

**REPORT OF AUDIT
COUNTY OF PASSAIC
STATE OF NEW JERSEY
DECEMBER 31, 2007**

COUNTY OF PASSAIC
STATE OF NEW JERSEY

PART I
REPORT OF AUDIT ON FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007

COUNTY OF PASSAIC, N.J.

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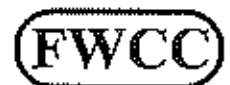
INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Chosen Freeholders
County of Passaic
Paterson, New Jersey

We have audited the accompanying balance sheets-regulatory basis of the various funds and account group of the County of Passaic, as of and for the years ended December 31, 2007 and 2006, 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 various funds for the year ended December 31, 2007. These financial statements are the responsibility of the County of Passaic's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the Community Development Grant Fund as of December 31, 2007 and 2006 which represents 23.7 and 23.8 percent, respectively, of the assets of the Trust Fund for the years then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Community Development Grant Fund, is based solely upon the reports of the other auditors.

Except as discussed below, we conducted our audits in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 provides a reasonable basis for our opinion.



As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws 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 the prescribed basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the County of Passaic's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County of Passaic, New Jersey as of December 31, 2007 and 2006 or the results of its operations for the years then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the County of Passaic, State of New Jersey as of December 31, 2007 and 2006 and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended and the statement of revenues - regulatory basis and the statement of expenditures - regulatory basis for the year ended December 31, 2007, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated August 4, 2008 on our consideration of the County of Passaic, New Jersey internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over 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 County of Passaic, State of New Jersey taken as a whole. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB Circular 04-04 and are not a required part of the financial statements. Additionally, the supplementary information, schedules and exhibits 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 County of Passaic, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, based on our audit and the reports of other auditors, 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.



Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

August 4, 2008



COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2007 and 2006

	<u>Ref.</u>	<u>2007</u>	<u>2006</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 50,891,097	32,391,966
Investments	A-4	500,000	500,000
Change Fund	A-5	675	675
Petty Cash	A-6		3,000
Cash - Fiscal Agent for Health Benefits		570,000	570,000
Due from Board of Social Services			1,420,000
Due from Borough of Bloomingdale			1,220,773
		<u>51,961,772</u>	<u>36,106,414</u>
Receivables and Other Assets with Full Reserves:			
Revenue Accounts Receivable	A-8	1,917,500	3,123,243
Amount Due from:			
Clearing Account	A-9	152,518	
Other Trust Fund	A-9		105,648
General Capital Fund	A-9	330,524	
		<u>2,400,542</u>	<u>3,228,891</u>
Deferred Charges:			
Emergency Authorization		<u>10,000,000</u>	<u>1,070,000</u>
		<u>10,000,000</u>	<u>1,070,000</u>
		<u>64,362,314</u>	<u>40,405,305</u>
Federal and State Grant Fund:			
Grants Receivable	A-7	34,317,719	33,341,064
Due from Current Fund	A-17	648,742	1,826,007
		<u>34,966,461</u>	<u>35,167,071</u>
Total Assets		<u>\$ 99,328,775</u>	<u>75,572,376</u>

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2007 and 2006

	<u>Ref.</u>	<u>2007</u>	<u>2006</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-10	\$ 16,308,448	15,565,541
Accounts Payable	A-11	494,423	566,545
Encumbrances Payable	A-12	6,784,928	5,305,887
Emergency Note Payable	A-4	10,000,000	
Due to State & Federal Grants Fund	A-9	648,742	1,826,007
Due to Other Trust Fund	A-9	432,209	
Due to Community Development Grant Fund	A-9	21,932	21,931
Due to General Capital Fund	A-9		765,650
Due to Clearing Account	A-9		126,966
Miscellaneous Reserves	A-15	2,339,501	2,386,313
		<u>37,030,183</u>	<u>26,564,840</u>
Reserve for Receivables	Contra	2,400,542	3,228,891
Fund Balance	A-1	24,931,589	10,611,574
		<u>64,362,314</u>	<u>40,405,305</u>
Federal and State Grant Fund:			
Amount Due to General Capital Fund	A-17	4,000,000	4,000,000
Accounts Payable	A-11	43,010	43,010
Commitments Payable	A-13	5,845,671	4,599,342
Reserve for State and Federal Grants - Appropriated	A-14	24,989,443	26,049,007
Reserve for State and Federal Grants - Unappropriated	A-16	88,337	475,712
		<u>34,966,461</u>	<u>35,167,071</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 99,328,775</u>	<u>75,572,376</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Statement of Operations and Changes in Fund Balance-Regulatory Basis

Current Fund

Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 9,563,504	16,844,878
Miscellaneous Revenue Anticipated	141,698,169	134,169,764
Receipts from Current Taxes	253,177,231	235,187,707
Non-Budget Revenue	5,741,508	6,016,686
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	14,494,471	2,356,825
Prior Year Interfunds Returned	105,646	927,732
Cancellation of Reconciling Items		9,223
Cancellation of Accounts Payable	<u>72,122</u>	
Total Revenues and Other Income	<u>424,852,651</u>	<u>395,512,815</u>
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	144,718,770	142,645,872
Other Expenses	193,813,028	183,732,760
Capital Improvement Fund	750,000	1,025,000
Debt Service	44,414,489	40,464,039
Deferred Charges and Statutory Expenditures	26,789,803	19,958,860
Interfunds and Receivables Originating in Current Fund	483,042	342,603
Payroll Deductions Payable		58,956
Prior Years' Charges		<u>1,475,000</u>
Total Expenditures	<u>410,969,132</u>	<u>389,703,090</u>
Excess Revenue Over Expenditures	13,883,519	5,809,725
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>10,000,000</u>	<u>1,070,000</u>
Statutory Excess to Surplus	23,883,519	6,879,725
Fund Balance, January 1,	<u>10,611,574</u>	<u>20,576,727</u>
	34,495,093	27,456,452
Decreased by:		
Fund Balance Utilized as Budget Revenue	<u>9,563,504</u>	<u>16,844,878</u>
Fund Balance, December 31,	<u>\$ 24,931,589</u>	<u>10,611,574</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 6,922,731	6,922,731	
Fund Balance Anticipated with Prior Written Consent for the Director of Local Government Services	2,640,773	2,640,773	
Total Fund Balance Anticipated	9,563,504	9,563,504	
Miscellaneous Revenues:			
County Clerk	349,911	316,822	(33,089)
Register	8,540,492	7,008,820	(1,531,672)
Surrogate	398,200	372,119	(26,181)
Sheriff	1,044,000	2,534,426	1,490,426
Interest on Investments and Deposits	1,800,000	3,589,522	1,789,522
Road Opening Permits	135,000	122,212	(12,788)
Rental Income	339,000	284,372	(54,628)
Prosecutor's Office - Confiscated Money	117,000	131,020	14,020
State Aid - County College Bonds (N.J.S.A. 18A:64-22.6)	1,160,000	1,376,518	216,518
Division of Youth and Family Services	2,237,329	2,237,329	
Supplemental Social Security Income	1,493,277	1,215,093	(278,184)
Maintenance of Patients in State Institutions for Mental Diseases	14,822,361	14,822,361	
Maintenance of Patients in State Institutions for Mentally Retarded	14,942,203	14,942,203	
Homeland Security Grant	174,736	174,736	
Alcohol/Drug Abuse	840,926	840,926	
CERT	8,500	8,500	
Municipal Storm Water	10,000	10,000	
Homeless HIRZTN	891,812	891,812	
Subregional Transportation	98,415	98,415	
Weatherization DHS	131,103	131,103	
911 Coordinator	25,000	25,000	
Insurance Fraud	250,000	250,000	
Human Services 07BERN	170,133	170,133	
Workforce Investment (PIC)	603,396	603,396	
Multi-Jurisdictional Narcotics Task Force	77,892	77,892	
Gang Suppression Initiative	210,000	210,000	
Area Aging Nutrition Grant FY07	1,034,823	1,034,823	
Area Aging Plan Grant FY07	1,420,069	1,420,069	
Casino Revenue	1,579,368	1,579,368	
Bioterrorism Preparedness	592,632	592,632	
Body Armor	8,313	8,313	
Human Services 07BERN PASP	345,691	345,691	
UASI	5,000	5,000	
Local Law Enforcement PCPO	32,502	32,502	
Weatherization	20,173	20,173	
LOETEF	52,375	52,375	
Body Armor	66,262	66,262	
Click it or Ticket	4,000	4,000	
Municipal Alliance	604,535	604,535	
DCBHS	153,841	153,841	

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Realized	Excess or (Deficit)
Breakness Geri-Psych Program	248,160	248,160	
State Community Partnership	501,971	501,971	
Family Court Services	430,504	430,504	
JABG	66,384	66,384	
State Incentive Program	588,619	588,619	
FY 2006 UASI	248,000	248,000	
Workforce Investment - WIB	250,000	250,000	
Community Justice	71,428	71,428	
Paris Grant - Imaging	286,196	286,196	
Paris Grant - Record Management	126,220	126,220	
Paris Grant - Imaging Sheriff	224,760	224,760	
Paris Grant - DSMS Partial Expan	209,960	209,960	
Workforce Investment (PIC) 2006/2007	17,837	17,837	
Workforce Investment (PIC) 2007/2008	11,159,034	11,159,034	
CEHA 2007	241,531	241,531	
County Right to Know	15,213	15,213	
Clean Communities	47,103	47,103	
Solid Waste Services	310,798	310,798	
Aging Area Nutrition Plan FY07	674,165	674,165	
Aging Area Plan Grant FY07	522,844	522,844	
Farmers Market Nutrition Program	1,000	1,000	
Human Services 07BERN	10,000	10,000	
Special Initiative and Transportation	1,328,700	1,328,700	
CSBG 2006	125,097	125,097	
CSBG 2007	251,737	251,737	
Mental Health Board 2007	6,000	6,000	
Human Services 07DERN PASP	46,322	46,322	
21st Century CLC Program	350,000	350,000	
Clean Energy Program	150,000	150,000	
Weatherization DHS 2006	10,492	10,492	
Weatherization DHS 2007	137,586	137,586	
Weatherization DHS 2007	151,703	151,703	
Weatherization HHP	184,235	184,235	
Subregional Transportation	98,415	98,415	
Subregional Technical Studies	176,000	176,000	
Pre-Disaster Mitigation Planning	225,000	225,000	
Urban Area Security Initiative (UASI)	56,760	56,760	
SANE/SART Program	65,275	65,275	
Victim of Crime Act Grant	409,018	409,018	
NCA Program Support	10,000	10,000	
New Jersey Sex Offender	40,560	40,560	
Multi-Jurisdictional Narcotics Task Force	77,892	77,892	
Homeland Security Grant FY06	142,821	142,821	
Homeland Security Grant FY07	1,103,977	1,103,977	
NJ Project Vision	43,750	43,750	
Obuy the Signs or Pay the Fines	4,000	4,000	
E911 General Assistance Grant	52,863	52,863	
E911 Coordinator	25,000	25,000	
E911 Equipment Grant	384,989	384,989	
E911 Consolidation Grant	35,000	35,000	

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Realized	Excess or (Deficit)
Added and Omitted Taxes	1,037,000	913,089	(123,911)
Board Inmates at County-State	4,400,000	5,238,731	838,731
Board of Inmates at County-Federal	13,985,000	12,324,290	(1,660,710)
Title IV D Parent Locator Program	200,000	200,000	
Fringe Benefits	4,519,000	4,631,638	112,638
Preakness Hospital-Medicaid Reimbursements	28,900,000	28,900,000	
Youth Center - USDA Meals	112,000	96,787	(15,213)
Maintenance in Lieu of Rent-Martin Luther King-Soc Serv.	956,000	1,656,004	700,004
State School Building Aid (Chapter 12)	100,000	176,350	76,350
Park Fees	1,550,000	1,535,696	85,696
Telephone Commissions	380,000	362,230	(17,770)
Capital Surplus	1,000,000	1,000,000	
Site Plan Fees	132,000	126,286	(5,714)
Radio Tower Rental	28,400	14,000	(14,400)
Security Contract Passaic Valley Water	1,086,000	921,028	(164,972)
Stable Fees	45,000	40,170	(4,830)
Indirect Cost Allocation - Prior Year	65,000	880,481	815,481
Due from Other Trust Fund	484,410	105,648	(378,762)
Title IV D - 2005 Space Facility Cost Reimbursement	650,000	578,660	(71,340)
County Clerk P.L. 2001 C370	107,435	107,435	
Register P.L. 2001 C370	1,167,907	1,167,907	
Surrogate P.L. 2001 C370	110,000	110,000	
Sheriff P.L. 2001 C370	202,506	202,506	
	<u>139,952,947</u>	<u>141,698,169</u>	<u>1,745,222</u>
Total Miscellaneous Revenues			
Amount to be Raised by Taxation - County Purpose Tax	<u>253,177,231</u>	<u>253,177,231</u>	
Total Budget Revenues	<u>\$ 402,693,682</u>	<u>404,438,904</u>	<u>1,745,222</u>
Nonbudget Revenue		<u>5,741,508</u>	
		<u>\$ 410,180,412</u>	

COUNTY OF PASSAIC
 Statement of Revenues-Regulatory Basis
 Current Fund
 Year Ended December 31, 2007

	Miscellaneous Revenue Not Anticipated:
	Sales of Equipment
	Duplication of Records
	Vending Machines
	Added & Omitted Taxes
	ID Bureau
	Payroll Deduction Fees
	Ball Bond Forfeitures
	Bond Fees
	Hooking Fees
	Vandalism/Damage Fees
	Court Fees
	Budget Office
	Vehicle Storage Fees
	Sheriff's Labor Assistance Program
	Towing and Storage
	Treasury Incentive Program/Misc Credits
	Inmate Transportation
	Misc. Credit/Refunds
	County Auction Proceeds
	Election Refundbursements
	BAM Premiums
	Passaic County Vocational - Resource Officer Reimb
	Grant Closeouts
	75% unclaimed Property Deposits - Passaic Cty Surrogate
	Bank of New York - Debt Service Refund
	Picram Reimbursements
	Dynamic Claims Mgt, Inc. - BMS collections
	Verizon EDI Payments/Misc Credits
	T-Mobile Misc Credits
	Guard Services - Medical Facility
	Storage Charges
	NJ PERS/PFRS Credits
	Federal Emergency Management Relief Assistance(FEMA)
	U.S. DOJ State Criminal Alien Assistance
	Refund - Unanticipated Revenue
	Unanticipated Revenue - Bank account closed (PNC - Current)
	County Patients - State Hospital
	Other
	\$ 5,741,508
	\$ 1,634,274

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Unexpended Balance	Requested	Unexpended Balance	Requested	Unexpended Balance	Requested	Unexpended Balance
	Carried Forward	Carried Forward	Carried Forward	Carried Forward	Carried Forward	Carried Forward	Carried Forward
OPERATIONS:							
GENERAL GOVERNMENT							
Administration Executive							
Board of Freeholders							
Salaries and Wages	200,300	201,500	229	201,371	229		
Other Expenses	125,000	125,000	24,032	100,968	24,032		
Contribution to Public Access Libraries	70,000	70,000		70,000			
County Administrator							
Salaries and Wages	603,885	401,385	91,666	518,019	91,666		
Other Expenses	319,000	319,000	87,064	231,936	87,064		
Finance Section							
Finance Department							
Salaries and Wages	754,581	754,581	11,110	743,271	11,110		
Other Expenses	128,000	128,000	59,989	60,920	59,989		
Postage	252,500	262,500	47,758	214,750	47,758		
Audit	85,000	85,000	85,000		85,000		
Inventory		5,000	2,728	2,272	2,728		
Legal Department							
County Council							
Salaries and Wages	957,524	907,524	61,190	846,434	61,190		
Other Expenses	45,000	75,000	8,723	66,277	8,723		
Other Expenses Ethics	10,000	10,000	10,000		10,000		
County Adjuster							
Salaries and Wages	228,400	228,400	7,287	221,113	7,287		
Other Expenses	25,000	25,000	19,656	5,144	19,656		
Clerk of the Board							
Salaries and Wages	200,000	200,000	8,558	191,402	8,558		
Other Expenses	40,000	40,000	27,517	12,483	27,517		
Personnel							
Salaries and Wages	377,415	376,415	4,542	371,873	4,542		
Other Expenses	63,000	64,000	3,660	60,340	3,660		
State and National Association of County Officials							
	9,300	9,300	47	9,253	47		

COUNTY OF PASSAIC
Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Dudget after Modification and Transfer	Paid or Charge	Reserved	Unexpended Balance Carried
County Clerk					
Salaries and Wages	708,700	694,766	652,890	47,816	
Other Expenses	23,000	23,000	34,874	8,926	
County Register					
Salaries and Wages	1,030,558	904,558	851,253	53,325	
Other Expense	30,000	30,000	9,834	20,166	
Prosecutor's Office					
Salaries and Wages	13,469,456	17,869,456	16,731,991	1,137,465	
Salaries and Wages-Spec.	154,000	154,000	74,501	79,499	
Other Expenses	449,000	449,000	432,114	7,886	
Countywide Police Radio	100,000	100,000	94,752	3,448	
Purchasing Department					
Salaries and Wages	627,291	627,291	617,758	9,533	
Other Expenses	40,000	45,000	43,083	1,917	
Other Expenditures-Bulk Purchasing	100,000	100,000	89,677	10,323	
MIS Department (Finance Department)					
Other Expenses	932,608	932,608	775,253	157,355	
Building and Grounds					
Salaries and Wages	4,340,000	4,340,000	4,671,881	367,819	
Other Expenses	2,148,300	2,148,300	1,928,262	220,038	
Other Expenses-Parking	475,000	475,000	463,809	72,000	
Other Expenses-Utilities Board	30,000	30,000	28,723	273	
Postnatal					
Other Expenses	152,000	152,000	125,275	23,725	
Economic Development					
Salaries and Wages	160,413	161,413	161,030	380	
Other Expenses	55,000	55,000	54,316	584	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paid or Ordered	Encumbered	Unexpended Balance Carried
Insurances: Group Hospitalization, Medical Surgical, Major Med. for Employees	31,800,000	34,000,000	33,040,575	1,559,925	
Group Life Insurance for Employees	40,000	40,000	3,744	31,256	
Safety Bond Premium	6,000	6,000		6,000	
Worker's Compensation	1,000,000	1,000,000	400,000	600,000	
Other Insurance	300,000	700,000	504,253	195,747	
Dwg Plan	9,984,384	10,384,384	10,134,328	250,056	
Dental Plan	876,000	876,000	544,324	331,676	
Disability Insurance	810,000	810,000	769,304	20,696	
JUDICIAL					
Surrogate	1,004,771	1,018,771	1,017,351	1,420	
Salaries and Wages	49,400	49,400	36,126	15,274	
Other Expenses					
REGULATION					
Sheriff's Office					
Salaries and Wages	9,774,868	9,274,868	9,123,656	101,212	
Other Expenses	100,000	100,000	75,692	26,308	
Weights and Measures					
Salaries and Wages	534,994	565,994	564,860	1,134	
Other Expenses	9,000	9,000	4,020	2,977	
Board of Taxation					
Salaries and Wages	312,946	312,946	304,248	8,698	
Office Expenses	70,000	70,000	49,878	20,122	
Medical Examiner					
Other Expenses-Constructive State of NJ	1,240,000	1,320,000	1,320,600	910	
Board of Elections					
Salaries and Wages	240,825	245,828	239,907	3,861	
Other Expenses	700,000	667,000	495,107	171,893	
Superintendent of Elections					
Salaries and Wages	1,335,752	1,254,752	1,251,908	32,852	
Other Expenses	504,550	204,550	421,902	82,648	
Elections-County Clerk	210,000	210,000	148,472	81,528	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budgets after Modifications and Transfer	Paid or Encumbered	Reserved	Unexpended Balance Cancelled
County Emergency Management					
Salaries and Wages	124,000	124,000	99,393	24,607	
Other Expenses	18,000	18,000	16,210	1,790	
Planning Board (NJS 49:273)					
Salaries and Wages	506,450	506,450	450,145	56,305	
Other Expenses	32,000	32,000	24,993	7,007	
Construction Board of Appeals	5,000	5,000	2,250	2,750	
ROADS & BRIDGES DEPT.					
Roads and Bridges Dept.					
Salaries and Wages-Roads	450,000	450,000	263,399	186,601	
Salaries and Wages-Mosquito	645,000	750,000	698,544	2,459	
Other Expenses-Roads	1,824,000	1,824,000	1,146,046	677,954	
Other Expenses-Mosquito	79,000	79,000	39,156	39,844	
Engineering					
Salaries and Wages	548,000	548,000	417,345	131,655	
Other Expenses	22,000	22,000	13,015	8,985	
CORRECTIONAL AND PENAL					
Jail and Workhouse					
Salaries and Wages	53,892,960	59,392,960	57,043,745	2,344,215	
Other Expenses	4,240,000	4,306,000	4,151,523	154,477	
Other Expenses-Medical Expenses	2,250,000	2,250,000	2,090,386	159,614	
HEALTH AND WELFARE					
Crippled Children					
Mental Health Board (40:5A-5)					
Salaries and Wages	166,701	166,701	117,880	48,821	
Mental Health Program (40:5-20)					
Contractual	865,000	865,000	865,000		
Aid to Bergen-Passaic Unit for the Mentally Retarded (NJS 49:2A-8.11)	60,000	60,000	60,000		

COENITY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Carried
Alcohol and Drugs					
Addition Program Contracted	225,000	225,000	162,306	62,694	
Maintenance of Patients in State Institutions:					
Mental Health and Mentally Retarded	32,832,595	32,882,595	32,845,936	36,659	
Welfare Board-Administration	11,753,388	11,753,388	11,753,388		
Administration-Fringe Benefits	5,700,000	5,700,000	5,700,000		
Supplement Security Income	1,492,277	1,492,277	1,492,277		
Aid to Dependent Children (NIS 44:10-1-5T Sec)	600,000	600,000	600,000		
New Jersey Bureau of Children's Services	2,237,329	2,237,329	2,237,329		
Department of Youth Services					
Salaries and Wages	9,213,650	10,313,000	9,694,799	618,201	
Other Expenses	412,815	662,815	396,126	266,689	
Medical	258,858				
Freemans Hospital					
Salaries and Wages	27,146,192	26,176,192	25,975,347	200,845	
Other Expenses	4,100,060	4,100,000	4,092,278	7,722	
Camp Hope (10/23-4/1 to 16)					
Salaries and Wages	515,000	515,000	446,056	68,944	
Other Expenses	59,000	59,000	39,413	19,587	
Other Expenses					
Div. of Senior Services, Disabilities, & Velv. Advic. Div.	251,953	271,953	169,201	102,752	
Salaries and Wages	85,000	85,000	31,453	53,545	
Other Expenses					
County Health Dept. Chapter 52D Pt. 1975	525,884	525,000	409,628	115,372	
Salaries and Wages	41,000	61,800	41,695	18,114	
Other Expenses					
EDUCATIONAL					
Office of County Superintendent of Schools					
Salaries and Wages	424,133	434,133	422,152	6,981	
Other Expenses	33,678	33,678	29,218	3,845	
Passaic County Vocational School	6,995,208	7,420,208	7,418,589	1,718	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Month

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paired Charges	Reversed	Unexpended Balance Classified
County Extensive Services					
Salaries and Wages	130,000	130,000	123,912	6,088	
Other Expenses	20,000	20,000	17,824	2,176	
Passaic County Community College Reimbursement for Residents Attending Out of County Two Year College (RMS:AS4A-23)	11,532,724	11,532,724	11,520,224	32,500	
	350,000	350,000	41,449	308,551	
RECREATIONAL					
Park and Recreational Department					
Salaries and Wages-Parks	1,050,000	962,000	375,636	36,344	
Salaries and Wages-Golf Course	1,414,390	1,452,390	1,430,884	21,906	
Other Expenses-Parks	50,000	50,000	39,038	29,962	
Other Expenses-Golf Course	466,650	516,650	353,109	163,541	
Passaic County Historical Society (MS 40-32-0)	25,000	25,000		25,000	
	3,006,040	2,926,040	1,998,667	576,723	
UNCLASSIFIED					
Passaic County Volunteer Fire Academy	60,000	60,000		60,000	
Equipment, Office, Car, Other	50,000	250,000	42,029	207,071	
State Leave Payment	350,000	350,000	260,747	149,253	
Aid to Volunteer Activities & Fire Co. (MS40-5-2)	25,000	25,000	1,000	22,000	
Aid to Children Care Coordination Committee (4C9) (MSA 40-23)	45,000	45,000	15,550	29,450	
Aid to Women's Haven (MSA 30-14-1)	24,250	24,250	24,350		
Aid to DIAL (40-73-811)	65,000	65,000	65,000		
Pure Transit					
Salaries and Wages	75,000	75,000	33,755	41,245	
Other Expenses	55,000	55,000	941	34,059	
Police Academy	300,000	300,000	252,241	47,759	
Salaries and Wages	140,318	140,318	26,550	113,768	
Other Expenses					

COUNTY OF PASADENA

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance- Cancelled
Aid for Organization for Mentally Retarded and III QUS 40-7J-8.11)	10,000	10,000		10,000	
Aid to Hecla & Wellers Coverts (NSR 40-7J-8.26)	925,000	925,000	911,940	13,060	
Salaries and Wage Adjustment	2,960,000	180,000		180,000	
Utilities (40A-4-43 4H)					
Gasoline	1,400,000	1,400,000	1,324,829	75,171	
Telephone and Telegraph	1,700,000	1,700,000	1,431,012	268,988	
Natural Gas & Electric	5,500,000	5,500,000	4,615,038	884,962	
Street Lighting	600,000	600,000	415,360	184,640	
Heating Oil	150,000	150,000	71,109	78,891	
Water	675,000	675,000	578,242	96,758	
Garbage	625,000	625,000	421,400	203,600	
Dorm Service Fees	50,000	50,000	39,522	10,478	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
County Match					
Aging Area Plan	1,900,000	1,900,000	1,990,000		
Captive Revenue Grant	1,077,313	1,077,313	1,077,313		
IAG	77,892	77,892	77,892		
Subregional Transportation	24,604	24,604	24,604		
Geary Suppression Initiative Grant	70,000	70,000	70,000		
FFY04 JALIEG	7,376	7,376	7,376		
Local Law Enforcement Block Grant Program	10,834	10,834	10,834		
Community Justice	21,309	21,309	21,309		
Paris Grant-Imaging	286,196	286,196	286,196		
Paris Grant-Records Management	126,220	126,220	126,220		
Paris Grant-Imaging Sheriff	224,750	204,760	224,760		
Paris Grant-DONAS Zonal Expand	209,060	209,060	209,060		
Workforce Investment (PIC) 2006/2007	17,837	17,837	17,837		
Workforce Investment (PIC) 2007/2008	11,159,034	11,159,034	11,159,034		
CEHA 2007	241,531	241,531	241,531		
County Night To Know Program	15,213	15,213	15,213		
Clean Communities	47,103	47,103	47,103		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paid or Checked	Reversed	Unexpended Balance Carried
Solid Waste Services	310,798	310,798	310,798		
Aging Area Nutrition FY2007	674,165	674,165	674,165		
Aging Area Fish Grant FY07	522,844	522,844	522,844		
Farmers Market Nutrition Program	1,000	1,000	1,000		
Human Services OT/Bent	10,000	10,000	10,000		
Special Initiative and Transportation	1,328,700	1,328,700	1,328,700		
C.S.D.G. 2006	125,097	125,097	125,097		
C.S.B.G. 2007	251,737	251,737	251,737		
Mental Health Fund 2007	6,000	6,000	6,000		
Human Services OT/BERN PASS	46,322	46,322	46,322		
21st Century C.L.C Program	350,000	350,000	350,000		
Clean Energy Program	150,000	150,000	150,000		
Weatherization DHS 2006	10,492	10,492	10,492		
Weatherization DHS 2007	137,586	137,586	137,586		
Weatherization DCES 2007	151,703	151,703	151,703		
Weatherization IIII	184,235	184,235	184,235		
Subregional Transportation FY06	98,415	98,415	98,415		
Subregional Technical Studies	176,000	176,000	176,000		
Pre-Disaster Mitigation Planning	215,000	215,000	215,000		
Urban Area Security Initiative (UASI)	56,760	56,760	56,760		
Star/Sert Program	65,275	65,275	65,275		
Victims of Crime Act Grant	409,018	409,018	409,018		
M.C.A. Program Support	10,000	10,000	10,000		
New Jersey Sex Offender	40,560	40,560	40,560		
Mobile/Jurisdictional Narcotics Task Force	77,892	77,892	77,892		
Homeland Security Grant FY06	142,821	142,821	142,821		
Homeland Security Grant FY07	1,103,977	1,103,977	1,103,977		
NJ Project Vision	43,750	43,750	43,750		
Obey The Signs Or Pay The Fines	4,000	4,000	4,000		
EP11 General Assistance Grant	52,863	52,863	52,863		
EP11 Coordinator	25,000	25,000	25,000		
EP11 Equipment Grant	384,989	384,989	384,989		
EP11 Consolidation Grant	35,000	35,000	35,000		
Homeland Security	174,736	174,736	174,736		

COUNTY OF YASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paid or Accrued	Returned	Unexpended Balance Cancelled
Alcohol/Drug Abuse	840,926	840,926	840,926		
CHRT	8,500	8,500	8,500		
Municipal Stormwater	10,000	10,000	10,000		
Hocheas HILLTOP	891,812	891,812	891,812		
Submerged Transportation	98,415	98,415	98,415		
Weatherization DHS	131,103	131,103	131,103		
911 Coordinator	25,000	25,000	25,000		
Insurance Fund	250,000	250,000	250,000		
Human Services OTHERN	170,133	170,133	170,133		
Workforce Investment PIC	603,396	603,396	603,396		
Multi-Jurisdictional Narcotics Taskforce	77,892	77,892	77,892		
Group Supervision Initiative	210,000	210,000	210,000		
Aging Area Nutrition FY 07	1,034,823	1,034,823	1,034,823		
Aging Area Plan Grant FY 07	1,420,669	1,420,669	1,420,669		
Casino Revenue	1,579,268	1,579,268	1,579,268		
Bioterrorism Preparedness	592,632	592,632	592,632		
Body Armor	8,313	8,313	8,313		
Human Services OTHERN P&S	345,691	345,691	345,691		
UASI	5,000	5,000	5,000		
Local Law Enforcement P.C.P.O	32,502	32,502	32,502		
Weatherization	20,173	20,173	20,170		
LEOTIF	52,375	52,375	52,375		
Body Armor	66,262	66,262	66,262		
Click It or Ticket	4,000	4,000	4,000		
Municipal Alliance	604,535	604,535	604,535		
DCBMS	153,841	153,841	153,841		
Prattree Gro-Byrd Program	248,160	248,160	248,160		
State Community Partnership	501,971	501,971	501,971		
Family Court Services	430,504	430,504	430,504		
JABC	66,384	66,384	66,384		
State Incentive Program	588,619	588,619	588,619		
FY 2006 UASI	248,000	248,000	248,000		
Workforce Investment WIFB	250,000	250,000	250,000		
Community Justice	71,825	71,825	71,825		
Total Operation (Item 8(A))	228,151,798	228,151,798	220,550,587	14,791,411	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Deduction after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Committed
Contingent	200,000	200,000	12,395	187,605	
Total Operation Including Contingent Detail:	323,311,798	332,271,798	323,562,782	14,969,016	
Salaries and Wages	138,727,779	144,718,779	138,627,658	6,091,112	
Other Expenses (Including Contingent)	185,624,028	193,813,028	184,940,124	8,872,904	
Capital Improvement	740,000	750,000	750,000		
Capital Improvement Fund	200,000				
Acquisition of Various Equipment					
Total Capital Improvements	940,000	750,000	750,000		
County Debt Service	1,150,000	1,150,000	940,000		210,000
Payment of Bond Principal					
County College Bonds					
State Aid- County College Bonds	1,440,000	1,440,000	1,050,000		390,000
(N.J.S. 18A:64A-22.6)	410,000	410,000	410,000		
Vocational School Bonds	21,135,000	21,135,000	20,860,000		335,000
Other Bonds	1,000,000	1,000,000			1,000,000
Payment of Bond Anticipation Notes					
Interest Bonds					
County College Bonds	550,000	550,000	549,700		201
State Aid- County College Bonds					
(N.J.S. 18A:64A-22.6)	538,000	558,000	377,826		180,174
Vocational School Bonds	190,000	130,000	127,308		2,692
Other Bonds	12,300,000	12,300,000	12,290,624		9,376
Interest on Notes	3,200,000	3,200,000	3,100,870		19,130
Passaic County Utilities Authority	2,200,000	2,200,000	2,164,126		35,874
Green Trust Loan	330,000	330,000	289,570		400
EPA Loan	200,000	200,000	195,500		4,500
PCLA Loan					
Proctors Building	482,300	482,300	475,711		6,589
Proctors Healthcare Center	1,523,266	1,523,266	1,523,265		1
Total County Debt Service	46,608,366	46,608,366	44,414,489		2,194,077

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paid or Ordered	Encumbrance	Unexpended Balance Carried
Deferred Charges and Statutory Expenditures	1,070,000	1,070,000	1,070,000		
Emergency Authorizations					
Prior Year Bills-Summary					
Airgas East	20	20	20		
Airtron Tech	57,977	57,977	57,977		
American Wear	344	344	344		
Art Agency	285	285	285		
AT&T	536	536			536
Barnert Hospital	6,333	6,333	6,333		
Brooks Elevator	1,477	1,477	1,477		
Carol Andrews	20	20	20		
Carroll Title Agency	1,090	1,090	1,090		
CLMD	84	84	84		
Cosimo Gourmet	357	357			357
Danka	424	424	424		
Direct Supply	178	178			178
Richard Degrave	3,129	3,129	3,129		
Eastern Medical	15,260	15,260	9,310		5,950
Federal Express	19	19	19		
Habodon Auto	502	502	502		
Hextere Corp	590	590	590		
HTL-Room	10,420	10,420	3,763		1,657
Inspring Subspecialist	10	10	10		
JEMA	786	786	786		
J&M Towing	425	425	425		
Lawyers Diary	197	197	197		
Lights on Printing	924	924	924		
Mercer County Community College	5,788	3,788	3,788		
Shakla Nazari	150	150	150		
North Jersey Media	323	323	323		
Palmon Emergency	1,161	1,161	1,161		
Richo Business Systems	48	48	48		
Singwood Florist	81	81	81		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2007

	Budget	Budget after Modification and Transfer	Paid or Charged	Revised	Unexpended Balances Cancelled
SI Insyles	2,438	2,438	2,438		
Simplex Global	840	840	840		
Mahavulur Singh	1,078	1,078	1,078		
Sprint Nextel	16,235	16,235	16,235		
Stene Industries	457	457	457		
Texas Carver	80	80	80		
Verizon Wireless	138	138	138		138
Wigder Leasing	650	650	650		
Woodruff Energy	20,799	20,799	20,799		
Barnett Hospital	5,000	5,000	5,000		
Atison Family Outpatient	1,950	1,950	1,950		5,000
Rush Ann Hughes-Medicare Part B	7,278	7,278	7,278		
Statutory Charges:					
Contribution to PERS	4,287,625	4,307,625	4,280,144	17,481	
Social Security System (O.A.S.I.)	12,590,000	12,590,880	11,592,589	907,411	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	675,000	675,000	265,469	409,531	
Police and Fire Retirement System	8,021,602	8,021,602	8,021,602		
Judicial Pension Fund	5,000	5,000		5,000	
Total Deferred Charges & Statutory Expenditures	26,783,318	26,893,318	25,450,370	1,339,432	13,516
Total General Appropriations	\$ 402,695,682	\$ 412,695,682	\$ 394,177,641	\$ 18,368,448	\$ 2,207,593

Adopted Budget	383,152,379
Added by N.J.S.A. 40A:4-17	19,539,553
Emergency Appropriations	10,000,000
	\$ 412,691,932
Cash \$	351,525,719
Emergency Authorizations	1,670,000
Reserve for Emergencies	6,784,973
Grants Appropriated	34,791,240
	\$ 394,177,641

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2007 and 2006

	<u>Assets</u>	<u>Ref.</u>	<u>2007</u>	<u>2006</u>
Other Trust Fund:				
Cash		B-2	\$ 27,590,712	21,481,525
Due from Current Fund		B-14	<u>435,433</u>	<u>21,481,525</u>
			<u>28,026,145</u>	<u>21,481,525</u>
Confiscated Trust Fund:				
Cash		B-2	<u>2,726,821</u>	<u>3,188,402</u>
			<u>2,726,821</u>	<u>3,188,402</u>
Self Insurance Fund:				
Cash		B-2	<u>197,682</u>	<u>338,519</u>
			<u>197,682</u>	<u>338,519</u>
Community Development Grant Fund:				
Cash		B-2	9,596,458	7,746,760
Housing Voucher Program Grants Receivable		B-11	31,293	42,754
Due from Current Fund		B-14	<u>21,932</u>	<u>21,932</u>
			<u>9,649,683</u>	<u>7,811,446</u>
Total Assets			<u>\$ 40,600,331</u>	<u>32,819,892</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2007 and 2006

<u>Liabilities, Reserves & Fund Balance</u>	<u>Ref.</u>	<u>2007</u>	<u>2006</u>
Other Trust Fund:			
Various Trust Deposits	B-3	\$ 1,537,784	1,334,780
Reserve for Dedicated Revenues	B-4	12,356,591	9,996,469
Reserve for Open Space Expenditures	B-5	5,847,607	3,027,723
Open Space Grant Commitments Payable	B-6	8,282,174	7,014,916
Fund Balance	B-1	<u>1,989</u>	<u>1,989</u>
		<u>28,026,145</u>	<u>21,375,877</u>
Confiscated Trust Fund:			
Due to Current Fund	B-14	3,224	
Reserve for Confiscated Trust Fund	B-7	<u>2,723,597</u>	<u>3,188,402</u>
		<u>2,726,821</u>	<u>3,188,402</u>
Self Insurance Fund:			
Reserve for Workmen's Compensation	B-8	5,779	7,693
Reserve for Health Benefits	B-9	186,854	22,257
Reserve for Liability Insurance	B-10	5,049	233,614
Due to General Capital Fund	B-14	<u>74,955</u>	<u>74,955</u>
		<u>197,682</u>	<u>338,519</u>
Community Development Grant Fund:			
Account Payable	B-12	2,125,541	1,469,374
Reserve for:			
Housing Voucher Program	B-14	<u>7,524,142</u>	<u>6,342,072</u>
		<u>9,649,683</u>	<u>7,811,446</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 40,600,331</u>	<u>32,714,244</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Statement of Changes in Fund Balance-Regulatory Basis

Other Trust Fund

Year Ended December 31, 2007

Balance - December 31, 2006 \$ 1,989

Balance - December 31, 2007 \$ 1,989

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2007 and 2006

<u>Assets</u>	<u>Ref.</u>	<u>2007</u>	<u>2006</u>
Cash	C-2/C-3	\$ 46,402,169	58,185,120
Grants Receivable	C-4	23,977,315	14,838,211
State EFA Receivable		1,975,000	1,975,000
Due from Current Fund Fund	C-15		765,650
Due from Federal and State Grants Fund	C-15	4,000,000	4,000,000
Due from Liability Trust Fund	C-15		74,955
Deferred Charges to Future Taxation:			
Funded	C-5	384,133,465	396,493,760
Unfunded	C-6	<u>150,066,336</u>	<u>145,799,775</u>
Total Assets		\$ <u>610,554,285</u>	<u>622,132,471</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-23	\$ 287,279,000	299,014,000
Green Acres Loan Payable	C-10	1,999,465	2,284,760
State EFA Loans Payable	C-24	1,105,000	1,235,000
Bond Anticipation Notes	C-22	83,286,000	71,544,000
Capital Leases Payable	C-25	93,750,000	93,960,000
Improvement Authorizations:			
Funded	C-7	43,952,269	46,851,873
Unfunded	C-7	61,494,377	73,209,589
Accounts Payable	C-8	264,927	264,927
Commitments Payable	C-9	21,572,463	18,836,864
Due to the Township of Wayne	C-11	55,151	29,190
Capital Improvement Fund	C-12	159,968	69,618
Reserve for Final Payments and Litigation	C-13	160,258	160,258
Reserve for Payment of Bonds and Notes	C-14	2,466,804	1,693,852
Due to Current Fund	C-15	330,523	
Reserve for Salt Shed - West Milford	C-16	296,619	296,619
Reserve for State EFA Loan Payments	C-17	500,000	500,000
Reserve for Interest for Fire Academy	C-18	956,670	757,343
Reserve for Administration Building Settlement	C-19	9,786	9,786
Reserve for Interest for DOT Projects	C-20	5,122,056	4,972,162
Reserve for Unappropriated Grants	C-21	2,959,126	2,857,000
Fund Balance	C-1	<u>2,833,823</u>	<u>3,585,630</u>
Total Liabilities		\$ <u>610,554,285</u>	<u>622,132,471</u>

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2007 and 2006 of \$66,760,336 and \$74,255,775, respectively.

See accompanying notes to the financial statements.

COUNTY OF PASSAIC
Statement of Changes in Fund Balance-Regulatory Basis
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$	3,585,630
Increased by:		
Premium on Bond/Note Sales		<u>248,193</u>
		3,833,823
Decreased by:		
Due to Current Fund - Budgeted Surplus		<u>1,000,000</u>
Balance - December 31, 2007	\$	<u>2,833,823</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<u>General Fixed Assets:</u>		
Land	\$ 46,613,987	46,613,987
Buildings	204,955,652	204,210,245
Equipment	57,420,881	55,474,543
Construction in Progress	<u>10,864,568</u>	<u>6,302,952</u>
	<u>\$ 319,855,088</u>	<u>312,601,727</u>
Investment in Fixed Assets	<u>\$ 319,855,088</u>	<u>312,601,727</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the County of Passaic have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 County accounts for its financial transactions through the following separate funds and account group which differ from the fund structure required by GAAP.

A. Reporting Entity

The County of Passaic (the "County") was organized under an act of the New Jersey Legislative on February 7, 1837 and operates under an elected Freeholder form of County government. The County's major operations include the County judiciary system; law enforcement, recreation, road and bridge maintenance and construction, the County correctional and penal system, health and welfare, education and general administrative services.

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

However, the counties 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. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the County does not include the operations of the autonomous agencies including the Passaic County Utilities Authority, Passaic County Community College, Vocational-Technical High School, Employees Retirement System, Welfare Board and the Private Industry Council of Passaic County which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

The County 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 County functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those funds.

The County has the following funds and account group:

Current Fund - This fund is used to account for the resources and expenditures for governmental operations of a general nature, including Federal and State grants for operations.

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

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

Confiscated Trust Fund - This fund is created to account for assets seized by local and county law enforcement agencies. Any seized assets forfeited are allocated to the respective agencies or returned upon the conclusion of each legal case filed.

Self-Insurance Fund - This fund is used to account for expenditures for Worker's Compensation and General Liability insurance claims and premiums.

Community Development Grant Fund - This fund is used to account for grant proceeds and related expenditures for Housing and Urban Development Grant Entitlements.

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

General Fixed Assets Account Group - To account for all fixed assets of the County. The County's infrastructure is not reported in the group.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

Basis of Accounting

A modified accrual basis of accounting is followed by the County of Passaic. Under this method of accounting revenues are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for counties by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units.

Property Tax Revenues - Real property taxes are assessed to each municipality within the County, based upon a County wide assessment at true equalized value. Taxes are payable in four quarterly installments on February 15, May 15, August 15 and November 15. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the municipality for the preceding year. The installment due the third and fourth quarters is determined by taking the full tax as levied for the current year against the municipality, less the amount previously charged as the first and second installments, the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 6% per annum. In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable are realized as revenue when collected. Since delinquent taxes are fully reserved, no provision has been made to estimate that portion of the taxes receivable that are uncollectible. GAAP requires property tax revenues to be recognized in the account period when they become subsequent to accrual, 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 County's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

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

Trust Funds
General Capital Fund

The governing body shall introduce and approve the annual budget not later than January 26, of the fiscal year. The budget shall be adopted not later than February 25, 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 County 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. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the County. 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 Government Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2007, the Governing Body approved additional revenues and appropriations of \$19,539,853 in accordance with N.J.S.A. 40A:4-87 and \$10,000,000 of emergency appropriations. In addition, several budget transfers were approved by the governing body.

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 canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

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

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

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 pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

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

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

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

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

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

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

General Fixed Assets - The County of Passaic has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

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

Fixed assets purchased after December 31, 1989 are stated at cost.

Fixed assets purchased prior to December 31, 1989 are stated as follows:

Land	Assessed Value
Buildings	Fair Market Value (Replacement Cost at Time of Acquisition or construction Completion)
Equipment	
Acquired Prior to 12/31/85	Replacement Cost
Acquired After 12/31/85	Actual Cost Where Available or Estimated Replacement
Construction Work in Progress	Actual Cost

No depreciation has been provided for in the financial statements.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

Use of Estimates - The preparation of financial statements requires management of the County 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 revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basic Financial Statements

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

D. Recent Accounting Pronouncements

In July 2004, the Governmental Accounting Standards Board (GASB) adopted statement number 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions." This statement will become effective for entities on a phased in basis beginning with fiscal years beginning after December 15, 2006. The effective date for this entity is the fiscal year beginning January 1, 2007. This statement will require governmental entities to report the future costs of other post employment benefits (OPEB) on a present value basis instead of the present "pay as you go" method. The County does not expect the adoption of the GASB statement to have a material effect on the County's financial position or results of operations.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

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 County's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2007, \$-0- of the County's bank balance of \$133,543,100 was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The County places no limit on the amount the County may invest in any one issuer.

NOTE 3. COUNTY DEBT

Long-term debt as of December 31, 2007 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable - General					
Obligation Debt	\$299,014,000	\$11,900,000	\$23,635,000	\$287,279,000	\$22,745,000
Capital Leases	93,960,000		210,000	93,750,000	1,430,000
Other Liabilities:					
Compensated Absences	41,228,925			41,228,925	
New Jersey:					
DEP Loans	2,284,760		285,295	1,999,465	291,030
EPA Loans	<u>1,235,000</u>		<u>130,000</u>	<u>1,105,000</u>	<u>135,000</u>
	<u>\$437,722,685</u>	<u>\$11,900,000</u>	<u>\$24,260,295</u>	<u>\$425,362,390</u>	<u>\$24,601,030</u>

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's debt is summarized as follows:

	<u>2007</u>	<u>2006</u>
Issued		
General		
Bonds, Notes and Loans	\$373,669,465	\$374,077,760
Less: Funds Temporarily Held to Pay Bonds and Additional Borrowing for County College Refunding Bonds	500,000 36,542,000 <u>27,610,000</u>	2,193,852 27,232,000 <u>28,905,000</u>
	<u>64,652,000</u>	<u>58,330,852</u>
Net Debt Issued	309,017,465	315,746,908
Authorized But Not Issued		
General		
Bonds and Notes	<u>66,780,336</u>	<u>74,255,775</u>
Net Bonds and Notes Issued and Authorized But Not	<u>\$375,797,801</u>	<u>\$390,002,683</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of 0.74% and 0.85% at December 31, 2007 and 2006, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2007</u>			
General debt	<u>\$441,325,898</u>	<u>\$64,652,000</u>	<u>\$376,673,898</u>
<u>2006</u>			
General debt	<u>\$448,333,535</u>	<u>\$58,330,852</u>	<u>\$390,002,683</u>

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

	<u>2007</u>	<u>2006</u>
2% of equalized valuation basis (county)	\$1,017,799,730	\$914,304,315
Net debt	<u>375,797,801</u>	<u>390,002,682</u>
Remaining Borrowing Power	<u>\$642,001,929</u>	<u>\$524,301,633</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's long-term debt consisted of the following at December 31, 2007 and 2006:

Paid by Current Fund:

General Obligation Bonds

	<u>2007</u>	<u>2006</u>
\$6,225,000, 1968 Bonds, due in annual installments of \$85,000 to \$200,000 through August 1, 2008, interest at 4.7%	\$85,000	\$285,000
\$18,955,000, 1992 Bonds, due in annual installments of \$530,000 to \$2,805,000 through December 1, 2009, interest at various rates from 4.70% to 7.00%	1,070,000	1,615,000
\$41,940,000, 1993 Bonds, due in annual installments of \$395,000 to \$2,925,000 through September 1, 2016, interest at various rates from 4.00% to 5.20%	6,215,000	6,215,000
\$20,100,000, 1994 Bonds, due in annual installments of \$140,000 to \$1,325,000 through May 1, 2017, interest at various rates from 3.65% to 5.15%	-0-	1,310,000
\$13,105,000, 1995 Bonds, due in annual installments of \$300,000 to \$4,135,000 through September 1, 2007, interest at 4.50% to 6.00%	-0-	4,135,000
\$5,404,000, 1996 Bonds, due in annual installments of \$260,000 to \$395,000 through Nov. 2012, interest at 5.35%	1,799,000	2,159,000
\$30,100,000, 1998 Bonds, due in annual installments of \$700,000 to \$2,500,000 through Sept. 2020, interest at 5.88% to 6.77%	22,200,000	23,300,000
\$665,000, 1998 Bonds, due in annual installments of \$220,000 to \$225,000 through Sept. 2018-2020, interest at 6.77%	665,000	665,000
\$4,495,000, 2000 Bonds, due in annual installments of \$200,000 to \$375,000 through Aug. 1, 2015, interest at 5.10%	2,810,000	3,100,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

	<u>2007</u>	<u>2006</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$4,494,000, 2000 Bonds, due in annual installments of \$200,000 to \$374,000, through Aug. 1, 2015, interest at 5.05%	2,809,000	3,099,000
\$14,000,000, 2000 Bonds, due in annual installments of \$150,000 to \$1,690,000 through Sept. 15, 2015, interest at 5.00%	10,790,000	11,690,000
\$31,145,000, 2001 Bonds, due in annual installments of \$100,000 to \$2,330,000, through March 1, 2019, interest at 4.00% to 5.25%	22,985,000	24,985,000
\$19,250,000, 2001 Bonds, due in annual installments of \$850,000 to \$1,700,000, through March 31, 2016, interest at 4.375%	13,625,000	14,625,000
\$14,965,000, 2001 Bonds, due in annual installments of \$250,000 to \$1,665,000, through Sept. 15, 2015, interest at 4.20%	11,565,000	12,565,000
\$9,485,000 2002 Bonds, due in annual installments of \$155,000 to \$1,430,000 through Sept. 15, 2014, interest at 3.5% to 3.65%	8,245,000	8,560,000
\$1,033,000 2002 Bonds, due in annual installments of \$85,000 to \$98,000 through Sept. 15, 2014, interest at 3.5% to 3.65%	608,000	693,000
\$2,515,000 2002 Bonds, due in annual installments of \$45,000 to \$365,000 through Sept. 15, 2014, interest at 3.5% to 3.75%	2,180,000	2,265,000
\$6,560,000 2003 Bonds, due in annual installments of \$25,000 to \$880,000 through Feb. 15, 2021, interest at 2.00% to 5.75%	5,410,000	5,605,000
\$18,447,000 2003 Bonds, due in annual installments of \$290,000 to \$2,790,000 through Sept. 15, 2017, interest at 3.00% to 3.75%	16,437,000	17,152,000
\$1,500,000 2003 Bonds, due in annual installments of \$125,000 through Sept. 15, 2015, interest at 3.00% to 3.50%	1,000,000	1,125,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

	<u>2007</u>	<u>2006</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$11,997,000 2003 Bonds, due in annual installments of \$50,000 to \$2,027,000 through Aug. 15, 2016, interest at 4.20% to 4.25%	11,627,000	11,752,000
\$2,010,000 2003 Bonds, due in annual installments of \$165,000 to \$170,000 through Aug. 15, 2015, interest at 4.20%	1,350,000	1,515,000
\$21,855,000 2003 Bonds, due in annual installments of \$1,915,000 to \$2,925,000 through Mar. 1, 2016, interest at 5.20%	12,090,000	14,060,000
\$19,495,000, 2004 Bonds, due in annual installments of \$1,025,000 to \$3,745,000, through March 15, 2016, interest at 3.0% to 3.5%	16,320,000	17,420,000
\$12,220,000, 2004 Bonds, due in annual installments of \$1,095,000 to \$1,295,000, through May 1, 2017, interest at 3.0% to 3.375%	12,220,000	12,220,000
\$41,870,000, 2004 Bonds, due in annual installments of \$580,000 to \$2,650,000, through September 1, 2021, interest at 2.25% to 4.75%	33,660,000	34,960,000
\$7,660,000, 2004 Bonds, due in annual installments of \$1,500,000 to \$3,065,000, through September 1, 2009, interest at 3.5% to 5.0%	4,595,000	7,660,000
\$4,788,000, 2004 Bonds, due in annual installments of \$250,000 to \$488,000, through October 15, 2017, interest at 3.6%	3,963,000	4,263,000
\$4,784,000, 2004 Bonds, due in annual installments of \$418,000 to \$566,000, through May 1, 2014, interest at 3.25%	3,506,000	3,941,000
\$20,000,000, 2005 Bonds, due in annual installments of \$25,000 to \$2,275,000, through June 1, 2019, interest at 3.75% to 4.00%	19,875,000	19,975,000
\$20,000,000 Bonds, due in annual installments of \$25,000 to \$2,600,000 through June 1, 2026, interest at 4.375% to 4.5%	19,975,000	20,000,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

	<u>2007</u>	<u>2006</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$3,050,000 Bonds, due in annual installments of \$200,000 to \$300,000 through November 15, 2018, interest at 3.625% to 4.0%	2,850,000	3,050,000
\$3,050,000 Bonds, due in annual installments of \$200,000 to \$300,000 through November 15, 2018, interest at 3.625% to 4.0%	2,850,000	3,050,000
\$5,950,000 Bonds, due in annual installments of \$350,000 to \$625,000 through November 15, 2019, interest at 3.625% to 4.0%	5,950,000	-0-
\$5,950,000 Bonds, due in annual installments of \$350,000 to \$625,000 through November 15, 2019, interest at 3.625% to 4.0%	<u>5,950,000</u>	<u>-0-</u>
	<u>\$287,279,000</u>	<u>\$299,014,000</u>

Intergovernmental Loans Payable

The County has entered into a loan agreement with New Jersey Department of Environmental Protection for the financing relating to the Acquisition of Sterling Forest.

\$5,300,000, 1994 Loan due in semi-annual installments of \$114,032 to \$163,154 through May 3, 2014, interest at 2.00%	\$1,999,465
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The County has entered into a loan agreement with the New Jersey Educational Facilities Authority for the financing related to the acquisitions for the County College of Passaic.

\$1,975,000, 1999 Loan due in semi-annual installments of \$90,000 to \$175,000 through Sept. 1, 2014, interest at 4.80 % to 6.80%	<u>1,105,000</u>
	<u>\$3,104,465</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's principal and interest for long-term debt issued and outstanding at December 31, 2007 is as follows:

Calendar Year	Bonds		Loans		Total
	Principal	Interest	Principal	Interest	
2008	\$22,745,000	\$12,642,089	\$426,030	\$95,071	\$35,908,190
2009	24,855,000	11,638,481	441,879	82,674	37,018,034
2010	25,480,000	10,591,529	452,847	69,602	36,593,978
2011	26,660,000	9,514,624	468,933	56,015	36,699,572
2012	28,244,000	8,282,500	480,144	41,645	37,048,289
2013-2017	123,800,000	22,480,447	834,632	37,725	147,152,804
2018-2022	27,120,000	4,557,799			31,677,799
2023-2027	<u>8,375,000</u>	<u>811,688</u>			<u>9,186,688</u>
	<u>\$287,279,000</u>	<u>\$80,519,157</u>	<u>\$3,104,465</u>	<u>\$382,732</u>	<u>\$371,285,354</u>

NOTE 4. BOND ANTICIPATION NOTES

The County issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2007, the County had \$83,286,000 in outstanding bond anticipation notes maturing at an interest rate of 4.0%.

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2007.

	Beginning Balance	Additions	Reductions	Ending Balance
Notes Payable:				
Sovereign Securities, LLC	\$59,644,000	\$	\$59,644,000	\$0
PNC Capital Markets, LLC	<u>11,900,000</u>	<u>83,286,000</u>	<u>11,900,000</u>	<u>83,286,000</u>
	<u>\$71,544,000</u>	<u>\$83,286,000</u>	<u>\$71,544,000</u>	<u>\$83,286,000</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 5. CAPITAL LEASES PAYABLE

In 2005 and 2006, the County entered into two lease agreements with the Passaic County Improvement Authority to fund improvement projects at the Prosecutor's office and Preakness Healthcare Center in the amounts of \$6,000,000 and \$87,960,000, respectively. Annual debt service requirements for these capital leases are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$1,430,000	\$3,797,886	\$5,227,886
2009	1,905,000	4,256,946	6,161,946
2010	1,975,000	4,186,284	6,161,284
2011	2,050,000	4,112,345	6,162,345
2012	2,125,000	4,035,606	6,160,606
2013-2017	12,240,000	18,575,389	30,815,389
2018-2022	15,280,000	15,552,250	30,832,250
2023-2027	18,130,000	11,748,497	29,878,497
2028-2032	21,495,000	6,970,425	28,465,425
2033-2036	<u>17,120,000</u>	<u>1,425,131</u>	<u>18,545,131</u>
	<u>\$93,750,000</u>	<u>\$74,660,759</u>	<u>\$168,410,759</u>

NOTE 6. FIXED ASSETS

The following is a summary of the General Fixed Assets Account Group as of December 31, 2007 and 2006.

<u>2007</u>	<u>Balance Dec. 31, 2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance Dec. 31, 2007</u>
Land	\$46,613,987	\$	\$	\$46,613,987
Buildings and Building Improvements	204,210,245	745,407		204,955,652
Machinery and Equipment	55,474,543	3,448,609	1,502,271	57,420,881
Construction in Progress	<u>6,302,952</u>	<u>4,561,616</u>		<u>10,864,568</u>
	<u>\$312,601,727</u>	<u>\$8,755,632</u>	<u>\$1,502,271</u>	<u>\$319,855,088</u>
<u>2006</u>	<u>Balance Dec. 31, 2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance Dec. 31, 2006</u>
Land	\$37,018,863	\$9,595,124	\$	\$46,613,987
Buildings and Building Improvements	201,099,153	3,111,092		204,210,245
Machinery and Equipment	48,486,213	8,166,321	1,177,991	55,474,543
Construction in Progress	<u>3,418,462</u>	<u>3,078,708</u>	<u>194,218</u>	<u>6,302,952</u>
	<u>\$290,022,691</u>	<u>\$23,951,245</u>	<u>\$1,372,209</u>	<u>\$312,601,727</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 7. INTERFUND BALANCES AND ACTIVITIES

Balances due to/from other funds at December 31, 2007 consist of the following:

\$330,524	Due to the Current Fund from the General Capital Fund for reimbursement of budget expenditures and interest earned on investments.
152,518	Due to the Current Fund from the Clearing Account to return cash deposited in error and void checks.
648,742	Due to the Federal and State Grant Fund from the Current Fund for grants received.
454,141	Due to the Trust Fund from the Current Fund to cover fund transfers.
<u>4,000,000</u>	Due to the General Capital Fund from the Federal and State Grant Fund to cover grant expenditures.

\$5,585,925

It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 8. FUND BALANCES APPROPRIATED

Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective funds for the succeeding years were as follows:

	<u>2007</u>	<u>2006</u>
Current Fund	<u>\$14,931,589</u>	<u>\$9,563,454</u>

NOTE 9. ACCUMULATED VACATION AND SICK PAY (UNAUDITED)

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

The maximum sick leave benefits an employee is entitled to at retirement is \$12,000. Employees are entitled to carryover one year vacation time (with certain exceptions).

It is estimated that the current cost of such unpaid compensation, which was not audited by us would approximate \$43,745,343 and \$41,228,925 at December 31, 2007 and 2006, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM

Substantially all of the County's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemen's Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Public Employees' Retirement System and the Police and Firemen's Retirement System (PFRS) are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate.

The 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 for PERS and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Divisions of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Description of Systems, Contribution Information and Funding Policies:

Public Employees' Retirement System (PERS)

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

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The System provides retirement, death and disability benefits, as well as medical benefits for certain qualified members. All benefits vest after eight to ten years of service, except for medical benefits, which vest after 25 years of service. Retirement benefits for age and service are available at age 60 and, under recently enacted legislation referred to below, are generally determined to be 1/55 of final average salary for each year of service credit (as defined). Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit, as defined, or they may elect deferred retirement after achieving eight to ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

The System provides specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

Members are always fully vested for their own contributions and, after three years of service credit, become vested for earnings on their contributions at 2% per annum. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement.

Two pieces of legislation passed during 2001 have a significant impact on the System's benefit provisions: Chapter 133, Public Law of 2001, increases retirement benefits for service, deferred and early retirement by changing the formula from 1/60 to 1/55 of final compensation for each year of service. This legislation also increases the retirement benefit for veteran members with 35 or more years of service and reduces the age qualification from 60 to 55. The legislation further provides that existing retirees and beneficiaries would also receive a comparable percentage increase in their retirement allowance. The benefit enhancements are effective with the November 1, 2001 benefit checks. Chapter 120, Public Law of 2001, establishes an additional retirement option for plan members. Under the new option, a retiree's actuarially reduced allowance (to provide a benefit to the retiree's beneficiary upon the retiree's death) would "pop-up" to the maximum retirement allowance if the beneficiary predeceases the retiree.

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Members contribute at a uniform rate. From January 1, 1998 to December 31, 1999, the contribution rate was 4.5% of base salary. In accordance with Chapter 415, P.L. 1999, the member rate was lowered to 3.0% effective January 1, 2000. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. The State of New Jersey's contribution also includes funding for the cost of medical premiums after retirement for qualified retirees. In accordance with Chapter 62, P.L. 1994, post-retirement medical benefits are funded on a pay-as-you-go basis plus an additional contribution that will ensure an increase in the Post-Retirement Medical Reserve Fund equal to ½ of 1% of the salary of active state employees.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

Chapter 133, P.L. 2001, provides for increased benefits for certain types of retirement. Under this legislation, the cost of the increased benefits will be funded using excess assets. To fund the initial accrued liability, the actuarial value of assets for the valuation period ending June 30, 1999, will be the full market value of the assets as of that date. The required normal contributions on behalf of active members will also be funded using available excess assets. A benefit enhancement fund will be established and maintained from which required normal contributions for the benefit enhancements will be charged. The legislation requires that the assets of the benefit enhancement fund shall not exceed the present value of the expected additional normal contribution over the expected working lives of the active members for the valuation period. If excess assets are not available when contributions are required, the legislation further provides that the state shall be responsible for the cost of the increased benefits for both State and local members. The amount of excess assets that can be utilized is also limited to the employee contributions for the year in which a payment is required. If the required funding in any year exceeds the employee contributions, the State shall also be responsible for funding the excess amount.

Legislation passed in 1997 (Chapter 115, P.L. 1997) provided for the use of excess actuarial valuation assets to offset the required normal contributions of the State of New Jersey and the local participating employers.

Through FY 2002, excess assets may be used to the extent possible to offset normal contributions. Thereafter, a certain percentage of available excess assets may be used as specified in the legislation.

As a result of Chapter 115, for the years ended June 30, 2004, 2003 and 2002, contributions by the State of New Jersey were limited to funding for post-retirement medical benefits while local employer contributions were limited to funding for early retirement incentive benefits. Employer contributions for basic pension benefits, noncontributory death benefits and cost-of-living adjustments were funded by excess assets for both the State and local employers.

The County's contribution to the public employee's retirement system, equal to the required contributions for each year, were as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2007	\$4,290,144
2006	1,904,924
2005	981,653

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

Police and Firemen's Retirement System (PFRS)

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

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:16A and 43:3B. The System provides retirement as well as death and disability benefits. All benefits vest after ten years of service except disability benefits which vest after four years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 2% of final average compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Final average compensation equals the average compensation for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek special retirement after achieving 20 or 25 years of creditable service or they may elect deferred retirement after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final average compensation for each year of service.

Widow/widowers of members retired since December 18, 1967 receive 50% of the retiree's final compensation. The minimum annual widow/widower's benefits of an accidental disability retiree prior to December 18, 1967 and of all retirees since December 18, 1967 is \$4,500.

Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions providing no survivor death benefits are payable.

Eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in the dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. The cost-of-living increases are funded by the retirement system and are included in the annual actuarial calculations of the required state and state-related employer contributions.

Legislation passed during the year (Chapter 4, P.L. 2001) provides increased benefits to certain members who retired prior to December 29, 1989 with at least 25 years of creditable service. The maximum amount of the increase is 5% of the retiree's final compensation. For those with 30 or more years of service, the total pension would increase from 65% to 70% of final compensation.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

Contributions - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. Members contribute at a uniform rate of 8.5% of base salary.

As a result of legislation passed in 2001 (Chapter 44, P.L. 2001), local employer contributions payable in FY 2001 were reduced by \$150 million to approximately \$75 million. This legislation requires that the savings realized by counties and municipalities as a result of this reduction be used for property tax relief.

The contribution policy was modified in FY 2000 by legislation (Chapter 8, P.L. 2000) which required that the System's excess valuation assets be used to fund certain benefit enhancements provided under Chapter 428, P.L. 2000. This legislation also required that the calculation of the actuarial value of assets for the June 30, 1998 valuation be based on 100% for the State and up to 57% for local employers of the difference between the expected value of assets in the system and the full-market value of the assets. In addition, this legislation required the State to fund the additional employer contributions attributable to Chapter 428 should excess assets be insufficient to cover this pension liability. Finally, due to the recognition of the surplus market assets, this legislation eliminated the unfunded accrued liability for local employers, which reduces their required contributions by \$45 million in FY 2000.

Required state contributions were offset by \$99.6 million and \$29.7 million in FY 2001 and 2000, respectively, under Chapter 115, PL 1997, which provides for the use of excess valuation assets to fund required normal pension contributions. Through fiscal year 2004, excess assets may be used to the extent possible to offset normal contributions. Thereafter, a certain percentage of available excess assets may be used as specified in the legislation.

The County's contribution to the police and firemen's retirement system plans, equal to the required contributions for each year, were as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2007	\$8,021,602
2006	\$4,620,375
2005	2,546,612

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

County Retirement System

The System's designated purpose is to provide retirement allowances and other benefits to its members. The County of Passaic Employees' Retirement System was established on January 1, 1949 under Chapter 310, P.L. 1948 until 1966 when it became subject to Chapter 210, P.L. 1966. The Plan is a defined benefit plan covering employees of the County employed by the County prior to July 1, 1967. The System's Board of Commissioners is responsible for its organization and administration.

Vesting and Benefit Provisions - Participants are eligible to receive normal retirement benefits upon completion of 20 years of service and attainment of age 55, or upon completion of 35 years of service regardless of age. Benefits under the plan are calculated on the basis of 50% of salary. In addition, a member who has completed 25 years of service and attained age 55 is entitled to an additional 1% salary for each year of service over 25 years up to age 70.

Pension benefits partially vest after 20 years of credited service. If a member has completed 20 years of credited service and is separated from service either voluntarily or involuntarily prior to age 55, the member may elect to receive 100% of his/her total employee contribution without interest, or

- (i) A deferred pension commencing at age 55 equal to 50% of salary times the ratio of his/her service divided by the service he/she would have accrued at age 55.
- (ii) A pension to commence immediately equal to 50% of salary reduced on an actuarial equivalent basis for commencement prior to age 55.

If an active member dies, an annual survivorship benefit is payable to the member's surviving spouse, as long as he/she remains unmarried or to any minor children up to age 18. The death benefit payable is equal to 2 ½% of salary multiplied by the number of years of service. However, in no event will such annual survivorship benefit exceed 25% of the member's final compensation at the time of death, except for a \$2,500 minimum annual benefit. For members who were members of certain prior retirement systems, the annual survivorship benefit is equal to 50% of salary.

If a retired member dies, 50% of the member's pension (normal or disability) will be continued to the member's surviving spouse, as long as he/she remains unmarried, or to any minor children up to age 18. However, in no event will such survivorship benefit exceed 25% of the member's final compensation at the time of retirement, except for a \$2,500 minimum annual benefit. For members who were members of certain prior retirement systems, the annual survivorship benefit is equal to 50% of the member's final compensation at the time of retirement.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

A surviving spouse will qualify for a death benefit if he/she married the employee before the member's retirement. Also, he/she must have married the employee before the member attained age 50 unless the employee continues in the employment of the County for at least five years after such marriage.

If an active member becomes permanently and totally disabled he/she is entitled to retire and receive a pension equal to 2 ½% of salary multiplied by the number of years of service up to a maximum of 20 years. However, if the disability is the result of injury, accident or sickness arising out of and in the course of employment, the pension will be equal to 50% of salary regardless of the amount of service. For members who were transferred from certain prior retirement systems, the pension is equal to 50% of salary regardless of the reason for the disability.

Contribution Policy - Each active member is required to contribute 6% of salary per annum. The County is required to contribute 10% of each active member's salary per annum, plus an addition 1% per annum in each succeeding fiscal year (cumulative) after 1966 until the actuary of the Plan certified to the County that the County's contributions, together with the contribution of the members and all Plan earnings, are sufficient to meet the liabilities of the Retirement System on a fully funded reserve basis. Pension payments to retirement employees and beneficiaries are adjusted each year by a percentage equal to 60% of the change in the Consumer Price Index. These pension increases are not to be included with the benefits that are refunded under this System, but rather are to be funded by the County by annual appropriations.

Pension Benefit Obligations

The actuarial present value of accumulated plan benefits at December 31, 2005 are detailed below:

	Base Pension Only
Vested benefits:	
Retired Members	\$30,238,600
Active Members	<u>1,706,555</u>
Total Actuarial Present Value of Plan Benefits	31,945,155
Net Assets Available for Benefits	<u>14,175,387</u>
Deficiency	<u><u>\$(17,769,768)</u></u>
	6.5%
Potential Liability	\$31,945,155
Assets	<u>14,175,387</u>
Potential Deficiency	<u><u>\$(17,769,768)</u></u>

The rates above are assumed rates of return. The different rates are used to project what the potential liabilities and deficiencies would be in variant situations.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 10. EMPLOYEE RETIREMENT SYSTEM, (continued)

Next actuarial valuation report is required to be performed based on the Plan's December 31, 2007 financial data.

Under State Law, the County is permitted to issue bonds to fund its unfunded liability for the Closed Pension Fund. On September 1, 1998, the County issued \$30,765,000 General Obligation Refunding Bonds, to refund previously issued 1995 bonds which was originally intended to fund its unfunded liability, including the cost of living adjustment, for the closed pension fund. An actuarial report has not been prepared subsequent to this financing and therefore, is not reflected above.

NOTE 11. SELF-INSURANCE WORKMEN'S COMPENSATION PLAN

The County has established a workmens compensation plan for its employees. The County funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$300,000 for any one accident or occurrence, with any excess benefit being reimbursed through a Re-Insurance Agreement with Continental Casualty Corporation up to \$1,000,000 for any one accident or occurrence. The County has not created a loss reserve for claims incurred which were unpaid at December 31, 2007 and 2006. In addition, the County has not created a reserve for any potential unreported losses which have taken place but in which the County has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the County under existing reinsurance agreements. Exhibit B-8 summarizes the 2007 transactions of the plan.

NOTE 12. SELF-INSURANCE LIABILITY PLAN

The County has established a liability trust reserve for the purpose of funding payments that may arise from any general, auto or other liability claims against the County on a self-insured basis. The County funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$1,000,000 for any one accident or occurrence, with any excess benefit being reimbursed through a Re-Insurance Agreement with Cnregis Insurance Company up to \$5,000,000 for any one accident or occurrence. The County has not created a loss reserve for claims incurred which were unpaid at December 31, 2007 and 2006. In addition, the County has not created a reserve for any potential unreported losses which have taken place but in which the county has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. Exhibit B-10 summarizes the 2007 transactions of the plan.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 13. SELF-INSURANCE HEALTH BENEFITS PLAN

The County has established a Health Benefits plan for its employees. The County funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$150,000 per employee per year, with any excess benefit being reimbursed through a Re-Insurance Agreement with Pacific Mutual Insurance Company up to \$1,000,000 per employee per year. The County has not created a loss reserve for claims incurred which were unpaid at December 31, 2007 and 2006. In addition, the County has not created a reserve for any potential unreported losses which have taken place but in which the County has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the County under existing reinsurance agreements. Exhibit B-9 summarizes the 2007 transactions of the plan.

NOTE 14. CLAIMS AND JUDGEMENTS

The County 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 County may be required to reimburse the grantor government. As of December 31, 2007 and 2006, significant amounts of grant expenditure have not been audited by the various grantor agencies but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

NOTE 15. RELATED PARTY TRANSACTIONS

In March 1987, the County of Passaic organized the Passaic County Utilities Authority (the "Authority"). The purpose of the Authority is to implement the County's Solid Waste Management Plan. The following is a synopsis of the County's related party transactions with the Authority.

a. Overlapping Debt/Contingent Liability

The Authority has issued several series of bonds over the years since 1987 pursuant to a resolution of the authority adopted on August 12, 1987 and entitled, "*The Passaic County Utilities Authority General Bond Resolution Authorizing the Issuance of Solid Waste Disposal Revenue Bonds*", as amended and supplemented as necessary in connection with each bond issuance (collectively, the "Landfill Resolution").

- \$2,040,000 principal amount of its 1999 Refunding Notes issued pursuant to the General Note Resolution as amended and supplemented;

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 15. RELATED PARTY TRANSACTIONS, (continued)

- \$3,325,000 accreted principal amount of its Solid Waste Disposal Revenue Bonds, Refunding Series 1999 (the "1999 Refunding Bonds") issued pursuant to the Landfill Bond Resolution, as amended and supplemented;

- \$3,980,000 accreted amount of its 1999A Bonds issued pursuant to the Landfill Bond Resolution, as amended and supplemented;

- \$44,825,000 Solid Waste Disposal Revenue Bonds, Refunding Series 2004 consisting of \$35,680,000 in aggregate principal amount of its Solid Waste Disposal Revenue Bonds (Tax Exempt Series 2004A) and \$9,145,000 Solid Waste Disposal Revenue Bonds (Taxable Series 2004B) (collectively, the "2004 Refunding Bonds") issued pursuant to the Landfill Bond Resolution, as amended and supplemented;

On February 22, 2007, the Authority issued \$11,075,000 of Solid Waste System Project Notes, Refunding Series 2007. The proceeds of the Project Notes will be used to, among other things: (i) currently refund and pay the accreted value at maturity of the March 1, 2007 payment of \$705,000 on the Solid Waste System Revenue Bonds, Tax-Exempt CAB's Series 1999A (Tax-Exempt Series 1999A) (the "1999A Bonds"); (ii) currently refund the March 1, 2007 payment of principal in the amount of \$1,010,000 and interest in the amount of \$46,016.25 on the Solid Waste System Project Notes, Refunding Series 1999 (the "1999 Refunding Notes"); (iii) advance refund the September 1, 2007 payment of interest in the amount of \$22,660.00 on the 1999 Refunding Notes; (iv) currently refund the February 23, 2007 payment of principal in the amount of \$8,695,000 and interest in the amount of \$391,275.00 on the Solid Waste System Project Notes, (Tax-Exempt Series 2006A) (the "2006A Notes"); (v) currently refund the February 23, 2007 payment of principal in the amount of \$85,000 and interest in the amount of \$4,462.50 on the Solid Waste System Project Notes (Taxable Series 2006B) (the "2006B Notes"); and (vi) pay the costs of issuance of the Project Notes.

On March 11, 2004 the Appellate Division decided In The Matter Of The Petition Of The Passaic County Utilities Authority For A Declaratory Ruling Regarding The Continuing Obligation Of Pen Pac, Inc. To Provide Transfer Station Services And For The Establishment Of Rates For Such Transfer Station Services, Department of Environmental Protection, DEP Docket No. SR92101003J (see note 12(2)) in favor of Pen Pac for an award of approximately \$3,238,000. In addition, interest is due for the period from July 2000 to August 2001 to compensate Pen Pac, Inc. for the Commissioner's delay in issuing the final decision.

The Authority is currently investigating whether the decision is appealable to the New Jersey Supreme Court and the possible grounds for such an appeal.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 15. RELATED PARTY TRANSACTIONS, (continued)

b. Self-Insurance Coverage

The County provides liability insurance, workmens compensation insurance and employee health insurance coverage to the Authority. The Authority annually contributes to the County's self-insurance funds for the coverage provided by the County. In 2007 and 2006 the Authority contributed \$0 and \$0 respectively, for liability insurance, \$0 and \$0, respectively, for workmens compensation insurance and \$ 0 and \$0, respectively for employee health insurance coverage.

c. Interlocal Service Agreement

On December 23, 1987 the County entered into an interlocal service agreement with the Authority. The County provides to the Authority certain services including purchasing, payroll, accounting, legal, office space and radio communication. During 2007 and 2006, the Authority paid \$-0- and \$-0-, respectively, to the County under this agreement.

NOTE 16. PRIOR YEAR DEFEASANCE DEBT

In prior years, the County defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the County's financial statements. On September 1, 2004, March 1, 2001, September 1, 1998, September 1, 1995, February 1, 1994, September 1, 1993 and December 1, 1992, \$15,890,000, \$31,145,000, \$30,100,000, \$4,875,000, \$18,981,000, \$36,879,000 and \$17,134,000 of bonds outstanding were defeased, respectively.

NOTE 17. LITIGATION

General Litigation

In the opinion of William J. Pascarell, III, Esq., County Counsel, there is no litigation of any nature now pending or threatened restraining or enjoining the issuance or the delivery of the Obligations or the levy or the collection of any taxes to pay the interest on or the principal of the Obligations, or in any manner questioning the levy or the collection of taxes, or affecting the validity of the Obligations or the levy or the collection of taxes. Neither the authority or the proceedings for the issuance of the Obligations nor the title of any of the present officers of the County to their respective offices is being contested. Neither the corporate existence or boundaries of the County is being contested; no authority or proceedings for the issuance of the Obligations has or have been repealed, revoked or rescinded; and all actions or proceedings in regard to the issuance of the Obligations taken by governing body subsequent to the adoption of the Open Public Meetings Act of New Jersey have been in compliance with said Act.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 17. LITIGATION, (continued)

Ambrose Verrone, et al. v. County of Passaic

U.S. District Court for the District of New Jersey, Civil No. 03-4236

In April 2007, the Verrone matter settled, with the County agreeing to pay a global settlement of \$500,000 plus attorneys fees (not yet determined) to be split among the 17 Verrone plaintiffs. The McCabe matter is still pending, and would not likely go to trial in 2007. The parties are presently attempting to reach settlement in McCabe. For several reasons, including 1) there are fewer plaintiffs (10) in McCabe than in Verrone, and 2) post-Verrone changes were made in the K-9 unit, we expect that McCabe liability would be less than the amount of the Verrone settlement.

LITIGATION AFFECTING THE PASSAIC COUNTY UTILITIES AUTHORITY

A discussion of certain pending litigation that could have an adverse impact on the financial condition of the Authority is set forth below and has been provided by DeCotiis, FitzPatrick, Cole & Wisler, LLP, General Counsel to the Authority and by McManimon & Scotland, L.L.C., Bond Counsel to the Authority.

1. In the Matter of the Petition of the Passaic County Utilities Authority for a Ruling Regarding the Continuing Obligation of Pen Pac, Inc. to Provide Transfer Station Services and for the Establishment of Rates for Such Transfer Station Services, DEP Docket No. SR92101003J and OAL Docket No. 00788-93N

A Verified Petition in the above matter was filed by the Authority on or about October 12, 1992. From December 12, 1992 to approximately November 11, 1997, Pen Pac provided solid waste transfer station services to the Authority. Inasmuch as Pen Pac was a public utility during this period, its rates were subject to regulation by the Department of Environmental Protection ("DEP"). The services were provided by Pen Pac during this period pursuant to interim rates, which are subject to adjustment, as determined in a rate proceeding, for over or underrecovery by Pen Pac. The rate case sought to determine a final rate for Pen Pac's services for the years 1993, 1994 and 1995. Calendar year 1996 was also included in the proceeding.

The matter was litigated and following denials of cross petitions for certification to the New Jersey Supreme Court on June 30, 2004, resulted in a final determination on June 30, 2004 that Pen Pac is owed \$3,238,792 for services performed by it in calendar years 1993 through 1996. In addition, the Commissioner determined that interest is due in the amount of \$256,313. On August 15, 2005, Final Judgment was entered in the Superior Court of New Jersey against the Authority in the amount of \$3,495,105.00.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 17. LITIGATION, (continued)

On September 15, 2004, the DEP determined (pursuant to remand order by the Superior Court of New Jersey-Appellate Division) that an additional \$921,465 is due to Pen Pac for services performed for a portion of calendar year 1997, and that an additional \$415,115 is due for interest on the total underrecovery. On October 13, 2004, the Authority filed objections to the determination of the amount of the underrecovery for calendar year 1997. Pen Pac has responded to the Authority's objections. The matter is presently pending before the New Jersey Office of Administrative Law.

2. Technical default under the terms of the 1987 General Bond Resolution

By adopting the 1987 General Bond Resolution and issuing bonds thereunder, the Authority covenanted that certain required amounts would be on deposit in applicable debt service accounts on the first business day of each Fiscal Year. If, on that date, the funds on deposit in such accounts do not meet the required levels, the Authority is required to take all steps necessary to obtain funds to satisfy the debt service payments when they come due. Most importantly, the Authority has met all debt service payment obligations when they have come due. However, the Authority is in technical default of these provisions of the General Bond Resolutions insofar as the reserve balances have not been at required levels on the dates set for review thereof and additional deposits to the appropriate accounts have not been made to bring them to required levels.

NOTE 18. ARBITRAGE REBATE

The County sometimes temporarily reinvests the proceeds of its tax-exempt debt in higher yielding taxable investments which is referred to as arbitrage by the federal tax code. In certain situations, the County is permitted to keep the extra earnings that result from arbitrage. Otherwise, any excess earnings resulting from arbitrage must be rebated to the federal government. Federal law requires that arbitrage be calculated and rebated at the end of each five-year period that tax-exempt debt is outstanding.

The County engaged Public Financial Management (PFM) to perform an arbitrage rebate calculation for the period July 1, 1999 to December 31, 2003. Their report date, March 24, 2005, shows that the County owed a rebate of \$491,545 to the Federal Government.

NOTE 19. RISK MANAGEMENT

The County is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has obtained insurance coverage to guard against these events which will provide minimum exposure to the County should they occur. During the 2007 calendar year, the County did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 20. POST RETIREMENT BENEFITS

Plan Description

The County of Passaic provides lifetime medical benefits to County employees who retire under the following conditions:

- After twenty-five years of State pension membership; or
- Upon a disability retirement

Employees who do not meet the above requirements and retire after age 60 may purchase coverage for themselves and their dependents through direct billing.

Eligible retirees are provided several medical benefit plans to select from. Their selections can be changed during open enrollment periods. Members who become Medicare eligible must enroll in both Part A and Part B in order to maintain eligibility in the County plan. For retirees with 25 years of services, Part B premiums are reimbursed by the County.

Dependents of retirees are covered until the death of the retiree, however, dependent spouses may continue coverage through direct billing upon the death of the retiree.

The number of retirees receiving premium-free benefits as of January 1, 2007, the effective date of the biannual Other Post-Employment Benefit, herein referred to as "OPEB", valuation is 675. Of these, 390 retirees retain dependent or spousal coverage. Active employees number 2,288 as of the same valuation date. There have been no significant changes in the number of covered retirees or type of coverage since the valuation date.

Funding Policy

The County currently accounts for these post retirement benefits on a pay-as-you-go basis.

Actuarial Valuation Results

The Actuarial Accrued Liability for current retirees is \$102,988,427, and for current active employees is \$49,899,323, for a total accrued liability of \$152,887,750.

Summary of Valuation Results

Actuarial Accrued Liability:	
Retiree	\$102,988,427
Active	<u>49,899,323</u>
Unfunded Actuarial Accrued Liabilities	<u>\$152,887,750</u>
Discount Rate	4.50%
Normal Cost	\$4,572,991

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

For the fiscal year ended December 31, 2007, the County's annual OPEB cost of \$10,104,366 equaled its Annual Required Contribution. After taking into consideration the County contribution, as determined by the actuarial valuation of \$5,858,000, the net OPEB obligation increased \$4,246,366 during the year ended December 31, 2007.

The following table utilizes the actuarially determined contribution for the year ended December 31, 2007 as opposed to actual payments. Differences between the actual expenditures and the actuarial contributions include discounts, deductibles, co-payments, and actuarial factors identified under "actuarial assumptions and methods" below.

Level Dollar Amortization
Calculation of Annual Required Contribution
Under Projected Unit Cost Method

Normal Cost with Interest	\$4,572,991
Amortization of Unfunded Actuarial Accrued Liability Over 30 Years	5,096,258
Interest to End of Year	<u>435,117</u>
Annual Required Contribution	10,104,366
Interest on Net OPEB Obligation	-
Adjustments to Annual Required Contribution	<u>-</u>
Annual OPEB Cost	10,104,366
Actuarial Contribution Determination	<u>5,858,000</u>
Increase in Net OPEB Obligation	4,246,366
Net OPEB Obligation, Beginning of Year	<u>-</u>
Net OPEB Obligation, End of Year	<u>\$4,246,366</u>

Under GASB Statement 45, the County would recognize the cost of other post-employment benefits in the year when the employee services are received, report the accumulated liability from prior years, and provide information useful in assessing potential demands on the County's future cash flows. The accumulated liability from prior years is phased in over the 30 year period beginning the year ended December 31, 2007. However, since the County is using the modified accrual basis of accounting as prescribed by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, the County is not required to show any accrued liability on the face of its financial statements, only to the notes to those financial statements.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 20. POST RETIREMENT BENEFITS. (continued)

The actuarial valuation projected cash costs totaling \$75,097,000 through the year 2016 for current and future retiree medical benefits as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2008	\$6,184,600	2013	\$8,940,300
2009	6,604,900	2014	9,515,500
2010	7,213,000	2015	9,994,400
2011	7,800,100	2016	10,485,100
2012	8,359,100		

Actuarial Assumptions and Methods

The actuarial assumptions used to value the County's post-employment benefits are of three types, economic, medical benefit and demographic.

Economic assumptions include the discount rate, or rate of return on investments, and health care cost trend rates and account for changes in the costs of benefits over time and the time value of money. The actuarial valuation assumes the County will continue to pay for benefits on a pay-as-you-go basis and continue to not fund the plan, therefore, the discount rate used, 4.50%, is based on the rate of return of the County's assets, since there are no plan assets. Health care trend rates through the year 2022 and later assumed are: increases in costs of traditional benefit plans ranging from 5.0% to 11.0%, prescription drug plan increases ranging from 5.0% to 12.0% and Medicare Part B cost increases of 5.0% to 6.5%.

Regarding medical benefit assumptions, the County's actuarial valuation elected to use age-banded incurred claims costs based on the claims costs used by the New Jersey State Health Benefits Program since the Traditional Indemnity Plan which primarily covers County retirees is similar in design to the State Health Benefits Traditional Plan. However, there were adjustments to reflect County medical and prescription drug claims experience and demographics. In addition, surviving spouses and direct-bill employees identified under "plan description" above, contribute 100% of the medical coverage cost and, therefore, it was concluded by the actuary these groups have no direct or implicit subsidy which is required to be considered in measuring the County's post-employment benefit liabilities.

Demographic assumptions include the following rates: mortality, retirement, withdrawal, disability, participation, dependent coverage and expenses. Of these, factors to note are participation rates are assumed at 100% of future retirees and 60% of eligible retirees assumed to have spousal coverage.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

The actuarial cost method utilized for the County's actuarial valuation is the Projected Unit Credit method. It is an acceptable method under GASB Statement 45 and is a method whereas an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The normal cost amount is expected to increase annually at the discount rate, currently 4.50%. In addition, the asset valuation method is not applicable, as the plan is currently unfunded.

SUPPLEMENTARY DATA

COUNTY OF PASSAIC

Supplementary data

Comparative Statement of Operations and Changes in Fund Balance - Current Fund

	<u>Year 2007</u>		<u>Year 2006</u>	
<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Fund Balance Utilized	\$ 9,563,504	2.25 %	\$ 16,844,878	4.26 %
Miscellaneous - From Other Than Tax Levies	162,111,916	38.16	143,480,230	36.28
Collection of Current Tax Levy	<u>253,177,231</u>	<u>59.59</u>	<u>235,187,707</u>	<u>59.46</u>
Total Income	<u>424,852,651</u>	<u>100.00 %</u>	<u>395,512,815</u>	<u>100.00 %</u>
 <u>EXPENDITURES</u>				
Budget	410,486,090	99.88	387,826,531	99.52
Other	<u>483,042</u>	<u>0.12</u>	<u>1,854,628</u>	<u>0.48</u>
Total Expenditures	<u>410,969,132</u>	<u>100.00 %</u>	<u>389,681,159</u>	<u>100.00 %</u>
Excess in Revenue	13,883,519		5,831,656	
Adjustments to Income Before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year	<u>10,000,000</u>		<u>1,070,000</u>	
	23,883,519		6,901,656	
Fund Balance, January 1	<u>10,611,574</u>		<u>20,576,727</u>	
	34,495,093		27,478,383	
Utilized as Budget Revenue	<u>9,563,504</u>		<u>16,844,878</u>	
Fund Balance, December 31	\$ <u>24,931,589</u>		\$ <u>10,633,505</u>	

Valuation of Real Property, Personal Property, Net Valuation Taxable and County Tax Rate Base

		<u>County Tax Base</u>				
		<u>Assessed</u> <u>Valuation of</u> <u>Real</u> <u>Property</u>	<u>Assessed</u> <u>Valuation of</u> <u>Personal</u> <u>Property</u>	<u>Net</u> <u>Valuation</u> <u>Taxable</u>	<u>Equalized</u> <u>Valuation</u> <u>of Real</u> <u>and Personal</u> <u>Property</u>	<u>Tax</u> <u>Rate Per</u> <u>\$100.00</u>
2007	\$	30,219,744,215	48,307,211	30,268,051,426	55,623,705,991	0.5442
2006		21,354,230,409	40,055,340	21,394,285,749	51,774,568,393	0.5142
2005		21,288,317,981	47,402,350	21,335,720,331	45,407,450,010	0.5160
2004		21,152,637,191	55,363,289	21,208,000,480	35,756,408,765	0.5431
2003		20,909,027,425	63,111,600	20,972,139,025	31,609,594,693	0.5705

Comparison of Tax Levies and Collections 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>Currently</u>	
		<u>Cash</u> <u>Collections</u>	<u>Percentage</u> <u>of</u> <u>Collection</u>
2007	\$ 253,177,231	253,177,231	100.00%
2006	235,187,707	235,187,707	100.00%
2005	209,321,070	209,321,070	100.00%
2004	193,502,872	193,502,872	100.00%
2003	179,158,896	179,158,896	100.00%

Comparative Schedule of Fund Balance

	<u>Year</u>	<u>Dec. 31</u>	<u>Utilized in</u> <u>budget of</u> <u>succeeding</u> <u>year</u>
Current Fund	2007	\$ 24,931,589	14,931,589
	2006	10,611,571	9,563,504
	2005	20,576,727	16,844,878
	2004	20,635,880	16,843,000
	2003	18,953,954	13,000,000

COUNTY OF PASSAIC

Supplementary 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>Type of bond</u>
Elease Evans	Freeholder - Director	(A)
Bruce James	Freeholder	(A)
Terry Duffy	Freeholder	(A)
Pasquale Lepore	Freeholder	(A)
Sonia Rosada	Freeholder	(A)
Tahesha Way	Freeholder	(A)
James Gallagher	Freeholder	(A)
Maria Havasy	Acting Clerk of the Board	(B)
Anthony DeNova	County Administrator	
William J. Pascrell III	County Counsel	(B)
Margaret Cherone	Acting Finance Director	
Jerry Speziale	Sheriff	
William Bate	Surrogate	
Karen Brown	County Clerk	(B)

(A) Passaic County Self-Insurance Fund.

(B) All County employees were covered under a Public Employees Dishonesty Blanket Bond.

COUNTY OF PASSAIC

Schedule of Cash and Investments

Current Fund

Year Ended December 31, 2007

	<u>Checking</u>	<u>Investments</u>
Balance, December 31, 2006	\$ 32,391,966	500,000
Increased by Receipts:		
2007 Tax Levy	253,177,231	
Federal and State Grants Receivable	32,084,134	
Revenue Accounts Receivable	108,706,057	
Non-Budget Revenues	5,741,508	
Emergency Note	10,000,000	
Due from Board of Social Services	1,420,000	
Due from Borough of Bloomingdale	1,220,773	
Petty Cash	18,600	
Schedule of Interfunds	866,906	
Miscellaneous Reserves	23,361,935	
Unappropriated Reserves for Grants	88,337	
	<u>436,685,481</u>	
	469,077,447	500,000
Decreased by Disbursements:		
2007 Budget Appropriation	351,525,719	
2006 Appropriation Reserves	6,317,257	
Schedule of Interfunds	6,719,653	
Federal & State Grant Commitments Payable	4,599,342	
Reserve for Federal & State Grants Appropriated	25,678,190	
Petty Cash	15,600	
Miscellaneous Reserves	23,330,589	
	<u>418,186,350</u>	
Balance, December 31, 2007	<u>\$ 50,891,097</u>	<u>500,000</u>

COUNTY OF PASSAIC

Schedule of Cash - Change Fund

Current Fund

Year Ended December 31, 2007

<u>Office</u>	Balance December 31, <u>2006</u>	Balance December 31, <u>2007</u>
County Courts	\$ <u>675</u>	<u>675</u>

Exhibit A-6

Schedule of Cash - Petty Cash

Current Fund

Year Ended December 31, 2007

<u>Office</u>	Balance, December 31, <u>2007</u>	Received From <u>Treasurer</u>	Returned To <u>Treasurer</u>	Balance, December 31, <u>2007</u>
Finance		200	200	
Sheriff	3,000		3,000	
Road		200	200	
Shelter		100	100	
Breakness Hospital		100	100	
Prosecutor		<u>15,000</u>	<u>15,000</u>	
	\$ <u>3,000</u>	<u>15,600</u>	<u>18,600</u>	

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, December 31, 2006	2007 Budget Revenue Realized	Revenue Realized by FOA:6:87	Received	Cancelled/ Adjusted	Balance, December 31, 2007
Violence Against Women 97 WEVX0036	\$ 177,682			167,437		10,245
Weatherization - HIP	11,779					11,779
Urban Forestry Demonstration Grant	34,833					34,833
Small Cities 097-0970	20,251			14,147		6,104
Project Safe R065304	3,852				3,852	
Workfirst ABAED 1997	89,402					89,402
Solid Waste Management 98/99	16,576				16,576	
Solid Waste Management 01004				272,361	(272,361)	
CYFAR Comm. Project 98/99	2,030				2,030	
1999 Comp. Drug/Alcohol	2,950				2,950	
Weatherization DHS/HFA 992389	130,619					130,619
Insurance Fraud 99/01	159,941					159,941
Urban Forestry #1000420	50,000				50,000	
Work First 99/00	85,449			63,233		22,214
SARTSANE Program	60,819					60,819
Tobacco Control 00-697-ADA-L	2,400				2,400	
NJT Transportation Study	25,724					25,724
Bioterrorism	349				349	
Mental Health 2001	1,086				1,086	
Housing Rehabilitation Grant	4,310					4,310
EDA Flood Mitigation	39,025				39,025	
Workfirst NJ 2001/2002	183,011					183,011
Mental Health Board 2002	5,044				5,044	
Municipal Alliance 2002	138,541					138,541
Casino Revenue 2002	9,223					9,223
LJNCS IT Development	4,000				4,000	
General Asst/Food Stamps R.O.I.D. 2004	184,040			(1,000)	1,000	184,040
Weatherization DHS 2002	16,853					16,853
Community Prosecution Enhance	149,850					149,850
Multi-Juris; CPDA 16579				(21,716)	21,716	
Smart Growth Planning 2002	55,200			50,861		4,339
Housing Rehabilitation	8,885					8,885
Weatherization DHS LIHEAP 2003	350					350
Subregional Transportation 2004	3,893					3,893
One Face E-Link 16100 2003	50,000					50,000
Workfirst NJ 2003	303,092					303,092
Mental Health Crisis Counseling	2,912					2,912
Mental Health Hospital 2002				(146,339)	121,082	25,757
Mental Health Board 2003	6,000					6,000
Homeless HIRZSN 2003	48,956					48,956
Family Development FIRZSN 2003	873,333					873,333
Municipal Alliance 2003	108,251					108,251
Small Cities 000-6334-00	164,477			37,084		127,393
Vehicle Homicide Project 2003	21,540				21,540	
Highway Traffic Safety Grant	47,419					47,419
Aging Area Nutrition 2003	348,423				348,423	
J.A.J.B.G. 8-02	65,531					65,531
J.A.J.B.G. 8-01	156,410					156,410
Mental Health Board 2004	6,000					6,000
Community Gun Violence Pros.	239,356					239,356

COUNTY OF PASSAIC
Schedule of Federal and State Grants Receivable
Federal and State Grant Fund
Year Ended December 31, 2007

<u>Grant</u>	Balance, December 31, 2006	2007 Budget Revenue Realized	Revenue Realized by 9/30/07	Received	Canceled/ Adjusted	Balance, December 31, 2007
Decontamination Trailer 2003	58				58	
Domestic Preparedness 01	11,826					11,826
Domestic Preparedness 02	171,269					171,269
Domestic Preparedness 03-ODP-016	6,273					6,273
Homeland Security Canine	5,902					5,902
Brownfields Assessment Program	149,450					149,450
COPS Tech. Program	259,800					259,800
Community Justice Grant 2004	7,143					7,143
Violence Against Women 2004	435,835			435,835		
SANE/SART Project V-27-02	397					397
Bioterrorism Prep. 04-1159-BTL2 04	273					273
Subregional Study Program 2004/05	672					672
Subregional Transportation 2005	17,890			16,312		1,578
Special Needs Planning Grant	675					675
Casino Revenue 2004	5,012					5,012
Workfirst NJ DOL 2004	1,125					1,125
Human Services 04Bem	89,429					89,429
Family Development FIRZAN	22,500				(1,000)	23,500
DFD-GA Food Stamps 2004	19,939					19,939
JJC Partnership SCP -03-PS-16 2004	313,705			240,545		73,160
Alcohol/Drug Abuse Grant 04-538-ADA-C.O	3,162					3,162
Municipal Alliance 2004	58,994				58,994	
Highway Traffic Safety Grant Cp04080109	19,731			4,000		15,731
J.A.L.B.G S-03	107,236			88,315	18,921	
DWI Enforcement A1,04-07-02-09	850					850
Homeland Security Grant FY04	43,172				(60,000)	103,172
State Incentive Program 2004	277,799			114,121		163,678
County Right to Know 2004	15,213				15,213	
Cross-Acceptance Grant 2004	40,000			39,713	287	
Underground Storage Tank	62,821					62,821
Comprehensive Traffic Safety	40,300					40,300
Workforce T.A.N.F. 2004	9,361				9,361	
C.E.H.A. 2004	997				997	
Mental Health Hospital 2004				146,839	(146,839)	
Weatherization DOE 2004				(63,235)	63,235	
Solid Waste Services 2004				(272,361)		272,361
Paris Grant - Electronic Image 2006	762,500			146,800		595,700
Paris Grant - Records Restore 2006	110,700			110,700		
Paris Grant - Needs Assessment 2006	191,400			191,400		
Paris Grant - Electronic Historic Records 2005	315,702			(326,058)		641,760
Paris Grant - DSM5 Portal Electronic Recording 2006	146,800			146,800		
Municipal Stormwater Grant	2,500			2,500		
Alcohol/Drug Abuse Grant 05-538-ADA-C.O	2,975					2,975
Municipal Alliance 2005	50,635					50,635
Workforce Invest 2003/04				392,367	(973,342)	580,975
Workforce Invest 2004/05				(846,870)		846,870

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, December 31, 2006	2007 Budget Revenue Realized	Revenue Realized by 09/24/07	Received	Cancelled/ Adjusted	Balance, December 31, 2007
Workforce Invest 2005/06	350,063			(853,941)	1,123,813	80,191
Victims of Crime Act Grant 2005/06					(13,708)	13,708
Comprehensive Community	70,322				25,000	45,322
Bioterrorism Prep. 05-1159-BTL3	301					301
County Right to Know Program 2005	15,213				15,213	
Aging Area Nutrition FY 2005	1,055,563				1,055,563	
JJC Partnership 2005	493,630			319,049		174,581
Homeless HRZSN 2005	6,339				6,339	
Mental Health Hospital 2005	63				63	
Special Initiative and Transportation	257,458					257,458
State Incentive Program 2005	568,022			442,127		125,895
J.A.I.B.G. 8-04	66,720					66,720
Mental Health Board 2005	6,000			6,000		
Family Court Services	260,024			255,136		4,888
21st Century Community Learning	32,545					32,545
Casino Revenue FY 2005	1,716					1,716
Weatherization DIB 2004	1,138				(63,235)	64,373
Weatherization DOE 2005	2,074					2,074
Subregional Transportation FY 06	2,268			1,071		1,197
Dev. Comp. Comm. Tran. Plan	98,200			93,828		4,372
Corridor Improvement Plan	178,781			177,826		955
Urban Area Security Initiative (UASI)	7,500	5,000		9,261		3,239
UASI Planner Grant FY03	81,500			20,290		61,210
SANE/SART V-39-038	4,516					4,516
SANE/SART VS-15-05	5,840			5,840		
Insurance Fraud Program 05	21,825					21,825
N.C.A. Program Support	10,000			9,175		825
Homeland Security Grant FY 05	1,410,257	174,736		1,576,848		208,145
Community Justice Grant 2005	32,395			32,395		
2005 Body Armor Repl. P.C.S.D.	3,081				3,081	
Click it or Ticket	4,000				4,000	
R.A.D. Kid Program	2,000				2,000	
Alcohol/Drug Abuse Grant 05-538-ATA-C-O	220,862			211,507		7,355
Municipal Alliance 2006	456,560			424,294		32,266
Workforce Invest 2006/07	10,668,606	853,396	17,837	11,459,622		80,217
Bioterrorism Prep. 05-1159-BTL3	255,197			248,397		6,800
C.E.H.A. 2006	149,461			84,140		65,321
Brownfields Assessment Program	200,000					200,000
Aging Area Nutrition 2006	1,018,444			378,744		639,700
Aging Area Plan Grant FY 2006	832,931			378,743	(159,918)	614,106
JJC Partnership SCP -05-PS-16	497,535			229,326		268,209
Homeless HRZSN	103,295			160,423		2,872
Human Services MODERN	1,349			(12,651)	14,000	
Mental Health Hospital 2006	253,010			258,354		(5,344)

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, December 31, 2006	2007 Budget Revenue Realized	Revenue Realized by 406,4-87	Received	Canceled/ Adjusted	Balance, December 31, 2007
Special Initiative and Transportation	1,328,700			1,160,175		168,525
State Incentive Program 2006	582,792					582,792
C.S.B.G. 2006	126,640		125,097	251,107		630
J.A.J.B.G 8-05	72,525					72,525
Mental Health Board 2006	6,000			6,000		
Family Court Services	426,241			315,851		110,390
21st Century Community Learning	534,300			508,292		26,008
FTA JARRC 2005	39,950			39,950		
FTA JARRC 2006	219,264			140,415		78,849
Planning Assistance - Parcel Data	20,000					20,000
Planning Assistance - Sewer & Water	17,500					17,500
Planning Assistance - CYS Approvals	12,500					12,500
Casino Revenue 2006	933,058			448,322		484,736
Weatherization DHS 2006	71,951	70,173	10,492	92,124		10,492
Weatherization LHHEAP 2006	57,058			57,058	(32,950)	32,950
Weatherization DOE 2006	69,580			69,580		
Subregional Internship	6,300			6,300		
Emergency Management Assistance	22,000					22,000
SART/SANE Program VS-45-06	64,625			59,535		5,090
Victims of Crime Act Grant 2005/06	108,988			201,321	(96,874)	4,541
Insurance Fraud Program 2006	92,154			69,748		22,406
Body Armor Replacement P.C.S.O. 2005	50				50	
N.C.A. Program Support - Paterson 143-PS06	5,300					5,300
Homeland Security Grant FY06	853,234		142,821	175,757		820,298
Click it or Ticket	4,000			4,000		
Bryne Memorial Justice	80,060					80,060
Paris Grant			847,136	423,568		423,568
Municipal Stormwater Grant		10,000		10,000		
Alcohol/Drug Abuse Grant 06-538-ADA-D		840,926		438,818		402,108
Municipal Alliance 2007		604,535		120,649		483,886
Workforce Invest (PIC) 2007/08			11,159,034	1,295,455		9,863,579
L.E.O.T.E.F. 2006		52,375		52,375		
Bioterrorism Prep. 07-1159-BTL2		592,632		347,451		245,181
CBHA 2007			241,531	85,000		156,531
County Right to Know Program 2007			15,213	15,213		
Clean Communities			47,103	47,103		
Solid Waste Services 2007			310,798	310,798		
Aging Area Nutrition 2007		2,534,823		674,165		879,801
Aging Area Plan Grant FY 2007		1,820,069		522,844		1,113,726
Farmer's Market Nutrition Program			1,000	1,000		
JJC Partnership SCP-07-PS-16		501,971				501,971
Homeless HIKZ7N		891,812		846,702		45,110
Human Services 07BERN		170,133	10,000	165,956		14,177
Mental Health Hospital 2007		248,160		64,504		183,656
Child Behavioral Health Services		153,841		153,841		
Special Initiative and Transportation			1,328,700	706		1,327,994
State Incentive Program 2007		588,619				588,619
C.S.B.G. 2007			251,737			251,737

COUNTY OF PASSAIC
Schedule of Federal and State Grants Receivable
Federal and State Grant Fund
Year Ended December 31, 2007

Grant	Balance, December 31, 2006	2007 Budget Revenue Realized	Revenue Realized by 10/31/07	Received	Canceled/ Adjusted	Balance, December 31, 2007
J.A.L.B.G. 8-06		73,760		18,687		55,073
Mental Health Board 2007			6,000			6,000
Human Services 07BERN PASP		545,691	46,322	359,868		32,145
Family Court Services		430,504				430,504
21st Century Community Learning			350,000	141,849		208,151
Clean Energy			150,000	57,500		92,500
Casino Revenue 2007		2,656,681		1,396,099		1,260,582
Weatherization DHS 2007		131,103	137,586	174,736		93,953
Weatherization DOE 2007			151,703	136,732		14,971
Weatherization HHP 2007			184,235	81,954		102,281
Subregional Transportation 2007		123,019		116,657		6,362
Eubregional Transportation 2006			123,019	24,604		98,415
Subregional Technical Studies			220,000	44,000		176,000
CERT 2006		8,500		8,500		
Pre-Disaster Mitigation Grant			225,000			225,000
E-9-1-1 Grant Coordinator		25,000		25,000		
UASI Planner Grant 2006-G12-T5-0047			56,760			56,760
UASI Planner Grant		248,000		114,614		132,386
SART/SANE Project VS-45-07			65,275			65,275
Local Law Enforcement PCPO JAG 1-20LL-05		63,336		43,336		
Victims of Crime Act Grant V-20-06			511,272	201,757		309,515
Insurance Fraud Program 07		250,000		185,690		64,310
Body Armor Replacement P.C.S.O. 2006		8,313		8,313		
N.C.A. Program Support - Paterson PATF-NJ-PS07			10,000			10,000
New Jersey Sex Offender			40,560	40,560		
Gang Suppression Initiative 2006		280,000		280,000		
Justice Assistance Program		155,784		155,784		
Multi-Juris Narc Task Force 2007			155,784	77,892		77,892
Homeland Security Grant FY07			1,103,977			1,103,977
Community Justice 2006		95,237		74,493		20,744
Nj Project Vision Grant #PV1005			43,750			43,750
Body Armor Replacement P.C.S.O. 2006		66,262		66,262		
Click it or Ticket		4,000		4,000		
Obey the Sign or Pay the Fines			4,000			4,000
E-911 General Assistance Grant			52,863	52,863		
E-911 Coordinator - PCSO			25,000	25,000		
E-911 Equipment Grant			384,989	384,989		
E-911 Consolidation Grant			35,000	35,000		
	<u>\$ 33,341,064</u>	<u>15,008,391</u>	<u>19,788,603</u>	<u>32,535,884</u>	<u>1,284,455</u>	<u>34,317,719</u>
Grant		\$ 12,521,793	18,834,623			
Match		2,486,598	953,980			
		<u>\$ 15,008,391</u>	<u>19,788,603</u>			
			Unappropriated Reserves	\$ 451,750		
			Cash	<u>32,084,134</u>		
				<u>\$ 32,535,884</u>		

COUNTY OF PASSAIC

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2007

	Balance, December 31, 2006	Accrued 2007	Collected	Balance, December 31, 2007
Miscellaneous Revenues:				
County Clerk	\$ 16,420	315,289	316,822	14,887
Clerk - Registry Division	2,000,720	5,787,195	7,008,820	779,095
Surrogate	22,007	383,026	372,119	32,914
Sheriff		2,534,426	2,534,426	
Interest on Investments and Deposits		3,589,522	3,589,522	
Road Opening Permits		122,212	122,212	
Rental Income		284,372	284,372	
Prosecutor's Office - Confiscated Money		131,020	131,020	
State Aid - College County Bonds		1,376,518	1,376,518	
Division of Youth and Family Services		2,237,329	2,237,329	
Welfare - Supplemental Security Income		1,215,093	1,215,093	
Maintenance of Patients in State Institutions for Mental Diseases		14,822,361	14,822,361	
Maintenance of Patients in State Institutions for Mentally Retarded		14,942,203	14,942,203	
Added and Omitted Taxes	1,084,096	919,597	913,089	1,090,604
Board Inmates at County-State		5,238,731	5,238,731	
Board of Inmates at County-Federal		12,324,290	12,324,290	
Title IV D Parent Locator Program		200,000	200,000	
Fringe Benefits		4,631,638	4,631,638	
Prackness Hospital-Medicaid Reimbursements		28,900,000	28,900,000	
Youth Center - USDA Meals		96,787	96,787	
Maintenance in Lieu of Rent-Martin Luther King-Soc Se		1,656,004	1,656,004	
State School Building Aid (Chapter 12)		176,350	176,350	
Park Fees		1,635,696	1,635,696	
Telephone Commissions		362,230	362,230	
Capital Surplus		1,000,000	1,000,000	
Site Plan Fees		126,286	126,286	
Radio Tower Rental		14,000	14,000	
Security Contract Passaic Valley Water		921,028	921,028	
Stable Fees		40,170	40,170	
Indirect Cost Allocation - Prior Year		880,481	880,481	
Due from Oather Trust Fund		105,648	105,648	
Title IV D - 2005 Spacc Facility Cost Reimbursements		578,660	578,660	
County Clerk P.L. 2001 C370		107,435	107,435	
Register P.L. 2001 C370		1,167,907	1,167,907	
Surrogate P.L. 2001 C370		110,000	110,000	
Sheriff P.L. 2001 C370		202,506	202,506	
	\$ 3,123,243	109,136,010	110,341,753	1,917,500

COUNTY OF PASSAIC

Schedule of Interfunds

Current Fund

Year Ended December 31, 2007

	Balance, December 31, 2006	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, 2007
Federal and State Grant Fund	\$ (1,826,007)	4,724,484	3,547,219	(648,742)
Other Trust Fund	105,648	274,425	812,282	(432,209)
Community Development Grant Fund	(21,932)			(21,932)
General Capital Fund	(765,650)	1,513,788	417,614	330,524
Clearing Account	<u>(126,966)</u>	<u>279,484</u>		<u>152,518</u>
	<u>(2,634,907)</u>	<u>6,792,181</u>	<u>4,777,115</u>	<u>(619,841)</u>
Due from	105,648	988,480	611,086	483,042
Due (to)	<u>(2,740,555)</u>	<u>5,803,701</u>	<u>4,166,029</u>	<u>(1,102,883)</u>
	<u>\$ (2,634,907)</u>	<u>6,792,181</u>	<u>4,777,115</u>	<u>(619,841)</u>
			866,906	
		6,719,653		
		72,528		
			3,545,209	
			<u>365,000</u>	
		<u>\$ 6,792,181</u>	<u>4,777,115</u>	

COUNTY OF PASSAIC

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2007

	Balance, Dec. 31, 2006	Balance after Transfers and Equivalences	Paid or Charged	Balance Lapsed
Salaries and Wages:				
Board of Freeholders	\$ 290			
Finance Department	1,581			
County Adjuster	2,783			
Clerk of the Board	5,580			
Personnel	6,914			
County Clerk	4,537			
County Register	13,431			
Prosecutor's Office	365,107			
Prosecutor's Office-Spec	8,718			
Purchasing Department	28,611			
Buildings and Grounds	145,835			
Weights and Measures	1,271			
Board of Taxation	1,490			
Superintendent of Elections	3,554			
County Emergency Management	29,208			
Planning Board (NJS 40:273)	35,092			
Mosquito	20,819			
Engineering	80,816			
Jail and Workhouse	359,693			
Department of Youth Services	832,237	107,244	107,244	
Preckness Hospital	1,563,834			
Camp Hope (40:25-6 1 to 16)	17,287	17,288		17,288
County Health Dept., Chapter 329 PL 1975	215,672			
Office of County Superintendent of Schools	29,366			
County Extensive Services	95,785			
Parks	168,207			
Golf Course	44,342			
Para-Transit	50,941	50,941		50,941
Police Academy	931			
Other Expenses:				
Board of Freeholders	79,812	60,844	20,018	40,826
County Administrator	129,596	137,442	81,933	55,509
Finance Department	84,046	90,616	25,892	64,724
Postage	13,425	30,612	1,000	29,612
Audit	83,000	83,000	81,000	2,000
Insurance Division		3,872		3,872
County Counsel	20,125	26,192	11,051	15,141
County Counsel Ethics	7,802	9,034	9,034	
County Adjuster	3,070	3,288	1,608	1,680
Clerk of the Board	3,141	3,650	1,731	1,919
Personnel	10,593	17,963	7,721	10,242
County Clerk	14,396	15,129	1,249	13,880
County Register	11,917	12,896	9,632	3,264
Prosecutors Office	31,239	93,901	61,469	32,432
Countywide Radio	13,927	63,196	54,266	8,930
Purchasing Dept.	3,202	21,399	20,596	803
Bulk Purchasing	30,441	226,536	175,600	50,936
MIS Department (Finance Department)	172,536	202,572	27,540	175,032
Building and Grounds	97,374	134,750	61,996	72,754
Parking	63,265	63,265		63,265

COUNTY OF PASSAIC

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2007

	Balance, Dec. 31, 2006	Balance after Transfers and Encumbrances	Paid or Charred	Balance Lapsed
Welfare Board	1,029	3,724	3,945	1,779
Photostat	47,385	89,577	84,519	5,058
Economic Development	5,649	18,358	12,727	5,631
Surgical, Major Medical for Employees	2,286,736	27,375	6,243	21,132
Group Life Insurance for Employees	23,964	23,964		23,964
Group Hospitalization		2,336,641	419,445	1,917,196
Surety Bond Premium	6,000	6,000		6,000
Worker's Compensation	215,000	215,000	215,000	
Other Insurance	50,192	68,984	30,120	38,864
Drug Plan	216,609	220,609	4,000	216,609
Dental Plan	317,458	317,458		317,458
Disability Insurance	25,149	25,149		25,149
Judiciary, Surrogates	16,126			
Sheriff's Office	79,670	96,139	27,650	68,489
Weights and Measures	2,804	3,317	1,072	2,245
Board of Taxation	13,017	14,433	4,990	9,443
Medical Examiner	2,172	313,830	311,658	2,172
Board of Elections	48,107	50,833	28,030	22,803
Superintendent of Elections	159,187	247,613	136,711	110,902
Election-County Clerk	131,709	142,294	142,166	128
County Emergency Management	4,290	10,734	6,269	4,465
Planning Board (NJS 40:273)	-680	505,381	9,859	495,522
Construction Board of Appeals	2,600	5,000	2,350	2,650
Roads	246,910	563,434	181,225	382,209
Mosquito	29,110	37,659	7,884	29,775
Engineering	13,093	14,050	1,770	12,280
Jail and Workhouse	256,258	723,720	198,269	525,451
Jail and Workhouse - Medical	957,331	1,429,754	458,918	970,836
Crippled Children	10,000	10,000		10,000
Addiction Program Contractual	44,593	82,407	43,184	39,223
Mentally Diseased and Mentally Retarded	5,367	15,000	15,000	
Mental Health Programs		216,250	216,250	
Maintenance of Patients		34,567	24,467	10,100
Supplement Security Income	2,346	2,348		2,348
Aid to Dependent Children (NJS 44:10-1 ST Seq)	67,999	68,000		68,000
Division of Mental Health Protection-Prior Bill	74,470	74,470		74,470
Department of Youth Services	72,381	94,854	45,985	48,869
Preakness Hospital	299,398	673,371	272,848	401,023
Camp Hope (40:23-6. 1 to 16)	19,640	55,026	19,775	35,253
Office on Aging	43,052	58,308	17,451	40,857
County Health Dept. Ch 329 PL 1975	15,489	22,769	6,687	16,082
Office of County Superintendent of Schools	3,422	22,978	19,189	3,789
Passaic County Vocational School	595,513	595,514	595,382	132
County Extensive Services	746	12,379	12,247	132
Passaic County Community College	275,000	999,769	138,769	855,000
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	229,373	229,373	55,016	174,357
Parks	15,847	21,792	6,942	14,850
Golf Course	243,648	269,549	173,118	96,431

COUNTY OF PASSAIC
 Schedule of Appropriation Reserves
 Current Fund
 Year Ended December 31, 2007

	Balance, Dec. 31, 2006	Balance after Transfers and Encumbrances	Paid or Charged	Balance Unused
Passaic County Historical Society	25,000	25,000	25,000	
Passaic County Volunteer Fire Academy	60,000	60,000		
Equipment, Office, Car, Other	61,240	73,721	12,481	61,240
Sick Leave Payout	104	104		104
Aid to Volunteer Ambulance & Fire Co. (NJS40:5-2)	23,000	23,000	1,000	22,000
Para-Transit	61	4,752	4,455	297
Police Academy	136,606	194,322	61,435	132,887
Aid to Child Care Committee		10,500	10,500	
Aid to Women's Haven NISA 30:14-11		7,350	7,350	
Aid for Organization for Mentally Retarded and HI (NJS 40-23-8.11)		10,000	10,000	
Aid to Health & Welfare Councils (NJS 40-23-8.28)	803,500	257,426	256,926	500
Salary and Wage Adjustment		4,306,459		4,306,459
Prior Year Bills		241	241	
Utilities:				
Gasoline	127,386	273,634	77,300	196,334
Telephone and Telegraph	138,026	391,174	266,388	124,786
Natural Gas & Electric	899,762	1,343,103	529,167	813,936
Street Lighting	137,364	164,633	64,735	99,898
Heating Oil	48,470	64,890	6,384	58,506
Water	68,699	111,968	81,550	30,418
Garbage	108,933	254,921	73,309	131,612
Debt Service Fees	66,301	68,912	10,888	58,024
Contingent		161,741	102,440	59,301
Statutory Charges:				
Contribution to PERS		1,461		1,461
Social Security System		218,663		218,663
Statutory Fica Match-PCBSS		88,143		88,143
Unemployment Compensation		209,418		209,418
Contribution to PFRS		1,308		1,308
Contribution Judicial Pension		5,000		5,000
	<u>\$ 14,887,460</u>	<u>20,871,728</u>	<u>6,317,257</u>	<u>14,494,471</u>

COUNTY OF PASSAIC

Schedule of Accounts Payable

Current Fund and Federal and State Grant Fund

Year Ended December 31, 2007

	<u>Total</u>	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2006	\$ <u>609,555</u>	<u>566,545</u>	<u>43,010</u>
Decreased by:			
Cancelled to Operations	<u>72,122</u>	<u>72,122</u>	<u> </u>
Balance, December 31, 2007	\$ <u>537,433</u>	<u>494,423</u>	<u>43,010</u>

COUNTY OF PASSAIC

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2007

	<u>Total</u>	<u>Budget Appropriations</u>	<u>Reserve for Federal and State Grant Funds</u>
Balance, December 31, 2006	\$ <u>5,305,887</u>	<u>5,305,887</u>	<u> </u>
Increased by:			
Charges to 2007 Budget Appropriations	6,784,928	6,784,928	
Charges to Reserve for Federal and State Grants Appropriated	<u>5,845,671</u>	<u> </u>	<u>5,845,671</u>
	<u>12,630,599</u>	<u>6,784,928</u>	<u>5,845,671</u>
	17,936,486	12,090,815	5,845,671
Decreased by:			
Encumbrances Transferred to Appropriation Reserves	5,305,887	5,305,887	
Encumbrances Transferred to Federal and State Grant Fund	<u>5,845,671</u>	<u> </u>	<u>5,845,671</u>
	<u>11,151,558</u>	<u>5,305,887</u>	<u>5,845,671</u>
Balance, December 31, 2007	\$ <u><u>6,784,928</u></u>	<u><u>6,784,928</u></u>	<u><u> </u></u>

COUNTY OF PASSAIC
Schedule of Commitments Payable
Federal and State Grant Fund
Year Ended December 31, 2007

Balance, December 31, 2006	\$ 4,599,342
Increased by:	
Transferred from Current Fund - Encumbrances Payable	<u>5,845,671</u>
	10,445,013
Decreased by:	
Payments	<u>4,599,342</u>
Balance, December 31, 2007	<u><u>\$ 5,845,671</u></u>

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred From 2007 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2007
		Budget	Appropriation By 400A-6.87				
Insurance Fraud Program 99701	124,366						124,366
Paris Grant- Electronic Image 2005	1,891				(1,706)		3,590
Paris Grant- Imaging 2006	705,839				235,757		470,082
Paris Grant- Imaging 2007			286,196				286,196
Paris Grant - Record Restoration 2005	49,100				40,580		8,520
Paris Grant - Record Management 2006	110,700				97,942		12,758
Paris Grant - Record Management 2007			126,220				126,220
Paris Grant - Needs Assessment 2005	12,114				12,114		
Paris Grant - Needs Assessment 2006	191,400						191,400
Paris Grant - Enterprise Image 2005	22,710				22,696		14
Paris Grant - Imaging Sheriff			224,760				224,760
Paris Grant - Electronic Historical Records 2005	259,507				236,809		22,698
SARTSANE Program	60,619						60,619
Paris Grant- Expan B-Recording 2005	12,159				10,000		2,159
Paris Grant- DSMS Portal Elec Rec	146,800						146,800
Paris Grant - DSMS Portal Expansion			209,960		195,366		14,594
Paris Grant - Electronic Finger Printing 2005	104,668				104,668		
Weatherization IDP	38,274						38,274
Weatherization DHS 2002	309				309		
Weatherization DHS LHHEAP 2003	211				211		
Paris Grant - Criminal Identification 2005	235,492				234,040		1,452
Urban Forestry Grant 9697	24,496				10,098		14,398
Municipal Stormwater Grant 2006		10,000					10,000
Community Prosecution Enhance	133,745						133,745
NHT Transportation Study	18,159						18,159
Subregional Transportation FY 04	1,612						1,612
Mental Health Board 2003	437						437
One Case E-Link 16100	10,000						10,000
Workfirst NJ 01/02	86,320						86,320
Workfirst NJ 2003	59,815						59,815
Human Services ODDERN	727				(2,938)	(3,665)	
Mental Hlth Crisis Counseling	2,912						2,912
Mental Health Hospital 2001	1				1		
Mental Health Board 2001	1,086					(1,086)	
Mental Health Board 2002	4,654				(508)	(4,954)	
Homeless HIRZON 2003	11,347						11,347
Family Development FIRZIN					(244)	(244)	
Family Development FIRZIN	558,400				(36,622)	(595,022)	
Family Development FIRZIN03	242,535				(630)		243,165
General Ass/Food Stamps	3,214						3,214
JJC Partnership/Family Court 2003	128,898					(158,898)	
R.O.J.D. 2004	8,220						8,220
Alcohol/Drug Abuse Grant 2002					(205)	(205)	
Alcohol/Drug Abuse Grant Fy04	4,797						4,797
Alcohol/Drug Abuse Grant Fy05	14,723						14,723
Alcohol/Drug Abuse Grant Fy06	49,578				(53,106)		102,684
Alcohol/Drug Abuse Grant Fy07		840,926			781,109		59,817

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred From 2007 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2007
		Budget	Appropriation By 40A:4-87				
Municipal Alliance 2002	119,991						119,991
Municipal Alliance 2003	76,852						76,852
Municipal Alliance 2004	1,002					(1,002)	
Municipal Alliance 2005	44,382						44,382
Municipal Alliance 2006	115,071				69,053		46,018
Municipal Alliance 2007		604,535			580,647		23,888
Solid Waste Services 03/04	77				(45,189)		45,266
Small Cities Grant #00-3537-00	4,737						4,737
Housing Rehabilitation Grant	1,936						1,936
Smart Growth Grant	500						500
Smart Growth Planning 2002	99,665				15,835		83,830
Smart Growth Grant # 00-6334-00					(121,965)		121,965
Workforce Invest 2004/05	67,715				9,423		58,292
Workforce Invest 2005/06	72,094				(8,097)		60,191
Workforce Invest (PIC) 2006/07	5,264,075	853,396	17,887		5,942,871		192,437
Workforce Invest (PIC) 2007/06			11,359,034		4,861,990		6,297,044
HYPA Welfare To Work 98/99	1,424,696						1,424,696
Vehicular Homicide Project03	21,540					(21,540)	
Highway Traffic Safety Grant (2)	49,920					(49,920)	
Highway Traffic Safety Grant (1)	50,238						50,238
Highway Traffic Safety Grant	21,540					(21,540)	
L.E.O.T.E.F 2004	9,997				5,549		4,448
L.E.O.T.E.F 2003	4,998				1,824		3,174
L.E.O.T.E.F 2005	41,435						41,435
L.E.O.T.E.F 2006		52,375					52,375
Comprehensive Traffic Safety	43,391						43,391
Comprehensive Community	94,500						94,500
Aging Area Nutrition 2003					(110)	(110)	
Bioterrorism Prep.	1,517						1,517
Bioterrorism Prep.	1,592						1,592
Bioterrorism Prep.	7,191				(249)		7,440
Bioterrorism Prep.		592,632			566,054		26,578
J.A.I.B.G. S-01	13,641						13,641
J.A.I.B.G. S-02	57,838						57,838
CEHA 2004	4					(4)	
CEHA 2005	71,781				71,781		
CEHA 2006	105,321				40,000		65,321
CEHA 2007			241,531		85,000		156,531
County Right to Know Program			15,213		15,213		
Underground Storage Tank	58,924						58,924
Mental Health Board SFY'03	246						246
NJSP Exercise Pass-Thru CY03	1					(1)	
NJSP Exercise Pass-Thru CY03	25,000					(25,000)	
NJSP CBRN Initiative FY2003	114,868					(114,868)	
Community Gun Violence Prev.	93,039						93,039
Clean Communities			47,103				47,103
Weatherization DOE 2003	3,194					(3,194)	
Solid Waste Services			310,798		108,818		201,980
Decontamination Trailer 2003	58					(58)	
Domestic Preparedness FY 01'	7,078						7,078
Domestic Preparedness FY 02'	2,028						2,028
Domestic Preparedness 2003	4,273						4,273

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred from 2007 Budget Appropriations		Cash Match	Encumbered	Adjusted/ Cancelled	Balance, Dec. 31, 2007
		Budget	Appropriation By 40A:4-87				
Homeland Security Canine	202						202
Brownfields Assessment Program	170,000						170,000
Brownfields Assessment Program	200,000				30,400		169,600
Customized Training Program	5,000					(5,000)	
State Homeland Security	87,215						87,215
COFS Tech. Program	865						865
Aging Area Nutrition FY 2005	2,673,404					(2,673,404)	
Aging Area Nutrition FY 2006	2,520,039				91,453		2,428,586
Aging Area Nutrition FY 2007		1,034,823	678,163	1,500,000	1,866,745		1,340,243
Area Plan Grant FY 2005	493,684					(353,100)	140,584
Area Plan Grant FY 2006	1,682,464				969,320	(600)	712,544
Aging Area Plan Grant FY 07		1,420,069	622,844	400,000	1,228,814		1,114,009
Farmer's Market Nutrition Program			1,000		1,000		
JJC Partnership 2004	164,203						164,203
JJC Partnership 2005	205,645						205,645
JJC Partnership 2006	224,680				48,785		175,895
JJC Partnership 2007		501,971			354,452		147,519
Homeless HIRZAN 2004	(5,857)				(5,857)		
Homeless HIRZAN 2005	22,831				8,857	(16,974)	
Homeless HIRZAN 2006	61,609				52,216		9,453
Homeless HIRZAN 2007		891,812			855,419		36,393
Human Services 04Bem	22,653				(510)		23,163
Human Services 05Bem	160,794						160,794
Human Services 06Bem	50,667				34,703		15,964
Human Services 07Bem		170,133	10,000		174,122		6,011
Mental Health Hospital 2004	16,188						16,188
Mental Health Hospital 2006	3,836						3,836
Mental Health Hospital 2007		248,160			248,160		
WorkFirst NJ DOL 2004	6,545						6,545
Div. Of Child Behavioral Hlth Serv.		153,841			153,841		
DPD-GA FOOD Stamps 2004	14,759						14,759
Special Initiative and Transportation	209,572				(5)		209,577
Special Initiative and Transportation	312,316				288,104		24,212
Special Initiative and Transportation			1,325,700		1,021,956		306,944
Family Development PIRZAN	96,057				229		95,828
State Incentive Program 2004	383,641				54,771		328,870
State Incentive Program 2005	113,362				1,366		111,996
State Incentive Program 2006	133,875				54,400		79,475
State Incentive Program 2007		516,619			493,714		94,905
C.S.B.G 2003	34,513					(34,112)	400
C.S.D.G 2005	117,009				612		116,397
C.S.B.G 2006	75,640		125,097		131,339		49,398
C.S.B.G 2007			251,737		53,378		198,359
J.A.I.B.G 8-03	10,087					(10,087)	
J.A.I.B.G 8-04	2,024				712		1,312
J.A.I.B.G 8-05	15,463				13,922		1,541
J.A.I.D.G 8-06		66,384		7,376	68,656		5,104

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred From 2007 Budget Appropriations		Cash Match	Exceeded	Adjusted/ Canceled	Balance, Dec. 31, 2007
		Budget	Appropriation By 40A:4-87				
Mental Health Board 2004	1,397				1,298		99
Mental Health Board 2005	1,117				209		908
Mental Health Board 2006	4,886				4,842		44
Mental Health Board 2007			6,000		1,789		4,211
T.A.N.P 2004/2005	31,384				(65,000)	(96,384)	
Human Services OTHER PASSP		345,601	46,322		362,062		29,951
Family Court Services	4,888						4,888
Family Court Services 2006	25,681				(75,735)		101,416
Family Court Services 2007		430,504			250,367		180,137
21st Century Community Learning	179,326				157,664		26,662
21st Century Other Exp	112,914				73,381		39,533
21st Century CLC Program			350,000		347,845		2,155
JARC	25,440				(16,250)		41,690
JARC	219,264				195,264		24,000
Planning Assistance - Parcel Data	20,000						20,000
Planning Assistance - Sewer & Water	17,500						17,500
Planning Assistance - O/S Approvals	12,500						12,500
Clean Energy Program			150,000				150,000
Casino Revenue FY 2005	1,716						1,716
Casino Revenue FY 2006	264,645				1,020		263,625
Casino Revenue FY 2007		1,579,368		1,077,313	2,179,693		477,188
Weatherization DHS 2006	89,453	20,173			87,265	10,492	32,853
Weatherization DHS 2004	5,960				891		5,069
Weatherization DHS 2005	18,212				7,888		10,324
Weatherization DHS 2006 LHBAP	29,377		10,492		17,660	(10,491)	11,718
Weatherization DHS 2007		131,103	137,586		125,709		142,980
Weatherization DOE 2004	7,084				3,535		3,549
Weatherization DOE 2005	43,956				5,068		38,888
Weatherization DOE 2006	78,538				1,024		77,514
Weatherization DOE 2007			151,703		70,600		81,103
Clean Communities 2004	998				693		105
Clean Communities 2005	2,003				1,455		608
Clean Communities 2006	35,274				4,999		30,275
Weatherization IIR			184,235		69,190		115,045
Cross-Acceptance Grant 2004	35,000				34,713	(287)	
Subregional Transportation FY 05	347						347
Subregional Transportation FY 06	51,229				48,141		3,088
Subregional Transportation FY 07		98,415		24,604	172,653		366
Subregional Transportation FY08			98,415	24,604	21,624		101,395
Dev. Comp. Comm. Trn. Plan	50,000				29,356		20,644
Subregional Internship	6,300						6,300
Solid Waste Services	4				(118)		122
Solid Waste Services	238,975				115,246		123,729
Subregional Technical Studies			176,000	44,000			320,000
Corridor Improvement Plan	223,481				196,759		26,722

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred From 2007 Budget Appropriations		Cash Match	Increased	Adjusted/ Cancelled	Balance, Dec. 31, 2007
		Budget	Appropriation By 60A:4-87				
Cont 2003	51				51		
Cont 2006		8,000			498		8,005
Special Needs Planning Grant	675						675
Pre-Disaster Mitigation Planning			225,000				225,000
§ 9-1-1 Grant FY 05	103						103
§ 9-1-1 Coordinator		25,000			25,000		
Urban Area Security Initiative (UASI)		5,000			4,942		58
Urban Area Security Initiative (UASI)			56,760				56,760
UASI Planner FY 06		248,000			199,469		48,531
Emergency Mgmt Assistance (EMA)	32,000						32,000
Safe/Sent Project V-27-02	7,496						7,496
SANE/SART V-39-03S	4,516						4,516
SANE/SART Program	28,962				27,209		1,667
SANE/SART Program			65,275				65,275
Local Law Enforcement PCPO		32,502		10,834	43,336		
Victims of Crime Act Grant	110,999					(110,999)	
Victims of Crime Act Grant	13,708						13,708
Victims of Crime Act Grant	76,121				71,914		4,207
Victims of Crime Act Grant			409,018	102,294	332,826		178,446
Insurance Fraud Program 05	21,825						21,825
Insurance Fraud Program	137,205				114,799		22,406
Insurance Fraud Program 07		250,000			243,472		6,528
2005 Body Armor Repl. P.C.S.O.	55						55
Body Armor P.C.P.O		8,313			8,313		
N.C.A. Program Support	5,300						5,300
N.C.A. Program Support	7,175				6,367		813
N.C.A. Program Support			10,000		9,473		527
Violence Against Women	304,339						304,339
New Jersey Sex Offender			40,560		40,288		272
DWI Enforcement 2004	850						850
Gang Suppression Initiative DE-6-02	12,678						12,678
Gang Suppression 2005	170						170
Gang Suppression 2006		210,000		70,000	279,996		4
Byrne Justice Assistance Grant		77,892		77,892	150,784		
Multi-Jurisdictional Narcotics Task			77,892	77,892	155,764		
Homeland Security Grant FY 04	90,010				5,951		84,059
Homeland Security Grant FY 05	463,547	174,736			620,121		18,162
Homeland Security Grant FY 06	853,234		142,821		841,772		154,283
Homeland Security Grant FY 07			1,103,977		952,382		151,595
Community Justice Grant	718						718
Community Justice 2005	25,570						25,570
Community Justice 2006		71,428		23,809	85,161		10,076

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred From 2007 Budget Appropriations		Cash March	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2007
		Budget	Appropriation By ADA-07				
NJ Project Vision	750				750		
NJ Project Vision			43,750		43,750		
2003 Body Armor Repl. P.C.S.D	929				923	(1)	
2004 Body Armor Repl. P.C.S.D	63				63		
2005 Body Armor Repl. P.C.S.D	585				(29,854)	(30,439)	
2006 Body Armor Repl. P.C.S.D		66,262			59,007		7,255
Click it or Ticket	4,000						4,000
Click it or Ticket r.a.d kid program		4,000			4,000		
Obey the Signs Or Pay the Fines			4,000		(7)		3
2005 Dyme Memorial Justice	153				4,600		
Purchase of Vehicle	363				362		
E 911 PCSD	50,923				50,922		1
E 911 General Assistance Grant			52,863				52,863
E 911 Coordinator			25,000		3,896		21,104
E 911 Equipment Grant			384,989		384,989		
E 911 Consolidation Grant			35,000				35,000
	<u>\$ 26,049,007</u>	<u>11,816,563</u>	<u>19,539,853</u>	<u>3,440,578</u>	<u>31,523,861</u>	<u>(4,332,697)</u>	<u>24,989,413</u>
			Cash Disbursed	\$ 25,678,190			
			Encumbrances Payable	<u>5,845,671</u>			
				<u>\$ 31,523,861</u>			

COUNTY OF PASSAIC

Schedule of Miscellaneous Reserves

Current Fund

Year Ended December 31, 2007

	Balance, December 31, <u>2006</u>	<u>Increases</u>	<u>Decreases</u>	Balance, Dec. 31, <u>2007</u>
Sheriff's DWI-DDEF	\$ 14,666	49,438	35,550	28,554
Refunds	88,111			88,111
Office on Aging - Deferred Revenue	187,888	140,597	42,608	285,877
Register - Due to State of New Jersey	1,195,699	23,171,900	23,330,589	1,037,010
Dedicated Fines	899,949			899,949
	<u>\$ 2,386,313</u>	<u>23,361,935</u>	<u>23,408,747</u>	<u>2,339,501</u>
Cash		\$ 23,361,935	23,330,589	
Budget Reimbursement			78,158	
		<u>\$ 23,361,935</u>	<u>23,408,747</u>	

COUNTY OF PASSAIC

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2007

Grant	Balance, Dec. 31, 2006	Transferred From 2007 Budget Appropriations Budget	Transfer to General Capital Fund	Cash Received	Adjustment	Balance, Dec. 31, 2007
Highway Traffic Safety 2006	\$ 12,500		12,500			
Storm Water Grant	7,500	7,500				
Customized Training SP	13,462		13,462			
Click it or Ticket	4,000	4,000				
NJSP CERT Funds	8,500	8,500				
E-911 Grant 2006	25,000	25,000				
Body Armor 2006 P.C.P.O.	8,313	8,313				
Body Armor 2006 P.C.S.D.	66,262	66,262				
WFMJ TS07016	330,175	332,175			2,000	
New Jersey Fresh Grant 2007				400		400
Body Armor - 8480 - P.C.P.O.				77,318		77,318
Body Armor 2007 - P.C.S.D.				10,619		10,619
	<u>\$ 475,712</u>	<u>451,750</u>	<u>25,962</u>	<u>88,337</u>	<u>2,000</u>	<u>88,337</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Federal and State Grants Fund

Year Ended December 31, 2007

	Balance, December 31, <u>2006</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2007</u>
Current Fund	\$ 1,826,007	3,547,219	4,724,484	648,742
General Capital Fund	<u>(4,000,000)</u>			<u>(4,000,000)</u>
	<u>(2,173,993)</u>	<u>3,547,219</u>	<u>4,724,484</u>	<u>(3,351,258)</u>
Due from	1,826,007	3,547,219	4,724,484	648,742
Due (to)	<u>(4,000,000)</u>			<u>(4,000,000)</u>
	<u>\$ (2,173,993)</u>	<u>3,547,219</u>	<u>4,724,484</u>	<u>(3,351,258)</u>

COUNTY OF PASSAIC

Schedule of Cash

Trust Funds

Year Ended December 31, 2007

	Other Trust Fund	Confiscated Trust Fund	Self-Insurance Trust Fund	Community Development Trust Fund
Balance - December 31, 2006	\$ 21,481,525	3,188,402	338,519	7,746,760
Increase by Receipts:				
Various Trust Deposits	334,024			
Reserve for Dedicated Trusts	9,781,851			
Open Space Trust Expenditures	5,848,102			
Due from (to) Current Fund	186,208	173,224		
Due from (to) General Capital Fund				
Receipts from Confiscated Funds		3,406,359		
Reserve for Workmen's Compensation			1,584,472	
Reserve for Health Benefits			165,346	
Reserve for Liability Insurance			1,465,950	
H.U.D. Grants Receivable				11,461
Reserve for Housing Voucher Program				9,437,890
Total Receipts	16,150,185	3,579,583	3,215,768	9,449,351
	37,631,710	6,767,985	3,554,287	17,196,111
Decreased by Disbursements:				
Various Trust Deposits	131,020			
Reserve for Dedicated Revenues	7,421,729			
Open Space Trust Expenditures	683,360			
Open Space Commitments Payable	1,077,600			
Due from (to) Current Fund	727,289	170,000		
Due from (to) Capital Fund			74,955	
Adjudicated Confiscations		3,871,164		
Reserve for Workmen's Compensation			1,586,386	
Reserve for Health Benefits			749	
Reserve for Liability Insurance			1,694,515	
Accounts Payable				1,469,374
Reserve for Housing Voucher Program				6,130,279
Total Disbursements	10,040,998	4,041,164	3,356,605	7,599,653
Balance - December 31, 2007	\$ 27,590,712	2,726,821	197,682	9,596,458

COUNTY OF PASAIC
Schedule of Various Trust Deposits
Year Ended December 31, 2007

Balance - December 31, 2006	\$	1,334,780
Increased by:		
Cash Deposits		<u>334,024</u>
		1,668,804
Decreased by:		
Payments		<u>131,020</u>
Balance - December 31, 2007	\$	<u><u>1,537,784</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Dedicated Trusts

Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2007</u>
Off-Duty Police Outside Employment	\$ 21,736	1,130,566	1,125,000	27,302
Weights and Measure Fines	869,619	237,337		1,106,956
Tax Appeal Fees	204,593	50,000	7,995	246,598
County Clerk	207,686	42,583	37,186	213,083
County Sheriff	61,899	19,474	14,953	66,420
Surrogate	30,455	19,533	11,619	38,369
Forensic Lab Fees	601,309	42,041	1,956	641,394
Police Park Fines	77,684	163		77,847
Electronic Monitor	739			739
Human Services	81,522	12,313	9,070	84,765
Parks - Lambert Castle	4,498	25,292	9,269	20,521
Preakness Hospital	46,627			46,627
Therapeutic Rounding Program	1,646			1,646
Passaic County Corr. Enh. Dist.	260,158	39,487		299,645
Motor Vehicle Fines	310,541	4,493,082	3,364,604	1,439,019
Confiscated Funds - Unallocated Interest				
Sheriff's Confiscated Funds - Local	1,403,200	1,169,035	776,846	1,795,389
Sheriff's Confiscated Funds - Treasury	98,855	60,200	68,274	90,781
Sheriff's Confiscated Funds - Justice	227,466	485	104,783	123,168
Municipal Confiscated Funds - Local	1,465,003	812,316	391,439	1,885,880
Municipal Confiscated Funds - Federal	470,208	246,304	302,561	413,951
Prosecutor's Confiscated Funds - Local	1,556,273	685,535	573,999	1,667,809
Prosecutor's Confiscated Funds - Treasury	625,745	59,631	451,795	233,581
Prosecutor's Confiscated Funds - Justice	220,054	388,412	42,181	566,285
Para Transit	254,281	59,143	55,933	257,491
Register of Deeds	894,672	188,919	72,266	1,011,325
	<u>\$ 9,996,469</u>	<u>9,781,851</u>	<u>7,421,729</u>	<u>12,356,591</u>

COUNTY OF PASSAIC
Schedule of Open Space Trust Expenditures
Year Ended December 31, 2007

Balance - December 31, 2006		\$ 3,027,723
Increased by:		
Levy	\$ 5,244,049	
Added and Omitted	23,725	
Interest on Investments	<u>580,328</u>	
		<u>5,848,102</u>
		8,875,825
Decreased by:		
Payments	683,360	
Open Space Grant Commitments Payable	<u>2,344,858</u>	
		<u>3,028,218</u>
Balance - December 31, 2007		<u>\$ 5,847,607</u>

Schedule of Open Space Grant Commitments Payable
Year Ended December 31, 2007

Balance - December 31, 2006		\$ 7,014,916
Increased by:		
Reserve for Open Space Trust Expenditures		<u>2,344,858</u>
		9,359,774
Decreased by:		
Payments		<u>1,077,600</u>
Balance - December 31, 2007		<u>\$ 8,282,174</u>

COUNTY OF PASSAIC

Schedule of Reserve for Confiscated Trust Fund

Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2007</u>
Reserve for Interest - Prosecutor	\$ 319,364	126,504	38,583	407,285
Narcotics	2,221,011	1,383,515	1,748,579	1,855,947
Gambling	119,136	29,377	131,791	16,722
Prostitution	116,665	12,979	30,654	98,990
Theft/Robbery	79,623	2,957	1,073	81,507
Other Crimes	284,368	165,121	234,579	214,910
Lottery	13,983			13,983
Gambling/Narc	2,779			2,779
Bribery	16,000			16,000
Adjudicated to Distribute	<u>15,473</u>	<u>1,685,906</u>	<u>1,685,905</u>	<u>15,474</u>
	<u>\$ 3,188,402</u>	<u>3,406,359</u>	<u>3,871,164</u>	<u>2,723,597</u>

COUNTY OF PASSAIC

Schedule of Reserve for Workmen's Compensation

Year Ended December 31, 2007

Balance - December 31, 2006		\$	7,693
Increased by:			
Miscellaneous Contributions and Reimbursements	\$	367,188	
Schedule of Interfunds			
Budget Appropriations		615,000	
General Capital Fund Refunding Ordinance		600,000	
Interest Income		<u>2,284</u>	
			<u>1,584,472</u>
			1,592,165
Decreased by:			
Payment of Claims			<u>1,586,386</u>
Balance - December 31, 2007		\$	<u>5,779</u>

COUNTY OF PASSAIC

Schedule of Reserve for Health Benefit Funds

Year Ended December 31, 2007

Balance - December 31, 2006	\$ 22,257
Increased by:	
Interest Income	<u>165,346</u>
	187,603
Decreased by:	
Claims Paid	<u>749</u>
Balance - December 31, 2007	<u>\$ 186,854</u>

Schedule of Reserve for Liability Insurance

Year Ended December 31, 2007

Balance - December 31, 2006	\$ 233,614
Increased by:	
Miscellaneous Contributions and Reimbursements	\$ 69,336
General Capital Fund Refunding Ordinance	1,391,500
Interest Income	<u>5,114</u>
	<u>1,465,950</u>
	1,699,564
Decreased by:	
Claims Paid	<u>1,694,515</u>
Balance - December 31, 2007	<u>\$ 5,049</u>

COUNTY OF PASSAIC

Schedule of Housing Voucher Program Grants Receivable

Year Ended December 31, 2007

Balance - December 31, 2006	\$	42,754
Decreased by:		
Grant Receipts		<u>11,461</u>
Balance - December 31, 2007	\$	<u>31,293</u>

COUNTY OF PASSAIC
Schedule of Accounts Payable
Year Ended December 31, 2007

	<u>Existing Housing</u>
Balance - December 31, 2006	\$ 1,469,374
Increased by:	
Expenditures	<u>2,125,541</u>
	3,594,915
Decreased by:	
Cash Disbursed	<u>1,469,374</u>
Balance - December 31, 2007	\$ <u>2,125,541</u>

COUNTY OF PASSAIC
Reserve for Housing Voucher Program
Year Ended December 31, 2007

Balance - December 31, 2006		\$ 6,342,072
Increased by:		
Grant Revenue Accrued	\$ 8,684,811	
Other Income	435,488	
Interest Income	<u>317,591</u>	
		<u>9,437,890</u>
		15,779,962
Decreased by:		
Accounts Payable	2,125,541	
Expenditures	<u>6,130,279</u>	
		<u>8,255,820</u>
Balance - December 31, 2007		\$ <u>7,524,142</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2007</u>
Other Trust Fund				
Due from (to) Current Fund	\$ (105,648)	727,289	186,208	435,433
Confiscated Trust Fund				
Due from (to) Current Fund		170,000	173,224	(3,224)
Self Insurance Trust Fund:				
Due from (to) General Capital Fund	(74,955)	74,955		
Community Development Grant Fund:				
Due from (to) Current Fund	<u>21,932</u>			<u>21,932</u>
	<u>\$ (158,671)</u>	<u>972,244</u>	<u>359,432</u>	<u>454,141</u>
Cash Receipts		\$	359,432	
Cash Disbursements		<u>972,244</u>		
		<u>\$ 972,244</u>	<u>359,432</u>	

COUNTY OF PASSAIC

Schedule of Cash

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006		\$	58,185,120
Increased by Receipts:			
2007 Budget Appropriations Capital Improvement Fund	\$	750,000	
Bond Anticipation Notes		23,642,000	
Reserve for Payment of Bonds and Notes		706,952	
Grants Receivable		5,398,896	
Due to the Township of Wayne		25,961	
Schedule of Interfunds		1,588,744	
Bonds Issued		11,900,000	
Reserve for Interest for DOT Projects		149,894	
Reserve for Interest for Fire Academy		199,327	
Premium on Bond/Note Sales		248,193	
			<u>44,609,967</u>
			102,795,087
Decreased by Disbursements:			
Improvement Authorizations		24,647,661	
Commitments Payable		18,836,864	
Bond Anticipation Notes		11,900,000	
Reserve for Payment of Bonds and Notes		829,096	
Schedule of Interfunds		179,297	
			<u>56,392,918</u>
Balance - December 31, 2007		\$	<u>46,402,169</u>

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2007

Fund Balance	\$ 2,833,823
Grants Receivable	(23,977,315)
State EFA Receivable	(1,975,000)
Due from Current Fund	330,523
Due from Federal and State Grants Fund	(4,000,000)
Due from Liability Trust Fund	
Accounts Payable	264,927
Commitments payable	21,572,463
Capital Improvement Fund	159,968
Reserve for Final Payments and Litigation	160,258
Due to the Township of Wayne	55,151
Reserve for State EFA Loan Payments	500,000
Reserve for Salt Shed	296,619
Reserve for Interest for DOT Projects	5,122,056
Reserve for Administration Building Settlement	9,786
Reserve for Interest for Fire Academy	956,670
Reserve for Unappropriated Grants	2,959,126
Reserve for Other Various Reserves	2,466,804

Improvement Authorizations:

Ordinance

<u>Number</u>	<u>Improvement Description</u>	
87-25	Reconstruction Phases I - III	(337,629)
87-43/88-11	Reconstruction of Old Turnpike Road Bridge	(87,868)
91-30	Replace East Main St. Bridge	(101,608)
91-34	Replace Maple Ave. Bridge	44,721
94-15	Improvement PCCC Ch. 12	12,224
95-04	Road Intersection Program	(63,538)
95-07	Reconstruction Lafayette Ave. - Supplemental	(1,500)
95-29	Straight Street Bridge PC #14	28,560
96-06	Road Improvements Passaic Avenue	(81,782)
96-10	Constructions of Ratzel Road (Sec 1)	698
96-15	Hazel Street Scoping/Construction	(6,000)
96-21	Preakness Brook PC #348	(37,000)
96-22	Reconstruction of Valley Road	(8,240)
96-24	Expansion PCCC	(197,855)
96-27	Lafayette Avenue	110,814
97-01	Main St. & Arch St. Bridges - PC #15 & 16	(58,685)
97-05	Road Resurfacing Program - 1997	(2,040)
97-13	Church St. Bridge - PC #125	(92,581)
97-20	Police Academy Addition	(7,000)

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2007

97-26	Rehabilitate Bridges - PC #28 & #29	(328,693)
97-31	Design & Rehab. Magee Rd. Bridge - PC #404	(90,000)
98-01	Main Street & Arch Street Bridges	14,250
98-23	Wagaraw Road Bridge PC #103	3,599
98-29	Acquisition of Equipment County Jail	(285,000)
98-35	Belmont & Barbour Street Intersection	(7,058)
98-36	Kingsland Avenue Bridge PC #81	317,814
98-40	Renovation Spruce Street Bridge PC #18	100,908
99-06	Central Avenue Bridge	2,775
99-10	Minor Drainage Project - Supplemental	(238,000)
99-13	Hamilton Club Renovation	215,267
99-15	Totowa and French Hill Road Improvements	(476,000)
99-20	Scoping of Two Bridges Road Bridge	32,014
99-32	County GIS System	1,215
00-05	Repealing 99-12: Various Improvements by the Passaic County College	1
00-08	Supplemental - Road Improvements	(265)
00-12	Renovations of 80 Hamilton St. - Welfare Board	(380,000)
00-14	Supplemental - Redecking of McBride Bridge	(48,592)
00-18	Supplemental - Reconstruction Various Bridges	(285,000)
00-19	Supplemental - Various Drainage Projects	(218,000)
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinchman Ave	446,236
00-25	Renovation of Youth Center	(238,000)
00-26	Acquisition of Property - (Bloomingdale B/L 3/13)	11,680
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave Bridge PC #81.	664,000
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpke intersection improvements.	(133,364)
00-44	Supplemental - Study and Improv. of Hazel St.	(66,000)
01-02	Supplemental - Renovations to Courthouse Complex	(285,000)
01-04	Supplemental - Hurricane Floyd Program	72,852
01-06	Supplemental - Acquisition of Equip. for Vo-Tech	994,418
01-08	Goffle Brook Multi-use Path	(61,466)
01-09	Reconstruction of Straight St/River St.	(380,000)
01-11	Supplemental - 1992 Guide Rail Program	(90,000)
01-13	Supplemental - Various Drainage Projects	(142,000)
01-14	Drainage Crooks and Wabash Avenues	37,747

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2007

01-16	Supplemental - Acquisition of voting machines	871,545
01-19	Supplemental - Rehab. 8th Street/5th Ave. Bridge	39,029
01-22	Supplemental - Acquisition of equipment for jail	76
01-26	Renovations - County Jail	30,763
01-28	Supplemental - Improvements to Camp Hope	(95,000)
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	(81,000)
01-30	Supplemental - Renovations to Preakness Hospital	497,852
01-31	Supplemental - Totowa and French Hill Road Imprv.	(428,000)
01-32	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	(124,910)
01-33	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	(166,000)
01-35	Supplemental - Renovation of Youth Center	51,153
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	(236,180)
02-01	Purchase of Building	173
02-04	Supplemental - Acquisition of Voc School Equipment	1,575
02-12	Supplemental - Imp of Totowa/French Hill Road Intersection	(285,000)
02-13	Goffle Brook Stabilization Project	301,915
02-14	Supplemental - Various Drainage Improvements	(142,500)
02-16	Supplemental - Renovations of 80 Hamilton Street	8,699
02-17	Supplemental - Reconst of Greenwood Lake Turnpike	(1,897,028)
02-19	Acquisition of Buildings/Grounds Equipment	814
02-21	Supplemental - 1992 Guide Rail Program	(142,000)
02-23	Supplemental - Acquisition of Parks Equipment	1,639
02-24	Supplemental - Imp to Youth Center	108,804
02-27	Supplemental - Restoration of Lambert Castle	837,418
02-30	Supplemental - Imp of Valley Road & Paterson- Hamburg Turnpike Intersection	48,000
02-31	Supplemental - Renovation of Apshawa Dam	(77,326)
02-34	Imp to Hamburg Turnpike & Jackson Avenue	25,475
02-35	Replacement of Jail Roof	(233,587)
02-36	Supplemental - Reconstruction of Ringwood Ave	521,602
02-38	Supplemental - Acquisition of Paratransit/ Meals on Wheel Vehicles	2,705
02-39	Supplemental - Equipment for Preakness Hospital	(285,000)

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2007

02-40	Supplemental - Renovations to Public Buildings	(181,958)
02-41	Refunding ordinance - Payment of Pension Obligation	(239,172)
03-01	Refunding Bond Ordinance	(400,000)
03-02	Refunding Bond Ordinance	(173,685)
03-03	Supplemental - Golf Course Improvements	400
03-05	Self Insurance Funding	(6,664,779)
03-06	Supplemental - Road Improvements	360,789
03-07	Acquisition of Paratransit Vehicles	9,280
03-08	Traffic Signal Reimbursements	(57,443)
03-09	Supplemental - Improvements to Camp Hope	(141,254)
03-13	Supplemental - Various Capital Improvements	10,869
03-14	Expansion of Preckness Health Care Facility	1,192
03-15	Waganaw Road/Lincoln Avenue Improvements	(97,340)
03-16	Supplemental - Repair of Bellmount Ave Bridge	(190,000)
03-17	Supplemental - Reconstruction of Various Bridges	(382,213)
03-18	Supplemental - Removal of Storage Tanks	36,033
03-19	Supplemental - 1992 Guide Rail Program	(137,688)
03-20	Supplemental - Various Drainage Improvements	(215,997)
03-21	Aquisition of Youth Detention Security Cameras	9,704
03-24	Supplemental - Renovations to W. Broadway Bridge PC#17	(47,500)
03-25	Imp to Goffle/Weasel Brook Park Recreation	355,336
03-26	Supplemental - Rehab to Administration Building Plaza	25,446
03-27	Supplemental - Acquisition of Hospital Equipment	(275,862)
03-29	Supplemental - Goffle Brook Stabilization Project	200,000
03-30	Union Valley Road/Green Brook Bridge Design PC#434	15,921
03-31	President St/Weasel Brook Bridge Design PC#53	25,902
03-32	Supplemental - Public Works Equipment	121,724
04-01	Improvements to Paterson Hamburg	2,462,979
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	1,127,902
04-04	Imp to Crooks Ave./Wabash Ave. Drainage	427,991
04-05	Acquisition of Property for a Salt Dome	(1,493)
04-06	Improvements to HVAC System	5,173
04-07	General Renovations to County Buildings	29,787
04-09	Acq of Equipment for Passaic County Comm. College	38,608
04-10	Acq of Equipment for Passaic County Vocational Tech.	609,142
04-11	Imp to Passaic County Jail & Acq of Various Equip	508,745
04-12	Imp & Renovations to 435 Hamburg Turnpike	30,000
04-13	Acquisition of Computer Equipment	92,714
04-14	Acquisition of Various Equipment	43,896
04-15	2004 Road Resurfacing Program	88,023
04-16	Equip. for the Public Works & Buildings & Grounds	47,700
04-18	Various Improvements to PCCC	311,739

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2007

04-19	Various Bridge Repair & Replacement Project	600,722
04-20	Various Drainage Projects	(152,143)
04-21	Various Road Improvement Projects	174,281
04-22	Traffic Safety Programs	(138,104)
04-23	Intersection Improvements	(42,495)
04-24	Miscellaneous Buildings & Grounds Improvements	374,916
04-25	Development of a Secured, Private Fiber Network	1,731
04-28	GIS Parcel Mapping in & by the County	(41,313)
04-29	Acquisition of & Renovation to County Building	614,172
05-02	County Road Resurfacing	218,391
05-05	Acquisition of HAVA Voting Machines	114,645
05-06	Improvements to the PC Tech Institute	346,320
05-07	Parks & Recreation General Improvements	41,295
05-08	Improvements to the Passaic County Jail	1,800,971
05-09	Acquisition of Equipment- Preakness Healthcare Center	375,022
05-10	DPW Various Repairs & Improvements	1,229,524
05-11	Various Repairs & Improvements	2,594,628
05-13	Amend Ord. 2002-02- Long Range Facility Plan	11,516
05-14	Improvements to the Community College	13,768,030
05-15	Acquisition of Property- Ball Tract	1,778,926
05-16	Improvements to the Community College	247,005
06-03	Road Improvements	721,250
06-05	Private Fiber Optic Network	1,309,419
06-06	Bridge Replacements and/or Repairs	374,201
06-07	Various Capital Improvements	3,485,522
06-08	Parks & Recreation General Improvements	3,534,536
06-09	Acquisition of Additional Equipment	(740,018)
06-10	Various Repairs & Improvements	(379,502)
06-11	Improvements to the Vocational School	478,124
06-12	Improvements to the Community College	1,557,753
06-10/06-14	Various Repairs & Improvements	275,000
06-15	Supplemental - Study and Improvements of Hazel St.	(112,701)
06-16	Reconstruction and Rehabilitations of Various Bridges	6,244,362
07-03	2007 Road Resurfacing Program	(2,321,554)
07-04	Replacement of Hillary Street Bridge	197,085
07-06	Various Capital Improvements	504,400
07-07	Stabilization Improvements to Grouffe Brook	200,000
07-08	2007 Road Improvement Projects	2,153,450
07-09	General Parks and Recreation Program Imp	750,000
07-10	Implementation of Traffic Safety Program	7,500
07-11	Intersection Improvement Projects	1,016,853
07-12	Acquisition of Various Equipment	75,605
07-13	Various Capital Improvements	214,563
07-15	Various Imp for the Vocational Technical School	(19,934)

 \$ 46,402,169

COUNTY OF PASSAIC
 Schedule of Receivables
 General Capital Fund
 Year Ended December 31, 2007

Grantor	Project	Orig. Hr.	Balance Dec. 31, 2006	Awarded in 2007	Decreased	Balance Dec. 31, 2007
Federal Grants:						
	Replacement of Hillery Street Bridge	07-04		9,515,000		9,515,000
State Grants:						
State of New Jersey	Chapter 12, Passaic County Community College	99-14	861,508			861,508
N.J. Department of Transportation	Two Bridges Road	99-20	720,906			220,996
State of New Jersey	Renovation to Myrtle Street	00-06	500,000			500,000
State of New Jersey	Part of Peterson-Hamburg Twp Bridge PC# 42,42,44	90-15	500,000		39,295	260,705
State of New Jersey	Imp/Asph from Peterson/Hamburg Twp to Hirschmann Ave	00-20	464,874			464,874
State of New Jersey	Study and Improvement to Hazel St	00-44	137,949		15,000	122,949
N.J. Department of Transportation	Godie Brook Main-Lisc	01-08	400,000		490,000	
State of New Jersey	5th Street & 5th Avenue Bridges	01-19	12,447		1,519	10,928
N.J. Department of Transportation	Harrison Floyd - Cedar Grove Road Wash	01-52	444,000			444,000
N.J. Department of Transportation	Gaflle Brook Stabilization	02-15	392,500			392,500
N.J. Department of Transportation	Restoration of Lambert Circle	02-27	1,000,000			1,000,000
N.J. Department of Transportation	West Broadway Bridge PC#17	00-24	9,782			9,782
N.J. Department of Transportation	Gafl/Wesael Brook Park	03-25	170,000			170,000
State of New Jersey	Improvements to Peterson Hamburg Twp	04-01	2,500,000			2,500,000
N.J. Department of Transportation	Improvements to Peterson Hamburg Twp/Jackson Ave	04-03	614,317			614,317
N.J. Department of Transportation	Cedar Road, Long Hill Road & Hazel St	05-11	579,000			579,000
State of New Jersey	Imp to Cedar Bank and Refective Marking Tape	05-11	157,406			157,406
State of New Jersey	West Broadway/Passaic River Bridge PC#17	05-11	3,269,463		1,020,083	2,249,381
EPA Const. & Financing Grant	Vocational School Long Range Facilities Plan Projects	05-12	1,501,200			1,501,200
N.J. Department of Transportation	Bridge Replacement and/or Repairs	06-06	582,364			582,364
State of New Jersey	2006 Various Road Improvements	06-07	224,500			224,500
State of New Jersey	Replacement of Hillery Street Bridge	07-04		1,000,000		1,000,000
N.J. Department of Transportation	West Broadway Bridge Improvements	07-06		250,000		250,000
N.J. Department of Transportation	Riverview/French Hill Improvements	07-08		473,000		473,000
N.J. Department of Transportation	Peterson/Hamburg Twp/Jackson Avenue Improvements	07-08		1,600,000		1,600,000
N.J. Department of Environment Pro.	Rainbow Pond Improvements & Lambert Castle Tower Cons.	07-09		250,000		250,000
N.J. Department of Transportation	Black Oak Ridge/Passaic Road Improvements	07-11		1,000,000		1,000,000
			14,344,211	14,088,000	5,798,386	22,633,825

COUNTY OF PASSAIC
 Schedule of Receivables
 General Capital Fund
 Year Ended December 31, 2007

Local Grants	Grantee	Project	Yrd No.	Balance Dec. 31, 2006	Awarded in 2007	Disbursed	Balance Dec. 31, 2007
Wayview Village		Improvements to Peterson Hamburg Tpk/Jackson Ave	06-03	494,000	500,000	500,000	494,000
County Aid		Replacement of Hillley Street Bridge	07-04		150,000		150,000
Passaic County Open Space Trust		Various Capital Improvements	07-06		200,000		200,000
Passaic County Open Space Trust		Stabilization Improvements to Golfie Brook Park	07-07		250,000		250,000
Passaic County Open Space Trust		Barbour Pond Improvements & Larchmont Castle Tower Care.	07-09		250,000		250,000
Passaic County Open Space Trust		Green Man Trails Imp, Lambert Castle Roof & Aug of Golf C	07-09		250,000		250,000
				<u>\$ 14,818,211</u>	<u>15,438,000</u>	<u>6,298,896</u>	<u>23,977,315</u>
					Cancelled	\$ 400,000	
					Cash	\$ 5,898,896	
						<u>\$ 6,298,896</u>	

COUNTY OF PASSAIC

**Schedule of Deferred Charges to Future
Taxation - Funded**

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006		\$ 396,493,760
Increased by:		
Serial Bonds Issued		<u>11,900,000</u>
		408,393,760
Decreased by:		
2007 Budget Appropriations to Pay Bonds	23,635,000	
2007 Budget Appropriations to Pay Loans	415,295	
2007 Budget Appropriations to Pay Capital Leases	<u>210,000</u>	
		<u>24,260,295</u>
Balance - December 31, 2007		\$ <u>384,133,465</u>

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Investment Description	Balance		Funded	Balance Dec. 31, 2007	Financed by		Unexpended Improvement Authorization
		Dec. 31, 2006	2007 Authorizations			Anticipation Notes	Expenditures	
	General Improvements:							
87-25	Acquisition of a Right-of-Way, Phase II & III	\$ 324,000			324,000			16,371
87-43/68-11	Construction of New Street	57,868			57,868			48,160
91-30	Replacement of Old Turnpike Road Bridge	149,768			149,768			38,770
91-34	East Main Street Bridge	81,000		42,230	38,770			
93-04	Maple Avenue Bridge	63,538			63,538			
95-07	Road Intersection Program	1,500			1,500			
96-06	Reconstruction Lafayette Ave. - Supplemental	101,000			101,000			19,218
96-15	Road Improvements Passaic Avenue	6,000			6,000			
96-21	Hazel Street Scoping/Construction	37,000			37,000			
96-22	Peckness Brook PC #148	8,240			8,240			
96-24	Reconstruction of Valley Road	222,000			222,000			24,145
97-01	Expansion PCCC	58,685			58,685			
97-05	Main St. & Arch St. Bridges - PC #15 & 16	2,040			2,040			
97-13	Road Resturfacing Program - 1997	92,581			92,581			
97-20	Church St. Bridge - PC #125	7,000			7,000			
97-26	Police Academy Addition	666,000			666,000			337,307
97-31	Rehabilitate Bridges - PC #28 & #29	95,000			95,000			
97-33	Design & Rehab. Maple Rd. Bridge - PC #404	135,000			135,000		5,000	
98-23	Wagaraw Road Bridge PC #103	255,000			255,000		60,000	75,000
98-29	Acquisition of Equipment County Jail	7,058			7,058			
98-35	Belmont & Barbour Street Intersection	238,000			238,000			
99-10	Various Drainage Improvement Projects	476,000			476,000			
99-15	Intersection Imp. Totowa & French Hill Roads	45,000			45,000			
99-20	Scoping of Two Bridges Road Bridge	265			265			45,000
00-08	Supplemental - Road Improvements	380,000			380,000			
00-12	Renovations of 80 Hamilton St. - Welfare Board	48,592			48,592			
00-14	Supplemental - Redesigning of McBride Bridge							

Analysis of Balance - Dec. 31, 2007

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance		Funded	2007 Authorizations	Balance Dec. 31, 2007	Analysis of Balance - Dec. 31, 2007			
		Dec. 31, 2006	2007				Financed by	Expenditures	Unexpended Improvement Authorizations	
00-18	Supplemental - Reconstruction Various Bridges	285,000				285,000			285,000	
00-19	Supplemental - Various Drainage Projects	238,000				238,000			238,000	
00-20	Construction of Jughandle from Peterson-Hamburg Turnpike to Hinchman Ave	238,000				238,000			238,000	
00-25	Renovation of Youth Center	238,000				238,000			238,000	
00-26	Acquisition of Property - (Discontinuate B/L 3/13)	260,000				260,000			260,000	
00-27	Supplemental - Renovation of Various Parks	190,000				190,000			190,000	
00-35	Supplemental - Reconstruction of Greenwood Lake Turnpike	238,000				238,000			238,000	
00-36	Supplemental - Reconstruction of Ringwood Ave	242,000				242,000			242,000	
00-40	Supplemental - Repairs/Retab. To Kingsland Ave Bridge PC #81.	36,000				36,000			36,000	
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpkc Intersecton Improvements.	238,000				238,000			238,000	
00-42	Supplemental - Improvements to Camp Hope	95,000				95,000			95,000	
00-44	Supplemental - Study and Improv. of Hazel St.	66,000				66,000			66,000	
01-02	Supplemental - Renovations to Courthouse Complex	285,000				285,000			285,000	
01-06	Supplemental - Acquisition of Equip. for Vo-Tech	426,000				426,000			426,000	
01-08	Grille Brook Multi-use Path	255,000		185,000		190,000			61,466	426,000
01-09	Reconstruction of Straight St/River St.	380,000				380,000			380,000	38,534
01-11	Supplemental - 1992 Guide Rail Program	95,000				95,000		5,000	90,000	
01-13	Supplemental - Various Drainage Projects	142,000				142,000			142,000	
01-14	Drainage Creeks and Wabash Avenues	714,000				714,000			714,000	
01-18	Supplemental - Renovations to Courthouse Complex	190,000				190,000			190,000	
01-22	Supplemental - Acquisition of equipment for jail	4,100				4,100			4,100	
01-23	Supplemental - Acquisition of Equipment for Passaic Hospital	422,000				422,000			422,000	
01-26	Renovations - County Jail	476,000				476,000			476,000	
01-27	Supplemental - Renov. of 88 Hamilton St. - Welfare Seard	380,000				380,000			380,000	
01-28	Supplemental - Improvements to Camp Hope	95,000				95,000			95,000	

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2007

Guidance Number	Improvement Description	2007		Analysis of Balance, Dec. 31, 2007		Unexpended Improvement Authorization
		Balance Dec. 31, 2005	Authorizations	Balance Dec. 31, 2007	Financed by	
					Bond Anticipation Notes	
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	\$1,000		\$1,000		
01-31	Supplemental - Tolowa and French Hill Road Improv.	428,000		428,000		
01-32	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	124,910		124,910		
01-33	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	166,000		166,000		
01-35	Supplemental - Renovation of Youth Center	238,000		238,000	238,000	
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	236,000		236,000		1,320
02-02	Long Range Facility Plan for Vocational School					
02-04	Supplemental - Renovation of Vocational School	628,000		628,000	628,000	
02-05	Supplemental - Acquisition of Voc School Equipment	352,000		352,000	352,000	
02-06	Supplemental - Acquisition of Comm College Equipment	2,505,000		2,505,000	2,505,000	
02-09	Supplemental - Renovations to Court House Complex	\$57,000		\$57,000	\$57,000	
02-11	Supplemental - Rehab/Upgrade of DPW Equipment	475,000		475,000	475,000	
02-12	Supplemental - Imp of Tolowa/French Hill Road Intersections	285,000		285,000		
02-14	Supplemental - Various Drainage Improvements	142,500		142,500		
02-15	Waterproofing of Administration Building	285,000		285,000	285,000	
02-16	Supplemental - Renovations of 89 Hamilton Street	476,000		476,000	476,000	
02-17	Supplemental - Reconst of Greenwood Lake Turnpike	1,932,000		1,932,000		
02-19	Acquisition of Buildings/Grounds Equipment	190,000		190,000	190,000	
02-20	Duct Repairs to Courthouse & Administration Building	380,000		380,000	380,000	
02-21	Supplemental - 1992 Guide Rail Program	142,000		142,000		
02-22	Supplemental - Imp to Camp Hope	142,000		142,000	142,000	
02-24	Supplemental - Imp to Youth Center	190,000		190,000	190,000	
02-30	Supplemental - Imp of Valley Road & Paterson-Hamburg Turnpike Intersecton	952,000		952,000		952,000
02-31	Supplemental - Renovation of Apshtawa Dam	265,000		265,000		207,574
						77,326
						34,972
						1,897,028
						142,500
						285,000
						476,000
						1,932,000
						380,000
						142,000
						190,000
						952,000
						265,000

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance	2007	Funded	Balance	Bond Anticipation Notes	Expenditures	Unexpended Improvement Anticipated
		Dec. 31, 2006	Acquisitions		Dec. 31, 2007			
02-22	Supplemental - Repair of Bellmount Ave Bridge	285,000			285,000	285,000		
02-23	Supplemental - Reconst of Various Bridges	476,000			476,000	476,000		
02-34	Imp to Hamburg Turnpike & Jackson Avenue	285,000			285,000	285,000		
02-35	Replotment of Jail Reef	285,000			285,000	233,887		51,413
02-37	Supplemental - Imp to Intersection of Alps Road & Karzer Road	190,000			190,000			
02-38	Supplemental - Acquisition of Paratransit/ Meals on Wheel Vehicles	285,000			285,000			
02-39	Supplemental - Equipment for Presler's Hospital	285,000			285,000	285,000		
02-40	Supplemental - Renovations to Public Buildings	190,000			190,000	181,938		8,042
02-41	Refunding Ordinance - Payment of Pension Obligations	239,172			239,172	239,172		
03-01	Refunding Bond Ordinance	400,000			400,000	400,000		
03-02	Refunding Bond Ordinance	173,685			173,685	173,685		
03-03	Supplemental - Golf Course Improvements	285,000			285,000			
03-05	Self Insurance Funding	13,570,000			13,570,000	6,664,779		6,905,221
03-06	Supplemental - Road Improvements	266			266			266
03-07	Acquisition of Paratransit Vehicles	714,000			714,000			
03-08	Traffic Signal Reimbursements	837,000			837,000			
03-09	Supplemental - Improvements to Camp Hope	142,850			142,850	57,443		799,557
03-13	Supplemental - Various Capital Improvements	190,400			190,400	141,254		1,596
03-14	Expansion of Prekness Health Care Facility	2,857,000			2,857,000			
03-15	Waganaw Road/Lincold Avenue Improvements	389,000			389,000			
03-16	Supplemental - Repair of Bellmount Ave Bridge	190,000			190,000	190,000		
03-17	Supplemental - Reconstruction of Various Bridges	476,000			476,000			
03-18	Supplemental - Removal of Stoves/ Tanks	142,500			142,500	97,340		282,660
03-19	Supplemental - 1992 Guide Rail Program	199,000			199,000	190,000		93,787
03-20	Supplemental - Various Drainage Improvements	238,000			238,000	382,213		
03-21	Acquisition of Youth Detention Security Cameras	619,000			619,000			
03-22	Supplemental - Renovations to Court House Complex	142,500			142,500	137,888		52,312
03-23	Supplemental - Renovations to Public Buildings	190,000			190,000	215,997		22,003

Analysis of Balance - Dec. 31, 2007

Financed by

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfinished

General Capital Fund

Year Ended December 31, 2007

Certificate Number	Investment Description	Balance	2007	Fund	Balance	Bond	Unexpended
		Dec. 31, 2006	Amortization		Dec. 31, 2007		
						Notes	Authorizations
03-24	Supplemental - Renovations to W. Broadway Bridge FC#17	47,500			47,500		
03-26	Supplemental - Rehab to Administration Building Plaza	190,000			190,000	190,000	
03-27	Supplemental - Acquisition of Hospital Equipment	475,000			475,000		199,138
03-30	Union Valley Road/Green Brook Bridge Design FC#434	190,000			190,000	190,000	
03-31	President SW/Veasel Brook Bridge Design FC#53	142,500			142,500	142,500	
03-32	Supplemental - Public Works Equipment	665,000			665,000	665,000	
04-01	Improvements to Paterson Hamburg	3,286,050			3,286,050	950,000	3,286,050
04-02	Imp to Greenwood Lake Turnpike/West Millford	950,000			950,000	950,000	
04-03	Imp to Paterson Hamburg Turnpike/Backston Ave.	372,098			372,098	380,000	372,098
04-04	Imp to Crooks Ave/Wabash Ave. Drainage	380,000			380,000	380,000	
04-05	Acquisition of Property for a Salt Dome	190,000			190,000		188,507
04-06	Improvements to Courthouse HVAC System	930,000			930,000	950,000	
04-07	General Renovations to County Buildings	570,000			570,000	570,000	
04-08	Acquisition of Building and Grounds Equipment	190,000			190,000	190,000	
04-09	Acq of Equipment for Passaic County Comm. College	1,772,381			1,772,381	1,772,000	881
04-10	Acq of Equipment for Passaic County Vocational Tech.	979,000			979,000	979,000	
04-11	Imp to Passaic County Jail & Acq of Various Equip	1,995,000			1,995,000	1,995,000	
04-12	Imp & Renovations to 435 Hamburg Turnpike	570,000			570,000		570,000
04-13	Acquisition of Computer Equipment	285,000			285,000	285,000	
04-14	Acquisition of Various Equipment	475,000			475,000	475,000	
04-15	2004 Road Resurfacing Program	2,850,000			2,850,000	2,850,000	
04-16	Equip. for the Public Works & Buildings & Grounds	900,000			900,000	950,000	
04-19	Various Bridge Repair & Replacement Project	950,000			950,000	950,000	
04-20	Various Drainage Projects	332,500			332,500	617,500	180,357
04-21	Various Road Improvement Projects	617,500			617,500		
04-22	Traffic Safety Programs	142,500			142,500		
04-23	Intersection Improvements	332,500			332,500		4,396
04-24	Miscellaneous Buildings & Grounds Improvements	1,900,000			1,900,000	1,900,000	290,608
04-25	Development of a Secured, Private Fiber Network	3,325,000			3,325,000	3,325,000	

Analysis of Balance - Dec. 31, 2007

Financed by

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation + Unfunded

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvements/Description	Balance		Encumbered	2007 Authorizations	Balance Dec. 31, 2007	Bond Anticipation Notes	Exp. Balances	Unexpended Improvement Authorization
		Dec. 31, 2006	Dec. 31, 2007						
04-27	Repair & Upgrade of Passaic County Admin. Building	1,140,000	1,140,000			1,140,000			
04-28	GIS Parcel Mapping in & by the County	166,250	166,250			166,250		41,313	124,937
04-29	Acquisition of & Renovation to County Building	5,700,000	5,700,000			5,700,000			
05-02	County Road Resurfacing	3,800,000	3,800,000			3,800,000			
05-04	Acquisition of Land- Alfred Tract	3,325,000	3,325,000			3,325,000			
05-05	Acquisition of HAVA Voting Machines	1,068,208	1,068,208			1,068,000			208
05-06	Improvements to the PC Tech Institute	979,308	979,308			979,000			308
05-07	Parks & Recreation General Improvements	2,737,400	2,737,400			2,737,400			2,737,400
05-08	Improvements to the Passaic County Jail	1,900,000	1,900,000			1,900,000			
05-09	Acquisition of Equipment- Prebessess Healthcare Center	950,000	950,000			950,000			
05-10	DPW Various Repairs & Improvements	2,707,500	2,707,500			2,707,500			
05-11	Various Repairs & Improvements	2,571,000	2,571,000			2,571,000			
05-14	Improvements to the Community College	11,900,000	11,900,000	11,900,000					
05-15	Acquisition of Property- Bell Tract	4,275,000	4,275,000			4,275,000			
05-16	Improvements to the Community College	3,800,000	3,800,000			3,800,000			
06-03	Road Improvements	3,610,000	3,610,000			3,610,000			
06-04	Lease Improvements to Prebessess Healthcare Center	2,040,000	2,040,000			2,040,000			2,040,000
06-05	Private Fiber Optic Network	5,225,000	5,225,000			5,225,000			
06-06	Bridge Replacements and/or Repairs	2,088,754	2,088,754			1,869,387			1,869,387
06-07	Various Capital Improvements	1,359,500	1,359,500		92,166	1,359,500			
06-08	Parks & Recreation General Improvements	22,500	22,500			28,500			
06-09	Acquisition of Additional Equipment	1,045,000	1,045,000			1,045,000		340,018	304,982
06-10	Various Repairs & Improvements	950,000	950,000			950,000		379,502	570,498
06-11	Improvements to the Vocational School	979,308	979,308			979,308			308
06-12	Improvements to the Community College	2,250,000	2,250,000			2,250,000			
06-10/06-14	Various Repairs & Improvements	5,225,000	5,225,000			5,225,000			5,225,000
96-15/00-44/06-15	Supplemental - Study and Improvements to Hazel Street	725,000	725,000			225,000		112,701	112,299
07-03	2007 Road Resurfacing Program				2,997,500	2,997,500		2,321,554	676,946
07-04	Replacement of Hillary Street Bridge				500,000	500,000			500,000
07-06	Various Capital Improvements				1,995,000	1,995,000			1,995,000

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance		Funded	Balance Dec. 31, 2007	Analysis of Balance - Dec. 31, 2007	
		Dec. 31, 2006	2007 Authorizations			Financed by Bond Anticipation Notes	Unexpended Improvement Authorization
07-08	2007 Road Improvement Projects	1,619,000	1,619,000		1,619,000		1,619,000
07-10	Implementation of Traffic Safety Program	142,500	142,500		142,500		142,500
07-11	Intersection Improvement Projects	332,500	332,500		332,500		332,500
07-12	Acquisition of Various Equipment	1,446,850	1,446,850		1,446,850		1,446,850
07-13	Various Capital Improvements	4,085,000	4,085,000		4,085,000		4,085,000
07-14	Various Improvements for the County College	2,500,000	2,500,000		2,500,000		2,500,000
07-15	Various Imp for the Vocational Technical School	979,208	979,208		979,208	19,914	959,294
		\$ 14,799,275	16,684,824	12,418,263	150,066,336	30,286,080	44,596,893
	Improvement Authorizations Re-established		16,092,658				
	Funded by Serial Bonds		92,166	11,900,000			
	Grants			518,263			
		\$	16,184,824	12,418,263			

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2007

Improvement Authorizations Unfunded		\$ 61,496,377
Less: Unexpended Proceeds of Bond Anticipation Notes Issued		
Ordinance No.	\$	
98-23	3,599	
00-26	11,680	
01-14	37,747	
01-22	76	
01-26	30,763	
01-35	31,153	
02-04	1,575	
02-16	8,699	
02-19	814	
02-24	108,804	
02-34	25,475	
02-38	2,705	
03-03	400	
03-07	9,280	
03-13	10,869	
03-14	1,192	
03-18	36,033	
03-22	9,704	
03-26	25,446	
03-30	15,921	
03-31	25,902	
03-32	121,724	
04-04	380,000	
04-06	5,173	
04-07	29,787	
04-09	38,608	
04-10	609,142	
04-11	508,745	
04-13	92,714	
04-14	43,896	
04-15	88,023	
04-16	47,700	
04-19	600,722	
04-21	174,281	
04-24	374,916	
04-25	1,731	
04-29	614,172	
05-02	218,391	
05-05	114,648	
05-06	346,320	
05-08	1,800,971	
05-09	375,022	
05-10	1,229,524	
05-11	2,371,000	
05-15	1,778,926	
05-16	247,005	
06-03	721,250	
06-05	1,309,419	
06-11	478,127	
06-12	1,857,753	
		<u>16,897,484</u>
		\$ <u>44,596,893</u>

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Adjustments	Paid or Charged	Balance Dec. 31, 2007	
			Fundal	Unfundal				Fundal	Residual
	<i>General Improvements:</i>								
87-25	Acquisition of Right of Way Phase 1&II	\$ 2,000,000	\$	16,371					16,371
91-30	Reconstruction East Main Bridge	300,000		48,160					48,160
91-34	Rehabilitation Maple Avenue Bridge	1,000,000	2,491	81,000				44,721	38,270
94-15	Improvement NCC Ch. 12	1,250,000	12,224					12,224	
95-29	Straight Street Bridge PC #14	200,000	28,560					28,560	
96-06	Road Improvements Passaic Ave.	700,000	698					698	
96-10	Construction of Razor Road (See I)	4,000,000							
96-24	Expansion PCCC	14,100,000		24,145					24,145
96-27	Expansion Lafayette	800,000	110,814					110,814	
97-16	PAH Turnpike (28, 29)	1,700,000		338,249			942		337,307
97-31	Devita & Rehab. Magee Road Bridge PC#404	100,000	13,304				13,304		
98-01	Main Street & Arch Street Bridges	1,300,000	14,250					14,250	
98-23	Wagoner Road Bridge PC #103	1,300,000		78,599					78,599
98-36	Kingsland Avenue Bridge PC #81	400,000	317,814					317,814	
98-38	Reconstruction of Apschawa Dam	800,000	435,811				435,811		
98-40	Renovation Spruce Street Bridge PC #18	150,000	101,865				960		100,905
99-06	Central Avenue Bridge	350,000	2,775					2,775	
99-13	Hamilton Club Renovation	975,000	335,258				619,991		215,267
99-28	Scoping of Two Bridges Road Bridge	700,000	35,375	45,000			3,261		32,014
99-32	County GIS System	150,000	1,215						1,215
00-05	Repealing 99-12: Various Improvements by fire Passaic County College	10,000,000	353,950				353,949		1
00-20	Construction of Juganahle from Passerion-Hamiltons Turnpike to Hinchman Ave	750,000	466,276	238,000				466,236	238,000
00-26	Acquisition of Property - (Bloumingsdale Bld. 3/13)	325,000	11,650						11,650
00-40	Supplemental - Repairs/Retaka to Kingsland Ave Bridge PC #81.	700,000	664,000	16,000				664,000	36,000

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Adjustments	Paid or Charged	Balance Dec. 31, 2007	
			Funded	Unfunded				Funded	Unfunded
02-41	Supplemental - Valley Road and Pompton-Hamburg Lake intersection improvements.	250,000		130,002			25,986		104,016
01-04	Supplemental - Hurricane Floyd Program	1,000,000	72,852				72,852		
01-06	Supplemental - Acquisition of Equip. for Vo-Tech	1,668,000	994,448	426,000			994,448		426,000
01-08	Geoffie Brook Multi-use Path	700,000	307,103	255,000		(585,000)	(71,431)		38,574
01-14	Drainage Creeks and Wabash Avenues	2,600,000		38,007			260		37,747
01-16	Supplemental - Acquisition of vending machines	2,000,000	871,545				871,545		
01-19	Supplemental - Rehab. 8th Street/5th Ave. Bridge	300,000	41,189				39,029		
01-22	Supplemental - Acquisition of equipment for jail	300,000		76			2,160		76
01-26	Renovations - County Jail	300,000		30,763					30,763
01-30	Supplemental - Renovations to Prockness Hospital	1,100,000	498,577				725		
01-31	Supplemental - Tolowa and French Hill Road Imprv.	3,000,000	1,873,262	428,000			2,301,262		
01-35	Supplemental - Renovation of Youth Center	250,000	88,662				37,329		51,333
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	250,000		192,076			190,256		1,820
01-37	Supplemental - Structure Deficient Bridges	1,667,000	1,572,249				1,572,240		
02-01	Purchase of Buildings	4,000,000	173					173	
02-04	Supplemental - Renovation of Vocational School	628,000		1,574			(1)		1,575
02-07	Supplemental - Imp to Community College	1,656,000	230,568				230,568		
02-10	Supplemental - Removal of Storage Tanks	150,000	70,795				70,795		
02-12	Supplemental - Imp of Tolowa/French Hill Road Intersection	300,000	15,000	285,000			300,000		
02-13	Geoffie Brook Stabilization Project	391,500	701,915				301,915		8,639
02-16	Supplemental - Renovations of 30 Hamilton Street	500,000	9,921				1,262		
02-17	Supplemental - Reconst of Greenwood Lake Turbine	5,000,000					(34,972)		34,972
02-19	Acquisition of Buildings/Grounds Equipment	200,000	6,328				5,514		814
02-23	Supplemental - Acquisition of Parks Equipment	200,000	1,639				1,639		

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Administrative	Paid or Charged	Balance Dec. 31, 2007	
			Funded	Unfunded				Funded	Unfunded
02-24	Supplemental - Imp to Youth Center	200,000		103,804			33,830	837,418	103,804
02-27	Supplemental - Restoration of Lambert Canite	1,000,000	871,248						
02-30	Supplemental - Imp of Valley Road & Paterson-Hanburg Turnpike Intersection	1,000,000	48,000	952,000				48,000	952,000
02-31	Supplemental - Renovation of Apsalwa Dam	300,000	15,000	285,000			92,126		207,674
02-34	Imp to Hanburg Turnpike & Inelsson Avenue	300,000		57,742			32,267		25,475
02-35	Replacement of Jail Roof	300,000		60,442			9,029		51,413
02-36	Supplemental - Reconstruction of Kingswood Ave	2,200,000	526,028				5,016	521,602	
02-38	Supplemental - Acquisition of Paramarisi Meadows on White Vehicles	300,000		2,705					2,705
02-40	Supplemental - Renovations to Public Buildings	200,000		8,042					8,042
03-00	Supplemental - Golf Course Improvements	300,000		400					400
03-05	Self Insurance Funding	20,000,000		8,766,721			1,861,500		6,905,221
03-06	Supplemental - Road Improvements	2,300,000	698,339	266			333,550	360,789	266
03-07	Acquisition of Paramarisi Vehicles	750,000		17,163			7,893		9,280
03-08	Traffic Signal Reimbursements	900,000		799,557					799,557
03-09	Supplemental - Improvements to Camp Rope	150,000		5,421			3,925		1,596
03-13	Supplemental - Various Capital Improvements	200,000		10,869					10,869
03-14	Expansion of Passaic Health Care Facility	3,000,000		2,498			1,306		1,192
03-15	Wagaraw Road/Linden Avenue Improvements	400,000		285,731			2,021		282,660
03-17	Supplemental - Reconstruction of Various Bridges	500,000		38,529					38,529
03-18	Supplemental - Removal of Storage Tanks	150,000		48,505					48,505
03-19	Supplemental - 1992 Guide Rail Program	200,000		71,169					71,169
03-20	Supplemental - Various Drainage Improvements	250,000		34,827					34,827
03-21	Acquisition of Youth Detention Security Cameras	650,000		9,920			226		9,704
03-25	Imp to Goffe/Weszel Bros's Park Recreation	800,000	256,550				1,214	355,236	
03-26	Supplemental - Rehab to Administration Building Plaza	645,454		25,620			174		25,446

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Integrational Description	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Adjustments	Paid or Charged	Balance Dec. 31, 2007	
			Funded	Unfunded				Funded	Unfunded
03-27	Supplemental - Acquisition of Hospital Equipment	500,000	200,000	199,138				200,000	199,138
03-29	Supplemental - Gedde Brook Stabilization Project	200,000					2,336		15,921
03-30	Union Valley Road/Green Brook Bridge Design PC2434	200,000		18,257			52		23,002
03-31	President St/Vessel Brook Bridge Design PC953	150,000		25,934					121,724
03-32	Supplemental - Public Works Equipment	700,000		121,724					3,286,990
04-01	Improvements to Peterson Hamburg	8,750,000	5,212,979	3,236,650			2,750,000	2,462,979	374,598
04-03	Imp to Peterson Hamburg Turnpike/Jackson Ave.	1,500,000	1,127,902	372,098				1,127,902	380,000
04-04	Imp to Crooks Ave/Wabash Ave. Drainage	1,400,000	48,136	380,000			139		188,507
04-05	Acquisition of Property for a Salt Dome	200,000	2,716	190,000			4,289		5,173
04-06	Improvements to HVAC System	1,000,000		5,519			346		29,787
04-07	General Renovations to County Buildings	600,000		73,146			43,359		
04-08	Acquisition of Building and Grounds Equipment	200,000	10,000	190,000			200,000		
04-09	Acq of Equipment for Passaic County Courtn. College	1,772,881		50,500			10,511		39,439
04-10	Acq of Equipment for Passaic County Vocational Tech	979,000		609,182					609,142
04-11	Imp to Passaic County Jail & Aeq of Various Equip	2,100,000		723,944					508,785
04-12	Imp & Renovations to 455 Hamburg Turnpike	600,000	30,000	570,000			215,199	30,000	570,000
04-13	Acquisition of Computer Equipment	300,000		92,318			104		92,714
04-14	Acquisition of Various Equipment	500,000		44,070			174		43,296
04-15	2004 Road Resurfacing Program	1,000,000		89,572			1,499		88,033
04-16	Equip. for the Public Works & Buildings & Grounds	1,000,000		48,046			346		47,700
04-18	Various Improvements to FCCC	9,576,000	311,739					311,739	
04-19	Various Bridge Repair & Replacement Project	1,000,000		614,652			13,930		660,722
04-20	Various Drainage Projects	550,000	15,040	332,500			167,183		180,357
04-21	Various Road Improvement Projects	650,000		180,360			6,979		174,281
04-22	Traffic Safety Programs	150,000		59,174			54,778		4,396
04-23	Intersection Improvements	350,000		290,005					290,005
04-24	Miscellaneous Buildings & Grounds Improvements	2,000,000		669,087			294,091		374,916
04-25	Development of a Secured, Private Fiber Network	3,000,000		169,991			165,260		1,731
04-28	GIS Parcel Mapping in & by the County	175,000		124,937					124,937

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Adjustments	Paid or Charged	Balance Dec. 31, 2007	
			Funded	Unfunded				Funded	Unfunded
04-29	Acquisition of & Renovation to County Building	6,000,000		647,519			33,347		614,172
05-02	County Road Resurfacing	4,000,000		341,980			123,589		218,391
05-05	Acquisition of HAVA Voting Machines	4,908,830		115,599			746		114,853
05-06	Improvements to the PC Tech Institute	979,308		502,264			155,636		346,628
05-07	Parks & Recreation General Improvements	2,903,400	55,219	2,757,400			13,524	41,295	2,757,400
05-08	Improvements to the Passaic County Jail	2,000,000	12,589	1,900,000			111,618		1,800,971
05-09	Acquisition of Equipment - Presbiterian Healthcare Center	1,000,000	46,317	950,000			621,295		375,022
05-10	DYW Various Repairs & Improvements	2,850,000		1,435,349			208,825		1,229,524
05-11	Various Repairs & Improvements	12,334,000	3,124,948	2,571,000			2,101,300	23,628	2,571,000
05-13	America's 2002-02 - Long Range Facility Plan	7,595,998	2,531,881				2,579,865	11,516	
05-14	Improvements to the Community College	18,000,000	6,100,000	11,900,000			4,231,950	13,768,058	
05-15	Acquisition of Property - Rail Tract	6,600,000		1,973,867			194,941		
05-16	Improvements to the Community College	3,800,000		2,835,322			2,588,517		
06-03	Road Improvements	1,800,000		601,969			(119,281)		
06-04	Lease Improvements to Prebness Healthcare Center	25,000,000		2,040,000			3,311,234		
06-05	Private Fiber Optic Network	5,500,000		4,830,655			515,503		
06-06	Bridge Replacements and/or Repairs	2,760,000	690,836	2,068,754			529,178	374,204	1,869,887
06-07	Various Capital Improvements	5,375,000	4,014,700	1,359,500			6,554	3,485,522	1,359,500
06-08	Parks & Recreation General Improvements	3,570,000	3,541,090	28,500			795,013	3,534,536	28,500
06-09	Acquisition of Additional Equipment	1,100,000	55,000	1,045,000			424,082		304,982
06-10	Various Repairs & Improvements	1,000,000	45,180	958,000			500,873		570,498
06-11	Improvements to the Vocational School	979,308		979,308			692,247		478,435
06-12	Improvements to the Community College	2,250,000		2,250,000				275,000	1,557,753
06-10/06-14	Various Repairs & Improvements	5,500,000	275,000	5,225,000					5,225,000
06-15	Supplemental - Study and Improvements of Hazel St.	225,000		113,905			1,606		112,299
06-16	Reconstruction and Rehabilitations of Various Bridges	6,652,000	6,652,000				407,638	6,244,362	

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Adjustments	Paid or Chartered	Balance Dec. 31, 2007	
			Funded	Unfunded				Funded	Unfunded
07-03	2007 Road Resurfacing Program	3,450,000			3,450,000		2,479,054		670,946
07-04	Replacement of Hilary Street Bridge	11,015,000			11,015,000		10,317,915	197,085	500,000
07-05	Various Capital Improvements	2,500,000			2,500,000		600	504,400	1,995,000
07-07	Stabilization Improvements to Groble Brook	200,000			200,000			200,000	
07-08	2007 Road Improvement Projects	3,773,000			3,773,000		550	2,153,450	1,619,000
07-09	General Parks and Recreation Program Imp	750,000			750,000			750,000	
07-10	Implementation of Traffic Safety Program	150,000			150,000		647	7,503	142,500
07-11	Recreation Improvement Projects	1,350,000			1,350,000			1,016,833	332,500
07-12	Acquisition of Various Equipment	1,523,000			1,523,000		545	75,605	1,446,850
07-13	Various Capital Improvements	4,300,000			4,300,000		437	214,563	4,085,000
07-14	Various Improvements for the County College	2,500,000			2,500,000				2,500,000
07-15	Various Imp for the Vocational Technical School	979,368			979,368		19,934		959,374
			\$ 46,851,873	\$ 73,209,589	\$ 32,190,108	\$ (585,000)	\$ 45,220,124	\$ 43,952,269	\$ 61,494,377

Capital Improvements Fund \$ 659,650
 Schedule of Receivables 15,438,080
 Def. Charges to Future Taxation 16,092,658

\$ 32,190,108

Cash \$ 24,647,661
 Encumbrances 21,572,463
 \$ 46,220,124

COUNTY OF PASSAIC
Schedule of Accounts Payable
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$ <u>264,927</u>
Balance - December 31, 2007	\$ <u>264,927</u>

Schedule of Commitments Payable
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$ 18,836,864
Increased by:	
Charges to Improvement Authorizations	<u>21,572,463</u>
	40,409,327
Decreased by:	
Payments	<u>18,836,864</u>
Balance - December 31, 2007	\$ <u>21,572,463</u>

COUNTY OF PASSAIC
Schedule of Green Acres Loan Payable
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$	2,284,760
Decreased by:		
Paid by Budget Appropriations		285,295
Balance - December 31, 2007	\$	1,999,465

Schedule of Amount Due to the Township of Wayne
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$	29,190
Increased by:		
State Aid Reimbursements		25,961
Balance - December 31, 2007	\$	55,151

COUNTY OF PASSAIC
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$	69,618
Increased by:		
2007 Budget Appropriations		<u>750,000</u>
		819,618
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>659,650</u>
Balance - December 31, 2007	\$	<u><u>159,968</u></u>

Schedule of Reserve for Final Payments and Litigation
General Capital Fund
Year Ended December 31, 2007

Balance - December 31, 2006	\$	<u>160,258</u>
Balance - December 31, 2007	\$	<u><u>160,258</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Payment of Bonds and Notes

General Capital Fund

Year Ended December 31, 2007

	<u>Ordinance</u>	<u>Balance Dec. 31, 2006</u>	<u>Increased</u>	<u>Balance Dec. 31, 2007</u>
Reserve for Payment of Bonds:				
Scoping of Fairlawn Avenue	95-17	\$	50,568	50,568
Reconstruction of Westbrook Bridge	98-19		3,668	3,668
West Broadway Bridge	98-39		183,516	183,516
Hurricane Floyd	99-30		36,599	36,599
Market Street Bridge	00-06	117,603		117,603
Paterson/Hamburg Turnpike Bridge #42,43 & 44	00-43	63,742		63,742
Restoration of Lambert Castle	02-27	42,118		42,118
Scoping Clove Road	04-21	60,497	49,052	109,549
Total Reserve for Payment of Bonds		<u>283,960</u>	<u>323,403</u>	<u>607,363</u>
Reserve for Payment of Bond Anticipation Notes:				
Hillary Street Bridge PC #39	99-09	28,477	60,730	89,207
HF Belmont Bridge	01-32	1,381,415		1,381,415
Paterson Hamburg Tpk/Jackson	02-34		66,000	66,000
Fiber Optics Network	06-05		322,819	322,819
Total Reserve for Payment of Bond Anticipation Notes		<u>1,409,892</u>	<u>449,549</u>	<u>1,859,441</u>
Total Reserve for Payment of Bonds and Notes		<u>\$ 1,693,852</u>	<u>772,952</u>	<u>2,466,804</u>
Cash		\$	706,952	
Reserve for Unapprop Grants			66,000	
			<u>\$ 772,952</u>	

COUNTY OF PASSAIC

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2007

	Balance, December 31, <u>2006</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2007</u>
Current Fund	\$ 765,650	417,616	1,513,789	(330,523)
Federal and State Grant Fund	4,000,000			4,000,000
Liability Trust Fund	<u>74,955</u>		<u>74,955</u>	
	<u>4,840,605</u>	<u>417,616</u>	<u>1,588,744</u>	<u>3,669,477</u>
Due from	4,840,605	403,946	1,244,551	4,000,000
Due (to)		<u>13,670</u>	<u>344,193</u>	<u>(330,523)</u>
	<u>\$ 4,840,605</u>	<u>417,616</u>	<u>1,588,744</u>	<u>3,669,477</u>
Receipts		\$	1,588,744	
Budget Appropriations		238,319		
Disbursements		<u>179,297</u>		
		<u>\$ 417,616</u>	<u>1,588,744</u>	

COUNTY OF PASSAIC

Schedule of Reserve for Salt Shed - West Milford

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006	\$ <u>296,619</u>
Balance - December 31, 2007	\$ <u>296,619</u>

Schedule of Reserve for EFA State Loan Payments

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006	\$ <u>500,000</u>
Balance - December 31, 2007	\$ <u>500,000</u>

COUNTY OF PASSAIC

Schedule of Reserve for Interest - Fire Academy

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006	\$	757,343
Increased by:		
Cash Receipts		<u>199,327</u>
Balance - December 31, 2007	\$	<u>956,670</u>

COUNTY OF PASSAIC

**Schedule of Reserve for Administration
Building Settlement**

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006	\$ <u>9,786</u>
Balance - December 31, 2007	\$ <u>9,786</u>

Schedule of Reserve for Interest - DOT Programs

General Capital Fund

Year Ended December 31, 2007

Balance - December 31, 2006	\$ 4,972,162
Increased by:	
Cash Receipts	<u>149,894</u>
Balance - December 31, 2007	\$ <u>5,122,056</u>

COUNTY OF PASSAIC

Schedule of Reserve for Unappropriated Grants

General Capital Fund

Year Ended December 31, 2007

	Balance <u>Dec. 31, 2006</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2007</u>
Reserve for Greenwood Lake Turnpike CCTP Program	\$ 2,791,000			2,791,000
Reserve for Paterson Hamburg Turnpike/Jackson Avenue Intersection	66,000		66,000	
Reserve for Various Structurally Deficient Bridges		<u>168,126</u>		<u>168,126</u>
	<u>\$ 2,857,000</u>	<u>168,126</u>	<u>66,000</u>	<u>2,959,126</u>
State Grant Award	\$ 168,126			
Reserve for Payment of Debt Bonds and Notes			<u>66,000</u>	
		<u>\$ 168,126</u>	<u>66,000</u>	

COUNTY OF PASSAIC

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Description	Date of Origin	Term	Date of Maturity	Interest Rate	Balance Dec-31-2006	Increment	Decreased	Balance Dec-31-2007
97-31	Improvements-Dessinberg	7/14/05	5/15/07	5/14/08	4.00%	5,000	5,000	5,000	5,000
98-23	Design & Rehab. Mager Road Bridge - PC-4484	7/14/05	5/15/07	5/14/08	4.00%	60,000	60,000	60,000	60,000
98-19	Replacement of Wagaraw Road Bridges	7/14/05	5/15/07	5/14/08	4.00%	20,000	20,000	20,000	20,000
00-26	Supplemental - Various Drainage Projects	7/14/05	5/15/07	5/14/08	4.00%	260,000	260,000	260,000	260,000
00-27	Acquisition of Property - (Blainingside Rd, 3413)	7/14/05	5/15/07	5/14/08	4.00%	190,000	190,000	190,000	190,000
00-35	Supplemental - Rehabilitation of Various Parks	7/14/05	5/15/07	5/14/08	4.00%	238,000	238,000	238,000	238,000
00-35	Supplemental - Reconstruction of Greenwood Lake Turnpike	7/14/05	5/15/07	5/14/08	4.00%	242,000	242,000	242,000	242,000
01-26	Supplemental - Reconstruction of Ringwood Ave	7/14/05	5/15/07	5/14/08	4.00%	95,000	95,000	95,000	95,000
01-42	Supplemental - Improvements to Camp Hope	7/14/05	5/15/07	5/14/08	4.00%	5,000	5,000	5,000	5,000
01-11	Supplemental - 1992 Quirk Park Program	7/14/05	5/15/07	5/14/08	4.00%	714,000	714,000	714,000	714,000
01-14	Drainage Crooks and Wash Avenues	7/14/05	5/15/07	5/14/08	4.00%	190,000	190,000	190,000	190,000
01-18	Supplemental - Renovations to Courthouse Complex	7/14/05	5/15/07	5/14/08	4.00%	4,100	4,100	4,100	4,100
01-22	Supplemental - Acquisition of equipment for jail	7/14/05	5/15/07	5/14/08	4.00%	422,000	422,000	422,000	422,000
01-23	Supplemental - Acquisition of Equipment for Preakness Hospital	7/14/05	5/15/07	5/14/08	4.00%	476,000	476,000	476,000	476,000
01-26	Reconstructions - County Jail	7/14/05	5/15/07	5/14/08	4.00%	380,000	380,000	380,000	380,000
01-27	Supplemental - Reconst. of 80 Hamilton St. - Welfare Board	7/14/05	5/15/07	5/14/08	4.00%	238,000	238,000	238,000	238,000
01-35	Supplemental - Renovation of Youth Center	7/14/05	5/15/07	5/14/08	4.00%	628,000	628,000	628,000	628,000
02-04	Supplemental - Renovation of Vesiten School	7/14/05	5/15/07	5/14/08	4.00%	352,000	352,000	352,000	352,000
01-05	Supplemental - Acquisition of Voc School Equipment	7/14/05	5/15/07	5/14/08	4.00%	2,795,000	2,795,000	2,795,000	2,795,000
01-06	Supplemental - Acquisition of Courthouse Equipment	7/14/05	5/15/07	5/14/08	4.00%	857,000	857,000	857,000	857,000
02-09	Supplemental - Renovations to Courthouse Complex	7/14/05	5/15/07	5/14/08	4.00%	475,000	475,000	475,000	475,000
02-11	Supplemental - Rehab/Upgrade of DPW Equipment	7/14/05	5/15/07	5/14/08	4.00%	285,000	285,000	285,000	285,000
02-15	Waterproofing of Administration Buildings	7/14/05	5/15/07	5/14/08	4.00%	476,000	476,000	476,000	476,000
02-16	Supplemental - Renovations of 80 Hamilton Street	7/14/05	5/15/07	5/14/08	4.00%	190,000	190,000	190,000	190,000
02-19	Acquisition of Buildings/Graffiti Equipment	7/14/05	5/15/07	5/14/08	4.00%	380,000	380,000	380,000	380,000
02-20	Dues/Expenses to Courthouse & Administration Building	7/14/05	5/15/07	5/14/08	4.00%	4,100	4,100	4,100	4,100

COUNTY OF PASADENA
Schedule of Bond Anticipation Notes Payable
General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Date of Original Issue	Improvements Description	Date of Issue	Maturity	Interest Rate	Balance Dec. 31, 2006	Interest	Balance Dec. 31, 2007
02-22	7/14/05	Supplemental - Improvements to Camp Hope	5/15/07	5/14/08	4.00%	142,000	142,000	142,000
02-24	7/14/05	Supplemental - Imp to Youth Center	5/15/07	5/14/08	4.00%	190,000	190,000	190,000
02-22	7/14/05	Supplemental - Repair of Bellman Ave Bridge	5/15/07	5/14/08	4.00%	285,000	285,000	285,000
02-33	7/14/05	Supplemental - Reconstruction of Various Bridges	5/15/07	5/14/08	4.00%	476,000	476,000	476,000
02-34	7/14/05	Imp to Harbort Tempite & Jackson Avenue	5/15/07	5/14/08	4.00%	285,000	285,000	285,000
02-37	7/14/05	Supplemental - Imp to Intersection of Alps Road & Ruber Road	5/15/07	5/14/08	4.00%	190,000	190,000	190,000
02-38	7/14/05	Supplemental - Acquisition of Paratransit/ Meals on Wheel Vehicles	5/15/07	5/14/08	4.00%	285,000	285,000	285,000
03-03	7/14/05	Golf Course Improvements	5/15/07	5/14/08	4.00%	285,000	285,000	285,000
03-07	7/14/05	Acquisition of Paratransit Vehicles	5/15/07	5/14/08	4.00%	714,000	714,000	714,000
03-13	7/14/05	Supplemental - Various Capital Improvements	5/15/07	5/14/08	4.00%	190,400	190,400	190,400
03-14	7/14/05	Expansion of Freshness Health Care Facility	5/15/07	5/14/08	4.00%	2,857,000	2,857,000	2,857,000
03-18	7/14/05	Supplemental - Removal of Storage Tanks	5/15/07	5/14/08	4.00%	142,500	142,500	142,500
03-21	7/14/05	Acquisition of Youth Detention Security Cameras	5/15/07	5/14/08	4.00%	619,000	619,000	619,000
03-22	7/14/05	Supplemental - Renovations to Court House Complex	5/15/07	5/14/08	4.00%	142,500	142,500	142,500
03-23	7/14/05	Supplemental - Renovations to Public Buildings	5/15/07	5/14/08	4.00%	190,000	190,000	190,000
03-26	7/14/05	Supplemental - Rehab to Administration Building Plaza	5/15/07	5/14/08	4.00%	190,000	190,000	190,000
03-30	7/14/05	Union Valley Road/Green Brook Bridge Design PC9934	5/15/07	5/14/08	4.00%	142,500	142,500	142,500
03-31	7/14/05	President SWWeasel Brook Bridge Design PC9934	5/15/07	5/14/08	4.00%	665,000	665,000	665,000
03-32	7/14/05	Supplemental - Public Works Equipment	5/15/07	5/14/08	4.00%	950,000	950,000	950,000
04-02	7/14/05	Improvements to Greenwood Lake Tpk West Millford	5/15/07	5/14/08	4.00%	380,000	380,000	380,000
04-04	7/14/05	Imp to Creeks Ave/Wyssh Ave, Drainage	5/15/07	5/14/08	4.00%	950,000	950,000	950,000
04-06	7/14/05	Improvements to HVAC System	5/15/07	5/14/08	4.00%	570,000	570,000	570,000
04-07	7/14/05	General Renovations to County Buildings	5/15/07	5/14/08	4.00%	190,000	190,000	190,000
04-08	7/14/05	Acquisition of Building and Grounds Equipment	5/15/07	5/14/08	4.00%	1,772,000	1,772,000	1,772,000
04-09	7/14/05	Acq of Equipment for Pasadena County Comm. College	5/15/07	5/14/08	4.00%	979,000	979,000	979,000
04-10	12/28/05	Acq of Equipment for Pasadena County Vocational Tech	5/15/07	5/14/08	4.00%	979,000	979,000	979,000
04-11	5/15/07	Improvement and Restoration to Pasadena County Jail and Acquisition of Various Equipment	5/15/07	5/14/08	4.00%	1,995,000	1,995,000	1,995,000

COUNTY OF PASSAIC
Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Investment Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Balance Dec. 31, 2006	Interest	Decreases	Balance Dec. 31, 2007
04-13	Acquisition of Computer Equipment	12/23/03	5/15/07	5/14/08	4.00%	285,000	285,000	285,000	285,000
04-14	Acquisition of Various Equipment	12/23/05	5/15/07	5/14/08	4.00%	475,000	475,000	475,000	475,000
04-15	2004 Road Resurfacing Program	7/14/05	5/15/07	5/14/08	4.00%	2,850,000	2,850,000	2,850,000	2,850,000
04-16	Equip for the Public Works & Buildings & Grounds	7/14/05	5/15/07	5/14/08	4.00%	950,000	950,000	950,000	950,000
04-19	Various Bridge Repair and Replacement Projects	5/15/07	5/15/07	5/14/08	4.00%	617,500	617,500	617,500	617,500
04-21	Various Road Improvement Projects	12/28/03	5/15/07	5/14/08	4.00%	1,900,000	1,900,000	1,900,000	1,900,000
04-24	Miscellaneous Buildings and Ground Improvements	5/15/07	5/15/07	5/14/08	4.00%	2,000,000	2,000,000	2,000,000	2,000,000
04-25	Development of a Secured Private Fiber Network	5/15/07	5/15/07	5/14/08	4.00%	1,325,000	1,325,000	1,325,000	1,325,000
04-26	Development of a Secured Private Fiber Network	5/15/07	5/15/07	5/14/08	4.00%	5,700,000	5,700,000	5,700,000	5,700,000
04-29	Repair and Upgrade of Passaic County Admin Building	12/23/03	5/15/07	5/14/08	4.00%	3,000,000	3,000,000	3,000,000	3,000,000
04-02	County Road Resurfacing	12/23/02	5/15/07	5/14/08	4.00%	1,075,000	1,075,000	1,075,000	1,075,000
04-04	Acquisition of Land - Alfred Tract	5/15/07	5/15/07	5/14/08	4.00%	1,068,000	1,068,000	1,068,000	1,068,000
04-05	Acquisition of HAVA Voting Machines	12/28/05	5/15/07	5/14/08	4.00%	979,000	979,000	979,000	979,000
04-08	Improvements to the PC Tech Institute	12/28/05	5/15/07	5/14/08	4.00%	1,900,000	1,900,000	1,900,000	1,900,000
04-09	Improvements to the Passaic County Jail	12/28/05	5/15/07	5/14/08	4.00%	950,000	950,000	950,000	950,000
04-10	Acquisition of Equipment - Princess Healthcare Center	12/28/05	5/15/07	5/14/08	4.00%	2,707,500	2,707,500	2,707,500	2,707,500
04-11	EPW Various Equipment & General Improvements	12/28/05	5/15/07	5/14/08	4.00%	2,571,000	2,571,000	2,571,000	2,571,000
04-14	Various Repairs & Improvement	1/11/06	5/15/07	5/14/08	4.00%	31,800,000	31,800,000	31,800,000	31,800,000
04-15	Improvements to Community College	12/23/05	5/15/07	5/14/08	4.00%	6,275,000	6,275,000	6,275,000	6,275,000
04-16	Acquisition of Property - Rail Tract	12/23/05	5/15/07	5/14/08	4.00%	3,800,000	3,800,000	3,800,000	3,800,000
04-03	Improvements to Community College	5/15/07	5/15/07	5/14/08	4.00%	3,610,000	3,610,000	3,610,000	3,610,000
04-05	Road Improvements	5/15/07	5/15/07	5/14/08	4.00%	5,225,000	5,225,000	5,225,000	5,225,000
04-11	Private Fiber Optic Network	5/15/07	5/15/07	5/14/08	4.00%	979,000	979,000	979,000	979,000
04-12	Improvements of Passaic County Technical Institute	5/15/07	5/15/07	5/14/08	4.00%	2,250,000	2,250,000	2,250,000	2,250,000
04-12	Improvements to Passaic County Community College	5/15/07	5/15/07	5/14/08	4.00%	83,286,000	83,286,000	83,286,000	83,286,000
						\$ 71,544,000	\$ 71,544,000	\$ 71,544,000	\$ 71,544,000

Cash	\$ 29,642,000
Received	59,644,000
Bond Proceeds	11,800,000
	\$ 81,286,000
	\$ 71,544,000

COUNTY OF MASSACHUSETTS
Schedule of General Serial Bonds Payable
General Capital Fund
Year Ended December 31, 2007

Maturity	Date of Issue	Amount of Original Issue	Maturities		Interest Rate	Balance December 31, 2006	Balance December 31, 2007
			Year	Amount			
Vocational School Bonds of 1968	09/01/68	\$ 6,225,000	2006	85,000	4.70074 %	265,000	35,000
General Obligation of Refunding Bonds of 1992	12/01/92	18,955,000	2008	540,000	5.35074 %	1,615,000	1,070,000
			2009	530,000	6.00074 %		545,000
General Obligation of Refunding Bonds of 1993	09/01/93	41,940,000	2010	2,100,000	5.125 %	6,215,000	6,215,000
			2011	2,070,000	5.125 %		
			2012	2,045,000			
General Obligation of Refunding Bonds of 1994	02/01/94	20,100,000				1,310,000	1,310,000
General Obligation Refunding Bond of 1995	09/01/95	13,105,000				4,135,000	4,135,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Entries	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2007	Interest Rate	Balance December 31, 2006	Increased	Decreased	Balance December 31, 2007
General Obligation Refunding Bonds of 1998 (Term Debt) - Series B	09/01/98	30,700,000	1,100,000	6.350%	23,300,000	1,100,000		22,200,000
	2009		1,200,000	6.770%				
	2010		1,300,000	6.770%				
	2011		1,400,000	6.770%				
	2012-13		1,500,000	6.770%				
	2014		1,600,000	6.770%				
	2015		1,700,000	6.770%				
	2016		1,800,000	6.770%				
	2017		1,900,000	6.770%				
	2018		2,000,000	6.770%				
	2019		2,100,000	6.770%				
2020		2,200,000	6.770%					
<hr/>								
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series A	09/01/98	665,000	230,000	6.770%	665,000			665,000
			250,000	6.770%				
			225,000	6.770%				
<hr/>								
County College Bond Series 1996B - State Aid	11/01/96	5,404,000	369,000	5.350%	2,159,000	360,000		1,799,000
			399,000	5.350%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2007		Interest Rate	Balance December 31, 2006	Interest Incurred	Balance December 31, 2007
			Year	Amount				
County College Bonds Series A	08/01/00	4,495,000	2008	315,000	5.100%	3,100,000	290,000	2,810,000
			2009	325,000	5.100%			
			2010	340,000	5.100%			
			2011	350,000	5.100%			
			2012	360,000	5.100%			
			2013	370,000	5.100%			
			2014-15	375,000	5.100%			
County College Bonds Series B - State Aid	08/01/00	4,494,000	2008	315,000	5.050%	3,099,000	290,000	2,809,000
			2009	325,000	5.050%			
			2010	340,000	5.050%			
			2011	350,000	5.050%			
			2012	360,000	5.050%			
			2013	370,000	5.050%			
			2014	375,000	5.050%			
General Improvement Bonds	09/15/00	13,990,000	2008	1,000,000	5.000%	11,690,000	900,000	10,790,000
			2009	1,100,000	5.000%			
			2010	1,200,000	5.000%			
			2011	1,300,000	5.000%			
			2012	1,400,000	5.000%			
			2013	1,500,000	5.000%			
			2014	1,600,000	5.000%			
2015	1,690,000	5.000%						

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Series	Date of Issue	Amount of Original Issue	Maturity of Bonds Outstanding Dec. 31, 2007	Interest Rate	Balance December 31, 2006	Impressed	Unimpressed	Balance December 31, 2007
General Obligation Refunding Bonds	03/01/01	31,145,000	2008	4.000%	24,985,000		2,000,000	22,985,000
			2009	4.150%				
			2010	4.250%				
			2011	4.300%				
			2012	5.250%				
			2013	5.250%				
			2014	5.250%				
			2015	5.250%				
			2016	5.250%				
			2017	4.950%				
			2018	4.750%				
		2019	4.750%					
					14,825,000	1,000,000	13,825,000	
General Improvement Bonds	03/01/01	19,250,000	2003	4.375%				
			2009	4.375%				
			2010	4.375%				
			2011	4.375%				
			2012	4.375%				
			2013	4.375%				
			2014	4.375%				
		2015-16	4.375%					

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Funds	Date of Issue	Amount of Original Issue	Maturity		Interest Rate	Balance December 31, 2006	Increased	Decreased	Balance December 31, 2007
			Year	Amount					
General Improvement Bonds	09/15/01	14,965,000	2008	1,250,000	4.200%	12,465,000		1,000,000	11,565,000
			2009	1,200,000	4.200%				
			2010-11	1,400,000	4.200%				
			2012-13	1,500,000	4.200%				
			2014	1,600,000	4.200%				
			2015	1,665,000	4.200%				
General Improvement Bonds	09/15/02	9,485,000	2008	\$70,000	3.500%	\$,560,000		315,000	\$,245,000
			2009	1,045,000	3.500%				
			2010	1,100,000	3.500%				
			2011	1,185,000	3.500%				
			2012	1,265,000	3.500%				
			2013	1,345,000	3.600%				
		2014	1,435,000	3.600%					
County College Bonds	09/15/02	1,033,000	2008-12	\$5,000	3.500%	693,000		85,000	608,000
			2013	\$5,000	3.600%				
			2014	\$6,000	3.600%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2006	Increased	Decreased	Balance December 31, 2007
			Year	Amount					
Vocational School Bonds	09/15/02	2,315,000	2008	210,000	3.500%	2,265,000			2,180,000
			2009	280,000	3.500%				
			2010	308,000	3.500%				
			2011	315,000	3.500%				
			2012	335,000	3.500%				
			2013	355,000	3.625%				
			2014	365,000	3.750%				
Pension Refunding Bonds, Series 2003	01/15/03	6,560,000	2008	240,000	3.460%	5,605,000		195,000	5,410,000
			2009	290,000	4.760%				
			2010	340,000	4.760%				
			2011	425,000	4.760%				
			2012	490,000	4.760%				
			2013	520,000	4.760%				
			2014	590,000	5.000%				
			2015	680,000	5.000%				
			2016	788,000	5.000%				
			2017	880,000	5.000%				
			2018	25,000	5.750%				
2019	35,000	5.750%							
2020	45,000	5.750%							
2021	60,000	5.750%							

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Maturity	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2006	Increase	Decrease	Balance December 31, 2007
			Year	Amount					
General Improvement and County College Bonds	06/13/03	18,447,000	2008	815,000	3.000%	17,152,000	715,000	16,437,000	
			2009	915,000	3.000%				
			2010	1,015,000	3.000%				
			2011	1,165,000	3.000%				
			2012	1,565,000	3.125%				
			2013	1,665,000	3.125%				
			2014	2,165,000	3.375%				
			2015	2,262,000	3.500%				
			2016	2,100,000	3.750%				
			2017	2,390,000	3.750%				
Vocational School Bonds	06/13/03	1,500,000	2008-11	125,000	3.000%	1,125,000	125,000	1,000,000	
			2012-13	125,000	3.125%				
			2014	125,000	3.375%				
			2015	125,000	3.500%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2007		Interest Rate	Balance December 31, 2007	Increased	Decreased	Balance December 31, 2007
			Year	Amount					
General Improvement Bonds	08/15/03	11,977,000	2008	150,000	4.200%	11,752,000		125,000	11,627,000
			2009	950,000	4.200%				
			2010	1,000,000	4.200%				
			2011	1,100,000	4.200%				
			2012	1,500,000	4.200%				
			2013	1,900,000	4.200%				
			2014	1,700,000	4.200%				
		2015	1,900,000	4.200%					
		2016	2,027,000	4.240%					
County College Bonds	08/15/05	2,010,000	2008-09	165,000	4.200%	1,515,000		165,000	1,350,000
			2010-15	170,000	4.200%				
General Obligation Refunding Bonds	08/01/03	21,355,000	2008	2,095,000	5.000%	14,050,000		1,970,000	12,080,000
			2009	2,125,000	5.100%				
			2013	2,015,000	5.300%				
			2014	1,985,000	5.200%				
			2015	1,955,000	5.200%				
			2016	1,915,000	5.200%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Maturity	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2006	Increased	Decreased	Balance December 31, 2007
			Year	Amount					
General Obligation Bonds	03/15/04	19,495,000	2008	1,125,000	3.250%	17,420,000		1,100,000	16,320,000
			2009	1,150,000	3.250%				
			2010	1,200,000	3.250%				
			2011	1,250,000	3.250%				
			2012	1,300,000	3.250%				
			2013	1,350,000	3.250%				
			2014	1,800,000	3.375%				
			2015	3,400,000	3.500%				
			2016	3,745,000	3.500%				
General Obligation Refunding Bonds									
	05/01/04	12,220,000	2008	1,255,000	3.000%	12,220,000			12,220,000
			2009	1,280,000	3.000%				
			2010	1,270,000	3.000%				
			2011	1,255,000	3.250%				
			2012	1,240,000	3.250%				
			2013	1,230,000	3.250%				
			2014	1,205,000	3.250%				
			2015	1,190,000	3.250%				
			2016	1,170,000	3.250%				
			2017	1,095,000	3.375%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2007	Assessed	Debtless	Balance December 31, 2007
			Year	Amount					
General Obligation Refunding Bonds (A)	09/01/04	41,870,000	2008	1,475,000	3.250%	14,960,000		1,500,000	13,660,000
			2009	3,420,000	3.125%				
			2010	5,065,000	3.400%				
			2011	5,100,000	5.250%				
			2012	5,245,000	5.250%				
			2013	5,370,000	4.000%				
			2014	2,965,000	4.000%				
			2015	1,020,000	4.125%				
			2016	1,005,000	4.250%				
			2017	610,000	4.400%				
			2018	605,000	4.500%				
			2019	600,000	4.600%				
			2020	600,000	4.625%				
2021	580,000	4.700%							
			2008	3,095,000	5.000%	7,660,000		3,065,000	4,595,000
			2009	1,990,000	3.500%				
County College Bonds (A)	10/15/04	4,785,000	2008	325,000	3.600%	4,263,000		308,000	3,955,000
			2009	335,000	3.600%				
			2010	345,000	3.600%				
			2011	360,000	3.600%				
			2012	375,000	3.600%				
			2013	400,000	3.600%				
			2014	420,000	3.600%				
			2015	450,000	3.600%				
2016	465,000	3.600%							
2017	488,000	3.600%							

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities		Interest Rate	Balance December 31, 2006	Increased	Decreased	Balance December 31, 2007
			Year	Amount					
County College Bonds (D)	10/15/04	4,784,000	2008	450,000	3.250%	3,941,000		435,000	3,506,000
			2009	465,000	3.250%				
			2010	480,000	3.250%				
			2011	495,000	3.250%				
			2012	515,000	3.250%				
			2013	535,000	3.250%				
			2014	565,000	3.250%				
General Obligation Bonds	06/01/05	20,000,000	2008	1,025,000	3.750%	19,975,000		100,000	19,875,000
			2009	1,125,000	3.750%				
			2010	1,275,000	3.750%				
			2011	1,375,000	3.750%				
			2012	1,525,000	3.750%				
			2013	1,600,000	3.750%				
			2014	1,725,000	3.750%				
			2015	1,825,000	3.750%				
			2016	1,925,000	3.750%				
			2017	2,025,000	3.875%				
		2018	2,175,000	4.000%					
		2019	2,275,000	4.000%					

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2007	Interest Rate	Balance December 31, 2006	Unrepaid	Depreciated	Balance December 31, 2007
General Obligation Bonds	06/01/06	20,000,000	25,000	4.375%	20,000,000		25,000	19,975,000
	2009		75,000	4.375%				
	2010		100,000	4.375%				
	2011		125,000	4.375%				
	2012		100,000	4.375%				
	2013		175,000	4.375%				
	2014		200,000	4.375%				
	2015		1,000,000	4.375%				
	2016		1,100,000	4.375%				
	2017		1,200,000	4.375%				
	2018		1,300,000	4.375%				
	2019		1,400,000	4.375%				
	2020		1,500,000	4.375%				
	2021		1,600,000	4.375%				
	2022		1,700,000	4.375%				
	2023		1,800,000	4.500%				
	2024		1,900,000	4.500%				
	2025		2,075,000	4.500%				
2026		2,600,000	4.500%					
					3,050,000		200,000	2,850,000
County Cottage Districts (A)	11/15/06	3,050,000	210,000	3.625%				
	2009		720,000	3.625%				
	2010		250,000	3.750%				
	2011		240,000	3.750%				
	2012		250,000	3.750%				
	2013		260,000	3.750%				
	2014		270,000	3.750%				
	2015		240,000	3.750%				
	2016		290,000	3.875%				
	2017-18		300,000	4.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2017

Funds	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2017	Interest Rate	Balance December 31, 2016	Interest	Balance December 31, 2017
County College Bonds (B)	11/15/06	3,050,000	2008	3.625%	3,050,000	200,000	2,850,000
			2009	3.625%			
			2010	3.750%			
			2011	3.750%			
			2012	3.750%			
			2013	3.750%			
			2014	3.750%			
			2015	3.750%			
			2016	3.875%			
			2017-18	4.000%			
County College Bonds (A)	11/01/07	5,950,000	2008	3.625%		5,950,000	5,950,000
			2009	3.625%			
			2010	3.625%			
			2011	3.750%			
			2012	3.750%			
			2013	3.750%			
			2014	3.750%			
			2015	3.750%			
			2016	3.750%			
			2017	4.000%			

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balances December 31, 2006	Increased	Decreased	Balance December 31, 2007
			Year	Amount					
County College Bonds (B)	1/10/07	5,950,000	2008	390,000	3.625%		5,950,000		5,950,000
			2009	375,000	3.625%				
			2010	390,000	3.625%				
			2011	410,000	3.750%				
			2012	450,000	3.750%				
			2013	500,000	3.750%				
			2014	525,000	3.750%				
			2015	545,000	3.750%				
			2016	570,000	3.750%				
			2017	595,000	3.750%				
		2018	615,000	4.000%					
		2019	625,000	4.000%					
						\$ 299,614,000	11,900,000	23,635,000	287,279,000

COUNTY OF PASSAIC

Schedule of State Educational Facilities Authority Loans Payable

General Capital Fund

Year Ended December 31, 2007

Periods	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding		Interest Rate	Balance December 31, 2006	Decreased	Balance December 31, 2007
			Date	Amount				
County College Capital Projects	03/01/00	\$ 2,015,000	09/01/06	135,000	3.100%	1,235,000	130,000	1,105,000
			09/01/09	145,000	3.250%			
			09/01/10	150,000	3.400%			
			09/01/11	160,000	5.000%			
			09/01/12	165,000	5.000%			
			09/01/13	175,000	5.000%			
			09/01/14	175,000	5.000%			
						\$ 1,235,000	130,000	\$ 1,105,000

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2006	Balance December 31, 2007
			Date	Amount			
Pre-Kness Healthcare Center Expansion	05/01/95	\$ 65,000,000	03/15/08	1,210,000	3.500%	65,000,000	65,000,000
			03/15/09	1,255,000	3.500%		
			03/15/10	1,295,000	3.100%		
			03/15/11	1,335,000	3.250%		
			03/15/12	1,385,000	3.400%		
			03/15/13	1,440,000	5.000%		
			03/15/14	1,515,000	5.000%		
			03/15/15	1,595,000	5.000%		
			03/15/16	1,675,000	5.000%		
			03/15/17	1,760,000	5.000%		
			03/15/18	1,845,000	4.000%		
			03/15/19	1,920,000	4.125%		
			03/15/20	2,000,000	4.200%		
			03/15/21	2,085,000	4.250%		
			03/15/22	2,180,000	4.300%		
		03/15/23	2,275,000	4.350%			
		03/15/24	2,385,000	5.000%			
		03/15/25	2,505,000	5.000%			
		03/15/26	2,635,000	5.000%			
		03/15/27	2,770,000	5.000%			
		03/15/28	2,910,000	5.000%			
		03/15/29	3,060,000	5.000%			
		03/15/30	3,220,000	5.000%			
		03/15/31	3,385,000	5.000%			
		03/15/32	3,555,000	5.000%			
		03/15/33	3,740,000	5.000%			
		03/15/34	3,930,000	5.000%			
		03/15/35	4,135,000	5.000%			

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2006	Balance December 31, 2007
			Date	Amount			
Prosecutor's Office Building Improvements	12/09/05	6,000,000	12/15/08	220,000	4.000%	6,000,000	5,790,000
			12/15/09	225,000	4.000%		
			12/15/10	235,000	5.000%		
			12/15/11	250,000	5.000%		
			12/15/12	255,000	5.000%		
			12/15/13	270,000	4.000%		
			12/15/14	285,000	5.000%		
			12/15/15	300,000	4.000%		
			12/15/16	310,000	4.000%		
			12/15/17	320,000	4.125%		
			12/15/18	335,000	4.125%		
			12/15/19	350,000	4.250%		
			12/15/20	365,000	4.250%		
			12/15/21	380,000	4.300%		
			12/15/22	395,000	4.375%		
		12/15/23	415,000	4.375%			
		12/15/24	430,000	4.500%			
		12/15/25	450,000	4.500%			

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2007

Funds	Date of Issue	Amount of Original Lease	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2006	Depreciated	Balance December 31, 2007
			DOB	Annual				
Piedmont Healthcare Center Expansion	05/01/06	\$ 22,960,000	05/01/09	425,000	4.060%	22,960,000		22,960,000
			05/01/10	445,000	5.060%			
			05/01/11	465,000	4.000%			
			05/01/12	485,000	4.000%			
			05/01/13	510,000	5.000%			
			05/01/14	530,000	4.000%			
			05/01/15	555,000	4.000%			
			05/01/16	575,000	4.100%			
			05/01/17	600,000	4.125%			
			05/01/18	625,000	4.250%			
			05/01/19	655,000	4.250%			
			05/01/20	685,000	4.300%			
			05/01/21	715,000	4.375%			
			05/01/22	745,000	4.375%			
			05/01/23	780,000	4.500%			
			05/01/24	815,000	4.500%			
		05/01/25	850,000	4.500%				
		05/01/26	890,000	4.500%				
		05/01/27	930,000	4.500%				
		05/01/28	975,000	4.500%				
		05/01/29	1,020,000	4.750%				
		05/01/30	1,070,000	4.750%				
		05/01/31	1,125,000	4.750%				
		05/01/32	1,175,000	4.750%				
		05/01/33	1,235,000	4.750%				
		05/01/34	1,295,000	4.750%				
		05/01/35	1,360,000	4.750%				
		05/01/36	1,425,000	4.750%				
						<u>50,960,000</u>	<u>210,000</u>	<u>50,750,000</u>

COUNTY OF PASSAIC

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance Dec. 31, 2006	Increased	Decreased	Balance Dec. 31, 2007
General Improvements:					
87-25	New Street Reconstruction - Phases II and III	\$ 354,000			354,000
87-43	Reconstruction of Old Turnpike Bridge PC #325	87,868			87,868
91-30	Reconstruction East Main Bridge	149,768			149,768
91-34	Rehabilitation Maple Ave. Bridge	81,000		42,230	38,770
95-04	Road Intersection Program	63,538			63,538
95-07	Reconstruction Lafayette Ave.	1,500			1,500
96-06	Road Improvements Passaic Avenue	101,000			101,000
96-15	Hazel Street Scoping/Construction	6,000			6,000
96-21	Freakness Brook PC #348	37,000			37,000
96-22	Reconstruction of Valley Road	8,240			8,240
96-24	Expansion PCCC	222,000			222,000
97-01	Main Street & Arch Street Bridges - PC#15 & 16	58,685			58,685
97-05	Road Resurfacing Program - 1997	2,040			2,040
97-13	Church Street Bridge - PC #125	92,581			92,581
97-20	Construction of Police Academy Addition	7,000			7,000
97-26	Rehabilitate Bridges - PC #28 & #29	666,000			666,000
97-31	Design & Rehab, Magee Road Bridge - PC #404	90,000			90,000
98-23	Replacement of Wngaraw Road Bridge	75,000			75,000
98-35	Intersection Improvement at Belmont and Barbour Street	7,058			7,058
99-10	Various Drainage Improvements Projects	238,000			238,000
99-15	Totowa/French Hill Roads Intersection Improvements	476,000			476,000
99-20	Scoping of Two Bridges Road	45,000			45,000
00-08	Supplemental - Road Improvements	265			265
00-11	Supplemental - Acquisition of office equipment	285,000			285,000
00-12	Renovations of 30 Hamilton St - Welfare Board	380,000			380,000
00-14	Supplemental - Redecking of McBride Bridge	48,592			48,592
00-18	Supplemental - Reconstruction Various Bridges	285,000			285,000
00-19	Supplemental - Various Drainage Projects	218,000			218,000
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Huchman Ave	238,000			238,000
00-25	Renovation of Youth Center	238,000			238,000
00-40	Supplemental - Repairs/Rehab. to Kingsland Ave Bridge PC #81	36,000			36,000
00-41	Supplemental - Valley Road and Pompton-Hamburg Tyke intersection improvements	238,000			238,000
00-64	Supplemental - Study and Improv. of Hazel St.	66,000			66,000
01-02	Supplemental - Renovations to Courthouse Complex	285,000			285,000
01-06	Supplemental - Acquisition of Equip. for Vo-Tech	426,000			426,000
01-08	Goffle Brook Multi-use Path	285,000		185,000	100,000
01-09	Reconstruction of Straight SuRiver St.	380,000			380,000
01-11	Supplemental - 1992 Guide Rail Program	90,000			90,000
01-13	Supplemental - Various Drainage Projects	142,000			142,000
01-28	Supplemental - Improvements to Camp Hope	98,000			98,000
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	81,000			81,000
01-31	Supplemental - Totowa and French Hill Road Improv.	428,000			428,000
01-32	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	124,910			124,910
01-33	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	166,000			166,000

COUNTY OF PASSAIC

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance Dec. 31, 2006	Increased	Decreased	Balance Dec. 31, 2007
General Improvements:					
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	238,000			238,000
02-12	Supplemental - Imp of Totowa/French Hill Road Intersection	285,000			285,000
02-14	Supplemental - Various Drainage Improvements	142,500			142,500
02-17	Supplemental - Reconst of Greenwood Lake Turnpike	1,932,000			1,932,000
02-21	Supplemental - 1992 Guide Rail Program	142,000			142,000
02-30	Supplemental - Imp of Valley Road & Paterson-Hamburg Turnpike Intersection	952,000			952,000
02-31	Supplemental - Renovation of Apshewa Dam	285,000			285,000
02-35	Replacement of Jail Roof	285,000			285,000
02-39	Supplemental - Equipment for Preskness Hospital	285,000			285,000
02-40	Supplemental - Renovations to Public Buildings	190,000			190,000
02-41	Refunding ordinance - Payment of Pension Obligation	239,172			239,172
03-01	Refunding Bond Ordinance	400,000			400,000
03-02	Refunding Bond Ordinance	173,685			173,685
03-05	Self Insurance Funding	13,570,000			13,570,000
03-06	Supplemental - Road Improvements	266			266
03-08	Traffic Signal Reimbursements	857,000			857,000
03-09	Supplemental - Improvements to Camp Hope	142,850			142,850
03-15	Wagahaw Road/Lincoln Avenue Improvements	380,000			380,000
03-16	Supplemental - Repair of Belmont Ave Bridge	190,000			190,000
03-17	Supplemental - Reconstruction of Various Bridges	476,000			476,000
03-19	Supplemental - 1992 Guide Rail Program	190,000			190,000
03-20	Supplemental - Various Drainage Improvements	238,000			238,000
03-24	Supplemental - Renovations to W. Broadway Bridge PC#17	47,500			47,500
03-27	Supplemental - Acquisition of Hospital Equipment	475,000			475,000
04-01	Improvements to Paterson Hamburg	3,286,050			3,286,050
04-02	Imp to Greenwood Lake Turnpike/West Milford	950,000		950,000	
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	372,098			372,098
04-05	Acquisition of Property for a Salt Dome	190,000			190,000
04-09	Acq of Equipment for Passaic County Comm. College	881			881
04-11	Imp to Passaic County Jail & Acq of Various Equip	1,995,000		1,995,000	
04-12	Imp & Renovations to 435 Hamburg Turnpike	570,000			570,000
04-19	Various Bridge Repair & Replacement Project	950,000		950,000	
04-20	Various Drainage Projects	332,500			332,500
04-22	Traffic Safety Programs	142,500			142,500
04-23	Intersection Improvements	332,500			332,500
04-24	Miscellaneous Buildings & Grounds Improvements	1,900,000		1,900,000	
04-25	Development of a Secured, Private Fiber Network	1,325,000		1,325,000	
04-27	Repair & Upgrade of Passaic County Admin. Building	1,140,000		1,140,000	
04-28	GIS Parcel Mapping in & by the County	166,250			166,250
05-04	Acquisition of Land - Alfieri Tract	2,250,000		2,250,000	
05-05	Acquisition of HAVA Voting Machines	1,068,208		1,068,000	208
05-06	Improvements to the PC Tech Institute	308			308
05-07	Parks & Recreation General Improvements	2,757,400			2,757,400
06-03	Road Improvements	3,610,000		3,610,000	
06-04	Lease Improvements to Preskness Healthcare Center	2,040,000			2,040,000
06-05	Private Fiber Optic Network	5,225,000	92,166	5,317,166	
06-06	Bridge Replacements and/or Repairs	2,068,754		198,867	1,869,887

COUNTY OF PASSAIC
Schedule of Bonds and Notes Authorized But Not Issued
General Capital Fund
Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance Dec. 31, 2006	Increased	Decreased	Balance Dec. 31, 2007
General Improvements:					
06-07	Various Capital Improvements	1,359,500			1,359,500
06-08	Park & Recreation General Improvements	28,500			28,500
06-09	Acquisition of Additional Equipment	1,045,000			1,045,000
06-10	Various Repairs & Improvements	950,000			950,000
06-11	Improvements to the Vocational School	979,308		979,000	308
06-12	Improvements to the Community College	2,250,000		2,250,000	
06-10/06-14	Various Repairs & Improvements	5,225,000			5,225,000
96-15/00-44/06-15	Supplemental - Study and Improvements to Hazel Street	225,000			225,000
07-03	2007 Road Resurfacing Program		2,992,500		2,992,500
07-04	Reinforcement of Hillary Street Bridge		500,000		500,000
07-06	Various Capital Improvements		1,995,000		1,995,000
07-08	2007 Road Improvement Projects		1,619,000		1,619,000
07-10	Implementation of Traffic Safety Program		142,500		142,500
07-11	Intersection Improvement Projects		332,500		332,500
07-12	Acquisition of Various Equipment		1,446,850		1,446,850
07-13	Various Capital Improvements		4,085,000		4,085,000
07-14	Various Improvements for the County College		2,500,000		2,500,000
07-15	Various Improvements for the Vocational Technical School		979,308		979,308
		<u>\$ 74,234,775</u>	<u>16,684,824</u>	<u>24,160,263</u>	<u>66,780,336</u>
			Re-established 92,166		
			Adopted <u>16,592,658</u>		
			<u>16,684,824</u>		
			Bond Anticipation Notes \$	23,642,000	
			Grants	<u>518,263</u>	
				<u>\$ 24,160,263</u>	

**COUNTY OF PASSAIC
STATE OF NEW JERSEY**

PART II

**LETTERS ON INTERNAL CONTROL AND ON
COMPLIANCE AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2007

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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

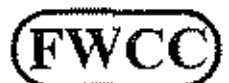
The Honorable Board of Chosen Freeholders
County of Passaic
Paterson, New Jersey

We have audited the financial statements-regulatory basis of the County of Passaic in the County of Bergen as of and for the year ended December 31, 2007, and have issued our report thereon dated August 4, 2008. Our report disclosed that, as described in note 1 to the financial statements-regulatory basis, the County of Passaic prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Passaic'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-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the County of Passaic's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Passaic's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.



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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Passaic's financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain immaterial instances of noncompliance that we have reported to the management of the County of Passaic in the accompanying comments and recommendations section of this report.

This report is intended solely for the information of management, The Division of Local Government Services, Department of Community Affairs, State of New Jersey, Federal Awarding Agencies and Pass Through Entities and is not intended to be and should not be used by anyone other than these specified parties.

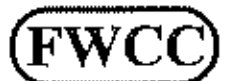


Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. CR00413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

August 4, 2008



Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL AND STATE PROGRAM AND INTERNAL CONTROL WITH OMB CIRCULAR A-133 AND N.J. OMB CIRCULAR 04-04 AS AMENDED

The Honorable Board of Chosen Freeholders
County of Passaic
Paterson, New Jersey

Compliance

We have audited the compliance of the County of Passaic, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Office of Management and Budget's State Aid/Grant Compliance Supplement that are applicable to each of its major federal and state programs for the year ended December 31, 2007. The County of Passaic's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulation, contracts and grants applicable to each of its major federal and state programs is the responsibility of the County of Passaic's management. Our responsibility is to express an opinion on the County of Passaic's compliance based on our audit.

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

In our opinion, the County of Passaic complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2007. However, the results of our auditing procedures disclosed immaterial differences of noncompliance with those requirements, which are described in the accompany's schedule of findings and questioned costs and the accompanying comments and recommendations section of this report.



Internal Control Over Compliance


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


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

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. The County of Passaic's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County of Passaic's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of management, the Division of Local Government Services, Department of Community Affairs, State of New Jersey, Federal Awarding Agencies and Pass Through Entities and is not intended to be and should not be used by anyone other than these specified parties.


Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413


FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

August 4, 2008



Schedule 1

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Name of Federal Agency or Organization	C.F.D.A. Account No.	Federal Through Organizational	Grant Period	Total Grant Award	Balance Dec. 31, 2006	Revenue Realized	Grant Expenditures	Adjustments Considered	Balance Dec. 31, 2007	MEMO	
										Cumulative Total Expenditures	2007 Expenditures
U.S. Dept. of Energy Passed Through N.J. Dept. of Community Affairs:											
Weatherization Assistance Program	81.042	HIP	2003	\$ 263,173	\$ 26,495				26,495		122,899
Weatherization Assistance Program	81.042	IIP	2003	18,473		81,954	69,100		12,764		69,100
Weatherization Assistance Program	81.042	DHS	1999	150,619	(130,619)				(130,619)		150,619
Weatherization Assistance Program	81.040	DHS	2002	130,604	(16,546)		309		(16,853)		130,604
Weatherization Assistance Program	81.042	DHS	2003					(61,235)	(59,365)		139,068
Weatherization Assistance Program	81.042	DHS	2004	144,136	4,821		891		10,325		175,343
Weatherization Assistance Program	81.042	DHS	2005	185,668	18,213		7,888		32,853		195,574
Weatherization Assistance Program	81.042	DHS	2006	233,569	17,502		87,265	10,492	49,027		125,709
Weatherization Assistance Program	81.042	DHS	2007	268,699		174,736	125,709	(3,194)			109,058
Weatherization Assistance Program	81.042	DOE - 2003	2003	169,058	3,194	(63,235)	3,535	63,235	3,550		192,079
Weatherization Assistance Program	81.042	DOE - 2004	2004	195,589	7,085		5,088		16,814		121,812
Weatherization Assistance Program	81.042	DOE - 2005	2005	160,708	41,882		1,024		77,514		77,573
Weatherization Assistance Program	81.042	DOE - 2006	2006	154,889	8,958	69,580	70,600		66,131		70,600
Weatherization Assistance Program	81.042	DOE - 2007	2007	151,793	(139)	136,772	211		(359)		132,271
Weatherization LIHEAP Flood Relief	81.042	DHS	2005	152,271	(27,691)	57,058	17,660	(45,441)	(21,774)		79,280
Weatherization LIHEAP Flood Relief	81.042	DHS	2006	134,438		\$,684,811	8,255,870		428,991		8,255,870
U.S. Dept. of Housing & Urban Development Housing Voucher Program											
U.S. Dept. of Labor Passed Through N.J. Dept. of Labor:											
J.T.P.A. (Workforce Investment)	17.250	FY04	2004004	1,229,527		392,387		(973,342)	(580,975)		1,229,527
J.T.P.A. (Workforce Investment)	17.250	FY05	2004005	11,134,019	67,715	(846,878)	9,423		(788,578)		11,075,727
J.T.P.A. (Workforce Investment)	17.250	FY06	2005006	10,703,814	(277,969)	(853,941)	(8,697)	1,123,810			10,127,823
J.T.P.A. (Workforce Investment)	17.250	FY07	2006007	11,539,839	(5,404,531)	11,459,622	5,942,871		112,220		11,347,402
J.T.P.A. (Workforce Investment)	17.250	FY08	2007008	11,159,034		963,280	4,881,990	330,175	(3,568,535)		4,361,990
J.T.P.A. (Welfare to Work)	17.253	FY09	1999000	1,604,781	1,364,285				1,364,285		280,496
J.T.P.A. (Welfare to Work)	17.253	FY00	2003001	1,447,540	60,411				60,411		1,387,129

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Name of Federal Agency or Department	C.F.D.A. Number	Passed Through Grant/Contract Number	Grant Period	Total Grant Award	Balance Dec. 31, 2007	Revenues Realized	Grant Expenditures	Adjustments Corrected	Balance Dec. 31, 2007	MEMO												
										Compliance	Total Expenditures											
U.S. Dept. of Health and Human Services Passed Through N.J. Dept. of Services:																						
												Aging Area Plan Grant	91.043-046		2003	3,762,522	493,684		(110)	140,584	2,621,938	
												Aging Area Plan Grant	92.043-046		2005	2,948,023	849,533		(333,100)	99,038	2,234,879	
												Aging Area Plan Grant	93.043-046		2006	2,342,913	378,743	969,320	(139,918)	373	1,229,814	
												Aging Area Plan Grant	93.043-046		2007	1,491,043	1,229,187	1,229,814	348,425		1,491,043	
												Aging Area Nutrition Grant	93.043-046		2003	1,451,011						1,451,011
												Aging Area Nutrition Grant	93.043-046		2004	1,697,292	1,617,842		(1,617,842)		1,697,291	
												Aging Area Nutrition Grant	93.043-046		2005	4,262,328	1,501,595	91,453			1,835,742	
												Aging Area Nutrition Grant	93.043-046		2006	3,208,988	2,529,187	1,868,745			1,658,745	
												Aging Area Nutrition Grant	92.043-046		2007	526,187	727	(2,936)	(3,665)		460,442	526,187
												Human Services	13.808	05BERN	2003	576,187					(66,266)	503,024
												Human Services	13.808	04BERN	2004	553,812	(66,776)		(510)		160,794	393,018
Human Services	13.808	05BERN	2005	516,185	60,794				15,954	500,231												
Human Services	13.808	06BERN	2006	180,133	49,318			16,000	(8,106)	174,122												
Human Services PASSP	13.808	07BERN	2007	392,013					(2,194)	362,062												
General Assistance/Food Stamps	10.551	FIRZAN	2002	1,120,942	(120,826)				(120,826)	1,117,728												
General Assistance/Food Stamps	10.551	FIRZAN	2004	753,909	(5,180)				(5,180)	739,150												
U.S. Dept. of Health and Human Services Passed Through N.J. Dept. of Services:																						
												Hospital Grant	93.005	30409	2001	385,947						385,947
												Hospital Grant	93.005	30409	2002	385,947	1				(25,757)	364,059
												Hospital Grant	93.005	30409	2004	380,287	16,188	(146,839)	131,082		16,188	364,059
												Hospital Grant	93.005	30409	2005	391,039	(60)		65			391,039
												Hospital Grant	93.005	30409	2006	392,170	(249,174)	258,354			9,180	388,334
												Hospital Grant	93.005	30409	2007	248,160		64,504			(183,056)	248,160
												Mental Health	93.104	30309	2001	9,000						9,000
												Mental Health	93.104	30409	2002	6,000	(598)			90		1,045
												Mental Health	93.104	30409	2003	6,000	(5,562)				(5,562)	5,754
												Mental Health	93.104	30409	2004	6,000	(4,603)				(4,603)	5,901
												Mental Health	93.104	30409	2005	6,000	(4,894)	6,000			907	5,792
Mental Health	93.104	30409	2006	6,000	(1,114)	6,000			44	5,956												
Mental Health	93.104	30409	2007	6,000					(1,789)	1,789												
Mental Health Crisis Counseling	93.104	30409	2003	6,000						1,789												
Mental Health Crisis Counseling	93.104	30409	2004	6,000	1,298				1,298	4,702												

COURTY OF PASSAIC

Schedule J

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grants/Number	Grant Period	Total Grant Amount	Balance Dec. 31 2005	Revenue Realized	Grant Expenditures	Adjustments Cancelled	Balance Dec. 31 2007	MEMO	
										Comprehensive	Total
Federal Office of Justice Programs Passed Through N.J. State Law Enforcement Training Agency:											
Juvenile Justice - Partnership/Family Court	16.540	N/A	2003	200,970	158,898	240,545		(158,998)	91,043	598,970	
Juvenile Justice - Partnership	16.540	N/A	2004	749,368	(149,592)	319,049			31,064	535,865	
Juvenile Justice - Partnership	16.540	N/A	2005	493,630	(257,933)	229,326	48,385		(92,314)	237,985	
Juvenile Justice - Partnership	16.540	N/A	2006	697,515	(272,855)		354,452		(354,452)	321,046	
Juvenile Justice - Partnership	16.540	N/A	2007	501,971		167,437			(10,240)	354,452	
Domestic Violence Against Women	16.588	WEVX0036	1997	605,146	(177,682)	435,635			304,339	605,146	
Domestic Violence Against Women	16.588	WEVX0036	2004-05	435,835	(131,496)					131,496	
Local Law Enforcement Block Grant PFCO	16.592	LLE-18-02	FY05	24,076		41,336	41,336			24,076	
Local Law Enforcement Block Grant PFCO	16.592	LLE-18-02	FY07	43,306						43,306	
Local Law Enforcement Block Grant MCSO	78.592	LLE-18-02	FY05	12,300						12,300	
Federal Office of Justice Programs Passed Through N.J. State Law Enforcement, Civil Planning Agency:											
Project Safe	N/A	RR65304	1997	19,750	(7,852)			3,852		19,750	
Community Justice	N/A	JC-17-04	2004	89,190	(6,425)	31,395			(6,425)	84,472	
Community Justice	N/A	JC-17-05	2005	95,217	(6,829)	74,493	85,161		25,530	69,667	
Community Justice	N/A	KC-13-05	2006	55,237					(10,668)	44,161	
Community Prosecution Enhancement	N/A	02-PP-CX-0003	2002	149,890	(16,105)				(16,105)	16,105	
Grant Supervision Initiative	16.579	DB-242-01-01	2001	210,000	72,678				12,678	197,322	
Grant Supervision Initiative	16.579	DB-242-01-01	2005	280,000	170				170	279,830	
Grant Supervision Initiative	16.579	DB-242-01-01	2006	230,000		280,000	279,996		4	279,996	
Community Grant Violence Prosecution	N/A	2002-QP-CX-1020	2004	239,356	(144,317)				(144,317)	146,317	
Byrne Justice Assistance Grant (JAG) Prosecutor	16.738	JAG-1-16TF-05	2003	155,784	(79,907)				(79,907)	155,784	
Byrne Justice Assistance Grant (JAG) Sheriff	16.738	JAG-1-16TF-05	2005-2008	80,060		155,784	155,784			79,907	
Byrne Justice Assistance Grant (JAG) Prosecutor	16.738	JAG-1-16TF-07	2007	155,784		77,892	155,784			155,784	
Multi-Juris Narc Task Force	16.738	JAG-1-28TF-07	2007	155,784					(77,892)	155,784	

Schedule 1

COUNTY OF PAKSAAC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grant's Month	Grant Period	Total Grant Award	Balance Dec. 31 2006	Balance Dec. 31 2007	MEMO				
							Revised	Grant Expenditures	Adjustments/Cancelled	Cumulative Total Expenditures	
Other Agencies:											
Solid Waste Tax	66.808	CD9316	1999	205,208	(16,276)			16,276		205,268	
Solid Waste Tax	66.808	CD9316	2004	255,942	77	(227,095)	(65,189)			209,776	
Solid Waste Tax	66.808	CD9316	2004	255,042	272,261	272,261	(272,261)			272,261	
Solid Waste Tax	66.808	CD9316	2005	272,261	4	122	(118)			272,169	
Solid Waste Tax	66.808	CD9316	2006	315,554	238,975	124,729	115,246			191,525	
Solid Waste Tax	66.808	CD9316	2007	310,798		201,980	102,818	(110,999)		104,218	
Victims of Crime Act Grant	16.375	FY03-100-066-1020-142	2004-05	691,284	110,999					691,204	
Victims of Crime Act Grant	16.375	FY04-100-066-1020-142	2004-05	409,018	13,768	13,708				395,310	
Victims of Crime Act Grant	16.375	FY05-100-066-1020-142	2005-06	469,918	(32,567)	(34,043)	(110,582)			404,311	
Victims of Crime Act Grant	16.375	FY06-100-066-1020-142	2006-07	511,232		(131,069)	332,326			332,326	
C.E.H.A. - 2004	N/A	04-095-042-4855-001	2004	164,830	(993)		971			164,830	
C.E.H.A. - 2005	N/A	05-195-042-4855-001	2005	231,000	71,781		71,781			231,000	
C.E.H.A. - 2006	N/A	06-193-042-4855-001	2006	234,281	(44,140)	84,140	40,000			168,960	
C.E.H.A. - 2007	N/A	07-195-042-4855-001	2007	241,531		85,060	33,000			85,000	
Urban Forestry - FY 1997	10.652		1997	111,000	(10,337)		10,098			96,602	
Urban Forestry - FY 1999	10.652	FY99099	1999	100,000	(50,000)			50,000		100,000	
SARTSANE Program	16.375	FY02-100-066-1020-142	2002	114,874	7,099	7,099				107,378	
SARTSANE Program	16.375	FY04-100-066-1020-142	2004	62,323						57,807	
SARTSANE Program	16.375	FY05-100-066-1020-142	2005	65,375	(5,640)	5,840				63,375	
SARTSANE Program	16.375	FY06-100-066-1020-142	2006	64,025	(35,663)	59,535	27,295			62,558	
SARTSANE Program	16.375	FY07-100-066-1020-142	2007	65,275							
Tobacco Control	N/A	#697-ADA	2000	49,300	(2,400)			2,400			
Juvenile Crime Reduction	16.726	JALDG-00-01	2001	156,410	(142,769)					142,769	
Juvenile Crime Reduction	16.726	FY02 JALDG	2002	134,521	7,693	(7,693)				30,583	
Juvenile Crime Reduction	16.726	FY03 JALDG	2003	107,594	(97,189)	88,315	3,834			107,594	
Juvenile Crime Reduction	16.726	FY04 JALDG	2004	74,133	(64,696)		712			74,831	
Juvenile Crime Reduction	16.726	FY05 JALDG	2005	80,583	(57,062)		13,922			79,042	
Juvenile Crime Reduction	16.726	FY06 JALDG	2006	73,700		18,687	58,656			68,656	
Housing Rehabilitation Grant	14.249		2001	900,000	(2,374)					498,064	
Housing Rehabilitation Grant	14.249		2002	100,000	(8,863)					100,000	
FTA JARRC	20.515		2005	368,000	(14,510)	39,950	(16,250)			326,310	
FTA JARRC	20.515		2006	219,264		140,815	195,264			195,264	
EDA Flood Mitigation	11.312	60001-ODP-009	2001	140,000	(39,025)			39,025		140,000	
Domestic Preparedness	16.007	01R02-ODP-021	2001	120,328	(6,746)					113,250	
Domestic Preparedness	16.007	02R03-ODP-021	2002	171,269	(169,241)					169,241	
Domestic Preparedness	16.007		2003	453,181						450,908	
Home and Security Curfews	97.095		2003	57,142	(5,700)					56,940	

Schedule 1

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Name of Federal Agency or Department Other Agencies, cont.	C.F.D.A. Account No.	Passed Through County's Number	Grant Period	Total Grant Awarded	Balance Dec. 31 2006	Revenue Received	Grant Expenditures	Adjustments Contested	Balance Dec. 31 2007	MFMO	
										Total Expenditures	Total Expenditures
Brownfields Assessment Program	66.818		2003	300,000	20,550				20,550	30,000	30,000
Brownfields Assessment Program	66.818		2006	300,000			20,400		(20,400)	30,400	30,400
Highway Traffic Safety Grant	20.600		2003	19,500	2,591			(2,591)		19,500	19,500
Highway Traffic Safety Grant	20.600		2004	69,500	39,507	4,000			34,507	19,262	19,262
Highway Traffic Safety Grant	20.600		2005	21,540	21,540			(21,540)		21,540	21,540
Highway Traffic Safety Grant	20.600		2006	12,500	12,500						
State Homeland Security	97.073		2003	82,486	82,215				17,509	76,527	76,527
Homeland Security Grant Program	97.073		2004	2,202,101	46,838		5,951	(60,000)	(19,113)	3,125,042	3,125,042
Homeland Security Grant Program	97.073		2005	2,117,020	(946,709)	1,576,848	620,121		(189,962)	2,698,557	2,698,557
Homeland Security Grant Program	97.073		2006	956,055		175,757	841,772		(666,015)	841,772	841,772
Homeland Security Grant Program	97.073		2007	1,103,977			552,382		(932,352)	932,352	932,352
COPS Tech Program	16.710		2003	486,750	(238,935)	9,175			(238,935)	495,385	495,385
National Children's Alliance Support	16.543		2005	10,000	(4,700)		6,362		4,475	4,700	4,700
National Children's Alliance Support	16.543		2006	10,000	1,875		9,473		(4,487)	9,187	9,187
National Children's Alliance Support	16.543		2007	10,000					(9,473)	9,473	9,473
Comprehensive Community Project	20.600		2005	94,500	24,178			25,000	-49,178		
Developmental Corp Comm Transportation Plan	20.205		2005	125,000	(48,209)	93,828	29,350		16,272	104,356	104,356
Corridor Improvement Plan	20.505		2005	229,481	44,700	177,826	196,759		25,767	196,759	196,759
Urban Area Security Initiative (UASI) Planner Grant	97.067		2001	163,000	(91,500)	28,290			(61,210)	163,000	163,000
Urban Area Security Initiative (UASI) Planner Grant	97.067		2005	12,500	(7,500)	9,261	4,942		(3,181)	12,442	12,442
Urban Area Security Initiative (UASI) Planner Grant	97.067		2006	56,760							
Urban Area Security Initiative (UASI) Planner Grant	97.067		2007	248,000		114,614	199,459		(84,855)	199,459	199,459
Click it or Talkit	20.604		2005	4,000	(4,000)			4,000		4,000	4,000
Click it or Talkit	20.604		2006	3,000	4,000	4,000	4,000		4,000	4,000	4,000
Click it or Talkit	20.609		2007	4,000			4,000		(4,000)	4,000	4,000
Pre-Disaster Mitigation Grant			2007	225,000							
Emergency Management Performance Grant (FEMA)	97.042		2006	32,080	10,000				10,000		
Replacement of Highway Street Bridge			07-04	9,515,000			8,817,315		(8,817,315)		8,817,315
						31,018,990	38,563,971	(1,951,968)	(12,079,548)	101,346,567	101,346,567

Schedule 2

COUNTY OF PASSAIC

**Schedule of Expenditures of State Awards
For the Year Ended December 31, 2007**

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec. 31 2006	Revenue Realized	Grant Expenditures	Apportioned Carried	Balance Dec. 31 2007	MEMO	
									Complisive Total	Expenditures
State Programs										
Senior Citizen and Disabled Resident Transportation										
Assistance Program (Casino Revenue Fund)	FY02	2002	\$ 2,973,015.5	(9,223)				(9,223)		2,973,015
Assistance Program (Casino Revenue Fund)	FY04	2004	1,149,173	(5,012)				(5,012)		1,149,173
Assistance Program (Casino Revenue Fund)	FY05	2005	2,066,594	(1)				(1)		2,064,799
Assistance Program (Casino Revenue Fund)	FY06	2006	2,484,908	(668,414)	468,322	1,020		(21,117)		2,220,693
Assistance Program (Casino Revenue Fund)	FY07	2007	2,656,681		1,395,999	2,179,493		(783,394)		2,179,493
Subregional Transportation FY04	N/A	FY04	98,415	(2,281)				(2,281)		96,133
Subregional Transportation FY05	N/A	FY05	78,712	(17,549)	16,312			(1,231)		78,385
Subregional Transportation FY06	N/A	FY06	98,415	48,961	1,071	48,141		1,891		95,377
Subregional Transportation FY07	N/A	FY07	123,019		116,657	122,653		(5,996)		122,553
Subregional Transportation FY08	N/A	FY08	123,019		24,604	21,624		2,990		21,624
Subregional Study Program	N/A	FY05	108,090	(072)				(672)		108,090
Subregional Internship Support Program	N/A	FY06	6,380		6,300			6,300		108,090
Subregional Technical Studies	N/A	FY07	280,000		44,808			44,808		108,090
NHT Transportation Study	N/A	2006	100,000	(7,543)				(7,543)		81,941
Family Development Program	FIRZLN	2001				(244)				
Family Development Program	FIRZLN	2002	3,861,929	548,400		(36,627)	(595,022)			3,519,329
Family Development Program	FIRZLN	2003	3,859,171	(630,796)		(639)		(630,163)		3,515,636
Family Development Program	FIRZLN	2004	1,590,120	73,557		220	(1,600)	72,928		1,494,282
State Department of Transportation:										
Two Bridges Road	6320-480-078-6320-196	09-20	650,000	(28,916)				(28,916)		650,000
Goffe Brook Multi-Use	6320-480-078-6320-196	01-08		(92,897)						
8th Street & 5th Avenue Bridges	6320-480-078-6320-196	01-19	724,619	25,742	1,519	2,161		28,100		683,591
Riverview Towers Intersection	6320-480-078-6320-196	01-31	2,550,064	1,873,282		1,873,282				2,550,064
Huacane Floyd - Cedar Grove Road Wall	6320-480-078-6320-196	01-32	444,000	(444,000)				(444,000)		444,000
Huacane Floyd - Belmont Avenue Bridge #120	6320-480-078-6320-196	01-33	1,423,000							1,423,000
Bridge Deficiency Program	6320-480-078-6320-196	01-37	1,667,000	1,572,240		1,572,240				1,667,000
Goffe Brook Stabilization	6320-480-078-6320-196	02-13	392,500	(90,585)				(90,585)		301,915
Restoration of Lambert Castle	6320-480-078-6320-196	02-27	1,000,000	(128,752)		30,850		(97,902)		871,298
West Broadway Bridge PC#17	6320-480-078-6320-196	03-24	350,000	(2,783)				(2,783)		350,000
Goffe/West Brook Park	6320-480-078-6320-196	03-25	170,000	(170,000)				(170,000)		170,000
Exp to Paterson/Hamburg Turnpike	6320-480-078-6320-196	04-01	2,500,000							2,500,000
Clare Road/Long Hill Road & Hazel Street	6320-480-078-6320-196	05-11	379,000	(379,000)				(37,021)		341,979
Bridge Replacement and/or Repair	6320-480-078-6320-196	06-06	382,364		579,360	579,360		(1,158,000)		579,360
2005 Various Road Improvements	6320-480-078-6320-196	06-07	3,791,000		407,050	364,578		(407,050)		407,050
West Broadway Bridge Improvements	6320-480-078-6320-196	07-06	250,000	3,791,000				3,486,322		3,044,678
Viewpoint/Arch Hill Improvements	6320-480-078-6320-196	07-09	473,000		250,000			250,000		223,000
Paterson/Hamburg Turnpike/Jackson Avenue Imp	6320-480-078-6320-196	07-09	1,600,000		473,000			473,000		1,127,000
Harbor Pond Improvements & Lambert Castle Court	6320-480-078-6320-196	07-09	290,000		1,600,000			1,600,000		1,600,000
Black Oak Ridge/Empton Road Improvements	6320-480-078-6320-196	07-11	1,000,000		1,000,000			1,000,000		1,000,000

Schedule 2

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Project Description	State Program / Account No.	Grant Year	Total Grant Award	Balance Dec. 31 2006	Revenue Realized	Grant Expenditures	Adjustments Corrected	Balance Dec. 31 2007	MEMO	
									Total	Expenditures
NY Department of Community Affairs										
Harrisburg Flood	6320-480-078-6320-496	01-04	1,060,000	72,852		2,712,979		72,852	927,148	
State of New Jersey										
Chapter 12, Passaic County Community College	6320-480-078-6320-496	09-14	1,000,000	(863,568)				(863,568)	1,000,000	
Renovation to Market Street	6320-480-078-6320-496	06-06	500,000	(500,000)				(500,000)	500,000	
Rehab of Paterson-Hamburg Twp Bridge	6320-480-078-6320-496	00-15	300,000	(909,907)	29,295			(680,765)	300,000	
Behinds Area Paterson-Hamburg Twp to Hindmarsh	6320-480-078-6320-496	08-20	500,000	(18,653)				(18,653)	55,964	
Study and Improvement to Hazel Street	6320-480-078-6320-496	08-44	230,000	(157,949)	15,000			(122,949)	230,000	
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	500,000	(172,536)				(172,536)	550,000	
Inp to Paterson/Hamburg Turnpike	6320-480-078-6320-496	04-01	2,791,000	2,712,979		2,712,979		(78,021)	2,791,000	
Inp to Paterson/Hamburg Turnpike & Jackson Ave	6320-480-078-6320-496	04-03	614,317							
Inp to Cooks Ave & Webster Ave Drainage	6320-480-078-6320-496	04-04	1,060,000	48,130	138			47,992	952,008	
Inp to Guide Krb & Reflective Marking Tape	6320-480-078-6320-496	05-11	147,000	(147,400)				(400)	147,400	
West Roadways/Passaic River Bridge PC#17	6320-480-078-6320-496	05-11	4,900,000	(144,515)	1,020,085	2,522,320		(1,646,752)	4,876,377	
2806 Various Road Improvements	6320-480-078-6320-496	06-07	234,500		224,300			(10,200)	224,500	
Replacement of Hillary Street Bridge	6320-480-078-6320-496	07-04	1,000,000		1,000,000				1,000,000	
EPA Construction & Financing Grant		05-15	7,505,958	1,049,881		1,049,881			7,505,958	
Vocational School Long Range Facilities Plan Projects										
Department of Treasury:										
Emergency Service Vehicle	06-160-094-9420-050	2006	60,000	362		362			60,000	
Other State Agencies:										
Municipal Alliance	N/A	2002	585,587	(18,550)				(18,550)	465,596	
Municipal Alliance	N/A	2003	616,489	(31,399)				(31,399)	589,637	
Municipal Alliance	100-082-COOL-044-0999-6010	2004	607,123	(57,992)			57,992		607,123	
Municipal Alliance	100-082-COOL-044-0999-6010	2005	641,498	(6,253)				(6,253)	577,116	
Municipal Alliance	100-082-COOL-044-0999-6010	2006	612,394	(341,487)				(341,487)	566,876	
Municipal Alliance	100-082-COOL-044-0999-6010	2007	604,535		424,204	69,853		(489,993)	580,647	
Clean Communities	6950-765-178900	2004	36,900	793		893		105	36,395	
Clean Communities	6960-765-178900	2005	36,258	2,043		1,455		608	35,680	
Clean Communities	6980-765-178900	2006	37,993	35,274		4,999		30,275	7,718	
Clean Communities	6980-765-178900	2007	47,103		47,105			47,103		
Homeless Grant	7550-140-153550-03	2005	318,539	(37,679)				(37,679)	826,997	
Homeless Grant	7550-140-153550-03	2006	630,200						830,200	
Homeless Grant	7550-140-153550-03	2005	856,813	10,625					856,813	
Homeless Grant	7550-140-153550-03	2006	952,375	(61,626)					947,922	
Homeless Grant	7550-140-153550-03	2007	391,812		100,473	52,216		6,581	355,419	
Homeless Grant	7550-140-153550-03	2007	391,812		346,702	855,419		(48,717)		
Bio-Terraviva Grant	N/A	2001	4,500	(3,699)					4,500	
Bio-Terraviva Grant	100-046-4L04-337-0002-6120	2004	591,772	1,244					1,244	
Bio-Terraviva Grant	100-046-4L04-337-0002-6120	2005	559,391	1,291					1,291	
Bio-Terraviva Grant	100-046-4L04-337-0002-6120	2006	628,703	(248,006)					640	
Bio-Terraviva Grant	100-046-4L04-337-0002-6120	2007	592,632		248,397	(249)			621,363	
Bio-Terraviva Grant	100-046-4L04-337-0002-6120	2007	592,632		347,451	566,054		(218,603)	566,054	
L.I.N.C.-3. IT Development	N/A	2002	4,000	(4,000)					4,000	

COUNTY OF PASSAIC

MEMORANDUM

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec. 31 2006	Revenue Realized	Grant Expenditures	Adjustments/ Corrections	Balance Dec. 31 2007	MEMO	
									Cumulative Total	Expenditures
Other State Agencies, cont.										
Body Armour Replacement Fund	FY0102	2002	53,326							8,410
Body Armour Replacement Fund P.C.P.O.	FY0403	2003	8,265	5		50				8,315
Body Armour Replacement Fund P.C.P.O.	FY0506	2006	8,313	8,313		8,313				
Body Armour Replacement Fund P.C.P.O.	FY0506	2004	10,619		10,619					
Body Armour Replacement Fund P.C.S.D.	FY0203	2003	35,991	929		928	(1)			53,991
Body Armour Replacement Fund P.C.S.D.	FY0304	2004	65,970	64		63	(1)			65,970
Body Armour Replacement Fund P.C.S.D.	FY0405	2005	65,970	(2,404)		(2,854)				65,970
Body Armour Replacement Fund P.C.S.D.	FY0406	2006	66,262	66,262		59,067	(7,360)			7,235
Body Armour Replacement Fund P.C.S.D.	FY0507	2007	77,318		77,318					
C.Y.F.A.R. Community Project	FY9899	1998	20,500	(2,030)			2,030			20,500
Comprehensive Alcoholism & Drug Abuse Grant	99-566-ADDA-07	1999	794,153	(2,950)		(203)	(295)			794,153
Comprehensive Alcoholism & Drug Abuse Grant	700-4219-001-6110	2002		1,635						844,954
Comprehensive Alcoholism & Drug Abuse Grant	700-4219-001-6110	2004	\$49,751	11,745						1,104,330
Comprehensive Alcoholism & Drug Abuse Grant	700-4219-001-6110	2005	1,119,053		213,307					
Comprehensive Alcoholism & Drug Abuse Grant	700-4219-001-6110	2006	836,445	(171,234)		(53,106)				
Comprehensive Alcoholism & Drug Abuse Grant	700-4219-001-6110	2007	840,926		438,318	781,109				781,109
Work First ABARD	7550-150-158010-63	FY9798		(80,402)						
Work First TANF	7550-150-158010-63	FY9900	1,196,527	(63,467)						1,196,527
Work First TANF	7550-150-158010-63	FY0102	1,417,918	(98,691)						1,339,698
Work First TANF	7550-150-158010-63	FY0203	1,370,124	(243,277)						1,310,319
Work First TANF	7550-150-158010-63	FY0405	1,842,194	22,923			9,261			1,442,194
Work First TANF	7550-150-158010-63	FY0506	339,175	339,175		(65,808)	(96,384)			
Work First NJ DCL	7550-150-158010-63	FY0304	665,205	5,420			(330,175)			
Child Behavioral Health Services	100-016-1620-013	2007	153,841		153,841					658,760
R.O.I.D.	N/A	2004	20,600	8,220	(1,000)					153,841
One-Stop LINK Program	N/A	2003	50,000	(40,000)			1,000			11,389
Insurance Fraud Reimbursement Program	FY9900	1999	500,000	(35,375)						40,000
Insurance Fraud Reimbursement Program	1020-100-066-1020-301-TENV-6110	2005	244,800	(3)						375,634
Insurance Fraud Reimbursement Program	1020-100-066-1020-301-TENV-6110	2006	249,000	45,051						222,176
Insurance Fraud Reimbursement Program	1020-100-066-1020-314-TCIS-6120	2007	250,000					(1)		226,591
L.E.O.T.E.F.	1020-100-066-1020-314-TCIS-6120	2004	35,220	4,993						243,472
L.E.O.T.E.F.	1020-100-066-1020-314-TCIS-6120	2004	31,525	9,997						32,046
L.E.O.T.E.F.	1020-100-066-1020-314-TCIS-6120	2005	41,455	41,455		5,549				26,877
L.E.O.T.E.F.	1020-100-066-1020-314-TCIS-6120	2006	52,375							
MSP Exercise Pass-Thru	N/A	2003	48,956	25,001			(25,001)			48,956
MSP Exercise Pass-Thru CY03 EDF	N/A	2003	46,540	46,540						
MSP FY03 CERN Initiative	N/A	2003	114,868	114,868						114,868
Vehicle Homeless Unit	FY02-57-04-01	2002	46,874							46,874

COUNTY OF PASSEIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec. 31, 2007	Revenue Realized	Grant Expenditures	Adjustments Accrued	Balance Dec. 31, 2007	MEMO	
									Expenditures	Total
Emergency 9-1-1 Grant	N/A	2004	11,111							11,111
Emergency 9-1-1 Grant	N/A	2005	25,000	103		25,000		103		24,897
Emergency 9-1-1 Coordinator	N/A	2006	25,000	25,000						25,000
Emergency 9-1-1 Grant P.C.S.D.	N/A	2005	52,863	10,923		50,972		1		52,862
Emergency 9-1-1 General Assistance Grant	07-E-16-520	2007	52,863		52,863			52,863		3,806
Emergency 9-1-1 Coordinator - PCSD	07-E-16-520	2007	25,000		25,000			21,104		3,896
Emergency 9-1-1 Equipment Grant	07-E-16-520	2007	384,989		384,989					384,989
Emergency 9-1-1 Consolidation Grant	07-E-16-520	2007	35,000		35,000			35,000		
Other State Agencies, cont.										
Smart Growth Grant	N/A	1997	125,509		14,147			14,147		125,000
Smart Growth Grant	00-033-09	2000	125,509		(121,963)			121,963		3,535
Smart Growth Grant	N/A	2001	125,509	500				500		125,000
Smart Growth Planning Grant	N/A	2002	225,500	44,465		15,215		79,491		141,670
Small Cities Block Grant		2002	12,500	4,737				4,737		7,763
Small Cities Block Grant	100-072-0020-086-022960	2003	524,700	(104,477)		37,084		(127,893)		528,740
Documentation Trailer	4782-371-6110	2003	75,000					75,000		
DW7 Enforcement Grant	AL03-07-07-03	2003	20,000							19,150
Comprehensive Traffic Safety Grant	CF04-09-01-09	2004	44,500	3,091				3,091		1,109
Cross-Acceptance Grant	04-0256-00	2004	50,000	(5,000)		34,713				50,000
Community Emergency Response Team (CERT)	100-066-1200-851-VEAR-6110	2003	6,520	51		51				6,520
Community Emergency Response Team (CERT)	100-066-1200-851-VEAR-6110	2006	3,500	3,500		495		8,005		495
Special Needs Emergency Planning Grant		2004	10,000							9,325
County Right to Know Program	LOA 92-2244-RTK-09	2004	15,213	(15,213)			15,213			15,213
County Right to Know Program	LOA 92-2244-RTK-00	2005	15,213	(15,213)			15,213			15,213
County Right to Know Program	LOA 92-2244-RTK-09	2007	15,213							15,213
County Reverserental Health Act - Underground Tanks	LOA 92-2244-RTK-09	2004	62,821	(3,877)		15,213		(3,877)		3,897
State Incentive Program	SIP-04-PS-16	2004	565,708	105,341		54,771		155,191		248,153
State Incentive Program	SIP-05-PS-16	2005	577,023	(454,669)		1,368		(13,899)		465,826
State Incentive Program	SIP-06-PS-16	2006	582,792	(448,917)		54,460		(905,317)		503,317
State Incentive Program	SIP-07-PS-16	2007	588,619			493,714		(493,714)		493,714
Fair Grants -										
Electronic Image Records Restoration	100-074-2545-033-6110	2005	159,510	1,891		(1,708)		3,599		155,911
Needs Assessment	100-074-2545-033-6110	2005	49,100	49,100		40,580		8,520		40,580
Electronic Image Expansion Historical Records	100-074-2545-033-6110	2005	254,790	12,114		12,114				254,790
Electronic Image Expansion Historical Records	100-074-2545-033-6110	2005	24,000	22,710		22,696		14		23,986
Electronic Image Expansion Historical Records	100-074-2545-033-6110	2005	435,852	(56,195)		236,809		(619,062)		413,134
Electronic Image Expansion Historical Records	100-074-2545-033-6110	2005	168,180	72,159		104,668		2,159		166,121
Electronic Image Expansion Historical Records	100-074-2545-033-6110	2005	104,668	104,668						104,668
Criminal Identification	100-074-2545-033-6110	2005	246,878	235,492		234,040		1,452		243,424
Electronic Image Records Management	100-074-2545-033-6110	2004	742,500	(36,641)		235,753		(125,618)		272,412
Records Management	100-074-2545-033-6110	2006	110,790	110,790		97,942				12,758
Needs Assessment	100-074-2545-033-6110	2006	191,460	191,460				191,460		97,942
DCMS Portal Electronic Records	100-074-2545-033-6110	2006	146,800	146,800						146,800

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Program Description	State Program/ Account No.	Grant Fiscal	Total Grant Award	Balance Dec. 31 2006	Revenue Realized	Grant Amounts	Adjustments/ Cancelled	Balance Dec. 31 2007	MEMO	
									Comulative Total	Encumbrance
Paris Grant										
Electronic Image	100-074-2545-033-6110	2007	286,196		286,196			286,196		
Records Management	100-074-2545-033-6110	2007	126,220		126,220			126,220		
Insuring Shared	100-074-2545-033-6110	2007	224,760		11,152			11,152		
DSMS Portal Electronic Recording	100-074-2345-033-6110	2007	209,060		195,366			(195,366)		195,366
Municipal Stormwater Grant	100-042-4850-118-6110	2005	10,000	(7,500)	2,500			10,000		10,000
Municipal Stormwater Grant	100-042-4850-118-6110	2006	10,000	7,500	2,500			10,000		10,000
Customized Training Program	750-062-4545-095-3729-6140	2005	43,000	5,000			(5,000)			43,000
Customized Training Program	750-062-4545-095-3729-6140	2006	13,662	13,662				13,662		
Special Initiative & Transportation	100-054-7530-308-1111-6030	2005	1,599,795	(47,886)		(3)		447,881		1,330,218
Special Initiative & Transportation	100-054-7530-308-1111-6030	2006	1,328,700	(1,016,384)	1,169,173	233,104		(144,313)		1,304,488
Special Initiative & Transportation	100-054-7530-308-1111-6030	2007	1,328,700		706	1,021,756		(1,021,950)		1,921,756
Family Court Services	100-066-1500-007	2005	270,274	(255,137)						265,336
Family Court Services	100-066-1500-007	2006	426,243	(460,560)	315,351			(8,974)		324,625
Family Court Services	100-066-1500-007	2007	430,594					(250,367)		230,357
21st Century Community Learning	100-021-5960-075-1000-6130	2005	708,090	146,781				(5,853)		661,338
21st Century Community Learning	100-021-5960-075-1000-6130	2006	534,300	(421,346)	508,292	73,381		13,325		694,767
21st Century Community Learning	100-021-5960-075-1000-6130	2007	350,060		141,849	347,845		(203,996)		347,845
NJ Project Vision	100-066-1310-041	2005	43,750	750						43,750
NJ Project Vision	100-066-1310-041	2006	43,750					(43,750)		43,750
Other State Agencies, cont.										
R.A.D. Kids Program		2005	7,000	(1,999)		(7)			7	6,992
Mental Aid Services	100-094-9420-037	2005	125,000				1,999			125,000
Planning Assistance Grant - Based Data/MSD IV	06-033-04-1400	2006	20,000							
Planning Assistance Grant - Sewer & Water Mapping	06-033-06-1600	2006	17,400							
Planning Assistance Grant - GIS Appraisal	06-033-05-1900	2006	12,500							
Speeding/Aggressive Driving Enforcement	100-066-1160-125	2005	7,500							7,500
New Jersey Fresh Grant		2007	400		400				400	
Farmer's Market/Nutrition Program	07-147-WIC-L-0	2007	1,000		1,000					1,000
Clean Energy	100-022-3030-015-FCM-07-6130	2007	150,000		52,500			52,500		
New Jersey Sex Offender	MSL 10-06	2007	40,288		40,500				272	40,288
Total State Programs			3,214,904	15,257,229	21,352,115	(1,602,341)		(4,902,823)		87,246,800

Schedule 2

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Local Programs	Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec. 31 2006	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec. 31 2007	MEMO	
										Cumulative Total	Expenditures
	Passaic County Open Space Trust										
	Goffle/Walton/Dreok Park	N/A	03-01	630,000	356,550		1,214		355,336		17,799
	Goffle Brook Stabilization Project	N/A	03-29	200,000	200,000				200,000		
	Various Drainage Projects	N/A	04-20	200,000	15,040		15,040				209,000
	Stabilization of Goffles Brook	N/A	05-11	200,000							209,000
	Acquisition of Property - Esiff Trust	N/A	05-15	325,000							325,000
	Parks & Recreation General Improvements	N/A	06-08	3,540,000	3,540,000		3,454		3,536,446		6,554
	Various Capital Improvements	N/A	07-06	150,000							
	Stabilization Improvements of Goffle Brook Park	N/A	07-07	200,000							
	Barber Pond Improvements & Lambert Castle Canal	N/A	07-09	250,000							
	Great Men Trail Imp, Lambert Castle Roof	N/A	07-00	250,000							
	County Aid										
	Stabilization of Goffles Brook	N/A	05-11	491,000							491,000
	Imp to Greenwood Lk Ypkc, River Dr/French Hill Rd	N/A	05-11	3,000,000							
	and Extension Hamburg & Jackson Ave Intersection	N/A	07-04	500,000		500,000	500,000				3,000,000
	Replacement of Hilbery Street Bridge	N/A									500,000
	Waterview Village										
	Imp to Peterzen/Hamburg Turnpike & Jackson Ave	N/A	04-03	491,000							
	Total Local Programs			4,111,500	4,111,500	500,000	519,000		4,091,752		5,048,513
	Total State and Local Programs			\$ 7,326,494	15,737,279	72,071,970	(1,002,841)		(811,041)		\$7,737,113

**COUNTY OF PASSAIC
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 1. GENERAL

The accompanying schedules of expenditures of awards present the activity of all federal and state financial assistance programs of the County of Passaic. The County is defined in Note 1A to the County'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 of expenditures of awards are presented using the modified accrual basis of accounting as prescribed for counties 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 County's financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

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

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Current Fund	\$21,490,786	\$10,033,075	\$	\$31,523,861
HUD Community Development Grant Fund	8,817,315			8,817,315
General Capital Fund		<u>12,319,040</u>	<u>519,808</u>	<u>12,838,848</u>
	<u>\$30,308,101</u>	<u>\$22,352,115</u>	<u>\$519,808</u>	<u>\$53,180,024</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree, in all material respect, with the amounts reported in the related federal and state financial reports. However, we noted certain differences which are reported in the accompanying schedule of Findings of Noncompliance and Questioned Costs.

NOTE 5. FEDERAL AND STATE LOANS OUTSTANDING

The County's federal and state loans outstanding at December 31, 2007, which are not required to be reported on the schedule of expenditures of federal and state awards, are as follows:

<u>Loan Program</u>	<u>Federal CFDA Number/ State Account Number</u>	<u>State</u>	<u>Total</u>
Dept. of Environmental Protection Green Trust Loan Program	4800-533-851000-60	<u>\$1,999,465</u>	<u>\$1,999,465</u>

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

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

2. Were significant deficiencies identified that are not considered to be material weaknesses? _____ yes N/A _____ no

Noncompliance material to general-purpose financial statements noted? _____ yes X no

Federal Awards Section

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

Auditee qualified as low-risk auditee? X yes _____ no

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

Internal Control over compliance:

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

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

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section 510(a)) _____ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.177	Section 8 - Voucher Program
17.250	Job Training Partnership Act (Workforce Investment)
93.043-.046	Aging Area Plan Grant
13.808	Human Services
97.073	Homeland Security Grant Program
16.540	Juvenile Justice
16.575	Victims of Crime Act Grant

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(continued)**

*Section I - Summary of Auditor's Results
(continued)*

State Awards Section

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

Auditee qualified as low-risk auditee? _____ yes X no

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

Internal Control over compliance:

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

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

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

Identification of major programs:

GMIS Number(s)	Name of State Program
FY07	Casino Revenue Fund
F1RZ4N	Family Development Program
100-082-COOL-044-0999-6010	Municipal Alliance
7550-140-153550-03	Homeless Grant
760-4219-001-6110	Comprehensive Alcoholism & Drug Abuse Grant
100-046-4L04-357-J002-6121	Bio-Terrorism Grant
6320-480-078-6320-496	Department of Transportation
100-054-7550-308-LLLL-6030	Special Initiative and Transportation
07-E-16-520	Emergency 9-1-1 Equipment Grant
SIP-07-P5-16	State Incentive Program
100-074-2545-033-6110	Paris Grant
100-034-5060-075-H400-6130	21 st Century Community Learning

COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(continued)

Section II - Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with Chapter 5.18 of *General Auditing Standards*.

None

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(continued)**

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

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

CURRENT YEAR STATE AWARDS

None

COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(continued)

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

STATUS OF PRIOR YEAR FINDINGS

There were none.

GENERAL COMMENTS

Contracts and Agreements

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

Effective April 17, 2000 and thereafter the bid thresholds in accordance with N.J.S.A. 40A:11-3 (as amended) is \$17,500. On July 1, 2005, the bid threshold was increased to \$21,000.

N.J.S.A. 40A:11-2 contains definitions for terms used throughout N.J.S.A. 40A:11-1 et seq. and was amended under P.L. 1999, c.440. It includes as subsection (23) the term 'competitive contracting', which is defined as "the method described in sections 1 through 5 of P.L. 1999, c.440 (C.40:11-4.1 through C.40A:11-4.5) of contracting for specialized goods and services in which formal proposals are solicited from vendors' formal proposals are evaluated by the purchasing agent or counsel; and the governing body awards a contract to a vendor or vendors from among the formal proposals received."

N.J.S.A. 40A:11-3 was amended with P.L. 1999, c.440 to raise the bid threshold and require award by governing body resolution. "When the cost or price of any contract awarded by the purchasing agent in the aggregate does not exceed in a contract year the total sum of \$17,500 or \$21,000 after July 1, 2005, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids and bidding therefore, except that the governing body may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations."

N.J.S.A. 40A:11-15 was amended with P.L. 1999, c.440 to extend the base contract period. "Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection (a) of N.J.S.A. 40A:11-5 may be awarded for a period not exceeding 12 consecutive months."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000 within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the County 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:

Food Delivery	Repair 5 th Avenue Bridge
Crockery, Culinary and Kitchen Supplies	Various Air Conditioning, Heating and Refrigeration Services
Various Vehicles for Various Departments	2006 Pavement Marking Program
White and Dry Goods	Replace Willard Street Bridge
Medical and Surgical Supplies	Elevator Maintenance
Office Supplies	Pave Camp Hope Parking Lot
Pest Control	Vending Machines
Fertilizer and Grass Seed for County Golf Course	

Janitorial Supplies
General Hardware, Electrical and HVAC Supplies
2006 Road Resurfacing
Generators
Renovations to Preakness Healthcare Center
Motorcycles
French Hill Road/Riverview Drive Improvements

Medical and Claims Services for Inmates
Snow Removal Chemicals and Supplies
Meal Trays
Replacement of Magee Road Bridge
Waste Disposal
Rehab of West Broadway Bridge

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

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

Prior Year Comments Unresolved

Our audit of Payroll Account revealed that the bank reconciliations are not always completed on a monthly basis. It is recommended that Payroll Account bank reconciliations be performed on a monthly basis.

Our audit of Payroll Agency Account revealed that the general ledger liability balances do not agree to the agency year end liabilities. It is recommended that the Payroll Agency general ledger be posted to agree to the actual agency liabilities.

Our audit of the Youth Detention Center Trust Escrow Account revealed that an analysis of individual escrow balance for each detainee could not be produced to agree to the balance at year end. It is recommended that an analysis of account balance by individual escrow be maintained and reconciled to the cash balance on a monthly basis.

Our audit of the Youth Detention Center Trust Escrow Account has carried outstanding checks as reconciling items for more than a year. It is recommended that all old reconciling items should be reviewed for validity and cleared or cancelled.

Current Year Comments

Finance Department

1. We were unable to verify timeliness of deposit due to some receipts not being date stamped upon receipt.
2. Purchases were ordered prior to being encumbered.
3. Some 2006 Added/Omitted taxes have not been collected.
4. The Liability Claims Account has carried outstanding checks as reconciling items for more than a year.
5. The Liability Claims Account activity is not being posted the general ledger.
6. There were overpayments of salary made to Youth Detention Center employees.

Purchasing Department

1. Some expenditures examined were charged to the incorrect budget account.
2. Some expenditures examined were charged to the incorrect budget year.
3. Some expenditures examined did not have supporting documentation to certify the purchase.

Human Resources

1. The following items in the personnel files were not always available for audit:
 - Federal W-4 payroll deduction forms
 - Deferred compensation deduction applications
2. The following items in the personnel files were not always approved through Human Resources or updated to represent the actual payroll and deductions for some employees tested:
 - Annual salary adjustments
 - Deferred compensation deductions
3. Health benefits remained active through December 31, 2007 for an employee who resigned in April 2007.

Preakness Health Care Center

1. A cash receipts ledger is not being maintained.
2. Bank reconciliations are not being prepared on a monthly basis.
3. The various bank accounts have carried outstanding checks as reconciling items for more than a year.
4. The Health Care Center is using an authorized petty cash fund.
5. Supporting documentation was not available for purchases made from the Health Care Center General Fund Account, Care Cost Account and Good/Welfare Account.
6. Medicaid remittance forms could not be located for review.

Youth Detention Center

1. The Trust Escrow Account receipts are not being deposited in a timely manner.
2. The Trust Escrow Account bank reconciliations are not being prepared on a monthly basis.

County Jail

1. The county share of weekly sales received from the outside vendor does not agree to the contracted share.

Recommendations

Finance Department

1. That all receipts be date stamped upon receipt.
2. All purchases be encumbered prior to ordering.
3. Open 2006 Added/Omitted taxes be investigated and requests for collection be distributed.
4. That all old reconciling items should be reviewed for validity and cleared or cancelled.
5. That all activity is not being posted the general ledger in a timely manner.
6. That more care be taken in the payroll area so as to prevent future occurrences of overpayments.

Purchasing Department

1. All invoices be charged to the correct budget account to which the services were rendered.
2. All invoices be charged to the correct budget year in which the services were rendered.
3. That supporting documentation is available to certify all purchases.

Human Resources

1. That the following items in the personnel files be made available for audit:
 - Federal W-4 payroll deduction forms
 - Deferred compensation deduction applications
2. That the following items in the personnel files are documented and approved through Human Resources:
 - Annual salary adjustments
 - Deferred compensation deductions
3. That health benefits are reviewed periodically to ensure terminated employees are removed from the active benefit files.

Preakness Health Care Center

1. That a cash receipts ledger is maintained and posted in a timely manner.
2. That bank reconciliations be performed on a monthly basis.
3. That all old reconciling items should be reviewed for validity and cleared or cancelled.
4. That a written application to the Division of Local Government Services for establishing a petty cash fund be made in accordance with 40A:5-21.
5. That supporting documentation be made available for purchases made from the Health Care Center General Fund Account, Care Cost Account and Good/Welfare Account.
6. Medicaid remittance forms be maintained and made available for audit.

Youth Detention Center

1. That all receipts be recorded and deposited in a timely manner.
2. That bank reconciliations be performed on a monthly basis.

County Jail

1. The county share of weekly sales received from the outside vendor be reviewed and any adjustments made to agree to contracted share.

STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on all prior year recommendations. Corrective action was taken on all prior year recommendations with the exception of those recommendations denoted with an asterisk (*).

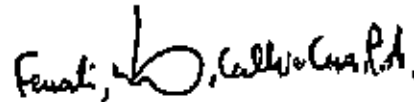
The problems and weaknesses noted in our audit were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

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

Very truly yours,



Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. CR00413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

August 4, 2008