvement Authorizations:			
Funded	C-7	1,136,987	1,563,901
Unfunded	C-7	442,079	787,855
Bond Anticipation Notes	C-13	12,259,000	12,259,000
Encumbrances Payable	C-14	1,288,762	6,350,376
Capital Improvement Fund	C-6	270,013	220,013
Fund Balance	C-1	59,037	43,482
Total Liabilities, Reserves and Fund Balance		<u>\$ 91,069,970</u>	<u>\$ 100,069,860</u>
 Bonds and Notes Authorized But Not Issued	 C-16	 <u>\$ 474,834</u>	 <u>\$ 474,834</u>

See Accompanying Notes to the Financial Statements.

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance, June 30, 2008	C	\$ 43,482
Increased by:		
Premium on Note Sale	C-15	<u>15,555</u>
Balance, June 30, 2009	C	<u>\$ 59,037</u>

FIXED ASSETS

**THE CITY OF UNION CITY
FIXED ASSET GROUP OF ACCOUNTS
JUNE 30, 2009 AND 2008**

COMPARATIVE BALANCE SHEETS

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>FIXED ASSETS</u>			
Land		\$ 12,841,700	\$ 12,841,700
Improvements		17,331,536	17,315,536
Machinery, Equipment and Other		<u>9,984,730</u>	<u>9,872,557</u>
	D-1	<u>\$ 40,157,966</u>	<u>\$ 40,029,793</u>
<u>RESERVE</u>			
Reserve for Fixed Assets	D-2	<u>\$ 40,157,966</u>	<u>\$ 40,029,793</u>

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NOTES TO THE FINANCIAL STATEMENTS

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Union City (the "City") is organized as a Commission under the provisions of N.J.S.A. 40:70-1. Five members comprise the City Board of Commissioners and serve in both administrative and legislative capacities. The Commissioners are elected at-large by voters of the City and serve four year concurrent terms beginning the third Tuesday of May following their election. The Mayor is elected by Board of Commissioners for a four year term. The Mayor presides over the Board of Commissioners, but has no veto power. Each commissioner acts as the director of one of the five major departments of the City. There is no single chief executive.

The financial statements of the City include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the City do not include the operations of the Municipal Library, the not-for-profit Union City Day Care Center, the Union City Housing Authority, the Union City Board of Education, Union City Redevelopment Agency, and the Union City Parking Authority.

Governmental Accounting Standards Board ("GASB") Statement 14 establishes criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division requires the financial statements of the City to be reported separately. If the provisions of GASB No. 14 had been complied with, the following financial statements of the component units would have been discretely presented with the financial statements of the City, the primary government:

Union City Board of Education
Union City Parking Authority
Union City Public Library
Union City Redevelopment Agency
Union City Housing Authority

Audit reports of the component units are available at each of the respective component units. If the report were prepared in conformity with accounting principles generally accepted in the United States of America, these component units would be indicated in the City's financial statements.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. DESCRIPTION OF FUNDS

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

The accounting policies of the City conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 financial transactions and accounts of the City are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the City accounts for its financial transactions through the following individual funds and account groups:

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - receipts and disbursements of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. Bonds, notes and loans payable are recorded in this fund, offset by deferred charges to future taxation.

General Fixed Assets - used to account for fixed assets required in general governmental operations.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING

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 City and approved by the State Division of Local Government Services, in accordance with N.J.S.A. 40A:4 et seq. Budgets are adopted on the same basis of accounting utilized for the preparation of the City's financial statements.

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from GAAP applicable to local government units. The more significant differences are as follows:

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the current fund are recognized when anticipated in the City budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City's current fund. GAAP requires such revenue to be recognized in the accounting period in which they become available and measurable, reduced by an allowance for doubtful accounts.

Reserve for Uncollected Taxes - the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A Reserve for Uncollected Taxes is not established under GAAP.

Expenditures - unexpended or uncommitted appropriations, at June 30, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures in the current fund, 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.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

Encumbrances - contractual orders at June 30th are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures or liabilities 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 are not established 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 an 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.

Sale of Municipal Assets - the proceeds of the sale of municipal assets can be held until made available through a future budget appropriation. GAAP requires such proceeds to be recorded as revenue in the year of sale.

Interfunds - advances from the current fund are reported as interfund receivable 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. Under GAAP, interfund receivables are not recorded through operations.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

Deferred Charges to Future Taxation - Funded and Unfunded - Upon the authorization of capital projects, the City establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the N.J.S.A. 40A:2-4, the City may levy taxes on all taxable property within the local unit, to repay the debt. Annually, the City raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

Improvement authorizations in the General Capital Fund, financed by bonds or notes, are recorded as deferred charges to future taxation, and charged to Current Fund operations as the underlying debt matures. Under GAAP, no deferred charges to future taxation funded or unfunded are set up when a capital project is authorized.

General Fixed Assets - N.J.A.C. 5:30-5.6 codifies Technical Accounting Directive No. 86-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, requires the inclusion of a statement of general fixed assets of the City as part of its basic financial statements. It also requires the City to place a value on all fixed assets put into service, to maintain a subsidiary ledger of detailed records of fixed assets and to provide property management standards to control fixed assets. General fixed assets are defined as non-expendable personal property having a physical existence, a useful life of more than five years and an acquisition cost of \$5,000 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems, are not capitalized.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in a separate General Fixed Assets Fund rather than in a governmental fund. No depreciation has been provided on general fixed assets or reported in the financial statements (Exhibit D). Fixed assets acquired through grants in aid or contributed capital has not been accounted for separately.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Use of Estimates - the preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

A. DEPOSITS

All bank deposits and investments as of the balance sheet date are classified as to credit risk. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are:

- (a) Uncollateralized.
- (b) Collateralized with securities held by the pledging financial institution.
- (c) Collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

All bank deposits as of the balance sheet date are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act ("GUDPA") or are on deposit with the New Jersey Cash Management Fund or the New Jersey Asset & Rebate Management Program ("NJARM").

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of June 30, 2009 and 2008, none of the City's bank balances of \$12,351,285 and \$6,158,398, respectively, was exposed to custodial credit risk.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. DEPOSITS (Continued)

As of June 30, 2009 and 2008, the City's deposits and investments are summarized as follows:

	<u>2009</u>	<u>2008</u>
Insured - FDIC	\$ 1,105,829	\$ 1,105,829
Insured - GUDPA	9,927,982	3,755,036
NJARM	863,781	850,186
NJ Cash Management Fund	<u>453,693</u>	<u>447,347</u>
Total	<u>\$ 12,351,285</u>	<u>\$ 6,158,398</u>

B. INVESTMENTS

New Jersey statutes permit the City to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- Government money market mutual funds.
- 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
- 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.
- 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
- Local government investment pools.
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281 (C.52:18A-90.4).

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. INVESTMENTS (Continued)

- Agreements for the repurchase of fully collateralized securities if (a) the underlying securities are permitted investments pursuant to the first and third bullets on the preceding page, (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 section 1 of P.L. 1970, c. 236 (C.17:9-41) and (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2009 and 2008, the City's investments are recorded in the financial statements and have been recorded at the carrying amount. The difference between the carrying amount and market value is not material to the financial statements.

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

The City places no limit on the amount the City may invest in any one issuer. The City only deposits funds in money market funds, the NJ Cash Management Fund, or the NJARM Program.

New Jersey Cash Management Fund and NJARM Program

All investments in the New Jersey Cash Management Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the Other-than-State participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. The City does not own specific identifiable securities, but instead has a net realizable interest in the joint value of the fund. As of June 30, 2009 and 2008, the City had a balance of \$453,693 and \$447,347, respectively, in the New Jersey Cash Management Fund.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. INVESTMENTS (Continued)

The NJARM Program is a financial services organization created and run exclusively for New Jersey municipalities, authorities, schools and other local and regional governmental type entities. The Program was designed to help achieve excellence in the governmental unit's investment program. Created as a joint trust investment under the Interlocal Services Act, NJARM provides participants with investment and arbitrage rebate compliance services for both bond proceeds and general operating funds. The program is a means for local governments in the State to invest collectively the proceeds of taxable and tax-exempt borrowings and other funds on hand. As of June 30, 2009 and 2008, the City has a balance of \$863,781 and \$850,186, respectively, in the NJARM Program.

3. TAXES RECEIVABLE, TAX TITLE LIENS

In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

During fiscal year ended June 30, 2009, the City collected \$2,822,957 from delinquent taxes and tax title liens, which represented 98.73% of the delinquent balances at June 30, 2008 plus the added tax levy for 2008. For the fiscal year ended June 30, 2008, the City collected \$40,846 from delinquent taxes and tax title liens which represented 76.29% of the delinquent balances at June 30, 2007 plus the added tax levy for 2007.

4. PROPERTY TAX CALENDAR

Property tax revenues are collected in quarterly installments due August 1, November 1, February 1, and May 1. Property taxes unpaid on October 1 of the fiscal year following their final due date are subject to tax sale in accordance with the statutes. The amount of tax levied includes not only the amount required in support of the City's annual budget, but also the amounts required in support of the budget of the entities that follow. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenue to be recognized when they are available and measurable, reduced by an allowance for doubtful accounts.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

4. PROPERTY TAX CALENDAR (Continued)

School Taxes

The City is responsible for levying, collecting and remitting school taxes for the Union City Board of Education. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30.

County Taxes

The City is responsible for levying, collecting and remitting county taxes for the County of Hudson. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, Operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Prepaid Taxes

Taxes collected in advance are recorded as cash liabilities in the financial statements. As of June 30, 2009 and 2008, the City's Prepaid taxes were \$102,270 and \$147,493, respectively.

5. SCHOOL DISTRICT

At June 30, 2009 and 2008, the amount of authorized and unissued school indebtedness was \$ - 0 - each year.

6. LONG-TERM DEBT

A. SUMMARY OF MUNICIPAL DEBT

The Local Bond Law, N.J.S.A. 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the City are general obligation bonds, backed by the full faith and credit of the City. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years of original date financed by the issuance of bonds.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

6. LONG-TERM DEBT (Continued)

A. SUMMARY OF MUNICIPAL DEBT (Continued)

The following is a summary of changes in long-term debt for the year ended June 30, 2009:

	Balance June 30, 2008	Bonds and Notes			Balance June 30, 2009
		Authorized	Issued/ (Unissued)	Paid	
General Bonds and Notes	\$ 70,808,999	\$ -	\$ 12,259,000	\$ 13,679,000	\$ 69,388,999
Bonds Issued by Another Public Body and Guaranteed by Municipalities	3,000,000	-	-	-	3,000,000
Demolition Loan	47,241	-	-	15,718	31,523
Green Acres Loans	71,678	-	-	8,348	63,330
HCIA Capital Leases Authorized but Not Issued	8,306,314 474,834	-	-	117,074	8,189,240 474,834
Total General Debt	82,709,066	-	12,259,000	13,820,140	81,147,926
School Serial Bonds	11,870,000	-	-	1,670,000	10,200,000
Total	\$ 94,579,066	\$ -	\$ 12,259,000	\$ 15,490,140	\$ 91,347,926

The repayment schedule of annual debt service principal and interest for the next five years, and five-year increments there-after, for bonded debt issued and outstanding as of June 30, 2009 is as follows:

Fiscal Year Ending	General		Type I School		HCIA Lease	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 1,114,234	\$ 2,407,813	\$ 1,780,000	\$ 594,635	\$ 343,766	\$ 540,268
2011	2,819,492	2,309,235	1,900,000	477,335	348,782	518,564
2012	2,963,862	2,160,350	2,030,000	352,066	380,473	495,554
2013	5,562,147	2,894,555	2,170,000	217,920	407,162	470,445
2014	2,511,330	2,889,805	2,320,000	74,240	438,853	443,290
2015-2019	15,353,787	12,577,837	-	-	2,606,372	1,737,332
2020-2024	17,765,000	4,873,032	-	-	3,663,832	689,948
2025-2029	3,540,000	2,490,313	-	-	-	-
2030-2033	5,595,000	933,125	-	-	-	-

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

6. LONG-TERM DEBT (Continued)

B. SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarized statement of debt condition which is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.78%. The Equalized Valuation Basis of the City at June 30, 2009 is \$3,618,631,227.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$10,200,000	\$ 10,200,000	\$ -
General Debt	81,147,926	16,905,000	64,242,926

C. BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

3-1/2% of Equalized Valuation Basis	\$ 126,652,093
Net Debt	<u>64,242,926</u>
Remaining Borrowing Power	<u>\$ 62,409,167</u>

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

6. LONG-TERM DEBT (Continued)

F. GENERAL SERIAL BONDS PAYABLE

The city issues bonds to fund various capital projects. Bonds Payable consist of the following:

Fiscal Year Ending	Total Payments	1997 Refunding Issue Principal	ERI Pension Bonds Principal	2007 Refunding Issue Principal
2010	\$ 1,310,000	\$ 1,310,000	\$ -	\$ -
2011	2,725,000	2,625,000	100,000	-
2012	2,880,000	2,760,000	120,000	-
2013	5,478,106	2,900,000	525,000	2,053,106
2014	2,502,108	-	585,000	1,917,108
2015	2,461,251	-	665,000	1,796,251
2016	2,355,109	-	725,000	1,630,109
2017	2,898,425	-	825,000	2,073,425
2018	3,745,000	-	15,000	3,730,000
2019	3,875,000	-	30,000	3,845,000
2020	4,085,000	-	100,000	3,985,000
2021	4,290,000	-	165,000	4,125,000
2022	4,450,000	-	225,000	4,225,000
2023	4,565,000	-	315,000	4,250,000
2024	375,000	-	375,000	-
2025	475,000	-	475,000	-
2026	575,000	-	575,000	-
2027	690,000	-	690,000	-
2028	825,000	-	825,000	-
2029	975,000	-	975,000	-
2030	1,125,000	-	1,125,000	-
2031	1,300,000	-	1,300,000	-
2032	1,475,000	-	1,475,000	-
2033	1,695,000	-	1,695,000	-
	<u>\$ 57,129,999</u>	<u>\$ 9,595,000</u>	<u>\$ 13,905,000</u>	<u>\$ 33,629,999</u>

The 2007 Refunding Issue Bonds refunded \$8,690,000 of the City's outstanding obligations securing bonds issued by the Hudson County Improvement Authority; \$15,506,000 of the 2006 General Improvement Bonds; \$3,510,000 of the 1997 Refunding Issue; and \$1,430,000 of the ERI Pension Bonds.

THE CITY OF UNION CITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

6. LONG-TERM DEBT (Continued)

E. LOANS AND CAPITAL LEASES PAYABLE

The city issues bonds and notes to fund various capital projects. Bonds Payable consist of the following:

Fiscal Year Ending	Green Acres Loan Principal	Demolition Loan Principal	1992 School Issue Principal	Hudson County Improvement Authority Lease Payments			
				Total Payments	1999 A&B Fire Dept. Assets Principal	N. Hudson Reg. Fire & Rescue Series 2006A Principal	N. Hudson Reg. Fire & Rescue Series 2006B Principal
2010	\$ 8,516	\$ 15,718	\$ 1,780,000	\$ 343,765	\$ 220,000	\$ 65,227	\$ 58,538
2011	8,687	15,805	1,900,000	348,782	220,000	68,572	60,210
2012	8,862	-	2,030,000	380,472	245,000	71,917	63,555
2013	9,040	-	2,170,000	407,162	265,000	75,262	66,900
2014	9,222	-	2,320,000	438,852	290,000	78,607	70,245
2015	9,407	-	-	453,888	295,000	83,625	75,263
2016	9,596	-	-	480,578	315,000	86,970	78,608
2017	-	-	-	518,940	345,000	91,987	81,953
2018	-	-	-	562,302	380,000	95,332	86,970
2019	-	-	-	590,665	400,000	98,677	91,988
2020	-	-	-	640,700	440,000	103,695	97,005
2021	-	-	-	684,063	475,000	107,040	102,023
2022	-	-	-	729,097	510,000	112,057	107,040
2023	-	-	-	779,133	550,000	117,075	112,058
2024	-	-	-	830,841	590,000	122,093	118,748
	<u>\$ 63,330</u>	<u>\$ 31,523</u>	<u>\$10,200,000</u>	<u>\$ 8,189,240</u>	<u>\$5,540,000</u>	<u>\$ 1,378,136</u>	<u>\$ 1,271,104</u>

F. NOTES PAYABLE

The term of bond anticipation notes cannot exceed one year, but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid or permanently financed no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note and through to the tenth anniversary date, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued, be paid or retired.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

7. FUND BALANCE APPROPRIATED

Fund balances at June 30, 2008 and 2007 which were appropriated and included as anticipated revenue in their own respective funds for the years ending June 30, 2009 and 2008 were \$0 and \$864,903, respectively. The fund balance included as anticipated revenue for the fiscal year 2009 budget could not be determined at the time of the audit.

8. RETIREMENT SYSTEMS AND DEFERRED COMPENSATION

A. STATE-MANAGED PENSION PLANS

Substantially all City employees participate in the Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System of NJ (PFRS). The PERS and PFRS systems are cost-sharing multiple-employer contributory defined benefit plans, administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The PERS was established in January 1955 under provisions of N.J.S.A. 43:15A and provides retirement, death, disability and medical benefits to certain qualifying Plan members and beneficiaries.

Membership is mandatory to substantially all full time employees and vesting occurs after 8 to 10 years of service. Employees who retire at or after age 55 are entitled to a retirement benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years compensation for each year of membership during years of credible service. The PFRS was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and state firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

According to state law, all obligations of PERS and PFRS will be assumed by the State of New Jersey should the PERS and PFRS be terminated. The State of New Jersey issues publicly available financial reports that include the financial statements and required supplementary information of the PERS and PFRS. This report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O.B. 295, Trenton, New Jersey 08625-0295.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

8. PENSION (Continued)

A. STATE-MANAGED PENSION PLANS (Continued)

The contribution policy is set by laws of the State of New Jersey. For the years ended June 30, 2009 and 2008 contributions made by employees for PERS and PFRS were 5.5% and 8.5% of their base wages, respectively. Employers are required to contribute at an actuarially determined rate. On March 17, 2009 P.L. 2009, c.19 was enacted, allowing employers to defer 50% of the normal and accrued liability component of the PERS and PFRS obligations for the year ended June 30, 2009. The deferred amount will be repaid over a period of 15 years, commencing in the year ending June 30, 2012. The amount will fluctuate based on pension system investment earnings on the deferred amount. The City and employees' contributions and deferrals for the past three years were as follows:

<u>Year Ended June 30,</u>	<u>City Contribution</u>	<u>City Deferral</u>	<u>City Contribution as a Percentage of Covered Payroll</u>	<u>Employee Contributions</u>
2009	\$ 4,889,023	\$ 2,361,083	16.59%	\$ 2,113,655
2008	4,554,089	-	14.93%	2,107,948
2007	2,969,238	-	10.46%	1,941,491

B. DEFINED CONTRIBUTION RETIREMENT PROGRAM

The Defined Contribution Retirement Program (the "DCRP"), was established July 1, 2007, under the provisions of Chapters 92 and 103, P.L. 2007. Individuals eligible for membership in the DCRP include local officials who are elected or appointed on or after July 1, 2007; and employees enrolled in the PERS on or after July 1, 2007 who earn in excess established "maximum compensation" limits.

A local elected official is any individual who holds elected public office. Officials elected on or after July 1, 2007 will only be enrolled in DCRP. Elected officials already enrolled in PERS prior to July 1, 2007 based on elected office will remain a PERS member while serving that same elected office. Any break in service or election to a different elected office will automatically enroll the elected official in DCRP. If a retired member of another State-administered retirement system is elected to office, that elected official can choose to either continue receiving retirement benefits from the former employment or suspend such benefits and participate in DCRP.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

8. PENSION (Continued)

B. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

A local appointed official is any individual appointed by the governor, including those requiring advice and consent of the Senate, or an individual appointed in a similar manner by the governing body of a local public entity. On or after July 1, 2007, a newly appointed official who does not have an existing PERS account will only be enrolled in the DCRP. Appointed officials already enrolled in PERS prior to July 1, 2007 will remain a PERS member while serving that same appointed office.

An appointed official is permitted to join or remain in PERS if that appointed official holds a professional license or certificate to perform and is serving in any of the following capacities: Certified Health Officer, Tax Collector, Chief Financial Officer, Construction Code Official, Qualified Purchasing Agent, Tax Assessor, Municipal Planner, Registered Municipal Clerk, Licensed Uniform Subcode Inspector Principal/Certified Public Works Manager.

Additional minimum DCRP eligibility criteria for a newly elected or appointed official are the same as for a PERS position. However, in the case of DCRP, eligible officials can irrevocable waiver their participation when earning less than \$5,000 annually.

Eligible PERS members are enrolled in the DCRP when annual salary exceeds the maximum compensation limit. This may occur upon enrollment into the PERS when an annual base salary is reported on the enrollment application that will exceed the maximum compensation; or when a PERS member's annual salary is increased to where it will exceed the maximum compensation and it is reported by the employer to the Division of Pensions and benefits.

Enrolled members contribute 5.5% of the base salary to a tax-deferred investment account established with Prudential Financial, which administers the DCRP for the Division of Pensions and Benefits. Members enrolled due to income levels in excess of maximum compensation limits only contribute based on that amount in excess. Member contributions are matched by a 3% employer contribution.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

8. PENSION (Continued)

B. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Newly eligible and enrolled members that have existing DCRP accounts or are active or vested members of another State-administered retirement system are immediately vested in DCRP. Conversely, those officials not qualifying for immediate vesting in DCRP will become fully vested upon commencement of their third year of membership. In such case there is no eligible third year of membership, all employee and employer contributions will be refunded to the appropriate contributing parties.

DCRP members may elect to receive all or a portion of the account in a lump-sum distribution, or as a fixed term or life annuity. There is no minimum retirement age under the DCRP. Any distributions of mandatory contributions will automatically render the member retired. Lump-sum cash distributions to members under the age of 55 are limited to the member's contributions and earnings. Employer matching contributions and earnings are only available after the age of 55. A member may begin collecting an annuity or take a cash distribution at any time after termination of employment, but will no longer be eligible to participate in any State-administered retirement system upon a return to public employment in New Jersey.

DCRP members are covered by employer-paid life insurance, payable to their designated beneficiaries, in the amount of 1½ times the annual base salary on which DCRP contributions were based. This benefit continues for up to two years if on an approved leave of absence without pay for personal illness. Life insurance may also be available to members upon retirement at an amount reduced to 3/16 of the annual base salary on which DCRP contributions were based who qualify by being 60 or older with 10 years of participation in DCRP or any age with 25 years of participation. In the case of members enrolled due to income levels in excess of maximum compensation limits, years of participation in either scenario would also include participation in PERS.

DCRP members are eligible employer-paid long-term disability coverage after one year of participation. Eligibility occurs after six consecutive months of total disability. Members would receive a regular monthly income benefit up to 60% of the base salary on which DCRP contributions were based during the 12 months preceding the onset of the disability, offset by any other periodic benefit the member may be receiving. Benefits will be paid so long the member remains disabled or until the age of 70. Benefits terminate should the member begin receiving retirement annuity payments. As of June 30, 2009 the City had no employees who were DCRP Members.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

9. COMPENSATED ABSENCES

Under the existing union contracts and policy of the City, certain employees are allowed to accumulate unused vacation and sick pay over the life of their working careers, which may be taken as time off or paid at a later date and at an agreed upon rate. The accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented. The City appropriates, annually, the amounts required to be paid in any fiscal year in that year's budget and no liability is accrued at June 30, 2009 and 2008.

As of June 30, 2009 and 2008, the total accumulated compensated absence liability was \$7,935,976 and \$10,407,272, respectively.

10. TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey and the Hudson County Board of Taxation requesting a reduction of assessments for various years. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from current tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

11. CONTINGENT LIABILITIES

The City participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. The state and federal grants received and expended in fiscal year 2009 were subject to the Single Audit Act Amendments of 1996 and State of New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the City's annual audit.

In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of June 30, 2009, the City does not believe that any material liabilities will result from such audits.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
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12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

13. SELF-INSURANCE PROGRAM

The City established a self-insurance program in accordance with the New Jersey Statute Chapter 40:10. The Chapter enables the governing body of any local unit to create a fund to provide insurance coverage for its exposure to a wide variety of property casualty risks, including:

- Health insurance benefits (vision, dental, prescription and major medical) (established in 1998).
- Workers' compensation obligations (established in 1984).

The latest available information states that at June 30, 2009 and 2008, the City's exposure for claims incurred under its obligation to provide workers' compensation insurance amounted to approximately \$1,100,000 and \$1,100,000, respectively.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

14. POST RETIREMENT BENEFITS

The City of Union City provides lifetime medical and prescription drug benefits to City employees who retire under the following conditions:

Police and Firemen:

- Retire after 25 or more years of service in New Jersey Police and Firemen's Retirement System; or
- Retire under a disability retirement (job related – 5 years of service; non-job related – 15 years of service).

The surviving spouse and dependents of a deceased member (active or retired) are eligible for continued benefits. In the event of the death of a member (active or retired), benefits continue for the member's surviving spouse and dependents until the surviving spouse attains Medicare eligibility or remarriage, if earlier. Benefits generally continue for dependents until age 19 or age 23 for full-time students.

Employee Association:

- Retire after 15 or more years of service with the City of Union City.

The surviving spouse and dependents of a deceased member are not eligible for continued benefits.

As of June 30, 2009 and 2008, the City had 134 and 128 employees, respectively, who are eligible.

The City of Union City is self-insured and accounts for post retirement health costs on a pay-as-you-go basis. Expenditures during the year ended June 30, 2009 and 2008 were \$4,448,152 and \$4,077,406, respectively.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
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14. POST RETIREMENT BENEFITS (Continued)

In accordance with GAAP and accrual accounting principles, the costs associated with post-employment healthcare benefits ("OPEB"), generally should be associated with the periods in which the cost occurs, rather than in future years when it will be paid. In adopting the requirements of GASB Statement No. 45 the cost of OPEB is recognized in the year when the employee services are received, the accumulated liability (as calculated on a tri-ennial basis) is reported from prior years and provides information useful in assessing potential demands on cash flows. Recognition of the liability accumulated from prior years is phased in over 30 years, commencing with the current 2008 liability.

Summary of Valuation Results (in thousands)

	<u>Police & Firemen</u>	<u>Civilians</u>	<u>Total</u>
Present Value of Future Benefits			
Retiree	\$ 66,800,000	\$ 21,252,000	\$ 88,052,000
Active	80,418,000	43,945,000	124,363,000
Total	<u>147,218,000</u>	<u>65,197,000</u>	<u>212,415,000</u>
Actuarial Accrued Liability			
Retiree	66,800,000	21,252,000	88,052,000
Active	44,492,000	24,027,000	68,519,000
Total	<u>111,292,000</u>	<u>45,279,000</u>	<u>156,571,000</u>
Assets			-
Unfunded Actuarial Accrued Liability*			156,397,000
Normal Cost	3,119,000	1,607,000	4,726,000
Discount Rate			4.50%

* This amount is calculate by subtracting the Assts and Normal Cost and adding Benefit Payments with interest to the Actuarial Accrued Liability to account for the end of year valuation date.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

14. POST RETIREMENT BENEFITS (Continued)

Annual OPEB Cost (in thousands)

	December 31, 2008
Nortmal Cost without interest	\$ 4,726
Amortization of Unfunded Actuarial Accrued Liability	9,188
Annual Required Contribution ("ARC")	13,914
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB Cost	\$ 13,914

As of December 31, 2008 the Actuarial Accrued Liability is \$88,052,000 for retirees and \$68,519,000 for active employees for a total accrued liability of \$156,571,000. Under the GASB accounting standard the Annual Required Contribution ("ARC") is \$13,914,000 for the year ending December 31, 2008 assuming a 30 year amortization of the Unfunded Actuarial Accrued Liability. The Net OPEB Obligation is \$9,462,000, based on estimated 2008 cash payments of \$4,452,000 and the ARC state above.

Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphasis on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistently with each other assumption, and the combined impact of all assumptions. In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, demographic and health care assumptions were used consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan as reported in their July 1, 2008 Actuarial Valuation to value the GASB obligations.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
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15. NEW JERSEY INTERGOVERNMENTAL INSURANCE FUND

The City entered into a three year agreement to participate in the New Jersey Intergovernmental Insurance Fund ("NJIIIF") from January 1, 2007 through December 31, 2010. The NJIIF was established in 1997 as a self-insured property and casualty insurance program for New Jersey Municipalities. Initially, it began with 14 members and currently has approximately 40.

The Commissioners of NJIIF arrange through their insurance professionals the pooled purchase of insurance utilizing high deductibles and self-insured retentions. The participants share in each others losses through the funding of claims under these deductibles.

The program is administered by Governmental Risk Management Associates of Old Bridge, New Jersey. The Underwriting Manager is Arthur J. Gallagher Associates of Wayne, New Jersey. The City of Union City is represented by their Risk Management Consultant, Beckerman & Company of Colonia, New Jersey.

16. NORTH HUDSON SEWERAGE AUTHORITY

During October, 1996, the West New York Municipal Utilities Authority (WNYMUA) was acquired by the Hoboken - Union City - Weehawken Sewerage Authority (HUCWSA), and together, these entities were consolidated to create the North Hudson Sewerage Authority (NHSA). The acquisition was executed through the issuance and sale of \$104,945,000 Sewer Revenue Bonds, Series 1996, issued by the NHSA on October 15, 1997.

In connection with the creation of the NHSA, a service agreement between the City (together with the Hudson County municipalities of Hoboken, West New York and Weehawken) and the NHSA was executed. The related obligation of the City with respect to the current service agreement pertains to service charges and annual charges, as described below:

THE CITY OF UNION CITY
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16. NORTH HUDSON SEWERAGE AUTHORITY (Continued)

Service Charges

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

Annual Charges

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

THE CITY OF UNION CITY
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16. NORTH HUDSON SEWERAGE AUTHORITY (Continued)

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

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

Annual charges, if any, are assessed to and payable by the City in the same percentage as the most recent determination by the NHSA of the allocation of the annual flow among the municipalities. The most recent determination by the NHSA of the allocation of the annual flow is as follows: (i) Hoboken 27%, (ii) Union City 32%, (iii) Weehawken 10% and (iv) West New York 31%.

On or before January 1 of each fiscal year, the NHSA will make an estimate of the amount of the annual charges, if any, which will become payable by the City for such fiscal year. On or before February 15 of each fiscal year, the City will pay to the NHSA the amount of any annual charges not paid relating to any prior fiscal year. The City will pay to the NHSA that part of the estimated amount of the annual charges for the current fiscal year in four equal installments on March 1, June 1, September 1, and November 1 of such fiscal year. No amounts were due from the City for the fiscal years ended June 30, 2009 and 2008. The NHSA estimates that no amounts will be due from the City for fiscal year ending June 30, 2010.

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
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17. NORTH HUDSON REGIONAL FIRE AND RESCUE

Background of the Agreement

On October 1, 1998, the Hudson County municipalities of North Bergen, Union City, Weehawken and West New York had formed the Agreement in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:48B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire and Rescue (the "NHRFR"), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

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

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

Required Contributions by the City

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

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

17. NORTH HUDSON REGIONAL FIRE AND RESCUE (Continued)

As of June 30, 2009 and 2008, the City contributed \$13,660,510 and \$13,113,206, respectively, to the NHRFR. This annual contribution is based on each of the four original participating municipalities' applicable share of the combined fiscal year 1998 fire budgets of those four municipalities. The combined fiscal year 1998 fire budgets of those four municipalities totaled \$29,121,874. Since Guttenberg entered after this allocation was decided on, it contributes an alternatively determined amount. This share is subject to an increase based on the percentage of increase of the total fire and rescue related appropriations over the base year (SFY 1998) of the four original participating municipalities. Guttenberg's allocation is subject to this rate increase, but is not subject to the matter described below regarding a redetermination of the allocation formula. The Agreement also contains provisions for a growth value adjustment to be made in calendar year 2001, in which the budget balance allocation formula described above is redetermined. This redetermined allocation is based upon a factor entitled "Growth Percentage". This factor is determined by expressing "Growth Value" as a percentage of the total of all equalized values of the four original participating municipalities. Growth value is determined by taking the aggregate assessed value of all new construction in the City from July 1, 1997 through June 30, 2000, and deducting from that the aggregate assessed value of all demolition. If the resulting amount is negative, the growth value is expressed as zero. With respect to the redetermined allocation formula, the Agreement expressly states:

"Starting with the NHRFR fiscal year budget for January 1, 2001 through December 31, 2001, allocations of the Budget Balance among the Original Parties shall be subject to two (2) separate calculations, as follows:

FIRST, the Budget Balance shall be multiplied by the Total Growth Percentage, and the product so determined shall be allocated among the Original Parties in ratio to their respective Individual Growth Percentages; and

SECOND, there shall be subtracted from the Budget Balance determined in FIRST above, and the remainder of the Budget Balance amount shall be allocated among the Original Parties based on their respective Base Year Percentages."

THE CITY OF UNION CITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

17. NORTH HUDSON REGIONAL FIRE AND RESCUE (Continued)

Guarantee of Debt

On January 25, 2005 the Hudson County Improvement Authority issued \$8,565,000 in Lease Revenue Bonds Series 2005, consisting of \$4,510,000 Tax-Exempt Lease Revenue Bonds, Series 2005A and \$4,055,000 Taxable Lease Revenue Bonds, Series 2005B. These Series 2005 Bonds were issued to finance certain costs associated with the facilities leased to and utilized by the NHRFR. The Series 2005 Bonds are payable and secured by revenues of the Authority, which are derived from the lease of the Facilities to NHRFR. The lease payments, which are allocated among the municipalities participating in the NHRFR are sufficient to pay the debt service on the Series 2005 Bonds. As additional security, each of the municipalities participating in the NHRFR unconditionally guaranteed their percentage share of debt service on each series of the Series 2005 Bonds. In the event that a municipalities' percentage share of revenues is not sufficient to pay its percentage share of debt service, the municipality is obligated to levy *ad valorem* taxes upon all taxable property within its jurisdiction without limitation as to rate or amount in order to make such payments.

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SUPPLEMENTARY DATA – CURRENT FUND

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance, June 30, 2008	A		\$ 15,296,947
Increased by Receipts:			
Miscellaneous Revenues Not Anticipated	A-2	\$ 184,038	
Petty Cash	A-5	1,500	
Tax Collector	A-6	83,973,802	
Revenue Accounts Receivable	A-10	39,460,721	
Interfund	A-11	15,263,697	
State of New Jersey - Veterans and Senior Citizens Deductions	A-12	93,627	
Other Liabilities	A-14	350,624	
Other Reserves	A-16	84,074	
Parking Surcharge	A-22	328,700	
Grants Receivable	A-24	2,726,014	
Reserve for Grants - Unappropriated	A-25	<u>148,886</u>	
			<u>142,615,683</u>
			157,912,630
Decreased by Disbursements:			
Appropriations	A-3	82,224,025	
Petty Cash	A-5	1,500	
Tax Overpayments	A-8	404,531	
Interfund	A-11	23,069,517	
Other Liabilities	A-14	306,069	
Appropriation Reserves	A-15	3,902,783	
Other Reserves	A-16	120,771	
Local School District Taxes Payable	A-18	13,876,773	
County Taxes Payable	A-19	18,180,710	
Accounts Payable	A-20	537,440	
Reserve for Encumbrances	A-21	2,446,955	
Parking Surcharge	A-22	328,700	
Deferred Charges	A-23	644,969	
Grants Appropriated	A-26	<u>2,474,180</u>	
			<u>148,518,923</u>
Balance, June 30, 2009	A		<u>\$ 9,393,707</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF PETTY CASH

	<u>Ref.</u>	
Balance, June 30, 2008		\$ -
Increased by:		
Cash Receipts	A-4	1,500
		<u>1,500</u>
Decreased by:		
Cash Disbursements	A-4	1,500
		<u>1,500</u>
Balance, June 30, 2009		<u><u>\$ -</u></u>

SCHEDULE OF CASH - TAX COLLECTOR

	<u>Ref.</u>	
Balance, June 30, 2008		\$ -
Increased by:		
Operating Fund:		
Taxes Receivable	A-7	\$ 82,620,151
Revenue Accounts Receivable	A-10	1,088,200
Tax Overpayments	A-8	163,181
Prepaid Taxes	A-17	<u>102,270</u>
		<u>83,973,802</u>
		83,973,802
Decreased by:		
Payments to Treasurer	A-4	<u>83,973,802</u>
Balance, June 30, 2009		<u><u>\$ -</u></u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>	
Balance, June 30, 2008	A	\$ 252,842
Increased by:		
Cash Collections	A-6	<u>163,181</u>
		416,023
Decreased by:		
Refunds	A-4	<u>404,531</u>
Balance, June 30, 2009	A	<u>\$ 11,492</u>

EXHIBIT A-9

**SCHEDULE OF FORECLOSED PROPERTY
AT ASSESSED VALUATIONS**

	<u>Ref.</u>	
Balance, June 30, 2008	A	<u>\$ 171,900</u>
Balance, June 30, 2009	A	<u>\$ 171,900</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance June 30, 2008	Accrued in 2007-2008	Collections		Balance June 30, 2009
				Collector	Treasurer	
Licenses:						
Alcoholic Beverage	A-2	\$ -	318,480	\$ 318,480	\$ -	\$ -
Other	A-2	-	74,766	74,766	-	-
Fees and Permits	A-2	-	190,176	190,176	-	-
Fines and Costs:						
Municipal Court	A-2	-	3,399,222	-	3,399,222	-
Interest and Costs on Taxes	A-2	-	504,778	504,778	-	-
Interest on Investments and Deposits	A-2	-	76,965	-	76,965	-
Wedding Fees	A-2	-	23,100	-	23,100	-
Public Telephone Commissions	A-2	-	1,916	-	1,916	-
Cable Franchise Fees	A-2	-	116,390	-	116,390	-
Payment in Lieu of Taxes						
Union Plaza	A-2	-	183,674	-	183,674	-
Union City Housing Authority	A-2	-	51,733	-	51,733	-
Union City Renaissance Urban Renewal Assoc.	A-2	-	288	-	288	-
Palisade Urban Renewal Assoc.	A-2	-	26,986	-	26,986	-
Holy Rosary	A-2	-	27,359	-	27,359	-
Consolidated Municipal Property Tax Relief Aid	A-2	-	15,440,619	-	15,440,619	-
Energy Receipts Taxes	A-2	-	2,619,184	-	2,619,184	-
Additional State School Aid	A-2	-	1,665,609	-	1,665,609	-
Special Municipal Aid	A-2	-	11,800,000	-	11,800,000	-
Uniform Construction Code Fees	A-2	-	1,288,542	-	1,288,542	-
Union City Board of Education:						
Lease Recreational Center	A-2	-	181,280	-	181,280	-
Solid Waste Removal	A-2	-	240,000	-	240,000	-
Gasoline	A-2	-	6,695	-	6,695	-
47th Street Pool	A-2	-	102,750	-	102,750	-
Lease Central Maintenance Facility	A-2	-	48,266	-	48,266	-
Snow Removal	A-2	-	13,925	-	13,925	-
Uniform Fire Safety Act	A-2	-	13,508	-	13,508	-
Interfunds:						
Due from CDA Trust	A-2, A-11	-	931,939	-	931,939	-
Due from Redevelopment Agency	A-2, A-13	-	185,771	-	185,771	-
Emergency Medical Services	A-2	-	1,015,000	-	1,015,000	-
		<u>\$ -</u>	<u>\$ 40,548,921</u>	<u>\$ 1,088,200</u>	<u>\$ 39,460,721</u>	<u>\$ -</u>
	<u>Ref.</u>		A-2	A-6	A-4	

THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF INTERFUNDS RECEIVABLE/(PAYABLE)

Ref.	Total	General Capital Fund	Other Trust Fund	Unemployment Trust Fund	Public Defender Trust Fund	Dog Licenses Trust Fund	CDA Trust Fund	Payroll Agency
Balance, June 30, 2008								
Receivable	\$ 1,881,493	\$ -	\$ -	\$ -	\$ 230	\$ 11,555	\$ 1,861,855	\$ 7,853
Payable	(8,597,214)	(7,952,656)	(619,558)	(25,000)	-	-	-	-
	(6,715,721)	(7,952,656)	(619,558)	(25,000)	230	11,555	1,861,855	7,853
Increased by:								
Statutory Excess	1,135	-	-	-	-	1,135	-	-
Cash Disbursements	23,069,517	18,093,304	2,476,504	161,656	21,000	3,807	2,313,246	-
	23,070,652	18,093,304	2,476,504	161,656	21,000	4,942	2,313,246	-
Decreased by:								
Anticipated Revenue	931,939	-	-	-	-	-	931,939	-
Charges to 2009 Appropriations	80,000	50,000	-	30,000	-	-	-	-
Cash Receipts	15,263,697	12,274,555	1,518,481	47,364	13,759	5,062	1,404,476	-
Charges to 2008 Appropriation Reserves	30,000	-	-	30,000	-	-	-	-
	16,305,636	12,324,555	1,518,481	107,364	13,759	5,062	2,336,415	-
Balance, June 30, 2009								
Receivable	2,233,202	-	338,465	29,292	7,471	11,435	1,838,686	7,853
Payable	(2,183,907)	(2,183,907)	-	-	-	-	-	-
	\$ 49,295	\$ (2,183,907)	\$ 338,465	\$ 29,292	\$ 7,471	\$ 11,435	\$ 1,838,686	\$ 7,853
Interfund Returned	949,554	-	-	-	230	11,555	929,916	7,853
Interfund Advanced	2,233,202	-	338,465	29,292	7,471	11,435	1,838,686	7,853

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**SCHEDULE OF DUE TO THE STATE OF NEW JERSEY
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

	<u>Ref.</u>		
Balance, June 30, 2008	A		\$ 5,954
Increased by:			
Senior Citizens' and Veterans' Deductions			
Disallowed by Tax Collector (Net)	Below	\$ 8,499	
Cash Receipts	A-4	<u>93,627</u>	
			<u>102,126</u>
			108,080
Decreased by:			
Senior Citizens' and Veterans' Deductions			
Per Tax Billings (Net)	Below	93,627	
Senior Citizens' and Veterans' Deductions			
Allowed by Tax Collector (Net)	Below	<u>6,328</u>	
			<u>99,955</u>
Balance, June 30, 2009	A		<u><u>\$ 8,125</u></u>

Analysis of State's Share of Senior Citizens' and Veterans' Deductions

Senior Citizens' and Veterans' Deductions (Net):			
Per Tax Billings	Above	\$ 93,627	
Allowed by Tax Collector	Above	6,328	
Disallowed by Tax Collector	Above	<u>(8,499)</u>	
	A-7		<u><u>\$ 91,456</u></u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF RECEIVABLES

	<u>Balance June 30, 2008</u>	<u>Anticipated Revenue</u>	<u>Balance June 30, 2009</u>
Due from:			
North Fork - Bank Charges	\$ 3,176	\$ -	\$ 3,176
Redevelopment Agency	<u>248,349</u>	<u>185,771</u>	<u>62,578</u>
Total Other Receivables	<u>\$ 251,525</u>	<u>\$ 185,771</u>	<u>\$ 65,754</u>
<u>Ref.</u>	A	A-2, A-10	A

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF OTHER LIABILITIES

	<u>Balance June 30, 2008</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2009</u>
Due to:				
North Hudson Sewerage Authority	\$ -	\$ 320,231	\$ 285,227	35,004
NJ Construction Code Fees	<u>-</u>	<u>30,393</u>	<u>20,842</u>	<u>9,551</u>
	<u>\$ -</u>	<u>\$ 350,624</u>	<u>\$ 306,069</u>	<u>44,555</u>
<u>Ref.</u>	A	A-4	A-4	A

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF APPROPRIATION RESERVES

Expenditures	Ref.	Balance June 30, 2009	Balance After Transfers	Paid or Charged	Balance Lapsed
Operations within "CAPS"					
DEPARTMENT OF PUBLIC AFFAIRS					
Director's Office					
Salaries and Wages		\$ 394	\$ 394	\$ 394	\$ -
Other Expenses		1,450	1,450	828	622
Municipal Court					
Salaries and Wages		892	892	892	-
Other Expenses		3,089	7,389	2,596	4,793
Public Defender					
Salaries and Wages		745	745	745	-
Other Expenses		100	100	-	100
Senior Citizens					
Salaries and Wages		1	1	1	-
Other Expenses		8,413	4,913	4,829	84
Hispanic/Cultural Affairs					
Other Expenses		310	310	208	102
North Hudson Council of Mayors					
Other Expenses		788	338	-	338
Municipal Land Use Law (NJS 40:55D-1)					
Regional Planning Board					
Salaries and Wages		635	635	635	-
Other Expenses		215	215	-	215
Continuous Planning Program		200	200	-	200
Veterans Affairs					
Other Expenses		195	195	-	195
Celebration of Public Events					
Other Expenses		2,629	6,129	5,809	320
Total Department Of Public Affairs		<u>20,056</u>	<u>23,906</u>	<u>16,937</u>	<u>6,969</u>
Detail:					
Salaries and Wages		2,667	2,667	2,667	-
Other Expenses		17,389	21,239	14,270	6,969
DEPARTMENT OF REVENUE AND FINANCE					
Director's Office					
Salaries and Wages		1,234	1,234	1,234	-
Other Expenses		753	753	-	753
City Clerk's Office					
Salaries and Wages		9	9	9	-
Other Expenses		14,390	9,390	1,117	8,273
Treasurer's Office					
Salaries and Wages		8,774	8,774	8,774	-
Other Expenses		1,473	2,473	2,230	243
Assessment of Taxes					
Salaries and Wages		3	3	3	-
Other Expenses		10,462	(538)	(5,550)	5,012
Collection of Taxes					
Salaries and Wages		14,010	14,010	14,010	-
Other Expenses		814	8,814	8,185	629
Central Purchasing					
Salaries and Wages		8,370	8,370	8,370	-
Other Expenses		259	259	-	259

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF APPROPRIATION RESERVES

Expenditures	Ref.	Balance June 30, 2009	Balance After Transfers	Paid or Charged	Balance Lapsed
DEPARTMENT OF REVENUE AND FINANCE					
(Continued)					
Rent Control Board					
Salaries and Wages		\$ 661	\$ 661	\$ 661	\$ -
Other Expenses		37,622	27,622	25,948	1,674
Insurance					
General Liability		-	-	-	-
Workers Compensation		258,990	69,490	60,785	8,705
Employee Group Health		1,205,781	1,205,781	1,205,781	-
Tax Searches					
Salaries and Wages		100	100	100	-
Other Expenses		100	100	-	100
Elections					
Salaries and Wages		861	861	861	-
Other Expenses		20,695	26,695	26,600	95
Membership NJ League of Municipalities					
Other Expenses		260	260	-	260
Annual Audit					
Other Expenses		66,700	66,700	65,600	1,100
Tax Sale Costs					
Other Expenses		5,000	-	-	-
Postage-All Departments					
Other Expenses		1,132	1,132	24	1,108
Data Processing					
Other Expenses		20,772	4,084	(5,568)	9,652
Day Care Center					
Other Expenses		-	-	-	-
Total Department Of Revenue And Finance		<u>1,679,225</u>	<u>1,457,037</u>	<u>1,419,174</u>	<u>37,863</u>
Detail:					
Salaries and Wages		34,022	34,022	34,022	-
Other Expenses		1,645,203	1,423,015	1,385,152	37,863
		<u>1,813,965</u>	<u>1,781,277</u>	<u>1,738,231</u>	<u>43,046</u>
DEPARTMENT OF PUBLIC SAFETY					
Director's Office					
Salaries and Wages		329	329	329	-
Other Expenses		252	252	85	167
Legal Department					
Salaries and Wages		1	1	1	-
Other Expenses		50,674	50,674	49,514	1,160
Police Department					
Salaries and Wages		193,640	59,190	59,190	-
Overtime		27,280	7,280	7,280	-
Other Expenses		2,438	5,438	(15,694)	21,132
Traffic Signs and Safety					
Other Expenses		28,913	10,913	(3,935)	14,848
Emergency Management Services					
Salaries and Wages		100	100	100	-
Other Expenses		9,152	2,152	(4,079)	6,231
Emergency Medical Services					
Salaries and Wages		11,733	11,733	11,733	-
Other Expenses		4,984	4,984	-	4,984

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF APPROPRIATION RESERVES

Expenditures	Ref.	Balance June 30, 2009	Balance After Transfers	Paid or Charged	Balance Lapsed
DEPARTMENT OF PUBLIC SAFETY					
(Continued)					
Life Hazard Use Fee-Uniform Fire Safety					
Salaries and Wages		\$ 2,838	\$ 2,838	\$ 2,838	\$ -
Other Expenses		5,149	5,149	-	5,149
North Hudson Communication Authority					
Other Expenses		5,268	5,268	-	5,268
Contribution to Union City Redevelopment Agency		2,263	2,263	-	2,263
Board of Health					
Salaries and Wages		9,951	9,951	9,951	-
Other Expenses		10,485	3,485	3,104	381
Divisions of Inspections					
Other Expenses		20	20	-	20
School Crossing Guards					
Salaries and Wages		7,159	7,159	7,159	-
Total Department Of Public Safety		<u>372,629</u>	<u>189,179</u>	<u>127,576</u>	<u>61,603</u>
Detail:					
Salaries and Wages		253,031	98,581	98,581	-
Other Expenses		119,598	90,598	28,995	61,603
		<u>1,321,392</u>	<u>1,292,392</u>	<u>1,221,104</u>	<u>71,288</u>
DEPARTMENT OF PUBLIC WORKS					
Director's Office					
Salaries and Wages		321	321	321	-
Other Expenses		3,683	183	-	183
Street Cleaning					
Other Expenses		2,879	2,879	(618)	3,497
Streets Repairs and Maintenance					
Salaries and Wages		241	241	241	-
Other Expenses		4,395	4,395	4,115	280
Board of Adjustment					
Salaries and Wages		269	269	269	-
Other Expenses		13,179	13,179	12,446	733
Solid Waste Disposal					
Salaries and Wages		95	95	95	-
Other Expenses		94,723	330,223	329,877	346
Recycling Program					
Other Expenses		16,172	16,172	8,134	8,038
Public Assistance					
Other Expenses		7,059	13,097	13,077	20
Engineering Services					
Other Expenses		35,044	60,044	59,106	938
Total Department Of Public Works		<u>178,060</u>	<u>441,098</u>	<u>427,063</u>	<u>14,035</u>
Detail:					
Salaries and Wages		926	926	926	-
Other Expenses		177,134	440,172	426,137	14,035
DEPARTMENT OF PARKS AND PUBLIC PROPERTY					
Director's Office					
Salaries and Wages		1,372	1,372	1,372	-
Other Expenses		3,721	3,721	96	3,625

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF APPROPRIATION RESERVES

Expenditures	Ref.	Balance June 30, 2009	Balance After Transfers	Paid or Charged	Balance Lapsed
DEPARTMENT OF PARKS AND PUBLIC PROPERTY					
(Continued)					
Parks and Playgrounds					
Salaries and Wages		\$ 368	\$ 368	\$ 368	\$ -
Other Expenses		7,444	7,444	1,953	5,491
Public Buildings and Grounds					
Salaries and Wages		29,878	4,878	4,878	-
Other Expenses		7,238	7,238	(17,787)	25,025
Recreation					
Salaries and Wages		8,544	8,544	8,544	-
Other Expenses		601	601	(380)	981
Total Department Of Parks And Public Property		<u>59,166</u>	<u>34,166</u>	<u>(956)</u>	<u>35,122</u>
Detail:					
Salaries and Wages		40,162	15,162	15,162	-
Other Expenses		19,004	19,004	(16,118)	35,122
UNIFORM CONSTRUCTION CODE					
State Uniform Construction Code Officials					
Salaries and Wages		124,300	124,300	124,300	-
Other Expenses		267,076	267,076	4,131	262,945
Sub-Code Officials					
Plumbing Inspector					
Salaries and Wages		769	769	769	-
Other Expenses		1,316	1,316	-	1,316
Electrical Inspector					
Salaries and Wages		2,942	2,942	2,942	-
Other Expenses		1,409	1,409	-	1,409
Elevator Inspector					
Other Expenses		9,878	9,878	2,578	7,300
Fire Inspector					
Salaries and Wages		148	148	148	-
Other Expenses		3,918	3,918	-	3,918
Total Uniform Construction Code		<u>411,756</u>	<u>411,756</u>	<u>134,868</u>	<u>276,888</u>
Detail:					
Salaries and Wages		128,159	128,159	128,159	-
Other Expenses		283,597	283,597	6,709	276,888
UNCLASSIFIED					
Retirement Benefits		5,778	5,778	-	5,778
Gasoline		1,124	11,124	-	11,124
Telephone		49,027	49,027	14,795	34,232
Electricity		72,874	53,674	53,592	82
Water		2,686	2,686	-	2,686
Natural Gas		67,277	61,277	61,277	-
Street Lighting		59,685	148,185	147,900	285
Sewer		3,308	3,308	-	3,308
Fire Hydrants		19,151	19,601	19,591	10
Printing-All Departments		23,945	120,945	78,330	42,615
Photocopying		2,156	156	71	85
Fleet Maintenance & Repairs					
Other Expenses		13,216	8,216	(4,214)	12,430
Total Unclassified		<u>320,227</u>	<u>483,977</u>	<u>371,342</u>	<u>112,635</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF APPROPRIATION RESERVES

Expenditures	Ref.	Balance June 30, 2009	Balance After Transfers	Paid or Charged	Balance Lapsed
Detail:					
Salaries and Wages		\$ -	\$ -	\$ -	\$ -
Other Expenses		320,227	483,977	371,342	112,635
TOTAL OPERATIONS WITHIN "CAPS"		<u>3,041,119</u>	<u>3,041,119</u>	<u>2,496,004</u>	<u>545,115</u>
Contingent		1,000	1,000	-	1,000
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"		<u>3,042,119</u>	<u>3,042,119</u>	<u>2,496,004</u>	<u>546,115</u>
Detail:					
Salaries and Wages		458,967	279,517	279,517	-
Other Expenses		2,583,152	2,762,602	2,216,487	546,115
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures - Contributions to:					
Social Security System (O.A.S.I.)		67	67	-	67
Consolidated Police and Firemen's Pension Fund		26,994	26,994	-	26,994
Unemployment Insurance		30,000	30,000	30,000	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"		<u>57,061</u>	<u>57,061</u>	<u>30,000</u>	<u>27,061</u>
Total General Appropriations for Municipal Purposes Within "CAPS"		<u>3,099,180</u>	<u>3,099,180</u>	<u>2,526,004</u>	<u>573,176</u>
OTHER OPERATIONS EXCLUDED FROM "CAPS"					
Employee Group Health		427,752	427,752	413,864	13,888
Maintenance of Free Public Library		544,964	544,964	544,964	-
Police and Firemen's Retirement System		14	14	-	14
Public Employees Retirement System		843	843	-	843
Contribution to North Hudson Fire & Rescue Joint Meeting		1,201,794	1,201,794	1,192,109	9,685
Total Other Operations Excluded from "CAPS"		<u>2,175,367</u>	<u>2,175,367</u>	<u>2,150,937</u>	<u>24,430</u>
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Union City Board of Education					
Lease Recreation Center		10,078	10,078	8,803	1,275
Gasoline		4,361	4,361	-	4,361
Total Interlocal Municipal Service Agreements		<u>14,439</u>	<u>14,439</u>	<u>8,803</u>	<u>5,636</u>
Total General Appropriations Excluded from "CAPS"		<u>2,189,806</u>	<u>2,189,806</u>	<u>2,159,740</u>	<u>30,066</u>
TOTAL GENERAL APPROPRIATIONS		<u>\$ 5,288,986</u>	<u>\$ 5,288,986</u>	<u>\$ 4,685,744</u>	<u>\$ 603,242</u>
	Ref.	A		Below	A-1
Cash Disbursements	A-4			\$ 3,902,783	
Unemployment Trust fund	A-11			30,000	
Other Reserves	A-16			<u>752,961</u>	
	Above			<u>\$ 4,685,744</u>	

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF OTHER RESERVES

	Balance June 30, 2008	Increase	Decrease	Balance June 30, 2009	
Accrued Salaries	\$ -	\$ 234,514	\$ 30,945	\$ 203,569	
Liquor License Retirement and Escrow	32,800	15,000	15,520	32,280	
Utility Bills	41,446	-	41,446	-	
Library Bills	-	546,642	-	546,642	
Library	-	6,190	-	6,190	
Demolition	50,000	-	32,860	17,140	
COAH Security Deposit	-	34,689	-	34,689	
	<u>\$ 124,246</u>	<u>\$ 837,035</u>	<u>\$ 120,771</u>	<u>\$ 840,510</u>	
	Ref.	A	Below	Below	A
Cash Receipts	A-4		\$ 84,074	\$ -	
Cash Disbursements	A-4		-	120,771	
Charged to Appropriation Reserves	A-15		<u>752,961</u>	-	
	Above		<u>\$ 837,035</u>	<u>\$ 120,771</u>	

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>	
Balance, June 30, 2008	A	\$ 147,493
Increased by:		
Cash Collections	A-6	<u>102,270</u>
		249,763
Decreased by:		
Applied to 2009 Taxes	A-7	<u>147,493</u>
Balance, June 30, 2009	A	<u><u>\$ 102,270</u></u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

	<u>Ref.</u>	
Balance, June 30, 2008	A	\$ 3,083,727
Increased by:		
Levy School Year	A-1, A-2, A-7	15,418,637
		<u>18,502,364</u>
Decreased by:		
Cash Disbursements	A-4	<u>13,876,773</u>
Balance, June 30, 2009	A	<u>\$ 4,625,591</u>

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>		
Balance, June 30, 2008	A		\$ 3,510,157
Increased by:			
County Taxes	A-7	\$ 14,527,833	
Added Taxes	A-7	<u>142,720</u>	
	A-1, A-2		14,670,553
Decreased by:			
Cash Disbursements	A-4		<u>18,180,710</u>
Balance, June 30, 2009	A		<u>\$ -</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>	
Balance, June 30, 2008	A	\$ 537,440
Increased by:		
Charges to 2009 Appropriations	A-3	<u>606,253</u>
		1,143,693
Decreased by:		
Cash Disbursements	A-4	<u>537,440</u>
Balance, June 30, 2009	A	<u><u>\$ 606,253</u></u>

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>		
Balance, June 30, 2008	A		\$ 2,446,955
Increased by:			
Charges to 2009 Appropriations	A-3	\$ 1,651,807	
Grants Appropriated	A-26	<u>143,383</u>	
			<u>1,795,190</u>
			4,242,145
Decreased by:			
Cash Disbursements	A-4		<u>2,446,955</u>
Balance, June 30, 2009	A		<u><u>\$ 1,795,190</u></u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DUE TO UNION CITY PARKING AUTHORITY - SURCHARGES

	<u>Ref.</u>	
Balance, June 30, 2008		\$ -
Increased by:		
Cash Receipts	A-4	<u>328,700</u>
		328,700
Decreased by:		
Cash Disbursements	A-4	<u>328,700</u>
Balance, June 30, 2009		<u><u>\$ -</u></u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DEFERRED CHARGES

	<u>Balance June 30, 2008</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance June 30, 2009</u>
Cash Deficit of Preceding Year	\$ 1,575,909	\$ -	\$ 1,507,420	\$ 68,489
Expenditures without Appropriations - Street Improvements	-	264,248	-	264,248
Overexpenditure in CDA Trust Fund - Reserve for Expenditures	-	380,721	-	380,721
	<u>\$ 1,575,909</u>	<u>\$ 644,969</u>	<u>\$ 1,507,420</u>	<u>\$ 713,458</u>
<u>Ref.</u>	A	A-4	A-3	A

THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF GRANTS RECEIVABLE

	Balance June 30, 2008	SFY 2008 Budget Revenue Realized	Received	Cancelled	Balance June 30, 2009
STATE GRANTS					
Summer Food Program	\$ 140,350	\$ -	\$ -	\$ 140,350	\$ -
Summer Food Program	46,419	-	-	46,419	-
Summer Food Program	84,404	-	-	84,404	-
Summer Food Program	19,286	-	-	19,286	-
Summer Food Program	48,080	-	-	48,080	-
Summer Food Program	194,736	-	-	194,736	-
Summer Food Program	39,624	-	-	39,624	-
Summer Food Program	19,556	-	45,306	(25,750)	-
Summer Food Program	-	107,215	75,207	-	32,008
Safe and Secure Communities Program	-	-	-	-	-
Safe and Secure Communities Program	(1,945)	-	-	(1,945)	-
Public Health Priority Funding	90,000	-	-	-	90,000
Public Health Priority Funding	(910)	-	-	(910)	-
Public Health Priority Funding	-	60,258	58,324	-	1,934
Urban Enterprise Zone:					
Litter Vacuum Cleaners	200	-	-	200	-
Litter Clean-Up Project	28,000	-	28,000	-	-
Litter Clean-Up Project	1,867	-	1,867	-	-
Litter Clean-Up Project	20,133	-	20,133	-	-
Litter Clean-Up Project	17,510	-	17,510	-	-
Litter Clean-Up Project	177,873	-	177,873	-	-
Litter Clean-Up Project	159,087	-	122,700	-	36,387
Litter Clean-Up Project	-	336,960	-	-	336,960
Business Recruitment and Marketing	24,250	-	24,250	-	-
Business Recruitment and Marketing	105,156	-	105,156	-	-
Business Recruitment and Marketing	151,174	-	151,174	-	-
Business Recruitment and Marketing	8,903	-	8,903	-	-
Business Recruitment and Marketing	161,053	-	115,726	-	45,327
Business Recruitment and Marketing	105,977	-	-	-	105,977
Business Recruitment and Marketing	327,120	-	-	-	327,120
Business Recruitment and Marketing	-	367,644	-	-	367,644
Administration	46,630	-	46,630	-	-
Administration	9,520	-	9,520	-	-
Administration	78,326	-	78,326	-	-
Administration	57,630	-	57,630	-	-
Administration	65,658	-	65,658	-	-
Administration	147,075	-	37,885	-	109,190
Administration	-	140,396	-	-	140,396
Façade Improvements	65,000	-	-	-	65,000
Façade Improvements	200,000	-	-	-	200,000
Façade Improvements	78,758	-	-	-	78,758
Façade Improvements	45,955	-	-	-	45,955
Façade Improvements	235,000	-	-	-	235,000
Summit Avenue Cameras	23,502	-	-	-	23,502
Summit Avenue Cameras	14,583	-	-	-	14,583
Hiring of Police	233,079	-	233,079	-	-
Hiring of Police	21,502	-	21,502	-	-
Hiring of Police	119,500	-	-	-	119,500
Purchase of Four-Faced Clocks	27,115	-	27,115	-	-
Purchase of Four-Faced Clocks	18,770	-	4,189	-	14,581
Commercial District Improvement	10,640	-	-	-	10,640
Purchase of Wastec Receptacles	50,000	-	49,200	-	800
Painting of Decorative Lamps & Parking Meters	2,500	-	-	-	2,500
Purchase of two four-wheel drive trucks	37,478	-	70,845	-	(33,367)
Police Bicycles	3,960	-	-	-	3,960
Purchase of Benches	-	-	27,184	(32,000)	4,816
Purchase of Gumbusters	-	49,216	-	-	49,216
Neighborhood Preservation -					
Balanced Housing Neighborhood	46,014	-	14,200	-	31,814
Clean Communities	(10,223)	-	-	(10,223)	-
Clean Communities	(7,223)	-	-	(7,223)	-
Clean Communities	-	53,014	-	-	53,014

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF GRANTS RECEIVABLE

	Balance June 30, 2008	SFY 2008 Budget Revenue Realized	Received	Cancelled	Balance June 30, 2009
STATE GRANTS (Continued)					
Pedestrian Safety Education and Enforcement Grant	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Pedestrian Safety Education and Enforcement Grant	139	-	-	-	139
Pedestrian Safety Education and Enforcement Grant	5,554	-	5,566	(12)	-
Road Improvements -	299	-	-	299	-
19th and 3rd Street	(17,000)	-	-	(17,000)	-
6th Street	(11,802)	-	-	(11,802)	-
12th Street	3,000	-	-	-	3,000
Discretionary Program	64,000	-	-	-	64,000
Purchase of Senior Citizen Van	125,000	-	-	-	125,000
Purchase of Ambulance	75,000	-	-	-	75,000
Body Armor Fund	(1,043)	-	-	(1,043)	-
Body Armor Fund	-	16,339	16,339	-	-
Drunk Driving Enforcement Fund	517	-	-	517	-
Drunk Driving Enforcement Fund	-	26,849	26,849	-	-
Speed/Aggressive Driving Enforcement Grant	150	-	-	150	-
Alcohol Education Grant	-	-	-	-	-
Recycling Tonnage Grant	(6,329)	-	-	(6,329)	-
Pandemic Influenza Preparedness	(2,220)	-	-	(2,220)	-
Statewide Livable Communities Aid -					
Municipal owned Historic Buildings	50,000	-	-	-	50,000
Bergenline Ave	190,000	-	-	-	190,000
Capital Improvements	190,000	-	-	-	190,000
Local Library Program	70,000	-	-	-	70,000
Local Library Program	70,000	-	-	-	70,000
Washington Park Soccer Field	262,565	-	162,565	-	100,000
Green Communities	2,000	-	-	-	2,000
NJ Department of Environmental Protection -					
Municipal Stormwater Regulation Program	5,155	-	-	-	5,155
NJDOT 29th Street Improvements	58,560	-	37,698	-	20,862
NJDOT 25th Street Improvements	100,000	-	-	-	100,000
NJDOT Central Avenue	914,850	-	309,083	-	605,767
NJDOT Central Avenue	-	220,000	-	-	220,000
NJDOT Various Streets	-	303,888	240,500	-	63,388
COUNTY GRANTS					
38th Street Amphitheater	650,000	-	-	-	650,000
Byrne Justice Assistance Program	17,869	-	-	-	17,869
Byrne Justice Assistance Program	-	16,714	-	-	16,714
Municipal Alliance on Alcoholism and Drug Abuse 00	12,381	-	-	12,381	-
Municipal Alliance on Alcoholism and Drug Abuse 01	4,605	-	-	4,605	-
Municipal Alliance on Alcoholism and Drug Abuse 02	14,281	-	-	14,281	-
Municipal Alliance on Alcoholism and Drug Abuse 03	2,582	-	-	2,582	-
Municipal Alliance on Alcoholism and Drug Abuse 04	50,675	-	-	50,675	-
Municipal Alliance on Alcoholism and Drug Abuse 05	(9,318)	-	-	(9,318)	-
Municipal Alliance on Alcoholism and Drug Abuse 06	5,592	-	-	5,592	-
Municipal Alliance on Alcoholism and Drug Abuse 07	35,569	-	-	-	35,569
Municipal Alliance on Alcoholism and Drug Abuse 08	15,410	-	-	-	15,410
Municipal Alliance on Alcoholism and Drug Abuse 09	-	68,772	71,639	-	(2,867)
Hudson County Open Space Trust 15 th St Library Glass	35,000	-	-	-	35,000
Emergency Management Assistance	5,000	-	-	-	5,000

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF GRANTS RECEIVABLE

	<u>Balance June 30, 2008</u>	<u>SFY 2008 Budget Revenue Realized</u>	<u>Received</u>	<u>Cancelled</u>	<u>Balance June 30, 2009</u>
FEDERAL GRANTS					
State Aid Highway Project - Resurface Street - Central Avenue	\$ 35,593	\$ -	\$ -	\$ -	\$ 35,593
Central Avenue	181,978	-	151,399	-	30,579
Domestic Violence Grant	250	-	-	250	-
Transportation Trust Fund	863,361	-	-	-	863,361
COPS More 2002 Computers	1,617	-	-	-	1,617
Summer Youth Program	-	268,305	-	-	268,305
Secure Our Schools	-	135,194	-	-	135,194
WTC Attack - Police Salary & Wages	32,977	-	9,284	-	23,693
WTC Attack - Non-Uniform Personnel	17,695	-	-	-	17,695
Bulletproof Vest Partnership Program	2,641	-	-	-	2,641
Local Law Enforcement Block Grant	91,800	-	-	-	91,800
	<u>\$ 7,954,605</u>	<u>\$ 2,170,764</u>	<u>\$ 2,726,014</u>	<u>\$ 538,656</u>	<u>\$ 6,860,699</u>
Total Grants	<u>Ref. A</u>	<u>A-2</u>	<u>A-4</u>	<u>A-1</u>	<u>A</u>

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	<u>Balance June 30, 2008</u>	<u>Received</u>	<u>Balance June 30, 2009</u>
Drunk Driving Enforcement Fund	\$ 19,466	\$ -	\$ 19,466
TASE Grant	2,400	-	2,400
Urban Enterprise Zone -			
Letter Cleanup	-	72,250	72,250
Highway Traffic Safety	-	5,000	5,000
"Click-It or Ticket" Grant	-	4,000	4,000
Clean Communities	-	67,636	67,636
	<u>\$ 21,866</u>	<u>\$ 148,886</u>	<u>\$ 170,752</u>
<u>Ref.</u>	A	A-4	A

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF GRANTS APPROPRIATED

Year	Balance June 30, 2008	Transferred from 2009 Budget Appropriations			Expended	Reprogrammed /Cancelled	June 30, 2009
		City Match	Budget	Appropriated by 40A:4-87			
STATE GRANTS							
Urban Enterprise Zone:							
Litter Clean-Up Project	2003 - 2004	\$ 21,831	\$ -	\$ -	\$ -	\$ -	\$ 21,831
Litter Clean-Up Project	2005 - 2006	720	-	-	-	-	720
Litter Clean-Up Project	2007 - 2008	41,127	-	-	-	-	41,127
Litter Clean-Up Project	2008 - 2009	-	-	336,960	-	336,960	-
Business Recruitment and Marketing	2004 - 2005	119,018	-	-	-	119,018	-
Business Recruitment and Marketing	2005 - 2006	62,245	-	-	-	-	62,245
Business Recruitment and Marketing	2006 - 2007	1,590	-	-	-	-	1,590
Business Recruitment and Marketing	2007 - 2008	40	-	-	-	(1,476)	1,516
Business Recruitment and Marketing	2008 - 2009	-	-	367,644	-	134,832	232,812
Administration - City Match	2003 - 2004	80,574	-	-	-	16,025	64,549
Administration	2004 - 2005	10,696	-	-	-	-	10,696
Administration - City Match	2004 - 2005	10,132	-	-	-	-	10,132
Administration	2006 - 2007	18,355	-	-	-	-	18,355
Administration	2007 - 2008	35,559	-	-	-	(7,693)	43,252
Administration - City Match	2007 - 2008	51,475	-	-	-	71	51,404
Administration	2008 - 2009	-	-	140,396	-	113,225	27,171
Administration - City Match	2008 - 2009	-	87,065	-	-	31,328	55,737
Façade Improvements	2002 - 2003	22,353	-	-	-	-	22,353
Façade Improvements	2005 - 2006	45,955	-	-	-	-	45,955
Façade Improvement IV	2007 - 2008	211,145	-	-	-	46,550	164,595
Master Plan	2004 - 2005	57,481	-	-	-	41,959	15,522
Commercial District Improvements Phase I	2007 - 2008	10,640	-	-	-	-	10,640
Commercial District Improvements Phase II	2007 - 2008	59	-	-	-	-	59
Summit Avenue Cameras	2002 - 2003	5,594	-	-	-	-	5,594
Summit Avenue Cameras - City Match	2002 - 2003	46,129	-	-	-	-	46,129
Hiring of Police Salary	2007 - 2008	100,620	-	-	-	100,620	-
Hiring of Police Other Expenses	2007 - 2008	18,880	-	-	-	18,880	-
Four-Faced Clocks	2005 - 2006	14,350	-	-	-	-	14,350
Four-Faced Clocks	2006 - 2007	18,770	-	-	-	-	18,770
Purchase of two four-wheel drive maint. Trucks	2007 - 2008	1,370	-	-	-	-	1,370
Purchase of Waste Receptacles	2007 - 2008	800	-	-	-	-	800
Painting of Decorative Lamps & Parking Meters	2007 - 2008	2,500	-	-	-	-	2,500
Police Bicycles	2007 - 2008	3,960	-	-	-	3,960	-
Purchase of Gumbusters	2008 - 2009	-	-	49,216	-	-	49,216
Clean Communities	2003 - 2004	52,735	-	-	-	-	52,735
Clean Communities	2004 - 2005	67,892	-	-	-	-	67,892
Clean Communities	2005 - 2006	27,982	-	-	-	-	27,982
Clean Communities	2006 - 2007	39,785	-	-	-	-	39,785
Clean Communities Challenge Grant	2007 - 2008	45,483	-	-	-	-	45,483
Clean Communities Challenge Grant	2008 - 2009	-	-	53,014	-	-	53,014
Summer Food Program	2002 - 2003	19,529	-	-	-	-	19,529
Summer Food Program	2003 - 2004	8,228	-	-	-	-	8,228
Summer Food Program	2004 - 2005	5,879	-	-	-	-	5,879
Summer Food Program	2005 - 2006	84,356	-	-	-	-	84,356
Summer Food Program	2005 - 2006	90,137	-	-	-	-	90,137
Summer Food Program	2007 - 2008	5,421	-	-	-	(1,800)	7,221
Summer Food Program	2008 - 2009	-	-	107,215	-	107,215	-
Public Health Priority Funding	2002 - 2003	2,340	-	-	-	-	2,340
Public Health Priority Funding	2004 - 2005	62,046	-	-	-	-	62,046
Public Health Priority Funding	2007 - 2008	28,195	-	-	-	28,195	-
Public Health Priority Funding	2008 - 2009	-	-	-	60,258	30,129	30,129
Safe and Secure Communities Program	2005 - 2006	3,750	-	-	-	3,750	-
Safe and Secure Communities Program	2007 - 2008	36,491	-	-	-	-	36,491
NJ Department of Transportation:							
Pedestrian Safety	2005 - 2006	299	-	-	-	-	299
Pedestrian Safety	2006 - 2007	1,793	-	-	-	1,793	-
29th Street Improvements	2007 - 2008	222,000	-	-	-	222,000	-
25th Street Improvements	2007 - 2008	100,000	-	-	-	99,687	313
12th Street	2006 - 2007	10,012	-	-	-	3,478	6,534
Central Avenue	2007 - 2008	15,645	-	-	-	15,645	-
City Match for Grants	2007 - 2008	613	-	-	-	-	613
Various Streets	2008 - 2009	-	-	303,888	-	295,737	8,151
Central Avenue	2008 - 2009	-	-	220,000	-	213,865	6,135
Emergency Management Assistance Reserve	2004 - 2005	11,000	-	-	-	-	11,000
Emergency Management Assistance	2007 - 2008	5,000	-	-	-	5,000	-
NJ Department of Environmental Protection:							
Municipal Stormwater Regulation Program	2004 - 2005	20,619	-	-	-	-	20,619
Green Communities	2005 - 2006	2,000	-	-	-	-	2,000
Statewide Domestic Preparedness	2002 - 2003	14,928	-	-	-	-	14,928
Statewide Domestic Preparedness	2003 - 2004	90	-	-	-	-	90

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF GRANTS APPROPRIATED

Year	Balance June 30, 2008	Transferred from 2009 Budget Appropriations			Expended	Reprogrammed /Cancelled	June 30, 2009
		City Match	Budget	Appropriated by 40A:4-87			
STATE GRANTS (Continued)							
Statewide Livable Communities:							
Bergenline Ave	2005 - 2006	\$ 15,781	\$ -	\$ -	\$ -	\$ -	\$ 15,781
Local Library Program	2004 - 2005	26,910	-	-	-	-	26,910
Historic Buildings	2004 - 2005	50,000	-	-	-	-	50,000
Alcoholic Education	Prior	4,108	-	-	-	-	4,108
Alcoholic Education	1995 - 1996	11,699	-	-	-	-	11,699
Alcoholic Education	1996 - 1997	5,886	-	-	-	-	5,886
Alcoholic Education	1997 - 1998	1,381	-	-	-	-	1,381
Alcoholic Education	1998 - 1999	658	-	-	-	-	658
Alcoholic Education	1999 - 2000	7,256	-	-	-	-	7,256
Alcoholic Education	2001 - 2002	3,650	-	-	-	-	3,650
Alcoholic Education	2006 - 2007	4,540	-	-	3,885	-	655
Alcohol Education	2007 - 2008	380	-	-	-	-	380
Body Armor Fund	2002 - 2003	281	-	-	-	-	281
Body Armor Fund	2003 - 2004	78	-	-	-	-	78
Body Armor Fund	2007 - 2008	-	-	-	-	(212)	212
Body Armor Fund	2008 - 2009	-	-	16,339	-	-	16,339
Drunk Driving Enforcement Fund	2005 - 2006	10,202	-	-	10,182	-	20
Drunk Driving Enforcement Fund	2008 - 2009	-	-	26,849	-	24,957	1,892
Speed Aggressive Driving	2005 - 2006	9,639	-	-	9,639	-	-
Pandemic Influenza Preparedness	2006 - 2007	6,038	-	-	-	-	6,038
Construction of Highway Facility	2007 - 2008	596,535	-	-	-	596,535	-
Pedestrian School Safety	2006 - 2007	14	-	-	-	-	14
Pedestrian School Safety	2007 - 2008	67,590	-	-	27,793	1	39,796
Pedestrian Safety Education & Enforcement Grant	2007 - 2008	2,750	-	-	2,750	-	-
Click-it or Ticket	2006 - 2007	-	-	-	-	-	-
Recycling Tonnage	2006 - 2007	8,547	-	-	-	-	8,547
Total State Grants		2,832,139	87,065	1,621,521	60,258	2,069,128	1,894,483
COUNTY GRANTS							
38th Street Amphitheater	2007	16,542	-	-	16,542	-	-
Washington Park Soccer Field	2007	16,353	-	-	-	-	16,353
Byrne Justice Assistance Grant	2008	20,026	-	-	20,026	-	-
Byrne Justice Assistance Grant	2009	-	-	16,714	-	-	16,714
Hudson County Open Space Trust 15th St Library	2008	35,000	-	-	-	-	35,000
Municipal Alliance - City Match	2003	916	-	-	-	-	916
Municipal Alliance - City Match	2004	1,303	-	-	-	-	1,303
Municipal Alliance	2005	2,248	-	-	-	-	2,248
Municipal Alliance	2008	43,372	-	-	31,841	-	11,531
Municipal Alliance	2009	-	-	68,772	-	30,399	38,373
Municipal Alliance - City Match	2009	-	17,193	-	-	10,106	7,087
Total County Grants		135,760	17,193	85,486	-	108,914	129,525
FEDERAL GRANTS							
Domestic Violence Grant	2002 - 2003	2,250	-	-	-	-	2,250
Domestic Violence Grant - City Match	2002 - 2003	637	-	-	-	-	637
Summer Youth Program	2008 - 2009	-	-	268,305	-	46,375	221,930
Secure Our Schools	2008 - 2009	-	-	135,194	-	-	135,194
Secure Our Schools - City Match	2008 - 2009	-	135,194	-	-	-	135,194
Local Law Enforcement Block Grant		-	-	-	-	25,880	123,270
Local Law Enforcement Block Grant - City Match	2004 - 2005	2,799	-	-	-	-	2,799
COPS More		-	-	-	-	16,759	54,781
COPS More - City Match	2002 - 2003	2,007	-	-	-	-	2,007
COPS More	2002 - 2003	835	-	-	-	-	835
COPS School Based Partners	1998 - 1999	26,053	-	-	-	-	26,053
COPS in Schools	1999 - 2000	41,502	-	-	-	-	41,502
COPS Technology	2002 - 2003	-	-	-	-	-	-
COPS Universal Hiring Supplemental Award	1998 - 1999	125,000	-	-	-	-	125,000
COPS Universal Hiring Supplemental Award - City Match	1998 - 1999	71,832	-	-	-	-	71,832
COPS Universal Hiring Supplemental Award	1998 - 1999	87,980	-	-	-	-	87,980
COPS Universal Hiring Supplemental Award - City Match	1998 - 1999	113,679	-	-	-	-	113,679
COPS Universal Hiring Supplemental Award	2006 - 2007	164,506	-	-	-	-	164,506

**THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
SCHEDULE OF GRANTS APPROPRIATED**

Year	Balance June 30, 2008	Transferred from 2009 Budget Appropriations			Expended	Reprogrammed (Cancelled)	June 30, 2009
		City Match	Budget	Appropriated by 40A.4-87			
FEDERAL GRANTS (Continued)							
Transportation Trust Fund							
Hillside Terrace	1998 - 1999	\$ 22,446	\$ -	\$ -	\$ -	\$ -	\$ 22,446
Various	1999 - 2000	-	-	-	81,364	(87,094)	5,730
18th Street & Palisade Ave	2000 - 2001	12,088	-	-	-	-	12,088
17th Street	2001 - 2002	8,221	-	-	-	-	8,221
49th Street	2001 - 2002	3,382	-	-	-	-	3,382
48th Street	2001 - 2002	6,209	-	-	-	-	6,209
Bergenline Avenue - Section 1	2002 - 2003	36	-	-	-	-	36
Community Resources Recreation - Reserve		2,818	-	-	-	-	2,818
Total Federal Grants		<u>694,280</u>	<u>135,194</u>	<u>403,499</u>	<u>170,378</u>	<u>(307,784)</u>	<u>1,370,379</u>
UNALLOCATED APPROPRIATIONS							
Unallocated Appropriations	Various	(2,852,592)	-	-	269,143	(329,588)	(2,792,147)
Total		<u>\$ 809,587</u>	<u>\$ 239,452</u>	<u>\$ 2,110,506</u>	<u>\$ 60,258</u>	<u>\$ -</u>	<u>\$ 602,240</u>
	Ref.	A	A-3	A-3	Below	A-1	A
Cash Disbursements	A-4				\$ 2,474,180		
Reserve for Encumbrances	A-21				143,383		
	Above				<u>\$ 2,617,563</u>		

THE CITY OF UNION CITY
CURRENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF RESERVE FOR NEIGHBORHOOD HOUSING

	<u>Ref.</u>	
Balance, June 30, 2008	A	\$ <u>1,824</u>
Balance, June 30, 2009	A	\$ <u><u>1,824</u></u>

SUPPLEMENTARY DATA – TRUST FUNDS

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF CASH AND CASH EQUIVALENTS - DOG LICENSE FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B	\$	22,432
Increased by:			
Sale of Dog Licenses - State	B-2	\$	1,300
Sale of Dog Licenses - City	B-3		<u>3,080</u>
			<u>4,380</u>
			26,812
Decreased by:			
Reserve for Expenditures	B-3		24
Due to Current Fund	B-4		<u>5,062</u>
			<u>5,086</u>
Balance, June 30, 2009	B	\$	<u><u>21,726</u></u>

SCHEDULE OF DUE TO THE STATE OF NEW JERSEY - DOG LICENSE FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B	\$	3,282
Increased by:			
State Fees Collected:			
Cash Receipts	B-1		<u>1,300</u>
			4,582
Decreased by:			
Transmitted to State - by Current Fund	B-4		<u>1,886</u>
Balance, June 30, 2009	B	\$	<u><u>2,696</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF RESERVE FOR DOG LICENSE FUND EXPENDITURES

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 7,595
Increased by:			
Cash Receipts	B-1		<u>3,080</u>
			10,675
Decreased by:			
Cash Disbursements	B-1	\$ 24	
Expenditures Paid by Current Fund	B-4	1,921	
Statutory Excess	B-4	<u>1,135</u>	
			<u>3,080</u>
Balance, June 30, 2009	B		<u><u>\$ 7,595</u></u>

LICENSE FEES COLLECTED

2007	\$	4,419	
2008		<u>3,176</u>	
			<u><u>\$ 7,595</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DUE TO CURRENT FUND - DOG LICENSE FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 11,555
Increased by:			
Transmitted to State	B-2	\$ 1,886	
Reserve for Expenditures	B-3	1,921	
Statutory Excess	B-3	<u>1,135</u>	
			<u>4,942</u>
			16,497
Decreased by:			
Cash Disbursements	B-1		<u>5,062</u>
Balance, June 30, 2009	B		<u><u>\$ 11,435</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF CASH AND CASH EQUIVALENTS - UNEMPLOYMENT TRUST FUND

	<u>Ref.</u>	
Balance, June 30, 2008	B	<u>\$ 32,286</u>
Balance, June 30, 2009	B	<u>\$ 32,286</u>

SCHEDULE OF RESERVE FOR UNEMPLOYMENT TRUST FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 57,286
Increased by:			
Received in Current Fund	B-7	\$ 47,364	
Current Fund Budget Appropriation	B-7	<u>60,000</u>	
			<u>107,364</u>
			164,650
Decreased by:			
Expenditures Paid by Current Fund	B-7		<u>161,656</u>
Balance, June 30, 2009	B		<u>\$ 2,994</u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DUE FROM/TO CURRENT FUND - UNEMPLOYMENT TRUST FUND

	<u>Ref.</u>		
Balance, June 30, 2008 - Due from	B		\$ 25,000
Increased by:			
Received in Current Fund	B-6	\$ 47,364	
Current Fund Budget Appropriation	B-6	<u>60,000</u>	
			<u>107,364</u>
			132,364
Decreased by:			
Reserve for Expenditures	B-6		<u>161,656</u>
Balance, June 30, 2009 - (Due to)	B		<u><u>\$ 29,292</u></u>

SCHEDULE OF CASH AND CASH EQUIVALENTS - OTHER TRUST FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 1,271,048
Increased by Cash Receipts:			
Reserve for Trust Activity	B-10		<u>5,837,436</u>
			7,108,484
Decreased by Cash Disbursements:			
Due to Current Fund	B-9	\$ 1,481,229	
Reserve for Trust Activity	B-10	<u>3,480,194</u>	
			<u>4,961,423</u>
Balance, June 30, 2009	B		<u><u>\$ 2,147,061</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DUE FROM/(TO) CURRENT FUND - OTHER TRUST FUND

	<u>Ref.</u>		
Balance, June 30, 2008 - Due from	B		\$ 619,558
Increased by:			
Cash Disbursements	B-8	\$ 1,481,229	
Reserve for Trust Fund Activity	B-10	<u>37,252</u>	
			<u>1,518,481</u>
			2,138,039
Decreased by:			
Reserve for Trust Fund Activity	B-10		<u>2,476,504</u>
Balance, June 30, 2009 - (Due to)	B		<u><u>\$ 338,465</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF RESERVE FOR OTHER TRUST FUND ACTIVITY

	Balance June 30, 2008	Increase	Decrease	Balance June 30, 2009
Ambulance Donations	\$ 1,937	\$ -	\$ -	\$ 1,937
Bankruptcy for Tax Collector	1,059	-	802	257
Battered Wives	9,242	12,820	14,010	8,052
Disposal of Forfeited Property	163,035	55,791	40,103	178,723
DARE Donations	1	-	-	1
Fire Victims Fund	262	-	227	35
DEA	6,931	25,590	35,253	(2,732)
Hardship Fees - Rent Control	624	-	-	624
Insurance Proceeds	295,914	65,251	241,369	119,796
Outside Lien Holders - Old	2,966	-	818	2,148
Outside Lien Holders - New	222,071	2,665,286	2,713,063	174,294
Premium of Tax Lien Sale	300,071	312,700	444,670	168,101
Police Details	246,569	860,915	886,404	221,080
P.O.A.A	682	95,398	87,841	8,239
Recycling Funds	28,416	20,032	-	48,448
Senior Citizens Bus Trips	5,573	12,250	12,629	5,194
Safe Haven Donations	1,160	-	-	1,160
Swimming Pool	5,920	4,305	4,431	5,794
Developer's Escrow	118,847	-	27,859	90,988
Earth Day	44	-	-	44
Trust Co. for Journal	750	-	-	750
Workers' Compensation	(2,333)	20,495	-	18,162
Court Bails	5,417	1,886	6,137	1,166
Self Insurance Trust	253,334	1,005,069	602,752	655,651
Snow Removal Trust	57	-	-	57
Accumulated Absences Trust	37,496	-	-	37,496
Reserve for EMS	150,508	712,847	838,330	25,025
Soccer Program	9,053	-	-	9,053
Cablevision Bond	25,000	-	-	25,000
Prisoners' Property	-	4,053	-	4,053
	<u>\$ 1,890,606</u>	<u>\$ 5,874,688</u>	<u>\$ 5,956,698</u>	<u>\$ 1,808,596</u>

	Ref.	B	Below	Below	B
Cash Receipts	B-8		\$ 5,837,436		
Received in Current Fund	B-9		<u>37,252</u>		
	Above		<u>\$ 5,874,688</u>		
Cash	B-8			\$ 3,480,194	
Expenditures Paid by Current Fund	B-9			<u>2,476,504</u>	
	Above			<u>\$ 5,956,698</u>	

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF CASH AND CASH EQUIVALENTS - CDA FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 9,224
Increased by Cash Receipts:			
Due from HUD	B-12	\$ 1,329,453	
Program Income	B-13	37,897	
Due to Current Fund - Advance	B-14	<u>967,014</u>	
			<u>2,334,364</u>
			2,343,588
Decreased by Cash Disbursements:			
Due from Current Fund	B-14		<u>2,336,415</u>
Balance, June 30, 2009	B		<u><u>\$ 7,173</u></u>

SCHEDULE OF DUE FROM HUD CDA GRANT - CDA FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 1,835,714
Increased by:			
New Grant Authorization	B-15		<u>1,343,666</u>
			3,179,380
Decreased by:			
Cash Received from HUD	B-11		<u>1,329,453</u>
Balance, June 30, 2009	B		<u><u>\$ 1,849,927</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF RESERVE FOR PROGRAM INCOME - CDA FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 18,414
Increased by:			
Cash Receipts	B-11		<u>37,897</u>
			56,311
Decreased by:			
Transfer to Reserve for Expenditures	B-15		<u>37,897</u>
Balance, June 30, 2009	B		<u>\$ 18,414</u>

SCHEDULE OF DUE TO CURRENT FUND - CDA FUND

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ 1,861,855
Increased by:			
Cash Receipts - Advance	B-11	\$ 967,014	
Reserve for Expenditures	B-15	<u>1,726,953</u>	
			<u>2,693,967</u>
			4,555,822
Decreased by:			
Cash Disbursements	B-11	2,336,415	
Overexpenditures	B-15	<u>380,721</u>	
			<u>2,717,136</u>
Balance, June 30, 2009	B		<u>\$ 1,838,686</u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT
BLOCK GRANT - CDA FUND**

	<u>Ref.</u>		
Balance, June 30, 2008	B		\$ (35,331)
Increased by:			
New Grant Authorization	B-12	\$ 1,343,666	
Transfer from Reserve for Program Income	B-13	37,897	
Overexpenditures	B-14	<u>380,721</u>	
			<u>1,762,284</u>
			1,726,953
Decreased by:			
Expenditures Paid by Current Fund	B-14		<u>1,726,953</u>
Balance, June 30, 2009	B		<u><u>\$ -</u></u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**SCHEDULE OF CASH AND CASH EQUIVALENTS -
PUBLIC DEFENDER TRUST FUND**

	<u>Ref.</u>	
Balance, June 30, 2008	B	<u>\$ 8,887</u>
Balance, June 30, 2009	B	<u>\$ 8,887</u>

**SCHEDULE OF RESERVE FOR PUBLIC DEFENDER
TRUST EXPENDITURES**

	<u>Ref.</u>	
Balance, June 30, 2008	B	\$ 8,657
Increased by:		
Public Defender Court Fees	B-18	<u>13,759</u>
		22,416
Decreased by:		
Expenditures Paid by Current Fund	B-18	<u>21,000</u>
Balance, June 30, 2009	B	<u>\$ 1,416</u>

**THE CITY OF UNION CITY
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**SCHEDULE OF DUE TO CURRENT FUND -
PUBLIC DEFENDER TRUST FUND**

	<u>Ref.</u>	
Balance, June 30, 2008	B	\$ 230
Increased by:		
Reserve for Expenditures	B-17	<u>21,000</u>
		21,230
Decreased by:		
Public Defender Court Fees	B-17	<u>13,759</u>
Balance, June 30, 2009	B	<u><u>\$ 7,471</u></u>

SUPPLEMENTARY DATA – GENERAL CAPITAL FUND

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
SCHEDULE OF CASH AND CASH EQUIVALENTS**

	<u>Ref.</u>	
Balance, June 30, 2008	C	<u>\$ 526</u>
Balance, June 30, 2009	C	<u>\$ 526</u>

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

ANALYSIS OF CASH AND CASH EQUIVALENTS

Improvement Authorizations	Ref.	Balance	Transfers		Balance
		June 30, 2008	To	From	June 30, 2009
Fund Balance	C-1	\$ 43,482	\$ 15,555	\$ -	\$ 59,037
Capital Improvement Fund	C-6	220,013	50,000	-	270,013
Due from Current Fund	C-15	(7,952,656)	5,834,304	65,555	(2,183,907)
Due from State of New Jersey:					
Green Acres	C-17	(429,834)	-	-	(429,834)
Green Trust	C-18	(107,777)	-	-	(107,777)
Encumbrances Payable	C-14	6,350,376	1,507,566	6,350,376	1,507,566
Improvement Authorizations:					
Additions and Renovations to City Hall		8,970	-	-	8,970
Improvement to Ellsworth Park		(130,490)	-	1,233	(131,723)
Improvements to Parks and Public Property		133,008	-	-	133,008
Redevelopment Agency Issue		46,935	-	-	46,935
Traffic Light Improvements		4,330	-	3,025	1,305
Various Capital Improvements		8,439	-	-	8,439
17th Street Park		(464,760)	-	-	(464,760)
Reconstruction of 15th St. Library into a Day Care Center		1,443,460	-	1,443,460	-
Reconstruction of 15th St. Library into a Museum and Cultural Center		-	1,443,460	373,425	1,070,035
Traffic Light Improvements		135,655	772,000	772,000	135,655
24th Street Park Improvements		172,262	475,000	637,069	10,193
Construction of New Parking Deck		318,600	1,700,000	1,786,135	232,465
Construction of Doric Water Park		45,000	6,150,000	6,193,992	1,008
Reconstruction of 39th Street Skate Park		-	290,000	290,000	-
Reconstruction of Roof at Jose Marti Park		29,045	90,000	90,000	29,045
Street Improvements - Broadway and Park Avenue		72,889	2,782,000	2,835,516	19,373
Indian Pond Park - 33rd Street		53,579	-	52,256	1,323
		<u>\$ 526</u>	<u>\$ 21,109,885</u>	<u>\$ 20,894,042</u>	<u>\$ 216,369</u>
	Ref.	C	contra	contra	C

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Purpose	Balance June 30, 2008	Balance June 30, 2009
Ellisworth Park Improvements	\$ 4,834	\$ 4,834
17th Street Park	470,000	470,000
Traffic Light Improvements	772,000	772,000
24th Street Park Improvements	475,000	475,000
Construction of New Parking Deck	1,700,000	1,700,000
Construction of Doric Water Park	6,150,000	6,150,000
Construction of 39th Street Skate Park	290,000	290,000
Reconstruction of Roof at Jose Marti Park	90,000	90,000
Street Improvements - Broadway and Park Ave.	<u>2,782,000</u>	<u>2,782,000</u>
	<u>\$ 12,733,834</u>	<u>\$ 12,733,834</u>
<u>Ref.</u>	C	C

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>Ref.</u>		
Balance, June 30, 2008	C		\$ 78,845,233
Decreased by:			
General Serial Bonds Payment	C-8	\$ 1,420,000	
School Serial Bonds Payment	C-9	1,670,000	
HCIA Lease Payment	C-10	117,075	
Green Acres Loan Payment	C-11	8,348	
Demolition Loan Payment	C-12	<u>15,718</u>	
			<u>3,231,141</u>
Balance, June 30, 2009	C		<u><u>\$ 75,614,092</u></u>

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, June 30, 2008	C	\$ 220,013
Increased by:		
2008 Budget Appropriation	C-15	<u>50,000</u>
Balance, June 30, 2009	C	<u><u>\$ 270,013</u></u>

THE CITY OF UNION CITY
 GENERAL CAPITAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Original Amount	Balance, June 30, 2008		Paid or Charged	Cancelled/ Reappropriated	Balance, June 30, 2009	
		Funded	Unfunded			Funded	Unfunded
Addition and Renovation to City Hall	\$ 7,100,000	\$ 4,136	\$ 4,834	\$ -	\$ -	\$ 4,136	\$ 4,834
Improvement to Ellsworth Park	250,000	7,352	-	1,233	-	6,119	-
Redevelopment Funding	4,340,000	46,935	-	-	-	46,935	-
Traffic Lights	2,000,000	-	4,330	-	-	-	4,330
Various Capital Improvements	250,000	8,439	-	-	-	8,439	-
17th Street Park	610,000	-	5,240	-	-	-	5,240
Reconstruction of 15th St. Library into a Day Care Center	1,700,000	1,443,460	-	-	1,443,460	-	-
Reconstruction of 15th St. Library into a Museum and Cultural Center	1,700,000	-	-	373,425	(1,443,460)	1,070,035	-
Traffic Light Improvements	811,000	-	135,655	3,025	-	-	132,630
24th Street Park Improvements	500,000	-	172,262	162,069	-	-	10,193
Construction of New Parking Deck	1,700,000	-	318,600	86,135	-	-	232,465
Construction of Doric Water Park	6,150,000	-	45,000	43,992	-	-	1,008
Reconstruction of Roof at Jose Marti Park	90,000	-	29,045	-	-	-	29,045
Street Improvements - Broadway and Park Avenue	2,782,000	-	72,889	50,555	-	-	22,334
Indian Park Pond - 33rd Street	2,100,000	53,579	-	52,256	-	1,323	-
		<u>\$ 1,563,901</u>	<u>\$ 787,855</u>	<u>\$ 772,690</u>	<u>\$ -</u>	<u>\$ 1,136,987</u>	<u>\$ 442,079</u>
		C	C	Below		C	C
Due to Current Fund				\$ 5,834,304			
Encumbrances Payable				1,288,762			
Prior Year Reversals - Encumbrances Payable				(6,350,376)			
				<u>\$ 772,690</u>			
				Above			

EXHIBIT C-8

THE CITY OF UNION CITY
 GENERAL CAPITAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Amount	Maturities of Bonds Outstanding		Interest Rate %	Balance June 30, 2008	Decrease	Balance June 30, 2009
			Date	Amount				
1998 Refunding Issue	09/01/97	\$ 25,145,000	9/15/2009	1,310,000	5.200			
			9/15/2010	2,625,000	5.200			
			9/15/2011	2,760,000	5.200			
			9/15/2012	2,900,000	5.200	\$ 11,015,000	\$ 1,420,000	\$ 9,595,000
ERI Pension Bonds	12/15/02	15,735,000	1/1/2011	100,000	4.300			
			1/1/2012	120,000	5.375			
			1/1/2013	525,000	5.375			
			1/1/2014	585,000	5.375			
			1/1/2015	665,000	5.375			
			1/1/2016	725,000	5.375			
			1/1/2017	825,000	5.375			
			1/1/2018	15,000	6.250			
			1/1/2019	30,000	6.250			
			1/1/2020	100,000	6.250			
			1/1/2021	165,000	6.250			
			1/1/2022	225,000	6.250			
			1/1/2023	315,000	6.250			
1/1/2024	375,000	6.250						
1/1/2025	475,000	6.250						
1/1/2026	575,000	6.250						
1/1/2027	690,000	6.250						
1/1/2028	825,000	6.250						
1/1/2029	975,000	6.250						
1/1/2030	1,125,000	6.250						
1/1/2031	1,300,000	6.250						
1/1/2032	1,475,000	6.250						
1/1/2033	1,695,000	6.250		13,905,000	-	13,905,000		

THE CITY OF UNION CITY
 GENERAL CAPITAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF SCHOOL SERIAL BONDS

Purpose	Date of Issue	Original Issue Amount	Maturities of Bonds Outstanding June 30, 2009		Interest Rate %	Balance June 30, 2008	Decrease	Balance June 30, 2009
			Date	Amount				
School Improvements	3/19/1992	\$ 26,975,000	11/1/2009	1,780,000	6.375			
			11/1/2010	1,900,000	6.375			
			11/1/2011	2,030,000	6.375			
			11/1/2012	2,170,000	6.400			
			11/1/2013	2,320,000	6.400	\$ 11,870,000	\$ 1,670,000	\$ 10,200,000
					\$ 11,870,000	\$ 1,670,000	\$ 10,200,000	
					C	C-5	C	
					Ref.			

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF CAPITAL LEASE PAYABLE - HCIA

	<u>Ref.</u>	
Balance, June 30, 2008	C	\$ 8,306,315
Decreased by:		
Loan Payment	C-5	<u>117,075</u>
Balance, June 30, 2009	C	<u>\$ 8,189,240</u>

Analysis of Capital Lease Payments

<u>Fiscal Year</u>	<u>Regional Fire and Rescue</u>		<u>Fire Dept.</u>	<u>Total</u>
	<u>Series A</u>	<u>Series B</u>	<u>Equipment</u>	
2010	\$ 65,227	\$ 58,538	\$ 220,000	\$ 343,765
2011	68,572	60,210	220,000	348,782
2012	71,917	63,555	245,000	380,472
2013	75,262	66,900	265,000	407,162
2014	78,607	70,245	290,000	438,852
2015	83,625	75,263	295,000	453,888
2016	86,970	78,608	315,000	480,578
2017	91,987	81,953	345,000	518,940
2018	95,332	86,970	380,000	562,302
2019	98,677	91,988	400,000	590,665
2020	103,695	97,005	440,000	640,700
2021	107,040	102,023	475,000	684,063
2022	112,057	107,040	510,000	729,097
2023	117,075	112,058	550,000	779,133
2024	122,093	118,748	590,000	830,841
	<u>\$ 1,378,136</u>	<u>\$ 1,271,104</u>	<u>\$ 5,540,000</u>	<u>\$ 8,189,240</u>

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF GREEN ACRES LOANS PAYABLE

	<u>Ref.</u>	
Balance, June 30, 2008	C	\$ 71,678
Decreased by:		
Loan Payment	C-5	8,348
Balance, June 30, 2009	C	\$ 63,330

Analysis of Repayment of Loan and Interest

<u>Fiscal Year</u>	<u>Interest</u>	<u>Principal</u>
2010	\$ 1,224	\$ 8,516
2011	1,053	8,687
2012	878	8,862
2013	700	9,040
2014	519	9,222
2015	333	9,407
2016	144	9,596
	\$ 4,851	\$ 63,330

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DEMOLITION LOAN PAYABLE

	<u>Ref.</u>	
Balance, June 30, 2008	C	\$ 47,241
Decreased by:		
Loan Payment	C-5	<u>15,718</u>
Balance, June 30, 2009	C	<u><u>\$ 31,523</u></u>

Analysis of Capital Lease Payments

<u>Fiscal Year</u>	
2010	\$ 15,718
2011	<u>15,805</u>
	<u><u>\$ 31,523</u></u>

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Original Issue Amount	Date of		Interest Rate %	Balance		Increase	Decrease	Balance June 30, 2009
		Issue	Maturity		June 30, 2008	June 30, 2009			
Traffic Light Improvements	\$ 772,000	01/31/08	01/30/09	2.50	\$ 772,000	\$ -	\$ 772,000	\$ -	\$ -
24th Street Park Improvements	475,000	01/31/08	01/30/09	2.50	475,000	-	475,000	-	-
Construction of New Parking Deck	1,700,000	01/31/08	01/30/09	2.50	1,700,000	-	1,700,000	-	-
Construction of Doric Wate Park	6,150,000	01/31/08	01/30/09	2.50	6,150,000	-	6,150,000	-	-
Reconstruction of 39th Street Skate Park	290,000	01/31/08	01/30/09	2.50	290,000	-	290,000	-	-
Reconstruction of roof at Jose Marti Park	90,000	01/31/08	01/30/09	2.50	90,000	-	90,000	-	-
Street Improvements - Broadway and Park Avenue	2,782,000	01/31/08	01/30/09	2.50	2,782,000	-	2,782,000	-	-
Traffic Light Improvements	772,000	01/31/09	01/28/10	4.00	-	772,000	-	-	772,000
24th Street Park Improvements	475,000	01/31/09	01/28/10	4.00	-	475,000	-	-	475,000
Construction of New Parking Deck	1,700,000	01/31/09	01/28/10	4.00	-	1,700,000	-	-	1,700,000
Construction of Doric Wate Park	6,150,000	01/31/09	01/28/10	4.00	-	6,150,000	-	-	6,150,000
Reconstruction of 39th Street Skate Park	290,000	01/31/09	01/28/10	4.00	-	290,000	-	-	290,000
Reconstruction of roof at Jose Marti Park	90,000	01/31/09	01/28/10	4.00	-	90,000	-	-	90,000
Street Improvements - Broadway and Park Avenue	2,782,000	01/31/09	01/28/10	4.00	-	2,782,000	-	-	2,782,000
					<u>\$ 12,259,000</u>				
				Ref.	C	C-15	C-15	C	C

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	
Balance, June 30, 2008	C	\$ 6,350,376
Increased by:		
Charges to Improvement Authorizations	C-7	<u>1,288,762</u>
		7,639,138
Decreased by:		
Reverse Prior Year Balance	C-7	<u>6,350,376</u>
Balance, June 30, 2009	C	<u><u>\$ 1,288,762</u></u>

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DUE FROM CURRENT FUND

	<u>Ref.</u>		
Balance, June 30, 2008	C		\$ 7,952,656
Increased by:			
Premium on Note Sale	C-1	\$ 15,555	
Capital Improvement Fund	C-6	50,000	
Proceeds from Sale of Notes	C-13	<u>12,259,000</u>	
			<u>12,324,555</u>
			20,277,211
Decreased by:			
Paid by Current Fund	C-7	5,834,304	
Maturity of Notes	C-13	<u>12,259,000</u>	
			<u>18,093,304</u>
Balance, June 30, 2009	C		<u><u>\$ 2,183,907</u></u>

THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Improvement Description</u>	<u>Balance June 30, 2008</u>	<u>Balance June 30, 2009</u>
Improvement to Ellsworth Park	\$ 4,834	\$ 4,834
17th Street Park	<u>470,000</u>	<u>470,000</u>
	<u>\$ 474,834</u>	<u>\$ 474,834</u>
	<u>Ref. C</u>	<u>C</u>

**THE CITY OF UNION CITY
GENERAL CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF DUE FROM STATE OF NEW JERSEY - GREEN ACRES

	<u>Ref.</u>	
Balance, June 30, 2008	C	<u>\$ 429,834</u>
Balance, June 30, 2009	C	<u>\$ 429,834</u>

SCHEDULE OF DUE FROM STATE OF NEW JERSEY - GREEN TRUST

	<u>Ref.</u>	
Balance, June 30, 2008	C	<u>\$ 107,777</u>
Balance, June 30, 2009	C	<u>\$ 107,777</u>

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SUPPLEMENTARY DATA – FIXED ASSETS

**THE CITY OF UNION CITY
FIXED ASSET GROUP OF ACCOUNTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF FIXED ASSETS - ACQUISITIONS AND DISPOSALS

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Balance June 30, 2009</u>
Land	\$ 12,841,700	\$ -	\$ 12,841,700
Improvements	17,315,536	16,000	17,331,536
Machinery and Equipment	<u>9,872,557</u>	<u>112,173</u>	<u>9,984,730</u>
	<u>\$ 40,029,793</u>	<u>\$ 128,173</u>	<u>\$ 40,157,966</u>
<u>Ref.</u>	D	D-2	D

**THE CITY OF UNION CITY
FIXED ASSET GROUP OF ACCOUNTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SCHEDULE OF RESERVE FOR FIXED ASSETS

Balance, June 30, 2008	<u>Ref.</u> D	\$ 40,029,793
Increased by:		
Additions	D-1	<u>128,173</u>
Balance, June 30, 2009	D	<u><u>\$ 40,157,966</u></u>

ACCOMPANYING INFORMATION

THE CITY OF UNION CITY

SCHEDULE OF OPERATIONS AND CHANGES IN FUND BALANCE

FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	June 30, 2009		June 30, 2008	
	Amount	Percent	Amount	Percent
Revenue and Other Income Realized:				
Fund Balance Utilized	\$ -	0.00%	\$ 864,903	0.70%
Miscellaneous Revenue Anticipated	42,719,685	32.32%	48,302,567	38.90%
Receipts from Delinquent Taxes	2,822,957	2.14%	40,846	0.03%
Receipts from Current Taxes	84,816,833	64.16%	72,345,792	58.27%
Other Credits to Income	1,826,067	1.38%	2,630,979	2.12%
	132,185,542	100.00%	124,185,087	100.00%
Expenditures:				
Budget Appropriations	97,872,110	74.86%	93,783,782	74.57%
School and County Taxes	30,089,190	23.02%	30,052,532	23.90%
Other	2,771,858	2.12%	1,924,682	1.53%
	130,733,158	100.00%	125,760,996	100.00%
Excess (Deficit) in Operations	1,452,384		(1,575,909)	
Adjustments:				
Expenditures Included Above Which are by Statute				
Deferred Charges to Budget of Succeeding Year				
Deficit	-		1,575,909	
Decreased by:				
Utilization as Anticipated Revenue	-		864,903	
Statutory (Deficit) to Fund Balance	1,452,384		(864,903)	
Fund Balance, July 1,	-		864,903	
Fund Balance, June 30,	\$ 1,452,384		\$ -	

THE CITY OF UNION CITY
SCHEDULE OF TAX RATE INFORMATION
FOR THE LAST FIVE FISCAL YEARS

<u>Year</u>	<u>Tax Rate</u>	<u>Municipal</u>	<u>County Taxes</u>	<u>Local School Taxes</u>
2009	5.748	3.600	1.042	1.106
2008	5.474	3.365	0.967	1.115
2007	5.107	2.997	0.958	1.127
2006	5.107	2.997	0.958	1.127
2005	4.796	2.751	0.935	1.110

THE CITY OF UNION CITY
SCHEDULE OF TAX LEVIES AND COLLECTIONS
FOR THE LAST FIVE FISCAL YEARS

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collection</u>	<u>Percent Collected</u>
2009	\$ 82,787,741	\$ 80,036,143	96.68%
2008	74,870,609	70,805,668	94.57%
2007	71,868,277	71,356,990	99.29%
2006	68,534,349	68,014,187	99.24%
2005	66,027,591	65,839,717	99.72%

THE CITY OF UNION CITY
SCHEDULE OF DELINQUENT TAXES AND TAX TITLE LIENS
FOR THE LAST FIVE FISCAL YEARS

<u>Year</u>	<u>Liens</u>	<u>Delinquent Taxes</u>	<u>Total</u>	<u>Percent of Tax Levy</u>
2009	\$ -	\$ 2,550,105	\$ 2,550,105	3.08%
2008	-	2,857,557	2,857,557	3.82%
2007	-	32,504	32,504	0.05%
2006	-	95,256	95,256	0.14%
2005	29,312	74,955	104,267	0.16%

THE CITY OF UNION CITY
SCHEDULE OF PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION
FOR THE LAST FIVE FISCAL YEARS

<u>Year</u>	<u>Amount</u>
2009	\$ 171,900
2008	171,900
2007	171,900
2006	171,900
2005	171,900

THE CITY OF UNION CITY
SCHEDULE OF FUND BALANCES
FOR THE LAST FIVE FISCAL YEARS

<u>Year</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
June 30, 2009	\$ 1,452,384	\$ 1,750,000
June 30, 2008	-	-
June 30, 2007	864,471	2,822,957
June 30, 2006	2,544,394	2,375,000
June 30, 2005	1,924,152	1,924,152

THE CITY OF UNION CITY

ROSTER OF OFFICIALS

JUNE 30, 2009

<u>Name</u>	<u>Title</u>	<u>Bond</u>
Brian P. Stack	Mayor and Commissioner - Public Safety	
Lucio P. Fernandez	Commissioner - Public Affairs	
Christopher F. Irizarry	Commissioner - Parks and Public Property	
Tilo E. Rivas	Commissioner - Public Works	
Maryury A. Martinetti	Commissioner - Revenue and Finance	
William Senande	City Clerk	
Donald Scarinci	Corporation Counsel	
Sonia Schulman	Tax Collector	\$500,000
Lilia A. Munoz	Judge	5,000
Sixto L. Macias	Judge	5,000
Gustav John Schlaier	Court Director	150,000
Douglas Gutch	Treasurer	500,000
John Ezyske	Chief Financial Officer	500,000

There was a Public Employees Dishonesty Blanket Position Bond with individual coverage of \$1,000,000 for all employees, issued by the New Jersey Intergovernmental Insurance Fund.

For Court personnel, there was a Public Employees Dishonesty Blanket Position Bond with per loss coverage of \$250,000 with a \$2,500 deductible, issued by Fidelity and Deposit Company of Maryland.

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**ADDITIONAL INFORMATION RELATING TO STATE FINANCIAL
ASSISTANCE PROGRAMS AND FEDERAL AWARDS**

THE CITY OF UNION CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal CFDA Number	Federal Department and Program	Grant Number	Grant Period From	Grant Period To	Grant Award	Program Amount/ Funds Received	Funds Available June 30, 2008	Current Year Appropriations	Current Year Disbursements and Charges	City Match	Program Income/ Reprogrammings/ Cancellations/ Transfers	Funds Available June 30, 2009	Cumulative Expenditures
Department of Justice													
16.710	COPS Secure Our Schools	*	06/01/06	06/30/09	270,388	\$ -	\$ -	\$ 135,194	\$ -	\$ 135,194	\$ -	\$ 270,388	\$ -
16.710	COPS More	96MWX1773	12/01/02	05/31/03	*	-	2,842	-	-	-	-	2,842	*
16.710	COPS More	96MWX1773	12/01/98	05/31/01	*	-	-	-	16,759	-	71,340	54,781	*
16.710	COPS Universal Hiring	95CCWX0170	06/01/06	11/30/07	164,506	-	164,506	-	-	-	-	164,506	698,341
16.710	COPS Universal Hiring Supplemental #4	95CCWX0170	06/01/99	11/30/04	900,000	-	201,659	-	-	-	-	201,659	*
16.710	COPS Universal Hiring Supplemental #5	95CCWX0170	03/01/98	02/28/01	*	-	196,832	-	-	-	-	196,832	*
16.710	COPS School Based Partners	98SBWX0589	01/21/01	*	1,230,000	-	25,053	-	-	-	-	25,053	*
16.710	COPS in Schools	98SBWX0589	09/01/99	02/28/04	*	-	41,502	-	-	-	-	41,502	1,208,498
Passed through State of NJ Division of Criminal Justice:													
16.592	Local Law Enforcement Block Grant	96LBVX7836	*	*	*	-	-	-	25,880	-	149,150	123,270	*
16.592	Local Law Enforcement Block Grant	96LBVX7836	01/01/05	12/31/05	25,193	-	-	-	-	-	-	2,799	22,394
Department of Transportation													
Passed through State of NJ Department of Transportation:													
Transportation Trust Fund -													
20.205	Central Ave	66320-480-78-6320-497-TCAP-6010	07/01/06	06/30/07	345,000	151,399	-	-	-	-	-	-	345,000
20.205	Bergline Avenue, Section 1	66320-480-78-6320-497-TCAP-6010	07/01/02	06/30/03	*	-	36	-	-	-	-	36	*
20.205	17th Street	66320-480-78-6320-497-TCAP-6010	07/01/01	06/30/02	*	-	8,221	-	-	-	-	8,221	*
20.205	49th Street	66320-480-78-6320-497-TCAP-6010	07/01/01	06/30/02	*	-	3,382	-	-	-	-	3,382	*
20.205	48th Street	66320-480-78-6320-497-TCAP-6010	07/01/01	06/30/02	*	-	6,209	-	-	-	-	6,209	*
20.205	18th Street and Palisade Avenue	66320-480-78-6320-497-TCAP-6010	07/01/00	06/30/01	*	-	12,088	-	-	-	-	12,088	*
20.205	Hillside Terrace	66320-480-78-6320-497-TCAP-6010	07/01/99	06/30/00	*	-	-	-	81,364	-	87,094	5,730	*
20.205		66320-480-78-6320-497-TCAP-6010	07/01/98	06/30/99	*	-	22,446	-	-	-	-	22,446	*
Department of Homeland Security													
Passed through State of NJ Department of Labor and Public Safety:													
97.*	WTC Attack - Police Salary and Wages	FEMAA#169-EM-NJ-PR-402	*	*	\$ 32,977	9,284	-	-	-	-	-	-	*
Department of Labor													
Passed through State of NJ Department of Labor and Workforce Development:													
17.259	Summer Youth Program	*	07/01/08	06/30/09	\$ 268,305	-	-	268,305	46,375	-	-	221,930	*
Department of Health and Human Services													
Passed through State of NJ Department of Health:													
95.591	Domestic Violence Grant	*	07/01/02	06/30/03	*	-	2,887	-	-	-	-	2,887	*
Passed through State of NJ Department of Community Affairs:													
*	Community Resources Recession - Reserve	*	*	*	2,818	-	2,818	-	-	-	-	2,818	*
*		*	*	*	5,705	-	5,705	-	-	-	-	5,705	*

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance.

THE CITY OF UNION CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal CFDA Number	Grant Number	Federal Department and Program	Grant Period		Grant Award	Program Amount/ Funds Received	Funds Available June 30, 2008	Current Year Appropriations	Current Year Disbursements and Charges	City Match	Program Income/ Repayments/ Cancellations/ Transfers	Funds Available June 30, 2009	Cumulative Expenditures
			From	To									
		Department of Housing and Urban Development											
**	B-04-MC-34-0119	Community Development Block Grant	07/01/08	06/30/09	\$ 1,337,189	\$ 1,329,453	\$ 1,337,189	\$ 1,542,614	\$ -	\$ -	\$ (380,721)	\$ 1,711,910	
**	B-04-MC-34-0119	Community Development Block Grant	07/01/07	06/30/08	1,363,247	(169,068)	-	33,158	-	202,226	-	1,363,247	
**	B-04-MC-34-0119	Community Development Block Grant	07/01/06	06/30/07	1,343,666	-	-	6,477	-	6,477	-	1,343,666	
	I-03F1-03	Passaic Through County of Hudson, 47th Street Pool	07/01/03	06/30/04	300,000	-	-	-	-	(2,000)	-	300,000	
					1,329,453	(167,068)	1,337,189	1,582,249	-	31,407	(380,721)		
					\$ 1,490,136	\$ 527,212	\$ 1,740,688	\$ 1,752,627	\$ 135,194	\$ 339,191	\$ 989,658		
		TOTAL FEDERAL AWARDS											

* - Information not available
 ** - Direct Major Program

THE CITY OF UNION CITY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

State Department and Program	State Account Number/ Grant Number	Grant Period		Program Amount/ Funds Received	Funds Available June 30, 2008	Current Year Appropriations	Current Year Disbursements and Charges	City Match	Program Income/ Reprogrammable/ Cancellation/ Transfers	Funds Available June 30, 2009	Cumulative Expenditures	
		From	To									
Department of Community Affairs												
Clean Communities	4900-765-042-4900-004-YCMC-6020	07/01/08	06/30/09	\$ 53,014	\$ -	\$ 53,014	\$ -	\$ -	\$ -	\$ 53,014	\$ -	
Clean Communities	4900-765-042-4900-004-YCMC-6020	07/01/07	06/30/08	45,483	45,483	-	-	-	-	45,483	-	
Clean Communities	4900-765-042-4900-004-YCMC-6020	07/01/06	06/30/07	39,785	39,785	-	-	-	-	39,785	-	
Clean Communities	4900-765-042-4900-004-YCMC-6020	07/01/05	06/30/06	27,982	27,982	-	-	-	-	27,982	-	
Clean Communities	4900-765-042-4900-004-YCMC-6020	07/01/04	06/30/05	97,940	67,892	-	-	-	-	67,892	30,048	
Clean Communities	4900-765-042-4900-004-YCMC-6020	07/01/03	06/30/04	99,159	52,735	-	-	-	-	52,735	46,424	
Balanced Housing Neighborhood Preservation	00-100-002-8020-101-F332-6120	08/01/99	07/31/00	14,200	-	-	-	-	-	-	460,134	
Pass Through the County of Hudson:												
Municipal Alliance	*	01/01/09	12/31/09	68,772	-	68,772	40,505	17,193	-	45,460	23,312	
Municipal Alliance	*	01/01/08	12/31/08	84,645	-	-	31,841	-	-	11,531	73,114	
Municipal Alliance	*	01/01/05	12/31/05	68,772	2,248	-	-	-	-	2,248	66,524	
Municipal Alliance	*	01/01/04	12/31/04	68,221	1,303	-	-	-	-	1,303	66,918	
Municipal Alliance	*	01/01/03	12/31/03	60,906	916	-	-	-	-	916	59,990	
38th Street Amphitheater	*	01/01/07	12/31/07	650,000	16,542	-	16,542	-	-	-	650,000	
Washington Park Soccer Field	*	01/01/07	12/31/07	262,565	16,355	-	-	-	-	16,355	246,212	
Byrne Justice Assistance Program	*	*	*	16,714	-	16,714	-	-	-	16,714	47,053	
Hudson County Open Space Trust 15th St. Library	*	01/01/08	12/31/08	35,000	35,000	-	20,026	-	-	-	-	
Municipal owned Historic Buildings	*	07/01/04	06/30/05	50,000	50,000	-	-	-	-	50,000	-	
Bergalthe Ave	*	07/01/05	06/30/06	190,000	15,781	-	-	-	-	15,781	174,219	
Local Library Program	*	07/01/04	06/30/05	70,000	26,910	-	-	-	-	26,910	43,090	
Washington Park Soccer Field	*	01/01/07	12/31/07	262,565	162,565	-	-	-	-	-	262,565	
Emergency Management Assistance Reserve	*	06/26/04	06/27/05	11,000	11,000	-	-	-	-	11,000	-	
Emergency Management Assistance Reserve	*	06/26/07	06/27/08	5,000	5,000	-	5,000	-	-	-	5,000	
				248,404	478,328	138,500	113,914	17,193	-	520,107	-	
Department of Environmental Protection												
Recycling Tonnage	WQ04-26S	07/01/06	06/30/07	8,547	-	-	-	-	-	8,547	-	
Municipal Stormwater Regulation Program		03/01/04	02/28/05	20,619	20,619	-	-	-	-	20,619	-	
Green Communities		07/01/05	06/30/06	2,000	2,000	-	-	-	-	2,000	-	
				-	31,166	-	-	-	-	31,166	-	
Department of Education												
School Safety and Security	*	07/01/06	06/30/07	112,500	-	-	-	-	-	-	112,486	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/08	6/30/09	107,216	14	107,215	107,215	-	-	14	107,216	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/07	06/30/08	75,207	5,421	-	-	-	-	7,221	5,505	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/05	06/30/06	45,306	84,356	-	-	-	1,800	84,356	-	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/05	06/30/06	211,992	90,137	-	-	-	-	90,137	121,855	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/04	06/30/05	96,638	5,879	-	-	-	-	5,879	90,759	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/03	06/30/04	86,350	8,228	-	-	-	-	8,228	78,122	
Summer Food Program	5120-100-034-5120-173-H370-6131	07/01/02	06/30/03	84,404	19,529	-	-	-	-	19,529	64,875	
				120,513	213,564	107,215	107,215	-	1,800	213,364	-	
Criminal Justice												
Safe and Secure Communities Program	1020-789-066-120	07/01/07	06/30/08	36,491	-	-	-	-	-	-	-	
Safe and Secure Communities Program	1020-789-066-120	07/01/05	06/30/06	3,750	3,750	-	3,750	-	-	36,491	3,750	
				-	40,241	-	3,750	-	-	-	-	
				-	-	-	3,750	-	-	-	-	
				-	-	-	-	-	-	-	36,491	

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

THE CITY OF UNION CITY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

State Department and Program	State Account Number/ Grant Number	Grant Period From To	Grant Award	Program Amount/ Funds Received	Funds Available June 30, 2008	Current Year Appropriations	Current Year Disbursements and Charges	City Match	Program Income/ Reprogrammings/ Cancellations/ Transfers	Funds Available June 30, 2009	Cumulative Expenditures	
Department of Law and Public Safety												
Statewide Domestic Preparedness	*	07/01/03	\$ 150,000	\$ -	90	\$ -	\$ -	\$ -	\$ -	90	\$ 149,910	
Statewide Domestic Preparedness	*	07/01/02	162,803	-	14,928	-	-	-	-	14,928	147,875	
Body Armor Replacement Fund	06-2075-2-957	06/27/08	16,339	16,339	-	16,339	-	-	-	16,339	-	
Body Armor Replacement Fund	06-2075-2-957	06/27/07	18,780	-	-	-	-	212	-	212	18,568	
Body Armor Replacement Fund	03-2075-2-957	06/25/03	19,466	-	78	-	-	78	-	78	19,388	
Body Armor Replacement Fund	02-2075-2-957	06/24/02	36,635	-	281	-	-	-	-	281	36,354	
				16,339	15,277	16,339	-	-	212	31,928	-	
Department of Health and Human Services												
Panademic Influenza Preparedness	07-29A-BT	07/01/06	6,038	-	6,038	-	-	-	-	6,038	-	
Public Health Priority Funding	4220-100-046-4535-109-1002-6020	07/01/08	60,258	58,324	-	60,258	30,129	-	-	30,129	30,129	
Public Health Priority Funding	4220-100-046-4535-109-1002-6020	07/01/07	56,390	-	28,195	-	28,195	-	-	-	56,390	
Public Health Priority Funding	4220-100-046-4535-109-1002-6020	07/01/04	62,046	-	62,046	-	-	-	-	62,046	-	
Public Health Priority Funding	4220-100-046-4535-109-1002-6020	07/01/03	58,150	-	2,340	-	-	-	-	2,340	55,810	
			58,324	98,619	60,258	58,324	-	-	-	100,553	-	
Department of Transportation												
Central Avenue	66320-480-78-6320-497-TCAP-6010	07/01/08	220,000	-	-	220,000	213,865	-	-	6,135	213,865	
Central Avenue	66320-480-78-6320-497-TCAP-6010	07/01/07	1,000,000	309,083	15,645	-	15,645	-	-	-	1,000,000	
12th Street	66320-480-78-6320-497-TCAP-6010	07/01/06	125,000	-	10,012	-	-	-	-	10,012	114,988	
23th Street	66320-480-78-6320-497-TCAP-6010	07/01/07	222,000	-	222,000	-	157,319	-	-	64,681	157,319	
29th Street	66320-480-78-6320-497-TCAP-6010	07/01/07	100,000	37,698	100,000	-	71,405	-	-	28,595	71,405	
Various Streets	66320-480-78-6320-497-TCAP-6010	07/01/08	303,888	240,500	-	303,888	295,737	-	-	8,151	295,737	
Pedestrian School Safety	66320-480-78-6320-497-TCAP-6010	07/01/07	67,590	-	67,590	-	27,793	-	-	39,797	27,793	
Pedestrian Safety Education and Enforcement	66320-480-78-6320-497-TCAP-6010	07/01/07	22,000	5,566	2,750	-	2,750	-	-	-	22,000	
Pedestrian Safety Education and Enforcement	66320-480-78-6320-497-TCAP-6010	07/01/06	20,000	-	1,793	-	1,793	-	-	-	20,000	
Pedestrian Safety Education and Enforcement	66320-480-78-6320-497-TCAP-6010	07/01/05	24,000	-	299	-	-	-	-	299	23,701	
City Match for Grants	66320-480-78-6320-497-TCAP-6010	07/01/07	4,500	-	613	-	-	-	(613)	-	4,500	
			592,847	420,702	523,888	786,307	-	-	(613)	157,670	-	
Administrative Office of the Courts												
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6010	07/01/07	11,039	-	380	-	-	-	-	380	10,659	
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6010	07/01/06	4,540	-	4,540	-	3,885	-	-	655	3,885	
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6010	07/01/01	3,650	-	3,650	-	-	-	-	3,650	-	
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6010	07/01/99	7,256	-	7,256	-	-	-	-	7,256	-	
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6010	07/01/98	*	-	658	-	-	-	-	658	*	
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6010	07/01/97	*	-	1,381	-	-	-	-	1,381	*	
Alcohol Education and Rehabilitation	9335-760-098-Y900-001X100-6020	07/01/96	*	-	5,886	-	-	-	-	5,886	*	
Alcohol Education and Rehabilitation	9735-760-98-900	07/01/95	*	-	11,699	-	-	-	-	11,699	*	
Alcohol Education and Rehabilitation	9735-760-98-900	*	*	-	4,108	-	-	-	-	4,108	*	
			-	39,558	-	-	3,885	-	-	35,673	-	
Department of Highway Safety												
Construction of Highway Facility		07/01/07	741,239	-	741,239	-	474,964	-	(145,047)	121,228	620,011	
			-	-	741,239	-	474,964	-	(145,047)	121,228	-	

** See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

THE CITY OF UNION CITY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

State Department and Program	State Account Number/ Grant Number	Grant Period		Grant Award	Program Amount/ Funds Received	Funds Available June 30, 2008	Current Year Appropriations	Current Year Disbursements and Charges	City Match	Program Income/ Reprogramming/ Cancellation/ Transfers	Funds Available June 30, 2009	Cumulative Expenditures
		From	To									
Department of Commerce & Economic Development												
Urban Enterprise Zone:												
Four-Faced Clocks	UEZA	07/01/06	06/30/07	18,770	\$ 4,189	\$ 18,770	\$ -	\$ -	\$ -	\$ -	\$ 18,770	\$ -
Four-Faced Clocks	UEZA	07/01/05	06/30/06	52,000	27,115	14,350	-	-	-	-	14,350	37,650
Hiring of Police	UEZA	07/01/07	06/30/08	119,500	-	119,500	-	119,500	-	-	-	119,500
Hiring of Police	UEZA	07/01/06	06/30/07	233,079	21,502	118,000	-	-	-	-	-	118,000
Purchase of Benches	UEZA	07/01/05	06/30/06	32,000	27,184	32,000	-	-	-	-	-	233,079
Purchase of Gumbusters	*	07/01/07	06/30/08	49,216	-	-	49,216	-	-	-	-	32,000
Purchase of two four wheel drive trucks	*	07/01/08	06/30/09	89,926	70,845	1,370	-	-	-	-	49,216	-
Purchase of waste receptacles	*	07/01/07	06/30/08	50,000	49,200	800	-	-	-	-	1,370	88,556
Painting of Decorative Lamps & Parking Meters	*	07/01/07	06/30/08	29,000	-	2,500	-	-	-	-	800	49,200
Police Bicycles	*	07/01/07	06/30/08	3,960	-	3,960	-	3,960	-	-	2,500	26,500
Commercial District Improvements I	UEZA-04-31	07/01/07	06/30/08	63,700	3,960	10,640	-	-	-	-	10,640	53,060
Commercial District Improvements II	UEZA-04-31	07/01/07	06/30/08	28,000	59	59	-	-	-	-	59	27,941
Summit Avenue Security	UEZA-03-27	07/01/02	06/30/03	22,359	5,594	5,594	-	-	-	-	5,594	16,745
Summit Avenue Security	UEZA-03-27	07/01/02	06/30/03	128,000	46,129	46,129	-	-	-	-	46,129	81,371
Facade Improvements IV	UEZA-00-77	07/01/07	06/30/08	235,000	211,145	211,145	-	46,550	-	-	164,595	70,405
Facade Improvements	UEZA-00-77	07/01/05	06/30/06	45,955	45,955	45,955	-	-	-	-	45,955	-
Facade Improvements	UEZA-00-77	07/01/02	06/30/03	200,000	22,353	22,353	-	-	-	-	22,353	177,647
Master Plan	*	07/01/04	06/30/05	150,000	57,481	57,481	-	41,959	-	-	15,522	134,478
Administration	UEZA-04-29	07/01/08	06/30/09	140,396	-	-	140,396	-	-	-	27,171	113,225
Administration	UEZA-04-29	07/01/08	06/30/09	87,065	-	-	-	31,328	87,065	-	55,737	31,328
Administration	UEZA-04-29	07/01/07	06/30/08	82,500	37,885	51,475	-	71	-	(51,404)	-	82,500
Administration	UEZA-04-29	07/01/07	06/30/08	229,575	65,658	35,559	-	-	-	7,693	43,252	186,323
Administration	UEZA-04-29	07/01/06	06/30/07	100,076	57,630	18,355	-	-	-	-	18,355	81,721
Administration	UEZA-04-29	07/01/06	06/30/07	82,500	78,326	82,500	-	-	-	-	-	82,500
Administration	UEZA-04-29	07/01/05	06/30/06	78,326	9,520	-	-	-	-	-	-	78,326
Administration	UEZA-04-29	07/01/05	06/30/06	78,326	46,630	-	-	-	-	-	-	78,326
Administration	UEZA-04-29	07/01/04	06/30/05	78,988	-	10,132	-	-	-	-	10,132	68,856
Administration	UEZA-04-29	07/01/04	06/30/05	80,700	-	10,696	-	-	-	-	10,696	70,004
Administration	UEZA-04-29	07/01/03	06/30/04	102,982	-	80,574	-	-	-	-	64,549	38,433
Litter Clean Up Program	UEZA-03-117	07/01/08	06/30/09	336,960	122,700	41,127	336,960	-	-	-	41,127	336,960
Litter Clean Up Program	UEZA-03-117	07/01/07	06/30/08	336,960	177,873	-	-	-	-	-	-	295,833
Litter Clean Up Program	UEZA-03-117	07/01/06	06/30/07	272,720	177,873	-	-	-	-	-	-	272,720
Litter Clean Up Program	UEZA-03-117	07/01/05	06/30/06	272,720	17,510	720	-	-	-	-	720	272,000
Litter Clean Up Program	UEZA-03-117	07/01/04	06/30/05	272,720	20,133	-	-	-	-	-	-	272,720
Litter Clean Up Program	UEZA-03-117	07/01/03	06/30/04	272,710	1,867	21,831	-	-	-	-	21,831	250,879
Litter Clean Up Program	UEZA-01-91	07/01/02	06/30/03	260,000	28,000	-	-	-	-	-	-	260,000
Business Recruit Marketing Plan	UEZA-04-41	07/01/08	06/30/09	367,644	-	-	367,644	-	-	-	232,812	134,832
Business Recruit Marketing Plan	UEZA-04-41	07/01/07	06/30/08	327,120	40	40	-	-	-	1,476	1,516	325,604
Business Recruit Marketing Plan	UEZA-04-41	07/01/06	06/30/07	326,041	-	1,590	-	-	-	-	1,590	324,451
Business Recruit Marketing Plan	UEZA-04-41	07/01/05	06/30/06	299,941	115,726	62,245	-	-	-	-	62,245	237,696
Business Recruit Marketing Plan	UEZA-04-41	07/01/04	06/30/05	119,018	8,003	119,018	-	-	-	-	-	119,018
Business Recruit Marketing Plan	UEZA-04-41	07/01/03	06/30/04	298,941	151,174	-	-	-	-	-	-	298,941
Business Recruit Marketing Plan	UEZA-00-50	07/01/02	06/30/03	265,859	105,156	-	-	-	-	-	-	265,859
Business Recruit Marketing Plan	UEZA-00-50	12/01/99	06/30/00	3,500	24,250	-	-	-	-	-	-	3,500
					1,502,035	1,013,968	894,216	963,428	87,065	(42,235)	989,586	

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

THE CITY OF UNION CITY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

State Department and Program	State Account Number/ Grant Number	Grant Period		Grant Award	Program Amount/ Funds Received	Funds Available June 30, 2008	Current Year Appropriations	Current Year Disbursements and Charges	City Match	Program Income/ Reprogramming/ Cancellation/ Transfers	Funds Available June 30, 2009	Cumulative Expenditures
		From	To									
Division of Motor Vehicles												
Drunk Driving Enforcement	6400-100-078-6400-000-YYY	07/01/08	06/30/09	\$ 26,849	\$ 26,849	\$ -	\$ 26,849	\$ 24,957	\$ -	\$ -	\$ 1,892	\$ 24,957
Drunk Driving Enforcement	6400-100-078-6400-000-YYY	07/01/05	06/30/06	20,882	-	10,202	-	10,182	-	-	20	20,562
Speed Aggressive Driving		07/01/05	06/30/06	10,000	-	9,639	-	9,639	-	-	-	10,000
TOTAL STATE AWARDS												
					26,849	19,841	26,849	44,778	-	-	1,912	-
					\$ 2,565,331	\$ 3,112,603	\$ 1,767,265	\$ 2,556,565	\$ 104,258	\$ (183,883)	\$ 2,241,678	\$ -

* - Information not available
 ** - Denotes Major Program

THE CITY OF UNION CITY
NOTES TO SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

A. BASIS OF ACCOUNTING

The Supplementary Schedules of Expenditures of Federal, State, and County Awards are not prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are used during the year for budgetary control purposes and lapse at fiscal year end.

Federal Awards provided to subrecipients are treated as expenditures when paid to the subrecipients.

B. REPORTING ENTITY

The City of Union City, New Jersey (the "City") for purposes of the Supplementary Schedule of Expenditures of Federal Awards includes all the funds of the primary government as defined by GASB 14, *The Financial Reporting Entity*.

The City administers certain federal and state award programs through subrecipients. Those subrecipients are not considered part of the City of Union City's reporting entity.

C. PASS-THROUGH AWARDS

The City receives certain federal awards from pass-through awards of the state. The amounts received are commingled by the state with other funds and cannot be separately identified. The total amount of such pass-through awards is included in the Supplementary Schedules of Expenditures of Awards and Financial Assistance.

D. LOCAL CONTRIBUTIONS

Local matching contributions are required by certain federal and state grants. The percentage of matching contributions varies with each program.

THE CITY OF UNION CITY

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

E. MONITORING OF SUBRECIPIENTS

Under the requirements of the Single Audit Act and State regulations, if the City, as a primary recipient, receives federal and state financial assistance and provides \$500,000 or more of such assistance to a subrecipient in a fiscal year, the City is responsible for determining that the expenditures of federal and state monies passed-through to subrecipients are utilized in accordance with applicable laws and regulations. Further, OMB Circular A-133 places other related responsibilities upon primary recipients. Those responsibilities may be discharged in any of several ways, including relying on independent audits performed by subrecipients.

Subrecipient audit reports for the fiscal year ended June 30, 2009, were reviewed and any findings and questioned costs were disclosed separately.

F. ADJUSTMENTS, TRANSFERS AND REPROGRAMMED FUNDS

Amounts reported in the accompanying schedules as “adjustments, transfers and reprogrammed funds” represent grant balances and prior year encumbrances that were cancelled and expended in the current year. These adjustments were made to conform with the modified accrual basis of accounting.

THE CITY OF UNION CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 1 - Summary of Auditors' Results

Financial Statement Section

	Qualified - O.C.B.O.A. Adverse - G.A.A.P.	
A) Type of Auditors Report Issued		
B) Internal Control over Financial Reporting		
1) Material weakness(es) identified	✓ Yes	No
2) Significant deficiency(cies) identified that are not considered to be material weaknesses?	Yes	✓ No
C) Noncompliance material to financial statements noted?	✓ Yes	No

Federal Awards Section

D) Dollar threshold used to determine Type A Program	\$300,000	
E) Auditee qualified as low-risk auditee?	Yes	✓ No
F) Type of auditor's report on compliance for major programs	Unqualified	
G) Internal Control over Compliance		
1) Material weakness identified?	✓ Yes	No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	✓ Yes	No
H) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 [section 510(e)]?	Yes	✓ No
I) Identification of major programs		
CFDA Number	Name of Federal Program	
14.218	Community Development Block Grant	

THE CITY OF UNION CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 1 - Summary of Auditors' Results

State Financial Assistance Section

J) Dollar threshold used to determine Type A Program	<u>\$300,000</u>
K) Auditee qualified as low-risk auditee?	<u>Yes</u> <u>✓</u> <u>No</u>
L) Type of auditor's report on compliance for major programs	<u>Unqualified</u>
M) Internal Control over Compliance	
1) Material weakness identified?	<u>✓</u> <u>Yes</u> <u>No</u>
2) Were significant deficiencies identified that were not considered to be material weaknesses?	<u>✓</u> <u>Yes</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>✓</u> <u>No</u>
O) Identification of major programs	
<u>Grant Number</u>	<u>Name of State Program</u>
<u>UEZA-**-***</u>	<u>Urban Enterprise Zone - Hiring of Police</u>
<u>UEZA-04-29</u>	<u>Urban Enterprise Zone - Administration</u>
<u>UEZA-03-117</u>	<u>Urban Enterprise Zone - Litter Clean Up Program</u>
<u>UEZA-04-41</u>	<u>Urban Enterprise Zone - Business Recruit Marketing Plan</u>
<u>*</u>	<u>Construction of Highway Facility</u>

* - Information Not Available

THE CITY OF UNION CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 2 – Schedule of Financial Statement Findings

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

FINDING FS09-01

Criteria:	The City is responsible for preparing and maintaining records of grant appropriations on an individual and aggregate basis.
Condition:	The City is not properly preparing and maintaining records of grant appropriations on an individual and aggregate basis. This is a prior year finding not corrected as of June 30, 2007.
Effect:	There is a significant amount of grant appropriations that are unallocated.
Cause:	The City does not have a control system to overall monitor grant activity and assure records for grants are being properly maintained on an individual basis.
Questioned Costs:	None.
Recommendation:	The City must implement a control system to overall monitor grant activity and assure records for grants are being properly maintained on an individual basis.
Management's Response:	The City has delegated responsibility to additional financial staff to better monitor grant activity.

THE CITY OF UNION CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

FINDING FS09-02

Criteria:	The City is responsible for reconciling bank account balances to the general ledger in a timely manner.
Condition:	The City is not reconciling bank account balances to the general ledger in a timely manner.
Effect:	There may be discrepancies in the general ledger that may have otherwise been discovered if it had been reconciled to the bank balance.
Cause:	The City has not reconciled certain bank account balances to the general ledger.
Questioned Costs:	None.
Recommendation:	The City must reconcile all bank account balances to the general ledger in a timely manner.
Management's Response:	The City will immediately reconcile all bank account balances to the general ledger.

THE CITY OF UNION CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

FINDING FS09-03

Criteria: In accordance with N.J.S. 40A:4-57 no officer, board, body or commission shall, during any fiscal year, expend any money, incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

Condition: The City expended \$264,248 in street improvements for which no appropriation was provided and \$380,721 from the CDA Trust Fund Reserve in excess of the amount appropriated.

Effect: The city is not in compliance with N.J.S. 40A:4-57.

Cause: The City was charging expenditures to grants for which funds were not available. Those questioned charges had to be reclassified to the Current Fund as deferred charges to be appropriated in the succeeding year's budget.

Questioned Costs: \$644,969

Recommendation: The City must monitor expenditures charged to grants as to not expend money for which no appropriation is provided, or in excess of the amount appropriated.

Management's Response: The City has delegated responsibility to additional financial staff to better monitor expenditures charged to grants.

THE CITY OF UNION CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

FINDING FS09-04

Criteria: Arbitrage rebate excess earnings should be recognized currently. Although the excess earnings are not due to the federal government until the end of each five year period, the liability should be recognized when incurred and measurable.

Condition: Arbitrage rebate liability is not being calculated annually. This is a prior year finding not corrected as of June 30, 2008.

Effect: The arbitrage rebate liability may be material and not properly reported.

Cause: The City has not contracted a professional service firm to calculate the arbitrage rebate liability.

Questioned Costs: None.

Recommendation: Arbitrage rebate liability should be calculated annually to determine if the amount is material and therefore reportable.

Management's Response: The City plans to contract a professional service firm to calculate the arbitrage rebate liability.

THE CITY OF UNION CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 3 – Schedule of Federal and State Awards Findings and Questioned Costs

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

All Federal and State Grants

FINDING SA09-05

Criteria:	The City is responsible for charging grant expenditures to respective grant accounts and the auditor is responsible for determining major programs based on such expenditures.
Condition:	The City is not properly charging grant expenditures to respective grant accounts.
Effect:	There may be significant amounts of grant expenditures that are either misclassified or unallocated perhaps affecting the auditor's ability to determine major programs.
Cause:	The City does not have a control system to overall monitor grant activity and assure records for grants are being properly maintained on an individual basis.
Questioned Costs:	None.
Recommendation:	The City must implement a control system to overall monitor grant activity and assure records for grants are being properly maintained on an individual basis.
Management's Response:	The City has delegated responsibility to additional financial staff to better monitor grant activity.

THE CITY OF UNION CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal - Community Development Block Grant ("CDBG")

FINDING SA09-06

Criteria: The City Community Development Agency ("CDA") is required to verify accuracy of applications submitted for CDBG projects.

Condition: The City CDA is not verifying accuracy of applications submitted for CDBG projects.

Effect: The City CDA is not adhering to CDBG policy requirements. Furthermore, there may be discrepancies in applications that disqualify CDBG projects that have already been approved.

Cause: The City CDA is not obtaining qualifying documents to support applicant disclosures prior to processing their applications.

Questioned Costs: None.

Recommendation: The City CDA must verify the accuracy of applications submitted for CDBG projects in accordance with the CDBG policy requirements.

Management's Response: The City CDA will adopt the required CDBG policy requirements and verify the accuracy of all applications submitted for CDBG projects.

THE CITY OF UNION CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

State – Urban Enterprise Zone (“UEZ”) – Business Recruitment Grant

FINDING SA09-07

Criteria:	The City is required to file State Expenditure Vouchers in a timely basis to obtain UEZ grant reimbursements.
Condition:	The City is not filing for State Expenditure Vouchers in a timely basis.
Effect:	The City is not adhering to UEZ grant requirements and may have forfeited certain UEZ grant reimbursements.
Cause:	The City has not filed State Expenditure Vouchers for significant qualifying expenditures of the UEZ – Business Recruitment Grant for the year ended June 30, 2009.
Questioned Costs:	None.
Recommendation:	The City should file State Expenditure Vouchers in a timely basis in order to secure UEZ grant reimbursements.
Management’s Response:	The City will immediately file any outstanding State Expenditure Vouchers. Going forward, the City will file State Expenditure Vouchers in a timely basis.

THE CITY OF UNION CITY

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND
QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

(This section identifies the status of prior year audit findings related to the basic 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.)

STATUS OF PRIOR YEAR FINDINGS

The City has taken the appropriate action to dissolve all of the prior year findings. Those not cleared are noted as prior year findings not corrected.

GENERAL COMMENTS

THE CITY OF UNION CITY

GENERAL COMMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED PER N.J.S.A. 40A:11-3 AND 11-4, ET SEQ.

N.J.S.A. 40A:11-3 states: “When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$21,000, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$29,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.”

N.J.S.A. 40A:11-4 states: “Every contract awarded by a contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law.”

The City has hired a Qualified Purchasing Agent and the governing body of the City approved the increase in the bid threshold to \$29,000. The governing body of the City has the responsibility of determining whether the expenditures in any category will exceed \$29,000 within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the City Counsel’s opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertisement and contracts awarded for the following items:

Printing Services
War Memorial Installation
Firemen Memorial Park
Parking Office Addition
Street Improvements
Recreational Center Renovations
Skateboard Park
Central Avenue Streetscape

Baseball Equipment
Poly Garbage Bags
CDA Road Program
Park Improvements
Public Amphitheater
Doric Temple Demolition
Holiday Decorations

THE CITY OF UNION CITY

GENERAL COMMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED PER N.J.S.A. 40A:11-3 AND 11-4, ET SEQ. (Continued)

The system of records does not provide for an accumulation of payments for categories of materials and supplies or related work or labor. Disbursements were reviewed for any unusual items.

Our examination of expenditures revealed that individual payments or contracts were in excess of \$29,000 "for the performance of any work, or for the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S.A. 40A:11-6.

EXPENDITURE LESS THAN THE BID THRESHOLD BUT 15% OR MORE OF THAT AMOUNT PER N.J.S.A. 40A:11-6.1

N.J.S.A. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, except for paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting unit agent shall award the contract after soliciting at least two competitive quotations, if practicable." The City advised us that quotations were, for the most part, solicited for items, the cost of which is \$4,350 or more, within the terms of N.J.S.A. 40A:11-6.1.

COLLECTION OF INTEREST ON DELINQUENT TAXES

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

The Governing body on the 20th day of May, 1980, adopted the following resolution authorizing interest to be charged on delinquent taxes.

"WHEREAS, the City of Union City is desirous of determining rates of interest to be charged for delinquent payment of taxes.

NOW THEREFORE, BE IT RESOLVED by the Mayor and the Board of Commissioners of the City of Union City as follows:

THE CITY OF UNION CITY

GENERAL COMMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

COLLECTION OF INTEREST ON DELINQUENT TAXES (Continued)

1. Pursuant to N.J.S.A. 54:4-67, the rate of interest to be charged for the non-payment of taxes on or before the date when they would become delinquent is hereby fixed at eight percent (8%) per annum on the first \$1,500 of the delinquency and eighteen percent (18%) per annum on any amount in excess of \$1,500 to be calculated from the date the tax was payable until the date of actual payment, provided however that no interest shall be charged if payment of any installment is made within the tenth (10th) calendar day following the date upon which the same becomes payable”.

It appears from the examination of the Collector’s records that interest was generally collected in accordance with the foregoing resolutions.

TAXES AND TAX TITLE LIENS

The taxes outstanding at June 30, 2009, included taxes from the fiscal years ended June 30, 2009 and 2008. The following comparison is made of the number of tax title liens receivable at June 30, 2009:

<u>Period Ended</u>	<u>Number of Liens</u>
June 30, 2009	0
June 30, 2008	0
June 30, 2007	0
June 30, 2006	0
June 30, 2005	3
June 30, 2004	4
June 30, 2003	3

THE CITY OF UNION CITY
COMMENTS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Comment: The City has advanced to, or borrowed, monies from various funds.

Recommendation: Interfund advances should be avoided, if possible, and be settled prior to the year-end. This is a prior year finding not corrected as of June 30, 2007.

**CITY OF UNION CITY
COUNTY OF HUDSON
STATE OF NEW JERSEY**

Resolution Approving and Accepting State Fiscal Year 2009 Corrective Action Plan

~~WHEREAS, the State Fiscal Year 2009 Annual Audit of the City of Union City, conducted by Donohue, Gironda & Doria, contained certain recommendations requiring action; and~~

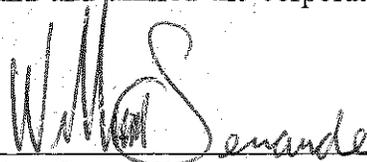
WHEREAS, these recommendations have been reviewed by the City's Financial Officer; and

WHEREAS, the City's Financial Department, in accordance with the requirements promulgated by the New Jersey Division of Local Government Services, has developed a plan to address the recommendations listed by the auditor.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the City of Union City hereby approve and accept the attached Corrective Action Plan for the 2009 Annual Municipal Audit; and

BE IT FURTHER RESOLVED, that a certified copy of this resolution, along with the Corrective Action Plan, be forwarded to the Director of Local Government Services.

I, WILLIAM SENANDE, Municipal Clerk of the City of Union City, in the County of Hudson, New Jersey, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Commissioners of the City of Union City, New Jersey at a meeting held September 21, 2010, ~~IN WITNESS WHEREOF, I, the said~~ Municipal Clerk have hereunto set my hand and affixed the corporate seal of the City, this September 21, 2010.



William Senande
Municipal Clerk

The City of Union City's Corrective Action Plan for SFY 2009 Annual Audit

Name of Municipality: City of Union City
Type of Audit: June 30, 2009 Annual Audit
County: Hudson

Finding Number: 1

Description: The City is not properly preparing and maintaining records of grant appropriations on an individual and aggregate basis.

Recommendation: The City must implement a control system to overall monitor grant activity and assure records for grants are being properly maintained on an individual basis.

Procedure to Correct: The City has delegated responsibility to additional financial staff to better monitor grant activity and is in the process of hiring additional financial staff.

Implementation Date: On going.

Finding Number: 2

Description: The City is not reconciling bank account balances to the general ledger in a timely manner.

Recommendation: The City must reconcile all bank account balances to the general ledger in a timely manner.

Procedure to Correct: The City will immediately reconcile all bank account balances to the general ledger.

Implementation Date: On going.

The City of Union City's Corrective Action Plan for SFY 2009 Annual Audit (con't)

Finding Number: 3

Description: In accordance with N.J.S. 40A-57 no officer, board, body or commission shall, during any fiscal year, ~~expend any money, incur any liability, or enter into~~ any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

Recommendation: The City must monitor expenditures charged to grants as to not expend money for which no appropriation is provided, or in excess of the amount appropriated.

Procedure to Correct: The City delegated responsibility to additional financial staff to better monitor expenditures charged to grants.

Implementation Date: On going.

Finding Number: 4

Description: Arbitrage rebate liability is not being calculated annually.

Recommendation: Arbitrage rebate liability should be calculated ~~annually to determine if the amount is material and~~ therefore reportable.

/
Procedure to Correct: The City plans to contract a professional service firm to calculate the arbitrage rebate liability.

Implementation Date: On going.

The City of Union City's Corrective Action Plan for SFY 2009 Annual Audit (con't)

Finding Number: 5

Description: The City is not properly charging grant expenditures to respective grant accounts.

Recommendation: The City must implement a control system to overall monitor grant activity and assure records for grants are being properly maintained on an individual basis.

Procedure to Correct: The City has delegated responsibility to additional financial staff to better monitor grant activity.

Implementation Date: On going.

Finding Number: 6

Description: The City CDA is not verifying accuracy of applications submitted for CDBG projects.

Recommendation: The City CDA must verify the accuracy of applications submitted for CDBG projects in accordance with the CDBG policy requirements.

Procedure to Correct: ~~The City CDA will adopt the required CDBG policy requirements and verify the accuracy of all applications submitted for CDBG projects.~~

Implementation Date: On going.

The City of Union City's Corrective Action Plan for SFY 2009 Annual Audit (con't)

Finding Number: 7

Description: The City is not filing for State Expenditure Vouchers in a timely basis.

Recommendation: The City should file State Expenditure Vouchers in a timely basis in order to secure UEZ grant reimbursements.

Procedure to Correct: The City will immediately file any outstanding State Expenditure Vouchers. Going forward, the City will file State Expenditure Vouchers in a timely basis.

Implementation Date: On going.
