

**BOROUGH OF HASBROUCK HEIGHTS  
BERGEN COUNTY, NEW JERSEY**

**FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

BOROUGH OF HASBROUCK HEIGHTS  
BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-regulatory basis of the various funds of the Borough of Hasbrouck Heights (the "Borough"), State of New Jersey, as of December 31, 2011 and 2010, and the related statements of operations and changes in fund balance-regulatory basis for the years then ended, and the related statements of revenues-regulatory basis, statement of expenditures-regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2011. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with the accounting practices on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Hasbrouck Heights, State of New Jersey, as of December 31, 2011 and 2010, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-regulatory basis of the various funds of the Borough of Hasbrouck Heights, State of New Jersey, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance of such funds-regulatory basis for the years then ended, and the revenues-regulatory basis, expenditures-regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated April 13, 2012 on our consideration of the Borough of Hasbrouck Heights, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance programs are presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are not a required part of the financial statements. In addition, the supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

*Paul W. Garbarini*

Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534

*Garbarini & Co.*

Garbarini & Co. P.C. CPA's  
Registered Municipal Accountants  
April 13, 2012  
Carlstadt, New Jersey

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE BALANCE SHEET**

A

	Reference	<u>At December 31:</u>	
		<u>2011</u>	<u>2010</u>
<b>ASSETS</b>			
Current Assets:			
Cash	A-4	\$2,199,045.21	\$2,061,634.38
Cash - Change Fund	A-5	275.00	275.00
		2,199,320.21	2,061,909.38
Receivable and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	338,224.39	457,795.24
Tax Title Liens Receivable	A-9	200,092.09	184,095.46
Martin Act Property	A-10	543.04	543.04
Property Acquired for Taxes - Assessed Valuations		304,730.00	304,730.00
Revenue Accounts Receivable	A-11	10,097.46	10,629.10
	Contra	853,686.98	957,792.84
Deferred Charges:			
Special Emergency - Revaluation N.J.S.A. 40A:4-53	A-12	125,000.00	
<b>TOTAL ASSETS</b>		<b>\$3,178,007.19</b>	<b>\$3,019,702.22</b>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE BALANCE SHEET  
(CONTINUED)**

A

	Reference	<u>At December 31:</u>	
		<u>2011</u>	<u>2010</u>
<b>LIABILITIES, RESERVES AND FUND BALANCES</b>			
Liabilities:			
Appropriation Reserves	A-3,13	\$415,321.34	\$651,763.49
Reserve for Encumbrances	A-3,13	66,006.46	76,352.06
Accounts Payable	A-20	40,822.26	17,201.08
Prepaid Taxes	A-4,8	136,799.60	122,423.35
Due to State of New Jersey - Senior Citizens' and Veterans' Deductions	A-7	5,787.68	1,750.00
Tax Overpayments	A-14	58,497.39	20,517.20
Due to County for Added Taxes	A-1,4	11,646.15	5,522.57
Due to State of New Jersey:			
Building Surcharge Fees	A-15	2,021.00	2,086.00
Department of Human Services	A-15	1,820.00	1,645.00
Burial Permit Fees	A-15	2,085.00	2,140.00
Reserve for:			
Maintenance of Free Public Library with State Aid	A-16	713.89	141.98
Tax Appeals Pending	A-18	130,903.27	71,757.58
Revaluation of Real Property	A-19	113,990.00	0.00
Reserve for FEMA Reimbursements	A-21	37,403.67	
		<u>1,023,817.71</u>	<u>973,300.31</u>
Reserve for Receivables and Other Assets	Contra	853,686.98	957,792.84
Fund Balance (Note 3)	A-1	<u>1,300,502.50</u>	<u>1,088,609.07</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<u><u>\$3,178,007.19</u></u>	<u><u>\$3,019,702.22</u></u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE**

A-1

	<u>Reference</u>	<u>For the Years Ended December 31:</u>	
		<u>2011</u>	<u>2010</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$900,000.00	\$1,200,000.00
Miscellaneous Revenue Anticipated	A-2	2,637,922.56	2,492,282.26
Receipts from Delinquent Taxes	A-2	503,485.92	328,313.10
Receipts from Current Taxes	A-2	41,492,687.20	40,047,462.60
Non-Budget Revenues	A-2	101,240.56	112,012.66
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	228,422.82	289,520.09
Unexpended Balances of 2011 Budget Appropriations	A-3	242.82	109,896.76
Canceled Tax Overpayments	A-14		7,269.54
Void Old Outstanding Checks	A-4	9,441.42	
Cancel Due to State Senior Citizens Deductions			21,421.35
Cancel Special Emergency			6,439.34
Cancel Reserve for L.O.S.A.P.			29,933.25
Cancel Reserve for Revaluation of Real Property			7,245.00
Miscellaneous Credits	A-4	<u>1,048.23</u>	<u>235.41</u>
<b>Total Income</b>		<u><b>45,874,491.53</b></u>	<u><b>44,652,031.36</b></u>
Expenditures:			
Budget and Emergency Appropriations	A-3	17,174,841.35	17,096,250.62
County Taxes Paid	A-4,8	3,810,438.31	3,765,163.29
Due to County for Added Taxes	A,A-8	11,646.15	5,522.57
Local District School Tax	A-4,8,17	23,762,136.00	22,847,662.00
Senior Citizens Deductions Disallowed - Prior Years	A-7	2,436.29	1,799.32
Miscellaneous Refunds	A-4	1,100.00	
<b>Total Expenditures</b>		<u><b>44,762,598.10</b></u>	<u><b>43,716,397.80</b></u>
Statutory Excess to Fund Balance		1,111,893.43	935,633.56
Fund Balance January 1	A	<u>1,088,609.07</u>	<u>1,352,975.51</u>
		2,200,502.50	2,288,609.07
Less: Amount of Fund Balance Utilized as Revenue	A-2	900,000.00	1,200,000.00
<b>Fund Balance December 31</b>	A	<u><b>\$1,300,502.50</b></u>	<u><b>\$1,088,609.07</b></u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF REVENUES

A-2

	Reference	Anticipated Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	<u>\$900,000.00</u>	<u>\$900,000.00</u>	<u>\$0.00</u>
Miscellaneous Revenues:				
Licenses				
Alcoholic Beverages		7,500.00	10,140.00	2,640.00
Other		34,900.00	37,417.90	2,517.90
Fees and Permits		69,300.00	59,569.00	(9,731.00)
Fines and Costs:				
Municipal Court		167,600.00	172,624.03	5,024.03
Interest and Costs on Taxes		75,000.00	95,707.90	20,707.90
Interest on Investments and Deposits		24,000.00	16,981.54	(7,018.46)
Lease - Hasbrouck Heights Swim Club		7,000.00	7,000.00	0.00
Cable TV Franchise Fees		147,330.79	147,330.79	0.00
Energy Receipts Taxes		1,001,204.00	1,001,204.00	0.00
Consolidated Municipal Property Replacement		81,944.00	81,944.00	0.00
Fire Protection - Teterboro		100,749.00	100,782.00	33.00
911 Coverage - Wood-Ridge		9,217.00	9,217.00	0.00
Joint Assessor's Office - South Hackensack		14,800.00	16,628.61	1,828.61
Lease - Port of New York Authority		1,036.00	1,036.63	0.63
Uniform Construction Code Fees		174,900.00	148,492.85	(26,407.15)
Hotel and Motel Occupancy Fee		458,000.00	506,659.64	48,659.64
Car Dealership Registration Fees		40,000.00	66,000.00	26,000.00
DOT Utility Agreement Reimbursement/Health				
Benefit Reimbursement		22,970.19	22,970.19	0.00
FEMA Reimbursement		77,103.39	77,103.39	0.00
State and Federal Revenues Offset with Appropriations:				
Body Armor Fund	D-2	3,915.84	3,915.84	0.00
Uniform Fire Safety Act (P.L. 1983, Ch. 383)		14,500.00	13,406.24	(1,093.76)
Reserve for Recycling Tonnage Grant	D-2	11,687.07	11,687.07	0.00
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989, c.51)	D-2	10,356.00	10,356.00	0.00
Reserve for Clean Communities Grant	D-2	17,837.56	17,837.56	0.00
Res. For Alcohol Education and Rehabilitation Fund	D-2	<u>1,910.38</u>	<u>1,910.38</u>	<u>0.00</u>
 Total Miscellaneous Revenues	A-1, Next Pg.	 2,574,761.22	 2,637,922.56	 63,161.34
Receipts from Delinquent Taxes	A-1, Next Pg.	<u>395,000.00</u>	<u>503,485.92</u>	<u>108,485.92</u>
 Subtotal General Revenues		 3,869,761.22	 4,041,408.48	 171,647.26
Amount to be Raised by Taxes				
for Support of Municipal Budget				
Local Tax for Municipal Purposes	A-8, Next Page	<u>14,283,451.78</u>	<u>14,886,838.39</u>	<u>603,386.61</u>
 Total General Revenues - Adopted	A-3	 <u>\$18,153,213.00</u>	 18,928,246.87	 <u>\$775,033.87</u>
Non-Budget Revenues	A-1,4, Next Page		<u>101,240.56</u>	
			<u>\$19,029,487.43</u>	

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**STATEMENT OF REVENUES  
(CONTINUED)**

A-2

	<u>Reference</u>	<u>2011</u>
<u>ANALYSIS OF REALIZED REVENUES</u>		
Allocation of Current Tax Collections		
Revenue from Collections and State Share of Senior Citizens and Veterans Deductions	A-1	\$ 41,492,687.20
Allocated to:		
School and County Taxes		<u>27,584,220.46</u>
Balance for Support of Municipal Appropriations		\$ 13,908,466.74
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>978,371.65</u>
Amount for Support of Municipal Budget Appropriations	Prior Page	<u>\$ 14,886,838.39</u>
 <u>MISCELLANEOUS REVENUES</u>		
Current Fund	A-4	\$ 2,592,215.71
Grant Fund	A-3	<u>45,706.85</u>
	Prior Page	<u>\$ 2,637,922.56</u>
 <u>RECEIPTS FROM DELINQUENT TAXES</u>		
Delinquent Tax Collections	A-1	<u>\$ 503,485.92</u>
 <u>ANALYSIS OF NON-BUDGET REVENUES</u>		
Miscellaneous Revenues Not Anticipated:		
Miscellaneous Sewer Fee		59,264.29
Miscellaneous Sale of Borough Assets		10,227.00
Towing Application Fees		3,500.00
Housing Inspection Reimbursement		1,314.00
Miscellaneous Refunds/ Insurance Reimbursements		11,162.67
Miscellaneous Fees & Charges		<u>15,772.60</u>
	A-1,4,Prior Page	<u>\$ 101,240.56</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
<b>OPERATIONS - WITHIN "CAPS"</b>								
<b>GENERAL GOVERNMENT:</b>								
Administrative and Executive - Mayor and Council Salaries and Wages	\$ 40,000.00	\$ 40,000.00	\$ 38,857.26	\$ -	\$ 38,857.26	\$ 1,142.74	\$ 1,142.74	\$ -
Administrative and Executive								
Salaries and Wages	164,433.00	164,433.00	163,651.64	-	163,651.64	781.36	781.36	-
Other Expenses	23,750.00	24,600.00	24,294.70	268.98	24,563.68	305.30	36.32	-
Elections								
Salaries and Wages	6,000.00	6,000.00	-	-	-	6,000.00	6,000.00	-
Other Expenses	11,500.00	11,500.00	10,584.99	-	10,584.99	915.01	915.01	-
Financial Administration								
Salaries and Wages	126,250.00	126,250.00	125,970.00	-	125,970.00	280.00	280.00	-
Other Expenses	5,000.00	5,000.00	2,650.23	143.24	2,793.47	2,349.77	2,206.53	-
Other Expenses - Annual Audit	33,500.00	33,500.00	15,500.00	-	15,500.00	18,000.00	18,000.00	-
Assessment of Taxes								
Salaries and Wages	49,500.00	53,750.00	53,720.12	-	53,720.12	29.88	29.88	-
Other Expenses	5,200.00	5,200.00	3,732.75	-	3,732.75	1,467.25	1,467.25	-
Collection of Taxes								
Salaries and Wages	95,500.00	97,300.00	97,257.94	-	97,257.94	42.06	42.06	-
Other Expenses	20,800.00	20,800.00	16,010.26	-	16,010.26	4,789.74	4,789.74	-
Legal Services and Costs								
Salaries and Wages	1,000.00	1,000.00	-	-	-	1,000.00	1,000.00	-
Other Expenses	149,500.00	179,500.00	172,990.65	2,355.00	175,345.65	6,509.35	4,154.35	-
Municipal Court								
Salaries and Wages	97,500.00	99,000.00	98,987.54	-	98,987.54	12.46	12.46	-
Other Expenses	8,700.00	8,750.00	8,609.57	120.00	8,729.57	140.43	20.43	-
Municipal Prosecutor								
Salaries and Wages	18,000.00	19,600.00	19,600.00	-	19,600.00	-	-	-
Other Expenses	500.00	500.00	-	-	-	500.00	500.00	-

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>				
OPERATIONS - WITHIN "CAPS" (CONTD)								
Public Defender								
Salaries and Wages	\$ 10,000.00	\$ 9,200.00	\$ 9,200.00	\$ -	\$ 9,200.00	\$ -	\$ -	\$ -
Other Expenses	500.00	500.00	-	-	-	500.00	500.00	-
Engineering Services and Costs								
Other Expenses	33,000.00	25,500.00	18,859.96	-	18,859.96	6,640.04	6,640.04	-
Public Buildings and Grounds								
Salaries and Wages	56,500.00	57,000.00	56,800.64	-	56,800.64	199.36	199.36	-
Other Expenses	68,200.00	62,700.00	59,493.98	535.35	60,029.33	3,206.02	2,670.67	-
Master Plan								
Other Expenses	11,500.00	11,500.00	2,001.50	-	2,001.50	9,498.50	9,498.50	-
Codification of ordinances								
Other Expenses	7,500.00	4,500.00	4,249.95	-	4,249.95	250.05	250.05	-
MUNICIPAL LAND USE LAW (N.J.S.A. 40:55D-1)								
Planning Board								
Salaries and Wages	8,000.00	8,000.00	8,000.00	-	8,000.00	-	-	-
Other Expenses	4,000.00	4,000.00	1,270.66	210.00	1,480.66	2,729.34	2,519.34	-
Board of Adjustment								
Salaries and Wages	33,000.00	33,000.00	32,041.50	-	32,041.50	958.50	958.50	-
Other Expenses	6,500.00	6,500.00	3,452.84	210.00	3,662.84	3,047.16	2,837.16	-
Shade Trees								
Salaries and Wages	252,750.00	257,500.00	257,273.83	-	257,273.83	226.17	226.17	-
Other Expenses	16,950.00	16,950.00	13,736.08	14.99	13,751.07	3,213.92	3,198.93	-
Recycling Program								
Salaries and Wages	212,000.00	212,000.00	204,483.25	-	204,483.25	7,516.75	7,516.75	-
Other Expenses	80,000.00	74,250.00	51,523.34	9,764.90	61,288.24	22,726.66	12,961.76	-
Insurance								
Other Insurance Premiums - General Liability	253,220.00	253,470.00	253,414.37	-	253,414.37	55.63	55.63	-
Workers Compensation	263,750.00	263,750.00	263,682.00	-	263,682.00	68.00	68.00	-
Group Insurance for Employees	1,854,273.00	1,854,273.00	1,850,141.36	-	1,850,141.36	4,131.64	4,131.64	-

See Accompanying Notes to Financial Statements. (Continued Next Page)

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**STATEMENT OF EXPENDITURES**

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
<b>OPERATIONS - WITHIN "CAPS" (CONTD)</b>								
Fire								
Salaries and Wages	\$ 96,000.00	\$ 86,500.00	\$ 81,990.18	\$ -	\$ 81,990.18	\$ 4,509.82	\$ 4,509.82	\$ -
Other Expenses	103,500.00	103,500.00	63,174.77	26,999.72	90,174.49	40,325.23	13,325.51	-
Uniform Fire Safety Act (Ch.383 P.L. 1983)								
Fire								
Salaries and Wages	51,500.00	51,500.00	48,108.99		48,108.99	3,391.01	3,391.01	-
Other Expenses	6,300.00	6,300.00	4,476.63	150.00	4,626.63	1,823.37	1,673.37	-
Police								
Salaries and Wages	4,253,000.00	4,245,000.00	4,198,963.26		4,198,963.26	46,036.74	46,036.74	-
Other Expenses	184,000.00	184,000.00	161,867.70	16,390.13	178,257.83	22,132.30	5,742.17	-
Emergency Management Services								
Salaries and Wages	5,750.00	5,750.00	5,487.94		5,487.94	262.06	262.06	-
Other Expenses	1,000.00	1,000.00	343.68	92.00	435.68	656.32	564.32	-
<b><u>STREETS AND ROADS</u></b>								
Road Repairs and Maintenance								
Salaries and Wages	416,500.00	440,000.00	439,899.67		439,899.67	100.33	100.33	-
Other Expenses	55,900.00	56,500.00	56,364.61	112.58	56,477.19	135.39	22.81	-
<b><u>SANITATION</u></b>								
Street Cleaning								
Salaries and Wages	239,000.00	226,000.00	224,834.60		224,834.60	1,165.40	1,165.40	-
Other Expenses	28,100.00	32,600.00	32,436.86		32,436.86	163.14	163.14	-

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See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
<b>OPERATIONS - WITHIN "CAPS" (CONTD)</b>								
Garbage and Trash Removal								
Salaries and Wages	\$ 579,000.00	\$ 574,000.00	\$ 573,225.26	\$ -	\$ 573,225.26	\$ 774.74	\$ 774.74	\$ -
Other Expenses	45,900.00	45,900.00	45,495.57		45,495.57	404.43	404.43	-
<b>Sewer Maintenance</b>								
Salaries and Wages	176,500.00	166,500.00	162,434.96		162,434.96	4,065.04	4,065.04	-
Other Expenses	24,200.00	24,200.00	21,363.01	33.60	21,396.61	2,836.99	2,803.39	-
<b>Sanitary Landfill</b>								
Contractual - Bergen County	445,000.00	400,000.00	338,977.40		338,977.40	61,022.60	61,022.60	-
<b>HEALTH AND WELFARE</b>								
<b>Board of Health</b>								
Salaries and Wages	42,500.00	42,500.00	41,418.24		41,418.24	1,081.76	1,081.76	-
Other Expenses								
Health Services - Contractual	68,500.00	68,500.00	51,292.50		51,292.50	17,207.50	17,207.50	-
Miscellaneous Other Expenses	6,200.00	6,200.00	5,794.04		5,794.04	405.96	405.96	-
<b>Dog Regulation</b>								
Other Expenses:								
County of Bergen - Contractual	18,600.00	13,600.00	9,652.29		9,652.29	3,947.71	3,947.71	-
Miscellaneous	500.00	500.00	145.00		145.00	355.00	355.00	-
<b>Administration of Public Assistance</b>								
Other Expenses	750.00	750.00			-	750.00	750.00	-
<b>RECREATION AND EDUCATION</b>								
<b>Parks and Playgrounds</b>								
Salaries and Wages	135,500.00	135,500.00	133,392.46		133,392.46	2,107.54	2,107.54	-
Other Expenses	16,500.00	16,500.00	8,581.83	525.28	9,107.11	7,918.17	7,392.89	-
<b>Recreation</b>								
Salaries and Wages	67,065.00	65,315.00	60,531.06	4,630.00	65,161.06	4,783.94	153.94	-
Other Expenses	31,000.00	32,750.00	30,640.36	2,061.52	32,701.88	2,109.64	48.12	-
<b>Celebration of Public Event, Anniversary or Holiday</b>								
Other Expenses	21,500.00	23,600.00	22,830.39	757.30	23,587.69	769.61	12.31	-

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See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

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	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
<b>OPERATIONS - WITHIN "CAPS" (CONTD)</b>								
<b>RECREATION AND EDUCATION (CONTD)</b>								
Senior Citizen's Transportation								
Salaries and Wages	\$ 12,500.00	\$ 13,005.12	\$ 13,005.12	\$ -	\$ 13,005.12	\$ 19.88	\$ 19.88	\$ -
Other Expenses	2,750.00	2,225.00	37.95	-	37.95	2,187.05	2,187.05	-
Senior Citizen's Activities								
Salaries and Wages	28,350.00	28,350.00	28,347.02	-	28,347.02	2.98	2.98	-
Other Expenses	9,250.00	9,250.00	8,982.51	51.71	9,034.22	267.49	215.78	-
<b>UNIFORM CONSTRUCTION CODE - APPROPRIATION OFFSET BY DEDICATED REVENUES N.I.A.C. 5.23-4.17)</b>								
Construction Code Officials								
Salaries and Wages	119,500.00	120,300.00	120,279.80	-	120,279.80	20.20	20.20	-
Other Expenses	3,750.00	3,750.00	3,542.49	-	3,542.49	207.51	207.51	-
<b>UNCLASSIFIED:</b>								
Utilities								
Gasoline	125,000.00	155,000.00	150,798.36	-	150,798.36	4,201.64	4,201.64	-
Electricity	130,000.00	130,000.00	120,741.26	-	120,741.26	9,258.74	9,258.74	-
Telephone	49,500.00	52,000.00	51,703.01	210.12	51,913.13	296.99	86.87	-
Natural Gas	38,500.00	38,500.00	33,280.77	-	33,280.77	5,219.23	5,219.23	-
Street Lighting	90,000.00	90,000.00	74,030.08	-	74,030.08	15,969.92	15,969.92	-
Fire Hydrant Service	115,000.00	115,000.00	92,182.09	-	92,182.09	22,817.91	22,817.91	-
Water	9,500.00	20,000.00	8,726.76	-	8,726.76	11,273.24	11,273.24	-
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>\$ 11,883,641.00</b>	<b>\$ 11,883,641.00</b>	<b>\$ 11,471,423.39</b>	<b>\$ 65,656.42</b>	<b>\$ 11,537,059.81</b>	<b>\$ 412,217.61</b>	<b>\$ 346,581.19</b>	<b>\$ -</b>
<b>Detail:</b>								
Salaries and Wages	7,395,098.00	7,384,273.00	7,297,762.28	4,650.00	7,302,392.28	86,510.72	81,880.72	-
Other Expenses (Including Contingent)	4,488,543.00	4,499,368.00	4,173,661.11	61,006.42	4,234,667.53	325,706.89	264,700.47	-
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>\$ 11,883,641.00</b>	<b>\$ 11,883,641.00</b>	<b>\$ 11,471,423.39</b>	<b>\$ 65,656.42</b>	<b>\$ 11,537,059.81</b>	<b>\$ 412,217.61</b>	<b>\$ 346,581.19</b>	<b>\$ -</b>

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See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

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	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>								
<b>STATUTORY EXPENDITURES:</b>								
Contribution to:								
Public Employees' Retirement System	\$ 382,539.00	\$ 382,539.00	\$ 382,539.00	\$ -	\$ 382,539.00	\$ -	\$ -	\$ -
Social Security System (O.A.S.I.)	337,500.00	337,500.00	332,675.49	-	332,675.49	4,824.51	4,824.51	-
Consolidated Police and Firemen's Pension Fund								
Police and Firemen's Retirement System of NJ	1,097,290.00	1,097,290.00	1,097,290.00	-	1,097,290.00	-	-	-
Unemployment Insurance	25,000.00	25,000.00	25,000.00	-	25,000.00	-	-	-
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>	<u>\$ 1,842,329.00</u>	<u>\$ 1,842,329.00</u>	<u>\$ 1,837,504.49</u>	<u>\$ -</u>	<u>\$ 1,837,504.49</u>	<u>\$ 4,824.51</u>	<u>\$ 4,824.51</u>	<u>\$ -</u>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<u>\$ 13,725,970.00</u>	<u>\$ 13,725,970.00</u>	<u>\$ 13,308,927.88</u>	<u>\$ 65,636.42</u>	<u>\$ 13,374,564.30</u>	<u>\$ 417,042.12</u>	<u>\$ 351,405.70</u>	<u>\$ -</u>

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See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Encumbered</u>	<u>Unexpended</u>	<u>Reserved</u>	<u>Canceled</u>
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>								
Maintenance of Free Public Library (Ch. 82 & 541, P.L. 1985)	\$ 790,000.00	\$ 790,000.00	\$ 778,470.99	\$ 370.04	\$ 778,841.03	\$ 11,529.01	\$ 11,158.97	\$ -
Bergen County Utilities Authority Service Charges - Contractual	1,093,100.00	1,093,100.00	1,093,093.33	-	1,093,093.33	6.67	6.67	-
Other Sewer Service Charges - Contractual	4,000.00	4,000.00	-	-	-	4,000.00	4,000.00	-
Reserve for Tax Appeals	75,000.00	75,000.00	75,000.00	-	75,000.00	-	-	-
L.O.S.A.P.	45,000.00	45,000.00	-	-	-	45,000.00	45,000.00	-
Insurance								
Group Insurance for Employees	50,042.00	50,042.00	50,042.00	-	50,042.00	-	-	-
Police and Firemen's Retirement System of NJ								
Public Employees Retirement System of NJ								
Sanitary Landfill Recycling Tax	18,750.00	18,750.00	15,000.00	-	15,000.00	3,750.00	3,750.00	-
NJDES Stormwater Permit N.J.S.A. 40A:4-45.3cc Street Cleaning	48,500.00	48,500.00	48,500.00	-	48,500.00	-	-	-
Salaries and Wages	6,500.00	6,500.00	6,500.00	-	6,500.00	-	-	-
Other Expenses								

(Continued Next Page)

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS			EXPENDED			Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled		
STATE AND FEDERAL PROGRAMS										
OFFSET BY REVENUES										
Recycling Tonnage Grant	\$ 11,687.07	\$ 11,687.07	\$ 11,687.07		\$ 11,687.07	-	-	-	-	
Reserve for Alcohol Education Act	1,910.38	1,910.38	1,910.38		1,910.38	-	-	-	-	
Division of Criminal Justice Body Armor Fund	3,915.84	3,915.84	3,915.84		3,915.84	-	-	-	-	
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989, C. 51)	10,356.00	10,356.00	10,356.00		10,356.00	-	-	-	-	
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989, C. 51) - Match	2,875.00	2,875.00	2,875.00		2,875.00	-	-	-	-	
Clean Communities Act Street Cleaning					-	-	-	-	-	0.00
Other Expenses	17,837.56	17,837.56	17,837.56		17,837.56	0.00	0.00	0.00	0.00	
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>\$2,179,473.85</b>	<b>\$ 2,179,473.85</b>	<b>\$2,115,188.17</b>	<b>\$ 370.04</b>	<b>\$ 2,115,558.21</b>	<b>\$ 64,285.68</b>	<b>\$ 63,915.64</b>	<b>\$ -</b>	<b>\$ -</b>	
Detail:										
Salaries and Wages	48,500.00	48,500.00	48,500.00		48,500.00	-	-	-	-	
Other Expenses	2,130,973.85	2,130,973.85	2,066,688.17	370.04	2,067,058.21	64,285.68	63,915.64	-	-	
	<b>\$ 2,179,473.85</b>	<b>\$ 2,179,473.85</b>	<b>\$ 2,115,188.17</b>	<b>\$ 370.04</b>	<b>\$ 2,115,558.21</b>	<b>\$ 64,285.68</b>	<b>\$ 63,915.64</b>	<b>\$ -</b>	<b>\$ -</b>	

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See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>								
Capital Improvement Fund	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 30,000.00	\$ -	\$ -	\$ -
<u>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>	<u>\$ 30,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ -</u>	<u>\$ 30,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>								
Payment of Bond Principal	375,000.00	375,000.00	375,000.00	-	375,000.00	-	-	-
Payment of Bond Anticipation Notes	650,600.00	650,600.00	650,600.00	-	650,600.00	-	-	-
Interest on Bonds	184,797.50	184,797.50	184,797.50	-	184,797.50	-	-	-
Interest on Notes	29,000.00	29,000.00	28,757.18	-	28,757.18	-	-	242.82
<u>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>	<u>\$ 1,239,397.50</u>	<u>\$ 1,239,397.50</u>	<u>\$ 1,239,154.68</u>	<u>\$ -</u>	<u>\$ 1,239,154.68</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242.82</u>

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See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

STATEMENT OF EXPENDITURES

A-3

	APPROPRIATIONS		EXPENDED		Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances				
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE-EXCLUDED FROM "CAPS"	\$ 3,448,871.35	\$ 3,448,871.35	\$ 3,384,342.85	\$ 370.04	\$ 3,384,712.89	\$ 64,285.68	\$ 63,915.64	\$ 242.82
SUBTOTAL GENERAL APPROPRIATIONS	\$17,174,841.35	\$17,174,841.35	\$16,693,270.73	\$ 66,006.46	\$ 16,759,277.19	\$ 481,327.80	\$ 415,321.34	\$ 242.82
Reserve for Uncollected Taxes	978,371.65	978,371.65	978,371.65	-	978,371.65	-	-	-
TOTAL GENERAL APPROPRIATIONS	\$18,153,213.00	\$18,153,213.00	\$17,671,642.38	\$66,006.46	\$17,737,648.84	\$481,327.80	\$415,321.34	\$242.82
	A-2		Below	A			A	A-1

DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"

TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE-EXCLUDED FROM "CAPS"

SUBTOTAL GENERAL APPROPRIATIONS

Reserve for Uncollected Taxes

TOTAL GENERAL APPROPRIATIONS

Reference

Reserve for Tax Appeals	A-18	\$ 75,000.00
Reserve for State Grants	A-2	45,706.85
Reserve for State Grants - Matching Funds	D-3,A-4	2,875.00
Reserve for Uncollected Taxes	A-2	978,371.65
Disbursed	A-4	16,569,688.88
Above		\$ 17,671,642.38

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE BALANCE SHEET**

**B**

	<u>Reference</u>	<u>At December 31:</u>	
		<u>2011</u>	<u>2010</u>
<b>ASSETS</b>			
<u>Assessment Fund</u>			
Cash	B-1	\$ <u>1,838.67</u>	\$ <u>1,838.67</u>
<u>Dog License Fund</u>			
Cash	B-1	\$ <u>26,313.22</u>	\$ <u>24,970.29</u>
		\$ <u>26,313.22</u>	\$ <u>24,970.29</u>
<u>Other Funds</u>			
Cash	B-1	\$ <u>635,692.20</u>	\$ <u>746,096.26</u>
		\$ <u>635,692.20</u>	\$ <u>746,096.26</u>
<b>TOTAL ASSETS</b>		<u>\$ 663,844.09</u>	<u>\$ 772,905.22</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE BALANCE SHEET  
(CONTINUED)**

**B**

	<u>Reference</u>	<u>At December 31:</u>	
LIABILITIES, RESERVE AND FUND BALANCE		<u>2011</u>	<u>2010</u>
<u>Assessment Fund</u>			
Fund Balance	B-8	\$ <u>1,838.67</u>	\$ <u>1,838.67</u>
 <u>Dog License Fund</u>			
Reserve for Dog Fund Expenditures	B-2	\$ 26,198.22	\$ 24,903.29
Registration Fees Due to State of New Jersey	B-2	115.00	67.00
Due to Current Fund	B-5		
		<u>\$ 26,313.22</u>	<u>\$ 24,970.29</u>
 <u>Other Funds</u>			
Deposits Payable	B-3	\$ 468,830.90	\$ 604,231.29
Payroll Deductions Payable	B-4	148,178.36	128,552.86
Reserve for:			
Unemployment Insurance	B-6	333.60	1,628.53
FEMA Reimbursement	B-7	8,679.84	8,679.84
Fund Balance	B-8	9,669.50	3,003.74
		<u>\$ 635,692.20</u>	<u>\$ 746,096.26</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 663,844.09</u>	<u>\$ 772,905.22</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 GENERAL CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

C

**COMPARATIVE BALANCE SHEET**

ASSETS	Reference	Balance <u>Dec. 31, 2011</u>	Balance <u>Dec. 31, 2010</u>
Cash	C-2,3	\$ 325,736.09	\$ 423,236.47
Due From State of NJ - Dept. of Transportation	C-4	705,318.81	555,318.81
Due County of Bergen	C-5	248,642.15	80,142.15
Due from Insurance Proceeds	C-13	134,500.00	
Deferred Charges to Future Taxation			
Funded	C-9	4,484,000.00	4,859,000.00
Unfunded	C-6	<u>4,388,118.48</u>	<u>4,321,718.48</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 10,286,315.53</u></b>	<b><u>\$ 10,239,415.91</u></b>
 <b>LIABILITIES, RESERVE AND FUND BALANCE</b>			
General Serial Bonds	C-9	\$ 4,484,000.00	\$ 4,859,000.00
Improvement Authorizations			
Funded	C-8	1,150,224.70	778,844.46
Unfunded	C-8	1,211,024.85	825,655.47
Capital Improvement Fund	C-7	58,110.17	121,110.17
Reserve for Garrison Ave. F.E.M.A. Funds	C-12	7,800.86	7,800.86
Bond Anticipation Notes Payable	C-10	3,368,300.00	3,640,150.00
Fund Balance	C-1	<u>6,854.95</u>	<u>6,854.95</u>
<b>TOTAL LIABILITIES, RESERVE AND FUND BALANCE</b>		<b><u>\$ 10,286,315.53</u></b>	<b><u>\$ 10,239,415.91</u></b>

There were Bonds and Notes Authorized but not Issued on December 31, 2011 of \$ 1,019,818.48 and on December 31, 2010 of \$681,568.48 (Exhibit C-11).

**STATEMENT OF FUND BALANCE**

C-1

	Reference		
Balance December 31, 2010	C		\$ 6,854.95
			<hr/>
Balance December 31, 2011	C		<u>\$ 6,854.95</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE BALANCE SHEET**

**D**

		<u>At December 31:</u>	
		<u>2011</u>	<u>2010</u>
		<u>Reference</u>	
<b>ASSETS</b>			
<u>Federal and State Grants</u>			
Cash	D-1	\$ 63,539.55	\$ 43,178.42
Grant Receivable	D-2	<u>13,756.10</u>	<u>13,606.00</u>
<b>TOTAL ASSETS</b>		<u>\$ 77,295.65</u>	<u>\$ 56,784.42</u>
 <b>LIABILITIES AND RESERVES</b>			
<u>Federal and State Grants</u>			
Reserve for Federal and State Grants			
Appropriated	D-3	\$ 33,567.24	\$ 33,120.64
Unappropriated	D-4	<u>43,728.41</u>	<u>23,663.78</u>
<b>TOTAL LIABILITIES AND RESERVES</b>		<u>\$ 77,295.65</u>	<u>\$ 56,784.42</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
PUBLIC ASSISTANCE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE BALANCE SHEET**

E

	<u>Reference</u>	<u>Balance December 31, 2011</u>	<u>Balance December 31, 2010</u>
<b><u>ASSETS</u></b>			
Cash	E-1	\$ 10,594.64	\$ 8,049.19
<b>TOTAL ASSETS</b>		<u>\$ 10,594.64</u>	<u>\$ 8,049.19</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
Reserve for Public Assistance	E-4	\$ 10,594.64	\$ 8,049.19
<b>TOTAL LIABILITIES AND RESERVES</b>		<u>\$ 10,594.64</u>	<u>\$ 8,049.19</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
GENERAL FIXED ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2011

COMPARATIVE STATEMENT OF FINANCIAL POSITION

F

	<u>At December 31,</u>	
	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Land-Assessed Value	\$26,309,100.00	\$26,309,100.00
Buildings	10,626,700.00	10,626,700.00
Machinery and Equipment	<u>8,281,129.00</u>	<u>8,153,660.00</u>
<b>TOTAL ASSETS</b>	<u>\$45,216,929.00</u>	<u>\$45,089,460.00</u>
<b>LIABILITIES AND RESERVES</b>		
Investment in General Fixed Assets	<u>\$45,216,929.00</u>	<u>\$45,089,460.00</u>
<b>TOTAL LIABILITIES AND RESERVES</b>	<u>\$45,216,929.00</u>	<u>\$45,089,460.00</u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011

**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 generally accepted accounting principles (GAAP).

The financial statements of the Borough of Hasbrouck Heights ("the Borough") 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"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds, which differ from the fund structure required by GAAP.

***A. Reporting Entity***

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

GASB 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 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 municipalities in the State of New Jersey do not issue 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 N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough do not include the municipal library, volunteer fire department or volunteer ambulance squad, which are component units under GAAP.

***B. Fund Accounting***

The accounting policies of the Borough conform to the accounting principles applicable to municipalities, which have been prescribed by the Division. 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. The accounts of the Borough are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues, and expenses or expenditures. The following funds and groups of accounts are used by the Borough:

Current Fund - Resources and expenditures for governmental operations of a general nature.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

1. **Summary of Significant Accounting Policies (Continued)**

***B. Fund Accounting (Continued)***

Trust Fund - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The Division regulates the accounting for these funds.

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities other than those acquired in the Current Fund.

Public Assistance Fund - Receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes. The public assistance program was transferred to Bergen County in July of 2001.

Grant Fund - Receipt and disbursement of funds from Federal and State Grants.

General Fixed Assets - The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or insurable cost if the actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

***C. Basis of Accounting***

A modified accrual basis of accounting is followed by the Borough of Hasbrouck Heights. Under this method of accounting, revenues, except for State/Federal Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The more significant differences are as follows:

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the municipal budget. Receivables for property taxes are recorded with off-setting reserves on the statement of financial position of the municipality's Current Fund. Accordingly, such amounts are not recorded as revenue until collected. Other amounts which are susceptible to accrual that are due the municipality are recorded as receivables with off-setting reserves and are recorded as revenue when received.

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 statement of financial position of the Borough'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, entitlement or shared revenues received for purposes normally financed through the Current Fund, are recognized when anticipated in the Borough's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq. Transfers can be made during the last two months and the first three months of the following year. The budget may also be amended by emergency appropriation which must be raised in the succeeding year's budget. Special items of revenue and corresponding expenditure may be added to the budget with special written consent from the Division of Local Government Services (Chapter 159).

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

Trust Funds  
General Capital Fund  
Public Assistance Fund

Expenditures - Expenditures are recorded in 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. Except for unmatured interest on general long-term debt which should be recognized when due, GAAP requires expenditures, if measurable, to be recognized in the accounting period in which the fund liability is incurred.

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

Appropriation Reserves - 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 do 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.

Property Acquired for Taxes - Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

Self-Insurance Contributions - Payments to joint 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 cost 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 statement of financial position.

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 and are limited by N.J.S.A. 40A:5-15.1 to bonds or obligations of 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 Borough has not created a reserve for any potential unreported losses which have taken place but for which the Borough has not received notice or report of losses. Additionally, the Borough has not recorded a liability for those claims which have been filed but have not yet been paid. GAAP requires the establishment of reserves for such potential claims if material.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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. Actual results could differ from these estimates.

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body and not when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

General Fixed Assets – N.J.A.C. 5:30-5.6 codifies fixed asset accounting, the Technical Accounting Directive No. 86-2 (the “TAD”) took affect in 1986. This TAD required local units to create and maintain a fixed asset accounting system for their physical assets. The requirement has now been codified as N.J.A.C. 5:30-5.6. The codification updates the definition of a fixed asset to refer to the 1997 edition of the U.S. Office of Management and Budget Circular A-87, Cost Principals for State, Local and Indian Governments. The regulation continues the requirement of the local units to:

1. Place a value of all fixed assets put into service
2. Have a subsidiary ledger of detailed records of fixed assets
3. Provide property management standards to control fixed assets
4. Provide a statement of fixed assets in the annual audit.

GAAP requires that fixed assets be capitalized at historical cost or at estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded. Schedule F of the Financial Statement will disclosure the major classes of Fixed Assets as of December 31, 2011 and December 31, 2010, no depreciation has been provided for in the financial statements.

Fixed Assets purchased after December 31, 1989 are stated at cost, assets purchased prior to December 31, 1989 are stated at fair market value or insurable value. No depreciation has been provided for in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Comparative Data - Comparative data for the prior year has been presented in the accompanying financial statement in order to provide an understanding of changes in the 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.

Foreclosed Property - Foreclosed property is recorded in the Current Fund valuation when such property was acquired and fully reserved.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2011  
 (Continued)

1. Summary of Significant Accounting Policies (Continued)

*D. Basic Financial Statements*

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

2. Cash and Cash Equivalents

**Custodial Credit Risk – Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Borough’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A: 5-15.1(a) that are treated as cash equivalents. As of December 31, 2011, \$0 of the Borough’s **bank balance** of \$ 3,569,807.91 was exposed to custodial credit risk.

At December 31, 2011, the Borough’s funds **book balance** is held by a custodial bank or financial institution:

Current Fund	\$2,199,045.21
Current Fund – Change Fund	275.00
Federal / State Grant Fund	65,539.55
Assessment Fund	1,838.67
Trust Fund	635,692.26
Capital Fund	325,736.09
Public Assistance Fund	10,594.64
Dog License Fund	26,313.22
	<u>\$3,265,034.64</u>
Municipal Court *	\$25,792.00

\* Municipal Court audit is under separate cover

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

2. Cash and Cash Equivalents (Continued)

**Investments**

**Interest Rate Risk.** The Borough 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.

**Credit Risk.** New Jersey Statutes 40A: 5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of; 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 Borough places no limit on the amount the Borough may invest in any one issuer.

As of December 31, 2011, the Borough had no investments.

3. Leases

The Borough of Hasbrouck Heights had no leases during the year ended December 31, 2011.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2011  
 (Continued)

4. Long-Term Debt

*Summary of Municipal Debt*

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
Issued			
Bonds and Note Issued			
General:			
Bonds and Notes	<u>\$7,852,300.00</u>	<u>\$8,499,150.00</u>	<u>\$8,763,650.00</u>
Net Debt Issued	<u>7,852,300.00</u>	<u>8,499,150.00</u>	<u>8,763,650.00</u>
Authorized But Not Issued			
General:			
Bonds and Notes	<u>1,019,818.48</u>	<u>681,568.48</u>	<u>1,357,568.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$8,872,118.48</u>	<u>\$9,180,718.48</u>	<u>\$10,121,218.00</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .48%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Debt	\$11,475,623.00	\$11,475,623.00	\$0.00
General Debt	<u>8,872,118.48</u>	<u>0.00</u>	<u>8,872,118.48</u>
	<u>\$20,347,741.48</u>	<u>\$11,475,623.00</u>	<u>\$8,872,118.48</u>

Net Debt \$ 8,872,118 Equalized Valuation Basis per N.J.S.A. 40A:2-2  
 as amended \$ 1,839,656,766 = .48 %

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2011  
 (Continued)

4. Long-Term Debt (Continued)

<u>Calender Year</u>	<u>Principal</u>	<u>General</u> <u>Interest</u>
2012	375,000.00	171,203.76
2013	375,000.00	157,610.00
2014	375,000.00	144,016.25
2015	375,000.00	130,422.50
2016	375,000.00	116,547.50
2017-2024	2,609,000.00	529,255.00
Total	\$4,484,000.00	\$1,249,055.01

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

**General Obligation Bonds**

**\$7,279,000** – 2003 Bonds, due in annual installments of, \$375,000-09/15/2012-09/15/2022, \$359,000-09/15/2023, interest at variable rates (3.625-4.0%)

\$4,484,000.00

The Borough's short-term debt consisted of Bond Anticipation Notes Payable in the amount of \$3,368,300 Schedule C-10 of the financial statements disclosed the various due dates and interest rates of the Bond Anticipation Notes Payable as of December 31, 2011.

Interfund Receivables and Payables

The Borough did not have any interfund receivables and payables at December 31, 2011.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

5. Contingencies

*Litigation*

The Borough is party to various legal proceedings which normally occur in governmental operations. In the opinion of the management, the ultimate resolution of such litigation will not have a material impact on the Borough's financial statements. The Borough attorney has reported that there is one material case in which the Superior Court entered a judgment in favor of Kelly Ruroede against the Borough ordering that the Ruroede termination from the Police Department be vacated and further ordering that he be paid from the time he was suspended without pay until resolution of the matter. The Chief Financial Officer estimated that satisfaction of this judgment would cost the Borough approximately \$365,000 plus interest. Neither the Borough's Special Counsel or General Counsel ever anticipated such a judgment in this case; both believed and continue to believe that the termination of this Police Officer was proper and that the Plaintiff is not entitled to recover back pay. An appeal has been taken to the Appellate Division but the judgment was affirmed. An appeal has been taken to the Supreme Court of New Jersey upon petition for certification. The proceedings before the Supreme Court are being handled by the office of Wilentz, Goldman & Spitzer of Woodbridge, N.J., the services of which have been supplied by the Borough's insurance carrier. The Supreme Court granted certification on March 14, 2012. Should the Supreme Court affirm the original judgment, it could materially affect the financial position of the Borough.

*Claims and Judgements*

The Borough received and continued to participate in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes and effective internal control for the proper administration of the funds. The Borough is subject to the provision of the Single Audit Act of 1984 and as amended by the Single Audit Act of 1996 and other related Federal requirements, and State of New Jersey requirements which require that financial assistance programs received by the Borough be audited in conjunction with the audit of the general purpose financial statements. In addition, substantially all grants, entitlements and costs reimbursements are subject to financial and compliance audits by the grantors. As of December 31, 2011, the Borough estimates that no material liabilities will result from such audits.

*Compensated Absences*

Employees cannot accrue sick and vacation benefits beyond the current year. The contract of the Department of Public Works employees' provides for terminal pay for unused sick days for those employees with specific continuous years of service. Any potential liability will be raised in that year's budget. The value of the Department of Public Works unused sick days as of December 31, 2011 was \$ 114,500. There is one police officer which also has accrued sick pay in the amount of \$150,414.



BOROUGH OF HASBROUCK HEIGHTS, N.J.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

**10. Retirement Plans (Continued)**

***Deferred Compensation Plan***

The Borough received State approval in October 1983 for a Deferred Compensation Plan. Those employees participating in this program started making contributions through payroll deductions in November 1983. The Program's financial accounting and investment plan is maintained by the ING Life Insurance and Annuity Company. Any employee of the Borough is eligible to participate in the Plan. Participation in the Plan is entirely voluntary on the part of each employee. The Borough does not and is not required to make contributions to the Plan. Fund assets at December 31, 2011 totaled \$ 3,308,412.33. These figures were taken directly from reports submitted by ING Life Insurance and Annuity Company, and an audit will be made by another Certified Public Accounting firm.

**11. Other Post Employment Benefits**

The Borough of Hasbrouck Heights contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursements to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employees in 1964. Local employers must adopt a resolution to participate in the SHBP. On February 27, 2007, the Borough authorized participation in the SHBP's post retirement benefit program through a resolution number 42. Pursuant to N.J.S.A. 40A:10-23, the Borough shall pay the entire cost of health care insurance coverage for its retired employees and their eligible dependents under the following circumstances: 1. DPW workers which have retired after they have completed 25 years of service. 2. Health insurance for police officers is paid as specified by the Police and Fireman's Retirement System after 25 years of service. Currently the Borough has 34 retired employees, which have this benefit. In 2011 the cost of these health insurance benefits totaled \$468,495.31.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf](http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf)

**12. Joint Insurance**

The Borough of Hasbrouck Heights participates in North Jersey Intergovernmental Insurance Fund for workman's compensation and General Liability Insurance. The Borough pays an annual assessment to be part of the Fund. In 2011, the assessments were \$520,200.92. The annual assessments consist of an amount allocated for administrative costs, plus a specific assessment to replenish the claim or loss retention trust fund account for each type of average provided by the fund. Any monies for the Fund, in excess of the amount necessary to fund all obligations for the fiscal year, may be refunded to the borough in proportion to the member's participation in the Fund for such year. The Fund purchases commercial insurance for all major programs except employee health care. The New Jersey Health Benefits fund is the carrier of the Borough's employee health insurance.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2011  
 (Continued)

**12. Joint Insurance (Continued)**

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

**13. Property Tax Calendar**

The Borough of Hasbrouck Heights property taxes are due on first of February, May, August and November. The levy is determined upon certification of tax rate by the county. Liens are sold at a tax sale in the subsequent year. The tax sale was held on October 6, 2011 for 2010 taxes.

**14. Municipal Court**

Comments concerning the Municipal Court will be found in a separate municipal audit report.

**15. Other Commitments**

The Borough of Hasbrouck Heights guarantees a prorated portion of the County of Bergen's debt based on net equalized valuation.

**16. Comparative Schedule of Fund Balances**

Year	Balance December 31	<u>Current Fund</u> Utilized In Budget of Succeeding Year
2011	\$1,300,502.50	\$950,000.00
2010	1,088,609.07	900,000.00
2009	1,352,975.51	1,200,000.00
2008	1,603,932.03	1,300,000.00
2007	1,389,833.65	1,200,000.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2011  
 (Continued)

**17. Comparative Schedule of Tax Rate Information**

	2011	2010	2009	2008	2007
Tax Rate	2.243	2.169	2.070	1.997	1.890
<u>Apportionment of Tax Rate</u>					
Municipal	0.765	0.746	0.719	0.692	0.613
County	0.205	0.202	0.201	0.190	0.173
Local School	1.273	1.221	1.150	1.115	1.074

Assessed Valuation

2011	\$1,866,373,599
2010	\$1,872,097,822
2009	\$1,867,662,044
2008	\$1,856,759,375
2007	\$1,853,773,480

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2011  
 (Continued)

**18. Comparison of Tax Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2011	\$41,920,751.69	\$41,492,687.20	98.98%
2010	40,654,752.26	40,047,462.60	98.51%
2009	38,739,748.72	38,284,057.18	98.82%
2008	37,197,437.62	36,773,564.26	98.86%
2007	35,137,143.00	34,676,153.00	98.69%

**19. Delinquent Taxes and Tax Title Liens**

This tabulation includes a comparison-expressed percentage of the total of delinquent taxes and tax title liens, in relation to the tax levies of the current and the previous four years.

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total</u>	<u>Percentage of Tax Levy</u>
2011	\$190,207.95	\$338,224.39	\$528,432.34	2.52%
2010	184,638.50	457,795.24	642,433.74	1.58%
2009	174,211.32	352,447.43	526,658.75	1.36%
2008	165,321.37	393,654.14	558,975.51	1.50%
2007	156,221.03	387,218.34	543,439.37	1.55%

**20. Property Acquired by Tax Title Lien Liquidation**

No properties have been acquired in 2011 by foreclosure or deed, as a result of liquidation of tax title liens. The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties was as follows:

<u>Year</u>	<u>Amount</u>
2011	\$304,730.00
2010	304,730.00
2009	304,730.00
2008	304,730.00
2007	304,730.00

**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 Mayor and Members  
of the Borough Council  
Borough of Hasbrouck Heights  
County of Bergen  
Hasbrouck Heights, New Jersey 07604

We have audited the financial statements of the Borough of Hasbrouck Heights, State of New Jersey, as of and for the year ended December 31, 2011 and have issued our report thereon dated April 13, 2012. Our report disclosed that, as described in Note 1 to the financial statements, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

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

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

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

However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Audit Findings and Recommendations that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### Compliance

As part of obtaining reasonable assurance about whether the Borough's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of the 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 test disclosed instances of noncompliance or other matters that are required to be reported under **Government Auditing Standards**, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the accompanying schedule of findings and recommendations as item 11-01 and 11-02.

We noted certain matters that we reported to management of the Borough in a separate letter dated April 13, 2012. The Borough's responses to findings identified in our audit are described in the accompanying schedule of findings and recommendations. We did not audit the Borough's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Borough's management, and council members, others within the organization, the DLGS, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Paul W. Garbarini*

Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534

*Garbarini & Co.*

Garbarini & Co. P.C. CPA's  
Registered Municipal Accountants  
April 13, 2012  
Carlstadt, New Jersey

**BOROUGH OF HASBROUCK HEIGHTS  
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Schedule I-1

Federal Grantor/ Pass-Through Grantor Program	Federal CFDA#	Pass - Through Entity ID #	Grant Award	Grant Period	Cash Received	Program Expenditures	Receivable Unreimbursed
Community Development:							
Barrier Free Curb (Ord. 1868)	14.218	Bergen County		Prior Period			5,141.35
New Senior Center (Ord. 1944)		Bergen County		Prior Period			0.80
Resurfacing of Burton & Collins Ave (Ord No. 2253)		Bergen County	81,000.00	01/01/11-12/31/11			81,000.00
Transportation State Aid Highway:							
Resurfacing of Burton Ave (Ord 1803)	20.205	NJ Dept of Transportation		Prior Years			4,578.06
Boulevard Streetscape Improvement (Ord 2209)			150,000.00	01/01/09-12/31/09		64,838.13	145,740.75
Boulevard Streetscape Improvement (Ord 2238)			140,000.00	01/01/10-12/31/10			140,000.00
Curb Replacement Program (Ord 2234 & 2246)			135,000.00	01/01/10-12/31/10			92,000.00
Boulevard Streetscape Improvement (Ord 2252)			150,000.00	01/01/11-12/31/11		11,656.46	150,000.00
Department of Law and Public Safety- Public Assistance	97.036	New Jersey Dept of Law & Public Safety					
FEMA- Storms Flood 03/12/10			73,140.80	Prior Year	73,140.80		
FEMA- Public Assistance Severe Weather			44,691.69	01/01/11-12/31/11	44,691.69		
<b>Total Federal Financial Assistance</b>					<u>117,832.49</u>	<u>194,327.08</u>	<u>618,460.96</u>

**BOROUGH OF HASBROUCK HEIGHTS  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Schedule I-2

State Grant Program	Pass - Through Entity ID #	State Account Number	Grant Award	Grant Period	Cash Received	Program Expenditures	Receivable
Environmental Solid Waste Administration: Clean Communities Grant	N/A	042-4900-765-004	16,766.79	01/01/11-12/31/11	16,766.79	17,401.43	
Recycling Tonnage Grant	N/A	042-4900-752-001	17,271.90	01/01/11-12/31/11	17,271.90	12,200.29	
Law and Public Division of Criminal Justice: Body Armor Replacement Fund	N/A	066-1020-018-001	2,885.81	01/01/11-12/31/11	2,885.81		
Division of Motor Vehicles: Drunk Driving Enforcement Fund	N/A	6400-100-078-6400	6,264.56	01/01/11-12/31/11	6,264.56	1,435.92	
Municipal Court: Alcohol Education & Rehabilitation	N/A	098-9735-760-001	539.35	01/01/11-12/31/11	539.35	2,075.00	
Division of State Library: Per Capita Aid	N/A	074-2541-100-006	5,457.00	01/01/11-12/31/11	5,457.00	4,885.09	
New Jersey Department of Community Affairs Legislative Grants: Bureau of Housing Inspection	N/A	022-810-100-023	1,909.00	01/01/11-12/31/11	1,909.00	1,909.00	
Safe Routes to School Program (Ord # 2221,2222)	N/A		173,000.00	Prior Years			173,000.00
Stormwater Regulation Program	N/A	Unavailable		Prior Years		3,000.00	
<b>Total State Financial Assistance:</b>					<u>51,094.41</u>	<u>42,906.73</u>	<u>173,000.00</u>

**BOROUGH OF HASBROUCK HEIGHTS  
SCHEDULE OF EXPENDITURES OF COUNTY FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Schedule I-3

County Grant Program	Pass - Through Entity ID #	County Account Number	Current Year Grant Award	Grant Period	Cash Received	Program Expenditures	Receivable
<b>Bergen County Open Space Trust:</b>							
Improvement to Depken Field (Ord.# 2232)	N/A	Unavailable	75,000.00	01/01/10-12/31/10			75,000.00
Improvement to Firemen's Monument (Ord # 2263)			18,000.00	01/01/11-12/31/11		18,000.00	18,000.00
Improvement to Woodland Park Pavilion (Ord # 2255)			69,500.00	01/01/11-12/31/11		104.75	69,500.00
<b>Bergen County:</b>							
Municipal Alliance Grant	N/A	Unavailable	10,356.00	01/01/11-12/31/11	10,205.90	12,022.61	11,506.10
Special Project Municipal Alliance	N/A	Unavailable	2,250.00	01/01/09-12/31/09			<u>2,250.00</u>
<b>Total County Financial Assistance</b>					10,205.90	30,127.36	176,256.10

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 NOTES TO THE SCHEDULES OF EXPENDITURES  
 OF FEDERAL AND STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**1. General**

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

**2. Basis of Accounting**

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

**3. Relationship of Financial Statements**

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

	<u>Federal</u>	<u>State</u>	<u>County</u>	<u>Total</u>
Capital Fund	\$76,494.59		\$18,104.75	\$94,599.34
Grant Fund		36,112.64	12,022.61	48,135.25
Current Fund	117,832.49	6,794.09		124,626.58
	\$194,327.08	\$42,906.73	\$30,127.36	\$267,361.17

**4. Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**5. State Loans Outstanding**

The Borough has no state loans outstanding as of December 31, 2011.

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF CASH-COLLECTOR-TREASURER

A-4

	<u>Reference</u>		
Balance December 31, 2010	A		\$ 2,061,634.38
Increased by Receipts:			
Miscellaneous Revenue	A-2	\$ 2,592,215.71	
Miscellaneous Revenue Not Anticipated	A-2	101,240.56	
Due from State of New Jersey -			
Senior Citizens' & Veterans' Deductions	A-7	130,851.39	
Taxes Receivable	A-8	41,744,499.77	
Due to Trust - Other Fund	B-5	187,943.25	
Miscellaneous Credits	A-1	1,048.23	
Tax Overpayments	A-14	49,232.92	
Void Old Outstanding Checks	A-1	9,441.42	
Due to State of New Jersey:			
Building Surcharge Fees	A-15	9,391.00	
Department of Human Services	A-15	975.00	
State Library Aid	A-16	5,457.00	
Prepaid Taxes	A	136,799.60	
Petty Cash Funds	A-6	600.00	
FEMA Reimbursements	A-21	37,403.67	
		45,007,099.52	
			47,068,733.90
Decreased by Disbursements:			
2011 Budget Appropriations	A-3	\$ 16,569,688.88	
Reserve for Grants - Matching Funds	A-3	2,875.00	
2010 Appropriation Reserves	A-13	15,000.00	
County Taxes	A-1,8	3,810,438.31	
Local District School Tax	A-1,8,17	23,762,136.00	
Due to County for Added Taxes - 2010	A	5,522.57	
Miscellaneous Refunds	A-1	1,100.00	
Petty Cash Funds	A-6	600.00	
Due to Trust - Other Fund	B-5	187,943.25	
Tax Overpayments Refunded and Applied	A-14	11,252.73	
Due to State of New Jersey:			
Building Surcharge Fees	A-15	9,456.00	
Department of Human Services	A-15	800.00	
Burial Permit Fees	A-15	55.00	
Reserve for:			
Maintenance of Free Public Library with State Aid	A-16	4,885.09	
Tax Appeals Pending	A-18	30,854.31	
Revaluation of Real Property	A-19	11,010.00	
Accounts Payable	A-20	15,798.92	
		44,439,416.06	
Balance December 31, 2011	A		\$ 2,629,317.84

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF CASH - CHANGE FUNDS**

A-5

	<u>Reference</u>	
Balance December 31, 2010	A	\$ <u>275.00</u>
Balance December 31, 2011	A	\$ <u><u>275.00</u></u>
<u>Dec. 31, 2011</u>		
<u>Analysis of Balance</u>		
Tax Collector - Treasurer		\$ 100.00
Clerk of Municipal Court		100.00
Board of Health		50.00
Police Department		25.00
		<u>\$ <u>275.00</u></u>

**SCHEDULE OF PETTY CASH FUNDS**

A-6

<u>OFFICE</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Police Chief	\$ 100.00	\$ 100.00
Borough Clerk	100.00	100.00
Library	100.00	100.00
Tax Collector - Treasurer	100.00	100.00
Recreation Director	75.00	75.00
Board of Health	25.00	25.00
Superintendent of DPW	100.00	100.00
	<u>\$ 600.00</u>	<u>\$ 600.00</u>
Reference	A-4	A-4

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF DUE (TO)/FROM STATE OF NEW JERSEY FOR  
SENIOR CITIZENS' & VETERANS' DEDUCTIONS (CH. 20, P.L. 1971)**

A-7

	<u>Reference</u>	
Balance (Due To) December 31, 2010	A	\$ (1,750.00)
Increased by:		
Original Duplicate		
Senior Citizens' Deductions		\$ 21,500.00
Veterans' Deductions		106,000.00
Allowed by Tax Collector:		
Senior Citizens' Deductions		1,000.00
Veterans' Deductions		<u>750.00</u>
		<u>129,250.00</u>
		127,500.00
Canceled to Budget Operations		<u>0.00</u>
		\$ 127,500.00
Decreased by:		
Disallowed by Tax Collector:		
Senior Citizens' Deductions / Veterans' Deductions - 2010 Taxes	A-1	<u>2,436.29</u>
		<u>2,436.29</u>
		\$ 125,063.71
Due Back to State For Senior Audits	A-4	1,500.00
Received in Cash from State	A-4	<u>129,351.39</u>
		<u>130,851.39</u>
Balance (Due To) December 31, 2011	A	<u><u>\$ (5,787.68)</u></u>
2011 Tax Revenue:		
Original Duplicate		
Senior Citizens' Deductions		\$ 21,500.00
Veterans' Deductions		106,000.00
Allowed by Tax Collector:		
Senior Citizens' Deductions		1,000.00
Veterans' Deductions		<u>750.00</u>
		\$ 129,250.00
Disallowed by Tax Collector:		
Senior Citizens' Deductions		
Veterans' Deductions		<u>-</u>
		<u>0.00</u>
Total Revenue	A-8	<u><u>\$ 129,250.00</u></u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

A-8

Year	Balance Dec. 31, 2010	2011 Levy	Added Taxes	Cash Collections 2010	2011	Senior Citizens and Veterans Deductions	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2011
2010	\$ -	\$ 41,862,759.83	\$ 98,943.03	\$ 122,423.35	\$ 41,241,013.85	\$ 129,250.00	\$ 126,845.82	\$ 3,945.45	\$ 338,224.39
2011	457,795.24		58,021.78		503,485.92		279.92	12,051.18	0.00
	<u>\$ 457,795.24</u>	<u>\$ 41,862,759.83</u>	<u>\$ 156,964.81</u>	<u>\$ 122,423.35</u>	<u>\$ 41,744,499.77</u>	<u>\$ 129,250.00</u>	<u>\$ 127,125.74</u>	<u>\$ 15,996.63</u>	<u>\$ 338,224.39</u>
Reference	A	Below		A	A-4	A-7		A-9	A

ANALYSIS OF 2011 PROPERTY TAX LEVY

TAX YIELD

General Purpose Tax:		Ref.
Communications Companies	\$ 22,573.53	
General Property Tax	41,712,686.30	
State Share of Senior Citizens and Veterans Deductions	<u>127,500.00</u>	

Total	\$ 41,862,759.83	Above
Added Taxes (54:4-63.1 et. seq.)	98,943.03	
Omitted Taxes (54:4-63.12 et. seq.)	<u>\$ 41,961,702.86</u>	Below

TAX LEVY

Local District School Tax (Abstract)	\$ 25,762,136.00	A-1,4,17
County Taxes (Abstract)	3,764,463.22	A-1,4
Due County for Added Open Space Taxes	45,975.09	A-1
Due County for Added Taxes	<u>11,646.15</u>	A-1
Total County Taxes	\$ 3,822,084.46	
Local Tax for Municipal Purposes	13,670,206.04	A-2
Local Library Purposes	613,245.74	A-2
Add: Additional Taxes	<u>94,030.62</u>	
Local Tax for Municipal Purposes Levied	<u>14,377,482.40</u>	
	<u>\$ 41,961,702.86</u>	Above

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

A-9

	<u>Reference</u>	
Balance December 31, 2010	A	\$ 184,095.46
Increased by:		
Transfer from Taxes Receivable	A-8	<u>15,996.63</u>
Balance December 31, 2011	A	<u><u>\$ 200,092.09</u></u>

**SCHEDULE OF MARTIN ACT PROPERTY**

A-10

	<u>Reference</u>	
Balance December 31, 2010	A	<u><u>\$ 543.04</u></u>
Balance December 31, 2011	A	<u><u>\$ 543.04</u></u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

A-11

<b>Revenue Accounts Receivable:</b>	Balance December 31, <u>2010</u>	Accrued <u>in 2011</u>	Collected	Balance December 31, <u>2011</u>
Municipal Court	\$ 10,629.10	\$ 10,097.46	\$ 10,629.10	\$ 10,097.46
	<u>\$ 10,629.10</u>	<u>\$ 10,097.46</u>	<u>\$ 10,629.10</u>	<u>\$ 10,097.46</u>
<u>Reference</u>	A			A

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF DEFERRED CHARGES - N.J.S.A. 40A:4-53 SPECIAL EMERGENCY**

A-12

<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance 12/31/2010</u>	<u>Authorized Current Year</u>	<u>Reduced by 2011 Budget Appropriation</u>	<u>Balance 12/31/2011</u>
Special Emergency - Revaluation N.J.S.A. 40A:4-53	\$ 125,000.00	\$ 25,000.00	\$ -	\$ 125,000.00	\$ -	\$ 125,000.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>\$ 125,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ -</u>	<u>\$ 125,000.00</u>	<u>\$ -</u>	<u>\$ 125,000.00</u>
<u>Reference</u>			A		A-3	A



BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF 2010 APPROPRIATION RESERVES

A-13

	Encumbered	Balance December 31, 2010 Reserved	Total	Transfers	Balance After Transfer	Paid or Charged	Balance Lapsed
Board of Adjustment							
Salaries and Wages	\$ -	\$ 217.67	\$ 217.67	\$ -	\$ 217.67	\$ -	\$ 217.67
Other Expenses		1,589.77	1,589.77		1,589.77	746.50	843.27
Shade Trees							
Salaries and Wages		10,475.97	10,475.97		10,475.97	8,142.84	2,333.13
Other Expenses		1,826.84	1,826.84		1,826.84		1,826.84
Recycling Program							
Salaries and Wages		20,034.49	20,034.49	(10,000.00)	10,034.49	5,823.64	4,210.85
Other Expenses	3,441.40	399.72	3,841.12		3,841.12	3,679.90	161.22
Insurance							
Group Insurance for Employees		2,191.98	2,191.98		2,191.98		2,191.98
Workmen's Compensation Insurance		17,603.00	17,603.00		17,603.00	16,000.00	1,603.00
Other Insurance Premiums		245.46	245.46		245.46		245.46
<u>PUBLIC SAFETY</u>							
Fire							
Salaries and Wages		8,850.20	8,850.20		8,850.20		8,850.20
Other Expenses	6,015.92	45,684.99	51,700.91	(3,000.00)	48,700.91	28,589.59	20,111.32
Uniform Fire Safety Act							
Salaries and Wages		3,532.76	3,532.76		3,532.76		3,532.76
Other Expenses	199.93	2,136.27	2,336.20		2,336.20	203.43	2,130.77
Police							
Salaries and Wages		176,489.80	176,489.80		176,489.80	107,807.51	68,682.29
Other Expenses	38,025.74	2,885.07	40,910.81	3,750.00	44,660.81	44,487.22	173.59
Emergency Management Services							
Salaries and Wages		262.06	262.06		262.06		262.06
Other Expenses		311.09	311.09		311.09		311.09
<u>STREETS AND ROADS</u>							
Road Repairs and Maintenance							
Salaries and Wages		2,392.82	2,392.82	14,500.00	16,892.82	16,650.69	242.13
Other Expenses	26.04	4,219.15	4,245.19		4,245.19	26.04	4,219.15

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF 2010 APPROPRIATION RESERVES

	Balance December 31, 2010				Total	Transfers	Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Reserved							
Street Cleaning									
Salaries and Wages	\$ -	\$ 7,675.45	\$ 7,675.45	\$ 4,250.00	\$ 11,925.45	\$ 11,834.69	\$ 90.76		
Other Expenses		6,580.53	6,580.53		6,580.53	1,161.43	5,419.10		
Garbage and Trash Removal									
Salaries and Wages		18,176.93	18,176.93	(7,000.00)	11,176.93	10,277.75	899.18		
Other Expenses		10.69	10.69		10.69		10.69		
Sewer Maintenance									
Salaries and Wages		88,757.98	8,757.98		8,757.98	6,386.31	2,371.67		
Other Expenses		165.12	165.12		165.12	48.52	116.60		
Sanitary Landfill									
Contractual-Bergen County		85,353.67	85,353.67	(21,400.00)	63,953.67	60,813.77	3,139.90		
<u>HEALTH AND WELFARE</u>									
Board of Health									
Salaries and Wages		1,199.06	1,199.06		1,199.06		1,199.06		
Health Services - Contractual	16,540.00	2,340.00	18,880.00		18,880.00	16,540.00	2,340.00		
Other Expenses		33.43	33.43		33.43		33.43		
Dog Regulation									
Other Expenses	374.61	125.39	500.00		500.00	350.10	149.90		
County of Bergen - Contractual		2,041.64	2,041.64		2,041.64	-	2,041.64		
Administration of Public Assistance									
Other Expenses		750.00	750.00		750.00		750.00		
Parks and Playgrounds									
Salaries and Wages		456.10	456.10	4,500.00	4,956.10	4,916.46	39.64		
Other Expenses	1,714.78	4,771.35	6,486.13	(3,000.00)	3,486.13	2,076.60	1,409.53		
Board of Recreation Commissioners									
Salaries and Wages		3,383.98	3,383.98	(2,500.00)	883.98		883.98		
Other Expenses		5.42	5.42	2,500.00	2,505.42	2,429.90	75.52		
Celebration of Public Events, Anniversary or Holiday									
Other Expenses		279.68	279.68		279.68		279.68		

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF 2010 APPROPRIATION RESERVES

A-13

	Encumbered	Balance December 31, 2010 Reserved	Total	Transfers	Balance After Transfer	Paid or Charged	Balance Lapsed
Senior Citizen's Transportation							
Salaries and Wages	\$ -	\$ 7.92	\$ 7.92	\$ 175.00	\$ 182.92	\$ 182.40	\$ 0.52
Other Expenses		1,484.91	1,484.91		1,484.91		1,484.91
Senior Citizen's Activities							
Salaries and Wages		3.02	3.02		3.02		3.02
Other Expenses		73.46	73.46	650.00	723.46	710.00	13.46
Construction Code Officials							
Salaries and Wages		5,970.95	5,970.95		5,970.95	-	5,970.95
Other Expenses		1,346.71	1,346.71		1,346.71	-	1,346.71
Unclassified							
Utilities:							
Gasoline	5,144.68	22,206.69	27,351.37	(16,000.00)	11,351.37	10,448.87	902.50
Electricity		3,136.84	3,136.84	6,700.00	9,836.84	9,721.93	114.91
Telephone		161.98	161.98	4,600.00	4,761.98	4,756.92	5.06
Natural Gas		9,939.54	9,939.54		9,939.54	5,639.62	4,299.92
Street Lighting		13,219.49	13,219.49		13,219.49	8,316.32	4,903.17
Fire Hydrant Service		6,573.17	6,573.17	3,600.00	10,173.17	10,108.60	64.57
Water		0.62	0.62	975.00	975.62	963.99	11.63
Statutory Expenditures:							
Contribution to:							
Social Security System (O.A.S.I.)		2,263.79	2,263.79		2,263.79		2,263.79
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>\$ 76,232.16</b>	<b>\$ 583,765.14</b>	<b>\$ 661,997.30</b>	<b>\$ (24,800.00)</b>	<b>\$ 637,197.30</b>	<b>\$ 436,213.86</b>	<b>\$ 206,983.44</b>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF 2010 APPROPRIATION RESERVES

	Encumbered	Balance December 31, 2010 Reserved	Total	Transfers	Balance After Transfer	Paid or Charged	Balance Lapsed
							A-13
OPERATIONS EXCLUDED FROM "CAPS"							
Maintenance of Free Public Library (Chap. 82 & 541, P.L. 1985)	\$ 119.90	\$ 5,346.23	\$ 5,466.13	\$ 3,300.00	\$ 8,766.13	\$ 8,528.87	\$ 237.26
Bergen County Utilities Authority		402.12	402.12		402.12		402.12
L.O.S.A.P.		50,000.00	50,000.00		50,000.00	39,950.00	10,050.00
Sanitary Landfill Recycling Tax		4,250.00	4,250.00		4,250.00		4,250.00
Reserve for Tax Appeals		1,000.00	1,000.00	21,500.00	22,500.00	15,000.00	7,500.00
Other Sewer Service Charges - Contractual		4,000.00	4,000.00		4,000.00		4,000.00
Capital Improvement Fund		1,000.00	1,000.00		1,000.00		1,000.00
	<u>\$ 119.90</u>	<u>\$ 65,998.35</u>	<u>\$ 66,118.25</u>	<u>\$ 24,800.00</u>	<u>\$ 90,918.25</u>	<u>\$ 63,478.87</u>	<u>\$ 27,439.38</u>
TOTALS	<u>\$ 76,352.06</u>	<u>\$ 651,763.49</u>	<u>\$ 728,115.55</u>	<u>\$ -</u>	<u>\$ 728,115.55</u>	<u>\$ 499,692.73</u>	<u>\$ 228,422.82</u>
Ref. A		A			Reference	Below	A-1
Transferred to Accounts Payable					A-20	\$ 39,420.10	
Disbursed					A-18	15,000.00	
					A-4	445,272.63	
					Above	<u>\$ 499,692.73</u>	

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF TAX OVERPAYMENTS

A-14

	<u>Reference</u>	
Balance December 31, 2010	A	\$ 20,517.20
Increased by:		
Overpayments in 2011	A-4	<u>49,232.92</u>
		69,750.12
Decreased by:		
Refunds	A-4	<u>11,252.73</u>
Balance December 31, 2011	A	<u><u>\$ 58,497.39</u></u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF DUE TO/(FROM) STATE OF NEW JERSEY - SURCHARGE FEES**

A-15

	<u>Reference</u>	<u>Burial Permit Fees</u>	<u>Construction Surcharge Fees</u>	<u>Marriage License Fees</u>
Balance December 31, 2010	A	\$ 2,140.00	\$ 2,086.00	\$ 1,645.00
Increased by:				
Receipts	A-4	<u>9,391.00</u>	<u>975.00</u>	<u>975.00</u>
		\$ 2,140.00	\$ 11,477.00	\$ 2,620.00
Decreased by:				
Cash Disbursements	A-4	<u>55.00</u>	<u>9,456.00</u>	<u>800.00</u>
Balance December 31, 2011	A	<u>\$ 2,085.00</u>	<u>\$ 2,021.00</u>	<u>\$ 1,820.00</u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF RESERVE FOR MAINTENANCE OF  
 FREE PUBLIC LIBRARY WITH STATE AID**

A-16

	<u>Reference</u>	
Balance December 31, 2010	A	\$ 141.98
Increased by:		
State Library Aid	A-4	5,457.00
		\$ 5,598.98
Decreased by:		
Cash Disbursements	A-4	4,885.09
		4,885.09
Balance December 31, 2011	A	\$ 713.89

**SCHEDULE OF SCHOOL TAXES PAYABLE**

A-17

	<u>Reference</u>	
Balance December 31, 2010	A	\$ -
Increased by:		
2011 School Tax Levy	A-1,8	23,762,136.00
		\$ 23,762,136.00
Decreased by:		
School Taxes Paid	A-4	23,762,136.00
		23,762,136.00
Balance December 31, 2011	A	\$ -

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF RESERVE FOR TAX APPEALS PENDING**

A-18

	<u>Reference</u>		
Balance December 31, 2010	A		\$ 71,757.58
Increased by:			
Transferred from 2010 Budget Reserves	A-13	15,000.00	
Transferred from 2011 Budget Appropriations	A-3	75,000.00	90,000.00
			\$ 161,757.58
Decreased by:			
Cash Disbursements	A-4		30,854.31
Balance December 31, 2011	A		\$ 130,903.27

**RESERVE FOR REVALUATION OF REAL PROPERTY**

A-19

	<u>Reference</u>		
Balance December 31, 2010	A		\$ -
Increased by:			
Special Emergency	A, A-12		125,000.00
			125,000.00
Decreased by:			
Cash Disbursements	A-4		11,010.00
Balance December 31, 2011	A		\$ 113,990.00

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE**

A-20

	<u>Reference</u>	
Balance December 31, 2010	A	\$ 17,201.08
Increased by:		
Transferred from 2010 Budget Appropriations	A-13	39,420.10
		\$ 56,621.18
Decreased by:		
Cash Disbursements	A-4	15,798.92
		15,798.92
Balance December 31, 2011	A	\$ 40,822.26

**SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS**

A-21

	<u>Reference</u>	
Balance December 31, 2010	A	\$ -
Increased by:		
Receipts for FEMA	A-4	37,403.67
		\$ 37,403.67
Balance December 31, 2011	A	\$ 37,403.67

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF CASH-COLLECTOR -TREASURER**

B-1

	<u>Reference</u>	<u>Assessment Fund</u>	<u>Dog License Fund</u>	<u>Other Funds</u>	
<u>Balance December 31, 2010</u>	B	\$ 1,838.67	\$ 24,970.29		\$ 746,096.26
Increased by Receipts:					
Dog License Fees	B-2		15,714.40		
State Registration Fess	B-2		1,923.60		
Deposits Payable	B-3			709,858.37	
Payroll Deductions Payable	B-4, B-6			4,728,101.83	
Due to/from Current Fund	B-5			130.84	
Unemployment Budget Appropriation	B-6			25,000.00	
Cancellation of reserve to fund balance	B-3, B-8			6,608.48	
Prior year audit adjustment	B-8		17,638.00	57.28	5,469,756.80
		<u>\$ 1,838.67</u>	<u>\$ 42,608.29</u>		<u>\$ 6,215,853.06</u>
Decreased by Disbursements:					
Expenditures under R.S. 4:19-15.11	B-2		\$ 14,419.47		
Due to State of NJ - Registration Fees	B-2		1,875.60		
Deposits Payable	B-3			838,650.28	
Payroll Deductions Payable	B-4			4,690,976.33	
Due to/from Current Fund	B-5			131.79	
Due to Department of Labor - Unemployment	B-5, B-6		16,295.07	43,793.98	5,573,552.38
<u>Balance December 31, 2011</u>	B	<u>\$ 1,838.67</u>	<u>\$ 26,313.22</u>		<u>\$ 642,300.68</u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

B-2

**SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES**

	<u>Reference</u>		
Balance December 31, 2010	B		\$ 24,903.29
Increased by:			
Dog License Fees Collected	B-1	<u>\$ 15,714.40</u>	15,714.40
			<u>\$ 40,617.69</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11 - Cash	B-1	<u>\$ 14,419.47</u>	14,419.47
			<u>\$ 26,198.22</u>

Licenses Fees Collected

<u>Year</u>	<u>Amount</u>
2010	\$ 15,336.40
2009	14,698.20
	<u>\$ 30,034.60</u>

Summary of State Registration Fees

State Registration Fees Due at 12/31/10	B		\$ 67.00
State Registration Fees Collected	B-1	<u>1,923.60</u>	1,990.60
State Registration Fees Paid	B-1	<u>1,875.60</u>	115.00
State Registration Fees Due at 12/31/11	B	<u>\$ 115.00</u>	

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF RESERVES AND DEPOSITS PAYABLE**

B-3

<b>DEPOSITS</b>	Balance December 31, 2010	Receipts	Disbursements	Adjustments	Balance December 31, 2011
Merchant Bonds	\$ 8,450.00	\$ 350.00	\$ -	\$ -	\$ 8,800.00
Library Book Fund	35,576.21	33,233.91	38,883.67		29,926.45
Board of Recreation Commission	1,620.03	76,764.94	73,745.79		4,639.18
Towing	2,689.94				2,689.94
Planning Board	125,520.90	29,122.26	20,332.16		134,311.00
Off-Duty Municipal Police Pay	53,515.83	188,924.96	166,613.93		75,826.86
Off-Duty Police Car Charges	(115,467.51)		27,300.00		(142,767.51)
Developer's Deposit - Car Wash	14,083.46	18.45			14,101.91
Performance Bond - ADPP	24,238.98	31.75			24,270.73
Performance Bond - BRE Prime	163,685.96	123.49	163,809.45		-
Redemption of Outside Tax Title					
Lien Certificate	(17.46)	177,371.14	177,371.10	17.42	-
Tax Sale Premiums	181,900.00	69,600.00	97,200.00		154,300.00
Donations - Police Bullet Proof Vests	373.66			(373.66)	-
Elevator Sub-Code Fees	6,943.00			(6,943.00)	-
Sidewalk Crossing	750.00				750.00
Street Opening	2,680.00	3,500.00	1,400.00		4,780.00
Miscellaneous	(2,256.03)	7,752.44	7,387.50		(1,891.09)
Parking Offenses Adjudication Act	34,919.06	2,524.00			37,443.06
Uniform Fire Penalties	1,210.60	6,390.00			7,600.60
					-
Reserve for Street Fair	7,886.88	15,000.00	14,692.40		8,194.48
Reserve for Firefighters Walk of Honor	1,385.80				1,385.80
Reserve for Fire Truck Repairs	487.58			(487.58)	-
Reserve for Municipal Building Repairs	1,958.67			(1,958.67)	-
Reserve for Municipal Stormwater Program	(2,806.33)			2,806.33	-
Reserve for Master Plan	388.30			(388.30)	-
Reserve for Veterans Memorial Park	4,867.00	300.00	440.00		4,727.00
Reserve for Veterans Memorial Park Maint.	9,740.05				9,740.05
Reserve for Bench Program	1,036.36				1,036.36
Reserve for OEM Grant	503.02			(503.02)	-
Reserve for Andrew Feintuch Memorial Fund	8,667.10	12.02	500.00		8,179.12
Reserve for Hurricane Katrina Memorial Fund	225.93	0.31			226.24
Reserve for 9-11 Memorial Fund	-	10,665.00	1,755.75		8,909.25
Reserve for Energy Efficiency Funding	-	20,000.00			20,000.00
Reserve for Port Authority Donation	-	10,000.00			10,000.00
Recycling Proceeds	30,696.30	58,173.70	47,218.53		41,651.47
Reserve for Police Exam	(1,222.00)			1,222.00	-
	<u>\$ 604,231.29</u>	<u>\$ 709,858.37</u>	<u>\$ 838,650.28</u>	<u>\$ (6,608.48)</u>	<u>\$ 468,830.90</u>
Reference	B	B-1	B-1	B-1, B-8	B

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

B-4

ACCOUNT	Balance December 31, 2010	Receipts	Disbursements	Prior Year Adjustments	Balance December 31, 2011
Federal Withholding Tax	\$ 6,105.17	\$ 1,116,296.00	\$ 1,116,333.51	\$ -	\$ 6,067.66
F.I.C.A.	(12,611.66)	420,588.14	422,774.75	5,212.26	(9,586.01)
Medicare	9,010.12	228,673.43	228,594.37	(1,703.27)	7,385.91
Unemployment Insurance	57,537.22	15,086.63	23,803.18	(3,944.95)	44,875.72
State of NJ - Gross Income Tax	(10,592.62)	298,574.28	291,015.46		(3,033.80)
P.E.R.S. - Pension	19,977.20	1,754,648.34	1,750,611.87		24,013.67
P.E.R.S. - Contributory Insurance	1,552.52	17,063.48	16,953.28		1,662.72
Police and Firemen's Retirement System	49,830.10	440,701.50	420,590.10		69,941.50
Deferred Compensation Plan	80.00	202,944.84	202,944.84		80.00
Union Dues - DPW	1,917.01	22,070.00	22,497.50		1,489.51
Union Dues - PBA	2,060.00	11,553.60	11,600.00		2,013.60
Wage Garnishes	1,192.85	69,250.60	69,250.60		1,192.85
Credit Union	5,620.02	15,420.00	16,705.00	(3,508.99)	826.03
AFLAC	102.93	17,466.26	18,223.87		(654.68)
Colonial Life	-	236.70	236.70		-
Premier Vision Care	14.86	152.00	152.00		14.86
Suspense	(3,242.86)	1,186.73		3,944.95	1,888.82
Employee Contribution to Benefits		78,689.30	78,689.30		-
<b>Total Payroll Deductions</b>	<b>\$ 128,552.86</b>	<b>\$ 4,710,601.83</b>	<b>\$ 4,690,976.33</b>	<b>\$ -</b>	<b>\$ 148,178.36</b>
Reference	B	B-1	B-1		B

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF DUE TO / (FROM) CURRENT FUND**

**B-5**

	<u>Reference</u>	<u>Dog Fund</u>	<u>Other Funds</u>
Balance December 31, 2010	B	\$ -	\$ -
Increased by:			
Paid to Current Fund	B-1	114.34	17.45
		114.34	17.45
Decreased by:			
Due to Current Fund	B-1	114.34	16.50
Audit adjustment	B-1		0.95
		114.34	17.45
Balance December 31, 2011	B	\$ -	\$ -

**SCHEDULE OF RESERVE FOR UNEMPLOYMENT  
INSURANCE TRUST FUND**

**B-6**

	<u>Reference</u>		
Balance December 31, 2010	B		\$ 1,628.53
Increased by:			
2011 Budget Appropriation	A-3, B-1	\$ 25,000.00	
Payroll Deductions Payable	B-1	17,500.00	
Interest Earned			
			42,500.00
			44,128.53
Decreased by:			
Payments - NJ Dept. of Labor	B-1	43,794.93	
		43,794.93	43,794.93
Balance December 31, 2011	B		\$ 333.60

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS**

**B-7**

	<u>Reference</u>	
Balance December 31, 2010	B	<u>\$ 8,679.84</u>
Balance December 31, 2011	B	<u>\$ 8,679.84</u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF FUND BALANCE**

**B-8**

	<u>Reference</u>		
Balance December 31, 2010	B	\$	4,842.41
Increased by:			
Prior year audit adjustment	B-1		57.28
Cancellation of reserves	B-3		6,608.48
			<hr/>
Balance December 31, 2011	B	\$	<u>11,508.17</u>

Analysis of Balance

Assessment Fund	B	\$	1,838.67
Other Trust Funds	B		9,669.50
			<hr/>
Total		\$	<u>11,508.17</u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 GENERAL CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF CASH - COLLECTOR - TREASURER**

C-2

	Reference		
Balance December 31, 2010	C		\$ 423,236.47
Increased by:			
Budget Appropriation for Capital Improvement Fund	C-3,7	\$ 30,000.00	
Due To Current Fund - Interest	Contra	2,125.04	
Bond Anticipation Notes Issued	C-3,10,11	<u>3,368,300.00</u>	
			<u>3,400,425.04</u>
			3,823,661.51
Decreased by:			
Due to Current Fund - Interest	Contra	2,125.04	
Improvement Authorization Expenditures	C-8	506,250.38	
Bond Anticipation Notes Paid	C-10	<u>2,989,550.00</u>	
			<u>3,497,925.42</u>
Balance December 31, 2011	C		<u><u>\$ 325,736.09</u></u>



BOROUGH OF HASBROUCK HEIGHTS, NJ  
 GENERAL CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF ANALYSIS OF CASH

C-3

Ord. #	Improvement Description	Balance		Receipts		Disbursements		Transfers		Balance Dec. 31, 2011
		Dec. 31, 2010	Budget	Budget	Notes and Bonds	Miscellaneous	Improvement Authorizations	Misc.	To	
1944/1968/1985		\$ 58,876.97	\$ -	\$ -	\$ -	\$ -	\$ 8,747.00	\$ -	\$ -	\$ 50,129.97
2038/2082	Construction of a New Municipal Building and a New Public Safety Building	566.49	-	-	-	-	-	-	-	566.49
1948	Acquisition of a New Ambulance	815.29	-	-	-	-	-	-	-	815.29
1976	Acquisition of Real Property located at 302 Boulevard	-	-	-	-	-	-	-	-	-
1990	Acquisition of Fire Gear and Equipment	-	-	-	-	-	-	-	-	-
2006	Acquisition of Furniture Furnishings, Shelving and other Fittings for the use throughout the new Municipal Complex	643.47	-	-	-	-	-	-	-	643.47
2007	Acquisition of Furniture Furnishings, Shelving and other Fittings for the New Free Public Library	(13,348.41)	-	-	-	-	-	-	-	(13,348.41)
2012	Improvement of Baldwin Ave. between the Boulevard and Route 46	4,951.61	-	-	-	-	-	-	-	4,951.61
2030	Acquisition of a new Public Safety Communications and Dispatch System and an 8' Communications Tower	935.96	-	-	-	-	935.96	-	-	-
2048	Acquisition of Furniture Furnishings and Fittings for use throughout the new Public Safety Building and O.E.M.	8,999.38	-	-	-	-	4,964.04	-	-	4,035.34
2054	Resurfacing of Oak Grove Ave. from Jefferson to Williams Ave.	(51,180.61)	-	-	-	-	-	-	-	(51,180.61)
2055	2004 Road Improvement Program	16,798.96	-	-	-	-	3,846.43	-	-	12,952.53
2059	Acquisition of a Tree Stump Grinding Machine and a Tree Trimming Vehicle	21,804.88	-	-	-	-	-	-	-	21,804.88
2085	Acquisition of Laptop Computers for the Free Public Library	1,655.12	-	-	-	-	-	-	-	1,655.12
2087	Acquisition of a Front End Loader for the DPW	1,687.66	-	-	-	-	-	-	-	1,687.66
2088	Acquisition of a Rolloff Truck for the DPW	4,760.49	-	-	-	-	-	-	-	4,760.49
2089	Acquisition of 2 Four Wheel Drive Vehicles for Fire Dept. & Fire Prevention	18,978.64	-	-	-	-	-	-	-	18,978.64
2133/2145	Barrier Free Improvements to Woodland Park	4,023.05	-	-	-	-	-	-	-	4,023.05
2134	2006 Computer Upgrades	3,200.02	-	-	-	-	859.00	-	-	2,341.02
2135	Acquisition of Gear and Equipment for the Fire Dept.	397.70	-	-	-	-	-	-	-	397.70
2136	Construction of a Parking lot and Pocket Park	37,465.39	-	-	-	-	-	-	-	37,465.39
2146	Improvement to Gary Depken Field	62,048.23	-	-	-	-	3,379.63	-	-	58,668.60
	Sub total	184,080.29	-	-	-	-	22,732.06	-	-	161,348.23



BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF DUE FROM STATE OF NJ**

	Reference	C-4
Balance December 31, 2010	C	\$ 555,318.81
Increased by:		
Grants Awarded in 2011	C-8	150,000.00
		705,318.81
Decreased by:		
Cash Received	C-2,3	_____
Balance December 31, 2011	C, Below	\$ 705,318.81

ANALYSIS OF BALANCE DECEMBER 31, 2011

Burton Avenue - Ordinance No. 1628	\$ 2,170.00
Burton Avenue - Ordinance No. 1803	2,408.06
Boulevard Streetscape - Ordinance No. 2185, 2209, 2238, 2252	435,740.75
Safe Routes to Schools - Ordinance No. 2221	150,000.00
Safe Routes to Schools - Ordinance No. 2222	23,000.00
Curb Replacement Program - Ordinance No. 2234 & 2246	92,000.00
	\$ 705,318.81

**SCHEDULE OF DUE FROM COUNTY OF BERGEN  
COMMUNITY DEVELOPMENT BLOCK GRANT/OPEN SPACE GRANT**

	Reference	C-5
Balance December 31, 2010	C	\$ 80,142.15
Increased by:		
Grants Awarded in 2011	C-8	168,500.00
		248,642.15
Decreased by:		
Cash Received	C-2,3	_____
Balance December 31, 2011	C, Below	\$ 248,642.15

ANALYSIS OF BALANCE DECEMBER 31, 2011

**Community Development Grants:**

Barrier Free Curb Ramps - Ordinance No. 1868	\$ 5,141.35
New Senior Citizen Center - Ordinance No. 1944	0.80
Resurfacing of Burton and Collins Ave- Ordinance No. 2253	81,000.00

**Open Space Grants:**

Improvements to Firemen's Memorial- Ordinance No. 2263	18,000.00
Improvements to Depken Field - Ordinance No. 2232	75,000.00
Woodland Park Pavilion- Ordinance No. 2255	69,500.00

	Above	\$ 248,642.15
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BOROUGH OF HASBROUCK HEIGHTS, NJ  
 GENERAL CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. #	Improvement Description	Analysis of Balance - Dec. 31, 2011					Unexpended Improvement Authorizations
		Balance Dec. 31, 2010	2011 Authorizations	Deferred Charges Paid Off	Cancelled	Balance Dec. 31, 2011	
1719	Reconstruction of Lawrence Ave. from the Boulevard to Terrace Ave.	\$ 42,500.00	\$ -	\$ -	\$ -	\$ 42,500.00	\$ 16,922.81
1720	Reconstruction and Improvement of Storm Water Drainage Line West of the Boulevard between Franklin & LaSalle	153,918.48				153,918.48	153,918.48
1907	Resurfacing of Wood St., Cleveland Ave. from Terrace Ave. to the Boulevard and Kipp Ave. from the Boulevard to Woodside Ave.	14,100.00		14,100.00			
1908	Resurfacing of Ottawa Ave. from Burton Ave. to Rt 17	64,250.00				64,250.00	17,362.65
1909	Rehabilitation of Sanitary Sewers						
1915/1940	Purchase of Comm Equip, Improvement to Parks, Improvement of Pistol Range and Acq. of a 4 wheel drive vehicle for the Police Dept.	500.00					500.00
1935	Acq. of a Pumper Truck	180,000.00		90,000.00		90,000.00	
1936	Refurbishment of the Hook and Ladder	23,250.00		10,000.00		13,250.00	1,343.27
1937	Acq. of a Sewer Line Inspection System	12,500.00		6,250.00		6,250.00	
1941	Resurfacing of Kipp Ave. from the Boulevard to Terrace Ave.	40,000.00				40,000.00	
1942	Resurfacing of LaSalle Ave. from the Boulevard to Oak Grove and Peterson Ave. from Terrace Ave. to Burton Ave.	43,000.00				43,000.00	1,139.41
1943	Reconstruction of Summit Street and Plant Road	136,450.00		67,500.00		68,950.00	
1944/1968/1985	Construction of new Muni Bldg and new Public Safety Bldg	900.00				900.00	900.00
1947	Acq. of a Litter Vacuum	11,500.00		5,400.00		6,100.00	
1989	Acq. of a Garbage Truck and Dump Truck	168,500.00		21,500.00		147,000.00	
1990	Acq. of Fire Gear and Equipment	23,750.00				23,750.00	
1991	Reconstruction of Sanitary Sewers	41,500.00		6,000.00		35,500.00	
1993	Acq. of mobile computers for Police Dept & Traffic						
1994	Signal upgrades	40,500.00		10,500.00		30,000.00	
2007	Resurfacing of Various Streets	73,000.00		28,000.00		45,000.00	
2030	Acq of furniture & shelving for NJ Public Library	96,000.00		30,750.00		65,250.00	1,651.59
	Acq of New Public Safety Comm and Dispatch System and an 80' Comm Tower	208,400.00		54,600.00		153,800.00	

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 GENERAL CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. #	Improvement Description	Analysis of Balance - Dec. 31, 2011					Unexpended Improvement Authorizations		
		Balance Dec. 31, 2010	2011 Authorizations	Deferred Charges Paid Off	Cancelled	Balance Dec. 31, 2011		Financed by Bond Anticipation Notes	Expenditures
GENERAL IMPROVEMENTS:									
2054	Resurfacing of Oak Grove Ave from Jefferson Ave to Williams Ave.	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ 51,180.61	\$ 28,819.39
2055	Resurfacing of Streets as part of 2004 Road Program	150,000.00		30,000.00		120,000.00	120,000.00	107,047.47	12,952.53
2057	Completion of construction of new Municipal Bldg and Public Safety Bldg.	305,000.00		60,000.00		245,000.00	245,000.00	245,000.00	
2058	Acq of Gear & Equipment for Fire Dept.	36,000.00		4,000.00		32,000.00	32,000.00	32,000.00	
2059	Acq of a Tree Stump Grinder and Tree Trimming Veh.	158,000.00		31,500.00		126,500.00	126,500.00	104,695.12	21,804.88
2087	Acq of a new Front End Loader	96,250.00		16,250.00		80,000.00	80,000.00	78,312.34	1,687.66
2088	Acq of a new Rolloff Truck	87,900.00		14,650.00		73,250.00	73,250.00	68,489.51	4,760.49
2089	Acq of 2 new 4 Wheel Drive vehicles for Fire Dept. and Fire Prevention Dept.	71,000.00		9,000.00		62,000.00	62,000.00	43,021.36	18,978.64
2134	2006 Computer upgrades	45,950.00		6,000.00		39,950.00	39,950.00	37,608.98	2,341.02
2135	Acq of Gear & Equipment for Fire Dept.	42,000.00		6,000.00		36,000.00	36,000.00	35,602.30	397.70
2136	Construction of a Parking Lot & Pocket Park	280,750.00		46,750.00		234,000.00	234,000.00	196,534.61	37,465.39
2157	2007 Road Improvement Program	205,600.00		29,350.00		176,250.00	176,250.00	176,250.00	
2159	Acq of Gear & Equipment for Fire Dept.	160,000.00		20,000.00		140,000.00	140,000.00	138,605.24	1,394.76
2183/2270	Acq of a Garbage Truck & Dump Truck with Salt Spreader and Plow	213,750.00	85,000.00			298,750.00	213,750.00	94,994.37	203,755.63
2184	2008 Road Improvement Program	210,000.00		32,500.00		177,500.00	177,500.00	175,976.47	1,523.53
2185	Boulevard Streetscape Improvement	80,000.00				80,000.00	80,000.00		80,000.00
2189	Renovations to DPW Bldg.	50,000.00				50,000.00	50,000.00	43,833.34	6,166.66
2208	Acq of a New Ambulance	80,000.00				80,000.00	80,000.00	78,280.22	1,719.78
2210	Resurfacing of Jefferson Ave.	137,500.00				137,500.00	137,500.00	31,707.47	105,792.53
2211	Improvement of Miers Park & Woodland Park	110,000.00				110,000.00	110,000.00	96,529.73	13,470.27
2219	2009 Road Resurfacing Program	237,500.00				237,500.00	237,500.00	176,451.97	61,048.03
2233	Rehabilitation & Environmental Remediation at DPW	85,000.00				85,000.00	85,000.00	37,291.85	47,708.15
2238	Continuation of Boulevard Street Scapes Improvement	25,000.00				25,000.00	25,000.00		25,000.00
2252	Boulevard Streetscape Improvement - Phase IV	20,000.00				20,000.00	20,000.00		20,000.00
2253	Resurfacing of Burton Avenue and Collins Avenue between Williams Ave. and Route 46	119,000.00				119,000.00	119,000.00		119,000.00
2254	2011 Road Resurfacing Program	285,000.00				285,000.00	285,000.00	228,295.62	56,704.38
2255	Construction of a New Pavilion in Woodland Park	63,000.00				63,000.00	63,000.00		63,000.00
2262	Construction of a Certain Damaged Portions of the Sanitary Sewer System	70,000.00				70,000.00	70,000.00	63,204.78	6,795.22
2271	Refurbishment of the Hook and Ladder Truck	75,000.00				75,000.00	75,000.00		75,000.00
		<u>\$ 4,321,718.48</u>	<u>\$ 717,000.00</u>	<u>\$ 650,600.00</u>	<u>\$ -</u>	<u>\$ 4,388,118.48</u>	<u>\$ 3,368,300.00</u>	<u>\$ 3,177,093.63</u>	<u>\$ 1,211,024.85</u>
		C	C-8,11	below	Reference	C	C-10		C-8
		Notes paid by Current Fund Budget	\$ 650,600.00		C-10, A-3				
			\$ 650,600.00		above				

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF CAPITAL IMPROVEMENT FUND

C-7

	Reference		
Balance December 31, 2010	C		\$ 121,110.17
Increased by:			
2011 Budget Appropriation	A-3	<u>30,000.00</u>	
	C-2		<u>30,000.00</u>
			151,110.17
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-8		<u>93,000.00</u>
Balance December 31, 2011	C		<u><u>\$ 58,110.17</u></u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. #	Improvement Description	Date	Ordinance Amount	Balance December 31, 2010		2011 Authorizations	Paid or Charged	Canceled & Adjustments*	Balance December 31, 2011	
				Funded	Unfunded				Funded	Unfunded
GENERAL IMPROVEMENTS:										
1600	Provide for the Rehabilitation of Underground Fuel Storage Tanks	8-13-91	\$ 210,000.00	\$ 78.09	\$ -	\$ -	\$ -	\$ -	\$ 78.09	\$ -
1620/1789	Reconstruction of the Woodside Avenue Sewer Pump Station	9-8-92	109,200.00	3,400.46	-	-	-	-	3,400.46	-
1628	Resurfacing of a Portion of Burton Ave. from Williams Ave. to route 46	12-29-92	15,000.00	155.00	-	-	-	-	155.00	-
1653	Reconstruction or Replacement of Curbs	9-23-93	157,750.00	9,217.89	-	-	-	-	9,217.89	-
1716	Acq of 34 Semi-Automatic Pistols for Police Dept.	7-11-95	13,000.00	830.98	-	-	-	-	830.98	-
1719	Reconstruction of Lawrence Ave. from the Boulevard to Terrace Ave.	9-12-95	195,000.00	16,922.81	-	-	-	-	16,922.81	-
1720	Reconstruction & Improvement of the Storm Water Drainage Line west of the Boulevard-Franklin to LaSalle	9-12-95	165,000.00	153,918.48	-	-	-	-	153,918.48	-
1772	Acq of Pagers & Relocation of Radio Fail Safe System for Fire Dept.	12-10-96	25,000.00	127.96	-	-	-	-	127.96	-
1848	Resurfacing of a Portion of Hamilton Ave. from the Boulevard to Terrace Ave.	4-13-99	60,000.00	429.65	-	-	-	-	429.65	-
1858	Acq & Installation of Computer hardware & software as part of the Year 2000 Upgrades	5-25-99	50,000.00	1,998.16	-	-	-	-	1,998.16	-
1868	Barrier Free Curb Ramps	7-27-99	37,000.00	1,140.03	-	-	-	-	1,140.03	-
1899	Purchase of Comm Equipment for Fire & Police Dept.	5-23-00	60,000.00	7.09	-	-	-	-	7.09	-
1895	Purchase of a High Pressure Breathing air system	6-13-00	27,000.00	2,434.07	-	-	-	-	2,434.07	-
1908	Resurfacing of Otawa Ave from Burton Ave to Rt. 17	8-8-00	215,000.00	17,362.65	-	-	-	-	17,362.65	-
1915/1940	Purchase of Comm Equipment, Improvement of Parks, Improve of Police Pistol Range & Acq of a 4-wheel Drive Vehicle for Police Dept.	11-30-00	255,000.00	224.34	-	-	-	-	224.34	-
1936	Refurbishment of Hook & Ladder	7-10-01	190,000.00	1,343.27	-	-	-	-	1,343.27	-
1942	Resurfacing of LaSalle Ave from the Boulevard to Oak Grove	6-12-01	100,000.00	1,139.41	-	-	-	-	1,139.41	-
1944/1968	Construction of a new Municipal Bldg & a new Public Safety Bldg.	8-14-01, 7-9-02	45,500.00	-	-	-	-	-	-	-
1985/2038		11-26-02, 4-27-04	11,311,645.63	43,877.77	900.00	8,747.00	35,130.77	-	900.00	-

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. #	Improvement Description	Date	Ordinance Amount	Balance December 31, 2010		2011 Authorizations	Paid or Charged	Canceled & Adjustments *	Balance December 31, 2011	
				Funded	Unfunded				Funded	Unfunded
GENERAL IMPROVEMENTS:										
1948	Acq of a New Ambulance	11-13-01	\$ 150,000.00	\$ 566.49	\$ -	\$ -	-	\$ -	\$ 566.49	\$ -
1976	Acq of Real Property located at 302 Boulevard	9-10-02	450,000.00	815.29	-	-	-	-	815.29	-
2006	Acq of Furniture, Furnishings & Fittings for use throughout the new Municipal Bldg	4-8-03	215,000.00	643.47	-	-	-	-	643.47	-
2007	Acq of Furniture, Furnishings, Shelving & other Fittings for the new Free Public Library	4-8-03	245,000.00	1,651.59	-	-	-	-	-	1,651.59
2012	Improvement of Baldwin Ave. between the Boulevard and Route 46	8-12-03	55,000.00	4,951.61	-	-	-	-	4,951.61	-
2030	Acq of a new Public Safety Comm and Dispatch System and an 80' Comm Tower	12-31-03	550,000.00	935.96	-	-	935.96	-	-	-
2048	Acq of Furniture, Furnishings & Fittings for use throughout the Public Safety Bldg and OEM	5-25-04	380,000.00	8,999.38	-	-	4,964.04	-	4,035.34	-
2054	Resurfacing of Oak Grove Ave. from Jefferson Ave. to Williams Ave.	7-27-04	325,000.00	28,819.39	-	-	-	-	-	28,819.39
2055	Resurfacing of Streets as part of the 2004 Road Program	7-27-04	250,000.00	16,798.96	-	-	-	-	-	12,952.53
2059	Acq of a Tree Stump Grinder & a Tree Trimming Vehicle	10-12-04	250,000.00	21,804.88	-	-	3,846.43	-	-	21,804.88
2085	Acq of Laptop Computers for Free Public Library	4-26-05	16,000.00	1,655.12	-	-	-	-	1,655.12	-
2087	Acq of a Front End Loader for the DPW	5-10-05	125,000.00	1,687.66	-	-	-	-	-	1,687.66
2088	Acq of a Rolloff Truck for the DPW	5-10-05	125,000.00	4,760.49	-	-	-	-	-	4,760.49
2089	Acq of 2 4-Wheel Drive vehicles for Fire Dept	5-10-05	85,000.00	18,978.64	-	-	-	-	-	18,978.64
2133/2145	Barrier Free Improve to Woodland Park	5-9-06, 12-12-06	215,000.00	4,023.05	-	-	-	-	4,023.05	-
2134	2006 Computer upgrades	6-13-06	75,000.00	3,200.02	-	-	859.00	-	-	2,341.02
2135	Acq of Gear & Equipment for Fire Dept.	8-8-06	50,000.00	397.70	-	-	-	-	-	397.70
2136	Construction of a Parking Lot & Pocket Park - Central Ave.	8-8-06	420,000.00	37,465.39	-	-	-	-	-	37,465.39
2146	Improvement to Gary Depken Field	12-12-06	1,625,000.00	62,048.23	-	-	3,379.63	-	58,668.60	-
2147	Improvement of Ravine Ave, Construction of Parks and Installation of Playground Equip. adjacent to Depken Field	12-12-06	335,000.00	73,948.45	-	-	-	-	-	73,948.45



BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

C-9

**SCHEDULE OF GENERAL SERIAL BONDS**

<u>PURPOSE</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
			<u>Outstanding Date</u>	<u>Dec. 31, 2011</u>					
General Bonds of 2003	9-15-03	\$ 7,279,000.00	9-15-2012/2014	\$ 375,000.00	3.625%	\$ 4,859,000.00	\$ -	\$ 375,000.00	\$ 4,484,000.00
			9-15-2015	375,000.00	3.700%				
			9-15-2016/2018	375,000.00	3.750%				
			9-15-2019/2022	375,000.00	4.000%				
			9-15-2023	359,000.00	4.000%				
						<u>\$ 4,859,000.00</u>	<u># \$ -</u>	<u>\$ 375,000.00</u>	<u># \$ 4,484,000.00</u>

C

C

Reference

Paid by Budget Appropriation

A-3

\$ 375,000.00

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF BOND ANTICIPATION NOTES

C-10

Ord. No.	Description	Original Amount Issued	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
1907	Resurfacing of Wood St through its entire length, Cleveland Ave. from Terrace Ave. to the Boulevard and Kipp Ave. from the Boulevard to Woodside Ave.	180,500.00	11/02/01	04/01/11	1.02%	14,100.00		14,100.00	
1935	Acquisition of a Pumper Truck for Fire Dept.	427,500.00	01/18/02	04/01/11	1.02%	180,000.00	90,000.00	180,000.00	90,000.00
1936	Refurbishment of the Hook & Ladder Truck for Fire Dept.	87,000.00	04/12/02	04/01/11	1.02%	23,250.00	13,250.00	23,250.00	13,250.00
1937	Acquisition of a Sewer Line Inspection System for the DPW	38,000.00	04/12/02	04/01/11	1.02%	12,500.00	6,250.00	12,500.00	6,250.00
1947	Acquisition of a Mobile Litter Vacuum for the DPW	26,600.00	04/12/02	04/01/11	1.02%	11,500.00	6,100.00	11,500.00	6,100.00
1943	Reconstruction of Summit Ave. and Plant Road	325,900.00	11/01/02	04/01/11	1.02%	136,450.00	68,950.00	136,450.00	68,950.00
1993	Acquisition of Mobile Computers for Police Vehicles and Upgrade of Traffic Signals	71,250.00	01/17/03	04/01/11	1.02%	40,500.00	30,000.00	40,500.00	30,000.00
1994	Resurfacing of various streets - 2002 Road Program	190,000.00	04/11/03	04/01/11	1.02%	73,000.00	45,000.00	73,000.00	45,000.00
2007	Acquisition of Furniture, Furnishings, & Fittings for use throughout the new Public Library	230,000.00	10/31/03	04/01/11	1.02%	96,000.00	65,250.00	96,000.00	65,250.00
2030	Acquisition of a new Public Safety Comm and Dispatch System and an 80 communications Tower	300,000.00	10/29/04	04/01/11	1.02%	208,400.00	153,800.00	208,400.00	153,800.00
2055	Resurfacing of Various Streets as part of 2004 Road Prog.	225,000.00	04/08/05	04/01/11	1.02%	150,000.00	120,000.00	150,000.00	120,000.00
2057	Completion of Construction of new Municipal Bldg and Public Safety Bldg.	375,000.00	04/08/05	04/01/11	1.02%	305,000.00	245,000.00	305,000.00	245,000.00
2059	Acquisition of a Tree Stump Grader & Tree Trimming veh.	237,500.00	10/28/05	04/01/11	1.02%	158,000.00	126,500.00	158,000.00	126,500.00
2087	Acquisition of a Front End Loader for the DPW	117,500.00	04/07/06	04/01/11	1.02%	96,250.00	80,000.00	96,250.00	80,000.00
2088	Acquisition of a new RollOff Truck for the DPW	117,500.00	04/07/06	04/01/11	1.02%	87,900.00	73,250.00	87,900.00	73,250.00
2136	Construction of a Parking Lot and Pocket Park	346,000.00	10/27/06	04/01/11	1.02%	280,750.00	234,000.00	280,750.00	234,000.00
2135	Acquisition of Turnout Gear and Equipment for the Fire Dept.	47,500.00	10/25/07	04/01/11	1.02%	42,000.00	36,000.00	42,000.00	36,000.00
2157	2007 Road Program	235,000.00	10/25/07	04/01/11	1.02%	205,600.00	176,250.00	205,600.00	176,250.00
1989	Acquisition of a new Garbage Truck	190,000.00	04/04/08	04/01/11	1.02%	168,500.00	147,000.00	168,500.00	147,000.00
1991	Rehabilitation of Sanitary Sewers	47,500.00	04/04/08	04/01/11	1.02%	41,500.00	35,500.00	41,500.00	35,500.00
2038	Acquisition of Turnout Gear and Equipment for Fire Dept.	40,000.00	04/04/08	04/01/11	1.02%	36,000.00	32,000.00	36,000.00	32,000.00
2089	Acquisition of 2 new 4Wheel Drive Vehicles for Fire Dept. and Fire Prevention Dept.	80,000.00	04/04/08	04/01/11	1.02%	71,000.00	62,000.00	71,000.00	62,000.00
2134	Computer Upgrades	51,950.00	04/04/08	04/01/11	1.02%	45,950.00	39,950.00	45,950.00	39,950.00
2159	Acquisition of Gear and Equip. for the Fire Dept.	180,000.00	04/04/08	04/01/11	1.02%	160,000.00	140,000.00	160,000.00	140,000.00
2184	2008 Road Resurfacing Program	237,500.00	10/25/08	04/01/11	1.02%	210,000.00	177,500.00	210,000.00	177,500.00
1908	Resurfacing of Ottawa Ave. from Burton Ave. to Rt 17	64,250.00	04/03/10	04/01/11	1.02%	64,250.00	64,250.00	64,250.00	64,250.00
1941	Resurfacing of Kipp Ave. from the Boulevard to Terrace Ave.	40,000.00	04/03/10	04/01/11	1.02%	40,000.00	40,000.00	40,000.00	40,000.00
1942	Resurfacing of LaSalle Ave. from the Boulevard to Oak Grove Ave. and Paterson Ave. from Terrace Ave. to Burton Ave.	43,000.00	04/03/10	04/01/11	1.02%	43,000.00	43,000.00	43,000.00	43,000.00
1990	Acquisition of Gear and Equip. for the Fire Dept.	23,750.00	04/03/10	04/01/11	1.02%	23,750.00	23,750.00	23,750.00	23,750.00
2189	Renovations to DPW Building	50,000.00	04/03/10	04/01/11	1.02%	50,000.00	50,000.00	50,000.00	50,000.00
2208	Acquisition of an Ambulance	80,000.00	04/03/10	04/01/11	1.02%	80,000.00	80,000.00	80,000.00	80,000.00
2210	Resurfacing of Jefferson Ave. from Burton Ave to Woodside Ave.	137,500.00	04/03/10	04/01/11	1.02%	137,500.00	137,500.00	137,500.00	137,500.00
2211	Improvement to Miers Park	110,000.00	04/03/10	04/01/11	1.02%	110,000.00	110,000.00	110,000.00	110,000.00
2219	2009 Road Resurfacing Program	237,500.00	04/03/10	04/01/11	1.02%	237,500.00	237,500.00	237,500.00	237,500.00
2183	Acquisition of a Garbage Truck & Dump Truck w/ Salter	213,750.00	04/01/11	04/01/11	1.02%	213,750.00	213,750.00	213,750.00	213,750.00
2185/2209	Boulevard Street Scope Phase I & II	80,000.00	04/01/11	04/01/11	1.02%	80,000.00	80,000.00	80,000.00	80,000.00
2233	Environmental Remediation at Department of Public Works	85,000.00	04/01/11	04/01/11	1.02%	85,000.00	85,000.00	85,000.00	85,000.00
		<u>\$ 5,569,450.00</u>				<u>\$ 3,640,150.00</u>	<u>\$ 3,368,300.00</u>	<u>\$ 3,640,150.00</u>	<u>\$ 3,368,300.00</u>
					Reference	C	C-2,11	below	C, C-6

Bond Anticipation Note Paid  
Paid by Budget

C-2  
C-6  
above

2,989,550.00  
650,600.00  
\$ 3,640,150.00

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GENERAL CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

C-11

**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Ord. No.	Improvement Description	Balance December 31, 2010	Authorized 2011	Bond Anticipation Notes Issued	Cancelled	Funded by Bond Sale	Balance December 31, 2011
General Improvements:							
1719	Reconstruction of Lawrence Ave. from the Boulevard to Terrace Ave.	\$ 42,500.00	\$ -	\$ -	\$ -	\$ -	\$ 42,500.00
1720	Reconstruction & improvement of the Storm Water Drainage Line west of the Boulevard Between Franklin and LaSalle	153,918.48					153,918.48
1915/1940	Purchase of Communication Equip., Improvement of parks, Improvement of pistol range and acquisition of a 4-wheel drive vehicle for the Police Dept.	500.00					500.00
1944/1968/1985	Construction of a new Municipal Building and a new Public Safety Building	900.00					900.00
2054	Resurfacing of Oak Grove Ave. from Jefferson Ave. to Williams Ave.	80,000.00					80,000.00
2183/2270	Acquisition of a Garbage truck and dump truck with Salt Spreader and Plow	213,750.00	85,000.00	213,750.00			85,000.00
2185/2209	Boulevard Streetscape Improvement	80,000.00		80,000.00			-
2233	Environmental Remediation at Dept. of Public Works	85,000.00		85,000.00			-
2238	Continuation of Boulevard Streetscape Improvement	25,000.00					25,000.00
2252	Boulevard Streetscape Improvement - Phase IV		20,000.00				20,000.00
2253	Resurfacing of Burton Avenue and Collins Avenue between Williams Ave. and Route 46		119,000.00				119,000.00
2254	2010 Road Resurfacing Program		285,000.00				285,000.00
2255	Construction of a New Pavilion in Woodland Park		63,000.00				63,000.00
2262	Construction of a Certain Damaged Portions of the Sanitary Sewer System		70,000.00				70,000.00
2271	Refurbishment of the Hook and Ladder Truck		75,000.00				75,000.00
		<u>\$ 681,568.48</u>	<u>\$ 717,000.00</u>	<u>\$ 378,750.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,019,818.48</u>

Reference

C

C-6

C-2,10

C

BOROUGH OF HASBROUCK HEIGHTS, NJ  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF RESERVE TO/FOR GARRISON AVENUE REPAIR**

C-12

	Reference	
Balance December 31, 2010	C	\$ 7,800.86
Balance December 31, 2011	C	<u>\$ 7,800.86</u>

**SCHEDULE OF DUE FROM INSURANCE PROCEEDS**

C-13

	Reference	
Balance December 31, 2010	C	\$ -
Increased by:		
Due from Insurance Proceeds-		
New 911 System for the Police Department	C-8	<u>134,500.00</u>
Balance December 31, 2011	C	<u>\$ 134,500.00</u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
 GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE OF CASH-COLLECTOR-TREASURER

D-1

	<u>Reference</u>		
Balance December 31, 2010	D		\$ 43,178.42
Increased by Receipts:			
State Grant Funds - Appropriated	D-2	\$ 13,080.90	
State Grant Funds - Unappropriated	D-4	<u>55,415.48</u>	
			<u>68,496.38</u>
			111,674.80
Decreased by Disbursements:			
State Grant Funds	D-3	<u>48,135.25</u>	
			<u>48,135.25</u>
Balance December 31, 2011	D		<u>\$ 63,539.55</u>

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

D-2

<u>Grant</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Budget Revenue Realized</u>	<u>Cash Received</u>	<u>Applied From Unappropriated</u>	<u>Applied From Operations</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2011</u>
Clean Communities Act	\$ -	\$ 17,837.56	\$ -	\$ 17,837.56	\$ -	\$ -	\$ -
Recycling Tonnage Grant		11,687.07		11,687.07			-
Body Armor Fund		3,915.84		3,915.84			-
Governor's Council on Alcoholism and Drug Abuse	11,356.00	10,356.00	10,205.90				11,506.10
Alcohol Education and Rehabilitation Fund		1,910.38		1,910.38			-
Bergen County Municipal Alliance Special Project	2,250.00						2,250.00
Governor's Council on Alcoholism and Drug Abuse - Match		2,875.00	2,875.00				-
	<u>\$ 13,606.00</u>	<u>\$ 48,581.85</u>	<u>\$ 13,080.90</u>	<u>\$ 35,350.85</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,756.10</u>
Reference	D	A-2,D-3	D-1	D-3,4			D

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

D-3

**SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Budget</u>	<u>40A:4-87</u>	<u>Adjustments</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Clean Communities Act Street Cleaning	\$ 5,622.26	\$ 17,837.56	\$	\$ -	\$ 17,401.43	\$ 6,058.39
Division of Criminal Justice Body Armor Fund	-	3,915.84				3,915.84
Recycling Tonnage Grant	1,418.65	11,687.07			12,200.29	905.43
Drunk Driving Enforcement Fund Police	5,015.69				1,435.92	3,579.77
Alcohol Education and Rehabilitation Fund	892.15	1,910.38			2,075.00	727.53
Governor's Council on Alcoholism and Drug Abuse	13,633.24	10,356.00			12,022.61	11,966.63
Municipal Stormwater Regulation Program	4,089.00				3,000.00	1,089.00
<u>Matching Funds for Grants</u>						
Cops More	324.50					324.50
Governor's Council on Alcoholism and Drug Abuse	<u>2,125.15</u>	<u>2,875.00</u>				<u>5,000.15</u>
	<u>\$ 33,120.64</u>	<u>\$ 48,581.85</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,135.25</u>	<u>\$ 33,567.24</u>
Reference	D	D-2			D-1	D
<u>TRANSFERRED TO STATE GRANT FUND</u>				Ref.		
Grant Funds - Current Receipts		\$ 13,231.00				
Grant Funds - from Unappropriated		<u>35,350.85</u>		D-2		
		<u>\$ 48,581.85</u>		Above, D-2		

BOROUGH OF HASBROUCK HEIGHTS, NJ  
GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

D-4

**SCHEDULE OF UNAPPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

<u>Grant</u>	<u>Balance Dec. 31, 2010</u>	<u>Cash Received in 2011</u>	<u>Transferred to 2011 Budget Appropriations</u>		<u>Balance Dec. 31, 2011</u>
			<u>Budget</u>	<u>40A:4-87</u>	
Alcohol Education and Rehabilitation	\$ 1,910.38	\$ 539.35	\$ 1,910.38	\$ -	\$ 539.35
Clean Communities Grant Funds	17,837.56	16,766.79	17,837.56		16,766.79
Tonnage Grant	-	28,958.97	11,687.07		17,271.90
Drunk Driving Enforcement Fund		6,264.56			6,264.56
Body Armor Fund	<u>3,915.84</u>	<u>2,885.81</u>	<u>3,915.84</u>		<u>2,885.81</u>
	<u>\$ 23,663.78</u>	<u>\$ 55,415.48</u>	<u>\$ 35,350.85</u>	<u>\$ -</u>	<u>\$ 43,728.41</u>
Reference	D	D-1	D-2		D

BOROUGH OF HASBROUCK HEIGHTS, NJ  
PUBLIC ASSISTANCE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF CASH - COLLECTOR - TREASURER**

E-1

	<u>Reference</u>	
Balance December 31, 2010	E	\$ 8,049.19
Increased by Receipts:		
Food Pantry Donations	E-2	5,055.45
		5,055.45
		13,104.64
Decreased by Disbursements:		
Public Assistance Expenditures	E-3	2,510.00
		2,510.00
Balance, December 31, 2011	E	\$ 10,594.64
Balance on Deposit per statement of		
Valley National Bank A/C # 0001016865		\$ 10,596.79
Reconciling Items		(2.15)
Balance December 31, 2011		\$ 10,594.64

BOROUGH OF HASBROUCK HEIGHTS, NJ  
PUBLIC ASSISTANCE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

**SCHEDULE OF PUBLIC ASSISTANCE REVENUES**

**E-2**

	<u>Reference</u>	P.A.T.F #II	TOTAL
Food Pantry Donations	E-1,4	<u>\$ 5,055.45</u>	<u>\$ 4,675.15</u>

**SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES**

**E-3**

	<u>Reference</u>	P.A.T.F #II	TOTAL
Public Assistance - Replenish Food Pantry	E-1,4	<u>\$ 2,510.00</u>	<u>\$ 4,000.00</u>

**SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE**

**E-4**

	<u>Reference</u>	P.A.T.F #II	TOTAL
Balance December 31, 2010	E	\$ 8,049.19	\$ 8,049.19
Increased by:			
Revenues	E-2	<u>5,055.45</u>	<u>5,055.45</u>
		13,104.64	13,104.64
Decreased by:			
Expenditures	E-3	<u>2,510.00</u>	<u>2,510.00</u>
Balance December 31, 2011	E	<u>\$ 10,594.64</u>	<u>\$ 10,594.64</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
 OFFICIALS IN OFFICE AND SURETY BONDS  
 AT DECEMBER 31, 2011

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Rose Heck	Mayor	
Sonya Buckman	Councilwoman	
Justin A. DiPisa	Councilman	
John Dingertopadre	Councilman	
David Gonzalez	Councilman	
Pamela J. Link	Councilwoman	
Russell A. Lipari	Councilman	
Michael Kronyak	Borough Administrator	(1)
	CFO/ Treasurer/ Purchasing Agent	
Conchita T. Parker	Tax Collector /Tax Search Officer	(1)
Angela Ferraro	Assistant to Collector	
Rose Marie Sees	Borough Clerk	
George Reggo	Assessor	
Kenneth G. B. Job	Engineer	
Joseph Jones	Judge	(1)
Thomas Mason	Public Defender	
Thomas Flinn	Prosecutors	
Susan Paul	Clerk of the Court/Violations Clerk	(1)
Cindy Palmieri	Deputy Violations Clerk	(1)
Michael Colaneri, Jr.	Chief of Police	
Nick Melfi	Construction Official	
Laura French	Secretary Board of Health Registrar	
Arthur Jackson	Fire Official- Uniform Fire Code	
Mimi Hui	Library Director	
Ralph W. Chandless, Jr.	Borough Attorney	
William Spindler	Superintendent of Public Works	

(1) New Jersey Intergovernmental Insurance Fund Blanket Bond. Limit is \$1,000,000 per occurrence.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
GENERAL COMMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

NJS40A:11-4 states "Every contract awarded by the contracting agents, for the provision or performance of any goods or services, the cost of which in the aggregate exceed the bid threshold [40A:11-3 "a contract year the total sum of \$17,500...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 \$36,000.'], 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 therefore, except as is provided otherwise in this act or specifically by any other law."

NJS40A:11-9 states "The governing body of any contracting unit may by ordinance, in the case of a municipality, by ordinance or resolution, as the case may be, in the case of a county, or by resolution in all other cases, establish the office of purchasing agent, or a purchasing department or a purchasing board, with the authority, responsibility, and accountability as its contracting agent, for the purchasing activity for the contract in unit, to prepare public advertising for bids and to receive bids for the provision or performance of goods or services on behalf of the contracting unit and to award contracts permitted pursuant to subsection a. of section 3 of P.L.1971, c. 198 (C.40A:11-3) in the name of the contracting unit, and conduct any activities as may be necessary or appropriate to the purchasing function of the contracting unit."

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000 within the calendar year or any twelve-month period. Where questions arise as to whether any contract or agreement might result in a violation of the statute, the Borough Attorney's opinion should be sought before a commitment is made.

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

Our examination of expenditures did not reveal individual payments, contracts or agreements in excess of \$36,000 "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 NJS 40A:11-6.

Expenditure of \$5,400 or more and less than \$36,000 Per N.J.S.A. 40A:11-6.1

N.J.S.A 40A:11-6.1 states, "a. For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5), except for paragraph (a) of that subsection professional services and paragraph (b) of the subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The contracting agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor. (d.) Whenever two or more responses to a request of a contracting agent offer equal prices and are the lowest responsible bids or proposals, the contracting unit may award the contract to the vendor whose response, in the discretion of the contracting unit, is the most advantageous, price and other factors considered. In such a case, the award resolution or purchase order documentation shall explain why the vendor selected is the most advantageous."

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
GENERAL COMMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

Collection of Interest of Delinquent Taxes and Assessments

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

The Governing Body on January 1, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, N.J.S.A. 54:4-67 permits the governing body of each municipality to fix the rate of interest to be charged for nonpayment of taxes or assessments subject to any abatement or discount for the late payment of taxes as provided by law; and

WHEREAS, N.J.S.A. 54:4-67 has been amended to permit the fixing of said rate of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00 and allows an additional penalty of 6% be collected against a delinquency prior to the end of the calendar year;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council of the Borough of Hasbrouck Heights, County of Bergen, State of New Jersey as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in areas beyond December 31, and additional penalty of 6% shall be charged against the delinquency. Real estate taxes for 2011 will be advertised for sale after April 1, 2012.
2. Effective January 1, 2011 there will be a ten-day grace period of quarterly tax payments made by cash, check, or money order.
3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

It appears from an examination of the Collector's records, that interest was collected in accordance with the foregoing resolution.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS – 2010  
YEAR ENDED DECEMBER 31, 2011

**Finding: #10-01:**

Capital Ordinances greater than 5 years old with cash deficits should be funded. It is recommended that the balances currently outstanding as grant receivables be reviewed and cleared of record.

**Status:**

Corrective action has *not* been taken. See current year audit findings.

**Finding: #10-02:**

All fees collected by the Recreation Department should be entered into a cash receipts ledger or Recreation Department software to properly record all payments received by the recreation department. The cash receipts ledger should include dates collected, participant names, program and amount of fees collected. The Recreation Department must deposit funds within 48 hours in accordance with NJSA 40A:5-15.

**Status:**

Corrective action has been taken.

BOROUGH OF HASBROUCK HEIGHTS, N.J.  
COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**\*Finding: #11-01**

That capital ordinances (over 5 years old with cash deficits) need to be funded:

Ord# 1719	\$25,577.19	Reconstruction of Lawrence Ave. from Boulevard to Terrace
Ord # 2054	\$51,180.61	Resurfacing of Oak Grove from Jefferson Ave to Williams Ave

That ordinances (with grants receivable) need to be cancelled and funded:

Ord # 1628	\$2,170.00	Resurfacing of Burton Ave. from Williams Ave. to Rt.46
Ord # 1803	\$2,408.06	Resurfacing of Burton Ave. from Williams to Passaic
Ord # 1868	\$5,141.35	Barrier Free Curb Cuts

**Recommendation:**

Capital Ordinances greater than 5 years old with cash deficits should be funded. It is recommended that the balances currently outstanding as grant receivables be reviewed and cleared of record.

**Borough's Proposed Corrective Action Plan:**

The Borough Administrator will cancel and or fund these ordinances in the 2012 budget. The Borough Administrator will review the balances currently outstanding as grant receivables and cancel any balances required.

**Finding: # 11-02:**

That the Construction Code Department permit fees be calculated correctly in accordance with Borough Ordinance # 2186 adopted on August 12, 2008. The incorrect fees resulted from input errors in the construction code computer application system. The fees remitted to the Division of Consumer Affairs (DCA Fees) were not always calculated correctly.

**Recommendation:**

The Construction Code Department should review that fees are entered correctly prior to issuing the permits.

**Borough's Proposed Corrective Action Plan:**

The Construction Code Department will review all permits for accuracy in calculations prior to issuing the permit.

Appreciation

We desire to express our appreciation of the assistance and courtesies rendered by the Borough Officials and employees during the year.

\*\*\*\*\*

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

April 13, 2012