BOROUGH OF HASBROUCK HEIGHTS
BERGEN COUNTY, NEW JERSEY

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

DECEMBER 31, 2014 AND 2013

BOROUGH OF HASBROUCK HEIGHTS
BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Hasbrouck Heights, New Jersey

Report on the Financial Statements

We have audited the accompanying comparative balance sheets - regulatory basis of the various funds of the Borough of Hasbrouck Heights, County of Bergen, State of New Jersey (the "Borough"), as of December 31, 2014 and 2013, and the related comparative statements of operations and change in fund balance – regulatory basis for the year ended, and the related statements of revenues and expenditures – regulatory basis and comparative statement of general fixed assets group of accounts – regulatory basis for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements – regulatory basis (the "financial statements") in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough's preparation and fair representation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the financial statements are prepared and presented by the Borough on the basis of the financial accounting and reporting principles and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey for municipal government entities. 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.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough as of December 31, 2014 and 2013, or the changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the accompanying comparative balance sheets – regulatory basis of the various funds of the Borough as of December 31, 2014 and 2013, and the results of the comparative statements operations and changes in fund balance – regulatory basis of such funds for the years then ended, and the revenues and expenditures – regulatory basis of the various funds, and general fixed assets group of accounts for the year ended December 31, 2014, in accordance with accounting principles and practices prescribed by the Division as described in Note 1.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. A management discussion and analysis is not required by the financial accounting and reporting principles and practices prescribed by the Division, to supplement the financial statements and therefore it has not been presented by management. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplementary schedules and the schedules of federal, state and county financial assistance are presented for purpose of additional analysis as required by the Division, and are not a required part of the basic financial statements.

The supplementary schedules and schedules of expenditures of federal, state and county financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subject to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the Unites States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2015 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

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

Garbarini & Co. P.C. CPAs
Registered Municipal Accountants

March 23, 2015
Carlstadt, New Jersey

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

A

	Reference	At December 31: 2014	2013
ASSETS			
Current Assets:			
Cash	A-4	$ 3,177,022.78	$ 3,163,399.54
Cash - Change Fund	A-5	250.00	275.00
		3,177,272.78	3,163,674.54
Receivable and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	456,778.46	382,618.97
Tax Title Liens Receivable	A-9	223,019.50	224,828.47
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	17,937.00	13,906.97
Due from Animal License Fund	B	1,237.00	1,237.00
	Contra	1,004,245.00	927,864.45
Deferred Charges:			
Special Emergency - Revaluation N.J.S.A. 40A:4-53	A-12	50,000.00	75,000.00
TOTAL ASSETS		$ 4,231,517.78	$ 4,166,538.99

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

A

	Reference	At December 31: 2014	2013
LIABILITIES, RESERVES AND FUND BALANCES			
Liabilities:			
Appropriation Reserves	A-3,13	$ 813,684.96	$ 669,800.50
Reserve for Encumbrances	A-3,13	60,541.04	36,843.57
Accounts Payable	A-20	9,355.92	9,355.92
Prepaid Taxes	A-4,8	135,183.46	501,894.12
Due to State of New Jersey - Senior Citizens' and Veterans' Deductions	A-7	4,537.68	5,537.68
Tax Overpayments	A-14	24,319.65	85,420.55
Due to County for Added Taxes	A-1,4	6,137.64	6,817.58
Due to State of New Jersey:			
Building Surcharge Fees	A-15	2,042.00	2,003.00
Department of Human Services	A-15	1,833.00	2,108.00
Burial Permit Fees	A-15	1,870.00	1,945.00
Due to Capital Fund	C	-	198,672.68
Reserve for:			
Maintenance of Free Public Library with State Aid	A-16	132.77	50.38
Tax Appeals Pending	A-18	211,735.05	97,127.66
Revaluation of Real Property	A-19	1,900.00	1,900.00
Reserve for FEMA Reimbursements	A-21	115,142.00	58,312.53
Reserve for Sale of Municipal Assets	A-22	255,000.00	-
		1,643,415.17	1,677,789.17
Reserve for Receivables and Other Assets	Contra	1,004,245.00	927,864.45
Fund Balance (Note 3)	A-1	1,583,857.61	1,560,885.37
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		$ 4,231,517.78	$ 4,166,538.99

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

A-1

	Reference	For the Years Ended December 31: 2014	2013
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	$ 1,100,000.00	$ 1,000,000.00
Miscellaneous Revenue Anticipated	A-2	3,011,407.53	2,919,646.02
Receipts from Delinquent Taxes	A-2	395,169.08	407,530.95
Receipts from Current Taxes	A-2	44,637,187.32	43,513,603.10
Non-Budget Revenues	A-2	92,994.37	116,062.42
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	255,037.45	275,158.67
Unexpended Balances of Budget Appropriations	A-3	-	147.65
Cancel Due to State of NJ			87.00
Cancel Tax Overpayments	A-14	8,341.54	
Statutory Excess in Dog Fund	A-4	16,379.60	
Miscellaneous Credits			678.72
Total Income	16.70	49,516,516.89	48,232,914.53
Expenditures:			
Budget and Emergency Appropriations	A-3	17,903,655.90	17,563,111.71
County Taxes Paid	A-4,8	3,870,593.62	3,918,836.19
Due to County for Added Taxes	A,A-8	6,137.64	6,817.58
Local District School Tax	A-4,8,17	26,505,637.00	25,374,764.00
Senior Citizens Deductions Disallowed - Prior Years	A-7	841.70	561.60
Refunds Due to Tax Appeals	A-4	100,000.00	221,312.17
Miscellaneous Refunds	A-4	6,678.79	
Total Expenditures		48,393,544.65	47,085,403.25
Statutory Excess to Fund Balance		1,122,972.24	1,147,511.28
Fund Balance January 1	A	1,560,885.37	1,413,374.09
		2,683,857.61	2,560,885.37
Less: Amount of Fund Balance Utilized as Revenue	A-2	1,100,000.00	1,000,000.00
Fund Balance December 31	A	$ 1,583,857.61	$ 1,560,885.37

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF REVENUES - REGULATORY BASIS

A-2

	Reference	Anticipated Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	$ 1,100,000.00	$ 1,100,000.00	$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages		7,500.00	10,165.00	2,665.00
Other		30,900.00	38,465.50	7,565.50
Fees and Permits		59,000.00	66,860.13	7,860.13
Fines and Costs:				
Municipal Court		185,000.00	268,965.13	83,965.13
Interest and Costs on Taxes		80,000.00	105,074.21	25,074.21
Interest on Investments and Deposits		13,500.00	16,170.25	2,670.25
Lease - Hasbrouck Heights Swim Club		7,000.00	7,000.00	-
Cable TV Franchise Fees		163,321.84	163,321.84	-
Energy Receipts Taxes		1,065,275.00	1,065,275.00	-
Consolidated Municipal Property Replacement		17,873.00	17,873.00	-
Fire Protection - Teterboro		100,235.00	106,915.28	6,680.28
911 Coverage - Teterboro		6,680.00		(6,680.00)
911 Coverage - Little Ferry		7,803.00	7,803.00	-
911 Coverage - Wood-Ridge		9,925.00	9,925.00	-
Joint Assessor's Office - South Hackensack		16,500.00	17,223.31	723.31
Pistol Range - Carlstadt		2,639.00	2,639.00	-
Lease - Port of New York Authority		1,036.00	1,036.63	0.63
Uniform Construction Code Fees		170,000.00	160,843.00	(9,157.00)
Hotel and Motel Occupancy Fee		485,000.00	590,628.59	105,628.59
Car Dealership Registration Fees		69,000.00	89,000.00	20,000.00
Due from FEMA Storm Reimbursement		53,000.00	53,000.00	-
Due from Capital Fund Reserve for Interest on BANS		18,172.00	18,172.00	-
Due from Hasbrouck Heights Board of Education- Capital Improvement Fund		30,000.00	30,000.00	-
Due from Hasbrouck Heights Board of Education- School Resource Officer		74,000.00	74,408.94	408.94
Uniform Fire Safety Act (P.L. 1983,Ch. 383)		12,200.00	12,079.60	(120.40)
State and Federal Revenues Offset with Appropriations:				
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989,c.51)	D-2	9,876.00	9,876.00	-
Reserve for Recycling Tonnage Grant	D-2	17,937.68	17,937.68	-
Reserve for Clean Communities Program	D-2	19,363.43	19,363.43	-
Reserve for Drunk Driving Enforcement	D-2	12,428.08	12,428.08	-
Reserve for Body Armor Fund	D-2	3,810.79	3,810.79	-
Res. For Alcohol Education and Rehabilitation Fund	D-2	1,372.14	1,372.14	-
Assistance to Firefighters Grant-Chapter 159	D-2	13,775.00	13,775.00	-
Total Miscellaneous Revenues	A-1,Next Pg.	2,764,122.96	3,011,407.53	247,284.57
Receipts from Delinquent Taxes	A-1,Next Pg.	355,000.00	395,169.08	40,169.08
Subtotal General Revenues		4,219,122.96	4,506,576.61	287,453.65
Amount to be Raised by Taxes for Support of Municipal Budget:				
Minimum Library Tax	A-8	556,550.22	556,550.22	-
Local Tax for Municipal Purposes	A-8,Next Page	14,125,633.28	14,695,919.40	570,286.12
Total Amount to be Raised by Taxes for Support of Municipal Budget		14,682,183.50	15,252,469.62	570,286.12
Total General Revenues - Adopted	A-3	$ 18,901,306.46	19,759,046.23	$ 857,739.77
Non-Budget Revenues	A-1,4,Next Page		92,994.37	
			$ 19,852,040.60	

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF REVENUES - REGULATORY BASIS
(CONTINUED)

A-2

	Reference	Dec. 31, 2014
ANALYSIS OF REALIZED REVENUES		
Allocation of Current Tax Collections		
Revenue from Collections and State Share of Senior Citizens and Veterans Deductions	A-1	$ 44,637,187.32
Allocated to:		
School and County Taxes	A-1	30,382,368.26
Balance for Support of Municipal Appropriations		14,254,819.06
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	997,650.56
Amount for Support of Municipal Budget Appropriations	Prior Page	$ 15,252,469.62
MISCELLANEOUS REVENUES		
Current Fund	A-4	$ 2,879,844.41
Reserve for FEMA Reimbursements	A-21	53,000.00
Grant Fund	A-3	78,563.12
	Prior Page	$ 3,011,407.53
RECEIPTS FROM DELINQUENT TAXES		
Tax Title Lien Collections	A-9	$ 12,004.90
Delinquent Tax Collections	A-8	383,164.18
	A-1	$ 395,169.08
ANALYSIS OF NON-BUDGET REVENUES		
Miscellaneous Revenues Not Anticipated:		
Miscellaneous Sewer Fee		$ 42,349.48
Towing Application Fees		3,500.00
Housing Inspection Reimbursement		4,723.00
Miscellaneous Fees & Charges		42,421.89
	A-1,4,Prior Page	$ 92,994.37

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
OPERATIONS - WITHIN "CAPS"								
GENERAL GOVERNMENT:								
Administrative and Executive - Mayor and Council								
Salaries and Wages	$ 39,500.00	$ 39,500.00	$ 38,857.26	$ -	$ 38,857.26	$ 642.74	$ 642.74	$ -
Administrative and Executive								
Salaries and Wages	158,000.00	153,500.00	150,901.39	-	150,901.39	2,598.61	2,598.61	-
Other Expenses	24,750.00	24,750.00	22,972.66	680.54	23,653.20	1,777.34	1,096.80	-
Elections								
Salaries and Wages	6,000.00	6,000.00	6,000.00	-	6,000.00	-	-	-
Other Expenses	11,500.00	11,500.00	10,895.82	-	10,895.82	604.18	604.18	-
Financial Administration								
Salaries and Wages	134,500.00	135,000.00	134,954.82	-	134,954.82	45.18	45.18	-
Other Expenses	5,000.00	5,000.00	2,742.53	325.00	3,067.53	2,257.47	1,932.47	-
Other Expenses - Annual Audit	37,500.00	37,500.00		-	-	37,500.00	37,500.00	-
Assessment of Taxes								
Salaries and Wages	40,500.00	40,550.00	40,511.02	-	40,511.02	38.98	38.98	-
Other Expenses	5,200.00	5,200.00	1,235.31		1,235.31	3,964.69	3,964.69	-
Collection of Taxes								
Salaries and Wages	101,500.00	101,500.00	101,395.22	-	101,395.22	104.78	104.78	-
Other Expenses	19,800.00	19,800.00	12,082.99		12,082.99	7,717.01	7,717.01	-
Legal Services and Costs								
Salaries and Wages				-	-	-	-	-
Other Expenses	187,500.00	140,000.00	99,801.42	-	99,801.42	40,198.58	40,198.58	-
Municipal Court								
Salaries and Wages	88,500.00	88,500.00	83,026.89	-	83,026.89	5,473.11	5,473.11	-
Other Expenses	9,200.00	9,200.00	9,198.93		9,198.93	1.07	1.07	-
Municipal Prosecutor								
Salaries and Wages	21,500.00	21,500.00	19,588.00	-	19,588.00	1,912.00	1,912.00	-
Other Expenses	500.00	500.00	-	-	-	500.00	500.00	-

(Continued Next Page)

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
OPERATIONS - WITHIN "CAPS" (CONT'D)								
Public Defender								
Salaries and Wages	$ 10,500.00	$ 10,500.00	$ 9,790.00	$ -	$ 9,790.00	$ 710.00	$ 710.00	$ -
Other Expenses	500.00	500.00			-	500.00	500.00	-
Engineering Services and Costs								
Other Expenses	39,000.00	39,000.00	34,857.92		34,857.92	4,142.08	4,142.08	-
Public Buildings and Grounds								
Salaries and Wages	63,000.00	63,000.00	62,395.81		62,395.81	604.19	604.19	-
Other Expenses	70,700.00	84,450.00	81,311.58	3,028.97	84,340.55	3,138.42	109.45	
Master Plan								
Other Expenses	5,500.00	5,500.00			-	5,500.00	5,500.00	-
Codification of ordinances								
Other Expenses	6,500.00	6,500.00	1,195.00		1,195.00	5,305.00	5,305.00	-
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	2,872.30		2,872.30	1,127.70	1,127.70	-
Board of Adjustment								
Salaries and Wages	35,000.00	35,000.00	32,882.71		32,882.71	2,117.29	2,117.29	-
Other Expenses	6,500.00	6,500.00	5,366.35		5,366.35	1,133.65	1,133.65	-
Shade Trees								
Salaries and Wages	269,500.00	276,500.00	271,143.34		271,143.34	5,356.66	5,356.66	-
Other Expenses	18,500.00	19,500.00	16,468.36	2,649.05	19,117.41	3,031.64	382.59	-
Recycling Program								
Salaries and Wages	202,500.00	210,000.00	204,877.78		204,877.78	5,122.22	5,122.22	-
Other Expenses	80,000.00	80,000.00	68,671.25	8,865.00	77,536.25	11,328.75	2,463.75	-
Insurance					-	-	-	-
Other Insurance Premiums - General Liability	297,000.00	297,000.00	296,626.00		296,626.00	374.00	374.00	-
Workers Compensation	339,608.00	339,608.00	339,608.00		339,608.00	-	-	-
Group Insurance for Employees	2,285,000.00	2,240,000.00	2,211,344.01		2,211,344.01	28,655.99	28,655.99	-

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
OPERATIONS - WITHIN "CAPS" (CONT'D)								
Fire								
Salaries and Wages	$ 96,500.00	$ 91,500.00	$ 86,589.30	$ -	$ 86,589.30	$ 4,910.70	$ 4,910.70	$ -
Other Expenses	103,500.00	103,500.00	53,050.08	3,266.77	56,316.85	50,449.92	47,183.15	-
Uniform Fire Safety Act (Ch.383 P.L. 1983)								
Fire								
Salaries and Wages	53,500.00	53,500.00	50,985.93		50,985.93	2,514.07	2,514.07	-
Other Expenses	6,300.00	11,300.00	10,165.93	871.25	11,037.18	1,134.07	262.82	-
Police								
Salaries and Wages	4,275,000.00	4,201,000.00	4,090,968.02		4,090,968.02	110,031.98	110,031.98	
Other Expenses	203,500.00	272,500.00	234,707.07	876.45	235,583.52	37,792.93	36,916.48	-
Emergency Management Services								
Salaries and Wages	5,800.00	5,850.00	5,825.58		5,825.58	24.42	24.42	-
Other Expenses	5,500.00	7,500.00	7,216.39	189.60	7,405.99	283.61	94.01	-
STREETS AND ROADS								
Road Repairs and Maintenance								
Salaries and Wages	441,000.00	325,500.00	315,891.28		315,891.28	9,608.72	9,608.72	-
Other Expenses	58,000.00	68,000.00	66,649.85	924.88	67,574.73	1,350.15	425.27	-
SANITATION								
Street Cleaning								
Salaries and Wages	237,000.00	300,000.00	295,585.94		295,585.94	4,414.06	4,414.06	-
Other Expenses	30,100.00	45,100.00	44,772.59	208.98	44,981.57	327.41	118.43	-

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
OPERATIONS - WITHIN "CAPS" (CONT'D)								
Garbage and Trash Removal								
Salaries and Wages	$ 592,500.00	$ 592,500.00	$ 588,531.52	$ -	$ 588,531.52	$ 3,968.48	$ 3,968.48	$ -
Other Expenses	48,400.00	59,900.00	56,431.55	1,004.16	57,435.71	3,468.45	2,464.29	-
Sewer Maintenance								
Salaries and Wages	179,800.00	179,800.00	171,396.92		171,396.92	8,403.08	8,403.08	-
Other Expenses	25,000.00	32,000.00	28,027.35	3,552.76	31,580.11	3,972.65	419.89	-
Sanitary Landfill								
Contractual - Bergen County	420,000.00	401,500.00	301,594.09	25,242.74	326,836.83	99,905.91	74,663.17	
HEALTH AND WELFARE								
Board of Health								
Salaries and Wages	44,000.00	45,850.00	45,814.08		45,814.08	35.92	35.92	-
Other Expenses								
Health Services - Contractual	65,000.00	65,000.00	64,802.00		64,802.00	198.00	198.00	-
Miscellaneous Other Expenses	6,200.00	6,250.00	6,222.01		6,222.01	27.99	27.99	-
Dog Regulation								
Other Expenses:								
County of Bergen - Contractual	15,000.00	15,000.00	7,519.67		7,519.67	7,480.33	7,480.33	
Miscellaneous	500.00	500.00	-		-	500.00	500.00	-
Administration of Public Assistance								
Other Expenses	750.00	750.00			-	750.00	750.00	-
RECREATION AND EDUCATION								
Parks and Playgrounds								
Salaries and Wages	181,000.00	181,000.00	160,237.01		160,237.01	20,762.99	20,762.99	-
Other Expenses	16,500.00	16,500.00	9,730.16	4,054.65	13,784.81	6,769.84	2,715.19	-
Recreation								
Salaries and Wages	74,000.00	88,000.00	87,092.00		87,092.00	908.00	908.00	-
Other Expenses	31,000.00	31,000.00	24,917.65	-	24,917.65	6,082.35	6,082.35	-
Celebration of Public Event, Anniversary or Holiday								
Salaries and Wages	13,500.00	13,500.00	13,004.96		13,004.96	495.04	495.04	-
Other Expenses	23,500.00	23,500.00	18,210.53	94.87	18,305.40	5,289.47	5,194.60	-

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
OPERATIONS - WITHIN "CAPS" (CONT'D)								
RECREATION AND EDUCATION (CONT'D)								
Senior Citizen's Transportation								
Salaries and Wages	$ 15,500.00	$ 15,500.00	$ 14,219.52	$ -	$ 14,219.52	$ 1,280.48	$ 1,280.48	$ -
Other Expenses	2,000.00	2,000.00	1,163.64	-	1,163.64	836.36	836.36	-
Senior Citizen's Activities								
Salaries and Wages	30,500.00	30,500.00	30,082.02	-	30,082.02	417.98	417.98	-
Other Expenses	10,000.00	11,500.00	11,335.45		11,335.45	164.55	164.55	-
UNIFORM CONSTRUCTION CODE - APPROPRIATION OFFSET BY DEDICATED REVENUES N.J.A.C. 5:23-4.17)								
Construction Code Officials								
Salaries and Wages	130,000.00	136,750.00	136,667.73	-	136,667.73	82.27	82.27	-
Other Expenses	3,750.00	5,750.00	5,631.36	-	5,631.36	118.64	118.64	-
UNCLASSIFIED:								
Utilities								
Gasoline	157,500.00	167,500.00	154,508.91	4,626.81	159,135.72	12,991.09	8,364.28	-
Electricity	130,000.00	130,000.00	115,221.99	-	115,221.99	14,778.01	14,778.01	-
Telephone	56,500.00	59,000.00	58,345.35		58,345.35	654.65	654.65	-
Natural Gas	38,500.00	38,500.00	35,397.12	-	35,397.12	3,102.88	3,102.88	-
Street Lighting	90,000.00	90,000.00	79,073.55	-	79,073.55	10,926.45	10,926.45	-
Fire Hydrant Service	130,000.00	130,000.00	129,026.76	-	129,026.76	973.24	973.24	-
Water	15,750.00	17,250.00	16,869.06	-	16,869.06	380.94	380.94	-
TOTAL OPERATIONS WITHIN "CAPS"	$ 12,694,608.00	$ 12,637,108.00	$ 12,015,056.59	$ 60,462.48	$ 12,075,519.07	$ 622,051.41	$ 561,588.93	$ -
Detail:								
Salaries and Wages	$ 7,548,100.00	$ 7,449,800.00	$ 7,257,216.05	$ -	$ 7,257,216.05	$ 192,583.95	$ 192,583.95	$ -
Other Expenses (Including Contingent)	5,146,508.00	5,187,308.00	4,757,840.54	60,462.48	4,818,303.02	429,467.46	369,004.98	-
	$ 12,694,608.00	$ 12,637,108.00	$ 12,015,056.59	$ 60,462.48	$ 12,075,519.07	$ 622,051.41	$ 561,588.93	$ -

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"								
STATUTORY EXPENDITURES:								
Contribution to:								
Public Employees' Retirement System	$ 357,080.00	$ 357,080.00	$ 357,080.00	$ -	$ 357,080.00	$ -	$ -	$ -
Social Security System (O.A.S.I.)	375,000.00	375,000.00	323,962.61	-	323,962.61	51,037.39	51,037.39	-
Consolidated Police and Firemen's Pension Fund Police and Firemen's Retirement System of NJ	856,702.00	869,202.00	831,702.00	-	831,702.00	37,500.00	37,500.00	-
Unemployment Insurance	50,000.00	50,000.00		-	-	50,000.00	50,000.00	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	$ 1,638,782.00	$ 1,651,282.00	$ 1,512,744.61	$ -	$ 1,512,744.61	$ 138,537.39	$ 138,537.39	$ -
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	$ 14,333,390.00	$ 14,288,390.00	$ 13,527,801.20	$ 60,462.48	$ 13,588,263.68	$ 760,588.80	$ 700,126.32	$ -

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
OPERATIONS - EXCLUDED FROM "CAPS"								
Maintenance of Free Public Library (Ch. 82 & 541, P.L. 1985)								
Salaries and Wages	$ 473,000.00	$ 473,000.00	$ 460,696.86	$ -	$ 460,696.86	$ 12,303.14	$ 12,303.14	$ -
Other Expenses	181,000.00	181,000.00	167,558.87	78.56	167,637.43	13,441.13	13,362.57	
Group Insurance for Employees	126,000.00	126,000.00	121,596.48	-	121,596.48	4,403.52	4,403.52	-
Bergen County Utilities Authority								
Service Charges - Contractual	1,173,000.00	1,173,000.00	1,172,535.59	-	1,172,535.59	464.41	464.41	-
Other Sewer Service Charges - Contractual	-	-		-	-	-	-	-
Reserve for Tax Appeals	125,000.00	150,000.00	125,000.00	-	125,000.00	25,000.00	25,000.00	-
L.O.S.A.P.	35,000.00	35,000.00		-	-	35,000.00	35,000.00	-
Sanitary Landfill Recycling Tax	18,750.00	18,750.00	15,725.00	-	15,725.00	3,025.00	3,025.00	-
NJDES Stormwater Permit NJSA 40A:4-45.3cc								
Street Cleaning								
Salaries and Wages	48,500.00	48,500.00	48,500.00	-	48,500.00	-	-	-
Other Expenses	6,500.00	6,500.00	6,500.00	-	6,500.00	-	-	-

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	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								
Reserve for Recycling Tonnage Grant	$ 17,937.68	$ 17,937.68	$ 17,937.68	$ -	$ 17,937.68	$ -	$ -	$ -
Reserve for Alcohol Education Act	1,372.14	1,372.14	1,372.14		1,372.14	-	-	-
Reserve for Drunk Driving Enforcement Fund	12,428.08	12,428.08	12,428.08		12,428.08	-	-	
Division of Criminal Justice Reserve for Body Armor Fund	3,810.79	3,810.79	3,810.79		3,810.79		-	
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989, C. 51)	9,876.00	9,876.00	9,876.00		9,876.00	-	-	-
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	-	-	-
Reserve for Clean Communities Act					-			
Street Cleaning					-			
Other Expenses	19,363.43	19,363.43	19,363.43		19,363.43	-	-	-
Assistance to Firefighters Grant- Chapter 159	13,775.00	13,775.00	13,775.00		13,775.00	-	-	-
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	$ 2,268,188.12	$ 2,293,188.12	$ 2,199,550.92	$ 78.56	$ 2,199,629.48	$ 93,637.20	$ 93,558.64	$ -
Detail:								
Salaries and Wages	$ 521,500.00	$ 521,500.00	$ 509,196.86	$ -	$ 509,196.86	$ 12,303.14	$ 12,303.14	$ -
Other Expenses	1,746,688.12	1,771,688.12	1,690,354.06	78.56	1,690,432.62	81,334.06	81,255.50	-
	$ 2,268,188.12	$ 2,293,188.12	$ 2,199,550.92	$ 78.56	$ 2,199,629.48	$ 93,637.20	$ 93,558.64	$ -

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"								
Capital Improvement Fund	$ 100,000.00	$ 120,000.00	$ 100,000.00	$ -	$ 100,000.00	$ 20,000.00	$ 20,000.00	$ -
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	$ 100,000.00	$ 120,000.00	$ 100,000.00	$ -	$ 100,000.00	$ 20,000.00	$ 20,000.00	$ -
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"								
Payment of Bond Principal	$ 415,000.00	$ 415,000.00	$ 415,000.00	$ -	$ 415,000.00	$ -	$ -	$ -
Payment of Bond Anticipation Notes	650,000.00	650,000.00	650,000.00	-	650,000.00	-	-	-
Interest on Bonds	73,577.78	73,577.78	73,577.78	-	73,577.78	-	-	-
Interest on Notes	38,500.00	38,500.00	38,500.00	-	38,500.00	-	-	-
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	$ 1,177,077.78	$ 1,177,077.78	$ 1,177,077.78	$ -	$ 1,177,077.78	$ -	$ -	$ -

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED					
	Budget	Budget After Modification	Paid or Charged	Encumbrances	Paid or Charged and Encumbered	Cash Unexpended	Reserved	Unexpended Balance Canceled
DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"								
Special Emergency Authorizations- 5 Year (N.J.S.A. 40A:4-55)	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ -	$ 25,000.00	$ -	$ -	$ -
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE-EXCLUDED FROM "CAPS"	$ 3,570,265.90	$ 3,615,265.90	$ 3,501,628.70	$ 78.56	$ 3,501,707.26	$ 113,637.20	$ 113,558.64	$ -
SUBTOTAL GENERAL APPROPRIATIONS	$ 17,903,655.90	$ 17,903,655.90	$ 17,029,429.90	$ 60,541.04	$ 17,089,970.94	$ 874,226.00	$ 813,684.96	$ -
Reserve for Uncollected Taxes	997,650.56	997,650.56	997,650.56	-	997,650.56	-	-	-
TOTAL GENERAL APPROPRIATIONS	$ 18,901,306.46	$ 18,901,306.46	$ 18,027,080.46	$ 60,541.04	$ 18,087,621.50	$ 874,226.00	$ 813,684.96	$ -
Reference	A-2		Below	A			A	A-1

	Reference	
Reserve for Tax Appeals	A-18	$ 125,000.00
Special Emergency Authorizations	A-12	25,000.00
Reserve for State Grants	A-2	78,563.12
Reserve for State Grants - Matching Funds	D-3,A-4	2,875.00
Reserve for Uncollected Taxes	A-2	997,650.56
Disbursed	A-4	16,797,991.78
	Above	$ 18,027,080.46

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

B

	Reference	At December 31: 2014	2013
ASSETS			
Assessment Fund:			
Cash	B-1	$ 1,838.67	$ 1,838.67
Dog License Fund:			
Cash	B-1	24,569.13	32,549.80
Other Funds:			
Cash	B-1	842,611.55	845,277.24
Police Overtime- Receivable	B-3	29,338.00	-
		871,949.55	845,277.24
TOTAL ASSETS		$ 898,357.35	$ 879,665.71

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

B

	Reference	At December 31: 2014	2013
LIABILITIES, RESERVE AND FUND BALANCE			
Assessment Fund:			
Fund Balance	B-8	$ 1,838.67	$ 1,838.67
Dog License Fund:			
Reserve for Dog Fund Expenditures	B-2	23,193.13	31,187.60
Registration Fees Due to State of New Jersey	B-2	139.00	125.20
Due to Current Fund	B-5	1,237.00	1,237.00
		24,569.13	32,549.80
Other Funds:			
Deposits Payable	B-3	722,016.76	678,297.73
Payroll Deductions Payable	B-4	119,685.60	108,466.13
Reserve for:			
Unemployment Insurance	B-6	11,266.34	39,532.53
FEMA Reimbursement	B-7	8,679.84	8,679.84
Fund Balance	B-8	10,301.01	10,301.01
		871,949.55	845,277.24
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		$ 898,357.35	$ 879,665.71

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014 AND 2013

C

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

ASSETS	Reference	Balance Dec. 31, 2014	Balance Dec. 31, 2013
Cash	C-2,3	$ 343,079.64	$ 539,451.30
Due From State of NJ - Dept. of Transportation	C-4	705,904.75	610,904.75
Due County of Bergen	C-5	313,721.35	289,721.35
Due From Current Fund	C-2a	-	198,672.68
Deferred Charges to Future Taxation			
Funded	C-9	3,140,000.00	3,734,000.00
Unfunded	C-6	6,250,498.36	5,077,818.48
TOTAL ASSETS		$ 10,753,204.10	$ 10,450,568.56

LIABILITIES, RESERVE AND FUND BALANCE			
General Serial Bonds	C-9	$ 3,140,000.00	$ 3,734,000.00
Improvement Authorizations			
Funded	C-8	709,091.68	943,430.87
Unfunded	C-8	2,420,947.24	1,843,800.51
Capital Improvement Fund	C-7	69,510.17	46,510.17
Reserve for Garrison Ave. F.E.M.A. Funds	C-12	7,800.86	7,800.86
Bond Anticipation Notes Payable	C-10	4,399,000.00	3,850,000.00
Reserve for Payment of BANS	C-13	-	18,172.00
Fund Balance	C-1	6,854.15	6,854.15
TOTAL LIABILITIES, RESERVE AND FUND BALANCE		$ 10,753,204.10	$ 10,450,568.56

There were Bonds and Notes Authorized but not Issued on December 31, 2014 of $1,851,498.36 and on December 31, 2013 of $1,227,818.48 (Exhibit C-11).

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

	Reference	
Balance December 31, 2013	C	$ 6,854.15
Balance December 31, 2014	C	$ 6,854.15

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GRANT FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

D

	Reference	At December 31: 2014	2013
ASSETS			
Federal and State Grants:			
Cash	D-1	$ 100,899.95	$ 102,491.14
Grant Receivable	D-2	17,299.77	12,256.10
TOTAL ASSETS		$ 118,199.72	$ 114,747.24
LIABILITIES AND RESERVES			
Federal and State Grants:			
Reserve for Federal and State Grants:			
Appropriated	D-3	$ 74,747.78	$ 59,835.12
Unappropriated	D-4	43,451.94	54,912.12
TOTAL LIABILITIES AND RESERVES		$ 118,199.72	$ 114,747.24

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
PUBLIC ASSISTANCE TRUST FUND
DECEMBER 31, 2014 AND 2013

COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

E

	Reference	At December 31, 2014	At December 31, 2013
ASSETS			
Cash	E-1	$ 23,070.38	$ 17,988.33
TOTAL ASSETS		$ 23,070.38	$ 17,988.33
LIABILITIES AND RESERVES			
Reserve for Public Assistance	E-4	$ 23,070.38	$ 17,988.33
TOTAL LIABILITIES AND RESERVES		$ 23,070.38	$ 17,988.33

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL FIXED ASSETS ACCOUNTS GROUP
DECEMBER 31, 2014 AND 2013

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS GROUP OF ACCOUNTS - REGULATORY BASIS

F

	December 31,	
	2014	2013
ASSETS		
Land-Assessed Value	$ 23,686,300.00	$ 23,686,300.00
Buildings	13,081,300.00	13,081,300.00
Machinery and Equipment	8,412,431.55	8,069,728.16
TOTAL ASSETS	$ 45,180,031.55	$ 44,837,328.16
LIABILITIES AND RESERVES		
Investment in General Fixed Assets	$ 45,180,031.55	$ 44,837,328.16
TOTAL LIABILITIES AND RESERVES	$ 45,180,031.55	$ 44,837,328.16

See independent auditor's report and the notes to the financial statements.

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:

1. Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (Continued)

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

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. 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 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 Borough'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.

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

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.

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 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 (Chapter 159).

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

Trust Funds
General Capital Fund
Public Assistance Trust 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.

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

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.

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.

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

General Fixed Assets – **N.J.A.C. 5:30-5.6 accounting for governmental fixed assets** continues the requirement that all local units shall have and maintain a fixed assets accounting and reporting system that differs in certain respects from GAAP. The fixed assets accounting and reporting system shall establish and maintain a physical inventory of fixed assets of non-expendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular 87, Cost Principals for State, Local and Indian Governments and shall place a value on all fixed assets whether constructed or acquired through purchase, grant, or gift. Fixed assets acquired after December 31, 1985 shall be valued on the basis of actual cost; prior to that time, they may be valued at cost or estimated historical cost. The fixed assets accounting and reporting system shall also have a subsidiary ledger, consisting of detailed property records for controlling additions, retirements and transfers of fixed assets and such ledger shall be maintained and reconciled periodically and at the end of every fiscal year with the general ledger control accounts for fixed assets. The system shall also provide property management standards for fixed assets that ensures that property records are maintained accurately, to reflect a description and source of the property, its ownership, the acquisition cost and date, the percentage of Federal participation in the acquisition, and the location, use and condition of the property. Property management standards for fixed assets shall also ensure that periodic physical inventories are taken and reconciled with property records, that a control system is provided with adequate safeguards against loss, damage, or theft of property and that property is adequately maintained to keep the property in good condition. A Statement of General Fixed Assets shall be in every annual audit report.

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.

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, 2014, $0 of the Borough's **bank balance** of $ 4,746,092.80 was exposed to custodial credit risk.

At December 31, 2014, the Borough's funds **book balance** is held by a custodial bank or financial institution:

Current Fund	$ 3,177,022.78
Current Fund – Change Fund	250.00
Federal / State Grant Fund	100,899.95
Assessment Fund	1,838.67
Trust Fund	792,589.27
Capital Fund	343,079.64
Public Assistance Fund	23,070.38
Dog License Fund	24,569.13
	$ 4,463,319.82
Municipal Court *	$ 43,416.00

* Municipal Court files a regulatory report with the Administrative Office of Courts (the "AOC") and is presented for purposes of additional analysis.

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, 2014, the Borough had no investments.

3. Leases

The Borough had no leases during the year ended December 31, 2014.

4. Long-Term Debt

Summary of Municipal Debt

	Year 2014	Year 2013	Year 2012
Issued			
Bonds and Note Issued General:			
Bonds and Notes	$ 7,539,000.00	$ 7,584,000.00	$ 7,459,000.00
Net Debt Issued	7,539,000.00	7,584,000.00	7,459,000.00
Authorized But Not Issued General:			
Bonds and Notes	1,851,498.36	1,227,818.48	1,501,318.48
Net Bonds and Notes Issued and Authorized But Not Issued	$ 9,390,498.36	$ 8,811,818.48	$ 8,960,318.48

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 .549%.

	Gross Debt	Deductions	Net Debt
School Debt	$ 7,065,000.00	$ 7,065,000.00	$ -
General Debt	9,390,498.36	-	9,390,498.36
	$ 16,455,498.36	$ 7,065,000.00	$ 9,390,498.36

Net Debt $ 9,390,498.36 Equalized Valuation Basis per N.J.S.A. 40A:2-2
as amended $ 1,711,154,026.67= .549 %

4. Long-Term Debt (Continued)

Schedule of Annual Debt Service for Principal and Interest for
Bonded Debt Issued and Outstanding

	General	
Calender Year	Principal	Interest
2015	360,000.00	114,900.00
2016	355,000.00	104,100.00
2017	355,000.00	93,450.00
2018	350,000.00	82,800.00
2019	350,000.00	68,800.00
2020-2023	1,370,400.00	135,800.00
Total	$ 3,140,400.00	$ 599,850.00

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

General Obligation Bonds

$3,555,000 – 2014 Bonds, due in annual installments of, $360,000-09/15/2015, $355,000- 09/15/16-09/15/17, $350,000-09/15/2018-09/15/19-09/15/20, $345,000-09/15/2021-09/15/22, $330,000- 09/15/23, interest at variable rates (2.00-4.0%) $ 3,140,400.00

The Borough's short-term debt consisted of Bond Anticipation Notes Payable in the amount of $4,399,000 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, 2014.

Interfund Receivables and Payables

Interfund receivables and payables at December 31, 2014 were as follows:

	Receivables	Payables
Current Fund	$ 1,237.00	$ -
Dog License Fund		1,237.00
	$ 1,237.00	$ 1,237.00

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.

Claims and Judgments

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, 2014, 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, 2014 was $114,100. There is one police officer which also has accrued sick pay in the amount of $98,000.

6. Risk Management

The purpose of the New Jersey Intergovernmental Insurance Fund is to administer property and liability, worker's compensation, unemployment, and disability insurance programs of the Borough on a cost reimbursement basis. This fund accounts for the risk financing activities of the Borough but does not constitute a transfer of risk from the Borough. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

7. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are to be deferred to budgets of succeeding years. At December 31, 2014, the Borough had the following deferred charges:

Current Fund:

Special Emergency – Revaluation N.J.S.A. 40A:4-53:	$50,000

8. Local District School, Regional High School and County Taxes

The Local District School Taxes are raised on a calendar year basis, for the period January 1, 2014 to December 31, 2014.

9. Taxes Collected in Advance

Taxes collected in advance and the amounts set forth as cash liabilities in the financial statements as follows:

	Balance Dec. 31, 2014	Balance Dec. 31, 2013
Prepaid Taxes	$ 135,183.46	$ 501,894.12

10. Retirement Plans

Plan Description, Contribution Information, and Funding

Substantially all Borough employees participate in the Public Employees Retirement System (PERS) and the Police and Fireman's Retirement System of New Jersey (PFRS). The PERS and PFRS systems are cost sharing multiple-employer contributory defined benefit plans, administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The PERS was established in January 1955 under provisions of N.J.S.A. 43:15A and provides retirement, death, disability and medical benefits to certain qualifying Plan members and beneficiaries. Membership is mandatory to substantially all full time employees and vesting occurs after 8 to 10 years of service. Employees who retire at or after age 55 are entitled to a retirement benefit generally determined to be $1/55^{th}$ of the average annual compensation for the highest three fiscal years compensation for each year of membership during years of credible service. The PFRS was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firefighters and state police appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

According to state law, all obligations of PERS and PFRS will be assumed by the State of New Jersey should the PERS and PFRS be terminated. The State of New Jersey issues publicly available financial reports that include the financial statements and required supplementary information of the PERS and PFRS. This report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

The contribution policy for PFRS and PERS is set by laws of the State of New Jersey, and requires contributions by active members and their employers. Plan member and employer contributions may be amended by legislation of the State of New Jersey. Employers are required to contribute at an actuarially determined rate in both systems. Contributions made by employers to PERS for the years ended December 31, 2014 were 6.5% of base wages for that year. Contributions made by employees to PFRS for the year ended December 31, 2014 were 10% of their base wages for that year. The Borough's share of pension costs, which is based upon the amount paid or charged to the 2014 budget, amounted to $1,188,782 for 2014 and $1,262,394 for 2013.

10. Retirement Plans (Continued)

Deferred Compensation Plan

The Borough received State approval in October 1983 for a Deferred Compensation Plan, (the "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, 2014 totaled $ 4,245,107.70. 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 44 retired employees, which have this benefit. In 2014 the cost of these health insurance benefits totaled $831,065.31.

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.

12. Joint Insurance

The Borough 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 2014, the assessments were $626,293.00. 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.

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 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 August 28, 2014 for 2013 taxes.

14. Municipal Court

Municipal Court files a regulatory report with the Bergen County AOC, Administrative Office of Courts.

15. Other Commitments

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

16. Comparative Schedule of Fund Balances

	Current Fund	
Year	Balance December 31	Utilized In Budget of Succeeding Year
2014	$1,583,857.61	$1,100,000.00
2013	1,560,885.37	1,100,000.00
2012	1,413,374.09	1,000,000.00
2011	1,300,502.50	950,000.00
2010	1,088,609.07	900,000.00

17. Comparative Schedule of Tax Rate Information

* Revaluation

	2014	2013	2012*	2011	2010
Tax Rate	2.904	2.836	2.742	2.243	2.169
Apportionment of Tax Rate					
Municipal	0.946	0.941	0.932	0.765	0.746
County	0.250	0.254	0.236	0.205	0.202
Local School	1.708	1.641	1.574	1.273	1.221

Assessed Valuation

2014	$ 1,551,931,320				
2013		$ 1,547,020,681			
2012 *			$ 1,545,907,308		
2011				$ 1,866,373,599	
2010					$ 1,872,097,822

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.

Year	Tax Levy	Cash Collections	Percentage of Collection
2014	$ 45,139,026	$ 44,637,187	98.89%
2013	43,946,309	43,513,603	99.02%
2012	42,425,442	42,000,740	99.00%
2011	41,920,752	41,492,687	98.98%
2010	40,654,752	40,047,463	98.51%

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.

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total	Percentage of Tax Levy
2014	$ 223,020	$ 456,778	$ 679,798	1.51%
2013	224,828	382,619	607,447	1.40%
2012	215,933	407,015	622,947	1.47%
2011	200,635	338,224	538,860	1.29%
2010	184,639	457,795	642,434	1.58%

20. Property Acquired by Tax Title Lien Liquidation

No properties have been acquired in 2014 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:

Year	Amount
2014	304,730
2013	304,730
2012	304,730
2011	304,730
2010	304,730

21. Subsequent Events

The Borough has evaluated subsequent events through March 23, 2015, which is the date the financial statements were available to be issued.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF CASH-COLLECTOR-TREASURER

A-4

	Reference		
Balance December 31, 2013	A		$ 3,163,399.54
Increased by Receipts:			
Miscellaneous Revenue	A-2	$ 2,879,844.41	
Miscellaneous Revenue Not Anticipated	A-2	92,994.37	
Due from State of New Jersey -			
Senior Citizens' & Veterans' Deductions	A-7	102,908.30	
Taxes Receivable	A-8	44,406,954.42	
Tax Title Liens Receivable	A-9	12,004.90	
Due to Trust - Other Fund	Contra	145,037.94	
Tax Overpayments	A-14	14,755.49	
Due to State of New Jersey:			
Building Surcharge Fees	A-15	9,385.00	
Department of Human Services	A-15	1,775.00	
State Library Aid	A-16	5,147.00	
Prepaid Taxes	A	135,183.46	
Return of Change Fund	A-5	25.00	
Petty Cash Funds	A-6	600.00	
Statutory Excess - Animal License Fund	A-1	16,379.60	
FEMA - Reimbursements	A-21	109,829.47	
Reserve for Sale of Municipal Assets	A-22	255,000.00	
			48,187,824.36
			51,351,223.90
Decreased by Disbursements:			
2014 Budget Appropriations	A-3	16,797,991.78	
Reserve for Grants - Matching Funds	A-3	2,875.00	
2013 Appropriation Reserves	A-13	376,606.62	
County Taxes	A-1,8	3,870,593.62	
Local District School Tax	A-1,8,17	26,505,637.00	
Due to County for Added Taxes - 2013	A	6,817.58	
Tax Appeal Refunds- Operations	A-1	100,000.00	
Petty Cash Funds	A-6	600.00	
Due to Capital Fund	C	198,672.68	
Due to Trust - Other Fund	Contra	145,037.94	
Tax Overpayments Refunded	A-14	60,761.89	
Due to State of New Jersey:			
Building Surcharge Fees	A-15	9,346.00	
Department of Human Services	A-15	2,050.00	
Burial Permit Fees	A-15	75.00	
Reserve for:			
Maintenance of Free Public Library with State Aid	A-16	5,064.61	
Tax Appeals Pending	A-18	85,392.61	
Miscellaneous Refunds	A-1	6,678.79	
			48,174,201.12
Balance December 31, 2014	A		$ 3,177,022.78

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF CASH - CHANGE FUNDS

A-5

	Reference		
Balance December 31, 2013	A	$	275.00
Decreased by:			
Transfer to Current Fund	A-4		25.00
Balance December 31, 2014	A	$	250.00
Analysis of Balance			
Tax Collector - Treasurer		$	100.00
Clerk of Municipal Court			100.00
Board of Health			50.00
		$	250.00

SCHEDULE OF PETTY CASH FUNDS

A-6

OFFICE	Received from Treasurer		Returned to Treasurer	
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
	$	600.00	$	600.00
Reference	A-4		A-4	

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

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

A-7

	Reference		
Balance (Due To) December 31, 2013	A		$ (5,537.68)
Increased by:			
Original Duplicate			
Senior Citizens' Deductions		$ 14,250.00	
Veterans' Deductions		89,000.00	
Allowed by Tax Collector:			
Senior Citizens' Deductions		250.00	
Veterans' Deductions		1,250.00	
			104,750.00
			99,212.32
Canceled to Budget Operations			-
			99,212.32
Decreased by:			
Disallowed by Tax Collector:			
Senior Citizens' Deductions / Veterans' Deductions - 2013 Taxes	A-1		841.70
			98,370.62
Received in Cash from State	A-4		102,908.30
Balance (Due To) December 31, 2014	A		$ (4,537.68)
2014 Tax Revenue:			
Original Duplicate:			
Senior Citizens' Deductions /		$ 14,250.00	
Veterans' Deductions		89,000.00	
Allowed by Tax Collector:			
Senior Citizens' Deductions /		250.00	
Veterans' Deductions		1,250.00	
			$ 104,750.00
Disallowed by Tax Collector:			
Senior Citizens' Deductions / Veterans' Deductions			-
Total Revenue	A-8		$ 104,750.00

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2013	2014 Levy	Added Taxes	Cash Collections 2013	Cash Collections 2014	Senior Citizens and Veterans Deductions	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2014
2012	$ 296.49	$ -	$ -	$ -	$ -	$ -	$ 296.49	$ -	$ -
2013	382,322.48				383,164.18		(841.70)		(0.00)
2014		45,068,085.53	70,940.73	501,894.12	44,030,543.20	104,750.00	34,864.55	10,195.93	456,778.46
	$ 382,618.97	$ 45,068,085.53	$ 70,940.73	$ 501,894.12	$ 44,413,707.38	$ 104,750.00	$ 34,319.34	$ 10,195.93	$ 456,778.46
Reference	A	Below		A	Below	A-7		A-9	A

Taxes Applied from Overpayments	A-14	$ 6,752.96
Cash Receipts	A-4	44,406,954.42
	Above	$ 44,413,707.38

ANALYSIS OF 2014 PROPERTY TAX LEVY

	Ref.			
General Purpose Tax:				
Communications Companies		$ 29,574.92		
General Property Tax		44,935,260.61		
State Share of Senior Citizens and Veterans Deductions		103,250.00		
Total	Above		$ 45,068,085.53	
Added Taxes (54:4-63.1 et.seq.)			70,940.73	
Omitted Taxes (54:4-63.12 et. seq.)			-	
	Below			$ 45,139,026.26

TAX LEVY

Local District School Tax (Abstract)	A-1,4,17		$ 26,505,637.00	
County Taxes (Abstract)	A-1,4	$ 3,870,593.62		
Due County for Added Taxes	A-1	6,137.64		
Total County Taxes			3,876,731.26	
Local Tax for Municipal Purposes	A-2	14,125,633.28		
Local Library Purposes	A-2	565,550.22		
Add: Additional Taxes		65,474.50		
Local Tax for Municipal Purposes Levied			14,756,658.00	
	Above			$ 45,139,026.26

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

A-9

	Reference	
Balance December 31, 2013	A	$ 224,828.47
Increased by:		
Transfer from Taxes Receivable	A-8	10,195.93
		235,024.40
Decreased by:		
Cash Collections	A-4	12,004.90
Balance December 31, 2014	A	$ 223,019.50

SCHEDULE OF MARTIN ACT PROPERTY

A-10

	Reference	
Balance December 31, 2013	A	$ 543.04
Balance December 31, 2014	A	$ 543.04

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

A-11

	Balance December 31, 2013	Accrued in 2014	Collected	Balance December 31, 2014
Municipal Court	$ 13,906.97	$ 272,995.16	$ 268,965.13	$ 17,937.00
	$ 13,906.97	$ 272,995.16	$ 268,965.13	$ 17,937.00
Reference	A		A-2	A

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

A-12

Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance December 31, 2013	Authorized Current Year	Reduced by 2014 Budget Appropriation	Balance December 31, 2014
Special Emergency - Revaluation N.J.S.A. 40A:4-53	$ 125,000.00	$ 25,000.00	$ 75,000.00	$ -	$ 25,000.00	$ 50,000.00
	$ 125,000.00	$ 25,000.00	$ 75,000.00	$ -	$ 25,000.00	$ 50,000.00
Reference			A		A-3	A

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF 2013 APPROPRIATION RESERVES

A-13

	Balance December 31, 2013				Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Reserved	Total	Transfers			
OPERATIONS WITHIN "CAPS"							
GENERAL GOVERNMENT							
Administrative and Executive - Mayor and Council							
Salaries and Wages	$ -	$ 642.74	$ 642.74	$ -	$ 642.74	$ -	$ 642.74
Administrative and Executive							
Salaries and Wages		5,977.55	5,977.55	(3,600.00)	2,377.55	-	2,377.55
Other Expenses		248.67	248.67	1,200.00	1,448.67	1,304.65	144.02
Elections							
Salaries and Wages		-	-		-	-	-
Other Expenses		1,299.22	1,299.22		1,299.22	-	1,299.22
Financial Administration							
Salaries and Wages		332.75	332.75		332.75		332.75
Other Expenses	276.00	2,970.55	3,246.55	(2,250.00)	996.55	925.98	70.57
Audit		32,250.00	32,250.00	2,250.00	34,500.00	34,500.00	-
Assessment of Taxes							
Salaries and Wages		3,348.99	3,348.99		3,348.99	-	3,348.99
Other Expenses	1,500.00	23.86	1,523.86		1,523.86	1,500.00	23.86
Collection of Taxes							
Salaries and Wages		79.48	79.48		79.48	-	79.48
Other expenses		5,284.07	5,284.07		5,284.07	-	5,284.07
Legal Services and Costs							
Salaries and Wages		-	-		-		-
Other Expenses		19,571.34	19,571.34	(12,500.00)	7,071.34	4,628.00	2,443.34
Municipal Court							
Salaries and Wages		34.45	34.45		34.45		34.45
Other Expenses	336.50	242.57	579.07		579.07	563.10	15.97
Municipal Prosecutor							
Salaries and Wages		18.00	18.00		18.00	-	18.00
Other Expenses		500.00	500.00		500.00	-	500.00
Public Defender							
Salaries and Wages		76.00	76.00		76.00		76.00
Other Expenses		500.00	500.00		500.00		500.00
Engineering Services and Costs					-		
Other Expenses		8,584.87	8,584.87		8,584.87	7,480.00	1,104.87
Public Buildings and Grounds							
Salaries and Wages		7,589.02	7,589.02	(4,500.00)	3,089.02	704.23	2,384.79
Other Expenses	1,919.50	494.30	2,413.80	10,000.00	12,413.80	12,338.36	75.44
Master Plan							
Other Expenses		7,500.00	7,500.00	(6,500.00)	1,000.00	-	1,000.00
Codification of Ordinances							
Other Expenses		1,837.48	1,837.48	1,400.00	3,237.48	3,221.03	16.45
Planning Board							
Salaries and Wages		1,212.00	1,212.00		1,212.00	-	1,212.00
Other Expenses		1,969.39	1,969.39		1,969.39	-	1,969.39

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BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF 2013 APPROPRIATION RESERVES

A-13

	Balance December 31, 2013				Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Reserved	Total	Transfers			
Board of Adjustment							
Salaries and Wages	$ -	$ 955.50	$ 955.50	$ -	$ 955.50	$ -	$ 955.50
Other Expenses		72.85	72.85		72.85	26.75	46.10
Shade Trees							
Salaries and Wages		291.18	291.18	850.00	1,141.18	1,098.79	42.39
Other Expenses	10,410.90	97.85	10,508.75	4,250.00	14,758.75	14,111.65	647.10
Recycling Program							
Salaries and Wages		5,558.31	5,558.31	(4,000.00)	1,558.31	1,120.14	438.17
Other Expenses		690.26	690.26	4,000.00	4,690.26	4,610.00	80.26
Insurance							
Group Insurance for Employees		26,510.70	26,510.70	(21,500.00)	5,010.70	-	5,010.70
Workmen's Compensation Insurance		-	-		-		-
Other Insurance Premiums	385.00	5,547.17	5,932.17	(5,000.00)	932.17	700.00	232.17
PUBLIC SAFETY							
Fire							
Salaries and Wages		4,868.42	4,868.42		4,868.42		4,868.42
Other Expenses	2,531.54	35,786.45	38,317.99	(8,950.00)	29,367.99	11,856.56	17,511.43
Uniform Fire Safety Act							
Salaries and Wages		1,057.29	1,057.29		1,057.29		1,057.29
Other Expenses	694.38	1,684.49	2,378.87		2,378.87	234.88	2,143.99
Police							
Salaries and Wages		120,648.73	120,648.73	(62,500.00)	58,148.73	23,000.82	35,147.91
Other Expenses	2,382.04	33,122.20	35,504.24	22,000.00	57,504.24	55,343.13	2,161.11
Emergency Management Services							
Salaries and Wages		139.59	139.59		139.59		139.59
Other Expenses		218.03	218.03		218.03		218.03
STREETS AND ROADS							
Road Repairs and Maintenance							
Salaries and Wages		9,767.38	9,767.38	(5,200.00)	4,567.38	2,566.32	2,001.06
Other Expenses	2,547.32	7,737.86	10,285.18	2,400.00	12,685.18	3,484.77	9,200.41

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF 2013 APPROPRIATION RESERVES

A-13

	Balance December 31, 2013				Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Reserved	Total	Transfers			
Street Cleaning							
Salaries and Wages	$ -	$ 7,021.06	$ 7,021.06	$ (3,500.00)	$ 3,521.06	$ 1,990.46	$ 1,530.60
Other Expenses	419.64	4,538.60	4,958.24	2,000.00	6,958.24	6,929.36	28.88
Garbage and Trash Removal							
Salaries and Wages		186.47	186.47	8,100.00	8,286.47	8,228.90	57.57
Other Expenses	117.25	51.14	168.39	1,000.00	1,168.39	817.44	350.95
Sewer Maintenance							
Salaries and Wages		9,823.94	9,823.94	(7,500.00)	2,323.94	852.16	1,471.78
Other Expenses	1,006.57	206.75	1,213.32		1,213.32	762.95	450.37
Sanitary Landfill							
Contractual-Bergen County		57,806.58	57,806.58		57,806.58	55,264.35	2,542.23
HEALTH AND WELFARE							
Board of Health							
Salaries and Wages		13.28	13.28		13.28		13.28
Health Services - Contractual		175.25	175.25		175.25		175.25
Other Expenses		809.79	809.79		809.79		809.79
Dog Regulation							
Other Expenses:							
County of Bergen - Contractual		7,218.00	7,218.00		7,218.00		7,218.00
Miscellaneous		500.00	500.00		500.00		500.00
Administration of Public Assistance							
Other Expenses		750.00	750.00		750.00		750.00
Parks and Playgrounds							
Salaries and Wages		99.13	99.13	1,200.00	1,299.13	1,293.92	5.21
Other Expenses	804.61	1,091.01	1,895.62		1,895.62	804.61	1,091.01
Board of Recreation Commissioners							
Salaries and Wages		789.51	789.51		789.51		789.51
Other Expenses		3,445.17	3,445.17		3,445.17		3,445.17
Celebration of Public Events, Anniversary or Holiday							
Salaries and Wages		2.61	2.61		2.61		2.61
Other Expenses	1,000.00	9,627.73	10,627.73		10,627.73	675.00	9,952.73

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2013

SCHEDULE OF 2013 APPROPRIATION RESERVES

A-13

	Balance December 31, 2013				Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Reserved	Total	Transfers			
Senior Citizen's Transportation							
Salaries and Wages	$ -	$ 39.77	$ 39.77	$ -	$ 39.77	$ -	$ 39.77
Other Expenses		487.20	487.20		487.20		487.20
Senior Citizen's Activities							
Salaries and Wages		9.89	9.89		9.89		9.89
Other Expenses	151.78	6.90	158.68	350.00	508.68	501.78	6.90
Construction Code Officials							
Salaries and Wages		28.29	28.29		28.29		28.29
Other Expenses		87.29	87.29		87.29		87.29
Unclassified			-		-		-
Utilities:			-		-		-
Gasoline	9,439.07	537.95	9,977.02	7,000.00	16,977.02	14,414.49	2,562.53
Electricity		21,022.47	21,022.47		21,022.47	9,078.75	11,943.72
Telephone		804.76	804.76	4,500.00	5,304.76	4,978.35	326.41
Natural Gas		19,054.62	19,054.62		19,054.62	6,978.27	12,076.35
Street Lighting		16,772.96	16,772.96		16,772.96	7,302.00	9,470.96
Fire Hydrant Service		11,725.47	11,725.47		11,725.47	10,752.23	973.24
Water		22.54	22.54		22.54	-	22.54
Statutory Expenditures			-		-		-
Contribution to:			-		-		-
Social Security System (O.A.S.I.)	-	25,926.62	25,926.62	(20,000.00)	5,926.62	-	5,926.62
Unemployment Insurance		25,000.00	25,000.00		25,000.00		25,000.00
TOTAL OPERATIONS WITHIN "CAPS"	$ 35,922.10	$ 583,024.31	$ 618,946.41	$ (95,000.00)	$ 523,946.41	$ 316,944.18	$ 207,002.23

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF 2013 APPROPRIATION RESERVES

A-13

	Balance December 31, 2013				Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Reserved	Total	Transfers			
OPERATIONS EXCLUDED FROM "CAPS"							
Maintenance of Free Public Library (Chap. 82 & 541, P.L. 1985)							
Salaries and Wages	$ -	$ 13,346.37	$ 13,346.37	$ -	$ 13,346.37	$ 5,163.26	$ 8,183.11
Other Expenses	921.47	18,800.40	19,721.87		19,721.87	2,877.37	16,844.50
Group Insurance for Employees	-	6,420.63	6,420.63		6,420.63	-	6,420.63
B.C. Utilities - Sewer Charges		239.45	239.45		239.45		239.45
L.O.S.A.P.		35,000.00	35,000.00	-	35,000.00	20,500.00	14,500.00
Sanitary Landfill Recycling Tax		5,969.34	5,969.34		5,969.34	4,121.81	1,847.53
Reserve for Tax Appeals		5,000.00	5,000.00	70,000.00	75,000.00	75,000.00	-
Capital Improvement Fund		2,000.00	2,000.00	25,000.00	27,000.00	27,000.00	-
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	$ 921.47	$ 86,776.19	$ 87,697.66	$ 95,000.00	$ 182,697.66	$ 134,662.44	$ 48,035.22
TOTALS	$ 36,843.57	$ 669,800.50	$ 706,644.07	$ -	$ 706,644.07	$ 451,606.62	$ 255,037.45
Ref.	A	A				Below	A-1

	Reference	
Transferred to Reserve for Tax Appeals	A-18	$ 75,000.00
Disbursed	A-4	376,606.62
	Above	$ 451,606.62

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF TAX OVERPAYMENTS

A-14

	Reference		
Balance December 31, 2013	A		$ 85,420.55
Increased by:			
Overpayments in 2014	A-4		14,755.49
			100,176.04
Decreased by:			
Canceled	A-1	$ 8,341.54	
Applied to Current Year Taxes	A-8	6,752.96	
Refunds	A-4	60,761.89	
			75,856.39
Balance December 31, 2014	A		$ 24,319.65

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

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

A-15

	Reference	Burial Permit Fees	Construction Surcharge Fees	Marriage License Fees
Balance December 31, 2013	A	$ 1,945.00	$ 2,003.00	$ 2,108.00
Increased by:				
Receipts	A-4	-	9,385.00	1,775.00
		1,945.00	11,388.00	3,883.00
Decreased by:				
Cash Disbursements	A-4	75.00	9,346.00	2,050.00
Balance December 31, 2014	A	$ 1,870.00	$ 2,042.00	$ 1,833.00

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

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

A-16

	Reference		
Balance December 31, 2013	A	$	50.38
Increased by:			
State Library Aid	A-4		5,147.00
			5,197.38
Decreased by:			
Cash Disbursements	A-4		5,064.61
Balance December 31, 2014	A	$	132.77

SCHEDULE OF SCHOOL TAXES PAYABLE

A-17

	Reference		
Balance December 31, 2013	A	$	-
Increased by:			
2014 School Tax Levy	A-1,8		26,505,637.00
			26,505,637.00
Decreased by:			
School Taxes Paid	A-4		26,505,637.00
Balance December 31, 2014	A	$	-

See independent auditor's report and the notes to the financial statements.

SCHEDULE OF RESERVE FOR TAX APPEALS PENDING

A-18

	Reference		
Balance December 31, 2013	A		$ 97,127.66
Increased by:			
Transferred from 2013 Budget Reserves	A-13	$ 75,000.00	
Transferred from 2014 Budget Appropriations	A-3	125,000.00	
			200,000.00
			297,127.66
Decreased by:			
Cash Disbursements	A-4		85,392.61
Balance December 31, 2014	A		$ 211,735.05

RESERVE FOR REVALUATION OF REAL PROPERTY

A-19

	Reference	
Balance December 31, 2013	A	$ 1,900.00
Balance December 31, 2014	A	$ 1,900.00

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CURRENT FUND
DECEMBER 31, 2014

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

A-20

	Reference	
Balance December 31, 2013	A	$ 9,355.92
Balance December 31, 2014	A	$ 9,355.92

SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS

A-21

	Reference	
Balance December 31, 2013	A	$ 58,312.53
Increased by:		
Cash Receipts	A-4	109,829.47
		168,142.00
Decreased by:		
Anticipated as Current Fund Revenue	A-2	53,000.00
Balance December 31, 2014	A	$ 115,142.00

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

A-22

	Reference	
Increased by:		
Cash Receipts	A-4	$ 255,000.00
Balance December 31, 2014	A	$ 255,000.00

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF CASH-COLLECTOR -TREASURER

B-1

	Reference	Assessment Fund	Dog License Fund	Other Funds	
Balance December 31, 2013	B	$ 1,838.67	$ 32,549.80		$ 845,277.24
Increased by Receipts:					
Dog License Fees	B-2		$ 17,312.80		
State Registration Fess	B-2		1,909.20		
Deposits Payable	B-3			$ 782,457.77	
Payroll Deductions Payable	B-4, B-6			4,698,533.59	
Interest Income	B-6			1,643.41	
Adjustment to Fund Balance	B-8	-			5,482,634.77
		1,838.67		19,222.00	6,327,912.01
				51,771.80	
Decreased by Disbursements:					
Expenditures under R.S. 4:19-15.11	B-2		8,927.67		
Due to State of NJ - Registration Fees	B-2		1,895.40		
Deposits Payable	B-3			818,099.02	
Payroll Deductions Payable	B-4			4,687,314.12	
Due to/from Current Fund	B-5		16,379.60	1,564.69	
Due to Department of Labor - Unemployment	B-5, B-6	-		28,344.91	5,535,322.74
				27,202.67	
Balance December 31, 2014	B	$ 1,838.67		$ 24,569.13	$ 792,589.27

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014

B-2

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

	Reference		
Balance December 31, 2013	B		$ 31,187.60
Increased by:			
Dog License Fees Collected	B-1	$ 17,312.80	
			17,312.80
			48,500.40
Decreased by:			
Statutory Excess- Due to Current Fund	B-5	16,379.60	
Expenditures Under R.S. 4:19-15.11 - Cash	B-1	8,927.67	
			25,307.27
Balance December 31, 2014	B		$ 23,193.13

Licenses Fees Collected

Year	Amount
2013	$ 16,246.60
2012	15,473.20
	$ 31,719.80

Summary of State Registration Fees

State Registration Fees Due at 12/31/13	B	$ 125.20
State Registration Fees Collected	B-1	1,909.20
		2,034.40
State Registration Fees Paid	B-1	1,895.40
State Registration Fees Due at 12/31/14	B	$ 139.00

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF RESERVES AND DEPOSITS PAYABLE

B-3

	Balance December 31, 2013	Receipts	Disbursements	Receivable	Balance December 31, 2014
Merchant Bonds	$ 9,000.00	$ 50.00	$ 50.00	$ -	$ 9,000.00
Library Book Fund	45,428.51	38,606.80	23,107.96		60,927.35
Library- Multicultural Celebration Grant		2,160.00			2,160.00
Library- Insurance Reimbursement		5,616.20			5,616.20
Board of Recreation Commission	2,940.61	89,056.80	89,465.00	-	2,532.41
Towing	2,676.94		-		2,676.94
Planning Board / Developers Escrow	129,729.85	91,161.05	24,222.70		196,668.20
Off-Duty Municipal Police Pay / Car Charges	(47,104.89)	176,148.33	141,097.94	29,338.00	17,283.50
Developer's Deposit - Car Wash	14,113.40	4.29			14,117.69
Performance Bond - ADPP	24,290.59	7.42	-		24,298.01
Developer's Deposit - Three Buildings Escrow	68,886.50	158.10	13,647.17		55,397.43
Developer's Deposit - Heights Cliff Escrow	1,449.00	30,018.96	26,352.94		5,115.02
Redemption of Outside Tax Title - Lien Certificate	17,754.19	235,824.58	253,195.19	-	383.58
Tax Sale Premiums	259,700.00	80,400.00	160,700.00		179,400.00
Sidewalk Crossing	750.00				750.00
Street Opening	7,349.22	3,450.00	5,400.00		5,399.22
Miscellaneous	8,698.12	7,670.00	9,479.58		6,888.54
Parking Offenses Adjudication Act	41,665.06	2,437.00			44,102.06
Uniform Fire Penalties	8,975.60	3,130.00			12,105.60
Reserve for the 200 Club	(330.00)		-		(330.00)
Reserve for Street Fair	6,580.48	24,500.00	22,139.00		8,941.48
Reserve for Firefighters Walk of Honor	1,098.80		-		1,098.80
Reserve for Board of Health 5K Run	-	6,032.00	6,219.50		(187.50)
Reserve for Drug Alliance- Space Odyssey	1,487.38	4,334.00	3,454.08		2,367.30
Reserve for Veterans Memorial Park / Maint.	14,667.05	350.00	308.00		14,709.05
Reserve for Bench Program	945.56	350.00	-		1,295.56
Reserve for Andrew Feintuch Memorial Fund	5,685.27	2.18	-		5,687.45
Reserve for Hurricane Katrina Memorial Fund	226.48	0.12			226.60
Reserve for 9-11 Memorial Fund	1,970.64	-	-		1,970.64
Reserve for Port Authority Donation	872.05		-		872.05
Recycling Proceeds	49,675.32	23,512.22	32,097.46		41,090.08
Reserve for Police Exam	(884.00)	7,500.00	7,162.50		(546.50)
	$ 678,297.73	$ 832,480.05	$ 818,099.02	$ 29,338.00	$ 722,016.76
Reference	B	B-1	B-1	B	B

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

	Balance December 31, 2013	Receipts	Disbursements	Prior Year Adjustments	Balance December 31, 2014
Federal Withholding Tax	$ (0.00)	$ 1,029,080.61	$ 1,029,080.61	$ -	$ (0.00)
F.I.C.A.	(0.00)	489,891.54	489,891.56	0.02	(0.00)
Medicare	(0.00)	221,453.21	221,452.42	(0.79)	(0.00)
Unemployment Insurance	19,419.15	17,351.73	14,180.11		22,590.77
State of NJ - Gross Income Tax	0.00	300,647.26	300,647.26	-	0.00
P.E.R.S. - Pension	34,834.38	367,727.36	366,908.99		35,652.75
P.E.R.S. - Contributory Insurance	1,861.16	16,772.47	16,829.92		1,803.71
Police and Firemen's Retirement System	47,602.03	428,666.13	423,509.98	-	52,758.18
Deferred Compensation Plan	80.00	230,983.30	230,983.20		80.10
Union Dues - DPW	3,431.51	23,910.50	20,457.00		6,885.01
Union Dues - PBA	2,038.60	17,300.00	17,325.00	(1,949.98)	63.62
Wage Garnishes	0.00	64,860.76	64,860.76	-	0.00
Credit Union	826.03	28,298.00	28,298.00		826.03
AFLAC	(1,946.97)	17,066.48	17,070.26	1,950.75	0.00
Colonial Life	-	683.80	683.80		-
Premier Vision Care	0.00	156.00	156.00	-	-
Suspense	320.24	73.70	1,368.51		(974.57)
Interest- Transferred to Current	-	744.13	744.13		-
Employer Pension Contribution	-	1,188,782.00	1,188,782.00		-
Employee Contribution to Benefits	-	254,084.61	254,084.61		-
	$ 108,466.13	$ 4,698,533.59	$ 4,687,314.12	$ -	$ 119,685.60
Reference	B	B-1	B-1		B

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF DUE TO / (FROM) CURRENT FUND

B-5

	Reference	Dog Fund	Other Funds
Balance December 31, 2013	B	$ 1,237.00	$ -
Increased by:			
Statutory Excess- Dog License Fund	B-2	16,379.60	
Due To Current Fund- Interest Income	B-1	-	1,564.69
		17,616.60	1,564.69
Decreased by:			
Paid to Current Fund	B-3	16,379.60	1,564.69
		16,379.60	1,564.69
Balance December 31, 2014	B	$ 1,237.00	$ -

SCHEDULE OF RESERVE FOR UNEMPLOYMENT INSURANCE TRUST FUND

B-6

	Reference		
Balance December 31, 2013	B		$ 39,532.53
Increased by:			
2014 Budget Appropriation	A-3, B-1	$ -	
Interest Income	B-1	78.72	
			78.72
Decreased by:			39,611.25
Payments - NJ Dept. of Labor	B-1	28,344.91	
			28,344.91
Balance December 31, 2014	B		$ 11,266.34

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS

B-7

	Reference	
Balance December 31, 2013	B	$ 8,679.84
Balance December 31, 2014	B	$ 8,679.84

SCHEDULE OF FUND BALANCE

B-8

Balance December 31, 2013	B	$ 12,139.68
Balance December 31, 2014	B	$ 12,139.68
Analysis of Balance		
Assessment Fund	B	$ 1,838.67
Other Trust Funds	B	10,301.01
Total		$ 12,139.68

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF CASH - COLLECTOR - TREASURER

C-2

	Reference		
Balance December 31, 2013	C		$ 539,451.30
Increased by:			
Budget Appropriation for Capital Improvement Fund	C-3,7	$ 127,000.00	
Due To/From Current Fund	C-3	201,185.82	
Reimbursement - H.H. Bd of Education #2314	C-8	118,065.30	
Reimbursement - American Legion #2303	C-8	1,100.00	
Proceeds from Bond Refunding Issue	C-6, 11	39,320.12	
Bond Anticipation Notes Issued	C-3,10,11	1,199,000.00	
			1,685,671.24
			2,225,122.54
Decreased by:			
Due To/From Current Fund	C-3	20,685.14	
Improvement Authorization Expenditures	C-8	1,861,357.76	
			1,882,042.90
Balance December 31, 2014	C		$ 343,079.64

SCHEDULE OF DUE (TO)/FROM CURRENT FUND

C-2a

	Reference		
Balance December 31, 2013	C		$ 198,672.68
Increased by:			
Interest Income Transferred to Current	Contra	$ 2,513.14	
BAN Premium Transferred to Current	C-13	18,172.00	
	C-3		20,685.14
			219,357.82
Decreased by:			
Interest Income	Contra	2,513.14	
Transfer from Current Fund	C-2	198,672.68	
BAN Premium Anticipated as Current Fund Revenue	C-13	18,172.00	
			219,357.82
Balance December 31, 2014	C		$ -

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF ANALYSIS OF CASH

C-3

		Balance Dec. 31, 2013	Receipts: Budget	Receipts: Sale of Notes and Bonds	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Misc.	Transfers: To	Transfers: From	Balance Dec. 31, 2014
Fund Balance		$ 6,854.15	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,854.15
Capital Improvement Fund		46,510.17	127,000.00							173,510.17
Reserve for Improvements to Garrison Avenue - F.E.M.A.		7,800.86								7,800.86
Due to/from Current Fund		(198,672.68)						201,185.82	2,513.14	0.00
Bond Anticipation Note Payable- Rollovers		-		3,200,000.00			3,200,000.00			-
Reserve for Payment of BANS- Premium		18,172.00							18,172.00	-
Improvement Authorizations:		-								-
Ord. #	Improvement Description	-								-
1600	Provide for the Rehabilitation of Underground Fuel Storage Tanks	78.09								78.09
1620	Reconstruction of the Woodside Avenue Sewer Pump Station	-								-
1628	Resurfacing of a Portion of Burton Ave. from Williams Ave. to Rt 46	(2,015.00)								(2,015.00)
1653	Reconstruction or Replacement of Curbs	-								-
1716	Acquisition of 34 Semi-Automatic Pistols for the Police Dept.	830.98								830.98
1719	Reconstruction of Lawrence Ave. from the Boulevard to Terrace Ave.	(25,577.19)								(25,577.19)
1772	Acquisition of Pagers and Relocation of Radio Fail Safe System for the Fire Dept.	127.96								127.96
1803	Resurfacing of Burton Ave. from Williams Ave. to Passaic Ave.	(2,408.06)								(2,408.06)
1848	Resurfacing of Hamilton Ave. from the Boulevard to Terrace Ave.	429.65								429.65
1858	Acquisition of Computer Hardware and Software as part of Year 2000 upgrades	-								-
1868	Barrier Free Curb Ramps	(4,001.32)								(4,001.32)
1899	Purchase of Communications Equipment for the Police and Fire Departments	7.09								7.09
1895	Purchase of a High Pressure Breathing Air System	2,434.07				2,434.07				-
1908	Resurfacing of Ottawa Ave. from Burton Ave. to Route 17	17,362.65								17,362.65
1915/1940	Purchase of Comm Equip, Improve of Parks, Improve of Police Pistol Range and Acquisition of a 4 Wheel Drive Vehicle for Police Dept.	224.34								224.34
1936	Refurbishment of the Hook and Ladder	1,343.27								1,343.27
1942	Resurfacing of LaSalle Ave. from the Boulevard to Oak Grove Ave. and Paterson Ave. from Terrace Ave. to Burton Ave.	1,139.41								1,139.41
1944/1968/1985 2038/2082	Construction of a New Municipal Building and a New Public Safety Building	34,616.62				5,535.43				29,081.19
1948	Acquisition of a New Ambulance	566.49								566.49
1976	Acquisition of Real Property located at 302 Boulevard	815.29								815.29
2007	Acquisition of Furniture Furnishings, Shelving and other Fittings for the New Free Public Library	(13,348.41)				1,651.59				(15,000.00)
	Sub total	(106,709.57)	127,000.00	3,200,000.00	-	9,621.09	3,200,000.00	201,185.82	20,685.14	191,170.02

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF ANALYSIS OF CASH

C-3

			Receipts			Disbursements		Transfers		
		Balance Dec. 31, 2013	Budget	Sale of Notes and Bonds	Miscellaneous	Improvement Authorizations	Misc.	To	From	Balance Dec. 31, 2014
Improvement Authorizations:										
Ord. #	Improvement Description									
2012	Improvement of Baldwin Ave. between the Boulevard and Route 46	$ 4,951.61	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,951.61
2048	Acquisition of Furniture Furnishings and Fittings for use throughout the new Public Safety Building and O.E.M.	-								-
2054	Resurfacing of Oak Grove Ave. from Jefferson to Williams Ave.	(51,180.61)								(51,180.61)
2055	2004 Road Improvement Program	11,486.26				11,486.24				0.02
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				979.50				675.62
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	-				-				-
2133/2145	Barrier Free Improvements to Woodland Park	-								-
2134	2006 Computer Upgrades	1,267.18				1,267.18				-
2135	Acquisition of Gear and Equipment for the Fire Dept.	397.70								397.70
2136	Construction of a Parking lot and Pocket Park	34,805.39				11,872.23				22,933.16
2146	Improvement to Gary Depken Field	45,713.62				3,012.75				42,700.87
2147	Improvement of Ravine Ave., Construction of Parks and installation of Playground Equipment adjacent to Depken Field	69,555.90	-	-	-		-	-	-	69,555.90
2159	Acquisition of Gear and Equipment for the Fire Dept.	1,394.76								1,394.76
2182	Acquisition of a new Senior Citizen bus	-				-				-
2183/2270	Acquisition of a Garbage Truck and Dump Truck with Salt Spreader and Plow	1,194.86		-		-				1,194.86
2184	2008 Road Improvement Program	-								-
2185/2209	Boulevard Streetscape Improvement	27,445.00			-					27,445.00
	Sub total	176,939.82	-	-	-	28,617.90	-	-	-	148,321.92

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF ANALYSIS OF CASH

C-3

			Receipts			Disbursements		Transfers		
		Balance Dec. 31, 2013	Budget	Sale of Notes and Bonds	Miscellaneous	Improvement Authorizations	Misc.	To	From	Balance Dec. 31, 2014
Improvement Authorizations:										
Ord. #	Improvement Description									
2188	Acquisition of a new Alcohol Breath Testing System	$ 617.75	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 617.75
2189	Renovation of the Dept. of Public Works	1,195.44				-				1,195.44
2208	Acquisition of a new ambulance	1,719.78								1,719.78
2210	Resurfacing of Jefferson Ave.	105,792.53								105,792.53
2211	Improvement of Miers Park and Woodland Park	3,091.32								3,091.32
2219	2009 Road Resurfacing Program	61,048.03				49,813.55				11,234.48
2221	Pedestrian Safety Infrastructure Improvements	5,330.59				-				5,330.59
2222	Pedestrian Safety Encouragement Improvements	1,918.95			-	-				1,918.95
2232	Repair and replacement of certain fencing, sidewalks and Landscaping at Depken Fielc	(29,469.39)								(29,469.39)
2233	Rehabilitation and Environmental Remediation at DPW	37,323.19								37,323.19
2234	Curb and Sidewalk Reconstruction along portions of Terrace Ave. and the Boulevard	(31,069.01)				14,662.75				(45,731.76)
2238	Continuation of Boulevard Streetscape Improvements	(52,235.52)			-	2,223.87				(54,459.39)
2246	Curb and Sidewalk Reconstruction along portions of Passaic Ave. and the Boulevard	6,849.74				120,689.43				(113,839.69)
2252	Boulevard Streetscape Improvement - Phase IV	(142,862.12)				2,223.88				(145,086.00)
2253	Resurfacing of Burton Avenue and Collins Avenue between Williams Ave and Rt. 46	71,334.00		-	-					71,334.00
2254	2010 Road Resurfacing Program	41,551.34		-		31,482.48				10,068.86
2255/2294	Construction of a New Pavilion in Woodland Park	(41,355.25)				3,644.75				(45,000.00)
2257	New 911 System for the Police Department	4,471.45			-	4,471.45				0.00
2262	Construction of a Certain Damaged Portions of the Sanitary Sewer System	0.00		-						0.00
2263	Improvements to Firemen's Memorial Park	(0.00)								(0.00)
2271	Refurbishment of the Hook and Ladder Truck	14,715.87		-		-				14,715.87
2282	2011/2012 Road Resurfacing Program	67,298.25				26,264.28		-		41,033.97
2285	Reconstruction of Coolidge Avenue	148,523.06				113,684.54		-		34,838.52
2286	Acquisition of in Car Video System for the Police Dept.	11,162.75				818.55		-		10,344.20
2288	Repair and/or Construction of Sanitary Sewer System	-						-		-
2289	Boulevard Streetscape Improvement Phase V	197,264.98				110,915.65				86,349.33
2290	Acquisition of Gear and Equipment for the Fire Dept.	(36,675.69)				31,857.56		-		(68,533.25)
2292	Acquisition of Radio Equipment for PD, FD & PWD	5,549.37						-		5,549.37
2303	Repairs and Improvements to Veteran's Memorial Park	(5,564.24)		31,000.00	1,100.00	56,557.54				(30,021.78)
2304/2320	Construction of Barrier Free Curb Ramps	(6,089.38)				15,968.25				(22,057.63)
2307	Boulevard Streetscape Improvement Phase VI	53,138.45				109,496.57				(56,358.12)
2308	Repairs and Reconstr. Of Sanitary Sewer System	(8,511.84)		95,000.00		84,459.04				2,029.12
2312	Acquisition of New Street Sweeper	9,897.25		180,000.00		188,216.55				1,680.70
2313	Aqu. Of 4WD Vehicle for Police Department	(30,984.60)		38,000.00		900.00				6,115.40
2314	2013 Road Resurfacing Program	4,244.00		285,000.00	118,065.30	394,088.33				13,220.97
2316	Bond Refunding	-			39,320.12	33,060.01				6,260.11
2321	New Synthetic Turf at Hitchcock Field			570,000.00		412,204.82				157,795.18
2324	Repairs and Improvements to Polifly Park					6,957.75				(6,957.75)
2326	Acquisition of Equipment for the Public Library					104.50				(104.50)
2327	Acquisition of Two Trucks for the DPW					106.50				(106.50)
2328	Acquisition of Quint Combination Ladder for FD					104.75				(104.75)
2329	Additional Funding for Boulevard Streetscape					8,141.42				(8,141.42)
		469,221.05	-	1,199,000.00	158,485.42	1,823,118.77	-	-	-	3,587.70
		$ 539,451.30	$ 127,000.00	$ 4,399,000.00	$ 158,485.42	$ 1,861,357.76	$ 3,200,000.00	$ 201,185.82	$ 20,685.14	$ 343,079.64
	Reference	C	C-2	C-2	C-2	C-8	C-2	C-2,2a	C-2,2a	C,C-2

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF DUE FROM STATE OF N.J.

C-4

	Reference		
Balance December 31, 2013	C	$	610,904.75
Increased by:			
Grants Awarded in 2014	C-8		95,000.00
Balance December 31, 2014	C, Below	$	705,904.75

ANALYSIS OF BALANCE DECEMBER 31, 2014

Burton Avenue - Ordinance No. 1628	$	2,170.00
Burton Avenue - Ordinance No. 1803		2,408.06
Boulevard Streetscape - Ordinance No. 2185, 2209,2238,2252,2307		352,361.19
Safe Routes to Schools - Ordinance No. 2221		150,000.00
Safe Routes to Schools - Ordinance No. 2222		11,965.50
Curb Replacement Program - Ordinance No. 2234, 2246, and 2332		187,000.00
	$	705,904.75

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

C-5

	Reference		
Balance December 31, 2013	C	$	289,721.35
Increased by:			
Grants Awarded in 2014	C-8		24,000.00
Balance December 31, 2014	C, Below	$	313,721.35

ANALYSIS OF BALANCE DECEMBER 31, 2014

Community Development Grants:		
Barrier Free Curb Ramps - Ordinance No. 1868	$	5,141.35
Barrier Free Curb Ramps - Ordinance No. 2304/2320		177,580.00
Open Space Grants:		
Improvements to Depken Field - Ordinance No. 2232		75,000.00
Repairs and Improvements to Veterans Memorial Park Ordinance No. 2303		32,000.00
Improvements to Polifly Park - Ordinance No. 2324		24,000.00
Above	$	313,721.35

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-6

Ord. #	Improvement Description	Balance Dec. 31, 2013	2014 Authorizations	Deferred Charges Paid Off	Cancelled	Analysis of Balance - Dec. 31, 2014: Balance Dec. 31, 2014	Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
	GENERAL IMPROVEMENTS:								
1719	Reconstruction of Lawrence Ave. from the Boulevard to Terrace Ave.	$ 42,500.00	$ -	$ -	$ -	$ 42,500.00	$ -	$ 25,577.19	$ 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
1908	Resurfacing of Ottawa Ave. from Burton Ave. to Rt 17	49,250.00		7,500.00		41,750.00	41,750.00	24,387.35	17,362.65
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			500.00
1941	Resurfacing of Kipp Ave. from the Boulevard to Terrace Ave.	30,000.00		5,000.00		25,000.00	25,000.00	30,000.00	
1942	Resurfacing of LaSalle Ave. from the Boulevard to Oak Grove and Paterson Ave. from Terrace Ave. to Burton Ave.	33,000.00		5,000.00		28,000.00	28,000.00	26,860.59	1,139.41
1943	Reconstruction of Summit Street and Plant Road	-		-		-			
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	-		-		-			
1989	Acq. of a Garbage Truck and Dump Truck	104,000.00		21,500.00		82,500.00	82,500.00	104,000.00	
1990	Acq. of Fire Gear and Equipment	19,375.00		2,500.00		16,875.00	16,875.00	19,375.00	
1991	Reconstruction of Sanitary Sewers	23,500.00		6,000.00		17,500.00	17,500.00	23,500.00	
2030	Acq of New Public Safety Comm and Dispatch System and an 80' Comm Tower	52,100.00		52,100.00		-		- 52,100.00	
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	60,000.00		30,000.00		30,000.00	30,000.00	30,000.00	
2057	Completion of construction of new Municipal Bldg and Public Safety Bldg.	125,000.00		62,000.00		63,000.00	63,000.00	- 125,000.00	
2058	Acq of Gear & Equipment for Fire Dept.	24,000.00		4,000.00		20,000.00	20,000.00	24,000.00	
2059	Acq of a Tree Stump Grinder and Tree Trimming Veh.	63,500.00		31,500.00		32,000.00	32,000.00	10,195.12	21,804.88

(Continued Next Page)

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-6

Ord. #	Improvement Description	Balance Dec. 31, 2013	2014 Authorizations	Deferred Charges Paid Off	Cancelled	Balance Dec. 31, 2014	Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
						Analysis of Balance - Dec. 31, 2014			
	GENERAL IMPROVEMENTS:								
2087	Acq of a new Front End Loader	$ 47,500.00	$ -	$ 16,250.00	$ -	$ 31,250.00	$ 31,250.00	$ 29,562.34	$ 1,687.66
2088	Acq of a new Rolloff Truck	43,950.00		14,650.00		29,300.00	29,300.00	24,539.51	4,760.49
2089	Acq of 2 new 4 Wheel Drive vehicles for Fire Dept. and Fire Prevention Dept.	44,000.00		9,000.00		35,000.00	35,000.00	44,000.00	
2134	2006 Computer upgrades	27,950.00		6,000.00		21,950.00	21,950.00	21,950.00	
2135	Acq of Gear & Equipment for Fire Dept.	24,000.00		6,000.00		18,000.00	18,000.00	17,602.30	397.70
2136	Construction of a Parking Lot & Pocket Park	140,500.00		46,750.00		93,750.00	93,750.00	70,816.84	22,933.16
2157	2007 Road Improvement Program	117,500.00		29,375.00		88,125.00	88,125.00	88,125.00	
2159	Acq of Gear & Equipment for Fire Dept.	100,000.00		20,000.00		80,000.00	80,000.00	78,605.24	1,394.76
2183/2270	Acq of a Garbage Truck & Dump Truck with Salt Spreader and Plow	265,500.00		33,250.00		232,250.00	232,250.00	231,055.14	1,194.86
2184	2008 Road Improvement Program	122,500.00		30,000.00		92,500.00	92,500.00	92,500.00	
2185	Boulevard Streetscape Improvement	72,000.00		9,000.00		63,000.00	63,000.00	-	63,000.00
2189	Renovations to DPW Bldg.	44,000.00		6,000.00		38,000.00	38,000.00	36,804.56	1,195.44
2208	Acq of a New Ambulance	70,000.00		10,000.00		60,000.00	60,000.00	58,280.22	1,719.78
2210	Resurfacing of Jefferson Ave.	120,500.00		17,000.00		103,500.00	103,500.00	-	103,500.00
2211	Improvement of Miers Park & Woodland Park	98,000.00		12,000.00		86,000.00	86,000.00	82,908.68	3,091.32
2219	2009 Road Resurfacing Program	207,500.00		30,000.00		177,500.00	177,500.00	166,265.50	11,234.50
2233	Rehabilitation & Environmental Remediation at DPW	76,000.00		9,000.00		67,000.00	67,000.00	29,676.81	37,323.19
2238	Continuation of Boulevard Streetscape Improvement	25,000.00				25,000.00		2,562.83	22,437.17
2252	Boulevard Streetscape Improvement - Phase IV	20,000.00				20,000.00		-	20,000.00
2253	Resurfacing of Burton Avenue and Collins Avenue between Williams Ave. and Route 46	106,500.00		13,500.00		93,000.00	93,000.00	21,666.00	71,334.00
2254	2011 Road Resurfacing Program	254,375.00		28,500.00		225,875.00	225,875.00	215,806.14	10,068.86
2255/2294	Construction of a New Pavilion in Woodland Park	108,000.00		2,500.00		105,500.00	60,500.00	105,500.00	
2262	Construction of a Certain Damaged Portions of the Sanitary Sewer System	63,000.00		7,000.00		56,000.00	56,000.00	56,000.00	-
2271	Refurbishment of the Hook and Ladder Truck	67,500.00		4,500.00		63,000.00	63,000.00	48,284.13	14,715.87
2282	2011/2012 Road Resurfacing Program	402,500.00	-	20,500.00		382,000.00	382,000.00	340,966.03	41,033.97
2285	Reconstruction of Coolidge Avenue	400,000.00	-	36,000.00		364,000.00	364,000.00	329,161.48	34,838.52
2286	Acquisition of in Car Video System for the Police Dept.	70,000.00	-	2,500.00		67,500.00	67,500.00	57,155.80	10,344.20
2288	Repair and/or Construction of Sanitary Sewer System	95,000.00	-	1,000.00		94,000.00	94,000.00	94,000.00	
2289	Boulevard Streetscape Improvement Phase V	25,000.00	-			25,000.00		-	25,000.00
2290	Acquisition of Gear and Equipment for the Fire Dept.	71,000.00	-	1,000.00		70,000.00	70,000.00	67,533.25	2,466.75
2292	Acquisition of Radio Equipment for PD, FD & PWD	52,000.00	-	1,625.00		50,375.00	50,375.00	44,825.63	5,549.37
2303	Repairs and Improvements to Veteran's Memorial Park	31,000.00				31,000.00	31,000.00	29,021.78	1,978.22
2304/2320	Construction of Barrier Free Curb Ramps	20,000.00				20,000.00		-	20,000.00
2307	Boulevard Streetscape Improvement Phase VI	20,000.00				20,000.00		-	20,000.00
2308	Repairs and Reconstr. Of Sanitary Sewer System	95,000.00				95,000.00	95,000.00	92,970.88	2,029.12
2312	Acquisition of New Street Sweeper	180,000.00				180,000.00	180,000.00	178,319.30	1,680.70
2313	Aqu. Of 4WD Vehicle for Police Department	38,000.00				38,000.00	38,000.00	31,884.60	6,115.40
2314	2013 Road Resurfacing Program	285,000.00				285,000.00	285,000.00	271,779.03	13,220.97
2316	Bond Refunding	166,000.00		39,320.12		126,679.88		-	126,679.88
2321	Installation of New Turf Field at Hitchcock Field		570,000.00			570,000.00	570,000.00	382,204.82	187,795.18
2324	Repairs and Improvements to Polifly Park		34,000.00			34,000.00		-	34,000.00
2326	Acquisition of Equipment for Free Public Library		23,000.00			23,000.00		-	23,000.00
2327	Acquisition of Two Trucks for DPW		190,000.00			190,000.00		-	190,000.00
2328	Acquisition of Quint Ladder Truck for Fire Dept		950,000.00			950,000.00		-	950,000.00
2329	Additional Funding for Phase III & IV of Boulevard		95,000.00			95,000.00		3,141.42	91,858.58
		$ 5,077,818.48	$ 1,862,000.00	$ 689,320.12	$ -	$ 6,250,498.36	$ 4,399,000.00	$ 3,991,651.12	$ 2,420,947.24
		C	C-8,11	below		C	C-10		C-8

		Reference
Notes paid by Current Fund Budget	$ 650,000.00	C-10, A-3
Paid by Bond Refunding	39,320.12	C-2
	$ 689,320.12	Above

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF CAPITAL IMPROVEMENT FUND

C-7

	Reference		
Balance December 31, 2013	C		$ 46,510.17
Increased by:			
2013 Budget Reserves	A-13	$ 27,000.00	
2014 Budget Appropriation	A-3	100,000.00	
	C-2		127,000.00
			173,510.17
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-8		104,000.00
Balance December 31, 2014	C		$ 69,510.17

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

C-8

Ord. #	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2013 Funded	Balance December 31, 2013 Unfunded	2014 Authorizations	Paid or Charged	Canceled & Adjustments *	Balance December 31, 2014 Funded	Balance December 31, 2014 Unfunded
	GENERAL IMPROVEMENTS:									
1600	Provide for the Rehabilitation of Underground Fuel Storage Tanks	8-13-91	$ 210,000.00	$ 78.09	$ -	$ -	$ -	$ -	$ 78.09	$ -
1628	Resurfacing of a Portion of Burton Ave. from Williams Ave. to route 46	12-29-92	15,000.00	155.00	-				155.00	-
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	-	-				-	-
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 Ottawa 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	11-30-00	255,000.00	-	-				-	-
	Drive Vehicle for Police Dept.	7-10-01	190,000.00	224.34	500.00				224.34	500.00
1936	Refurbishment of Hook & Ladder	6-12-01	100,000.00	1,343.27					1,343.27	
1942	Resurfacing of LaSalle Ave from the Boulevard to Oak Grove	8-14-01	45,500.00		1,139.41					1,139.41
1944/1968	Construction of a new Municipal Bldg & a new Public	8-14-01, 7-9-02								
1985/2038	Safety Bldg.	11-26-02, 4-27-04	11,311,645.63	19,616.62	900.00		5,535.43		14,081.19	900.00

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

C-8

Ord. #	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2013 Funded	Balance December 31, 2013 Unfunded	2014 Authorizations	Paid or Charged	Canceled & Adjustments *	Balance December 31, 2014 Funded	Balance December 31, 2014 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	-
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	-
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	-	11,486.26		11,486.26		-	-
2059	Acq of a Tree Stump Grinder & a Tree Trimming Vehicle	10-12-04	250,000.00	-	21,804.88		-		-	21,804.88
2085	Acq of Laptop Computers for Free Public Library	4-26-05	16,000.00	1,655.12	-		979.50		675.62	-
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
2133/2145	Barrier Free Improve to Woodland Park	5-9-06, 12-12-06	215,000.00	-					-	
2134	2006 Computer upgrades	6-13-06	75,000.00	-	1,267.18		1,267.18		-	-
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	-	34,805.39		11,872.23		-	22,933.16
2146	Improvement to Gary Depken Field	12-12-06	1,625,000.00	45,713.62			3,012.75		42,700.87	
2147	Improvement of Ravive Ave, Construction of Parks									
	and Installation of Playground Equip. adjacent to									
	Depken Field	12-12-06	335,000.00	69,555.90	-				69,555.90	-
2159	Acq of Gear & Equipment for Fire Dept.	7-10-07	190,000.00	-	1,394.76				-	1,394.76
2183/2270	Acq of a Garbage Truck & Dump Truck with Salt									
	Spreader and Plow	6-10-08	225,000.00	-	1,194.86				-	1,194.86
2184	2008 Road Improvement Program	6-10-08	250,000.00	-	-				-	-
2185/2209	Boulevard Streetscape Improvement	6-10-08	200,000.00	13,082.31	72,000.00				22,082.31	63,000.00
2188	Acq of a new Alcohol Breath Testing system	9-9-08	15,000.00	617.75	-				617.75	-
2189	Renovations of the Dept. of Public Works	9-9-08	55,000.00	-	1,195.44				-	1,195.44
2208	Acq of a new Ambulance	5-12-09	175,000.00	-	1,719.78				-	1,719.78
2210	Resurfacing of Jefferson Ave.	5-12-09	237,500.00	-	105,792.53				2,292.53	103,500.00
2211	Improvement of Miers Park & Woodland Park	5-12-09	250,000.00	-	3,091.32				-	3,091.32

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See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

C-8

Ord. #	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2013 Funded	Balance December 31, 2013 Unfunded	2014 Authorizations	Paid or Charged	Canceled & Adjustments *	Balance December 31, 2014 Funded	Balance December 31, 2014 Unfunded
	GENERAL IMPROVEMENTS:									
2219	2009 Road Resurfacing Program	12-15-09	$ 250,000.00	$ -	$ 61,048.03	$ -	$ 49,813.53	$ -	$ -	$ 11,234.50
2221	Pedestrian Safety Infrastructure Improvements	12-15-09	175,000.00	155,330.59	-				155,330.59	-
2222	Pedestrian Safety Encouragement Improvements	12-15-09	25,000.00	13,884.45	-				13,884.45	-
2232	Repair & Replacement of Certain Fencing, Sidewalks and Landscaping at Depken Field	4-13-10	75,000.00	45,530.61	-				45,530.61	-
2233	Rehabilitation & Environmental Remediation at DPW	4-13-10	100,000.00	-	37,323.19				-	37,323.19
2234	Curb & Sidewalk Reconstruction along portions of			-	-				-	-
	Terrace Ave. and the Boulevard - County Road Program	4-13-10	100,000.00	15,930.99	-		14,662.75		1,268.24	-
2238	Continuation of Boulevard Streetscape Improvement	5-11-10	175,000.00	-	24,661.04		2,223.87		-	22,437.17
2332/2246	Curb & Sidewalk Reconstruction along portions of Passaic Ave and the Boulevard	9-28-10 & 9-23-13	55,000.00	51,849.74	-	100,000.00	120,689.43		31,160.31	-
2252	Boulevard Streetscape Improvement - Phase IV	3-8-11	175,000.00	7,137.88	20,000.00		2,223.88		4,914.00	20,000.00
2253	Resurfacing of Burton Avenue and Collins Avenue between Williams Ave. and Route 46	3-8-11	215,000.00	-	71,334.00				-	71,334.00
2254	2010 Road Resurfacing Program	3-8-11	300,000.00	-	41,551.34		31,482.48		-	10,068.86
2255/2294	Construction of a New Pavilion in Woodland Park	3-8-11	140,000.00	-	3,644.75		3,644.75		-	(0.00)
2257	New 911 System for the Police Department	3-22-11	150,000.00	4,471.45	-		4,471.45		-	-
2262	Construction of a Certain Damaged Portions of the Sanitary Sewer System	7-12-11	75,000.00	-	-				-	-
2271	Refurbishment of the Hook and Ladder Truck	10-25-11	80,000.00	-	14,715.87				-	14,715.87
2282	2011/2012 Road Resurfacing Program	6-12-12	425,000.00	-	67,298.25		26,264.28		-	41,033.97
2285	Reconstruction of Coolidge Avenue	7-24-12	425,000.00	-	148,523.06		113,684.54		-	34,838.52
2286	Acquisition of In Car Video System for Police Dept.	7-24-12	75,000.00	-	11,162.75		818.55		-	10,344.20
2289	Boulevard Streetscape Improvement Phase V	9-11-12	175,000.00	126,264.98	25,000.00		110,915.65		15,349.33	25,000.00
2290	Acquisition of gear and equipment for Fire Dept.	11-27-12	75,000.00	-	34,324.31		31,857.56		-	2,466.75
2292	Acquisition of radio equipment for the PD, FD & DPW	12-27-12	55,000.00	-	5,549.37				-	5,549.37
2303	Repairs and Improvements to Veteran's Memorial Park	05-25-13	65,000.00	26,435.76	31,000.00		55,457.54		-	1,978.22
2304/2320	Construction of Barrier Free Curb Ramps	05-28-13,12-10-13	202,180.00	171,490.62	20,000.00		15,968.25		155,522.37	20,000.00
2307	Boulevard Streetscape Improvement Phase VI	06-11-13	170,000.00	145,965.77	20,000.00		109,496.57		36,469.20	20,000.00
2308	Repairs and Reconstr. Of Sanitary Sewer System	07-09-13	100,000.00		86,488.16		84,459.04			2,029.12
2312	Acquisition of New Street Sweeper	09-10-13	190,000.00	9,897.25	180,000.00		188,216.55		-	1,680.70
2313	Aqu. Of 4WD Vehicle for Police Department	09-10-13	40,000.00		7,015.40		900.00			6,115.40
2314	2013 Road Resurfacing Program	09-10-13	300,000.00	4,244.00	285,000.00		276,023.03		-	13,220.97
2316	Bond Refunding	12-10-13	166,000.00		166,000.00		33,060.01		6,260.11	126,679.88
2321	Installation of New Synthetic Turf - Hitchcock Field	03-11-14	600,000.00			600,000.00	412,204.82			187,795.18
2324	Repairs and Improvements to Polifly Park	05-27-14	60,000.00			60,000.00	6,957.75		19,042.25	34,000.00
2326	Acquisition of Equipment for Free Public Library	08-12-14	25,000.00			25,000.00	104.50		1,895.50	23,000.00
2327	Acquisition of Two Trucks for DPW	08-12-14	200,000.00			200,000.00	106.50		9,893.50	190,000.00
2328	Acquisition of a "Quint" Combination Ladder Truck for FD	08-12-14	1,000,000.00			1,000,000.00	104.75		49,895.25	950,000.00
2329	Provide for Additional Funding for Boulevard Streetscape	08-12-14	100,000.00			100,000.00	8,141.42			91,858.58
				$ 943,430.87	$ 1,843,800.51	$ 2,085,000.00	$ 1,742,192.46	$ -	$ 709,091.68	$ 2,420,947.24
		Reference		C	C	Below	Below		C	C, C-6

	Reference	
Capital Improvement Fund	C-7	$ 104,000.00
Deferred Charges Unfunded	C-6	1,862,000.00
Due from State of NJ - DOT	C-4	95,000.00
Due from Community Dev./ County OS	C-5	24,000.00
	Above	$ 2,085,000.00

Cash Disbursements	C-2, 3	$ 1,861,357.76
Reimbursement - HHBOE #2314	C-2	(118,065.30)
Reimbursement - American Legion #2303	C-2	(1,100.00)
	Above	1,742,192.46

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014 Date	Amount	Interest Rate	Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
General Bonds of 2003	9/15/2003	$ 7,279,000.00				$ 3,734,000.00	$ -	$ 3,734,000.00	$ -
Refunding Bonds 2014	2/10/2014	3,555,000.00	9/15/2014	415,000.00	2.00%		3,555,000.00	415,000.00	3,140,000.00
			9/15/2015	360,000.00	3.00%				
			9/15/2016	355,000.00	3.00%				
			9/15/2017	355,000.00	3.00%				
			9/15/2018	350,000.00	4.00%				
			9/15/2019-2023	1,720,000.00	4.00%				
						$ 3,734,000.00	$ 3,555,000.00	$ 4,149,000.00	$ 3,140,000.00
					Reference	C			C

Paid through refunding bond issue 2014		$ 3,734,000.00
Paid by Budget Appropriation	A-3	415,000.00
		4,149,000.00

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF BOND ANTICIPATION NOTES

C-10

Ord. No.	Description	Original Amount Issued	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
2030	Acquisition of Mobile Computers for Police Vehicles and System and an '80 communications Tower	$ 300,000.00	10/29/04	03/28/14	03/27/15	0.500%	$ 52,100.00	$ -	$ 52,100.00	$ -
2055	Resurfacing of Various Streets as part of 2004 Road Prog.	225,000.00	04/08/05	03/28/14	03/27/15	0.500%	60,000.00		30,000.00	30,000.00
2057	Completion of Construction of new Municipal Bldg and Public Safety Bldg.	375,000.00	04/08/05	03/28/14	03/27/15	0.500%	125,000.00		62,000.00	63,000.00
2059	Acquisition of a Tree Stump Grinder & Tree Trimming veh.	237,500.00	10/28/05	03/28/14	03/27/15	0.500%	63,500.00		31,500.00	32,000.00
2087	Acquisition of a Front End Loader for the DPW	117,500.00	04/07/06	03/28/14	03/27/15	0.500%	47,500.00		16,250.00	31,250.00
2088	Acquisition of a new Rolloff Truck for the DPW	117,500.00	04/07/06	03/28/14	03/27/15	0.500%	43,950.00		14,650.00	29,300.00
2136	Construction of a Parking Lot and Pocket Park	346,000.00	10/27/06	03/28/14	03/27/15	0.500%	140,500.00		46,750.00	93,750.00
2135	Acquisition of Turnout Gear and Equipment for the Fire Dept.	47,500.00	10/25/07	03/28/14	03/27/15	0.500%	24,000.00		6,000.00	18,000.00
2157	2007 Road Program	235,000.00	10/25/07	03/28/14	03/27/15	0.500%	117,500.00		29,375.00	88,125.00
1989	Acquisition of a new Garbage Truck	190,000.00	04/04/08	03/28/14	03/27/15	0.500%	104,000.00		21,500.00	82,500.00
1991	Rehabilitation of Sanitary Sewers	47,500.00	04/04/08	03/28/14	03/27/15	0.500%	23,500.00		6,000.00	17,500.00
2058	Acquisition of Turnout Gear and Equipment for Fire Dept.	40,000.00	04/04/08	03/28/14	03/27/15	0.500%	24,000.00		4,000.00	20,000.00
2089	Acquisition of 2 new 4Wheel Drive Vehicles for Fire Dept. and Fire Prevention Dept.	80,000.00	04/04/08	03/28/14	03/27/15	0.500%	44,000.00		9,000.00	35,000.00
2134	Computer Upgrades	51,950.00	04/04/08	03/28/14	03/27/15	0.500%	27,950.00		6,000.00	21,950.00
2159	Acquisition of Gear and Equip. for the Fire Dept.	180,000.00	04/04/08	03/28/14	03/27/15	0.500%	100,000.00		20,000.00	80,000.00
2184	2008 Road Resurfacing Program	237,500.00	10/25/08	03/28/14	03/27/15	0.500%	122,500.00		30,000.00	92,500.00
1908	Resurfacing of Ottawa Ave. from Burton Ave. to Rt 17	64,250.00	04/03/10	03/28/14	03/27/15	0.500%	49,250.00		7,500.00	41,750.00
1941	Resurfacing of Kipp Ave. from the Boulevard to Terrace Ave.	40,000.00	04/03/10	03/28/14	03/27/15	0.500%	30,000.00		5,000.00	25,000.00
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	03/28/14	03/27/15	0.500%	33,000.00		5,000.00	28,000.00
1990	Acquisition of Gear and Equip. for the Fire Dept.	23,750.00	04/03/10	03/28/14	03/27/15	0.500%	19,375.00		2,500.00	16,875.00
2189	Renovations to DPW Building	50,000.00	04/03/10	03/28/14	03/27/15	0.500%	44,000.00		6,000.00	38,000.00
2208	Acquisition of an Ambulance	80,000.00	04/03/10	03/28/14	03/27/15	0.500%	70,000.00		10,000.00	60,000.00
2210	Resurfacing of Jefferson Ave. from Burton Ave to Woodside Ave.	137,500.00	04/03/10	03/28/14	03/27/15	0.500%	120,500.00		17,000.00	103,500.00
2211	Improvement to Miers Park	110,000.00	04/03/10	03/28/14	03/27/15	0.500%	98,000.00		12,000.00	86,000.00
2219	2009 Road Resurfacing Program	237,500.00	04/03/10	03/28/14	03/27/15	0.500%	207,500.00		30,000.00	177,500.00
2183	Acquisition of a Garbage Truck & Dump Truck w/ Salter	213,750.00	04/01/11	03/28/14	03/27/15	0.500%	265,500.00		33,250.00	232,250.00
2185/2209	Boulevard Streetscape Phase I & II	80,000.00	04/01/11	03/28/14	03/27/15	0.500%	72,000.00		9,000.00	63,000.00
2233	Environmental Remediation at Department of Public Works	85,000.00	04/01/11	03/28/14	03/27/15	0.500%	76,000.00		9,000.00	67,000.00
2253	Resurfacing of Burton Avenue and Collins Avenue	119,000.00	3/30/12	03/28/14	03/27/15	0.500%	106,500.00		13,500.00	93,000.00
2254	2010 Road Resurfacing Program	285,000.00	3/30/12	03/28/14	03/27/15	0.500%	254,375.00		28,500.00	225,875.00
2262	Reconstruction of Damaged Sanitary Sewer System	70,000.00	3/30/12	03/28/14	03/27/15	0.500%	63,000.00		7,000.00	56,000.00
2271	Refurbishment of the Hook & Ladder Truck for Fire Dept.	75,000.00	3/30/12	03/28/14	03/27/15	0.500%	67,500.00		4,500.00	63,000.00
2255/2294	Construction of a New Pavilion in Woodland Park	63,000.00	03/28/13	03/28/14	03/27/15	0.500%	63,000.00		2,500.00	60,500.00
2282	2011/2012 Road Resurfacing Program	402,500.00	03/28/13	03/28/14	03/27/15	0.500%	402,500.00		20,500.00	382,000.00
2285	Reconstruction of Coolidge Avenue	400,000.00	03/28/13	03/28/14	03/27/15	0.500%	400,000.00		36,000.00	364,000.00
2286	Acquisition of in Car Video System for the Police Dept.	70,000.00	03/28/13	03/28/14	03/27/15	0.500%	70,000.00		2,500.00	67,500.00
2288	Repair and/or Construction of Sanitary Sewer System	95,000.00	03/28/13	03/28/14	03/27/15	0.500%	95,000.00		1,000.00	94,000.00
2290	Acquisition of Gear and Equipment for the Fire Dept.	71,000.00	03/28/13	03/28/14	03/27/15	0.500%	71,000.00		1,000.00	70,000.00
2292	Acquisition of Radio Equipment for PD, FD & PWD	52,000.00	03/28/13	03/28/14	03/27/15	0.500%	52,000.00		1,625.00	50,375.00
2303	Repairs to Veteran's Memorial Park	31,000.00	06/19/14	06/19/14	03/27/15	0.570%		31,000.00		31,000.00
2308	Repair &/or Reconstruction of Sanitary Sewer System	95,000.00	06/19/14	06/19/14	03/27/15	0.570%		95,000.00		95,000.00
2312	Acquisition of New Street Sweeper	180,000.00	06/19/14	06/19/14	03/27/15	0.570%		180,000.00		180,000.00
2313	Acquisition of 4WD Vehicle for Police Department	38,000.00	06/19/14	06/19/14	03/27/15	0.570%		38,000.00		38,000.00
2314	2013 Road Resurfacing Program	285,000.00	06/19/14	06/19/14	03/27/15	0.570%		285,000.00		285,000.00
2321	New Synthetic Turf Field At Hitchcock Field	570,000.00	06/19/14	06/19/14	03/27/15	0.570%		570,000.00		570,000.00
		$ 6,894,200.00					$ 3,850,000.00	$ 1,199,000.00	$ 650,000.00	$ 4,399,000.00
						Reference	C	C-2,11, Below	Below	C, C-6

New Bond Anticipation Note	$ 1,199,000.00		C-11
Paid by Budget		$ 650,000.00	C-6
	$ 1,199,000.00	$ 650,000.00	Above

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GENERAL CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance December 31, 2013	Authorized 2014	Bond Anticipation Notes Issued	Cancelled	Funded by Bond Sale	Balance December 31, 2014
	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
2238	Continuation of Boulevard Streetscape Improvement	25,000.00					25,000.00
2252	Boulevard Streetscape Improvement - Phase IV	20,000.00					20,000.00
2255/2294	Construction of a New Pavilion in Woodland Park	45,000.00					45,000.00
2289	Boulevard Streetscape Improvement Phase V	25,000.00					25,000.00
2303	Repairs and Improvements to Veteran's Memorial Park	31,000.00		31,000.00			-
2304/2320	Construction of Barrier Free Curb Ramps	20,000.00					20,000.00
2307	Boulevard Streetscape Improvement Phase VI	20,000.00					20,000.00
2308	Repairs and Reconstr. Of Sanitary Sewer System	95,000.00		95,000.00			-
2312	Acquisition of New Street Sweeper	180,000.00		180,000.00			-
2313	Aqu. Of 4WD Vehicle for Police Department	38,000.00		38,000.00			-
2314	2013 Road Resurfacing Program	285,000.00		285,000.00			-
2316	Bond Refunding	166,000.00				39,320.12	126,679.88
2321	Install. of a Synthetic Turf Field - Hitchcock Field		570,000.00	570,000.00			-
2324	Repairs and Improvements to Polifly Park		34,000.00				34,000.00
2326	Acquisition of Equipment for Free Public Library		23,000.00				23,000.00
2327	Acquisition of Two Trucks for Fire Dept.		190,000.00				190,000.00
2328	Acquisition of Quint Ladder Truck for Fire Dept.		950,000.00				950,000.00
2329	Addl. Funds for Phases II & III, Boulevard Streetscape		95,000.00				95,000.00
		$ 1,227,818.48	$ 1,862,000.00	$ 1,199,000.00	$ -	$ 39,320.12	$ 1,851,498.36
	Reference	C	C-6	C-10		C-2	C

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
CAPITAL FUND
DECEMBER 31, 2014

SCHEDULE OF RESERVE TO/FOR GARRISON AVENUE REPAIR - FEMA FUNDS

C-12

	Reference		
Balance December 31, 2013	C	$	7,800.86
Balance December 31, 2014	C	$	7,800.86

SCHEDULE OF RESERVE FOR PAYMENT OF BOND ANTICIPATION NOTES

C-13

	Reference		
Balance December 31, 2013	C	$	18,172.00
Decreased by:			
Anticipated Current Fund Revenue	C-2a		18,172.00
Balance December 31, 2014	C	$	-

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GRANT FUND
DECEMBER 31, 2014

SCHEDULE OF CASH-COLLECTOR-TREASURER

D-1

	Reference		
Balance December 31, 2013	D		$ 102,491.14
Increased by Receipts:			
State Grant Funds - Appropriated	D-2	$ 2,875.00	
State Grant Funds - Unappropriated	D-4	43,451.94	
			46,326.94
			148,818.08
Decreased by Disbursements:			
State Grant Funds	D-3	47,918.13	
			47,918.13
Balance December 31, 2014	D		$ 100,899.95

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GRANT FUND
DECEMBER 31, 2014

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

D-2

Grant	Balance Dec. 31, 2013	2014 Budget Revenue Realized	Canceled/ Cash Received	Applied From Unappropriated	Balance Dec. 31, 2014
Clean Communities Act	$ -	$ 19,363.43	$	$ 19,363.43	$ -
Recycling Tonnage Grant	-	17,937.68		17,937.68	-
Body Armor Fund	-	3,810.79		3,810.79	-
Drunk Driving Enforcement Fund		12,428.08		12,428.08	-
Governor's Council on Alcoholism and Drug Abuse	10,006.10	9,876.00	18,607.33		1,274.77
Alcohol Education and Rehabilitation Fund	-	1,372.14		1,372.14	-
Bergen County Municipal Alliance Special Project	2,250.00				2,250.00
Assistance to Firefighters Grant		13,775.00			13,775.00
Governor's Council on Alcoholism and Drug Abuse - Match	-	2,875.00	2,875.00		-
	$ 12,256.10	$ 81,438.12	$ 21,482.33	$ 54,912.12	$ 17,299.77
Reference	D	A-2,D-3	Below	D-3,4	D

Cash Received	D-1	2,875.00
Canceled	D-3	18,607.33
	Above	$ 21,482.33

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GRANT FUND
DECEMBER 31, 2014

SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

D-3

Grant	Balance Dec. 31, 2013	Budget	40A:4-87	Canceled/ Expended	Balance Dec. 31, 2014
Clean Communities Act Street Cleaning	$ 9,250.38	$ 19,363.43	$	$ 19,435.96	$ 9,177.85
Division of Criminal Justice Body Armor Fund	-	3,810.79		2,072.24	1,738.55
Recycling Tonnage Grant	18,197.36	17,937.68		13,653.61	22,481.43
Drunk Driving Enforcement Fund Police	14,351.01	12,428.08		2,055.71	24,723.38
Alcohol Education and Rehabilitation Fund	2,230.39	1,372.14		1,075.46	2,527.07
Governor's Council on Alcoholism and Drug Abuse	8,731.33	9,876.00		18,607.33	-
Assistance to Firefighters Grant			13,775.00		13,775.00
Matching Funds for Grants					
Cops More	324.50				324.50
Governor's Council on Alcoholism and Drug Abuse	6,750.15	2,875.00		9,625.15	-
	$ 59,835.12	$ 67,663.12	$ 13,775.00	$ 66,525.46	$ 74,747.78
Reference	D	D-2		Below	D

TRANSFERRED TO STATE GRANT FUND		Ref.		
Grant Funds - Current Receipts	$ 12,751.00			
Grant Funds - from Unappropriated	54,912.12	D-2		
	$ 67,663.12	Above, D-2		
	Canceled	D-2	$ 18,607.33	
	Expended	D-1	47,918.13	
		Above	$ 66,525.46	

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
GRANT FUND
DECEMBER 31, 2014

D-4

SCHEDULE OF UNAPPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

Grant	Balance Dec. 31, 2013	Cash Received in 2014	Transferred to 2014 Budget Appropriations: Budget	Transferred to 2014 Budget Appropriations: 40A:4-87	Balance Dec. 31, 2014
Alcohol Education and Rehabilitation	$ 1,372.14	$ 827.12	$ 1,372.14	$ -	$ 827.12
Clean Communities Grant Funds	19,363.43	18,166.43	19,363.43		18,166.43
Tonnage Grant	17,937.68	16,903.47	17,937.68		16,903.47
Drunk Driving Enforcement Fund	12,428.08	4,608.73	12,428.08		4,608.73
Body Armor Fund	3,810.79	2,946.19	3,810.79		2,946.19
	$ 54,912.12	$ 43,451.94	$ 54,912.12	$ -	$ 43,451.94
Reference	D	D-1	D-2		D

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
PUBLIC ASSISTANCE TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF CASH - COLLECTOR - TREASURER

E-1

	Reference		
Balance December 31, 2013	E		$ 17,998.33
Increased by Receipts:			
Food Pantry Donations	E-2	$ 7,573.55	
			7,573.55
			25,571.88
Decreased by Disbursements:			
Public Assistance Expenditures	E-3	2,501.50	
			2,501.50
Balance, December 31, 2014	E		$ 23,070.38

Balance on Deposit per statement of Valley National Bank A/C # 0001016865	$ 23,075.47
Reconciling Items	(5.09)
Balance December 31, 2014	$ 23,070.38

See independent auditor's report and the notes to the financial statements.

BOROUGH OF HASBROUCK HEIGHTS, NJ
PUBLIC ASSISTANCE TRUST FUND
DECEMBER 31, 2014

SCHEDULE OF PUBLIC ASSISTANCE REVENUES

E-2

	Reference	P.A.T.F #II	TOTAL
Food Pantry Donations	E-1,4	$ 7,573.55	$ 7,573.55

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES

E-3

	Reference	P.A.T.F #II	TOTAL
Public Assistance - Replenish Food Pantry	E-1,4	$ 2,501.50	$ 2,501.50

SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE

E-4

	Reference	P.A.T.F #II	TOTAL
Balance December 31, 2013	E	$ 17,998.33	$ 17,998.33
Increased by:			
Revenues	E-2	7,573.55	7,573.55
		25,571.88	25,571.88
Decreased by:			
Expenditures	E-3	2,501.50	2,501.50
Balance December 31, 2014	E	$ 23,070.38	$ 23,070.38

See independent auditor's report and the notes to the financial statements.

GARBARINI & CO. P.C.
Certified Public Accountants

REGISTERED MUNICIPAL ACCOUNTANTS
LICENSED PUBLIC SCOOL ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Hasbrouck Heights, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the financial statements – regulatory basis (the "financial statements") of the Borough of Hasbrouck Heights, State of New Jersey (the "Borough"), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise Borough's basic financial statements, and have issued our report thereon dated March 23, 2015. As described in Note 1, the Borough prepares its financial statements on a basis of accounting prescribed by the Division 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 the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Borough's internal control.

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

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

Compliance and Other Matters

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 financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and requirements prescribed by the Division, which are described in the accompanying schedule of audit comments and recommendations as #14-01.

Management's Response to Findings

Management's responses to the findings identified in our audit are described in the accompanying schedule of audit comments and recommendations. Management's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

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

Garbarini & Co. P.C. CPAs
Registered Municipal Accountants

March 23, 2015
Carlstadt, New Jersey

BOROUGH OF HASBROUCK HEIGHTS
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
DECEMBER 31, 2014

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
Department of Housing and Urban Development							
Off ice of Community Planning and Development:	14.218						
Barrier Free Curb (Ord. 1868)		Bergen County		Prior Period	$ -	$ -	$ 5,141.35
Barrier Free Curb (Ord. 2304/2320)		Bergen County	$ 177,580.00	Prior Period		15,968.25	177,580.00
Transportation State Aid Highway:	20.205	NJ Dept of Transportation					
Resurfacing of Burton Ave (Ord 1803)				Prior Years			4,578.06
Safe Routes to School Program (Ord # 2221,2222)		078 6300 480 FDT 13	173,000.00	Prior Years	1,510.00		161,965.50
Boulevard Streetscape Improvement (Ord 2209)		078 6320 480 AKN/AK3 12	150,000.00	01/01/09-12/31/09			57,637.31
Boulevard Streetscape Improvement (Ord 2238)		078 6320 480 AKN/AK3 12	140,000.00	01/01/10-12/31/14		2,223.87	51,896.56
Curb Replacement Program (Ord 2234,2246,2307,2232)			230,000.00	01/01/10-12/31/14		144,160.99	187,000.00
Boulevard Streetscape Improvement (Ord 2252)		078 6320 480 AKN/AK3 12	150,000.00	01/01/11-12/31/12		2,223.88	150,000.00
Boulevard Streetscape Improvement (Ord 2289)			146,500.00	01/01/12-12/31/14		110,915.65	
Boulevard Streetscape Improvement (Ord 2307)			145,000.00	01/01/13-12/31/13		109,496.57	92,827.32
Department of Homeland Security:		New Jersey Dept of Law & Public Safety					
FEMA- Hurrincane Sandy	97.036	066 1200 100 A77 13	334,855.83	01/01/12-12/31/12	109,829.47		
Assistance to Firefighters Grant	97.044		13,375.00	01/01/14-12/31/14		13,775.00	13,775.00
Total Federal Financial Assistance					$ 111,339.47	$ 398,764.21	$ 902,401.10

BOROUGH OF HASBROUCK HEIGHTS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2014

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	$ 18,166.43	01/01/14-12/31/14	$ 18,166.43	$ 19,435.96	$ -
Recycling Tonnage Grant	N/A	042-4900-752-001	16,903.47	01/01/14-12/31/14	16,903.47	13,653.61	
Law and Public Division of Criminal Justice:							
Body Armor Replacement Fund	N/A	066-1020-018-001	2,946.19	01/01/14-12/31/14	2,946.19	2,072.24	
Division of Motor Vehicles:							
Drunk Driving Enforcement Fund	N/A	6400-100-078-6400	4,608.73	01/01/14-12/31/14	4,608.73	2,055.71	
Municipal Court:							
Alcohol Education & Rehabilitation	N/A	098-9735-760-001	827.12	01/01/14-12/31/14	827.12	1,075.46	
Division of State Library:							
Per Capita Aid	N/A	074-2541-100-006	5,147.00	01/01/14-12/31/14	5,147.00	5,064.61	
New Jersey Department of Community Affairs							
Legislative Grants:							
Bureau of Housing Inspection	N/A	022-810-100-023	7,373.00	01/01/14-12/31/14	7,373.00	7,373.00	
Total State Financial Assistance:					$ 55,971.94	$ 50,730.59	$ -

BOROUGH OF HASBROUCK HEIGHTS
SCHEDULE OF EXPENDITURES OF COUNTY FINANCIAL ASSISTANCE
DECEMBER 31, 2014

Schedule I-3

County Grant Program	Pass - Through Entity ID #	County Account Number	Grant Award	Grant Period	Cash Received	Program Expenditures	Receivable
Bergen County Open Space Trust:	N/A	Unavailable					
Improvement to Depken Field (Ord.# 2146)			$ 75,000.00	01/01/10-12/31/14	$ -	$ 3,012.75	$ 75,000.00
Improvements to Veterans Memorial Park (ord # 2303)			32,000.00	01/01/13-12/31/13			32,000.00
Improvements to Polifly Parks (Ord # 2324)			24,000.00	01/01/14-12/31/14			24,000.00
Bergen County:							
Municipal Alliance Grant	N/A	Unavailable	9,876.00	01/01/12-12/31/14			1,274.77
Special Project Municipal Alliance	N/A	Unavailable	2,250.00	01/01/09-12/31/09			2,250.00
Total County Financial Assistance					$ -	$ 3,012.75	$ 134,524.77

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2014

1. General

The accompanying schedules present the activity of all federal and state financial assistance programs of the Borough. 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:

	Federal	State	County	Total
Capital Fund	$ 384,989.21	$ -	$ 3,012.75	$ 388,001.96
Grant Fund	13,775.00	38,292.98	0.00	52,067.98
Current Fund		12,437.61		12,437.61
	$ 398,764.21	$ 50,730.59	$ 3,012.75	$ 452,507.55

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, 2014.

See independent auditor's report.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
OFFICIALS IN OFFICE AND SURETY BONDS
DECEMBER 31, 2014

Name	Title	Amount of Bond
Rose Heck	Mayor	
Justin A. DiPisa	Council President	
Sonya Buckman	Councilwoman	
David Gonzalez	Councilman	
Pamela J. Link	Councilwoman	
Russell A. Lipari	Councilman	
Christian Semenecz	Councilman	(1)
Michael Kronyak	Borough Administrator	
	CFO/ Treasurer/ Purchasing Agent	
Conchita T. Parker	Tax Collector /Tax Search Officer	(1)
Louise Balsamo	Assistant to Collector	
Pam Grisafe	Secretary to Administrator from 11/03/14	
Rose Marie Sees	Borough Clerk	
George Reggo	Assessor	
Kenneth G. B. Job	Engineer	
Joseph R. Jones	Judge	(1)
Thomas Mason/ Mark Musella (Alt)	Public Defender	
Rosario Presti/ Thomas Flinn (Alt)	Prosecutors	
Susan Paul	Clerk of the Court/Violations Clerk	(1)
Cindy Palmieri	Deputy Violations Clerk thru 07/23/14	(1)
Lyne Moody	Deputy Violations Clerk from 11/07/14	
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.

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 any 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."

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, 2014 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 2013 will be advertised for sale after April 1, 2014.

2. Effective January 1, 2014 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.

***Recommendation 13-01:**

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.

***Recommendation 13-02:**

That the Borough require contractors requesting private use of Borough police officers/ car expenses to make advance deposits on each contract to cover these costs. That the deficit be investigated and either collected or funded.

Status:

Corrective action has been taken.

***Recommendation 13-03:**

a) That bail monies collected by the Police Department should be turned over timely to the Municipal Court (daily or the next business day).

b) That Police Department pre-numbered bail receipt books should be used in numerical sequence and should not be skipped, should be complete and all receipts should be available for audit.

c) That the Court Administrator implement a sign-out log for the Police Department receipt books to ensure they are used in order.

d) That all "out-of-town" traffic and criminal bail should be receipted and disbursed through the ATS/ACS automated system.

That bail paid by check for an "out-of-town summons/warrant" should be made payable to Hasbrouck Heights Municipal Court.

Status:

Corrective action has not been taken.

***Finding: #14-01**

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
Ord # 2007	$15,000.00 Acquisition of Furniture, Furnishings, Shelving, and Other Fittings For New Free Public Library

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 partially in the 2015 budget. The Borough Administrator will review the balances currently outstanding as grant receivables and cancel any balances required.

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.

March 23, 2015