

**BOROUGH OF BOGOTA**  
**BERGEN COUNTY, NEW JERSEY**  
**REPORT OF AUDIT**  
**YEAR ENDED DECEMBER 31, 2010**

# BOROUGH OF BOGOTA

## TABLE OF CONTENTS

<u>Exhibits</u>		<u>Page</u>
 <b><u>PART I</u></b>		
	Independent Auditor's Report	1-2
A	Comparative Balance Sheets – Regulatory Basis - Current Fund	3-4
A-1	Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis - Current Fund	5
A-2	Statement of Revenues – Regulatory Basis – Current Fund	6-7
A-3	Statement of Expenditures – Regulatory Basis – Current Fund	8-13
B	Comparative Balance Sheets – Regulatory Basis - Trust Funds	14-15
B-1	Comparative Statements of Changes in Fund Balance – Regulatory Basis – Other Trust Fund	16
C	Comparative Balance Sheets – Regulatory Basis - General Capital Fund	17
C-1	Comparative Statements of Changes in Fund Balance – Regulatory Basis - General Capital Fund	18
D	Comparative Balance Sheets – Regulatory Basis – Public Assistance Fund	19
E	Comparative Balance Sheets – Regulatory Basis - General Fixed Assets Account Group	20
	Notes to Financial Statements	21-42
 <b><u>Current Fund</u></b>		
A-4	Statement of Current Cash - Treasurer	43
A-5	Statement of Change Funds	44
A-7	Statement of Due From State of New Jersey Senior Citizens' and Veterans' Deductions	44
A-7	Statement of Grants Receivable	45
A-8	Statement of Taxes Receivable and Analysis of Property Tax Levy	46
A-9	Statement of Tax Title Liens Receivable	47
A-10	Statement of Property Acquired for Taxes (At Assessed Valuation)	47
A-11	Statement of Deferred Charges	47
A-12	Statement of Revenue Accounts Receivable	48
A-13	Statement of 2009 Appropriation Reserves	49-51
A-14	Statement of Encumbrances Payable	52
A-15	Statement of County Taxes Payable	52
A-16	Statement of Local District School Taxes	53
A-17	Statement of Prepaid Taxes	53
A-18	Statement of Fees Payable	53
A-19	Statement of Miscellaneous Reserves	54
A-20	Statement of Unappropriated Grant Reserves	54
A-21	Statement of Deferred Charges – N.J.S. 40A:4-55.3 Special Emergency Authorizations	55
A-22	Statement of Tax Anticipation Notes Payable	56
A-23	Statement of Special Emergency Notes Payable	56
A-24	Statement of Reserve for Replacement Equipment	56
A-25	Statement of Appropriated Grant Reserves	57

# BOROUGH OF BOGOTA

## TABLE OF CONTENTS

<u>Exhibits</u>		<u>Page</u>
 <b><u>Trust Fund</u></b>		
B-2	Statement of Trust Cash and Investments - Treasurer	58
B-3	Statement of Due From Other Trust Fund – Animal Control Trust Fund	59
B-4	Statement of Due To Current Fund - Animal Control Trust Fund	59
B-5	Statement of Due to State of New Jersey – Animal Control Trust Fund	59
B-6	Statement of Reserve for Animal Control Expenditures	60
B-7	Statement of Due from/to Current Fund – Other Trust Fund	60
B-8	Statement of Reserve for Unemployment Expenditures	61
B-9	Statement of Payroll Deductions Payable	61
B-10	Statement of Due to State of New Jersey – Unemployment Compensation	61
B-11	Statement of Miscellaneous Reserves	62
B-12	Statement of Due to Current Fund – Recreation Trust Fund	63
B-13	Statement of Reserve for Recreation Expenditures	63
B-14	Statement of Reserve for Library Expenditures – Library Trust Fund	64
B-15	Statement of Reserve for Terminal Pay	64
 <b><u>General Capital Fund</u></b>		
C-2	Statement of General Capital Cash - Treasurer	65
C-3	Analysis of General Capital Cash	66
C-4	Statement of Due From Current Fund	67
C-5	Statement of Prospective Assessments Raised by Taxation	67
C-6	Statement of Deferred Charges to Future Taxation - Funded	67
C-7	Statement of Deferred Charges to Future Taxation - Unfunded	68
C-8	Statement of Grants Receivable	69
C-9	Statement of Improvement Authorizations	70
C-10	Statement of Encumbrances Payable	71
C-11	Statement of Capital Improvement Fund	71
C-12	Statement of General Serial Bonds	72
C-13	Statement of Capital Leases Payable	73
C-14	Statement of Bond Anticipation Notes	74
C-15	Statement of Reserve for Payment of Debt	75
C-16	Statement of Reserve for Prospective Assessments	75
C-17	Statement of Bonds and Notes Authorized But Not Issued	76
 <b><u>Public Assistance Fund</u></b>		
D-1	Statement of Public Assistance Cash – Treasurer	77
D-2	Statement of Reserve for Public Assistance Expenditures	77

**BOROUGH OF BOGOTA  
TABLE OF CONTENTS**

<b><u>Exhibits</u></b>		<b><u>Page</u></b>
	<b><u>Part II</u></b>	
	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	78-79
Schedule A	Schedule of Expenditures of Federal Awards	80
Schedule B	Schedule of Expenditures of State Financial Assistance	81-82
	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	83
	Schedule of Findings and Responses	84-85
	<b><u>Part III</u></b>	
	Comparative Statement of Operations and Changes in Fund Balance - Current Fund	86
	Comparative Schedule of Tax Rate Information	87
	Comparison of Tax Levies and Collection Currently	87
	Delinquent Taxes and Tax Title Liens	87
	Property Acquired by Tax Title Lien Liquidation	88
	Comparative Schedule of Fund Balances	88
	Officials in Office and Surety Bonds	89
	General Comments	90-92
	Recommendations	93

**BOROUGH OF BOGOTA**

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**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY SCHEDULES**

**YEAR ENDED DECEMBER 31, 2010**

# LERCH, VINCI & HIGGINS, LLP

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Bogota as of December 31, 2010 and 2009 and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the year ended December 31, 2010. These financial statements are the responsibility of the Borough of Bogota's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Bogota's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described more fully in Note 1, the Borough has prepared these financial statements using accounting practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and the accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

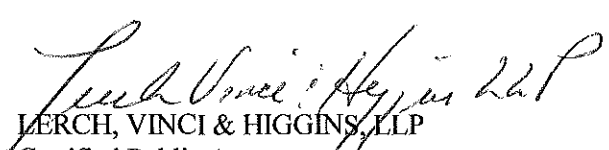
In our opinion, because of the effects of the Borough preparing its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to previously do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Bogota as of December 31, 2010 and 2009, or the changes in its financial position for the years then ended. Further, the Borough has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

## INDEPENDENT AUDITOR'S REPORT (Continued)

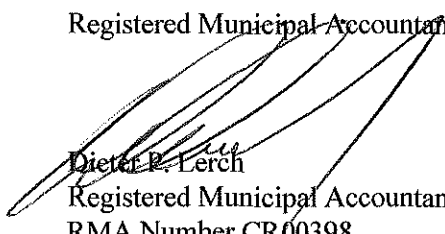
In our opinion, the financial statements - regulatory basis referred to previously present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the Borough of Bogota as of December 31, 2010 and 2009 and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the revenues - regulatory basis and the expenditures - regulatory basis of the Current Fund for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated July 14, 2011 on our consideration of the Borough of Bogota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Bogota. The supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Bogota. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole on the basis of accounting described in Note 1.



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



Dieter P. Lerch  
Registered Municipal Accountant  
RMA Number CR00398

Fair Lawn, New Jersey  
July 14, 2011

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND**  
**AS OF DECEMBER 31, 2010 AND 2009**

ASSETS	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Cash	A-4	\$ 2,079,254	\$ 1,682,052
Change Funds	A-5	280	180
Grants Receivable	A-7	89,033	83,140
Due from State of New Jersey - Senior Citizen and Veteran's Deductions	A-6	<u>24,465</u>	<u>21,796</u>
		<u>2,193,032</u>	<u>1,787,168</u>
Receivables and Other Assets with Full Reserves			
Delinquent Property Taxes	A-8	4,969	374,466
Tax Title Liens	A-9	3,950	5,522
Property Acquired for Taxes	A-10	136,680	136,680
Revenue Accounts Receivable	A-12	12,860	10,339
Interfunds Receivable:			
Due from Animal Control Trust Fund	B-4	15	15
Due from Other Trust Fund	B-7	754	754
Due from Recreation Trust Fund	B-12	<u>14,073</u>	<u>14,073</u>
		<u>172,547</u>	<u>541,849</u>
Deferred Charges			
Emergency Authorizations	A-11	63,973	
Special Emergency Authorizations	A-21	211,440	141,920
Overexpenditure of Appropriation	A-11	11,830	11,830
Overexpenditure of Appropriation Reserves	A-11	<u>8,963</u>	<u>10,776</u>
		<u>284,376</u>	<u>164,526</u>
Total Assets		<u>\$ 2,649,955</u>	<u>\$ 2,493,543</u>



**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND**  
**AS OF DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>Liabilities:</b>			
Appropriation Reserves	A-3,A-13	\$ 70,188	\$ 239,765
Encumbrances Payable	A-14	319,898	176,517
Prepaid Taxes	A-17	49,910	74,141
Tax Anticipation Note Payable	A-22	950,000	900,000
Local School Taxes Payable	A-16	242,937	415
Due County for Added and Omitted Taxes	A-15	169	638
Fees Payable	A-18	466	318
Special Emergency Note Payable	A-23	201,000	128,000
Reserve for Replacement Equipment	A-24		67,508
Miscellaneous Reserves	A-19	42,884	29,245
Unappropriated Grant Reserves	A-20	13,736	30,108
Appropriated Grant Reserves	A-25	77,011	99,285
Interfunds Payable			
Due to Other Trust Fund	B-7	63,750	
Due to General Capital Fund	C-4	259,268	68,486
		2,291,217	1,814,426
Reserve for Receivables	A	172,547	541,849
Fund Balance	A-1	186,191	137,268
<b>Total Liabilities, Reserves and Fund Balance</b>		<b><u>\$ 2,649,955</u></b>	<b><u>\$ 2,493,543</u></b>

**BOROUGH OF BOGOTA**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>			
Fund Balance Anticipated	A-1		\$ 52,000
Miscellaneous Revenue Anticipated	A-2	\$ 1,447,463	1,988,620
Receipts from Delinquent Taxes	A-2	371,643	315,507
Receipts from Current Taxes	A-2	21,156,555	19,811,811
Non-Budget Revenue	A-2	26,406	77,281
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-13	67,871	67,944
Interfunds Liquidated During 2010	A	754	
Cancellation of Appropriated Grant Reserve	A-1	-	185
 Total Income		<u>23,070,692</u>	<u>22,313,348</u>
<b>EXPENDITURES</b>			
Budget and Emergency Appropriations:			
Operations			
Salaries and Wages	A-3	3,043,491	2,859,148
Other Expenses	A-3	3,699,979	3,601,514
Deferred Charges and Statutory			
Expenditures- Municipal	A-3	406,891	416,424
Capital Improvements	A-3	13,700	16,000
Municipal Debt Service	A-3	681,134	670,096
Local District School Taxes	A-16	13,513,758	12,782,446
County Taxes Payable	A-15	1,789,166	1,861,437
Due to County for Added and Omitted Taxes	A-15	169	638
Interfunds Advanced	A		14,827
Refund of Prior Year Revenue	A-4	42,454	68,688
 Total Expenditures		<u>23,190,742</u>	<u>22,291,218</u>
 Excess (Deficiency) in Revenues Over (Under) Expenditures		(120,050)	22,130
Adjustment to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred			
Charges to Budget of Succeeding Year	A-11,A-21	168,973	11,830
 Statutory Excess to Fund Balance		48,923	33,960
 Fund Balance, January 1	A-1	137,268	155,308
		186,191	189,268
Decreased by:			
Utilized as Anticipated Revenue	A-2	-	52,000
 Fund Balance, December 31	A-1	<u>\$ 186,191</u>	<u>\$ 137,268</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF BOGOTA**  
**STATEMENT OF REVENUES - REGULATORY BASIS**  
**CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Reference</u>	<u>Budget</u>	<u>Anticipated</u> Added by N.J.S. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
FUND BALANCE ANTICIPATED		-	-	-	-
MISCELLANEOUS REVENUES					
Licenses					
Alcoholic Beverages	A-12	\$ 5,300		\$ 6,300	\$ 1,000
Other	A-12	4,500		6,953	2,453
Fees and Permits	A-12	5,200		4,168	(1,032)
Fines and Costs	A-12				
Municipal Court	A-12	144,000		169,715	25,715
Interest and Costs on Taxes	A-12	61,000		74,541	13,541
Interest on Investments and Deposits	A-2	15,000		23,848	8,848
Cable Television Franchise Fees	A-12	80,400		80,466	66
Energy Receipts Tax	A-12	522,976		522,976	
Consolidated Municipal Property Tax Relief Aid	A-12	154,700		154,371	(329)
Uniform Construction Code Fees	A-12	54,000		57,554	3,554
State and Federal Revenues Offset with Appropriations					
CDBG - Senior Bus Driver	A-7	12,000		12,000	
State Cooperative Housing Inspection Program	A-7	4,500		4,500	
Clean Communities Program	A-7	10,586		10,586	
Forestry Services	A-7	7,000		7,000	
CDBG - Project Success	A-7	17,000		17,000	
Reserve for Clean Communities Program	A-20	704		704	
Reserve for Body Armor Program	A-20	2,665		2,665	
Reserve for Safety Council	A-20	6,333		6,333	
Reserve for State Highway Grant	A-20	6,099		6,099	
Reserve for Prevention of Alcohol and Drug Abuse	A-20	6,841		6,841	
Reserve for Drunk Driving Enforcement Fund	A-20	1,532		1,532	
Reserve for Alcohol Education and Rehabilitation	A-20	5,934		5,934	
Municipal Alliance on Alcoholism and Drug Abuse	A-7		\$ 10,356	10,356	
Celebration of Public Events	A-12	10,500		5,120	(5,380)
Uniform Fire Safety Act	A-12	9,700		8,318	(1,382)
C.C.O. Expenditures	A-12	6,900		7,822	922
Reserve for Recycling	A-19	18,753		18,753	
Swim Club Rent	A-12	7,500		7,500	
Cell Tower Rental Fee	A-12	45,000		45,000	
Reserve for Equipment Replacement	A-24	67,508		67,508	
General Capital Fund Balance	C-1	95,000		95,000	
Reserve for Library Trust Interfund	B-13	25,000	-	-	(25,000)
		<u>1,414,131</u>	<u>10,356</u>	<u>1,447,463</u>	<u>22,976</u>
RECEIPTS FROM DELINQUENT TAXES	A-8	<u>360,000</u>	<u>-</u>	<u>371,643</u>	<u>11,643</u>
AMOUNT TO BE RAISED FOR SUPPORT OF MUNICIPAL BUDGET					
Local Tax for Municipal Purposes	A-2	<u>5,955,445</u>	<u>-</u>	<u>5,915,483</u>	<u>(39,962)</u>
Total General Revenues		<u>\$ 7,729,576</u>	<u>\$ 10,356</u>	<u>7,734,589</u>	<u>\$ (5,343)</u>
Non-Budget Revenue				<u>26,406</u>	
				<u>\$ 7,760,995</u>	

The Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF BOGOTA**  
**STATEMENT OF REVENUES - REGULATORY BASIS**  
**CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**  
**(Continued)**

	<u>Reference</u>	
<b>ANALYSIS OF REALIZED REVENUES</b>		
Allocation of Current Tax Collection		
Revenue from Collections	A-8	\$ 21,156,555
Less: Allocated to School and County Taxes	A-15,A-16	<u>15,303,093</u>
Balance for Support of Municipal Budget Appropriations		5,853,462
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>62,021</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 5,915,483</u>
Licenses - Other		
Board of Health	A-12	\$ 2,503
Borough Clerk	A-12	<u>4,450</u>
	A-2	<u>\$ 6,953</u>
Fees and Permits		
Borough Clerk	A-12	\$ 125
Board of Health	A-12	80
Planning/Zoning Boards	A-12	1,595
Police Department	A-12	2,348
Tax Collector	A-12	<u>20</u>
	A-2	<u>\$ 4,168</u>
Interest on Investments and Deposits		
Revenue Accounts Receivable	A-12	\$ 13,201
Due from General Capital Fund	C-4	7,991
Due from Recreation Trust Fund	B-12	300
Due from Other Trust Fund	B-7	2,334
Due from Animal Control Trust Fund	B-4	<u>22</u>
	A-2	<u>\$ 23,848</u>
Miscellaneous Revenue Not Anticipated:		
Copies		\$ 14,671
Payments in Lieu of Taxes		3,000
Administrative Fee - Senior Citizens and Veterans Deductions		1,465
Election Refund		360
Miscellaneous		<u>6,910</u>
	A-2,A-4	<u>\$ 26,406</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
<b>OPERATIONS - WITHIN "CAPS"</b>					
<b>GENERAL GOVERNMENT</b>					
Mayor and Council					
Salaries and Wages	\$ 16,275	\$ 16,275	\$ 16,275		
Administration and Executive					
Salaries and Wages					
Administrator's Office	166,362	169,712	169,569	\$ 143	
Other Expenses					
Administrator's Office	39,150	46,561	45,746	815	
Codification of Ordinances	3,000				
Financial Administration					
Salaries and Wages	90,567	71,967	71,682	285	
Other Expenses	25,200	25,200	24,135	1,065	
Audit Services					
Annual Audit	31,000	31,000	31,000		
Collection of Taxes					
Salaries and Wages	44,770	44,930	44,874	56	
Other Expenses	17,000	17,600	17,591	9	
Assessment of Taxes					
Salaries and Wages	13,914	13,714	13,647	67	
Other Expenses	3,000	3,250	3,174	76	
Legal Services and Costs					
Other Expenses	60,000	51,474	47,933	3,541	
<b>LAND USE ADMINISTRATION</b>					
Municipal Land Use Law (N.J.S.A. 40:55-1):					
Planning Board					
Salaries and Wages	5,000	5,639	4,979	660	
Other Expenses	3,000	250		250	
Master Plan	10,000	7,000	6,550	450	
<b>INSURANCE</b>					
Other Insurance Premiums	283,500	283,800	283,693	107	
Group Insurance Plan for Employees	530,000	492,270	491,426	844	
<b>PUBLIC SAFETY FUNCTIONS</b>					
Department of Police					
Salaries and Wages	1,990,000	2,040,273	2,038,750	1,523	
Other Expenses	47,000	51,685	51,685		
Reserves	1,500	800	734	66	
Uniforms - Other Expenses	2,000	2,000	2,000		
Police Cars	18,000	17,825	17,659	166	
Emergency Management Services					
Other Expenses	3,500	3,400	3,338	62	
First Aid Organization					
Salaries and Wages	200	200	200		
Other Expenses	20,000	20,000	19,326	674	
Other Expenses - Uniforms	6,100	6,100	6,098	2	
Other Expenses - Aid to Volunteers	2,500	2,500	2,500		

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PUBLIC SAFETY FUNCTIONS (Cont'd)					
Rescue Squad					
Salaries and Wages	\$ 100	\$ 100	\$ 100		
Other Expenses	10,000	10,000	9,836	\$ 164	
Other Expenses - Uniforms	3,675	3,675	3,675		
Other Expenses - Aid to Volunteers	2,500	2,500	2,500		
Equipment Replacement	30,000	40,350	40,337	13	
Fire (Volunteer Fire Company)					
Salaries and Wages	2,500	2,500	2,342	158	
Miscellaneous - Other Expenses	45,000	45,000	43,024	1,976	
Clothing Allowance - Other Expenses	15,000	15,000	15,000		
Aid to Volunteer Fire Companies	10,000	10,000	10,000		
Vehicle Maintenance	10,000	19,200	19,199	1	
Fire Alarms					
Salaries and Wages					
Other Expenses	500	500		500	
Fire Official					
Salaries and Wages	20,940	20,507	20,489	18	
Other Expenses	2,000	2,000	1,327	673	
Municipal Prosecutor					
Salaries and Wages	7,135	7,135	7,135		
PUBLIC WORKS FUNCTIONS					
Road Repairs and Maintenance					
Salaries and Wages	360,661	370,661	370,386	275	
Other Expenses	64,000	72,000	68,886	3,114	
Shade Tree Commission					
Other Expenses	35,000	35,000	30,311	4,689	
Garbage and Trash Removal					
Solid Waste Disposal Fees	216,000	216,000	212,016	3,984	
Contractual	340,000	340,000	337,046	2,954	
Recycling					
Other Expenses	6,000	6,170	6,169	1	
Public Buildings and Grounds					
Other Expenses	67,000	52,660	47,575	5,085	
HEALTH AND HUMAN SERVICES FUNCTIONS					
Board of Health					
Salaries and Wages	4,500	4,750	4,567	183	
Other Expenses	36,500	36,500	36,500		
Animal Control Services					
Other Expenses	4,000	3,060	3,053	7	

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PARK AND RECREATION FUNCTIONS					
Recreation Commission RS 40:12-1					
Salaries and Wages	\$ 32,550	\$ 32,750	\$ 32,636	\$ 114	
Senior Citizens Committee					
Salaries and Wages	24,000	13,900	13,056	844	
Other Expenses	2,000	2,220	2,210	10	
OTHER COMMON OPERATING FUNCTIONS					
Celebration of Public Events					
Other Expenses	14,000	11,500	10,066	1,434	
Municipal Court					
Salaries and Wages	55,851	47,851	46,606	1,245	
Other Expenses	3,600	3,000	2,744	256	
Public Defender					
Salaries and Wages	2,865	2,865	2,865		
Ambulance Squad O.S.H.A. (P.L. 1983, C. 516)					
Other Expenses	3,000	3,000	2,396	604	
Rescue Squad O.S.H.A. (P.L. 1983, C. 516)					
Other Expenses	3,000	3,000	3,000		
Accrued Sick and Vacation		105,000	105,000	-	
Board of Health					
Hepatitis B.	2,000	2,600	2,600		
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)					
CODE ENFORCEMENT AND ADMINISTRATION					
Construction Code Officials					
Salaries and Wages	62,742	72,762	70,455	2,307	
Other Expenses	2,000	2,000	1,952	48	
UNCLASSIFIED					
Electricity and Gas	100,000	117,150	116,298	852	
Street Lighting	102,000	106,600	106,510	90	
Telephone/Communications	32,000	38,600	38,405	195	
Heating Oil	8,500	6,000	3,996	2,004	
Fire Hydrant Service	62,000	66,600	66,410	190	
Gasoline	60,000	64,650	63,207	1,443	
Water	4,500	5,900	5,827	73	-
Total Operations Within "CAPS"	5,302,157	5,448,641	5,402,276	46,365	-
Detail					
Salaries and Wages	2,900,932	3,043,491	3,035,613	7,878	-
Other Expenses	2,401,225	2,405,150	2,366,663	38,487	-

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Deferred Charges:					
Overexpenditure of Appropriation	\$ 10,776	\$ 10,776	\$ 10,776		
Overexpenditure of Appropriation Reserves	11,830	11,830	11,830		
Deficit in Capital Improvement Fund	21,175	21,175	21,175		
Deficit in Reserve for Police Vests	313	313	313		
Statutory Expenditures:					
Public Employees Retirement System	41,986	41,986	41,986		
Police & Fireman's Retirement System of NJ	155,631	155,631	155,631		
Social Security System (O.A.S.I.)	<u>125,000</u>	<u>129,700</u>	<u>129,673</u>	\$ 27	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>366,711</u>	<u>371,411</u>	<u>371,384</u>	<u>27</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>5,668,868</u>	<u>5,820,052</u>	<u>5,773,660</u>	<u>46,392</u>	<u>-</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Police & Fireman's Retirement System of NJ	181,207	181,207	181,207		
Public Employees Retirement System	41,983	41,983	41,983		
Bergen County Utilities Authority					
Service Charges - Contractual	682,000	681,400	681,362	38	
Maintenance of Free Public Library					
Salaries and Wages	113,500	138,500	136,597	1,903	
Other Expenses	113,500	88,500	76,022	12,478	
Municipal Services	75,000	75,000	75,000		
911 Telecommunication System					
Other Expenses	<u>4,000</u>	<u>6,100</u>	<u>6,062</u>	<u>38</u>	<u>-</u>
Total Other Operations - Excluded from "CAPS"	<u>1,211,190</u>	<u>1,212,690</u>	<u>1,198,233</u>	<u>14,457</u>	<u>-</u>



**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)					
PUBLIC AND PRIVATE PROGRAMS OFFSET BY					
REVENUES (N.J.S. 40A:4-45.3(h))					
Municipal Alliance	\$ 6,841	\$ 6,841	\$ 6,841		
Local Housing	4,500	4,500	1,146	\$ 3,354	
Municipal Alliance - Alcoholism & Drug Abuse		10,356	5,463	4,893	
Municipal Alliance - Alcoholism & Drug Abuse - Match		2,589	2,194	395	
Forestry Services	7,000	7,000	7,000		
Clean Communities Program	10,586	10,586	10,586		
Reserve - Clean Communities Program	704	704	704		
Alcohol Education	5,934	5,934	5,934		
Reserve - Drunk Driving Enforcement Fund	1,532	1,532	1,532		
Reserve - Safety Council	6,333	6,333	6,333		
State Highway Grant	6,099	6,099	6,099		
Reserve - Body Armor Replacement Program	2,665	2,665	2,665		
CDBG Project Success	17,000	17,000	16,303	697	-
Total Public and Private Programs Offset by Revenues (N.J.S. 40A:4-45.3(h))	69,194	82,139	72,800	9,339	-
Total Operations - Excluded from "CAPS"	1,280,384	1,294,829	1,271,033	23,796	-
Detail					
Salaries and Wages					
Other Expenses	1,280,384	1,294,829	1,271,033	23,796	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	-	13,700	13,700	-	-
Total Capital Improvements-Excluded from "CAPS"	-	13,700	13,700	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	415,000	415,000	415,000		
Interest on Bonds	163,000	163,000	162,941		\$ 59
Interest on Notes	37,000	37,000	35,370		1,630
BCIA Pension Refunding					
Principal	40,000	40,000	40,000		
Interest	27,823	27,823	27,823	-	-
Total Municipal Debt Service - Excluded from "CAPS"	682,823	682,823	681,134	-	1,689
DEFERRED CHARGES - EXCLUDED FROM "CAPS"					
Special Emergency Authorizations (NJS 40A:4-55)	35,480	35,480	35,480	-	-
Total Deferred Charges Excluded from CAPS	35,480	35,480	35,480	-	-
Total General Appropriations to Municipal Purposes Excluded from "CAPS"	1,998,687	2,026,832	2,001,347	23,796	1,689
Subtotal General Appropriations	7,667,555	7,846,884	7,775,007	70,188	1,689
Reserve for Uncollected Taxes	62,021	62,021	62,021	-	-
Total General Appropriations	\$ 7,729,576	\$ 7,908,905	\$ 7,837,028	\$ 70,188	\$ 1,689
<u>Reference</u>	A-2	A-3	A-1	A,A-1	

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Reference</u>	<u>Appropriations</u> <u>Budget After</u> <u>Modification</u>	<u>Expended</u> <u>Paid or</u> <u>Charged</u>
Budget as Adopted	A-2	\$ 7,729,576	
Added by N.J.S. 40A:4-87	A-2	10,356	
Emergency Authorization	A-11	63,973	
Special Emergency Authorization	A-21	<u>105,000</u>	
	A-2	<u>\$ 7,908,905</u>	
Cash Disbursed	A-4		\$ 7,298,886
Encumbrances Payable	A-14		319,898
Deferred Charges	A-11		22,606
Deferred Charge - Special Emergency Appropriations	A-21		35,480
Due to General Capital Fund	C-4		34,875
Due to Other Trust Fund	B-7		63,262
Reserve for Uncollected Taxes	A-2		<u>62,021</u>
			<u>\$ 7,837,028</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS**  
**AS OF DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>			
<b>ANIMAL CONTROL TRUST FUND</b>			
Cash	B-2	\$ 2,916	\$ 863
Due from Other Trust Fund	B-3	<u>26</u>	<u>26</u>
		<u>2,942</u>	<u>889</u>
<b>OTHER TRUST FUND</b>			
Cash	B-2	333,254	276,720
Due from Current Fund	B-7	<u>63,750</u>	<u>-</u>
		<u>397,004</u>	<u>276,720</u>
<b>RECREATION TRUST FUND</b>			
Cash	B-2	<u>25,703</u>	<u>17,935</u>
		<u>25,703</u>	<u>17,935</u>
<b>LIBRARY TRUST FUND</b>			
Cash	B-2	<u>83,066</u>	<u>66,992</u>
		<u>83,066</u>	<u>66,992</u>
<b>Total Assets</b>		<u>\$ 508,715</u>	<u>\$ 362,536</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS**  
**AS OF DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>ANIMAL CONTROL FUND</b>			
Due to Current Fund	B-4	\$ 15	\$ 15
Due to State of New Jersey	B-5	196	191
Reserve for Animal Control Trust Expenditures	B-6	<u>2,731</u>	<u>683</u>
		<u>2,942</u>	<u>889</u>
<b>OTHER TRUST FUND</b>			
Due to Animal Control Trust Fund	B-3	26	26
Due to Current Fund	B-7		754
Reserve for Unemployment Compensation	B-8	8,250	30,927
Payroll Deductions Payable	B-9	54,180	35,331
Due to State of New Jersey - Unemployment Compensation	B-10	1,813	7,731
Miscellaneous Reserves	B-11	253,780	201,951
Reserve for Terminal Pay	B-15	62,949	
Fund Balance	B-1	<u>16,006</u>	<u>-</u>
		<u>397,004</u>	<u>276,720</u>
<b>RECREATION TRUST FUND</b>			
Due to Current Fund	B-12	14,073	14,073
Reserve for Recreation Expenditures	B-13	<u>11,630</u>	<u>3,862</u>
		<u>25,703</u>	<u>17,935</u>
<b>LIBRARY TRUST FUND</b>			
Reserve for Library Expenditures	B-14	<u>83,066</u>	<u>66,992</u>
		<u>83,066</u>	<u>66,992</u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<u>\$ 508,715</u>	<u>\$ 362,536</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF BOGOTA**  
**COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**OTHER TRUST FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Balance, January 1			
Increased by:			
Cancellation of Miscellaneous Reserves	B-11	\$ 16,006	-
Balance, December 31	B	<u>\$ 16,006</u>	<u>\$ -</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**GENERAL CAPITAL FUND**  
**AS OF DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>			
Cash	C-2,C-3		\$ 705,620
Due from Current Fund	C-4	\$ 259,268	68,486
Prospective Assessments Raised by Taxation	C-5	2,500	2,500
Deferred Charges to Future Taxation			
Funded	C-6	4,353,000	4,808,000
Unfunded	C-7	2,441,514	2,316,850
Grants Receivable	C-8	<u>481,269</u>	<u>1,070,404</u>
 Total Assets		 <u>\$ 7,537,551</u>	 <u>\$ 8,971,860</u>
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Improvement Authorizations			
Funded	C-9	\$ 14,125	\$ 557,657
Unfunded	C-9	1,468,509	1,837,477
Encumbrances Payable	C-10	152,970	95,437
Capital Improvement Fund (Deficit)	C-11		(21,175)
Serial Bonds Payable	C-12	3,807,000	4,222,000
Capital Leases Payable	C-13	546,000	586,000
Bond Anticipation Notes Payable	C-14	1,256,610	1,316,825
Reserve for Grants Receivable	C-8	286,075	371,449
Reserve for Payment of Debt	C-15	2,406	2,406
Reserve for Prospective Assessments	C-16	2,500	2,500
Fund Balance	C-1	<u>1,356</u>	<u>1,284</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 7,537,551</u>	 <u>\$ 8,971,860</u>

There were \$1,388,014 and \$1,128,576 in bonds and notes authorized but not issued at December 31, 2010 and 2009, respectively. (Exhibit C-17)

**BOROUGH OF BOGOTA**  
**COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**GENERAL CAPITAL FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Balance, January 1	C	\$ 1,284	\$ 1,284
Increased by:			
Cancellation of Funded Improvement Authorizations	C-1	<u>95,072</u>	<u>-</u>
		96,356	1,284
Decreased by:			
Realized as Current Fund Budgeted Revenue	C-1	<u>95,000</u>	<u>-</u>
Balance, December 31	C	<u>\$ 1,356</u>	<u>\$ 1,284</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**PUBLIC ASSISTANCE FUND**  
**AS OF DECEMBER 31, 2010 AND 2009**

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>			
Cash	D-1	\$ 3,017	\$ 3,017
Total Assets		<u>\$ 3,017</u>	<u>\$ 3,017</u>
<b>LIABILITIES AND RESERVES</b>			
Reserve for Expenditures	D-2	\$ 3,017	\$ 3,017
Total Liabilities, Reserves and Fund Balance		<u>\$ 3,017</u>	<u>\$ 3,017</u>



**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**AS OF DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u> (Restated)
<b>ASSETS</b>		
Land	\$ 6,801,300	\$ 6,801,300
Buildings	3,136,518	2,974,275
Vehicles, Machinery & Equipment	<u>5,070,746</u>	<u>4,992,694</u>
 Total Assets	 <u>\$ 15,008,564</u>	 <u>\$ 14,768,269</u>
 <b>FUND BALANCE</b>		
Investment in General Fixed Assets	<u>\$ 15,008,564</u>	<u>\$ 14,768,269</u>

## **NOTES TO FINANCIAL STATEMENTS**

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Borough of Bogota have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

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

**A. Reporting Entity**

The Borough of Bogota (the "Borough") was incorporated in 1894 and operates under an elected Mayor/Council form of government. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

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

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

The Borough has the following funds and account group:

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

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

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

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

Recreation Trust Fund - This fund is used to account for the receipts and disbursements relating to recreation activities of the Borough

Library Trust Fund – This fund is used to account for the receipts and disbursements relating to the municipal library.

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

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

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

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

General Capital Fund  
Trust Funds  
Public Assistance Fund

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2010 and 2009 the Borough Council increased the original budget by \$179,329 and \$215,949. The increases were funded by additional aid allotted to the Borough. Additionally, the increase for 2010 was attributable to emergency resolutions for police salaries and wages, capital improvement and terminal pay. In addition, the governing body approved several budget transfers during 2010 and 2009.

**Expenditures** – Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, which are recognized when due.

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

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Excess Expenditures Over Appropriations**

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

	<u>Modified</u> <u>Budget</u>	<u>Actual</u>	<u>Unfavorable</u> <u>Variance</u>
<u>2010</u>			
Current Fund			
2009 Appropriation Reserves			
Insurance			
Other Insurance Premiums	\$ 72,886	\$ 77,249	\$ 4,363
Department of Police			
Other Expenses	3,376	7,976	4,600
<u>2009</u>			
Current Fund			
Current Appropriations			
Road Repairs and Maintenance			
Other Expenses	\$ 72,815	\$ 76,903	\$ 4,088
Unclassified			
Electricity and Gas	116,400	124,142	7,742
Appropriation Reserves			
Department of Administration			
Other Expenses	3,480	3,559	79
Department of Police			
Other Expenses	1,158	3,718	2,560
First Aid Organization			
Other Expenses	18,817	20,296	1,479
Utilities			
Telephone	1,743	1,768	25
911 Telecommunications System	876	2,062	1,186
Municipal Alliance		5,447	5,447

In accordance with the regulatory basis of accounting, the above variances or overexpenditures were recorded as deferred charges on the balance sheet of the respective fund at year end and are required to be funded in the succeeding year's budget. GAAP does not permit the deferral of overexpenditures at year end.

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

**General Fixed Assets** - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Borough of Bogota has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Borough as assets with an initial, individual cost of \$1,000 and an estimated useful life in excess of two years.

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

Fixed Assets purchased after July 1, 2000 are stated as cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

Fixed Assets purchased prior to July 1, 2000 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Replacement Cost



**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**General Fixed Assets (Continued)**

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

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

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

**Reclassifications** - Certain reclassifications have been made to the December 31, 2009 balances to conform to the December 31, 2010 presentation.

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

**C. Basic Financial Statements**

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 2 DEPOSITS AND INVESTMENTS**

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

**Deposits**

The Borough's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2010 and 2009, the book value of the Borough's deposits were \$2,527,490 and \$2,753,379 and bank and brokerage firm balances of the Borough's deposits amounted to \$2,534,736 and \$2,831,928, respectively. The Borough's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2010</u>	<u>2009</u>
Insured	\$ <u>2,534,736</u>	\$ <u>2,831,928</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough does not have a formal policy for custodial credit risk. As of December 31, 2010 and 2009, the Borough's bank balances were not exposed to custodial credit risk.

**Investments**

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

As of December 31, 2010 and 2009 the Borough had no outstanding investments.

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 3 TAXES RECEIVABLE**

Receivables at December 31, 2010 and 2009 consisted of the following:

	<u>2010</u>	<u>2009</u>
<u>Current</u>		
Property Taxes	\$ 4,969	\$ 374,466
Tax Title Liens	<u>3,950</u>	<u>5,522</u>
	<u>\$ 8,919</u>	<u>\$ 379,988</u>

In 2010 and 2009, the Borough collected \$371,643 and \$315,507 from delinquent taxes, which represented 99% and 97% of the prior year delinquent taxes receivable balance.

**NOTE 4 MUNICIPAL DEBT**

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

The Borough's debt is summarized as follows:

	<u>2010</u>	<u>2009</u>
Issued		
General		
Bonds, Notes and Capital Leases	\$ 5,609,610	\$ 6,124,825
Less Funds Temporarily Held to Pay Bonds and Notes	<u>205,516</u>	<u>130,957</u>
Net Debt Issued	5,404,094	5,993,868
Authorized But Not Issued		
General		
Bonds and Notes	<u>1,388,014</u>	<u>1,128,576</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 6,792,108</u>	<u>\$ 7,122,444</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 4 MUNICIPAL DEBT (Continued)**

**Statutory Net Debt**

The statement of debt condition that follows is extracted from the Borough's Annual Debt Statement and indicates a statutory net debt of .69 and .70% at December 31, 2010 and 2009, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2010</u>			
General Debt	\$ 6,997,624	\$ 751,516	\$ 6,246,108
School Debt	<u>6,665,000</u>	<u>6,665,000</u>	<u>-</u>
Total	<u>\$ 13,662,624</u>	<u>\$ 7,416,516</u>	<u>\$ 6,246,108</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2009</u>			
General Debt	\$ 7,253,401	\$ 716,957	\$ 6,536,444
School Debt	<u>7,145,000</u>	<u>7,145,000</u>	<u>-</u>
Total	<u>\$ 14,398,401</u>	<u>\$ 7,861,957</u>	<u>\$ 6,536,444</u>

**Statutory Borrowing Power**

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

	<u>2010</u>	<u>2009</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 31,575,333	\$ 32,636,946
Net Debt	<u>6,246,108</u>	<u>6,536,444</u>
Remaining Borrowing Power	<u>\$ 25,329,225</u>	<u>\$ 26,100,502</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 4 MUNICIPAL DEBT (Continued)**

**Long-Term Debt**

The Borough's long-term debt consisted of the following at December 31:

**General Obligation Bonds**

The Borough levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

	<u>2010</u>	<u>2009</u>
\$1,475,000, 2000 Bonds. The final installment of \$195,000 was paid on August 1, 2010.		\$ 195,000
\$1,840,000, 2004 Bonds, due in annual installments of \$180,000 to \$205,000 through March 15, 2017, interest at 3.00% to 4.00%	\$ 1,350,000	1,480,000
\$2,677,000, 2007 Bonds, due in annual installments of \$250,000 to \$522,000 through July 1, 2018, interest at 4.125% to 4.25%	<u>2,457,000</u>	<u>2,547,000</u>
	<u>\$ 3,807,000</u>	<u>\$ 4,222,000</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 4 MUNICIPAL DEBT (Continued)**

**Long-Term Debt (Continued)**

The Borough's principal and interest for long-term debt issued and outstanding as of December 31, 2010 is as follows:

Calendar Year	General Bonds		Total
	Principal	Interest	
2011	\$ 430,000	\$ 144,244	\$ 574,244
2012	445,000	128,456	573,456
2013	455,000	112,106	567,106
2014	470,000	95,400	565,400
2015	480,000	78,011	558,011
2016-2018	<u>1,527,000</u>	<u>120,186</u>	<u>1,647,186</u>
Total	<u>\$ 3,807,000</u>	<u>\$ 678,403</u>	<u>\$ 4,485,403</u>

**Changes in Long-Term Municipal Debt**

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

	Balance, December 31, <u>2009</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2010</u>	Due Within <u>One Year</u>
<u>2010</u>					
General Capital Fund					
Bonds Payable	\$ 4,222,000		\$ 415,000	\$ 3,807,000	\$ 430,000
Capital Leases Payable	<u>586,000</u>	<u>-</u>	<u>40,000</u>	<u>546,000</u>	<u>45,000</u>
General Capital Fund Long-Term Liabilities	<u>\$ 4,808,000</u>	<u>\$ -</u>	<u>\$ 455,000</u>	<u>\$ 4,353,000</u>	<u>\$ 475,000</u>
	Balance, December 31, <u>2008</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2009</u>	Due Within <u>One Year</u>
<u>2009</u>					
General Capital Fund					
Bonds Payable	\$ 4,622,000		\$ 400,000	\$ 4,222,000	\$ 415,000
Capital Leases Payable	<u>622,000</u>	<u>-</u>	<u>36,000</u>	<u>586,000</u>	<u>40,000</u>
General Capital Fund Long-Term Liabilities	<u>\$ 5,244,000</u>	<u>\$ -</u>	<u>\$ 436,000</u>	<u>\$ 4,808,000</u>	<u>\$ 455,000</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 4 MUNICIPAL DEBT (Continued)**

**Short-Term Debt**

The Borough's short-term capital debt activity for the years 2010 and 2009 was as follows:

	Balance, December 31, <u>2009</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2010</u>
<u>2010</u>				
General Capital Fund				
Bond Anticipation Notes	\$ 1,316,825	\$ 1,256,610	\$ 1,316,825	\$ 1,256,610
	Balance, December 31, <u>2008</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2009</u>
<u>2009</u>				
General Capital Fund				
Bond Anticipation Notes	\$ 371,700	\$ 1,316,825	\$ 371,700	\$ 1,316,825

In addition to the debt shown in the above schedule, municipalities may issue debt to finance emergency or special emergency appropriations or to meet cash flow needs (Tax Anticipation Notes) to temporarily finance operating expenditures. This debt which is not included in the Borough's statutory debt limit calculation is reported in the Current Fund for the years 2010 and 2009 as follows:

	Balance, December 31, <u>2009</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2010</u>
<u>2010</u>				
Special Emergency Notes	\$ 128,000	\$ 201,000	\$ 128,000	\$ 201,000
Tax Anticipation Notes	900,000	950,000	900,000	950,000
	<u>\$ 1,028,000</u>	<u>\$ 1,151,000</u>	<u>\$ 1,028,000</u>	<u>\$ 1,151,000</u>
	Balance, December 31, <u>2008</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2009</u>
<u>2009</u>				
Special Emergency Notes	\$ 160,000	\$ 128,000	\$ 160,000	\$ 128,000
Tax Anticipation Notes	700,000	900,000	700,000	900,000
	<u>\$ 860,000</u>	<u>\$ 1,028,000</u>	<u>\$ 860,000</u>	<u>\$ 1,028,000</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 5 FIXED ASSETS**

**General Fixed Assets**

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

	Balance December 31, <u>2009</u> (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2010</u>
<u>2010</u>				
Land	\$ 6,801,300			\$ 6,801,300
Buildings and Building Improvements	2,974,275	\$ 162,243		3,136,518
Machinery and Equipment	<u>4,992,694</u>	<u>78,052</u>	<u>-</u>	<u>5,070,746</u>
	<u>\$ 14,768,269</u>	<u>\$ 240,295</u>	<u>\$ -</u>	<u>\$ 15,008,564</u>

	Balance December 31, <u>2008</u>	<u>Increases</u>	<u>Decreases</u>	Prior Period Adjustment	Balance, December 31, <u>2009</u> (Restated)
<u>2009</u>					
Land	\$ 5,041,100			\$ 1,760,200	\$ 6,801,300
Buildings and Building Improvements	1,850,500			1,123,775	2,974,275
Machinery and Equipment	<u>5,074,636</u>	<u>\$ 177,522</u>	<u>-</u>	<u>(259,464)</u>	<u>4,992,694</u>
	<u>\$ 11,966,236</u>	<u>\$ 177,522</u>	<u>\$ -</u>	<u>\$ 2,624,511</u>	<u>\$ 14,768,269</u>

The December 31, 2009 fixed assets have been adjusted to reflect previously unrecorded additions and deletions.



**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 6 DUE TO/FROM OTHER FUNDS**

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>2010</u>		<u>2009</u>	
	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>
Current Fund:				
Regular	\$ 14,088	\$ 323,018	\$ 14,842	\$ 68,486
Trust Fund:				
Animal Control	26	15	26	15
Other Trust	63,750	26		780
Recreation		14,073		14,073
General Capital Fund	<u>259,268</u>	<u>-</u>	<u>68,486</u>	<u>-</u>
Total	<u>\$ 337,132</u>	<u>\$ 337,132</u>	<u>\$ 83,354</u>	<u>\$ 83,354</u>

The above balances are the result of expenditures being paid by one fund on behalf of another and/or to cover cash balances which were in an overdraft position.

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

**NOTE 7 FUND BALANCES APPROPRIATED**

Under the regulatory basis of accounting, fund balance in the Current Fund is comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balance at December 31, which was appropriated and included as anticipated revenue in its budget for the succeeding year is as follows:

	Fund Balance December 31, <u>2010</u>	Utilized in Subsequent <u>Year's Budget</u>	Fund Balance December 31, <u>2009</u>	Utilized in Subsequent <u>Year's Budget</u>
Current Fund				
Cash Surplus				
Non-Cash Surplus	\$ <u>186,191</u>	<u>-</u>	\$ <u>137,268</u>	<u>-</u>
	<u>\$ 186,191</u>	<u>\$ -</u>	<u>\$ 137,268</u>	<u>\$ -</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 8 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	<u>Balance, December 31,</u>	<u>Subsequent Year Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
<b><u>2010</u></b>			
Current Fund			
Special Emergency Authorizations (40A:4-55)	\$211,440	\$56,480	\$154,960
Overexpenditure of Appropriation Reserves	8,963	8,963	
Emergency Authorization	63,973	63,973	
<b><u>2009</u></b>			
Current Fund			
Special Emergency Authorizations (40A:4-55)	\$141,920	\$35,480	\$106,440
Overexpenditure of Appropriations	11,830	11,830	
Overexpenditure of Appropriation Reserves	10,776	10,776	

**NOTE 9 COMPENSATED ABSENCES**

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

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$458,060 and \$425,112 at December 31, 2010 and 2009, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

As of December 31, 2010, the Borough has reserved in the Other Trust Fund \$62,949 to fund compensated absences in accordance with NJSA 40A:4-39.

**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS**

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

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

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees' Retirement System (PERS)** – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement healthcare for those eligible employees whose local employers elected to do so, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and, if applicable, 25 years for post-retirement healthcare coverage.

**Other Pension Funds**

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

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

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

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

**Basis of Accounting**

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

**Investment Valuation**

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

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

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Significant Legislation**

P.L. 2010, c.1, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

This new legislation changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60 from 1/55, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from this plan at the annual wage contribution base for Social Security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the prosecutor's part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time five years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7<sup>th</sup> of the required amount, beginning in Fiscal Year 2012.

P.L. 2010, c.3, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

**Funded Status and Funding Progress**

As of June 30, 2009, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems, including PERS and PFRS, is 66.0 percent with an unfunded actuarial accrued liability of \$45.8 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 62.0 percent and \$30.7 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 72.1 percent and \$15.1 billion.

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

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

**BOROUGH OF BOGOTÁ**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Actuarial Methods and Assumptions**

In the June 30, 2009 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for all the retirement systems except CPFPPF; and (2) 5.45 percent for projected salary increases for all the retirement systems except PFRS.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 5.50% for PERS, 8.50% for PFRS and 5.50% for DCRP of employees' annual compensation.

**Annual Pension Cost (APC)**

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2010 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, annual pension cost equals contributions made.

During the years ended December 31, 2010, 2009 and 2008, the Borough, except for the amounts deferred during the year ended December 31, 2009, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>
2010	\$ 336,838	\$ 83,969
2009	143,669	40,566
2008	276,096	57,593

During the year ended December 31, 2009 the Borough elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$171,430 and will be paid back with interest over 15 years beginning in the 2012 year. The Borough is permitted to pay off the deferred PFRS and PERS pension obligations at any time. It is estimated that the total liability including accrued interest (at 8.25%) at December 31, 2010 and 2009 is \$186,752 and \$182,037, respectively.

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 11 RISK MANAGEMENT**

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

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

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

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

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

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

<u>Year Ended</u> <u>December 31</u>	<u>Borough</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2010		\$ 1,351	\$ 24,028	\$ 8,250
2009	\$ 5,000	2,647	20,015	30,927
2008	10,000	4,359	13,931	43,295

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 12 CONTINGENT LIABILITIES**

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

**Pending Tax Appeals** - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2010 and 2009. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be material. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

**Federal and State Awards** - The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of December 31, 2010 and 2009, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Borough.

**NOTE 13 FEDERAL ARBITRAGE REGULATIONS**

The Borough is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2010 and 2009, the Borough had no estimated arbitrage earnings due to the IRS.

**NOTE 14 CAPITAL LEASE - EARLY RETIREMENT INCENTIVE LIABILITY**

The Borough has entered into an agreement with the Bergen County Improvement Authority for the financing relating to the Pooled Early Retirement Incentive Liability project. The agreement represents a \$707,000 County Guaranteed Governmental Loan Revenue Bond due in annual installments of \$45,000 to \$95,000 through March, 2018 at variable interest rates. The Borough's principal and interest for the outstanding balance as of December 31, 2010 is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 45,000	\$ 25,698	\$ 70,698
2012	51,000	23,235	74,235
2013	57,000	20,399	77,399
2014	64,000	17,399	81,399
2015	70,000	14,233	84,233
2016-2018	259,000	19,766	278,766
	<u>\$ 546,000</u>	<u>\$ 120,730</u>	<u>\$ 666,730</u>

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009**

**NOTE 15 SUBSEQUENT EVENTS**

**Tax Anticipation Notes**

On April 7, 2011 the Borough authorized the Chief Financial Officer to issue \$950,000 of Tax Anticipation Notes to temporarily finance the Borough's operating expenditures. The Borough has awarded the sale of said notes to Valley National Bank at an interest rate of 1.45%. These notes dated April 15, 2011 will mature on February 15, 2012.

**Bond Anticipation Notes**

On June 17, 2011 the Borough issued Bond Anticipation Notes in the amount of \$2,539,710 to temporarily finance expenditures related to various capital projects. The Borough has awarded the sale of said notes to Bogota Savings bank at an interest rate of 1.25%. These notes dated June 17, 2011 will mature on June 15, 2012.

**Special Emergency Notes**

On June 17, 2011 the Borough issued Special Emergency Notes in the amount of \$180,000 to temporarily finance expenditures related to terminal pay and the Borough-wide revaluation of properties. The Borough has awarded the sale of said notes to Bogota Savings Bank at an interest rate of 1.25%. These notes dated June 17, 2011 will mature on June 15, 2012.

**Debt Authorized**

During 2011, the Borough adopted Bond Ordinances authorizing the issuance of \$667,800 in Bonds or Bond Anticipation Notes to fund certain capital projects. As of the date of this report the Borough has not issued nor awarded the sale of said bonds or notes.



**CURRENT FUND**

**BOROUGH OF BOGOTA**  
**STATEMENT OF CURRENT CASH - TREASURER**

Balance, December 31, 2009		\$ 1,682,052
Increased by Receipts:		
Taxes Receivable	\$ 21,378,141	
Revenue Accounts Receivable	1,259,005	
Miscellaneous Revenue Not Anticipated	26,406	
Due from State of New Jersey - Senior		
Citizens' and Veterans' Deductions	73,247	
Receipts from General Capital Fund	1,480,723	
Receipts from Recreation Trust Fund	300	
Receipts from Animal Control Trust Fund	22	
Receipts from Other Trust Fund	7,334	
Other Trust Fund Receipts Deposited in Current Fund	228	
Miscellaneous Reserves	32,392	
Special Emergency Note Payable	201,000	
Tax Anticipation Note Payable	950,000	
Fees Payable	4,845	
Grants Receivable	55,549	
Prepaid Taxes	49,910	
Unappropriated Grant Reserves	13,736	
		<u>25,532,838</u>
		27,214,890
Decreased by Disbursements:		
2010 Budget Appropriations	7,298,886	
2009 Appropriation Reserves	225,772	
Appropriated Grant Reserves	22,274	
Encumbrances Payable	131,602	
County Taxes Payable	1,789,804	
Local District School Taxes Payable	13,271,236	
Fees Payable	4,697	
Special Emergency Note Payable	128,000	
Tax Anticipation Note Payable	900,000	
Refund of Prior Year Revenue	42,454	
Other Trust Fund Expenditures Paid by Current Fund	2,098	
General Capital Fund Expenditures Paid by Current Fund	1,316,825	
Payments to Other Trust Fund	1,888	
Change Fund	100	
		<u>25,135,636</u>
Balance, December 31, 2010		<u>\$ 2,079,254</u>

**BOROUGH OF BOGOTA  
STATEMENT OF CHANGE FUNDS**

Balance, December 31, 2009	\$ 180
Increased by:	
Payments to Borough Clerk Change Fund	<u>100</u>
Balance, December 31, 2010	<u>\$ 280</u>

Analysis of Balance

Borough Clerk	\$ 125
Tax Collector	100
Municipal Court	50
Library	<u>5</u>
	<u>\$ 280</u>

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

Balance, December 31, 2009	\$ 21,796
Increased by:	
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$ 74,000
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	<u>2,250</u>
	<u>76,250</u>
	98,046
Decreased by:	
Cash Received from State of New Jersey	73,247
Senior Citizens' and Veterans' Deductions Disallowed by Tax Collector	<u>334</u>
	<u>73,581</u>
Balance, December 31, 2010	<u>\$ 24,465</u>

**BOROUGH OF BOGOTA  
STATEMENT OF GRANTS RECEIVABLE**

	Balance, December 31, <u>2009</u>	2010 Revenue <u>Realized</u>	Cash <u>Receipts</u>	Balance, December 31, <u>2010</u>
COPS MORE 2000				
Municipal Alliance		\$ 10,356	\$ 7,628	2,728
FEMA Firefighter Grant	\$ 25,000			25,000
CDBG - Project Success		17,000	17,000	
CDBG Senior Bus Driver	24,262	12,000	10,000	26,262
BCUA Recycling	4,156			4,156
NJ DCA Housing Inspection	20	4,500	2,835	1,685
Clean Communities	192	10,586	10,586	192
SBJIF - Municipal Safety Program	3,000			3,000
Over the Limit, Under Arrest	10			10
Forestry Services		7,000		7,000
Development Rights Feasibility Grant	19,000			19,000
Recycling Tonnage	7,500	-	7,500	-
	<u>\$ 83,140</u>	<u>\$ 61,442</u>	<u>\$ 55,549</u>	<u>\$ 89,033</u>

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

<u>Year</u>	<u>Balance,</u> <u>December 31,</u> <u>2009</u>	<u>Tax</u> <u>Levy</u>	<u>Added</u> <u>Assessments</u>	<u>Senior</u> <u>Citizens' and</u> <u>Veterans'</u> <u>Deductions</u> <u>Disallowed</u>	<u>Collected In</u>		<u>Senior</u> <u>Citizens' and</u> <u>Veterans'</u> <u>Deductions</u> <u>Allowed</u>	<u>Transferred to</u> <u>Tax Title</u> <u>Liens</u>	<u>Adjusted,</u> <u>Remitted, or</u> <u>Cancelled</u>	<u>Balance,</u> <u>December 31,</u> <u>2010</u>
					<u>2009</u>	<u>2010</u>				
2008	\$ 5,393					\$ 5,393				
2009	369,073	-	-	-	-	366,250	-	-	\$ 2,823	-
	374,466	-	-	-	-	371,643	-	-	2,823	-
2010	-	\$ 21,260,070	\$ 2,007	\$ 334	\$ 74,141	21,006,498	\$ 76,250	\$ 609	99,944	\$ 4,969
	<u>\$ 374,466</u>	<u>\$ 21,260,070</u>	<u>\$ 2,007</u>	<u>\$ 334</u>	<u>\$ 74,141</u>	<u>\$ 21,378,141</u>	<u>\$ 76,250</u>	<u>\$ 609</u>	<u>\$ 102,767</u>	<u>\$ 4,969</u>

Analysis of 2010 Property Tax Levy

General Purpose Tax	\$ 21,260,070
Added Taxes (54:4-63.1 et seq.)	<u>2,007</u>
	<u>\$ 21,262,077</u>
 Tax Levy	
Local District School Tax (Abstract)	\$ 13,513,758
County Tax (Abstract)	\$ 1,766,262
Due County for Added and Omitted Taxes	169
County Open Space Tax	<u>22,904</u>
Total County Taxes	<u>1,789,335</u>
	15,303,093
Local Tax for Municipal Purposes	5,955,445
Additional Taxes Levied	<u>3,539</u>
Total Local Tax for Municipal Purposes	<u>5,958,984</u>
	<u>\$ 21,262,077</u>

**BOROUGH OF BOGOTA  
STATEMENT OF TAX TITLE LIENS RECEIVABLE**

Balance, December 31, 2009	\$ 5,522
Increased by:	
Transfers from Taxes Receivable	<u>609</u>
	6,131
Decreased by:	
Cancellations	<u>2,181</u>
Balance, December 31, 2010	<u>\$ 3,950</u>

EXHIBIT A-10

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

Balance, December 31, 2009	<u>\$ 136,680</u>
Balance, December 31, 2010	<u>\$ 136,680</u>

EXHIBIT A-11

**STATEMENT OF DEFERRED CHARGES**

	Balance, December 31, <u>2009</u>	Amount Resulting <u>from 2010</u>	Raised in <u>2010 Budget</u>	Balance, December 31, <u>2010</u>
Overexpenditure of Appropriations	\$ 11,830		\$ 11,830	
Overexpenditure of Appropriation Reserves	10,776	\$ 8,963	10,776	\$ 8,963
Emergency Authorizations	<u>-</u>	<u>63,973</u>	<u>-</u>	<u>63,973</u>
	<u>\$ 22,606</u>	<u>\$ 72,936</u>	<u>\$ 22,606</u>	<u>\$ 72,936</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, December 31, <u>2009</u>	Accrued in <u>2010</u>	<u>Collected</u>	Balance, December 31, <u>2010</u>
Licenses				
Alcoholic Beverages		\$ 6,300	\$ 6,300	
Borough Clerk				
Other Licenses		4,450	4,450	
Fees and Permits		125	125	
Board of Health				
Other Licenses		2,503	2,503	
Fees and Permits		80	80	
Planning/Zoning Boards				
Fees and Permits		1,595	1,595	
Police Department				
Fees and Permits		2,348	2,348	
Tax Collector				
Fees and Permits		20	20	
Construction Code Fees		57,554	57,554	
Municipal Court				
Fines and Costs	\$ 10,339	172,236	169,715	\$ 12,860
Interest and Costs on Taxes		74,541	74,541	
Interest on Investments & Deposits		13,201	13,201	
Cable Television Franchise Fees		80,466	80,466	
Energy Receipts Tax		522,976	522,976	
Consolidated Municipal Purpose Tax Relief Aid		154,371	154,371	
Fund Balance - General Capital Fund		95,000	95,000	
Uniform Fire Safety Act		8,318	8,318	
Swim Club Rent		7,500	7,500	
Cell Tower		45,000	45,000	
Celebration of Public Events		5,120	5,120	
C.C.O. Expenditures	-	7,822	7,822	-
	<u>\$ 10,339</u>	<u>\$ 1,261,526</u>	<u>\$ 1,259,005</u>	<u>\$ 12,860</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF 2009 APPROPRIATION RESERVES**

	Balance December 31, <u>2009</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>	Over- <u>Expended</u>
<b>GENERAL GOVERNMENT FUNCTIONS</b>						
Department of Administration						
Salaries and Wages	\$ 2,064		\$ 2,939	\$ 2,476	\$ 463	
Other Expenses			5,460	5,454	6	
Financial Administration						
Salaries and Wages	57		1,707	1,696	11	
Other Expenses	2,276		2,876	2,800	76	
Collection of Taxes						
Salaries and Wages	235		2,355	2,354	1	
Other Expenses	12		452	451	1	
Assessment of Taxes						
Salaries and Wages	10		410	409	1	
Other Expenses	271		271		271	
Legal Services and Costs						
Salaries and Wages	108		108		108	
Other Expenses	4,138	\$ 8,300	1		1	
<b>LAND USE ADMINISTRATION</b>						
Municipal Land Use Law (N.J.S.A. 40:55-1):						
Planning Board						
Salaries and Wages	262		262		262	
Other Expenses	2,865		2,865	1	2,864	
Master Plan		4,876	5,951	5,944	7	
<b>INSURANCE</b>						
Other Insurance Premiums	81,886		72,886	77,249		\$ 4,363
Group Insurance Plan for Employees	24,787		462		462	
<b>PUBLIC SAFETY FUNCTIONS</b>						
Department of Police						
Salaries and Wages	11,230		11,230	10,575	655	
Other Expenses	3,376		3,376	7,976		4,600
Reserves	1,060		1,060		1,060	
Uniforms - Other Expenses	50		50		50	
Police Cars	73		73		73	
Emergency Management Services						
Other Expenses	17		17		17	
First Aid Organization						
Other Expenses	2,664	2,307	4,971		4,971	
Rescue Squad						
Other Expenses	213		1,380	1,379	1	
Ambulance Squad OSHA						
Other Expenses	776		776		776	
Rescue Squad OSHA						
Other Expenses	1		1		1	
Fire Department						
Salaries and Wages	658		658	222	436	
Other Expenses - Clothing	10		10		10	
Fire Official						
Salaries and Wages	1,582		1,582	849	733	
Other Expenses	1,449		1,449		1,449	
Fire Alarms						
Salaries and Wages	500					
Other Expenses	500					
Municipal Prosecutor						
Salaries and Wages	10		210	201	9	



**BOROUGH OF BOGOTA**  
**STATEMENT OF 2009 APPROPRIATION RESERVES**

	Balance December 31, <u>2009</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>	Over- <u>Expended</u>
<b>PARK AND RECREATION FUNCTIONS</b>						
Recreation Commission						
Salaries and Wages	\$ 1,301		\$ 1,301		\$ 1,301	
Senior Citizens Program						
Salaries and Wages	694		694	\$ 398	296	
Other Expenses	734	\$ 6,709	7,443		7,443	
<b>PUBLIC WORKS FUNCTIONS</b>						
Streets and Roads						
Salaries and Wages	1,097		1,597	1,595	2	
Other Expenses			18,079	16,981	1,098	
Garbage and Trash Removal						
Solid Waste Disposal		22,376	3,593		3,593	
Contractual	22,376		23,381	23,376	5	
Recycling						
Other Expenses	734		734	213	521	
Public Building & Grounds						
Other Expenses	1,981		12,611	8,253	4,358	
Shade Tree Commission						
Other Expenses	4,240		2,651	2,650	1	
<b>HEALTH AND HUMAN SERVICES FUNCTIONS</b>						
Board of Health						
Other Expenses	8,455	278				
<b>OTHER COMMON OPERATING FUNCTIONS</b>						
Celebration of Public Events						
Other Expenses	132		132		132	
Municipal Court						
Salaries and Wages	72		1,747	1,744	3	
Other Expenses	525		1,538	1,492	46	
Salary and Wage Adjustment	16,153		3		3	
Public Defender						
Salaries and Wages	107		107	80	27	
<b>UTILITY EXPENSES AND BULK PURCHASES</b>						
Utilities						
Electricity and Gas			22,675	22,675		
Street Lighting			19,574	18,375	1,199	
Telephone	2,017		2,017		2,017	
Gasoline			1,250	1,250		
Heating Oil	409		728	728		
Fire Hydrant Service	1,634		1,634		1,634	
Water	64	69	133		133	
<b>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</b>						
State Uniform Construction						
Construction Code Officials						
Salaries and Wages	69		1,379	1,377	2	
Other Expenses	598		598		598	

**BOROUGH OF BOGOTA**  
**STATEMENT OF 2009 APPROPRIATION RESERVES**

	Balance December 31, 2009	Encumbrances Cancelled	Balance After Modification	Paid or Charged	Balance Lapsed	Over- Expended
DEFERRED CHARGES AND STATUTORY EXPENDITURES - Municipal WITHIN "CAPS"						
Statutory Expenditures:						
Police & Fireman's Retirement System of NJ	\$ 6,699		\$ 6,699		\$ 6,699	
Social Security System (O.A.S.I.)	340		340		340	
OPERATIONS - EXCLUDED FROM "CAPS"						
Bergen County Utilities Authority						
Service Charges - Contractual	294		294		294	
Maintenance of Free Public Library						
Salaries and Wages	5,344		5,344	\$ 3,910	1,434	
Other Expenses	16,518		16,518	639	15,879	
911 Telecommunication System	4,038	-	4,038	-	4,038	-
	<u>\$ 239,765</u>	<u>\$ 44,915</u>	<u>\$ 284,680</u>	<u>\$ 225,772</u>	<u>\$ 67,871</u>	<u>\$ 8,963</u>
			Cash Disbursements	<u>\$ 225,772</u>		

**BOROUGH OF BOGOTA  
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, December 31, 2009		\$ 176,517
Increased by:		
Charges to 2010 Budget Appropriations		<u>319,898</u>
		496,415
Decreased by:		
Cash Disbursements	\$ 131,602	
Cancelled to Appropriation Reserves	<u>44,915</u>	
		<u>176,517</u>
Balance, December 31, 2010		<u><u>\$ 319,898</u></u>

**STATEMENT OF COUNTY TAXES PAYABLE**

Balance, December 31, 2009		\$ 638
Increased by:		
2010 Tax Levy		
County Tax (Abstract)	\$ 1,766,262	
County Open Space Preservation	22,904	
County Tax for Added Taxes	<u>169</u>	
(54:4-63.1)		<u>1,789,335</u>
		1,789,973
Decreased by:		
Cash Disbursements		<u>1,789,804</u>
Balance, December 31, 2010		<u><u>\$ 169</u></u>

**BOROUGH OF BOGOTA  
STATEMENT OF LOCAL DISTRICT SCHOOL TAXES**

Balance, December 31, 2009	\$ 415
Increased by:	
Levy - Calendar Year 2010	<u>13,513,758</u>
	13,514,173
Decreased by:	
Cash Disbursements	<u>13,271,236</u>
Balance, December 31, 2010	<u>\$ 242,937</u>

**STATEMENT OF PREPAID TAXES**

Balance, December 31, 2009	\$ 74,141
Increased by:	
Collection of 2011 Taxes	<u>49,910</u>
	124,051
Decreased by:	
Applied to 2010 Taxes Receivable	<u>74,141</u>
Balance, December 31, 2010	<u>\$ 49,910</u>

**STATEMENT OF FEES PAYABLE**

Balance, December 31, 2009	\$ 318
Increased by:	
Cash Receipts	<u>4,845</u>
	5,163
Decreased by:	
Cash Disbursements	<u>4,697</u>
Balance, December 31, 2010	<u>\$ 466</u>

**BOROUGH OF BOGOTA  
STATEMENT OF MISCELLANEOUS RESERVES**

	Balance, December 31, <u>2009</u>	Cash <u>Receipts</u>	Anticipated <u>Revenue</u>	Balance, December 31, <u>2010</u>
Reserve for:				
Codification	\$ 1,388			\$ 1,388
Police Vests	675			675
Tax Sale Premiums	600			600
Master Plan	1,800			1,800
Police Fines	2,642	\$ 3,636		6,278
Revaluation	3,387			3,387
Recycling	<u>18,753</u>	<u>28,756</u>	<u>\$ 18,753</u>	<u>28,756</u>
	<u>\$ 29,245</u>	<u>\$ 32,392</u>	<u>\$ 18,753</u>	<u>\$ 42,884</u>

**STATEMENT OF UNAPPROPRIATED GRANT RESERVES**

<u>Grant</u>	Balance, December 31, <u>2009</u>	Cash <u>Receipts</u>	Realized as <u>Budget Revenue</u>	Balance, December 31, <u>2010</u>
Clean Communities	\$ 704		\$ 704	
Prevention of Alcohol and Dru	6,841		6,841	
CDBG - Project Success		\$ 916		\$ 916
Drunk Driving Enforcement	1,532	3,786	1,532	3,786
Alcohol Rehabilitation	5,934	1,106	5,934	1,106
Body Armor	2,665	4,647	2,665	4,647
Safety Council	6,333		6,333	
Recycling Tonnage Grant		3,281		3,281
State Grant for Public	<u>6,099</u>	<u>-</u>	<u>6,099</u>	<u>-</u>
	<u>\$ 30,108</u>	<u>\$ 13,736</u>	<u>\$ 30,108</u>	<u>\$ 13,736</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF DEFERRED CHARGES**  
**N.J.S. 40A:4-55.3 SPECIAL EMERGENCY AUTHORIZATIONS**

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance,</u> <u>December 31,</u> <u>2009</u>	<u>Added in</u> <u>2010</u>	<u>Raised</u> <u>in 2010</u>	<u>Balance,</u> <u>December 31,</u> <u>2010</u>
4/17/2008	Revaluation of Real Property	\$ 160,000	\$ 32,000	\$ 128,000		\$ 32,000	\$ 96,000
10/2/2008	Master Plan	17,400	3,480	13,920		3,480	10,440
10/21/2010	Terminal Pay	105,000	21,000	-	\$ 105,000	-	105,000
				<u>\$ 141,920</u>	<u>\$ 105,000</u>	<u>\$ 35,480</u>	<u>\$ 211,440</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF TAX ANTICIPATION NOTES PAYABLE**

<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance, December 31, 2009</u>	<u>Increased by Notes Issued</u>	<u>Decreased by Note Redemptions</u>	<u>Balance, December 31, 2010</u>
6/23/2009	2/23/2010	2.00%	\$ 900,000		\$ 900,000	
4/20/2010	2/18/2011	1.25%	<u>-</u>	<u>\$ 950,000</u>	<u>-</u>	<u>\$ 950,000</u>
			<u>\$ 900,000</u>	<u>\$ 950,000</u>	<u>\$ 900,000</u>	<u>\$ 950,000</u>

**STATEMENT OF SPECIAL EMERGENCY NOTES PAYABLE**

<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance, December 31, 2009</u>	<u>Increased by Notes Issued</u>	<u>Decreased by Note Redemptions</u>	<u>Balance, December 31, 2010</u>
6/17/2009	6/17/2010	2.25%	\$ 128,000		\$ 128,000	
6/17/2010	6/17/2011	1.30%		\$ 96,000		\$ 96,000
12/17/2010	6/17/2011	1.30%	<u>-</u>	<u>105,000</u>	<u>-</u>	<u>105,000</u>
			<u>\$ 128,000</u>	<u>\$ 201,000</u>	<u>\$ 128,000</u>	<u>\$ 201,000</u>

**STATEMENT OF RESERVE FOR REPLACEMENT EQUIPMENT**

Balance, December 31, 2009	<u>\$ 67,508</u>
Decreased by:	
Realized as Budgeted Revenue	<u>\$ 67,508</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF APPROPRIATED GRANT RESERVES**

	Balance, December 31, <u>2009</u>	Transferred from Budget <u>Appropriations</u>	Cash <u>Disbursed</u>	<u>Cancelled</u>	Balance, December 31, <u>2010</u>
2003 Statewide Preparedness					
Alcohol Ed & Rehabilitation	\$ 12,089		\$ 12,089		
Body Armor	7,290				\$ 7,290
CDBG - Senior Bus	12,749				12,749
Clean Communities	10,185		10,185		
DCA Housing	6,603				6,603
Drunk Driving Enforcement Fund	15,062				15,062
Emergency Management Grant	847				847
Hepatitis B	1,860				1,860
Recycling Tonnage	7,500				7,500
Development Rights Feasibility Grant	19,000				19,000
2006 Green Communities Grant	3,000				3,000
Bergen County 200 Club	3,100	-	-	-	3,100
	<u>\$ 99,285</u>	<u>\$ -</u>	<u>\$ 22,274</u>	<u>\$ -</u>	<u>\$ 77,011</u>



**TRUST FUND**

**BOROUGH OF BOGOTA**  
**STATEMENT OF TRUST CASH AND INVESTMENTS - TREASURER**

	<u>Animal Control Fund</u>	<u>Other Trust Fund</u>	<u>Recreation Trust Fund</u>	<u>Library Trust Fund</u>
Balance, December 31, 2009	\$ 863	\$ 276,720	\$ 17,935	\$ 66,992
Increased by Receipts:				
Animal Control Licenses	\$ 1,945			
State Fees Collected	532			
Late Fees	120			
Miscellaneous Reserves		\$ 375,965		
Interest on Deposits	22	2,334	\$ 300	\$ 870
Employee Contributions - Unemployment		1,351		
Current Fund Budget Appropriation				
Payroll Deposits		1,061,602		
Recreation Fees			238,381	
Receipts from Current Fund		1,888		
Library Collections	-	-	-	15,204
	<u>2,619</u>	<u>1,443,140</u>	<u>238,681</u>	<u>16,074</u>
	3,482	1,719,860	256,616	83,066
Decreased by Disbursements:				
Unemployment Claims		29,946		
Miscellaneous Reserves		306,573		
Library Expenditures				
Payments to Current Fund	22	7,334	300	
Expenditures Under R.S. 4:19-15.1	17			
Recreation Expenditures			230,613	
Payroll Deductions Payable		1,042,753		
Payments to State of New Jersey	<u>527</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>566</u>	<u>1,386,606</u>	<u>230,913</u>	<u>-</u>
Balance, December 31, 2010	<u>\$ 2,916</u>	<u>\$ 333,254</u>	<u>\$ 25,703</u>	<u>\$ 83,066</u>

**BOROUGH OF BOGOTA  
STATEMENT OF DUE FROM OTHER TRUST FUND  
ANIMAL CONTROL TRUST FUND**

Balance, December 31, 2009	\$ <u>26</u>
Balance, December 31, 2010	\$ <u><u>26</u></u>

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

Balance, December 31, 2009	\$ 15
Increased by:	
Interest Earned	<u>22</u>
	37
Decreased by:	
Payments to Current Fund	<u>22</u>
Balance, December 31, 2010	\$ <u><u>15</u></u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY  
ANIMAL CONTROL TRUST FUND**

Balance, December 31, 2009	\$ 191
Increased by:	
State Fees Collected	<u>532</u>
	723
Decreased by:	
Payments to State of New Jersey	<u>527</u>
Balance, December 31, 2010	\$ <u><u>196</u></u>

**BOROUGH OF BOGOTA  
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Balance, December 31, 2009		\$ 683
Increased by:		
Dog License Fees Collected	\$ 1,945	
Late Fees	<u>120</u>	
		<u>2,065</u>
		2,748
Decreased by:		
Expenditures Under R.S. 4:19-15.1		<u>17</u>
Balance, December 31, 2010		<u>\$ 2,731</u>

**STATEMENT OF DUE FROM / TO CURRENT FUND  
OTHER TRUST FUND**

Balance, December 31, 2009 (Due to)		\$ 754
Increased by:		
Interest Earned	\$ 2,334	
Other Trust Expenditures Paid by Current Fund	2,098	
Receipts from Current Fund	<u>1,888</u>	
		<u>6,320</u>
		7,074
Decreased by:		
Payments Made to Current Fund	7,334	
Current Fund Budget Appropriation:	313	
Police Vests Deficit		
Reserve for Terminal Pay	62,949	
Other Trust Fund Receipts Deposited in Current Fund	<u>228</u>	
		<u>70,824</u>
Balance, December 31, 2010 (Due from)		<u>\$ 63,750</u>

**BOROUGH OF BOGOTA  
STATEMENT OF RESERVE FOR UNEMPLOYMENT EXPENDITURES**

Balance, December 31, 2009	\$ 30,927
Increased by:	
Employee Contributions	<u>1,351</u>
	32,278
Decreased by:	
Unemployment Claims	<u>24,028</u>
Balance, December 31, 2010	<u>\$ 8,250</u>

**STATEMENT OF PAYROLL DEDUCTIONS PAYABLE**

Balance, December 31, 2009	\$ 35,331
Increased by:	
Payroll Deposits	<u>1,061,602</u>
	1,096,933
Decreased by:	
Payroll Disbursements	<u>1,042,753</u>
Balance, December 31, 2010	<u>\$ 54,180</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY  
UNEMPLOYMENT COMPENSATION**

Balance, December 31, 2009	\$ 7,731
Increased by:	
Unemployment Claims	<u>24,028</u>
	31,759
Decreased by:	
Payments to State of New Jersey	<u>29,946</u>
Balance, December 31, 2010	<u>\$ 1,813</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF MISCELLANEOUS RESERVES**

	Balance, December 31, <u>2009</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2010</u>
Reserved for:				
Escrow Deposits	\$ 64,054	\$ 20,328	\$ 28,821	\$ 55,561
Street Opening Deposits	12,675			12,675
Municipal Court - POAA	28,308	228		28,536
Municipal Court - Public Defender	3,553	1,889	2,098	3,344
Police Vests	(313)	1,038	798	(73)
Uniform Fire Safety	4,000	4,493		8,493
D.A.R.E.	1,554			1,554
Tax Title Liens	88,120	231,240	193,315	126,045
Outside Police Duty	-	117,290	99,645	17,645
	<u>\$ 201,951</u>	<u>\$ 376,506</u>	<u>\$ 324,677</u>	<u>\$ 253,780</u>
Cash Receipts		\$ 375,965		
Due from Current Fund		<u>541</u>		
		<u>\$ 376,506</u>		
		Cash Disbursements	\$ 306,573	
		Cancellations	16,006	
		Due to Current Fund	<u>2,098</u>	
			<u>\$ 324,677</u>	

**BOROUGH OF BOGOTA  
STATEMENT OF DUE TO CURRENT FUND  
RECREATION TRUST FUND**

Balance, December 31, 2009	\$ 14,073
Increased by:	
Interest Earned	<u>300</u>
	14,373
Decreased by:	
Payments to Current Fund	<u>300</u>
Balance, December 31, 2010	<u>\$ 14,073</u>

**STATEMENT OF RESERVE FOR RECREATION EXPENDITURES**

Balance, December 31, 2009	\$ 3,862
Increased by:	
Recreation Fees Collected	<u>238,381</u>
	242,243
Decreased by:	
Recreation Expenditures Paid By Current Fund	
Cash Disbursements	<u>230,613</u>
Balance, December 31, 2010	<u>\$ 11,630</u>

**BOROUGH OF BOGOTA  
STATEMENT OF RESERVE FOR LIBRARY EXPENDITURES  
LIBRARY TRUST FUND**

Balance, December 31, 2009		\$ 66,992
Increased by:		
Library Collections	\$ 15,204	
Interest Earned	<u>870</u>	
		<u>16,074</u>
Balance, December 31, 2010		<u>\$ 83,066</u>

**STATEMENT OF RESERVE FOR TERMINAL PAY**

Increased by:		
Current Fund Budget Appropriation		<u>\$ 62,949</u>
Balance, December 31, 2010		<u>\$ 62,949</u>



**GENERAL CAPITAL FUND**

**BOROUGH OF BOGOTA**  
**STATEMENT OF GENERAL CAPITAL CASH - TREASURER**

Balance, December 31, 2009		\$ 705,620
Increased by Receipts:		
Bond Anticipation Note Proceeds	\$ 1,256,610	
Grant Proceeds	178,375	
Interest Earned	<u>7,991</u>	
		<u>1,442,976</u>
		2,148,596
Decreased by Disbursements:		
Improvement Authorizations	477,436	
Contracts Payable	95,437	
Realized as Current Fund Budgeted Revenue - Fund Balance	95,000	
Payments to Current Fund	<u>1,480,723</u>	
		<u>2,148,596</u>
Balance, December 31, 2010		<u>\$ -</u>

**BOROUGH OF BOGOTA  
ANALYSIS OF GENERAL CAPITAL CASH**

		Balance, December 31, <u>2010</u>
Reserve for Payment of Debt		\$ 2,406
Encumbrances Payable		152,970
Grants Receivable		(195,194)
Due from Current Fund		(259,268)
Fund Balance		1,356
Excess Proceeds		203,110
Ord.		
<u>No.</u>	<u>Improvement Authorizations</u>	
924	Construction of Recreation Building	(2,314)
991/1019	Oakland Avenue Improvements	(5,073)
1089/1140	Improvement of Palisade Avenue	(5)
1090	Various Improvements	(531)
1183	Various Public Improvements	(977)
1204	Acq. Of New, Additional or Replacement Equipment or Machinery	(814)
1259	Various Improvements	925
1261	Refunding of Pension Liabilities	(1,500)
1311/1358	Various Public Improvements	3,955
1337	Various Public Improvements and Acquisition of New Communication and Signal Equipment	10,740
1359	Stormwater Sewer Improvements	22
1366	Municipal Complex Roof Repairs	8,782
1369/1390	Various Public Improvements and Acquisitions	252,666
1372	Stormwater Inlet Improvements	(184,456)
1388	Various Public Improvements and Acquisitions	13,200
		<u>\$ -</u>

**BOROUGH OF BOGOTA  
STATEMENT OF DUE FROM CURRENT FUND**

Balance, December 31, 2009		\$ 68,486
Increased by:		
Budget Appropriation - Capital Improvement Fund	\$ 34,875	
Payments to Current Fund	<u>1,480,723</u>	
		<u>1,515,598</u>
		1,584,084
Decreased by:		
General Capital Fund Expenditures Paid by Current Fund	1,316,825	
Interest Earned	<u>7,991</u>	
		<u>1,324,816</u>
Balance, December 31, 2010		<u>\$ 259,268</u>

**STATEMENT OF PROSPECTIVE ASSESSMENTS RAISED BY TAXATION**

Balance, December 31, 2009	<u>\$ 2,500</u>
Balance, December 31, 2010	<u>\$ 2,500</u>

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

Balance, December 31, 2009		\$ 4,808,000
Decreased by:		
Current Fund Budget Appropriations		
Serial Bond Principal	\$ 415,000	
Capital Lease Principal	<u>40,000</u>	
		<u>455,000</u>
Balance, December 31, 2010		<u>\$ 4,353,000</u>

68

**BOROUGH OF BOGOTA  
STATEMENT OF GRANTS RECEIVABLE**

Balance, December 31, 2009		\$ 1,070,404
Increased by:		
Grant Awards		
Bergen County Open Space - Ord. 1388		<u>49,400</u>
		1,119,804
Decreased by:		
Cash Receipts	\$ 178,375	
Cancellations	<u>460,160</u>	
		<u>638,535</u>
Balance, December 31, 2010		<u>\$ 481,269</u>

Analysis of Balance

Department of Transportation		
Ord. 1230 - Larch Avenue	\$ 31,086	
Ord. 1259 - Resurface Larch & Elm Ave.	73,207	
Ord. 1311 - Improvements to Queen Anne Road	30,887	
Ord. 1325 - Resurfacing of Palisade Avenue	15,010	
Ord. 1337 - Resurfacing of Palisade Avenue (Reserve)	<u>39,364</u>	
		\$ 189,554
Bergen County Open Space Trust		
Ord. 1252 - Acquisition of Property	25,000	
Ord. 1388 - Olsen Park (Reserve)	49,400	
		74,400
Community Development Block Grant		
Prior Year Unallocated	19,903	
Ord. 1369 - Bogert Lane / Olsen Park (Reserve)	<u>197,311</u>	
		217,214
Department of Community Affairs		
Ord. 1285 - Public Library/Municipal Court Improvements		<u>101</u>
		<u>\$ 481,269</u>
	Pledged to Ordinances	\$ 195,194
	Pledged to Reserve	<u>286,075</u>
		<u>\$ 481,269</u>

**BOROUGH OF BOGOTA  
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ord. No.	Description	Ordinance Date	Amount	Balance, December 31, 2009		2010 Authorizations	Expended	Authorizations Cancelled	Balance, December 31, 2010	
				Funded	Unfunded				Funded	Unfunded
1255	Bike Path Construction (Olsen Park)	10/17/2002	\$ 100,000	\$ 100,000				\$ 100,000		
1259	Various Improvements	12/19/2002	750,000	925					\$ 925	
1261	Refunding of Pension Liabilities	12/19/2002	725,000		\$ 16,500					\$ 16,500
1273	Various Public Improvements	4/15/2004	1,123,000	426,378				426,378		
1281	Various Public Improvements	2/18/2005	683,500	5,424				5,424		
1299	Various Public Improvements	12/29/2005	385,000	20,610				20,610		
1311/1358	Various Public Improvements	8/3/2006/2009	867,500		7,232		\$ 3,277			3,955
1320	Acq. Of Two Pumper Engines	12/7/2006	810,000	2,820	862			3,682		
1325/1336	Various Public Improvements	5/15/2008	312,500		11,560		11,560			
1337	Various Public Improvements and Acquisition of New Communication and Signal Equipment	5/15/2008	228,000		13,398		2,658			10,740
1341	Repairs and Reconstruction of Various Catch Basins	9/18/2008	15,600	1,500			1,500			
1359	Stormwater Sewer Improvements	2/19/2009	17,500		2,122		2,100			22
1366	Municipal Complex Roof Repairs	6/18/2009	20,000		10,532		1,750			8,782
1369/1390	Various Public Improvements and Acquisitions	7/16/2009	969,000		675,271		422,605			252,666
1372	Stormwater Inlet Improvements	9/17/2009	1,100,000		1,100,000		184,456			915,544
1388	Various Public Improvements and Acquisitions	12/2/2010	274,000	-	-	\$ 274,000	500	-	13,200	260,300
				<u>\$ 557,657</u>	<u>\$ 1,837,477</u>	<u>\$ 274,000</u>	<u>\$ 630,406</u>	<u>\$ 556,094</u>	<u>\$ 14,125</u>	<u>\$ 1,468,509</u>
				Deferred Charges Unfunded		\$ 260,300				
				Capital Improvement Fund		13,700				
						<u>\$ 274,000</u>				
				Cash Disbursements		\$ 477,436				
				Encumbrances Payable		152,970				
						<u>\$ 630,406</u>				
				Grants Receivable		\$ 460,160				
				Deferred Charges Unfunded		862				
				Fund Balance		95,072				
						<u>\$ 556,094</u>				

**BOROUGH OF BOGOTA  
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, December 31, 2009	\$ 95,437
Increased by:	
Charges to Improvement Authorizations	<u>152,970</u>
	248,407
Decreased by:	
Cash Disbursements	<u>95,437</u>
Balance, December 31, 2010	<u>\$ 152,970</u>

**STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance (Deficit), December 31, 2009	\$ (21,175)
Increased by:	
Budget Appropriation - Due from Current Fund	<u>34,875</u>
	13,700
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>\$ 13,700</u>



**BOROUGH OF BOGOTA  
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance, December 31, 2009</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, December 31, 2010</u>
			<u>Date</u>	<u>Amount</u>					
2000 General Improvement Bonds	2/15/2000	\$ 1,475,000				\$ 195,000		\$ 195,000	
2004 General Improvement Bonds	3/15/2004	1,840,000	3/15/2011	\$ 180,000	3.00%				
			3/15/2012	185,000	3.00%				
			3/15/2013	190,000	3.00%				
			3/15/2014	195,000	3.00%				
			3/15/2015	195,000	3.20%				
			3/15/2016	200,000	4.00%				
			3/15/2017	205,000	4.00%	1,480,000		130,000	\$ 1,350,000
2007 General Improvement Bonds	7/1/2007	2,677,000	7/1/2011	250,000	4.125%				
			7/1/2012	260,000	4.125%				
			7/1/2013	265,000	4.125%				
			7/1/2014	275,000	4.125%				
			7/1/2015	285,000	4.125%				
			7/1/2016	295,000	4.125%				
			7/1/2017	305,000	4.125%				
			7/1/2018	522,000	4.25%	2,547,000	-	90,000	2,457,000
						<u>\$ 4,222,000</u>	<u>\$ -</u>	<u>\$ 415,000</u>	<u>\$ 3,807,000</u>
Paid by Budget Appropriation								<u>\$ 415,000</u>	

**BOROUGH OF BOGOTA  
STATEMENT OF CAPITAL LEASES PAYABLE**

<u>Purpose</u>	<u>Issue Date</u>	<u>Original Issue</u>	<u>Maturities Outstanding December 31, 2010</u>		<u>Interest Rate</u>	<u>Balance, December 31, 2009</u>	<u>Decreased</u>	<u>Balance, December 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
Refund of Unfunded Pension Liabilities	3/31//2003	\$ 707,000	3/1/2011	\$ 45,000	5.00%			
			3/1/2012	51,000	5.25%			
			3/1/2013	57,000	5.25%			
			3/1/2014	64,000	4.70%			
			3/1/2015	70,000	4.75%			
			3/1/2016	78,000	4.80%			
			3/1/2017	86,000	4.85%			
			3/1/2018	95,000	4.90%	\$ 586,000	\$ 40,000	\$ 546,000
						<u>\$ 586,000</u>	<u>\$ 40,000</u>	<u>\$ 546,000</u>
Paid by Budget Appropriation							<u>\$ 40,000</u>	

**BOROUGH OF BOGOTA**  
**STATEMENT OF BOND ANTICIPATION NOTES**

Ord. No.	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2009	Increased	Decreased	Balance, December 31, 2010
1325/1336	Various Capital Improvements	6/17/2008	6/17/2009 6/17/2010	6/17/2010 6/17/2011	2.25 % 1.15	\$ 114,700	\$ 114,700	\$ 114,700	\$ 114,700
1337	Various Capital Improvements & Acq. of New Communication & Signal Equip.	6/17/2008	6/17/2009 6/17/2010	6/17/2010 6/17/2011	2.25 % 1.15	217,000	156,785	217,000	156,785
1311/1358	Various Public Improvements	6/17/2009	6/17/2009 6/17/2010	6/17/2010 6/17/2011	2.25 % 1.15	28,500	28,500	28,500	28,500
1359	Stormwater Sewer Improvements	6/17/2009	6/17/2009 6/17/2010	6/17/2010 6/17/2011	2.25 % 1.15	16,625	16,625	16,625	16,625
1366	Municipal Complex Roof Repairs	9/30/2009	9/30/2009 6/17/2010	6/17/2010 6/17/2011	1.79 % 1.15	19,000	19,000	19,000	19,000
1369	Various Public Improvements and Acquisitions	9/30/2009	9/30/2009 6/17/2010	6/17/2010 6/17/2011	1.79 % 1.15	921,000 -	921,000	921,000 -	921,000
						<u>\$ 1,316,825</u>	<u>\$ 1,256,610</u>	<u>\$ 1,316,825</u>	<u>\$ 1,256,610</u>
							-		
						Renewals	\$ 1,256,610	\$ 1,256,610	
						Paid with Excess Proceeds	-	60,215	
							<u>\$ 1,256,610</u>	<u>\$ 1,316,825</u>	

**BOROUGH OF BOGOTA  
STATEMENT OF RESERVE FOR PAYMENT OF DEBT**

Balance, December 31, 2009	<u>\$ 2,406</u>
Balance, December 31, 2010	<u>\$ 2,406</u>

**STATEMENT OF RESERVE FOR PROSPECTIVE ASSESSMENTS**

Balance, December 31, 2009	<u>\$ 2,500</u>
Balance, December 31, 2010	<u>\$ 2,500</u>

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

<u>Ord. No.</u>	<u>Description</u>	Balance, December 31, <u>2009</u>	2010 <u>Authorizations</u>	<u>Cancelled</u>	Balance, December 31, <u>2010</u>
924	Construction of Recreation Building	\$ 2,314			\$ 2,314
991/1019	Oakland Avenue Improvements	5,073			5,073
1089/1140	Improvement of Palisade Avenue	5			5
1090	Various Improvements	531			531
1183	Various Public Improvements	977			977
1204	Acq. Of New, Additional or Replacement Equipment or Machinery	814			814
1261	Refunding of Pension Liabilities	18,000			18,000
1320	Acq. Of Two Engine Pumps	862		\$ 862	
1372	Stormwater Inlet Improvements	1,100,000			1,100,000
1388	Various Public Improvements and Acquisitions	<u>-</u>	<u>\$ 260,300</u>	<u>-</u>	<u>260,300</u>
		<u>\$ 1,128,576</u>	<u>\$ 260,300</u>	<u>\$ 862</u>	<u>\$ 1,388,014</u>

**PUBLIC ASSISTANCE FUND**

**BOROUGH OF BOGOTA  
STATEMENT OF PUBLIC ASSISTANCE CASH - TREASURER**

	<u>Total</u>	Account #1 (75%)	Account #2 (100%)
Balance, December 31, 2009	\$ 3,017	\$ 3,017	\$ -
Balance, December 31, 2010	<u>\$ 3,017</u>	<u>\$ 3,017</u>	<u>\$ -</u>

**STATEMENT OF RESERVE FOR PUBLIC ASSISTANCE EXPENDITURES**

	<u>Total</u>	Account #1 (75%)	Account #2 (100%)
Balance, December 31, 2009	\$ 3,017	\$ 3,017	\$ -
Balance, December 31, 2010	<u>\$ 3,017</u>	<u>\$ 3,017</u>	<u>\$ -</u>

**BOROUGH OF BOGOTA**

**COUNTY OF BERGEN**

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**PART II**

**GOVERNMENT AUDITING STANDARDS**

**YEAR ENDED DECEMBER 31, 2010**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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FAIR LAWN, NJ 07410  
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ANDREW PARENTE, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, PSA  
DEBORAH KOZAK, CPA, PSA  
DEBRA GOLLE, CPA  
CINDY JANACEK, CPA, RMA  
RALPH M. PICONE, CPA, RMA, PSA

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

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

We have audited the financial statements – regulatory basis of the Borough of Bogota as of and for the year ended December 31, 2010, and have issued our report thereon dated July 14, 2011 which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared using the regulatory basis of accounting prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Borough of Bogota's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting described in the accompanying schedule of findings and responses as item 2010-1 that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

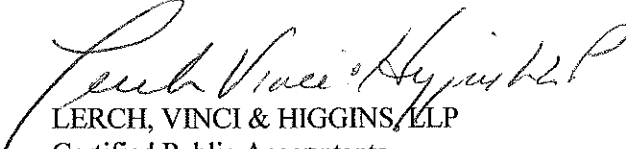
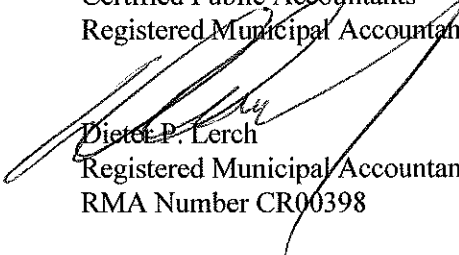
### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough of Bogota's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which is described in the accompanying schedule of findings and responses as item 2010-1.

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

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

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

  
LERCH, VINCI & HIGGINS, LLP  
Certified Public Accountants  
Registered Municipal Accountants  
  
Dieter P. Lerch  
Registered Municipal Accountant  
RMA Number CR00398

Fair Lawn, New Jersey  
July 14, 2011

**BOROUGH OF BOGOTA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Grant Year</u>	<u>Federal CFDA Number</u>	<u>Current Year Receipts</u>	<u>Grant Award Amount</u>	<u>Balance, December 31, 2009</u>	<u>Revenue Realized</u>	<u>Expenditures</u>	<u>Cancelled/ Adjustments</u>	<u>Balance, December 31, 2010</u>	<u>Cumulative Expenditures</u>
U.S. Department of Housing and Urban Development (Passed through County Dept. of Community Development)		14.218								
Community Development Block Grants										
Senior Bus Program	2006			\$ 14,500	\$ 442				\$ 442	\$ 14,058
Senior Bus Program	2007			14,500	2,307				2,307	12,193
Senior Bus Program	2009		\$ 10,000	10,000	10,000				10,000	
Various Public Improvements and Acquisitions (Ord. 1369)	2009		97,855	290,000	290,000		\$ 290,000			290,000
Project Success			17,000	17,000		\$ 17,000	16,303		697	16,303
U.S. Department of Transportation										
Highway Planning and Construction (Pass through N.J. Department of Transportation)		20.205								
Olsen Park Bike Path - Ors. 1230/1255	2002			100,000	100,000			\$ (100,000)		
Pedestrian Foot Bridge - Fort Lee Road - Ord. 1273	2004			400,000	400,000			(400,000)		
Improvements to Main St. - Phase IV - Ord. 1273	2004			155,000	26,378			(26,378)		128,622
Resurfacing of Palisade Ave. - Ord. 1325	2007		80,521	150,000	11,560	-	11,560	-	-	150,000
					<u>\$ 840,687</u>	<u>\$ 17,000</u>	<u>\$ 317,863</u>	<u>\$ (526,378)</u>	<u>\$ 13,446</u>	

Note: This schedule was not subject to Single Audit requirements of OMB A-133.

**BOROUGH OF BOGOTA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Current Year Receipts</u>	<u>Balance, December 31, 2009</u>	<u>2010 Revenue Realized</u>	<u>Expended</u>	<u>Adjustment</u>	<u>Balance, December 31, 2010</u>	<u>Cumulative Expenditures</u>
Environmental Protection Agency										
Clean Communities	4900-765-042-4900-004	2009	\$ 10,185		\$ 10,185		\$ 10,185			\$ 10,185
Clean Communities	4900-765-042-4900-004	2010	11,290	\$ 10,586		\$ 11,290	11,290			11,290
Green Communities - State Forestry Services	4870-100-038-2010-2004		3,000		3,000				\$ 3,000	
Green Communities - State Forestry Services	4870-100-038-2010-2004		7,000			7,000	7,000			7,000
Recycling Tonnage	4030-752-050550-50	2009	18,005	7,500	7,500				7,500	10,505
Highlands Protection Act										
Development Rights Feasibility Study	2078-100-032-2010-2010	2010	38,000		19,000				19,000	19,000
Department of Community Affairs										
Housing Grant	100-022-8020-074-022710	2007	1,000		50				50	950
Housing Grant	100-022-8020-074-022710	2008	1,709		1,709				1,709	
Housing Grant	100-022-8020-074-022710	2009	4,844		4,844				4,844	
Housing Grant	100-022-8020-074-022710	2010	4,500	2,835		4,500	1,146		3,354	
Police Equipment Grant	N/A	2000	125,000		87			\$ (87)		124,913
Administrative Offices of the Courts										
Alcohol Education and Rehabilitation	9735-760-060000-60	2001	3,059		2,472		2,472			3,059
Alcohol Education and Rehabilitation	9735-760-060000-60	2002	2,109		2,109		2,109			2,109
Alcohol Education and Rehabilitation	9735-760-060000-60	2003	1,293		818		818			1,293
Alcohol Education and Rehabilitation	9735-760-060000-60	2004	1,061		1,061		1,061			1,061
Alcohol Education and Rehabilitation	9735-760-060000-60	2005	3,653		3,653		3,653			3,653
Alcohol Education and Rehabilitation	9735-760-098-Y900-001	2007	1,976		1,976		1,976			1,976
Alcohol Education and Rehabilitation	9735-760-098-Y900-001	2010	5,934			5,934	5,934			5,934
Department of Health and Human Services										
Hepatitis B Program	N/A	2002	936		936				936	
Hepatitis B Program	N/A	2003	468		240				240	228
Hepatitis B Program	N/A	2004	684		684				684	
Hepatitis B Program	N/A	2010	2,600			2,600	2,600			2,600
Department of Law and Public Safety										
Drunk Driving Enforcement Fund	1110-101-030000-129040	2008	15,062		15,062				15,062	
Drunk Driving Enforcement Fund	1110-101-030000-129040	2009	1,532			1,532	1,532			1,532

**BOROUGH OF BOGOTA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Current Year Receipts</u>	<u>Balance, December 31, 2009</u>	<u>2010 Revenue Realized</u>	<u>Expended</u>	<u>Adjustment</u>	<u>Balance, December 31, 2010</u>	<u>Cumulative Expenditures</u>
Body Armor Replacement Fund	1020-718-066-1020-001	2004	2,352		\$ 880				\$ 880	\$ 1,472
Body Armor Replacement Fund	1020-718-066-1020-001	2005	3,417		3,417				3,417	
Body Armor Replacement Fund	1020-718-066-1020-001	2007	1,431		1,431				1,431	
Body Armor Replacement Fund	1020-718-066-1020-001	2008	1,562		1,562				1,562	
Body Armor Replacement Fund	1020-718-066-1020-001	2009	2,665			\$ 2,665	\$ 2,665			2,665
Emergency Management Grant	N/A	2004	2,406		847				847	1,559
Emergency Management Grant	N/A	2009	159,600							159,600
Local Domestic Preparedness Grant	N/A	2003	38,793		80			(80)		38,713
State Highway Grant		2010	6,099			6,099	6,099			6,099
Municipal Alliance on Alcoholism and Drug Abuse	N/A	2009	6,841			6,841	6,841			6,841
Municipal Alliance on Alcoholism and Drug Abuse	N/A	2010	10,356	7,628	-	10,356	5,463	-	4,893	5,463
Total State Financial Assistance					<u>\$ 85,612</u>	<u>\$ 58,817</u>	<u>\$ 72,844</u>	<u>\$ (167)</u>	<u>\$ 69,409</u>	

Note: This schedule was not subject to Single Audit requirements of NJ OMB 04-04.

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

**BOROUGH OF BOGOTA**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

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

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ <u>17,000</u>	\$ <u>58,817</u>	\$ <u>75,817</u>
Total Financial Awards	\$ <u>17,000</u>	\$ <u>58,817</u>	\$ <u>75,817</u>

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**BOROUGH OF BOGOTA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

*Part I – Summary of Auditor's Results*

**Financial Statements**

Type of auditors' report issued on financial statements Unqualified

Internal control over financial reporting:

1) Material weakness(es) identified                      yes     X     no

2) Significant deficiency(ies) that are not  
considered to be material weakness(es)?     X     yes                      none

Noncompliance material to the financial  
statements noted?     X     yes                      no

**Federal Awards Section**

**NOT APPLICABLE**

**State Awards Section**

**NOT APPLICABLE**



**BOROUGH OF BOGOTA  
SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2010-1:**

Our audit revealed that general ledger control accounts were not reconciled with the adopted budget and respective subsidiary ledgers on a monthly basis.

**Criteria:**

Requirements of Audit issued by the Division of Local Government Services, Department of Community Affairs, State of New Jersey

**Condition:**

Detail subsidiary reports for taxes and budget appropriations were not in agreement with the adopted budget and the respective general ledger control accounts.

**Cause:**

Unknown.

**Effect:**

The general ledger and/or subsidiary reports could be misstated due to unrecorded transactions which are not reconciled between the respective reports.

**Recommendation:**

Internal controls be enhanced to ensure that general ledger control accounts are reconciled with the budget and respective subsidiary ledgers on a monthly basis.

**Management's Response:**

Management has reviewed this finding and has indicated that corrective action will be taken.

**BOROUGH OF BOGOTA**

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**PART III**

**SUPPORTING DATA**

**LETTER OF COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2010**

**BOROUGH OF BOGOTA**  
**SUPPORTING DATA**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -  
CURRENT FUND**

	<u>Year 2010</u>		<u>Year 2009</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized			\$ 52,000	0.23%
Miscellaneous - From Other Than Local				
Property Tax Levies	\$ 1,473,869	6.39%	2,065,901	9.26%
Collection of Delinquent Taxes and Tax Title Liens	371,643	1.61%	315,507	1.41%
Collection of Current Tax Levy	21,156,555	91.70%	19,811,811	88.79%
Other Credits	<u>68,625</u>	<u>0.30%</u>	<u>68,129</u>	<u>0.31%</u>
Total Income	<u>23,070,692</u>	<u>100.00%</u>	<u>22,313,348</u>	<u>100.00%</u>
EXPENDITURES				
Budget Expenditures				
Municipal Purposes	7,845,195	33.83%	7,563,182	33.93%
County Taxes	1,789,335	7.72%	1,862,075	8.35%
Local School Taxes	13,513,758	58.27%	12,782,446	57.34%
Other Expenditures	<u>42,454</u>	<u>0.18%</u>	<u>83,515</u>	<u>0.37%</u>
Total Expenditures	23,190,742	<u>100.00%</u>	22,291,218	<u>100.00%</u>
Less: Expenditures to be Raised by Future Revenue	<u>168,973</u>		<u>11,830</u>	
Total Adjusted Expenditures	<u>23,021,769</u>		<u>22,279,388</u>	
Excess in Revenue	48,923		33,960	
Fund Balance, January 1	<u>137,268</u>		<u>155,308</u>	
	186,191		189,268	
Less Utilization as Anticipated Revenue	<u>-</u>		<u>52,000</u>	
Fund Balance, December 31	<u>\$ 186,191</u>		<u>\$ 137,268</u>	

**BOROUGH OF BOGOTA  
SUPPORTING DATA**

**Comparative Schedule Of Tax Rate Information**

	<u>2010</u>	<u>2009(1)</u>	<u>2008</u>
<u>Tax Rate</u>	<u>\$2.549</u>	<u>\$2.421</u>	<u>\$4.024</u>
<u>Apportionment of Tax Rate</u>			
Municipal	.714	.665	1.101
County	.212	.212	.339
County Open Space	.003	.012	.020
Local School	1.620	1.532	2.564
<u>Assessed Valuation</u>			
2010	<u>\$834,055,263</u>		
2009 (1)		<u>\$834,267,481</u>	
2008			<u>\$475,113,856</u>

(1) The Borough underwent a revaluation of all properties which became effective in 2009.

**Comparison Of Tax Levies And Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2010	\$ 21,262,077	\$ 21,156,555	99.49%
2009	20,204,508	19,811,811	98.05%
2008	19,118,581	18,820,680	98.44%

**Delinquent Taxes And Tax Title Liens**

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

<u>December 31 Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$ 3,950	\$ 4,969	\$ 8,919	0.04%
2009	5,522	374,466	379,988	1.88%
2008	4,943	319,041	323,984	1.69%

**BOROUGH OF BOGOTA**  
**SUPPORTING DATA**

**Property Acquired By Tax Title Lien Liquidation**

No properties have been acquired in 2010 by foreclosure or deed, as a result of liquidation of tax title liens. The value of property acquired by liquidation of tax title liens at December 31, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2010	\$136,680
2009	136,680
2008	136,680

**Comparative Schedule Of Fund Balances**

	<u>Year</u>	<u>Balance, December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>Current Fund</u>	2010	\$186,191	\$ -0-
	2009	137,268	-0-
	2008	155,308	52,000

**BOROUGH OF BOGOTA  
SUPPORTING DATA**

**OFFICIALS IN OFFICE AND SURETY BONDS**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	
Patrick McHale	Mayor		
Tara M. Sharp	Council President		
Joseph Noto	Councilman		
Anne Marie Mitchell	Councilwoman		
Michael Brophy	Councilman		
Tito Jackson	Councilman		
Jorge Nunez	Councilman		
Leonard Nicolosi	Administrator/Chief Financial Officer	\$1,000,000	(A)
Frances Garlicki	Borough Clerk		
Helen Hegel	Treasurer	1,000,000	(A)
Elizabeth Wiemer	Tax Collector	1,000,000	(A)
Daniel Howell	Construction Code Official		
William Muro	Plumbing Subcode Official		
Luis Martinez	Municipal Court Judge	50,000	(B)
Terri Hunter	Municipal Court Administrator and Violations Clerk	50,000	(B)
Eileen Hennessy	Court Clerk (6/10/09-12/31/09)		
Edward Hynes	Tax Assessor		
Frank Gurnari	Chief of Police		
Harry Tuvel	Borough Engineer		
Joseph Monaghan	Borough Attorney		

(A) Blanket bond for all Municipal employees

(B) Blanket bond for all Court employees

## **BOROUGH OF BOGOTA SUPPLEMENTARY DATA**

### **GENERAL COMMENTS**

#### **Current Year Findings**

Emergency contracts awarded without publicly advertising for bids were not supported by adequate documentation regarding the emergency. It is recommended that emergency contracts which exceed the bid threshold be properly documented.

The net payroll bank was not reconciled for the 2010 year. It is recommended that the net payroll bank account be reconciled.

Salaries for employees of the Borough library were not formalized in a resolution of the library Board. It is recommended that salaries for employees of the library be formally approved by resolution of the library Board.

Purchase orders did not always include the required signature certifying the availability of funds. It is recommended that in all instances, purchase orders include the required signature for the certification of availability of funds.

The audit of police salaries revealed that the Borough has made payments for the employer share of social security, yet the police are not subject to FICA. It is recommended that the Borough discontinue payments for the employer share of social security on police wages and that efforts be made to claim a refund of any payments made.

#### **Prior Year Findings Unresolved**

With respect to the Municipal Court, our audit revealed the following:

- a) The regular bank accounts had numerous outstanding reconciling items.
- b) Non cash bail per report totaled \$213,322.
- c) Tickets pending disposition total \$2,568 of which \$1,914 are pending over 120 days.
- d) Criminal complaints pending total 430, of which 331 are over 120 days.

It is recommended that:

- a) Bank accounts be properly reconciled to the ATS/ACS system on a monthly basis.
- b) All non cash bail accounts be reviewed and action be taken to determine accuracy and to clear of record.
- c) Action be taken to clear pending tickets and criminal complaints outstanding greater than 120 days.

There are certain capital ordinance expenditures that remain unfunded for a period greater than five years. It is recommended that deferred charges in the General Capital Fund that remain unfunded for a period greater than five years be funded.

The Borough's third party payroll service provider, Ameripay, failed to remit \$47,630 in payroll taxes to the Internal Revenue Service on the Borough's behalf during 2009. Ameripay has now filed for bankruptcy. It is recommended that the Borough take action to fund the amounts due, if any, pending the IRS actions against the Ameripay bankruptcy.

#### **Contracts and Agreements Required To Be Advertised For N.J.S. 40A:11-4**

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$21,000, except by contract or agreement."

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**GENERAL COMMENTS (Continued)**

**Contracts and Agreements Required To Be Advertised For N.J.S. 40A:11-4 (Continued)**

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000 within the fiscal year. Where a question arises as to whether any contract agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

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

Improvements to Bogert St.	2009 Road Improvements
Stormwater Inlet Renovations	Queen Anne Road Curb and Sidewalk Replacement

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

Our examination of expenditures revealed instances where individual payments exceeded of \$36,000 "for the performance of any work, or the furnishing or hiring of any materials or supplies," where bids had not been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJS 40A:11-6.

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

**Collection Of Interest On Delinquent Taxes And Assessments**

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

The Governing Body on January 1, 2010 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED by the Mayor and Council of the Borough of Bogota, New Jersey, County of Bergen, that the rate of interest on all taxes delinquent is set at eight (8) percent for the first (\$1,500) fifteen hundred dollars, and eighteen (18) percent on any amount in excess of (\$1,500) fifteen hundred dollars, and

"BE IT FURTHER RESOLVED, that no interest shall be charged if payment of any installment is made within ten (10) days after the date upon which the same is payable, and

"BE IT RESOLVED, that in any case where the tax is not paid within those extended days the full penalty from this date due attaches."

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



**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**GENERAL COMMENTS (Continued)**

**Delinquent Taxes and Tax Title Liens**

There was a tax sale held on December 30, 2010.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years.

<u>Year</u>	<u>Number of Liens</u>
2010	1
2009	1
2008	1

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**RECOMMENDATIONS**

It is recommended that:

1. Internal controls be enhanced to ensure that general ledger control accounts are reconciled with the budget and respective subsidiary ledgers on a monthly basis.
2. Emergency contracts which exceed the bid threshold be properly documented.
- \* 3. With respect to the Municipal Court:
  - a. Bank accounts be properly reconciled to the ATS/ACS system on a monthly basis.
  - b. All non cash bail accounts be reviewed and action be taken to determine accuracy and to clear of record.
  - c. Action be taken to clear pending tickets and criminal complaints outstanding greater than 120 days.
4. The net payroll bank account be reconciled.
5. Salaries for employees of the library be formally approved by resolution of the library Board.
6. In all instances, purchase orders include the required signature for the certification of available funds.
- \* 7. The deferred charges in the General Capital Fund that remain unfunded for a period greater than five years be funded.
- \* 8. The Borough take action to fund the amounts due, if any, pending the Internal Revenue Service actions against the Ameripay bankruptcy.
9. The Borough discontinue payments for the employer share of social security on police wages and that efforts be made to claim a refund of any payments made.

Status of Prior Year's Audit Findings/Recommendations

A review was performed on all prior year's recommendations. Corrective action was taken on all prior year recommendations except those denoted with an asterisk (\*).

\*\*\*\*\*

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

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

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

  
Dieter E. Lerch  
Registered Municipal Accountant  
RMA Number CR00398