

**REPORT OF AUDIT**  
**COUNTY OF PASSAIC**  
**STATE OF NEW JERSEY**  
**DECEMBER 31, 2014**

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, 2014**

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

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## 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, 2014 and 2013, 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, 2014, 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, 2014 and 2013 which represents 13.6 percent and 12.3 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, 2014 and 2013, or changes in financial position for the years then ended.



***Qualified Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2014 and 2013, 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, 2014 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 September 29, 2015 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. Wielkottz, C.P.A.  
Registered Municipal Accountant  
No. CR00413



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

September 29, 2015

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Current Fund

December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 44,224,298	44,682,553
Investments	A-4	500,921	511,158
Change Fund	A-5	675	675
Cash - Fiscal Agent for Health Benefits		<u>570,000</u>	<u>570,000</u>
		<u>45,295,894</u>	<u>45,764,386</u>
Receivables and Other Assets with Full Reserves:			
Revenue Accounts Receivable	A-8	640,920	660,376
Amount Due from:			
Federal and State Grant Fund	A-9	3,294,464	
Other Trust	A-9	21,271	
General Capital Fund	A-9	88,010	
Payroll Agency Account	A-9	112	
Net Payroll	A-9	4,941	4,941
Confiscated Trust Fund	A-9	2,317	226
Community Development Trust Fund	A-9		<u>10,399</u>
		<u>4,052,035</u>	<u>675,942</u>
Deferred Charges:			
Overexpenditure of Appropriations	A-18		80,422
Overexpenditure of Trust Fund Reserves	A-18	36,360	36,360
Emergency Appropriations	A-18	4,000,000	7,500,000
Special Emergency Authorization	A-19	<u>2,259,222</u>	<u>3,388,833</u>
		<u>6,295,582</u>	<u>11,005,615</u>
		<u>55,643,511</u>	<u>57,445,943</u>
Federal and State Grant Fund:			
Grants Receivable	A-7	51,005,205	52,161,778
Due from Current Fund	A-17		<u>1,589,135</u>
		<u>51,005,205</u>	<u>53,750,913</u>
Total Assets		<u>\$ 106,648,716</u>	<u>111,196,856</u>

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Current Fund

December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-10 \$	12,335,992	11,516,412
Accounts Payable	A-11	980,180	516,364
Encumbrances Payable	A-12	6,420,890	5,949,551
Emergency Note Payable	A-20	4,000,000	7,500,000
Due to State & Federal Grants Fund	A-9		1,589,135
Due to Other Trust Fund	A-9	585,442	443,991
Due to General Capital Fund	A-9		2,186
Miscellaneous Reserves	A-15	<u>1,216,825</u>	<u>2,901,055</u>
		25,539,329	30,418,694
Reserve for Receivables	Contra	4,052,035	675,942
Fund Balance	A-1	<u>26,052,147</u>	<u>26,351,307</u>
		<u>55,643,511</u>	<u>57,445,943</u>
Federal and State Grant Fund:			
Amount Due to Current Fund	A-17	3,294,464	
Commitments Payable	A-13	15,775,125	19,887,217
Reserve for State and Federal Grants - Appropriated	A-14	31,777,291	33,792,028
Reserve for State and Federal Grants - Unappropriated	A-16	<u>158,325</u>	<u>71,668</u>
		<u>51,005,205</u>	<u>53,750,913</u>
Total Liabilities, Reserves and Fund Balance	\$	<u>106,648,716</u>	<u>111,196,856</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, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 17,000,000	18,000,000
Miscellaneous Revenue Anticipated	134,800,582	136,377,459
Receipts from Current Taxes	319,796,781	310,795,236
Non-Budget Revenue	3,765,586	2,955,300
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	3,907,400	2,201,872
Prior Year Interfunds Returned	10,399	3,003
Cancellation of Liabilities		48,010
Cancellation of Appropriated Grants	4,159,633	3,971,592
	<u>483,440,381</u>	<u>474,352,472</u>
Total Revenues and Other Income		
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	133,617,917	130,182,972
Other Expenses	223,200,160	231,600,442
Capital Improvement Fund	1,700,000	700,000
Debt Service	56,558,314	55,837,267
Deferred Charges and Statutory Expenditures	49,750,073	43,947,225
Interfunds and Receivables Originating in Current Fund	3,320,081	72,851
Grant Receivables Canceled	2,261,202	1,918,585
Prior Year adjustment of accounts payable		537,346
Prior Years' Charges	124,465	27,057
Refunds	207,329	89,469
	<u>470,739,541</u>	<u>464,913,214</u>
Total Expenditures		
Excess Revenue Over Expenditures	12,700,840	9,439,258
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year	<u>4,000,000</u>	<u>7,500,000</u>
Statutory Excess to Surplus	16,700,840	16,939,258
Fund Balance, January 1,	<u>26,351,307</u>	<u>27,401,049</u>
	43,052,147	44,351,307
Decreased by:		
Fund Balance Utilized as Budget Revenue	<u>17,000,000</u>	<u>18,000,000</u>
Fund Balance, December 31,	<u>\$ 26,052,147</u>	<u>26,351,307</u>

See accompanying notes to the financial statements.

## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$ 17,000,000	17,000,000	
Miscellaneous Revenues:			
County Clerk	800,000	821,058	21,058
Register	3,000,000	2,334,370	(665,630)
Surrogate	355,000	376,746	21,746
Sheriff	465,000	761,851	296,851
Interest on Investments and Deposits	30,000	28,289	(1,711)
Road Opening Permits	210,000	257,000	47,000
Rental Income	200,000	228,992	28,992
State Aid - County College Bonds (N.J.S.A. 18A:64-22.6)	1,500,000	2,579,190	1,079,190
Division of Youth and Family Services	3,749,723	3,749,723	
Supplemental Social Security Income	1,452,511	1,515,969	63,458
Maintenance of Patients in State Institutions for Mental Diseases	18,592,755	18,592,755	
Maintenance of Patients in State Institutions for Mentally Retarded	7,067,679	7,067,679	
County Patients - State Hospital	14,210	10,583	(3,627)
University of Medicine and Dentistry	5,903	5,903	
Supplemental Social Security Income - Prior Year	688,104	688,104	
Municipal Alliance Grant FY13	268,916	268,916	
U.A.S.I.	1,331,292	1,331,292	
Division of Child Behavioral Health Services	158,456	158,456	
JARC	210,000	210,000	
Eva's Village	120,953	120,953	
Scattered Sites Homeless Program	47,110	47,110	
St. Joseph's Hospital CDC	47,110	47,110	
Casino Revenue	873,111	873,111	
Area Plan Grant - Aging Area Nutrition	1,277,882	1,277,882	
Area Plan Grant	1,373,580	1,373,580	
Housing First PILOT Project	327,953	327,953	
Juvenile Accountability Block Grant	120,000	120,000	
LEOTEF	9,582	9,582	
Banfield Charitable Trust - Pet Project	2,500	2,500	
LIHEAP Assistance	207,937	207,937	
Body Armor	9,747	9,747	
Homeland Security	292,702	292,702	
Victim Witness Advocacy Fund	30,919	30,919	
PHLP LINCS Agencies	25,000	25,000	
Alcohol Drug Abuse Grant	711,999	711,999	
Recycling Enhancement Act Entitlement (REA)	336,600	336,600	
Smart STEPS	1,550	1,550	
Body Armor PCSD	61,921	61,921	
Click it or Ticket	4,000	4,000	
Human Services 14 BERN PASP	42,000	42,000	
Drug Enforcement Demand Reduction	512,024	512,024	

## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Social Services for the Homeless	535,993	535,993	
Golf Program	50,000	50,000	
Workforce Investment Allocation - WIA Youth	1,914,231	1,914,231	
Workforce Investment Allocation - WIA Adult	1,831,954	1,831,954	
Workforce Investment Allocation - WIA Dislocated Worker	1,817,952	1,817,952	
CEHA Grant 2014	153,000	153,000	
Heating Improvement (HIP) 2013	629,403	629,403	
LEOTEF	8,414	8,414	
HUD - St. Paul's	47,736	47,736	
WorkFirst New Jersey	5,862,604	5,862,604	
N.C.A. Program Support	9,000	9,000	
Insurance Fraud	250,000	250,000	
Sexual Assault Nurse Examiner (SART/SANE)	67,686	67,686	
Hazard Mitigation Grant	187,500	187,500	
Social Services for the Homeless	1,045,019	1,045,019	
Weatherization DOE 2013	62,691	62,691	
Subregional Transportation Planning	98,415	98,415	
Great Falls Circulation Study	240,000	240,000	
Workforce Learning Link (WLL)	196,000	196,000	
Drive Sober or Get Pulled Over	5,000	5,000	
Aging Area Plan Grant FY14	498,608	498,608	
Aging Area Nutrition FY14	695,509	695,509	
2013 State Health Insurance Program (SHIP)	29,000	29,000	
Senior Farmers Market Nutrition Program	1,000	1,000	
CSBG Non-Discretionary 2014	197,468	197,468	
Transportation & TIP	404,914	404,914	
Passaic County Morris Canal Greenway Project	532,566	532,566	
Justice Assistance Program	29,376	29,376	
Local Government Capacity Grant	27,681	27,681	
PHLP LINCS Agencies	514,592	514,592	
CEHA Grant 2014	74,630	74,630	
Victims of Crime Act (VOCA)	224,305	224,305	
Multi-Jurisdictional Narcotics Task	184,139	184,139	
2014 State Health Insurance Program (SHIP)	22,000	22,000	
Right to Know Program	15,213	15,213	
Radon Awareness Program	1,000	1,000	
Sandy Grant (LINCS Agencies)	25,000	25,000	
Workforce Investment Allocation - SmartSTEPS	9,630	9,630	
LEOTEF	25,799	25,799	
Violence Against Woman Act - DV Advocate	29,198	29,198	
Community Development Block Grant (CDBG)	866,001	866,001	
Body Armor PCPO	7,332	7,332	
Hazardous Materials Prep & Planning	5,140	5,140	
Preakness Gero-Psych Program	338,210	338,210	
Body Armor PCSD	45,038	45,038	

## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Homeland Security FFY14 (SHSP)	379,461	379,461	
Passaic County Film Festival	2,000	2,000	
Universal Service Fund	308,864	308,864	
2012 State Helath Insurance Program (SHIP)	29,000	29,000	
Aging Area Plan Grant FY14	5,368	5,368	
Aging Area Nutrition FY14	2,977	2,977	
UASI Local Share	886,396	886,396	
Transportation Clean Air Measures (TCAM)	468,000	468,000	
Haledon Avenue Green Streets	330,572	330,572	
Heating Improvement (HIP) 2013	96,601	96,601	
Weatherization DOE 2013	286,379	286,379	
Weatherization LIHEAP 2013	356,166	356,166	
Added and Omitted Taxes	600,000	805,286	205,286
Board Inmates at County-State	90,000	87,201	(2,799)
Title IV D Parent Locator Program	1,266,000	1,177,110	(88,890)
Fringe Benefits	8,000,000	12,224,091	4,224,091
Indirect Costs - Grants	3,500,000	3,584,875	84,875
Preakness Hospital - Medicaid Reimbursements	33,000,000	33,350,000	350,000
Maintenance in Lieu of Rent - Martin Luther King - Soc. Serv.	170,000	172,736	2,736
State School Building Aid (Chapter 12)	34,300	79,002	44,702
Park Fees	1,690,000	1,616,049	(73,951)
Telephone Commissions	450,000	444,671	(5,329)
Capital Surplus	2,000,000	2,000,000	
Site Plan Fees	60,000	54,287	(5,713)
Radio Tower Rental	30,000	32,789	2,789
Closeout of Preakness Healthcare Construction Account	434,000	693,850	259,850
Rental Revenue - Quarry	5,000,000	5,000,000	
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>128,915,608</u>	<u>134,800,582</u>	<u>5,884,974</u>
Total Miscellaneous Revenues			
Amount to be Raised by Taxation - County Purpose Tax	<u>319,796,781</u>	<u>319,796,781</u>	
Total Budget Revenues	<u>\$ 465,712,389</u>	<u>471,597,363</u>	<u>5,884,974</u>
Nonbudget Revenue		<u>3,765,586</u>	
		<u>\$ 475,362,949</u>	



## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2014

Miscellaneous Revenue Not Anticipated:	
State of New Jersey	\$ 45,970
Sales of Equipment	133,831
Duplication of Records	7,584
Vending Machine Commissions	20,309
ID Bureau	26,971
Payroll Deduction Fees	9,420
Bail Bond Forfeitures	257,608
Bail Processing Fees	6,305
Bid Specs. Fees	11,084
Jail - Fees	76,781
Court Fees	6,440
Board of Appeals	500
County Share of Municipal PILOTs	44,687
PC Tech Vocational School	240,609
Keefe Commissions	111,953
Cancelled Inmate Funds	224,454
2013 Nov. General Election	169,250
Police Academy Registration & Fees	162,731
Towing/Impound Fees	24,153
Access Secure Commissions	29,979
SSA Treasury - Incentive	16,800
Cancelled COI Accounts	9,163
SCAAP Grant	168,825
Clifton - Vehicle Repairs	5,400
Prosecutor Cell Phoe Reimbursement	15,858
Extradition Fees	7,000
Cancelled Current Fund Reserves	1,000,000
Cancelled AVA Funds	44,354
Premium on Emergency Note	11,480
Off Duty Administrative Fees	131,421
Constitutional Officer Salary Reimbursement	73,841
NJIT Grant	96,335
Other Prosecutor Fees	129,044
Prior Year Tax Refund	29,169
Brown & Brown	46,781
Prior Year Grant Salary & Fringe Reimbursement	301,871
Miscellaneous	67,625
	<u>\$ 3,765,586</u>

See accompanying notes to the financial statements.

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<b>OPERATIONS:</b>					
<b>GENERAL GOVERNMENT</b>					
Administration Executive					
Board of Freeholders	340,500	300,500	296,054	4,446	
Salaries and Wages	75,000	75,000	40,055	34,945	
Other Expenses	70,000	70,000			
Contribution to Public Access Libraries					
County Administrator	542,597	492,597	458,530	34,067	
Salaries and Wages	275,000	275,000	173,756	101,244	
Other Expenses					
Finance Section					
Finance Department	1,260,000	1,090,000	1,069,559	20,441	
Salaries and Wages	367,855	382,855	377,703	5,152	
Other Expenses	200,000	200,000	200,000		
Postage	99,500	99,500	99,500		
Audit	200,000	290,000	249,561	40,439	
Payroll Processing-Other Expenses					
Legal Department					
County Counsel	1,150,494	1,125,494	1,108,077	17,417	
Salaries and Wages	75,000	75,000	66,564	8,436	
Other Expenses	10,000	10,000	98	9,902	
Other Expenses Ethics					
County Adjuster	262,934	237,934	222,934	15,000	
Salaries and Wages	75,000	75,000	65,329	9,671	
Other Expenses					
Clerk of the Board	365,000	365,000	363,849	1,151	
Salaries and Wages	28,000	28,000	16,226	11,774	
Other Expenses					
Personnel					
Salaries and Wages	425,164	410,164	392,482	17,682	
Other Expenses	53,160	53,160	34,373	18,787	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
State and National Association of County Officials	10,505	10,505	10,505		
County Clerk				54,393	
Salaries and Wages	871,640	731,640	677,247		
Other Expenses	21,800	21,800	20,432	1,368	
Other Expenses	275,000	275,000	109,371	165,629	
County Register				43,714	
Salaries and Wages	1,097,508	1,067,508	1,023,794		
Other Expense	151,900	151,900	57,609	94,291	
Prosecutor's Office				1,018,030	
Salaries and Wages	18,483,617	18,483,617	17,465,587		
Other Expenses	503,675	503,675	439,928	63,747	
Countywide Police Radio	85,000	85,000	83,423	1,577	
Purchasing Department				8,525	
Salaries and Wages	809,994	734,994	726,469		
Other Expenses	34,515	64,515	34,510	30,005	
Other Expenses-Bulk Purchasing	86,550	86,550	54,418	32,132	
MIS Department (Finance Department)				18,737	
Other Expenses	810,985	810,985	792,248		
Building and Grounds				126,385	
Salaries and Wages	6,250,000	5,950,000	5,823,615		
Other Expenses	3,219,000	3,631,000	3,625,373	5,627	
Other Expenses-Parking	408,000	408,000	408,000		
Other Expenses-Preakness Health Center	92,000	92,000	85,692	6,308	
Other Expenses-Welfare Board	30,000	63,000	49,110	13,890	
Photostat				34,565	
Other Expenses	55,828	55,828	21,263		
Surrogate				18,536	
Salaries and Wages	1,110,450	1,030,855	1,012,319		
Other Expenses	49,400	58,400	50,952	7,448	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Insurances: Group Hospitalization, Medical					
Surgical, Major Med. for Employees	45,000,000	51,000,000	49,578,956	1,421,044	
Group Life Insurance for Employee	40,000	12,000	12,000		
Surety Bond Premium	6,000	6,000		6,000	
Worker's Compensation	450,000	450,000	449,475	525	
Disability Insurance	450,000	450,000	450,000		
Other Insurance	500,000	480,000	479,045	955	
Drug Plan	15,500,000	16,500,000	15,889,811	610,189	
Dental Plan	600,000	600,000	528,127	71,873	
REGULATION					
Sheriff's Office					
Salaries and Wages	10,392,938	9,767,738	9,152,654	615,084	
Other Expenses	197,352	197,352	189,026	8,326	
Weights and Measures					
Salaries and Wages	423,547	413,547	400,324	13,223	
Other Expenses	9,000	9,000	5,731	3,269	
Board of Taxation					
Salaries and Wages	361,094	361,094	360,439	655	
Office Expenses	15,000	15,000	14,507	493	
Medical Examiner					
Other Expenses-Contractual State of NJ	1,450,000	1,450,000	925,489	524,511	
Indigent Burials	50,000	50,000	19,073	30,927	
Board of Elections					
Salaries and Wages	306,600	706,600	651,936	54,664	
Other Expenses	557,800	157,800	89,535	68,265	
Superintendent of Elections					
Salaries and Wages	1,328,251	1,368,251	1,345,288	22,963	
Other Expenses	524,400	484,400	393,505	90,895	
County Emergency Management					
Salaries and Wages	149,334	149,334	144,333	5,001	
Other Expenses	18,000	18,000	17,355	645	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Planning Board (NJS 40:273)					
Salaries and Wages	337,459	337,459	326,330	11,129	
Other Expenses	22,250	22,250	18,618	3,632	
Economic Development					
Salaries and Wages	144,443	144,443	137,228	7,215	
Other Expenses	18,400	18,400	18,278	122	
Construction Board of Appeals	5,000	5,000		5,000	
ROADS & BRIDGES DEPT.					
Roads and Bridges Dept.					
Salaries and Wages-Roads	560,000	560,000	431,304	128,696	
Salaries and Wages-Mosquito	723,076	731,076	730,832	244	
Other Expenses-Roads	2,000,000	2,000,000	1,892,801	107,199	
Other Expenses-Mosquito	40,950	40,950	36,036	4,914	
Engineering					
Salaries and Wages	683,400	458,400	441,282	17,118	
Other Expenses	17,100	17,100	16,248	852	
CORRECTIONAL AND PENAL					
Jail and Workhouse					
Salaries and Wages - Jail	37,849,931	38,774,931	38,501,040	273,891	
Salaries and Wages - Patrol	12,935,111	12,185,111	11,924,337	260,774	
Other Expenses	3,831,937	3,831,937	3,222,292	609,645	
Other Expenses-Medical Expenses	5,264,670	5,264,670	4,665,836	598,834	
HEALTH AND WELFARE					
Crippled Children	36,000	36,000	36,000		
Mental Health Board (30:9A-3)					
Salaries and Wages	224,590	224,590	220,630	3,960	
Mental Health Program (40:5-29)					
Contractual	744,300	744,300	744,300		
Aid to Bergen-Passaic Unit for the Mentally Retarded (NJS 40:23-8.11)	54,000	54,000	54,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Alcohol and Drugs	192,500	192,500	172,109	20,391	
Addiction Program Contractual					
Maintenance of Patients in State Institutions:					
Mentally Diseased and Mentally Retarded	29,580,817	29,668,412	28,644,688	1,023,724	
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	1,452,511	1,401,011	1,401,000	11	
Aid to Dependent Children (NJS 44:10-1 ST Seq	1,657,884	1,345,384	1,345,000	384	
New Jersey Bureau of Children's Services	3,749,723	3,749,723	3,749,723		
Department of Human Services					
Salaries and Wages	75,000			25,000	
Other Expenses	25,000	25,000			
Department of Youth Services					
Salaries and Wages	177,688	177,688	149,303	28,385	
Other Expenses-Shared Services Essex County	2,699,436	2,699,436	2,699,435	1	
Other Expenses-Education	569,123	569,123	448,623	120,500	
Other Expenses-helter Beds	265,000	265,000	265,000		
Other Expenses-Medical	804,607	804,607	804,607		
Other Expenses	9,500	9,500	6,760	2,740	
Preakness Hospital					
Salaries and Wages	30,109,934	29,109,934	28,268,726	841,208	
Other Expenses	6,023,000	6,023,000	5,859,289	163,711	
Camp Hope (40:23-6. 1 to 16)					
Salaries and Wages	476,409	483,409	483,835	1,574	
Other Expenses	43,130	43,130	33,569	9,561	
Div. of Senior Services, Disabilities, & Vets Affairs, Etc.					
Salaries and Wages	222,702	222,702	192,401	30,301	
Other Expenses	19,250	19,250	19,088	162	
County Health Dept. Chapter 329 PL 1975					
Salaries and Wages	503,500	503,500	494,465	9,035	
Other Expenses	23,700	23,700	20,059	3,641	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<b>EDUCATIONAL</b>					
Office of County Superintendent of Schools					
Salaries and Wages	531,387	511,387	498,497	12,890	
Other Expenses	27,886	27,886	22,112	5,774	
Passaic County Vocational School	7,044,585	7,044,585	7,044,576	9	
County Extension Services					
Salaries and Wages	56,536	56,736	56,536	200	
Other Expenses	138,566	138,566	54,477	84,089	
Passaic County Community College	13,082,520	13,082,520	13,082,520		
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A-64A-23)	150,000	175,000	165,853	9,147	
<b>RECREATIONAL</b>					
Park and Recreational Department					
Salaries and Wages-Parks	1,240,248	1,133,248	997,281	135,967	
Salaries and Wages-Golf Course	1,453,704	1,523,704	1,474,696	49,008	
Other Expenses-Parks	133,302	163,302	142,829	20,473	
Other Expenses-Golf Course	395,106	415,106	408,296	6,810	
Passaic County Historical Society (NJS 40:32-6)	25,000	25,000	25,000		
<b>UNCLASSIFIED</b>					
Equipment, Office, Car, Other	50,000	50,000	34,698	15,302	
Sick Leave Payment	750,000	750,000	383,202	366,798	
Matching Funds for Grants	300,000	300,000	111,259	188,741	
Aid to Children Care Coordination Committee (4CS) (NJS 40:23)	22,500	22,500		22,500	
Aid to Women's Haven NJS 30:14-11	15,750	15,750		15,750	
Aid to D.I.A.L (40:23-811)	54,000	54,000	15,750	38,250	
Para-Transit					
Salaries and Wages	77,600	77,600	77,333	267	
Other Expenses	50,000	50,000	49,523	477	
Police Academy					
Salaries and Wages	538,132	538,132	526,569	11,563	
Other Expenses	96,958	96,958	68,334	28,624	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Aid to Health & Welfare Councils (NJS 40-23-8.28)	536,510	536,510	330,592	205,918	
Salaries and Wage Adjustment	325,000	325,000	325,000		
Utilities (40A:4-45 4H)					
Gasoline	1,400,000	1,375,000	1,217,043	157,957	
Telephone and Telegraph	650,000	750,000	745,399	4,601	
Natural Gas & Electric	5,400,000	5,375,000	5,308,765	66,235	
Street Lighting	500,000	500,000	345,304	154,696	
Heating Oil	100,000	83,000	28,949	54,051	
Water	600,000	600,000	599,128	872	
Garbage	450,000	420,000	238,631	181,369	
Debt Service Fees	50,000	50,000	45,639	4,361	
Aid to Housing First	90,000	90,000		90,000	
PUBLIC AND PRIVATE PROGRAMS OFFSET					
BY REVENUES					
County Match					
Aging Area Plan	1,900,000	1,900,000	1,900,000		
Casino Revenue Grant	1,077,313	1,077,313	1,077,313		
SANE/SART Program					
CEHA Grant 2014	153,000	153,000	153,000		
Heating Improvement (HIP) 2013	629,403	629,403	629,403		
LEOTEF	8,414	8,414	8,414		
Hud-St. Paul's	47,736	47,736	47,736		
WorkFirst New Jersey	5,862,604	5,862,604	5,862,604		
N.C.A. Program Support	9,000	9,000	9,000		
Insurance Fraud	250,000	250,000	250,000		
Sexual Assault Nurse Examiner (SART/SANE)	67,686	67,686	67,686		
Hazard Mitigation Grant	187,500	187,500	187,500		
Social Services for the Homeless	1,045,019	1,045,019	1,045,019		
Weatherization DOE 2013	62,691	62,691	62,691		
Subregional Transportation Planning	98,415	98,415	98,415		
Great Falls Circulation Study	240,000	240,000	240,000		
Workforce Learning Link (WLL)	196,000	196,000	196,000		



COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Drive Sober or Get Pulled Over	5,000	5,000	5,000		
Aging Area Plan Grant FY14	498,608	498,608	498,608		
Aging Area Nutrition FY14	695,509	695,509	695,509		
2013 State Health Insurance Program (SHIP)	29,000	29,000	29,000		
Senior Farmers Market Nutrition Program	1,000	1,000	1,000		
CSBG Non-Discretionary 2014	197,468	197,468	197,468		
Transportation & TIP	404,914	404,914	404,914		
Passaic County Morris Canal Greenway Project (TCSP)	532,566	532,566	532,566		
Justice Assistance Program	29,376	29,376	29,376		
Local Government Capacity Grant	27,681	27,681	27,681		
PHLP Lincs Agencies	514,592	514,592	514,592		
CEHA Grant 2014	74,630	74,630	74,630		
Victims of Crime Act (VOCA)	224,305	224,305	224,305		
Multi-Jurisdictional Narcotics Task	184,139	184,139	184,139		
2014 State Health Insurance Program (SHI)	22,000	22,000	22,000		
Right to Know Program Grant 2014-2015	15,213	15,213	15,213		
Radon Awareness Program (RAP)	1,000	1,000	1,000		
Sandy Grant (LINCS Agencies) 2015	25,000	25,000	25,000		
Workforce Investment Allocation - Smart Steps	9,630	9,630	9,630		
LEOTEF	25,799	25,799	25,799		
Violence Against Women Act-DV Advocate	29,198	29,198	29,198		
Community Development Block Grant (CDBG)	866,001	866,001	866,001		
Body Armor PCPO	7,332	7,332	7,332		
Hazardous Materials Prep & Planning	5,140	5,140	5,140		
Preakness Gero-Psych Program	338,210	338,210	338,210		
Body Armor PCSD	45,038	45,038	45,038		
Homeland Security FFY14 (SHSP)	379,461	379,461	379,461		
Passaic County Film Festival	2,000	2,000	2,000		
Universal Service Fund	308,864	308,864	308,864		
2012 State Health Insurance Program (SHIP)	29,000	29,000	29,000		
Aging Area Plan Grant FY14	5,368	5,368	5,368		
Aging Area Nutrition FY 14	2,977	2,977	2,977		

**COUNTY OF PASSAIC**  
**Statement of Expenditures-Regulatory Basis**

**Current Fund**

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
UASI Local Share	886,396	886,396	886,396		
Transportation Clean Air Measures (TCAM)	468,000	468,000	468,000		
Haledon Avenue Green Streets	330,572	330,572	330,572		
Heating Improvement (HIP) 2013	96,601	96,601	96,601		
Weatherization DOE 2013	286,379	286,379	286,379		
Weatherization LIHEAP 2013	356,166	356,166	356,166		
Municipal Alliance Grant FY 2013	268,916	268,916	268,916		
U.A.S.I.	1,331,292	1,331,292	1,331,292		
Division of Child Behavioral Health Services	158,456	158,456	158,456		
JARC	210,000	210,000	210,000		
Eva's Village	120,953	120,953	120,953		
Scattered Sites Homeless Program	47,110	47,110	47,110		
St. Joseph's Hospital CDC	47,110	47,110	47,110		
Casino Revenue	873,111	873,111	873,111		
Area Plang Grant-Aging Area Nutrition	1,277,882	1,277,882	1,277,882		
Area Plan Grant	1,373,580	1,373,580	1,373,580		
Housing First Pilot Project	327,953	327,953	327,953		
Juvenile Accountability Block Grant	120,000	120,000	120,000		
LEOTEF	9,582	9,582	9,582		
Banfield Charitable Trust-Pet Project	2,500	2,500	2,500		
LIHEAP Assistance	207,937	207,937	207,937		
Body Armor	9,747	9,747	9,747		
Homeland Security FFY14 (SHSP)	292,702	292,702	292,702		
Victim Witness Advocacy Fund	30,919	30,919	30,919		
PHLP Lincs Agencies	25,000	25,000	25,000		
Alcohol Drug Abuse Grant	711,999	711,999	711,999		
Recycling Enhancement Act Entitlement (REA)	336,600	336,600	336,600		
Smart Steps	1,550	1,550	1,550		
Body Armor PCSD	61,921	61,921	61,921		
Click it or Ticket	4,000	4,000	4,000		
Human Services 14 BERN PASP	42,000	42,000	42,000		
Drug Enforcement Demand Reduction	512,024	512,024	512,024		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Social Service for the Homeless	535,993	535,993	535,993		
Golf Program	50,000	50,000	50,000		
Workforce Investment Allocation-WIA Youth	1,914,231	1,914,231	1,914,231		
Workforce Investment Allocation-WIA Adult	1,831,954	1,831,954	1,831,954		
Workforce Investment Allocation-WIA Dislocated Worker	1,817,952	1,817,952	1,817,952		
<b>Total Operation (item 8(A) )</b>	<b>352,418,077</b>	<b>356,768,077</b>	<b>344,876,856</b>	<b>11,891,221</b>	
Contingent	50,000	50,000	4,952	45,048	
<b>Total Operation Including Contingent</b>	<b>352,468,077</b>	<b>356,818,077</b>	<b>344,881,808</b>	<b>11,936,269</b>	
Detail:					
Salaries and Wages	136,170,512	133,617,917	129,336,317	4,281,600	
Other Expenses (Including Contingent)	216,297,565	223,200,160	215,545,491	7,654,669	
<b>Capital Improvement</b>					
Capital Improvement Fund	1,500,000	1,500,000	1,500,000		
Acquisition of Various Equipment	200,000	200,000	63,594	136,406	
<b>Total Capital Improvements</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>1,563,594</b>	<b>136,406</b>	
<b>County Debt Service</b>					
Payment of Bond Principal					
County College Bonds	3,400,000	3,553,000	3,553,000		
State Aid- County College Bonds (N.J.S. 18A:64A-22.6)	1,700,000	2,191,000	2,191,000		
Vocational School Bonds	810,000	810,000	810,000		
Other Bonds	30,000,000	29,434,000	28,515,000		919,000
Payment of Bond Anticipation Notes	800,000	800,000			800,000
Interest on Bonds					
County College Bonds	950,000	872,000	659,430		212,570

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
State Aid- County College Bonds (N.J.S. 18A:64A-22.6)	500,000	500,000	236,096		263,904
Vocational School Bonds	180,000	180,000	76,019		103,981
Other Bonds	10,500,000	10,500,000	8,819,575		1,680,425
Interest on Notes	1,330,000	1,330,000	926,747		403,253
Passaic County Utilities Authority	4,400,000	4,400,000	4,342,916		57,084
Green Trust Loan	175,000	175,000	164,785		10,215
EFA Loan	205,000	205,000	187,113		17,887
PCIA Loan					
Prosecutors Building	470,000	472,500	472,430		70
Preakness Healthcare Center	5,925,000	5,922,500	5,554,661		367,839
Green Trust Loan	49,550	49,550	49,542		8
Total County Debt Service	61,394,550	61,394,550	56,558,314		4,836,236
Deferred Charges and Statutory Expenditures					
Emergency Authorizations	5,500,000	5,500,000	5,500,000		
Special Emergency Authorization 5 Years - (40A:4-55)	1,129,611	1,129,611	1,129,611		
Overexpenditure of Appropriations	80,422	80,422	80,422		
Prior Year Bills-Summary					
Bergen County Community College	761	761	524		237
Rosa Caypani	1,200	1,200	1,200		
Classic Towing	470	470	470		
East Orange General Hospital	522	522	522		
Billie Evans	1,199	1,199			1,199
Elease Evans	1,199	1,199			1,199
Genova, Burns & Giantomasi	150	150	150		
Eduardo R. Gonzalez	6,950	6,950			6,950
Alicia Hernandez	8,951	8,951			8,951
Imaging Subspecialist	1,601	1,601	1,601		
Jema Physicians	1,805	1,805	750		1,055
Kirks Little Falls Tire	2,176	2,176	2,176		
Josephine McCabe	3,129	3,129			3,129

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Lynn M McCabe	5,828	5,828			5,828
Joseph F McCay	3,515	3,515			3,515
MMS, Inc	14,201	14,201	6,685		7,516
Muhammad Aneess Kahn	1,245	1,245	1,245		
Edith J Murphy	4,279	4,279			4,279
Kharan Nelson	30	30			
NECI	144	144			
City of Passaic	60,000	60,000	60,000		
Madeline Preziosi	1,158	1,158			1,158
Salvatore Preziosi	1,158	1,158			1,158
Raritan Valley	150	150	150		
Rutgers University	95	95			
Sammie J Seals	1,158	1,158			1,158
John A Seals	1,158	1,158			1,158
Patel Shashikant	165	165			
State of New Jersey	38,536	38,536	38,536		
Bergen Regional Medical Center	5,219	5,219	5,219		
Vitaelick	6,450	6,450	6,450		
Marion Vogel	1,199	1,199			1,199
Widmer Time Recorder Co.	150	150	150		
Civil Service Commission	450	450	450		
Ferraoli, Wielkotsz, Cerullo & Cuva	24,200	24,200	24,200		
Alejandro Peralta	1,275	1,275	1,275		
Rebecca Torres	30	30	30		
Konica Minolta Danks Imaging	273	273	273		
NI Dept of Labor & Workforce	210,232	210,232	210,232		
Statutory Charges:					
Contribution to PERS	13,072,168	13,072,168	13,066,410	5,758	
Social Security System (O.A.S.I.)	13,477,000	13,227,000	12,995,896	231,104	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	750,000	650,000	614,384	35,616	
Police and Fire Retirement System	13,128,150	13,128,150	13,128,150		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
County Pension Fund	2,500,000	2,500,000	2,500,000		
Defined Benefit Pension	100,000	100,000	55,161	44,839	
Total Deferred Charges & Statutory Expenditures	<u>50,149,762</u>	<u>49,799,762</u>	<u>49,432,756</u>	<u>317,317</u>	<u>49,689</u>
Total General Appropriations	\$ <u>465,712,389</u>	<u>469,712,389</u>	<u>452,436,472</u>	<u>12,389,992</u>	<u>4,885,925</u>
Adopted Budget		448,894,788			
Emergency Appropriations		4,000,000			
Added by N.J.S.A. 40A:4-87		16,817,601			
		<u>\$ 469,712,389</u>			
	Cash \$	411,446,619			
	Reserve for Encumbrances	6,420,890			
	Transfer to Reserves	219,075			
	Grants Appropriated	<u>34,349,888</u>			
	\$	<u>452,436,472</u>			

See accompanying notes to financial statements.

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Trust Funds

December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>Assets</u>			
Other Trust Fund:			
Cash	B-2	\$ 33,777,223	41,689,553
Due from Current Fund	B-13	585,442	443,991
Accounts Receivable - PCSD Confiscated Local	B-4	34,721	
Accounts Receivable - PCSD Off Duty	B-4	563,033	273,745
		<u>34,960,419</u>	<u>42,407,289</u>
Confiscated Trust Fund:			
Cash	B-2	<u>2,494,247</u>	<u>2,828,969</u>
		<u>2,494,247</u>	<u>2,828,969</u>
Self Insurance Fund:			
Cash	B-2	<u>207,849</u>	<u>206,806</u>
		<u>207,849</u>	<u>206,806</u>
Community Development Grant Fund:			
Cash	B-2	<u>5,909,483</u>	<u>6,360,803</u>
		<u>5,909,483</u>	<u>6,360,803</u>
Total Assets		<u>\$ 43,571,998</u>	<u>51,803,867</u>

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Trust Funds

December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>Liabilities, Reserves &amp; Fund Balance</u>			
Other Trust Fund:			
Various Trust Deposits	B-3	\$ 1,049,484	1,072,935
Reserve for Dedicated Revenues	B-4	19,737,162	18,858,820
Reserve for Open Space Expenditures	B-5	6,255,957	9,694,439
Open Space Grant Commitments Payable	B-6	7,739,483	12,624,033
Due to Current Fund	B-13	21,271	
Open Space - Due to Municipalities	B-7	157,062	157,062
		<u>34,960,419</u>	<u>42,407,289</u>
Confiscated Trust Fund:			
Due to Current Fund	B-13	2,317	226
Reserve for Confiscated Trust Fund	B-8	2,491,930	2,828,743
		<u>2,494,247</u>	<u>2,828,969</u>
Self Insurance Fund:			
Reserve for Workmen's Compensation	B-9	10,835	7,742
Reserve for Health Benefits	B-10	187,613	187,467
Reserve for Liability Insurance	B-11	9,401	11,597
		<u>207,849</u>	<u>206,806</u>
Community Development Grant Fund:			
Amount Due to Current Fund	B-13		10,399
Reserve for:			
Housing Voucher Program	B-12	5,909,483	6,350,404
		<u>5,909,483</u>	<u>6,360,803</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 43,571,998</u>	<u>51,803,867</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, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Balance - December 31, 2013	\$	1,989
Decreased by:		
Reclass		1,380
Interfunds		609
		1,989
Balance - December 31, 2014	\$	

See accompanying notes to financial statements.

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## General Capital Fund

December 31, 2014 and 2013

<u>Assets</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash	C-2/C-3	\$ 42,414,633	41,910,990
Grants Receivable	C-4	74,347,561	71,814,412
State EFA Receivable			1,975,000
Due from Current Fund Fund	C-14		2,186
Deferred Charges to Future Taxation:			
Funded	C-5	337,463,114	340,087,728
Unfunded	C-6	<u>153,607,707</u>	<u>148,022,789</u>
Total Assets		<u>\$ 607,833,015</u>	<u>603,813,105</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-23	\$ 254,396,000	254,095,000
Green Acres Loan Payable	C-9		163,154
State EFA Loans Payable	C-24		175,000
Green Trust Loans Payable	C-25	322,113	364,574
Bond Anticipation Notes	C-22	64,488,000	68,110,000
Capital Leases Payable	C-26	82,745,000	85,290,000
Improvement Authorizations:			
Funded	C-7	47,063,961	23,907,701
Unfunded	C-7	72,134,103	66,388,077
Commitments Payable	C-8	42,507,297	55,243,147
Due to the Township of Wayne	C-10		1,100
Capital Improvement Fund	C-11	16,596	367,954
Reserve for Final Payments and Litigation	C-12	160,258	160,258
Reserve for Payment of Bonds and Notes	C-13	13,741,012	13,982,424
Due to Current Fund	C-14	88,010	
Reserve for Salt Shed - West Milford	C-15	296,619	296,619
Reserve for State EFA Loan Payments	C-16		500,000
Reserve for Interest for Fire Academy	C-17	1,101,710	1,101,386
Reserve for Administration Building Settlement	C-18	9,786	9,786
Reserve for Interest for DOT Projects	C-19	12,786	12,539
Reserve for Grants Receivable	C-20	24,722,037	29,247,196
Reserve for Bonding Payments	C-21		14,189
Fund Balance	C-1	<u>4,027,727</u>	<u>4,383,001</u>
Total Liabilities		<u>\$ 607,833,015</u>	<u>603,813,105</u>

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2014 and 2013 of \$89,119,708 and \$80,261,165 , 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, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Balance - January 1,	\$ 4,383,001	5,342,633
Increased by:		
Premium on Bond/Note Sales	1,622,106	
Improvement Authorizations Cancelled	224,408	1,338,660
Cancel Reserve Balance	<u>15,289</u>	<u>118</u>
	<u>1,861,803</u>	<u>1,338,778</u>
	6,244,804	6,681,411
Decreased by:		
Premium on Bond/Note Sales	217,077	
Reclass Improvement Authorization Balances		798,410
Due to Current Fund - Anticipated Revenue	<u>2,000,000</u>	<u>1,500,000</u>
	<u>2,217,077</u>	<u>2,298,410</u>
Balance - December 31,	<u>\$ 4,027,727</u>	<u>4,383,001</u>

See accompanying notes to the financial statements.

## COUNTY OF PASSAIC

## Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<u>General Fixed Assets:</u>		
Land	\$ 327,505,114	322,609,561
Buildings	301,416,385	303,333,793
Equipment	60,268,440	60,588,737
Construction in Progress	<u>8,121,582</u>	<u>5,478,080</u>
	<u>\$ 697,311,521</u>	<u>692,010,171</u>
Investment in Fixed Assets	<u>\$ 697,311,521</u>	<u>692,010,171</u>

See accompanying notes to financial statements.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**

**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, 2014 AND 2013**  
**(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, 2014 AND 2013**  
**(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, 2014 AND 2013**  
**(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 the years ended December 31, 2014 and 2013, the Governing Body approved additional revenues and appropriations of \$16,817,601 and \$24,367,989, respectfully, in accordance with N.J.S.A. 40A:4-87. The Governing Body also approved \$4,000,000 and \$7,500,000 of emergency appropriations for group hospitalization in 2014 and 2013, respectfully. In addition, several budget transfers were approved by the governing body in 2014 and 2013.

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.



**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

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

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

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.

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.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

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

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

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.

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.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

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

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

The County did not perform an update of its fixed assets inventory for the year ended December 31, 2014.

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

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

Recent Accounting Pronouncements

In June 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the entity's financial reporting. However, the provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

In January 2013, the Government Accounting Standards Board issued GASB Statement No. 69, Government Combinations and Disposals of Government Operations. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term "government combinations" includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement, which is effective for financial statements beginning after December 15, 2013, will not have any effect on the entity's financial reporting.

In April of 2013, the Government Accounting Standards Board issued GASB Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement is effective for reporting periods beginning after June 15, 2013 and will not have any impact on the entity's financial statement disclosures.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

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

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

In November 2013, the Government Accounting Standards Board issued GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68 which is effective for periods beginning after June 15, 2014. The provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

**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, 2014 and 2013, \$-0- of the County's bank balance of \$134,671,738 and \$144,056,329, respectfully, were 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, 2014 AND 2013**  
**(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, 2014 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2013</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	\$254,095,000	\$35,370,000	\$35,069,000	\$254,396,000	\$36,642,000
Capital Leases	85,290,000		2,545,000	82,745,000	2,670,000
Other Liabilities:					
Compensated Absences	40,737,411	3,203,311	5,472,262	38,468,460	
New Jersey:					
DEP Loans	163,154		163,154		
EFA Loans	175,000		175,000		
Green Trust Loans	364,574		42,461	322,113	43,315
Deferred Pension	<u>9,604,920</u>		<u>480,931</u>	<u>9,123,989</u>	<u>529,807</u>
	<u>\$390,430,059</u>	<u>\$38,573,311</u>	<u>\$43,947,808</u>	<u>\$385,055,562</u>	<u>\$39,885,122</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, 2014 AND 2013**  
**(continued)**

**NOTE 3. COUNTY DEBT, (continued)**

The County's debt is summarized as follows:

	<u>2014</u>	<u>2013</u>
Issued		
General		
Bonds, Notes and Loans	\$319,206,113	\$322,907,728
Less: Funds Temporarily Held to Pay Bonds and Notes	13,741,012	5,578,461
Additional Borrowing for County College Refunding Bonds	<u>8,806,000</u> <u>15,770,000</u>	<u>10,997,000</u> <u>17,960,000</u>
	<u>38,317,012</u>	<u>34,535,461</u>
Net Debt Issued	280,889,101	288,372,267
Authorized But Not Issued		
General		
Bonds, Notes and Loans	<u>89,119,708</u>	<u>80,261,165</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$370,008,809</u>	<u>\$368,633,432</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of .79% and .77% at December 31, 2014 and 2013, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2014</u>			
General debt	<u>\$408,325,821</u>	<u>\$38,317,012</u>	<u>\$370,008,809</u>
<u>2013</u>			
General debt	<u>\$403,169,893</u>	<u>\$34,535,461</u>	<u>\$368,634,432</u>

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

	<u>2014</u>	<u>2013</u>
2% of equalized valuation basis (county)	\$932,419,493	\$961,258,942
Net debt	<u>370,008,809</u>	<u>368,634,432</u>
Remaining Borrowing Power	<u>\$562,410,684</u>	<u>\$592,624,510</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 3. COUNTY DEBT, (continued)**

The County's long-term debt consisted of the following at December 31, 2014 and 2013:

Paid by Current Fund:

**General Obligation Bonds**

	<u>2014</u>	<u>2013</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%	\$12,600,000	\$14,200,000
\$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%	1,665,000	3,265,000
\$9,485,000 2002 Bonds, due in annual installments of \$1,435,000 through Sept. 15, 2014, interest at 3.65%		1,435,000
\$1,033,000 2002 Bonds, due in annual installments of \$98,000 through Sept. 15, 2014, interest at 3.65%		98,000
\$2,515,000 2002 Bonds, due in annual installments of \$365,000 through Sept. 15, 2014, interest at 3.75%		365,000
\$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%	2,505,000	3,095,000
\$2,010,000 2003 Bonds, due in annual installments of \$170,000 through Aug. 15, 2015 with interest at 4.20%	170,000	340,000
\$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%	3,870,000	5,855,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

	<u>2014</u>	<u>2013</u>
<b>NOTE 3. COUNTY DEBT, (continued)</b>		
\$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%	\$7,145,000	\$8,945,000
\$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%	3,455,000	4,660,000
\$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
\$4,788,000, 2004 Bonds, due in annual installments of \$420,000 to \$488,000, through Oct. 15, 2017, interest at 3.60%	1,403,000	1,823,000
\$4,784,000, 2004 Bonds, due in annual installments of \$566,000, through May 1, 2014, interest at 3.25%		566,000
\$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%	2,100,000	2,300,000
\$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%	1,170,000	1,440,000
\$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%	1,170,000	1,440,000
\$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%	2,950,000	3,475,000
\$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%	2,950,000	3,475,000
\$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%	46,275,000	48,275,000



**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

	<u>2014</u>	<u>2013</u>
<b>NOTE 3. COUNTY DEBT, (continued)</b>		
\$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%	\$1,753,000	\$2,013,000
\$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%	4,472,000	5,132,000
\$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%	1,550,000	3,065,000
\$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%	390,000	770,000
\$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%	350,000	710,000
\$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%	18,446,000	18,796,000
\$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%	585,000	685,000
\$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%	1,470,000	1,650,000
\$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%	3,350,000	5,040,000
\$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%	3,614,000	3,814,000
\$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%	827,000	922,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

	<u>2014</u>	<u>2013</u>
<b>NOTE 3. <u>COUNTY DEBT</u>, (continued)</b>		
\$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%	\$826,000	\$921,000
\$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%	15,125,000	19,240,000
\$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%	180,000	355,000
\$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%	90,000	175,000
\$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%	9,990,000	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%	21,105,000	22,130,000
\$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%	11,670,000	12,670,000
\$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%	3,510,000	3,885,000
\$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%	3,510,000	3,885,000
\$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%	8,520,000	10,055,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

	<u>2014</u>	<u>2013</u>
<b>NOTE 3. COUNTY DEBT, (continued)</b>		
\$530,000, 2012 Bonds, due in annual installments of \$120,000 to \$205,000 through Aug. 15, 2015, interest rate of 3.00%	\$1,200,000	325,000
\$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%	17,480,000	17,480,000
\$2,875,000, 2014 Series A College Bonds, due in annual installments of \$175,000 to \$235,000 through June 15, 2028, interest at various rates from 2.00% to 5.00%	2,875,000	
\$2,875,000 2014 Series B College Bonds, due in annual installments of \$175,000 to \$235,000 through June 15, 2028, interest at various rates from 2.00% to 5.00%	2,875,000	
\$22,201,000, 2014 Bonds, due in annual installments of \$965,000 to \$1,921,000 through December 1, 2029, interest at various rates from 2.00% to 4.00%	22,201,000	
\$979,000, 2014 Vocational School Bonds, due in annual installments of \$40,000 to \$80,000 through December 1, 2029, interest at various rates from 2.00% to 4.00%	979,000	
\$2,500,000, 2014 Series A College Bonds, due in annual installments of \$325,000 to \$650,000 through December 1, 2019, interest at various rates from 2.00% to 3.00%	2,500,000	
\$3,940,000, 2014 Series B College Bonds, due in annual installments of \$275,000 to \$515,000 through December 1, 2024, interest at various rates from 2.50% to 3.00%	<u>3,940,000</u>	
	<u>\$255,476,000</u>	<u>\$254,095,000</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 3. COUNTY DEBT, (continued)**

**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.

	<u>2014</u>	<u>2013</u>
\$564,657 Loan, due in semi-annual installments of \$19,124 to \$24,526 through August 28, 2021, interest at 2.0%	\$322,113	\$364,574
\$5,300,000, 1994 Loan due in semi-annual installments of \$114,032 to \$163,154 through May 3, 2014, interest at 2.0%		163,154

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.

	<u>2014</u>	<u>2013</u>
\$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>\$322,113</u>	<u>\$702,728</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 3. COUNTY DEBT, (continued)**

The County's principal and interest for long-term debt issued and outstanding at December 31, 2014 is as follows:

Calendar Year	Bonds		Loans		Total
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2015	\$36,642,000	\$9,512,610	\$43,315	\$6,227	\$46,204,152
2016	33,674,000	8,087,151	44,186	5,356	41,810,693
2017	22,296,000	6,925,093	45,074	4,468	29,270,635
2018	25,538,000	5,951,222	45,980	3,562	31,538,764
2019	22,277,000	4,926,084	46,904	2,638	27,252,626
2020-2024	76,765,000	13,813,902	96,654	2,428	90,677,984
2025-2029	<u>37,204,000</u>	<u>2,847,257</u>			<u>40,051,257</u>
	<u>\$254,396,000</u>	<u>\$52,063,319</u>	<u>\$322,113</u>	<u>\$24,679</u>	<u>\$306,806,111</u>

**NOTE 4. BOND ANTICIPATION NOTES**

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

On December 31, 2014 and 2013, the County had \$64,488,000 and \$68,110,000, respectfully, in outstanding General Capital bond anticipation notes.

The following activity related to bond anticipation notes occurred during the calendar years ended December 31, 2014 and 2013:

2014	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
TD Securities LLC	\$	\$57,980,000	\$	\$57,980,000
Jefferies & Co., Inc.		6,500,000		6,500,000
Cede & Co.	<u>68,110,000</u>		<u>68,110,000</u>	
	<u>\$68,110,000</u>	<u>\$64,480,000</u>	<u>\$68,110,000</u>	<u>\$64,480,000</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 4. BOND ANTICIPATION NOTES, (continued)**

<u>2013</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Cede & Co.	\$	\$68,110,000	\$	\$68,110,000
Morgan Stanley & Co.	39,281,000		39,281,000	
Jefferies & Co., Inc.	<u>3,941,000</u>		<u>3,941,000</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, 2014 and 2013, the County had \$4,000,000 and \$7,500,000, respectfully, in outstanding Current Fund special emergency notes payable.

The following activity related to special emergency notes occurred during the calendar years ended December 31, 2014 and 2013:

<u>2014</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Cede & Co.	\$7,500,000	\$	\$7,500,000	\$
Passaic Valley Water Commission		<u>4,000,000</u>		<u>4,000,000</u>
	<u>\$7,500,000</u>	<u>\$4,000,000</u>	<u>\$7,500,000</u>	<u>\$4,000,000</u>

<u>2013</u>	<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>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**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>
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	3,195,000	2,716,370	5,911,370
2020-2024	17,855,000	11,702,415	29,557,415
2025-2029	20,015,000	7,630,129	27,645,129
2030-2034	23,535,000	3,653,383	27,188,383
2035-2036	<u>6,700,000</u>	<u>202,344</u>	<u>6,902,344</u>
	<u>\$82,745,000</u>	<u>\$39,394,672</u>	<u>\$122,139,672</u>

**NOTE 7. FIXED ASSETS**

The following is a summary of the General Fixed Assets Account Group as of December 31, 2014 and 2013.

<u>2014</u>	<u>Restated Balance Dec. 31, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance Dec. 31, 2014</u>
Land	\$327,420,694	\$84,420	\$	\$327,505,114
Buildings and Building Improvements	301,033,200	383,185		301,416,385
Machinery and Equipment	59,260,481	1,668,846	660,887	60,268,440
Construction in Progress	<u>5,478,080</u>	<u>2,643,502</u>		<u>8,121,582</u>
	<u>\$693,192,455</u>	<u>\$4,779,953</u>	<u>\$660,887</u>	<u>\$697,311,521</u>
<u>2013</u>	<u>Balance Dec. 31, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 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>\$</u>	<u>\$692,010,171</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 8. INTERFUND BALANCES AND ACTIVITIES**

Balances due to/from other funds at December 31, 2014 consist of the following:

\$2,317	Due to the Current Fund from the Confiscated Trust Fund for reimbursement of expenses.
88,010	Due to the Current Fund from the General Capital Fund for reimbursement of budget expenditures.
4,941	Due to the Current Fund from the Net Payroll Account for excess funds transferred.
112	Due to the Current Fund from the Payroll Agency Account for excess funds transferred.
3,294,464	Due to the Current Fund from the Federal and State Grant Fund for reimbursement of expenses.
<u>564,171</u>	Due to the Other Trust Fund from the Current Fund to cover fund transfers and overpayments.
<u>\$3,954,015</u>	

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

**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</u> Dec. 31, 2014	<u>Amount</u> Raised in 2015 Budget	<u>Balance</u> Succeeding Year budget
Current Fund:			
Overexpenditure of Trust Fund Reserve	\$36,360	\$36,360	\$
Emergency Appropriation:			
Group Hospitalization	4,000,000	4,000,000	
Special Emergency:			
Accrued Sick & Vacation	1,186,500	593,250	593,250
Hurricane Irene	<u>1,072,722</u>	<u>536,361</u>	<u>536,361</u>
Total Deferred Charges	<u>\$6,295,582</u>	<u>\$5,165,971</u>	<u>\$1,129,611</u>



**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 9. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS, (continued)**

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Amount</u> <u>Raised in</u> <u>2014 Budget</u>	<u>Balance</u> <u>Succeeding</u> <u>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	7,500,000	7,500,000	
Special Emergency:			
Accrued Sick & Vacation	1,779,750	593,250	1,186,500
Hurricane Irene	<u>1,609,083</u>	<u>536,361</u>	<u>1,072,722</u>
Total Deferred Charges	<u>\$11,005,615</u>	<u>\$8,710,033</u>	<u>\$2,295,582</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>2015</u>	<u>2014</u>
Current Fund	<u>\$17,000,000</u>	<u>\$17,000,000</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 \$38,468,460 and \$40,737,411 at December 31, 2014 and 2013, 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, 2014 AND 2013**  
**(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, 2014 AND 2013**  
**(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**  
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**(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**  
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**(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>
2014	\$12,922,168	\$13,128,150
2013	13,134,935	13,125,066
2012	13,178,972	12,783,858

Defined Contribution Retirement Program

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

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

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

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(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>
2014	\$55,161
2013	49,465
2012	52,361

**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**  
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**(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, is that amount that results from applying actuarial assumptions, to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions underlying the actuarial present value of accumulated plan benefits at December 31, 2013 are as follows:

**Actuarial Assumptions**

Interest Rate	5.0% compounded annually for pre and post retirement.
Mortality	RP2000 Gender specific table projected to the valuation year using scale AA (post retirement only)
Salary Scale	It is assumed that salaries will increase at 2.5% per year.
Cost of Living	Pension payments are assumed to increase 2% per year.
Load for Ancillary Benefits	None



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

**NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)**

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial valuation was performed as of December 31, 2013. Plan assets, as reported by the independent auditor's were \$27,983, while the liabilities were \$20,135,692, producing a deficit of (\$20,107,709) as of that date.

The valuation results are summarized below:

Number of Plan Members:		
Actives		\$ 0
Retired Members & Beneficiaries		<u>79</u>
Total		<u><u>79</u></u>
Present Value of Benefits:		
Active Members	\$ 0	
Retired Members	<u>20,135,692</u>	
Total		\$20,135,692
Plan Assets		<u>27,983</u>
		<u><u>(\$20,107,709)</u></u>
Excess (deficiency) of assets over liabilities		

Annual pension payments to retirees totaled \$2,387,713. The average payment was \$30,224. There are no anticipated additional potential payments (all potential members are in pay status). Pension payments are increased annually (after the first three years of retirement). The rate of increase is provided by the State Retirement Bureau. We have assumed an annual increase of 2.00% in our valuation. The aggregate total of future pension payments will decrease as a result of the death of any retirees or beneficiaries currently in pay status. The average age of the pensioners was 83.

Based on current and projected annual payments, it is recommended that the fund maintain at least \$2.35 million in liquid assets for the next five years.

The valuation was based on an assumed rate of return of 5.00%. The mortality assumption was changed from the 1994 GAR table to the RP2000 Gender specific table to account for mortality improvements. In our opinion, these assumptions are reasonable for valuation purposes.

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

**NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)**

If the assumed rate of return was 4.00%, the plan liabilities would be \$21,535,679, making the deficit (\$21,507,696). On the other hand, if the assumed rate of return was 6.00%, the liabilities would be \$18,999,730, and the deficit would be (\$18,971,747).

The last actuarial valuation performed for this plan was as of December 31, 2009. It included 109 retirees and 3 active participants. As of that date, plan assets were \$2,652,235 and plan liabilities were \$28,440,471 resulting in a deficit of (\$25,788,236). The valuation was based on an assumed rate of return of 5.00%.

**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, 2014 and 2013. 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 2014 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, 2014 and 2013. 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 2014 transactions of the plan.

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

**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, 2014 and 2013. 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.

**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, 2014 and 2013, significant amounts of grant expenditure have not been audited by the various grantor agencies but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

**NOTE 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").

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

**NOTE 17. RELATED PARTY TRANSACTIONS, (continued)**

- \$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

- \$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.

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

**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.

**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).

**COUNTY OF PASSAIC, N.J.**  
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**(continued)**

**NOTE 19. LITIGATION, (continued)**

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.

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 award<sup>1</sup>. Certification of that decision was sought to the New Jersey Supreme Court, and ultimately denied.

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

Entry of August 2005 Judgment and Post-Collection Efforts (1<sup>st</sup> 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 favor<sup>2</sup>, 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 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.

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<sup>1</sup> 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.

<sup>2</sup> 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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**NOTE 19. LITIGATION, (continued)**

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 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.



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

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 PenPac<sup>3</sup>.

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.

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.

<sup>3</sup> That Mortgage has now been paid and amortized in full.

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

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.

**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.

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

**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 tortious interference with a prospective economic advantage against Sheriff Richard Berdnik, Captain Weston, and Press Officer, William Maer. In March 2013, Defendants succeeded in dismissing all claims.

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.

**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.

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

**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.

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.

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

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.

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

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

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 (the "Superintendent"), and the County of Passaic, in federal district court on June 13, 2011 under docket no. 2:11-CV 3393-FSH-PS. On December 26, 2012, Plaintiffs' federal court action was dismissed by the Honorable Faith S. Hochberg, United States District Judge, pursuant to Fed. R. Civ. P. 12(b)(6) for failure to state a claim upon which relief can be granted.

Plaintiffs, thereafter, filed a complaint in state court against Defendants, Laura Freytes and the Passaic County Superintendent of Elections, on January 23, 2013 under docket no. PAS-L-304-13. Defendants/Third-Party Plaintiffs filed an Answer and Third-Party Complaint against the Third-Party Defendants, the County and the State of New Jersey (the "State"), on or about March 11, 2013 which served on the County on March 21, 2013. In their Third-Party Complaint against the County and the State, the Superintendent Defendants asserted a claim for contribution and indemnification.

During the pendency of the federal court action, Defendants, Laura Freytes and the Passaic County Superintendent of Elections, had already made a request for indemnity, contribution, insurance and defense to the State of New Jersey Office of the Attorney General. This request was denied by the Attorney General's Office as a final administrative decision on July 25, 2013. The Superintendent Defendants timely appealed this decision and that appeal is currently pending before the Appellate Division under docket no. A-005807-12T2.

The County and the Superintendent Defendants filed R. 4:6-2 motions to dismiss the Plaintiff's state court complaint before the Law Division based on, among other things, the collateral estoppel doctrine, the statute of limitations, and failure to state a claim upon which relief can be granted. The trial court granted the County's Motion to Dismiss Plaintiff's complaint on August 29, 2013. The court also dismissed the Third-Party Complaint filed by the Superintendent Defendants by order, dated December 23, 2013, due to the Superintendent Defendants' pending appeal of the Attorney General's July 25, 2013 final administrative decision. Following the dismissal of their state court complaint, Plaintiffs' filed an appeal to the Appellate Division, which is currently pending under docket no. A-000831-13T2.

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**NOTE 19. LITIGATION, (continued)**

The County filed a motion to intervene in the Superintendent's appeal of the State's administrative agency decision, bearing docket no. A-005807-12T and a motion to consolidate that appeal with the Plaintiffs' appeal of the trial court's dismissal of their action, under docket no. A-000831-13. Both motions were granted on January 14, 2014. After multiple requests by Plaintiffs and the Superintendent for extensions of the briefing schedule, all parties' briefs were submitted to the Court by October 17, 2014. To date, the Appellate Division has not yet issued a decision on these appeals.

**8. 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. 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.

On October 24, 2014, the Appellate Division denied the County's appeal and affirmed the trial court's award in a published opinion. Upon conferring with County Counsel, it was determined that further appeal was unlikely to benefit the County and the County entered into a stipulation with Plaintiff Klein on November 21, 2014, to pay \$671,191.81 in satisfaction of the judgment, which included post-judgment interest and appellate counsel fees. That amount was paid to Plaintiff Klein by the County on December 12, 2014.

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**NOTE 19. LITIGATION, (continued)**

**9. 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.

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.

**10. 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.



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**NOTE 19. LITIGATION, (continued)**

**11. 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.

**12. 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.

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

**13. Guisseppi 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.

**14. 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.

**15. 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.

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

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.

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

This case is currently stayed.

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

For purposes of a reserve, the value should be \$250,000.00

**18. 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.

**19. 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.

**COUNTY OF PASSAIC, N.J.**  
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**(continued)**

**NOTE 19. LITIGATION, (continued)**

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.

**20. Papendick vs. County of Passaic**

The claims asserted by the plaintiffs in this case are essentially that employees of Passaic County and Sheriff's Department, inclusive of Warden Michael Tolerico and Sheriff Richard Berdnik did not properly diagnose and treat the underlying psychiatric/medical condition of the deceased Thomas Carl Papendick and as a result, Mr. Papendick hung himself on December 1, 2012 while he was incarcerated at the jail. The plaintiffs also allege that the deceased was negligently left unsupervised; there was a denial of his civil rights under 42 U.S.C. §1983 and 1985; there was a failure to train various agents, servants or employees of the County.

As of this date, all parties have answered interrogatories; voluminous documentation has been exchanged between the parties; and currently various depositions are being scheduled. It is the intention of the County of Passaic to vigorously defend the underlying litigation. As of this juncture, there have been no discussions whatsoever concerning any out-of-court settlement.

It is still much too premature to make any determination as to the potential outcome of this case or make estimation as to the range of any potential loss. Once all the depositions are completed, then, it's quite possible, that an appropriate estimate can be made.

**21. Crump vs. County of Passaic**

This matter involves complex litigation and a potential class action lawsuit. Plaintiff Jeremy Crump commenced this action, individually and on behalf of a class of others similarly situated, on April 11, 2014, alleging upon information and belief, that it is defendants' written policy to strip search "all individuals who enter into the custody of Passaic County Jail and are placed into jail clothing, regardless of the nature of their charged crime and without the presence of reasonable suspicion to believe that the individual was concealing a weapon or contraband." Crump claimed a deprivation of his rights under the United States Constitution in violation of 42 U.S.C. Sections 1981 and 1983, under the New Jersey Constitution, the New Jersey Civil Rights Act, and the New Jersey Strip Search statute. The complaint sought both compensatory and punitive damages.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 19. LITIGATION, (continued)**

It is difficult at this time to evaluate the outcome of this case as well as to estimate the amount or range of potential damages for many reasons including, but not limited to, the fact that no class has yet been certified and the fact that plaintiff's federal claims may be dismissed thereby encouraging the federal district court to decline jurisdiction - - which would necessitate plaintiff re-filing the matter in state court. Notwithstanding same, plaintiff's counsel has instituted other cases against many of the County jails in the State of New Jersey with settlements among them as follows: Camden County – \$7.5 million dollars in 2005; Cumberland County – \$4.5 million dollars in 2006; Mercer County – \$1.8 million dollars in 2006; Salem County \$640,000.00 in 2007; and Gloucester County – \$4 million dollars in 2009. Generally attorneys' fees of about 30% are added to settlement amount. There are no reported verdicts in this type of case in New Jersey.

**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.

**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 2014 calendar year, the County did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**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, 2014, the effective date of the biannual Other Post-Employment Benefit, herein referred to as "OPEB", valuation is 1,033. Of these, 557 retirees retain dependent or spousal coverage. There have been no significant changes in the number of covered retirees or type of coverage since the valuation date.

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 nonactive is \$533,020,795, and for current active employees is \$126,043,585 for a total accrued liability of \$659,064,380.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 22. POST RETIREMENT BENEFITS, (continued)**

**Funding Policy**

**Summary of Principal Results for GASB 45 Accounting Purposes**

1. Annual Required Contribution	\$32,602,641
2. Interest on Net OPEB Obligation	618,827
3. Adjustment to Annual Required Contribution	<u>(412,551)</u>
4. Annual OPEB Cost (Expense)	32,808,917
5. Contributions Made or Accrued	<u>(24,144,802)</u>
6. Increase in Net Obligation	<u>\$8,664,115</u>
7. Net OPEB Obligation (BOY)	12,376,536
8. Net OPEB Obligation (EOY)	21,040,651

<b><u>Fiscal Year</u></b> <b><u>Ended</u></b>	<b><u>Annual OPEB</u></b> <b><u>Cost</u></b>	<b><u>Percentage of</u></b> <b><u>OPEB Cost</u></b> <b><u>Contributed</u></b>	<b><u>Net OPEB</u></b> <b><u>Obligation</u></b>	<b><u>Discount</u></b> <b><u>Rate</u></b>
12/31/2014	\$32,808,917	73.6%	\$21,040,651	5.00%

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 22. POST RETIREMENT BENEFITS, (continued)**

**Summary of Principal Results for GASB 45 Accounting Purposes, (continued)**

**Method and Assumptions**

<b>Cost Method:</b>	Projected Unit Credit
<b>Assumptions:</b>	Projected Unit Credit
Discount Rate:	5.00%
Mortality:	RP2000 gender specific
Turnover:	T6 Standard table
Salary Scale:	5.00%
Marital Assumption:	50% are assumed married
Utilization:	Participants: Service based range from 50%-90%
	Spouses: 80% elect coverage
Retirement Age:	As specified in the following table:

Age	Retirement Rate
55-59	3% per year
60-61	5% per year
62	30%
63-64	10% per year
65	100%

**Valuation of Assets:** Assets are valued at market value (Plan currently not funded)

**Premium Equivalence:** Current pre-social security cost equivalent rates are adjusted by 35% (age banding) to retirement age. Medicare supplement rates are assumed to be age adjusted.

**Trend Rates:** Premiums are assumed to increase annually at a rate starting at 8% and decreasing linearly each year to an ultimate annual increase of 5%.



**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2014 AND 2013**  
**(continued)**

**NOTE 22. POST RETIREMENT BENEFITS, (continued)**

**Summary of Plan Provisions**

**Death Benefits:** The County provides for no post-retirement death benefits.

**Health Benefits:**

Benefits: At the age at which employee may begin to receive retirement benefits under the County's pension plan, the employee may retire and retain their health insurance coverage. Depending on age and years of service at retirement, the retirees may have to pay for some or all of the coverage. The County will contribute 100% for those individuals retired with 25 or more years of services.

**NOTE 23. SUBSEQUENT EVENTS**

The County has evaluated subsequent events through September 29, 2015, 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**

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>
Pasquale Lepore	Freeholder - Director	(A)
Theodore Best	Freeholder Deputy Director	(A)
John Bartlett	Freeholder	(A)
Rhonda Controneo	Freeholder	(A)
Terry Duffy	Freeholder	(A)
Bruce James	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

Supplementary data

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

	<u>Year 2014</u>		<u>Year 2013</u>	
<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Fund Balance Utilized	\$ 17,000,000	3.52 %	\$ 18,000,000	3.79 %
Miscellaneous - From Other Than				
Tax Levies	146,643,600	30.33	145,557,236	30.69
Collection of Current Tax Levy	<u>319,796,781</u>	<u>66.15</u>	<u>310,795,236</u>	<u>65.52</u>
Total Income	<u>483,440,381</u>	<u>100.00 %</u>	<u>474,352,472</u>	<u>100.00 %</u>
 <u>EXPENDITURES</u>				
Budget	464,826,464	98.74	460,267,906	99.43
Other	<u>5,913,077</u>	<u>1.26</u>	<u>2,645,308</u>	<u>0.57</u>
Total Expenditures	<u>470,739,541</u>	<u>100.00 %</u>	<u>462,913,214</u>	<u>100.00 %</u>
Excess in Revenue	12,700,840		11,439,258	
Adjustments to Income Before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year	<u>4,000,000</u>		<u>5,500,000</u>	
Statutory Excess to Surplus	16,700,840		16,939,258	
Fund Balance, January 1	<u>26,351,307</u>		<u>27,412,049</u>	
	43,052,147		44,351,307	
Utilized as Budget Revenue	<u>17,000,000</u>		<u>18,000,000</u>	
Fund Balance, December 31	<u>\$ 26,052,147</u>		<u>\$ 26,351,307</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>
2014	\$	35,280,703,902	33,890,547	35,314,594,449	45,880,150,930	0.7697
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>
2014	\$ 319,796,781	319,796,781	100.00%
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	2014	\$ 26,052,147	17,000,000
	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

## COUNTY OF PASSAIC

## Schedule of Cash and Investments

## Current Fund

Year Ended December 31, 2014

	<u>Checking</u>	<u>Investments</u>
Balance, December 31, 2013	\$ 44,682,553	511,158
Increased by Receipts:		
2014 Tax Levy	319,796,781	
Federal and State Grants Receivable	33,381,185	
Revenue Accounts Receivable	103,417,349	
Non-Budget Revenues	3,765,586	
Petty Cash	18,600	
Schedule of Interfunds	179,549,122	
Miscellaneous Reserves	4,287,108	
Unappropriated Reserves for Grants	158,325	
Interest		2,283
	<u>644,374,056</u>	<u>2,283</u>
	689,056,609	513,441
Decreased by Disbursements:		
2014 Budget Appropriation	411,446,559	60
2013 Appropriation Reserves	10,606,265	
Schedule of Interfunds	181,312,907	
Accounts Payable	4,059	
Federal & State Grant Commitments Payable	19,887,217	
Reserve for Federal & State Grants Appropriated	16,541,126	
Petty Cash	18,600	
Miscellaneous Reserves	4,808,249	
Refunds	207,329	
Transfer to Current Fund Checking		12,460
	<u>644,832,311</u>	<u>12,520</u>
Balance, December 31, 2014	<u>\$ 44,224,298</u>	<u>500,921</u>

**COUNTY OF PASSAIC**  
**Schedule of Cash - Change Fund**  
**Current Fund**  
**Year Ended December 31, 2014**

<u>Office</u>	Balance December 31, <u>2013</u>	Balance December 31, <u>2014</u>
County Courts	\$ <u>675</u>	<u>675</u>

**Schedule of Cash - Petty Cash**  
**Current Fund**  
**Year Ended December 31, 2014**

<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, 2014

Grant	Balance, December 31, 2013	2014 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2014
Special General Election	\$ 1,652,320			1,294,840		357,480
USF 2013	55,070			55,070		
USF 2014	150,575			150,575		
USF 2015			308,864			308,864
LIHEAP Assistance 2013	28,711			28,711		
LIHEAP Assistance 2014		207,937		207,937		
Heating Improvement (HIP) 2013			726,004			726,004
Weatherization DHS 1999	130,619				130,619	
Weatherization DOE 2013			349,070	62,691		286,379
Preakness Gero-Psych Program	67,250			67,250		
Preakness Gero-Psych Program	84,552			84,552		
Preakness Gero-Psych Program			338,210	169,105		169,105
Workfirst-ABAED 1997	89,402					89,402
Alcohol/Drug Abuse Grant FY12	1,498				1,498	
Alcohol/Drug Abuse Grant FY13	256,656			252,138	4,518	
Alcohol/Drug Abuse Grant FY14		711,999		192,817		519,182
Municipal Alliance 2010	79,000				79,000	
Municipal Alliance 2011	62,880				62,880	
Municipal Alliance 2012	220,284			171,447	48,837	
Municipal Alliance 2013	455,576	268,916		218,473		506,019
Municipal Alliance 2014		512,024				512,024
Workforce Learning Link Program	128,932			118,362	946	9,624
Workforce Learning Link Program			196,000	31,327		164,673
Workforce Investment (PIC) 2012/2013	795,577			253,264	350,648	191,665
Workforce Investment (PIC) 2013/2014	1,701,838			1,595,097		106,741
Workforce Investment (PIC) 2014/2015		1,914,231		36,969		1,877,262
Workfirst NJ 2012/2013	1,052,561			190,739	754	861,068
Workfirst NJ 2013/2014	5,341,473			4,036,789	776,266	528,418
Workfirst NJ - TANF			3,905,050	712,862		3,192,188
Workfirst NJ - GA/SNAP			1,957,554	337,977		1,619,577
Department of Labor - WIA Adult	328,302			535,130	(311,513)	104,685
Department of Labor - WIA Adult	1,634,185			1,063,100	(8,171)	579,256
Department of Labor - WIA Adult		1,831,954				1,831,954
Department of Labor - WIA Dislocated Worker	748,529			747,723	(39,135)	39,941
Department of Labor - WIA Dislocated Worker	1,638,043			1,182,059	8,171	447,813
Department of Labor - WIA Dislocated Worker		1,817,952		1,382		1,816,570
Disability Employment Initiative	40,000				40,000	
Workforce Invest (Pic) 2010/11	140,781					140,781
Workforce Invest (Pic) 2011/12	2,875,287				16,265	2,859,022
Smart Steps	14,500	1,550			16,050	
Smart Steps			9,630	7,223		2,407
Strengthening Communities Fund ARRA	51,339				51,339	
Hurricane Irene Disaster National Emer. Grant	251,348				251,348	
L.E.O.T.E.F. 2014		9,582	34,213	43,795		
Community Svc. Block Grant PHLP LINC'S 2013	6,121				6,121	
Community Svc. Block Grant PHLP LINC'S 2014	559,224	25,000		551,799		32,425
Community Svc. Block Grant PHLP LINC'S 2015			514,592	97,444		417,148
CEHA 2013	161,700			128,750	32,950	
CEHA 2014			153,000	143,000		10,000
Right to Know Program 2013	11,410			11,410		
Right to Know Program 2014			15,213	3,803		11,410
Sandy Grant (L.I.N.C.S. Agencies) 2015			25,000			25,000
CEHA Calendar			74,630			74,630
Recycling Enhancement Grant		336,600		336,600		
Radon Awareness Program (RAP) 2013	3					3



## COUNTY OF PASSAIC

## Schedule of Federal and State Grants Receivable

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, December 31, 2013	2014 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2014
Radon Awareness Program (RAP) 2014	1,000					1,000
Radon Awareness Program (RAP) 2015			1,000			1,000
Brownfields Assessment Program						
Passaic County Film Festival 2014	2,000			2,000		
Passaic County Film Festival 2015			2,000			2,000
2012 Disaster Relief	280,000					280,000
Business Retention and Expansion Program	125,000			41,122	83,878	
CDBG - DR Program	11,759,681			1,248,611	(72,541)	10,583,611
Passaic County Youth Golf Program		50,000		50,000		
Aging Area Nutrition FY13	80,325				(29,000)	109,325
Aging Area Nutrition FY14		4,551,462	1,202,462	3,741,065		2,012,859
Aging Administration 2011	2,381				2,381	
Casino Revenue 2011	38,386					38,386
Casino Revenue 2012	2,550					2,550
Casino Revenue 2013	699,923			699,721		202
Casino Revenue 2014		1,950,424		1,582,463		367,961
Farmers Market Nutrition Program			1,000	1,000		
Meals on Wheels Pet Food		2,500		2,500		
State Health Insurance Program 2012			29,000	25,381		3,619
State Health Insurance Program 2013			29,000		29,000	
State Health Insurance Program 2014			22,000	18,000		4,000
JJC Partnership 2009	95,777				95,777	
JJC Partnership 2010	38,638					38,638
JJC Partnership 2011	42,301				42,301	
JJC Partnership 2012	98,121			9,800	88,321	
JJC Partnership 2013	514,393			514,393		
JJC Partnership 2014	487,746			60,676		427,070
Homeless H1RZ8N 2013	307,283			306,283		1,000
Social Services for the Homeless		535,993		531,394		4,599
Social Services for the Homeless			1,045,019			1,045,019
Human Services 10BERN	101,718				101,718	
Human Services 11BERN	959				959	
Human Services 12BERN	3,465				3,465	
Human Services 13BERN	162,791			159,842		2,949
Rapid Rehousing Clifton S-09	20,529					20,529
Rapid Rehousing Paterson S-09	9					9
Div of Child Behavioral Health Services		158,456		158,456		
Special Initiative and Transportation & TIP 2012	12,292					12,292
Special Initiative and Transportation 2011	882				882	
Special Initiative and Transportation 2013	404,914			355,957		48,957
Special Initiative and Transportation 2014			404,914			404,914
HUD - St. Joseph NJ36310	7,216			1,324		5,892
Eva's Village Apartments	34,195					34,195
Passaic County Housing First Leasing	16,559				(3,217)	19,776
Passaic County Housing First	41,898			30,842	(179,502)	190,558
Passaic County Housing First NJ-513	1,037,478			137,392		900,086
Passaic County Housing First	731,784					731,784
HUD Eva's Projext NJ36308	308,345					308,345
Passaic County Housing First Collaborative II	1,072,566				179,502	893,064
Passaic County Housing First Collaborative III	337,939					337,939
New Passaic County Housing First	235,260					235,260
HUD St. Paul's	121,166				3,217	117,949
HUD	186,660					186,660
State Incentive Program 2010	240,126					240,126
HUD Paterson Park Apartments	649,253			56,907		592,346
C.S.B.G. 2013	267,680			267,680		
C.S.B.G. 2013 Non-Discretionary	97,313		197,468			294,781

**COUNTY OF PASSAIC**  
**Schedule of Federal and State Grants Receivable**  
**Federal and State Grant Fund**  
**Year Ended December 31, 2014**

<u>Grant</u>	Balance, December 31, 2013	2014 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2014
J.A.I.B.G. 2009	13,209			5,727		7,482
J.A.I.B.G. 2010	12,593			12,593		
J.A.I.B.G. 2011	56,992			56,992		
J.A.I.B.G. 2012	34,814			19,884		14,930
J.A.I.B.G. 2013	26,639					26,639
Inovations Funding		120,000				120,000
Inovations Funding	60,000			60,000		
Birch Street Apartments	238,479					238,479
Human Services 14 BERN PASP		42,000		38,500		3,500
Family Court Services 2010	89,046				89,046	
Family Court Services 2011	31,277				31,277	
Family Court Services 2012	26,234			16,503	9,731	
Family Court Services 2013	239,202			225,295		13,907
Family Court Services 2014	278,149			192,638		85,511
21st Century Learning 2011	49,814				49,814	
21st Century CLC Program	121,451			51,415	70,036	
21st Century CLC Program	500,000			472,855		27,145
JARC 2011	14,330				14,330	
JARC 2012	116,188	210,000		94,818	(14,330)	245,700
Transportation Clean Air Measures			468,000			468,000
Plan Conformance	70,000					70,000
Haledon Ave Green Streets			330,572			330,572
Passaic County Morris Canal Greenway Project			532,566			532,566
Weatherization LIHEAP 2010	72,220					72,220
Weatherization LIHEAP 2011	267,025					267,025
Weatherization LIHEAP 2013	769,270		356,166	622,370		503,066
Weatherization DOE 2010	115,957			115,957		
Weatherization DOE 2011	147,315			147,315		
Weatherization HIP 2010	359,114			359,114		
Weatherization HIP 2011	624,805					624,805
LIHEAP Assistance 2011	57,192			57,192		
LIHEAP Assistance 2012	87,944			87,944		
Great Falls Circulation Study			300,000	60,000		240,000
Subregional Transportation FY11	1,237				1,237	
Subregional Transportation FY12	12,336				12,336	
Subregional Transportation Planning	2,802				2,802	
Subregional Transportation Planning	2,082			93,081	(96,333)	5,334
Subregional Transportation Planning			123,019	24,604		98,415
Subregional Internship Support Program	1,142				1,142	
History and Tourism Plan	1,165				1,165	
Community Development Block Grant 2008	76,263			24,305		51,958
Community Development Block Grant 2009	97,184				68,705	28,479
Community Development Block Grant - Recovery	3,171				3,171	
Community Development Block Grant 2010	49,846					49,846
Community Development Block Grant 2011	59,810			58,412	664	734
Community Development Block Grant 2012	338,530			318,615		19,915
Community Development Block Grant 2013	892,820			364,782		528,038
Community Development Block Grant 2014			866,001	2,532		863,469
Local Government Capacity Grant			27,681			27,681
Hazard Mitigation			187,500			187,500
UASI - Fire Decontamination Task Force	7,000					7,000
UASI - Projects 2010	900				900	
UASI - Projects 2011	945,854			963,040	(17,186)	
UASI - Projects 2012	393,629			358,127	17,420	18,082
UASI - Projects 2013		1,331,292		854,320		476,972
UASI - Local Projects			886,396			886,396
SANE/SART Program 2012	128				128	

## COUNTY OF PASSAIC

## Schedule of Federal and State Grants Receivable

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, December 31, 2013	2014 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2014
SANE/SART Program 2013	24,439			13,287	11,152	
SANE/SART Program 2014			84,608	65,086		19,522
Justice Assistance Program			29,376	29,376		
Victimes of Crime Act Grant	27,218			27,218		
Victimes of Crime Act Grant			224,305			224,305
Communication Oriented Policing Services	266,561			266,388	173	
Communication Oriented Policing Services	200,000			199,879	121	
National Justice Information Sharing (JIS) 2012	270,084			269,142		942
Victim Witness Advocacy Fund Supplement		30,919		30,919		
Insurance Fraud Reimbursement Program	30,889			30,889		
Insurance Fraud Reimbursement Program			250,000	194,395		55,605
Body Armor Replacement P.C.P.O.		9,747		9,747		
Body Armor Replacement P.C.P.O.			7,332	7,332		
National Childrens Alliance Program 2013	9,000			7,657	1,343	
National Childrens Alliance Program 2014			9,000			9,000
Violence Against Women Act - DV Advocate	29,096			29,096		
Violence Against Women Act - DV Advocate			38,931	38,931		
Emergency Operations Center Grant FY10	250,000			249,923	77	
Multi-Jurisdictional Narcotics Task 2011	135,015			135,015		
Multi-Jurisdictional Narcotics Task 2012			184,139	29,334		154,805
Homeland Security Grant FY10	726				726	
Homeland Security Grant FY11	479,212			479,165	47	
Homeland Security Grant FY12	193,535			193,535		
Homeland Security Grant FY13		292,702		41,187		251,515
Homeland Security Grant FY14			379,461			379,461
Body Armor P.C.S.D. 2013		61,921		61,921		
Body Armor P.C.S.D. 2014			45,038	45,038		
Click it or Ticket		4,000		4,000		
Drive Sober or Get Pulled Over	4,400			4,400		
Drive Sober or Get Pulled Over			5,000	4,800		200
Hazardous Materials Prep & Planning			5,140			5,140
Apartments	65,856			6,775		59,081
Eva's Village Homeless Housing		120,953				120,953
HUD - Scattered Sites Homeless Program		47,110				47,110
HUD - St. Joe's CDC		47,110				47,110
HUD - St. Paul's CDC			47,736			47,736
NJ-511-PC Housing First	1,105,117			94,469		1,010,648
PC Housing First Bonus	221,424					221,424
Housing First PILOT Project		327,953				327,953
	<u>\$ 52,161,778</u>	<u>17,532,287</u>	<u>16,928,860</u>	<u>33,452,853</u>	<u>2,164,867</u>	<u>51,005,205</u>
Grant		\$ 14,554,974	15,817,601			
Match		<u>2,977,313</u>	<u>111,259</u>			
		<u>\$ 17,532,287</u>	<u>15,928,860</u>			
			Unappropriated Reserves \$ 71,668			
			Cash 33,381,185			
				<u>\$ 33,452,853</u>		

## COUNTY OF PASSAIC

## Schedule of Revenue Accounts Receivable

## Current Fund

Year Ended December 31, 2014

	Balance, December 31, <u>2013</u>	Accrued <u>2014</u>	Collected	Balance, December 31, <u>2014</u>
Miscellaneous Revenues:				
County Clerk	\$	821,058	821,058	
Clerk - Registry Division		2,447,370	2,334,370	113,000
Surrogate		376,746	376,746	
Sheriff		761,434	761,434	
Interest on Investments and Deposits		18,048	18,048	
Road Opening Permits		257,000	257,000	
Rental Income		228,992	228,992	
State Aid - College County Bonds		2,579,190	2,579,190	
Division of Youth and Family Services		3,749,723	3,749,723	
Welfare - Supplemental Security Income		1,515,969	1,515,969	
Maintenance of Patients in State Institutions for Mental Diseases		18,592,755	18,592,755	
Maintenance of Patients in State Institutions for Mentally Retarded		7,067,679	7,067,679	
County Patients - State Hospital		10,583	10,583	
University of Medicine and Dentistry		5,903	5,903	
Supplemental Social Security Income - Prior Year		688,104	688,104	
Added and Omitted Taxes	660,376	672,830	805,286	527,920
Board of Inmates at County - State		87,201	87,201	
Title IV D Parent Locator Program		1,177,110	1,177,110	
Fringe Benefits		12,224,091	12,224,091	
Indirect Costs - Grants		3,584,875	3,584,875	
Preakness Hospital-Medicaid Reimbursements		33,350,000	33,350,000	
Maintenance in Lieu of Rent-Martin Luther King-Soc Serv.		172,736	172,736	
State School Building Aid (Chapter 12)		79,002	79,002	
Park Fees		1,616,049	1,616,049	
Telephone Commissions		444,671	444,671	
Capital Surplus		2,000,000	2,000,000	
Site Plan Fees		54,287	54,287	
Radio Tower Rental		32,789	32,789	
Closeout of Preakness Healthcare Construction Account		693,850	693,850	
Rental Revenue - Quarry		5,000,000	5,000,000	
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>660,376</u>	<u>103,397,893</u>	<u>103,417,349</u>	<u>640,920</u>

## COUNTY OF PASSAIC

## Schedule of Interfunds

## Current Fund

Year Ended December 31, 2014

	Balance, December 31, 2013	Increased	Decreased	Balance, December 31, 2014
Federal and State Grant Fund	\$ (1,589,135)	7,048,466	2,164,867	3,294,464
Other Trust Fund:				
Off-Duty Emp.	406	582,069	582,457	18
Open Space Trust	(154,852)	19,010,945	19,010,934	(154,841)
Register of Deeds	9	69,666	69,556	119
Other Trust	(432,404)	679,301	677,498	(430,601)
Homelessness Trust		120,476	120,476	
Motor Vehicle Fines Trust	2			2
PCSD Local	82,906	38,201	100,000	21,107
PCSD Municipal	22	33,648	33,645	25
PCSD Treasury	4,986	39,486	44,472	
PCSD Justice		21,821	21,821	
PCPO Local	23,937	62,134	86,071	
PCPO Treasury	(11,368)	68,394	57,026	
PCPO Justice	42,365	36,785	79,150	
Total Other Trust Fund	\$ (443,991)	20,762,926	20,883,106	(564,171)
Confiscated Trust Fund	226	70,141	68,050	2,317
Liability Trust Fund		9,106,490	9,106,490	
Community Development Trust Fund	10,399	1,093,245	1,103,644	
General Capital Fund	(2,186)	162,725,088	162,634,892	88,010
Payroll Agency Account		52,926	52,814	112
Net Payroll Account	4,941			4,941
	(2,019,746)	200,859,282	196,013,863	2,825,673
Due from	242,919	12,916,223	13,744,584	(585,442)
Due (to)	(2,262,665)	187,943,059	182,269,279	3,411,115
	\$ (2,019,746)	200,859,282	196,013,863	2,825,673
			Cash Receipts	179,549,122
		Cash Disbursements	181,312,907	
		Reimbursement for Expenses Paid	129,347	380,928
		Interest Earnings		11,032
		Grants Receivable	11,757,395	11,757,395
		Grants Cancelled		484,422
		Reserve for Payment of Notes		52,664
		Budgeted Revenue	3,500,000	
		Operations		124,465
		Federal and State Grants	4,159,633	2,164,867
		Budget Appropriations		1,500,000
		\$ 200,859,282	196,024,895	

COUNTY OF PASSAIC  
Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2014

	Balance, Dec. 31, <u>2013</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	Balance <u>Lapsed</u>
<b>Salaries and Wages:</b>				
Board of Freeholders	\$ 10,921	921		921
County Administrator	25,871	871		871
Finance Department	11,498	14,497	12,661	1,836
County Counsel	17,045	45		45
County Adjuster	9,945	820		820
Clerk of the Board	19,676	676		676
Personnel	1,928	1,928		1,928
County Clerk	64,034	5,034		5,034
County Register	21,336	336		336
Prosecutor's Office	734,426	234,425	234,425	
Purchasing Department	13,529	3,529		3,529
Buildings and Grounds	53,201	8,201	6,638	1,563
Surrogate	66,219	219		219
Sheriff's Office	107,430	7,430		7,430
Weights and Measures	81	81		81
Board of Taxation	11	11		11
Board of Elections	7,144	2,144		2,144
Superintendent of Elections	5,969	335,969	278,293	57,676
County Emergency Management	25,639	639		639
Planning Board (NJS 40:273)	15,503	503		503
Economic Development	187	187		187
Roads	15,546	15,546		15,546
Mosquito	39,065	11,065		11,065
Engineering	32,615	4,115		4,115
Jail and Workhouse - Jail	234,374	74,374	7,075	67,299
Jail and Workhouse - Patrol	77,903	77,903		77,903
Mental Health Board (30:9A-3)	58,075	58,075		58,075
Department of Youth Services	11,913	11,913		11,913
Preakness Hospital	201,417	181,418	176,987	4,431
Camp Hope (40:23-6 1 to 16)	1,395	1,395		1,395
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	45,432	456		456
County Health Dept. Chapter 329 PL 1975	13,153	3,153		3,153
Office of County Superintendent of Schools	18,553	553		553
County Extensive Services	2,843	2,843		2,843
Parks	15,972	972		972
Golf Course	74,046	4,046		4,046
Sick Leave Payout	65,097	395,097	363,255	31,842
Para-Transit	18	18		18
Police Academy	6,114	1,114		1,114
Salary and Wage Adjustment	256,000	256,000	256,000	
<b>Other Expenses:</b>				
Board of Freeholders	1,055	14,944	14,320	624
County Administrator	51,075	79,829	76,772	3,057
Finance Department	2,159	55,733	43,747	11,986
Postage		18,000	18,000	
Audit	93,500	98,500	98,500	
Insurance Division	85	43,668	28,392	15,276
County Counsel	2,161	9,155	8,704	451
County Counsel Ethics	10,000	5,000	1,212	3,788
County Adjuster	5,530	5,954	845	5,109
Clerk of the Board	6,620	15,640	7,687	7,953
Personnel	1,239	17,910	15,165	2,745
County Clerk	2,115	5,206	1,885	3,321
County Register	303	4,280	2,528	1,752
Prosecutors Office	67,705	197,768	148,936	48,832
Countywide Radio	20,574	46,727	31,278	15,449
Purchasing Dept.	4,934	15,087	5,777	9,310

**COUNTY OF PASSAIC**  
**Schedule of Appropriation Reserves**

**Current Fund**

**Year Ended December 31, 2014**

	Balance, Dec. 31, <u>2013</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Bulk Purchasing	1,855	142,078	138,656	3,422
MIS Department (Finance Department)	25,901	96,334	60,421	35,913
Building and Grounds	58,438	439,265	375,500	63,765
Parking	3,430	38,260	34,830	3,430
Welfare Board	12,571	13,970	2,844	11,126
Photostat	22,128	93,871	68,995	24,876
Economic Development	716	3,787	1,632	2,155
Surrogate	24,908	31,882	31,036	846
Surgical, Major Medical for Employees	2,720,040	3,061,005	3,036,955	24,050
Group Life Insurance for Employees	24,000	4,000		4,000
Surety Bond Premium	3,401	3,401		3,401
Worker's Compensation	126	126		126
Other Insurance	148,799	12,549	5,209	7,340
Disability Insurance	2,657	1,034,657	912,205	122,452
Drug Plan	357,913	267,913	264,070	3,843
Dental Plan	144,423	74,423	68,144	6,279
Sheriff's Office	8,075	33,293	29,100	4,193
Weights and Measures	3,471	5,450	1,209	4,241
Board of Taxation	9,799	14,749	4,518	10,231
Medical Examiner	507,695	686,998	686,998	
Board of Elections	352,261	383,479	341,790	41,689
Superintendent of Elections	266,595	275,232	121,116	154,116
Election-County Clerk	91,520	80,144	38,624	41,520
County Emergency Management	2,897	9,216	6,981	2,235
Planning Board (NJS 40:273)	10,959	16,192	6,070	10,122
Construction Board of Appeals	5,000	5,000	2,500	2,500
Roads	390,588	428,625	351,177	77,448
Mosquito	3,418	7,580	4,538	3,042
Engineering	5,545	6,339	5,864	475
Jail and Workhouse	67,606	514,956	497,246	17,710
Jail and Workhouse - Medical	600,364	1,296,136	769,954	526,182
Disabled Children		18,000	18,000	
Mental Health Programs		113,249	113,249	
Aid to Develop Disabled		13,500	13,500	
Addiction Program Contractual	21,163	61,039	49,876	11,163
Maintenance of Patients	27,849	557,015	536,415	20,600
Supplement Security Income	8,398	8,398		8,398
Aid to Dependent Children	56,872	56,872		56,872
Department of Youth Services	97,568	68,497	25,732	42,765
Medical Expenses	52,256	52,256		52,256
Preakness Hospital	180,666	1,403,561	1,206,385	197,176
Camp Hope (40:23-6. 1 to 16)	4,306	23,239	21,216	2,023
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	193	4,669	4,520	149
County Health Dept. Ch 329 PL 1975	11,569	13,410	2,057	11,353
Office of County Superintendent of Schools	4,820	10,617	4,427	6,190
Passaic County Vocational School	9	9		9
County Extensive Services	17,183	33,679	29,636	4,043
Passaic County Community College	29	29		29
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	52,269	108,932	90,747	18,185
Parks	4,433	21,553	14,377	7,176
Golf Course	6,999	15,889	7,609	8,280
Passaic County Historical Society	25,000	25,000	25,000	
Equipment, Office, Car, Other	5,758	5,758		5,758
Matching Funds for Grants	330,003	330,003	2,915	327,088
Aid to Children Care Coordination Committee (4C's) (NJS 40:23)	22,500	22,500	22,500	
Aid to Women's Haven NJS 30:14-11		7,875	7,875	

**COUNTY OF PASSAIC**  
**Schedule of Appropriation Reserves**

**Current Fund**

**Year Ended December 31, 2014**

	Balance, Dec. 31, <u>2013</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Aid to D.I.A.L. (40:23-811)		9,605	9,605	
Para-Transit	5,575	34,961	32,025	2,936
Police Academy	79,203	94,550	19,579	74,971
Aid to Health & Welfare Councils (NJS 40-23-8.28)	2,000	208,305	206,305	2,000
Utilities:				
Gasoline	59,193	187,375	86,769	100,606
Telephone and Telegraph	87,206	178,594	106,583	72,011
Natural Gas & Electric	872,523	1,398,450	760,157	638,293
Street Lighting	56,242	172,035	129,364	42,671
Heating Oil	77,473	52,473	14,211	38,262
Water	297,694	214,088	67,851	146,237
Garbage	249,283	168,682	29,582	139,100
Debt Service Fees	500	13,560	12,500	1,060
Aid to Housing First		32,500	32,500	
Contingent	10,389	21,049	16,309	4,740
Acquisition of Various Equipment	71,220	71,220	71,220	
Passaic County Utilities Authority (P.C.U.A.)		9,344	9,344	
Statutory Charges:				
Contribution to PERS	726	726		726
Social Security System (O.A.S.I.)	108,169	108,169		108,169
Unemployment Compensation	3,525	3,525	3,525	
County Pension Fund	47,834	47,834	47,834	
Police and Fire Retirement System	1	1		1
Defined Benefit Program	30,535	30,535		30,535
	<u>\$ 11,516,412</u>	<u>17,465,963</u>	<u>13,558,563</u>	<u>3,907,400</u>

Appropriation Reserves \$	11,516,412
Reserve for Encumbrances	<u>5,949,551</u>
	<u>\$ 17,465,963</u>

Transfer to Accounts Payable \$	952,298
Cancelled	2,000,000
Budget Reimbursements	(23,406)
Cash Disbursements	<u>10,629,671</u>
	<u>\$ 13,558,563</u>



**COUNTY OF PASSAIC**  
**Schedule of Accounts Payable**  
**Current Fund**  
**Year Ended December 31, 2014**

Balance, December 31, 2013		\$	516,364
Increased by:			
Transfers from Appropriation Reserves			<u>952,298</u>
			1,468,662
Decreased by:			
Payments	\$	4,059	
Interfund		<u>484,423</u>	
			<u>488,482</u>
Balance, December 31, 2014		\$	<u><u>980,180</u></u>

COUNTY OF PASSAIC

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2014

	<u>Total</u>	<u>Budget Appropriations</u>	<u>Reserve for Federal and State Grant Funds</u>
Balance, December 31, 2013	\$ 5,949,551	5,949,551	_____
Increased by:			
Charges to 2014 Budget Appropriations	6,420,890	6,420,890	
Charges to Reserve for Federal and State Grants Appropriated	<u>15,775,125</u>	_____	<u>15,775,125</u>
	<u>22,196,015</u>	<u>6,420,890</u>	<u>15,775,125</u>
	28,145,566	12,370,441	15,775,125
Decreased by:			
Encumbrances Transferred to Appropriation Reserves	5,949,551	5,949,551	
Encumbrances Transferred to Federal and State Grant Fund	<u>15,775,125</u>	_____	<u>15,775,125</u>
	<u>21,724,676</u>	<u>5,949,551</u>	<u>15,775,125</u>
Balance, December 31, 2014	<u>\$ 6,420,890</u>	<u>6,420,890</u>	_____

**COUNTY OF PASSAIC**  
**Schedule of Commitments Payable**  
**Federal and State Grant Fund**  
**Year Ended December 31, 2014**

Balance, December 31, 2013	\$ 19,887,217
Increased by:	
Transfer from Current Fund - Encumbrances Payable	<u>15,775,125</u>
	35,662,342
Decreased by:	
Payments	<u>19,887,217</u>
Balance, December 31, 2014	\$ <u><u>15,775,125</u></u>

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, Dec. 31, 2013	Transferred From 2014 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2014
		Budget	Appropriation By 40A:4-87				
Special General Election	\$ 247,870				(107,748)		355,618
USF 2013	24,134				24,134		
USF 2014	48,149				48,149		
USF 2015			308,864		146,577		162,287
LIHEAP Assistance 2013	1,000				1,000		
LIHEAP Assistance 2014		207,937			207,937		
Heating Improvement (HIP) 2013			726,004		647,912		78,092
Weatherization DOE 2013			349,070		62,691		286,379
Preakness Gero-Psych Program	161,181					(161,181)	
Preakness Gero-Psych Program	161,181					(161,181)	
Preakness Gero-Psych Program	17,261						17,261
Preakness Gero-Psych Program			338,210		323,539		14,671
Second Chance Act. (ReEntry Program)	4,011					(4,011)	
Alcohol/Drug Abuse Grant FY12'	1,498					(1,498)	
Alcohol/Drug Abuse Grant FY13'	13,845				9,338	(4,507)	
Alcohol/Drug Abuse Grant FY14'		711,999			708,793		3,206
Municipal Alliance 2010	78,739					(78,739)	
Municipal Alliance 2011	62,152				222	(61,930)	
Municipal Alliance 2012	48,009				(1,667)	(49,676)	
Municipal Alliance 2013	18,270	268,916			231,373		55,813
Municipal Alliance 2014		512,024			448,371		63,653
Workforce Learning Link Program	68,454				68,454		
Workforce Learning Link Program	127,438				112,637	(946)	13,855
Workforce Learning Link Program			196,000		46,395		149,605
Workforce Investment (PIC) 2012/2013	318,786				75,941		242,845
Workforce Invest Allocation - Youth 13/14	1,798,551				1,630,238		168,313
Workforce Invest Allocation - Youth 14/15		1,914,231			47,030		1,867,201
WorkFirst New Jersey 2012/2013	1,881,972				352,160	(754)	1,529,058
WorkFirst NJ Grant	5,495,856				3,832,612	(776,266)	886,978
WorkFirst NJ Grant - TANF			3,905,050		1,104,758		2,800,292
WorkFirst NJ Grant - GA/SNAP			1,957,554		476,613		1,480,941
Department of Labor - WIA Adult	1,492,493				705,675		786,818
Department of Labor - WIA Adult	1,631,942				1,212,085		419,857
Department of Labor - WIA Adult		1,831,954			3,233		1,828,721
Department of Labor - WIA Dislocated Worker	1,252,512				722,168		530,344
Department of Labor - WIA Dislocated Worker	1,671,725				1,400,969		270,756
Department of Labor - WIA Dislocated Worker		1,817,952			17,907		1,800,045
Disability Employment Initiative	182,071					(40,000)	142,071
Workforce Invest 2010/11	196,268						196,268
Workforce Invest 2011/12	123,786				(1,362,286)		1,486,072
Hurricane Irene Disaster National Emergency Grant	42,216					(42,216)	
SmartSteps	14,500	1,550				(16,050)	
SmartSteps			9,630		7,223		2,407
Strengthening Communities Fund ARRA	81,456					(81,456)	
L.E.O.T.E.F 2006	3,399				3,399		
L.E.O.T.E.F 2007	61,915				12,587		49,328
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
L.E.O.T.E.F 2014		9,582	34,213				43,795
Bioterrorism Prep.	65,980				(269)	(66,249)	
Community Svc. Block Grant PHLP LINCS 2012	27,962					(27,962)	
Community Svc. Block Grant PHLP LINCS 2012	9,072				1,774	(7,298)	

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, Dec. 31, 2013	Transferred From 2014 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2014
		Budget	Appropriation By 40A:4-87				
Community Svc. Block Grant PHLP LINC'S 2013	196,826	25,000			188,963		32,863
Community Svc. Block Grant PHLP LINC'S 2014			514,592		291,972		222,620
CEHA 2014			153,000		146,375		6,625
MRC Cap Bldg Non-Competitive	2,570						2,570
Right to Know Program	15,213				15,213		
Right to Know Program			15,213		15,213		
Sandy Grant (LINC'S Agencies)			25,000				25,000
MRC Competitive Award	7,000				2,518		4,482
CEHA Grant Award Calendar			74,630		74,630		
Clean Communities 2011	4,242					(4,242)	
Clean Communities 2012	210				210		
Clean Communities 2013	23,367				21,884		1,483
Recycling Enhancement Act Bonus Grant	206,731				6,902		199,829
Recycling Enhancement Act	26,386				26,121	(265)	
Recycling Enhancement Act		336,600			265,367		71,233
Radon Awareness Program 2013	3					(3)	
Radon Awareness Program 2014	1						1
Radon Awareness Program 2015			1,000		1,000		
Passaic County Film Festival	2,000				2,000		
Passaic County Film Festival			2,000				2,000
Disaster Relief 2012	280,000				279,875		125
Business Retention and Expansion Program	83,877					(83,877)	
CDBG-DR Program	366,000				83,568		282,432
PC Youth Golf Program		50,000			15,595		34,405
Aging Area Nutrition FY 2009	427,751				427,751		
Aging Area Nutrition FY 2010							
Aging Area Nutrition FY 2011	721,289					(721,289)	
Aging Area Nutrition FY 2012	1,015,075					(1,015,075)	
Aging Area Nutrition FY 2013	1,003,602				1,003,602		
Aging Area Nutrition FY 2014		1,277,882	698,486	1,500,000	3,236,068		240,300
Aging Administration	41,472						41,472
Aging Area Plan Nutrition	10,534					(10,534)	
Aging Administration 2013	771,735				713,735		58,000
Aging Administration 2014		1,373,580	503,976	400,000	1,596,961		680,595
Casino Revenue 2012	259,940						259,940
Casino Revenue 2013	600,668				295,066		305,602
Casino Revenue 2014		873,111		1,077,313	1,950,165		259
Farmers Market Nutrition Prgm (WIC)			1,000		1,000		
Meals on Wheels Pet Food Grant		2,500			2,500		
State Health Insurance Program 2012			29,000				29,000
State Health Insurance Program 2013			29,000				29,000
State Health Insurance Program 2014			22,000				22,000
JJC Partnership 2009	180,187					(180,187)	
JJC Partnership 2010	70,931					(71,262)	
JJC Partnership 2011	35					(35)	
JJC Partnership 2012	40,686				(35,500)	(76,186)	
JJC Partnership 2013	25,693				18,797		6,896
JJC Partnership 2014	387,746				362,716		25,030
Homeless H1RZ&N 2013	166,842				166,842		
Homeless H1RZ&N 2014		535,993			495,693		40,300
Social Services for the Homeless			1,045,019		1,007,159		37,860
Human Services 10BERN	10,671					(10,671)	
Human Services 11BERN	3,001					(3,001)	
Human Services 12BERN	3,903					(3,903)	
Human Services 13BERN	188,023				151,037		36,986
Preakness Gero-Psych Program	3,792					(3,792)	

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, Dec. 31, 2013	Transferred From 2014 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2014
		Budget	Appropriation By 40A:4-87				
Rapid Rehousing - Clifton	33,139						33,139
Rapid Rehousing - Paterson	8,137						8,137
Homelessness Prevention & Rapid Rehousing	7,071						7,071
Div. Of Child Behavioral Hlth Serv. 2013	18,353				18,353		
Div. Of Child Behavioral Hlth Serv. 2014		158,456			139,915		18,541
Special Initiative and Transportation 2011	730				(95)	(825)	
Tranportation and TIP	3,309				(8,985)		12,294
Tranportation and TIP	78,237				57,782		20,455
Tranportation and TIP			404,914		40,035		364,879
HUD - St. Joseph NJ 36310	5,026				(3,000)		8,026
EVA's Village Apartments	34,195						34,195
New Passaic County Housing First	14,823						14,823
Passaic County Housing First	194,015				42,959		151,056
Passaic County Housing First	911,527				198,770		712,757
Passaic County Housing First	361,372				(370,409)		731,781
HUD-EVA'S Project	308,358						308,358
Collaborative II	150,243				70,527		79,716
Passaic County Housing First	331,648				54,734		276,914
New Passaic County Housing First	235,260				114,420		120,840
HUD-St. Paul's	110,142						110,142
HUD-St. Joseph	134,160				(52,500)		186,660
State Incentive Program 2010	214,371						214,371
HUD-Paterson Park Apartments	34,172				(1)		34,173
C.S.B.G 2102	86					(86)	
C.S.B.G. Non-Discretionary 2013	90,240				90,240		
C.S.B.G. Non-Discretionary 2014	97,313		197,468		284,339		10,442
J.A.I.B.G. 2009	14,442				(31,099)		45,541
J.A.I.B.G. 2011	19,675						19,675
J.A.I.B.G. 2013	237				191		46
J.A.I.B.G. 2014	29,599				29,501		98
Juvenile Det. Alternatives Innovations Funding		120,000			120,000		
Juvenile Det. Alternatives Innovations Funding					(3,789)	(3,789)	
Birch Street Apartments	238,479						238,479
Human Services 09 BERN PASP	7,066				(78)	(7,144)	
Human Services 11 BERN PASP	1,692				(1,739)	(3,431)	
Human Services 12 BERN PASP	6					(6)	
Human Services 14 BERN PASP		42,000			42,000		
Family Court Services 2010	89,048					(89,048)	
Family Court Services 2011	43,499				(322)	(43,821)	
Family Court Services 2012	4,841				(6,377)	(11,218)	
Family Court Services 2013	10,329				6,889		3,440
Family Court Services 2014	278,149				278,100		49
21st Century CLC Program 2011	56,389					(56,389)	
21st Century CLC Program					(70,154)	(70,154)	
21st Century CLC Program	16,000				(24,083)		40,083
JARC 2011	2					(2)	
JARC 2013		210,000			210,000		
Transportation Clean Air Measures			468,000				468,000
NJ Highlands - Plan Conformance	70,000						70,000
Haledon Ave. Green Streets			330,572				330,572
Universal Service Fund 2011	17,209					(17,209)	
Universal Service Fund 2012	48,378					(48,378)	
Passaic County Morris Canal Greenway Project			532,566				532,566
Weatherization LIHEAP 2010	81,072				79,690		1,382
Weatherization LIHEAP 2011	252,374				93,574		158,800
Weatherization LIHEAP	739,203		356,166		604,512		490,857

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, Dec. 31, 2013	Transferred From 2014 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2014
		Budget	Appropriation By 40A:4-87				
Weatherization DOE 2010	14,484				14,484		
Weatherization DOE 2011	147,315				147,315		
Weatherization HIP 2010	291,836				291,836		
Weatherization HIP 2011	624,775				23,526		601,249
Weatherization LIHEAP 2012	53,531				53,531		
Weatherization LIHEAP 2013	55,954				55,173		781
Great Falls Circulation Study			240,000	60,000			300,000
Subregional Transportation FY10	253					(253)	
Subregional Transportation (STP) FY11	31,707				30,444	(1,263)	
Subregional Transportation (STP) FY12	60,795				48,459	(12,336)	
Subregional Transportation Planning	48					(48)	
Subregional Transportation Planning	74,656				72,054		2,602
Subregional Transportation Planning			98,415	24,604	15,000		108,019
Subregional Internship Support Program	6,300				5,158	(1,142)	
History and Tourism Plan	672					(672)	
Community Development Block Grant 2008	76,263				39,304		36,959
Community Development Block Grant 2009	22,301						22,301
Community Development Block Grant 2010	24,846				(25,000)		49,846
Community Development Block Grant 2011	8,670				7,271		1,399
Community Development Block Grant 2012	8,059				(7,378)		15,437
Community Development Block Grant 2013	178,711				105,860		72,851
Community Development Block Grant 2014			866,001		55,383		810,618
Local Government Capacity Grant			27,681		27,681		
2012 EMAA							
Hazard Mitigation Grant			187,500		146,541		40,959
UASI - Fire Decon Task Force	623						623
UASI - Projects 2010	450				(450)	(900)	
UASI - Projects 2011	40,010				39,776	(234)	
UASI - Projects	177,143				141,641		35,502
UASI - Projects		1,331,292			1,232,918		98,374
UASI - Local Share			886,396				886,396
National Justice Information Sharing (JIS) 2012	7,477				6,535		942
Victim Witness Advocacy Fund		30,919			30,919		
SANE/SART Program 2011	22,430				17,987	(4,443)	
SANE/SART Program 2012	46,018				34,867	(11,151)	
SANE/SART Program 2013			67,686	16,922	73,078		11,530
Justice Assistance Program			29,376		29,376		
Victims of Crime Act Grant	194,436				194,436		
Victims of Crime Act Grant			224,305		96,678		127,627
Communication Oriented Policing Services	173					(173)	
Communication Oriented Policing Services	120					(120)	
Insurance Fraud Reimbursement Program			250,000		250,000		
Body Armor P.C.P.O 2011	2,080				2,080		
Body Armor P.C.P.O 2012	7,418				7,418		
Body Armor P.C.P.O 2013		9,747			8,963	(784)	
Body Armor P.C.P.O 2014			7,332				7,332
National Childrens Alliance Program 2013	1,343					(1,343)	
National Childrens Alliance Program 2014			9,000		8,000		1,000
STOP Violence Against Women Act Formula Gra	5,843				5,843		
STOP Violence Against Women Act Formula Gra			29,198	9,733	38,931		
Emergency Operations Center Grant FY10	1,057				980	(77)	
Multi Jurisdictional NARC Task Force 2012	21,662						21,662
Multi Jurisdictional NARC Task Force 2013	68,870				1,057		67,813
Multi Jurisdictional NARC Task Force 2014			184,139		80,577		103,562
Homeland Security Grant FY 10	91					(91)	
Homeland Security Grant FY 11	2				(47)	(49)	

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2014

Grant	Balance, Dec. 31, 2013	Transferred From 2014 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2014
		Budget	Appropriation By 40A:4-87				
Homeland Security Grant FY 12	10,983						10,983
Homeland Security Grant FY 13		292,702			92,013		200,689
Homeland Security Grant FY 14			379,461				379,461
2008 Body Armor Repl. P.C.S.D	72						72
2009 Body Armor P.C.S.D	34						34
Body Armor P.C.S.D		61,921			61,921		
Body Armor P.C.S.D			45,038				45,038
Click It or Ticket 2010	4,000				4,000		
Click It or Ticket 2012	4,000				4,000		
Click It or Ticket 2013	4,000				4,000		
Click It or Ticket 2014		4,000			4,000		
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		
Drive Sober or Get Pulled Over			5,000				5,000
Hazardous Materials Prep & Planning			5,140		5,140		
Hazardous Materials Prep & Planning					(5,537)	(5,542)	
COPS Tech. Program	5					(1,270)	
Emerg. 911 Corridorator	1,270						9,316
REN Eva's Village Apartments	9,745				429		64,740
Eva's Village Homeless Housing		120,953			56,213		11,008
HUD - Scatterd Sites		47,110			36,102		14,132
HUD - St. Joe's CDC		47,110			32,978		35,018
HUD - St. Paul's CDC			47,736		12,718		866,651
NJ-511-PC Housing First	1,069,178				202,527		211,469
PC Housing First Bonus	228,924				17,455		19,757
Housing First PILOT Project		327,953			308,196		
	<u>\$ 33,792,028</u>	<u>14,554,974</u>	<u>16,817,601</u>	<u>3,088,572</u>	<u>32,316,251</u>	<u>(4,159,633)</u>	<u>31,777,291</u>
			Cash Disbursed		\$ 16,541,126		
			Encumbrances Payable		<u>15,775,125</u>		
					<u>\$ 32,316,251</u>		



## COUNTY OF PASSAIC

## Schedule of Miscellaneous Reserves

## Current Fund

Year Ended December 31, 2014

	Balance, December 31, <u>2013</u>	<u>Increases</u>	<u>Decreases</u>	Balance, Dec. 31, <u>2014</u>
Sheriff's DWI-DDEF	\$ 18,535			18,535
Register - Due to State of New Jersey	458,294	210,072	668,366	
Office on Aging - Deferred Revenue	1,936,911	287,247	1,336,841	887,317
Salary and Wage Adjustment	145,112		145,112	
Weatherization Program Income		27,697	17,977	9,720
Payroll Deductions - P.E.R.S.	<u>342,203</u>	<u>3,762,092</u>	<u>3,803,042</u>	<u>301,253</u>
	<u>\$ 2,901,055</u>	<u>4,287,108</u>	<u>5,971,338</u>	<u>1,216,825</u>
Cash		\$ 4,287,108	4,808,249	
Transfer to Appropriation Reserves			102,766	
Transfer to Current Year Appropriations			42,346	
Transfer to Appropriated Grant Reserves			17,977	
Canceled			<u>1,000,000</u>	
		<u>\$ 4,287,108</u>	<u>5,971,338</u>	

COUNTY OF PASSAIC

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2014

<u>Grant</u>	Balance, Dec. 31, <u>2013</u>	Transferred To 2014 Budget <u>Appropriations</u>  <u>Budget</u>	Cash <u>Received</u>	Balance, Dec. 31, <u>2014</u>
2013 Body Armor 14453	\$ 61,921	61,921		
2013 Body Armor 14488	9,747	9,747		
14 BERN-01-PASP			10,497	10,497
11 EMPG - AFNA-06			11,565	11,565
2014 Clean Communities			68,263	68,263
2013 Homeless			68,000	68,000
	<u>\$ 71,668</u>	<u>71,668</u>	<u>158,325</u>	<u>158,325</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Federal and State Grants Fund

Year Ended December 31, 2014

	Balance, December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2014</u>
Current Fund	\$ 1,589,135	2,164,867	7,048,466	(3,294,464)
	<u>1,589,135</u>	<u>2,164,867</u>	<u>7,048,466</u>	<u>(3,294,464)</u>
Due from	1,589,135		1,589,135	
Due (to)	<u>1,589,135</u>	<u>2,164,867</u>	<u>5,459,331</u>	<u>(3,294,464)</u>
	\$ <u>1,589,135</u>	<u>2,164,867</u>	<u>7,048,466</u>	<u>(3,294,464)</u>
		Cancellation of Grant Receivable \$ 2,164,867		
		Cancellation of Appropriated Grants	4,159,633	
		Reimbursement for expenses	<u>2,888,833</u>	
		<u>2,164,867</u>	<u>7,048,466</u>	

COUNTY OF PASSAIC

Schedule of Deferred Charges

Current Fund

Year Ended December 31, 2014

	Balance, December 31, <u>2013</u>	Added in <u>2014</u>	Reduced in <u>2014</u>	Balance, December 31, <u>2014</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>4,000,000</u>	<u>7,500,000</u>	<u>4,000,000</u>
	<u>\$ 7,616,782</u>	<u>4,000,000</u>	<u>7,500,000</u>	<u>\$ 4,036,360</u>

COUNTY OF PASSAIC

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

Current Fund

Year Ended December 31, 2014

	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance, December 31, 2013</u>	<u>Reduced in 2014</u>	<u>Balance, December 31, 2014</u>
Payment of Accrued Sick & Vacation Time	04/26/11	2,966,250	593,250	\$ 1,779,750	593,250	\$ 1,186,500
Hurricane Irene	09/27/11	2,681,805	536,361	<u>1,609,083</u>	<u>536,361</u>	<u>1,072,722</u>
				<u>\$ 3,388,833</u>	<u>1,129,611</u>	<u>\$ 2,259,222</u>

COUNTY OF PASSAIC

Schedule of Special Emergency Notes Payable

Current Fund

Year Ended December 31, 2014

<u>Purpose</u>	<u>Date of original issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, Dec. 31, 2014</u>
Group Hospitalization Insurance	December 18, 2013	12/18/13	12/19/14	1.25%	\$ 7,500,000	4,000,000	7,500,000	4,000,000
Group Hospitalization Insurance	December 30, 2014	12/30/14	8/21/15	1.25%				
					<u>\$ 7,500,000</u>	<u>4,000,000</u>	<u>7,500,000</u>	<u>4,000,000</u>

## COUNTY OF PASSAIC

## Schedule of Cash

## Trust Funds

Year Ended December 31, 2014

	Other Trust Fund	Confiscated Trust Fund	Self- Insurance Trust Fund	Community Development Trust Fund
Balance - December 31, 2013	<u>41,689,553</u>	<u>2,828,969</u>	<u>206,806</u>	<u>6,360,803</u>
Increase by Receipts:				
Various Trust Deposits	118,615			
Reserve for Dedicated Trusts	7,499,124			
Reserve for Open Space Trust	5,401,844			
Due from (to) Current Fund	15,644,429	40,772	1,190,441	80,357
Receipts from Confiscated Funds		1,349,494		
Reserve for Workmen's Compensation			3,264,325	
Reserve for Health Benefits			146	
Reserve for Liability Insurance			8,000,322	
Housing Voucher Program				9,205,041
Total Receipts	<u>28,664,012</u>	<u>1,390,266</u>	<u>12,455,234</u>	<u>9,285,398</u>
	<u>70,353,565</u>	<u>4,219,235</u>	<u>12,662,040</u>	<u>15,646,201</u>
Decreased by Disbursements:				
Various Trust Deposits	47,354			
Reserve for Dedicated Revenues	6,440,401			
Open Space Commitments Payable	7,898,830			
Open Space Trust Expenditures	1,803,587			
Due from (to) Current Fund	20,386,170	38,681	9,106,490	387,972
Adjudicated Confiscations		1,686,307		
Reserve for Workmen's Compensation			3,261,232	
Reserve for Liability Insurance			86,469	
Housing Voucher Program				9,352,334
Total Disbursements	<u>36,576,342</u>	<u>1,724,988</u>	<u>12,454,191</u>	<u>9,740,306</u>
Balance - December 31, 2014	<u>\$ 33,777,223</u>	<u>2,494,247</u>	<u>207,849</u>	<u>5,905,895</u>

**COUNTY OF PASSAIC**  
**Schedule of Various Trust Deposits**  
**Year Ended December 31, 2014**

Balance - December 31, 2013		\$ 1,072,935
Increased by:		
Cash Deposits	\$ 118,615	
Interfunds	<u>675</u>	
		<u>119,290</u>
		1,192,225
Decreased by:		
Interfund	95,387	
Payments	<u>47,354</u>	
		<u>142,741</u>
Balance - December 31, 2014		\$ <u><u>1,049,484</u></u>



## COUNTY OF PASSAIC

## Schedule of Reserve for Dedicated Trusts

Year Ended December 31, 2014

	Balance December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2014</u>
Homelessness Trust Fund	\$ 348,063	102,975	120,476	330,562
Off-Duty Police Outside Employment	287,734	1,333,738	1,268,334	353,138
Off-Duty Police Vehicle Fee	202,445	172,015	199,943	174,517
Off-Duty Police Admin Fee	47,408	152,014	131,421	68,001
Weights and Measure Fines	1,446,869	148,956	195,201	1,400,624
Tax Appeal Fees	992,992	280,070	138,574	1,134,488
County Clerk	364,595	39,395	6,000	397,990
County Sheriff	96,544	38,832	26,226	109,150
Surrogate	50,768	27,691	6,922	71,537
Forensic Lab Fees	115,857	40,738		156,595
Human Services	9,466		628	8,838
Parks - Lambert Castle	685		25	660
Passaic County Corr. Enh. Dist.	756,514	44,044	20,000	780,558
502 Pat-Ham Tpk Sidewalks	20,000			20,000
County Retirement Plan		408,344	91,647	316,697
Motor Vehicle Fines	2,759,048	2,925,283	3,747,500	1,936,831
Sheriff's Confiscated Funds - Local	138,357	84,989	195,226	28,120
Sheriff's Confiscated Funds - Treasury	18,929	44,484		63,413
Sheriff's Confiscated Funds - Justice	865,626	335,188	155,755	1,045,059
Municipal Confiscated Funds - Local	1,552,854	826,691	288,862	2,090,683
Municipal Confiscated Funds - Federal	1,069,843	407,160	81,472	1,395,531
Prosecutor's Confiscated Funds - Local	3,964,188	707,723	141,017	4,530,894
Prosecutor's Confiscated Funds - Treasury	945,225	135,231	581,286	499,170
Prosecutor's Confiscated Funds - Justice	1,207,350	145,034	199,083	1,153,301
Para Transit	167,786	37,375	5,956	199,205
Register of Deeds	1,429,674	111,064	69,138	1,471,600
	<u>\$ 18,858,820</u>	<u>8,549,034</u>	<u>7,670,692</u>	<u>19,737,162</u>
Cash	\$	7,499,124	6,440,401	
Interfunds		398,976	1,177,111	
Reclass		53,180	53,180	
Accounts Receivable		597,754		
		<u>\$ 8,549,034</u>	<u>7,670,692</u>	

## COUNTY OF PASSAIC

## Schedule of Reserve for Open Space Trust Expenditures

Year Ended December 31, 2014

Balance - December 31, 2013		\$ 9,694,439
Increased by:		
Levy	\$ 4,671,464	
Added and Omitted	13,273	
Reimbursements	700,517	
Interest on Investments	<u>16,590</u>	
		<u>5,401,844</u>
		15,096,283
Decreased by:		
Open Space Grant Commitments Payable	3,014,280	
Payments	1,803,587	
Interfunds	<u>4,022,459</u>	
		<u>8,840,326</u>
Balance - December 31, 2014		\$ <u><u>6,255,957</u></u>

## Schedule of Open Space Grant Commitments Payable

Year Ended December 31, 2014

Balance - December 31, 2013		\$ 12,624,033
Increased by:		
Reserve for Open Space Trust Expenditures		<u>3,014,280</u>
		15,638,313
Decreased by:		
Payments		<u>7,898,830</u>
Balance - December 31, 2014		\$ <u><u>7,739,483</u></u>

COUNTY OF PASSAIC

Schedule of Open Space Levy - Due to Municipalities

Year Ended December 31, 2014

Balance - December 31, 2013	\$ <u>157,062</u>
Balance - December 31, 2014	\$ <u><u>157,062</u></u>

Schedule of Reserve for Confiscated Trust Fund

Year Ended December 31, 2014

	Balance December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2014</u>
Reserve for Interest - Prosecutor	\$ 10,636	2,124	219	12,541
Narcotics	1,722,073	633,198	1,491,393	863,878
Gambling	261,232	6,133	42,499	224,866
Prostitution	159,480	9,488	4,564	164,404
Theft/Robbery	140,930		13,101	127,829
Other Crimes	473,846	698,551	134,532	1,037,865
Lottery	18,122			18,122
Gambling/Narc	3,454			3,454
Bribery	16,000			16,000
Adjudicated to Distribute	<u>22,970</u>	<u>1,568,844</u>	<u>1,568,843</u>	<u>22,971</u>
	<u>\$ 2,828,743</u>	<u>2,918,338</u>	<u>3,255,151</u>	<u>2,491,930</u>
Reclass	\$	<u>1,568,844</u>	<u>1,568,844</u>	
Cash		<u>1,349,494</u>	<u>1,686,307</u>	
		<u>\$ 2,918,338</u>	<u>3,255,151</u>	

COUNTY OF PASSAIC

Schedule of Reserve for Workmen's Compensation

Year Ended December 31, 2014

Balance - December 31, 2013		\$	7,742
Increased by:			
Miscellaneous Contributions and Reimbursements	\$	310,325	
Budget Appropriations		<u>2,954,000</u>	
			<u>3,264,325</u>
			3,272,067
Decreased by:			
Payment of Claims			<u>3,261,232</u>
Balance - December 31, 2014		\$	<u><u>10,835</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Health Benefit Funds

Year Ended December 31, 2014

Balance - December 31, 2013	\$ 187,467
Increased by:	
Interest Income	<u>146</u>
Balance - December 31, 2014	<u>\$ 187,613</u>

Schedule of Reserve for Liability Insurance

Year Ended December 31, 2014

Balance - December 31, 2013	\$ 11,597
Increased by:	
Miscellaneous Contributions and Reimbursements	\$ 14,583
Budget Appropriations	<u>7,985,739</u>
	<u>8,000,322</u>
	8,011,919
Decreased by:	
Interfunds	7,916,049
Claims Paid	<u>86,469</u>
	<u>8,002,518</u>
Balance - December 31, 2014	<u>\$ 9,401</u>

**COUNTY OF PASSAIC**  
**Reserve for Housing Voucher Program**  
**Year Ended December 31, 2014**

Balance - December 31, 2013		\$ 6,350,404
Increased by:		
Grant Revenues	\$ 9,027,914	
Other Income	171,005	
Interest Income	<u>9,710</u>	
		<u>9,208,629</u>
		15,559,033
Decreased by:		
Interfunds	297,216	
Expenditures	<u>9,352,334</u>	
		<u>9,649,550</u>
Balance - December 31, 2014		<u><u>\$ 5,909,483</u></u>

## COUNTY OF PASSAIC

## Schedule of Interfunds

## Trust Funds

Year Ended December 31, 2014

	Balance December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2014</u>
Other Trust Fund				
Homelessness Trust		120,476	120,476	
Off-Duty Emp.	(406)	582,457	582,069	(18)
Open Space Trust	154,852	18,990,934	18,990,945	154,841
Register of Deeds	(9)	69,494	69,604	(119)
Other Trust	432,404	585,850	587,653	430,601
Dedicated Trust	(2)			(2)
PCSD Local	(82,906)	100,000	38,201	(21,107)
PCSD Treasury	(4,986)	44,472	39,486	
PCSD Justice		21,821	21,821	
PCSD Municipal	(22)	33,627	33,630	(25)
PCPO Local	(23,937)	86,071	62,134	
PCPO Treasury	11,368	57,026	68,394	
PCPO Justice	(42,365)	79,149	36,784	
Para Transit		5,871	5,871	
Confiscated Trust Fund				
Due from (to) Current Fund	(226)	38,681	40,772	(2,317)
Self Insurance Trust Fund:				
Due from (to) Current Fund		9,106,490	9,106,490	
Community Development Grant Fund:				
Due from (to) Current Fund	(10,399)	387,972	377,573	
	<u>\$ 433,366</u>	<u>30,310,391</u>	<u>30,181,903</u>	<u>561,854</u>
Cash Receipts		\$	16,955,999	
Reimbursement for Expenses Paid		128,290	13,225,381	
Transfer from Appropriation Reserves		41,934		
Transfer from Budget		219,075		
Deposits in Error		1,779	523	
Cash Disbursements		<u>29,919,313</u>		
		<u>\$ 30,310,391</u>	<u>30,181,903</u>	

COUNTY OF PASSAIC

Schedule of Cash

General Capital Fund

Year Ended December 31, 2014

Balance - December 31, 2013		\$ 41,910,990
Increased by Receipts:		
Bonds Payable	\$ 5,750,000	
Open Space Trust Proceeds	5,600,000	
Reserve for Payment of Bonds and Notes	33,167	
Grants Receivable	3,590,142	
Schedule of Interfunds	43,441,024	
Reserve for Interest for DOT Projects	247	
Reserve for Interest for Fire Academy	324	
Interest Earnings	11,032	
Fund Balance	434,154	
		<u>58,860,090</u>
		100,771,080
Decreased by Disbursements:		
Improvement Authorizations	21,137,736	
Commitments Payable	24,001,634	
Schedule of Interfunds	13,000,000	
Fund Balance	217,077	
		<u>58,356,447</u>
Balance - December 31, 2014		\$ <u><u>42,414,633</u></u>



COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2014

Fund Balance	\$ 4,027,727
Grants Receivable	(74,347,561)
Due from/to Current Fund	88,010
Committments payable	42,507,297
Capital Improvement Fund	16,596
Reserve for Final Payments and Litigation	160,258
Reserve for Payment of Bonds and Notes	13,741,012
Reserve for Salt Shed - West Milford	296,619
Reserve for Interest for Fire Academy	1,101,710
Reserve for Administration Building Settlement	9,786
Reserve for Interest for DOT Projects	12,786
Reserve for Grants Receivable	24,722,037

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)
98-23	Wagaraw Road Bridge PC #103	(75,000)
98-35	Belmont & Barbour Street Intersection	(7,058)
98-36	Kingsland Avenue Bridge PC #81	306,872

**COUNTY OF PASSAIC**

**Analysis of Cash**

**General Capital Fund**

**Year Ended December 31, 2014**

98-38	Reconstruction of Apshawa Dam	
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	(1,067)
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)
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	(900)
01-37	Supplemental - Structure Deficient Bridges	25,162
02-41	Refunding ordinance - Payment of Pension Obligation	(107)
03-06	Supplemental - Road Improvements	(266)
03-20	Supplemental - Various Drainage Improvements	14,282
03-27	Supplemental - Acquisition of Hospital Equipment	16,510
04-01	Improvements to Paterson Hamburg	7,751
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	(98)
04-05	Acquisition of Property for a Salt Dome	(33,521)
04-09	Acq of Equipment for Passaic County Comm. College	(881)
04-11	Imp. To Greenwood Lake Tpke/West Milford	556
04-12	Imp & Renovations to 435 Hamburg Turnpike	(168,124)
04-19	Various Bridge Repair & Replacement Project	60
04-21	Various Road Improvement Projects	73,124
04-23	Intersection Improvements	(132,886)
04-24	Miscellaneous Buildings & Grounds Improvements	80,950
04-29	Acquisition of & Renovation to County Building	280,243
05-06	Improvements to the PC Tech Institute	(308)
05-07	Parks & Recreation General Improvements	77,053
05-09	Acquisition of Equipment- Preakness Healthcare Center	19,130
05-11	Various Repairs & Improvements	139,748
06-05	Private Fiber Optic Network	2,727
06-06	Bridge Replacements and/or Repairs	(126,131)
06-07	Various Capital Improvments	469,431
06-08	Parks & Recreation General Improvements	70,069

**COUNTY OF PASSAIC**

**Analysis of Cash**

**General Capital Fund**

**Year Ended December 31, 2014**

06-11	Improvements to the Vocational School	(549)
06-12	Improvements to the Community College	(761)
06-10/06-14	Various Repairs & Improvements	76,108
06-16	Reconstruction and Rehabilitations of Various Bridges	48,599
07-06	Various Capital Improvments	(123,102)
07-07	Stabilization Improvements to Groffle Brook	6,933
07-08	2007 Road Improvement Projects	616,884
07-09	General Parks and Recreation Program Imp	604,039
07-11	Intersection Improvement Projects	(22,436)
07-12	Acquisition of Various Equipment	(685,558)
07-13	Various Capital Improvments	355,201
07-15	Various Imp for the Vocational Technical School	(308)
08-01	Various Building and Grounds Improvements	(2,410,000)
08-02	Various Roadway Imp & Acq. of Equipment	(1,694,156)
08-03	Various Capital Improvements	2,556,452
08-05	Lambert Castle Restoration	1,850,000
09-01	2009 Road Resurfacing	(18,270)
09-05	Bridge, Road, & Traffic Safety	2,752,995
09-06	Building & Grounds Improvements	3,117,438
09-07	Acquisition of Equipment	133,776
09-08	Various Capital Improvements - PCCC	(2,278,988)
09-09	Various Capital Improvements - PCTI	(283,237)
09-10	Various Capital Improvements - PCCC	777,309
10-03	Dey Mansion Renovations	441,430
10-04	County Park Improvements	537,238
10-06	Various Capital Improvements	771,943
10-07	Refunding Bonds - GI 2003, 32mil	(1,041,865)
10-08	Various Capital Improvement Funds	5,671,521
11-03	Various Capital Improvements	1,848,805
11-04	Various Capital Improvements	(383,161)
12-03	Improvements to Passaic Community College Facilities	6,170,743
12-04	Improvement of Passaic County Community College	(2,338,508)
12-05	Improvement of the Passaic County Technical School	
12-06	Various Capital Improvements	(971,125)
12-07	Various Capital Improvements	(1,897,993)
13-05	Various Bridge/Drain/Road Impvts.	(797,311)

COUNTY OF PASSAIC

Analysis of Cash

General Capital Fund

Year Ended December 31, 2014

13-06	Improvement of Passaic County Community College	(636,374)
13-07	Various Capital Improvements	(1,037,658)
13-08	Improvement of the Passaic County Vocational School District	(68,193)
13-09	Improvement of Passaic County Community College	1,454,434
13-10	Various Capital Improvements	(2,447,744)
14-01	Various Capital Improvements	
14-02	Improvement of Passaic County Community College	(600)
14-03	Improvement of Passaic County Community College	4,210,507
14-04	Improvement of the Passaic County Vocational School District	(600)
14-06	Self Insurance Funding	(2,597,505)
14-07	Improvement of the Passaic County Vocational School District	5,886,877
14-08	Various Capital Improvements	13,984,917
14-10	Police Radio Communications System	(1,178,901)
		<u>\$ 42,414,633</u>

COUNTY OF PASSAIC  
 Schedule of Receivables  
 General Capital Fund

Year Ended December 31, 2014

Grantor	Project	Ord. No.	Acct. No.	Balance Dec. 31, 2013	Awarded in 2014	Decreased	Balance Dec. 31, 2014
<b>Federal Grants:</b>							
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
Federal Highway Administration	Main Street Drainage	13-05	04-117-03-000-097	200,000			200,000
Federal Highway Administration	Future Bridge Needs	14-08	04-117-03-000-103		1,000,000		1,000,000
Federal Highway Administration	Future Bridge Needs	14-08	04-117-03-000-104		1,000,000		1,000,000
Federal Highway Administration	Various Road Improvements	14-08	04-117-03-000-106		2,200,000		2,200,000
				820,491	4,200,000		5,020,491
<b>State Grants:</b>							
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	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	Goffle Brook Stabilization	02-13	04-117-03-000-035	234,819		13,090	221,729
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	Goffle/Weasel Brook Park	03-25	04-117-03-000-039	170,000		170,000	
N.J. Department of Transportation	Clove Road/Long Hill Road & Hazel St.	05-11	04-117-03-000-047	266,477		45,911	220,566
State of New Jersey	Imp to Guide Rails and Reflective Marking Tape	05-11	04-117-03-000-048	5,000			5,000
EFA Const. & Financing Grant	Vocational School Long Range Facilities Plan Projects	05-12	04-117-03-000-050	37,530			37,530
N.J. Department of Transportation	Bridge Replacement and/or Repairs	06-06	04-117-03-000-051	531,792			531,792
State of New Jersey	2006 Various Road Improvements	06-07	04-117-03-000-052	224,500			224,500
N.J. Department of Environment Prot.	Barbour Pond Improvements & Lambert Castle Tower Cons.	07-09	04-117-03-000-063	193,161			193,161
County Aid	Union Valley Road, PC #434	08-03	04-117-03-000-064	33,561			33,561
County Aid	President Street, PC #53	08-03	04-117-03-000-064	187,050			187,050
N.J. Transportation Planning Authority	Two Bridges Road Bridge	08-03	04-117-03-000-066	112,283			112,283
N.J. Department of Transportation	Hazel Street Construction, CR 702	08-03	04-117-03-000-068	134,504		5,400	129,104
N.J. Department of Transportation	Black Oak Ridge Road/Pompton Planes Cross Road	08-03	04-117-03-000-068	900,000		108,703	791,297
N.J. Department of Transportation	Bridge Replacement and/or Repairs	09-05	04-117-03-000-071	213,802			213,802
N.J. Department of Transportation	County Road Improvement Project	09-05	04-117-03-000-071	4,713,945			4,713,945
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		779,998	470,002
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		60,649	236,498
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		30,172	569,828



**COUNTY OF PASSAIC**  
**Schedule of Deferred Charges to Future**  
**Taxation - Funded**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Balance - December 31, 2013		\$ 340,087,728
Increased by:		
Serial Bonds Issued		<u>35,370,000</u>
		375,457,728
Decreased by:		
2014 Budget Appropriations to Pay Bonds	\$ 35,069,000	
2014 Budget Appropriations to Pay Loans	380,615	
2014 Budget Appropriations to Pay Capital Leases	<u>2,545,000</u>	
		<u>37,994,615</u>
Balance - December 31, 2014		<u>\$ 337,463,114</u>

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Analysis of Balance - Dec. 31, 2014			
		Balance Dec. 31, 2013	2014 Authorizations	Reduced	Balance Dec. 31, 2014
		Financed by			Unexpended
		Bond			Improvement
		Anticipation			Authorization
		Notes	Expenditures		
87-25	General Improvements:				
	Acquisition of a Right-of-Way, Phase II & III	\$ 337,629			337,629
	Construction of New Street	87,868			87,868
87-43/88-11	Replacement of Old Turnpike Road Bridge	101,608			101,608
91-30	East Main Street Bridge	63,538			63,538
95-04	Road Intersection Program	1,500			1,500
95-07	Reconstruction Lafayette Ave. - Supplemental	81,782			81,782
96-06	Road Improvements Passaic Avenue	5,937			5,937
96-15	Hazel Street Scoping/Construction	37,000			37,000
96-21	Preakness Brook PC #348	8,240			8,240
96-22	Reconstruction of Valley Road	222,000			222,000
96-24	Expansion PCCC	58,685			58,685
97-01	Main St. & Arch St. Bridges - PC #15 & 16	2,040			2,040
97-05	Road Resurfacing Program - 1997	92,581			92,581
97-13	Church St. Bridge - PC #125	7,000			7,000
97-20	Police Academy Addition	344,538			344,538
97-26	Rehabilitate Bridges - PC #28 & #29	90,000			90,000
97-31	Design & Rehab. Magee Rd. Bridge - PC #404	75,000			75,000
98-23	Wagaraw Road Bridge PC #103	7,058			7,058
98-35	Belmont & Barbour Street Intersection	238,000			238,000
99-10	Various Drainage Improvement Projects	476,000			476,000
99-15	Intersection Imp. Totowa & French Hill Roads	265			265
00-08	Supplemental - Road Improvements	285,000	285,000		
00-11	Supplemental - Acquisition of office equipment	374,341	374,341		
00-12	Renovations of 80 Hamilton St. - Welfare Board	48,592	47,525		
00-14	Supplemental - Redeking of McBride Bridge	285,000	285,000		
00-18	Supplemental - Reconstruction Various Bridges	218,000	218,000		
00-19	Supplemental - Various Drainage Projects				
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinckman Ave	238,000		238,000	
00-25	Renovation of Youth Center	157,020	157,020		
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave Bridge PC #81.	36,000		36,000	
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpk intersection improvements.	238,000	150,000	88,000	36,000



COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Analysis of Balance - Dec. 31, 2014				Unexpended Improvement Authorization
		Balance Dec. 31, 2013	2014 Authorizations	Reduced	Balance Dec. 31, 2014	
						Financed by
						Bond
						Anticipation
						Notes
						Expenditures
00-44	Supplemental - Study and Improv. of Hazel St.	66,000		66,000		
01-02	Supplemental - Renovations to Courthouse Complex	285,000		285,000		
01-08	Goffle Brook Multi-use Path	85,728		85,728		
01-09	Reconstruction of Straight St/River St.	380,000		380,000		
01-11	Supplemental - 1992 Guide Rail Program	90,000		90,000		
01-13	Supplemental - Various Drainage Projects	142,000		142,000		
01-28	Supplemental - Improvements to Camp Hope	95,000		95,000		
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	81,000		80,100	900	
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 Apsawa 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		239,065	107	
03-06	Supplemental - Road Improvements	266		266		
03-08	Traffic Signal Reimbursements	57,443		57,443		
04-01	Improvements to Paterson Hamburg	3,286,050		3,286,050		
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98		98		
04-05	Acquisition of Property for a Salt Dome	190,000		5,000	185,000	151,479
04-09	Acq of Equipment for Passaic County Comm. College	881		881		881
04-12	Imp & Renovations to 435 Hamburg Turnpike	570,000		90,000	480,000	311,876

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Balance		Reduced	Balance Dec. 31, 2014	Analysis of Balance - Dec. 31, 2014		
		Dec. 31, 2013	2014 Authorizations			Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
04-23	Intersection Improvements	332,500		50,000	282,500		132,886	149,614
04-28	GIS Parcel Mapping in & by the County	41,313		41,313				
05-06	Improvements to the PC Tech Institute	308			308		308	
05-07	Parks & Recreation General Improvements	757,400		757,400				
06-05	Private Fiber Optic Network	827			827			827
06-06	Bridge Replacements and/or Repairs	869,887			869,887		126,131	743,756
06-07	Various Capital Improvements	359,500			359,500	359,500		
06-11	Improvements to the Vocational School	549			549		549	
06-12	Improvements to the Community College	761			761		761	
07-06	Various Capital Improvements	1,995,000		1,000,000	995,000		123,102	871,898
07-10	Implementation of Traffic Safety Program	142,500		142,500				
07-11	Intersection Improvement Projects	332,500			332,500		22,436	310,064
07-12	Acquisition of Various Equipment	1,446,850		500,000	946,850		685,558	261,292
07-14	Various Improvements for the County College	2,500,000		2,500,000				
07-15	Various Imp for the Vocational Technical School	979,308		979,000	308		308	
08-01	Various Building and Grounds Improvements	7,410,000		2,500,000	4,910,000	2,500,000	2,410,000	
08-02	Various Roadway Imp & Acq. of Equipment	5,771,250		5,114,103	5,771,250	4,000,000	1,694,156	77,094
08-03	Various Capital Improvements	6,442,244		1,000,000	1,328,141	750,000	1,694,156	578,141
09-01	2009 Road Resurfacing	2,918,270			1,918,270	1,900,000	18,270	
09-04	Various Park & Recreation Improvements	717,250			717,250			
09-05	Bridge, Road, & Traffic Safety	1,164,700			1,164,700	1,164,700		
09-06	Building & Grounds Improvements	7,030,000		2,500,000	4,530,000	4,500,000		30,000
09-07	Acquisition of Equipment	1,914,250		250	1,914,000	1,914,000		
09-08	Various Capital Improvements - PCCC	2,292,369		13,381	2,278,988		2,278,988	
09-09	Various Capital Improvements - PCTI	2,937,924			2,937,924	2,600,000	283,237	54,687
10-06	Various Capital Improvements	104,500			104,500			104,500
10-07	Refunding Bonds - GI 2003, 32mil	1,041,865			1,041,865		1,041,865	
10-08	Various Capital Improvement Funds	6,500,000		4,000,000	2,500,000	2,500,000		
11-03	Various Capital Improvements	6,177,500			6,177,500	3,096,500	383,161	3,081,000
11-04	Various Capital Improvements	7,096,500		559,887	7,096,500	6,060,000	2,338,508	713,339
12-04	Improvement of Passaic County Community College	2,898,395			2,338,508			
12-05	Improvement of the Passaic County Technical Institute	1,958,616			1,958,616			1,958,616
12-06	Various Capital Improvements	8,963,660		190,500	8,773,160	7,000,000	1,136,125	637,035
12-07	Various Capital Improvements	28,319,500		9,846,056	18,473,444	5,000,000	6,144,049	7,329,395
13-05	Various Bridge/Drain/Road Impvts.	6,550,000			6,550,000		797,311	5,752,689

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Balance		2014 Authorizations	Reduced	Balance Dec. 31, 2014	Analysis of Balance - Dec. 31, 2014		
		Dec. 31, 2013	Dec. 31, 2013				Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
13-06	Improvement of Passaic County Community College	4,368,110				4,368,110	2,500,000	636,374	1,231,736
13-07	Various Capital Improvements	2,990,000	318,000			2,672,000	415,000	1,037,658	1,634,342
13-08	Improvement of the Passaic County Vocational School District	951,308				951,308		68,193	468,115
13-09	Improvement of Passaic County Community College	1,500,000	1,500,000			5,094,325	1,500,000	2,447,744	1,146,581
13-10	Various Capital Improvements	5,199,325	105,000			285,000	285,000		
14-01	Various Capital Improvements			285,000		980,840		600	980,240
14-02	Improvement of Passaic County Community College			980,840					
14-03	Improvement of Passaic County Community College			4,250,000	4,250,000				
14-04	Improvement of the Passaic County Vocational School District			1,958,616		1,958,616		600	1,958,016
14-06	Self Insurance Funding			25,457,142		25,457,142		2,597,505	16,359,637
14-07	Improvement of the Passaic County Vocational School District			8,155,622		8,155,622			2,155,622
14-08	Various Capital Improvements			9,550,000		9,550,000			9,550,000
14-09	Police Radio Communications System			1,206,500		1,206,500		1,178,901	27,599
		\$ 148,022,789	\$ 46,258,802	\$ 51,843,720	\$ 46,258,802	\$ 153,607,707	\$ 64,488,000	\$ 30,454,517	\$ 58,665,190

Improvement Authorizations \$ 51,843,720

County College Bonds	5,750,000
General Serial Bonds	29,180,587
Cancelled by Resolution	1,203,056
Open Space Trust Proceeds	5,600,000
Grant Proceeds	4,525,159
	\$ 46,258,802

Excess Proceeds	(733,342)
Bond Anticipation Notes	64,488,000
	\$ 63,754,658

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2014

Improvement Authorizations Unfunded		\$ 72,134,103
Less: Unexpended Proceeds of Bond Anticipation Notes Issued		
<u>Ordinance No.</u>		
04-01	7,751	
06-07	359,500	
08-03	750,000	
09-05	1,164,700	
09-06	3,117,438	
09-07	133,776	
10-08	200,066	
11-03	1,848,805	
14-07	<u>5,886,877</u>	
		<u>13,468,913</u>
		\$ <u>58,665,190</u>

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2013		2014 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2014	
			Funded	Unfunded				Funded	Unfunded
	General Improvements:								
98-36	Kingsland Avenue Bridge PC #81	\$ 400,000	\$ 309,314				2,442	306,872	
98-38	Reconstruction of Apshawa Dam		34,220			34,220			
00-20	P&H Turnpike & Hinchman Ave	750,000							
00-40	Supplemental - Repairs/Rehab. to Kingsland Ave Bridge PC #81.	700,000	664,000	36,000				664,000	36,000
01-08	Goffle Brook Multi-use Path	700,000		24,259					
01-36	Supplemental - Various Road and Bridge Repairs Hurricane Floyd	250,000		11,470					
01-37	Supplemental - Structure Deficient Bridges						11,470		
02-23	Supplemental - Acquisition of Parks Equipment	200,000	166		2,146		(25,162)	25,162	
02-31	Supplemental - Renovation of Apshawa Dam	300,000		66,780	62,779		(1,980)		
02-38	Supplemental - Acquisition of Paratransit/Meals on Wheel Vehicles	300,000	2,705		2,705		4,001		
03-03	Supplemental - Golf Course Improvements	300,000	915		6,614		(5,699)		
03-17	Supplemental - Reconstruction of Various Bridges	500,000	14,669				14,669		
03-19	Supplemental - 1992 Guide Rail Program	200,000	9,194		1,725		7,469		
03-20	Supplemental - Various Drainage Improvements	250,000	25,533				11,251	14,282	
03-25	Imp to Goffle/Weasel Brook Park Recreation	800,000	339,861		331,682		8,179		
03-26	Supplemental - Rehab to Administration Building Plaza	645,454	3,286		3,286				
03-27	Supplemental - Acquisition of Hospital Equipment	1,400,000	51,512				35,002	16,510	
03-29	Supplemental - Goffle Brook Stabilization Project	200,000			13,090		(13,090)		
04-01	Improvements to Paterson Hamburg	8,750,000	1,805,507				1,797,756	7,751	151,479
04-05	Acquisition of Property for a Salt Dome	200,000	157,695				6,216		
04-11	Imp to Greenwood Lake Tpke/West Milford	2,100,000					(556)		
04-12	Imp & Renovations to 435 Hamburg Turnpike	600,000	1,346	552,790		90,000	150,914	60	311,876
04-19	Various Bridge Repair & Replacement Project	1,000,000	73,124				1,286	73,124	
04-21	Various Road Improvement Projects	650,000	749						
04-22	Traffic Safety Programs	150,000		162,217			749		149,614
04-23	Intersection Improvements	350,000					12,603		
04-24	Miscellaneous Buildings & Grounds Improvements	2,000,000	81,430				480	80,950	
04-29	Acquisition of & Renovation to County Building	6,000,000	320,246				40,003	280,243	
05-02	County Road Resurfacing	4,000,000							
05-07	Parks & Recreation General Improvements	2,903,400	117,501				40,448	77,053	
05-09	Acquisition of Equipment - Preakness Healthcare Center	1,000,000	4,180				(14,950)	19,130	
05-11	Various Repairs & Improvements	12,334,000	143,165				3,417	139,748	
05-14	Improvements to the Community College	18,000,000	1,311		1,311				
06-03	Road Improvements	3,800,000							
06-05	Private Fiber Optic Network	5,500,000	454				(3,100)	2,727	827
06-06	Bridge Replacements and/or Repairs	2,760,000	743,803				47	743,756	
06-07	Various Capital Improvements	5,375,000	359,500				40,116	109,931	359,500
06-08	Parks & Recreation General Improvements	3,750,000	77,621				7,552	70,069	

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2013		2014 Authorizations		Cancelled	Paid or Charged	Balance Dec. 31, 2014	
			Funded	Unfunded	Funded	Unfunded			Funded	Unfunded
06-10/06-14	Various Repairs & Improvements	5,500,000	27,224							
06-16	Reconstruction and Rehabilitations of Various Bridges	6,652,000	58,371					(48,884)	76,108	
07-03	2007 Road Resurfacing Program	3,150,000					14,720	9,772	48,599	
07-06	Various Capital Improvements	2,500,000		1,021,898				(14,720)		871,898
07-07	Stabilization Improvements to Groffle Brook	200,000	6,933					150,000	6,933	
07-08	2007 Road Improvement Projects	3,773,000	847,337					230,453	616,884	
07-09	General Parks and Recreation Program Imp	750,000	604,039						604,039	
07-10	Implementation of Traffic Safety Program	150,000		27,699						
07-11	Intersection Improvement Projects	1,350,000	1,005,869					27,699		
07-12	Acquisition of Various Equipment	1,523,000		332,500				1,028,305		310,064
07-13	Various Capital Improvements	4,300,000	494,511	752,861				491,569		261,292
08-01	Various Building and Grounds Improvements	7,800,000		2,329				139,310		
08-02	Various Roadway Imp & Acq. of Equipment	6,075,000		1,678,109				2,329		
08-03	Various Capital Improvements	10,800,000		3,098,843				1,601,015		77,094
08-05	Lambert Castle Restoration	1,850,000	1,850,000					(35,751)	1,806,453	1,328,141
09-04	Various Park & Recreation Improvements	755,000							1,850,000	
09-05	Bridge, Road, & Traffic Safety	12,150,000	1,870,644	1,164,701				282,350	1,588,295	1,164,700
09-06	Building & Grounds Improvements	7,400,000		3,180,955				33,517		3,147,438
09-07	Acquisition of Equipment	2,015,000		387,510		1,584		252,150		133,776
09-08	Various Capital Improvements - PCCC	2,292,369		13,381						
09-09	Various Capital Improvements - PCTI	2,937,924		294,596				239,909		54,687
09-10	Various Capital Improvements - PCCC	2,353,000						479,538	777,309	
10-03	Dey Mansion Renovations	1,858,950						1,325,312	441,430	
10-04	County Park Improvements	3,000,000						624,067	537,238	
10-06	Various Capital Improvements	4,730,000		104,500				261,321	771,943	104,500
10-08	Various Capital Improvement Funds	16,304,250	1,033,264	4,932,074				112,512	5,471,455	200,066
11-03	Various Capital Improvements	27,920,000	1,583,967	5,529,235			732,008	599,430		4,929,805
11-04	Various Capital Improvements	11,470,000		878,272				164,933		713,339
12-03	Improvements to Passaic Community College Facilities	8,500,000	8,032,054					1,861,311	6,170,743	
12-04	Improvement of Passaic County Community College	2,898,395		2,898,395				2,338,508		1,958,616
12-05	Improvement of the Passaic County Technical Institute	1,958,616		1,958,616				3,553,919	165,000	637,035
12-06	Various Capital Improvements	12,428,000		4,381,454			25,500	1,914,134	4,246,056	7,329,395
12-07	Various Capital Improvements	28,853,000		13,489,585				498,073		5,752,689
13-05	Various Bridge/Drain/Road Impvts.	6,700,000		6,250,762				635,327		1,231,736
13-06	Improvement of Passaic County Community College	4,368,110		1,867,063				901,031		1,634,342
13-07	Various Capital Improvements	3,100,000		2,853,373			318,000	482,593		468,115
13-08	Improvement of the Passaic County Voc School District	951,308		950,708				16,929	1,454,434	
13-09	Improvement of Passaic County Community College	1,500,000		1,471,363						1,146,581
13-10	Various Capital Improvements	8,500,000		2,829,319			105,000	1,577,738		
13-12	Amend Ord. 13-05 W Brook Rd Bridge/Wanaque Reservoir	2,470,868								
14-01	Various Capital Improvements	300,000						300,000		980,240
14-02	Improvement of Passaic County Community College	980,840						600		

COUNTY OF PASSAIC

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2014

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2013		2014 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2014	
			Funded	Unfunded				Funded	Unfunded
14-03	Improvement of Passaic County Community College	4,250,000			4,250,000		39,493	4,210,507	1,958,016
14-04	Improvement of the Passaic County Technical Institute	1,958,616			1,958,616		600		16,359,637
14-06	Insurance Refunding	26,730,000			26,730,000		10,370,363		8,042,499
14-07	Improvement of the Passaic County Technical Institute	8,155,622			8,155,622		113,123		9,550,000
14-08	Various Capital Improvements	29,461,708			29,461,708		5,926,791	13,984,917	27,599
14-10	Police Radio Communication System	1,270,000			1,270,000		1,242,401		
			\$ 23,907,701	66,388,077	73,106,786	2,343,897	41,860,603	47,063,961	72,134,103

Capital Improvement Fund	\$ 1,851,358
Grants Receivable	19,411,708
Def. Charges to Future Taxation	51,843,720
	\$ 73,106,786

Cash	\$ 21,137,736
Interfunds	9,457,083
Encumbrances	11,265,784
	\$ 41,860,603

**COUNTY OF PASSAIC**  
**Schedule of Commitments Payable**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Balance - December 31, 2013	\$	55,243,147
Increased by:		
Charges to Improvement Authorizations		<u>11,265,784</u>
		66,508,931
Decreased by:		
Payments		<u>24,001,634</u>
Balance - December 31, 2014	\$	<u><u>42,507,297</u></u>



**COUNTY OF PASSAIC**  
**Schedule of Green Acres Loan Payable**  
**General Capital Fund**  
**Year Ended December 31, 2014**

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

**Schedule of Amount Due to the Township of Wayne**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Balance - December 31, 2013		\$ <u>1,100</u>
Decreased by:		
Cancelled to Fund Balance		\$ <u><u>1,100</u></u>

**COUNTY OF PASSAIC**  
**Schedule of Capital Improvement Fund**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Balance - December 31, 2013	\$	367,954
Increased by:		
2014 Budget Appropriations		1,500,000
		1,867,954
Decreased by:		
Appropriated to Finance Improvement Authorizations		1,851,358
Balance - December 31, 2014	\$	16,596

**Schedule of Reserve for Final Payments and Litigation**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Balance - December 31, 2013	\$	160,258
Balance - December 31, 2014	\$	160,258

## COUNTY OF PASSAIC

## Schedule of Reserve for Payment of Bonds and Notes

## General Capital Fund

Year Ended December 31, 2014

	<u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2014</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		697,590	1,102,410
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	280,074		280,074	
Goffle Brook Multi Use Park	01-08		38,531	38,531	
Suppl - Reconstruct of Greenwood Lake Turnpike	02-17		57,826	57,826	
Suppl - Renovation of Apsawa Drive	02-31		205,174	205,174	
Renovations of 80 Hamilton St. - Welfare Board	00-12		5,659	5,659	
Renovation of Youth Center	00-25		80,980	80,980	
Traffic Signal Reimbursements	03-08		42,557	42,557	
GIS Parcel Mapping in & by the County	04-28		8,687	8,687	
Unallocated Bonds			33,167	33,167	
		<u>2,729,109</u>	<u>472,581</u>	<u>1,500,000</u>	<u>1,701,690</u>
Total Reserve for Payment of Bonds					
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		48,150			48,150
ARRA 2009 Road Resurfacing	09-01	4,613,251			4,613,251
2009 Road Resurfacing	09-01	26,440			26,440
Various Building & Grounds Imp	09-06	91,252			91,252
Acquisition of Equipment	09-07		1,334		1,334
Various Capital Improvements	10-08		732,009		732,009
Various Capital Improvements	12-06		52,664		52,664
		<u>11,253,315</u>	<u>786,007</u>		<u>12,039,322</u>
Total Reserve for Payment of Bond Anticipation Notes					
Total Reserve for Payment of Bonds and Notes		<u>\$ 13,982,424</u>	<u>1,258,588</u>	<u>1,500,000</u>	<u>13,741,012</u>
			Cash \$ 33,167		
			Deferred Charges - Unfunded 733,343		
			Interfunds 52,664	1,500,000	
			Excess Proceeds from Bond Issuance 439,414		
			<u>\$ 1,258,588</u>	<u>1,500,000</u>	

COUNTY OF PASSAIC

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2014

	Balance, December 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2014</u>
Current Fund	\$ 2,186	122,313,711	122,403,907	(88,010)
	<u>2,186</u>	<u>122,313,711</u>	<u>122,403,907</u>	<u>(88,010)</u>
Due from	2,186	109,942,107	109,944,293	
Due (to)		<u>12,371,604</u>	<u>12,459,614</u>	<u>(88,010)</u>
	<u>\$ 2,186</u>	<u>122,313,711</u>	<u>122,403,907</u>	<u>(88,010)</u>

Receipts	\$	43,441,024
Reimbursement for Expenditure Paid	223,278	7,341,851
Reserve for Payment of Notes	52,664	
Bond Anticipation Notes	64,488,000	68,110,000
Bonds Issued	29,620,000	
Premium on Bonds/Note Sale	1,187,952	
Grants Receivable	11,757,395	
Grants Cancelled	484,422	
Budgeted Revenue		3,500,000
Capital Improvement Fund	1,500,000	
Interest on Investments		11,032
Disbursements	<u>13,000,000</u>	
	<u>\$ 122,313,711</u>	<u>122,403,907</u>

**Exhibit C-15**

**COUNTY OF PASSAIC**

**Schedule of Reserve for Salt Shed - West Milford**

**General Capital Fund**

**Year Ended December 31, 2014**

Balance - December 31, 2013	\$ <u>296,619</u>
Balance - December 31, 2014	\$ <u><u>296,619</u></u>

**Exhibit C-16**

**Schedule of Reserve for EFA State Loan Payments**

**General Capital Fund**

**Year Ended December 31, 2014**

Balance - December 31, 2013	\$ <u>500,000</u>
Decreased by: Cancelled Against Receivable	\$ <u><u>500,000</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Interest - Fire Academy

General Capital Fund

Year Ended December 31, 2014

Balance - December 31, 2013	\$ 1,101,386
Increased by:	
Cash Receipts	<u>324</u>
Balance - December 31, 2014	<u>\$ 1,101,710</u>

**COUNTY OF PASSAIC**

**Schedule of Reserve for Administration  
Building Settlement**

**General Capital Fund**

**Year Ended December 31, 2014**

Balance - December 31, 2013	\$ <u>9,786</u>
Balance - December 31, 2014	\$ <u><u>9,786</u></u>

**Schedule of Reserve for Interest - DOT Programs**

**General Capital Fund**

**Year Ended December 31, 2014**

Balance - December 31, 2013	\$ 12,539
Increased by:	
Cash Receipts	<u>247</u>
Balance - December 31, 2014	\$ <u><u>12,786</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Grants Receivable

General Capital Fund

Year Ended December 31, 2014

Balance - December 31, 2013	\$ 29,247,196
Decreased by:	
Cash Receipts	<u>4,525,159</u>
Balance - December 31, 2014	<u>\$ 24,722,037</u>
 <u>Analysis of Balance:</u>	
Ordinance 08-03	\$ 1,555,908
Ordinance 12-06	6,757,000
Ordinance 12-07	11,134,004
Ordinance 13-05	3,300,000
Ordinance 13-07	900,000
Ordinance 13-10	<u>1,075,125</u>
	<u>24,722,037</u>



**COUNTY OF PASSAIC**  
**Schedule of Reserve for Bonding Payments**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Balance - December 31, 2013	\$ <u>14,189</u>
Decreased by:	
Cancelled to Fund Balance	\$ <u><u>14,189</u></u>

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2014		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series B	09/01/98	30,700,000	2015	1,700,000	6.770% \$	14,200,000		1,600,000	12,600,000
			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%				
General Improvement Bonds	09/15/01	14,965,000	2015	1,665,000	4.200%	3,265,000		1,600,000	1,665,000
General Improvement Bonds	09/15/02	9,485,000				1,435,000		1,435,000	
County College Bonds	09/15/02	1,033,000				98,000		98,000	
Vocational School Bonds	09/15/02	2,515,000				365,000		365,000	
Pension Refunding Bonds, Series 2003	02/15/03	6,560,000	2015	680,000	5.000%	3,095,000		590,000	2,505,000
			2016	780,000	5.000%				
			2017	880,000	5.000%				
			2018	25,000	5.750%				
			2019	35,000	5.750%				
			2020	45,000	5.750%				
		2021	60,000	5.750%					
County College Bonds	08/15/03	2,010,000	2015	170,000	4.200%	340,000		170,000	170,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
General Obligation Refunding Bonds	09/01/03	21,855,000	2015	1,955,000	5.200%	5,855,000		1,985,000	3,870,000
			2016	1,915,000	5.200%				
General Obligation Bonds	03/15/04	19,495,000	2015	3,400,000	3.500%	8,945,000		1,800,000	7,145,000
			2016	3,745,000	3.500%				
General Obligation Refunding Bonds	05/01/04	12,220,000	2015	1,190,000	3.250%	4,660,000		1,205,000	3,455,000
			2016	1,170,000	3.250%				
			2017	1,095,000	3.375%				
General Obligation Refunding Bonds (A)	09/01/04	41,870,000				2,965,000		2,965,000	
County College Bonds (A)	10/15/04	4,788,000	2015	450,000	3.600%	1,823,000		420,000	1,403,000
			2016	465,000	3.600%				
			2017	488,000	3.600%				
County College Bonds (B)	10/15/04	4,784,000			566,000		566,000		
General Obligation Bonds	06/01/06	20,000,000	2015	1,000,000	4.375%	2,300,000		200,000	2,100,000
			2016	1,100,000	4.375%				
County College Bonds (A)	11/15/06	3,050,000	2015	280,000	3.750%	1,440,000		270,000	1,170,000
			2016	290,000	3.875%				
			2017-18	300,000	4.000%				
County College Bonds (B)	11/15/06	3,050,000	2015	280,000	3.750%	1,440,000		270,000	1,170,000
			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, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
County College Bonds (A)	11/01/07	5,950,000	2015	545,000	3.750%	3,475,000		525,000	2,950,000
			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	2015	545,000	3.750%	3,475,000		525,000	2,950,000
			2016	570,000	3.750%				
			2017	595,000	3.750%				
			2018	615,000	4.000%				
			2019	625,000	4.000%				
General Obligation Bonds	05/01/08	48,625,000	2015	2,075,000	4.000%	48,275,000		2,000,000	46,275,000
			2016	2,100,000	5.000%				
			2017	2,900,000	5.000%				
			2018	3,000,000	5.000%				
			2019	3,100,000	5.000%				
			2020	3,200,000	4.000%				
			2021	3,300,000	4.125%				
			2022	3,400,000	4.250%				
			2023	3,500,000	4.250%				
			2024	3,700,000	4.250%				
			2025	3,800,000	4.250%				
			2026	3,900,000	4.250%				
			2027	4,075,000	4.500%				
2028	4,225,000	4.500%							
Vocational School Bonds	05/01/08	2,938,000	2015	285,000	4.000%	2,013,000		260,000	1,753,000
			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, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2014		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
County College Bonds	05/01/08	8,077,000	2015	685,000	4.000%	5,132,000		660,000	4,472,000
			2016	700,000	5.000%				
			2017	710,000	5.000%				
			2018	770,000	5.000%				
			2019	795,000	5.000%				
			2020	812,000	4.000%				
General Improvement Refunding Bonds	09/15/09	8,540,000	2015	1,550,000	5.000%	3,065,000		1,515,000	1,550,000
College Refunding Bonds	09/15/09	2,190,000	2015	390,000	5.000%	770,000		380,000	390,000
College Refunding Bonds	09/15/09	2,160,000	2015	350,000	5.000%	710,000		360,000	350,000
General Obligation Bonds	04/01/10	19,671,000	2015	750,000	2.500%	18,796,000		350,000	18,446,000
			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	2015	110,000	2.250%	685,000		100,000	585,000
			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, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
General Obligation Bonds	04/01/12	23,155,000	2015	1,200,000	2.000%	22,130,000		1,025,000	21,105,000
			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%							
General Obligation Bonds - Taxable Bonds	04/01/12	13,570,000	2015	1,100,000	2.000%	12,670,000		1,000,000	11,670,000
			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%	3,885,000		375,000	3,510,000
			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, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2014		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
College Bond - Series 2012B	06/01/12	4,250,000	2015	390,000	2.000%	3,885,000		375,000	3,510,000
			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%					
General Obligation Refunding Bonds	08/15/12	10,200,000	2015	2,735,000	3.000%	10,055,000		1,535,000	8,520,000
			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	2015	120,000	3.000%	325,000		205,000	120,000
General Obligation Refunding Bonds	05/15/13	17,650,000	2017	1,265,000	3.000%	17,480,000			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%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
College Bond - Series 2014A	06/15/14	2,875,000	2015	175,000	2.000%	2,875,000	2,875,000		2,875,000
			2016	180,000	3.000%				
			2017	185,000	4.000%				
			2018	190,000	5.000%				
			2019	195,000	5.000%				
			2020	200,000	5.000%				
			2021	205,000	5.000%				
			2022	210,000	5.000%				
			2023	215,000	5.000%				
			2024	220,000	4.000%				
			2025	225,000	3.000%				
			2026	230,000	3.000%				
			2027	235,000	3.000%				
2028	210,000	3.000%							
College Bond - Series 2012B	06/15/14	2,875,000	2015	175,000	2.000%	2,875,000	2,875,000		2,875,000
			2016	180,000	3.000%				
			2017	185,000	4.000%				
			2018	190,000	5.000%				
			2019	195,000	5.000%				
			2020	200,000	5.000%				
			2021	205,000	5.000%				
			2022	210,000	5.000%				
			2023	215,000	5.000%				
			2024	220,000	4.000%				
			2025	225,000	3.000%				
			2026	230,000	3.000%				
			2027	235,000	3.000%				
2028	210,000	3.000%							



COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2014		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
County College Bonds	08/01/10	1,176,000	2015	100,000	2.000%	921,000		95,000	826,000
			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%				
General Obligation Refunding Bonds	05/01/11	26,415,000	2015	4,355,000	4.000%	19,240,000		4,115,000	15,125,000
			2016	4,325,000	4.000%				
			2017	475,000	4.250%				
			2018	4,480,000	5.000%				
			2019	755,000	4.750%				
College Refunding Bonds	05/01/11	610,000	2015	180,000	4.000%	355,000		175,000	180,000
Vocational Education Refunding Bonds	05/01/11	300,000	2015	90,000	4.000%	175,000		85,000	90,000
General Obligation Refunding Bonds	02/01/12	11,695,000	2015	1,790,000	3.000%	11,695,000		1,705,000	9,990,000
			2016	1,875,000	4.000%				
			2017	1,975,000	4.000%				
			2018	2,125,000	4.000%				
		2019	2,225,000	4.000%					

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
County College Bonds	04/01/10	2,130,000	2015	190,000	2.250%	1,650,000		180,000	1,470,000
			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%				
General Refunding Bonds	06/17/10	10,045,000	2015	1,685,000	3.000%	5,040,000		1,690,000	3,350,000
			2016	1,665,000	3.000%				
Recovery Zone Economic Development Bonds	07/28/10	4,389,000	2015	207,000	3.600%	3,814,000		200,000	3,614,000
			2016	214,000	4.350%				
			2017	223,000	4.450%				
			2018	233,000	4.910%				
			2019	244,000	5.010%				
			2020	257,000	5.110%				
			2021	270,000	5.610%				
			2022	285,000	5.610%				
			2023	300,000	5.610%				
			2024	317,000	5.610%				
			2025	336,000	5.610%				
2026	354,000	6.540%							
2027	374,000	6.540%							
County College Bonds	08/01/10	1,177,000	2015	100,000	2.000%	922,000		95,000	827,000
			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, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
General Improvement Bonds, Series 2014A	12/04/14	22,201,000	2015	965,000	2.000%		22,201,000		22,201,000
			2016	965,000	2.000%				
			2017	965,000	3.000%				
			2018	965,000	3.000%				
			2019	965,000	2.000%				
			2020	1,590,000	4.000%				
			2021	1,625,000	4.000%				
			2022	1,645,000	2.000%				
			2023	1,670,000	2.250%				
			2024	1,695,000	2.250%				
			2025	1,720,000	2.500%				
			2026	1,770,000	3.000%				
			2027	1,820,000	3.000%				
2028	1,920,000	3.000%							
2029	1,921,000	3.000%							
<b>County Vocational School Bonds, Series 2014</b>									
		12/04/14	979,000				979,000		979,000
		2015	40,000	2.000%					
		2016	40,000	2.000%					
		2017	40,000	3.000%					
		2018	40,000	3.000%					
		2019	40,000	2.000%					
		2020	65,000	4.000%					
		2021	75,000	4.000%					
		2022	80,000	2.000%					
		2023	80,000	2.250%					
		2024	80,000	2.250%					
		2025	80,000	2.250%					
		2026	80,000	2.500%					
		2027	80,000	3.000%					
		2028	80,000	3.000%					
		2029	79,000	3.000%					

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
			Year	Amount					
County College Bonds, Series 2014A	12/04/14	2,500,000	2015	325,000	2.000%		2,500,000		2,500,000
			2016	350,000	2.000%				
			2017	575,000	3.000%				
			2018	600,000	3.000%				
			2019	650,000	2.000%				
General Obligation Bonds, Series 2014B	12/04/14	3,940,000	2015	275,000	2.500%		3,940,000		3,940,000
			2016	300,000	2.500%				
			2017	325,000	2.500%				
			2018	350,000	2.500%				
			2019	375,000	2.500%				
			2020	410,000	2.500%				
			2021	430,000	2.500%				
			2022	460,000	2.700%				
			2023	500,000	2.870%				
			2024	515,000	3.000%				
						\$ 254,095,000	35,370,000	35,069,000	254,396,000

COUNTY OF PASSAIC

Schedule of State Educational Facilities Authority Loans Payable

General Capital Fund

Year Ended December 31, 2014

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

COUNTY OF PASSAIC

Schedule of New Jersey Green Trust Loans Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding		Interest Rate	Balance December 31, 2013	Decreased	Balance December 31, 2014
			Date	Amount				
Lambert Castle Grounds Project	02/28/08	\$ 564,657	02/28/15	21,550	2.000%	364,574	42,461	322,113
			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%				
						\$ 364,574	42,461	322,113

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding Dec. 31, 2014		Interest Rate	Balance December 31, 2013	Decreased	Balance December 31, 2014							
			Date	Amount											
Preakness Healthcare Center Expansion	05/01/05	\$ 65,000,000	03/15/15	1,595,000	5.000%	3,110,000	1,515,000	1,595,000							
			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											
			Prosecutor's Office Building Improvements	12/09/05					6,000,000	12/15/15	300,000	4.000%	4,335,000	285,000	4,050,000
										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, 2014**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2013	Decreased	Balance December 31, 2014
			Date	Amount				
Preakness Healthcare Center Expansion	05/01/06	\$ 22,960,000	05/01/15	555,000	4.000%	20,630,000	530,000	20,100,000
			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 Bonds and Notes Authorized But Not Issued

## General Capital Fund

Year Ended December 31, 2014

Ordinance Number		Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
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	5,937			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	1,000		1,067
	Construction of Jughandle from Paterson-Hamburg Turnpike to				
00-20	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				
00-41	intersection improvements	88,000			88,000
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike		900		900
02-41	Refunding ordinance - Payment of Pension Obligation	107			107
03-06	Supplemental - Road Improvements	266			266
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98			98
04-05	Acquisition of Property for a Salt Dome	185,000			185,000
04-09	Acq of Equipment for Passaic County Comm. College	881			881
04-12	Imp & Renovations to 435 Hamburg Turnpike	570,000		90,000	480,000
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
06-11	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	100		308
08-01	Various Building and Grounds Improvements	2,410,000			2,410,000
08-02	Various Roadway Imp & Acq. of Equipment	5,771,250		4,000,000	1,771,250
08-03	Various Capital Improvements	692,245		114,103	578,142
09-01	2009 Road Resurfacing	18,270			18,270

**COUNTY OF PASSAIC**  
**Schedule of Bonds and Notes Authorized But Not Issued**  
**General Capital Fund**  
**Year Ended December 31, 2014**

Ordinance Number		Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
General Improvements:					
09-06	Building & Grounds Improvements	4,230,000		4,200,000	30,000
09-07	Acquisition of Equipment	250		250	
09-08	Various Capital Improvements - PCCC	2,292,369		13,381	2,278,988
09-09	Various Capital Improvements - PCTI	937,924		600,000	337,924
10-06	Various Capital Improvements	104,500			104,500
10-07	Refunding Bonds - GI 2003, 32mil	1,041,865			1,041,865
11-03	Various Capital Improvements	3,081,000			3,081,000
11-04	Various Capital Improvements	3,096,500		2,000,000	1,096,500
12-04	Improvement of Passaic County Community College	2,898,395		559,887	2,338,508
12-05	Improvement of the Passaic County Technical Institute	1,958,616			1,958,616
12-06	Various Capital Improvements	3,963,660		2,190,500	1,773,160
12-07/14-09	Various Capital Improvements	23,319,500		9,846,056	13,473,444
13-05	Various Bridge/Drain/Road Impvts.	6,550,000			6,550,000
13-06	Improvement of Passaic County Community College	1,868,110			1,868,110
13-07	Various Capital Improvements	2,990,000		318,000	2,672,000
13-08	Improvement of the Passaic County Vocational School District	951,308		415,000	536,308
13-09	Improvement of Passaic County Community College	1,500,000		1,500,000	
13-10	Various Capital Improvements	3,699,325		105,000	3,594,325
14-01	Various Capital Improvements		285,000	285,000	
14-02	Improvement of Passaic County Community College		980,840		980,840
14-03	Improvement of Passaic County Community College-Chp.12		4,250,000	4,250,000	
14-04	Improvement of the Passaic County Vocational School District	1,958,616			1,958,616
14-06	Self Insurance Funding	25,457,142		6,500,000	18,957,142
14-07	Improvement of the Passaic County Vocational School District		8,155,622	6,000,000	2,155,622
14-08	Various Capital Improvements		9,550,000		9,550,000
14-10	Police Radio Communications System		1,206,500		1,206,500
		<u>\$ 80,261,165</u>	<u>51,845,720</u>	<u>42,987,177</u>	<u>89,119,708</u>
	Debt Reestablished		2,000		
	Authorized		<u>51,843,720</u>		
			<u>51,845,720</u>		
	Cancelled by Resolution			1,112,018	
	Bonds Issued			5,750,000	
	Bond Anticipation Notes			26,000,000	
	Cash - Open Space Trust Proceeds			5,600,000	
	Grant Proceeds			<u>4,525,159</u>	
				<u>42,987,177</u>	

**COUNTY OF PASSAIC**

**STATE OF NEW JERSEY**

**\* \* \* \* \***

**PART II**

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

**COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2014**

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

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## 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, 2014 and the related notes to the financial statements, and have issued our report thereon dated September 29, 2015, 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Passaic's 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. Wielkotz  
Registered Municipal Accountant  
No. 413



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

September 29, 2015

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

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## 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, 2014. 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, 2014.

### ***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 questions costs as items 2014-001 to 2014-003. 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

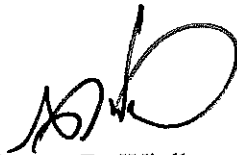


and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program 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 2014-001 through 2014-003 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



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Certified Public Accountants  
Pompton Lakes, New Jersey

September 29, 2015

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2014

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 2013	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec. 31 2014	MEMO Cumulative Total Expenditures
U.S. Dept. of Agriculture: Farmer's Market Nutrition Program	10.376	10-147-WIC-L-0	2014	1,000		1,000	1,000			1,000
U.S. Dept. of Commerce: Passaic County Disaster Assessment	11.307		2012	280,000			27,987		(27,987)	27,987
U.S. Dept. of Housing & Urban Development: Community Development Block Grant	14.218		2008	864,476	(74,883)	24,305	31,804	71,712	(7,499)	820,017
Community Development Block Grant	14.218		2009	874,892	(3,171)			3,171	(3,171)	849,584
Community Development Block Grant	14.218		2009	234,670	(25,000)			25,000		254,670
Community Development Block Grant	14.218		2010	946,150	(51,140)			51,804		896,304
Community Development Block Grant	14.218		2011	950,250	(330,471)	58,411	58,411	31,804	664	948,851
Community Development Block Grant	14.218		2012	805,450	(714,109)	318,615	281,649	306,884	13,379	772,156
Community Development Block Grant	14.218		2013	902,187		364,782	497,527	722,878	(123,976)	498,125
Community Development Block Grant	14.218		2014	866,001		2,532	2,762		(230)	2,761
Community Development Block Grant - Disaster Recovery	14.218		2013	11,854,865	(11,393,681)	1,248,611	1,244,902	11,382,271	(7,701)	1,278,955
					(12,392,455)	2,017,256	2,117,055	12,563,720	(128,534)	6,301,423
Birch Street Apartments	14.235	NJ-39-C5-11-002	2008	454,080	(238,479)				(238,479)	454,080
HUD - Ewa's Project 36308	14.235	NJ-39-C5-11-002	2010	471,560	13				13	165,002
HUD - Ewa's Village Apartments	14.255	NJ-39-C5-11-002	2011	470,902	(238,466)				(238,466)	436,707
Passaic County Housing First	14.238		2009	1,411,200	(370,412)		33,810	404,219	(3)	679,419
Passaic County Housing First	14.238		2012/14	19,776	(1,756)			(3,217)	(4,953)	4,953
Passaic County Housing First	14.238		2011/16	221,400	152,117	30,842	51,398	(158,549)	(26,988)	57,830
Passaic County Housing First - Collaborative II	14.238		2011/16	1,101,420	(922,323)		322,842	1,056,222	(208,943)	417,299
Passaic County Housing First - Collaborative III	14.238		2011/16	369,480	(6,290)		32,788	7,130	(31,948)	63,489
Passaic County Housing First	14.238		2012/17	235,260			28,441		(28,441)	28,441
Passaic County Housing First	14.238		2013/18	1,107,720	(125,951)	137,392	250,467	82,117	(151,909)	359,543
Passaic County Housing First	14.238		2013/18	1,192,497	(53,937)	94,468	160,286	42,604	(59,151)	125,318
Passaic County Housing First	14.238		2014	327,953			11,555	7,500	(304,567)	304,567
Passaic County Housing First - Bonus	14.238		2013	221,424	(11,024)			16,217	(4,055)	11,555
HUD - St. Paul's	14.238		2011	186,600	(52,500)			52,500	5,193	76,518
HUD - St. Joseph	14.238		2013	47,736	(2,190)	1,324		3,000	2,134	42,710
HUD - Birch Street Apartments	14.238		2011	105,761	238,479				238,479	(134,718)
HUD - Paterson Park Apartments	14.238		2012	806,760	(615,081)	56,907	110,949	605,236	(65,887)	278,301
HUD - Ewa's Village Apartments	14.238		2013	121,824	(56,109)	6,774	15,897	62,212	(3,020)	112,078
Ewa's Village Homeless Housing Project	14.238		2014	120,953			55,552		(65,552)	55,552
Scattered Sites Homeless Housing Project	14.238		2014	47,110			26,906		(26,906)	26,906
St. Joe's CDC	14.238		2014	47,110			21,084		(21,084)	21,084
St. Paul's CDC	14.238		2014	47,736			1,977		(1,977)	1,977
					(1,808,957)	327,707	1,428,519	2,162,191	(747,578)	2,530,822

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards  
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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 2013	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec. 31 2014	MEMO	
										Expenditures	Cumulative Total Expenditures
Homeless Prevention and Rapid Rehousing-Cliffon	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	8,128				8,128 *	1,114,160	
Homeless Prevention and Rapid Rehousing-ARRA	14.257	022-8020-100-179	2009	976,000	7,071				7,072 *	968,927	
					27,809				27,810 *	2,657,933	
Local Government Capacity Grant	14.705	N/A	2014	27,681					(27,681) *	45,989	
									(27,681) *	45,989	
Section 8 Housing Choice Voucher Program	14.871	NT090-2PPH-2014	2014	9,521,084		9,521,084	9,521,084			9,521,084	
						9,521,084	9,521,084			9,521,084	
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	4,011			(4,011)		45,989	
					4,011			(4,011)		45,989	
Juvenile Crime Reduction	16.523	066-1500-100-121	2009	78,089	1,233	5,727		31,099	38,059 *	65,647	
Juvenile Crime Reduction	16.523	066-1500-100-121	2010	60,546	7,082	56,992		6,332	19,675 *	40,871	
Juvenile Crime Reduction	16.523	066-1500-100-121	2011	56,992	(63,324)	16,992			19,675 *	65,324	
Juvenile Crime Reduction	16.523	066-1500-100-121	2012	34,814	(30,709)	19,884		14,713	(14,693) *	34,577	
Juvenile Crime Reduction	16.523	066-1500-100-121	2013	26,639	2,960				(22,298) *	25,258	
					(82,758)	95,196		52,144	20,743 *	227,677	
Juvenile Justice - Partnership	16.540	N/A	2009	514,393	84,410			(84,410)		334,206	
Juvenile Justice - Partnership	16.540	N/A	2010	514,393	32,293					443,462	
Juvenile Justice - Partnership	16.540	066-1500-100-007	2011	514,393	(42,267)			42,267		514,358	
Juvenile Justice - Partnership	16.540	066-1500-100-007	2012	514,393	(57,435)	9,800	3,129			473,707	
Juvenile Justice - Partnership	16.540	066-1500-100-007	2013	514,393	(488,700)	514,393	187,333	168,536	6,896 *	488,700	
Juvenile Justice - Partnership	16.540	066-1500-100-007	2014	487,746	(100,000)	60,676	337,669	100,000	(276,993) *	100,000	
					(571,699)	584,869	528,131	244,866	(270,097) *	2,354,433	
Victims of Crime Act Grant	16.575	100-066-1020-142	2013-2014	194,436	167,218	27,218	194,436			194,436	
Victims of Crime Act Grant	16.575	100-066-1020-142	2014	224,305			96,678		(96,678) *	96,678	
Victim and Witness Advocacy Fund	16.575	100-066-1020-093	2014	30,919		30,919	30,919			30,919	
SART/SANE Program	16.575	066-1020-100-142	2010	67,655	(1)			1		53,210	
SART/SANE Program	16.575	066-1020-100-142	2011	57,000	22,302			(4,315)		52,557	
SART/SANE Program	16.575	066-1020-100-142	2013	74,860	21,579	13,287	40,763	5,897	(7,992) *	63,708	
SART/SANE Program	16.575	066-1020-100-142	2014	84,608	211,098	65,086	73,078			73,078	
						136,510	453,861	1,533	(104,670) *	564,586	
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2011	23,370	5,843		5,843			23,370	
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2013	29,096	(29,096)	29,096				29,096	
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2014	38,931		38,931	38,931			38,931	
					(25,253)	68,027	44,774			91,597	
Community Oriented Policing Services COPS	16.710	N1067ZZ	2009	266,561	(266,388)	266,388				266,388	
Community Oriented Policing Services COPS	16.710	N1067ZZ	2010	200,000	(199,880)	199,879		1		199,880	
					(466,268)	466,267				466,268	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2012	169,637	21,662		64,187	63,130	21,662 *	147,975	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2013	172,000	(66,145)	135,015			67,813 *	104,187	
Multi-Juris Narc Task Force	16.738	066-1020-100-364	2014	184,139		29,334	59,927		(30,593) *	59,927	
Justice Assistance Program	16.738	066-1020-100-364	2014	29,376		29,376	29,376			29,376	
					(44,483)	195,725	133,490	63,130	38,882 *	341,465	
National Justice Information Sharing (NIS)	16.751		2011	270,084	(262,607)	269,142	24,966	18,431		262,607	
					(267,607)	269,142	24,966	18,431		262,607	

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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, 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec. 31, 2014	MEMO	
										Total Expenditures	Cumulative Total Expenditures
National Children's Alliance Support	16,758		2013	9,000	(7,657)	7,657	8,000		(8,000)*	*	7,657
National Children's Alliance Support	16,758		2014	9,000	(7,657)	7,657	8,000		(8,000)*	*	8,000
											15,657
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	142,071				142,071*	*	38,679
					142,071				142,071*	*	38,679
I.T.P.A. (Workforce Investment)	17,258	062-4545-100-249	2011/12	5,886,944	(1,915,112)			1,915,112		*	5,886,944
I.T.P.A. (Workforce Investment)	17,258	062-4545-100-249	2012/13	1,817,131	(476,791)	253,264	300,743	575,450	51,180*	*	1,223,638
Workforce Learning Link Program	17,258	062-4545-100-095	2012/13	231,000	68,454		89,083	20,629		*	211,000
Workforce Learning Link Program	17,258	062-4545-100-095	2013/14	157,000	(1,494)		112,637		4,231*	*	142,199
Workforce Learning Link Program	17,258	062-4545-100-096	2014/15	196,000		118,562	46,395		(15,068)*	*	46,395
WIA - Adult	17,258	062-4545-100-095	2012/13	1,799,182	1,164,191	335,130	705,675	(311,515)	682,133*	*	1,012,364
WIA - Adult	17,258	062-4545-100-095	2013/14	1,735,055	(2,243)	1,065,100	1,212,085	(8,171)	(159,399)*	*	1,315,198
WIA - Adult	17,258	062-4545-100-096	2014/15	1,831,954		1,595,097	1,630,238		(3,233)*	*	3,233
WIA - Youth	17,259	062-4545-100-095	2013/14	1,798,551	96,713	36,969	47,030		61,572*	*	1,630,238
WIA - Youth	17,259	062-4545-100-095	2014/15	1,914,231		747,723	722,168	(39,135)	490,403*	*	950,484
WIA - Dislocated Worker	17,260	062-4545-100-105	2012/13	1,480,768	503,983	1,182,059	1,400,969	8,171	(17,057)*	*	1,457,197
WIA - Dislocated Worker	17,260	062-4545-100-105	2013/14	1,727,933	33,682	1,382	17,907		(16,525)*	*	17,907
WIA - Dislocated Worker	17,260	062-4545-100-106	2014/15	1,817,932						*	17,907
Hurricane Irene Disaster Emergency Grant	17,250	062-4545-100-252	2011	711,287	(209,132)	5,564,413	6,288,163	2,369,675	908,176*	*	14,612,838
					(757,749)					*	
U.S. Dept. of Transportation Transportation Clean Air Measures Passaic County Morris Canal Greenway Project Great Falls Circulation Study	20,205		2014	468,000						*	
	20,205		2014	332,566		60,000			60,000*	*	
	20,205		2014	300,000		60,000			60,000*	*	
Subregional Transportation FY10	20,505	N/A	FY10	123,019	253			(253)		*	122,766
Subregional Transportation FY11	20,505	N/A	FY11	98,415	30,470		30,444	(26)		*	97,153
Subregional Transportation FY12	20,505	N/A	FY12	123,019	48,459		48,459			*	110,684
Subregional Internship Support Program	20,505	93-TC-NJ-C048	FY09	6,300	5,158		5,158			*	5,158
History and Tourism Plan	20,505	N/A	FY11	200,000	(493)			493		*	199,328
Subregional Internship Planning	20,505	N/A	FY12	98,415	(2,754)		71,295	2,754		*	98,367
Subregional Internship Planning	20,505	N/A	FY13	98,415	72,574		15,000	(96,283)	(1,923)*	*	95,004
Subregional Transportation Planning	20,505	N/A	FY14	123,019		24,604			9,604*	*	15,000
					153,667	117,685	170,536	(93,315)	7,681*	*	743,450
FTA IARRC	20,516		2011	250,000	(14,328)					*	249,998
FTA IARRC	20,516		2012	440,000	(116,188)	94,818	171,070	82,371	(110,069)*	*	304,369
					(130,516)	94,818	171,070	96,699	(110,069)*	*	554,357
Over the Limit Under Arrest	20,601		2009	6,000	6,000		6,000			*	6,000
Over the Limit Under Arrest	20,601		2010	9,400	5,000		5,000			*	5,000
Drive Sobor or Get Pulled Over	20,601		2013	4,400		4,400	4,400			*	4,400
Drive Sobor or Get Pulled Over	20,601		2014	5,000		4,800			4,800*	*	4,800
					11,000	9,200	15,400			*	15,400
Click it or Ticker	20,602		2010	4,000	4,000		4,000			*	4,000
Click it or Ticker	20,602		2012	4,000	4,000		4,000			*	4,000
Click it or Ticker	20,602		2013	4,000	4,000		4,000			*	4,000
Click it or Ticker	20,602		2014	4,000		4,000				*	4,000
					12,000	4,000	16,000			*	8,000
Hazardous Materials Preparation & Planning	20,703	100-066-1200-703	2013	17,100			17,100	17,100		*	17,100
Hazardous Materials Preparation & Planning	20,703	100-066-1200-703	2014	5,140						*	17,100

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										Cumulative Total Expenditures	Total Expenditures
U.S. Small Business Administration Business Retention and Expansion Program	59.000		2010	125,000	(41,122)	41,122				*	41,122
					(41,122)	41,122			*	41,122	
U.S. Environmental Protection Agency Haledon Ave. Green Streets	66.460		2014	350,572						*	*
									*	*	
U.S. Dept. of Energy Passed Through N.J. Dept. of Community Affairs: Weatherization Assistance Program Weatherization Assistance Program Weatherization Assistance Program	81.042	022-8050-100-B47	2010	258,075	(101,473)	115,958	25,835	11,350	*	*	258,075
	81.042	022-8050-100-B47	2011	147,315		147,315	62,691		*	*	147,315
	81.042	022-8050-100-160	2013	349,070	(101,473)	325,964	235,841	11,350	*	*	62,691
									*	*	468,081
U.S. Dept. of Education 21st Century Community Learning 21st Century Community Learning 21st Century Community Learning	84.287	100-034-5060-075	2011	500,000	6,575	6,575		(6,575)	*	*	443,611
	84.287	100-034-5060-075	2012	500,000	(121,451)	51,415	70,036		*	*	500,000
	84.287	100-034-5060-075	2013	500,000	(488,000)	472,855	389,605	413,688	12,938	*	459,917
					(598,816)	524,270	389,605	477,149	12,938	*	1,403,528
Juvenile Detention Alternative Innovations Juvenile Detention Alternative Innovations	84.411	100-066-1500-237	2013	60,000	(60,000)	60,000	56,211	56,211	*	*	60,000
	84.411	100-066-1500-237	2014	120,000	(60,000)	60,000	34,147	56,211	(84,147)	*	34,147
U.S. Dept. of Health and Human Services Passed Through N.J. Dept. of Services: Pretness Geo-Psych Program Pretness Geo-Psych Program Pretness Geo-Psych Program Pretness Geo-Psych Program Pretness Geo-Psych Program	93.005	30409	2008	306,070	3,792	67,250		(3,792)	*	*	302,278
	93.005	054-7700-100-029	2011	338,210	93,931			(161,181)	*	*	177,029
	93.005	054-7700-100-029	2012	338,210	161,181			(161,181)	*	*	177,029
	93.005	054-7700-100-029	2013	338,210	(67,291)	84,552			17,261	*	320,949
	93.005	054-7700-100-030	2014	338,210	191,613	169,105	323,539	626,154	(137,173)	*	1,300,824
						320,907	323,539				
MRC Capacity Building Award MRC Capacity Building Award	93.008		2013	4,000	2,570		1,430		2,570	*	1,430
	93.008		2013	7,000	7,000	2,518	3,948		4,482	*	2,518
Aging Area Plan Grant Aging Area Plan Grant Aging Area Plan Grant Aging Area Plan Grant Aging Area Plan Grant Aging Area Nutrition Grant Aging Area Nutrition Grant Aging Area Nutrition Grant Aging Area Nutrition Grant Aging Area Nutrition Grant Aging Area Nutrition Grant Aging Area Nutrition Grant Community Services Block Grant (PHLP) Community Services Block Grant (PHLP) Community Services Block Grant (PHLP) Community Services Block Grant (PHLP)	93.044	046-4275-100-061	2009	2,441,094	41,472				41,472	*	2,399,622
	93.044	046-4275-100-061	2011	2,179,338	(2,381)			2,381		*	2,179,338
	93.044	046-4275-100-061	2012	1,778,474	10,534			(10,534)		*	1,767,925
	93.044	046-4275-100-061	2013	1,940,246	730,541	865,813			58,000	*	1,168,511
	93.044	046-4275-100-061	2014	2,277,556		1,528,665		2,277,556	748,891	*	1,528,665
	93.045	046-4275-100-228	2009	3,374,270	427,751					*	2,946,519
	93.045	046-4275-100-228	2011	1,825,100	721,289			(721,289)		*	1,103,811
	93.045	046-4275-100-228	2012	1,863,110	1,015,075			(1,015,075)		*	848,035
	93.045	046-4275-100-228	2013	1,843,068	964,471	3,741,065	1,163,802	90,006	(109,325)	*	839,466
	93.045	046-4275-100-228	2014	2,876,368	3,908,752	3,741,065	7,116,688	(1,461,239)	(928,110)	*	3,130,657
										*	17,908,169
										*	564,392
										*	590,476
										*	544,111
									*	114,993	
									*	(9,861)	
									*	1,813,972	

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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 2013	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec. 31 2014	MEMO Cumulative Total Expenditures
** Human Services	93.558	11BERN	2010	175,373	(91,047)			91,047		164,702
Human Services	93.558	11BERN	2011	175,373	2,042			(2,042)		172,371
Human Services	93.558	046-4275-100-371	2012	194,758	438			(438)		190,855
Human Services	93.558	046-4275-100-371	2013	350,746	25,252	159,842	149,114	1,979	37,939	309,858
Human Services PASP	93.558	09BERN	2009	438,859	7,066			(7,066)		431,793
Human Services PASP	93.558	11BERN	2011	399,525	1,692			(1,692)		397,838
Human Services PASP	93.558	054-7545-100-005	2012	286,326	6			(6)		7,430
Human Services PASP	93.558	054-7545-100-005	2014	10,497		10,497	42,000		10,497	42,000
Human Services PASP	93.558	054-7545-100-005	2014	42,000		38,500	42,000		(3,500)	42,000
Special Initiative & Transportation	93.558	100-054-7550-308	2011	404,914	(152)			152		404,184
Transportation & TIP	93.558	100-054-7550-308	2012	404,914	(8,983)		60	9,045	2	392,620
Transportation & TIP	93.558	100-054-7550-308	2013	404,914	(326,677)	355,957	247,154	192,760	(25,114)	381,071
Transportation & TIP	93.558	100-054-7550-308	2014	404,914			40,035		(40,035)	40,035
					(390,383)	564,795	478,363	283,739	(20,211)	2,976,757
Weatherization Assistance Program	93.568	022-8050-100-182	2010	770,980	(67,278)	359,114	297,421	5,585		770,980
Weatherization Assistance Program	93.568	HP	2011	624,805	(30)		23,556	30	(23,556)	23,556
Weatherization Assistance Program	93.568	DHS	1999	150,619	(130,619)			130,619		150,619
Weatherization LIHEAP Assistance	93.568	100-022-8050-182	2013	28,711		28,711	1,000	(27,711)		28,711
Weatherization LIHEAP Assistance	93.568	100-022-8050-182	2014	207,937		207,937	207,937			207,937
Weathering Improvement (HIP)	93.568	100-022-8050-182	2013	726,004			585,091		(585,091)	585,091
Weatherization LIHEAP Flood Relief	93.568	DHS	2010	128,314	8,832		73,665		(64,811)	120,905
Weatherization LIHEAP Flood Relief	93.568	DHS	2011	603,780	(14,651)		22,472		(37,125)	373,878
Weatherization LIHEAP Flood Relief	93.568	DHS	2012	137,708	(3,661)	57,192	53,531			137,708
Weatherization LIHEAP Flood Relief	93.568	DHS	2013	104,378	(31,990)	87,944	55,173		781	103,597
Weatherization LIHEAP Flood Relief	93.568	022-8050-100-182	2013	1,125,436	(30,057)	622,370	582,011	484	10,776	611,594
Weatherization LIHEAP Flood Relief	93.568	022-8050-100-182	2014		(269,444)	1,363,268	1,901,855	109,007	(699,024)	3,114,576
Community Services Block Grant	93.569	022-8050-100-184	2012	296,089	86		8,047	7,961		296,003
Community Services Block Grant	93.569	022-8050-100-184	2013	278,038	(177,440)	267,680	246,012	155,772		278,038
Community Services Block Grant	93.569	022-8050-100-184	2014	294,781	(177,534)	267,680	268,339	163,733	(268,339)	268,339
							522,398		(268,339)	842,380
Social Service Block Grant - Post Sandy Recovery	93.667		2014	25,000						
State Health Insurance Program (SHIP)	93.779	100-054-7550-055	2012	29,000		25,381			25,381	25,381
State Health Insurance Program (SHIP)	93.779	100-054-7550-055	2013	29,000				29,000		29,000
State Health Insurance Program (SHIP)	93.779	100-054-7550-055	2014	22,000		18,000			18,000	18,000
						43,381		29,000	72,381	25,381
Strengthening Communities Fund - ARRA	93.711	90SN0043/01	2010/11	312,495	30,117			(30,117)		231,039
					30,117			(30,117)		231,039
U.S. Dept. of Homeland Security	97.008	Urban Area Security Initiative (UASI) - Fire Decon	2004	12,500	(6,377)				(6,377)	11,877
Urban Area Security Initiative (UASI) Projects	97.008	Urban Area Security Initiative (UASI) Projects	2010	832,000	(450)			450		831,551
Urban Area Security Initiative (UASI) Projects	97.008	Urban Area Security Initiative (UASI) Projects	2011	1,133,231	(905,844)	963,040	585,328	528,132		1,093,221
Urban Area Security Initiative (UASI) Projects	97.008	Urban Area Security Initiative (UASI) Projects	2013	393,629	(216,486)	358,127	276,627	152,406	17,420	358,127
Urban Area Security Initiative (UASI) Projects	97.008	Urban Area Security Initiative (UASI) Projects	2014	1,331,292		894,320	927,972		(73,652)	927,972
Urban Area Security Initiative (UASI) Projects - Local	97.008	Urban Area Security Initiative (UASI) Projects - Local	2014	886,396	(1,129,137)	2,175,487	1,789,927	680,988	(62,609)	3,222,748
Disaster Grants - Public (Hurricane Sandy)	97.056		2013	342,821	(342,821)				(342,821)	342,821
					(342,821)				(342,821)	342,821
Hazard Mitigation Grant	97.059		2014	187,500		14,654	14,654		(14,654)	14,654
						14,654	14,654		(14,654)	14,654

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2014

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, 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec. 31, 2014	MEMO	
										2012	2014
Emergency Management Assistance Funding (FEMA)	97.042		2012-2014	100,000		11,565	45,000	45,000	11,565	*	100,000
Emergency Management Performance Grant	97.042			11,565		11,565	45,000	45,000	11,565	*	100,000
Emergency Operations Center Grant	97.052		2011	250,000	(248,943)	249,923	192,103	191,123	*	*	249,923
					(248,943)	249,923	192,103	191,123	*	*	249,923
Homeland Security Grant Program	97.073		2010	1,273,599	(635)	479,165	457,317	635	*	*	1,273,508
Homeland Security Grant Program	97.073		2011	504,432	(479,209)	195,534	174,107	457,361	10,983	*	504,384
Homeland Security Grant Program	97.073		2012	255,515	(182,551)	41,186	84,898	174,107	(43,712)	*	244,532
Homeland Security Grant Program	97.073		2013	292,702						*	84,898
Homeland Security Grant Program	97.073		2014	379,461	(662,385)	713,885	716,322	652,103	(32,729)	*	2,107,322
Other Agencies:			07-04	9,515,000	(317,878)				(317,878)	*	9,515,000
Replacement of Hillery Street Bridge			08-03	302,613	(302,613)				(302,613)	*	302,613
Wet Reflective Tape			13-05	200,000			77,590		(77,590)	*	77,590
Main Street Drainage			14-08	1,000,000						*	
Future Bridge Needs			14-08	1,000,000	(620,491)				(698,081)	*	9,893,203
Future Bridge Needs					(17,239,104)	30,591,112	35,428,517	18,499,767	(5,576,742)	*	88,656,545

## COUNTY OF PASSAIC

## Schedule of Expenditures of State Awards

For the Year Ended December 31, 2014

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec. 31 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec. 31 2014	MEMO	
									Total	Cumulative
<b>State Programs</b>										
Senior Citizen and Disabled Resident Transportation Assistance Program (Casino Revenue Fund)	491-078-6050-001	2011	1,313,383	(38,386)				(38,386)	1,313,383	*
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2012	1,133,836	257,390		40,380	40,380	257,390	873,896	*
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2013	1,075,061	(99,255)	699,721	296,702	1,636	305,400	769,459	*
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2014	1,950,424		1,582,462	1,612,178		(29,716)	1,612,178	*
				119,749	2,282,183	1,949,260	42,016	494,688	4,568,916	*
<b>State Department of Transportation:</b>										
Two Bridges Road	6320-480-078-6320-496	99-20	650,000	(100,344)			6,064	(94,280)	650,000	*
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	724,619	22,755				22,755	688,908	*
Hurricane Floyd - Cedar Grove Road Wall	6320-480-078-6320-496	01-32	444,000	(444,000)				(444,000)	444,000	*
Goffle Brook Stabilization	6320-480-078-6320-496	02-13	392,500	(267,859)		46,130		(221,729)	392,500	*
Restoration of Lambert Castle	6320-480-078-6320-496	02-27	1,000,000	(401,040)		401,040			1,000,000	*
West Broadway Bridge PC#17	6320-480-078-6320-496	03-24	350,000	(1)		1			350,000	*
Goffle/Weasel Brook Park	6320-480-078-6320-496	03-25	170,000	(170,000)		170,000			170,000	*
Imp to Paterson/Hamburg Turnpike	6320-480-078-6320-496	04-01	2,500,000						2,500,000	*
Clove Road/Long Hill Road & Hazel Street	6320-480-078-6320-496	05-11	579,000	(845,477)	45,912	578,999		(220,566)	579,000	*
Bridge Replacement and/or Repair	6320-480-078-6320-496	06-06	582,364	(472,926)		(58,866)		(531,792)	582,364	*
2006 Various Road Improvements	6320-480-078-6320-496	06-07	3,791,000	(29,710)				(29,710)	3,791,000	*
Paterson/Hamburg Turnpike/Jackson Avenue Imp	6320-480-078-6320-496	07-08	1,600,000	756,909				756,909	821,749	*
Barbour Pond Improvements & Lambert Castle Const.	6320-480-078-6320-496	07-09	250,000	(88,121)		(21,656)		(109,777)	250,000	*
Black Oak Ridge/Pompton Road Improvements	6320-480-078-6320-496	07-11	1,000,000	1,000,000				1,000,000	1,000,000	*
Hurricane Floyd	6320-480-078-6320-496	01-04	1,000,000	72,646				72,646	927,354	*
Chapter 12, Passaic County Community College	6320-480-078-6320-496	99-14	1,000,000	(863,508)		863,508			1,000,000	*
Renovation to Market Street	6320-480-078-6320-496	00-06	500,000	(500,000)		58,866		(441,134)	500,000	*
Rehab of Paterson-Hamburg Tpk Bridge	6320-480-078-6320-496	00-15	300,000	(260,705)				(260,705)	300,000	*
Study and Improvement to Hazel Street	6320-480-078-6320-496	00-44	230,000	(122,949)				(122,949)	230,000	*
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	350,000	(10,088)	10,088				350,000	*
Imp to Crooks Ave & Wabash Ave Drainage	6320-480-078-6320-496	04-04	952,817						952,817	*
Imp to Guide Rails & Reflective Marking Tape	6320-480-078-6320-496	05-11	157,400	(5,000)				(5,000)	157,400	*
West Broadway/Passaic River Bridge PC#17	6320-480-078-6320-496	05-11	4,900,000	1,208,704					4,900,000	*
2006 Various Road Improvements	6320-480-078-6320-496	06-07	224,500	(224,500)			(1,208,704)	(224,500)	224,500	*
Union Valley Road, PC #434	6320-480-078-6320-496	08-03	1,900,000	1,019,105				985,544	880,895	*
President Street, PC #53	6320-480-078-6320-496	08-03	200,000						200,000	*
Two Bridges Road Bridge	6320-480-078-6320-496	08-03	249,965		5,400			(106,883)	249,965	*
Greenwood Lake Turnpike	6320-480-078-6320-496	08-03	223,000						223,000	*
Hazel Street Construction, CR 702	6320-480-078-6320-496	08-03	4,200,000	3,197,943				(25,801)	4,200,000	*
Black Oak Ridge Road/Pompton Planes Cross Road	6320-480-078-6320-496	08-03	900,000					(900,000)	900,000	*
Bridge Replacement and/or Repairs	6320-480-078-6320-496	09-05	5,900,000	2,453,222				1,851,294	4,048,706	*
2006 Various Road Improvements	6320-480-078-6320-496	09-05	5,024,000	(4,579,846)	213,802			(4,713,945)	5,024,000	*
Rehabilitation and Reconstruction of Dey Mansion	6320-480-078-6320-496	10-03	1,239,475	(4,219)					1,239,475	*
Pennington Ave Culvert	6320-480-078-6320-496	10-08	150,000						150,000	*
Local Bridges - Warburton Ave/Goffle Brook, PC 81	6320-480-078-6320-496	10-08	1,000,000		927,454			864,965	195,139	*



COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2014

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2014	MEMO	
									Expenditures	Total Expenditures
Moorestown Road	6320-480-078-6320-496	10-08	200,000	(95)				(95)	*	95
Squirrelwood Road	6320-480-078-6320-496	10-08	1,250,000	(1,152,235)	779,998	1,058,718	960,955	(470,000)	*	1,250,000
Black Oak Ridge Road/Jackson Avenue Signal Replacement	6320-480-078-6320-496	10-08	520,000	(281,527)				(281,527)	*	301,304
McBride/Hillery Street Improvements	6320-480-078-6320-496	10-08	550,000	(84,284)	60,649	60,649		(84,284)	*	397,786
Resurfacing of Various Roads	6320-480-078-6320-496	10-08	3,036,000	(78,958)	78,958				*	3,036,000
Fairlawn Avenue Bridge	6320-480-078-6320-496	10-08	600,000		30,171	30,171			*	302,171
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			107,862		(107,862)	*	107,862
Eighth Street Bridge Rehabilitation	6320-480-078-6320-496	10-08	2,019,250	1,378,717	14,761	14,761		1,378,717	*	
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	20,400,000	(20,400,000)				(20,400,000)	*	20,400,000
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	1,000,000	(667,104)		31,882		(698,986)	*	698,986
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	124,000						*	
Resurfacing of Various Roads	6320-480-078-6320-496	11-04	4,200,000	(707,464)				(707,464)	*	3,751,505
Resurfacing Various Roads	6320-480-078-6320-496	12-03	10,000,000	(3,379,151)		1,869,361		(5,248,512)	*	8,491,512
West Brook Road/Wanaque Reservoir, PC 491	6320-480-078-6320-496	12-07	9,700,000	(9,205,060)	4,216,055		9,355,001	4,365,996	*	
Two Bridges Road/West Belt	6320-480-078-6320-496	12-07	3,800,000						*	
Clinton Road Bridge	6320-480-078-6320-496	12-07	1,000,000		30,000			30,000	*	
8th Street Rehabilitation PC4	6320-480-078-6320-496	12-07	30,000	(14,536)		54,635	14,536	(54,635)	*	54,635
Pompton Hamburg Turnpike/Valley Road	6320-480-078-6320-496	12-07	1,000,000			347,615		(347,615)	*	347,615
McBride/Slippery Rock Improvements	6320-480-078-6320-496	13-05	1,000,000						*	
County Golf Course Bridges	6320-480-078-6320-496	13-05	400,000						*	
Haledon Avenue(Green Street) Improvements	6320-480-078-6320-496	13-05	100,000						*	
Clowe Road in Little Falls	6320-480-078-6320-496	13-05	1,600,000						*	
Parks & Recreation Improvements	6320-480-078-6320-496	13-07	250,000	(107,414)		250,000	107,414	(250,000)	*	250,000
Parks & Recreation Improvements	6320-480-078-6320-496	13-07	650,000			495,344		(495,344)	*	495,344
Various Road Improvements	6320-480-078-6320-496	13-10	4,300,800	937,510		2,288,165	275,530	(1,075,125)	*	4,300,800
Various Road Improvements	6320-480-078-6320-496	14-08	7,100,000			2,144,829		(2,144,829)	*	2,144,829
EFA Construction & Financing Grant									*	
Vocational School Long Range Facilities Plan Projects		05-12	7,505,998	(37,530)	6,413,248	9,086,813	6,603,952	(37,530)	*	7,505,998
				(33,458,140)				(29,527,733)	*	91,227,190
Department of Health and Senior Services:									*	
Homeless Grant	100-054-7550-049	2013	1,073,609	(140,441)	306,283	398,868	244,532	11,506	*	1,062,103
Homeless Grant	100-054-7550-072	2014	535,993		531,394	495,692		35,702	*	495,692
Homeless Grant	100-054-7550-049	2014	68,000		68,000			68,000	*	
Social Services for the Homeless	100-054-7550-072	2015	1,045,019	(140,441)	905,677	254,923	244,532	(254,923)	*	254,923
						1,149,483		(139,715)	*	1,812,718
Department of Health and Senior Services cont. ....:									*	
Family Court Services	100-066-1500-021	2010	282,634	2			(2)		*	193,586
Family Court Services	100-066-1500-021	2011	282,634	12,222			(12,222)		*	239,135
Family Court Services	100-066-1500-021	2012	282,634	(21,393)	16,503	47	4,937		*	271,416
Family Court Services	100-066-1500-021	2013	282,634	(228,873)	225,295	164,518	169,786	1,690	*	267,037
Family Court Services	100-066-1500-021	2014	278,149	(238,042)	192,639	160,014		32,625	*	160,014
					434,437	324,579	162,499	34,315	*	1,131,188

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards  
For the Year Ended December 31, 2014

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2014	MEMO	
									Total	Cumulative Expenditures
NJ Department of Community Affairs:										
Universal Service Fund	100-022-8030-B13	2011	44,699	17,209			(17,209)		*	27,490
Universal Service Fund	100-022-8030-B13	2012	48,378	48,378			(48,378)		*	
Universal Service Fund	100-022-8030-B13	2013	55,070	(30,936)	55,070	24,134			*	55,070
Universal Service Fund	100-022-8030-B13	2014	150,575	(102,426)	150,575	48,149			*	150,575
Universal Service Fund	100-022-8030-B14	2015	308,864	(67,775)	205,645	218,860	(65,587)	(146,577)	*	146,577
								(146,577)	*	379,712
LIHEAP Assistance										
	2013-05131-0160-00	2013	28,711	(27,711)			27,711		*	27,711
				(27,711)			27,711		*	27,711
NJ Department of Environmental Protection:										
Recycling Enhancement Act Bonus Grant	758-042-4960-2001	2010	221,400	206,731		6,799		199,932	*	21,468
Recycling Enhancement Act	758-042-4960-2001	2011	540,000	26,386		27,825	1,439		*	539,735
Recycling Enhancement Act	758-042-4960-2001	2014	336,600		336,600	231,437		105,163	*	231,437
				233,117	336,600	266,061	1,439	305,095	*	792,640
Radon Awareness Program	100-042-4820-4CBC	2014	1,000	(999)		999		(999)	*	999
Radon Awareness Program	100-042-4820-4CBC	2014	1,000	(999)		1,000		(1,000)	*	1,000
						1,999		(1,999)	*	1,999
C.E.H.A. - 2013	100-042-4855-001	2013	161,700	(161,700)	128,750	146,375	32,950	(3,375)	*	161,700
C.E.H.A. - 2014	100-042-4855-001	2014	153,000		143,000			(74,630)	*	146,375
C.E.H.A. - 2014 Calendar	100-042-4855-001	2014	74,630	(161,700)	271,750	221,005	32,950	(78,005)	*	74,630
									*	382,705
NJ Department of Environmental Protection cont. ....:										
Clean Communities	765-042-4900-005	2011	62,758	4,242			(4,242)		*	58,516
Clean Communities	765-042-4900-005	2012	61,890	210		1,876	1,666		*	61,890
Clean Communities	765-042-4900-005	2013	72,481	23,367		19,914	345	3,798	*	68,682
Clean Communities	765-042-4900-005	2014	68,263		68,263			68,263	*	68,263
				27,819	68,263	21,790	(2,231)	72,061	*	189,088
Other State Agencies:										
Municipal Alliance	100-082-C01-044	2010	553,900	(260)			260		*	475,161
Municipal Alliance	100-082-C01-044	2011	553,900	(728)		222			*	491,970
Municipal Alliance	100-082-C01-044	2012	553,900	(172,275)	171,447	23	851		*	504,224
Municipal Alliance	100-082-C01-044	2013	806,748	(437,306)	218,473	431,062	279,400	(370,495)	*	671,224
Municipal Alliance	100-082-C01-045	2014	512,024	(610,569)	389,920	458,007	281,461	(397,195)	*	26,700
									*	2,169,279
Bio-Terrorism Grant	100-046-6120-357	2010	814,411	65,980			(65,980)		*	748,431
				65,980			(65,980)		*	748,431

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2014

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec. 31 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec. 31 2014	MEMO	
									Cumulative Total Expenditures	Total Expenditures
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2011	7,316	2,080		2,080			7,316	
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2012	7,418	7,418		7,418			7,418	
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2013	9,747		9,747	8,964	(783)		8,964	
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2014	7,332		7,332			7,332		
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		12,870
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2013	61,921		61,921	51,806		10,115		51,806
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2014	45,038		45,038			45,038		
			9,604	9,604	124,038	70,268	(783)	62,591	143,467	
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2012	751,699			23	23		750,201	
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2013	755,402	(242,811)	252,138	110,473	101,146		750,895	
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2014	711,999		192,817	584,558		(391,741)	584,558	
				(242,811)	444,955	695,054	101,169	(391,741)	2,083,654	
Work First NJ	7550-150-158010-63	1997		(89,402)				(89,402)		7,485,991
Work First NJ	7550-150-158010-63	FY10/11	7,682,259	55,487				55,487		5,124,488
Work First NJ	7550-150-158010-63	FY11/12	6,610,560	(836,389)		(1,362,286)	(1,898,847)	(1,372,950)		4,054,533
Work First NJ	7550-150-158010-63	FY12/13	5,634,345	829,411	190,739	870,595	518,435	667,990		4,199,360
Work First NJ	7550-150-158010-63	FY13/14	5,862,604	154,383	4,036,789	3,832,612		358,560		1,104,758
Work First NJ - TANF	7550-150-158010-64	FY14/15	3,905,050		712,862	1,104,758		(391,896)		476,613
Work First NJ - GAINSNAP	7550-150-158010-65	FY14/15	1,957,554		337,977	476,613		(138,636)		
Work First NJ - Smart Steps	7550-150-158010-66	FY13/14	16,050						7,223	
Work First NJ - Smart Steps	7550-150-158010-67	FY14/15	9,630		7,223					22,452,966
			113,490	113,490	5,285,590	4,929,515	(1,380,412)	(910,847)		
Child Behavioral Health Services	100-016-1620-014	2013	158,456	18,353		18,353			158,456	
Child Behavioral Health Services	100-016-1620-014	2014	158,456		158,456	139,915		18,541	139,915	
				18,353	158,456	158,268		18,541	298,371	
Insurance Fraud Reimbursement Program	100-1020-066-102	2013	250,000	(30,889)	30,889	250,000			250,000	
Insurance Fraud Reimbursement Program	100-1020-066-102	2014	250,000	(30,889)	194,395	250,000		(55,605)	250,000	
				(30,889)	225,284	250,000		(55,605)	500,000	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2006	52,375	3,399		27,538	24,139		52,375	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2007	61,915	61,915		4,377		57,538	4,377	
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2008	48,990	48,990				48,990		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2009	9,943	9,943				9,943		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2010	57,487	57,487				57,487		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2012	58,170	58,170				58,170		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2013	14,133	14,133				14,133		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2014	43,795	43,795	43,795	31,915	24,139	43,795	290,056	56,752
			254,037	254,037	43,795	31,915	24,139	290,056		
Emergency 9-1-1 Coordinator	09-E-16-520	2009	25,000	1,270			(1,270)		23,730	
				1,270			(1,270)		23,730	

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2014

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2013	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2014	MEMO	
									Total	Cumulative Expenditures
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	(11,410)	11,410				*	15,213
County Right to Know Program	100-046-4771-105	2014	15,213	3,803	3,803	15,213		(11,410)	*	15,213
				3,803	15,213	30,426		(11,410)	*	45,639
Other State Agencies cont.....										
State Incentive Program	SIP-09-PS-16	2010	240,124	(25,755)			1	(25,754)	*	25,678
				(25,755)			1	(25,754)	*	25,678
Special General Election		2013	1,652,320	(1,404,450)	1,294,840	(198,082)		88,472	*	1,206,368
				(1,404,450)	1,294,840	(198,082)		88,472	*	1,206,368
Total State Programs				(35,562,060)	18,899,894	19,665,221	6,006,605	(30,320,782)	*	130,270,202
Local Programs:										
Passaic County Open Space Trust		03-25	630,000	354,675				354,675	*	18,420
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 Mtn Trail Imp. Lambert Castle Roof	N/A	08-05	1,850,000	1,850,000				1,850,000	*	
Lambert Tower Reconstruction & Rehabilitation	N/A	12-06	165,000		165,000			165,000	*	
Golf Course Improvements	N/A	14-08	3,425,142		3,425,142			3,425,142	*	
Various Park Improvements - Amending Ord 2009-05	N/A	14-08	552,566						*	
Various Park Improvements - Amending Ord 2009-05	N/A	14-08	468,000						*	
Borough of Wanaque-Amending Ordinance 2009-05	N/A	13-04	3,522,738	3,396,194				3,396,194	*	
County Aid - Road Resurfacing	N/A	14-08	3,686,000		2,764,575			2,764,575	*	
County Aid		2014	2,000		2,000	2,000			*	2,000
Passaic County Film Festival - 2014	N/A	2015	2,000						*	
Passaic County Film Festival - 2015	N/A	2008	124,500						*	124,000
Passaic County Training Consortium - ISO 9001	N/A								*	
Passaic County Youth Golf Program	N/A	2014	50,000		50,000	15,595		34,405	*	15,595
Meals on Wheels Pet Food Program	N/A	2014	2,500		2,500	2,500			*	2,500
Total Local Programs				6,500,869	6,409,217	20,095		12,889,991	*	162,515
Total State and Local Programs				\$ (29,061,191)	25,309,111	19,685,316	6,006,605	(17,430,791)	*	130,432,717

**COUNTY OF PASSAIC  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**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	\$35,350,927	\$10,578,408	\$20,095	\$45,949,430
General Capital Fund	<u>77,590</u>	<u>9,086,813</u>	<u>          </u>	<u>9,164,403</u>
	<u>\$35,428,517</u>	<u>\$19,665,221</u>	<u>\$20,095</u>	<u>\$55,113,833</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, 2014, 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>
Green Trust Loan Program	4800-533-851000-60	<u>\$322,113</u>

**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

*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: \$ 1,062,856

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes       X  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 (A)	Aging Cluster
14.238 (A)	Shelter Plus Care
14.218 (A)	Community Development Block Grant
97.008 (A)	Non-Profit Security Program (UASI)
93.568 (A)	Low-Income Home Energy Assistance Program (LIHEAP/Weatherization)

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, 2014  
(continued)**

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

**State Awards Section**

Dollar threshold used to determine type A programs:                   \$ 589,957

Auditee qualified as low-risk auditee?                                           \_\_\_\_\_ yes             X   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?                                           \_\_\_\_\_ yes             X   no

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

Identification of major programs:

<b><u>GMIS Number(s)</u></b>	<b><u>Name of State Program</u></b>
7550-150-158010-63 (A)	Workfirst New Jersey
6320-480-078-6320-496 (A)	Department of Transportation Grants
491-078-6050-001 (A)	Assistance Grant (Casino Revenue Fund)
100-054-7550-(049)/(072) (A)	Social Services for the Homeless
100-046-4219-024 (A)	Comprehensive Alcohol & Drug Abuse 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, 2014**  
**(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.

None

***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.

See Attached



**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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

**FEDERAL AWARDS**

**Finding 2014-001**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**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's process in place to perform on-site fiscal and programmatic monitoring of their sub-recipients is not operating as designed.

**Questioned costs:**

None.

**Context:**

The County does not perform a sufficient amount of the required on-site fiscal and programmatic monitoring procedures over their sub-recipients.

**Effect:**

Failure to perform fiscal and programmatic 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 and programmatic monitoring procedures are performed.

**Management's response:**

Procedures are to be implemented to ensure proper on-site fiscal and programmatic monitoring will take place in the future.

**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(continued)**

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

**FEDERAL AWARDS**

**Finding 2014-002 (Repeat 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, 2014  
(continued)**

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

**FEDERAL AWARDS**

**Finding 2014-003 (Repeat 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, 2014**  
**(continued)**

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

**STATE AWARDS**

None.

**COUNTY OF PASSAIC**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**(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**

See Attached

**COUNTY OF PASSAIC  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**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

**Condition:**

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

**Current Status:**

Corrective action has been taken.

**Finding 13-2**

**Information on the federal program:**

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

**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.

**Recommendation:**

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

**Current Status:**

Corrective action has been taken.

**COUNTY OF PASSAIC  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(continued)**

**FEDERAL AWARDS**

**Finding 13-3**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Condition:**

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

**Recommendation:**

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

**Current Status:**

See Finding 2014-002.

**Finding 13-4**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Condition:**

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

**Recommendation:**

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

**Current Status:**

See Finding 2014-003.

**COUNTY OF PASSAIC  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(continued)**

**STATE AWARDS**

**Finding 13-5**

**Information on the state program:**

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

**Condition:**

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

**Current Status:**

Corrective action has been taken.

**Finding 13-6**

**Information on the state program:**

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

**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.

**Recommendation:**

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

**Current Status:**

Corrective action has been taken.



**COUNTY OF PASSAIC  
GENERAL COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**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, 2014  
(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:

- Weatherization services and other energy conservation measures
- 2014 Curve Warning Sign Installation Project
- Hot Water System Evaluation and Replacement at PC Jail
- Replacement of McBride Avenue Culvert over Slippery Rock Brook
- 2014 Lower County Road Resurfacing Project - Paterson, Clifton, Passaic, Haledon and Hawthorne
- 2014 Upper County Road Resurfacing Project - Bloomingdale, Haledon, Little Falls, Wanaque, Wayne, West Milford
- Preakness Minerals Project
- West Milford Salt Storage Project
- Two essential programs under Social Services for the Homeless (SSH) Grant
- Replacement of Cartpath (B-2) at Preakness Valley Golf Course
- Hot Water System Evaluation and Replacement at Passaic County Jail
- Dey Mansion Restoration and Rehabilitation Project
- Main Avenue Safety Improvements in the City of Passaic
- Passaic County Henry Doremus House "Plantation House" for Roof Replacement at Preakness Valley Park
- Main Avenue Safety Improvement Project
- Morris Canal Greenway Pedestrian Safety Project
- Replacement of Preakness Avenue Bridge and Culvert over Singac Brook
- Replacement of Passaic County Jail Boiler Room Roof Membrane
- Dey Mansion Plantation House Roof Replacement
- Passaic County Court House Plaza at Hamilton Street
- 2014 Guiderail Reset and Skyline Drive Guiderail Installation
- Dey Mansion Visitors Center at Preakness Valley Park
- Passaic County Court House Plaza

**COUNTY OF PASSAIC  
GENERAL COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(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.

**COUNTY OF PASSAIC**  
**COMMENTS AND RECOMMENDATIONS**  
**DECEMBER 31, 2014**

**COMMENTS:**

**FINANCE/TREASURER:**

1. \*The Workers' Compensation Trust Fund Claims are not being posted to the general ledger as required by Technical Accounting Directive #3.
2. \*Bank reconciliations are not being performed for the following accounts as required by requirements of audit:  
    Net Payroll Account
3. There were instances in which grant receipts were posted to the incorrect revenue account.
4. The County has deferred charges to future taxation, unfunded balances over five years old, where the projects have been completed and payments made from unfinanced cash.
5. The County has grants receivable recorded in the General Capital Fund over ten years old.
6. There were instances in which eligible vendors were not issued a Form 1099.

**PREAKNESS HOSPITAL:**

1. 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.
2. The bank reconciliation for the Care Cost Account has unknown adjustments being carried as reconciling items.
3. The Good and Welfare Account reported a negative reconciled balance in September, October and November.

**COUNTY OF PASSAIC**

**COMMENTS AND RECOMMENDATIONS  
(CONTINUED)**

**RECOMMENDATIONS:**

**FINANCE/TREASURER:**

1. \*That activity for all accounts be posted to the general ledger.
2. \*That the bank reconciliation be prepared on a monthly basis.
3. That more care be taken to ensure all receipts are posted to the appropriate revenue accounts.
4. That all ordinances with cash deficits over five years old should be funded through a valid financing source.
5. That all receivables be reviewed for collectability and cancelled if necessary.
6. That all eligible vendors be issued a Form 1099 as required by IRS Rev. Rul. 2003-66.

**PREAKNESS HOSPITAL:**

1. That reconciliations for the Petty Cash Fund be done in timely manner and reconciling items be reviewed for accuracy.
2. That reconciliations for the Care Cost Account be done in timely manner and reconciling items be reviewed for accuracy.
3. That more care be taken to ensure that sufficient funds are maintained in the account.

**COUNTY OF PASSAIC  
GENERAL COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(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

September 29, 2015