

REPORT OF AUDIT
COUNTY OF PASSAIC
STATE OF NEW JERSEY
DECEMBER 31, 2013

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, 2013**

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

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkocz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
973-835-7900
Fax 973-835-6631

Newton Office
100B Main Street
Newton, N.J. 07860
973-579-3212
Fax 973-579-7128

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the County of Passaic in the State of New Jersey, as of December 31, 2013 and 2012, the related statement 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Community Development Grant Fund as of December 31, 2013 and 2012 which represents 12.3 percent and 12.8 percent, respectively, of the assets of the Trust Fund for the years then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Community Development Grant Fund, is based solely upon the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community



Affairs, State of New Jersey (the "Division"), and the standards applicable to 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the County of Passaic on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County of Passaic as of December 31, 2013 and 2012, or changes in financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis Accounting Principles

The County did not maintain a current actuarial report as required by Government 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.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “*Basis for Qualified Opinion on Regulatory Basis Accounting Principles*”, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2013 and 2012, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2013 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Passaic’s basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing

standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2014 on our consideration of the County of Passaic's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Passaic's internal control over financial reporting and compliance.



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



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

July 15, 2014

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2013 and 2012

	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 44,682,553	45,731,865
Investments	A-4	511,158	508,889
Change Fund	A-5	675	675
Cash - Fiscal Agent for Health Benefits		<u>570,000</u>	<u>570,000</u>
		<u>45,764,386</u>	<u>46,811,429</u>
Receivables and Other Assets with Full Reserves:			
Revenue Accounts Receivable	A-8	660,376	753,779
Amount Due from:			
Net Payroll	A-9	4,941	4,810
Confiscated Trust Fund	A-9	226	3,229
Community Development Trust Fund	A-9	<u>10,399</u>	<u>10,399</u>
		<u>675,942</u>	<u>772,217</u>
Deferred Charges:			
Overexpenditure of Appropriations	A-18	80,422	80,422
Overexpenditure of Trust Fund Reserves	A-18	36,360	
Emergency Appropriations	A-18	7,500,000	
Special Emergency Authorization	A-19	<u>3,388,833</u>	<u>4,518,444</u>
		<u>11,005,615</u>	<u>4,598,866</u>
		<u>57,445,943</u>	<u>52,182,512</u>
Federal and State Grant Fund:			
Grants Receivable	A-7	52,161,778	42,813,361
Due from Current Fund	A-17	<u>1,589,135</u>	<u>148,274</u>
		<u>53,750,913</u>	<u>42,961,635</u>
Total Assets		<u>\$ 111,196,856</u>	<u>95,144,147</u>

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2013 and 2012

	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-10	\$ 11,516,412	11,855,033
Accounts Payable	A-11	516,364	515,894
Encumbrances Payable	A-12	5,949,551	5,720,479
Emergency Note Payable	A-20	7,500,000	
Due to State & Federal Grants Fund	A-9	1,589,135	148,274
Due to Other Trust Fund	A-9	443,991	215,486
Due to General Capital Fund	A-9	2,186	2,003,630
Due to Self-Insurance Trust	A-9		41
Miscellaneous Reserves	A-15	2,901,055	3,539,409
		<u>30,418,694</u>	<u>23,998,246</u>
Reserve for Receivables	Contra	675,942	772,217
Fund Balance	A-1	26,351,307	27,412,049
		<u>57,445,943</u>	<u>52,182,512</u>
Federal and State Grant Fund:			
Accounts Payable	A-11		43,010
Commitments Payable	A-13	19,887,217	11,127,758
Reserve for State and Federal Grants - Appropriated	A-14	33,792,028	31,783,034
Reserve for State and Federal Grants - Unappropriated	A-16	71,668	7,833
		<u>53,750,913</u>	<u>42,961,635</u>
Total Liabilities, Reserves and Fund Balance		\$ <u>111,196,856</u>	<u>95,144,147</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, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 18,000,000	20,000,000
Miscellaneous Revenue Anticipated	136,377,459	116,340,412
Receipts from Current Taxes	310,795,236	304,999,886
Non-Budget Revenue	2,955,300	2,762,573
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	2,201,872	6,669,189
Prior Year Interfunds Returned	3,003	4,810
Cancellation of Liabilities	48,010	2,058,879
Cancellation of Appropriated Grants	3,971,592	394,507
Total Revenues and Other Income	<u>474,352,472</u>	<u>453,230,256</u>
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	130,182,972	129,079,453
Other Expenses	231,600,442	206,841,204
Capital Improvement Fund	700,000	700,000
Debt Service	55,837,267	52,279,217
Deferred Charges and Statutory Expenditures	43,947,225	44,101,442
Interfunds and Receivables Originating in Current Fund	72,851	18,438
Grant Receivables Canceled	1,918,585	393,702
Prior Year adjustment of accounts payable	537,346	
Prior Years' Charges	27,057	
Refunds	89,469	97,889
Total Expenditures	<u>464,913,214</u>	<u>433,511,345</u>
Excess Revenue Over Expenditures	9,439,258	19,718,911
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year	7,500,000	80,422
Statutory Excess to Surplus	16,939,258	19,799,333
Fund Balance, January 1,	<u>27,412,049</u>	<u>27,612,716</u>
	44,351,307	47,412,049
Decreased by:		
Fund Balance Utilized as Budget Revenue	<u>18,000,000</u>	<u>20,000,000</u>
Fund Balance, December 31,	<u>\$ 26,351,307</u>	<u>27,412,049</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$ 18,000,000	18,000,000	
Miscellaneous Revenues:			
County Clerk	680,000	811,951	131,951
Register	2,600,000	3,053,164	453,164
Surrogate	355,000	363,887	8,887
Sheriff	465,000	509,797	44,797
Interest on Investments and Deposits	35,000	30,824	(4,176)
Road Opening Permits	355,000	211,635	(143,365)
Rental Income	210,000	202,509	(7,491)
State Aid - County College Bonds (N.J.S.A. 18A:64-22.6)	1,500,000	2,582,635	1,082,635
Division of Youth and Family Services	3,601,897	3,601,897	
Supplemental Social Security Income	1,481,398	759,710	(721,688)
Maintenance of Patients in State Institutions for Mental Diseases	17,624,611	17,624,611	
Maintenance of Patients in State Institutions for Mentally Retarded	6,831,505	6,831,505	
County Patients - State Hospital	12,201	19,500	7,299
University of Medicine and Dentistry	358	358	
Special General Election	1,652,320	1,652,320	
Universal Service Fund - 2013	55,070	55,070	
Universal Service Fund - 2014	150,575	150,575	
LIHEAP Assistance - 2013	28,711	28,711	
Preakness Gero-Psych Program	338,210	338,210	
Workforce Learning Link Program	157,000	157,000	
Workforce Investment Allocation - WIA Youth	1,798,551	1,798,551	
Workfirst New Jersey	2,841	2,841	
Workfirst NJ Grant	5,862,604	5,862,604	
Workforce Investment Allocation - WIA Adult	1,735,055	1,735,055	
Workforce Investment Allocation - WIA Dislocated Worker	1,727,953	1,727,953	
Workforce Investment Allocation - SmartSTEPS	14,500	14,500	
LEOTEF	14,133	14,133	
PHLP LINC'S Agencies	559,224	559,224	
CEHA Grant 2013	161,700	161,700	
MRC Cap Bldg Non-Competitive	4,000	4,000	
Right to Know Program	15,213	15,213	
MRC Competitive Award	7,000	7,000	
Clean Communities	72,481	72,481	
Radon Awareness Program	1,000	1,000	
Passaic County Film Festival	2,000	2,000	
2012 Disaster Relief	280,000	280,000	
Aging Area Nutrition FY 2012	1,283,413	1,283,413	
Farmers Market Nutrition Program	1,000	1,000	
State Community Partnership	487,746	487,746	
Social Services for the Homeless	166,315	166,315	
Transportation & TIP	404,914	404,914	

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
HUD - St. Joseph NJ36310	47,736	47,736	
NJ-513-New Passaic County Housing First	1,107,720	1,107,720	
CSBG Non Discretionary 2013	278,038	278,038	
CSBG Non Discretionary 2013	97,313	97,313	
Juveline Accountability Block Grant	26,639	26,639	
Juvenile Detention Alternatives Innovations Funding	60,000	60,000	
Family Court Services	278,149	278,149	
21st Century CLC Program	500,000	500,000	
Weatherization LIHEAP	769,270	769,270	
LIHEAP Assistance 2011	46,955	46,955	
LIHEAP Assistance 2012	57,423	57,423	
Subregional Transportation Planning	98,415	98,415	
Community Development Block Grant (CDBG)	902,187	902,187	
2012 EMAA Grant	100,000	100,000	
UASI Projects	39,636	39,636	
UASI Projects	393,629	393,629	
Sexual Assault Nurse Examiner (SART/SANE)	74,860	74,860	
Comm Justice Program Assistance	35,198	35,198	
Victims of Crime Act (VOCA)	194,436	194,436	
Insurance Fraud	250,000	250,000	
N.C.A. Program Support	9,000	9,000	
Violence Against Woman Act	29,096	29,096	
Multi-Jurisdictional Narcotics Taskforce	172,000	172,000	
Homeland Security FFY 12	255,515	255,515	
Click it or Ticket	4,000	4,000	
Drive Sober or Get Pulled Over	4,400	4,400	
Hazardous Materials Prep and Planning	17,100	17,100	
REN Evas Village Apts	121,824	121,824	
NJ-511-PC Housing First	1,192,497	1,192,497	
Passaic County Housing First Bonus	221,423	221,423	
Casino Revenue	1,075,061	1,075,061	
Area Plan Grant - Aging Area Nutrition	1,206,503	1,206,503	
Area Plan Grant	1,293,398	1,293,398	
CDBG DR Program	11,854,865	11,854,865	
Family Court Services	1,533	1,533	
21st Century CLC Program	500,000	500,000	
Body Armor	2,833	2,833	
Workforce Learning Link Program	76,000	76,000	
Social Services for the Homeless	907,294	907,294	
Municipal Alliance Grant FY13	537,832	537,832	
Alcohol/Drug Abuse Grant FY12	755,402	755,402	
Division of Child Behavioral Health Services	158,456	158,456	
Second Chance Act (ReEntry Program)	50,000	50,000	
Human Services - 12 BERN	350,746	350,746	
Human Services - 12 BERN PASP	42,000	42,000	

COUNTY OF PASSAIC

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Added and Omitted Taxes	600,000	616,980	16,980
Board Inmates at County-State	180,000	92,757	(87,243)
Title IV D Parent Locator Program	800,000	3,117,043	2,317,043
Fringe Benefits	7,500,000	8,508,495	1,008,495
Indirect Costs - Grants	300,000	3,655,842	3,355,842
Preakness Hospital - Medicaid Reimbursements	33,000,000	33,344,900	344,900
Maintenance in Lieu of Rent - Martin Luther King - Soc. Serv.	956,000	173,038	(782,962)
State School Building Aid (Chapter 12)	34,300	43,695	9,395
Park Fees	1,700,000	1,694,450	(5,550)
Telephone Commissions	400,000	461,104	61,104
Capital Surplus	1,500,000	1,500,000	
Site Plan Fees	45,000	62,478	17,478
Radio Tower Rental	30,000	32,242	2,242
Security Contract Passaic Valley Water	50,000	202,693	152,693
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>129,115,029</u>	<u>136,377,459</u>	<u>7,262,430</u>
Total Miscellaneous Revenues			
Amount to be Raised by Taxation - County Purpose Tax	<u>310,795,236</u>	<u>310,795,236</u>	
Total Budget Revenues	<u>\$ 457,910,265</u>	<u>465,172,695</u>	<u>7,262,430</u>
Nonbudget Revenue		<u>2,955,300</u>	
		<u>\$ 468,127,995</u>	

COUNTY OF PASSAIC
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2013

Miscellaneous Revenue Not Anticipated:	
State of New Jersey	\$ 18,743
Sales of Equipment	48,841
Duplication of Records	7,257
Vending Machine Commissions	19,876
ID Bureau	19,343
Payroll Deduction Fees	8,745
Bail Bond Forfeitures	323,091
Bail Processing Fees	13,805
Bid Specs. Fees	11,070
Jail - Fees	199,909
FEMA Reimbursements	172,841
Board of Appeals	4,100
Travelers Payment - Wind Damage Sandy	128,430
Reimbursements	73,841
Refunds - Prior Year Expenses	218,864
Towing/Impound Fees	23,567
Dynamic/EMS Collections	2,262
SSA Treasury - Incentive	28,400
Police Academy Registration & Fees	144,947
SCAAP Grant	186,625
Hurricane Irene	487,268
Cancellation of Old Checks	147,387
PC Tech Vocational School	89,835
Port Authority NY/NJ	4,400
Litigation Claim Case #1:08-CV-10843-PBS	225,152
2012 Cancel Trust Revenues	609
2011 Off Duty Administrative Fees	66,822
Cancel Reserve	88,111
NJIT Couher 2013	131,428
Miscellaneous	59,731
	<u>2,955,300</u>
	<u>\$ 2,955,300</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<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	340,500	290,500	279,579	10,921	
Salaries and Wages	75,000	75,000	73,945	1,055	
Other Expenses	70,000	70,000	70,000		
Contribution to Public Access Libraries					
County Administrator	542,597	472,597	446,726	25,871	
Salaries and Wages	276,674	276,674	225,599	51,075	
Other Expenses					
Finance Section					
Finance Department	990,529	995,529	984,031	11,498	
Salaries and Wages	275,600	396,600	394,441	2,159	
Other Expenses	200,000	200,000	200,000		
Postage	93,500	93,500		93,500	
Audit	200,000	249,100	249,015	85	
Insurance					
Legal Department					
County Counsel	988,000	988,000	970,955	17,045	
Salaries and Wages	75,000	75,000	72,839	2,161	
Other Expenses	10,000	10,000		10,000	
Other Expenses Ethics					
County Adjuster	204,745	174,745	164,800	9,945	
Salaries and Wages	8,200	8,200	2,670	5,530	
Other Expenses					
Clerk of the Board					

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Salaries and Wages	378,059	378,059	358,383	19,676	
Other Expenses	28,000	28,000	21,380	6,620	
Personnel					
Salaries and Wages	278,910	325,910	323,982	1,928	
Other Expenses	43,000	43,000	41,761	1,239	
State and National Association of County Officials	10,505	10,505	10,505		
County Clerk					
Salaries and Wages	823,429	823,429	759,395	64,034	
Other Expenses	21,800	21,800	19,685	2,115	
County Register					
Salaries and Wages	1,116,466	978,466	957,130	21,336	
Other Expense	30,000	30,000	29,697	303	
Prosecutor's Office					
Salaries and Wages	18,490,393	18,190,393	17,455,967	734,426	
Other Expenses	503,675	503,675	435,970	67,705	
Countywide Police Radio Purchasing Department	85,000	85,000	64,426	20,574	
Salaries and Wages	794,445	794,445	780,916	13,529	
Other Expenses	35,550	35,550	30,616	4,934	
Other Expenses-Bulk Purchasing	86,500	86,550	84,695	1,855	
MIS Department (Finance Department)					
Other Expenses	800,130	800,130	774,229	25,901	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Building and Grounds					
Salaries and Wages	5,516,152	5,137,952	5,084,751	53,201	
Other Expenses	3,219,000	3,430,200	3,371,762	58,438	
Other Expenses-Parking	400,000	405,000	401,570	3,430	
Other Expenses-Welfare Board	30,000	63,200	50,629	12,571	
Photostat					
Other Expenses	152,000	152,000	129,872	22,128	
Surrogate					
Salaries and Wages	1,118,042	1,118,042	1,051,823	66,219	
Other Expenses	49,400	49,400	24,492	24,908	
Insurances: Group Hospitalization, Medical					
Surgical, Major Med. for Employees	38,550,000	46,950,000	44,229,960	2,720,040	
Group Life Insurance for Employee	40,000	40,000	16,000	24,000	
Surety Bond Premium	6,000	6,000	2,599	3,401	
Worker's Compensation	2,300,000	2,300,000	2,299,874	126	
Disability Insurance	2,558,330	3,003,330	3,000,673	2,657	
Other Insurance	500,000	426,000	277,201	148,799	
Drug Plan	14,991,000	14,991,000	14,633,087	357,913	
Dental Plan	500,000	750,000	605,577	144,423	
REGULATION					
Sheriff's Office					
Salaries and Wages	9,974,171	9,674,171	9,566,741	107,430	
Other Expenses	125,000	150,000	141,925	8,075	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Weights and Measures					
Salaries and Wages	415,242	415,242	415,161	81	
Other Expenses	9,000	9,000	5,529	3,471	
Board of Taxation					
Salaries and Wages	351,999	353,299	353,288	11	
Office Expenses	18,500	18,500	8,701	9,799	
Medical Examiner					
Other Expenses-Contractual State of NJ	1,250,000	1,650,000	1,142,305	507,695	
Board of Elections					
Salaries and Wages	287,000	307,000	299,856	7,144	
Other Expenses	562,400	562,400	210,139	352,261	
Superintendent of Elections					
Salaries and Wages	1,018,042	1,137,042	1,131,073	5,969	
Other Expenses	915,300	915,300	648,705	266,595	
Elections-County Clerk	234,500	234,500	142,980	91,520	
County Emergency Management					
Salaries and Wages	139,194	89,194	63,555	25,639	
Other Expenses	18,000	18,000	15,103	2,897	
Planning Board (NJS 40:273)					
Salaries and Wages	327,500	327,500	311,997	15,503	
Other Expenses	22,500	22,500	11,541	10,959	
Economic Development					
Salaries and Wages	145,373	150,873	150,686	187	
Other Expenses	19,400	19,400	18,684	716	
Construction Board of Appeals	5,000	5,000		5,000	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
ROADS & BRIDGES DEPT.					
Roads and Bridges Dept.					
Salaries and Wages-Roads	560,000	160,000	144,454	15,546	
Salaries and Wages-Mosquito	758,828	758,828	719,763	39,065	
Other Expenses-Roads	1,500,000	1,000,000	609,412	390,588	
Other Expenses-Mosquito	40,800	40,800	37,382	3,418	
Engineering					
Salaries and Wages	683,400	608,400	575,785	32,615	
Other Expenses	17,100	17,100	11,555	5,545	
CORRECTIONAL AND PENAL					
Jail and Workhouse					
Salaries and Wages - Jail	38,420,849	37,670,849	37,436,475	234,374	
Salaries and Wages - Patrol	11,865,179	11,690,179	11,612,276	77,903	
Other Expenses	2,836,000	2,836,000	2,768,394	67,606	
Other Expenses-Medical Expenses	3,930,250	4,730,250	4,129,886	600,364	
HEALTH AND WELFARE					
Crippled Children	36,000	36,000	36,000		
Mental Health Board (30:9A-3)					
Salaries and Wages	227,118	239,460	181,385	58,075	
Mental Health Program (40:5-29)					
Contractual	744,300	744,300	744,300		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Aid to Bergen-Passaic Unit for the Mentally Retarded (NJS 40:23-8.11)	54,000	54,000	54,000		
Alcohol and Drugs					
Addiction Program Contractual	192,500	180,158	158,995	21,163	
Maintenance of Patients in State Institutions:					
Mentally Diseased and Mentally Retarded	27,722,954	28,341,954	28,314,105	27,849	
Welfare Board-Administration	12,954,981	12,954,981	12,954,981		
Administration-Fringe Benefits	5,700,000	5,700,000	5,700,000		
Supplement Security Income	1,481,398	1,481,398	1,473,000	8,398	
Aid to Dependent Children (NJS 44:10-1 ST Seq	1,551,872	1,551,872	1,495,000	56,872	
New Jersey Bureau of Children's Services	3,601,897	3,601,897	3,601,897		
Department of Youth Services					
Salaries and Wages	200,515	200,515	188,602	11,913	
Other Expenses	3,583,100	3,841,600	3,744,032	97,568	
Medical	900,914	971,914	919,658	52,256	
Preakness Hospital					
Salaries and Wages	30,670,780	30,172,480	29,971,063	201,417	
Other Expenses	5,905,279	5,905,279	5,724,613	180,666	
Camp Hope (40:23-6. 1 to 16)					
Salaries and Wages	464,120	464,120	462,725	1,395	
Other Expenses	42,650	42,650	38,344	4,306	
Div. of Senior Services, Disabilities, & Vets Affairs, Etc.					
Salaries and Wages	206,613	206,613	161,181	45,432	
Other Expenses	19,250	19,250	19,057	193	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
County Health Dept. Chapter 329 PL 1975					
Salaries and Wages	503,500	503,500	490,347	13,153	
Other Expenses	24,100	24,100	12,531	11,569	
EDUCATIONAL					
Office of County Superintendent of Schools					
Salaries and Wages	518,426	468,426	449,873	18,553	
Other Expenses	27,886	27,886	23,066	4,820	
Passaic County Vocational School	7,044,585	7,044,585	7,044,576	9	
County Extensive Services					
Salaries and Wages	114,000	114,000	111,157	2,843	
Other Expenses	73,632	73,632	56,449	17,183	
Passaic County Community College	12,954,261	12,954,261	12,954,232	29	
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	175,000	175,000	122,731	52,269	
RECREATIONAL					
Park and Recreational Department					
Salaries and Wages-Parks	1,160,753	990,753	974,781	15,972	
Salaries and Wages-Golf Course	1,486,499	1,486,499	1,412,453	74,046	
Other Expenses-Parks	81,441	91,441	87,008	4,433	
Other Expenses-Golf Course	395,106	395,106	388,107	6,999	
Passaic County Historical Society (NJS 40:32-6)	25,000	25,000		25,000	
UNCLASSIFIED					
Equipment, Office, Car, Other	50,000	50,000	44,242	5,758	
Sick Leave Payment	500,000	500,000	434,903	65,097	
Matching Funds for Grants	393,481	393,481	63,478	330,003	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Aid to Children Care Coordination Committee (4C'S) (NJS 40:23)	22,500	22,500		22,500	
Aid to Women's Haven NJSA 30:14-11	15,750	15,750	15,750		
Aid to D.I.A.L (40:23-811)	54,000	54,000	54,000		
Para-Transit					
Salaries and Wages	75,000	75,000	74,982	18	
Other Expenses	55,000	55,000	49,425	5,575	
Police Academy					
Salaries and Wages	494,962	494,962	488,848	6,114	
Other Expenses	67,120	67,120	(12,083)	79,203	
Aid to Health & Welfare Councils (NJS 40:23-8.28)	834,592	834,592	832,592	2,000	
Salaries and Wage Adjustment	325,000	256,000		256,000	
Utilities (40A:4-45 4H)					
Gasoline	1,370,447	1,330,447	1,271,254	59,193	
Telephone and Telegraph	975,000	975,000	887,794	87,206	
Natural Gas & Electric	5,700,000	5,530,700	4,658,177	872,523	
Street Lighting	510,000	510,000	453,758	56,242	
Heating Oil	112,200	112,200	34,727	77,473	
Water	720,000	720,000	422,306	297,694	
Garbage	450,000	450,000	200,717	249,283	
Debt Service Fees	50,000	51,000	50,500	500	
Aid to Housing First	90,000	90,000	90,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
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					
Special General Election	1,652,320	1,652,320	1,652,320		
Universal Service Fund - 2013	55,070	55,070	55,070		
Universal Service Fund - 2014	150,575	150,575	150,575		
LJHEAP Assistance -2013	28,711	28,711	28,711		
Preakness Gero-Psych Program	338,210	338,210	338,210		
Working Learning Link Program	157,000	157,000	157,000		
Workforce Investment Allocation - WIA YOUTH	1,798,551	1,798,551	1,798,551		
Workfirst New Jersey	2,841	2,841	2,841		
Workfirst NJ Grant	5,862,604	5,862,604	5,862,604		
Workforce Investment Allocation - WIA ADULT	1,735,055	1,735,055	1,735,055		
Workforce Investment Allocation - WIA Dislocated Worker	1,727,953	1,727,953	1,727,953		
Workforce Investment Allocation - Smart STEPS	14,500	14,500	14,500		
LEOTEF	14,133	14,133	14,133		
PHLP LINCS Agencies	559,224	559,224	559,224		
CEHA Grant 2013	161,700	161,700	161,700		
MRC Cap Bldg Non-Competitive	4,000	4,000	4,000		
Right to Know Program	15,213	15,213	15,213		
MRC Competitive Award	7,000	7,000	7,000		
Clean Communities	72,481	72,481	72,481		
Radon Awareness Program	1,000	1,000	1,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Passaic County Film Festival	2,000	2,000	2,000		
2012 Disaster Relief	280,000	280,000	280,000		
Aging Area Nutrition FY 2012	1,283,413	1,283,413	1,283,413		
Farmers Market Nutrition Program	1,000	1,000	1,000		
State Community Partnership	487,746	487,746	487,746		
Social Services for the Homeless	166,315	166,315	166,315		
Transportation & TIP	404,914	404,914	404,914		
HUD - St. Joseph NJ36310	47,736	47,736	47,736		
NJ-513-New Passaic County Housing First	1,107,720	1,107,720	1,107,720		
C.S.B.G. Non Discretionary 2013	278,038	278,038	278,038		
C.S.B.G. Non Discretionary 2013	97,313	97,313	97,313		
Juvenile Accountability Block Grant	26,639	26,639	26,639		
Juvenile Detention Alternatives Innovations Funding	60,000	60,000	60,000		
Family Court Services	278,149	278,149	278,149		
21st Century CLC Program	500,000	500,000	500,000		
Weatherization LIHEAP	769,270	769,270	769,270		
LIHEAP Assistance 2011	46,955	46,955	46,955		
LIHEAP Assistance 2012	57,423	57,423	57,423		
Subregional Transportation Planning	98,415	98,415	98,415		
Community Development Block Grant	902,187	902,187	902,187		
2012 EMAA Grant	100,000	100,000	100,000		
UASI	39,636	39,636	39,636		
UASI	393,629	393,629	393,629		
Sexual Assault Nurse Examiner (SART/SANE)	74,860	74,860	74,860		
Comm Just Prgrm Assistance	35,198	35,198	35,198		
Victims of Crime Act	194,436	194,436	194,436		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Insurance Fraud	250,000	250,000	250,000		
N.C.A. Program Support	9,000	9,000	9,000		
Violence Against Woman Act	29,096	29,096	29,096		
Multi-jurisdictional Narcotics Taskforce	172,000	172,000	172,000		
Homeland Security FFY 12	255,515	255,515	255,515		
Click it or Ticket	4,000	4,000	4,000		
Drive Sober or Get Pulled Over	4,400	4,400	4,400		
Hazardous Materials Prep & Planning	17,100	17,100	17,100		
REN Evas Village Apts	121,824	121,824	121,824		
NJ-511-PC Housing First	1,192,497	1,192,497	1,192,497		
Passaic County Housing First Bonus	221,423	221,423	221,423		
CDBG DR Program	11,854,865	11,854,865	11,854,865		
Family Court Services	1,533	1,533	1,533		
21st Century CLC Program	500,000	500,000	500,000		
Body Armor	2,833	2,833	2,833		
Workforce Learning Link Program	76,000	76,000	76,000		
Social Services for the Homeless	907,294	907,294	907,294		
Municipal Alliance Grant FY 13	537,832	537,832	537,832		
Municipal Alliance Grant FY 12	755,402	755,402	755,402		
Division of Child Behavioral Health Services	158,456	158,456	158,456		
Second Chance Act (ReEntry Program)	50,000	50,000	50,000		
Human Services 12 BERN	350,746	350,746	350,746		
Human Services 12 BERN PASP	42,000	42,000	42,000		
Casino Revenue	1,075,061	1,075,061	1,075,061		
Area Plan Grant - Aging Area Nutrition	1,206,503	1,206,503	1,206,503		
Area Plan Grant	1,293,398	1,293,398	1,293,398		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Total Operation (item 8(A))	354,123,364	361,733,414	350,489,401	11,244,013	
Contingent	50,000	50,000	39,611	10,389	
Total Operation Including Contingent	354,173,364	361,783,414	350,529,012	11,254,402	
Detail:					
Salaries and Wages	133,476,330	130,182,972	127,801,848	2,381,124	
Other Expenses (Including Contingent)	220,697,034	231,600,442	222,727,164	8,873,278	
Capital Improvement					
Capital Improvement Fund	500,000	500,000	500,000		
Acquisition of Various Equipment	200,000	200,000	128,780	71,220	
Total Capital Improvements	700,000	700,000	628,780	71,220	
County Debt Service					
Payment of Bond Principal					130,000
County College Bonds	3,300,000	3,300,000	3,170,000		
State Aid- County College Bonds					
(N.J.S. 18A:64A-22.6)	1,800,000	1,800,000	1,800,000		
Vocational School Bonds	900,000	900,000	750,000		150,000
Other Bonds	28,000,000	28,000,000	27,884,327		115,673
Payment of Bond Anticipation Notes	210,000	210,000			210,000
Interest on Bonds					
County College Bonds	1,000,000	1,000,000	935,190		64,810
State Aid- County College Bonds					

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
(N.J.S. 18A:64A-22.6)	525,000	525,000	101,956		423,044
Vocational School Bonds	190,000	190,000	26,556		163,444
Other Bonds	10,630,000	10,630,000	9,850,121		779,879
Interest on Notes	1,330,000	1,330,000	528,949		801,051
Passaic County Utilities Authority	4,400,000	4,400,000	4,192,286		207,714
Green Trust Loan	370,000	370,000	329,661		40,339
EFA Loan	205,000	205,000	196,388		8,612
PCIA Loan					
Prosecutors Building	470,000	470,000	468,230		1,770
Preakness Healthcare Center	5,600,000	5,600,000	5,554,151		45,849
Green Trust Loan	49,452	49,452	49,452		
Total County Debt Service	58,979,452	58,979,452	55,837,267		3,142,185

Deferred Charges and Statutory Expenditures
Special Emergency Authorization 5 Years - (40A:4-55)

Prior Year Bills-Summary

Juanita Alston	6,593	6,593	6,593		
Autozone Northeast, Inc.	726	726	726		
Basic American	37	37	37		
Leonardo J. Bullaro	2,000	2,000	2,000		
Burn Surgeons of St Barnabas	124	124	124		
Elite Oral Maxillofacial	1,919	1,919	1,919		
Emergency Medical Assoc	41	41	41		
Catherine Farrar	1,157	1,157	1,157		
Feldman Bros	643	643	643		
Ferraioli, Wielkotz, Cerullo & Cuva, PA	5,000	5,000	5,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Jema Physicians Service	927	927	927		
Konica Minolta Imaging	2,122	2,122	2,122		
Sheema McCrae	675	675	675		
Nosretap, Inc	25,056	25,056	24,881		175
Paper Plus, Inc	829	829	829		
Precision Electric	2,834	2,834	2,834		
Raritan Valley	160	160	160		
Geraldine Solomon	2,411	2,411	2,411		
St. Joseph Regional	450	450	450		
Paul D Stevens	2,315	2,315	2,315		
State of NJ Division of Archives	562	562	562		
Superior Distributors	193	193	193		
TD Bank	605	605	605		
Eleftherios Zisis	2,062	2,062	2,062		
Advanced Recovery	310	310	310		
Air Systems Maintenance	1,509	1,509	1,509		
Elite Transcripts	563	563	563		
City of Paterson	21,164	21,164	21,164		
Car Care Solutions	8,000	8,000	8,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2013

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Statutory Charges:					
Contribution to PERS	13,134,735	13,139,735	13,139,009	726	
Social Security System (O.A.S.I.)	13,477,000	13,127,000	13,018,831	108,169	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	500,000	755,000	751,475	3,525	
Police and Fire Retirement System	13,125,067	13,125,067	13,125,066	1	
County Pension Fund	2,500,000	2,500,000	2,452,166	47,834	
Defined Benefit Pension	100,000	80,000	49,465	30,535	
Total Deferred Charges & Statutory Expenditures	44,057,400	43,947,400	43,756,435	190,790	175
Total General Appropriations	\$ 457,910,216	465,410,266	450,751,494	11,516,412	3,142,360

Adopted Budget	433,542,277
Emergency Appropriations	7,500,000
Added by N.J.S.A. 40A:4-87	24,367,989

\$ 465,410,266

Cash \$	398,644,718
Reserve for Encumbrances	5,949,551
Grants Appropriated	46,157,225

\$ 450,751,494

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2013 and 2012

<u>Assets</u>	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Other Trust Fund:			
Cash	B-2	\$ 41,689,553	41,269,225
Due from Current Fund	B-13	443,991	215,486
Accounts Receivable - PCSD Off Duty	B-4	273,745	
Intrafund - Due from Register Deeds to Homeless Trust	B-13		505
		<u>42,407,289</u>	<u>41,485,216</u>
Confiscated Trust Fund:			
Cash	B-2	<u>2,828,969</u>	<u>2,008,294</u>
		<u>2,828,969</u>	<u>2,008,294</u>
Self Insurance Fund:			
Cash	B-2	206,806	199,448
Due from Current Fund	B-13		41
		<u>206,806</u>	<u>199,489</u>
Community Development Grant Fund:			
Cash	B-2	<u>6,360,803</u>	<u>6,385,191</u>
		<u>6,360,803</u>	<u>6,385,191</u>
Total Assets		<u>\$ 51,803,867</u>	<u>50,078,190</u>

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2013 and 2012

	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
<u>Liabilities, Reserves & Fund Balance</u>			
Other Trust Fund:			
Various Trust Deposits	B-3	\$ 1,072,935	978,615
Reserve for Dedicated Revenues	B-4	18,858,820	19,621,587
Reserve for Open Space Expenditures	B-5	9,694,439	7,350,926
Open Space Grant Commitments Payable	B-6	12,624,033	13,374,532
Intrafund - Due from Register Deeds to Homeless Trust	B-13		505
Open Space - Due to Municipalities	B-7	157,062	157,062
Fund Balance	B-1		1,989
		<u>42,407,289</u>	<u>41,485,216</u>
Confiscated Trust Fund:			
Due to Current Fund	B-13	226	3,229
Reserve for Confiscated Trust Fund	B-8	2,828,743	2,005,065
		<u>2,828,969</u>	<u>2,008,294</u>
Self Insurance Fund:			
Due to Other Trust Fund	B-13		
Reserve for Workmen's Compensation	B-9	7,742	10,317
Reserve for Health Benefits	B-10	187,467	187,373
Reserve for Liability Insurance	B-11	11,597	1,799
		<u>206,806</u>	<u>199,489</u>
Community Development Grant Fund:			
Amount Due to Current Fund	B-13	10,399	10,399
Reserve for:			
Housing Voucher Program	B-12	6,350,404	6,374,792
		<u>6,360,803</u>	<u>6,385,191</u>
Total Liabilities, Reserves and Fund Balance		\$ <u>51,803,867</u>	<u>50,078,190</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Statement of Changes in Fund Balance-Regulatory Basis

Other Trust Fund

For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Balance - December 31, 2012	\$ 1,989	1,989
Decreased by:		
Reclass	1,380	
Interfunds	<u>609</u>	<u> </u>
	<u>1,989</u>	<u> </u>
Balance - December 31, 2013	\$ <u><u> </u></u>	<u><u>1,989</u></u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2013 and 2012

<u>Assets</u>	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Cash	C-2/C-3	\$ 41,910,990	39,614,455
Grants Receivable	C-4	71,814,412	72,544,266
State EFA Receivable		1,975,000	1,975,000
Due from Current Fund Fund	C-15	2,186	2,003,630
Deferred Charges to Future Taxation:			
Funded	C-5	340,087,728	376,441,832
Unfunded	C-6	<u>148,022,789</u>	<u>146,562,379</u>
Total Assets		\$ <u>603,813,105</u>	<u>639,141,562</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-26	\$ 254,095,000	287,481,000
Green Acres Loan Payable	C-10	163,154	484,633
State EFA Loans Payable	C-27	175,000	350,000
Green Trust Loans Payable	C-28	364,574	406,199
Bond Anticipation Notes	C-25	68,110,000	43,222,000
Capital Leases Payable	C-29	85,290,000	87,720,000
Improvement Authorizations:			
Funded	C-7	23,907,701	47,783,208
Unfunded	C-7	66,388,077	80,645,831
Accounts Payable	C-8		264,927
Commitments Payable	C-9	55,243,147	43,831,516
Due to the Township of Wayne	C-11	1,100	1,100
Capital Improvement Fund	C-12	367,954	202,954
Reserve for Final Payments and Litigation	C-13	160,258	160,258
Reserve for Payment of Bonds and Notes	C-14	13,982,424	10,800,906
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	1,101,386	1,100,991
Reserve for Administration Building Settlement	C-19	9,786	9,786
Reserve for Interest for DOT Projects	C-20	12,539	12,239
Reserve for Unappropriated Grants	C-21		599,398
Reserve for Grants Receivable	C-22	29,247,196	27,916,474
Reserve for Bonding Payments	C-23	14,189	8,890
Accrued Interest Payable	C-24		
Fund Balance	C-1	<u>4,383,001</u>	<u>5,342,633</u>
Total Liabilities		\$ <u>603,813,105</u>	<u>639,141,562</u>

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2013 and 2012 of \$80,261,165 and \$103,602,115, respectively.

See accompanying notes to the financial statements.

COUNTY OF PASSAIC
Statement of Changes in Fund Balance-Regulatory Basis
General Capital Fund
For the Years Ended December 31, 2013 and 2012

	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2012</u>
Balance - December 31, 2012	\$ 5,342,633	5,657,333
Increased by:		
Premium on Bond/Note Sales		765,403
Improvement Authorizations Cancelled	1,338,660	
Cancel Reserve Balance	<u>118</u>	
	<u>1,338,778</u>	<u>765,403</u>
	6,681,411	6,422,736
Decreased by:		
Premium on Bond/Note Sales		80,103
Reclass Improvement Authorization Balances	798,410	
Due to Current Fund - Anticipated Revenue	<u>1,500,000</u>	<u>1,000,000</u>
	<u>2,298,410</u>	<u>1,080,103</u>
Balance - December 31, 2013	<u>\$ 4,383,001</u>	<u>5,342,633</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>General Fixed Assets:</u>		
Land	\$ 322,609,561	322,609,561
Buildings	303,333,793	296,713,772
Equipment	60,588,737	53,013,345
Construction in Progress	<u>5,478,080</u>	<u>5,478,080</u>
	<u>\$ 692,010,171</u>	<u>677,814,758</u>
Investment in Fixed Assets	<u>\$ 692,010,171</u>	<u>677,814,758</u>

See accompanying notes to financial statements.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

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, 2013 AND 2012
(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, 2013 AND 2012
(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, 2013 AND 2012
(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 2013, the Governing Body approved additional revenues and appropriations of \$24,367,989 in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body. The Governing Body also approved \$5,700,000 of emergency appropriations for group hospitalization.

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, 2013 AND 2012
(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, 2013 AND 2012
(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, 2013.

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, 2013 AND 2012
(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, 2013, \$-0- of the County's bank balance of \$144,056,329 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, 2013 AND 2012
(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, 2013 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2012</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	\$287,481,000	\$17,650,000	\$51,036,000	\$254,095,000	\$34,864,000
Capital Leases	87,720,000		2,430,000	85,290,000	2,545,000
Other Liabilities:					
Compensated Absences	42,869,883	769,175	2,901,647	40,737,411	
New Jersey:					
DEP Loans	484,633		321,479	163,154	163,154
EFA Loans	350,000		175,000	175,000	175,000
Green Trust Loans	406,199		41,625	364,574	42,461
Deferred Pension	<u>10,455,540</u>		<u>850,620</u>	<u>9,604,920</u>	<u>943,455</u>
	<u>\$429,767,255</u>	<u>\$18,419,175</u>	<u>\$57,756,371</u>	<u>\$390,430,059</u>	<u>\$38,733,070</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, 2013 AND 2012
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's debt is summarized as follows:

	<u>2013</u>	<u>2012</u>
Issued		
General		
Bonds, Notes and Loans	\$322,907,728	\$331,943,832
Less: Funds Temporarily Held to Pay Bonds and Notes	5,578,461	10,800,906
Additional Borrowing for County College	10,997,000	36,172,000
Refunding Bonds	<u>17,960,000</u>	<u>19,903,896</u>
	<u>34,535,461</u>	<u>66,876,802</u>
Net Debt Issued	288,372,267	265,067,030
Authorized But Not Issued		
General		
Bonds, Notes and Loans	<u>80,318,004</u>	<u>103,602,115</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$368,690,271</u>	<u>\$368,669,145</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of .77% and .73% at December 31, 2013 and 2012, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2013</u>			
General debt	<u>\$403,168,893</u>	<u>\$34,535,461</u>	<u>\$368,633,432</u>
<u>2012</u>			
General debt	<u>\$435,545,947</u>	<u>\$66,876,802</u>	<u>\$368,669,145</u>

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

	<u>2013</u>	<u>2012</u>
2% of equalized valuation basis (county)	\$961,258,942	\$1,005,087,746
Net debt	<u>368,690,271</u>	<u>368,669,145</u>
Remaining Borrowing Power	<u>\$592,568,671</u>	<u>\$636,418,601</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's long-term debt consisted of the following at December 31, 2013 and 2012:

Paid by Current Fund:

General Obligation Bonds

	<u>2013</u>	<u>2012</u>
\$30,765,000, 1998 Bonds, due in annual installments of \$1,600,000 to \$2,500,000 through Sept. 1, 2020, interest at various rates from 5.88% to 6.77%	\$14,200,000	\$15,700,000
\$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
\$14,965,000, 2001 Bonds, due in annual installments of \$1,600,000 to \$1,665,000 through Sept. 15, 2015, interest at 4.20%	3,265,000	4,765,000
\$9,485,000 2002 Bonds, due in annual installments of \$1,435,000 through Sept. 15, 2014, interest at 3.65%	1,435,000	2,780,000
\$1,033,000 2002 Bonds, due in annual installments of \$98,000 through Sept. 15, 2014, interest at 3.65%	98,000	183,000
\$2,515,000 2002 Bonds, due in annual installments of \$365,000 through Sept. 15, 2014, interest at 3.75%	365,000	720,000
\$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%	3,095,000	3,615,000
\$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%	-	1,500,000
\$2,010,000 2003 Bonds, due in annual installments of \$170,000 through Aug. 15, 2015 with interest at 4.20%	340,000	510,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

	<u>2013</u>	<u>2012</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$21,855,000 2003 Bonds, due in annual installments of \$1,915,000 to \$1,985,000 through Mar. 1, 2016, interest at 5.20%	\$5,855,000	7,870,000
\$19,495,000, 2004 Bonds, due in annual installments of \$1,800,000 to \$3,745,000, through March 15, 2016, interest at various rates from 3.00% to 3.50%	8,945,000	10,295,000
\$12,220,000, 2004 Bonds, due in annual installments of \$1,095,000 to \$1,205,000, through May 1, 2017, interest at various rates from 3.00% to 3.375%	4,660,000	5,880,000
\$41,870,000, 2004 Bonds, due in annual installments of \$580,000 to \$2,650,000, through Sept. 1, 2021, interest at various rates from 2.25% to 4.75%	2,965,000	8,335,000
\$4,788,000, 2004 Bonds, due in annual installments of \$420,000 to \$488,000, through Oct. 15, 2017, interest at 3.60%	1,823,000	2,223,000
\$4,784,000, 2004 Bonds, due in annual installments of \$566,000, through May 1, 2014, interest at 3.25%	566,000	1,101,000
\$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%	-	1,600,000
\$20,000,000, 2006 Bonds, due in annual installments of \$200,000 to \$1,100,000 through June 1, 2026, interest at various rates from 4.375% to 4.50%	2,300,000	19,550,000
\$3,050,000, 2006 Bonds, due in annual installments of \$270,000 to \$300,000 through Nov. 15, 2018, interest at various rates from 3.625% to 4.00%	1,440,000	1,700,000
\$3,050,000, 2006 Bonds, due in annual installments of \$270,000 to \$300,000 through Nov. 15, 2018, interest at various rates from 3.625% to 4.00%	1,440,000	1,700,000
\$5,950,000, 2007 Bonds, due in annual installments of \$525,000 to \$625,000 through Nov. 15, 2019, interest at various rates from 3.625% to 4.00%	3,475,000	3,975,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

	<u>2013</u>	<u>2012</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$5,950,000, 2007 Bonds, due in annual installments of \$525,000 to \$625,000 through Nov. 15, 2019, interest at various rates from 3.625% to 4.00%	\$3,475,000	\$3,975,000
\$48,625,000, 2008 Bonds, due in annual installments of \$2,000,000 to \$4,225,000 through May 1, 2028, interest at various rates from 4.00% to 4.50%	48,275,000	48,400,000
\$2,938,000, 2008 Bonds, due in annual installments of \$260,000 to \$438,000 through May 1, 2019, interest at various rates from 4.00% to 5.00%	2,013,000	2,248,000
\$8,077,000, 2008 Bonds, due in annual installments of \$660,000 to \$812,000 through May 1, 2020, interest at various rates from 4.00% to 5.00%	5,132,000	5,767,000
\$8,540,000, 2009 Bonds, due in annual installments of \$1,515,000 to \$1,550,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%	3,065,000	4,525,000
\$2,190,000, 2009 Bonds, due in annual installments of \$380,000 to \$390,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%	770,000	1,135,000
\$2,160,000, 2009 Bonds, due in annual installments of \$350,000 to \$360,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%	710,000	1,075,000
\$19,671,000, 2010 Bonds, due in annual installments of \$350,000 to \$2,796,000 through Apr. 1, 2024, interest at various rates from 2.00% to 4.00%	18,796,000	19,121,000
\$945,000, 2010 Bonds, due in annual installments of \$100,000 to \$130,000 through Apr. 1, 2019, interest at various rates from 2.00% to 3.50%	685,000	780,000
\$2,130,000, 2010 Bonds, due in annual installments of \$180,000 to \$240,000 through Apr. 1, 2021, interest at various rates from 2.00% to 4.00%	1,650,000	1,820,000
\$10,045,000, 2010 Bonds, due in annual installments of \$1,665,000 to \$1,690,000 through June 1, 2016, interest at various rates from 2.00% to 3.00%	5,040,000	6,740,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

	<u>2013</u>	<u>2012</u>
NOTE 3. <u>COUNTY DEBT</u>, (continued)		
\$4,389,000, 2010 Bonds, due in annual installments of \$200,000 to \$374,000 through July 31, 2027, interest at various rates from 1.660% to 6.540%	\$3,814,000	\$4,010,000
\$1,177,000, 2010 Bonds, due in annual installments of \$95,000 to \$152,000 through Aug. 1, 2021, interest at various rates from 2.00% to 3.00%	922,000	1,012,000
\$1,176,000, 2010 Bonds, due in annual installments of \$95,000 to \$151,000 through Aug. 1, 2021, interest at various rates from 2.00% to 3.00%	921,000	1,011,000
\$26,415,000, 2011 Bonds, due in annual installments of \$735,000 to \$4,480,000 through May 1, 2020, interest at various rates from 2.00% to 5.00%	19,240,000	22,820,000
\$610,000, 2011 Bonds, due in annual installments of \$175,000 to \$180,000 through May 1, 2015, interest at various rates from 2.00% to 5.00%	355,000	485,000
\$300,000, 2011 Bonds, due in annual installments of \$85,000 to \$90,000 through May 1, 2015, interest at various rates from 2.00% to 5.00%	175,000	240,000
\$11,695,000, 2012 Refunding Bonds, due in annual installments of \$1,705,000 to \$2,225,000 through February 1, 2019, interest at various rates from 3.00% to 4.00%	11,695,000	11,695,000
\$23,155,000, 2012 Bonds, due in annual installments of \$1,025,000 to \$2,050,000 through Apr. 1, 2026, interest at various rates from 2.00% to 3.00%	22,130,000	23,155,000
\$13,570,000, 2012 Bonds, due in annual installments of \$1,000,000 to \$1,570,000 through Apr. 1, 2022, interest at various rates from 2.00% to 3.00%	12,670,000	13,570,000
\$4,250,000, 2012 Series A College Bonds, due in annual installments of \$375,000 to \$495,000 through June 1, 2022, interest at various rates from 1.50% to 3.00%	3,885,000	4,250,000

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

	<u>2013</u>	<u>2012</u>
NOTE 3. COUNTY DEBT, (continued)		
\$4,250,000, 2012 Series B College Bonds, due in annual installments of \$375,000 to \$495,000 through June 1, 2022, interest at various rates from 1.50% to 3.00%	\$3,885,000	\$4,250,000
\$10,200,000, 2012 Refunding Bonds, due in annual installments of \$550,000 to \$2,895,000 through Aug. 15, 2021, interest at various rates from 1.50% to 4.00%	10,055,000	10,200,000
\$530,000, 2012 Bonds, due in annual installments of \$120,000 to \$205,000 through Aug. 15, 2015, interest rate of 3.00%	325,000	530,000
\$17,650,000, 2013 Refunding Bonds, due in annual installments of \$1,265,000 to \$2,595,000 through Feb. 1, 2026, interest at various rates from 1.25% to 3.00%	<u>17,480,000</u>	<u>-0-</u>
	<u>\$254,095,000</u>	<u>\$287,481,000</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%		\$364,574
\$5,300,000, 1994 Loan due in semi-annual installments of \$114,032 to \$163,154 through May 3, 2014, interest at 2.00%		163,154

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(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>175,000</u>
	<u>\$702,728</u>

The County's principal and interest for long-term debt issued and outstanding at December 31, 2013 is as follows:

Calendar Year	Bonds		Loans		Total
	Principal	Interest	Principal	Interest	
2014	\$34,864,000	\$9,854,740	\$380,615	\$18,074	\$45,117,429
2015	34,772,000	8,479,953	43,315	6,227	43,301,495
2016	31,659,000	7,097,393	44,186	5,356	38,805,935
2017	20,141,000	5,982,736	45,074	4,468	26,173,278
2018	23,203,000	5,079,489	45,980	3,562	28,332,031
2019-2023	72,809,000	13,899,016	143,558	5,066	86,856,640
2024-2028	<u>36,647,000</u>	<u>3,146,996</u>			<u>39,793,996</u>
	<u>\$254,095,000</u>	<u>\$53,540,323</u>	<u>\$702,728</u>	<u>\$42,753</u>	<u>\$308,380,804</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, 2013 AND 2012
(continued)

NOTE 4. BOND ANTICIPATION NOTES, (continued)

On December 31, 2013, the County had \$68,110,000 in outstanding bond anticipation notes due December 19, 2014 at an interest rate of 1.25%.

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2013.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Cede & Co.	\$0	\$68,110,000	\$	\$68,110,000
Morgan Stanley & Co.	39,281,000		39,281,000	0
Jefferies & Co., Inc.	<u>3,941,000</u>		<u>3,941,000</u>	<u>0</u>
	<u>\$43,222,000</u>	<u>\$68,110,000</u>	<u>\$43,222,000</u>	<u>\$68,110,000</u>

NOTE 5. SPECIAL EMERGENCY NOTE

On December 31, 2013, the County had \$7,500,000 in outstanding Current Fund Special Emergency notes due December 19, 2014 at an interest rate of 1.25%.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Cede & Co.	<u>\$</u>	<u>\$7,500,000</u>	<u>\$</u>	<u>\$7,500,000</u>

NOTE 6. 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. In 2012, the County entered into a \$57,425,000 refunding capital lease agreement for the Preakness Healthcare Center capital lease to take advantage of debt savings. Annual debt service requirements for these capital leases are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$2,545,000	\$3,363,947	\$5,908,947
2015	2,670,000	4,544,788	7,214,788
2016	2,790,000	3,118,033	5,908,033
2017	2,920,000	2,983,846	5,903,846
2018	3,065,000	2,843,364	5,908,364
2019-2023	17,195,000	12,365,191	29,560,191
2024-2028	19,665,000	8,455,283	28,120,283
2029-2033	22,670,000	4,515,691	27,185,691
2034-2036	<u>11,770,000</u>	<u>568,476</u>	<u>12,338,476</u>
	<u>\$85,290,000</u>	<u>\$42,758,619</u>	<u>\$128,048,619</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 7. FIXED ASSETS

The following is a summary of the General Fixed Assets Account Group as of December 31, 2013 and 2012.

<u>2013</u>	Balance <u>Dec. 31, 2012</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>Dec. 31, 2013</u>
Land	\$322,609,561	\$	\$	\$322,609,561
Buildings and Building Improvements	296,713,772	6,620,021		303,333,793
Machinery and Equipment	53,013,345	8,155,010	579,618	60,588,737
Construction in Progress	<u>5,478,080</u>			<u>5,478,080</u>
	<u>\$677,814,758</u>	<u>\$14,775,031</u>	<u>\$579,618</u>	<u>\$692,010,171</u>
<u>2012</u>	Balance <u>Dec. 31, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>Dec. 31, 2012</u>
Land	\$322,340,736	\$268,825	\$	\$322,609,561
Buildings and Building Improvements	295,498,627	1,215,145		296,713,772
Machinery and Equipment	51,319,068	1,694,277		53,013,345
Construction in Progress	<u>2,258,775</u>	<u>3,219,305</u>		<u>5,478,080</u>
	<u>\$671,417,206</u>	<u>\$6,397,552</u>	<u>\$</u>	<u>\$677,814,758</u>

NOTE 8. INTERFUND BALANCES AND ACTIVITIES

Balances due to/from other funds at December 31, 2013 consist of the following:

\$226	Due to the Current Fund from the Confiscated Trust Fund for reimbursement of expenses.
2,186	Due to the General Capital Fund from the Current Fund for reimbursement of budget expenditures.
4,941	Due to the Current Fund from the Net Payroll Account for excess funds transferred.
1,589,135	Due to the Grant Fund from the Current Fund to establish grants in the Grant Fund.
443,991	Due to the Other Trust Fund from the Current Fund to cover fund transfers and overpayments.
<u>10,399</u>	Due to the Current Fund from the Community Development Grant Fund for reimbursements of expenses.
<u>\$2,050,878</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, 2013 AND 2012
(continued)

NOTE 9. 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, 2013</u>	<u>Amount Raised in 2014 Budget</u>	<u>Balance Succeeding Year budget</u>
Current Fund:			
Overexpenditure of Current Appropriations	\$80,422	\$80,422	\$
Overexpenditure of Trust Fund Reserve	36,360		36,360
Emergency Appropriation:			
Group Hospitalization	<u>7,500,000</u>	<u>7,500,000</u>	<u>2,000,000</u>
Total Deferred Charges	<u>\$7,616,782</u>	<u>\$7,580,422</u>	<u>\$2,036,360</u>

NOTE 10. 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>2014</u>	<u>2013</u>
Current Fund	<u>\$17,000,000</u>	<u>\$18,000,000</u>

NOTE 11. 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 \$15,000. 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 \$40,737,411 and \$42,869,883 at December 31, 2013 and 2012, 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, 2013 AND 2012
(continued)

NOTE 12. 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, 2013 AND 2012
(continued)

NOTE 12. 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, 2013 AND 2012
(continued)

NOTE 12. 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 2009 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

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)

will increase to 5.5 percent effective July 1, 2007. Employers are required to contribute at an actuarially 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>
2013	\$13,134,935	\$13,125,066
2012	13,178,972	12,783,858
2011	12,485,756	15,020,589

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
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(continued)

NOTE 12. 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.

The County's contribution to the plan, equal to the required contribution for each period was as follows:

<u>Years Ended</u> <u>December 31,</u>	<u>DCRP</u>
2013	\$49,465
2012	52,361
2011	30,114

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)

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

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

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

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

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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)

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

Pension Benefit Obligations

The actuarial present value of accumulated plan benefits at December 31, 2012 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>27,984</u>
Deficiency	<u>\$28,412,487</u>
	<u>5.0%</u>
Potential Liability	\$28,440,471
Assets	<u>27,984</u>
Potential Deficiency	<u>\$28,412,487</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.

The County is currently funding its obligation annually through a budget appropriation.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 13. 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, 2013 and 2012. 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 2013 transactions of the plan.

NOTE 14. 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, 2013 and 2012. 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 2013 transactions of the plan.

NOTE 15. 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, 2013 and 2012. 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. Benefits are paid directly from current fund budget appropriations.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 16. 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, 2013 and 2012, significant amounts of grant expenditure have not been audited by the various grantor agencies but the County believes that no 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 17. 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").

- \$33,015,000 aggregate principal amount of Solid Waste Disposal Revenue Bonds, Refunding Series 2012 (the "2012 Refunding Bonds") outstanding in the amount of \$32,500,000 consisting of \$14,480,000 aggregate principal amount of Solid Waste Disposal Revenue Bonds, Refunding Series 2012A and \$18,020,000 aggregate principal amount of Solid Waste Disposal Revenue Bonds, Refunding Series 2012B (Federally Taxable)

On November 1, 2012 the Authority advance refunded the callable portion of the outstanding \$31,745,000 amount of its \$35,680,000 principal amount of Solid Waste Disposal Revenue Bonds (Tax Exempt Series 2004A) (the "Tax Exempt 2004A Bonds") to a March 1, 2014 call date with the proceeds of the 2012 Refunding Bonds referenced above, and such callable Tax Exempt 2004A Bonds, with the exception of the 2013 and 2014 maturities which are not callable, \$910,000 is outstanding; and

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 17. RELATED PARTY TRANSACTIONS, (continued)

- \$9,145,000 Solid Waste Disposal Revenue Bonds (Taxable Series 2004B) (the "Taxable Series 2004B Bonds") outstanding in the amount \$8,060,000.
- \$19,270,000 in aggregate principal amount of its Solid Waste Disposal Revenue Bonds, Refunding Series 2008 outstanding in the amount of \$17,215,000.

NOTE 18. 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 May 15, 2013, August 15, 2012, February 1, 2012, May 1, 2011, June 17, 2010, September 15, 2009, September 1, 2001, May 1, 2004, September 1, 2003, March 1, 2001, September 1, 1998, September 1, 1995, February 1, 1994, September 1, 1993 and December 1, 1992, \$17,075,000, \$10,647,000, \$11,950,000, \$26,540,000, \$10,045,000, \$13,029,000, \$12,220,000, \$48,513,000, \$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 19. 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.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 19. LITIGATION, (continued)

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

PenPac, Inc. v. Passaic County Utilities Authority, Docket No. PAS-L-2040-05 (Superior Court of New Jersey, Law Division — Passaic County) (Appellate Docket No. A-3861-06T3) (Certification Denied, New Jersey Supreme Court Docket No. 62,832); and,

PenPac, Inc. v. Passaic County Utilities Authority, Docket No. PAS-L-2615-08 (Superior Court of New Jersey, Law Division — Passaic County).

Determination of Underrecovery

From December 12, 1992 to approximately November 11, 1997, PenPac, Inc. ("PenPac") provided solid waste transfer station services to the Authority pursuant to an interim rate, which was subject to eventual adjustment to account for over recovery by the Authority, or under recovery by PenPac. A Verified Petition in the administrative matter, which is the first case captioned above, was filed by the Authority on or about October 12, 1992 with DEP to establish the rates in question. Essentially, the Authority claimed that it was entitled to an over recovery in excess of \$5,000,000 from PenPac. PenPac in turn claimed that it was entitled to an under recovery in excess of \$20,000,000 (inclusive of interest) from the Authority. The administrative proceedings sought to establish a final rate for the transfer services in question for the years 1993, 1994, 1995 and 1996.

Hearings before an administrative law judge commenced in November, 1996 and concluded at the end of May, 1997. On April 12, 1999, the administrative law judge hearing the matter issued her Initial Decision, awarding approximately \$8,000,000 to PenPac as an under recovery for services rendered. The Initial Decision was a recommended decision, which was submitted to the Commissioner of the DEP for consideration and the issuance of a Final Decision.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 19. LITIGATION, (continued)

On July 5, 2000, the Commissioner of the DEP issued his Summary Order memorializing the decision of the DEP. The Summary Order reduced the award to PenPac from the recommended award of \$8,000,000 to \$3,238,792. The Summary Order further provided that there would be no further rate proceedings for years after 1996. The Summary Order did not include a full list of findings of fact and conclusions of law, which were set forth in the Commissioner's Final Decision. The Final Decision was appealed to the Appellate Division of the Superior Court by the Authority.

The Appellate Division entered a decision affirming the DEP Commissioner's Summary Order awarding PenPac \$3,238,792, plus interest in the amount of \$256,313.00. The Appellate Division also remanded the matter to the DEP for a determination of rate underrecovery for that portion of calendar year 1997 during which PenPac provided transfer station services, and for a determination of the overall rate of interest on the entire award¹. Certification of that decision was sought to the New Jersey Supreme Court, and ultimately denied.

Entry of August 2005 Judgment and Post-Collection Efforts (1st of 2 PenPac Judgments)

PenPac thereafter filed a Complaint in Superior Court, captioned PenPac, Inc. v. Passaic County Utilities Authority, Docket No. PAS-I-2040-05 (Superior Court of New Jersey, Law Division - Passaic County, the second case listed above), seeking to have the administrative underrecovery decision, as affirmed by the Appellate Division, reduced to a judgment in the Superior Court. On August 15, 2005, the Passaic County Superior Court entered a judgment against the Authority in the amount of the Commissioner's Decision, as affirmed, plus interest (total judgment amount of \$3,495,105).

Since the entry of the August 15, 2005 judgment in PenPac's favor², PenPac has engaged in various efforts to enforce the judgment and collect upon it from the Authority (and, as of 2012, against the County of Passaic as well - see *infra*). As a result of the Authority's financial condition, including the amount of outstanding debt, its inability to generate

¹ On remand, the NJDEP determined that PenPac was entitled to an additional \$1.3 million of underrecovery for services rendered for portions of 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 efforts are ongoing, primarily and directly, against the County of Passaic at this time, discussed *infra*. Nonetheless, the unsatisfied portion of both judgments remain obligations of the Authority, despite its financial condition and regardless of collection efforts against the County.

² As well as since the entry of the Remand Award in 2009 constituting the Second Judgment against the Authority.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 19. LITIGATION, (continued)

operating revenues in the wake of the judicial rulings in Atlantic Coast Demolition & Recycling, Inc. v. Atlantic County Bd. Of Chosen Freeholders, 112 F.3d 652 (3d Cir. 1997), amended, 135 F.3d 891 (3d Cir. 1998) (the “Atlantic Coast” decisions) and its obligations to the Authority’s bondholders, the Authority has consistently taken the position that its limited monetary assets are pledged to the bondholders and should be applied to reduce debt service. Therefore, the Authority has maintained that PenPac’s judgment for underrecovery may not be satisfied out of the Authority’s monetary assets. The Authority has argued consistently in State court that State law clearly provides that the assets of a county or municipal utilities authority are exempt from levy and execution, and are otherwise pledged to its bondholders in either event. They are not available to satisfy unsecured judgment creditors. Stated simply, the Authority has argued that its assets are pledged to the superior priority of the bondholders, and are not subject to seizure by an unsecured judgment creditor such as PenPac.

Nonetheless, PenPac, as part of its collection efforts, in the Fall of 2006 made an application to the Superior Court for mandamus relief to compel the Authority to pay the judgment from its available monetary assets, or to otherwise provide for payment. The Authority resisted that application, and opposed it for the reasons set forth in the previous paragraph, focusing largely on the pledge of monetary assets first and foremost to the Authority’s bondholders. The Court granted the relief sought by PenPac as a threshold matter, and thereafter held a plenary hearing on January 3-4, 2007 to establish the extent of the Authority’s known assets, and the degree to which they are pledged to bondholders as argued by the Authority, or otherwise were potentially available to pay PenPac’s 2005 Judgment. The Authority argued that PenPac was precluded from levying against the assets of the Authority, or otherwise obtaining an order to compel payment of the August, 2005 judgment from those assets. After the January, 2007 hearing, during which evidence and testimony were taken with respect to the Authority’s assets and financial condition, the Court reserved decision.

March 12, 2007 Order Directing Turnover and Assignment of Assets to PenPac

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) turnover \$701,230.41 in Bank of New York accounts to PenPac; 2) to turnover \$1,702,220.84 in Bank of America accounts to PenPac; and 3) to assign all future income derived 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 known monetary assets to PenPac, excepting only certain Bank of New York

COUNTY OF PASSAIC, N.J.
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(continued)

NOTE 19. LITIGATION, (continued)

accounts associated with the Authority's active and outstanding 1999 and 2004 Series Bonds (as well as any account associated with an active bond issue, such as the 2008 Bonds), which the trial court found were validly pledged to the bondholders and thus not subject to turnover. The rest of the assets were found to be free and available to satisfy PenPac's Judgment.

The Authority authorized appeal of this decision first to the Superior Court Appellate Division (which affirmed), and then to the New Jersey Supreme Court. The New Jersey Supreme Court refused to grant Certification to hear the case, rendering the trial court's March 2007 determination final as of September 5, 2008. At that point, the stay of the trial court's decision was dissolved.

Compliance with the March 12, 2007 Order of the Trial Court: Turnover of Assets and Assignment of Mortgage Receivable Income

As a result of the finality of the March 12, 2007 Mandamus Order by exhaustion of available appellate review, the Authority adopted a resolution at a special meeting held on September 25, 2008 to comply with the terms of that Order, 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 Bank of America accounts to PenPac; and, 3) assigned all future income derived from the Passaic Investors mortgage receivable, held by the Authority, to PenPac³.

Future of PenPac Litigation - Collection Efforts directly against County of Passaic

As noted above, the Remand Award was also reduced to judgment in the amount of approximately \$1.3 million 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). PenPac, is still owed payment by the Authority with respect to the balance due on the 2005 judgment, and the entire 2009 Remand Award judgment. What is outstanding does not include post-judgment interest, which accrues pursuant to the New Jersey Rules of Court.

³ That Mortgage has now been paid and amortized in full.

COUNTY OF PASSAIC, N.J.
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(continued)

NOTE 19. LITIGATION, (continued)

In 2010, PenPac undertook limited, additional post-judgment discovery against the Authority. However, no additional assets were discovered or found (as expected in the light of the 2008 turnover of assets), and no additional post-judgment activity has been taken against the Authority since. None is imminently anticipated.

In 2011, PenPac brought a direct legal action against the County of Passaic to collect on these Judgments. Since the Authority has no available assets, PenPac's collection efforts naturally turned to the County of Passaic - as had been long anticipated. PenPac's lawsuit had asserted various legal theories under which it maintained the County is responsible for the Judgments - contractual debts of the Authority - despite the absence of direct contractual privity with the County. Among them was a theory that the Authority should be dissolved by *de facto* merger with the County of Passaic, and all of its debts assumed by the County - including the PenPac Judgments. That suit was captioned PenPac, Inc. v. County of Passaic, Docket No. PAS-L-2635-11, and was brought in the Superior Court in Passaic County. The County had retained outside, separate counsel to defend against that action.

After discovery, in August of 2012 both the County and PenPac moved for summary judgment. The parties fully briefed the issues in the case - including notably, the inability of the courts to independently dissolve a county utilities authority subject to State oversight, which has outstanding debt. Oral argument was heard in that case on October 23, 2012, on both summary judgment motions. On October 25, 2012, Judge Chiocca in Passaic County dismissed all Counts of PenPac's action against the County for the reasons delivered in an oral opinion.

PenPac then appealed that dismissal to the Appellate Division of the Superior Court. After a full briefing of the issues by both Parties, the Appellate Division, by written decision issued on December 27, 2013, affirmed the trial court's dismissal of the action against the County in its entirety. The Appellate Division found that there was no indication that the County had assumed the PenPac Judgments as a matter of law.

On or about January 28, 2014, PenPac petitioned the New Jersey Supreme Court for a grant of certification to review the December 27, 2013 decision of the Appellate Division. That application remains pending at this time.

COUNTY OF PASSAIC, N.J.
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NOTE 19. LITIGATION, (continued)

2. 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 Count. 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). Defendants appealed, and on June 6, 2014, the Appellate Division affirmed the jury's verdict, but reduced slightly the award of attorneys' fees, rendering Defendants liable for \$3,724,043.50. As a prevailing party, Plaintiffs are also entitled to their attorneys' fees incurred on appeal, however, Plaintiffs' counsel has not yet made that application. Defendants are evaluating whether to appeal to the New Jersey Supreme Court.

3. Wichot matter: Wichot v. Berdnik, et al.

This matter was filed by Gregory and Barbara Wichot, on behalf of their legally incapacitated son, Jeffrey Wichot, alleging defamation, intentional infliction of emotional distress and tortuous interference with a prospective economic advantage against Sheriff Richard Berdnik, Captain Weston, and Press Officer, William Maer. In March 2013, Defendants succeeded in dismissing a large number of claims, leaving only Jeffrey Wichot's claims for defamation, intentional infliction of emotional distress and tortuous interference of prospective economic advantage.

Plaintiff was one of 9 adults and 5 minors arrested and charged with possession and distribution of child pornography as a result of "Operation Minor Traffic" – a large sting by the Passaic County Sheriff's Department. The State made an application to dismiss the charges against Plaintiff due to his mental incapacity, which was granted on September 21, 2011. On September 27, 2011, a press conference was held where the image, name and township location for each adult arrestee was provided and a statement made that: "all charges remain pending final disposition in the Superior Court.

Plaintiff alleges that this statement was false, as the charges against him had already been dismissed, and that as a result, he was purportedly attacked in a parking lot, his employment with the Township of Wayne was terminated and he suffered embarrassment, loss of friends, and an inability to obtain or maintain new friendships with his peers.

COUNTY OF PASSAIC, N.J.
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NOTE 19. LITIGATION, (continued)

The parties have been engaged in a lengthy discovery process in which 7 depositions remain outstanding. Upon completion of all discovery, we will evaluate the testimony and evidence obtained, in preparation for filing a motion for summary judgment.

4. Rivera v. Passaic County, Dep't of Planning.

Mr. Rivera was a Housing Assistant Technician who was terminated on December 29, 2010. He was terminated for incompetency; inability and failure to perform duties; conduct unbecoming a public employee and neglect of duties. Mr. Rivera failed to show for various inspections, submitted incorrect information on forms and inadequately performed inspections over a period of time. He appealed his termination through the Civil Service Commission. The matter proceeded through several days of hearing before an Administrative Law Judge. The Administrative Law Judge overturned the termination and issued a 90 day suspension, which included back pay. Exceptions were filed to the Civil Service Commission and the Commission increased the suspension to 120 days. The parties are negotiating the back pay component of the decision.

5. Saunders v. A.H. Environment, et al.

1. The nature of the litigation:

The plaintiff, Saunders, a former Superior Court Judge alleges exposure to asbestos at the main Passaic County Courthouse, which he claims caused plaintiff to develop lung cancer.

- a. The Proceedings: Amos Saunders and Janet Saunders v. A.H. Environment, et al., Docket No. MID-L-3368 13AS, Superior Court, Law Division.
- b. The Claims Asserted – Plaintiff, Amos Saunders, is a retired Superior Court Judge who sat in the main Passaic County Courthouse from 1981-2000. This courthouse underwent asbestos remediation in 1983. The plaintiff also testified that prior to becoming a judge, he would be in the main courthouse several times a week since 1959 as an attorney. He was diagnosed with lung cancer, or possibly mesothelioma. Passaic County is charged with negligence for allegedly waiting for an unreasonably long period, after acquiring knowledge of the danger of asbestos to evacuate the building and to hire a contractor (A.H. Environment Inc., now bankrupt) to remediate the asbestos in the courthouse. Saunders also alleges that the contractor negligently performed remediation work causing further asbestos exposure. A co-defendant of the County, Alaimo Group, an engineering firm, is alleged to have been negligent in drawing up the specifications for asbestos abatement project, and in overseeing the remediation work.

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NOTE 19. LITIGATION, (continued)

2. The progress of the case to date:

The deposition of the plaintiff was taken on April 11, 2014. Pre-trial discovery is continuing.

3. How the County of Passaic is responding to the litigation:

The County is defending the claims on the merits, with the primary objective of favorably influencing settlement negotiations. A defense medical causation expert has been retained. Additional defense experts, including an expert economist qualified to address the plaintiff's loss of income claim and an industrial hygienist with expertise regarding permissible levels of asbestos in buildings at the relevant timeframes. A summary judgment motion will be made at the conclusion of discovery, seeking dismissal without trial, although such motions are rarely granted.

4. (i) Likelihood of an unfavorable liability outcome:

Summary judgment is unlikely to be granted given the fact sensitive nature of the claim. Juries in Middlesex County have returned substantial awards to asbestos claimants with ultimately fatal asbestos-related illnesses such as that claimed by plaintiff here. It is probable the County of Passaic will be allocated a substantial portion of liability by a jury should the case go to trial, given the centrality of the Courthouse, the County's property.

4. (ii) Estimation of Range of Loss/Exposure:

New Jersey jury verdicts in asbestos exposure cases have been sustained on judicial review in a range as high as five million dollars where supported by the kind of evidence that discovery to date shows plaintiff here will probably be capable of producing at trial. While legal defenses avoiding trial are being asserted, including defenses of statutory immunities, under the totality of circumstances, there is a probability that, absent settlement, a multi-million dollar, sustainable jury award will be returned against the Court. At this juncture, with discovery still incomplete, it is not possible to provide a more specific estimate of the range of exposure with a reasonable degree of certainty.

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NOTE 19. LITIGATION, (continued)

6. 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. This matter is currently listed for arbitration in the latter part of August 2014.

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 (\$3,000,000.00) be placed on this matter.

7. Cedestino Malave, William Malave and Elvin Sanchez v. Laura B. Freytes as Passaic County Superintendent of Elections and the County of Passaic
U.S. District Court, District of New Jersey, Docket No. 2:11-CV 3393-FSH-PS.

Plaintiffs, Cedestino Malave, William Malave, and Elvin Sanchez, filed a complaint against the Passaic County Superintendent of Elections, Laura B. Freytes ("Freytes"), and the County of Passaic, in federal district court on June 13, 2011.

The claims in the complaint arise from Freytes' termination of Plaintiffs, William Malave and Elvin Sanchez on June 12, 2009, from the Office of the Superintendent of Elections where they had been employed as voting machine technicians. Plaintiffs, William Malave and Elvin Sanchez allege that their termination was in retaliation for 1) complaints they made regarding health and safety conditions at the Elections warehouse, 2) their objection to training Superintendent Freytes' son-in-law, Robert Vargas, on the election data system,

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NOTE 19. LITIGATION, (continued)

and 3) their involvement in grievances against the Superintendent. Plaintiffs, William Malave and Elvin Sanchez allege that their terminations violated the New Jersey Conscientious Employee Protection Act (“CEPA”) and their constitutional rights to free speech and due process pursuant to 42 U.S.C. § 1983. Plaintiff, Cdestino Malave alleges that he was retaliated against by Defendant Freytes because of his association with his brother, William Malave and with Elvin Sanchez. He claims he was subjected to retaliatory conduct by Freytes for filing grievances against her, with such conduct including the threatening of his employment, surveillance of him around the office, and receiving threatening and intimidating remarks. Plaintiff, Cdestino Malave further alleges that Defendant Freytes demanded that he fabricate a report to the Attorney General’s Office.

In December 2011, Defendants, the County of Passaic and Laura B. Freytes filed Motions to Dismiss Plaintiffs’ Complaint pursuant to Fed. R. Civ. P. 12 (b)(6). Despite these motions, the court ordered the parties to proceed with discovery and entered a Pretrial Scheduling Order with a discovery end date of October 1, 2012. On July 17, 2012, Plaintiffs filed a Voluntary Dismissal with Prejudice dismissing the County of Passaic as a defendant in the action. Notwithstanding this dismissal, Defendant, Laura B. Freytes maintained that her Claim for Indemnity against the County of Passaic as pled in her Answer to Plaintiffs’ Complaint, would be pursued. The County of Passaic thereafter filed a limited Answer to Freytes’ Claim for Indemnity.

The Matter was originally filed in Federal Court as Civil Action No. 2:11-CV-3393 (FSH-PS). Defendants moved to dismiss the matter in lieu of filing an answer and the Federal causes of action were dismissed on December 26, 2012. The State law claim for violation of the New Jersey Conscientious Employee Protection Act (“CEPA”) was refiled in the Superior Court in January 2013. That claim has been dismissed. Both the CEPA dismissal and the issues relating to the Attorney General’s denial of defense and indemnification to Laura B. Freytes are currently on appeal.

Cdestino Malave filed an appeal of the trial court decision and this office filed an appeal of the Attorney General’s Determination regarding defense and indemnification of Laura B. Freytes. Those matters were consolidated on a motion by counsel for the County of Passaic, in the Appellate Division. All parties received a briefing schedule; however, the same has recently been extended. Our brief on the defense and indemnification matter is due May 16, 2014. Plaintiff’s submission regarding the CEPA issue is due on the same date. Responses to the briefs are due thirty (30) days after initial briefs have been received.

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NOTE 19. LITIGATION, (continued)

Claims(s) Asserted:

Plaintiffs assert a “whistle blower” claims under State law and a violation of civil rights. The Plaintiffs allege that they made repeated reports of OSHA violations at the County warehouse and refused to obey an order of Freytes to provide her son-in-law, Robert Vargas, with the security codes for access to the election data system of the County of Passaic. In addition, Cedestino Malave asserts that Defendant Freytes began to harass him after he allegedly refused to alter a report about an election issue, although he is still employed.

Monetary and Other Damages Sought:

None. Plaintiffs counsel has not made a demand as of the date of this report.

Extent of Insurance Coverage:

An award would be covered by insurance because it would represent civil rights and compensatory damages, except for lost wages and attorney fees if awarded, which are not a covered item of risk.

Other Relief Sought by Plaintiffs:

Reinstatement to positions for William Malave and Elvin Sanchez.

Management Response:

The County and Superintendent’s response was appropriate to contest the base because the arbitration award had been reversed and is in the County and Superintendent’s favor. The Federal case has been dismissed.

Evaluation of Outcome/Estimate or Range of Potential Loss:

This office is optimistic that an appellate decision in our favor will be granted on the defense and indemnification portion of the case requiring the State of New Jersey to bear the costs of Ms. Freytes defense. This office is also optimistic regarding the outcome of Mr. Malave’s appeal considering the lengthy procedural history of this case denying his requested relief.

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NOTE 19. LITIGATION, (continued)

Upper/Lower Loss Limits:

As to Cedestino Malave, he has lost no salary and we value his potential claims for compensatory damages as between \$25,000.00 and \$75,000.00 should be prevail on his appeal. Considering that the pending appeals are in their beginning stages, attorney fees are likely to exceed three hundred thousand (\$300,000.00) dollars and could reach as high as five hundred thousand (\$500,000.00) dollars.

8. Ronald Conforth v. Officer Saint Reyes and the County of Passaic
Docket No. PAS-L-3110-12.

This case involves a motor vehicle accident where Plaintiff sustained a traumatic brain injury resulting, *intra alia*, in the Plaintiff's permanent loss of hearing. Discovery concluded with experts retained by both parties. Mediation provided successful and the matter was settled in March and approved by the Board of Freeholders at its April 21, 2014 meeting. The case settled for \$990,000.00, below that stated in my correspondence of September 2012, where a range between \$1,000,000.00 to \$3,000,000.00 was estimated.

9. Lamont W. Garnes and Robert A. Klein v. Passaic County and the Passaic County Sheriff's Department

Docket No. PAS-L-56-10; A-2186-12. (Please note, individual Defendant and former Sheriff Jerry Speziale was originally named as a defendant but later dismissed on the first day of trial).

By way of brief background, this matter, which involved an allegation of employment discrimination under the New Jersey Law Against Discrimination ("LAD") was initiated in by Complaint in April 2010. On May 23, 2012, after approximately four (4) weeks of trial, the Jury in this matter returned a verdict of No Cause with regard to Plaintiff Garnes. However, the Jury found in favor of Plaintiff Klein that he was improperly laid off from his position with the Sheriff's Department on January 1, 2008, and awarded him \$159,400.00 in back pay and \$18,300.00 in pension losses.

Plaintiff's, Lamont W. Garnes and Robert A. Klein, filed their First Amended Complaint on April 29, 2010, alleging that they had been discriminated against on the basis of age by the County of Passaic ("County"), the Passaic County Sheriff's Department ("PCSD" or "Department"), and by former Sheriff Jerry Speziale in violation of the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq. ("LAD"). Plaintiff's sought "back pay, front pay, emotional distress damages, pre- and post-judgment interest, punitive damages,

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NOTE 19. LITIGATION, (continued)

counsel fees and such other relief as the Court deems just and appropriate under the circumstances.” (See Plaintiff’s First Amended Complaint (hereinafter “Cplt.”) annexed to the Certification of J. Andrew Kinsey, Esq., dated June 21, 2012 (hereinafter “Kinsey Cert.”), as Exhibit “A” at p. 4). On the eve of trial, Plaintiffs were permitted to amend their Complaint to also seek reinstatement.

All of the defendants timely filed Answers and discovery proceeded in due course, during which time depositions were conducted and Defendants provided Plaintiffs with nearly 2,000 pages of documents produced and extensive depositions taken. At no time during the discovery period did Plaintiffs obtain an expert regarding their damages or their tax liability in the event of an award for lost wages.

At the close of discovery, all parties moved for Summary Judgment. Both motions were denied by this Court on February 17, 2012. This Court found that genuine issues of material fact existed that should be presented to a jury. Plaintiffs subsequently moved for reconsideration, which was likewise denied by this Court on or about March 23, 2012. This Court repeatedly articulated throughout the course of dispositive motions that this matter was particularly well suited for determination by a Jury.

The trial of this matter took place before the Honorable Ralph L. DeLuccia, Jr., J.S.C., from April 30, 2012 through May 23, 2012. On the morning of the first day of trial, all Defendants moved for recusal of the assigned trial judge pursuant to Rule 1:12-1 on the basis that this Court had expressed strong opinions about the Defendants’ liability and the credibility of the Defendants’ witnesses throughout the pendency of dispositive motions and settlement discussions. That motion was denied.

On the afternoon of the first day of trial, Plaintiffs announced that they were voluntarily dismissing all claims they had asserted against former Sheriff Speziale with prejudice. At all times up to that point, Sheriff Speziale had been represented by Albert C. Buglione, Esq. The remaining Defendants subsequently moved to have Mr. Buglione substituted in as counsel for one of the remaining Defendants on the basis that defense counsel had formulated a joint defense and would suffer prejudice if Mr. Buglione’s substitution was not permitted. Moreover, Defendants argued that a public entity Defendant was entitled to counsel of its own choosing. This motion was also denied. Both the decisions on recusal and substitution of attorney were appealed on an emergent interlocutory basis to the Appellate Division. The Appellate Division granted leave to appeal on the substitution issue but the appeal was ultimately denied and the trial proceeds.

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NOTE 19. LITIGATION, (continued)

During the course of trial, each party moved for a directed verdict at the close of the other's evidence. Both motions were denied by this Court. Again, the Court noted that the factual questions at issue should appropriately be resolved by the Jury. On May 23, 2012, the Jury returned a verdict finding that the PCSD and the County of Passaic: (a) Discriminated against Plaintiff Klein on the basis of age when they separated him from service on January 1, 2008; (b) Did not discriminate against Plaintiff Garnes when they separated him from service on January 1, 2008; and (c) Did not discriminate against either Plaintiff by failing to rehire them. (See Jury Verdict Form annexed to the Certification of Gerald Jay Resnick, Esq., dated June 13, 2012 (hereinafter "Jury Verdict Form")). Plaintiff Klein was awarded \$159,400 in back-pay and \$18,300 in pension losses. All other claims of damages were rejected by the Jury.

Plaintiffs subsequently moved for attorney's fees as "prevailing parties" under the LAD and were awarded, over Defendants' objection, \$407,052.44 in attorney's fees and costs. Plaintiff Klein was awarded \$18,279.00 to offset the tax consequences of his award, and \$14,890.60 in pre-judgment interest, for a **total award of \$617,922.04**. Plaintiff Garnes did not appeal the jury verdict, but Plaintiff Klein appealed from the final judgment, seeking additur, and the County cross-appealed, seeking to dismiss of the Complaint or, alternatively, reduce the award of attorney's fees and costs. Both parties have submitted briefs and we are currently awaiting a decision of the Appellate Division.

10. Tort Claim Notice Filed on Behalf of Thomas Carl Papendick, Deceased
Our File No.: 87850

The County of Passaic on January 18, 2013, received a Tort Claims Notice pursuant to N.J.S.A. 59:8-4 from the law firm of Cohn, Lifland, Pearlman, Herman & Kanopf, LLP, filed by Thomas Carl Papendick and Catherine Papendick, as a result of the death of their son in December 2012 while he was an inmate in the Passaic County Jail. Other than filing the Tort Claim Notice, no formal complaint has been filed in the Superior Court of New Jersey. The statute of limitations to file a claim on the deceased's behalf is December 1, 2014.

The late Thomas Carl Papendick hung himself while he was an inmate in the Passaic County Jail. The death was ruled a suicide. It is the position of the aforementioned law firm that various agents, servants or employees of the jail were negligent in failing to properly monitor Mr. Papendick's emotional well-being; failing to recognize the warning signs of suicide tendencies, failing to properly evaluate and provide him with the proper

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NOTE 19. LITIGATION, (continued)

care he required; failing to provide access to medical and mental health intervention; care and attention; failing to administer and deliver the proper medication he required; and failing to report and investigate the matter in a timely fashion. To date, there has not been a specific amount of money sought by counsel.

The County is a self-insured public entity. It would appear, based upon the Tort Claims Notice, that the only damages sought are monetary in nature.

The law firm of Weiner Lesniak commenced representation of the County of Passaic in 2014. We did not represent the County of Passaic in 2013.

As stated above, there has been no formal complaint filed in the Superior Court of New Jersey. Various witness statements have been taken and the matter is still under investigation. Once the investigation is concluded and should a formal complaint be filed in the Superior Court, at that time, the County of Passaic will make a determination in terms of its response to the pending litigation. It is somewhat curious as to why about a year and a half after Mr. Papendick's death there has been no complaint filed in the Superior Court.

At this time, it is too premature to render an opinion as to the likelihood of success in this matter or the potential amount of the loss. It can be noted at the time of Mr. Papendick's death, he was 32 years of age. Once the investigation has been completed, a better determination can be made as to the monetary range of a potential loss.

11. Woolridge v. The County of Passaic, et al

This case has a very unusual, convoluted and tortured prior history.

Without repeating the same, please note that the County of Passaic entered into an agreement with the plaintiff to settle this case in September of 2010, for the amount of \$100,000.00. After settling the case, the plaintiff, Darren Woolridge (a former Sheriff's Investigator), refused to sign the release papers relative to this matter.

As such, the case had been in limbo until July 26, 2012, when the plaintiff filed a Notice of Motion to revoke the prior settlement, and to reinstate the case for a trial on the merits. That motion was heard by a Judge at the Superior Court (Bergen County) on September 28, 2012, and denied by the Court.

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NOTE 19. LITIGATION, (continued)

Therefore, we are not awaiting as to whether or not, the plaintiff will proceed with the filing of another action – which he threatened in February of 2014.

For purposes of budgeting and reserves on this matter, \$150,000.00 must be secured, to cover the underlying settlement and individual costs related to the uncertainty of the plaintiff's threat to file another action.

12. Garcia v. Speziale, et al

This is the second installment of lawsuits advanced by Felix Garcia, a former Warden at the Passaic County Jail and former Republican candidate for Sheriff.

He now claims that the Sheriff refused to sign his gun permit application, as an act of political retaliation. This statement is ridiculous and has no merit.

However, the new nuisance value for federal employment litigation is \$100,000.00. The Federal Magistrate who is currently handling this matter is also Judge Mark Falk who has again placed a settlement value on this matter of \$100,000.00.

However, the plaintiffs are demanding \$1,000,000.00. As such, we should please a reserve on this file of \$500,000.00.

13. Darrell Walton v. Charles Meyers and P.C.S.D.

This matter involves the lawsuit of Darrel Walton, relative to his transfer from the Detective Sergeant in the Internal Affairs Division, to Detective Sergeant in the detective bureau. He claims that his transfer was politically motivated, because he was weeding out corruption in the Passaic County Sheriff's Department and voter fraud, involving the election of November 2010. To date, we have been able to minimize the allegations advanced by the plaintiff. This matter is also venued in the Federal District Court of New Jersey (Newark). This matter is before the Honorable Cathy Waldor, who is the Magistrate Judge. Her Honor has stated that this is a case that has a potential value of \$150,000.00, inclusive of legal fees. As such, we can state that this is another matter, wherein the Federal District Court has placed their nuisance value moniker on federal employment litigation.

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NOTE 19. LITIGATION, (continued)

14. Basilis Stephanatos v. Wayne Township and the County of Passaic

This matter is another matter that involves a ridiculous set of facts and circumstances, wherein the plaintiff refused to pay the school tax portion of his tax bill for a very lovely home in Wayne Township. After ten years, the Township of Wayne foreclosed on the property and the home was sold at a Sheriff's sale. When the Sheriff's Department arrived to evict the plaintiff (with proper notice), he approached the doorway with a gun and a standoff occurred. Thereafter, he surrendered peaceably, however was charged with several criminal acts, and his underlying action led to the disability of a Sheriff's Officer.

The plaintiff's criminal charges are still pending, however, he has filed a federal civil rights lawsuit against the Township of Wayne, the County of Passaic, the State of New Jersey, and a plethora of other individuals. He has placed a one hundred million dollar value on his case and attributes the Passaic County Defendants portion of damages to be twenty million dollars.

We think the plaintiff's assessment in this matter is absolutely absurd and we have filed a motion to dismiss, which is currently pending. Please note that discovery has not occurred in this matter. No value can be placed on this matter – at this time. However, for purpose of reserves, we suggest a reserve of \$100,000.00 – be placed on this matter.

15. Guiseppi Iudici v. Passaic County Sheriff's Department

In this matter, the plaintiff was arrested by the Passaic County Sheriff's Department warrant squad for an outstanding child support debts.

During the arrest, the plaintiff became combative and additional criminal charges were filed against him. Plaintiff contested those criminal charges, which were dismissed in a Municipal Court. At this time, the plaintiff has instituted this litigation, and has made a demand of \$250,000.00 for settlement which was recently increased to \$500,000.00

For purposes of our reserve, we would state that we should place \$250,000.00 of value on this matter, keeping in line with the Federal Court's current nuisance evaluation on cases of this type.

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NOTE 19. LITIGATION, (continued)

16. Richard Vieira v. County of Passaic

This is a matter which is currently venued in the Federal District Court of New Jersey, and is an employment litigation matter. In this instance, the plaintiff states that he has been retaliated against, because of political animus by his supervisors, which is a common theme in many of the current pending matters. In addition, the plaintiff's current attorney represents many plaintiffs that have other federal matters pending.

Since this matter was just filed, it is too early to place any value on this case.

However, in keeping with the Court's assessment of matter on the federal district level, we should state that it has a value of \$250,000.00. For extra protection, we should place a reserve on this matter of \$500,000.00.

17. Terrance Robinson v. Oscar Ivles

This is a very bizarre case, which involves the plaintiff's lawsuit against five different police departments and three different correctional institutions, involving a plethora of issues that the plaintiff has had with various agencies.

The County of Passaic was recently implead into this matter, after 4 prior complaints were filed. Based upon all of the foregoing, it is almost impossible to place a value on this case at this time, because there are over seven thousand pages of discovery that were previously exchanged. We have not yet reviewed those materials, and are in the process of compiling an index of those documents.

However, this matter involves the plaintiff's allegations of sexual abuse and assault, while he was allegedly a prisoner at the Passaic County Jail, as well as beatings that he claims he incurred at the hands of inmates and officers.

This matter has the potential to be expensive due to the fee shifting nature of the matter, and the manner in which the plaintiff's attorneys are litigating this matter. For reserve value, we should place a value of \$450,000.00 on this matter.

18. Jose M. Gonzalez vs. Passaic County Sheriff Officer Pickett, Passaic County Sheriff Department, County of Passaic

This case is currently stayed.

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NOTE 19. LITIGATION, (continued)

19. James Weston v. Passaic County and Office of Passaic County Sheriff and Richard Berdnik

This case just started. For purposes of a reserve, the value should be \$250,000.00

20. McDuffie v. County of Passaic

This case is in the midst of very detailed and combative litigation. The plaintiffs have reduced their demand from \$10,000,000.00 to \$2,000,000.00. The case is headed to mediation. The County's liability should be diminimus. For purpose of a reserve – we suggest a value of \$150,000.00.

21. Aeillo v. County of Passaic and Raymond Wright

This matter arose out of a motor vehicle-motorcycle “accident” that occurred at the intersection Boonton Avenue and Birch Street in the Township of Boonton on April 25, 2009. Plaintiff, William Aeillo, alleges that while traveling southbound on Boonton Avenue on his motorcycle he was caused to fall and sustain injuries because a car being driven northbound on Boonton Avenue by Raymond Wright attempted to make an illegal turn directly in front of him. At the time of the incident, Raymond Wright was the County of Passaic Director of Parks and was traveling in a County owned vehicle. Plaintiff filed a Complaint against the County of Passaic and Raymond Wright for negligence and alleges that he suffered injuries to his right wrist and left thumb which required surgery to repair.

This office settled this matter on behalf of the County and Mr. Wright with Plaintiff in March 2013 for \$135,000.00. This matter is now closed.

22. Cobb v. County of Passaic, et al.

This matter arises out of an alleged slip and fall that occurred on January 11, 2010 at the Passaic County Jail. Plaintiff, William Cobb, an employee at Tri-County Pest Control, entered an elevator shaft at the Jail to spray for pests. Plaintiff alleges that he slipped on oil/grease on the floor of the elevator shaft causing his right knee to twist which caused tearing to the cartilage. Mr. Cobb had to have two surgeries to repair the torn cartilage in his knee. Mr. Cobb alleges that he had been in the shaft before and had complained about the condition of the floor. Plaintiff filed suit against the County and US Elevator Company for negligent maintenance of the shaft creating a dangerous condition. Mr. Cobb now alleges that because of the fall, he requires a knee replacement.

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NOTE 19. LITIGATION, (continued)

Trial for this matter occurred on December 11, 13, 16, 17, 18, 19 and 20, 2013. On December 20, 2013, the Jury held the County not liable for Mr. Cobb's injuries because the County's actions in this matter were "not palpably unreasonable". As such, the case was dismissed against the County. This matter is now closed.

23. Williams v. Sheriff Berdnik and Dr. Hershkowitz

This matter arises out of a Complaint filed in Federal Court by a former inmate of the County Jail. Mr. Williams alleges that, while incarcerated at the County Jail, he was denied medical treatment and, as such, brought this suit against Sheriff Berdnik and Dr. Hershkowitz, the doctor at the County Jail. Dr. Hershkowitz is not a County employee, but is employed by Correctional Health Services, LLC ("CHS"). The County has a contract with CHS to provide institutional healthcare services for the Jail. The Contract also calls for

CHS to "indemnify and hold harmless the County for all claims, judgments and costs arising solely from negligent acts, errors or omission of CHS in the performance of services". As such, this firm tendered a request to CHS for a defense and indemnification of the County pursuant to its contract with the County. In a letter dated October 24, 2013 from counsel for CHS, CHS accepted said tender and agreed to file an answer on behalf of Sheriff Berdnik and defend and indemnify the County.

On January 30, 2014, United States District Judge Claire C. Cecchi signed an Order giving the Plaintiff thirty (30) days to submit evidence to the Court that he had exhausted his administrative remedies by appealing through the prison's internal grievance process. The Judge further Ordered that if Plaintiff failed to submit further evidence to the Court within thirty (30) days, the Summary Judgment motions filed on behalf of the County and the co-defendants would be granted. The Plaintiff did not produce the evidence as set forth in the Order and the Complaint was dismissed. This matter is now closed.

24. Flores v. County of Passaic

This matter arises out of a trip and fall incident on December 8, 2011. Plaintiff alleges that she was injured while walking on County owned property located at 772-778 Main Street, Paterson, New Jersey. However, Plaintiff did not file a Notice of Tort Claim with the County until March 13, 2012, which was outside of the ninety (90) day time period to file such a notice. As such, this firm filed a Motion to Dismiss for failing to state a claim upon which relief could be granted. The Motion to Dismiss was granted on April 16, 2014. This matter is now closed.

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NOTE 19. LITIGATION, (continued)

**25. Harmon vs. County of Passaic
Docket No. PAS-L-3269-13**

The Plaintiff, Sandra Harmon, alleges to have fallen on an uneven surface on the landing in front of 401 Grand Street on December 12, 2012. The injuries alleged include fracture of the left foot and soft tissue injuries to her side, back and knees. The original Notice of Claim claimed the damages to be in the amount of \$2,000,000.00.

Presently discovery is underway. To date, paper discovery has been exchanged and the deposition of the Plaintiff has been concluded as well as that of the Passaic County Engineer. There is another deposition which Plaintiff intends to take which should take place during the next few weeks.

Obviously, the damages claimed in the Notice of Claim are ludicrous. We are presently awaiting documentation on any lost wage claim being asserted as well as any out of pocket expenses. Once this information is received, we will be in a better position to evaluate the claim. One of the defenses in this case is the fact that an incident report prepared on the date of the incident had the fall occurring in a different location. The Plaintiff has explained this away as saying the reporting officer was mistaken when he filled out the report. Plaintiff does present herself as a good witness however, the injuries I believe will be limited.

NOTE 20. 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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(continued)

NOTE 21. 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 2013 calendar year, the County did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

NOTE 22. POST RETIREMENT BENEFITS

Plan Description

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

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

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

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

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

The number of retirees receiving premium-free benefits as of 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, 2013 as required by GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 22. POST RETIREMENT BENEFITS, (continued)

Funding Policy

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

Actuarial Valuation Results

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

Summary of Valuation Results

Actuarial Accrued Liability:	
Retiree	\$102,988,427
Active	<u>49,899,323</u>
Unfunded Actuarial Accrued Liabilities	<u>\$152,887,750</u>
Discount Rate	4.50%
Normal Cost	\$10,104,366

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	\$7,800,100
Actuarial Contribution Determination	<u>5,858,000</u>
Increase in Net OPEB Obligation	1,942,100
Net OPEB Obligation, Beginning of Year	<u>10,434,436</u>
Net OPEB Obligation, End of Year	<u>\$12,376,536</u>

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 22. POST RETIREMENT BENEFITS, (continued)

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 \$38,935,000 through the year 2016 for current and future retiree medical benefits as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$8,940,000	2015	\$9,994,400
2014	9,515,500	2016	10,485,100

Actuarial Assumptions and Methods

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

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%.

COUNTY OF PASSAIC, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(continued)

NOTE 22. POST RETIREMENT BENEFITS, (continued)

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.

NOTE 23. SUBSEQUENT EVENTS

The County has evaluated subsequent events through July 15, 2014, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

COUNTY OF PASSAIC

Supplementary data

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

	<u>Year 2013</u>		<u>Year 2012</u>	
<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Fund Balance Utilized	\$ 18,000,000	3.79 %	\$ 20,000,000	4.41 %
Miscellaneous - From Other Than				
Tax Levies	145,557,236	30.69	128,088,321	28.27
Collection of Current Tax Levy	<u>310,795,236</u>	<u>65.52</u>	<u>304,999,886</u>	<u>67.32</u>
Total Income	<u>474,352,472</u>	<u>100.00 %</u>	<u>453,088,207</u>	<u>100.00 %</u>
 <u>EXPENDITURES</u>				
Budget	460,267,906	99.43	432,920,894	99.90
Other	<u>2,645,308</u>	<u>0.57</u>	<u>448,402</u>	<u>0.10</u>
Total Expenditures	<u>462,913,214</u>	<u>100.00 %</u>	<u>433,369,296</u>	<u>100.00 %</u>
Excess in Revenue	11,439,258		19,718,911	
Adjustments to Income Before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year	<u>5,500,000</u>		<u>80,422</u>	
Statutory Excess to Surplus	16,939,258		19,799,333	
Fund Balance, January 1	<u>27,412,049</u>		<u>27,612,716</u>	
	44,351,307		47,412,049	
Utilized as Budget Revenue	<u>18,000,000</u>		<u>20,000,000</u>	
Fund Balance, December 31	<u>\$ 26,351,307</u>		<u>\$ 27,412,049</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>
2013	\$	35,477,614,974	38,786,512	35,516,401,486	46,688,025,747	0.7607
2012		36,051,366,476	40,161,083	36,091,527,559	47,373,694,806	0.7618
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

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>
2013	\$ 310,795,236	310,795,236	100.00%
2012	304,999,886	304,999,886	100.00%
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%

Comparative Schedule of Fund Balance

	<u>Year</u>	<u>Dec. 31</u>	<u>Utilized in budget of succeeding year</u>
Current Fund	2013	\$ 26,351,307	17,000,000
	2012	27,412,049	18,000,000
	2011	27,612,716	20,000,000
	2010	26,690,863	18,000,000
	2009	20,212,602	15,450,000

COUNTY OF PASSAIC

Supplementary Data

Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Type of bond</u>
Bruce James	Freeholder - Director	(A)
Theodore Best	Freeholder Deputy Director	
John Bartlett	Freeholder	(A)
Pasquale Lepore	Freeholder	(A)
Terry Duffy	Freeholder	(A)
Rhonda Controneo	Freeholder	(A)
Hector Lora	Freeholder	(A)
Louis E. Imhof III	Clerk of the Board	(B)
Anthony DeNova III	County Administrator	
William J. Pascrell III	County Counsel	(B)
Richard Cahill	Finance Director	
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

Schedule of Cash and Investments

Current Fund

Year Ended December 31, 2013

	<u>Checking</u>	<u>Investments</u>
Balance, December 31, 2012	\$ 45,731,865	508,889
Increased by Receipts:		
2013 Tax Levy	310,795,236	
Federal and State Grants Receivable	34,950,868	
Revenue Accounts Receivable	93,178,012	
Non-Budget Revenues	2,955,300	
Petty Cash	18,600	
Schedule of Interfunds	49,873,732	
Miscellaneous Reserves	12,036,460	
Unappropriated Reserves for Grants	71,668	
Interest		2,269
	<u>503,879,876</u>	<u>2,269</u>
	549,611,741	511,158
Decreased by Disbursements:		
2013 Budget Appropriation	398,644,718	
2012 Appropriation Reserves	15,364,405	
Schedule of Interfunds	46,198,524	
Accounts Payable	546,111	
Federal & State Grant Commitments Payable	11,127,758	
Reserve for Federal & State Grants Appropriated	20,352,900	
Petty Cash	18,600	
Miscellaneous Reserves	12,586,703	
Refunds	89,469	
	<u>504,929,188</u>	
Balance, December 31, 2013	\$ <u><u>44,682,553</u></u>	<u><u>511,158</u></u>

COUNTY OF PASSAIC
Schedule of Cash - Change Fund
Current Fund
Year Ended December 31, 2013

<u>Office</u>	Balance December 31, <u>2012</u>	Balance December 31, <u>2013</u>
County Courts	\$ <u>675</u>	<u>675</u>

Schedule of Cash - Petty Cash
Current Fund
Year Ended December 31, 2013

<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, 2013

<u>Grant</u>	Balance, December 31, 2012	2013 Budget Revenue <u>Realized</u>	Revenue Realized by <u>40A:4-87</u>	<u>Received</u>	Canceled/ <u>Adjusted</u>	Balance, December 31, 2013
Paris Grant - Records Management	\$ 35,087				35,087	
Special General Election			1,652,320			1,652,320
USF 2013			55,070			55,070
USF 2014			150,575			150,575
LIHEAP Assistance 2013			28,711			28,711
Camp Hope Kids Corner 2010	10,300				10,300	
SHARE Grant	16,575				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 FY11	3,942				3,942	
Alcohol/Drug Abuse Grant FY12	290,984			289,486		1,498
Alcohol/Drug Abuse Grant FY13		755,402		498,746		256,656
Municipal Alliance 2007	65,895				65,895	
Municipal Alliance 2008	82,240				82,240	
Municipal Alliance 2009	44,998				44,998	
Municipal Alliance 2010	79,000					79,000
Municipal Alliance 2011	62,880					62,880
Municipal Alliance 2012	553,900			333,616		220,284
Municipal Alliance 2013		537,832		82,256		455,576
Workforce Learning Link Program	135,000	76,000		211,000		
Workforce Learning Link Program			157,000	28,068		128,932
Workforce Investment (PIC) 2012/2013	1,817,131			1,021,554		795,577
Workforce Investment (PIC) 2013/2014			1,798,551	96,713		1,701,838
Workfirst NJ 2012/2013	5,631,504		2,841	4,531,784	50,000	1,052,561
Workfirst NJ 2013/2014			5,862,604	521,131		5,341,473
Department of Labor - WIA Adult	1,799,182			1,470,880		328,302
Department of Labor - WIA Adult			1,735,055	100,870		1,634,185
Department of Labor - WIA Dislocated Worker	1,480,768			732,239		748,529
Department of Labor - WIA Dislocated Worker			1,727,953	89,910		1,638,043
Disability Employment Initiative	184,530			144,530		40,000
Workforce Invest (Pic) 2006/07	66,853				66,853	
Workforce Invest (Pic) 2007/08	92,402				92,402	
Workforce Investment (PIC) 2009/10	63,288				63,288	
Workforce Invest (Pic) 2010/11	140,781					140,781
Workforce Invest (Pic) 2011/12	2,951,523			2,951,523		
Workforce Invest (Pic) 2011/12	5,886,944			3,011,657		2,875,287
Smart Steps			14,500			14,500
Strengthening Communities Fund ARRA	101,737			50,398		51,339
Hurricane Irene Disaster National Emer. Grant	251,348					251,348
L.E.O.T.E.F. 2013			14,133	14,133		
Bioterrorism Prep. 09-1159-BTL1	10,288				10,288	
Community Svc. Block Grant HIPER LINC	47,232			34,182	13,050	
Community Svc. Block Grant PHLP LINC	101,362			101,362		
Community Svc. Block Grant PHLP LINC	597,775			591,654		6,121
Community Svc. Block Grant PHLP LINC			559,224			559,224
CEHA 2012	87,971			87,971		
CEHA 2013			161,700			161,700
MRC Cap Bldg Non-Competitive			4,000	4,000		
Tobacco Enforcement Program	6,180				6,180	
Right to Know Program 2012	15,213			15,213		
Right to Know Program 2013			15,213	3,803		11,410
MRC Competitive Award			7,000	7,000		
Clean Communities 2013			72,481	72,481		
Radon Awareness Program (RAP) 2011		1				1
Radon Awareness Program (RAP) 2012		5				5

COUNTY OF PASSAIC
Schedule of Federal and State Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2013

<u>Grant</u>	Balance, December 31, 2012	2013 Budget Revenue <u>Realized</u>	Revenue Realized by <u>40A:4-87</u>	<u>Received</u>	Canceled/ <u>Adjusted</u>	Balance, December 31, 2013
Radon Awareness Program (RAP) 2013	1,000			997		3
Radon Awareness Program (RAP) 2014			1,000			1,000
Brownfields Assessment Program	12,291				12,291	
Brownfields Assessment Program	13,013				13,013	
Passaic County Film Festival 2013	2,000			2,000		
Passaic County Film Festival 2014			2,000			2,000
2012 Disaster Relief			280,000			280,000
Business Retention and Expansion Program	125,000					125,000
CDBG - DR Program		11,854,865		95,184		11,759,681
Aging Area Nutrition FY11	19,383			19,383		
Aging Area Nutrition FY12	24,162			24,162		
Aging Area Nutrition FY13		4,399,901	1,283,413	5,602,989		80,325
Aging Administration 2011	27,037			24,656		2,381
Area Aging Plan Grant 2012	37,968			37,968		
Casino Revenue 2011	38,386					38,386
Casino Revenue 2012	1,133,836			1,131,286		2,550
Casino Revenue 2013		2,152,374		1,452,451		699,923
Farmers Market Nutrition Prgm (WIC)			1,000	1,000		
JJC Partnership 2007	10,387				10,387	
JJC Partnership 2008	31,332				31,332	
JJC Partnership 2009	105,028			9,251		95,777
JJC Partnership 2010	78,935			40,297		38,638
JJC Partnership 2011	161,937			119,636		42,301
JJC Partnership 2012	428,803			330,682		98,121
JJC Partnership 2013	514,393					514,393
JJC Partnership 2014			487,746			487,746
Homeless H1RZ7N 2009	2,388				2,388	
Homeless H1RZ8N 2012	13,618			13,615	3	
Homeless H1RZ8N 2013		907,294	166,315	766,326		307,283
Human Services 08BERN	26,154				26,154	
Human Services 09BERN	42,780				42,780	
Human Services 10BERN	101,718					101,718
Human Services 11BERN	959					959
Human Services 12BERN				(3,465)		3,465
Human Services 13BERN		350,746		187,955		162,791
Preakness Gero-Psych Program	67,250					67,250
Preakness Gero-Psych Program	338,210			338,210		
Preakness Gero-Psych Program			338,210	253,658		84,552
Second Chance Act. (Re-entry Program)		50,000		50,000		
Rapid Rehousing Clifton S-09	20,529					20,529
Rapid Rehousing Paterson S-09	9					9
Div of Child Behavioral Health Services 2012	13,205			13,205		
Div of Child Behavioral Health Services 2013		158,456		158,456		
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	4,803				4,803	
Special Initiative and Transportation & TIP 2012	303,685			291,393		12,292
Special Initiative and Transportation 2011	882					882
Special Initiative and Transportation 2013			404,914			404,914
HUD - St. Joseph NJ36310			47,736	40,520		7,216
Eva's Village Apartments	34,195					34,195
Passaic County Housing First Leasing	19,776			3,217		16,559
Passaic County Housing First	221,400			179,502		41,898
Passaic County Housing First NJ-513			1,107,720	70,242		1,037,478

COUNTY OF PASSAIC
Schedule of Federal and State Grants Receivable
Federal and State Grant Fund
Year Ended December 31, 2013

<u>Grant</u>	Balance, December 31, 2012	2013 Budget Revenue <u>Realized</u>	Revenue Realized by <u>40A:4-87</u>	<u>Received</u>	Canceled/ <u>Adjusted</u>	Balance, December 31, 2013
Passaic County Housing First	1,077,661			345,877		731,784
HUD Eva's Project NJ36308	249,693			(58,652)		308,345
Passaic County Housing First Collaborative II	1,101,420			28,854		1,072,566
Passaic County Housing First Collaborative III	369,480			31,541		337,939
New Passaic County Housing First	235,260					235,260
HUD St. Paul's	180,260			59,094		121,166
HUD	186,660					186,660
State Incentive Program 2009	13,363				13,363	
State Incentive Program 2010	240,126					240,126
HUD Paterson Park Apartments	806,760			157,507		649,253
C.S.B.G. 2006	630				630	
C.S.B.G. 2007	300				300	
C.S.B.G. 2009	9,859				9,859	
C.S.B.G. 2009 ARRA	397,591				397,591	
C.S.B.G. 2010	4,957				4,957	
C.S.B.G. 2012	296,089			296,089		
C.S.B.G. 2013			278,038	10,358		267,680
C.S.B.G. 2013 Non-Discretionary			97,313			97,313
J.A.I.B.G. 8-08	5,319				5,319	
J.A.I.B.G. 2009	13,209					13,209
J.A.I.B.G. 2010	15,733			3,140		12,593
J.A.I.B.G. 2011	56,992					56,992
J.A.I.B.G. 2012	34,814					34,814
J.A.I.B.G. 2013			29,599	2,960		26,639
Inovations Funding			60,000			60,000
Passaic County Summer Job Training	10,740				10,740	
Birch Street Apartments	238,479					238,479
Human Services 07 BERN PASP	32,145				32,145	
Human Services 08 BERN PASP	27				27	
Human Services 12 BERN PASP	19,976			19,976		
Human Services 13 BERN PASP		42,000		42,000		
Family Court Services 2010	89,046					89,046
Family Court Services 2011	63,909			32,632		31,277
Family Court Services 2012	282,634			256,400		26,234
Family Court Services 2013	281,101	1,533		43,432		239,202
Family Court Services 2014			278,149			278,149
21st Century Learning 2009	65,740				65,740	
21st Century Learning 2010	6,776				6,776	
21st Century Learning 2011	267,680			217,866		49,814
21st Century CLC Program		500,000		378,549		121,451
21st Century CLC Program			500,000			500,000
JARC 2008	11,860				11,860	
JARC 2010	12,052				12,052	
JARC 2011	14,330					14,330
JARC 2012	320,000			203,812		116,188
Plan Conformance	70,000					70,000
Molly Ann Brook Rain Barrel Initiative	14,947			12,083	2,864	
Weatherization DHS 1999	130,619					130,619
Weatherization DHS 2007	63,892				63,892	
Weatherization DOE 2010	40,209			(75,748)		115,957
Weatherization DOE 2011	147,315					147,315
Weatherization HIP 2010	406,438			47,324		359,114
Weatherization HIP 2011	624,805					624,805
Weatherization LIHEAP 2010	72,220					72,220
Weatherization LIHEAP 2011	482,305			215,280		267,025
Weatherization LIHEAP 2013			769,270			769,270
LIHEAP Assistance 2010	36,442				36,442	

COUNTY OF PASSAIC
Schedule of Federal and State Grants Receivable
Federal and State Grant Fund
Year Ended December 31, 2013

Grant	Balance, December 31, 2012	2013 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2013
LIHEAP Assistance 2011	10,237		46,955			57,192
LIHEAP Assistance 2012	30,521		57,423			87,944
Subregional Transportation FY08	1,693				1,693	
Subregional Transportation FY11				(1,237)		1,237
Subregional Transportation FY12	9,642			(2,694)		12,336
Subregional Transportation Planning	2,802					2,802
Subregional Transportation Planning			123,019	120,936	1	2,082
Subregional Internship Support Program	1,142					1,142
Subregional Internship Support Program	4,972			3,930	1,042	
History and Tourism Plan	641			(524)		1,165
PC Master Plan: Trans Element	2,221				2,221	
Community Development Block Grant 2008	179,466			103,202	1	76,263
Community Development Block Grant 2009	317,977			220,793		97,184
Community Development Block Grant - Recovery	3,171					3,171
Community Development Block Grant 2010	235,759			185,913		49,846
Community Development Block Grant 2011	557,007			497,197		59,810
Community Development Block Grant 2012	805,450			466,920		338,530
Community Development Block Grant 2013			902,187	9,367		892,820
EMMA 2012			100,000	100,000		
UASI - Fire Decontamination Task Force	7,000					7,000
UASI - Planner Grant	16				16	
UASI - Public Health	352				352	
UASI - Projects 2009	28,141				28,141	
UASI - Projects 2009	1,384				1,384	
UASI - Projects 2009	1,938				1,938	
UASI - Projects 2010	657,436			656,536		900
UASI - Projects 2011	923,639		39,636	17,421		945,854
UASI - Projects 2012			393,629			393,629
SANE/SART Program 2009	2,045				2,045	
SANE/SART Program 2010	2,937				2,937	
SANE/SART Program 2012	12,145			12,017		128
SANE/SART Program 2013			93,575	69,136		24,439
Comm Just Prgrm Assistance			35,198	35,198		
Victimes of Crime Act Grant	36,024			36,024		
Victimes of Crime Act Grant			194,436	167,218		27,218
Communication Oriented Policing Services	266,561					266,561
Communication Oriented Policing Services	200,000					200,000
National Justice Information Sharing (JIS) 2012	270,084					270,084
Insurance Fraud Reimbursement Program	32,050			32,050		
Insurance Fraud Reimbursement Program			250,000	219,111		30,889
National Childrens Alliance Program 2010	56				56	
National Childrens Alliance Program 2011	40				40	
National Childrens Alliance Program 2012	10,000			10,000		
National Childrens Alliance Program 2013			9,000			9,000
Violence Against Women Act - DV Advocate	2,267			2,267		
Violence Against Women Act - DV Advocate			38,795	9,699		29,096
Emergency Operations Center Grant FY10	250,000					250,000
Multi-Jurisdictional Narcotics Task 2012	145,460			145,460		
Multi-Jurisdictional Narcotics Task 2011			172,000	36,985		135,015
Homeland Security Grant FY07	150				150	
Homeland Security Grant FY08	400				400	
Homeland Security Grant FY10	916,211			915,485		726
Homeland Security Grant FY11	504,432			25,220		479,212
Homeland Security Grant FY12			255,515	61,980		193,535
2012 Body Armor P.C.S.D.		2,833		2,833		
Click It or Ticket 2013			4,000	4,000		
Buffer Zone Protection	57					57

COUNTY OF PASSAIC
Schedule of Federal and State Grants Receivable
Federal and State Grant Fund
Year Ended December 31, 2013

<u>Grant</u>	Balance, December 31, <u>2012</u>	2013 Budget Revenue <u>Realized</u>	Revenue Realized by <u>40A:4-87</u>	<u>Received</u>	Canceled/ <u>Adjusted</u>	Balance, December 31, <u>2013</u>
Drive Sober or Get Pulled Over			4,400			4,400
Hazardous Materials Prep & Planning Apartments			17,100	17,100		65,856
NJ-511-PC Housing First			1,192,497	87,380		1,105,117
PC Housing First Bonus			228,924	7,500		221,424
	<u>\$ 42,813,361</u>	<u>21,789,236</u>	<u>24,431,467</u>	<u>34,953,701</u>	<u>1,918,585</u>	<u>52,161,778</u>
Grant		\$ 21,789,236	24,367,989			
Match			63,478			
		<u>\$ 21,789,236</u>	<u>24,431,467</u>			
			Unappropriated Reserves	\$ 2,833		
			Cash	<u>34,950,868</u>		
				<u>\$ 34,953,701</u>		

COUNTY OF PASSAIC
Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2013

	Balance, December 31, <u>2012</u>	Accrued <u>2013</u>	<u>Collected</u>	Balance, December 31, <u>2013</u>
Miscellaneous Revenues:				
County Clerk	\$ 8,589	803,362	811,951	
Clerk - Registry Division	236,569	2,796,295	3,032,864	
Surrogate	15,384	348,503	363,887	
Sheriff	2,416	508,144	510,560	
Interest on Investments and Deposits		30,824	30,824	
Road Opening Permits		211,635	211,635	
Rental Income		202,509	202,509	
State Aid - College County Bonds		2,582,635	2,582,635	
Division of Youth and Family Services		3,601,897	3,601,897	
Welfare - Supplemental Security Income		759,710	759,710	
Maintenance of Patients in State Institutions for Mental Diseases		17,624,611	17,624,611	
Maintenance of Patients in State Institutions for Mentally Retarded		6,831,505	6,831,505	
County Patients - State Hospital		19,501	19,501	
University of Medicine and Dentistry		358	358	
Added and Omitted Taxes	490,821	786,535	616,980	660,376
Board Inmates at County-State		92,757	92,757	
Title IV D Parent Locator Program		3,117,043	3,117,043	
Fringe Benefits		8,508,495	8,508,495	
Indirect Costs - Grants		3,655,842	3,655,842	
Preakness Hospital-Medicaid Reimbursements		33,344,900	33,344,900	
Maintenance in Lieu of Rent-Martin Luther King-Soc Serv.		173,038	173,038	
State School Building Aid (Chapter 12)		43,695	43,695	
Park Fees		1,694,450	1,694,450	
Telephone Commissions		461,104	461,104	
Capital Surplus		1,500,000	1,500,000	
Site Plan Fees		62,478	62,478	
Radio Tower Rental		32,242	32,242	
Security Contract Passaic Valley Water		202,693	202,693	
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>\$ 753,779</u>	<u>93,084,609</u>	<u>93,178,012</u>	<u>660,376</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Current Fund

Year Ended December 31, 2013

	Balance, December 31, <u>2012</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2013</u>
Federal and State Grant Fund	\$ (148,274)	2,480,731	3,921,592	(1,589,135)
Other Trust Fund	\$ (215,486)	8,818,416	9,046,921	(443,991)
Open Space Trust Fund				
Confiscated Trust Fund	3,229	49,247	52,250	226
Liability Trust Fund	(41)	1,864,116	1,864,075	
Community Development Trust Fund	10,399	211,625	211,625	10,399
General Capital Fund	(2,003,630)	51,806,203	49,804,759	(2,186)
Net Payroll Account	4,810	191,206	191,075	4,941
	<u>(2,348,993)</u>	<u>65,421,544</u>	<u>65,092,297</u>	<u>(2,019,746)</u>
Due from	18,438	1,375,999	1,151,518	242,919
Due (to)	<u>(2,367,431)</u>	<u>64,045,545</u>	<u>63,940,779</u>	<u>(2,262,665)</u>
	<u>\$ (2,348,993)</u>	<u>65,421,544</u>	<u>65,092,297</u>	<u>(2,019,746)</u>
		36,685	49,837,047	
		40,698,524	5,500,041	
Reimbursement for Expenses Paid		10,172,636	4,170,238	
Interest Earnings		11,589		
Reclass		484,410	484,410	
Cancel Fund Balance		609		
Operations			92,200	
Deferred Charges		36,360		
Federal and State Grants		2,480,731	3,921,592	
Emergency Notes		7,500,000		
Budget Appropriations		<u>3,000,000</u>	<u>1,086,769</u>	
		<u>\$ 64,421,544</u>	<u>65,092,297</u>	

COUNTY OF PASSAIC

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2013

	Balance, Dec. 31, <u>2012</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Salaries and Wages:				
Board of Freeholders	\$ 10,199	1		1
County Administrator	99,112	1		1
Finance Department		(2,353)	(2,353)	
County Counsel	52,554			
County Adjuster	24,408	1		1
Clerk of the Board	2,385	2,385	215	2,170
Personnel	14,969	1		1
County Clerk	41,651	1		1
County Register	24,602	479	(224)	703
Prosecutor's Office	748,987	38,987	28,786	10,201
Purchasing Department	15,527	1		1
Buildings and Grounds	67,605		(1,783)	1,783
Surrogate	22,671			
Sheriff's Office	35	35	(9,762)	9,797
Weights and Measures	448	448		448
Board of Taxation	2,098	98		98
Superintendent of Elections	58,217	1,217	703	514
County Emergency Management	33,959	1		1
Planning Board (NJS 40:273)	2,318			
Roads	462,431	1		1
Mosquito	401	401		401
Engineering	95,091	1,146		1,146
Jail and Workhouse - Jail	1	400	387	13
Jail and Workhouse - Patrol	1			
Mental Health Board (30:9A-3)	56,637	1		1
Department of Youth Services	16,746			
Preakness Hospital	80,342	242,642	242,548	94
Camp Hope (40:23-6 1 to 16)	3,007	7		7
Office on Aging		1		1
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	10,075	1	(35,128)	35,129
County Health Dept. Chapter 329 PL 1975	49,711	1		1
Office of County Superintendent of Schools	359	9		9
County Extensive Services	3,652			
Parks	4,114			
Golf Course	10,748	2		2
Sick Leave Payout	43,015	43,015		43,015
Para-Transit	2,407			
Police Academy	19,397	397		397
Salary and Wage Adjustment	325,000	325,000	325,000	
Other Expenses:				
Board of Freeholders	6,207	55,315	55,096	219
Contribution to Public Access Libraries	70,000	70,000	70,000	
County Administrator	61,576	75,485	73,422	2,063
Finance Department	68,595	110,379	81,303	29,076
Postage	649	2,038	2,000	38
Audit	91,800	91,800	91,800	
Insurance Division		4,127	3,057	1,070
County Counsel	4,352	18,409	15,744	2,665
County Counsel Ethics	46	46		46
County Adjuster	6,713	6,713	3,930	2,783
Clerk of the Board	7,972	13,792	6,041	7,751
Personnel	3,012	4,094	4,083	11
County Clerk	3,221	11,355	9,098	2,257
County Register	14,116	17,951	15,684	2,267
Prosecutors Office	55,832	127,223	78,524	48,699

COUNTY OF PASSAIC
Schedule of Appropriation Reserves
Current Fund
Year Ended December 31, 2013

	Balance, Dec. 31, <u>2012</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Countywide Radio	603	11,695	10,663	1,032
Purchasing Dept.	12,170	19,165	7,584	11,581
Bulk Purchasing	44,175	207,371	163,195	44,176
MIS Department (Finance Department)	3,434	92,484	83,368	9,116
Building and Grounds	43,641	391,676	375,073	16,603
Parking	480			
Welfare Board	2,523	5,440	3,822	1,618
Photostat	74,915	99,890	81,703	18,187
Economic Development	1,612	4,222	4,005	217
Surrogate	16,360	37,133	31,277	5,856
Surgical, Major Medical for Employees	942,575	2,948,702	2,948,702	
Group Life Insurance for Employees	4,000	4,000		4,000
Surety Bond Premium	6,000			
Worker's Compensation	10,841	10,403		10,403
Other Insurance	368,553	370,518	306,651	63,867
Liability Insurance		438		438
Drug Plan	405,526	275,527	354,864	(79,337)
Dental Plan	81,863	81,863	81,862	1
Sheriff's Office	27,656	75,498	71,051	4,447
Weights and Measures	614	915	581	334
Board of Taxation	12,134	12,481	10,876	1,605
Medical Examiner	413,008	912,791	869,505	43,286
Board of Elections	10,094	(23,766)	(100,618)	76,852
Superintendent of Elections	147,740	184,003	117,658	66,345
Election-County Clerk	27,974	85,246	77,272	7,974
County Emergency Management	435	10,816	9,766	1,050
Planning Board (NJS 40:273)	5,284	8,241	7,665	576
Construction Board of Appeals	5,000	4,000	2,700	1,300
Roads	456,299	554,563	441,838	112,725
Mosquito	5,751	12,448	7,089	5,359
Engineering	593	4,685	4,676	9
Jail and Workhouse	52,124	598,483	553,999	44,484
Jail and Workhouse - Medical	91,594	1,504,092	1,344,042	160,050
Disabled Children		18,000	18,000	
Mental Health Programs		186,075	186,075	
Aid to Develop Disabled		13,500	13,500	
Addiction Program Contractual	19,217	66,557	50,217	16,340
Mentally Diseased and Mentally Retarded	683,577	1,095,388	1,018,944	76,444
Supplement Security Income	318,451			
Department of Youth Services	76,241	104,016	103,677	339
Preakness Hospital	408,017	1,170,002	1,101,547	68,455
Camp Hope (40:23-6. 1 to 16)	5,054	21,082	18,485	2,597
Office on Aging		968	80	888
Adult Day Care		3,418	3,350	68
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	1,326			
County Health Dept. Ch 329 PL 1975	7,619	12,145	12,145	
Office of County Superintendent of Schools	1,526	10,241	7,760	2,481
Passaic County Vocational School	9	9		9
County Extensive Services	9,191	40,702	31,696	9,006
Passaic County Community College	1,992,705	1,992,733	1,992,733	
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	38,874	81,152	53,804	27,348
Parks	1,693	13,058	11,642	1,416
Golf Course	3,515	21,192	18,314	2,878
Matching Funds for Grants	333,845	778		778
Aid to Children Care Coordination Committee				

COUNTY OF PASSAIC
Schedule of Appropriation Reserves
Current Fund
Year Ended December 31, 2013

	Balance, Dec. 31, <u>2012</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
(4C's) (NJS 40:23)	22,500			
Aid to Women's Haven NJS 30:14-11		11,812	11,812	
Aid to D.I.A.L. (40:23-811)		13,500	13,500	
Para-Transit	91	791	200	591
Police Academy	12,480	16,055	15,138	917
Aid to Health & Welfare Councils (NJS 40-23-8.28)	2,000	166,178	164,178	2,000
Utilities:				
Gasoline	28,525	203,113	128,026	75,087
Telephone and Telegraph	24,542	211,768	163,260	48,508
Natural Gas & Electric	661,558	989,906	941,209	48,697
Street Lighting	26,913	74,218	67,022	7,196
Heating Oil	16,501	18,934	16,286	2,648
Water	56,382	165,678	140,991	24,687
Garbage	78,642	61,285	27,363	33,922
Debt Service Fees	5,135	11,135	9,000	2,135
Aid to Housing First	25,000	63,750	48,750	15,000
Contingent	10,048	10,393	9,849	544
Acquisition of Various Equipment	8,467	8,467		8,467
Passaic County Utilities Authority (P.C.U.A)		28,589	28,589	
Statutory Charges:				
Contribution to DCRP	47,639	47,639		47,639
Social Security System (O.A.S.I.)	526,795	526,795		526,795
Unemployment Compensation	17,458	17,458	17,458	
County Pension Fund	308,955	308,955		308,955
	<u>\$ 11,855,033</u>	<u>17,575,512</u>	<u>15,373,640</u>	<u>2,201,872</u>

Appropriation Reserves \$ 11,855,033
Reserve for Encumbrances 5,720,479

\$ 17,575,512

Transfer to Accounts Payable \$ 9,235
Budget Reimbursements (304,248)
Cash Disbursements 15,668,653
\$ 15,373,640

COUNTY OF PASSAIC

Schedule of Accounts Payable

Current Fund and Federal and State Grant Fund

Year Ended December 31, 2013

	<u>Total</u>	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2012	\$ 558,904	515,894	43,010
Increased by:			
Transfers from Appropriation Reserves		9,235	
Prior Year Adjustment	537,346	537,346	
	<u>537,346</u>	<u>546,581</u>	
	1,096,250	1,062,475	43,010
Decreased by:			
Payments	546,111	546,111	
Cancellations	43,010		43,010
	<u>589,121</u>	<u>546,111</u>	<u>43,010</u>
Balance, December 31, 2013	\$ <u>507,129</u>	<u>516,364</u>	<u>43,010</u>

COUNTY OF PASSAIC

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2013

	<u>Total</u>	<u>Budget Appropriations</u>	<u>Reserve for Federal and State Grant Funds</u>
Balance, December 31, 2012	\$ 5,720,479	5,720,479	_____
Increased by:			
Charges to 2013 Budget Appropriations	5,949,551	5,949,551	
Charges to Reserve for Federal and State Grants Appropriated	<u>19,887,217</u>	_____	<u>19,887,217</u>
	<u>25,836,768</u>	<u>5,949,551</u>	<u>19,887,217</u>
	31,557,247	11,670,030	19,887,217
Decreased by:			
Encumbrances Transferred to Appropriation Reserves	5,720,479	5,720,479	
Encumbrances Transferred to Federal and State Grant Fund	<u>19,887,217</u>	_____	<u>19,887,217</u>
	<u>25,607,696</u>	<u>5,720,479</u>	<u>19,887,217</u>
Balance, December 31, 2013	<u>\$ 5,949,551</u>	<u>5,949,551</u>	<u>_____</u>

COUNTY OF PASSAIC
Schedule of Commitments Payable
Federal and State Grant Fund
Year Ended December 31, 2013

Balance, December 31, 2012	\$ 11,127,758
Increased by:	
Transfer from Current Fund - Encumbrances Payable	<u>19,887,217</u>
	31,014,975
Decreased by:	
Payments	<u>11,127,758</u>
Balance, December 31, 2013	<u>\$ 19,887,217</u>

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2013

Grant	Balance, Dec. 31, 2012	Transferred From 2013 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2013
		Budget	Appropriation By 40A:4-87				
Paris Grant - Record Management	35,252					(35,252)	
Special General Election			1,652,320		1,404,450		247,870
USF 2013			55,070		30,936		24,134
USF 2014			150,575		102,426		48,149
LIHEAP Assistance 2013			28,711		27,711		1,000
Camp Hope Kids Corner	9,114					(9,114)	
SHARE Grant	1,050				(15,525)	(16,575)	
Preakness Gero-Psych Program	161,181						161,181
Preakness Gero-Psych Program	161,181						161,181
Preakness Gero-Psych Program			338,210		320,949		17,261
Second Chance Act. (ReEntry Program)		50,000			45,989		4,011
Alcohol/Drug Abuse Grant Fy08'	10,135					(10,135)	
Alcohol/Drug Abuse Grant Fy09'	179,293				48,183	(131,110)	
Alcohol/Drug Abuse Grant Fy10'	5,025				(469)	(5,494)	
Alcohol/Drug Abuse Grant Fy11'	3,944					(3,944)	
Alcohol/Drug Abuse Grant Fy12'	4,816				3,318		1,498
Alcohol/Drug Abuse Grant Fy13'		755,402			741,557		13,845
Municipal Alliance 2006							
Municipal Alliance 2007	73,688					(73,688)	
Municipal Alliance 2008	65,274					(65,274)	
Municipal Alliance 2009	45,051					(45,051)	
Municipal Alliance 2010	78,708				(31)		78,739
Municipal Alliance 2011	62,152						62,152
Municipal Alliance 2012	18,062				(29,947)		48,009
Municipal Alliance 2013		537,832			519,562		18,270
Workforce Learning Link Program	135,000	76,000			142,546		68,454
Workforce Learning Link Program			157,000		29,562		127,438
Workforce Investment (PIC) 2012/2013	1,097,191				778,405		318,786
Workforce Invest Allocation - Youth 13/14			1,798,551				1,798,551
WorkFirst New Jersey 2012/2013	2,736,456		2,841		807,325	(50,000)	1,881,972
WorkFirst NJ Grant			5,862,604		366,748		5,495,856
Department of Labor - WIA Adult	1,799,182				306,689		1,492,493
Department of Labor - WIA Adult			1,735,055		103,113		1,631,942
Department of Labor - WIA Dislocated Worker	1,480,768				228,256		1,252,512
Department of Labor - WIA Dislocated Worker			1,727,953		56,228		1,671,725
Disability Employment Initiative	184,530				2,459		182,071
Workforce Invest (PIC) 2006/07	92,658					(92,658)	
Workforce Invest (PIC) 2007/08	9,389					(9,389)	
Workforce Invest 2009/10	62,677					(62,677)	
Workforce Invest 2010/11							
Workforce Invest 2010/11	3,268				(193,000)		196,268
Workforce Invest 2011/12							
Workforce Invest 2011/12	4,270,720				4,146,934		123,786
SmartSteps			14,500				14,500
Strengthening Communities Fund ARRA	81,456						81,456
Hurricane Irene Disaster National Emergency Grant	42,216						42,216
L.E.O.T.E.F 2005	3,167				3,167		
L.E.O.T.E.F 2006	52,375				48,976		3,399
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	57,487						57,487
L.E.O.T.E.F 2012	58,170						58,170
L.E.O.T.E.F 2013			14,133				14,133
Bioterrorism Prep.	10,175				(305)	(10,480)	
Bioterrorism Prep.	65,980						65,980
Community Svc. Block Grant HIPER LINCS	14,452					(14,452)	
Community Svc. Block Grant PHLF LINCS 2012	67,590				39,628		27,962
Community Svc. Block Grant PHLF LINCS 2012	179,130				170,058		9,072
Community Svc. Block Grant PHLF LINCS 2013			559,224		362,398		196,826
CEHA 2010	35					(35)	
CEHA 2012	1					(1)	
CEHA 2013			161,700		161,700		
MRC Cap Bldg Non-Competitive			4,000		1,430		2,570
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						(11)	(11)

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2013

Grant	Balance, Dec. 31, 2012	Transferred From 2013 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2013
		Budget	Appropriation By 40A.4-87				
			7,000				7,000
MRC Competitive Award	341					(341)	
Clean Communities 2006	403				(106)	(509)	
Clean Communities	1,250					(1,250)	
Clean Communities					(25)	(25)	
Clean Communities 2010					21,445		4,242
Clean Communities 2011	25,687				45,880		210
Clean Communities 2012	46,090		72,481		49,114		23,367
Clean Communities 2013					1,385	(466)	
Recycling Enhancement Act	1,851						
Recycling Enhancement Act Bonus Grant	206,731						206,731
Recycling Enhancement Act	150,517				124,131		26,386
Radon Awareness Program 2011	1					(1)	
Radon Awareness Program 2012	5					(5)	
Radon Awareness Program 2013	3						3
Radon Awareness Program 2014			1,000		999		1
Brownfields Assessment Program	3,313					(3,313)	
Passaic County Film Festival	2,000				2,000		
Passaic County Film Festival			2,000				2,000
Disaster Relief 2012			280,000				280,000
Business Retention and Expansion Program	92,548				8,671		83,877
CDBG-DR Program		11,854,865			11,488,865		366,000
Aging Area Nutrition FY 2009	427,751						427,751
Aging Area Nutrition FY 2010	395,605				(382)	(395,987)	
Aging Area Nutrition FY 2011	720,803				(486)		721,289
Aging Area Nutrition FY 2012	1,704,251				689,176		1,015,075
Aging Area Nutrition FY 2013		2,706,503	636,565		2,339,466		1,003,602
Aging Administration	41,472						41,472
Aging Administration 2010	41,917				(67)	(41,984)	
Aging Area Plan Nutrition	781,046				770,512		10,534
Aging Administration 2013		1,693,398	646,848		1,568,511		771,735
Casino Revenue 2009	347,574					(347,574)	
Casino Revenue 2010	279,110				279,111	1	
Casino Revenue 2011	364,402				364,402		
Casino Revenue 2012	594,823				334,883		259,940
Casino Revenue 2013		2,152,374			1,551,706		600,668
Farmers Market Nutrition Prgm (WIC)			1,000		1,000		
JJC Partnership 2003	184					(184)	
JJC Partnership 2007	19,638					(19,638)	
JJC Partnership 2008	28,710					(28,710)	
JJC Partnership 2009	180,187						180,187
JJC Partnership 2010	70,931						70,931
JJC Partnership 2011	27				(8)		35
JJC Partnership 2012	132,657				91,971		40,686
JJC Partnership 2013	514,393				488,700		25,693
JJC Partnership 2014			487,746		100,000		387,746
Homeless HIRZ7N 2009	2,390					(2,390)	
Homeless HIRZ8N 2010	1,092					(1,092)	
Homeless HIRZ8N 2011	39					(39)	
Homeless HIRZ8N 2012	7,226				7,223	(3)	
Homeless HIRZ8N 2013		907,294	166,315		906,767		166,842
Human Services 08BERN	10,128					(10,128)	
Human Services 09BERN	40,135					(40,135)	
Human Services 10BERN	10,671						10,671
Human Services 11BERN	9,556				6,555		3,001
Human Services 12BERN	8,823				4,920		3,903
Human Services 13BERN		350,746			162,723		188,023
Preakness Gero-Psych Program	3,792						3,792
Rapid Rehousing - Clifton	33,139						33,139
Rapid Rehousing - Paterson	14,637				6,500		8,137
Homelessness Prevention & Rapid Rehousing	7,073					(2)	7,071
Div. Of Child Behavioral Hlth Serv. 2010							
Div. Of Child Behavioral Hlth Serv. 2011							
Div. Of Child Behavioral Hlth Serv. 2012	10,604				10,604		
Div. Of Child Behavioral Hlth Serv. 2013		158,456			140,103		18,353
Special Initiative and Transportation 2005	209,577					(209,577)	
Special Initiative and Transportation 2006	70,342					(70,342)	
Special Initiative and Transportation 2007	44,755					(44,755)	
Special Initiative and Transportation 2008	44,118					(44,118)	
Special Initiative and Transportation 2009	51,973					(51,973)	

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2013

Grant	Balance, Dec. 31, 2012	Transferred From 2013 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled (35,140)	Balance, Dec. 31, 2013
		Budget	Appropriation By 40A:4-87				
Special Initiative and Transportation 2010	35,140						730
Special Initiative and Transportation 2011	730						5,026
HUD - St. Joseph NJ 36310			47,736		42,710		3,309
Transportation and TIP	67,220				63,911		78,237
Transportation and TIP			404,914		326,677		34,195
EVA's Village Apartments	34,195						14,823
New Passaic County Housing First	19,776				4,953		194,015
Passaic County Housing First	221,400				27,385		911,527
Passaic County Housing First			1,107,720		196,193		361,372
Passaic County Housing First	338,038				(23,334)		308,358
HUD-EVA'S Project	37,709				(270,649)		150,243
Collaborative II	1,101,420				951,177		331,648
Passaic County Housing First	369,480				37,832		235,260
New Passaic County Housing First	235,260						110,142
HUD-St. Paul's	160,310				50,168		134,160
HUD-St. Joseph	106,710				(27,450)		34,172
HUD-Paterson Park Apartments	64,541				30,369		
State Incentive Program 2007	106,277					(106,277)	
State Incentive Program 2008	71,947				(127)	(72,074)	
State Incentive Program 2009	59,962					(59,962)	
State Incentive Program 2010	214,371						214,371
C.S.B.G 2005	99,397					(99,397)	
C.S.B.G 2006	9,957				(4,000)	(13,957)	
C.S.B.G 2007	15,903					(15,903)	
C.S.B.G 2008	8,977					(8,977)	
C.S.B.G 2009	7,600					(7,600)	
C.S.B.G 2009 ARRA	37,430				(360,161)	(397,591)	
C.S.B.G 2010	7,555					(7,555)	
C.S.B.G 2102	96,142				96,056		86
C.S.B.G. Non-Discretionary 2013			278,038		187,798		90,240
C.S.B.G. Non-Discretionary 2014			97,313				97,313
J.A.I.B.G 8-08	699					(699)	
J.A.I.B.G. 2009	1,832				(12,610)		14,442
J.A.I.B.G. 2011	19,837				162		19,675
J.A.I.B.G. 2012	901				901		
J.A.I.B.G. 2013	38,682				38,445		237
J.A.I.B.G. 2014			26,639	2,960			29,599
Juvenile Det. Alternatives Innovations Funding			60,000		60,000		
Mental Health Board 2004	1,298					(1,298)	
Mental Health Board 2009	1,100					(1,100)	
Passaic County Summer Job Training	10,740					(10,740)	
Birch Street Apartments	103,761				(134,718)		238,479
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					5	7,066
Human Services 11 BERN PASP	1,687						1,692
Human Services 12 BERN PASP	7,436				7,430		6
Human Services 13 BERN PASP		42,000			42,000		
Family Court Services 2009	24,834					(24,834)	
Family Court Services 2010	89,048						89,048
Family Court Services 2011	41,710				(1,789)		43,499
Family Court Services 2012	9,653				4,812		4,841
Family Court Services 2013	281,101	1,533			272,305		10,329
Family Court Services 2014			278,149				278,149
21st Century CLC Program 2009	72,067					(72,067)	
21st Century CLC Program 2010	5,939				(261)	(6,200)	
21st Century CLC Program 2011	56,389						56,389
21st Century CLC Program		500,000			500,000		
21st Century CLC Program			500,000		484,000		16,000
JARC 2007	17,560					(17,560)	
JARC 2008	2,450					(2,452)	
JARC 2011						(2)	2
JARC 2012	320,000				320,000		
NJ Highlands - Plan Conformance	70,000						70,000
Molly Ann Brook Rain Barrel Initiative	7,461					(7,461)	
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	69,037					(69,037)	
Universal Service Fund 2011	17,209						17,209

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2013

Grant	Balance, Dec. 31, 2012	Transferred From 2013 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2013
		Budget	Appropriation By 40A:4-87				
Universal Service Fund 2012	48,378						48,378
Weatherization DHS 2007	66,942				(453)	(67,395)	
Weatherization LIHEAP 2007	14,377					(14,377)	
Weatherization LIHEAP 2009	13,589					(13,589)	
Weatherization LIHEAP 2010	121,033				39,961		81,072
Weatherization LIHEAP 2011	603,780				229,931	(121,475)	252,374
Weatherization LIHEAP			769,270		30,067		739,203
Weatherization LIHEAP 2012	6,576		46,955				53,531
Weatherization LIHEAP 2013	46,955		57,423		48,424		55,954
Weatherization DOE 2007	3,855					(3,855)	
Weatherization DOE 2008	5,690					(5,690)	
Weatherization DOE 2009	96,924					(96,924)	
Weatherization DOE					(672)	(672)	
Weatherization DOE 2010	202,013				187,529		14,484
Weatherization DOE 2011	147,315						147,315
Weatherization HIP 2007	44,827					(44,827)	
Weatherization HIP 2009	7,905					(7,905)	
Weatherization HIP 2010	408,095				116,259		291,836
Weatherization HIP 2011	624,805				30		624,775
Subregional Transportation FY09	19,037				(15)	(19,052)	
Subregional Transportation FY10	253						253
Subregional Transportation (STP) FY11	31,707						31,707
Subregional Transportation (STP) FY12	60,795						60,795
Subregional Transportation Planning	93,056				93,008		48
Subregional Transportation Planning			98,415	24,604	48,363		74,656
Subregional Internship Support Program	6,300						6,300
Subregional Internship Support Program							
Subregional Internship Planning							
History and Tourism Plan	59,909				59,237		672
P.C. Master Plan: Trans Element	15,583					(15,583)	
Community Development Block Grant 2008	12,803				(63,460)		76,263
Community Development Block Grant 2009	102,646				80,345		22,301
Community Development Block Grant - Recovery							
Community Development Block Grant 2010	51,146				26,300		24,846
Community Development Block Grant 2011	125,369				116,699		8,670
Community Development Block Grant 2012	79,985				71,926		8,059
Community Development Block Grant 2013			902,187		723,476		178,711
CERT 2006	8,005					(8,005)	
2012 EMAA			100,000		100,000		
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				(231)	(20,259)	
UASI - Projects 2009	88,542					(88,542)	
UASI - Projects 2009	1,938					(1,938)	
UASI - Projects 2010	20,182				19,732		450
Emergency Management Assistance (EMA)							
UASI - Projects 2011	214,725		39,636		214,351		40,010
UASI - Projects			393,629		216,486		177,143
Logistics & Commodities Distribution Plan	33,685				33,685		
National Justice Information Sharing (JIS) 2012	7,477						7,477
SANE/SART Program 2009	869					(869)	
SANE/SART Program 2010	14,445					(14,445)	
SANE/SART Program 2011	57,448				35,018		22,430
SANE/SART Program 2012			74,860	18,715	47,557		46,018
Justice Assistance Program			35,198		35,198		
Victims of Crime Act Grant	31,015					(31,015)	
Victims of Crime Act Grant	1,875					(1,875)	
Victims of Crime Act Grant	197,229				197,229		
Victims of Crime Act Grant			194,436				194,436
Communication Oriented Policing Services	266,561				266,388		173
Communication Oriented Policing Services	200,000				199,880		120
Insurance Fraud Reimbursement Program			250,000		250,000		
Body Armor P.C.P.O 2008	1,584					(1,584)	
Body Armor P.C.P.O 2010							
Body Armor P.C.P.O 2011	2,080						2,080
Body Armor P.C.P.O 2012	7,418						7,418
Victim & Witness Advocacy Fund 2010	19,478					(19,478)	
National Childrens Alliance Program 2010	56					(56)	

COUNTY OF PASSAIC
Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2013

Grant	Balance, Dec. 31, 2012	Transferred From 2013 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2013
		Budget	Appropriation By 40A:4-87				
National Childrens Alliance Program 2011	40					(40)	
National Childrens Alliance Program 2012							
National Childrens Alliance Program 2013			9,000		7,657		1,343
STOP Violence Against Women Act Formula Gra	5,843						5,843
STOP Violence Against Women Act Formula Grant			29,096	9,699	38,795		
Emergency Operations Center Grant FY10	250,000				248,943		1,057
Multi Jurisdictional NARC Task Force 2009	448					(448)	
Multi Jurisdictional NARC Task Force 2010	102					(102)	
Multi Jurisdictional NARC Task Force 2011							
Multi Jurisdictional NARC Task Force 2012	169,637				147,975		21,662
Multi Jurisdictional NARC Task Force 2013			172,000		103,130		68,870
Homeland Security Grant FY 07	154,371					(154,371)	
Homeland Security Grant FY 08	400					(400)	
Homeland Security Grant FY 09							
Homeland Security Grant FY 10	34,615				34,524		91
Homeland Security Grant FY 11	439,211				439,209		2
Homeland Security Grant FY 12			255,515		244,532		10,983
2008 Body Armor Repl. P.C.S.D	72						72
2009 Body Armor P.C.S.D	34						34
2011 Body Armor P.C.S.D	440				440		
2012 Body Armor P.C.S.D	42,763	2,833			45,596		
Click It or Ticket 2010	4,000						4,000
Click It or Ticket 2011							
Click It or Ticket 2012	4,000						4,000
Click It or Ticket 2013			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
Drive Sober or Get Pulled Over			4,400				4,400
Hazardous Materials Prep & Planning			17,100		17,100		
COPS Tech. Program	10					(5)	5
Emerg. 911 General Assistance Grant	3,433					(3,433)	
Emerg. 911 Corridinator	2,782				1,512		1,270
REN Eva's Village Apartments			121,824		112,079		9,745
NJ-511-PC Housing First			1,192,497		123,319		1,069,178
PC Housing First Bonus			221,424	7,500			228,924
	<u>\$ 31,783,034</u>	<u>21,789,236</u>	<u>24,367,989</u>	<u>63,478</u>	<u>40,240,117</u>	<u>(3,971,592)</u>	<u>33,792,028</u>
					Cash Disbursed		\$ 20,352,900
					Encumbrances Payable		<u>19,887,217</u>
							<u>\$ 40,240,117</u>

COUNTY OF PASSAIC

Schedule of Miscellaneous Reserves

Current Fund

Year Ended December 31, 2013

	Balance, December 31, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance, Dec. 31, <u>2013</u>
Sheriff's DWI-DDEF	\$ 11,979	6,556		18,535
Register - Due to State of New Jersey	812,972	10,895,923	11,250,601	458,294
Refunds	88,111		88,111	
Office on Aging - Deferred Revenue	1,576,398	446,856	86,343	1,936,911
Dedicated Fines	899,949		899,949	
Salary and Wage Adjustment	150,000		4,888	145,112
Payroll Deductions - P.E.R.S.		687,125	344,922	342,203
	<u>\$ 3,539,409</u>	<u>12,036,460</u>	<u>12,674,814</u>	<u>2,901,055</u>
Cash		\$ 12,036,460	12,586,703	
Canceled			88,111	
		<u>\$ 12,036,460</u>	<u>12,674,814</u>	

COUNTY OF PASSAIC

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2013

<u>Grant</u>	Balance, Dec. 31, <u>2012</u>	Transferred To 2013 Budget <u>Appropriations</u> <u>Budget</u>	Cash <u>Received</u>	<u>Cancelled</u>	Balance, Dec. 31, <u>2013</u>
Over the Limit Under Arrest	\$ 5,000			(5,000)	
2012 Body Armor P.C.S.D.	2,833	2,833			
2013 Body Armor 14453			61,921		61,921
2013 Body Armor 14488			9,747		9,747
	<u>\$ 7,833</u>	<u>2,833</u>	<u>71,668</u>	<u>(5,000)</u>	<u>71,668</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Federal and State Grants Fund

Year Ended December 31, 2013

	Balance, December 31, <u>2012</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2013</u>
Current Fund	\$ 148,274	3,921,592	2,480,731	1,589,135
	<u>148,274</u>	<u>3,921,592</u>	<u>2,480,731</u>	<u>1,589,135</u>
Due from	148,274	3,921,592	2,480,731	1,589,135
Due (to)	<u>148,274</u>	<u>3,921,592</u>	<u>2,480,731</u>	<u>1,589,135</u>
	\$ <u>148,274</u>	<u>3,921,592</u>	<u>2,480,731</u>	<u>1,589,135</u>

COUNTY OF PASSAIC

Schedule of Deferred Charges

Current Fund

Year Ended December 31, 2013

	Balance, December 31, <u>2012</u>	Added in <u>2013</u>	Balance, December 31, <u>2013</u>
Overexpenditure of Appropriations	\$ 80,422		\$ 80,422
Overexpenditure of Trust Fund Reserve		36,360	36,360
Emergency Appropriation:			
Group Hospitalization Insurance		<u>7,500,000</u>	<u>7,500,000</u>
	<u>\$ 80,422</u>	<u>7,536,360</u>	<u>\$ 7,616,782</u>

COUNTY OF PASSAIC

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

Current Fund

Year Ended December 31, 2013

	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance, December 31, 2012</u>	<u>Reduced in 2013</u>	<u>Balance, December 31, 2013</u>
Payment of Accrued Sick & Vacation Time	04/26/11	2,966,250	593,250	\$ 2,373,000	593,250	\$ 1,779,750
Hurricane Irene	09/27/11	2,681,805	536,361	<u>2,145,444</u>	<u>536,361</u>	<u>1,609,083</u>
				<u>\$ 4,518,444</u>	<u>1,129,611</u>	<u>\$ 3,388,833</u>

COUNTY OF PASSAIC

Schedule of Special Emergency Notes Payable

Current Fund

Year Ended December 31, 2013

<u>Purpose</u>	<u>Date of original issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Increased</u>	<u>Balance, Dec. 31, 2013</u>
Group Hospitalization Insurance	December 18, 2013	12/18/13	12/19/14	1.25%	\$ 7,500,000	\$ 7,500,000
					\$ 7,500,000	\$ 7,500,000

COUNTY OF PASSAIC

Schedule of Cash

Trust Funds

Year Ended December 31, 2013

	Other Trust Fund	Confiscated Trust Fund	Self- Insurance Trust Fund	Community Development Trust Fund
Balance - December 31, 2012	<u>41,269,225</u>	<u>2,008,294</u>	<u>199,448</u>	<u>6,385,191</u>
Increase by Receipts:				
Various Trust Deposits	213,609			
Reserve for Dedicated Trusts	7,407,895			
Reserve for Open Space Trust	4,828,161			
Due from (to) Current Fund	5,500,000		41	
Receipts from Confiscated Funds		889,172		
Reserve for Workmen's Compensation			3,227,742	
Reserve for Health Benefits			94	
Reserve for Liability Insurance			3,032,938	
Housing Voucher Program				9,542,230
Total Receipts	<u>17,949,665</u>	<u>889,172</u>	<u>6,260,815</u>	<u>9,542,230</u>
	<u>59,218,890</u>	<u>2,897,466</u>	<u>6,460,263</u>	<u>15,927,421</u>
Decreased by Disbursements:				
Various Trust Deposits	155,649			
Reserve for Dedicated Revenues	7,083,456			
Open Space Commitments Payable	3,235,147			
Due from (to) Current Fund	7,055,085	3,003		123,843
Adjudicated Confiscations		65,494		
Reserve for Workmen's Compensation			3,230,317	
Reserve for Liability Insurance			3,023,140	
Housing Voucher Program				9,442,775
Total Disbursements	<u>17,529,337</u>	<u>68,497</u>	<u>6,253,457</u>	<u>9,566,618</u>
Balance - December 31, 2013	<u>\$ 41,689,553</u>	<u>2,828,969</u>	<u>206,806</u>	<u>6,360,803</u>

COUNTY OF PASSAIC
Schedule of Various Trust Deposits
Year Ended December 31, 2013

Balance - December 31, 2012		\$	978,615
Increased by:			
Cash Deposits	\$		213,609
Interfunds		<u>36,360</u>	
			<u>249,969</u>
			1,228,584
Decreased by:			
Payments			<u>155,649</u>
Balance - December 31, 2013		\$	<u><u>1,072,935</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Dedicated Trusts

Year Ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2013</u>
Homelessness Trust Fund	\$ 257,961	138,393	48,291	348,063
Off-Duty Police Outside Employment	116,870	1,318,403	1,147,539	287,734
Off-Duty Police Vehicle Fee		202,445		202,445
Off-Duty Police Admin Fee		114,230	66,822	47,408
Weights and Measure Fines	1,415,067	145,649	113,847	1,446,869
Tax Appeal Fees	517,092	645,167	169,267	992,992
County Clerk	333,805	36,706	5,916	364,595
County Sheriff	85,413	19,131	8,000	96,544
Surrogate	35,378	25,326	9,936	50,768
Forensic Lab Fees	816,498	38,109	738,750	115,857
Human Services	11,260	3,550	5,344	9,466
Parks - Lambert Castle	4,418		3,733	685
Passaic County Corr. Enh. Dist.	669,704	112,410	25,600	756,514
502 Pat-Ham Tpk Sidewalks	20,000			20,000
Motor Vehicle Fines	3,001,282	2,937,766	3,180,000	2,759,048
Sheriff's Confiscated Funds - Local	136,217	165,577	163,437	138,357
Sheriff's Confiscated Funds - Treasury	71,902	27	53,000	18,929
Sheriff's Confiscated Funds - Justice	705,983	337,803	178,160	865,626
Municipal Confiscated Funds - Local	1,965,821	84,025	496,992	1,552,854
Municipal Confiscated Funds - Federal	1,722,660	723,055	1,375,872	1,069,843
Prosecutor's Confiscated Funds - Local	3,926,003	94,688	56,503	3,964,188
Prosecutor's Confiscated Funds - Treasury	1,131,345	40,365	226,485	945,225
Prosecutor's Confiscated Funds - Justice	1,153,190	54,160		1,207,350
Para Transit	180,304	30,964	43,482	167,786
Register of Deeds	1,343,414	139,946	53,686	1,429,674
	<u>\$ 19,621,587</u>	<u>7,407,895</u>	<u>8,170,662</u>	<u>18,858,820</u>
		Cash \$ 7,134,150	7,083,456	
		Interfunds	1,087,206	
		Accounts Receivable	273,745	
		<u>\$ 7,407,895</u>	<u>8,170,662</u>	

COUNTY OF PASSAIC
Schedule of Reserve for Open Space Trust Expenditures
Year Ended December 31, 2013

Balance - December 31, 2012		\$ 7,350,926
Increased by:		
Levy	\$ 4,707,441	
Added and Omitted	9,759	
Reimbursements	97,670	
Interest on Investments	13,291	
		4,828,161
		12,179,087
Decreased by:		
Open Space Grant Commitments Payable		2,484,648
Balance - December 31, 2013		\$ 9,694,439

Schedule of Open Space Grant Commitments Payable
Year Ended December 31, 2013

Balance - December 31, 2012		\$ 13,374,532
Increased by:		
Reserve for Open Space Trust Expenditures		2,484,648
		15,859,180
Decreased by:		
Payments		3,235,147
Balance - December 31, 2013		\$ 12,624,033

COUNTY OF PASSAIC

Schedule of Open Space Levy - Due to Municipalities

Year Ended December 31, 2013

Balance - December 31, 2012	\$ <u>157,062</u>
Balance - December 31, 2013	\$ <u><u>157,062</u></u>

Schedule of Reserve for Confiscated Trust Fund

Year Ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2013</u>
Reserve for Interest - Prosecutor	\$ 7,888	2,748		10,636
Narcotics	1,237,456	526,621	42,004	1,722,073
Gambling	247,941	29,500	16,209	261,232
Prostitution	142,993	16,487		159,480
Theft/Robbery	130,772	10,158		140,930
Other Crimes	188,211	285,635		473,846
Lottery	13,983	4,139		18,122
Gambling/Narc	3,454			3,454
Bribery	16,000			16,000
Adjudicated to Distribute	<u>16,367</u>	<u>13,884</u>	<u>7,281</u>	<u>22,970</u>
	<u>\$ 2,005,065</u>	<u>889,172</u>	<u>65,494</u>	<u>2,828,743</u>

COUNTY OF PASSAIC

Schedule of Reserve for Workmen's Compensation

Year Ended December 31, 2013

Balance - December 31, 2012		\$	10,317
Increased by:			
Miscellaneous Contributions and Reimbursements	\$	787,045	
Budget Appropriations		<u>2,440,697</u>	
			<u>3,227,742</u>
			3,238,059
Decreased by:			
Payment of Claims			<u>3,230,317</u>
Balance - December 31, 2013		\$	<u><u>7,742</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Health Benefit Funds

Year Ended December 31, 2013

Balance - December 31, 2012	\$	187,373
Increased by:		
Interest Income		<u>94</u>
Balance - December 31, 2013	\$	<u><u>187,467</u></u>

Schedule of Reserve for Liability Insurance

Year Ended December 31, 2013

Balance - December 31, 2012	\$	1,799
Increased by:		
Miscellaneous Contributions and Reimbursements	\$	34,938
Budget Appropriations		<u>2,998,000</u>
		<u>3,032,938</u>
		3,034,737
Decreased by:		
Claims Paid		<u>3,023,140</u>
Balance - December 31, 2013	\$	<u><u>11,597</u></u>

COUNTY OF PASSAIC
Reserve for Housing Voucher Program
Year Ended December 31, 2013

Balance - December 31, 2012		\$ 6,374,792
Increased by:		
Grant Revenues	\$ 9,305,841	
Other Income	228,918	
Interest Income	<u>7,471</u>	
		<u>9,542,230</u>
		15,917,022
Decreased by:		
Interfunds	123,843	
Expenditures	<u>9,442,775</u>	
		<u>9,566,618</u>
Balance - December 31, 2013		<u><u>\$ 6,350,404</u></u>

COUNTY OF PASSAIC

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2013</u>
Other Trust Fund				
Due from (to) Current Fund	\$ 215,486	9,010,561	8,782,056	443,991
Due from (to) Register of Deed Trust to Homeless Trust	505		505	
Due from (to) Homeless Trust to Register of Deeds Trust	(505)	505		
Confiscated Trust Fund				
Due from (to) Current Fund	(3,229)	52,250	49,247	(226)
Self Insurance Trust Fund:				
Due from (to) Current Fund	41	1,864,075	1,864,116	
Community Development Grant Fund:				
Due from (to) Current Fund	<u>(10,399)</u>	<u>211,625</u>	<u>211,625</u>	<u>(10,399)</u>
	<u>\$ 201,899</u>	<u>11,139,016</u>	<u>10,907,549</u>	<u>433,366</u>
Cash Receipts		\$ 5,500,041		
Intrafunds		505	505	
Budget Appropriations		1,864,075		
Reimbursement for Expenses Paid		2,203,104	4,290,615	
Reclass		484,410	484,410	
Overexpenditure of Reserve		36,360		
Cancel Fund Balance			609	
Cash Disbursements		<u>1,050,521</u>	<u>6,131,410</u>	
		<u>\$ 11,139,016</u>	<u>10,907,549</u>	

COUNTY OF PASSAIC

Schedule of Cash

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012		\$ 39,614,455
Increased by Receipts:		
Bond Anticipation Notes	\$ 24,888,000	
Reserve for Payment of Bonds and Notes	4,082,238	
Grants Receivable	15,224,260	
Schedule of Interfunds	44,454,048	
Reserve for Interest for DOT Projects	300	
Reserve for Interest for Fire Academy	395	
Reserve for Bonding Payments	<u>5,299</u>	
		<u>88,654,540</u>
		128,268,995
Decreased by Disbursements:		
Improvement Authorizations	14,026,194	
Committments Payable	26,348,710	
Schedule of Interfunds	<u>45,983,101</u>	
		<u>86,358,005</u>
Balance - December 31, 2013		<u>\$ 41,910,990</u>

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2013

Fund Balance	\$ 4,383,001
Grants Receivable	(71,814,412)
State EFA Receivable	(1,975,000)
Due from/to Current Fund	(2,186)
Commitments payable	55,243,147
Due to the Township of Wayne	1,100
Capital Improvement Fund	367,954
Reserve for Final Payments and Litigation	160,258
Reserve for Payment of Bonds and Notes	13,982,424
Reserve for Salt Shed - West Milford	296,619
Reserve for State EFA Loan Payments	500,000
Reserve for Interest for Fire Academy	1,101,386
Reserve for Administration Building Settlement	9,786
Reserve for Interest for DOT Projects	12,239
Reserve for Grants Receivable	29,247,196
Reserve for Bonding Payments	14,189

Improvement Authorizations:

Ordinance

<u>Number</u>	<u>Improvement Description</u>	
87-25	Reconstruction Phases I - III	(337,629)
87-43/88-11	Reconstruction of Old Turnpike Road Bridge	(87,868)
91-30	Replace East Main St. Bridge	(101,608)
95-04	Road Intersection Program	(63,538)
95-07	Reconstruction Lafayette Ave. - Supplemental	(1,500)
96-06	Road Improvements Passaic Avenue	(81,782)
96-15	Hazel Street Scoping/Construction	(5,937)
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)

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2013

98-23	Wagaraw Road Bridge PC #103	(75,000)
98-35	Belmont & Barbour Street Intersection	(7,058)
98-36	Kingsland Avenue Bridge PC #81	309,314
98-38	Reconstruction of Apshawa Dam	34,220
99-10	Minor Drainage Project - Supplemental	(238,000)
99-15	Totowa and French Hill Road Improvements	(476,000)
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	(238,000)
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	
01-08	Goffle Brook Multi-use Path	24,259
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	11,470
02-23	Supplemental - Acquisition of Parks Equipment	166
02-31	Supplemental - Renovation of Apshawa Dam	66,780
02-38	Supplemental - Acquisition of Paratransit/ Meals on Wheel Vehicles	2,705
02-41	Refunding ordinance - Payment of Pension Obligation	(107)
03-03	Supplemental - Golf Course Improvements	915
03-06	Supplemental - Road Improvements	(266)
03-17	Supplemental - Reconstruction of Various Bridges	14,669
03-19	Supplemental - 1992 Guide Rail Program	9,194
03-20	Supplemental - Various Drainage Improvements	25,533
03-25	Imp to Goffle/Weasel Brook Park Recreation	339,861
	Supplemental - Rehab to Administration Building Plaza	3,286
	Supplemental - Acquisition of Hospital Equipment	51,512
04-01	Improvements to Paterson Hamburg	1,805,507
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	(98)
04-05	Acquisition of Property for a Salt Dome	(27,305)
04-09	Acq of Equipment for Passaic County Comm. College	(881)

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2013

04-12	Imp & Renovations to 435 Hamburg Turnpike	(17,210)
04-19	Various Bridge Repair & Replacement Project	1,346
04-21	Various Road Improvement Projects	73,124
04-22	Traffic Safety Programs	749
04-23	Intersection Improvements	(120,283)
04-24	Miscellaneous Buildings & Grounds Improvements	81,430
04-29	Acquisition of & Renovation to County Building	320,246
05-06	Improvements to the PC Tech Institute	(308)
05-07	Parks & Recreation General Improvements	117,501
05-09	Acquisition of Equipment- Preakness Healthcare Center	4,180
05-11	Various Repairs & Improvements	143,165
05-14	Improvements to the Community College	1,311
06-05	Private Fiber Optic Network	(373)
06-06	Bridge Replacements and/or Repairs	(126,084)
06-07	Various Capital Improvments	509,547
	Parks & Recreation General Improvements	77,621
06-11	Improvements to the Vocational School	(549)
06-12	Improvements to the Community College	(761)
06-10/06-14	Various Repairs & Improvements	27,224
06-16	Reconstruction and Rehabilitations of Various Bridges	58,371
07-06	Various Capital Improvments	26,898
07-07	Stabilization Improvements to Groffle Brook	6,933
07-08	2007 Road Improvement Projects	847,337
07-09	General Parks and Recreation Program Imp	604,039
07-10	Implementation of Traffic Safety Program	27,699
07-11	Intersection Improvement Projects	1,005,869
07-12	Acquisition of Various Equipment	(193,989)
07-13	Various Capital Improvments	494,511
07-15	Various Imp for the Vocational Technical School	(208)

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2013

08-01	Various Building and Grounds Improvements	(2,407,671)
08-02	Various Roadway Imp & Acq. of Equipment	(4,093,141)
08-03	Various Capital Improvements	2,406,599
08-05	Lambert Castle Restoration	1,850,000
09-01	2009 Road Resurfacing	(18,270)
09-05	Bridge, Road, & Traffic Safety	3,943,550
09-06	Building & Grounds Improvements	(1,049,045)
09-07	Acquisition of Equipment	387,260
09-08	Various Capital Improvements - PCCC	(2,278,988)
09-09	Various Capital Improvements - PCTI	(643,328)
09-10	Various Capital Improvements - PCCC	1,256,847
10-03	Dey Mansion Renovations	1,766,742
10-04	County Park Improvements	1,161,305
10-06	Various Capital Improvements	473,734
10-07	Refunding Bonds - GI 2003, 32mil	(1,041,865)
10-08	Various Capital Improvement Funds	6,516,041
11-03	Various Capital Improvements	2,448,235
11-04	Various Capital Improvements	(2,218,228)
12-03	Improvements to Passaic Community College Facilities	8,032,054
12-06	Various Capital Improvements	417,794
12-07	Various Capital Improvements	(9,829,915)
13-05	Various Bridge/Drain/Road Impvts.	(299,238)
13-06	Improvement of Passaic County Community College	(1,047)
13-07	Various Capital Improvements	(136,627)
13-08	Improvement of the Passaic County Vocational School District	(600)
13-09	Improvement of Passaic County Community College	(28,637)
13-10	Various Capital Improvements	(870,006)
		\$ 41,910,990

COUNTY OF PASSAIC

Schedule of Receivables

General Capital Fund

Year Ended December 31, 2013

Grantor	Project	Ord. No.	Acct. No.	Balance Dec. 31, 2012	Awarded in 2013	Decreased	Balance Dec. 31, 2013
Federal Grants:							
Federal Highway Administration	Replacement of Hillery Street Bridge	07-04	04-117-03-000-053	\$ 317,878			317,878
Community Development	Wet Reflective Tape	08-03	04-117-03-000-067	302,613			302,613
	Main Street Drainage	13-05	04-117-03-000-097		200,000		200,000
				620,491	200,000		820,491
State Grants:							
State of New Jersey	Chapter 12, Passaic County Community College	99-14	04-117-03-000-021	863,508			863,508
N.J. Department of Transportation	Two Bridges Road	99-20	04-117-03-000-019	94,280			94,280
State of New Jersey	Renovation to Market Street	00-06	04-117-03-000-017	441,134			441,134
State of New Jersey	Rehab of Paterson-Hamburg Tpk Bridge PC # 42,43,44	00-15	04-117-03-000-018	260,705			260,705
State of New Jersey	Jughandle from Paterson-Hamburg Tpk to Hinchman Ave	00-20	04-117-03-000-010	464,874		464,874	-
State of New Jersey	Study and Improvement to Hazel St	00-44	04-117-03-000-009	122,949			122,949
State of New Jersey	8th Street & 5th Avenue Bridges	01-19	04-117-03-000-026	10,088			10,088
N.J. Department of Transportation	Hurricane Floyd - Cedar Grove Road Wall	01-32	04-117-03-000-029	444,000			444,000
N.J. Department of Transportation	Goffie Brook Stabilization	02-13	04-117-03-000-035	234,819			234,819
N.J. Department of Transportation	Restoration of Lambert Castle	02-27	04-117-03-000-034	401,040			401,040
N.J. Department of Transportation	West Broadway Bridge PC#17	03-24	04-117-03-000-038	-			170,000
N.J. Department of Transportation	Goffle/Weasel Brook Park	03-25	04-117-03-000-039	500,000			500,000
N.J. Department of Transportation	Improvements to Paterson Hamburg Tpk	04-01	04-117-03-000-040	266,477		500,000	170,000
N.J. Department of Transportation	Clove Road/Long Hill Road & Hazel St.	05-11	04-117-03-000-047	5,000			5,000
State of New Jersey	Imp to Guide Rails and Reflective Marking Tape	05-12	04-117-03-000-050	37,530			37,530
EFA Const. & Financing Grant	Vocational School Long Range Facilities Plan Projects	06-06	04-117-03-000-051	531,792			531,792
N.J. Department of Transportation	Bridge Replacement and/or Repairs	06-07	04-117-03-000-052	224,500			224,500
State of New Jersey	2006 Various Road Improvements	07-09	04-117-03-000-063	193,161			193,161
N.J. Department of Environment Prot. County Aid	Barbour Pond Improvements & Lambert Castle Tower Cons.	08-03	04-117-03-000-064	33,561			33,561
County Aid	Union Valley Road, PC #434	08-03	*	187,050			187,050
County Aid	President Street, PC #53	08-03	*	112,283			112,283
N.J. Transportation Planning Authority	Two Bridges Road Bridge	08-03	04-117-03-000-066	685,967		551,463	134,504
N.J. Department of Transportation	Hazel Street Construction, CR 702	08-03	04-117-03-000-068	900,000			900,000
N.J. Department of Transportation	Black Oak Ridge Road/Pompton Planes Cross Road	08-03	04-117-03-000-068	815,728		601,926	213,802
N.J. Department of Transportation	Bridge Replacement and/or Repairs	09-05	04-117-03-000-068	4,761,092		47,147	4,713,945
N.J. Department of Transportation	County Road Improvement Project	09-05					

COUNTY OF PASSAIC
Schedule of Receivables
General Capital Fund
Year Ended December 31, 2013

Grantor	Project	Ord. No.	Acct. No.	Balance Dec. 31, 2012	Awarded in 2013	Decreased	Balance Dec. 31, 2013
N.J. Historical Trust	Rehabilitation and Reconstruction of Dey Mansion	10-03	04-117-03-000-072	1,239,475			1,239,475
N.J. Department of Transportation	Pennington Ave Culvert	10-08	04-117-03-000-073	150,000			150,000
N.J. Department of Transportation	Local Bridges - Warburton Ave/Goffle Brook, PC 81	10-08	04-117-03-000-074	1,000,000			1,000,000
County Aid	Moorestown Road	10-08	04-117-03-000-075	200,000			200,000
N.J. Department of Transportation	Squirrelwood Road	10-08	04-117-03-000-076	1,250,000			1,250,000
County Aid	Black Oak Ridge Road/Jackson Avenue Signal Replacement	10-08	04-117-03-000-077	300,223			300,223
County Aid	McBride/Hillery Street Improvements	10-08	04-117-03-000-078	297,147			297,147
County Aid	Resurfacing of Various Roads	10-08	04-117-03-000-079	78,958			78,958
N.J. Department of Transportation	Fairlawn Avenue Bridge	10-08	04-117-03-000-080	600,000			600,000
N.J. Department of Transportation	Two Bridges Road/Wanaque Reservoir, PC 491	10-08	04-117-03-000-081	1,686,900			1,686,900
N.J. Department of Transportation	West Brook Road/Wanaque Reservoir, PC 491	10-08	04-117-03-000-082	300,000			300,000
N.J. Department of Transportation	Eighth Street Bridge Rehabilitation	10-08	04-117-03-000-083	640,533			640,533
DOT Surface Transportation	Bridge Replacement, Rehab, Repairs	11-03	04-117-03-000-083	20,400,000			20,400,000
DOT Future Needs	Bridge Replacement, Rehab, Repairs	11-03	04-117-03-000-083	1,000,000			1,000,000
County Aid	Bridge Replacement, Rehab, Repairs	11-03	04-117-03-000-083	124,000			124,000
N.J. Department of Transportation	Resurfacing Various Roads	11-04	04-117-03-000-083	4,200,000		3,044,041	1,155,959
N.J. Department of Transportation	Resurfacing Various Roads	12-03	04-117-03-000-088	10,000,000		3,243,000	6,757,000
N.J. Department of Transportation	West Brook Road/Wanaque Reservoir, PC 491	12-07	04-117-03-000-090	9,700,000		149,940	9,550,060
N.J. Department of Transportation	Two Bridges Road/West Belt	12-07	04-117-03-000-091	3,800,000			3,800,000
N.J. Department of Transportation	Clinton Road Bridge	12-07	04-117-03-000-092	1,000,000			1,000,000
N.J. Department of Transportation	8th Street Rehabilitation PC4	12-07	04-117-03-000-093	30,000			30,000
N.J. Department of Transportation	Pompton Hamburg Turnpike/Valley Road	12-07	04-117-03-000-094	1,000,000			1,000,000
N.J. Department of Transportation	McBride/Slippery Rock Improvements	13-05	04-117-03-000-095		1,000,000		1,000,000
N.J. Department of Transportation	County Golf Course Bridges	13-05	04-117-03-000-096		400,000		400,000
N.J. Department of Fish & Wildlife	Haledon Avenue(Green Street) Improvements	13-05	04-117-03-000-098		100,000		100,000
N.J. Department of Transportation	Clove Road in Little Falls	13-05	04-117-03-000-099	1,600,000			1,600,000
N.J. Open Space	Parks & Recreation Improvements	13-07	04-117-03-000-100	250,000			250,000
N.J. Green Acres	Parks & Recreation Improvements	13-07	04-117-03-000-100	650,000			650,000
N.J. Department of Transportation	Various Road Improvements	13-10	04-117-03-000-101	4,300,800		3,225,675	1,075,125
N.J. Department of Transportation	Amend Ord. 13-05 W Brook Rd Bridge/Wanaque Reservoir	13-12	04-117-03-000-090	2,470,868			2,470,868
				<u>71,758,775</u>	<u>10,771,668</u>	<u>11,828,066</u>	<u>70,702,377</u>
Local Grants:							
Passaic County Open Space Trust	Golf Course Improvements	12-03	04-117-03-000-089	165,000			165,000
Borough of Wanaque	Amending Ordinance 2009-05	13-04	04-117-03-000-102		3,522,738	3,396,194	126,544
				<u>165,000</u>	<u>3,522,738</u>	<u>3,396,194</u>	<u>291,544</u>
				<u>\$ 72,544,266</u>	<u>14,494,406</u>	<u>15,224,260</u>	<u>71,814,412</u>

COUNTY OF PASSAIC
Schedule of Deferred Charges to Future
Taxation - Funded
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012		\$ 376,441,832
Increased by:		
Serial Bonds Issued		<u>17,650,000</u>
		394,091,832
Decreased by:		
Serial Bonds Refunded	\$ 17,075,000	
2013 Budget Appropriations to Pay Bonds	33,961,000	
2013 Budget Appropriations to Pay Loans	538,104	
2013 Budget Appropriations to Pay Capital Leases	<u>2,430,000</u>	
		<u>54,004,104</u>
Balance - December 31, 2013		<u>\$ 340,087,728</u>

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Analysis of Balance - Dec. 31, 2013			Unexpended Improvement Authorization			
		Balance Dec. 31, 2012	2013 Authorizations	Reduced				
					Financed by			
					Bond			
					Anticipation			
					Notes			
					Expenditures			
					Balance Dec. 31, 2013			
		\$						
87-25	General Improvements:	337,629			337,629			
	Acquisition of a Right-of-Way, Phase II & III	87,868			87,868			
	Construction of New Street	101,608			101,608			
87-43/88-11	Replacement of Old Turnpike Road Bridge	63,538			63,538			
91-30	East Main Street Bridge	1,500			1,500			
95-04	Road Intersection Program	81,782			81,782			
95-07	Reconstruction Lafayette Ave. - Supplemental	6,000		63	5,937			
96-06	Road Improvements Passaic Avenue	37,000			37,000			
96-15	Hazel Street Scoping/Construction	8,240			8,240			
96-21	Preakness Brook PC #348	222,000			222,000			
96-24	Reconstruction of Valley Road	58,685			58,685			
97-01	Expansion PCCC	2,040			2,040			
97-05	Main St. & Arch St. Bridges - PC #15 & 16	92,581			92,581			
97-13	Road Resurfacing Program - 1997	7,000			7,000			
97-20	Church St. Bridge - PC #125	344,538			344,538			
97-26	Police Academy Addition	90,000			90,000			
97-31	Rehabilitate Bridges - PC #28 & #29	75,000			75,000			
98-23	Design & Rehab. Magee Rd. Bridge - PC #404	7,058			7,058			
98-35	Wagaraw Road Bridge PC #103	238,000			238,000			
99-10	Belmont & Barbour Street Intersection	476,000			476,000			
99-15	Various Drainage Improvement Projects	265			265			
00-08	Intersection Imp. Totowa & French Hill Roads	285,000			285,000			
00-11	Supplemental - Road Improvements	380,000			374,341			
00-12	Supplemental - Acquisition of office equipment	48,592		5,659	48,592			
00-14	Renovations of 80 Hamilton St. - Welfare Board	285,000			285,000			
00-18	Supplemental - Redeking of McBride Bridge	218,000			218,000			
00-19	Supplemental - Reconstruction Various Bridges	238,000			238,000			
00-20	Supplemental - Various Drainage Projects	238,000			238,000			
	Construction of Jughandle from Paterson-Hamburg Turnpike to Hincman Ave	238,000			157,020			
00-25	Renovation of Youth Center	36,000			36,000			
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave Bridge PC #81.	238,000		80,980	157,020			
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpkc intersection improvements.	66,000			66,000			
00-44	Supplemental - Study and Improv. of Hazel St.	285,000			285,000			
01-02	Supplemental - Renovations to Courthouse Complex	85,728			85,728			
01-08	Goffe Brook Multi-use Path	380,000			380,000			
01-09	Reconstruction of Straight St/River St.							36,000

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Analysis of Balance - Dec. 31, 2013				Unexpended Improvement Authorization
		Balance Dec. 31, 2012	2013 Authorizations	Reduced	Balance Dec. 31, 2013	
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	
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	1,874,174			1,874,174	
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 Apsahwa Dam	146,606			146,606	
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 Obligations	239,172			239,172	
03-06	Supplemental - Road Improvements	266			266	107
03-08	Traffic Signal Reimbursements	57,443			57,443	266
04-01	Improvements to Paterson Hamburg	3,286,050			3,286,050	
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98			98	98
04-05	Acquisition of Property for a Salt Dome	881			881	27,305
04-09	Acq of Equipment for Passaic County Comm. College	570,000			570,000	157,695
04-12	Imp & Renovations to 435 Hamburg Turnpike Intersection Improvements	332,500			332,500	881
04-23	GIS Parcel Mapping in & by the County	41,313			41,313	17,210
04-28	Improvements to the PC Tech Institute	308			308	120,283
05-06	Parks & Recreation General Improvements	757,400			757,400	308
06-05	Private Fiber Optic Network	827			827	373
06-06	Bridge Replacements and/or Repairs	869,887			869,887	126,084
06-07	Various Capital Improvements	359,500			359,500	454
						743,803

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Analysis of Balance - Dec. 31, 2013				
		Balance Dec. 31, 2012	2013 Authorizations	Reduced	Balance Dec. 31, 2013	Financed by
					Bond Anticipation Notes	Unexpended Improvement Authorization
06-08	Parks & Recreation General Improvements	549				549
06-09	Acquisition of Additional Equipment	761				761
06-10	Various Repairs & Improvements	1,995,000			1,000,000	995,000
06-11	Improvements to the Vocational School	142,500			142,500	
07-06	Various Capital Improvements	332,500			332,500	332,500
07-10	Implementation of Traffic Safety Program	1,446,850			1,446,850	752,861
07-11	Intersection Improvement Projects	2,500,000			2,500,000	
07-12	Acquisition of Various Equipment	979,308			979,308	208
07-14	Various Improvements for the County College	7,410,000			7,410,000	2,407,671
07-15	Various Imp for the Vocational Technical School	5,771,250			5,771,250	4,093,141
08-01	Various Building and Grounds Improvements	6,993,708		551,464	6,442,244	1,678,109
08-02	Various Roadway Imp & Acq. of Equipment	2,918,270			2,918,270	692,244
08-03	Various Capital Improvements	717,250			717,250	
09-01	2009 Road Resurfacing	1,164,700			1,164,700	
09-04	Various Park & Recreation Improvements	7,030,000			7,030,000	3,180,955
09-05	Bridge, Road, & Traffic Safety	1,914,250			1,914,250	250
09-06	Building & Grounds Improvements	2,292,369			2,292,369	13,381
09-07	Acquisition of Equipment	2,937,924			2,937,924	294,596
09-08	Various Capital Improvements - PCCC	1,092			1,092	
09-09	Various Capital Improvements - PCTI	104,500			104,500	104,500
10-02	Refunding Bonds - General Improvement Bonds	4,675,000			4,675,000	
10-06	Various Capital Improvements	6,500,000		3,633,135	6,500,000	
10-07	Refunding Bonds - GI 2003, 32mil	6,177,500			6,177,500	3,081,000
10-08	Various Capital Improvement Funds	7,096,500			7,096,500	878,272
11-03	Various Capital Improvements					
11-04	Various Capital Improvements					

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Balance		2013 Authorizations	Reduced	Balance Dec. 31, 2013	Analysis of Balance - Dec. 31, 2013		
		Dec. 31, 2012	2013				Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
12-01	Refunding Bonds - General Obligation Bonds	1,050,000			1,050,000				
12-02	Refunding Bonds - Preakness Healthcare Expan. Project Leas	9,530,000			9,530,000				2,898,395
12-04	Improvement of Passaic County Community College	2,898,395			1,958,616				1,958,616
12-05	Improvement of the Passaic County Technical Institute	1,958,616			3,392,940		5,000,000		3,963,660
12-06	Various Capital Improvements	12,356,600				28,319,500	5,000,000	9,829,915	13,489,585
12-07	Various Capital Improvements	28,319,500			1,853,000				
12-08	Refunding Bonds - General Obligation Bonds	1,853,000						299,238	6,250,762
13-05	Various Bridge/Drain/Road Impvrs.		6,550,000			6,550,000		1,047	1,867,063
13-06	Improvement of Passaic County Community College		4,368,110			4,368,110			2,853,373
13-07	Various Capital Improvements		2,990,000			2,990,000		136,627	950,708
13-08	Improvement of the Passaic County Vocational School District		951,308			951,308		600	1,471,363
13-09	Improvement of Passaic County Community College		1,500,000			1,500,000		28,637	2,829,319
13-10	Various Capital Improvements		8,425,000		3,225,675	5,199,325		870,006	
13-12	Amend Ord. 13-05 W Brook Rd Bridge/Wanaque Reservoir		2,470,868		2,470,868				
		\$ 146,562,379	27,255,286		25,794,876	148,022,789	67,761,625	28,069,364	52,191,800

Reserve for Payment of Bonds and Notes

Cancelled by Resolution	16,153,930
Grant Proceeds	9,640,946
	<u>\$ 25,794,876</u>

Excess Proceeds	(348,375)
Bond Anticipation Notes	68,110,000
	<u>\$ 67,761,625</u>

COUNTY OF PASSAIC
Schedule of Deferred Charges to Future Taxation - Unfunded
General Capital Fund
Year Ended December 31, 2013

Improvement Authorizations Unfunded	\$ 66,388,077
Less: Unexpended Proceeds of Bond Anticipation Notes Issued	
<u>Ordinance No.</u>	
01-08	24,259
01-36	11,470
02-31	66,780
04-01	1,805,507
05-07	117,501
06-07	359,500
07-06	26,898
07-10	27,699
08-03	2,406,599
09-05	1,164,701
09-07	387,260
10-08	4,932,073
11-03	2,448,236
12-06	417,794
	14,196,277
	\$ 52,191,800

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2012		2013 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2013	
			Funded	Unfunded				Funded	Unfunded
General Improvements:									
94-10	Alps Road/Pompton Hamburg Turnpike Church Street Bridge PC #125	\$	96,860			96,860	(1,600)		
	P&H Turnpike (28,29)					1,600	(32,735)		
	P&H Turnpike/Berdan Ave					61,500	(61,500)		
98-19	Reconstruction West Brook Bridge PC #491	1,300,000	62,417	75,000		82,271	(19,854)		
98-23	Wagaraw Road Bridge PC #103	400,000	3,599			99,336	(20,737)		
98-36	Kingsland Avenue Bridge PC #81		316,055				6,741	309,314	
98-38	Reconstruction of Apsahwa Dam		34,220					34,220	
98-40	Renovation Spruce Street Bridge PC #18	150,000	1,798			1,798	(428)		
	Acquisition of Office Equipment					428			
00-40	Supplemental - Repairs/Rehab. to Kingsland Ave Bridge PC #81	700,000	664,000	36,000				664,000	36,000
	Supplemental - Valley Road and Pompton-Hamburg Tpke Intersection Improvements					21,665	(21,665)		
01-04	Supplemental - Hurricane Floyd Program	1,000,000	72,646			88,930	(16,284)		
01-08	Goffle Brook Multi-use Path	700,000		24,259					24,259
	Drainage Crooks and Wabash Avenues					37,355	(37,355)		
01-19	Supplemental - Rehab. 8th Street/5th Ave. Bridge	300,000	103,676			178,916	(75,240)		
	Supplemental - Acquisition of Equipment for Jail Renovations - County Jail					32,264	(32,264)		
	Supplemental - Renovations to Preakness Hospital					10,053	(10,053)		
01-35	Supplemental - Renovation of Youth Center	250,000	58,330			9,125	(9,125)		
01-36	Supplemental - Various Road and Bridge Repairs	250,000				80,980	(22,650)		
	Hurricane Floyd								11,470
	Purchase of Building			355					
	Supplemental - Removal of Storage Tank					1,938	(1,938)		
02-12	Supplemental - Improvement to Totowa/French Hill Road	5,258	4,208			55,867	(55,867)		
02-13	Goffle Brook Stabilization Project	392,500				16,872	(12,664)		
02-16	Supplemental - Renovations of 80 Hamilton Street	500,000	8,659				3,000		
	Supplemental - Reconstr. of Greenwood Lake Tpke					5,659	(5,212)		
02-19	Acquisition of Buildings/Grounds Equipment	200,000	421			803	(382)		166
02-23	Supplemental - Acquisition of Parks Equipment	200,000	166				(920)		
02-26	Supplemental - Improvements to Allwood/Bloomfield Circle		116,230			117,150	(9,820)		
02-27	Supplemental - Restoration of Lambert Castle	1,000,000	1,246			11,066			
02-30	Supplemental - Imp of Valley Road & Paterson-Hamburg Turnpike Intersection	1,000,000					222		
02-31	Supplemental - Renovation of Apsahwa Dam	300,000							66,780
	Supplemental - Imp to Intersection of Alps Road & Rätzer Road					10,450	(10,450)		
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, 2013

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2012		2013 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2013	
			Funded	Unfunded				Funded	Unfunded
02-40	Supplemental - Renovations to Public Buildings	200,000		3,938		23,027	(19,089)	915	
03-03	Supplemental - Golf Course Improvements	300,000				29,482	(915)		
	Supplemental - Road Improvements					22,270	(29,482)		
	Acquisition of Paratransit Vehicles					5,186	(22,270)		
03-06	Supplemental - Improvements to Camp Hope	2,800,000					(5,186)		
	Supplemental - Road Improvements	230,368							
03-17	Various Improvements to PCCC	500,000	8,493				(6,176)	14,669	
03-19	Supplemental - Reconstruction of Various Bridges	200,000	22,373				13,179	9,194	
03-20	Supplemental - 1992 Guide Rail Program	250,000	24,937				(596)	25,533	
	Supplemental - Various Drainage Improvements					16,914	(16,914)		
03-25	Supplemental - Renovations to Court House Complex	800,000	350,938				11,077	339,861	
	Imp to Goffie/Weasel Brook Park Recreation						(3,286)	3,286	
	Supplemental - Rehab to Administration Building Plaza						(51,512)	51,512	
03-29	Supplemental - Acquisition of Hospital Equipment	200,000	47			47	(6,010)		
03-30	Supplemental - Goffie Brook Stabilization Project	200,000				6,010	(36,342)		
	Union Valley Road/Green Brook Bridge Design PC#434					95,678	(1,804,620)		1,805,507
03-32	Supplemental - Public Works Equipment	700,000	59,336	887			(20)		
04-01	Improvements to Paterson Hamburg	8,750,000				20	28,038		157,695
	Imp to Greenwood lake Tpke/West Milford	200,000		185,733		326	(326)		552,790
04-05	Acquisition of Property for a Salt Dome	600,000							
04-12	Imp & Renovations to 435 Hamburg Turnpike	500,000	20,147	552,790			20,147		
04-14	Acquisition of Various Equipment					37,213	(37,213)	1,346	
	Equip for the Public Works & Building and Grounds					7,550	(7,081)		
04-19	Various Bridge Repair & Replacement Project	1,000,000	1,740				(472)		
04-20	Various Drainage Projects	550,000	469				51,082		162,217
04-21	Various Road Improvement Projects	650,000	73,124				95,789		
04-22	Traffic Safety Programs	150,000	277	213,299			(573)		
	Intersection Improvements	350,000				2,810	(4,467)		
04-24	Miscellaneous Buildings & Grounds Improvements	2,000,000	177,219				17,738		
04-25	Development of a Secured, Private Fiber Network	3,500,000	2,237				(4,467)		
04-29	Acquisition of & Renovation to County Building	6,000,000	315,779	135,239					117,501
05-07	Parks & Recreation General Improvements	2,903,400							
05-09	Acquisition of Equipment - Prekness Healthcare Center	1,000,000	4,180						
05-11	Various Repairs & Improvements	12,334,000	143,165			86,026	(86,026)		
	Amend Ord. 2002-02 Long Range Facility Plan								

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2012		2013 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2013	
			Funded	Unfunded				Funded	Unfunded
05-14	Improvements to the Community College	18,000,000	515,861				514,550	1,311	
06-03	Road Improvements	3,800,000		454					454
06-05	Private Fiber Optic Network	5,500,000		869,887			166,238		743,803
06-06	Bridge Replacements and/or Repairs	2,760,000	40,154				109,786	150,047	359,500
06-07	Various Capital Improvements	5,375,000	259,833	359,500			(77,621)	77,621	
	Parks & Recreation General Improvements				160		(160)		
06-10/06-14	Acquisition of Additional Equipment	5,500,000	17,008				(10,216)	27,224	
	Various Repairs & Improvements				63		(63)		
06-16	Supplemental - Study and Improvement of Hazel St.	6,652,000	103,815				45,444	58,371	
07-03	Reconstruction and Rehabilitations of Various Bridges	3,150,000							1,021,898
07-06	2007 Road Resurfacing Program	2,500,000		1,377,474			355,576		
07-07	Various Capital Improvements	200,000	93				(6,840)	6,933	
07-08	Stabilization Improvements to Groffle Brook	3,773,000	1,041,946				194,609	847,337	
07-09	2007 Road Improvement Projects	750,000	628,980				24,941	604,039	
07-10	General Parks and Recreation Program Imp	150,000		35,073			7,374		27,699
07-11	Implementation of Traffic Safety Program	1,350,000	1,009,455	332,500			3,586	1,005,869	332,500
07-12	Intersection Improvement Projects	1,523,000		127,234			(625,627)		752,861
07-13	Acquisition of Various Equipments	4,300,000	527,258				32,747	494,511	
08-01	Various Capital Improvements	7,800,000		2,329					2,329
08-02	Various Building and Grounds Improvements	6,075,000		1,678,732			623		1,678,109
08-03	Various Roadway Imp & Acq. of Equipment	10,800,000		3,256,567			157,724		3,098,843
08-05	Various Capital Improvements	1,850,000	1,850,000					1,850,000	
09-01	Lambert Castle Restoration	12,358,400							
09-04	2009 Road Resurfacing	755,000							
09-05	Various Park & Recreation Improvements	12,150,000	1,851,294		3,522,738		3,503,387	1,870,644	1,164,701
09-06	Bridge, Road, & Traffic Safety	7,400,000	3,332,370				151,415		3,180,955
09-07	Building & Grounds Improvements	2,015,000	387,510						387,510
09-08	Acquisition of Equipment	2,292,369		226,296			212,915		13,381
09-09	Various Capital Improvements - PCCC	2,937,924		774,888			480,292		294,596
09-10	Various Capital Improvements - PCTI	2,353,000					22,856		
10-03	Various Capital Improvements - PCCC	1,858,950	1,279,703				(228,174)		
10-04	Dey Mansion Renovations	3,000,000	1,538,568				214,922		1,766,742
	County Park Improvements		1,376,227						1,161,305

COUNTY OF PASSAIC
Schedule of Improvement Authorizations
General Capital Fund
Year Ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2012		2013 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2013	
			Funded	Unfunded				Funded	Unfunded
10-06	Various Capital Improvements	4,730,000	1,044,478	104,500			11,214	1,033,264	104,500
10-07	Refunding Bonds - GI 2003, 32mil	32,000,000	3,029,870	3,633,135		3,633,135	1,445,902	1,583,967	4,922,074
10-08	Various Capital Improvement Funds	16,304,250	20,456,018	6,177,500			21,104,283		5,529,235
11-03	Various Capital Improvements	27,920,000		1,328,663			450,391		878,272
11-04	Various Capital Improvements	11,470,000		1,050,000		1,050,000			
12-01	Refunding Bonds - General Obligation Bonds	13,000,000		9,530,000		9,530,000			
12-02	Refunding Bonds - Preakness Healthcare Expansion Project	63,500,000	8,460,950				428,896	8,032,054	
12-03	Improvements to Passaic Community College Facilities	8,500,000		2,898,395					2,898,395
12-04	Improvement of Passaic Community College	2,898,395		1,958,616			3,199,531		1,958,616
12-05	Improvement of the Passaic County Technical Institute	12,428,000		7,580,985			10,889,363		4,381,454
12-06	Various Capital Improvements	28,853,000		24,378,948					13,489,585
12-07	Various Capital Improvements	12,500,000		1,853,000		1,853,000			
12-08	Refunding Bonds - General Obligation Bonds	6,700,000		6,700,000			449,238		6,250,762
13-05	Various Bridge/Drain/Road Impvts.	4,368,110		4,368,110			2,501,047		1,867,063
13-06	Improvement of Passaic County Community College	3,100,000		3,100,000			246,627		2,853,373
13-07	Various Capital Improvements	951,308		951,308			600		950,708
13-08	Improvement of the Passaic County Voc School District	1,500,000		1,500,000			28,637		1,471,363
13-09	Improvement of Passaic County Community College	8,500,000		8,500,000			5,670,681		2,829,319
13-10	Various Capital Improvements	2,470,868		2,470,868			2,470,868		
13-12	Amend Ord. 13-05 W Brook Rd Bridge/Wanaque Reservoir	2,470,868		2,470,868					
			\$ 47,783,208	80,645,831	\$ 31,113,024	17,459,750	51,786,535	23,907,701	66,388,077

Capital Improvement Fund	\$ 335,000
Grants Receivable	3,522,738
Def. Charges to Future Taxation	27,255,286
	<u>\$ 31,113,024</u>

Cash	\$ 14,026,194
Encum. Canceled	(17,482,806)
Encumbrances	55,243,147
	<u>\$ 51,786,535</u>

COUNTY OF PASSAIC
Schedule of Accounts Payable
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012		\$	<u>264,927</u>
Decreased by:			
Cancelled by Resolution		\$	<u><u>264,927</u></u>

Schedule of Commitments Payable
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012		\$	43,831,516
Increased by:			
Charges to Improvement Authorizations			<u>55,243,147</u>
			99,074,663
Decreased by:			
Payments	\$	26,348,710	
Cancelled		<u>17,482,806</u>	
			<u>43,831,516</u>
Balance - December 31, 2013		\$	<u><u>55,243,147</u></u>

COUNTY OF PASSAIC
Schedule of Green Acres Loan Payable
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012	\$	484,633
Decreased by:		
Paid by Budget Appropriations		<u>321,479</u>
Balance - December 31, 2013	\$	<u><u>163,154</u></u>

Schedule of Amount Due to the Township of Wayne
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012	\$	<u>1,100</u>
Balance - December 31, 2013	\$	<u><u>1,100</u></u>

COUNTY OF PASSAIC
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012	\$	202,954
Increased by:		
2013 Budget Appropriations		<u>500,000</u>
		702,954
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>335,000</u>
Balance - December 31, 2013	\$	<u><u>367,954</u></u>

Schedule of Reserve for Final Payments and Litigation
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012	\$	<u>160,258</u>
Balance - December 31, 2013	\$	<u><u>160,258</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Payment of Bonds and Notes

General Capital Fund

Year Ended December 31, 2013

	<u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Reserve for Payment of Bonds:					
Waganaw Road/Lincoln Avenue Improvements	03-15	\$ 309			309
Acquisition of Property - Ball Tract	05-15	1,800,000			1,800,000
Suppl - Study and Imp to Hazel Street	06-15	110			110
Bridge, Road, & Traffic Safety	09-05		599,280		599,280
Private Fiber Network	04-21	49,336			49,336
West Broadway Bridge	05-11	126,817	153,257		280,074
		<u>1,976,572</u>	<u>752,537</u>		<u>2,729,109</u>
Reserve for Payment of Bond Anticipation Notes:					
Hamburg Turnpike	04-01	2,791,000			2,791,000
Implementation of Traffic Safety Program	07-10	2,700			2,700
Various Capital Improvements	08-03	3,680,522			3,680,522
Over Borrowed		1,548,150		1,500,000	48,150
ARRA 2009 Road Resurfacing	09-01	684,270	3,928,981		4,613,251
2009 Road Resurfacing	09-01	26,440			26,440
Various Building & Grounds Imp	09-06	91,252			91,252
		<u>8,824,334</u>	<u>3,928,981</u>	<u>1,500,000</u>	<u>11,253,315</u>
Total Reserve for Payment of Bonds and Notes		<u>\$ 10,800,906</u>	<u>4,681,518</u>	<u>1,500,000</u>	<u>13,982,424</u>
			Cash \$ 4,082,238		
			Interfunds	1,500,000	
			Transfer from Reserve for Unappropriated Grants	599,280	
			<u>\$ 4,681,518</u>	<u>1,500,000</u>	

COUNTY OF PASSAIC

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2013

	Balance, December 31, 2012	Increased	Decreased	Balance, December 31, 2013
Current Fund	\$ <u>2,003,630</u>	<u>49,804,759</u>	<u>51,806,203</u>	<u>2,186</u>
	<u>2,003,630</u>	<u>49,804,759</u>	<u>51,806,203</u>	<u>2,186</u>
Due from	<u>2,003,630</u>	<u>49,804,759</u>	<u>51,806,203</u>	<u>2,186</u>
	\$ <u>2,003,630</u>	<u>49,804,759</u>	<u>51,806,203</u>	<u>2,186</u>
Receipts	\$		44,454,048	
Reimbursement for Expenditure Paid		3,792,625	4,352,155	
Reserve for Payment of Notes			1,500,000	
Fund Balance			1,500,000	
Interest on Investments		29,033		
Disbursements		<u>45,983,101</u>		
		\$ <u>49,804,759</u>	<u>51,806,203</u>	

Exhibit C-16

COUNTY OF PASSAIC

Schedule of Reserve for Salt Shed - West Milford

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012	\$ <u>296,619</u>
Balance - December 31, 2013	\$ <u><u>296,619</u></u>

Exhibit C-17

Schedule of Reserve for EFA State Loan Payments

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012	\$ <u>500,000</u>
Balance - December 31, 2013	\$ <u><u>500,000</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Interest - Fire Academy

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012	\$	1,100,991
Increased by:		
Cash Receipts		<u>395</u>
Balance - December 31, 2013	\$	<u><u>1,101,386</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Administration
Building Settlement

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012	\$ <u>9,786</u>
Balance - December 31, 2013	\$ <u><u>9,786</u></u>

Schedule of Reserve for Interest - DOT Programs

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012	\$ 12,239
Increased by:	
Cash Receipts	<u>300</u>
Balance - December 31, 2013	\$ <u><u>12,539</u></u>

COUNTY OF PASSAIC
Schedule of Reserve for Unappropriated Grants
General Capital Fund
Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Reserve for Scoping of 8th Street from NJIT	\$ 118	118	
Reserve for Road Improvements - Ringwood Avenue	<u>599,280</u>	<u>599,280</u>	
	<u>\$ 599,398</u>	<u>599,398</u>	
Reserve for Payment of Debt	\$ 599,280		
Fund Balance		<u>118</u>	
		<u>\$ 599,398</u>	

COUNTY OF PASSAIC
Schedule of Reserve for Grants Receivable
General Capital Fund
Year Ended December 31, 2013

Balance - December 31, 2012	\$ 27,916,474	
Increased by:		
Grant Awards		<u>8,500,800</u>
		36,417,274
Decreased by:		
Reserve for Payment of Bonds and Notes		<u>7,170,078</u>
Balance - December 31, 2013		<u>\$ 29,247,196</u>
 <u>Analysis of Balance:</u>		
Ordinance 08-03	\$ 1,670,011	
Ordinance 12-06	6,922,000	
Ordinance 12-07	15,380,060	
Ordinance 13-05	3,300,000	
Ordinance 13-07	900,000	
Ordinance 13-10	<u>1,075,125</u>	
		<u>29,247,196</u>

COUNTY OF PASSAIC

Schedule of Reserve for Bonding Payments

General Capital Fund

Year Ended December 31, 2013

Balance - December 31, 2012	\$	8,890
Increased by:		
Unallocated Bonding Payments		<u>5,299</u>
Balance - December 31, 2013	\$	<u><u>14,189</u></u>

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

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						Dec. 31, 2012	Dec. 31, 2013
00-41	Supplemental - Valley Road & Pompton Hamburg Tpke Intersection Improvement	12/29/11	12/26/13	12/19/14	1.2500%	150,000	150,000
00-44	Supplemental - Study & Improvements of Hazel Street	12/29/11	12/26/13	12/19/14	1.2500%	66,000	66,000
01-08	Goffie Brook Multi Use Path	12/29/11	12/26/13	12/19/14	1.2500%	100,000	100,000
01-29	Supplemental - Reconstruction of Greenwood Lake Tpke	12/29/11	12/26/13	12/19/14	1.2500%	81,000	81,000
01-31	Supplemental - Totowa & French Hill Road Improvements	12/29/11	12/26/13	12/19/14	1.2500%	428,000	428,000
01-36	Supplemental - Various Roads & Bridge Repairs Hurricane Floyd	12/29/11	12/26/13	12/19/14	1.2500%	238,000	238,000
02-12	Supplemental - Improvements of Totowa/French Hill Road	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
02-17	Supplemental - Reconstruction of Greenwood Lake Tpke	12/29/11	12/26/13	12/19/14	1.2500%	1,932,000	1,932,000
02-30	Supplemental - Improvements of Valley Road & Paterson Hamburg Turnpike Intersection	12/29/11	12/26/13	12/19/14	1.2500%	952,000	952,000
02-31	Supplemental - Renovation of Aphasawa Drive	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
02-35	Supplemental - Replacement of Jail Roof	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
04-01	Improvements to Paterson Hamburg Turnpike	12/29/11	12/26/13	12/19/14	1.2500%	3,200,000	3,200,000
05-07	Parks & Recreation General Improvements	12/29/11	12/26/13	12/19/14	1.2500%	757,400	757,400
07-06	Various Capital Improvements	12/29/11	12/26/13	12/19/14	1.2500%	1,000,000	1,000,000
07-10	Implementation of Traffic Safety Program	12/29/11	12/26/13	12/19/14	1.2500%	142,500	142,500
07-12	Acquisition of Various Equipment	12/29/11	12/26/13	12/19/14	1.2500%	500,000	500,000
07-14	Various Improvements for the County College	12/29/11	12/26/13	12/19/14	1.2500%	2,500,000	2,500,000
07-15	Various Improvements for the Vocational Technical School	12/29/11	12/26/13	12/19/14	1.2500%	979,100	979,100
08-01	Various Buildings & Grounds Improvements	12/29/11	12/26/13	12/19/14	1.2500%	2,500,000	2,500,000
08-03	Various Capital Improvements	12/29/11	12/26/13	12/19/14	1.2500%	2,900,000	2,900,000
09-01	2009 Road Resurfacing	12/29/11	12/26/13	12/19/14	1.2500%	2,500,000	2,500,000
09-06	Building & Grounds Improvements	12/29/11	12/26/13	12/19/14	1.2500%	5,000,000	5,000,000
09-09	Various Capital Improvements	12/29/11	12/26/13	12/19/14	1.2500%	2,000,000	2,000,000
10-08	Various Capital Improvements	12/29/11	12/26/13	12/19/14	1.2500%	4,000,000	4,000,000
11-04	Various Capital Improvements	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
00-11	Supplemental - Acquisition of Office Equipment	12/29/11	12/26/13	12/19/14	1.2500%	380,000	380,000
00-12	Renovation of 80 Hamilton St. - Welfare Board	12/29/11	12/26/13	12/19/14	1.2500%	48,525	48,525
00-14	Supplemental - Redocking of McBride Bridge	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
00-18	Supplemental - Reconstruction Various Bridges	12/29/11	12/26/13	12/19/14	1.2500%	238,000	238,000
00-19	Supplemental - Various Drainage Projects	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
00-25	Renovation of Youth Center	12/29/11	12/26/13	12/19/14	1.2500%	380,000	380,000
01-02	Supplemental - Renovations to Courthouse Complex	12/29/11	12/26/13	12/19/14	1.2500%	90,000	90,000
01-09	Reconstruction of Straight Street/River Street	12/29/11	12/26/13	12/19/14	1.2500%	142,000	142,000
01-11	Supplemental - 1992 Guide Rail Program	12/29/11	12/26/13	12/19/14	1.2500%	95,000	95,000
01-13	Supplemental - Various Drainage Projects	12/29/11	12/26/13	12/19/14	1.2500%	124,910	124,910
01-28	Supplemental - Improvements to Camp Hope	12/29/11	12/26/13	12/19/14	1.2500%	166,000	166,000
01-32	Supplemental - Various Road & Bridge Repairs Hurricane Floyd	12/29/11	12/26/13	12/19/14	1.2500%	166,000	166,000
01-33	Supplemental - Various Road & Bridge Repairs Hurricane Floyd	12/29/11	12/26/13	12/19/14	1.2500%	166,000	166,000

COUNTY OF PASSAIC

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2013

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						Dec. 31, 2012	Dec. 31, 2013
02-14	Supplemental - Various Drainage Improvements	12/29/11	12/26/13	12/19/14	1.2500%	142,500	142,500
02-21	Supplemental - 1992 Guide Rail Program	12/29/11	12/26/13	12/19/14	1.2500%	142,000	142,000
02-39	Supplemental - Equipment for Preakness Hospital	12/29/11	12/26/13	12/19/14	1.2500%	285,000	285,000
02-40	Supplemental - Renovations to Public Buildings	12/29/11	12/26/13	12/19/14	1.2500%	190,000	190,000
02-41	Refunding Ordinance - Payment of Pension Obligations	12/29/11	12/26/13	12/19/14	1.2500%	239,065	239,065
03-08	Traffic Signal Reimbursements	12/29/11	12/26/13	12/19/14	1.2500%	100,000	100,000
04-05	Acquisition of Property for a Salt Dome	12/29/11	12/26/13	12/19/14	1.2500%	5,000	5,000
04-23	Intersection Improvements	12/29/11	12/26/13	12/19/14	1.2500%	50,000	50,000
04-28	GIS Parcel Mapping in & by the County	12/26/13	12/26/13	12/19/14	1.2500%	50,000	50,000
04-01	Improvements to Paterson Hamburg	12/26/13	12/26/13	12/19/14	1.2500%	86,050	86,050
06-07	Various Capital Improvements	12/26/13	12/26/13	12/19/14	1.2500%	359,500	359,500
08-01	Various Building and Grounds Improvements	12/26/13	12/26/13	12/19/14	1.2500%	2,500,000	2,500,000
08-03	Various Capital Improvements	12/26/13	12/26/13	12/19/14	1.2500%	750,000	750,000
09-04	Various Park & Recreation Improvements	12/26/13	12/26/13	12/19/14	1.2500%	717,250	717,250
09-05	Bridge, Road, & Traffic Safety	12/26/13	12/26/13	12/19/14	1.2500%	1,164,700	1,164,700
09-06	Building & Grounds Improvements	12/26/13	12/26/13	12/19/14	1.2500%	300,000	300,000
09-07	Acquisition of Equipment	12/26/13	12/26/13	12/19/14	1.2500%	1,914,000	1,914,000
11-03	Various Capital Improvements	12/26/13	12/26/13	12/19/14	1.2500%	3,096,500	3,096,500
12-06	Various Capital Improvements	12/26/13	12/26/13	12/19/14	1.2500%	5,000,000	5,000,000
12-07	Various Capital Improvements	12/26/13	12/26/13	12/19/14	1.2500%	5,000,000	5,000,000
13-06	Improvement of Passaic County Community College	12/26/13	12/26/13	12/19/14	1.2500%	2,500,000	2,500,000
13-10	Various Capital Improvements	12/26/13	12/26/13	12/19/14	1.2500%	1,500,000	1,500,000
						\$ 43,222,000	\$ 43,222,000
							Decreased
							142,500
							142,000
							285,000
							190,000
							239,065
							100,000
							5,000
							50,000
							50,000
							86,050
							359,500
							2,500,000
							750,000
							717,250
							1,164,700
							300,000
							1,914,000
							3,096,500
							5,000,000
							5,000,000
							2,500,000
							1,500,000
							68,110,000

Cash Renewed

\$ 24,888,000
43,222,000
\$ 68,110,000
43,222,000
\$ 24,888,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series B	09/01/98	30,700,000	2014	1,600,000	6.770%	15,700,000		1,500,000	14,200,000
			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%				
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 OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
General Improvement Bonds	09/15/01	14,965,000	2014	1,600,000	4.200%	4,765,000		1,500,000	3,265,000
			2015	1,665,000	4.200%				
General Improvement Bonds	09/15/02	9,485,000	2014	1,435,000	3.650%	2,780,000		1,345,000	1,435,000
County College Bonds	09/15/02	1,033,000	2014	98,000	3.650%	183,000		85,000	98,000
Vocational School Bonds	09/15/02	2,515,000	2014	365,000	3.750%	720,000		355,000	365,000
Pension Refunding Bonds, Series 2003	02/15/03	6,560,000	2014	590,000	5.000%	3,615,000		520,000	3,095,000
			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%							
General Improvement Bonds	08/15/03	11,977,000				1,500,000		1,500,000	

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013	Interest Rate	Balance December 31, 2012	Change		Balance December 31, 2013
						Year	Amount	
County College Bonds	08/15/03	2,010,000	2014-15	4.200%	510,000		170,000	340,000
General Obligation Refunding Bonds	09/01/03	21,855,000	2014	5.200%	7,870,000		2,015,000	5,855,000
			2015	5.200%				
			2016	5.200%				
General Obligation Bonds	03/15/04	19,495,000	2014	3.375%	10,295,000		1,350,000	8,945,000
			2015	3.500%				
			2016	3.500%				
General Obligation Refunding Bonds	05/01/04	12,220,000	2014	3.250%	5,880,000		1,220,000	4,660,000
			2015	3.250%				
			2016	3.250%				
			2017	3.375%				
General Obligation Refunding Bonds (A)	09/01/04	41,870,000	2014	4.000%	8,335,000		5,370,000	2,965,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013			Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount						
County College Bonds (A)	10/15/04	4,788,000	2014	420,000	3.600%	2,223,000		400,000	1,823,000	
			2015	450,000	3.600%					
			2016	465,000	3.600%					
			2017	488,000	3.600%					
County College Bonds (B)	10/15/04	4,784,000	2014	566,000	3.250%	1,101,000		535,000	566,000	
General Obligation Bonds	06/01/05	20,000,000				1,600,000		1,600,000		
General Obligation Bonds	06/01/06	20,000,000	2014	200,000	4.375%	19,550,000		17,250,000	2,300,000	
			2015	1,000,000	4.375%					
			2016	1,100,000	4.375%					
County College Bonds (A)	11/15/06	3,050,000	2014	270,000	3.750%	1,700,000		260,000	1,440,000	
			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, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
County College Bonds (B)	11/15/06	3,050,000	2014	270,000	3.750%	1,700,000		260,000	1,440,000
			2015	280,000	3.750%				
			2016	290,000	3.875%				
			2017-18	300,000	4.000%				
County College Bonds (A)	11/01/07	5,950,000	2014	525,000	3.750%	3,975,000		500,000	3,475,000
			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	2014	525,000	3.750%	3,975,000		500,000	3,475,000
			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, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
General Obligation Bonds	05/01/08	48,625,000	2014	2,000,000	4.000%	48,400,000			48,275,000
			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%							
							125,000		
						2,248,000	235,000		2,013,000
Vocational School Bonds	05/01/08	2,938,000	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, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
County College Bonds	05/01/08	8,077,000	2014	660,000	4.000%	5,767,000		635,000	5,132,000
			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%				
General Improvement Refunding Bonds	09/15/09	8,540,000	2014	1,515,000	3.000%	4,525,000		1,460,000	3,065,000
			2015	1,550,000	5.000%				
College Refunding Bonds	09/15/09	2,190,000	2014	380,000	3.000%	1,135,000		365,000	770,000
			2015	390,000	5.000%				
College Refunding Bonds	09/15/09	2,160,000	2014	360,000	3.000%	1,075,000		365,000	710,000
			2015	350,000	5.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
General Obligation Bonds	04/01/10	19,671,000	2014	350,000	2.500%	19,121,000			18,796,000
			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	2014	100,000	2.250%	780,000		95,000	685,000
			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, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
County College Bonds	04/01/10	2,130,000	2014	180,000	2.250%	1,820,000		170,000	1,650,000
			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	2014	1,690,000	2.500%	6,740,000		1,700,000	5,040,000
			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, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
Recovery Zone Economic Development Bonds: 07/28/10		4,389,000	2014	200,000	3.350%	4,010,000		196,000	3,814,000
			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%					
						1,012,000		90,000	922,000
County College Bonds	08/01/10	1,177,000	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, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
County College Bonds	08/01/10	1,176,000	2014	95,000	2.000%	1,011,000		90,000	921,000
			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	2014	4,115,000	4.000%	22,820,000		3,580,000	19,240,000
			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%							
College Refunding Bonds	05/01/11	610,000	2014	175,000	4.000%	485,000		130,000	355,000
			2015	180,000	4.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
Vocational Education Refunding Bonds	05/01/11	300,000	2014	85,000	4.000%	240,000		65,000	175,000
			2015	90,000	4.000%				
General Obligation Refunding Bonds	02/01/12	11,695,000	2014	1,705,000	3.000%	11,695,000			11,695,000
			2015	1,790,000	3.000%				
			2016	1,875,000	4.000%				
			2017	1,975,000	4.000%				
			2018	2,125,000	4.000%				
2019	2,225,000	4.000%							
General Obligation Bonds	04/01/12	23,155,000	2014	1,025,000	2.000%	23,155,000		1,025,000	22,130,000
			2015	1,200,000	2.000%				
			2016	1,350,000	3.000%				
			2017	1,400,000	3.000%				
			2018	1,500,000	3.000%				
			2019	1,550,000	3.000%				
			2020	1,805,000	3.000%				
			2021	2,050,000	3.000%				
			2022	2,050,000	3.000%				
			2023	2,050,000	3.000%				
			2024	2,050,000	3.000%				
2025	2,050,000	3.000%							
2026	2,050,000	3.000%							

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
General Obligation Bonds - Taxable Bonds	04/01/12	13,570,000	2014	1,000,000	2.000%	13,570,000		900,000	12,670,000
			2015	1,100,000	2.000%				
			2016	1,200,000	3.000%				
			2017	1,350,000	3.000%				
			2018	1,450,000	3.000%				
			2019	1,600,000	3.000%				
			2020	1,700,000	3.000%				
			2021	1,700,000	3.000%				
			2022	1,570,000	3.000%				
			College Bond - Series 2012A	06/01/12	4,250,000				
2015	390,000	2.000%							
2016	400,000	2.000%							
2017	415,000	2.000%							
2018	430,000	2.000%							
2019	445,000	3.000%							
2020	460,000	3.000%							
2021	475,000	3.000%							
2022	495,000	3.000%							
College Bond - Series 2012B	06/01/12	4,250,000				2014	375,000	2.000%	4,250,000
			2015	390,000	2.000%				
			2016	400,000	2.000%				
			2017	415,000	2.000%				
			2018	430,000	2.000%				
			2019	445,000	3.000%				
			2020	460,000	3.000%				
			2021	475,000	3.000%				
			2022	495,000	3.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Year	Amount					
General Obligation Refunding Bonds	08/15/12	10,200,000	2014	1,535,000	3.000%	10,200,000		145,000	10,055,000
			2015	2,735,000	3.000%				
			2016	2,895,000	3.000%				
			2017	600,000	3.000%				
			2018	585,000	4.000%				
			2019	580,000	4.000%				
			2020	575,000	4.000%				
2021	550,000	4.000%							
College Refunding Bonds	08/15/12	530,000	2014	205,000	3.000%	530,000		205,000	325,000
			2015	120,000	3.000%				
General Obligation Refunding Bonds	05/15/13	17,650,000	2017	1,265,000	3.000%		17,650,000	170,000	17,480,000
			2018	1,360,000	4.000%				
			2019	1,455,000	4.000%				
			2020	1,550,000	4.000%				
			2021	1,650,000	4.000%				
			2022	1,745,000	4.000%				
			2023	1,835,000	4.000%				
			2024	1,930,000	4.000%				
			2025	2,095,000	4.000%				
			2026	2,595,000	5.000%				
						\$ 287,481,000	17,650,000	51,036,000	254,095,000

Paid by Budget
 Deceased by Refunding Bonds

33,961,000
 17,075,000
 51,036,000

COUNTY OF PASSAIC
Schedule of State Educational Facilities Authority Loans Payable
General Capital Fund
Year Ended December 31, 2013

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loans Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2012</u>	<u>Decreased</u>	<u>Balance December 31, 2013</u>
			<u>Date</u>	<u>Amount</u>				
County College Capital Projects	03/01/00	\$ 2,015,000	09/01/14	175,000	5.000%	350,000	175,000	175,000
						\$ 350,000	175,000	175,000

COUNTY OF PASSAIC

Schedule of New Jersey Green Trust Loans Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Amount				
Lambert Castle Grounds Project	02/28/08	\$ 564,657	02/28/14	21,125	2.000%	406,199	41,625	364,574
			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%				
						\$ 406,199	41,625	364,574

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding Dec. 31, 2013		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Amount				
Preakness Healthcare Center Expansion	05/01/05	\$ 65,000,000	03/15/14	1,515,000	5.000%	4,550,000	1,440,000	3,110,000
			03/15/15	1,595,000				
Prosecutor's Office Building Improvements	12/09/05	6,000,000	12/15/14	285,000	5.000%	4,605,000	270,000	4,335,000
			12/15/15	300,000				
			12/15/16	310,000				
			12/15/17	320,000				
			12/15/18	335,000				
			12/15/19	350,000				
			12/15/20	365,000				
			12/15/21	380,000				
			12/15/22	395,000				
			12/15/23	415,000				
12/15/24	430,000							
12/15/25	450,000							

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Amount				
Preakness Healthcare Center Expansion	05/01/06	\$ 22,960,000	05/01/14	530,000	4.000%	21,140,000	510,000	20,630,000
			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%				

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Amount				
Refunding -Preakness Healthcare Center Expansion	05/01/12	\$ 57,425,000	05/01/14	215,000	3.000%	57,425,000	210,000	57,215,000
	05/01/15	220,000	05/01/15	220,000	3.000%			
	05/01/16	1,905,000	05/01/16	1,905,000	5.000%			
	05/01/17	2,000,000	05/01/17	2,000,000	5.000%			
	05/01/18	200,000	05/01/18	200,000	4.000%			
	05/01/18	1,905,000	05/01/18	1,905,000	5.000%			
	05/01/19	1,890,000	05/01/19	1,890,000	3.000%			
	05/01/19	300,000	05/01/19	300,000	4.000%			
	05/01/20	2,250,000	05/01/20	2,250,000	2.125%			
	05/01/21	2,330,000	05/01/21	2,330,000	5.000%			
	05/01/22	1,530,000	05/01/22	1,530,000	2.500%			
	05/01/22	900,000	05/01/22	900,000	5.000%			
	05/01/23	2,010,000	05/01/23	2,010,000	2.625%			
	05/01/23	500,000	05/01/23	500,000	4.000%			
	05/01/24	2,610,000	05/01/24	2,610,000	5.000%			
05/01/25	2,740,000	05/01/25	2,740,000	5.000%				
05/01/26	2,885,000	05/01/26	2,885,000	5.000%				
05/01/27	3,000,000	05/01/27	3,000,000	3.000%				
05/01/28	3,090,000	05/01/28	3,090,000	3.000%				
05/01/29	3,185,000	05/01/29	3,185,000	3.125%				
05/01/30	3,290,000	05/01/30	3,290,000	3.125%				
05/01/35	18,260,000	05/01/35	18,260,000	3.500%				
						\$ 87,720,000	2,430,000	85,290,000

COUNTY OF PASSAIC

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2013

Ordinance Number		Balance Dec. 31, 2012	Increased	Decreased	Balance Dec. 31, 2013
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	101,608			101,608
95-04	Road Intersection Program	63,538			63,538
95-07	Reconstruction Lafayette Ave.	1,500			1,500
96-06	Road Improvements Passaic Avenue	81,782			81,782
96-15	Hazel Street Scoping/Construction	6,000		63	5,937
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	344,538			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
00-08	Supplemental - Road Improvements	265			265
00-14	Supplemental - Redecking of McBride Bridge	67			67
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinchman Ave	238,000			238,000
00-40	Supplemental - Repairs/Rehab. to Kingsland Ave Bridge PC	36,000			36,000
	Supplemental - Valley Road and Pompton-Hamburg Tpk intersection improvements	88,000			88,000
00-41	Refunding ordinance - Payment of Pension Obligation	107			107
02-41	Supplemental - Road Improvements	266			266
03-06	Improvements to Paterson Hamburg	86,050		86,050	
04-01	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98			98
04-03	Acquisition of Property for a Salt Dome	185,000			185,000
04-04	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	282,500			282,500
05-06	Improvements to the PC Tech Institute	308			308
06-05	Private Fiber Optic Network	827			827
06-06	Bridge Replacements and/or Repairs	869,887			869,887
06-07	Various Capital Improvements	359,500		359,500	
06-11	Improvements to the Vocational School	549			549
06-12	Improvements of Passaic County Community College	761			761
07-06	Various Capital Improvements	995,000			995,000
07-11	Intersection Improvement Projects	332,500			332,500
07-12	Acquisition of Various Equipment	946,850			946,850
07-15	Various Improvements for the Vocational Technical School	208			208
08-01	Various Building and Grounds Improvements	4,910,000		2,500,000	2,410,000
08-02	Various Roadway Imp & Acq. of Equipment	5,771,250			5,771,250
08-03	Various Capital Improvements	1,993,708		1,301,463	692,245
09-01	2009 Road Resurfacing	18,270			18,270
09-04	Various Park & Recreation Improvements	717,250		717,250	

COUNTY OF PASSAIC

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2013

Ordinance Number		Balance Dec. 31, 2012	Increased	Decreased	Balance Dec. 31, 2013
	General Improvements:				
09-05	Bridge, Road, & Traffic Safety	1,164,700		1,164,700	
09-06	Building & Grounds Improvements	4,530,000		300,000	4,230,000
09-07	Acquisition of Equipment	1,914,250		1,914,000	250
09-08	Various Capital Improvements - PCCC	2,292,369			2,292,369
09-09	Various Capital Improvements - PCTI	937,924			937,924
10-02	Refunding Bonds - General Improvement Bonds	1,092		1,092	
10-06	Various Capital Improvements	104,500			104,500
10-07	Refunding Bonds - GI 2003, 32mil	4,675,000		3,633,135	1,041,865
10-08	Various Capital Improvement Funds				
11-03	Various Capital Improvements	6,177,500		3,096,500	3,081,000
11-04	Various Capital Improvements	3,096,500			3,096,500
12-01	Refunding Bonds - General Obligation Bonds	1,050,000		1,050,000	
	Refunding Bonds - Preakness Healthcare Expansion Project				
12-02	Lease	9,530,000		9,530,000	
12-03	Improvements to Passaic Community College Facilities				
12-04	Improvement of Passaic County Community College	2,898,395			2,898,395
12-05	Improvement of the Passaic County Technical Institute	1,958,616			1,958,616
12-06	Various Capital Improvements	12,356,600		8,392,940	3,963,660
12-07	Various Capital Improvements	28,319,500		5,000,000	23,319,500
12-08	Refunding Bonds - General Obligation Bonds	1,853,000		1,853,000	
13-05	Various Bridge/Drain/Road Impvts.		6,550,000		6,550,000
13-06	Improvement of Passaic County Community College		4,368,110	2,500,000	1,868,110
13-07	Various Capital Improvements		2,990,000		2,990,000
13-08	Improvement of the Passaic County Vocational School District		951,308		951,308
13-09	Improvement of Passaic County Community College		1,500,000		1,500,000
13-10	Various Capital Improvements		8,425,000	4,725,675	3,699,325
13-12	Amend Ord. 13-05 W Brook Rd Bridge/Wanaque Reservoir		2,470,868	2,470,868	
		\$ 103,602,115	27,255,286	50,596,236	80,261,165
			Authorized		
			27,255,286		
			Cancelled by Resolution	16,066,135	
			Cancelled by Resolution	1,155	
			Bond Anticipation Notes	24,888,000	
			Grant Proceeds	9,640,946	
				50,596,236	

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, 2013

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

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkocz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
973-835-7900
Fax 973-835-6631

Newton Office
100B Main Street
Newton, N.J. 07860
973-579-3212
Fax 973-579-7128

INDEPENDENT AUDITOR'S 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, 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, 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, 2013 and the related notes to the financial statements, and have issued our report thereon dated July 15, 2014, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. The regulatory basis opinion was qualified because the County did not maintain a current actuarial report as required by Government Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions".

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements-regulatory basis, we considered the County of Passaic's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the County of Passaic' internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Passaic' internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We did identify certain immaterial deficiencies in internal control that we have reported to management of the County of Passaic in the accompany comments and recommendations section of this report.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Passaic' 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*.

However, 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Passaic internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Passaic internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.



Steven D. Wielkocz
Registered Municipal Accountant
No. 413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

July 15, 2014



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

Charles J. Ferraioli, Jr., MBA, CPA, RMA
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Fax 973-579-7128

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY OMB CIRCULAR A-133 AND N.J. OMB CIRCULAR 04-04

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

Report on Compliance for Each Major Federal and State Program

We have audited the County of Passaic in the State of New Jersey compliance 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 could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Passaic's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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 a major federal and state program 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination on the County of Passaic's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the County of Passaic complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04 and which are described in the accompanying schedule of findings and questioned costs as items 2013-1 and 2013-6. Our opinion on each major federal and state program is not modified with respect to these matters.

The County of Passaic's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County of Passaic's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the County of Passaic is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County of Passaic's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal and state program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance with OMB Circular A-133 and N.J. OMB Circular 04-04, 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.


Our consideration of the internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2013-1 through 2013-6 that we consider to be significant deficiencies.

The County of Passaic's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County of Passaic's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and N.J. OMB Circular 04-04. Accordingly, this report is not suitable for any other purpose.



Steven D. Wielkocz
Registered Municipal Accountant
No. 413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

July 15, 2014

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2013

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 2012	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec., 31 2013	MEMO	
										Total	Cumulative
U.S. Dept. of Agriculture:											
Farmer's Market Nutrition Program	10.576	10-147-WFC-L-0	2012	2,000		1,000	1,000			*	2,000
Farmer's Market Nutrition Program	10.576	10-147-WFC-L-0	2013	1,000		1,000	1,000			*	1,000
										*	3,000
U.S. Dept. of Housing & Urban Development:											
Community Development Block Grant	14.218		2008	864,476	(166,663)	103,203	(63,460)			*	788,213
Community Development Block Grant	14.218		2009	874,892	(215,331)	220,792	80,344		(74,883)	*	852,591
Community Development Block Grant	14.218		2009	234,670	(3,171)				(3,171)	*	234,670
Community Development Block Grant	14.218		2010	946,150	(184,613)	185,913	26,300		(25,000)	*	921,304
Community Development Block Grant	14.218		2011	950,250	(431,638)	497,197	116,699		(51,140)	*	941,581
Community Development Block Grant	14.218		2012	805,450	(725,465)	466,920	71,926		(330,471)	*	797,391
Community Development Block Grant	14.218		2013	902,187		9,367	723,476		(714,109)	*	723,476
Community Development Block Grant	14.218		2013	11,854,865	(1,726,881)	1,578,576	11,488,865		(11,393,681)	*	11,488,865
							12,444,150		(12,592,455)	*	16,748,091
Birch Street Apartments	14.235	NI-39-C5-11-002	2008	454,080	(238,479)				(238,479)	*	454,080
HUD - Eva's Project 36308	14.235	NI-39-C5-11-002	2010	471,360	(211,984)	(58,652)	(270,649)		13	*	163,002
HUD - Eva's Village Apartments	14.235	NI-39-C5-11-002	2011	470,902	(450,463)	(58,652)	(270,649)		(238,466)	*	436,707
										*	1,053,789
Passaic County Housing First	14.238		2009	1,411,200	(739,623)	345,877	(23,334)		(370,412)	*	1,049,828
Passaic County Housing First Leasing	14.261		2012/14	19,776		3,217	4,953		(1,736)	*	4,953
Passaic County Housing First	14.238		2011/16	221,400		179,502	27,385		152,117	*	27,385
Passaic County Housing First - Collaborative II	14.238		2011/16	1,101,420		28,854	951,177		(922,323)	*	951,177
Passaic County Housing First - Collaborative III	14.238		2011/16	369,480		31,541	37,831		(6,290)	*	37,832
Passaic County Housing First	14.238		2012/17	235,260						*	
Passaic County Housing First	14.238		2013/18	1,107,720		70,242	196,193		(125,951)	*	196,193
Passaic County Housing First	14.238		2013/18	1,192,497		87,381	123,318		(35,937)	*	123,318
Passaic County Housing First - Bonus	14.238		22013	221,424						*	
HUD - St. Paul's	14.238		2011	186,600	(19,950)	59,094	50,168		(11,024)	*	76,518
HUD - St. Joseph	14.238		2011	186,600	(79,950)		(27,450)		(52,500)	*	52,500
HUD - St. Joseph	14.238		2013	47,736		40,520	42,710		(2,190)	*	42,710
HUD - Birch Street Apartments	14.238		2011	103,761	103,761		(134,718)		238,479	*	218,163
HUD - Spruce Street	14.238		2012	218,163						*	
HUD - Paterson Park Apartments	14.238		2012	806,760	(742,219)	157,507	30,369		(615,081)	*	772,588
HUD - Eva's Village Apartments	14.238		2013	121,824	(1,477,981)	55,969	112,078		(56,109)	*	112,078
						1,059,704	1,390,680		(1,808,957)	*	3,530,525
Homeless Prevention and Rapid Rehousing-Clifton	14.257	022-8020-100-179	2009	581,485	12,610				12,610	*	554,846
Homeless Prevention and Rapid Rehousing-Paterson	14.257	022-8020-100-179	2009	1,154,543	14,628		6,500		8,128	*	1,114,160
Homeless Prevention and Rapid Rehousing-ARRA	14.257	022-8020-100-179	2009	976,000	7,073			(2)	7,071	*	968,927
					34,311		6,500	(2)	27,809	*	2,637,933
Section 8 Housing Choice Vouchers	14.871	NI-39V-003-004/012	2013	9,609,574		9,609,574	9,609,574			*	9,609,574
						9,609,574	9,609,574			*	9,609,574

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2013

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 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec. 31 2013	MEMO	
										Total Expenditures	Cumulative Total Expenditures
Federal Office of Justice Programs Passed Through N.J. State Law Enforcement Planning Agency:											
Second Change Act. (Re Entry Program)											
	16.202	N/A	2013	50,000		50,000	45,989		4,011	*	45,989
						50,000	45,989		4,011	*	45,989
Juvenile Crime Reduction	16.523	FFY07JAIBG	2007	66,375						*	66,375
Juvenile Crime Reduction	16.523	FFY08JAIBG	2008	68,745	(4,620)			4,620		*	62,899
Juvenile Crime Reduction	16.523	066-1500-100-121	2009	78,089	(11,377)		(12,610)		1,233	*	63,647
Juvenile Crime Reduction	16.523	066-1500-100-121	2010	60,546	4,104	3,140	162		7,082	*	40,871
Juvenile Crime Reduction	16.523	066-1500-100-121	2011	56,992	(62,423)		901		(63,324)	*	63,324
Juvenile Crime Reduction	16.523	066-1500-100-121	2012	34,814	3,868	2,960	34,577		(30,709)	*	34,557
Juvenile Crime Reduction	16.523	066-1500-100-121	2013	26,639	(70,448)	6,100	23,030	4,620	(82,738)	*	331,673
Juvenile Justice - Partnership	16.540	N/A	2003	184				(184)		*	482,333
Juvenile Justice - Partnership	16.540	N/A	2007	501,971	9,251			(9,251)		*	480,590
Juvenile Justice - Partnership	16.540	N/A	2008	509,300	(2,622)			2,622		*	334,206
Juvenile Justice - Partnership	16.540	N/A	2009	514,393	75,159	9,251			84,410	*	32,293
Juvenile Justice - Partnership	16.540	N/A	2010	514,393	(8,004)	40,297			(42,267)	*	514,358
Juvenile Justice - Partnership	16.540	066-1500-100-007	2011	514,393	(161,910)	119,635	(8)		(57,435)	*	488,700
Juvenile Justice - Partnership	16.540	066-1500-100-007	2012	514,393	(296,146)	330,682			(100,000)	*	100,000
Juvenile Justice - Partnership	16.540	066-1500-100-007	2013	514,393			100,000		(100,000)	*	9,260
Juvenile Justice - Partnership	16.540	066-1500-100-007	2014	487,746						*	
Juvenile Justice - Partnership	16.540	1500-209-994570	2011	20,000		499,865	680,663	(6,813)	(571,699)	*	3,326,616
Passaic County Summer Job Training					(384,088)					*	
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	1,875			(1,875)		*	358,808
Victims of Crime Act Grant	16.575	100-066-1020-142	2012-2013	197,229	161,205	36,024	197,229			*	197,229
Victims of Crime Act Grant	16.575	100-066-1020-142	2013-2014	194,436		167,218			167,218	*	
Victim and Witness Advocacy Fund	16.575	VWAFPS-16	2010	58,434	19,478			(19,478)		*	38,956
Victim and Witness Advocacy Fund Supplement	16.575	066-1020-100-093	2010	48,020						*	48,020
SART/SANE Program	16.575	066-1020-100-142	2009	67,655	(1,176)				1,176	*	64,436
SART/SANE Program	16.575	066-1020-100-142	2010	67,655	11,508			(11,509)		*	53,210
SART/SANE Program	16.575	066-1020-100-142	2011	57,000	45,303	12,017	35,018		22,302	*	48,820
SART/SANE Program	16.575	066-1020-100-142	2012	74,860		69,136	47,557		21,579	*	47,557
SART/SANE Program	16.575	066-1020-100-142	2013		269,208	284,395	279,804	(62,701)	211,098	*	933,987
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2011	23,370	5,843				5,843	*	17,527
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2012	26,322	(2,267)	2,267				*	26,322
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2013	29,096			29,096		(29,096)	*	29,096
					3,576	2,267	29,096		(23,253)	*	72,943
COPS Technology Grant	16.710	CKWX0278	2010	300,000						*	300,000
Community Oriented Policing Services COPS	16.710	NJ067ZZ	2009	266,561			266,388		(266,388)	*	266,388
Community Oriented Policing Services COPS	16.710	NJ067ZZ	2010	200,000			199,880		(199,880)	*	199,880
							466,268		(466,268)	*	766,268

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2013

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 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
										Total Expenditures	Cumulative Total Expenditures
Multi-Juris Narc Task Force	16.738	RJAG-1-16TF-09	2009	235,838	448			(448)	*	235,390	
Multi-Juris Narc Task Force	16.738	RJAG-1-16TF-10	2010	252,964	102			(102)	*	252,862	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2011	200,769					*	200,769	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2012	169,637	24,177	145,460	147,975		21,662	147,975	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2013	172,000		36,985	103,130	(40,578)	(66,145)	103,130	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2010	40,578	40,578				*	20,875	
Justice Assistance Program	16.738	066-1020-100-364	2010	28,755					*	49,200	
Justice Assistance Program	16.738	066-1020-100-364	2012	49,200					*	351,198	
Edward Byrne Memorial Justice Assistance Grant	16.738	066-1020-100-364	2013	35,198		35,198	35,198		(44,483)	1,361,399	
Megan's Law and Local Law Enforcement Assistance	16.738	066-1020-100-364			65,305	217,643	286,303	(41,128)			
National Justice Information Sharing (JIS)	16.751		2011	270,084	(262,607)				(262,607)	262,607	
National Children's Alliance Support	16.758		2010	10,000	(10,000)	10,000			*	9,944	
National Children's Alliance Support	16.758		2011	10,000					*	9,960	
National Children's Alliance Support	16.758		2012	10,000					*	10,000	
National Children's Alliance Support	16.758		2013	9,000	(10,000)	10,000	7,657		(7,657)	7,657	
Community Justice	N/A	JC-17-09	2009	60,000	(15,356)			15,356		60,000	
U.S. Dept. of Labor Passed Through N.J. Dept. of Labor: Disability Employment Initiative	17.207	062-4545-100-026	2011/13	240,750		144,530	2,459		142,071	58,679	
J.T.P.A. (Workforce Investment)	17.258	FY07	2006/07	11,515,243	25,805			(25,805)	*	11,422,585	
J.T.P.A. (Workforce Investment)	17.258	FY08	2007/08	11,683,696	(83,013)			83,013	*	11,674,307	
J.T.P.A. (Workforce Investment)	17.258	FY09	2008/09	16,159,432					*	16,159,432	
J.T.P.A. (Workforce Investment)	17.258	FY10	2009/10	11,616,429	(611)			611	*	11,553,752	
J.T.P.A. (Workforce Investment)	17.258	FY11	2010/11	5,205,423					*	5,205,423	
J.T.P.A. (Workforce Investment)	17.258	062-4545-100-249	2011/12	5,886,944	(5,886,944)	3,971,832	778,405		(1,915,112)	5,886,944	
J.T.P.A. (Workforce Investment)	17.258	062-4545-100-249	2012/13	1,817,131	(719,940)	1,021,554	142,546		(476,791)	1,498,345	
J.T.P.A. (Workforce Investment)	17.258	062-4545-100-095	2012/13	211,000		211,000	29,562		68,454	142,546	
Workforce Learning Link Program	17.258	062-4545-100-095	2013/14	157,000		28,068	306,689		(1,494)	29,562	
Workforce Learning Link Program	17.258	062-4545-100-095	2012/13	1,799,182		1,470,880	103,113		1,164,191	306,689	
WIA - Adult	17.258	062-4545-100-095	2013/14	1,735,055		96,713			(2,243)	103,113	
WIA - Adult	17.259	062-4545-100-095	2013/14	1,798,551		96,713			96,713		
WIA - Youth	17.260	062-4545-100-105	2012/13	1,480,768		732,239	228,256		503,983	228,256	
WIA - Dislocated Worker	17.260	062-4545-100-105	2013/14	1,727,953		89,910	56,228		33,682	56,228	
Hurricane Irene Disaster Emergency Grant	17.250	062-4545-100-252	2011	711,287	(209,132)	7,723,066	1,644,799	57,819	(209,132)	669,071	
					(6,873,835)				(737,749)	64,936,253	

COUNTY OF PASSAIC

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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 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
										Cumulative Total Expenditures	Total Expenditures
U.S. Dept. of Transportation											
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		(15)	(19,052)	*	103,967	*
Subregional Transportation FY10	20.505	N/A	FY10	123,019	253				253	122,766	*
Subregional Transportation FY11	20.505	N/A	FY11	98,415	31,707	(1,237)			30,470	4,773	*
Subregional Transportation FY12	20.505	N/A	FY12	123,019	51,153	(2,694)			48,459	37,620	*
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	(4,972)	3,929	59,237	1,043	(493)	15,000	*
History and Tourism Plan	20.505	N/A	FY11	200,000	59,268	(524)	93,008		(2,754)	199,328	*
Subregional Internship Planning	20.505	N/A	FY12	98,415	90,254		48,362		72,574	98,367	*
Subregional Internship Planning	20.505	N/A	FY13	98,415	250,165	120,936	200,592	(16,316)	153,667	48,363	*
						120,410				753,000	
FTA JARRC	20.516		2007	294,000	17,560			(17,560)	*	276,440	*
FTA JARRC	20.516		2008	123,497	(9,410)		(2)	9,408	*	121,045	*
FTA JARRC	20.516		2010	210,000	(12,052)			12,052	*	210,000	*
FTA JARRC	20.516		2011	250,000	(14,330)		(2)		(14,328)	249,998	*
FTA JARRC	20.516		2012	320,000	(18,232)	203,812	320,000		(116,188)	320,000	*
						203,812	319,996	3,900	(130,516)	1,177,483	
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)	*		*
Drive Sober or Get Pulled Over	20.601		2013	4,400							*
					16,000			(5,000)	11,000		*
Click it or Ticket	20.602		2006	4,000							*
Click it or Ticket	20.602		2010	4,000	4,000				4,000		*
Click it or Ticket	20.602		2011	4,000							*
Click it or Ticket	20.602		2012	4,000	4,000				4,000		*
Click it or Ticket	20.602		2013	4,000	8,000	4,000			12,000		*
						4,000				8,000	
Hazardous Materials Preparation & Planning	20.703	11-100-066-1200-703	2013	17,100		17,100	17,100			17,100	*
						17,100	17,100			17,100	
U.S. Small Business Administration	59.000		2010	125,000	(32,452)		8,670		(41,122)	41,123	*
Business Retention and Expansion Program					(32,452)		8,670		(41,122)	41,123	*
U.S. Environmental Protection Agency	66.818		2003	200,000	(12,291)			12,291	*	200,000	*
Brownfields Assessment Program	66.818		2006	200,000	(9,700)			9,700	*	196,687	*
Brownfields Assessment Program					(21,991)			21,991	*	396,687	*

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For the Year Ended December 31, 2013

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 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
										Cumulative Total Expenditures	Total Expenditures
U.S. Dept. of Energy Passed Through N.J. Dept. of Community Affairs:											
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	96,924			(96,924)	*	166,830	
Weatherization Assistance Program - ARRA	81.042	022-8050-100-B47	2009	663,000					*	560,013	
Weatherization Assistance Program	81.042	022-8050-100-B47	2010	258,075	161,804	(75,748)	187,529		(101,473)	243,591	
Weatherization Assistance Program	81.042	DOE - 2011	2011	147,315	268,273	(75,748)	187,529	(106,469)	(101,473)	1,283,855	
U.S. Dept. of Education											
21st Century Community Learning	84.287	100-034-5060-075	2009	500,000				(261)	*	427,933	
21st Century Community Learning	84.287	100-034-5060-075	2010	500,000				(261)	*	493,800	
21st Century Community Learning	84.287	100-034-5060-075	2011	500,000		217,866		(211,291)	6,575	443,611	
21st Century Community Learning	84.287	100-034-5060-075	2012	500,000		378,549	500,000		(121,451)	500,000	
21st Century Community Learning	84.287	100-034-5060-075	2013	500,000		596,415	484,000	(211,552)	(484,000)	484,000	
							983,739		(598,876)	2,349,344	
Juvenile Detention Alternative Innovations											
Juvenile Detention Alternative Innovations	84.411	100-066-1500-237	2012	62,600					*	62,600	
Juvenile Detention Alternative Innovations	84.411	100-066-1500-237	2013	60,000			60,000		(60,000)	60,000	
							60,000		(60,000)	122,600	
U.S. Dept. of Health and Human Services											
Passed Through N.J. Dept. of Services:											
Preakness Gerio-Psych Program	93.005	30409	2008	306,070	3,792				3,792	302,278	
Preakness Gerio-Psych Program	93.005	054-7700-100-029	2011	338,210	93,931				93,931	177,029	
Preakness Gerio-Psych Program	93.005	054-7700-100-029	2012	338,210	(177,029)	338,210			161,181	177,029	
Preakness Gerio-Psych Program	93.005	054-7700-100-029	2013	338,210		253,658	320,949		(67,291)	320,949	
					(79,306)	591,868	320,949		191,613	977,285	
MRC Capacity Building Award											
MRC Capacity Building Award	93.008		2009	10,000	100			(100)	*	9,900	
MRC Capacity Building Award	93.008		2011	5,000					*	5,000	
MRC Capacity Building Award	93.008		2013	4,000		4,000	1,430		2,570	1,430	
MRC Capacity Building Award	93.008		2013	7,000		7,000			7,000		
					100	11,000	1,430	(100)	9,570	16,330	
Aging Area Plan Grant											
Aging Area Plan Grant	93.044		2009	2,441,094	41,472				41,472	2,399,622	
Aging Area Plan Grant	93.044		2010	2,012,436	41,917		(67)	(41,984)	*	1,970,452	
Aging Area Plan Grant	93.044		2011	2,179,358	(27,037)	24,656			(2,381)	2,179,358	
Aging Area Plan Grant	93.044	046-4275-100-061	2012	1,778,474	743,078	37,968	770,512		10,534	1,763,525	
Aging Area Plan Grant	93.044	046-4275-100-061	2013	1,940,246		1,899,052	1,168,511		730,541	1,168,511	
Aging Area Nutrition Grant	93.045		2009	3,374,270	427,751				427,751	2,946,519	
Aging Area Nutrition Grant	93.045		2010	1,690,676	395,605		(382)	(395,987)	*	1,294,689	
Aging Area Nutrition Grant	93.045		2011	1,825,100	701,420	19,383	(486)		721,289	1,103,811	
Aging Area Nutrition Grant	93.045		2012	1,863,110	1,680,089	24,162	689,176		1,015,075	848,035	
Aging Area Nutrition Grant	93.045	046-4275-100-228	2013	1,843,068		1,803,937	839,466		964,471	839,466	
				4,004,295	3,809,158	3,466,730	3,466,730	(437,971)	3,908,752	16,513,988	

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										Cumulative Total Expenditures	Total Expenditures
Community Services Block Grant	93.069	046-4230-100-360	2010	874,411	(32,780)	34,182		(1,402)	27,962	*	859,959
Community Services Block Grant	93.069	046-4230-100-360	2012	592,354	(33,772)	101,362	39,628		2,951	*	564,392
Community Services Block Grant	93.069	046-4230-100-360	2012	597,775	(418,645)	591,654	170,058		(362,398)	*	588,703
Community Services Block Grant	93.069	046-4230-100-361	2013	559,224	(485,197)	727,198	362,398		(331,485)	*	362,398
							572,084		(1,402)		2,375,452
Mental Health	93.104	30409	2009	6,000	1,100			(1,100)		*	4,900
Mental Health Crisis Counseling	93.104	30409	2004	6,000	1,298			(1,298)		*	4,702
					2,398			(2,398)		*	9,602
Human Services	93.558	08BERN	2008	174,373	(16,026)			16,026		*	164,245
Human Services	93.558	09BERN	2009	175,373	(2,645)			2,645		*	135,238
Human Services	93.558	10BERN	2010	175,373	(91,047)				(91,047)	*	164,702
Human Services	93.558	11BERN	2011	175,373	8,597		6,555		438	*	172,371
Human Services	93.558	046-4275-100-371	2012	194,758	8,823	(3,465)	4,920		25,252	*	190,855
Human Services	93.558	046-4275-100-371	2013	350,746		187,955	162,723			*	162,723
Human Services	93.558	07BERN	2007	392,013	(6,222)			6,222		*	366,090
Human Services PASP	93.558	08BERN	2008	405,559	4,262			(4,262)		*	401,270
Human Services PASP	93.558	09BERN	2009	438,859	7,066				7,066	*	431,793
Human Services PASP	93.558	10BERN	2010	399,525						*	399,525
Human Services PASP	93.558	11BERN	2011	399,525	1,687		7,430		1,692	*	397,838
Human Services PASP	93.558	054-7545-100-005	2012	286,326	(12,540)	19,976			6	*	7,430
Human Services PASP	93.558	054-7545-100-005	2013	42,000		42,000				*	42,000
Human Services PASP	93.558	100-054-7550-308	2005	1,589,795						*	1,380,218
Human Services PASP	93.558	100-054-7550-308	2006	1,328,700						*	1,258,358
Human Services PASP	93.558	100-054-7550-308	2007	1,284,950						*	1,240,195
Human Services PASP	93.558	100-054-7550-308	2008	1,238,420						*	1,194,302
Human Services PASP	93.558	100-054-7550-308	2009	1,030,043						*	978,070
Human Services PASP	93.558	100-054-7550-308	2010	506,143						*	471,003
Human Services PASP	93.558	100-054-7550-308	2011	404,914				(152)	(152)	*	404,184
Human Services PASP	93.558	100-054-7550-308	2012	404,914		291,393	63,911	(236,465)	(8,983)	*	401,605
Human Services PASP	93.558	100-054-7550-308	2013	404,914			326,677		(326,677)	*	326,677
Transportation & TIP	93.558	100-054-7550-308	2013	404,914	(98,045)	337,859	614,216	(215,981)	(390,383)	*	10,690,692
Weatherization Assistance Program	93.568	HIP	2007	323,648	44,827			(44,827)		*	278,821
Weatherization Assistance Program	93.568	HIP	2009	384,138	7,905			(7,905)		*	376,233
Weatherization Assistance Program	93.568	022-8050-100-182	2010	770,980	1,657	47,324	116,259		(67,278)	*	479,143
Weatherization Assistance Program	93.568	HIP	2011	624,805			30		(30)	*	30
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		(453)		(3,503)	*	201,985
Weatherization Assistance Program	93.568	DHS	2007	216,362	14,377				(14,377)	*	366,933
Weatherization LIHEAP Flood Relief	93.568	DHS	2007	380,522	13,589		39,961		(13,589)	*	47,242
Weatherization LIHEAP Flood Relief	93.568	DHS	2010	128,314	48,813				(48,813)	*	229,931
Weatherization LIHEAP Flood Relief	93.568	DHS	2011	603,780	85,033		229,931		(85,033)	*	84,177
Weatherization LIHEAP Flood Relief	93.568	DHS	2012	137,708	(3,661)				(3,661)	*	48,424
Weatherization LIHEAP Flood Relief	93.568	022-8050-100-182	2013	104,378	16,434		48,424		(30,067)	*	30,067
Weatherization LIHEAP Flood Relief	93.568	022-8050-100-182	2014	769,270	101,405	262,604	464,219	(169,234)	(269,444)	*	2,494,890

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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 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
										Total Expenditures	Cumulative Total Expenditures
Community Services Block Grant	93.569	05/3748/00	2005	253,280	99,397			(99,397)	*	153,883	
Community Services Block Grant	93.569	06/3748/00	2006	251,737	9,327		(4,000)	(13,327)	*	237,780	
Community Services Block Grant	93.569	07/3748/00	2007	251,737	15,603			(15,603)	*	235,834	
Community Services Block Grant	93.569	08/3748/00	2008	262,111	8,977			(8,977)	*	253,134	
Community Services Block Grant	93.569	09/3748/00	2009	294,183	(2,239)		(360,161)	2,239	*	286,583	
Community Services Block Grant - ARRA	93.569	09/3748/00	2009	506,349	(360,161)				*	108,758	
Community Services Block Grant	93.569	09/3748/00	2010	294,183	2,598			(2,598)	*	286,628	
Community Services Block Grant	93.569	022-8050-100-184	2011	289,412					*	289,412	
Community Services Block Grant	93.569	022-8050-100-184	2012	296,089	(199,947)	296,089	96,056	86	*	296,003	
Community Services Block Grant	93.569	022-8050-100-184	2013	278,038		10,358	187,798	(177,440)	*	187,798	
Community Services Block Grant	93.569	022-8050-100-184	2014	97,313					*		
					(426,465)	306,447	(80,307)	(137,643)		(177,354)	2,335,813
Strengthening Communities Fund - ARRA	93.711	90SN0043/01	2010/11	312,495	(20,281)	50,398				30,117	231,639
					(20,281)	50,398				30,117	231,639
U.S. Dept. of Homeland Security	97.008		2004	12,500	(6,377)			(5,370)	*	11,877	
Urban Area Security Initiative (UASI) - Fire Decon	97.008		2008	306,067	5,370			(3,232)	*	300,681	
Urban Area Security Initiative (UASI) Planner Grant	97.008		2009	126,681	3,232			(79,276)	*	123,096	
Urban Area Security Initiative (UASI) Public Health	97.008		2009	1,390,162	79,045		(231)		*	1,279,423	
Urban Area Security Initiative (UASI) Projects	97.008		2010	832,000	(637,254)	656,535	19,731	(450)	*	831,551	
Urban Area Security Initiative (UASI) Projects	97.008		2011	1,133,231	(708,914)	17,420	214,350	(905,844)	*	1,093,221	
Urban Area Security Initiative (UASI) Projects	97.008		2013	393,629		673,955	216,486	(87,878)	*	216,486	
					(1,264,898)		450,336	(1,129,157)	*	3,856,335	
Disaster Grants - Public (Hurricane Sandy)	97.036		2013	342,821			342,821		*	342,821	
							342,821		*	342,821	
Logistics & Commodities Distribution Plan	97.042		2011	33,685	33,685		33,685		*	33,685	
Emergency Management Assistance Funding (FEMA)	97.042		2011	50,000					*	50,000	
Emergency Management Assistance Funding (FEMA)	97.042		2012	100,000		100,000	100,000		*	100,000	
					33,685	100,000	133,685		*	183,685	
Emergency Operations Center Grant	97.052		2011	250,000			248,943		*	248,943	
							248,943		*	248,943	
Homeland Security Grant Program	97.073		2007	1,259,894	154,221			(154,221)	*	1,105,523	
Homeland Security Grant Program	97.073		2008	1,638,946					*	1,639,346	
Homeland Security Grant Program	97.073		2009	1,496,329			34,524	(635)	*	1,496,329	
Homeland Security Grant Program	97.073		2010	1,273,599	(881,596)	915,485	439,209	(479,209)	*	1,273,598	
Homeland Security Grant Program	97.073		2011	504,432	(65,221)	25,221	244,532		*	504,430	
Homeland Security Grant Program	97.073		2012	255,515	(792,596)	1,002,687	718,265	(154,221)	*	244,532	
									*	6,263,668	
Other Agencies:			2007	225,000	12			(12)	*	224,988	
Pre-Disaster Mitigation Grant					12			(12)	*	224,988	

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										Cumulative Total Expenditures	
Replacement of Hillery Street Bridge Wet Reflective Tape 2009 Road Resurfacing Program-ARRA	07-04			9,515,000	(317,878)				(317,878) *	9,515,000	
	08-03			302,613	(302,613)				(302,613) *	302,613	
	09-01			9,286,537	(620,491)				(620,491) *	9,286,537	
					\$ (10,074,880)	30,067,231	35,678,320	(1,553,135)	(17,239,104) *	177,795,771	

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State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
								Cumulative Total Expenditures	
State Programs									
Senior Citizen and Disabled Resident Transportation	2009	2,647,300	347,574		279,111	(347,574)		2,423,516	*
Assistance Program (Casino Revenue Fund)	2010	1,364,566	279,110		364,402		(38,386)	1,427,756	*
Assistance Program (Casino Revenue Fund)	2011	1,313,383	326,016		334,883	60	257,390	1,313,383	*
Assistance Program (Casino Revenue Fund)	2012	1,133,836	(539,073)	1,131,286	474,393		(99,255)	873,896	*
Assistance Program (Casino Revenue Fund)	2013	1,075,061	413,627	375,138	1,452,789	(347,513)	119,749	474,393	*
Assistance Program (Casino Revenue Fund)				1,506,424				6,512,944	*
State Department of Transportation:									
Two Bridges Road	99-20	650,000	(100,344)				(100,344)	650,000	*
8th Street & 5th Avenue Bridges	01-19	724,619	22,755				22,755	688,908	*
Hurricane Floyd - Cedar Grove Road Wall	01-32	444,000	(444,000)				(444,000)	444,000	*
Goffle Brook Stabilization	02-13	392,500	(267,859)				(267,859)	392,500	*
Restoration of Lambert Castle	02-27	1,000,000	(401,040)				(401,040)	1,000,000	*
West Broadway Bridge PC#17	03-24	350,000	(1)				(1)	350,000	*
Goffler/Weasel Brook Park	03-25	170,000	(170,000)				(170,000)	170,000	*
Imp to Paterson/Hamburg Turnpike	04-01	2,500,000	(3,000,000)	500,000	2,500,000			2,500,000	*
Clove Road/Long Hill Road & Hazel Street	05-11	579,000	(845,477)				(845,477)	579,000	*
Bridge Replacement and/or Repair	06-06	582,364	(472,926)				(472,926)	582,364	*
2006 Various Road Improvements	06-07	3,791,000	826,205		69,296		756,909	3,791,000	*
Paterson/Hamburg Turnpike/Jackson Avenue Imp	07-08	1,600,000	250,000		29,386		(88,121)	821,749	*
Barbour Pond Improvements & Lambert Castle Const.	07-09	2,500,000	(58,735)				(58,735)	2,500,000	*
Hurricane Floyd	07-11	1,000,000	1,000,000				1,000,000	1,000,000	*
Chapter 12, Passaic County Community College	01-04	1,000,000	72,646				72,646	927,354	*
Renovation to Market Street	99-14	1,000,000	(863,508)				(863,508)	1,000,000	*
Rehab of Paterson-Hamburg Tpk Bridge	00-06	500,000	(500,000)				(500,000)	500,000	*
Juggle from Paterson-Hamburg Tpk to Hinchman	00-15	300,000	(260,705)				(260,705)	300,000	*
Study and Improvement to Hazel Street	00-20	500,000	(470,801)	464,874		5,927	(122,949)	230,000	*
8th Street & 5th Avenue Bridges	00-44	230,000	(122,949)				(10,088)	350,000	*
Imp to Crooks Ave & Wabash Ave Drainage	01-19	350,000	(10,088)				(10,088)	350,000	*
Imp to Guide Rails & Reflective Marking Tape	04-04	952,817	(5,000)				(5,000)	157,400	*
West Broadway/Passaic River Bridge PC#17	05-11	157,400	1,208,704				1,208,704	4,900,000	*
2006 Various Road Improvements	05-11	4,900,000	(224,500)				(224,500)	880,895	*
Union Valley Road, PC #34	06-07	1,900,000	1,229,532		210,427		1,019,105	12,950	*
President Street, PC #53	08-03	200,000						137,682	*
Two Bridges Road Bridge	08-03	249,965						223,000	*
Greenwood Lake Turnpike	08-03	223,000						4,200,000	*
Hazel Street Construction, CR 702	08-03	4,200,000	2,646,480	551,463			3,197,943	900,000	*
Black Oak Ridge Road/Pompton Plains Cross Road	08-03	900,000						4,048,706	*
Bridge Replacement and/or Repairs	09-05	5,900,000	1,851,296	601,926			2,453,222	5,024,000	*
2006 Various Road Improvements	09-05	5,024,000	(4,626,993)	47,147			(4,579,846)	5,024,000	*
Rehabilitation and Reconstruction of Dey Mansion	10-03	1,239,475	(4,219)				(4,219)		*

COUNTY OF PASSAIC

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For the Year Ended December 31, 2013

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO
									Cumulative Total Expenditures
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	(95)				(95)	95
Moorestown Road	6320-480-078-6320-496	10-08	200,000	(8,153)				(1,152,235)	1,152,235
Squirrelwood Road	6320-480-078-6320-496	10-08	1,250,000	(281,527)		1,144,082		(281,527)	301,304
Black Oak Ridge Road/Jackson Avenue Signal Replacement	6320-480-078-6320-496	10-08	320,000	(84,284)				(84,284)	337,137
McBride/Hillery Street Improvements	6320-480-078-6320-496	10-08	550,000	(78,958)				(78,958)	3,036,000
Resurfacing of Various Roads	6320-480-078-6320-496	10-08	3,036,000						
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	1,378,717		20,400,000		1,378,717	20,400,000
Eighth Street Bridge Rehabilitation	6320-480-078-6320-496	10-08	2,019,250			667,104		(667,104)	667,104
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		3,044,041			(707,464)	3,751,505
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-04	4,200,000	(3,751,505)	3,243,000	6,622,151		(3,379,151)	6,622,151
Resurfacing of Various Roads	6320-480-078-6320-496	12-03	10,000,000		149,940	9,355,000		(9,205,060)	9,355,000
Resurfacing Various Roads	6320-480-078-6320-496	12-07	9,700,000						
West Brook Road/Wanaque Reservoir, PC 491	6320-480-078-6320-496	12-07	3,800,000						
Two Bridges Road/West Belt	6320-480-078-6320-496	12-07	1,000,000					(14,536)	14,536
Clinton Road Bridge	6320-480-078-6320-496	12-07	30,000			14,536			
8th Street Rehabilitation PC4	6320-480-078-6320-496	12-07	1,000,000						
Pompton Hamburg Turnpike/Valley Road	6320-480-078-6320-496	13-05	1,000,000						
McBride/Slippery Rock Improvements	6320-480-078-6320-496	13-05	400,000						
County Golf Course Bridges	6320-480-078-6320-496	13-05	100,000						
Haledon Avenue(Green Street) Improvements	6320-480-078-6320-496	13-05	1,600,000					(107,414)	107,414
Clove Road in Little Falls	6320-480-078-6320-496	13-07	250,000						
Parks & Recreation Improvements	6320-480-078-6320-496	13-07	650,000					937,510	2,288,165
Parks & Recreation Improvements	6320-480-078-6320-496	13-10	4,300,800		3,225,675	2,288,165			
Various Road Improvements	6320-480-078-6320-496								
EFA Constnction & Financing Grant		05-12	7,505,998	(37,530)				(37,530)	7,505,998
Vocational School Long Range Facilities Plan Projects				(6,884,572)	11,828,066	40,907,561	2,505,927	(33,458,140)	93,121,970
Department of Health and Senior Services:									
Tobacco Enforcement Program	100-046-4240-168	2008	24,000	(230)					18,050
				(230)					18,050

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For the Year Ended December 31, 2013

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
									Cumulative Total Expenditures	Expenditures
Homeless Grant	100-054-7550-049	2009	975,938	2			(2)		*	973,548
Homeless Grant	100-054-7550-049	2010	1,086,544	1,092			(1,092)		*	1,085,452
Homeless Grant	100-054-7550-049	2011	927,294	39			(39)		*	927,255
Homeless Grant	100-054-7550-049	2012	907,294	(6,392)	13,615	7,223		(140,441)	*	907,291
Homeless Grant	100-054-7550-049	2013	1,073,609	(5,259)	766,326	906,767		(140,441)	*	906,767
					779,941	913,990	(1,133)		*	4,800,313
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	(20,340)			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	(871)			871		*	1,194,302
Special Initiative & Transportation	100-054-7550-308	2009	1,050,043	18,568			(18,568)		*	978,070
Special Initiative & Transportation	100-054-7550-308	2010	506,143	30,337			(30,337)		*	471,003
Special Initiative & Transportation	100-054-7550-308	2011	404,914	(152)			152		*	404,184
Special Initiative & Transportation	100-054-7550-308	2012	404,914	(236,465)			236,465		*	337,694
Transportation & TIP				(259,677)			259,677		*	7,264,024
Department of Health and Senior Services cont.....										
Family Court Services	100-066-1500-021	2009	282,634	24,834			(24,834)		*	257,800
Family Court Services	100-066-1500-021	2010	282,634	2				2	*	193,586
Family Court Services	100-066-1500-021	2011	282,634	(22,199)	32,632	(1,789)		12,222	*	239,135
Family Court Services	100-066-1500-021	2012	282,634	(272,981)	256,400	4,812		(21,393)	*	277,793
Family Court Services	100-066-1500-021	2013	282,634		43,432	272,305		(228,873)	*	272,305
Family Court Services	100-066-1500-021	2014	278,149	(270,344)	332,464	275,328		(238,042)	*	1,240,619
21st Century Community Learning	100-034-5060-075	2009	500,000	6,327			(6,327)		*	427,933
21st Century Community Learning	100-034-5060-075	2010	500,000	(837)			837		*	494,061
21st Century Community Learning	100-034-5060-075	2011	500,000	(211,291)			211,291		*	443,611
				(205,801)			205,801		*	1,365,605

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Schedule of Expenditures of State Awards

For the Year Ended December 31, 2013

State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO Cumulative Total Expenditures
<u>Program Description</u>								
NI Department of Community Affairs:								
Universal Service Fund	2008	53,750	52,250			(52,250)	*	1,500
Universal Service Fund	2009	113,124	105,626			(105,626)	*	7,498
Universal Service Fund	2010	133,622	69,037			(69,037)	*	52,438
Universal Service Fund	2011	44,699	17,209				17,209	27,490
Universal Service Fund	2012	48,378	48,378		30,936		48,378	30,936
Universal Service Fund	2013	55,070			102,426		(102,426)	102,426
Universal Service Fund	2014	150,575	292,500		133,362	(226,913)	(67,775)	222,288
	2010/11	98,050	(15,525)		(15,525)			81,475
			(15,525)		(15,525)			81,475
Sharing Available Resources Efficiently (SHARE)								
Camp Hope Kids Corner	2010	10,300	(1,186)			1,186		1,186
			(1,186)			1,186		1,186
LIHEAP Assistance	2013	28,711			27,711		(27,711)	27,711
					27,711		(27,711)	27,711
NI Department of Environmental Protection:								
Recycling Enhancement Act	2009	324,000	1,851		1,385	(466)		323,534
Recycling Enhancement Act Bonus Grant	2010	221,400	206,731				206,731	14,669
Recycling Enhancement Act	2011	540,000	150,517		124,131		26,386	513,614
			359,099		125,516	(466)	233,117	851,817
Radon Awareness Program	2010	1,000						999
Radon Awareness Program	2011	1,000						995
Radon Awareness Program	2012	1,000						997
Radon Awareness Program	2013	1,000	(997)	997	999		(999)	999
Radon Awareness Program	2014	1,000	(997)	997	999		(999)	3,990
C.E.H.A. - 2010	2010	200,323	35			(35)		235,548
C.E.H.A. - 2011	2011	229,968						229,968
C.E.H.A. - 2012	2012	221,526	(87,971)	87,971				221,525
C.E.H.A. - 2013	2013	161,700	(87,936)	87,971	161,700		(161,700)	161,700
			(87,936)	87,971	161,700	(35)	(161,700)	848,741
Molly Ann Brook Rain Barrel Initiative - Watershed	2009	100,000	(7,486)	12,083		(4,597)		83,890
			(7,486)	12,083		(4,597)		83,890

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Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
									Cumulative Total Expenditures	Total Expenditures
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	403			(509)		*	46,594
Clean Communities	765-042-4900-005	2008	47,831	1,250	(106)		(1,250)		*	46,581
Clean Communities	765-042-4900-005	2009	60,756						*	60,756
Clean Communities	765-042-4900-005	2010	63,492	25,687				4,242	*	63,492
Clean Communities	765-042-4900-005	2011	62,758	46,090		21,445		210	*	58,516
Clean Communities	765-042-4900-005	2012	61,890		72,481	45,880		23,367	*	61,680
Clean Communities	765-042-4900-005	2013	72,481	73,771	72,481	116,333	(2,100)	27,819	*	424,043
Other State Agencies:										
Municipal Alliance	100-082-C01-044	2006	566,073						*	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	53			(53)		*	508,849
Municipal Alliance	100-082-C01-044	2010	553,900	(292)		(32)		(260)	*	475,161
Municipal Alliance	100-082-C01-044	2011	553,900	(728)				(728)	*	491,748
Municipal Alliance	100-082-C01-044	2012	553,900	(535,838)	333,616	(29,947)		(172,275)	*	505,891
Municipal Alliance	100-082-C01-044	2013	537,832	(545,978)	82,256	519,562	9,120	(437,306)	*	519,562
					415,872	489,583		(610,569)	*	4,119,023
Bio-Terrorism Grant	100-046-6120-357	2009	785,902	(113)		(305)		(192)	*	775,422
Bio-Terrorism Grant	100-046-6120-357	2010	814,411	65,980		(305)		65,980	*	748,431
				65,867				65,980	*	1,523,853
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
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2011	7,316	2,080				2,080	*	
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2012	7,418	7,418				7,418	*	
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2008	55,165	72				72	*	55,093
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2009	12,904	34				34	*	
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2010	47,493	440		440			*	47,493
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2011	42,763	45,596		45,596			*	44,042,323
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2012	45,596	57,224		46,036	(1,584)	9,604	*	45,596
								46,036	*	44,218,655
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		48,183	(131,110)		*	768,257
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2010	764,744	5,025	(469)		(5,494)		*	759,250
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2011	732,993	2			(2)		*	729,049
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2012	751,699	(286,168)	289,486	3,318		(242,811)	*	750,201
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2013	755,402	(92,636)	498,746	741,557	(145,818)	(242,811)	*	741,557
					788,232	792,580		(242,811)	*	4,522,911

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									Total	Expenditures
NJSP Exercise Pass-Thru CY03 EOP	N/A	2003	46,540						*	*
Work First NJ	7550-150-158010-63	1997	7,682,259	(137,513)		(193,000)	(89,402)	(89,402)	*	7,485,991
Work First NJ	7550-150-158010-63	FY10/11	6,610,560	1,319,197	1,991,348	4,146,934		55,487	*	6,486,774
Work First NJ	7550-150-158010-63	FY11/12	5,634,345	(2,895,048)	4,531,784	807,325		(836,389)	*	3,702,373
Work First NJ	7550-150-158010-63	FY12/13	5,862,604		521,131	366,748		154,383	*	366,748
Work First NJ	7550-150-158010-63	FY13/14	14,500	(1,713,364)	7,044,263	5,128,007		202,892	*	18,041,886
Child Behavioral Health Services	100-016-1620-013	2011	158,456	(2,601)	13,205	10,604			*	158,456
Child Behavioral Health Services	100-016-1620-013	2012	158,456		158,456	140,103		18,353	*	140,103
Child Behavioral Health Services	100-016-1620-014	2013		(2,601)	171,661	150,707		18,353	*	457,015
Insurance Fraud Reimbursement Program	100-1020-066-102	2011	250,000		32,050	250,000			*	250,000
Insurance Fraud Reimbursement Program	100-1020-066-102	2012	250,000	(32,050)	219,111	250,000		(30,889)	*	250,000
Insurance Fraud Reimbursement Program	100-1020-066-102	2013		(32,050)	251,161	250,000		(30,889)	*	750,000
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2005	41,435	3,167		3,167			*	41,435
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2006	52,375	52,375		48,976		3,399	*	48,976
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2007	61,915	61,915		48,990		61,915	*	48,990
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2008	48,990	48,990		9,943		48,990	*	9,943
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2009	9,943	9,943		57,487		9,943	*	57,487
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2010	57,487	57,487		58,170		58,170	*	58,170
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2012	58,170	58,170		14,133		14,133	*	14,133
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2013	14,133	292,047	14,133	52,143		254,037	*	90,411
Emergency 9-1-1 General Assistance Grant	09-E-16-520	2009	52,863	3,433			(3,433)		*	49,430
Emergency 9-1-1 Coordinator	09-E-16-520	2009	25,000	2,782		1,512		1,270	*	23,730
				6,215		1,512		1,270	*	73,160
Community Emergency Response Team (CERT)	100-066-1200-851-YEMR-6110	2006	8,500	8,005			(8,005)		*	495
				8,005			(8,005)		*	495
County Right to Know Program	LOA 92-2244-RTK-00	2011	15,213						*	15,213
County Right to Know Program	100-046-4771-105	2012	15,213		15,213			15,213	*	15,213
County Right to Know Program	100-046-4771-105	2013	15,213		3,803	15,213		(11,410)	*	3,803
					19,016	15,213		3,803	*	30,426

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Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO	
									Cumulative Total Expenditures	Total Expenditures
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		(127)	(72,074)		*	526,895
State Incentive Program	SIP-09-PS-16	2009	598,969	46,599			(46,599)		*	555,508
State Incentive Program	SIP-09-PS-16	2010	240,124	(25,755)				(25,755)	*	25,678
				199,068		(127)	(224,950)	(25,755)	*	1,590,423
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	195,025	(35,087)			35,087		*	199,025
Paris Grant Records Management	100-074-2545-033-6110	2009	153,339	917			(917)		*	211,064
				1,082			(1,082)		*	587,957
Customized Training Program	780-062-4545-003-N729-6140	2006	13,462						*	
Clean Energy	100-022-8050-B15-FCMP-6130	2007	150,000	22,450			(22,450)		*	127,550
				22,450			(22,450)		*	127,550
Passaic County Master Plan: Trans Element		2009	240,000	13,362			(13,362)		*	224,417
				13,362			(13,362)		*	224,417
NJIT		2011	3,072	3,072			(3,072)		*	
NJIT		2011	2,992	2,992			(2,992)		*	
				6,064			(6,064)		*	
EMPG-Commodity		2010	33,685	33,685			(33,685)		*	
				33,685			(33,685)		*	
NJ Highlands - Plan Conformance	100-082-2078-033	2009-16	70,000						*	
Special General Election		2013	1,652,320			1,404,450		(1,404,450)	*	1,404,450
						1,404,450		(1,404,450)	*	1,404,450
Total State Programs				(8,281,576)	23,324,765	52,429,572	1,913,725	(35,472,658)		194,631,298

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2013

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2012	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2013	MEMO
									Cumulative Total Expenditures
Local Programs:									
Passaic County Open Space Trust	N/A	03-25	630,000	354,675				354,675	*
Goffle/Weasel Brook Park	N/A	03-29	200,000	200,000				200,000	*
Goffle Brook Stabilization Project	N/A	07-07	200,000	200,000				200,000	*
Stabilization Improvements of Goffles Brook Park	N/A	07-09	250,000	250,000				250,000	*
Barbour Pond Improvements & Lambert Castle Const.	N/A	07-09	250,000	250,000				250,000	*
Garrett Mt. Trail Imp. Lambert Castle Roof	N/A	08-05	1,850,000	1,850,000				1,850,000	*
Lambert Tower Reconstruction & Rehabilitation	N/A	12-03	165,000		3,396,194			3,396,194	*
Golf Course Improvements	N/A	13-04	3,522,738						*
Borough of Wanauque-Amending Ordinance 2009-05	N/A								*
County Aid									
Passaic County Film Festival - 2011	N/A	2011	1,130						*
Passaic County Film Festival - 2012	N/A	2012	1,420						*
Passaic County Film Festival - 2013	N/A	2013	2,000		2,000	2,000			*
Passaic County Film Festival - 2014	N/A	2014	2,000						*
Passaic County Film Festival - 2014	N/A	2008	124,500						*
Passaic County Training Consortium - ISO 9001	N/A								*
Total Local Programs				3,104,675	3,398,194	2,000		6,500,869	*
Total State and Local Programs				\$ (5,176,901)	26,722,959	52,431,572	1,913,725	(28,971,789)	*
									194,777,138

**COUNTY OF PASSAIC
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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	\$35,678,320	\$11,522,011	\$2,000	\$47,202,331
General Capital Fund		<u>40,907,561</u>		<u>40,907,561</u>
	<u>\$35,678,320</u>	<u>\$52,429,572</u>	<u>\$2,000</u>	<u>\$88,109,892</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, 2013, 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	\$163,154
Green Trust Loan Program	4800-533-851000-60	<u>364,574</u>
		<u>\$527,728</u>

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Adverse GAAP/modified regulatory

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 X no

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

Federal Awards Section

Dollar threshold used to determine type A programs: \$ 1,070,350

Auditee qualified as low-risk auditee? X yes no

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

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? X yes no

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871 (A)	Section 8 Housing Choice Vouchers
17.258, 17.259, 17.260 (A)	WIA Cluster
93.044, 93.045, 93.053 (A)	Aging Cluster
14.238 (A)	Shelter Plus Care
14.218 (A)	Community Development Block Grant

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, 2013
(continued)

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

State Awards Section

Dollar threshold used to determine type A programs: \$ 1,572,887

Auditee qualified as low-risk auditee? X yes no

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

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? X yes no

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

Identification of major programs:

GMIS Number(s)	Name of State Program
7550-150-158010-63 (A)	Workfirst New Jersey
6320-480-078-6320-496 (A)	Department of Transportation Grants
100-042-4855-001 (B)	Insurance Fraud Reimbursement Program
491-078-6050-001 (B)	Assistance Grant (Casino Revenue Fund)
100-1020-066-102 (B)	CEHA Grant
	2013 Special General Election

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, 2013
(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, 2013**

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

FEDERAL AWARDS

Finding 13-1

Information on the federal program:

WIA-Adult/WIA-Youth/WIA-Dislocated Worker, CFDA #'s 17.258/17.259/17.278

Criteria or specific requirement:

Monitoring compliance requires site visits at the sub-recipients to review financial and programmatic records and observation of operations.

Condition:

The County does not have a process in place to perform on-site fiscal monitoring procedures of their sub-recipients.

Questioned costs:

None

Context:

The County does not perform on-site fiscal monitoring procedures of their sub-recipients.

Effect:

Failure to perform fiscal monitoring results in non-compliance with the specific program requirements in accordance with Circular A-133.

Cause:

The County does not have a system in place to ensure proper monitoring of their sub-recipients.

Recommendation:

A process be developed and implemented to ensure proper documentation is collected and on-site fiscal monitoring procedures are performed.

Management's response:

On-site performance monitoring is completed for all sub-recipients. Management will investigate the requirements of on-site fiscal monitoring and develop a procedure policy to ensure compliance.

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(continued)**

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

FEDERAL AWARDS

Finding 13-2

Information on the federal program:

WIA-Adult/WIA-Youth/WIA-Dislocated Worker, CFDA #'s 17.258/17.259/17.278

Criteria or specific requirement:

Expenditures reported on the monthly Local Area Reports need to agree the entity's accounting records.

Condition:

Total expenditures reported on the monthly Local Area Reports could not be reconciled to the County's accounting records for year ended December 31, 2013.

Questioned costs:

None

Context:

The total expenditures reported on the monthly Local Area Reports were greater than the actual expenditures posted to the County's accounting records.

Effect:

Reimbursements requested by the County were in excess of actual disbursements posted to the County's accounting system resulting in additional cash being received.

Cause:

Documentation to support amounts reported on the Local Area Reports could not be provided to reconcile the amounts reported and the amounts posted to the accounting system. It appears that disbursements from subsequent periods were reported as disbursed in the incorrect month.

Recommendation:

That expenditures reported on the Local Area Reports be supported by proper documentation.

Management's response:

Procedures are to be implemented to ensure proper documentation is available to support disbursements recorded on the Local Area Reports. Also, the reports are going to be reviewed for accuracy by a second individual prior to submission.

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(continued)**

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

FEDERAL AWARDS

Finding 13-3

Information on the federal program:

Shelter Plus Care, CFDA # 14.238

Criteria or specific requirement:

Administrative expenditures were not allocated proportionately amongst the grants for which they benefited.

Condition:

Administrative expenditures charged against the grant cluster did not solely serve to the benefit of the specific federal program and its objectives.

Questioned costs:

None

Context:

Administrative expenditures charged against the grant cluster included items used in administering other federal programs and general department operations.

Effect:

Administrative grant funds were used for activities which did not serve to benefit the specific federal program and its objectives.

Cause:

Proper allocation of administrative costs were not maintained and recorded against the grants for which they benefited.

Recommendation:

Proper maintenance and allocation of administrative costs amongst all grants for which they benefit.

Management's response:

Procedures are to be implemented to ensure proper maintenance and allocation of administrative funds amongst grants which they benefit.

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(continued)**

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

FEDERAL AWARDS

Finding 13-4

Information on the federal program:

Shelter Plus Care, CFDA # 14.238

Criteria or specific requirement:

Administrative expenditures were not allocated proportionately amongst the years in which programmatic expenditures took place.

Condition:

Administrative expenditures charged against the grant cluster exceeded the allowable 8% of total grant expenditures.

Questioned costs:

None

Context:

Administrative expenditures charged against the grant cluster must be charged proportionally to the programmatic expenditures to ensure that the 8% maximum threshold of total administrative expenditures is not exceeded.

Effect:

Administrative grant were charged during the year which exceeded the 8% threshold of allowable administrative costs.

Cause:

Proper tracking of allowable administrative expenditure thresholds did not take place on at least an annual basis.

Recommendation:

Proper tracking of allowable administrative expenditure thresholds should take place on at least an annual basis.

Management's response:

Procedures are to be implemented to ensure proper tracking of administrative expenditure thresholds on at least an annual basis.

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(continued)**

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

STATE AWARDS

Finding 13-5

Information on the state program:

Work First New Jersey Cluster, Grant #7550-150-158010-63

Criteria or specific requirement:

Monitoring compliance requires site visits at the sub-recipients to review financial and programmatic records and observation of operations.

Condition:

The County does not have a process in place to perform on-site fiscal monitoring procedures of their sub-recipients.

Questioned costs:

None

Context:

The County does not perform on-site fiscal monitoring procedures of their sub-recipients.

Effect:

Failure to perform fiscal monitoring results in non-compliance with the specific program requirements in accordance with Circular A-133.

Cause:

The County does not have a system in place to ensure proper monitoring of their sub-recipients.

Recommendation:

A process be developed and implemented to ensure proper documentation is collected and on-site fiscal monitoring procedures are performed.

Management's response:

On-site performance monitoring is completed for all sub-recipients. Management will investigate the requirements of on-site fiscal monitoring and develop a procedure policy to ensure compliance.

**COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(continued)**

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

STATE AWARDS

Finding 13-6

Information on the state program:

Work First New Jersey Cluster, Grant #7550-150-158010-63

Criteria or specific requirement:

Expenditures reported on the monthly Local Area Reports need to agree the entity's accounting records.

Condition:

Total expenditures reported on the monthly Local Area Reports could not be reconciled to the County's accounting records for year ended December 31, 2013.

Questioned costs:

None

Context:

The total expenditures reported on the monthly Local Area Reports were greater than the actual expenditures posted to the County's accounting records.

Effect:

Reimbursements requested by the County were in excess of actual disbursements posted to the County's accounting system resulting in additional cash being received.

Cause:

Documentation to support amounts reported on the Local Area Reports could not be provided to reconcile the amounts reported and the amounts posted to the accounting system. It appears that disbursements from subsequent periods were reported as disbursed in the incorrect month.

Recommendation:

That expenditures reported on the Local Area Reports be supported by proper documentation.

Management's response:

Procedures are to be implemented to ensure proper documentation is available to support disbursements recorded on the Local Area Reports. Also, the reports are going to be reviewed for accuracy by a second individual prior to submission.

COUNTY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(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, 2013**

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, 2013
(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:

(12) Harley Davidson Motorcycles	Psychologist in Assistance & Wellness Program
2013 Minivan with ADA Compliant Lowered Floor for Para-Transit Dept	Fiber Optic Line Design and Installation
Stump Grinder at the Parks Dept	Replacement of West Brook Road Bridge
Utility & Phone Bill Audit	2013 Medical and Dental Supplies and Equipment
Preakness Healthcare Center Medical Oxygen Services	Energy Consultation Services
Residential Window Repair & Installation with Other Energy Conservation Measures (Weatherization)	2013 Bulk Purchase of Disposable Paper Products and Garbage Liners
Residential Insulation and Doors with Other Energy Conservation Measures (Weatherization Program)	Nurse Call System Replacement Project at Preakness Healthcare Center
Pick-up/Disposal of Solid Waste at the Jail/Courthouse	2013 Golf Course Concession
2013 Roadway Resurfacing Program	Archival Standard Microfilm Services of Land Records 10/1/13-9/30/16
Installation of Fiber Optics Cables Connections	Installation of Guiderails in Various Locations
Squirrelwood Rd. Improvements	2013-2015 Printing
Janitorial Supplies	Production of Poll Books
White & Dry Goods	2014 Steel Bid
Intersection Improvements to Main Ave & Allwood Rd.	2013-2014 Snow Plowing District 1 & 2
Replacement of Cartpatch Bridge (Preakness Valley Golf Course)	Election Voting Authority Books
On-Call Testing Services of Construction Geotechnical and Environmental Material	Installation of a Traffic Signal at Goffle Road/Rock Rd/ Braen Avenue Intersection in Borough of Hawthorne
Auto Body Shop Materials	Conversion of Camp Hope Swimming Pool and Wading Pool to a Water Spray Park
Rehabilitation of three Passaic County Structures	Black Oak Intersection Improvement
Preakness Valley Golf Course Greens Drainage Project	2014 Groceries and Canned Goods
2013 Curve Warning Sign Installation Project	2014 Electrical Supplies
Fertilizer, Chemicals and Materials	2014 Crockery, Culinary, Kitchen Supplies and Equipment
2013 Milk and Other Dairy Projects	Forestry Bucket Truck for Parks Department
2013 Rental Linen and Laundry Processing	Restoration of Riparian Corridor Along Goffle Brook & Beautification of Goffle Brook Country Club

COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013
(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
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2013

COMMENTS:

FINANCE/TREASURER:

1. *Not all Workers' Compensation Trust Fund claims are being charged properly to the Trust Fund.
2. *There were instances where incorrect budget accounts were being charged for Debt principal and interest payments as required by Division of Local Government Services, Requirements of Audit for Expenditures and Disbursements.
3. Bank reconciliations are not being performed for the following accounts as required by N.J.S. 40A:5-5:
 - Net Payroll Account
 - Payroll Pension Account
4. There were instances in which receipts are not being deposited within 48 hours of collection as required by N.J.S. 40A:5-15.
5. The County did not maintain a current actuarial report as required by Governmental Accounting Standards Board Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions".

PAYROLL:

1. There were instances in which employee's salary information was not updated on the historical employee personnel record.
2. There were instances in which information found in the payroll system did not accurately reflect information contained in the individual's personnel file.

PARKS DEPARTMENT:

1. The cash on hand did not agree to the daily revenue report on the day of fieldwork.
2. Sales tax collected during the month of July 2013 was never disbursed to the State of NJ.

PREAKNESS HOSPITAL:

1. A cash receipt ledger is not being maintained.
2. The Petty Cash Fund bank account is not being properly reconciled on a monthly basis for the following reasons:
 - There are stale dated checks being carried as reconciling items.
 - There is an unknown adjustment being carried as a reconciling item.
 - The outstanding check listing includes checks recorded as Void in the system.
3. The bank reconciliation for the Care Cost Account has unknown adjustments being carried as reconciling items.

COUNTY OF PASSAIC

**COMMENTS AND RECOMMENDATIONS
(CONTINUED)**

INMATE WELFARE:

1. The balance of the Personal Property Account has not been analyzed and includes interest and unclaimed inmate funds that should be remitted to the appropriate agencies.
2. The jail contracted with a bookkeeper as a professional service vendor without following the procurement procedures established by the County of Passaic.
3. Pursuant to N.J.A.C. 10A:31-29.4(c), Inmate Welfare funds shall be spent on amenities for the use, benefit and general welfare of the inmate population as a whole. Funds were expended for professional services which are not allowable.
4. A professional service vendor was not issued a Form 1099 although the individual received amounts in excess of IRS thresholds.

RECOMMENDATIONS:

FINANCE/TREASURER:

1. *That activity for all accounts be posted to the general ledger.
2. *That all expenditures be review and charged to the correct budget account.
3. That the bank reconciliations be prepared on a monthly basis.
4. That all receipts be deposited within 48 hours of collection.
5. That the County update its actuarial report for Accounting and Financing Reporting by Employers for Postemployment Benefits Other than Pensions pursuant to Governmental Accounting Standards Board Statement No. 45.

PAYROLL:

1. That employee salary information be updated on the historical employee personnel records.
2. That the information contained in the payroll system be reviewed to determine if the information accurately reflects information contained in the employee's personnel file.

PARKS DEPARTMENT:

1. That more care be taken to ensure that all cash collected is accounted for in the system.
2. That more care be taken to ensure sales tax is remitted in a timely manner.

COUNTY OF PASSAIC
COMMENTS AND RECOMMENDATIONS
(CONTINUED)

PREAKNESS HOSPITAL:

1. That supporting documentation for receipts be available and a ledger maintained.
2. That reconciliations for the Petty Cash Fund be done in timely manner and reconciling items be reviewed for accuracy.
3. That reconciliations for the Care Cost Account be done in timely manner and reconciling items be reviewed for accuracy.

INMATE WELFARE:

1. That amounts determined to be interest and unclaimed funds be remitted to the appropriate agencies.
2. That the Jail follow all procurement procedures established by the County of Passaic.
3. That disbursements from the Inmate Welfare Fund be made for expenses that directly benefit the inmates.
4. That 1099 Forms be issued for all eligible vendors.

**COUNTY OF PASSAIC
GENERAL COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013
(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
Pompton Lakes, New Jersey

July 15, 2014