

REPORT OF AUDIT
COUNTY OF PASSAIC
STATE OF NEW JERSEY
DECEMBER 31, 2011

COUNTY OF PASSAIC, N.J.

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COUNTY OF PASSAIC

STATE OF NEW JERSEY

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PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2011

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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, 2011 and 2010, 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, 2011. 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, 2011 and 2010 which represents 19.1 and 21.7 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.



As described in Note 1, these financial statements were prepared in conformity with 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 affect 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, 2011 and 2010 or the results of its operations for the years then ended.

The financial statements referred to above include a Statement of General Fixed Assets as required by the Division of Local Government Services. However, as more fully described in Note 1 and Note 6 to the financial statements, this schedule has not been updated. Also, the County did not maintain a current actuarial report as required by Governmental Accounting Standards Board (GASB), Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. State of New Jersey Local Finance Notice 2007-15 also dictates that municipalities follow the guidelines established by this GASB.

However, in our opinion, the financial statements referred to above, with the exception of the effect described in the paragraph above, present fairly, in all material respects, the financial position-regulatory basis of the various funds and account group of the County of Passaic, New Jersey at December 31, 2011 and 2010, and the results of its operations and the changes in fund balance-regulatory basis of such funds for the years then ended and the statement of revenues-regulatory basis, and statement of expenditures-regulatory basis for the year ended December 31, 2011, on the basis of accounting described in Note 1.

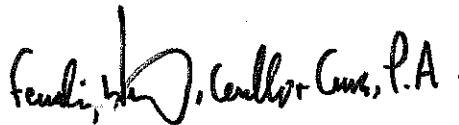
In accordance with Government Auditing Standards, we have also issued our report dated October 9, 2012 on our consideration of the County of Passaic's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements 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.

The Honorable Board of Chosen Freeholders
County of Passaic
Page 3.

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 State, Local Government, and Nonprofit Organizations, and are not a required part of the financial statements. Additionally, the accompanying supplementary information, schedules and exhibits listed in the table of contents are not required parts of the financial statements, but are presented as additional analytical data, as required by the New Jersey Division of Local Government Services. This information has been subjected to the tests and other auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly presented in all material respects in relation to the regulatory basis financial statements taken as a whole on the basis of accounting as described in Note 1.



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



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

October 9, 2012

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 48,416,302	67,707,523
Investments	A-4	505,773	502,077
Change Fund	A-5	675	675
Cash - Fiscal Agent for Health Benefits		570,000	570,000
		<u>49,492,750</u>	<u>68,780,275</u>
Receivables and Other Assets with Full Reserves:			
Revenue Accounts Receivable	A-8	600,719	738,712
Amount Due from:			
Net Payroll	A-9	4,810	4,810
Confiscated Trust Fund	A-9		51
		<u>605,529</u>	<u>743,573</u>
Deferred Charges:			
Special Emergency Authorization	A-18	5,648,055	
		<u>5,648,055</u>	
		<u>55,746,334</u>	<u>69,523,848</u>
Federal and State Grant Fund:			
Grants Receivable	A-7	39,821,159	35,170,089
Due from Current Fund	A-17	2,090,302	769,717
		<u>41,911,461</u>	<u>35,939,806</u>
Total Assets		<u>97,657,795</u>	<u>105,463,654</u>

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-10	\$ 12,240,680	17,144,437
Accounts Payable	A-11	635,563	507,494
Encumbrances Payable	A-12	5,561,952	5,573,948
Due to State & Federal Grants Fund	A-9	2,090,302	769,717
Due to Other Trust Fund	A-9	494,626	546,529
Due to Clearing Account	A-9	2,407	
Due to General Capital Fund	A-9	1,540,755	351,058
Due to Liability Trust	A-9	477	477
Miscellaneous Reserves	A-15	4,961,328	17,195,752
		<u>27,528,090</u>	<u>42,089,412</u>
Reserve for Receivables	Contra	605,529	743,573
Fund Balance	A-1	27,612,716	26,690,863
		<u>55,746,335</u>	<u>69,523,848</u>
Federal and State Grant Fund:			
Accounts Payable	A-11	43,010	43,010
Commitments Payable	A-13	6,535,698	7,293,861
Reserve for State and Federal Grants - Appropriated	A-14	35,228,251	28,317,886
Reserve for State and Federal Grants - Unappropriated	A-16	104,501	285,049
		<u>41,911,460</u>	<u>35,939,806</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 97,657,795</u>	<u>105,463,654</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, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 18,000,000	15,450,000
Miscellaneous Revenue Anticipated	126,929,809	119,015,098
Receipts from Current Taxes	298,991,500	292,181,887
Non-Budget Revenue	4,262,753	2,764,596
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	6,893,777	6,973,171
Prior Year Interfunds Returned		2,286,833
Cancellation of Prior Years Bills	71,998	
	<hr/>	<hr/>
Total Revenues and Other Income	455,149,837	438,671,585
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	126,444,809	127,332,740
Other Expenses	214,530,873	200,656,030
Capital Improvement Fund	700,000	700,000
Debt Service	51,295,936	50,573,805
Deferred Charges and Statutory Expenditures	47,691,381	36,438,544
Interfunds and Receivables Originating in Current Fund	1,167,871	1,097,167
Grant Receivables Canceled	5,001	42,950
Prior Years' Charges	40,168	6,637
	<hr/>	<hr/>
Total Expenditures	441,876,039	416,847,873
Excess Revenue Over Expenditures	13,273,798	21,823,712
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year	5,648,055	
	<hr/>	<hr/>
Statutory Excess to Surplus	18,921,853	21,823,712
Fund Balance, January 1,	26,690,863	20,317,151
	<hr/>	<hr/>
	45,612,716	42,140,863
Decreased by:		
Fund Balance Utilized as Budget Revenue	18,000,000	15,450,000
	<hr/>	<hr/>
Fund Balance, December 31,	\$ 27,612,716	26,690,863
	<hr/>	<hr/>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$ 18,000,000	18,000,000	
Miscellaneous Revenues:			
County Clerk	556,500	571,552	15,052
Register	2,529,000	1,933,755	(595,245)
Surrogate	382,000	365,554	(16,446)
Sheriff	1,246,000	493,282	(752,718)
Interest on Investments and Deposits	133,401	74,063	(59,338)
Road Opening Permits	380,000	332,500	(47,500)
Rental Income	255,000	219,382	(35,618)
Prosecutor's Office - Confiscated Money	75,000	75,000	
State Aid - County College Bonds (N.J.S.A. 18A:64-22.6)	1,500,000	1,512,936	12,936
Division of Youth and Family Services	3,494,556	3,494,556	
Supplemental Social Security Income	1,679,148	1,756,655	77,507
Maintenance of Patients in State Institutions for Mental Diseases	17,538,576	17,538,576	
Maintenance of Patients in State Institutions for Mentally Retarded	9,873,002	9,873,002	
County Patients - State Hospital	7,631	15,737	8,106
Casino Revenue	1,313,383	1,313,383	
Area Plan Grant - Aging Area Nutrition	1,166,963	1,166,963	
Area Plan Grant	1,347,573	1,347,573	
Municipal Alliance	553,900	553,900	
Multi Jurisdictional Narcotics Taskforce	252,964	252,964	
Insurance Fraud	250,000	250,000	
Universal Service Fund	44,699	44,699	
LEOTEF	23,715	23,715	
Weatherization LIHEAP	128,314	128,314	
Weatherization HIP	363,941	363,941	
Human Services BERN 11 PASP	399,525	399,525	
Human Services BERN 11	175,373	175,373	
Alcohol/Drug Abuse 11	732,993	732,993	
2011 Homeless	907,294	907,294	
Div of Child Behavioral Health Services	158,456	158,456	
Emergency Operations Center	250,000	250,000	
Homeland Security	1,273,599	1,273,599	
SART/SANE Program	67,655	67,655	
Evas Village Apartments	470,902	470,902	
CSBG 2010	294,183	294,183	
CEHA 2010	35,260	35,260	
Radon Awareness Program (RAP)	1,000	1,000	
UASI Planner/Projects	487,000	487,000	
EMPG-Commodity	33,685	33,685	
Passaic County Film Festival	1,130	1,130	
Juvenile Accountability Block Grant	60,546	60,546	
State Community Partnership (JJC)	514,393	514,393	

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
HIPER LINCS Agencies	110,000	110,000	
Family Court Services	282,634	282,634	
Click it or Ticket	4,000	4,000	
Recycling Enhancement Act Tax Bonus Grant	221,400	221,400	
Weatherization ARRA	331,500	331,500	
CEHA 2011	229,968	229,968	
C.S.B.G. Non Discretionary 2011	63,739	63,739	
LEOTEF	19,485	19,485	
HUD - St. Paul's NJ36309	186,660	186,660	
HUD - St. Joseph NJ36310	186,660	186,660	
P.C. MRC Capacity Building Award	5,000	5,000	
LIHEAP Assistance 2010	121,475	121,475	
Weatherization DOE 2010	151,335	151,335	
LIHEAP Assistance 2011	90,753	90,753	
Weatherization HIP	407,039	407,039	
Justice Assistance Program (JAG)	29,637	29,637	
Recycling Enhancement Act Entitlement	540,000	540,000	
Passaic County Summer Job Training	20,000	20,000	
Workforce Investment (PIC)	11,763,664	11,763,664	
Farmers Market Nutrition Program	2,000	2,000	
JARC	250,000	250,000	
Community Justice Program	60,000	60,000	
N.C.A. Program Support	10,000	10,000	
Special Initiative & Transportation	404,914	404,914	
Community Development Block Grant (CDBG)	950,250	950,250	
LEOTEF	14,287	14,287	
PHLP LINCS Agencies (old BT grant)	592,354	592,354	
Multi Jurisdictional Narcotics Taskforce	200,769	200,769	
Victim Witness Advocacy Fund Supplemental VWAF	48,020	48,020	
Recovery VAWA Grant Program	23,370	23,370	
Victims of Crime Act (VOCA)	360,683	360,683	
Preakness Gero-Psych Program	338,210	338,210	
Right to Know Program	15,213	15,213	
National Justice Information Sharing (JIS)	270,084	270,084	
Justice Assistance Program (JAG)	28,755	28,755	
Emergency Mgt Assistance (EMA)	50,000	50,000	
Passaic County Film Festival	1,420	1,420	
2011 Body Armor P.C.P.O.	7,316	7,316	
2011 Body Armor P.C.S.D.	42,763	42,763	
History and Tourism Plan	160,000	160,000	
Subregional Transportation	98,415	98,415	
Alcohol/Drug Abuse Grant FY12	751,699	751,699	
Municipal Alliance	553,900	553,900	
Div of Child Behavioral Health Services	158,546	158,546	
Human Services 12BERN	175,373	175,373	

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
21st Century CLC Program	500,000	500,000	
Human Services 12 BERN PASP	399,525	399,525	
Family Court Services	282,634	282,634	
State Community Partnership (JJC)	514,393	514,393	
Workforce Investment (PIC) - Hurricane Irene Disaster NEG	711,287	711,287	
Social Services for the Homeless	907,294	907,294	
Clean Communities Entitlement	62,758	62,758	
Aging Area Nutrition FY11	658,137	658,137	
Aging Area Plan Grant FY11	431,785	431,785	
Radon Awareness Program (RAP)	1,000	1,000	
Juvenile Accountability Block Grant	56,992	56,992	
Added and Omitted Taxes	557,000	813,565	256,565
Board Inmates at County-State	1,110,000	311,256	(798,744)
Title IV D Parent Locator Program	1,028,757	735,688	(293,069)
Fringe Benefits	6,200,000	10,677,332	4,477,332
Indirect Costs - Grants	300,000	358,536	58,536
Preakness Hospital - Medicaid Reimbursements	30,000,000	32,150,000	2,150,000
Maintenance in Lieu of Rent - Martin Luther King - Soc. Serv.	1,600,000	956,956	(643,044)
State School Building Aid (Chapter 12)	40,000	34,735	(5,265)
Park Fees	1,445,000	1,481,680	36,680
Telephone Commissions	190,000	196,516	6,516
Capital Surplus	1,000,000	1,000,000	
Site Plan Fees	59,000	62,332	3,332
Radio Tower Rental	32,000	31,194	(806)
Security Contract Passaic Valley Water	650,000	608,080	(41,920)
Reserve for Payment of Bonds	1,500,000	1,500,000	
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	
	<hr/>	<hr/>	<hr/>
Total Miscellaneous Revenues	123,116,960	126,929,809	3,812,849
	<hr/>	<hr/>	<hr/>
Amount to be Raised by Taxation - County Purpose Tax	298,991,500	298,991,500	
	<hr/>	<hr/>	<hr/>
Total Budget Revenues	\$ 440,108,460	443,921,309	3,812,849
	<hr/>	<hr/>	<hr/>
Nonbudget Revenue		4,262,753	
		<hr/>	
		\$ 448,184,062	
		<hr/>	

COUNTY OF PASSAIC
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2011

Miscellaneous Revenue Not Anticipated:	
State of New Jersey	\$ 899
Sales of Equipment	176,904
Duplication of Records	6,872
Vending Machine Commissions	19,131
ID Bureau	30,239
Payroll Deduction Fees	8,214
Settlements	124,626
Bail Bond Forfeitures	1,362,742
Jail - Fees	183,444
Reimbursements	179,582
Refunds - Prior Year Expenses	955,210
Dynamic/EMS Collections	14,506
SSA Treasury - Incentive	47,000
NJ Clean Energy Program	20,300
Budget Offsets	240,610
Police Academy Registration & Fees	20,693
Sale of Property - Styertowne/Allwood Road	59,000
SCAAP Grant	728,004
Miscellaneous	84,777
	<u>4,262,753</u>
	<u>\$ 4,262,753</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
OPERATIONS:					
GENERAL GOVERNMENT					
Administration Executive					
Board of Freeholders					
Salaries and Wages	200,500	200,500	200,500		
Other Expenses	75,000	28,465	21,501	6,964	
Contribution to Public Access Libraries	70,000	70,000	70,000		
County Administrator					
Salaries and Wages	524,014	524,014	402,400	121,614	
Other Expenses	286,737	176,737	155,130	21,607	
Finance Section					
Finance Department					
Salaries and Wages	875,000	913,000	912,763	237	
Other Expenses	296,500	303,500	296,513	6,987	
Postage	250,000	250,000	202,308	47,692	
Audit	90,000	90,000		90,000	
Insurance		5,000	1,112	3,888	
Legal Department					
County Counsel					
Salaries and Wages	988,000	988,000	895,909	92,091	
Other Expenses	75,000	75,000	64,212	10,788	
Other Expenses Ethics	10,000	8,500		8,500	
County Adjuster					
Salaries and Wages	190,000	150,000	140,418	9,582	
Other Expenses	8,200	8,200	3,291	4,909	
Clerk of the Board					
Salaries and Wages	357,230	357,230	353,246	3,984	
Other Expenses	33,985	33,985	17,929	16,056	
Personnel					
Salaries and Wages	264,920	264,920	262,899	2,021	
Other Expenses	63,000	63,000	59,880	3,120	
State and National Association of County Officials					
	10,299	10,299	10,299		
County Clerk					
Salaries and Wages	788,896	693,696	666,015	27,681	
Other Expenses	23,000	23,000	20,981	2,019	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
County Register					
Salaries and Wages	928,842	974,042	971,744	2,298	
Other Expense	30,000	30,000	28,266	1,734	
Prosecutor's Office					
Salaries and Wages	17,150,158	16,890,158	16,820,831	69,327	
Salaries and Wages-Spec.					
Other Expenses	503,675	503,675	412,344	91,331	
Countywide Police Radio	85,000	85,000	51,675	33,325	
Purchasing Department					
Salaries and Wages	755,400	755,400	707,569	47,831	
Other Expenses	50,000	50,000	45,140	4,860	
Other Expenses-Bulk Purchasing	95,000	95,000	13,158	81,842	
MIS Department (Finance Department)					
Other Expenses	939,977	939,977	865,316	74,661	
Building and Grounds					
Salaries and Wages	5,136,148	4,906,398	4,906,139	259	
Other Expenses	3,178,200	2,750,950	2,616,648	134,302	
Other Expenses-Parking	400,000	400,000	395,520	4,480	
Other Expenses-Welfare Board	30,000	30,000	28,848	1,152	
Photostat					
Other Expenses	152,000	152,000	142,176	9,824	
Economic Development					
Salaries and Wages	139,727	139,727	138,982	745	
Other Expenses	33,000	33,000	23,558	9,442	
Surrogate					
Salaries and Wages	1,017,796	967,796	918,052	49,744	
Other Expenses	49,400	49,400	37,177	12,223	
Insurances: Group Hospitalization, Medical					
Surgical, Major Med. for Employees	37,000,000	39,000,000	38,530,231	469,769	
Group Life Insurance for Employee	40,000	40,000	4,000	36,000	
Surety Bond Premium	6,000	6,000		6,000	
Worker's Compensation	4,500,000	4,500,000	4,475,289	24,711	
Other Insurance	650,000	650,000	543,283	106,717	
Drug Plan	14,750,000	12,750,000	12,688,841	61,159	
Dental Plan	585,000	425,000	242,796	182,204	
Disability Insurance	322,000	22,000		22,000	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
REGULATION					
Sheriff's Office					
Salaries and Wages	6,946,230	8,410,923	8,409,696	1,227	
Other Expenses	125,000	120,000	59,433	60,567	
Weights and Measures					
Salaries and Wages	407,100	407,100	402,751	4,349	
Other Expenses	9,000	9,000	3,520	5,480	
Board of Taxation					
Salaries and Wages	336,847	350,347	348,877	1,470	
Office Expenses	20,000	6,500	1,028	5,472	
Medical Examiner					
Other Expenses-Contractual State of NJ	1,250,000	1,250,000	1,108,716	141,284	
Board of Elections					
Salaries and Wages	276,000	276,000	271,026	4,974	
Other Expenses	563,050	563,050	478,663	84,387	
Superintendent of Elections					
Salaries and Wages	1,018,042	968,042	929,060	38,982	
Other Expenses	981,229	966,229	624,992	341,237	
Elections-County Clerk					
Salaries and Wages	230,000	230,000	113,207	116,793	
County Emergency Management					
Salaries and Wages	133,789	133,789	131,479	2,310	
Other Expenses	18,000	18,000	15,514	2,486	
Planning Board (NJS 40:273)					
Salaries and Wages	313,212	313,212	311,667	1,545	
Other Expenses	23,700	23,700	19,205	4,495	
Construction Board of Appeals					
Salaries and Wages	5,000	5,000		5,000	
ROADS & BRIDGES DEPT.					
Roads and Bridges Dept.					
Salaries and Wages-Roads	510,000	507,000	418,724	88,276	
Salaries and Wages-Mosquito	715,150	715,150	710,867	4,283	
Other Expenses-Roads	2,157,000	2,107,000	1,265,006	841,994	
Other Expenses-Mosquito	49,750	49,750	47,025	2,725	
Engineering					
Salaries and Wages	670,000	650,000	512,130	137,870	
Other Expenses	17,100	37,100	37,100		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
CORRECTIONAL AND PENAL					
Jail and Workhouse					
Salaries and Wages - Jail	33,712,399	48,669,430	48,511,165	158,265	
Salaries and Wages - Patrol	11,397,881				
Other Expenses	3,000,000	3,000,000	2,825,173	174,827	
Other Expenses-Medical Expenses	2,000,000	3,600,000	2,183,366	1,416,634	
HEALTH AND WELFARE					
Crippled Children	36,000	36,000	36,000		
Mental Health Board (30:9A-3)					
Salaries and Wages	207,430	228,223	208,731	19,492	
Mental Health Program (40:5-29)					
Contractual	744,300	744,300	744,000	300	
Aid to Bergen-Passaic Unit for the Mentally Retarded (NJS 40:23-8.11)	54,300	54,300	54,000	300	
Alcohol and Drugs					
Addiction Program Contractual	192,500	171,707	171,707		
Maintenance of Patients in State Institutions:					
Mentally Diseased and Mentally Retarded	31,872,682	31,832,682	30,895,448	937,234	
Welfare Board-Administration	11,627,044	11,627,044	11,627,044		
Administration-Fringe Benefits	5,700,000	5,700,000	5,200,000	500,000	
Supplement Security Income	1,679,148	1,944,148	1,944,148		
Aid to Dependent Children (NJS 44:10-1 ST Seq)	1,112,227	1,210,000	1,210,000		
New Jersey Bureau of Children's Services	3,494,556	3,494,556	3,494,556		
Department of Youth Services					
Salaries and Wages	204,000	184,000	127,372	56,628	
Other Expenses	3,741,840	4,504,135	4,383,686	120,449	
Medical	673,260				
Preakness Hospital					
Salaries and Wages	28,276,976	28,788,204	28,660,271	127,933	
Other Expenses	6,006,740	5,695,512	5,054,758	640,754	
Camp Hope (40:23-6. 1 to 16)					
Salaries and Wages	444,000	452,880	446,494	6,386	
Other Expenses	44,010	53,010	46,653	6,357	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Div. of Senior Services, Disabilities, & Vets Affairs, Etc.					
Salaries and Wages	198,589	200,589	186,621	13,968	
Other Expenses	32,100	25,100	19,634	5,466	
County Health Dept. Chapter 329 PL 1975					
Salaries and Wages	481,568	481,568	477,312	4,256	
Other Expenses	35,800	35,800	34,855	945	
EDUCATIONAL					
Office of County Superintendent of Schools					
Salaries and Wages	500,869	500,869	471,732	29,137	
Other Expenses	29,026	29,026	28,831	195	
Passaic County Vocational School	7,044,585	7,044,585	7,044,576	9	
County Extensive Services					
Salaries and Wages	118,000	118,000	101,858	16,142	
Other Expenses	73,632	73,632	43,639	29,993	
Passaic County Community College	12,621,000	12,621,000	12,468,459	152,541	
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	225,000	225,000	101,006	123,994	
RECREATIONAL					
Park and Recreational Department					
Salaries and Wages-Parks	942,193	930,621	890,468	40,153	
Salaries and Wages-Golf Course	1,262,142	1,483,714	1,442,348	41,366	
Other Expenses-Parks	80,000	80,000	77,109	2,891	
Other Expenses-Golf Course	499,487	519,487	516,468	3,019	
Passaic County Historical Society (NJS 40:32-6)	25,000	25,000	15,637	9,363	
UNCLASSIFIED					
Passaic County Volunteer Fire Academy	60,000	60,000		60,000	
Equipment, Office, Car, Other	50,000				
Sick Leave Payment	212,428	712,428	560,575	151,853	
Matching Funds for Grants	279,440	279,440		279,440	
Aid to Volunteer Ambulance & Fire Co. (NJS40:5-2)	23,000	23,000		23,000	
Aid to Children Care Coordination Committee (4C'S) (NJS 40:23)	22,500	22,500	22,500		
Aid to Women's Haven NJS 30:14-11	15,750	15,750	15,750		
Aid to D.I.A.L (40:23-811)	54,000	54,000	54,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Para-Transit					
Salaries and Wages	75,000	75,000	65,354	9,646	
Other Expenses	55,000	55,000	1,769	53,231	
Police Academy					
Salaries and Wages	470,118	470,118	456,230	13,888	
Other Expenses	70,380	70,380	38,221	32,159	
Aid for Organization for Mentally Retarded and III (NJS 40-23-8.11)	834,592	834,592	832,592	2,000	
Aid to Health & Welfare Councils (NJS 40-23-8.28)					
Salaries and Wage Adjustment	5,315,242	1,692,721	92,720	1,600,001	
Utilities (40A:4-45 4H)					
Gasoline	1,250,000	1,397,000	1,358,306	38,694	
Telephone and Telegraph	1,510,000	1,510,000	1,505,268	4,732	
Natural Gas & Electric	5,800,000	5,698,000	5,140,926	557,074	
Street Lighting	500,000	488,000	416,793	71,207	
Heating Oil	100,000	118,500	106,230	12,270	
Water	725,000	717,655	653,806	63,849	
Garbage	450,000	349,120	179,383	169,737	
Debt Service Fees	50,000	50,000	28,500	21,500	
Aid to Housing First	90,000	90,000		90,000	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
County Match					
Aging Area Plan	1,900,000	1,900,000	1,900,000		
Casino Revenue Grant	1,077,313	1,077,313	1,077,313		
SANE/SART Program	16,914	16,914	16,914		
Juvenile Accountability Block Grant	6,727	6,727	6,727		
Justice Assistance Program (JAG)	9,879	9,879	9,879		
Justice Assistance Program (JAG)	9,585	9,585	9,585		
History and Tourism Plan	40,000	40,000	40,000		
Subregional Transportation	24,604	24,604	24,604		
Juvenile Accountability Block Grant	6,332	6,332	6,332		
Juvenile Accountability Block Grant	60,546	60,546	60,546		
State Community Partnership (JJC)	514,393	514,393	514,393		
HIPER LINCS Agencies	110,000	110,000	110,000		
Family Court Services	282,634	282,634	282,634		
Click It or Ticket	4,000	4,000	4,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Recycling Enhancement Act Tax Bonus Grant	221,400	221,400	221,400		
Weatherization ARRA	331,500	331,500	331,500		
CEHA 2011	229,968	229,968	229,968		
C.S.B.G. Non Discretionary 2011	63,739	63,739	63,739		
LEOTEF	19,485	19,485	19,485		
HUD - St. Paul's NJ36309	186,660	186,660	186,660		
HUD - St. Joseph NJ36310	186,660	186,660	186,660		
P.C. MRC Capacity Building Award	5,000	5,000	5,000		
LIHEAP Assistance 2010	121,475	121,475	121,475		
Weatherization DOE 2010	151,335	151,335	151,335		
LIHEAP Assistance 2011	90,753	90,753	90,753		
Weatherization HIP	407,039	407,039	407,039		
Justice Assistance Program (JAG)	29,637	29,637	29,637		
Recycling Enhancement Act Entitlement	540,000	540,000	540,000		
Passaic County Summer Job Training	20,000	20,000	20,000		
Workforce Investment (PIC)	11,763,664	11,763,664	11,763,664		
Farmers Market Nutrition Program	2,000	2,000	2,000		
JARC	250,000	250,000	250,000		
Community Justice Program	60,000	60,000	60,000		
N.C.A. Program Support	10,000	10,000	10,000		
Special Initiative & Transportation	404,914	404,914	404,914		
Community Development Block Grant (CDBG)	950,250	950,250	950,250		
LEOTEF	14,287	14,287	14,287		
PHLP LINCS Agencies (old BT grant)	592,354	592,354	592,354		
Multi-Jurisdictional Narcotics Task	200,769	200,769	200,769		
Victims Witness Advocacy Fund Supplemental VWAF	48,020	48,020	48,020		
Recovery VAWA Grant Program	23,370	23,370	23,370		
Victims of Crime Act (VOCA)	360,683	360,683	360,683		
Preakness Gero-Psych Program	338,210	338,210	338,210		
Right to Know Program	15,213	15,213	15,213		
National Justice Information Sharing (JIS)	270,084	270,084	270,084		
Justice Assistance Program (JAG)	28,755	28,755	28,755		
Emergency Mgt. Assistance (EMA)	50,000	50,000	50,000		
Passaic County Film Festival	1,420	1,420	1,420		
2011 Body Armor P.C.P.O.	7,316	7,316	7,316		
2011 Body Armor P.C.P.O.	42,763	42,763	42,763		
History and Tourism Plan	160,000	160,000	160,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Subregional Transportation	98,415	98,415	98,415		
Alcohol/Drug Abuse Grant FY12	751,699	751,699	751,699		
Municipal Alliance Grant	553,900	553,900	553,900		
Div Of Child Behavioral Health Services	158,546	158,546	158,546		
Human Services 12BERN	175,373	175,373	175,373		
21st Century CLC Program	500,000	500,000	500,000		
Human Services 12BERN PASP	399,525	399,525	399,525		
Family Court Services	282,634	282,634	282,634		
State Community Partnership (JJC)	514,393	514,393	514,393		
Workforce Investment (PIC) - Hurricane Irene Disaster NEG	711,287	711,287	711,287		
Social Services for the Homeless	907,294	907,294	907,294		
Clean Communities Entitlement	62,758	62,758	62,758		
Aging Area Nutrition FY11	658,137	658,137	658,137		
Aging Area Plan Grant FY11	431,785	431,785	431,785		
Radon Awareness Program (RAP)	1,000	1,000	1,000		
Juvenile Accountability Block Grant	56,992	56,992	56,992		
Homeland Security	1,273,599	1,273,599	1,273,599		
Universal Service Fund	44,699	44,699	44,699		
Insurance Fraud	250,000	250,000	250,000		
LEOTEF	23,715	23,715	23,715		
Weatherization HIP	363,941	363,941	363,941		
Alcohol/Drug Abuse	732,993	732,993	732,993		
2011 Homeless	907,294	907,294	907,294		
Human Services 11 BERN	175,373	175,373	175,373		
Casino Revenue	1,313,383	1,313,383	1,313,383		
Human Services 11 BERN-PASP	399,525	399,525	399,525		
Emergency Management	250,000	250,000	250,000		
UASI	487,000	487,000	487,000		
EMPG Commodity	33,685	33,685	33,685		
Weatherization LIHEAP	128,314	128,314	128,314		
Division of Child Behavioral Health Services	158,456	158,456	158,456		
Multi Jurisdictional Narcotics Taskforce	252,964	252,964	252,964		
Area Plan Grant - Aging Area Nutrition	1,166,963	1,166,963	1,166,963		
Area Plan Grant	1,347,573	1,347,573	1,347,573		
Passaic County Film Festival	1,130	1,130	1,130		
Municipal Alliance	553,900	553,900	553,900		
SART/SANE	67,655	67,655	67,655		

COUNTY OF PASSAIC

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
Evas Village Apartments	470,902	470,902	470,902		
CSBG 2010	294,183	294,183	294,183		
CEHA 2010	35,260	35,260	35,260		
Radon Awareness Program	1,000	1,000	1,000		
Total Operation (item 8(A))	338,444,432	340,925,682	329,117,518	11,808,164	
Contingent	50,000	50,000	47,650	2,350	
Total Operation Including Contingent	338,494,432	340,975,682	329,165,168	11,810,514	
Detail:					
Salaries and Wages	124,461,836	126,444,809	123,442,995	3,001,814	
Other Expenses (Including Contingent)	214,032,596	214,530,873	205,722,173	8,808,700	
Capital Improvement					
Capital Improvement Fund	500,000	500,000	500,000		
Acquisition of Various Equipment	200,000	200,000		200,000	
Total Capital Improvements	700,000	700,000	500,000	200,000	
County Debt Service					
Payment of Bond Principal					
County College Bonds	2,500,000	2,500,000	2,500,000		
State Aid- County College Bonds (N.J.S. 18A:64A-22.6)	1,525,000	1,525,000	1,400,000		125,000
Vocational School Bonds	585,000	585,000	246,138		338,862
Other Bonds	23,690,000	23,690,000	23,342,268		347,732
Payment of Bond Anticipation Notes	210,000	210,000			210,000
Interest on Bonds					
County College Bonds	1,000,000	1,000,000	515,990		484,010
State Aid- County College Bonds (N.J.S. 18A:64A-22.6)	500,000	500,000			500,000
Vocational School Bonds	100,000	100,000	49,306		50,694
Other Bonds	13,250,000	13,250,000	11,706,900		1,543,100
Interest on Notes	1,750,000	1,750,000	549,365		1,200,635
Passaic County Utilities Authority	4,500,000	4,500,000	4,297,582		202,418
Green Trust Loan	350,000	350,000	350,000		
EFA Loan	210,000	210,000	198,127		11,873

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
PCIA Loan					
Prosecutors Building	470,000	470,000	417,987		52,013
Preakness Healthcare Center	5,700,000	5,700,000	5,693,160		6,840
Green Trust Loan	49,452	49,452	29,113		20,339
Total County Debt Service	<u>56,389,452</u>	<u>56,389,452</u>	<u>51,295,936</u>		<u>5,093,516</u>
Deferred Charges and Statutory Expenditures					
Emergency Authorizations		2,681,805	2,681,805		
Prior Year Bills-Summary					
ADI	666	666	666		
Roy Arellano	3,164	3,164	3,164		
Bergen Community College	14,831	14,831	14,831		
Bio Reference	19	19	19		
Classic Towing	170	170	170		
Department of Personnel	436	436	436		
Jane Dietrich	8,566	8,566	8,566		
Direct Machinery	2,502	2,502	2,502		
Louis Frolich	1,157	1,157	1,157		
Heating & AC Source	273	273			273
Florencio Hernandez	3,341	3,341	3,341		
Laerdal Medical	73	73	73		
Michael Lewco MD	1,278	1,278	1,278		
New Jersey Anesthesia	883	883	883		
New Jersey Department of Personnel	436	436			436
NJ Regional Medical Examiner	280	280	280		
Borough of North Haledon	12,133	12,133	12,133		
P & A Auto Parts	338	338	338		
Pinnacle Wireless	303	303	303		
Abad Rezvani MD	374	374	374		
Rutgers the State University	550	550	550		
Sussex County Community College	2,490	2,490	2,490		
Borough of Totowa	60	60	60		
United Federated Systems	2,345	2,345	2,345		
WB Mason	477	477			477
Genova, Burns & Giantomasi	68,402	68,402	24,175		44,227
St Josephs Hospital	26,585	26,585			26,585
Garfunkel, Wild & Travis PC	12,413	12,413	12,413		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Statutory Charges:					
Contribution to PERS	12,495,442	12,495,442	12,485,756	9,686	
Social Security System (O.A.S.I.)	13,244,000	13,504,000	13,421,135	82,865	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	500,000	725,000	710,447	14,553	
Police and Fire Retirement System	15,020,589	15,020,589	15,020,589		
County Pension Fund	3,000,000	3,000,000	2,946,824	53,176	
Defined Benefit Pension	100,000	100,000	30,114	69,886	
Total Deferred Charges & Statutory Expenditures	<u>44,524,576</u>	<u>47,691,381</u>	<u>47,389,217</u>	<u>230,166</u>	<u>71,998</u>
Total General Appropriations	<u>\$ 440,108,460</u>	<u>445,756,515</u>	<u>428,350,321</u>	<u>12,240,680</u>	<u>5,165,514</u>
		Adopted Budget	414,674,426		
		Emergency Appropriations	5,648,055		
		Added by N.J.S.A. 40A:4-87	<u>25,434,034</u>		
		\$	<u>445,756,515</u>		
		Cash \$	383,518,931		
		Reserve for Encumbrances	5,561,652		
		Grants Appropriated	<u>39,269,738</u>		
		\$	<u>428,350,321</u>		

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2011 and 2010

<u>Assets</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Other Trust Fund:			
Cash	B-2	\$ 39,436,559	28,896,267
Due from Current Fund	B-13	494,626	546,529
Due from Self Insurance Trust	B-13		171,042
Due from General Capital Fund	B-13		3,080,525
		39,931,185	32,694,363
Confiscated Trust Fund:			
Cash	B-2	2,586,002	3,295,373
		2,586,002	3,295,373
Self Insurance Fund:			
Cash	B-2	224,050	413,389
Deficit in Workers' Compensation	B-9		115,235
Due from Current Fund	B-13	477	477
		224,527	529,101
Community Development Grant Fund:			
Cash	B-2	10,080,724	10,127,594
		10,080,724	10,127,594
Total Assets		\$ 52,822,438	46,646,431

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Liabilities, Reserves & Fund Balance</u>			
Other Trust Fund:			
Various Trust Deposits	B-3	\$ 1,354,508	1,386,552
Reserve for Dedicated Revenues	B-4	19,952,356	17,469,495
Reserve for Open Space Expenditures	B-5	11,969,585	6,670,074
Open Space Grant Commitments Payable	B-6	6,495,685	7,009,191
Open Space - Due to Municipalities	B-11	157,062	157,062
Fund Balance	B-1	1,989	1,989
		<u>39,931,185</u>	<u>32,694,363</u>
Confiscated Trust Fund:			
Due to Current Fund	B-13		51
Reserve for Confiscated Trust Fund	B-7	2,586,002	3,295,322
		<u>2,586,002</u>	<u>3,295,373</u>
Self Insurance Fund:			
Due to Other Trust Fund	B-13		171,042
Reserve for Workmen's Compensation	B-9	33,410	
Reserve for Health Benefits	B-10	187,279	187,186
Reserve for Liability Insurance	B-11	3,838	170,873
		<u>224,527</u>	<u>529,101</u>
Community Development Grant Fund:			
Reserve for:			
Housing Voucher Program	B-12	10,080,724	10,127,594
		<u>10,080,724</u>	<u>10,127,594</u>
Total Liabilities, Reserves and Fund Balance		\$ <u>52,822,438</u>	<u>46,646,431</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, 2011

Balance - December 31, 2010	\$ <u>1,989</u>
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Balance - December 31, 2011	\$ <u><u>1,989</u></u>
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See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2011 and 2010

<u>Assets</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	C-2/C-3	\$ 33,392,329	15,036,116
Grants Receivable	C-4	56,139,816	46,305,110
State EFA Receivable		1,975,000	1,975,000
Due from Current Fund Fund	C-15	1,540,755	351,058
Deferred Charges to Future Taxation:			
Funded	C-5	360,745,781	392,543,714
Unfunded	C-6	123,772,699	148,742,337
Total Assets		<u>\$ 577,566,380</u>	<u>604,953,335</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-26	\$ 272,594,000	301,833,000
Green Acres Loan Payable	C-10	799,777	1,108,709
State EFA Loans Payable	C-27	515,000	675,000
Greent Trust Loans Payable	C-28	447,004	487,004
Bond Anticipation Notes	C-25	66,348,350	36,726,350
Capital Leases Payable	C-29	86,390,000	88,440,000
Improvement Authorizations:			
Funded	C-7	57,173,955	50,415,807
Unfunded	C-7	57,228,330	86,176,619
Accounts Payable	C-8	264,927	264,927
Commitments Payable	C-9	15,699,262	17,053,021
Due to the Township of Wayne	C-11	1,100	1,100
Capital Improvement Fund	C-12	307,854	199,854
Reserve for Final Payments and Litigation	C-13	160,258	160,258
Reserve for Payment of Bonds and Notes	C-14	3,414,184	2,203,374
Due to Other Trust Fund	C-15		700,000
Due to Open Space Trust Fund	C-15		2,380,525
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	1,100,438	1,098,674
Reserve for Administration Building Settlement	C-19	9,786	9,786
Reserve for Interest for DOT Projects	C-20	11,818	11,206
Reserve for Unappropriated Grants	C-21	2,791,118	2,791,118
Reserve for Grants Receivable	C-22	5,735,507	9,475,578
Reserve for Bonding Payments	C-23	24,700	24,700
Accrued Interest Payable	C-24	95,060	95,060
Fund Balance	C-1	5,657,333	1,825,046
Total Liabilities		<u>\$ 577,566,380</u>	<u>604,953,335</u>

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2011 and 2010 of \$57,687,854 and \$112,015,987, 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, 2011

Balance - December 31, 2010		\$	1,825,046
Increased by:			
Improvement Authorizations Cancelled	\$		2,045,161
Premium on Bond/Note Sales			<u>2,787,126</u>
Premium on Bond/Note Sales			<u>4,832,287</u>
			6,657,333
Decreased by:			
Due to Current Fund - Anticipated Revenue			<u>1,000,000</u>
Balance - December 31, 2011		\$	<u><u>5,657,333</u></u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2011 and 2010

	2011	2010
General Fixed Assets:		
Land	\$ 47,491,846	47,491,846
Buildings	288,353,986	288,353,986
Equipment	63,374,004	63,374,004
Construction in Progress	14,569,238	14,569,238
	\$ <u>413,789,074</u>	<u>413,789,074</u>
Investment in Fixed Assets	\$ <u>413,789,074</u>	<u>413,789,074</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

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, 2011 AND 2010
(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, 2011 AND 2010
(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, 2011 AND 2010
(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 2011, the Governing Body approved additional revenues and appropriations of \$25,434,034 in accordance with N.J.S.A. 40A:4-87. 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, 2011 AND 2010
(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, 2011 AND 2010
(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.

The County did not perform an update of its fixed assets inventory for the year ended December 31, 2011.

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

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

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

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.

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.

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, 2011, \$-0- of the County's bank balance of \$144,935,929 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, 2011 AND 2010
(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, 2011 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2010</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	\$301,833,400	\$27,325,000	\$56,564,000	\$272,594,400	\$30,116,000
Capital Leases	88,440,000		2,050,000	86,390,000	2,125,000
Other Liabilities:					
Compensated Absences	40,972,672	4,852,792	4,248,547	41,576,917	
New Jersey:					
DEP Loans	1,108,709		608,932	499,777	315,144
EFA Loans	675,000		160,000	515,000	165,000
Green Trust Loans	<u>487,004</u>		<u>40,000</u>	<u>447,004</u>	<u>40,805</u>
	<u>\$433,516,785</u>	<u>\$32,177,792</u>	<u>\$63,671,479</u>	<u>\$402,023,098</u>	<u>\$32,761,949</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, 2011 AND 2010
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's debt is summarized as follows:

	<u>2011</u>	<u>2010</u>
Issued		
General		
Bonds, Notes and Loans	\$340,704,131	\$340,830,063
Less: Funds Temporarily Held to Pay Bonds and Notes	5,943,369	22,034,082
Additional Borrowing for County College Refunding Bonds	<u>33,798,000</u> <u>21,970,000</u>	<u>33,798,000</u> <u>23,130,000</u>
	<u>61,711,369</u>	<u>78,962,082</u>
Net Debt Issued	278,992,762	261,867,981
Authorized But Not Issued		
General		
Bonds, Notes and Loans	<u>57,687,854</u>	<u>112,015,987</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$336,680,616</u>	<u>\$373,883,968</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of .67% and .68% at December 31, 2011 and 2010, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2011</u>			
General debt	<u>\$398,391,985</u>	<u>\$61,711,369</u>	<u>\$336,680,616</u>
<u>2010</u>			
General debt	<u>\$452,846,050</u>	<u>\$78,962,082</u>	<u>\$373,883,968</u>

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

	<u>2011</u>	<u>2010</u>
2% of equalized valuation basis (county)	\$1,058,651,720	\$1,105,142,607
Net debt	<u>336,680,616</u>	<u>373,883,968</u>
Remaining Borrowing Power	<u>\$721,971,104</u>	<u>\$731,258,639</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's long-term debt consisted of the following at December 31, 2011 and 2010:

Paid by Current Fund:

General Obligation Bonds

	<u>2011</u>	<u>2010</u>
\$41,940,000, 1993 Bonds, due in annual installments of \$395,000 to \$2,925,000 through Sept. 1, 2016, interest at various rates from 4.00% to 5.20%	\$2,045,000	\$4,115,000
\$5,404,000, 1996 Bonds, due in annual installments of \$260,000 to \$395,000 through Nov. 2012, interest at 5.35%	359,000	719,000
\$30,700,000, 1998 Bonds, due in annual installments of \$700,000 to \$2,500,000 through Sept. 2020, interest at various rates from 5.88% to 6.77%	17,200,000	18,600,000
\$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
\$31,145,000, 2001 Bonds, due in annual installments of \$100,000 to \$2,330,000, through March 1, 2019, interest at various rates from 4.00% to 5.25%		17,150,000
\$14,965,000, 2001 Bonds, due in annual installments of \$250,000 to \$1,665,000, through Sept. 15, 2015, interest at 4.20%	6,265,000	7,665,000
\$9,485,000 2002 Bonds, due in annual installments of \$155,000 to \$1,430,000 through Sept. 15, 2014, interest at various rates from 3.50% to 3.65%	4,045,000	5,230,000
\$1,033,000 2002 Bonds, due in annual installments of \$85,000 to \$98,000 through Sept. 15, 2014, interest at various rates from 3.50% to 3.65%	268,000	353,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

	<u>2011</u>	<u>2010</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$2,515,000 2002 Bonds, due in annual installments of \$45,000 to \$365,000 through Sept. 15, 2014, interest at various rates from 3.50% to 3.75%	\$1,055,000	\$1,370,000
\$6,560,000 2003 Bonds, due in annual installments of \$25,000 to \$880,000 through Feb. 15, 2021, interest at various rates from 2.00% to 5.75%	4,105,000	4,530,000
\$18,447,000 2003 Bonds, due in annual installments of \$290,000 to \$2,790,000 through Sept. 15, 2017, interest at various rates from 3.00% to 3.75%		13,692,000
\$1,500,000 2003 Bonds, due in annual installments of \$125,000 through Sept. 15, 2015, interest at various rates from 3.00% to 3.75%		625,000
\$11,997,000 2003 Bonds, due in annual installments of \$50,000 to \$2,027,000 through Aug. 15, 2016, interest at various rates from 4.20% to 4.25%	8,427,000	9,527,000
\$2,010,000 2003 Bonds, due in annual installments of \$165,000 to \$170,000 through Aug. 15, 2015, interest at 4.20%	680,000	850,000
\$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%	7,870,000	7,870,000
\$19,495,000, 2004 Bonds, due in annual installments of \$1,025,000 to \$3,745,000, through March 15, 2016, interest at various rates from 3.00% to 3.50%	11,595,000	12,845,000
\$12,220,000, 2004 Bonds, due in annual installments of \$1,095,000 to \$1,295,000, through May 1, 2017, interest at various rates from 3.00% to 3.375%	7,120,000	8,375,000
\$41,870,000, 2004 Bonds, due in annual installments of \$580,000 to \$2,650,000, through September 1, 2021, interest at various rates from 2.25% to 4.75%	18,600,000	23,700,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

	<u>2011</u>	<u>2010</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$4,788,000, 2004 Bonds, due in annual installments of \$250,000 to \$488,000, through October 15, 2017, interest at 3.60%	\$2,598,000	\$2,958,000
\$4,784,000, 2004 Bonds, due in annual installments of \$418,000 to \$566,000, through May 1, 2014, interest at 3.25%	1,616,000	2,111,000
\$20,000,000, 2005 Bonds, due in annual installments of \$25,000 to \$2,275,000, through June 1, 2019, interest at various rates from 3.75% to 4.00%	15,075,000	16,450,000
\$20,000,000, 2006 Bonds, due in annual installments of \$25,000 to \$2,600,000 through June 1, 2026, interest at various rates from 4.375% to 4.50%	19,650,000	19,775,000
\$3,050,000, 2006 Bonds, due in annual installments of \$200,000 to \$300,000 through November 15, 2018, interest at various rates from 3.625% to 4.00%	1,950,000	2,190,000
\$3,050,000, 2006 Bonds, due in annual installments of \$200,000 to \$300,000 through November 15, 2018, interest at various rates from 3.625% to 4.00%	1,950,000	2,190,000
\$5,950,000, 2007 Bonds, due in annual installments of \$350,000 to \$625,000 through November 15, 2019, interest at various rates from 3.625% to 4.00%	4,425,000	4,835,000
\$5,950,000, 2007 Bonds, due in annual installments of \$350,000 to \$625,000 through November 15, 2019, interest at various rates from 3.625% to 4.00%	4,425,000	4,835,000
\$48,625,000, 2008 Bonds, due in annual installments of \$25,000 to \$4,225,000 through May 1, 2028, interest at various rates from 4.00% to 4.50%	48,500,000	48,575,000
\$2,938,000, 2008 Bonds, due in annual installments of \$135,000 to \$438,000 through May 1, 2019, interest at various rates from 4.00% to 5.00%	2,458,000	2,643,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

	<u>2011</u>	<u>2010</u>
NOTE 3. COUNTY DEBT, (continued)		
\$8,077,000, 2008 Bonds, due in annual installments of \$540,000 to \$812,000 through May 1, 2020, interest at various rates from 4.00% to 5.00%	\$6,382,000	\$6,972,000
\$8,540,000, 2009 Bonds, due in annual installments of \$1,310,000 to \$1,550,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%	5,890,000	7,230,000
\$2,190,000, 2009 Bonds, due in annual installments of \$330,000 to \$390,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%	1,525,000	1,860,000
\$2,160,000, 2009 Bonds, due in annual installments of \$330,000 to \$390,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%	1,435,000	1,795,000
\$19,671,000, 2010 Bonds, due in annual installments of \$250,000 to \$2,796,000 through April 1, 2024, interest at various rates from 2.00% to 4.00%	19,421,000	19,671,000
\$945,000, 2010 Bonds, due in annual installments of \$75,000 to \$130,000 through April 1, 2019, interest at various rates from 2.00% to 3.50%	870,000	945,000
\$2,130,000, 2010 Bonds, due in annual installments of \$150,000 to \$240,000 through April 1, 2021, interest at various rates from 2.00% to 4.00%	1,980,000	2,130,000
\$10,045,000, 2010 Bonds, due in annual installments of \$1,620,000 to \$1,700,000 through June 1, 2016, interest at various rates from 2.00% to 3.00%	8,425,000	10,045,000
\$4,389,000, 2010 Bonds, due in annual installments of \$187,000 to \$374,000 through July 31, 2027, interest at various rates from 1.660% to 6.540%	4,202,000	4,389,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

	<u>2011</u>	<u>2010</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$1,177,000, 2010 Bonds, due in annual installments of \$80,000 to \$152,000 through Aug. 1, 2021 interest at various rates from 2.00% to 3.00%	\$1,097,000	\$1,177,000
\$1,176,000, 2010 Bonds, due in annual installments of \$80,000 to \$151,000 through Aug. 1, 2021, interest at various rates from 2.00% to 3.00%	1,096,000	1,176,000
\$26,415,000, 2011 Bonds, due in annual installments of \$475,000 to \$4,480,000 through May 1, 2020, interest at various rates from 2.00% to 5.00%	26,415,000	
\$610,000, 2011 Bonds, due in annual installments of \$125,000 to \$180,000 through May 1, 2015, interest at various rates from 2.00% to 5.00%	610,000	
\$300,000, 2011 Bonds, due in annual installments of \$60,000 to \$90,000 through May 1, 2015, interest at various rates from 2.00% to 5.00%	<u>300,000</u>	
	<u>\$272,594,000</u>	<u>\$301,833,000</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.

\$564,657 Loan, due in semi-annual installments of \$19,124 to \$24,526 through August 28, 2021, interest at 2.0%		\$447,004
\$5,300,000, 1994 Loan due in semi-annual installments of \$114,032 to \$163,154 through May 3, 2014, interest at 2.00%		799,777

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 3. COUNTY DEBT, (continued)

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>515,000</u>
	<u>\$1,761,781</u>

The County's principal and interest for long-term debt issued and outstanding at December 31, 2011 is as follows:

Calendar <u>Year</u>	Bonds		Loans		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$30,166,000	\$11,491,336	\$520,949	\$50,382	\$42,228,667
2013	30,786,000	10,254,010	538,103	34,648	41,612,761
2014	32,274,000	8,950,897	380,615	18,074	41,623,586
2015	31,707,000	7,595,173	43,315	6,227	39,351,715
2016	28,496,000	6,242,451	44,186	5,356	34,787,993
2017-2021	72,578,000	18,056,308	234,613	13,096	90,882,017
2022-2026	37,913,000	5,997,929			43,910,929
2027-2031	<u>8,674,000</u>	<u>401,335</u>			<u>9,075,335</u>
	<u>\$272,594,000</u>	<u>\$68,989,439</u>	<u>\$1,761,781</u>	<u>\$127,783</u>	<u>\$343,473,003</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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 4. BOND ANTICIPATION NOTES, (continued)

On December 31, 2011, the County had \$13,570,000 in outstanding bond anticipation notes due April 11, 2012 at an interest rate of 1.5%, \$23,156,350 due April 11, 2012 at an interest rate of 1.0%, \$25,681,000 due December 28, 2012 at an interest rate of 0.3599% and \$3,941,000 at an interest rate of 1.1292%.

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2011.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Cede & Co.	\$36,726,350	\$36,726,350	\$36,726,350	\$36,726,350
The Bank of NY Mellon		29,622,000		29,622,000
	<u>\$36,726,350</u>	<u>\$66,348,350</u>	<u>\$36,726,350</u>	<u>\$66,348,350</u>

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>
2012	\$2,125,000	\$4,035,606	\$6,160,606
2013	2,220,000	3,940,860	6,160,860
2014	2,330,000	3,832,836	6,162,836
2015	2,450,000	3,719,136	6,169,136
2016	2,560,000	3,602,498	6,162,498
2017-2021	14,640,000	16,186,288	30,826,288
2022-2026	17,750,000	12,602,732	30,352,732
2027-2031	20,465,000	8,002,719	28,467,719
2032-2036	21,850,000	2,384,625	24,234,625
	<u>\$86,390,000</u>	<u>\$58,307,300</u>	<u>\$144,697,300</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 6. FIXED ASSETS

The General Fixed Assets Account Group was not updated for December 31, 2011 as required by Technical Accounting Directive #2, codified as N.J.A.C. 5:30-5.6.

The following is a summary of the General Fixed Assets Account Group as of December 31, 2011 and 2010.

<u>2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Land	\$47,491,846	\$	\$	\$47,491,846
Buildings and Building Improvements	288,353,986			288,353,986
Machinery and Equipment	63,374,004			63,374,004
Construction in Progress	<u>14,569,238</u>			<u>14,569,238</u>
	<u>\$413,789,074</u>	<u>\$0</u>	<u>\$0</u>	<u>\$413,789,074</u>
<u>2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Land	\$46,613,987	\$877,859	\$	\$47,491,846
Buildings and Building Improvements	208,353,230	80,000,756		288,353,986
Machinery and Equipment	60,151,894	6,551,372	3,329,262	63,374,004
Construction in Progress	<u>12,446,888</u>	<u>7,339,590</u>	<u>5,217,240</u>	<u>14,569,238</u>
	<u>\$327,565,999</u>	<u>\$94,769,577</u>	<u>\$8,546,502</u>	<u>\$413,789,074</u>

NOTE 7. INTERFUND BALANCES AND ACTIVITIES

Balances due to/from other funds at December 31, 2011 consist of the following:

\$1,540,755	Due to the General Capital Fund from the Current Fund for reimbursement of budget expenditures.
4,810	Due to the Current Fund from the Net Payroll Account for excess funds transferred.
2,090,302	Due to the Grant Fund from the Current Fund to establish grants in the Grant Fund.
494,626	Due to the Other Trust Fund from the Current Fund to cover fund transfers and overpayments.
477	Due to the Liability Insurance Trust from the Current Fund for reimbursement of void check.
10,399	Due to the Current Fund from the Community Development Grant Fund for reimbursement of expenses.
<u>2,407</u>	Due to the Claims Account from the Current Fund to cover expenses.
<u>\$4,143,776</u>	

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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 8. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. The following deferred charges are shown on the balance sheets of the County of Passaic:

	<u>Balance Dec. 31, 2011</u>	<u>Balance Succeeding Year budget</u>
Current Fund:		
40A:4-53 Special Emergency	<u>\$5,648,055</u>	<u>\$1,129,611</u>
Total Deferred Charges	<u>\$5,648,055</u>	<u>\$1,129,611</u>

NOTE 9. 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>2011</u>	<u>2010</u>
Current Fund	<u>\$20,000,000</u>	<u>\$18,000,000</u>

NOTE 10. 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 \$41,576,917 and \$40,972,672 at December 31, 2011 and 2010, 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, 2011 AND 2010
(continued)

NOTE 11. 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.

Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; increased the minimum annual compensation required for membership eligibility for new members. Also, it amended the early retirement reduction formula for members hired on or after November 1, 2008 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 62, plus 3% for every year under age 55.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

Public Employees' Retirement System (PERS), (continued)

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS from the amount of compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60 from 1/55, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal year 2012.

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

Police and Firemens' Retirement System (PFRS)

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

Enrolled members of the Police and Firemens' Retirement System may retire at age 55 with no minimum service requirement. The annual allowance is equal to 2% of the members' final compensation for each year of service up to 30 years, plus 1% of each year of creditable service over 30 years. Final compensation equals the compensation for the final year of service prior to retirement. Special retirement is permitted to members who have 25 or more years of creditable service in the system. Benefits fully vest on reaching 10 years of service. 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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

Chapter 1, P.L. 2010, effective May 21, 2010, eliminated the provision in PFRS that would permit a member to retire, at any age after 25 years of service credit, on a special retirement allowance of 70% of final compensation after the retirement system reaches a funded level of 104%. Also, for new members of PFRS, the law capped the maximum compensation that can be used to calculate a pension from the plan at the annual wage contribution base for Social Security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary.

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.

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The County of Passaic opted for this deferral in 2011 in the amount of \$10,741,613.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.0% for PERS and 8.5% for PFRS of the employee's annual compensation, as defined through June 30, 2007. Under Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, the PERS and employee contribution rate will increase to 5.5 percent effective July 1, 2007. Employers are required to contribute at an actuarially

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The County's contribution to the various plans, equal to the required contributions for each period, were as follows:

<u>Years Ended</u> <u>December 31,</u>	<u>PERS</u>	<u>PFRS</u>
2011	\$12,485,756	\$15,020,589
2010	10,789,874	14,437,268
2009	5,643,910	7,361,817

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000 annually, the official may choose to waive participation in the DCRP for that office or position. The waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee, employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment option provided by the employer.

The law requires that three classes of employees enroll in the DCRP detailed as follows:

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may retain in the PERS. A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator, or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

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.

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

Pension Benefit Obligations

The actuarial present value of accumulated plan benefits at December 31, 2011 are detailed below:

	Base Pension Only
Vested benefits:	
Retired Members	\$26,081,054
Active Members	<u>2,359,417</u>
Total Actuarial Present Value of Plan Benefits	28,440,471
Less: Net Assets Available for Benefits	<u>31,393</u>
Deficiency	<u><u>28,409,078</u></u>
	 5.0%
Potential Liability	\$28,440,471
Assets	<u>31,393</u>
Potential Deficiency	<u><u>28,409,078</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.

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 12. 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, 2011 and 2010. 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 2011 transactions of the plan.

NOTE 13. 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 Coregis 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, 2011 and 2010. 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-11 summarizes the 2011 transactions of the plan.

NOTE 14. 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, 2011 and 2010. 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-10 summarizes the 2011 transactions of the plan.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 15. 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, 2011 and 2010, 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 16. 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").

- \$43,010,000 Solid Waste Disposal Revenue Bonds, Refunding Series 2004 consisting of \$34,200,000 in aggregate principal amount of its Solid Waste Disposal Revenue Bonds (Tax Exempt Series 2004A) and \$8,810,000 Solid Waste Disposal Revenue Bonds (Taxable Series 2004B) (collectively, the "2004 Refunding Bonds") issued pursuant to the Landfill Bond Resolution, as amended and supplemented;

- \$18,805,000 Solid Waste System Project Bonds, Refunding Series 2008 issued pursuant to the Landfill Bond Resolution, as amended and supplemented.

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 17. 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 18. LITIGATION

General Litigation

In the opinion of William J. Pascrell, 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.

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 McManimon, Scotland & Baumann, LLC, General 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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 18. LITIGATION, (continued)

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.

On March 2, 2007, the Court issued a written opinion, which ordered the implementation of mandamus relief by way of ordering the Authority to 1) turn over \$701,230.41 in bondholder restricted Bank of New York accounts to PenPac; 2) to turn over \$1,702,220.84 in allegedly unrestricted accounts to PenPac; and 3) to assign all future income derive from the Passaic Investors mortgage receivable, held by the Authority, to PenPac. That decision was memorialized by Order entered on March 12, 2007. The March 12, 2007 Order effectively transferred all of the Authority's monetary assets to PenPac, excepting only Bank of New York accounts associated with the 1999 and 2004 Series Bonds, which the trial court found were validly pledged to the bondholders. The rest of the assets were found to be free and available to satisfy PenPac's Judgment.

The Authority authorized an appeal, to the Superior Court of New Jersey - Appellate Division, from the March 12, 2007 mandamus implementation Order on March 21, 2007, and accordingly, the Notice of Appeal and associated documentation were filed with the Appellate Division shortly thereafter. A motion to stay the March 12, 2007 Order was also contemporaneously made in accordance with the Rules of Court. Unfortunately, on September 5, 2008, the Supreme Court of New Jersey denied Certification, effectively rendering the March 12, 2007 Order of the trial court final, and dissolving the stay granted pending the outcome of the appeal.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 18. LITIGATION, (continued)

As a result of the finality of the March 12, 2007 Mandamus Order, the Authority adopted a resolution at a special meeting held on September 25, 2008 to comply with its terms, and: 1) turned over \$701,230.41 in bondholder restricted Bank of New York accounts to PenPac; 2) turned over \$1,702,220.84 in allegedly unrestricted accounts to PenPac; and, 3) assigned all future income derived from the Passaic Investors mortgage receivable, held by the Authority, to PenPac.

On remand, the DEP determined that PenPac was entitled to an additional \$1.3 million of under recovery for services rendered for calendar year 1997, as well as for interest on the overall award (the "Remand Award"). The Remand Award was reduced to judgment on March 5, 2009 in the third matter listed above, **PenPac, Inc. v. Passaic County Utilities Authority**, Docket No. PAS-L-2615-08 (Superior Court of New Jersey, Law Division - Passaic County).

Post-judgment discovery is ongoing in this newest matter, and some paper discovery has been exchanged, and depositions held. It is not clear where PenPac's collection efforts against the Authority will proceed from here. After compliance with the March 12, 2007 Order last fall, there are no Authority assets left from which PenPac may satisfy its initial Judgment, or the newest Judgment on the Remand Award. Time will tell if PenPac will attempt other efforts to collect on the balance of its Judgment(s). It is simply not clear at this time whether PenPac will attempt to collect from the County of Passaic, or otherwise seek adverse action against the Authority from the Local Finance Board. Thus, we cannot predict what further impact post-judgment collection activities will have on the Authority at this time.

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 18. LITIGATION, (continued)

1. PenPac, Inc. v. County of Passaic
Superior Court of New Jersey, Docket No. PAS-L-2635-11

Plaintiff, PenPac, Inc., filed a Verified Complaint against the County of Passaic in the Superior Court of New Jersey, Passaic County on June 6, 2011. Plaintiff filed an Amended Verified Complaint on December 8, 2011.

Plaintiff's claims arise from judgments for underrecovery entered on its behalf against the Passaic County Utilities Authority (the "PCUA") in the wake of the Atlantic Coast decision by the Third Circuit which invalidated New Jersey's waste flow system. Plaintiff was able to collect all that it could from the PCUA, then turned its attention to the County to collect the remainder that was still outstanding. Plaintiff alleges that, because the County: (1) guarantees all of the PCUA's bond obligations; (2) pays all of the PCUA's invoices for operating expenses; and (3) wholly supports the insolvent PCUA, it should be responsible for paying the remainder of the judgments that is still outstanding. Plaintiff also claims that, because the PCUA is insolvent and serves no public purpose, the County should be compelled to dissolve the PCUA. The County disagrees with those claims and has filed an Answer in opposition to them.

On September 19, 2011, our office filed a Motion to Dismiss the Verified Complaint pursuant to R. 4:6-2(e). On December 2, 2011, the Honorable Randal Chiocca, J.S.C. defined the motion without prejudice, allowing the parties to conduct discovery, but indicated that the County could renew its application after discovery ended. On August 13, 2012, our office filed a Motion for Summary Judgment. The motion is currently pending and is returnable September 14, 2012. Discovery has concluded and a preemprory trial date has been scheduled for November 5, 2012.

2. Estate of Rivera v. County of Passaic, et al
Docket No. 2:09-cv-05218

This is a wrongful death claim that arose from the death of Jessie Rivera while incarcerated at the Passaic County jail. A complaint was filed on September 9, 2009 in the United States District Court for the District of New Jersey, Newark Vicinage. The complaint alleged violations of Mr. Rivera's civil rights resulting in his death while detained in prison.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 18. LITIGATION, (continued)

The named defendants in the Complaint were County of Passaic, Passaic County Sheriff's Department, Jerry Speziale, Sheriff of Passaic County, Passaic County Bureau of Corrections, Passaic County Jail, Charles Meyers, Warden of Passaic County Jail, Kirk Nixon, Passaic County Court Administrator, Passaic County Probation Department, City of Paterson, Passaic County Diagnostic Center, Dr. David Tutone, Dr. Dasher, State of New Jersey, and New Jersey Department of Corrections. This office was retained to represent the County employee, Doctor David Tutone. An Answer was filed on behalf of David Tutone on or about April 5, 2010.

The action was settled by way of a global settlement in the amount of \$600,000 in January 2012.

Proceedings to establish attorney fees are currently underway.

3. Brown et. al. v. County of Passaic

On February 25, 2010, Plaintiffs (seven former investigators employed by the Passaic County Prosecutors Office) filed a Two Count Complaint against the County of Passaic and James F. Avigliano, as Passaic County Prosecutor in the Superior Court of New Jersey, Passaic County. Plaintiffs alleged they were forced to retire or terminated because of their age in violation of the New Jersey Law Against Discrimination (LAD). The Second Count of Plaintiffs' Complaint was dismissed by the Court on Defendants' Motion to Dismiss and one Plaintiff voluntarily withdrew his claims. With respect to the remaining six Plaintiffs, the matter proceeded through discovery to trial. On July 12, 2012, the jury returned a verdict in favor of the Plaintiffs in the total amount of \$3,812,600 (including punitive damages). As a prevailing party, Plaintiffs are also entitled to their attorneys' fees award however, that application has not yet been made by Plaintiffs' counsel. Defendants intend to continue to vigorously oppose this matter and intend to file an appeal.

4. Mambelli v. County of Passaic et al.

This matter proceeded to a non-binding mediation with a retired of the Superior Court of New Jersey (in August of 2012).

At that time, the parties were able to enter into a monetary settlement of \$585,000.00, which would be inclusive of legal fees. In addition, there was to be enhanced conditions placed on the status of the plaintiff's employment (i.e.: a possible promotion). Unfortunately, the parties could not resolve their differences on that issue, and the plaintiff has rejected that settlement in its entirety and has demanded in excess of \$1,000,000.00 - as of October 5, 2012.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 18. LITIGATION, (continued)

This matter will be proceeding to trial at the latter part of 2012, or the early part of 2013. The retired Superior Court Judge (mediator) has stated that the compensatory, punitive damage and attorneys' fees aspects of this matter could go beyond 2.7 million dollars.

As such, we are respectfully requesting a three million dollar reserve on this matter.

5. Tundo, Racanelli, Gilgorri v. the County of Passaic

This matter involves another convoluted episode of employment issues at the Passaic county Sheriff's Department.

The plaintiffs were laid off pursuant to the New Jersey Civil Service Act under the mass lay-off of 2008. However, they were never re-hired, for a number of reasons.

Thereafter, Civil Service ordered that the plaintiffs be reinstated, and the Department requested that they fill out re-employment applications. The plaintiffs had refused to fill out those applications, and we are not involved in litigation at the Federal Court Level.

This is a very dangerous situation, because it is a winner-take-all scenario. If the jury or a Court determines that these three individuals were not properly re-hired, they will be entitled to back wages for calendar years 2009, 2010, 2011 and 2012, which would include health benefits and pension contributions. In addition, they could possibly be entitled to additional compensatory damages as well as possibly punitive damages.

In light of the substantial back wage component to this case (for each of the plaintiffs), it is respectfully requested that a reserve for three million dollars be placed on this matter.

NOTE 19. 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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 19. ARBITRAGE REBATE, (continued)

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.

The County has engaged Public Financial Management (PFM) to update the arbitrage rebate calculation but the report is not available for the audit.

NOTE 20. 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 2011 calendar year, the County did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

NOTE 21. 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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 19. 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.

The County has engaged Public Financial Management (PFM) to update the arbitrage rebate calculation but the report is not available for the audit.

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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 2011 calendar year, the County did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 21. POST RETIREMENT BENEFITS, (continued)

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 December 31, 2009, 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. The County did not update this analysis as of December 31, 2011 as required by GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

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 \$102,998,427, 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	<u>4.50%</u>
Normal Cost	\$10,104,366

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 21. POST RETIREMENT BENEFITS, (continued)

The following table utilizes the actuarially determined contribution for the year ended December 31, 2009 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

Annual OPEB Cost	\$780,0100
Actuarial Contribution Determination	<u>5,858,000</u>
Increase in Net OPEB Obligation	1,942,100
Net OPEB Obligation, Beginning of Year	<u>8,492,336</u>
Net OPEB Obligation, End of Year	<u>\$10,434,436</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, 2008. 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.

The actuarial valuation projected cash costs totaling \$47,294,100 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>
2012	\$8,359,100	2015	\$9,994,400
2013	8,940,000	2016	10,485,100
2014	9,515,500		

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(continued)

NOTE 21. POST RETIREMENT BENEFITS, (continued)

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.

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

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>
Bruce James	Freeholder - Director	(A)
Theodore Best	Freeholder	(A)
Terry Duffy	Freeholder	(A)
Pasquale Lepore	Freeholder	(A)
Deborah Ciambrone	Freeholder	(A)
Edward O'Connell	Freeholder	(A)
Michael Marotta	Freeholder	(A)
Louis E. Imhof III	Clerk of the Board	(B)
Anthony DeNova III	County Administrator	
William J. Pascrell III	County Counsel	(B)
Louis Garbaccio	Chief Financial Officer	
Richard H. Berdnik	Sheriff	
Honorable Bernice Toledo	Surrogate	
Kristin M. Corrado	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

Supplementary data

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Year 2011</u>		<u>Year 2010</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Fund Balance Utilized	\$ 18,000,000	3.95 %	\$ 15,450,000	3.52 %
Miscellaneous - From Other Than				
Tax Levies	138,158,337	30.35	131,039,698	29.87
Collection of Current Tax Levy	<u>298,991,500</u>	<u>65.69</u>	<u>292,181,887</u>	<u>66.61</u>
Total Income	<u>455,149,837</u>	<u>100.00 %</u>	<u>438,671,585</u>	<u>100.00 %</u>
EXPENDITURES				
Budget	440,662,999	99.73	415,701,119	99.72
Other	<u>1,213,040</u>	<u>0.27</u>	<u>1,146,754</u>	<u>0.28</u>
Total Expenditures	<u>441,876,039</u>	<u>100.00 %</u>	<u>416,847,873</u>	<u>100.00 %</u>
Excess in Revenue	13,273,798		21,823,712	
Adjustments to Income Before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year	<u>5,648,055</u>			
Statutory Excess to Surplus	18,921,853			
Fund Balance, January 1	<u>26,690,863</u>		<u>20,317,151</u>	
	45,612,716		42,140,863	
Utilized as Budget Revenue	<u>18,000,000</u>		<u>15,450,000</u>	
Fund Balance, December 31	<u>\$ 27,612,716</u>		<u>\$ 26,690,863</u>	

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

		<u>County Tax Base</u>				
		<u>Assessed Valuation of Real Property</u>	<u>Assessed Valuation of Personal Property</u>	<u>Net Valuation Taxable</u>	<u>Equalized Valuation of Real and Personal Property</u>	<u>Tax Rate Per \$100.00</u>
2011	\$	34,072,490,040	43,449,319	34,115,939,359	50,249,517,609	0.6789
2010		33,714,082,467	58,024,700	33,772,107,167	53,281,584,560	0.6338
2009		33,890,983,620	57,312,989	33,948,296,609	56,092,089,098	0.6052
2008		30,260,235,965	47,417,172	30,307,653,137	57,227,118,466	0.5296
2007		30,219,744,215	48,307,211	30,268,051,426	55,623,705,991	0.5442

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 Collections</u>	<u>Percentage of Collection</u>
2011	\$	298,661,500	298,661,500	100.00%
2010		292,181,887	292,181,887	100.00%
2009		283,835,372	283,835,372	100.00%
2008		277,340,015	277,340,015	100.00%
2007		253,177,231	253,177,231	100.00%

Comparative Schedule of Fund Balance

	<u>Year</u>		<u>Dec. 31</u>	<u>Utilized in budget of succeeding year</u>
Current Fund	2011	\$	27,612,716	20,000,000
	2010		26,529,821	18,000,000
	2009		20,212,602	15,450,000
	2008		18,910,883	14,418,102
	2007		24,931,589	14,931,589

COUNTY OF PASSAIC

Schedule of Cash and Investments

Current Fund

Year Ended December 31, 2011

	<u>Checking</u>	<u>Investments</u>
Balance, December 31, 2010	\$ 67,707,523	502,077
Increased by Receipts:		
2011 Tax Levy	298,991,500	
Federal and State Grants Receivable	34,369,196	
Revenue Accounts Receivable	90,762,269	
Non-Budget Revenues	4,262,753	
Petty Cash	18,600	
Schedule of Interfunds	6,586,703	
Miscellaneous Reserves	7,725,800	
Unappropriated Reserves for Grants	63,923	
Interest		3,696
	<u>442,780,744</u>	<u>3,696</u>
	510,488,267	505,773
Decreased by Disbursements:		
2011 Budget Appropriation	383,518,931	
2010 Appropriation Reserves	13,007,720	
Schedule of Interfunds	9,738,151	
Accounts Payable	81,584	
Federal & State Grant Commitments Payable	7,293,861	
Reserve for Federal & State Grants Appropriated	25,818,674	
Petty Cash	18,600	
Miscellaneous Reserves	22,554,276	
Prior Years' Charges	40,168	
	<u>462,071,965</u>	
Balance, December 31, 2011	\$ <u><u>48,416,302</u></u>	<u><u>505,773</u></u>

COUNTY OF PASSAIC
Schedule of Cash - Change Fund
Current Fund
Year Ended December 31, 2011

<u>Office</u>	Balance December 31, <u>2010</u>	Balance December 31, <u>2011</u>
County Courts	\$ <u>675</u>	<u>675</u>

Schedule of Cash - Petty Cash
Current Fund
Year Ended December 31, 2011

<u>Office</u>	Received From <u>Treasurer</u>	Returned To <u>Treasurer</u>
Finance	200	200
Sheriff	3,000	3,000
Road	200	200
Shelter	100	100
Preakness Hospital	100	100
Prosecutor	<u>15,000</u>	<u>15,000</u>
	<u>18,600</u>	<u>18,600</u>

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2011

Grant	Balance, December 31, 2010	2011 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2011
Paris Grant - Records Management	\$ 35,087					35,087
Paris Grant - Records Management	52,995			52,995		
Camp Hope Kids Corner 2010	10,300					10,300
SHARE Grant	92,299			75,724		16,575
Workfirst-ABAED 1997	89,402					89,402
Workfirst NJ 1999	22,214					22,214
Alcohol/Drug Abuse Grant FY08	923					923
Alcohol/Drug Abuse Grant FY10	208,782			208,782		
Alcohol/Drug Abuse Grant FY11		732,993		511,744		221,249
Alcohol/Drug Abuse Grant FY12			751,699			751,699
Municipal Alliance 2007	65,895					65,895
Municipal Alliance 2008	82,240					82,240
Municipal Alliance 2009	298,920			253,922		44,998
Municipal Alliance 2010	553,900			107,212		446,688
Municipal Alliance 2011		553,900		367,687		186,213
Municipal Alliance 2012			553,900			553,900
Workforce Invest (Pic) 2006/07	66,853					66,853
Workforce Invest (Pic) 2007/08	92,402					92,402
Workforce Investment (PIC) 2009/10	1,239,957			1,176,669		63,288
Workforce Invest (Pic) 2010/11	7,682,259			5,601,986		2,080,273
Workforce Invest (Pic) 2010/11	5,205,423			5,076,976		128,447
Workforce Invest (Pic) 2011/12			6,610,560			6,610,560
Workforce Invest (Pic) 2011/12			5,153,104			5,153,104
Strengthening Communities Fund ARRA	101,737					101,737
Hurricane Irene Disaster National Emer. Grant			711,287			711,287
L.E.O.T.E.F. 2010		23,715	33,772	57,487		
Bioterrorism Prep. 09-1159-BTL1	10,288					10,288
Community Svc. Block Grant HIPER LINC'S	764,411		110,000	409,378		465,033
Community Svc. Block Grant PHLP LINC'S 2012			592,354	490,992		101,362
CEHA 2010	48,092	35,260		83,352		
CEHA 2011			234,968	148,965	5,000	81,003
Tobacco Enforcement Program	13,080			6,900		6,180
Right to Know Program	11,410			11,410		
Right to Know Program 2011			15,213	3,803		11,410
P.C. MRC Capacity Building Award			5,000	5,000		
Clean Communities 2011			62,758	62,758		
Recycling Enhancement Act Bonus Grant			221,400	221,400		
Recycling Enhancement Act			540,000	540,000		
Radon Awareness Program (RAP)	1				1	
Radon Awareness Program (RAP) 2011		1,000		999		1
Radon Awareness Program (RAP) 2012			1,000			1,000
Brownfields Assessment Program	12,291					12,291
Brownfields Assessment Program	103,076			40,103		62,973
Passaic County Film Festival 2011		1,130		1,130		
Passaic County Film Festival 2012			1,420			1,420
Business Retention and Expansion Program	125,000					125,000
Aging Area Nutrition FY10	355,717			355,717		
Aging Area Nutrition FY11		2,666,963	658,137	2,919,310		405,790
Aging Administration 2010	629,359			629,359		
Aging Administration 2011		1,747,573	431,785	1,598,282		581,076
Casino Revenue 2010	1,364,566			1,364,566		
Casino Revenue 2011		2,390,696		1,277,361		1,113,335
Farmers Market Nutrition Prgm (WIC) 2011			2,000	2,000		
JJC Partnership 2007	10,387					10,387
JJC Partnership 2008	31,332					31,332
JJC Partnership 2009	105,028					105,028

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2011

<u>Grant</u>	Balance, December 31, 2010	2011 Budget Revenue <u>Realized</u>	Revenue Realized by <u>40A:4-87</u>	<u>Received</u>	Canceled/ <u>Adjusted</u>	Balance, December 31, 2011
JJC Partnership 2010	514,393			435,458		78,935
JJC Partnership 2011			514,393	40,297		474,096
JJC Partnership 2012			514,393			514,393
Homeless H1RZ7N 2009	2,388					2,388
Homeless H1RZ8N 2010	11,635			11,635		
Homeless H1RZ8N 2011		907,294		887,294		20,000
Homeless H1RZ8N 2012			907,294			907,294
Human Services 08BERN	26,154					26,154
Human Services 09BERN	42,780					42,780
Human Services 10BERN	101,718					101,718
Human Services 11BERN		175,373		174,414		959
Human Services 12BERN			175,373			175,373
Preakness Gero-Psych Program	169,105			169,105		
Preakness Gero-Psych Program			338,210			338,210
Rapid Rehousing Clifton S-09	332,607			233,219		99,388
Rapid Rehousing Paterson S-09	661,682			482,177		179,505
Rapid Rehousing ARRA 2009	1,036,941			677,939		359,002
Div of Child Behavioral Health Services 2011		158,456		145,251		13,205
Div of Child Behavioral Health Services 2012			158,546			158,546
Special Initiative and Transportation 2005	257,458					257,458
Special Initiative and Transportation 2006	90,682					90,682
Special Initiative and Transportation 2007	47,628					47,628
Special Initiative and Transportation 2008	44,989					44,989
Special Initiative and Transportation 2009	33,405					33,405
Special Initiative and Transportation 2010	283,395			278,592		4,803
Special Initiative and Transportation 2011			404,914	101,229		303,685
Eva's Village Apartments		470,902		436,707		34,195
Passaic County Housing First	1,411,200					1,411,200
HUD Eva's Projext NJ36308	471,360					471,360
HUD St. Paul's			186,660			186,660
HUD St. Joseph			186,660			186,660
State Incentive Program 2009	13,363					13,363
State Incentive Program 2010	240,124					240,124
C.S.B.G. 2006	630					630
C.S.B.G. 2007	300					300
C.S.B.G. 2009	19,859			10,000		9,859
C.S.B.G. 2009 ARRA	397,591					397,591
C.S.B.G. 2010		294,183		289,226		4,957
C.S.B.G. 2011			63,739			63,739
J.A.I.B.G. 8-08	43,697			38,378		5,319
J.A.I.B.G. 2009	78,089			15,410		62,679
J.A.I.B.G. 2010			67,273	6,727		60,546
J.A.I.B.G. 2011			63,324	6,332		56,992
Mental Health Board 2009	6,000			6,000		
Passaic County Summer Job Training			20,000	9,260		10,740
Birch Street Apartments	258,479			20,000		238,479
Human Services 07 BERN PASP	32,145					32,145
Human Services 08 BERN PASP	27					27
Human Services 11 BERN PASP		399,525		399,525		
Human Services 12 BERN PASP			399,525			399,525
Family Court Services 2010	282,634			193,588		89,046
Family Court Services 2011			282,634			282,634
Family Court Services 2012			282,634			282,634
21st Century Learning 2009	65,740					65,740
21st Century Learning 2010	500,000			491,830		8,170
21st Century Learning 2011			500,000			500,000
JARC 2008	31,697					31,697

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2011

<u>Grant</u>	Balance, December 31, 2010	2011 Budget Revenue Realized	Revenue Realized by 40A.4-87	Received	Canceled/ Adjusted	Balance, December 31, 2011
JARC 2010	165,387			153,335		12,052
JARC 2011			250,000			250,000
Molly Ann Brook Rain Barrel Initiative	39,586			17,685		21,901
Universal Service Fund 2010	12,147			12,147		
Universal Service Fund 2011		44,699		44,699		
Weatherization DHS 1999	130,619					130,619
Weatherization DHS 2007	63,892					63,892
Weatherization DOE 2010			151,335			151,335
Weatherization DOE 2009 - ARRA	332,589		331,500	341,610		322,479
Weatherization HIP 2009	39,008					39,008
Weatherization HIP 2010		363,941	407,039			770,980
Weatherization LIHEAP 2010		128,314		56,094		72,220
Weatherization LIHEAP 2011			121,475	85,033		36,442
Weatherization LIHEAP 2012			90,753	80,516		10,237
Subregional Transportation FY08	1,693					1,693
Subregional Transportation FY11	94,485			80,301		14,184
Subregional Transportation FY12			123,019	88,598		34,421
Subregional Internship Support Program	6,300			5,158		1,142
Subregional Internship Support Program	15,000			10,028		4,972
History and Tourism Plan			200,000	40,000		160,000
PC Master Plan: Trans Element	8,347			6,126		2,221
Community Development Block Grant 2008	401,475			32,390		369,085
Community Development Block Grant 2009	767,738			340,690		427,048
Community Development Block Grant - Recovery	3,171					3,171
Community Development Block Grant 2010	946,150					946,150
Community Development Block Grant 2011			950,250	105,943		844,307
Pre-Disaster Mitigation Grant	225,000			225,000		
UASI - Fire Decontamination Task Force	7,000					7,000
UASI - Planner Grant	82,359			82,343		16
UASI - Public Health	31,638			31,286		352
UASI - Projects 2009	502,507			474,366		28,141
UASI - Projects 2009	226,924			72,325		154,599
UASI - Projects 2009	105,783			21,470		84,313
UASI - Projects 2010		487,000		50,258		436,742
Emergency Management Assistance (EMA)			50,000	50,000		
Logistics & Commodities Distribution Plan		33,685		33,685		
SANE/SART Program 2009	3,736			1,691		2,045
SANE/SART Program 2010		84,569		68,114		16,455
Victimes of Crime Act Grant			360,683	220,652		140,031
Communication Oriented Policing Services	266,561					266,561
Communication Oriented Policing Services	200,000					200,000
Body Armor Replacement P.C.P.O. 2011			7,316	7,316		
Victim & Witness Advocacy Fund 2009	118,838			118,838		
Victim & Witness Advocacy Fund 2010	30,880			30,880		
Victim & Witness Advocacy Fund Supplement			48,020	15,925		32,095
National Justice Information Sharing (JIS) 2012			270,084			270,084
Justice Assistance Grant			38,340	9,585		28,755
Justice Assistance Grant			39,516	39,516		
Insurance Fraud Reimbursement Program	54,050			54,050		
Insurance Fraud Reimbursement Program		250,000		217,933		32,067
National Childrens Alliance Program 2010	10,000					10,000
National Childrens Alliance Program 2011			10,000			10,000
STOP Violence Against Women Act Formula Grant			29,213	29,213		
Emergency Operations Center Grant FY10		250,000				250,000
Multi-Jurisdictional NARC Task Force 2009	75,315			75,315		
Multi-Jurisdictional NARC Task Force 2009	15,718			15,718		
Multi-Jurisdictional Narcotics Task 2010		252,964		252,964		

COUNTY OF PASSAIC

Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2011

<u>Grant</u>	Balance, December 31, 2010	2011 Budget Revenue Realized	Revenue Realized by 40A:4-87	<u>Received</u>	Canceled/ <u>Adjusted</u>	Balance, December 31, 2011
Multi-Jurisdictional Narcotics Task 2011			200,769	23,799		176,970
Homeland Security Grant FY07	75,274			75,124		150
Homeland Security Grant FY08	1,344,417			1,009,345		335,072
Homeland Security Grant FY09	1,292,850					1,292,850
Homeland Security Grant FY10		1,273,599				1,273,599
Community Justice Grant JAG-3-19-07	15,356			15,356		
Edward Byrne Memorial Justice Assistance Grant			60,000	60,000		
State Aid Annual Appropriation	150,000			150,000		
2011 Body Armor P.C.S.D.			42,763	42,763		
Click It or Ticket 2011			4,000	4,000		
Buffer Zone Protection	12,775			12,718		57
COPS Technology Grant	300,000			298,204		1,796
	<u>\$ 35,170,089</u>	<u>13,727,734</u>	<u>25,542,004</u>	<u>34,613,667</u>	<u>5,001</u>	<u>39,821,159</u>
Grant		\$ 10,733,507	25,439,034			
Match		<u>2,994,227</u>	<u>102,970</u>			
		<u>\$ 13,727,734</u>	<u>25,542,004</u>			
				Unappropriated Reserves \$ 244,471		
				Cash <u>34,369,196</u>		
				<u>\$ 34,613,667</u>		

COUNTY OF PASSAIC

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2011

	Balance, December 31, <u>2010</u>	Accrued <u>2011</u>	<u>Collected</u>	Balance, December 31, <u>2011</u>
Miscellaneous Revenues:				
County Clerk	\$ 2,978	568,574	571,552	
Clerk - Registry Division	5,847	1,927,908	1,933,755	
Surrogate	7,839	357,716	365,555	
Sheriff	12,990	480,292	493,282	
Interest on Investments and Deposits		74,063	74,063	
Road Opening Permits		332,500	332,500	
Rental Income		219,382	219,382	
Prosecutor's Office - Confiscated Money		75,000	75,000	
State Aid - College County Bonds		1,512,936	1,512,936	
Division of Youth and Family Services		3,494,556	3,494,556	
Welfare - Supplemental Security Income		1,756,655	1,756,655	
Maintenance of Patients in State Institutions for Mental Diseases		17,538,576	17,538,576	
Maintenance of Patients in State Institutions for Mentally Retarded		9,873,002	9,873,002	
County Patients - State Hospital		15,737	15,737	
Added and Omitted Taxes	709,058	705,226	813,565	600,719
Board Inmates at County-State		311,256	311,256	
Title IV D Parent Locator Program		735,688	735,688	
Fringe Benefits		10,677,332	10,677,332	
Indirect Costs - Grants		358,536	358,536	
Preakness Hospital-Medicaid Reimbursements		32,150,000	32,150,000	
Maintenance in Lieu of Rent-Martin Luther King-Soc Se		956,956	956,956	
State School Building Aid (Chapter 12)		34,735	34,735	
Park Fees		1,481,680	1,481,680	
Telephone Commissions		196,516	196,516	
Capital Surplus		1,000,000	1,000,000	
Site Plan Fees		62,332	62,332	
Radio Tower Rental		31,194	31,194	
Security Contract Passaic Valley Water		608,080	608,080	
Reserve for Payment of Bonds		1,500,000	1,500,000	
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>\$ 738,712</u>	<u>90,624,276</u>	<u>90,762,269</u>	<u>600,719</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Current Fund

Year Ended December 31, 2011

	Balance, December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2011</u>
Federal and State Grant Fund	\$ (769,717)		1,320,585	(2,090,302)
Other Trust Fund	(546,529)	3,059,569	3,007,666	(494,626)
Confiscated Trust Fund	51	74,702	74,753	
Liability Trust Fund	(477)			(477)
General Capital Fund	(351,058)	6,614,570	7,804,267	(1,540,755)
Net Payroll Account	4,810			4,810
Clearing Account			2,407	(2,407)
	<u>(1,662,920)</u>	<u>9,748,841</u>	<u>12,209,678</u>	<u>(4,123,757)</u>
Due from	4,861	74,702	74,753	4,810
Due (to)	<u>(1,667,781)</u>	<u>9,674,139</u>	<u>12,134,925</u>	<u>(4,128,567)</u>
	<u>\$ (1,662,920)</u>	<u>9,748,841</u>	<u>12,209,678</u>	<u>(4,123,757)</u>
Cash Receipts			6,586,703	
Cash Disbursements		9,738,151		
Interest Earnings		10,690		
Note Sale Proceeds			1,057,406	
Federal and State Grants			1,320,585	
Budget Appropriations			<u>3,244,984</u>	
		<u>\$ 9,748,841</u>	<u>12,209,678</u>	

COUNTY OF PASSAIC

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2011

	Balance, Dec. 31, <u>2010</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages:				
Board of Freeholders	\$ 1	1		1
County Administrator	38,941			
Finance Department	369			
County Counsel	23,741			
County Adjuster	6,445			
Personnel	10,546			
County Clerk	2,447			
Prosecutor's Office	101,841	951,841	951,841	
Prosecutor's Office-Spec	74,384			
Purchasing Department	18,814			
Buildings and Grounds	127,115			
Economic Development	6,841	6,841		6,841
Surrogate	24,884			
Sheriff's Office	98,034	1		1
Weights and Measures	9,076	9,076		9,076
Board of Taxation	6,927			
Board of Elections	38	38	(3,161)	3,199
Superintendent of Elections	36,155			
County Emergency Management	17,165	17,165		17,165
Planning Board (NJS 40:273)	4,847	4,847		4,847
Roads	49,339	49,339		49,339
Mosquito	18,032			
Engineering	304,537	304,537		304,537
Jail and Workhouse	1,216,023	2		2
Mental Health Board (30:9A-3)	2,954	2,954		2,954
Department of Youth Services	25,979			
Preakness Hospital	68,490			
Camp Hope (40:23-6 1 to 16)	35,462	35,462		35,462
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	13,148	13,148		13,148
County Health Dept. Chapter 329 PL 1975	17,175	17,175		17,175
Office of County Superintendent of Schools	400	1		1
County Extensive Services	24	24		24
Parks	57,236			
Golf Course	2,808			
Sick Leave Payout	232,082	232,082		232,082
Para-Transit	6,480	6,480		6,480
Police Academy	15,347	15,347		15,347
Salary and Wage Adjustment	5,514,261	6,432,027	6,432,027	
Other Expenses:				
Board of Freeholders	60,429	62,620	30,441	32,179
Contribution to Public Access Libraries	70,000	70,000	70,000	
County Administrator	196,074	230,447	185,933	44,514
Finance Department	101,286	132,457	115,049	17,408
Postage	7,000	107,750	750	107,000
Audit	92,025	92,025	92,025	
Insurance Division		4,207	1,331	2,876
County Counsel	14,292	22,547	14,299	8,248
County Counsel Ethics	10,000	10,000		10,000
County Adjuster	4,613	6,473	883	5,590
Clerk of the Board	11,125	20,180	4,273	15,907

COUNTY OF PASSAIC

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2011

	Balance, Dec. 31, 2010	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
Personnel	8,725	16,637	5,210	11,427
State and National Association of County Officials	515	515		515
County Clerk	2,771	7,891	7,763	128
County Register	13,623	22,543	9,206	13,337
Prosecutors Office	55,153	179,537	158,937	20,600
Countywide Radio	9,914	60,974	52,526	8,448
Purchasing Dept.	32,479	44,918	2,930	41,988
Bulk Purchasing	74,823	164,171	89,307	74,864
MIS Department (Finance Department)	49,146	166,249	155,829	10,420
Building and Grounds	382,572	569,390	208,291	361,099
Parking	4,480	4,480		4,480
Welfare Board	3,646	5,569	1,959	3,610
Photostat	44,891	53,709	53,008	701
Economic Development	538	17,867	17,341	526
Surrogate	38,884	42,494	29,060	13,434
Surgical, Major Medical for Employees	944,304	957,014	659,828	297,186
Group Life Insurance for Employees	28,000	30,000	6,000	24,000
Surety Bond Premium	6,000	6,000		6,000
Worker's Compensation		250,000	250,000	
Other Insurance	128,846	129,066	2,475	126,591
Drug Plan	671,225	671,225	579,839	91,386
Dental Plan	86,984	86,984	59,707	27,277
Disability Insurance	29,928	29,928		29,928
Sheriff's Office	48,164	62,075	51,279	10,796
Weights and Measures	3,584	4,300	813	3,487
Board of Taxation	4,074	15,066	13,807	1,259
Medical Examiner	174,752	78,828		78,828
Board of Elections	99,197	115,522	68,445	47,077
Superintendent of Elections	134,057	365,807	244,827	120,980
Election-County Clerk	149,666	180,803	50,799	130,004
County Emergency Management	5,014	12,051	8,526	3,525
Planning Board (NJS 40:273)	12	6,699	6,699	
Construction Board of Appeals	5,000	5,000	2,550	2,450
Roads	459,587	677,023	325,721	351,302
Mosquito	2,001	11,126	10,780	346
Engineering	21	3,130	2,976	154
Jail and Workhouse	291,231	755,448	427,869	327,579
Jail and Workhouse - Medical	371,659	724,314	568,834	155,480
Crippled Children		13,500	13,500	
Mental Health Programs		280,575	280,575	
Aid to Develop Disabled		13,500	13,500	
Addiction Program Contractual	15,139	106,437	92,128	14,309
Mentally Diseased and Mentally Retarded	52,596	35,162	16,767	18,395
Department of Youth Services	33,650	62,700	26,628	36,072
Medical Expenses	672			
Preakness Hospital	754,750	1,756,732	1,365,681	391,051
Camp Hope (40:23-6. 1 to 16)	16,481	25,010	13,854	11,156
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	10,041	13,011	4,068	8,943
County Health Dept. Ch 329 PL 1975	9,766	13,607	5,052	8,555
Office of County Superintendent of Schools	163	7,140	5,892	1,248
Passaic County Vocational School	380,424	380,424		380,424

COUNTY OF PASSAIC

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2011

	Balance, Dec. 31, 2010	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
County Extensive Services	40,472	51,197	16,726	34,471
Passaic County Community College	1,866	1,866		1,866
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	234,516	239,376	51,671	187,705
Parks	23,801	36,868	19,188	17,680
Golf Course	9,562	37,591	26,776	10,815
Passaic County Historical Society	25,000	25,000	25,000	
Passaic County Volunteer Fire Academy	60,000	60,000		60,000
Equipment, Office, Car, Other	50,000	250,000	191,553	58,447
Matching Funds for Grants	340,007	340,007		340,007
Aid to Volunteer Ambulance & Fire Co. (NJS40:5-2)	23,000	23,000		23,000
Aid to Children Care Cordination Committee (4C's) (NJS40:23)		11,250	11,250	
Aid to Women's Haven NJSA 30:14-11		7,875	7,875	
Aid to D.I.A.L. (40:23-811)		13,500	13,500	
Para-Transit	39,784	53,880	37,698	16,182
Police Academy	27,950	51,352	28,607	22,745
Aid to Health & Welfare Councils (NJS 40-23-8.28)	2,000	167,804	165,804	2,000
Utilities:				
Gasoline	80,146	229,330	41,478	187,852
Telephone and Telegraph	50,028	104,558	100,941	3,617
Natural Gas & Electric	361,975	1,457,168	892,866	564,302
Street Lighting	57,782	113,876	98,936	14,940
Heating Oil	21,287	24,862	5,864	18,998
Water	20,560	103,164	86,170	16,994
Garbage	81,877	125,318	31,240	94,078
Debt Service Fees	12,140	17,580	11,500	6,080
Aid to Housing First		83,259	83,259	
Contingent	1,202	1,202	1,202	
Acquisition of Various Equipment	200,000			
Passaic County Utilities Authority (P.C.U.A)		3,155	3,155	
Statutory Charges:				
Contribution to PERS	36,413	36,413	1,511	34,902
Contribution to DCRP	4,361	4,361	4,361	
Social Security System (O.A.S.I.)	943,589	943,589		943,589
Unemployment Compensation	739	739		739
	<u>\$ 17,144,437</u>	<u>22,718,385</u>	<u>15,824,608</u>	<u>6,893,777</u>
Appropriation Reserves \$		17,144,437		
Reserve for Encumbrances		<u>5,573,948</u>		
		<u>\$ 22,718,385</u>		
Transfer to Accounts Payable \$			2,816,888	
Cash			<u>13,007,720</u>	
			<u>\$ 15,824,608</u>	

COUNTY OF PASSAIC

Schedule of Accounts Payable

Current Fund and Federal and State Grant Fund

Year Ended December 31, 2011

	<u>Total</u>	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2010	\$ 550,504	507,494	43,010
Increased by:			
Transfers from Appropriation Reserves	2,816,888	2,816,888	
	<u>2,816,888</u>	<u>2,816,888</u>	
	3,367,392	3,324,382	43,010
Decreased by:			
Payments	81,584	81,584	
Transfers to Miscellaneous Reserves	2,607,235	2,607,235	
	<u>2,688,819</u>	<u>2,688,819</u>	
Balance, December 31, 2011	<u>\$ 678,573</u>	<u>635,563</u>	<u>43,010</u>

COUNTY OF PASSAIC

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2011

	<u>Total</u>	<u>Budget Appropriations</u>	<u>Reserve for Federal and State Grant Funds</u>
Balance, December 31, 2010	\$ 5,573,948	5,573,948	_____
Increased by:			
Charges to 2011 Budget Appropriations	5,561,952	5,561,952	
Charges to Reserve for Federal and State Grants Appropriated	<u>6,535,698</u>	_____	<u>6,535,698</u>
	<u>12,097,650</u>	<u>5,561,952</u>	<u>6,535,698</u>
	17,671,598	11,135,900	6,535,698
Decreased by:			
Encumbrances Transferred to Appropriation Reserves	5,573,948	5,573,948	
Encumbrances Transferred to Federal and State Grant Fund	<u>6,535,698</u>	_____	<u>6,535,698</u>
	<u>12,109,646</u>	<u>5,573,948</u>	<u>6,535,698</u>
Balance, December 31, 2011	\$ <u><u>5,561,952</u></u>	<u><u>5,561,952</u></u>	<u><u>_____</u></u>

COUNTY OF PASSAIC
Schedule of Commitments Payable
Federal and State Grant Fund
Year Ended December 31, 2011

Balance, December 31, 2010	\$ 7,293,861
Increased by:	
Transfer from Current Fund - Encumbrances Payable	<u>6,535,698</u>
	13,829,559
Decreased by:	
Payments	<u>7,293,861</u>
Balance, December 31, 2011	\$ <u><u>6,535,698</u></u>

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2011

Grant	Balance, Dec. 31, 2010	Transferred From 2011 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2011
		Budget	Appropriation By 40A:4-87				
Paris Grant - Record Management	35,252						35,252
Paris Grant - Record Management	917				917		
Camp Hope Kids Corner	10,663				1,549		9,114
SHARE Grant	28,050				27,000		1,050
Alcohol/Drug Abuse Grant Fy08'	10,135						10,135
Alcohol/Drug Abuse Grant Fy09'	179,293						179,293
Alcohol/Drug Abuse Grant Fy10'	57,311				52,286		5,025
Alcohol/Drug Abuse Grant Fy11'		732,993			714,264		18,729
Alcohol/Drug Abuse Grant Fy12'			751,699				751,699
Municipal Alliance 2006	803						803
Municipal Alliance 2007	73,688						73,688
Municipal Alliance 2008	65,274						65,274
Municipal Alliance 2009	44,790				(261)		45,051
Municipal Alliance 2010	33,315				(37,704)		71,019
Municipal Alliance 2011		553,900			523,559		30,341
Municipal Alliance 2012			553,900				553,900
Workforce Invest (PIC) 2006/07	92,658						92,658
Workforce Invest (PIC) 2007/08	9,389						9,389
Workforce Invest 2009/10	1,257,346				1,194,669		62,677
Workforce Invest 2010/11	5,160,940				4,652,241		508,699
Workforce Invest 2010/11	7,682,259				6,037,690		1,644,569
Workforce Invest 2011/12			5,153,104		130,066		5,023,038
Workforce Invest 2011/12			6,610,560				6,610,560
Strengthening Communities Fund ARRA	312,495				231,039		81,456
Hurricane Irene Disaster National Emergency Grant			711,287				711,287
L.E.O.T.E.F 2005	4,851				(6)		4,857
L.E.O.T.E.F 2006	52,375						52,375
L.E.O.T.E.F 2007	61,915						61,915
L.E.O.T.E.F 2008	48,990						48,990
L.E.O.T.E.F 2009	9,943						9,943
L.E.O.T.E.F 2010		23,715	33,772				57,487
Bioterrorism Prep.	10,175						10,175
Bioterrorism Prep.	22,587				(43,393)		65,980
Community Svc. Block Grant HIPER LINCS	360,547		110,000		454,276		16,271
Community Svc. Block Grant PHLP LINCS 2012			592,354		372,301		220,053
CEHA 2010	2,421	35,260			37,646		35
CEHA 2011			234,968		229,968	(5,000)	
Tobacco Enforcement Program	5,950						5,950
Right to Know Program	15,213				15,213		
Right to Know Program			15,213		15,213		
P.C. MRC Capacity Building Award	100						100
P.C. MRC Capacity Building Award	3,284				3,284		
P.C. MRC Capacity Building Award			5,000		4,275		725
Clean Communities 2006	341						341
Clean Communities	1,489				1,086		403
Clean Communities	4,508				3,258		1,250
Clean Communities	7,827				6,544		1,283
Clean Communities 2010	18,347				4,099		14,248
Clean Communities 2011			62,758				62,758
Recycling Enhancement Act	115,139				113,139		2,000
Recycling Enhancement Act Bonus Grant			221,400		1,590		219,810
Recycling Enhancement Act			540,000		137,338		402,662
Radon Awareness Program	1					(1)	
Radon Awareness Program 2011		1,000			999		1

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2011

Grant	Balance, Dec. 31, 2010	Transferred From 2011 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2011
		Budget	Appropriation By 40A:4-87				
Radon Awareness Program 2012			1,000				1,000
Brownfields Assessment Program	72,747				67,875		4,872
Passaic County Film Festival 2011		1,130			1,130		
Passaic County Film Festival 2012			1,420				1,420
Business Retention and Expansion Program	125,000				16,960		108,040
Aging Area Nutrition FY 2009	427,751						427,751
Aging Area Nutrition FY 2010	1,601,942				1,206,337		395,605
Aging Area Nutrition FY 2011		1,166,963	658,137	1,500,000	1,658,110		1,666,990
Aging Administration	41,472						41,472
Aging Administration 2010	1,031,654				989,737		41,917
Aging Administration 2011		1,347,573	431,785	400,000	1,426,431		752,927
Casino Revenue 2009	347,794				220		347,574
Casino Revenue 2010	215,921				(63,189)		279,110
Casino Revenue 2011		1,313,383		1,077,313	2,106,252		284,444
Farmers Market Nutrition Prgm (WIC)	574				574		
Farmers Market Nutrition Prgm (WIC) 2011			2,000		2,000		
JJC Partnership 2003	184						184
JJC Partnership 2007	19,638						19,638
JJC Partnership 2008	27,937				(773)		28,710
JJC Partnership 2009	139,271				(40,889)		180,160
JJC Partnership 2010	156,943				116,651		40,292
JJC Partnership 2011			514,393		448,158		66,235
JJC Partnership 2012			514,393				514,393
Homeless HIRZ7N 2009	2,390						2,390
Homeless HIRZ8N 2010	2,034				1,618		416
Homeless HIRZ8N 2011		907,294			907,163		131
Homeless HIRZ8N 2012			907,294				907,294
Human Services 08BERN	10,128						10,128
Human Services 09BERN	40,135						40,135
Human Services 10BERN	13,132				2,536		10,596
Human Services 11BERN		175,373			145,624		29,749
Human Services 12BERN			175,373				175,373
Preakness Gero-Psych Program	3,792						3,792
Preakness Gero-Psych Program			338,210		177,029		161,181
Rapid Rehousing - Clifton	78,672						78,672
Rapid Rehousing - Paterson	69,640				42,130		27,510
Homelessness Prevention & Rapid Rehousing	511,111				219,454		291,657
Div. Of Child Behavioral Hlth Serv. 2010	2,958				2,958		
Div. Of Child Behavioral Hlth Serv. 2011		158,456			158,456		
Div. Of Child Behavioral Hlth Serv. 2012			158,546				158,546
Special Initiative and Transportation 2005	209,577						209,577
Special Initiative and Transportation 2006	24,212				(46,130)		70,342
Special Initiative and Transportation 2007	44,755						44,755
Special Initiative and Transportation 2008	34,650				(8,444)		43,094
Special Initiative and Transportation 2009	49,690						49,690
Special Initiative and Transportation 2010	72,063				67,260		4,803
Special Initiative and Transportation 2011			404,914		140,417		264,497
EVA's Village Apartments		470,902			464,251		6,651
Passaic County Housing First	478,200						478,200
HUD-EVA'S Project	13,302						13,302
HUD-St. Paul's			186,660				186,660
HUD-St. Joseph			186,660				186,660
State Incentive Program 2007	106,277						106,277
State Incentive Program 2008	71,947						71,947
State Incentive Program 2009	43,461				(16,501)		59,962

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2011

Grant	Balance, Dec. 31, 2010	Transferred From 2011 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2011
		Budget	Appropriation By 40A:4-87				
State Incentive Program 2010	214,446				75		214,371
C.S.B.G 2005	99,397						99,397
C.S.B.G 2006	9,957						9,957
C.S.B.G 2007	15,447				(456)		15,903
C.S.B.G 2008	8,977						8,977
C.S.B.G 2009	8,241				641		7,600
C.S.B.G 2009 ARRA	37,430						37,430
C.S.B.G 2010		294,183			279,344		14,839
C.S.B.G 2011			63,739		981		62,758
J.A.I.B.G 8-08	7,749						7,749
J.A.I.B.G. 2009	15,426				2,497		12,929
J.A.I.B.G. 2010			60,546	6,727	63,909		3,364
J.A.I.B.G. 2011			56,992	6,332			63,324
Mental Health Board 2004	1,298						1,298
Mental Health Board 2009	1,100						1,100
Passaic County Summer Job Training			20,000		9,260		10,740
Human Services 07 BERN PASP	25,923						25,923
Human Services 08 BERN PASP	4,289						4,289
Human Services 09 BERN PASP	7,066						7,066
Human Services 10 BERN PASP	2,677				(4,032)		6,709
Human Services 11 BERN PASP		399,525			374,844		24,681
Human Services 12 BERN PASP			399,525				399,525
Family Court Services 2009	23,916				(918)		24,834
Family Court Services 2010	144,486				55,438		89,048
Family Court Services 2011			282,634		202,824		79,810
Family Court Services 2012			282,634				282,634
21st Century CLC Program 2009	72,067						72,067
21st Century CLC Program 2010	2,480				(786)		3,266
21st Century CLC Program 2011			500,000		247,539		252,461
JARC 2007	17,560						17,560
JARC 2008	2,450						2,450
JARC 2011			250,000		250,000		
Molly Ann Brook Rain Barrel Initiative	21,509				11,149		10,360
Clean Energy Program	22,450						22,450
Universal Service Fund 2008	52,250						52,250
Universal Service Fund 2009	105,626						105,626
Universal Service Fund 2010	121,475				52,438		69,037
Universal Service Fund 2011		44,699			27,490		17,209
Weatherization DHS 2007	66,942						66,942
Weatherization LIHEAP 2007	14,377						14,377
Weatherization LIHEAP 2009	13,589						13,589
Weatherization LIHEAP 2010		128,314			11,975		116,339
Weatherization LIHEAP 2011			121,475				121,475
Weatherization LIHEAP 2012			90,753		8,671		82,082
Weatherization DOE 2007	3,855						3,855
Weatherization DOE 2008	5,690						5,690
Weatherization DOE 2009	146,720				49,796		96,924
Weatherization DOE 2009 - ARRA	216,370		331,500		434,487		113,383
Weatherization DOE 2010			151,335				151,335
Weatherization HIP 2007	44,827						44,827
Weatherization HIP 2009	35,102				24,927		10,175
Weatherization HIP 2010		363,941	407,039		208,150		562,830
Subregional Transportation FY09	19,037						19,037
Subregional Transportation FY10	253						253
Subregional Transportation (STP) FY11	93,642				61,935		31,707

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2011

Grant	Balance, Dec. 31, 2010	Transferred From 2011 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2011
		Budget	Appropriation By 40A:4-87				
Subregional Transportation (STP) FY12			98,415	24,604			123,019
Subregional Internship Support Program	6,300						6,300
Subregional Internship Support Program History and Tourism Plan	6,645		160,000	40,000	6,645		200,000
P.C. Master Plan: Trans Element	273,548				207,910		65,638
Community Development Block Grant 2008	593,009				538,593		54,416
Community Development Block Grant 2009	638,092				516,345		121,747
Community Development Block Grant - Recove	234,670				234,670		
Community Development Block Grant 2010	919,405				796,307		123,098
Community Development Block Grant 2011			950,250		133		950,117
CERT 2006	8,005						8,005
Pre-Disaster Mitigation Planning	12						12
UASI - Fire Decon Task Force	623						623
UASI - Planner Grant	5,386						5,386
UASI - Public Health	3,584						3,584
UASI - Projects 2009	20,028						20,028
UASI - Projects 2009	232,620				144,078		88,542
UASI - Projects 2009	84,313						84,313
UASI - Projects 2010		487,000			81,500		405,500
Emergency Management Assistance (EMA)			50,000		50,000		
Logistics & Commodities Distribution Plan		33,685					33,685
SANE/SART Program 2009	2,044						2,044
SANE/SART Program 2010		67,655		16,914	54,872		29,697
Victims of Crime Act Grant	31,015						31,015
Victims of Crime Act Grant			360,683				360,683
Communication Oriented Policing Services	266,561						266,561
Communication Oriented Policing Services	200,000						200,000
Body Armor P.C.P.O 2008					(1,584)		1,584
Body Armor P.C.P.O 2010	6,729						6,729
Body Armor P.C.P.O 2011			7,316				7,316
Victim & Witness Advocacy Fund 2009	71,707				71,707		
Victim & Witness Advocacy Fund 2010	20,836				1,358		19,478
Victim & Witness Advocacy Fund Supplement			48,020		24,010		24,010
National Justice Information Sharing (JIS) 2012			270,084				270,084
Justice Assistance Program			28,755	9,585	34,400		3,940
Justice Assistance Program			29,637	9,879	39,516		
Insurance Fraud Reimbursement Program		250,000			250,000		
National Childrens Alliance Program 2010	56						56
National Childrens Alliance Program 2011			10,000		9,960		40
STOP Violence Against Women Act Formula Grant			23,370	5,843	23,370		5,843
Emergency Operations Center Grant FY10		250,000					250,000
Multi Jursidictional NARC Task Force 2009					(448)		448
Multi Jursidictional NARC Task Force 2010		252,964			252,862		102
Multi Jursidictional NARC Task Force 2011			200,769		53,500		147,269
Homeland Security Grant FY 07	154,371						154,371
Homeland Security Grant FY 08	182,438				182,438		
Homeland Security Grant FY 09	388,723				190,262		198,461
Homeland Security Grant FY 10		1,273,599			796,748		476,851
Edward Byrne Memorial Justice Assistance Grant			60,000		60,000		
State Aid Annual Appropriation	113,287				113,287		
2008 Body Armor Repl. P.C.S.D	8,762				8,690		72
2009 Body Armor P.C.S.D	12,904				12,870		34
2010 Body Armor P.C.S.D	47,493						47,493
2011 Body Armor P.C.S.D			42,763				42,763
Click It or Ticket 2010	4,000						4,000

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2011

Grant	Balance, Dec. 31, 2010	Transferred From 2011 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2011
		Budget	Appropriation By 40A:4-87				
Click It or Ticket 2011			4,000				4,000
Buffer Zone Protection Program	57						57
Over the Limit Under Arrest 2009	6,000						6,000
Over the Limit Under Arrest 2010	5,000						5,000
COPS Tech. Program	148,108				146,312		1,796
Emerg. 911 General Assistance Grant	7,766				4,333		3,433
Emerg. 911 Corridinator	16,158						16,158
	<u>\$ 28,317,886</u>	<u>10,733,507</u>	<u>25,439,034</u>	<u>3,097,197</u>	<u>32,354,372</u>	<u>(5,001)</u>	<u>35,228,251</u>
				Cash Disbursed	\$ 25,818,674		
				Encumbrances Payable	<u>6,535,698</u>		
					<u>\$ 32,354,372</u>		

COUNTY OF PASSAIC

Schedule of Miscellaneous Reserves

Current Fund

Year Ended December 31, 2011

	Balance, December 31, <u>2010</u>	<u>Increases</u>	<u>Decreases</u>	Balance, Dec. 31, <u>2011</u>
Sheriff's DWI-DDEF	\$ 13,183		13,183	
Register - Due to State of New Jersey		7,264,862	6,762,769	502,093
Refunds	88,111			88,111
Office on Aging - Deferred Revenue	900,313	460,938	98,955	1,262,296
Dedicated Fines	899,949			899,949
Salary and Wage Adjustment	<u>15,294,196</u>	<u>2,607,235</u>	<u>15,692,552</u>	<u>2,208,879</u>
	<u>\$ 17,195,752</u>	<u>10,333,035</u>	<u>22,567,459</u>	<u>4,961,328</u>
Cash		\$ 7,725,800	22,554,276	
Transfer from Accounts Payable		2,607,235		
Budget Reimbursement			<u>13,183</u>	
		<u>\$ 10,333,035</u>	<u>22,567,459</u>	

COUNTY OF PASSAIC

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2011

<u>Grant</u>	Balance, Dec. 31, <u>2010</u>	Transferred To 2011 Budget Appropriations <u>Budget</u>	Cash <u>Received</u>	Balance, Dec. 31, <u>2011</u>
2010 USF (Universal Service Fund)	\$ 12,147	12,147		
Weatherization (HEA Advance)	42,516	42,516		
2010 LIHEAP Weatherization	54,894	54,894		
Special Initiative Transportation	101,229	101,229		
EMPG-Commodity	33,685	33,685		
JAG	40,578			40,578
Over the Limit Under Arrest			5,000	5,000
NJIT			3,072	3,072
NJIT			2,992	2,992
2011 LIHEAP Weatherization			52,859	52,859
	<u>\$ 285,049</u>	<u>244,471</u>	<u>63,923</u>	<u>104,501</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Federal and State Grants Fund

Year Ended December 31, 2011

	Balance, December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2011</u>
Current Fund	\$ <u>769,717</u>	<u>1,320,585</u>	<u> </u>	<u>2,090,302</u>
	<u>769,717</u>	<u>1,320,585</u>	<u> </u>	<u>2,090,302</u>
Due from	<u>769,717</u>	<u>1,320,585</u>	<u> </u>	<u>2,090,302</u>
Due (to)	<u>769,717</u>	<u>1,320,585</u>	<u> </u>	<u>2,090,302</u>
	\$ <u>769,717</u>	<u>1,320,585</u>	<u> </u>	<u>2,090,302</u>

COUNTY OF PASSAIC

Schedule of Deferred Charges - 40A:4-53 Special Emergency

Current Fund

Year Ended December 31, 2011

	<u>Date</u>	<u>Amount</u>	<u>1/5 of</u> <u>Amount</u>	<u>Authorized in</u>	<u>Balance,</u>
	<u>Authorized</u>	<u>Authorized</u>	<u>Authorized</u>	<u>2011</u>	<u>December 31,</u>
					<u>2011</u>
Payment of Accrued Sick & Vacation Time	04/26/11	2,966,250	593,250	2,966,250	2,966,250
Hurricane Irene	09/27/11	2,681,805	536,361	2,681,805	2,681,805
				<u>5,648,055</u>	<u>5,648,055</u>

COUNTY OF PASSAIC

Schedule of Cash

Trust Funds

Year Ended December 31, 2011

	Other Trust Fund	Confiscated Trust Fund	Self- Insurance Trust Fund	Community Development Trust Fund
Balance - December 31, 2010	28,896,267	3,295,373	413,389	10,127,594
Increase by Receipts:				
Various Trust Deposits	235,518			
Reserve for Dedicated Trusts	8,769,792			
Open Space Trust Expenditures	6,526,403			
Due from (to) Current Fund	3,059,569	74,702		
Due from (to) Self Insurance Trust	171,042			
Due from (to) Other Trust Fund				
Due (from) to General Capital Fund	4,080,525			
Receipts from Confiscated Funds		897,994		
Reserve for Workmen's Compensation			3,172,934	
Reserve for Health Benefits			93	
Reserve for Liability Insurance			1,798,447	
Housing Voucher Program				9,780,912
Total Receipts	22,842,849	972,696	4,971,474	9,780,912
	51,739,116	4,268,069	5,384,863	19,908,506
Decreased by Disbursements:				
Various Trust Deposits	267,562			
Reserve for Dedicated Revenues	6,286,931			
Open Space Commitments Payable	1,740,398			
Due from (to) Current Fund	3,007,666	74,753	171,042	
Due from (to) Capital Fund	1,000,000			
Adjudicated Confiscations		1,607,314		
Reserve for Workmen's Compensation			3,024,289	
Reserve for Liability Insurance			1,965,482	
Housing Voucher Program				9,827,782
Total Disbursements	12,302,557	1,682,067	5,160,813	9,827,782
Balance - December 31, 2011	\$ 39,436,559	2,586,002	224,050	10,080,724

COUNTY OF PASSAIC
Schedule of Various Trust Deposits
Year Ended December 31, 2011

Balance - December 31, 2010	\$ 1,386,552
Increased by:	
Cash Deposits	<u>235,518</u>
	1,622,070
Decreased by:	
Payments	<u>267,562</u>
Balance - December 31, 2011	<u>\$ 1,354,508</u>

COUNTY OF PASSAIC

Schedule of Reserve for Dedicated Trusts

Year Ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2011</u>
Homelessness Trust Fund	\$ 118,020	116,292	330	233,982
Off-Duty Police Outside Employment	7,026	876,482	836,930	46,578
Weights and Measure Fines	1,396,375	139,631	138,960	1,397,046
Tax Appeal Fees	413,092	398,137	85,005	726,224
County Clerk	279,493	27,389		306,882
County Sheriff	46,511	18,214		64,725
Surrogate	66,919	22,018	59,039	29,898
Forensic Lab Fees	743,232	33,308	170	776,370
Electronic Monitor	739			739
Human Services	12,942	16,229	5,735	23,436
Parks - Lambert Castle	36,721	25,000	41,622	20,099
Therapeutic Rounding Program	1,646			1,646
Passaic County Corr. Enh. Dist.	648,571	49,495	11,820	686,246
502 Pat-Ham Tpk Sidewalks	20,000			20,000
Motor Vehicle Fines	3,785,729	3,069,572	3,250,000	3,605,301
Sheriff's Confiscated Funds - Local	1,168,933	183,767	1,056,139	296,561
Sheriff's Confiscated Funds - Treasury	22,978	56,409	5,110	74,277
Sheriff's Confiscated Funds - Justice	433,505	1,459,239	169,598	1,723,146
Municipal Confiscated Funds - Local	1,245,614	485,249	173,316	1,557,547
Municipal Confiscated Funds - Federal	788,091	592,806	67,191	1,313,706
Prosecutor's Confiscated Funds - Local	2,694,503	666,126	93,824	3,266,805
Prosecutor's Confiscated Funds - Treasury	1,369,225	157,701	156,304	1,370,622
Prosecutor's Confiscated Funds - Justice	704,347	238,029	26,746	915,630
Para Transit	280,432	22,860	67,047	236,245
Register of Deeds	1,184,851	115,839	42,045	1,258,645
	<u>\$ 17,469,495</u>	<u>8,769,792</u>	<u>6,286,931</u>	<u>19,952,356</u>

COUNTY OF PASSAIC

Schedule of Open Space Trust Expenditures

Year Ended December 31, 2011

Balance - December 31, 2010		\$ 6,670,074
Increased by:		
Levy	\$ 5,255,206	
Added and Omitted	11,644	
Reimbursements	1,231,583	
Interest on Investments	<u>27,970</u>	
		<u>6,526,403</u>
		13,196,477
Decreased by:		
Open Space Grant Commitments Payable		<u>1,226,892</u>
Balance - December 31, 2011		\$ <u><u>11,969,585</u></u>

Schedule of Open Space Grant Commitments Payable

Year Ended December 31, 2011

Balance - December 31, 2010		\$ 7,009,191
Increased by:		
Reserve for Open Space Trust Expenditures		<u>1,226,892</u>
		8,236,083
Decreased by:		
Payments		<u>1,740,398</u>
Balance - December 31, 2011		\$ <u><u>6,495,685</u></u>

COUNTY OF PASSAIC

Schedule of Open Space Levy - Due to Municipalities

Year Ended December 31, 2011

Balance - December 31, 2010	\$ <u>157,062</u>
Balance - December 31, 2011	\$ <u><u>157,062</u></u>

Schedule of Reserve for Confiscated Trust Fund

Year Ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2011</u>
Reserve for Interest - Prosecutor	\$ 88,200	4,762	88,889	4,073
Narcotics	2,095,049	841,948	1,181,599	1,755,398
Gambling	193,126	21,827	7,607	207,346
Prostitution	128,882	1,004	2,595	127,291
Theft/Robbery	118,403	13,336	3,984	127,755
Other Crimes	622,533	15,117	322,640	315,010
Lottery	13,983			13,983
Gambling/Narc	2,779			2,779
Bribery	16,000			16,000
Adjudicated to Distribute	16,367			16,367
	<u>\$ 3,295,322</u>	<u>897,994</u>	<u>1,607,314</u>	<u>2,586,002</u>

COUNTY OF PASSAIC

Schedule of Reserve for Workmen's Compensation

Year Ended December 31, 2011

Balance - December 31, 2010		\$ (115,235)
Increased by:		
Miscellaneous Contributions and Reimbursements	\$ 543,872	
Budget Appropriations	2,629,000	
Interest Income	<u>62</u>	
		<u>3,172,934</u>
		3,057,699
Decreased by:		
Payment of Claims		<u>3,024,289</u>
Balance - December 31, 2011		\$ <u><u>33,410</u></u>

Exhibit B-10

COUNTY OF PASSAIC

Schedule of Reserve for Health Benefit Funds

Year Ended December 31, 2011

Balance - December 31, 2010	\$	187,186
Increased by:		
Interest Income		<u>93</u>
Balance - December 31, 2011	\$	<u><u>187,279</u></u>

Exhibit B-11

Schedule of Reserve for Liability Insurance

Year Ended December 31, 2011

Balance - December 31, 2010	\$	170,873
Increased by:		
Miscellaneous Contributions and Reimbursements	\$	32,442
Budget Appropriations		1,766,000
Interest Income		<u>5</u>
		<u>1,798,447</u>
		1,969,320
Decreased by:		
Claims Paid		<u>1,965,482</u>
Balance - December 31, 2011	\$	<u><u>3,838</u></u>

COUNTY OF PASSAIC
Reserve for Housing Voucher Program
Year Ended December 31, 2011

Balance - December 31, 2010		\$ 10,127,594
Increased by:		
Grant Revenues	\$ 8,963,284	
Cancelations	469,180	
Other Income	340,051	
Interest Income	<u>8,397</u>	
		<u>9,780,912</u>
		19,908,506
Decreased by:		
Expenditures		<u>9,827,782</u>
Balance - December 31, 2011		<u>\$ 10,080,724</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2011</u>
Other Trust Fund				
Due from (to) Current Fund	\$ 546,529	3,007,666	3,059,569	494,626
Due from (to) Self Insurance Trust	171,042		171,042	
Due from (to) General Capital Fund	3,080,525	1,000,000	4,080,525	
Confiscated Trust Fund				
Due from (to) Current Fund	(51)	74,753	74,702	
Self Insurance Trust Fund:				
Due from (to) Current Fund	477			477
Due from (to) Other Trust Fund	<u>(171,042)</u>	<u>171,042</u>		
	<u>\$ 3,627,480</u>	<u>4,253,461</u>	<u>7,385,838</u>	<u>495,103</u>
Cash Receipts		\$	7,385,838	
Cash Disbursements			<u>4,253,461</u>	
		\$	<u>4,253,461</u>	
			<u>7,385,838</u>	

COUNTY OF PASSAIC

Schedule of Cash

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010		\$	15,036,116
Increased by Receipts:			
Bond Anticipation Notes	\$	29,622,000	
Reserve for Payment of Bonds and Notes			
Grants Receivable		15,883,230	
Schedule of Interfunds		7,603,880	
Bonds Issued		27,325,000	
Reserve for Interest for DOT Projects		612	
Reserve for Interest for Fire Academy		1,764	
Reserve for Unappropriated Grants			
Reserve for Bonding Payments			
Premium on Bond/Note Sales		<u>2,787,126</u>	
			<u>83,223,612</u>
			98,259,728
Decreased by Disbursements:			
Improvement Authorizations		36,651,087	
Commitments Payable		17,053,021	
Current Budget Revenue - Surplus		1,000,000	
Reserve for Interest for DOT Projects			
Reserve for Bonding Payments			
Schedule of Interfunds		<u>10,163,291</u>	
			<u>64,867,399</u>
Balance - December 31, 2011		\$	<u><u>33,392,329</u></u>

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2011

Fund Balance	\$ 3,612,172
Grants Receivable	(56,145,880)
State EFA Receivable	(1,975,000)
Due from/to Current Fund	(1,540,755)
Accounts Payable	264,927
Commitments payable	15,699,262
Due to the Township of Wayne	1,100
Capital Improvement Fund	307,854
Reserve for Final Payments and Litigation	160,258
Reserve for Payment of Bonds and Notes	3,414,184
Reserve for Salt Shed - West Milford	296,619
Reserve for State EFA Loan Payments	500,000
Reserve for Interest for Fire Academy	1,100,438
Reserve for Administration Building Settlement	9,786
Reserve for Interest for DOT Projects	11,818
Reserve for Unappropriated Grants	2,791,118
Reserve for Grants Receivable	9,475,578
Reserve for Bonding Payments	24,700
Accrued Interest Payable	95,060

Improvement Authorizations:

Ordinance Number	Improvement Description	
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)
94-15	Improvement PCCC Ch. 12	5,461
95-04	Road Intersection Program	(63,538)
95-07	Reconstruction Lafayette Ave. - Supplemental	(1,500)
96-06	Road Improvements Passaic Avenue	(81,782)
96-10	Constructions of Ratzler Road (Sec I)	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	(222,000)
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)
97-26	Rehabilitate Bridges - PC #28 & #29	(344,538)
97-31	Design & Rehab. Magee Rd. Bridge - PC #404	(90,000)
98-19	Reconstruction West Brook Bridge PC #491	62,483

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2011

98-23	Wagaraw Road Bridge PC #103	3,599
98-35	Belmont & Barbour Street Intersection	(7,058)
98-36	Kingsland Avenue Bridge PC #81	316,942
98-40	Renovation Spruce Street Bridge PC #18	1,798
99-10	Minor Drainage Project - Supplemental	(238,000)
99-13	Hamilton Club Renovation	97,333
99-15	Totowa and French Hill Road Improvements	(476,000)
99-20	Scoping of Two Bridges Road Bridge	4,320
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)
00-14	Supplemental - Redecking of McBride Bridge	(67)
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinchman Ave	(29,190)
00-25	Renovation of Youth Center	
00-26	Acquisition of Property - (Bloomingdale B/L 3/13)	11,626
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave Bridge PC #81.	664,000
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpke intersection improvements.	(88,000)
01-04	Supplemental - Hurricane Floyd Program	72,852
01-06	Supplemental - Acquisition of Equip. for Vo-Tech	993,248
01-08	Goffle Brook Multi-use Path	38,534
01-14	Drainage Crooks and Wabash Avenues	37,237
01-19	Supplemental - Rehab. 8th Street/5th Ave. Bridge	80,621
01-22	Supplemental - Acquisition of equipment for jail	76
01-35	Supplemental - Renovation of Youth Center	58,499
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	355
01-37	Supplemental - Structural Deficient Bridges	103,203
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	5,258
02-13	Goffle Brook Stabilization Project	38,875
02-16	Supplemental - Renovations of 80 Hamilton Street	8,659
02-17	Supplemental - Reconst of Greenwood Lake Turnpike	57,826
02-19	Acquisition of Buildings/Grounds Equipment	421
02-23	Supplemental - Acquisition of Parks Equipment	166
02-27	Supplemental - Restoration of Lambert Castle	1,711
02-30	Supplemental - Imp of Valley Road & Paterson- Hamburg Turnpike Intersection	913,826
02-31	Supplemental - Renovation of Apshawa Dam	174,768
02-38	Supplemental - Acquisition of Paratransit/ Meals on Wheel Vehicles	2,705
02-40	Supplemental - Renovations to Public Buildings	8,042

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2011

02-41	Refunding ordinance - Payment of Pension Obligation	(107)
03-01	Refunding Bond Ordinance	(400,000)
03-02	Refunding Bond Ordinance	(173,685)
03-03	Supplemental - Golf Course Improvements	400
03-06	Supplemental - Road Improvements	248,982
03-07	Acquisition of Paratransit Vehicles	4,770
03-08	Traffic Signal Reimbursements	42,557
03-09	Supplemental - Improvements to Camp Hope	1,347
	Various Improvements to PCCC	230,368
03-15	Waganaw Road/Lincoln Avenue Improvements	312
03-17	Supplemental - Reconstruction of Various Bridges	8,493
03-19	Supplemental - 1992 Guide Rail Program	22,473
03-20	Supplemental - Various Drainage Improvements	24,937
03-21	Aquisition of Youth Detention Security Cameras	9,262
03-25	Imp to Goffle/Weasel Brook Park Recreation	350,938
03-26	Supplemental - Rehab to Administration Building Plaza	25,107
03-29	Supplemental - Goffle Brook Stabilization Project	191,440
03-30	Union Valley Road/Green Brook Bridge Design PC#434	47
03-31	President St/Weasel Brook Bridge Design PC#53	14,631
03-32	Supplemental - Public Works Equipment	105,834
04-01	Improvements to Paterson Hamburg	(271,475)
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	(98)
04-04	Imp to Crooks Ave./Wabash Ave. Drainage	427,182
04-05	Acquisition of Property for a Salt Dome	737
04-06	Improvements to HVAC System	4,494
04-09	Acq of Equipment for Passaic County Comm. College	(881)
04-10	Acq of Equipment for Passaic County Vocational Tech.	2,779
04-11	Imp to Passaic County Jail & Acq of Various Equip	2,905
04-12	Imp & Renovations to 435 Hamburg Turnpike	30,000
04-14	Acquisition of Various Equipment	20,147
04-18	Various Improvements to PCCC	311,739
04-19	Various Bridge Repair & Replacement Project	29,651
04-20	Various Drainage Projects	9,522
04-21	Various Road Improvement Projects	135,464
04-22	Traffic Safety Programs	598
04-23	Intersection Improvements	(32,711)
04-24	Miscellaneous Buildings & Grounds Improvements	228,355
04-28	GIS Parcel Mapping in & by the County	8,687
04-29	Acquisition of & Renovation to County Building	570,518
05-05	Acquisition of HAVA Voting Machines	60,913
05-06	Improvements to the PC Tech Institute	(308)
05-07	Parks & Recreation General Improvements	405,672
05-09	Acquisition of Equipment- Preakness Healthcare Center	4,183
05-11	Various Repairs & Improvements	188,560
05-13	Amend Ord. 2002-02- Long Range Facility Plan	458,842

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2011

05-14	Improvements to the Community College	1,568,172
05-15	Acquisition of Property- Ball Tract	15,807
05-16	Improvements to the Community College	47,878
06-03	Road Improvements	2,692
06-05	Private Fiber Optic Network	(373)
06-06	Bridge Replacements and/or Repairs	51,768
06-07	Various Capital Improvments	4,308,488
06-09	Acquisition of Additional Equipment	313
06-11	Improvements to the Vocational School	(549)
06-12	Improvements to the Community College	(761)
06-10/06-14	Various Repairs & Improvements	359,611
06-15	Supplemental - Study and Improvements of Hazel St.	110
06-16	Reconstruction and Rehabilitations of Various Bridges	440,812
07-03	2007 Road Resurfacing Program	712
07-04	Replacement of Hillary Street Bridge	88,543
07-06	Various Capital Improvments	385,929
07-07	Stabilization Improvements to Groffle Brook	200,000
07-08	2007 Road Improvement Projects	1,282,914
07-09	General Parks and Recreation Program Imp	702,989
07-10	Implementation of Traffic Safety Program	41,486
07-11	Intersection Improvement Projects	1,009,455
07-12	Acquisition of Various Equipment	(131,394)
07-13	Various Capital Improvments	670,042
07-15	Various Imp for the Vocational Technical School	(208)
08-01	Various Building and Grounds Improvements	402,076
08-02	Various Roadway Imp & Acq. of Equipment	(3,897,556)
08-03	Various Capital Improvements	(1,842,066)
08-05	Lambert Castle Restoration	1,850,000
09-01	2009 Road Resurfacing	(716,469)
09-04	Various Park & Recreation Improvements	(227,725)
09-05	Bridge, Road, & Traffic Safety	3,391,225
09-06	Building & Grounds Improvements	(247,053)
09-07	Acquisition of Equipment	(595,621)
09-08	Various Capital Improvements - PCCC	(2,066,073)
09-09	Various Capital Improvements - PCTI	(405,613)
09-10	Various Capital Improvements - PCCC	1,801,213
10-02	Refunding Bonds - General Improvement Bonds	(1,092)
10-03	Dey Mansion Renovations	1,573,746
10-04	County Park Improvements	1,743,179
10-06	Various Capital Improvements	2,645,914
10-07	Refunding Bonds - GI 2003, 32mil	(1,031,015)
10-08	Various Capital Improvement Funds	11,060,486
11-03	Various Capital Improvements	21,742,500
11-04	Various Capital Improvements	4,373,500
		<u>\$ 33,392,329</u>

COUNTY OF PASSAIC
Schedule of Receivables
General Capital Fund
Year Ended December 31, 2011

<u>Grantor</u>	<u>Project</u>	<u>Ord. No.</u>	<u>Balance Dec. 31, 2010</u>	<u>Awarded in 2011</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
Federal Grants:						
	Replacement of Hillery Street Bridge	07-04	\$ 317,878			317,878
Federal Highway Administration	Wet Reflective Tape	08-03	302,613			302,613
Federal Highway Administration	ARRA NJDOT 2009 Road Resurfacing Program	09-01	8,276,764		5,085,097	3,191,667
			<u>8,897,255</u>		<u>5,085,097</u>	<u>3,812,158</u>
State Grants:						
State of New Jersey	Chapter 12, Passaic County Community College	99-14	863,508			863,508
N.J. Department of Transportation	Two Bridges Road	99-20	100,344		6,064	94,280
State of New Jersey	Renovation to Market Street	00-06	441,134			441,134
State of New Jersey	Rehab of Paterson-Hamburg Tpk Bridge PC # 42,43,44	00-15	260,705			260,705
State of New Jersey	Jughandle from Paterson-Hamburg Tkp to Hinchman Ave	00-20	464,874			464,874
State of New Jersey	Study and Improvement to Hazel St	00-44	122,949			122,949
State of New Jersey	8th Street & 5th Avenue Bridges	01-19	10,088			10,088
N.J. Department of Transportation	Hurricane Floyd - Cedar Grove Road Wall	01-32	444,000			444,000
N.J. Department of Transportation	Goffle Brook Stabilization	02-13	234,819			234,819
N.J. Department of Transportation	Restoration of Lambert Castle	02-27	401,040			401,040
N.J. Department of Transportation	West Broadway Bridge PC#17	03-24	9,782			9,782
N.J. Department of Transportation	Goffle/Weasel Brook Park	03-25	170,000			170,000
N.J. Department of Transportation	Improvements to Paterson Hamburg Tpk	04-01	750,000		250,000	500,000
State of New Jersey	Improvements to Paterson Hamburg Tpk/Jackson Ave.	04-03	614,317		614,317	
N.J. Department of Transportation	Clove Road/Long Hill Road & Hazel St.	05-11	266,477			266,477
State of New Jersey	Imp to Guide Rails and Reflective Marking Tape	05-11	5,000			5,000
State of New Jersey	West Broadway/Passaic River Bridge PC#17	05-11				
EFA Const. & Financing Grant	Vocational School Long Range Facilities Plan Projects	05-12	37,530			37,530
N.J. Department of Transportation	Bridge Replacement and/or Repairs	06-06	531,792			531,792
State of New Jersey	2006 Various Road Improvements	06-07	224,500			224,500
N.J. Department of Environment Prot.	Barbour Pond Improvements & Lambert Castle Tower Cons.	07-09	250,000			250,000
County Aid	Union Valley Road, PC #434	08-03	1,900,000		1,866,439	33,561
County Aid	President Street, PC #53	08-03	200,000		12,950	187,050
N.J. Transportation Planning Authority	Two Bridges Road Bridge	08-03	249,965		137,682	112,283
County Aid	Greenwood Lake Turnpike	08-03	15,832			15,832
County Aid	Paterson Hamburg Turnpike/Jackson Avenue	08-03	1,100,000		1,100,000	
N.J. Department of Transportation	Hazel Street Construction, CR 702	08-03	4,200,000			4,200,000
N.J. Department of Transportation	Black Oak Ridge Road/Pompton Planes Cross Road	08-03	900,000			900,000
N.J. Department of Transportation	Bridge Replacement and/or Repairs	09-05	5,263,573		3,735,693	1,527,880
N.J. Department of Transportation	County Road Improvement Project	09-05	5,024,000		128,809	4,895,191

COUNTY OF PASSAIC
Schedule of Receivables
General Capital Fund
Year Ended December 31, 2011

Grantor	Project	Ord. No.	Balance Dec. 31, 2010	Awarded in 2011	Decreased	Balance Dec. 31, 2011
N.J. Historical Trust	Rehabilitation and Reconstruction of Dey Mansion	10-03	1,239,475			1,239,475
N.J. Department of Transportation	Pennington Ave Culvert	10-08	150,000			150,000
N.J. Department of Transportation	Local Bridges - Warburton Ave/Goffle Brook, PC 81	10-08	1,000,000			1,000,000
County Aid	Moorestown Road	10-08	200,000			200,000
N.J. Department of Transportation	Squirrelwood Road	10-08	1,250,000			1,250,000
County Aid	Black Oak Ridge Road/Jackson Avenue Signal Replacement	10-08	320,000			320,000
County Aid	McBride/Hillery Street Improvements	10-08	550,000			550,000
County Aid	Resurfacing of Various Roads	10-08	3,036,000		2,312,838	723,162
N.J. Department of Transportation	Fairlawn Avenue Bridge	10-08	600,000			600,000
N.J. Department of Transportation	Two Bridges Road/West Belt	10-08	1,686,900			1,686,900
N.J. Department of Transportation	West Brook Road/Wanaque Reservoir, PC 491	10-08	300,000			300,000
N.J. Department of Transportation	Eighth Street Bridge Rehabilitation	10-08	2,019,250		623,573	1,395,677
DOT Surface Transportation	Bridge Replacement, Rehab, Repairs	11-03		20,400,000.00		20,400,000
DOT Future Needs	Bridge Replacement, Rehab, Repairs	11-03		1,000,000.00		1,000,000
County Aid	Bridge Replacement, Rehab, Repairs	11-03		124,000.00		124,000
N.J. Department of Transportation	Resurfacing Various Roads	11-04		4,200,000.00		4,200,000
			<u>37,407,855</u>	<u>25,724,000</u>	<u>10,804,197</u>	<u>52,327,658</u>
			<u>\$ 46,305,110</u>	<u>25,724,000</u>	<u>15,889,294</u>	<u>56,139,816</u>
				Cash \$ 15,883,230		
				Cancelled 6,064		
				<u>\$ 15,889,294</u>		

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future
Taxation - Funded

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010		\$ 392,543,714
Increased by:		
Serial Bonds Issued		<u>27,325,000</u>
		419,868,714
Decreased by:		
Serial Bonds Refunded	28,077,000	
2011 Budget Appropriations to Pay Bonds	28,487,000	
2011 Budget Appropriations to Pay Loans	508,933	
2011 Budget Appropriations to Pay Capital Leases	<u>2,050,000</u>	
		<u>59,122,933</u>
Balance - December 31, 2011		\$ <u><u>360,745,781</u></u>

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Reduced	Balance Dec. 31, 2011	Analysis of Balance - Dec. 31, 2011		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
	<u>General Improvements:</u>							
87-25	Acquisition of a Right-of-Way; Phase II & III Construction of New Street	\$ 337,629			337,629		337,629	
87-43/88-11	Replacement of Old Turnpike Road Bridge	87,868			87,868		87,868	
91-30	East Main Street Bridge	149,768		48,160	101,608		101,608	
95-04	Road Intersection Program	63,538			63,538		63,538	
95-07	Reconstruction Lafayette Ave. - Supplemental	1,500			1,500		1,500	
96-06	Road Improvements Passaic Avenue	101,000		19,218	81,782		81,782	
96-15	Hazel Street Scoping/Construction	6,000			6,000		6,000	
96-21	Preakness Brook PC #348	37,000			37,000		37,000	
96-22	Reconstruction of Valley Road	8,240			8,240		8,240	
96-24	Expansion PCCC	222,000			222,000		222,000	
97-01	Main St. & Arch St. Bridges - PC #15 & 16	58,685			58,685		58,685	
97-05	Road Resurfacing Program - 1997	2,040			2,040		2,040	
97-13	Church St. Bridge - PC #125	92,581			92,581		92,581	
97-20	Police Academy Addition	7,000			7,000		7,000	
97-26	Rehabilitate Bridges - PC #28 & #29	666,000		321,462	344,538		344,538	
97-31	Design & Rehab. Magee Rd. Bridge - PC #404	90,000			90,000		90,000	
98-23	Wagaraw Road Bridge PC #103	75,000			75,000			75,000
98-35	Belmont & Barbour Street Intersection	7,058			7,058		7,058	
99-10	Various Drainage Improvement Projects	238,000			238,000		238,000	
99-15	Intersection Imp. Totowa & French Hill Roads	476,000			476,000		476,000	
99-20	Scoping of Two Bridges Road Bridge	45,000		45,000				
00-08	Supplemental - Road Improvements	265			265		265	
00-11	Supplemental - Acquisition of office equipment	285,000			285,000	285,000		
00-12	Renovations of 80 Hamilton St. - Welfare Board	380,000			380,000	380,000		
00-14	Supplemental - Redecking of McBride Bridge	48,592			48,592	48,525	67	

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance <u>Dec. 31, 2010</u>	2011 <u>Authorizations</u>	<u>Reduced</u>	Balance <u>Dec. 31, 2011</u>	<u>Analysis of Balance - Dec. 31, 2011</u>		
						Financed by Bond Anticipation Notes	<u>Expenditures</u>	Unexpended Improvement <u>Authorization</u>
00-18	Supplemental - Reconstruction Various Bridges	285,000			285,000	285,000		
00-19	Supplemental - Various Drainage Projects	218,000			218,000	218,000		
00-20	Construction of Jughandle from Paterson-Hamburg Tumpike to Hinchman Ave	238,000			238,000		29,190	208,810
00-25	Renovation of Youth Center	238,000			238,000	238,000		
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave Bridge PC #81.	36,000			36,000			36,000
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpke intersection improvements.	238,000			238,000	150,000	88,000	
00-42	Supplemental - Improvements to Camp Hope							
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				
01-08	Goffle Brook Multi-use Path	100,000		14,272	85,728	85,728		
01-09	Reconstruction of Straight St/River St.	380,000			380,000	380,000		
01-11	Supplemental - 1992 Guide Rail Program	90,000			90,000	90,000		
01-13	Supplemental - Various Drainage Projects	142,000			142,000	142,000		
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, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Reduced	Balance Dec. 31, 2011	Analysis of Balance - Dec. 31, 2011		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	81,000			81,000	81,000		
01-31	Supplemental - Totowa and French Hill Road Imprv.	428,000			428,000	428,000		
01-32	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	124,910			124,910	124,910		
01-33	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	166,000			166,000	166,000		
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	238,000			238,000	238,000		
02-12	Supplemental - Imp of Totowa/French Hill Road Intersection	285,000			285,000	285,000		
02-14	Supplemental - Various Drainage Improvements	142,500			142,500	142,500		
02-17	Supplemental - Reconst of Greenwood Lake Turnpike	1,932,000		57,826	1,874,174	1,874,174		
02-21	Supplemental - 1992 Guide Rail Program	142,000			142,000	142,000		
02-30	Supplemental - Imp of Valley Road & Paterson- Hamburg Turnpike Intersection	952,000			952,000	952,000		
02-31	Supplemental - Renovation of Apshawa Dam	285,000		138,394	146,606	146,606		
02-35	Replacement of Jail Roof	285,000			285,000	285,000		
02-39	Supplemental - Equipment for Preakness Hospital	285,000			285,000	285,000		
02-40	Supplemental - Renovations to Public Buildings	190,000			190,000	190,000		
02-41	Refunding Ordinance - Payment of Pension Obligations	239,172			239,172	239,065	107	
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	13,570,000		
03-06	Supplemental - Road Improvements	266			266			266
03-07	Acquisition of Paratransit Vehicles	4,000		4,000				
03-08	Traffic Signal Reimbursements	857,000		799,557	57,443	57,443		
03-09	Supplemental - Improvements to Camp Hope	142,850		1,347	141,503	141,503		
03-15	Waganaw Road/Lincoln Avenue Improvements	380,000		312	379,688	379,688		
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	476,000		
03-19	Supplemental - 1992 Guide Rail Program	190,000			190,000	190,000		
03-20	Supplemental - Various Drainage Improvements	238,000			238,000	238,000		

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Reduced	Balance Dec. 31, 2011	Analysis of Balance - Dec. 31, 2011		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
03-24	Supplemental - Renovations to W. Broadway Bridge PC#17	47,500			47,500	47,500		
03-27	Supplemental - Acquisition of Hospital Equipment	475,000			475,000	475,000		
04-01	Improvements to Paterson Hamburg	3,286,050			3,286,050		271,475	3,014,575
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	372,098			372,098	372,000	98	
04-05	Acquisition of Property for a Salt Dome	190,000			190,000	5,000		185,000
04-09	Acq of Equipment for Passaic County Comm. College	881			881		881	
04-12	Imp & Renovations to 435 Hamburg Turnpike	570,000			570,000			570,000
04-20	Various Drainage Projects	332,500			332,500	332,500		
04-22	Traffic Safety Programs	142,500			142,500	142,500		
04-23	Intersection Improvements	332,500			332,500	50,000	32,711	249,789
04-28	GIS Parcel Mapping in & by the County	166,250		124,937	41,313	41,313		
05-05	Acquisition of HAVA Voting Machines	379		379				
05-06	Improvements to the PC Tech Institute	308			308		308	
05-07	Parks & Recreation General Improvements	2,757,400			2,757,400	2,757,400		
06-04	Lease Improvements to Preakness Healthcare Center	2,040,000		2,040,000				
06-05	Private Fiber Optic Network	827			827		373	454
06-06	Bridge Replacements and/or Repairs	1,869,887			1,869,887	1,000,000		869,887
06-07	Various Capital Improvements	1,359,500			1,359,500	1,000,000		359,500
06-08	Parks & Recreation General Improvements	28,500			28,500	28,500		
06-09	Acquisition of Additional Equipment	1,045,000			1,045,000	1,045,000		
06-10	Various Repairs & Improvements	950,000			950,000	950,000		
06-11	Improvements to the Vocational School	549			549		549	
		761			761		761	
06-10/06-14	Various Repairs & Improvements	5,225,000			5,225,000	5,225,000		
96-15/00-44/06-15	Supplemental - Study and Improvements to Hazel Street	225,000		110	224,890	224,890		
07-03	2007 Road Resurfacing Program	2,992,500			2,992,500	2,992,500		
07-04	Replacement of Hillary Street Bridge	500,000		500,000				
07-06	Various Capital Improvements	1,995,000			1,995,000	1,000,000		995,000

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Reduced	Balance Dec. 31, 2011	Analysis of Balance - Dec. 31, 2011		
						Financed by Bond Anticipation Notes	Unexpended Improvement Authorization	Expenditures
07-08	2007 Road Improvement Projects	1,619,000			1,619,000	1,619,000		
07-10	Implementation of Traffic Safety Program	142,500			142,500	142,500		
07-11	Intersection Improvement Projects	332,500			332,500			332,500
07-12	Acquisition of Various Equipment	1,446,850			1,446,850	500,000	131,394	815,456
07-13	Various Capital Improvments	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		
07-15	Various Imp for the Vocational Technical School	979,308			979,308	979,100	208	
08-01	Various Building and Grounds Improvements	7,410,000			7,410,000	2,500,000		4,910,000
08-02	Various Roadway Imp & Acq. of Equipment	5,771,250			5,771,250		3,897,556	1,873,694
08-03	Various Capital Improvements	10,733,779		3,740,071	6,993,708	5,000,000		1,993,708
09-01	2009 Road Resurfacing	2,918,270			2,918,270	1,000,000	716,469	1,201,801
09-02	Refunding Bonds	1,610,000		1,610,000				
09-04	Various Park & Recreation Improvements	717,250			717,250		227,725	489,525
09-05	Bridge, Road, & Traffic Safety	1,164,700			1,164,700			1,164,700
09-06	Building & Grounds Improvements	7,030,000			7,030,000	2,500,000	247,053	4,282,947
09-07	Acquisition of Equipment	1,914,250			1,914,250		595,621	1,318,629
09-08	Various Capital Improvements - PCCC	2,292,369			2,292,369		2,066,073	226,296
09-09	Various Capital Improvements - PCTI	2,937,924			2,937,924		405,613	2,532,311
10-02	Refunding Bonds - General Improvement Bonds	455,000		453,908	1,092		1,092	
10-06	Various Capital Improvements	104,500			104,500			104,500
10-07	Refunding Bonds - GI 2003, 32mil	32,000,000		27,325,000	4,675,000		1,031,015	3,643,985
10-08	Various Capital Improvement Funds	4,951,850			4,951,850	4,000,000		951,850
11-03	Various Capital Improvements		6,177,500		6,177,500			6,177,500
11-04	Various Capital Improvements		7,096,500		7,096,500			7,096,500
		<u>\$ 148,742,337</u>	<u>13,274,000</u>	<u>38,243,638</u>	<u>123,772,699</u>	<u>66,084,845</u>	<u>12,007,671</u>	<u>45,680,183</u>
	Improvement Authorizations\$		<u>13,274,000</u>					
			Cancelled	10,918,638				
			Reserve for Grants Receivable	3,740,071				
			Funded by Serial Bonds	27,325,000				
				<u>\$ 41,983,709</u>				
						Excess Proceeds	(263,505)	
						Bond Anticipation Notes	66,348,350	
						<u>\$ 66,084,845</u>		

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2011

Improvement Authorizations Unfunded		\$ 57,228,330
Less: Unexpended Proceeds of Bond Anticipation Notes Issued		
<u>Ordinance No.</u>		
01-08	24,262	
01-36	355	
02-30	913,826	
02-31	36,374	
02-40	8,042	
03-17	8,493	
03-19	22,473	
03-20	24,937	
04-05	737	
04-20	9,522	
04-22	598	
05-07	405,672	
06-06	51,768	
06-07	1,000,000	
06-09	313	
06-10/06-14	359,611	
07-03	712	
07-06	385,929	
07-08	1,282,914	
07-10	41,486	
07-13	670,042	
08-01	402,076	
08-03	1,898,005	
10-08	4,000,000	
		<u>11,548,147</u>
		\$ <u>45,680,183</u>

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
<u>General Improvements:</u>									
91-30	Reconstruction East Main Bridge	\$ 800,000	\$	48,160			48,160		
94-15	Improvement PCCC Ch. 12	1,250,000	5,461				5,461		
96-06	Road Improvements Passaic Ave.	700,000		19,218			19,218		
96-10	Construction of Ratzler Road (Sec I)	4,000,000	698				698		
97-26	P&H Turnpike (28, 29)	1,700,000		321,462			321,462		
98-19	Reconstruction West Brook Bridge PC #491		62,483					62,483	
98-23	Wagaraw Road Bridge PC #103	1,300,000	3,599	75,000				3,599	75,000
98-36	Kingsland Avenue Bridge PC #81	400,000	317,814			872		316,942	
98-38	Reconstruction of Apshawa Dam		38,874			38,874			
98-40	Renovation Spruce Street Bridge PC #18	150,000	1,799			1		1,798	
99-13	Hamilton Club Renovation	975,000	97,333				97,333		
99-20	Scoping of Two Bridges Road Bridge	700,000	7,518	45,000		3,198	49,320		
99-32	County GIS System	150,000	1,215				1,215		
00-05	Repealing 99-12: Various Improvements by the Passaic County College	10,000,000	1				1		
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinchman Ave	750,000	223,472	238,000		252,662			208,810
00-26	Acquisition of Property - (Bloomingdale B/L 3/13)	325,000	11,626				11,626		
00-40	Supplemental - Repairs/Rehab. to Kingsland Ave Bridge PC #81.	700,000	664,000	36,000				664,000	36,000
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpke intersection improvements.	250,000		90,024		90,024			
01-04	Supplemental - Hurricane Floyd Program	1,000,000	72,852					72,852	

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
01-06	Supplemental - Acquisition of Equip. for Vo-Tech	1,668,000	993,248	426,000			1,419,248		
01-08	Goffle Brook Multi-use Path	700,000		38,534			14,272		24,262
01-14	Drainage Crooks and Wabash Avenues	2,600,000	37,237				37,237		
01-19	Supplemental - Rehab. 8th Street/5th Ave. Bridge	300,000	82,648			2,027		80,621	
01-22	Supplemental - Acquisition of equipment for jail	300,000	76				76		
01-30	Supplemental - Renovations to Preakness Hospital	1,100,000	29,003			29,003			
01-35	Supplemental - Renovation of Youth Center	250,000	84,149			25,650		58,499	
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	250,000		355					355
01-37	Supplemental - Structural Deficient Bridges	58,881	132,203			29,000		103,203	
02-01	Purchase of Building	4,000,000	173				173		
02-04	Supplemental - Renovation of Vocation School	628,000	1,575				1,575		
02-10	Supplemental - Removal of Storage Tanks		20,446			20,446			
02-12	Supplemental - Improvement to Totowa/French Hill Road	5,258				(5,258)		5,258	
02-13	Goffle Brook Stabilization Project	392,500	164,455			125,580		38,875	
02-16	Supplemental - Renovations of 80 Hamilton Street	500,000	8,659					8,659	
02-17	Supplemental - Reconst of Greenwood Lake Turnpike	5,000,000		58,906		1,080	57,826		
02-19	Acquisition of Buildings/Grounds Equipment	200,000	421					421	
02-23	Supplemental - Acquisition of Parks Equipment	200,000	1,639			1,473		166	
02-27	Supplemental - Restoration of Lambert Castle	1,000,000	1,815			104		1,711	
02-30	Supplemental - Imp of Valley Road & Paterson- Hamburg Turnpike Intersection	1,000,000		932,274		18,448			913,826
02-31	Supplemental - Renovation of Apschawa Dam	300,000		138,394		(36,374)	138,394		36,374
02-35	Replacement of Jail Roof	300,000		5,561		5,561			
02-38	Supplemental - Acquisition of Paratransit/ Meals on Wheel Vehicles	300,000	2,705					2,705	

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
02-40	Supplemental - Renovations to Public Buildings	200,000		8,042					8,042
03-03	Supplemental - Golf Course Improvements	300,000	400					400	
03-06	Supplemental - Road Improvements	2,800,000	252,970	266		3,988		248,982	266
03-07	Acquisition of Paratransit Vehicles	750,000	4,770	4,000			8,770		
03-08	Traffic Signal Reimbursements	900,000		799,557			799,557		
03-09	Supplemental - Improvements to Camp Hope Various Improvements to PCCC	150,000 230,368		1,347			1,347		
03-13	Supplemental - Various Capital Improvements	200,000	7,081			(230,368)		230,368	
03-14	Expansion of Preakness Health Care Facility	3,000,000	1,192			7,081			
03-15	Waganaw Road/Lincoln Avenue Improvements	400,000		312		1,192			
03-17	Supplemental - Reconstruction of Various Bridges	500,000		8,493			312		
03-19	Supplemental - 1992 Guide Rail Program	200,000		25,142					8,493
03-20	Supplemental - Various Drainage Improvements	250,000		21,642		2,669			22,473
03-21	Aquisition of Youth Detention Security Cameras	650,000	9,262			(3,295)			24,937
03-25	Imp to Goffle/Weasel Brook Park Recreation	800,000	354,675				9,262		
03-26	Supplemental - Rehab to Administration Building Plaza	645,454	25,107			3,737		350,938	
03-27	Supplemental - Acquisition of Hospital Equipment	500,000		39,917			25,107		
03-29	Supplemental - Goffle Brook Stabilization Project	200,000	166,910			39,917		191,440	
03-30	Union Valley Road/Green Brook Bridge Design PC#434	200,000	47			(24,530)		47	
03-31	President St/Weasel Brook Bridge Design PC#53	150,000	16,085			1,454	14,631		
03-32	Supplemental - Public Works Equipment	700,000	105,834					105,834	
04-01	Improvements to Paterson Hamburg	8,750,000	2,712,979	3,286,050		2,984,454			3,014,575
04-04	Imp to Crooks Ave./Wabash Ave. Drainage	1,400,000	427,641			459	427,182		
04-05	Acquisition of Property for a Salt Dome	200,000		185,737					185,737
04-06	Improvements to HVAC System	1,000,000	4,494				4,494		
04-10	Acq of Equipment for Passaic County Vocational Tech.	979,000	2,779				2,779		

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
04-11	Imp to Passaic County Jail & Acq of Various Equip	2,100,000	2,905					2,905	
04-12	Imp & Renovations to 435 Hamburg Turnpike	600,000	30,000	570,000				30,000	570,000
04-13	Acquisition of Computer Equipment	300,000	92,510			92,510			
04-14	Acquisition of Various Equipment	500,000	30,367					20,147	
04-16	Equip. for the Public Works & Buildings & Grounds	1,000,000	36,152						
04-18	Various Improvements to PCCC	9,576,000	311,739				311,739		
04-19	Various Bridge Repair & Replacement Project	1,000,000	36,987					29,651	
04-20	Various Drainage Projects	550,000		11,384					9,522
04-21	Various Road Improvement Projects	650,000	124,169			(11,295)		135,464	
04-22	Traffic Safety Programs	150,000		705					598
04-23	Intersection Improvements	350,000		290,005					249,789
04-24	Miscellaneous Buildings & Grounds Improvements	2,000,000	357,229					228,355	
04-25	Development of a Secured, Private Fiber Network	3,500,000	126,018						
04-28	GIS Parcel Mapping in & by the County	175,000		124,937			124,937		
04-29	Acquisition of & Renovation to County Building	6,000,000	575,587					570,518	
05-02	County Road Resurfacing	4,000,000	161,759			161,759			
05-05	Acquisition of HAVA Voting Machines	4,908,830	61,866		379		61,292		
05-07	Parks & Recreation General Improvements	2,903,400		437,065					405,672
05-09	Acquisition of Equipment- Preakness Healthcare Center	1,000,000	93,685					4,183	
05-10	DPW Various Repairs & Improvements	2,850,000	1,018,048			1,018,048			
05-11	Various Repairs & Improvements	12,334,000	171,760			(16,800)		188,560	
05-13	Amend Ord. 2002-02- Long Range Facility Plan	7,505,998	458,842				458,842		
05-14	Improvements to the Community College	18,000,000	1,568,172					1,568,172	
05-15	Acquisition of Property- Ball Tract	6,600,000	15,807				15,807		
05-16	Improvements to the Community College	3,800,000	47,878				47,878		
06-03	Road Improvements	3,800,000	499,585			496,893		2,692	
06-04	Lease Improvements to Preakness Healthcare Center	25,000,000		2,040,000			2,040,000		

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
06-05	Private Fiber Optic Network	5,500,000	904,940	827		905,313			454
06-06	Bridge Replacements and/or Repairs	2,760,000		1,051,524		129,869			921,655
06-07	Various Capital Improvments	5,375,000	3,338,198	1,359,500		29,710		3,308,488	1,359,500
06-09	Acquisition of Additional Equipment	1,100,000		49,277		48,964			313
06-10/06-14	Various Repairs & Improvements	5,500,000		382,042		22,431			359,611
06-15	Supplemental - Study and Improvements of Hazel St.	225,000		110			110		
06-16	Reconstruction and Rehabilitations of Various Bridges	6,652,000				(440,812)		440,812	
07-03	2007 Road Resurfacing Program	3,150,000		708,058		707,346			712
07-04	Replacement of Hillary Street Bridge	11,015,000	88,543	500,000			588,543		
07-06	Various Capital Improvments	2,500,000		1,386,304		5,375			1,380,929
07-07	Stabilization Improvements to Groffle Brook	200,000	200,000					200,000	
07-08	2007 Road Improvement Projects	3,773,000	21,342	1,619,000		357,428			1,282,914
07-09	General Parks and Recreation Program Imp	750,000	702,989					702,989	
07-10	Implementation of Traffic Safety Program	150,000		14,425		(27,061)			41,486
07-11	Intersection Improvement Projects	1,350,000	1,009,455	332,500				1,009,455	332,500
07-12	Acquisition of Various Equipment	1,523,000		1,119,234		303,778			815,456
07-13	Various Capital Improvments	4,300,000		945,120		275,079			670,041
08-01	Various Building and Grounds Improvements	7,800,000		5,604,366		292,290			5,312,076
08-02	Various Roadway Imp & Acq. of Equipment	6,075,000		2,275,283		401,589			1,873,694
08-03	Various Capital Improvements	10,800,000		4,120,955		229,242			3,891,713

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
			Funded	Unfunded				Funded	Unfunded
08-05	Lambert Castle Restoration	1,850,000	1,850,000					1,850,000	
09-01	2009 Road Resurfacing	12,358,400	211,183	2,918,270		1,927,652			1,201,801
09-02	Refunding Bonds	14,500,000		1,610,000			1,610,000		
09-04	Various Park & Recreation Improvements	755,000	28,108	717,250		255,833			489,525
09-05	Bridge, Road, & Traffic Safety	12,150,000	6,367,979	1,164,700		2,976,754		3,391,225	1,164,700
09-06	Building & Grounds Improvements	7,400,000		5,993,988		1,711,040			4,282,948
09-07	Acquisition of Equipment	2,015,000		1,610,711		292,082			1,318,629
09-08	Various Capital Improvements - PCCC	2,292,369		287,666		61,370			226,296
09-09	Various Capital Improvements - PCCI	2,937,924		2,566,741		34,430			2,532,311
09-10	Various Capital Improvements - PCCC	2,353,000	2,309,751			508,538		1,801,213	
10-02	Refunding Bonds - General Improvement Bonds	10,500,000		454,550		642	453,908		
10-03	Dey Mansion Renovations	1,858,950	1,577,965			4,219		1,573,746	
10-04	County Park Improvements	3,000,000	3,000,000			1,256,821		1,743,179	
10-06	Various Capital Improvements	4,730,000	4,571,170	104,500		1,925,256		2,645,914	104,500
10-07	Refunding Bonds - GI 2003, 32mil	32,000,000		32,000,000		28,356,015			3,643,985
10-08	Various Capital Improvement Funds	16,304,250	11,251,696	4,951,850		4,191,210		7,060,486	4,951,850
11-03	Various Capital Improvements	27,920,000			27,920,000			21,742,500	6,177,500
11-04	Various Capital Improvements	11,470,000			11,470,000			4,373,500	7,096,500
			<u>\$ 50,415,807</u>	<u>86,176,619</u>	<u>39,390,000</u>	<u>52,350,349</u>	<u>9,229,792</u>	<u>57,173,955</u>	<u>57,228,330</u>
Capital Improvement Fund					\$ 392,000				
Schedule of Receivables					25,724,000				
Def. Charges to Future Taxation					13,274,000				
					<u>\$ 39,390,000</u>				
					Cash	\$ 36,651,087			
					Encumbrances	<u>15,699,262</u>			
						<u>\$ 52,350,349</u>			

COUNTY OF PASSAIC
Schedule of Accounts Payable
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010		\$ <u>264,927</u>
Balance - December 31, 2011		\$ <u><u>264,927</u></u>

Schedule of Commitments Payable
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010		\$ 17,053,021
Increased by:		
Charges to Improvement Authorizations		<u>15,699,262</u>
		32,752,283
Decreased by:		
Payments		<u>17,053,021</u>
Balance - December 31, 2011		\$ <u><u>15,699,262</u></u>

COUNTY OF PASSAIC
Schedule of Green Acres Loan Payable
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010		\$	1,108,709
Decreased by:			
Paid by Budget Appropriations			308,932
Balance - December 31, 2011		\$	799,777

Schedule of Amount Due to the Township of Wayne
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010		\$	1,100
Balance - December 31, 2011		\$	1,100

COUNTY OF PASSAIC
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010		\$	199,854
Increased by:			
2011 Budget Appropriations			500,000
			699,854
Decreased by:			
Appropriated to Finance Improvement Authorizations			392,000
Balance - December 31, 2011		\$	307,854

Schedule of Reserve for Final Payments and Litigation
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010		\$	160,258
Balance - December 31, 2011		\$	160,258

COUNTY OF PASSAIC

Schedule of Reserve for Payment of Bonds and Notes

General Capital Fund

Year Ended December 31, 2011

	Ordinance	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
Reserve for Payment of Bonds:					
Market Street Bridge	00-06	\$ 4,081		4,081	
HF Belmont Bridge	01-32	760,730		760,730	
Restoration of Lambert Castle	02-27	42,118		42,118	
Paterson Hamburg Tpk/Jackson	02-34		120,766		120,766
Scoping Clove Road	04-21	123,300		123,300	
West Broadway Bridge/Passaic River	05-11	744,175		569,771	174,404
Acquisition of Property - Ball Tract	05-15		1,800,000		1,800,000
Fiber Optics Network	06-05		389,790		389,790
General Parks & Recreation Program Imp.	07-09	18,630	12,277		30,907
Total Reserve for Payment of Bonds		<u>1,693,034</u>	<u>2,322,833</u>	<u>1,500,000</u>	<u>2,515,867</u>
Reserve for Payment of Bond Anticipation Notes:					
Paterson Hamburg Tpk/Jackson	02-34	66,000	54,766	120,766	
Fiber Optics Network	06-05	389,790		389,790	
Hillary Street Bridge PC #39	07-04	22,451			22,451
West Broadway Bridge	07-06		136,599		136,599
Implementation of Traffic Safety Program	07-10	2,700			2,700
Various Capital Improvements	08-03	29,399	707,168		736,567
Total Reserve for Payment of Bond Anticipation Notes		<u>510,340</u>	<u>898,533</u>	<u>510,556</u>	<u>898,317</u>
Total Reserve for Payment of Bonds and Notes		<u>\$ 2,203,374</u>	<u>3,221,366</u>	<u>2,010,556</u>	<u>3,414,184</u>
			Cash \$ 2,710,810		
			Transfer to Reserve for Payment of Bonds 510,556	510,556	
			Current Fund - Budget Revenue	1,500,000	
			<u>\$ 3,221,366</u>	<u>2,010,556</u>	

COUNTY OF PASSAIC

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2011

	Balance, December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2011</u>
Current Fund	\$ 351,058	7,804,267	6,614,570	1,540,755
Other Trust Fund - Open Space	(2,380,525)	3,380,525	1,000,000	
Other Trust Fund	<u>(700,000)</u>	<u>700,000</u>		
	<u>(2,729,467)</u>	<u>11,884,792</u>	<u>7,614,570</u>	<u>1,540,755</u>
Due from	351,058	7,804,267	6,614,570	1,540,755
Due (to)	<u>(3,080,525)</u>	<u>4,080,525</u>	<u>1,000,000</u>	
	<u>\$ (2,729,467)</u>	<u>11,884,792</u>	<u>7,614,570</u>	<u>1,540,755</u>
Receipts	\$		7,603,880	
Budget Reimbursements		664,095		
Debt Service		1,057,406		
Interest Earnings			10,690	
Disbursements		<u>10,163,291</u>		
		<u>\$ 11,884,792</u>	<u>7,614,570</u>	

Exhibit C-16

COUNTY OF PASSAIC

Schedule of Reserve for Salt Shed - West Milford

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010	\$ <u>296,619</u>
Balance - December 31, 2011	\$ <u><u>296,619</u></u>

Exhibit C-17

Schedule of Reserve for EFA State Loan Payments

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010	\$ <u>500,000</u>
Balance - December 31, 2011	\$ <u><u>500,000</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Interest - Fire Academy

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010	\$	1,098,674
Increased by:		
Cash Receipts		<u>1,764</u>
Balance - December 31, 2011	\$	<u><u>1,100,438</u></u>

Exhibit C-19

COUNTY OF PASSAIC

**Schedule of Reserve for Administration
Building Settlement**

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010	\$ <u>9,786</u>
Balance - December 31, 2011	\$ <u><u>9,786</u></u>

Exhibit C-20

Schedule of Reserve for Interest - DOT Programs

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010	\$ 11,206
Increased by:	
Cash Receipts	<u>612</u>
Balance - December 31, 2011	\$ <u><u>11,818</u></u>

Exhibit C-21

COUNTY OF PASSAIC
Schedule of Reserve for Unappropriated Grants
General Capital Fund
Year Ended December 31, 2011

	Balance Dec. 31, 2010	Balance Dec. 31, 2011
Reserve for Scoping of 8th Street from NJIT	\$ 118	118
Reserve for Greenwood Lake Turnpike CCTP Program	<u>2,791,000</u>	<u>2,791,000</u>
	<u>\$ 2,791,118</u>	<u>2,791,118</u>

Exhibit C-22

COUNTY OF PASSAIC
Schedule of Reserve for Grants Receivable
General Capital Fund
Year Ended December 31, 2011

Balance - December 31, 2010	\$ <u>9,475,578</u>
Decreased by:	
Deferred Charges - Unfunded	<u>3,740,071</u>
Balance - December 31, 2011	\$ <u><u>5,735,507</u></u>
Analysis of Balance:	
Ordinance 08-03	\$ <u><u>5,735,507</u></u>

Exhibit C-23

COUNTY OF PASSAIC

Schedule of Reserve for Bonding Payments

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010 \$ 24,700

Balance - December 31, 2011 \$ 24,700

Exhibit C-24

Schedule of Accrued Interest Payable

General Capital Fund

Year Ended December 31, 2011

Balance - December 31, 2010 \$ 95,060

Balance - December 31, 2011 \$ 95,060

COUNTY OF PASSAIC
Schedule of Bond Anticipation Notes Payable
General Capital Fund
Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date of	Date of	Date of	Interest Rate	Balance	Increased	Decreased	Balance
		Original Issue	Issue	Maturity		Dec. 31, 2010			Dec. 31, 2011
03-05	Self Insurance Funding	4/21/09	4/12/11	4/11/12	1.0000%	\$ 13,570,000	13,570,000	13,570,000	13,570,000
03-09	Supplemental - Improvements to Camp Hope	4/13/09	4/12/11	4/11/12	1.0000%	142,850	142,850	142,850	142,850
03-15	Waganaw Road/Lincoln Avenue Improvements	4/13/09	4/12/11	4/11/12	1.0000%	380,000	380,000	380,000	380,000
03-16	Supplemental - Repair of Bellmount Ave Bridge	4/13/09	4/12/11	4/11/12	1.0000%	190,000	190,000	190,000	190,000
03-17	Supplemental - Reconstruction of Various Bridges	4/13/09	4/12/11	4/11/12	1.0000%	476,000	476,000	476,000	476,000
03-19	Supplemental - 1992 Guide Rail Program	4/13/09	4/12/11	4/11/12	1.0000%	190,000	190,000	190,000	190,000
03-20	Supplemental - Various Drainage Improvements	4/13/09	4/12/11	4/11/12	1.0000%	238,000	238,000	238,000	238,000
03-24	Supplemental - Renovations to W. Broadway Bridge PC#17	4/13/09	4/12/11	4/11/12	1.0000%	47,500	47,500	47,500	47,500
03-27	Supplemental - Acquisition of Hospital Equipment	4/13/09	4/12/11	4/11/12	1.0000%	475,000	475,000	475,000	475,000
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	4/13/09	4/12/11	4/11/12	1.0000%	372,000	372,000	372,000	372,000
04-20	Various Drainage Projects	4/13/09	4/12/11	4/11/12	1.0000%	332,500	332,500	332,500	332,500
04-22	Traffic Safety Programs	4/13/09	4/12/11	4/11/12	1.0000%	142,500	142,500	142,500	142,500
05-07	Parks & Recreation General Improvements	4/13/09	4/12/11	4/11/12	1.0000%	2,000,000	2,000,000	2,000,000	2,000,000
06-06	Bridge Replacements and/or Repairs	4/13/09	4/12/11	4/11/12	1.0000%	1,000,000	1,000,000	1,000,000	1,000,000
06-07	Various Capital Improvments	4/13/09	4/12/11	4/11/12	1.0000%	1,000,000	1,000,000	1,000,000	1,000,000
06-08	Parks & Recreation General Improvements	4/13/09	4/12/11	4/11/12	1.0000%	28,500	28,500	28,500	28,500
06-09	Acquisition of Additional Equipment	4/13/09	4/12/11	4/11/12	1.0000%	1,045,000	1,045,000	1,045,000	1,045,000
06-10	Various Repairs & Improvements	4/13/09	4/12/11	4/11/12	1.0000%	950,000	950,000	950,000	950,000
06-10/06-14	Various Repairs & Improvements	4/13/09	4/12/11	4/11/12	1.0000%	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	4/13/09	4/12/11	4/11/12	1.0000%	225,000	225,000	225,000	225,000
07-03	2007 Road Resurfacing Program	4/13/09	4/12/11	4/11/12	1.0000%	2,992,500	2,992,500	2,992,500	2,992,500
07-08	2007 Road Improvement Projects	4/13/09	4/12/11	4/11/12	1.0000%	1,619,000	1,619,000	1,619,000	1,619,000
07-13	Various Capital Improvments	4/13/09	4/12/11	4/11/12	1.0000%	4,085,000	4,085,000	4,085,000	4,085,000
00-41	Supplemental - Valley Road & Pompton Hamburg Tpke Intersection Improvement	12/29/11	12/29/11	12/28/12	0.3599%		150,000		150,000
00-44	Supplemental - Study & Improvements of Hazel Street	12/29/11	12/29/11	12/28/12	0.3599%		66,000		66,000
01-08	Goffie Brook Multi Use Path	12/29/11	12/29/11	12/28/12	0.3599%		100,000		100,000
01-29	Supplemental - Reconstruction of Greenwood Lake Tpke	12/29/11	12/29/11	12/28/12	0.3599%		81,000		81,000
01-31	Supplemental - Totowa & French Hill Road Improvements	12/29/11	12/29/11	12/28/12	0.3599%		428,000		428,000
01-36	Supplemental-Variours Roads & Bridge Repairs Hurricane Floyd	12/29/11	12/29/11	12/28/12	0.3599%		238,000		238,000
02-12	Supplemental - Improvements of Totowa/French Hill Road	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
02-17	Supplemental - Reconstruction of Greenwood Lake Tpke	12/29/11	12/29/11	12/28/12	0.3599%		1,932,000		1,932,000
02-30	Supplemental - Improvements of Valley Road & Paterson Hamburg Turnpike Intersection	12/29/11	12/29/11	12/28/12	0.3599%		952,000		952,000
02-31	Supplemental - Renovation of Apsawa Drive	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
02-35	Supplemental - Replacement of Jail Roof	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
05-07	Parks & Recreation General Improvements	12/29/11	12/29/11	12/28/12	0.3599%		757,400		757,400
07-06	Various Capital Improvements	12/29/11	12/29/11	12/28/12	0.3599%		1,000,000		1,000,000
07-10	Implementation of Traffic Safety Program	12/29/11	12/29/11	12/28/12	0.3599%		142,500		142,500
07-12	Acquisition of Various Equipment	12/29/11	12/29/11	12/28/12	0.3599%		500,000		500,000
07-14	Various Improvements for the County College	12/29/11	12/29/11	12/28/12	0.3599%		2,500,000		2,500,000
07-15	Various Improvements for the Vocational Technical School	12/29/11	12/29/11	12/28/12	0.3599%		979,100		979,100

COUNTY OF PASSAIC
Schedule of Bond Anticipation Notes Payable
General Capital Fund
Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date of	Date of	Date of	Interest Rate	Balance			Balance Dec. 31, 2011
		Original Issue	Issue	Maturity		Dec. 31, 2010	Increased	Decreased	
08-01	Various Buildings & Grounds Improvements	12/29/11	12/29/11	12/28/12	0.3599%		2,500,000		2,500,000
08-03	Various Capital Improvements	12/29/11	12/29/11	12/28/12	0.3599%		5,000,000		5,000,000
09-01	2009 Road Resurfacing	12/29/11	12/29/11	12/28/12	0.3599%		1,000,000		1,000,000
09-06	Building & Grounds Improvements	12/29/11	12/29/11	12/28/12	0.3599%		2,500,000		2,500,000
10-08	Various Capital Improvements	12/29/11	12/29/11	12/28/12	0.3599%		4,000,000		4,000,000
00-11	Supplemental - Acquisition of Office Equipment	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
00-12	Renovation of 80 Hamilton St. - Welfare Board	12/29/11	12/29/11	12/28/12	0.3599%		380,000		380,000
00-14	Supplemental - Redecking of McBride Bridge	12/29/11	12/29/11	12/28/12	0.3599%		48,525		48,525
00-18	Supplemental - Reconstruction Various Bridges	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
00-19	Supplemental - Various Drainage Projects	12/29/11	12/29/11	12/28/12	0.3599%		218,000		218,000
00-25	Renovation of Youth Center	12/29/11	12/29/11	12/28/12	0.3599%		238,000		238,000
01-02	Supplemental - Renovations to Courthouse Complex	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
01-09	Reconstruction of Straight Street/River Street	12/29/11	12/29/11	12/28/12	0.3599%		380,000		380,000
01-11	Supplemental - 1992 Guide Rail Program	12/29/11	12/29/11	12/28/12	0.3599%		90,000		90,000
01-13	Supplemental - Various Drainage Projects	12/29/11	12/29/11	12/28/12	0.3599%		142,000		142,000
01-28	Supplemental - Improvements to Camp Hope	12/29/11	12/29/11	12/28/12	0.3599%		95,000		95,000
01-32	Supplemental - Various Road & Bridge Repairs Hurricane Floyd	12/29/11	12/29/11	12/28/12	0.3599%		124,910		124,910
01-33	Supplemental - Various Road & Bridge Repairs Hurricane Floyd	12/29/11	12/29/11	12/28/12	0.3599%		166,000		166,000
02-14	Supplemental - Various Drainage Improvements	12/29/11	12/29/11	12/28/12	0.3599%		142,500		142,500
02-21	Supplemental - 1992 Guide Rail Program	12/29/11	12/29/11	12/28/12	0.3599%		142,000		142,000
02-39	Supplemental - Equipment for Preakness Hospital	12/29/11	12/29/11	12/28/12	0.3599%		285,000		285,000
02-40	Supplemental - Renovations to Public Buildings	12/29/11	12/29/11	12/28/12	0.3599%		190,000		190,000
02-41	Refunding Ordinance - Payment of Pension Obligations	12/29/11	12/29/11	12/28/12	0.3599%		239,065		239,065
03-08	Traffic Signal Reimbursements	12/29/11	12/29/11	12/28/12	0.3599%		100,000		100,000
04-05	Acquisition of Property for a Salt Dome	12/29/11	12/29/11	12/28/12	0.3599%		5,000		5,000
04-23	Intersection Improvements	12/29/11	12/29/11	12/28/12	0.3599%		50,000		50,000
04-28	GIS Parcel Mapping in & by the County	12/29/11	12/29/11	12/28/12	0.3599%		50,000		50,000
						<u>\$ 36,726,350</u>	<u>66,348,350</u>	<u>36,726,350</u>	<u>66,348,350</u>
							\$ 29,622,000		
							<u>36,726,350</u>	<u>36,726,350</u>	
							<u>\$ 66,348,350</u>	<u>36,726,350</u>	

Cash
Renewed

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Obligation of Refunding Bonds of 1993	09/01/93	41,940,000	2012	2,045,000	5.125%	\$ 4,115,000		2,070,000	2,045,000
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series B	09/01/98	30,700,000	2012-13	1,500,000	6.770%	18,600,000		1,400,000	17,200,000
			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	2,300,000	6.770%				
			2019	2,400,000	6.770%				
			2020	2,500,000	6.770%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series A	09/01/98	665,000	2018	220,000	6.770%	665,000			665,000
			2019	220,000	6.770%				
			2020	225,000	6.770%				
County College Bond Series 1996B - State Aid	11/01/96	5,404,000	2012	359,000	5.350%	719,000		360,000	359,000
General Obligation Refunding Bonds	03/01/01	31,145,000	2012	2,085,000	5.250%	17,150,000			17,150,000
			2013	2,080,000	5.250%				
			2014	2,170,000	5.250%				
			2015	2,360,000	5.250%				
			2016	2,350,000	5.250%				
			2017	2,330,000	4.900%				
			2018	845,000	4.750%				
			2019	830,000	4.750%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Improvement Bonds	03/01/01	19,250,000	2012	1,600,000	4.375%				
			2013	1,650,000	4.375%				
			2014	1,675,000	4.375%				
			2015-16	1,700,000	4.375%				
General Improvement Bonds	09/15/01	14,965,000	2012-13	1,500,000	4.200%	7,665,000		1,400,000	6,265,000
			2014	1,600,000	4.200%				
			2015	1,665,000	4.200%				
General Improvement Bonds	09/15/02	9,485,000	2012	1,265,000	3.500%	5,230,000		1,185,000	4,045,000
			2013	1,345,000	3.600%				
			2014	1,435,000	3.650%				
County College Bonds	09/15/02	1,033,000	2012	85,000	3.500%	353,000		85,000	268,000
			2013	85,000	3.600%				
			2014	98,000	3.650%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
Vocational School Bonds	09/15/02	2,515,000	2012	335,000	3.500%	1,370,000		315,000	1,055,000
			2013	355,000	3.625%				
			2014	365,000	3.750%				
Pension Refunding Bonds, Series 2003	02/15/03	6,560,000	2012	490,000	4.760%	4,530,000		425,000	4,105,000
			2013	520,000	4.760%				
			2014	590,000	5.000%				
			2015	680,000	5.000%				
			2016	780,000	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, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Improvement and County College Bonds	06/13/03	18,447,000	2012	1,565,000	3.125%	13,692,000		13,692,000	
			2013	1,665,000	3.125%				
			2014	2,165,000	3.375%				
			2015	2,242,000	3.500%				
			2016	2,100,000	3.750%				
			2017	2,790,000	3.750%				
Vocational School Bonds	06/13/03	1,500,000	2012-13	125,000	3.125%	625,000		625,000	
			2014	125,000	3.375%				
			2015	125,000	3.500%				
General Improvement Bonds	08/15/03	11,977,000	2012	1,300,000	4.200%	9,527,000		1,100,000	8,427,000
			2013	1,500,000	4.200%				
			2014	1,700,000	4.200%				
			2015	1,900,000	4.200%				
			2016	2,027,000	4.250%				

COUNTY OF PASSAIC
Schedule of General Serial Bonds Payable
General Capital Fund
Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance December 31, 2010</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2011</u>
			<u>Year</u>	<u>Amount</u>					
County College Bonds	08/15/03	2,010,000	2012-15	170,000	4.200%	850,000		170,000	680,000
General Obligation Refunding Bonds	09/01/03	21,855,000	2013	2,015,000	5.200%	7,870,000			7,870,000
			2014	1,985,000	5.200%				
			2015	1,955,000	5.200%				
			2016	1,915,000	5.200%				
General Obligation Bonds	03/15/04	19,495,000	2012	1,300,000	3.250%	12,845,000			11,595,000
			2013	1,350,000	3.250%				
			2014	1,800,000	3.375%				
			2015	3,400,000	3.500%				
			2016	3,745,000	3.500%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Obligation Refunding Bonds	05/01/04	12,220,000	2012	1,240,000	3.250%	8,375,000		1,255,000	7,120,000
			2013	1,220,000	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%				
General Obligation Refunding Bonds (A)	09/01/04	41,870,000	2012	5,245,000	5.250%	23,700,000		5,100,000	18,600,000
			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	4.750%				
			County College Bonds (A)	10/15/04	4,788,000				
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, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
County College Bonds (B)	10/15/04	4,784,000	2012	515,000	3.250%	2,111,000		495,000	1,616,000
			2013	535,000	3.250%				
			2014	566,000	3.250%				
General Obligation Bonds	06/01/05	20,000,000	2012	1,525,000	3.750%	16,450,000		1,375,000	15,075,000
			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%				
General Obligation Bonds	06/01/06	20,000,000	2012	100,000	4.375%	19,775,000		125,000	19,650,000
			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%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
County College Bonds (A)	11/15/06	3,050,000	2012	250,000	3.750%	2,190,000		240,000	1,950,000
			2013	260,000	3.750%				
			2014	270,000	3.750%				
			2015	280,000	3.750%				
			2016	290,000	3.875%				
			2017-18	300,000	4.000%				
County College Bonds (B)	11/15/06	3,050,000	2012	250,000	3.750%	2,190,000		240,000	1,950,000
			2013	260,000	3.750%				
			2014	270,000	3.750%				
			2015	280,000	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, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
County College Bonds (A)	11/01/07	5,950,000	2012	450,000	3.750%	4,835,000		410,000	4,425,000
			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%				
County College Bonds (B)	11/01/07	5,950,000	2012	450,000	3.750%	4,835,000		410,000	4,425,000
			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%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Obligation Bonds	05/01/08	48,625,000	2012	100,000	4.000%	48,575,000		75,000	48,500,000
			2013	125,000	4.000%				
			2014	2,000,000	4.000%				
			2015	2,075,000	4.000%				
			2016	2,100,000	5.000%				
			2017	2,900,000	5.000%				
			2018	3,000,000	5.000%				
			2019	3,100,000	5.000%				
			2020	3,200,000	4.000%				
			2021	3,300,000	4.125%				
			2022	3,400,000	4.250%				
			2023	3,500,000	4.250%				
			2024	3,700,000	4.250%				
			2025	3,800,000	4.250%				
			2026	3,900,000	4.250%				
			2027	4,075,000	4.500%				
			2028	4,225,000	4.500%				
Vocational School Bonds	05/01/08	2,938,000	2012	210,000	4.000%	2,643,000		185,000	2,458,000
			2013	235,000	4.000%				
			2014	260,000	4.000%				
			2015	285,000	4.000%				
			2016	310,000	5.000%				
			2017	335,000	5.000%				
			2018	385,000	5.000%				
			2019	438,000	5.000%				

COUNTY OF PASSAIC
Schedule of General Serial Bonds Payable
General Capital Fund
Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
County College Bonds	05/01/08	8,077,000	2012	615,000	4.000%	6,972,000		590,000	6,382,000
			2013	635,000	4.000%				
			2014	660,000	4.000%				
			2015	685,000	4.000%				
			2016	700,000	5.000%				
			2017	710,000	5.000%				
			2018	770,000	5.000%				
			2019	795,000	5.000%				
			2020	812,000	4.000%				
General Improvement Refunding Bonds	09/15/09	8,540,000	2012	1,365,000	3.000%	7,230,000		1,340,000	5,890,000
			2013	1,460,000	3.000%				
			2014	1,515,000	3.000%				
			2015	1,550,000	5.000%				
College Refunding Bonds	09/15/09	2,190,000	2012	390,000	3.000%	1,860,000		335,000	1,525,000
			2013	365,000	3.000%				
			2014	380,000	3.000%				
			2015	390,000	5.000%				
College Refunding Bonds	09/15/09	2,160,000	2012	360,000	3.000%	1,795,000		360,000	1,435,000
			2013	365,000	3.000%				
			2014	360,000	3.000%				
			2015	350,000	5.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
General Obligation Bonds	04/01/10	19,671,000	2012	300,000	2.000%	19,671,000		250,000	19,421,000
			2013	325,000	2.000%				
			2014	350,000	2.500%				
			2015	750,000	2.500%				
			2016	1,000,000	2.500%				
			2017	1,250,000	3.000%				
			2018	1,500,000	3.250%				
			2019	1,750,000	3.500%				
			2020	2,000,000	4.000%				
			2021	2,250,000	4.000%				
			2022	2,500,000	4.000%				
			2023	2,650,000	4.000%				
			2024	2,796,000	4.000%				
Vocational School Bonds	04/01/10	945,000	2012	90,000	2.000%	945,000		75,000	870,000
			2013	95,000	2.000%				
			2014	100,000	2.250%				
			2015	110,000	2.250%				
			2016	120,000	2.500%				
			2017	125,000	3.000%				
			2018	130,000	3.250%				
			2019	100,000	3.500%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
County College Bonds	04/01/10	2,130,000	2012	160,000	2.000%	2,130,000		150,000	1,980,000
			2013	170,000	2.000%				
			2014	180,000	2.250%				
			2015	190,000	2.250%				
			2016	200,000	2.500%				
			2017	210,000	3.000%				
			2018	220,000	3.250%				
			2019	230,000	3.500%				
			2020	240,000	4.000%				
			2021	180,000	4.000%				
General Refunding Bonds	06/17/10	10,045,000	2012	1,685,000	2.000%	10,045,000		1,620,000	8,425,000
			2013	1,700,000	2.000%				
			2014	1,690,000	2.500%				
			2015	1,685,000	3.000%				
			2016	1,665,000	3.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
Recovery Zone Economic Development Bonds	07/28/10	4,389,000	2012	192,000	1.910%	4,389,000		187,000	4,202,000
			2013	196,000	2.300%				
			2014	200,000	3.350%				
			2015	207,000	3.600%				
			2016	214,000	4.350%				
			2017	223,000	4.450%				
			2018	233,000	4.910%				
			2019	244,000	5.010%				
			2020	257,000	5.110%				
			2021	270,000	5.610%				
			2022	285,000	5.610%				
			2023	300,000	5.610%				
			2024	317,000	5.610%				
			2025	336,000	5.610%				
			2026	354,000	6.540%				
2027	374,000	6.540%							
County College Bonds	08/01/10	1,177,000	2012	85,000	2.000%	1,177,000		80,000	1,097,000
			2013	90,000	2.000%				
			2014	95,000	2.000%				
			2015	100,000	2.000%				
			2016	105,000	2.500%				
			2017	110,000	3.000%				
			2018	115,000	3.000%				
			2019	120,000	3.000%				
			2020	125,000	3.000%				
			2021	152,000	3.000%				

COUNTY OF PASSAIC
Schedule of General Serial Bonds Payable
General Capital Fund
Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance December 31, 2010</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2011</u>
			<u>Year</u>	<u>Amount</u>					
County College Bonds	08/01/10	1,176,000	2012	85,000	2.000%	1,176,000		80,000	1,096,000
			2013	90,000	2.000%				
			2014	95,000	2.000%				
			2015	100,000	2.000%				
			2016	105,000	2.500%				
			2017	110,000	3.000%				
			2018	115,000	3.000%				
			2019	120,000	3.000%				
			2020	125,000	3.000%				
			2021	151,000	3.000%				
General Obligation Refunding Bonds	05/01/11	26,415,000	2012	3,595,000	2.000%		26,415,000		26,415,000
			2013	3,580,000	5.000%				
			2014	4,115,000	4.000%				
			2015	4,355,000	4.000%				
			2016	4,325,000	4.000%				
			2017	475,000	4.250%				
			2018	4,480,000	5.000%				
			2019	755,000	4.750%				
			2020	735,000	4.750%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
			Year	Amount					
College Refunding Bonds	05/01/11	610,000	2012	125,000	2.000%		610,000		610,000
			2013	130,000	5.000%				
			2014	175,000	4.000%				
			2015	180,000	4.000%				
Vocational Education Refunding Bonds	05/01/11	300,000	2012	60,000	2.000%		300,000		300,000
			2013	65,000	5.000%				
			2014	85,000	4.000%				
			2015	90,000	4.000%				
						\$ 301,833,000	27,325,000	56,564,000	272,594,000

COUNTY OF PASSAIC

Schedule of State Educational Facilities Authority Loans Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Decreased	Balance December 31, 2011
			Date	Amount				
County College Capital Projects	03/01/00	\$ 2,015,000	09/01/12	165,000	5.000%	675,000	160,000	515,000
			09/01/13	175,000	5.000%			
			09/01/14	175,000	5.000%			
						\$ 675,000	160,000	515,000

COUNTY OF PASSAIC
Schedule of New Jersey Green Trust Loans Payable
General Capital Fund
Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Decreased	Balance December 31, 2011
			Date	Amount				
Lambert Castle Grounds Project	02/28/08	\$ 564,657	02/28/12	20,301	2.000%	487,004	40,000	447,004
			08/28/12	20,504	2.000%			
			02/28/13	20,709	2.000%			
			08/28/13	20,916	2.000%			
			02/28/14	21,125	2.000%			
			08/28/14	21,336	2.000%			
			02/28/15	21,550	2.000%			
			08/28/15	21,765	2.000%			
			02/28/16	21,983	2.000%			
			08/28/16	22,203	2.000%			
			02/28/17	22,425	2.000%			
			08/28/17	22,649	2.000%			
			02/28/18	22,875	2.000%			
			08/28/18	23,104	2.000%			
			02/28/19	23,335	2.000%			
			08/28/19	23,569	2.000%			
			02/28/20	23,804	2.000%			
			08/28/20	24,042	2.000%			
			02/28/21	24,283	2.000%			
			08/28/21	25,525	2.000%			
						\$ 487,004	40,000	447,004

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2010	Decreased	Balance December 31, 2011
			Date	Amount				
Preakness Healthcare Center Expansion	05/01/05	\$ 65,000,000	03/15/12	1,385,000	3.400%	61,240,000	1,335,000	59,905,000
			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	4.375%			
			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, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Decreased	Balance December 31, 2011
			Date	Amount				
Prosecutor's Office Building Improvements	12/09/05	6,000,000	12/15/12	255,000	5.000%	5,110,000	250,000	4,860,000
			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, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding Dec. 31, 2011		Interest Rate	Balance December 31, 2010	Decreased	Balance December 31, 2011						
			Date	Amount										
Preakness Healthcare Center Expansion	05/01/06	\$ 22,960,000	05/01/12	485,000	4.000%	22,090,000	465,000	21,625,000						
			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%									
									\$ 88,440,000	2,050,000	86,390,000			

COUNTY OF PASSAIC

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
General Improvements:					
87-25	New Street Reconstruction - Phases II and III	\$ 337,629			337,629
87-43	Reconstruction of Old Turnpike Bridge PC #325	87,868			87,868
91-30	Reconstruction East Main Bridge	149,768		48,160	101,608
91-34	Rehabilitation Maple Ave. Bridge				
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		19,218	81,782
96-15	Hazel Street Scoping/Construction	6,000			6,000
96-21	Preakness 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		321,462	344,538
97-31	Design & Rehab. Magee Road Bridge - PC #404	90,000			90,000
98-23	Replacement of Wagaraw 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 80 Hamilton St. - Welfare Board	380,000		380,000	
00-14	Supplemental - Redecking of McBride Bridge	48,592		48,525	67
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 Hinchman 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 Tpk intersection improvements	238,000		150,000	88,000
00-44	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	100,000		100,000	
01-09	Reconstruction of Straight St/River 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	95,000		95,000	
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	81,000		81,000	
01-31	Supplemental - Totowa and French Hill Road Imprv.	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, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
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 Apshawa Dam	285,000		285,000	
02-35	Replacement of Jail Roof	285,000		285,000	
02-39	Supplemental - Equipment for Preakness 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		239,065	107
03-01	Refunding Bond Ordinance	400,000		400,000	
03-02	Refunding Bond Ordinance	173,685		173,685	
03-06	Supplemental - Road Improvements	266			266
03-07	Acquisition of Para Transit Vehicle	4,000		4,000	
03-08	Traffic Signal Reimbursements	857,000		857,000	
04-01	Improvements to Paterson Hamburg	3,286,050			3,286,050
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98			98
04-05	Acquisition of Property for a Salt Dome	190,000		5,000	185,000
04-09	Acq of Equipment for Passaic County Comm. College	881			881
04-12	Imp & Renovations to 435 Hamburg Turnpike	570,000			570,000
04-23	Intersection Improvements	332,500		50,000	282,500
04-28	GIS Parcel Mapping in & by the County	166,250		166,250	
05-05	Acquisition of HAVA Voting Machines	379		379	
05-06	Improvements to the PC Tech Institute	308			308
05-07	Parks & Recreation General Improvements	757,400		757,400	
06-04	Lease Improvements to Preakness Healthcare Center	2,040,000		2,040,000	
06-05	Private Fiber Optic Network	827			827
06-06	Bridge Replacements and/or Repairs	869,887			869,887
06-07	Various Capital Improvments	359,500			359,500
06-11	Improvements to the Vocational School	549			549
06-12	Improvements of Passaic County Community College	761			761
07-04	Replacement of Hillary Street Bridge	500,000		500,000	
07-06	Various Capital Improvments	1,995,000		1,000,000	995,000
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		500,000	946,850
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		979,100	208
08-01	Various Building and Grounds Improvements	7,410,000		2,500,000	4,910,000
08-02	Various Roadway Imp & Acq. of Equipment	5,771,250			5,771,250

COUNTY OF PASSAIC

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
General Improvements:					
08-03	Various Capital Improvements	10,733,779		8,740,071	1,993,708
09-01	2009 Road Resurfacing	2,918,270		1,000,000	1,918,270
09-02	Refunding Bonds	1,610,000		1,610,000	
09-04	Various Park & Recreation Improvements	717,250			717,250
09-05	Bridge, Road, & Traffic Safety	1,164,700			1,164,700
09-06	Building & Grounds Improvements	7,030,000		2,500,000	4,530,000
09-07	Acquisition of Equipment	1,914,250			1,914,250
09-08	Various Capital Improvements - PCCC	2,292,369			2,292,369
09-09	Various Capital Improvements - PCTI	2,937,924			2,937,924
10-02	Refunding Bonds - General Improvement Bonds	455,000		453,908	1,092
10-06	Various Capital Improvements	104,500			104,500
10-07	Refunding Bonds - GI 2003, 32mil	32,000,000		27,325,000	4,675,000
10-08	Various Capital Improvement Funds	4,951,850		4,000,000	951,850
11-03	Various Capital Improvements		6,177,500		6,177,500
11-04	Various Capital Improvements		7,096,500		7,096,500
		<u>\$ 112,015,987</u>	<u>13,274,000</u>	<u>67,602,133</u>	<u>57,687,854</u>
	Authorizations Cancelled			6,915,062	
	Reserve for Grants Receivable			3,740,071	
	Refunding Bonds			27,325,000	
	Bond Anticipation Notes			29,622,000	
				<u>67,602,133</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, 2011

Ferraioli, Wielkottz, 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 State of New Jersey as of and for the year ended December 31, 2011, and have issued our report thereon dated October 9, 2012. 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. The report on October 9, 2012 was qualified because the financial statements referred to above do not include an updated Statement of General Fixed Assets as required by the Division of Local Government Services. Also, the County did not maintain a current actuarial report as required by the Governmental Accounting Standards Board (GASB), Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Except as discussed in the preceding sentences, 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

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

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

Compliance and Other Matters

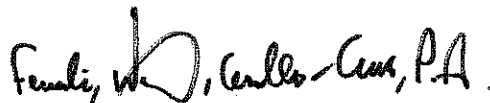
As part of obtaining reasonable assurance about whether the County of Passaic's financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have 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. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413



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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, 2011. 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, 2011.



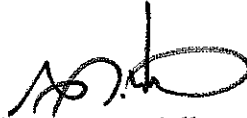
Internal Control Over Compliance


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

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.

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

October 9, 2012

COUNTY OF PASSAIC
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2011

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance Dec., 31 2010	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2011	MEMO	
										Cumulative Total Expenditures	
U.S. Dept. of Energy Passed Through N.J.											
Dept. of Community Affairs:											
Weatherization Assistance Program	93.568	HIP	2007	\$ 323,648	\$ 44,827				44,827	*	278,821
Weatherization Assistance Program	93.568	HIP	2009	384,138	(3,906)		24,927		(28,833)	*	373,963
Weatherization Assistance Program	93.568	HIP	2010	770,980			208,150		(208,150)	*	208,150
Weatherization Assistance Program	93.568	DHS	1999	150,619	(130,619)				(130,619)	*	150,619
Weatherization Assistance Program	93.568	DHS	2007	268,689	3,050				3,050	*	201,747
Weatherization LIHEAP Flood Relief	93.568	DHS	2006	134,438	(41,724)			41,724		*	134,438
Weatherization LIHEAP Flood Relief	93.568	DHS	2007	216,362	14,377				14,377	*	201,985
Weatherization LIHEAP Flood Relief	93.568	DHS	2009	380,522	13,589				13,589	*	366,933
Weatherization LIHEAP Flood Relief	93.568	DHS	2010	128,314	97,410	1,200	11,975	(42,516)	44,119	*	11,975
Weatherization LIHEAP Flood Relief	93.568	DHS	2011	121,475		42,517		42,516	85,033	*	
Weatherization LIHEAP Flood Relief	93.568	DHS	2011	52,859		52,589			52,589	*	
Weatherization LIHEAP Flood Relief	93.568	DHS	2012	90,753		80,516	8,671		71,845	*	8,671
					(2,996)	176,822	253,723	41,724	(38,173)	*	1,937,302
Weatherization Assistance Program	81.042	DOE - 2007	2007	151,703	3,855				3,855	*	147,848
Weatherization Assistance Program	81.042	DOE - 2008	2008	171,263	5,690				5,690	*	165,573
Weatherization Assistance Program	81.042	DOE - 2009	2009	313,550	146,720		49,796		96,924	*	166,830
Weatherization Assistance Program - ARRA	81.042	DOE - 2009	2009	552,500	(116,219)	341,610	434,487		(209,096)	*	336,130
Weatherization Assistance Program	81.042	DOE - 2010	2010	151,335						*	
					40,046	341,610	484,283		(102,627)	*	816,381
U.S. Dept. of Housing & Urban Development:											
Housing Voucher Program	14.177	NJ-39V-003-004/009	2010	9,614,216	(55,665)				(55,665)	*	9,082,313
Housing Voucher Program	14.177	NJ-39V-003-004/009	2011	8,963,284		8,963,284	8,963,284			*	8,963,284
					(55,665)	8,963,284	8,963,284		(55,665)	*	18,045,597
Birch Street Apartments	14.235	NJ-39-C5-11-002	2008	454,080	(238,479)	20,000			(238,479)	*	454,080
HUD - Eva's Project 36308	14.235		2010	471,360	(458,058)				(458,058)	*	458,058
HUD - Eva's Village Apartments	14.235		2011	470,902		436,707	464,251		(27,544)	*	464,251
					(716,537)	456,707	464,251		(724,081)	*	1,376,389
Community Development Block Grant	14.218		2008	864,476	191,534	32,390	538,593		(314,669)	*	810,060
Community Development Block Grant	14.218		2009	874,892	(129,646)	340,690	516,345		(305,301)	*	753,145
Community Development Block Grant Recovery	14.218		2009	234,670	231,499		234,670		(3,171)	*	234,670
Community Development Block Grant	14.218		2010	946,150	(26,745)		796,307		(823,052)	*	823,052
Community Development Block Grant	14.218		2011	950,250		105,943	133		105,810	*	133
					266,642	479,023	2,086,048		(1,340,383)	*	2,621,060
Homeless Prevention and Rapid Rehousing-Clifton	14.257		2009	581,485	(253,935)	233,219			(20,716)	*	502,813
Homeless Prevention and Rapid Rehousing-Paterson	14.257		2009	1,154,543	(592,042)	482,177	42,130		(151,995)	*	1,127,033
Homeless Prevention and Rapid Rehousing-ARRA	14.257		2009	1,252,000	(525,830)	677,939	219,454		(67,345)	*	960,343
					(1,371,807)	1,393,335	261,584		(240,056)	*	2,590,189

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2011

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance	Revenue	Grant	Adjustments/	Balance	MEMO
					Dec., 31 2010	Realized	Expenditures	Canceled	Dec., 31 2011	Total Expenditures
Passaic County Housing First	14.238		2009	1,411,200	(933,000)				(933,000) *	933,000
HUD - St. Paul's	14.238		2011	186,600						
HUD - St. Joseph	14.238		2011	186,600						
					(933,000)				(933,000) *	933,000
U.S. Dept. of Labor Passed Through N.J.										*
Dept. of Labor:										*
J.T.P.A. (Workforce Investment)	17.250	FY07	2006/07	11,515,243	25,805				25,805 *	11,422,585
J.T.P.A. (Workforce Investment)	17.250	FY08	2007/08	11,683,696	(85,013)			2,000	(83,013) *	11,674,307
J.T.P.A. (Workforce Investment)	17.250	FY09	2008/09	16,159,432						16,159,432
J.T.P.A. (Workforce Investment)	17.250	FY10	2009/10	11,616,429	17,390	1,176,669	1,194,669	(1)	(611) *	11,553,752
J.T.P.A. (Workforce Investment)	17.250	FY11	2010/11	5,205,423	(44,483)	5,076,976	4,652,241		380,252 *	4,696,724
J.T.P.A. (Workforce Investment)	17.250	FY12	2011/12	5,153,104			130,066		(130,066) *	130,066
Hurricane Irene Disaster Emergency Grant	17.250	2011	2011	711,287						*
					(86,301)	6,253,645	5,976,976	1,999	192,367 *	55,636,866
U.S. Dept. of Health and Human Services										*
Passed Through N.J. Dept. of Human Services:										*
Aging Area Plan Grant	93.043		2006	2,333,319						2,333,319
Aging Area Plan Grant	93.043		2009	2,441,094	41,472				41,472 *	2,399,622
Aging Area Plan Grant	93.043		2010	2,012,436	402,295	629,359	989,737		41,917 *	1,970,519
Aging Area Plan Grant	93.043		2011	2,179,358		1,198,282	1,026,431		171,851 *	1,426,431
Aging Area Nutrition Grant	93.043		2007	3,206,488	(879,801)			879,801		3,206,488
Aging Area Nutrition Grant	93.043		2009	3,374,270	427,751				427,751 *	2,946,519
Aging Area Nutrition Grant	93.043		2010	1,690,676	1,246,225	355,717	1,206,337		395,605 *	1,295,071
Aging Area Nutrition Grant	93.043		2011	1,825,100		1,419,310	158,110		1,261,200 *	158,110
					1,237,942	3,602,668	3,380,615	879,801	2,339,796 *	15,736,079
Human Services	13.808	08BERN	2008	174,373	(16,026)				(16,026) *	164,245
Human Services	13.808	09BERN	2009	175,373	(2,645)				(2,645) *	135,238
Human Services	13.808	10BERN	2010	175,373	(88,586)		2,536		(91,122) *	164,777
Human Services	13.808	11BERN	2011	175,373		174,414	145,624		28,790 *	145,624
Human Services	13.808	12BERN	2012	175,373						*
Human Services PASP	13.808	07BERN	2007	392,013	(6,222)				(6,222) *	366,090
Human Services PASP	13.808	08BERN	2008	405,559	4,262				4,262 *	401,270
Human Services PASP	13.808	09BERN	2009	438,859	7,066				7,066 *	431,793
Human Services PASP	13.808	10BERN	2010	399,525	2,677		(4,032)		6,709 *	392,816
Human Services PASP	13.808	11BERN	2011	399,525		399,525	374,844		24,681 *	374,844
Human Services PASP	13.808	12BERN	2012	399,525						*
					(99,474)	573,939	518,972		(44,507) *	2,576,697
Strengthening Communities Fund - ARRA	93.711	90SN0043/01	2010/11	312,495	210,758		231,039		(20,281) *	231,039
					210,758		231,039		(20,281) *	231,039

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2011

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance Dec., 31 2010	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2011	MEMO
										Cumulative Total Expenditures
U.S. Dept. of Health and Human Services										*
Passed Through N.J. Dept. of Services:										*
Preakness Gero-Psych Program	93.005	30409	2008	306,070	3,792				3,792	*
Preakness Gero-Psych Program	93.005	30409	2010	338,210	(169,105)	169,105				*
Preakness Gero-Psych Program	93.005	30409	2011	338,210			177,029		(177,029)	*
					(165,313)	169,105	177,029		(173,237)	*
										817,517
Mental Health	93.104	30409	2002	5,703	(297)			297		*
Mental Health	93.104	30409	2004	5,520	1,298			(1,298)		*
Mental Health	93.104	30409	2009	6,000	(4,900)	6,000			1,100	*
Mental Health Crisis Counseling	93.104	30409	2004	6,000	1,298				1,298	*
					(2,601)	6,000		(1,001)	2,398	*
										14,870
Community Services Block Grant	93.569	97-0970	1999	164,500	(20,251)			20,251		*
Community Services Block Grant	93.569	05/3748/00	2005	253,280	99,397				99,397	*
Community Services Block Grant	93.569	06/3748/00	2006	251,737	9,327				9,327	*
Community Services Block Grant	93.569	07/3748/00	2007	251,737	15,147		(456)		15,603	*
Community Services Block Grant	93.569	08/3748/00	2008	262,111	8,977				8,977	*
Community Services Block Grant	93.569	09/3748/00	2009	294,183	(11,618)	10,000	641		(2,259)	*
Community Services Block Grant - ARRA	93.569	09/3748/00	2009	506,349	(360,161)				(360,161)	*
Community Services Block Grant	93.569	09/3748/00	2010	294,183		289,226	279,344		9,882	*
Community Services Block Grant	93.569	09/3748/00	2011	63,739			981		(981)	*
					(259,182)	299,226	280,510	20,251	(220,215)	*
										1,920,458
Community Services Block Grant	93.069	HIPER LINCS 2011	2010	874,411	(403,864)	409,378	454,276		(448,762)	*
Community Services Block Grant	93.069	PHLP LINCS 2012	2012	592,354		490,992	372,301		118,691	*
					(403,864)	900,370	826,577		(330,071)	*
										1,230,441
Federal Office of Justice Programs Passed Through N.J. State Law Enforcement Planning Agency:										*
Juvenile Justice - Partnership	16.540	N/A	2003	184	184				184	*
Juvenile Justice - Partnership	16.540	N/A	2007	501,971	9,251				9,251	*
Juvenile Justice - Partnership	16.540	N/A	2008	509,300	(3,395)		(773)		(2,622)	*
Juvenile Justice - Partnership	16.540	N/A	2009	514,393	34,243		(40,889)		75,132	*
Juvenile Justice - Partnership	16.540	N/A	2010	514,393	(357,450)	435,458	116,651		(38,643)	*
Juvenile Justice - Partnership	16.540	N/A	2011	514,393		40,297	448,158		(407,861)	*
Juvenile Justice - Partnership	16.540	N/A	2012	514,393						*
Passaic County Summer Job Training	16.540	1500-209-994570	2011	20,000		9,260	9,260			*
					(317,167)	475,755	532,407		(364,559)	*
										2,219,415
Federal Office of Justice Programs Passed Through N.J. State Law Enforcement, cont. Planning Agency:										*
Community Justice	N/A	JC-17-09	2009	60,000	(15,356)				(15,356)	*
					(15,356)				(15,356)	*
										60,000
										60,000

COUNTY OF PASSAIC
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2011

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance	Revenue	Grant	Adjustments/	Balance	MEMO	
					Dec., 31 2010	Realized	Expenditures	Canceled	Dec., 31 2011	Cumulative Total Expenditures	
Multi-Juris Narc Task Force	16.738	RJAG-1-16TF-09	2009	235,838	(91,033)	91,033	(448)		448	*	235,390
Multi-Juris Narc Task Force	16.738	RJAG-1-16TF-10	2010	252,964		252,964	252,862		102	*	252,862
Multi-Juris Narc Task Force	16.738	RJAG-1-16TF-11	2011	200,769		23,799	53,500		(29,701)	*	53,500
Megan's Law & LLE Assistance (JAG)	16.738	JAG-1-18LL-09	2009	29,290						*	29,290
Justice Assistance Program	16.738	JAG-1-18LL-10	2010	40,578	40,578				40,578	*	
Justice Assistance Program	16.738	JAG-1-18LL-10	2010	28,755			24,815		(24,815)	*	24,815
Justice Assistance Program	16.738	JAG-1-18LL-11	2011	29,637		29,637	29,637			*	29,637
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	2011	60,000		60,000	60,000			*	60,000
					(50,455)	457,433	420,366		(13,388)	*	685,494
Community Oriented Policing Services COPS	16.575	NJ067ZZ	2009	266,561						*	
Community Oriented Policing Services COPS	16.575	NJ067ZZ	2010	200,000						*	
Victim and Witness Advocacy Fund	16.575	VWAFPS-16	2009	249,000	(47,131)	118,838	71,707			*	249,000
Victim and Witness Advocacy Fund	16.575	VWAFPS-16	2010	58,434	(10,044)	30,880	1,358		19,478	*	38,956
Victim and Witness Advocacy Fund Supplement	16.575	VWAFPS-16	2010	48,020		15,925	24,010		(8,085)	*	24,010
STOP Violence Against Women Act Formula Grant	16.575	N/A	2011	23,370		23,370	17,527		5,843	*	17,527
SART/SANE Program	16.575	FY09-100-066-1020-142	2009	67,655	(1,692)	1,691			(1)	*	65,611
SART/SANE Program	16.575	FY10-100-066-1020-142	2010	67,655		51,200	37,958		13,242	*	37,958
					(58,867)	241,904	152,560		30,477	*	433,062
National Justice Information Sharing (JIS)	16.751		2011	270,084						*	
COPS Technology Grant	16.710	CKWX0278	2010	300,000	(151,892)	298,204	146,312			*	298,204
					(151,892)	298,204	146,312			*	298,204
Other Agencies:											
Solid Waste Tax	66.808	CD9316	2004	209,776	(46,580)			46,580		*	209,776
Solid Waste Tax	66.808	CD9316	2006	314,750	(3)			3		*	314,750
					(46,583)			46,583		*	524,526
Victims of Crime Act Grant	16.575	100-066-1020-142	2007-08	107,966	31,015				31,015	*	76,951
Victims of Crime Act Grant	16.575	100-066-1020-142	2009-2010	360,683		220,652			220,652	*	
					31,015	220,652			251,667	*	76,951
Juvenile Crime Reduction	16.523	FFY07 JAIBG	2007	66,375						*	66,375
Juvenile Crime Reduction	16.523	FFY08 JAIBG	2008	68,745	(35,948)	38,378			2,430	*	55,849
Juvenile Crime Reduction	16.523	FFY09 JAIBG	2009	78,089	(62,663)	15,410	2,497		(49,750)	*	65,160
Juvenile Crime Reduction	16.523	FFY10 JAIBG	2010	60,546			57,182		(57,182)	*	57,182
Juvenile Crime Reduction	16.523	FFY11 JAIBG	2011	56,992						*	
					(98,611)	53,788	59,679		(104,502)	*	244,566
Brownfields Assessment Program	66.818		2003	200,000	(12,291)				(12,291)	*	200,000
Brownfields Assessment Program	66.818		2006	200,000	(30,329)	40,103	67,875		(58,101)	*	195,128
					(42,620)	40,103	67,875		(70,392)	*	395,128

COUNTY OF PASSAIC
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2011

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance	Revenue	Grant	Adjustments/	Balance	MEMO	
					Dec., 31 2010	Realized	Expenditures	Canceled	Dec., 31 2011	Cumulative Total Expenditures	
Other Agencies cont....:											
FTA JARRC	20.516		2007	294,000	17,560				17,560	*	276,440
FTA JARRC	20.516		2008	123,497	(29,247)				(29,247)	*	121,047
FTA JARRC	20.516		2010	210,000	(165,387)	153,335			(12,052)	*	210,000
FTA JARRC	20.516		2011	250,000			250,000		(250,000)	*	250,000
					(177,074)	153,335	250,000		(273,739)	*	857,487
Highway Traffic Safety Grant	20.600		2006	12,500	12,500			(12,500)		*	
					12,500			(12,500)		*	
Homeland Security Grant Program	97.073		2007	1,259,894	79,098	75,124		(1)	154,221	*	1,105,523
Homeland Security Grant Program	97.073		2008	1,638,946	(1,161,979)	1,009,345	182,438		(335,072)	*	1,638,946
Homeland Security Grant Program	97.073		2009	1,496,329	(904,127)		190,262		(1,094,389)	*	1,297,868
Homeland Security Grant Program	97.073		2010	1,273,599			796,748		(796,748)	*	796,748
					(1,987,008)	1,084,469	1,169,448	(1)	(2,071,988)	*	4,839,085
Buffer Zone Protection Program	97.078		2009/11	12,775	(12,718)	12,718				*	12,718
					(12,718)	12,718				*	12,718
National Children's Alliance Support	16.758		2010	10,000	(9,944)				(9,944)	*	9,944
National Children's Alliance Support	16.758		2011	10,000			9,960		(9,960)	*	9,960
					(9,944)		9,960		(19,904)	*	19,904
Over the Limit Under Arrest	20.601		2009	6,000	6,000				6,000	*	
Over the Limit Under Arrest	20.601		2010	9,400	5,000				5,000	*	
Over the Limit Under Arrest	20.601		2011	5,000		5,000			5,000	*	
					11,000	5,000			16,000	*	
Urban Area Security Initiative (UASI) - Fire Decon	97.008		2004	12,500	(6,377)				(6,377)	*	11,877
Urban Area Security Initiative (UASI) Planner Grant	97.008		2008	306,067	(76,973)	82,343			5,370	*	300,681
Urban Area Security Initiative (UASI) Public Health	97.008		2009	126,681	(28,053)	31,286		(1)	3,232	*	123,096
Urban Area Security Initiative (UASI) Projects	97.008		2009	1,309,162	(498,253)	568,161	144,078		(74,170)	*	1,116,279
Urban Area Security Initiative (UASI) Projects	97.008		2010	487,000		50,258	81,500		(31,242)	*	81,500
					(609,656)	732,048	225,578	(1)	(103,187)	*	1,633,433
Click it or Ticket	20.602		2006	4,000	8,000			(8,000)		*	4,000
Click it or Ticket	20.602		2010	4,000	4,000				4,000	*	
Click it or Ticket	20.602		2011	4,000		4,000			4,000	*	
					12,000	4,000		(8,000)	8,000	*	4,000
Pre-Disaster Mitigation Grant			2007	225,000	(224,988)	225,000			12	*	224,988
					(224,988)	225,000			12	*	224,988
Emergency Management Performance Grant (FEMA)	97.042		2011	50,000		50,000	50,000			*	50,000
Logistics & Commodities Distribution Plan	97.042		2011	33,685		33,685			33,685	*	
						83,685	50,000		33,685	*	50,000

COUNTY OF PASSAIC
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2011

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award					Balance Dec., 31 2011	MEMO Cumulative Total Expenditures	
					Balance Dec., 31 2010	Revenue Realized	Grant Expenditures	Adjustments/ Canceled			
Other Agencies cont....:											
Emergency Operations Center Grant	97.052		2011	250,000					*		
									*		
MRC Capacity Building Award	93.008		2009	10,000	100			100	*	9,900	
MRC Capacity Building Award	93.008		2010	5,000	3,284		3,284		*	5,000	
MRC Capacity Building Award	93.008		2011	5,000		5,000	4,275	725	*	4,275	
					3,384	5,000	7,559	825	*	19,175	
Business Retention and Expansion Program	59.000		2010	125,000			16,960	(16,960)	*	16,960	
							16,960	(16,960)	*	16,960	
Subregional Transportation FY08	20.505	N/A	FY08	122,816	(1,693)			(1,693)	*	122,816	
Subregional Transportation FY09	20.505	N/A	FY09	123,019	19,037			19,037	*	103,982	
Subregional Transportation FY10	20.505	N/A	FY10	123,019	253			253	*	122,766	
Subregional Transportation FY11	20.505	N/A	FY11	98,415	(844)	55,697	37,331	17,523	*	4,773	
Subregional Transportation FY12	20.505	N/A	FY12	98,415		63,994		63,994	*		
Subregional Internship Support Program	20.505	93-TC-NJI-C048	FY09	6,300		5,158		5,158	*		
Subregional Internship Support Program	20.505	93-TC-NJI-C048	FY10	15,000	(8,355)	10,028	6,645	(4,972)	*	15,000	
History and Tourism Plan	20.505	N/A	FY11	160,000					*		
					8,398	134,877	43,976	1	99,300	*	369,337
Farmer's Market Nutrition Program	10.576	10-147-WIC-L-0	2010	2,000	574		574		*	2,000	
Farmer's Market Nutrition Program	10.576	10-147-WIC-L-0	2011	2,000		2,000	2,000		*	2,000	
					574	2,000	2,574		*	4,000	
Replacement of Hillery Street Bridge			07-04	9,515,000	(227,064)			(90,814)	*	9,515,000	
Wet Reflective Tape			08-03	302,613	(302,613)			(302,613)	*	302,613	
2009 Road Resurfacing Program-ARRA			09-01	9,286,537	(6,283,620)	5,085,097	1,927,652	(65,492)	*	9,286,537	
					\$ (6,065,420)	27,845,705	28,987,797	968,856	*	119,472,318	

COUNTY OF PASSAIC

Schedule 2

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance	MEMO Cumulative Total Expenditures
				Dec., 31 2010				Dec., 31 2011	
State Programs									
Senior Citizen and Disabled Resident Transportation									
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2009	2,647,300	347,794		220		347,574 *	2,423,516
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2010	1,364,566	(1,148,645)	1,364,566	(63,189)		279,110 *	1,148,645
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2011	1,313,383		200,048	1,028,939		(828,891) *	1,028,939
				(800,851)	1,564,614	965,970		(202,207) *	4,601,100
State Department of Transportation:									
Two Bridges Road	6320-480-078-6320-496	99-20	650,000	(100,344)				(100,344) *	650,000
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	724,619	24,782		2,027		22,755 *	688,908
Hurricane Floyd - Cedar Grove Road Wall	6320-480-078-6320-496	01-32	444,000	(444,000)				(444,000) *	444,000
Goffle Brook Stabilization	6320-480-078-6320-496	02-13	392,500	(103,404)		125,580		(228,984) *	261,085
Restoration of Lambert Castle	6320-480-078-6320-496	02-27	1,000,000	(401,040)				(401,040) *	1,000,000
West Broadway Bridge PC#17	6320-480-078-6320-496	03-24	350,000	(9,783)				(9,783) *	350,000
Goffle/Weasel Brook Park	6320-480-078-6320-496	03-25	170,000	(170,000)				(170,000) *	170,000
Imp to Paterson/Hamburg Turnpike	6320-480-078-6320-496	04-01	2,500,000	1,212,979	250,000	2,500,000		(1,037,021) *	537,021
Clove Road/Long Hill Road & Hazel Street	6320-480-078-6320-496	05-11	579,000	(845,477)				(845,477) *	579,000
Bridge Replacement and/or Repair	6320-480-078-6320-496	06-06	582,364	(472,926)				(472,926) *	582,364
2006 Various Road Improvements	6320-480-078-6320-496	06-07	3,791,000	3,248,358		29,710		3,218,648 *	542,642
Paterson/Hamburg Turnpike/Jackson Avenue Imp	6320-480-078-6320-496	07-08	1,600,000	1,088,515		21,342		1,067,173 *	511,485
Barbour Pond Improvements & Lambert Castle Const.	6320-480-078-6320-496	07-09	250,000	(41,565)				(41,565) *	41,565
Black Oak Ridge/Pompton Road Improvements	6320-480-078-6320-496	07-11	1,000,000	1,000,000				1,000,000 *	
Hurricane Floyd	6320-480-078-6320-496	01-04	1,000,000	72,852				72,852 *	927,148
Chapter 12, Passaic County Community College	6320-480-078-6320-496	99-14	1,000,000	(863,508)				(863,508) *	1,000,000
Renovation to Market Street	6320-480-078-6320-496	00-06	500,000	(500,000)				(500,000) *	500,000
Rehab of Paterson-Hamburg Tkp Bridge	6320-480-078-6320-496	00-15	300,000	(260,705)				(260,705) *	300,000
Jughandle from Paterson-Hamburg Tkp to Hinchman	6320-480-078-6320-496	00-20	500,000	(85,702)		223,472		(309,174) *	120,828
Study and Improvement to Hazel Street	6320-480-078-6320-496	00-44	230,000	(122,949)				(122,949) *	230,000
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	350,000	(10,088)				(10,088) *	350,000
Imp to Paterson/Hamburg Turnpike & Jackson Ave	6320-480-078-6320-496	04-03	614,317	(614,317)	614,317			*	614,317
Imp to Crooks Ave & Wabash Ave Drainage	6320-480-078-6320-496	04-04	1,000,000	47,642		459		47,183 *	952,358
Imp to Guide Rails & Reflective Marking Tape	6320-480-078-6320-496	05-11	157,400	(5,000)				(5,000) *	157,400
West Broadway/Passaic River Bridge PC#17	6320-480-078-6320-496	05-11	4,900,000	1,208,704				1,208,704 *	4,900,000
2006 Various Road Improvements	6320-480-078-6320-496	06-07	224,500	(224,500)				(224,500) *	224,500
Union Valley Road, PC #434	6320-480-078-6320-496	08-03	1,900,000	(616,960)	1,866,439			1,249,479 *	616,960
President Street, PC #53	6320-480-078-6320-496	08-03	200,000		12,950			12,950 *	
Two Bridges Road Bridge	6320-480-078-6320-496	08-03	249,965		137,682			137,682 *	
Greenwood Lake Turnpike	6320-480-078-6320-496	08-03	223,000	207,168	15,832			223,000 *	
Paterson Hamburg Turnpike/Jackson Avenue	6320-480-078-6320-496	08-03	1,100,000	(1,100,000)	1,100,000			*	1,100,000
Hazel Street Construction, CR 702	6320-480-078-6320-496	08-03	4,200,000	(625,986)				(625,986) *	625,986
Black Oak Ridge Road/Pompton Planes Cross Road	6320-480-078-6320-496	08-03	900,000					*	

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COUNTY OF PASSAIC

Schedule 2

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance	Revenue	Grant	Adjustments/	Balance	MEMO
				Dec., 31 2010	Realized	Expenditures	Canceled	Dec., 31 2011	Cumulative Total Expenditures
Bridge Replacement and/or Repairs	6320-480-078-6320-496	09-05	5,900,000	(873,282)	3,735,693			2,862,411 *	1,509,709
2006 Various Road Improvements	6320-480-078-6320-496	09-05	5,024,000	(816,469)	128,809			(687,660) *	816,469
Rehabilitation and Reconstruction of Dey Mansion	6320-480-078-6320-496	10-03	1,239,475			4,219		(4,219) *	
Pennington Ave Culvert	6320-480-078-6320-496	10-08	150,000					*	
Local Bridges - Warburton Ave/Goffle Brook, PC 81	6320-480-078-6320-496	10-08	1,000,000					*	
Moorestown Road	6320-480-078-6320-496	10-08	200,000					*	
Squirrelwood Road	6320-480-078-6320-496	10-08	1,250,000					*	
Black Oak Ridge Road/Jackson Avenue Signal Replaceme	6320-480-078-6320-496	10-08	320,000					*	
McBride/Hillery Street Improvements	6320-480-078-6320-496	10-08	550,000			337,137		(337,137) *	
Resurfacing of Various Roads	6320-480-078-6320-496	10-08	3,036,000		2,312,838	3,036,000		(723,162) *	
Fairlawn Avenue Bridge	6320-480-078-6320-496	10-08	600,000					*	
Two Bridges Road/West Belt	6320-480-078-6320-496	10-08	1,686,900					*	
West Brook Road/Wanaque Reservoir, PC 491	6320-480-078-6320-496	10-08	300,000					*	
Eighth Street Bridge Rehabilitation	6320-480-078-6320-496	10-08	2,019,250		623,573			623,573 *	
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	20,400,000					*	
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	1,000,000					*	
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	124,000					*	
Resurfacing of Various Roads	6320-480-078-6320-496	11-04	4,200,000					*	
BFA Construction & Financing Grant								*	
Vocational School Long Range Facilities Plan Projects		05-12	7,505,998	(37,530)				(37,530) *	7,505,998
				(1,234,535)	10,798,133	6,279,946		3,283,652 *	28,809,743
Department of Health and Senior Services:								*	
Tobacco Enforcement Program	100-046-4240-168	2008	24,000	(7,130)	6,900			(230) *	18,050
				(7,130)	6,900			(230) *	18,050
Homeless Grant	100-054-7550-049	2009	975,938	2				2 *	973,548
Homeless Grant	100-054-7550-049	2010	1,086,544	(9,601)	11,635	1,618		416 *	1,086,128
Homeless Grant	100-054-7550-049	2011	907,294		887,294	907,163		(19,869) *	907,163
Homeless Grant	100-054-7550-049	2012	907,294					*	
				(9,599)	898,929	908,781		(19,451)	2,966,839
Special Initiative & Transportation	100-054-7550-308	2005	1,589,795	(47,881)				(47,881) *	1,380,218
Special Initiative & Transportation	100-054-7550-308	2006	1,328,700	(66,470)		(46,130)		(20,340) *	1,258,358
Special Initiative & Transportation	100-054-7550-308	2007	1,284,950	(2,873)				(2,873) *	1,240,195
Special Initiative & Transportation	100-054-7550-308	2008	1,238,420	(10,339)		(8,444)		(1,895) *	1,195,326
Special Initiative & Transportation	100-054-7550-308	2009	1,030,043	16,285				16,285 *	980,353
Special Initiative & Transportation	100-054-7550-308	2010	506,143	(110,103)	177,363	67,260		*	501,340
Special Initiative & Transportation	100-054-7550-308	2011	404,914		101,229	140,417		(39,188) *	140,417
				(221,381)	278,592	153,103		(95,892) *	6,696,207

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COUNTY OF PASSAIC

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Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance	Revenue	Grant	Adjustments/	Balance	MEMO
				Dec., 31 2010	Realized	Expenditures	Canceled	Dec., 31 2011	Cumulative Total Expenditures
Department of Health and Senior Services cont....:									
Family Court Services	100-066-1500-021	2009	282,634	23,916		(918)		24,834	* 257,800
Family Court Services	100-066-1500-021	2010	282,634	(138,148)	193,588	55,438		2	* 193,586
Family Court Services	100-066-1500-021	2011	282,634			202,824		(202,824)	* 202,824
Family Court Services	100-066-1500-021	2012	282,634						* 202,824
				(114,232)	193,588	257,344		(177,988)	* 654,210
21st Century Community Learning	100-034-5060-075	2009	500,000	6,327		(786)		6,327	* 427,933
21st Century Community Learning	100-034-5060-075	2010	500,000	(497,520)	491,830	(786)		(4,904)	* 496,734
21st Century Community Learning	100-034-5060-075	2011	500,000			247,539		(247,539)	* 247,539
				(491,193)	491,830	246,753		(246,116)	* 1,172,206
NJ Department of Community Affairs:									
Universal Service Fund	100-022-8030-B13	2008	53,750	52,250					* 1,500
Universal Service Fund	100-022-8030-B13	2009	113,124	105,625			1	105,626	* 7,498
Universal Service Fund	100-022-8030-B13	2010	133,622	121,475		52,438		69,037	* 52,438
Universal Service Fund	100-022-8030-B13	2011	44,699		44,699	27,490		17,209	* 27,490
				279,350	44,699	79,928	1	244,122	* 88,926
Sharing Available Resources Efficiently (SHARE)	100-022-8030-658	2010/11	98,050	(64,249)	75,724	27,000		(15,525)	* 97,000
				(64,249)	75,724	27,000		(15,525)	* 97,000
Camp Hope Kids Corner	100-022-8050-035	2010	10,300			1,186		(1,186)	* 1,186
						1,186		(1,186)	* 1,186
NJ Department of Environmental Protection:									
Recycling Enhancement Act	758-042-4960-2001	2009	324,000	115,139		113,139		2,000	* 322,000
Recycling Enhancement Act Bonus Grant	758-042-4960-2001	2010	221,400		221,400	1,590		219,810	* 1,590
Recycling Enhancement Act	758-042-4960-2001	2011	540,000		540,000	137,338		402,662	* 137,338
				115,139	761,400	252,067		624,472	* 460,928
Radon Awareness Program	100-042-4820-4CBC	2010	1,000						* 999
Radon Awareness Program	100-042-4820-4CBC	2011	1,000		999	999			* 999
Radon Awareness Program	100-042-4820-4CBC	2012	1,000						* 999
					999	999			* 999
C.E.H.A. - 2010	100-042-4855-001	2010	200,323	(45,671)	83,352	37,646		35	* 235,548
C.E.H.A. - 2011	100-042-4855-001	2011	229,968		148,965	229,968		(81,003)	* 229,968
				(45,671)	232,317	267,614		(80,968)	* 465,516
Molly Ann Brook Rain Barrel Initiative - Watershed	100-066-1421-018	2009	100,000	(18,077)	17,685	11,149		(11,541)	* 80,991
				(18,077)	17,685	11,149		(11,541)	* 80,991

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Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance	MEMO Cumulative Total Expenditures
				Dec., 31 2010				Dec., 31 2011	
NJ Department of Environmental Protection cont....:									
Clean Communities	765-042-4900-005	2006	37,652				341	341 *	37,311
Clean Communities	765-042-4900-005	2007	47,103	1,489		1,086		403 *	46,700
Clean Communities	765-042-4900-005	2008	47,831	4,508		3,258		1,250 *	46,581
Clean Communities	765-042-4900-005	2009	60,756	7,827		6,544		1,283 *	59,473
Clean Communities	765-042-4900-005	2010	63,492	18,347		4,099		14,248 *	49,244
Clean Communities	765-042-4900-005	2011	62,758		62,758			62,758 *	
				<u>32,171</u>	<u>62,758</u>	<u>14,987</u>	<u>341</u>	<u>80,283</u> *	<u>239,309</u>
Other State Agencies:									
Municipal Alliance	100-082-C01-044	2006	566,876	803				803 *	566,073
Municipal Alliance	100-082-C01-044	2007	604,535	7,793				7,793 *	530,847
Municipal Alliance	100-082-C01-044	2008	586,166	(16,966)				(16,966) *	520,892
Municipal Alliance	100-082-C01-044	2009	553,900	(254,130)	253,922	(261)		53 *	508,849
Municipal Alliance	100-082-C01-044	2010	553,900	(520,585)	107,212	(37,704)		(375,669) *	482,881
Municipal Alliance	100-082-C01-044	2011	553,900		367,687	523,559		(155,872) *	523,559
Municipal Alliance	100-082-C01-044	2012	553,900					*	
				<u>(783,085)</u>	<u>728,821</u>	<u>485,594</u>		<u>(539,858)</u> *	<u>3,133,101</u>
Bio-Terrorism Grant	100-046-6120-357	2004	499,840	(17,394)			17,394	*	499,840
Bio-Terrorism Grant	100-046-6120-357	2009	785,902	(113)				(113) *	775,727
Bio-Terrorism Grant	100-046-6120-357	2010	814,411	22,587		(43,393)		65,980 *	748,431
				<u>5,080</u>		<u>(43,393)</u>	<u>17,394</u>	<u>65,867</u> *	<u>2,023,998</u>
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2008	8,709			(1,584)		1,584 *	8,551
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2010	6,729	6,729				6,729 *	
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2011	7,316		7,316			7,316 *	
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2008	55,165	8,762		8,690		72 *	55,093
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2009	12,904	12,904		12,870		34 *	12,870
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2010	47,493	47,493				47,493 *	
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2011	42,763		42,763			42,763 *	
				<u>75,888</u>	<u>50,079</u>	<u>19,976</u>		<u>105,991</u> *	<u>76,514</u>
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2007	812,277	(402,108)			402,108	*	812,277
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2008	784,732	9,212				9,212 *	774,597
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2009	899,367	179,293				179,293 *	720,074
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2010	764,744	(151,471)	208,782	52,286		5,025 *	759,719
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2011	732,993		511,744	714,264		(202,520) *	714,264
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2012	751,699					*	
				<u>(365,074)</u>	<u>720,526</u>	<u>766,550</u>	<u>402,108</u>	<u>(8,990)</u> *	<u>3,780,931</u>
NJSP Exercise Pass-Thru CY03 EOP	N/A	2003	46,540	46,540			(46,540)	*	
				<u>46,540</u>			<u>(46,540)</u>	*	

COUNTY OF PASSAIC

Schedule 2

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance	Revenue	Grant	Adjustments/	Balance	MEMO	
				Dec., 31 2010	Realized	Expenditures	Canceled	Dec., 31 2011	Cumulative Total Expenditures	
Work First ABAED	7550-150-158010-63	FY97/98		(89,402)			89,402	*		
Work First TANF	7550-150-158010-63	FY99/00	1,196,527	(22,214)			22,214	*	1,196,527	
Work First NJ	7550-150-158010-63	FY10/11	7,682,259		5,601,986	6,037,690		(435,704)	*	6,037,690
Work First NJ	7550-150-158010-63	FY11/12	6,610,560					*		
				(111,616)	5,601,986	6,037,690	111,616	(435,704)	*	7,234,217
Child Behavioral Health Services	100-016-1620-013	2010	182,064	2,958		2,958		*	182,064	
Child Behavioral Health Services	100-016-1620-013	2011	158,456		145,251	158,456		(13,205)	*	158,456
Child Behavioral Health Services	100-016-1620-013	2012	158,456					*		
				2,958	145,251	161,414		(13,205)	*	340,520
Insurance Fraud Reimbursement Program	100-1020-066-102	2010	250,000	(54,050)	54,050			*	250,000	
Insurance Fraud Reimbursement Program	100-1020-066-102	2011	250,000		217,933	250,000		(32,067)	*	250,000
				(54,050)	271,983	250,000		(32,067)	*	500,000
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2005	41,435	4,851		(6)		4,857	*	36,578
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2006	52,375	52,375				52,375	*	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2007	61,915	61,915				61,915	*	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2008	48,990	48,990				48,990	*	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2009	9,943	9,943				9,943	*	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2010	57,487		57,487			57,487	*	
				178,074	57,487	(6)		235,567	*	36,578
Emergency 9-1-1 General Assistance Grant	09-E-16-520	2009	52,863	7,766		4,333		3,433	*	49,430
Emergency 9-1-1 Coordinator	09-E-16-520	2009	25,000	16,158				16,158	*	8,842
				23,924		4,333		19,591	*	58,272
Smart Growth Grant	N/A	1997	125,000	13,647			(13,647)	*	125,000	
Smart Growth Grant	00-6334-00	2000	125,500	121,965			(121,965)	*	125,500	
Smart Growth Grant	N/A	2001	125,500	500			(500)	*	125,000	
				136,112			(136,112)	*	375,500	
Community Emergency Response Team (CERT)	100-066-1200-851-YEMR-6110	2006	8,500	8,005				8,005	*	495
				8,005				8,005	*	495
State Aid Emergency Preparedness	100-066-1005-003	2010	150,000	(36,713)	150,000	113,287		*	150,000	
				(36,713)	150,000	113,287		*	150,000	
County Right to Know Program	LOA 92-2244-RTK-00	2010	15,213	3,803	11,410	15,213		*	15,213	
County Right to Know Program	LOA 92-2244-RTK-00	2011	15,213		3,803	15,213		(11,410)	*	15,213
				3,803	15,213	30,426		(11,410)	*	30,426

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COUNTY OF PASSAIC

Schedule 2

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance	MEMO Cumulative Total Expenditures
				Dec., 31 2010				Dec., 31 2011	
Other State Agencies cont....:									
State Incentive Program	SIP-07-PS-16	2007	588,619	106,277				106,277 *	482,342
State Incentive Program	SIP-08-PS-16	2008	598,969	71,947				71,947 *	527,022
State Incentive Program	SIP-09-PS-16	2009	598,969	30,098		(16,501)		46,599 *	555,508
State Incentive Program	SIP-09-PS-16	2010	240,124	(25,678)		75		(25,753) *	25,678
				<u>182,644</u>		<u>(16,426)</u>		<u>199,070 *</u>	<u>1,590,550</u>
Paris Grant Records Management	100-074-2545-033-6110	2007	213,120	35,252				35,252 *	177,868
Paris Grant DSMS Portal Electronic Recording	100-074-2545-033-6110	2007	199,025	(35,087)				(35,087) *	199,025
Paris Grant Records Management	100-074-2545-033-6110	2009	153,339	(52,078)	52,995			917 *	211,064
				<u>(51,913)</u>	<u>52,995</u>			<u>1,082 *</u>	<u>587,957</u>
Customized Training Program	780-062-4545-003-N729-6140	2006	13,462	13,462			(13,462)	*	
				<u>13,462</u>			<u>(13,462)</u>	*	
Clean Energy	100-022-8050-B15-FCMP-6130	2007	150,000	22,450				22,450 *	127,550
				<u>22,450</u>				<u>22,450 *</u>	<u>127,550</u>
Passaic County Master Plan: Trans Element		2009	240,000	265,201	6,126	207,910		63,417 *	174,362
				<u>265,201</u>	<u>6,126</u>	<u>207,910</u>		<u>63,417 *</u>	<u>174,362</u>
NJIT		2011	3,072		3,072			3,072 *	
NJIT		2011	2,992		2,992			2,992 *	
					<u>6,064</u>			<u>6,064 *</u>	
BMPG-Commodity		2010	33,685	33,685				33,685 *	
				<u>33,685</u>				<u>33,685 *</u>	
								*	
Total State Programs				<u>(2,984,883)</u>	<u>23,234,699</u>	<u>17,484,182</u>	<u>335,346</u>	<u>3,100,980 *</u>	<u>66,574,181</u>
Local Programs:									
Passaic County Open Space Trust									
Goffle/Weasel Brook Park	N/A	03-25	630,000	354,675				354,675 *	18,420
Goffle Brook Stabilization Project	N/A	03-29	200,000	200,000				200,000 *	
Stabilization Improvements of Goffles Brook Park	N/A	07-07	200,000	200,000				200,000 *	
Barbour Pond Improvements & Lambert Castle Const.	N/A	07-09	250,000	250,000				250,000 *	
Garrett Mtn Trail Imp, Lambert Castle Roof	N/A	07-09	250,000	250,000				250,000 *	
Lambert Tower Reconstruction & Rehabilitation	N/A	08-05	1,850,000	1,850,000				1,850,000 *	
County Aid								*	
Passaic County Film Festival - 2011	N/A	2011	1,130		1,130	1,130		*	
Passaic County Film Festival - 2012	N/A	2012	1,420					*	
Passaic County Training Consortium - ISO 9001	N/A	2008	124,500					*	124,000

COUNTY OF PASSAIC

Schedule 2

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2011

<u>Program Description</u>	<u>State Program / Account No.</u>	<u>Grant Period</u>	<u>Total Grant Award</u>	<u>Balance</u>	<u>Revenue</u>	<u>Grant</u>	<u>Adjustments/</u>	<u>Balance</u>	<u>MEMO</u>
				<u>Dec., 31 2010</u>	<u>Realized</u>	<u>Expenditures</u>	<u>Canceled</u>	<u>Dec., 31 2011</u>	<u>Cumulative Total Expenditures</u>
Total Local Programs				3,104,675	1,130	1,130		3,104,675	* 124,000
Total State and Local Programs				\$ 119,792	23,235,829	17,485,312	335,346	6,205,655	* 66,698,181

COUNTY OF PASSAIC
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

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	\$18,096,861	\$11,204,236	\$1,130	\$29,302,227
Housing and Urban Development				
Grant Fund	8,963,284			8,963,284
General Capital Fund	<u>1,927,652</u>	<u>6,279,946</u>		<u>8,207,598</u>
	<u>\$28,987,797</u>	<u>\$17,484,182</u>	<u>\$1,130</u>	<u>\$46,473,109</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, 2011, 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>
Dept. of Environmental Protection		
Green Acres Loan Program	4800-533-851000-60	\$799,777
Green Trust Loan Program	4800-533-851000-60	<u>447,004</u>
		<u>\$1,246,781</u>

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

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: \$ 869,634

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>
93.069 (A)	HIPER LINCS
93.043 (A)	Aging Area Plan Grant
81.042 (B)	Weatherization Assistance Program
14.218 (A)	Community Development Block Grant
97.073 (A)	Homeland Security Grant
20.205 (A)	2009 Road Resurfacing Program - ARRA

Note: (A) - Tested as Major Type A Program.
(B) - Tested as Major Type B Program.

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)**

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

State Awards Section

Dollar threshold used to determine type A programs: \$ 524,525

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:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>100-046-4219-024</u> (A)	<u>Alcohol/Drug Abuse Grant</u>
<u>100-082-C001-044</u> (B)	<u>Municipal Alliance</u>
<u>491-078-6050-001</u> (A)	<u>Casino Revenue</u>
<u>100-054-7550-049</u> (A)	<u>Homeless Grant</u>
<u>6320-480-078-6320-496</u> (A)	<u>Department of Transportation - Resurfacing of Various Roads</u>

Note: (A) - Tested as Major Type A Program.
(B) - Tested as Major Type B Program.

COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)

Section II - Schedule of Financial Statement Findings

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

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.

COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(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

None

**COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

GENERAL COMMENTS

Contracts and Agreements

N.J.S.A. 40A:11-3 states:

- a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. 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 subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.
- c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A. 40A:11-4 states:

- a. 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 of specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)

Effective July 1, 2010, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$26,000 and with a qualified purchasing agent the threshold may be up to \$36,000. On January 27, 2008, the County increased the bid threshold to \$36,000 as allowed by law for having a qualified purchasing agent.

The governing body of the County has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal 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:

2010-2011 Re-Bid Hardware Supplies	Roof Replacement Project 2011
Elevator Maintenance and Services	Police Vehicles
Pest Control	2011 Re-bid Artwork
Pharmaceutical Services	2011 Handrails and Wall Guards
2010-2011 Re-Bid electric Supplies	2011-12 Snow Plowing
2010-2011 Re-Bid Plumbing Supplies	#6 Liquid Calcium Chloride
Pump repairs	Respiratory Services for Preakness Health Center
Repairs to Fairlawn Avenue Bridge	2012 Electrical Supplies
Pothole and Asphalt Repair	Uniforms for Various Departments
2011 Guiderail Program	2012 Frozen Foods
2010 County Aid Roadway Resurfacing	2012 Hardware Supplies
Asbestos removal	Security Services
2010 County Funded Roadway Resurfacing	Re-bid Preventative Maintenance for air conditioning and heating
2011 Janitorial Supplies	Printing services - election ballot design
New Signage System	2012 Frozen Foods
2011 Fertilizer and Chemical Materials	2012 Hardware Supplies
2011 White/Dry Goods	Preparation of indirect cost documents
Nutrition Services	Cost reporting and reimbursement consulting services for Preakness
Road Materials District II	Juvenile GPS and Alcohol electronic monitoring
2011 Milk and Other Dairy Products	2012 Printing services
Disposable Paper Products	2012 Bread Bid
Medical and Dental Supplies & Equipment	2012 Groceries Bid
Replacement of Preakness Unit I underground storage tanks	Re-bid Install Fence and Gates
2011-13 Printing services	
2011-12 Steel Bid	
2011 Pavement Making Program	

COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)

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 the Liability Claims Account revealed that the activity is not being posted to the general ledger. It is recommended that all activity be posted to the general ledger as required by Technical Accounting Directive 86-3.

Our audit of the Liability Claims Account revealed that 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 in a timely manner.

Our audit of the Finance Department's Account Payable revealed that some purchases were ordered prior to being encumbered. It is recommended that all purchase requisitions be encumbered prior to ordering.

Our audit of the Human Resource Department discovered that annual salary adjustments and voluntary compensation deductions were not always approved through Human Resources, updated to represent the actual payroll and deduction for some employees, or maintained as legal documentation in the personnel files. It is recommended that all salary adjustments and changes to voluntary deferred compensation contributions be approved through Human Resources, updated to represent the approved salary and adjusted contributions, and proper documentation be inserted into personnel files for each update or change, prior to allowing computerized payroll records to be changed.

**COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)**

COMMENTS

Finance/Treasurer

1. Not all transfers were made in accordance with N.J.S. 40A:4-45.1.
2. Expenditures charged against the workers compensation line item were not posted in a timely manner.
3. The general ledger is not being utilized for the Workers' Compensation Trust Fund Claims Account.
4. Reimbursements to the Engineering Other Expense legal line item from Special Emergency Appropriations were in excess of actual expenditures in the amount of \$203,510.
5. Cash transactions are being carried as reconciling items and are not posted to the general ledger in a timely manner.
6. Capital Fund Grant Receipts are not always being posted to the proper general ledger account.
7. Debt principal and interest payments are being charged to incorrect budget accounts.
8. Detailed open purchase orders were not cancelled in a timely manner.
9. There were amounts paid to vendors that did not agree to invoices.
10. The Net Payroll Account is not being reconciled.
11. The General Fixed Asset Account Group was not updated for December 31, 2011 as required by N.J.A.C. 5:30-5.6.
12. The County did not maintain a current actuarial report as required by GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

Parks Department

1. The contracted vendor for park department concession is more than six months (December 2010-December 2011) delinquent in payments to the County.

Preakness Hospital

1. A cash receipt ledger is not being maintained.

Payroll

1. There was an instance of an employee not paid at the correct step.
2. The net payroll and payroll agency accounts are not being reconciled on a monthly basis.

Procurement Center

1. There were Bid Documents not available for review.

**COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)**

RECOMMENDATIONS

Finance/Treasurer

1. That all transfers be made in accordance with N.J.S. 40A4:-45.1.
2. That all expenditures be posted when cash transfers are made.
3. That activity for all accounts be posted to the general ledger.
4. That reimbursed expenditures for emergency appropriations agree to actual amounts expended.
5. That all transactions be researched and properly posted to the general ledger on a monthly basis.
6. More care is required to research the origin of each grant receipt to record the transaction the proper general ledger account.
7. That all expenditures be review and charged to the correct budget account.
8. That open purchase orders be reviewed and cancelled in a timely manner.
9. That more care be taken to ensure accuracy of payment of bills.
10. That the Net Payroll account be reconciled.
11. The County maintain a record of general fixed assets and update the report annually.
12. That a bi-annual actuarial report be completed for retired employees as required by GASB Statement No. 45.

Parks Department

1. The contracts for concessions be reviewed and delinquent amounts be reviewed for collectability

Preakness Hospital

1. That supporting documentation for receipts be available and a ledger be maintained.

Payroll

1. That care is taken to ensure employees are being paid accurately.
2. That the net payroll and payroll agency account be reconciled monthly.

Procurement Center

1. That Bids Documents are kept on file for review.

**COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011
(continued)**

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 (*).

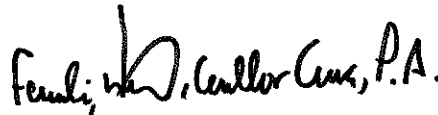
The problems and weaknesses noted in our audit were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

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

October 9, 2012