

**REPORT OF AUDIT**  
**COUNTY OF PASSAIC**  
**STATE OF NEW JERSEY**  
**DECEMBER 31, 2015**

**COUNTY OF PASSAIC, N.J.**

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**COUNTY OF PASSAIC**  
**STATE OF NEW JERSEY**

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**PART I**  
**REPORT OF AUDIT ON FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the County of Passaic in the State of New Jersey, as of December 31, 2015 and 2014, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Community Development Grant Fund as of December 31, 2015 and 2014 which represents 13.9 percent and 13.6 percent, respectively, of the assets of the Trust Fund for the years then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Community Development Grant Fund, is based solely upon the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community



Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the County of Passaic as of December 31, 2015 and 2014, or changes in financial position for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2015 and 2014, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2015 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Passaic's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2016 on our consideration of the County of Passaic's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Passaic's internal control over financial reporting and compliance.



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



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

May 4, 2016

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Current Fund

December 31, 2015 and 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 61,460,946	44,224,298
Investments	A-4	2,004,197	500,921
Change Fund	A-5	675	675
Cash - Fiscal Agent for Health Benefits		570,000	570,000
		<u>64,035,818</u>	<u>45,295,894</u>
Receivables and Other Assets with Full Reserves:			
Revenue Accounts Receivable	A-8	921,785	640,920
Amount Due from:			
Federal and State Grant Fund	A-9		3,294,464
Other Trust	A-9	79	21,271
HUD Trust	A-9	503	
General Capital Fund	A-9		88,010
Payroll Agency Account	A-9	250	112
Net Payroll	A-9		4,941
Confiscated Trust Fund	A-9		2,317
		<u>922,617</u>	<u>4,052,035</u>
Deferred Charges:			
Overexpenditure of Trust Fund Reserves	A-19		36,360
Emergency Appropriations	A-20	1,129,611	4,000,000
Special Emergency Authorization			2,259,222
		<u>1,129,611</u>	<u>6,295,582</u>
		<u>66,088,046</u>	<u>55,643,511</u>
Federal and State Grant Fund:			
Grants Receivable	A-7	43,359,116	51,005,205
Due from Current Fund	A-18	2,403,817	
		<u>45,762,933</u>	<u>51,005,205</u>
Total Assets		\$ <u>111,850,979</u>	<u>106,648,716</u>

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Current Fund

December 31, 2015 and 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-10 \$	19,496,070	12,335,992
Accounts Payable	A-11	1,393,980	980,180
Encumbrances Payable	A-12	6,212,192	6,420,890
Prepaid Revenues	A-15	19,825	
Emergency Note Payable	A-21		4,000,000
Due to State & Federal Grants Fund	A-9	2,403,817	
Due to Open Space Trust	A-9	1,099	
Due to Other Trust Fund	A-9		585,442
Due to General Capital Fund	A-9	63,509	
Miscellaneous Reserves	A-16	1,210,747	1,216,825
		<u>30,801,239</u>	<u>25,539,329</u>
Reserve for Receivables	Contra	922,617	4,052,035
Fund Balance	A-1	34,364,190	26,052,147
		<u>66,088,046</u>	<u>55,643,511</u>
Federal and State Grant Fund:			
Amount Due to Current Fund	A-18		3,294,464
Commitments Payable	A-13	14,075,446	15,775,125
Reserve for State and Federal Grants - Appropriated	A-14	31,305,587	31,777,291
Reserve for State and Federal Grants - Unappropriated	A-17	381,900	158,325
		<u>45,762,933</u>	<u>51,005,205</u>
Total Liabilities, Reserves and Fund Balance	\$	<u>111,850,979</u>	<u>106,648,716</u>

See accompanying notes to financial statements.

## COUNTY OF PASSAIC

## Comparative Statement of Operations and Changes in Fund Balance-Regulatory Basis

## Current Fund

Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 17,000,000	17,000,000
Miscellaneous Revenue Anticipated	134,282,757	134,800,582
Receipts from Current Taxes	335,617,867	319,796,781
Non-Budget Revenue	4,626,966	3,765,586
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	7,711,777	3,907,400
Prior Year Interfunds Returned	3,411,004	10,399
Cancellation of Liabilities	20,128	
Cancellation of Appropriated Grants	2,898,959	4,159,633
	<hr/>	<hr/>
Total Revenues and Other Income	505,569,458	483,440,381
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	135,643,570	133,617,917
Other Expenses	226,934,257	223,200,160
Capital Improvement Fund	700,000	1,700,000
Debt Service	57,043,450	56,558,314
Deferred Charges and Statutory Expenditures	54,272,101	49,750,073
Interfunds and Receivables Originating in Current Fund	640	3,320,081
Grant Receivables Canceled	2,551,987	2,261,202
Reserve for Grant Receivables Realized	3,000,000	
Prior Years' Charges		124,465
Refunds	111,410	207,329
	<hr/>	<hr/>
Total Expenditures	480,257,415	470,739,541
Excess Revenue Over Expenditures	25,312,043	12,700,840
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year		4,000,000
		<hr/>
Statutory Excess to Surplus	25,312,043	16,700,840
Fund Balance, January 1,	26,052,147	26,351,307
	<hr/>	<hr/>
	51,364,190	43,052,147
Decreased by:		
Fund Balance Utilized as Budget Revenue	17,000,000	17,000,000
	<hr/>	<hr/>
Fund Balance, December 31,	\$ 34,364,190	26,052,147
	<hr/>	<hr/>

See accompanying notes to the financial statements.

## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$ 17,000,000	17,000,000	
Miscellaneous Revenues:			
County Clerk	820,000	894,123	74,123
Register	2,330,000	2,973,451	643,451
Surrogate	375,000	465,132	90,132
Sheriff	760,000	1,328,112	568,112
Interest on Investments and Deposits	18,000	37,941	19,941
Road Opening Permits	255,000	369,124	114,124
Rental Income	228,000	243,422	15,422
State Aid - County College Bonds (N.J.S.A. 18A:64-22.6)	1,600,000	2,365,793	765,793
Division of Youth and Family Services	3,586,134	3,586,134	
Supplemental Social Security Income	1,483,787	1,383,340	(100,447)
Maintenance of Patients in State Institutions for Mental Diseases	18,260,168	18,260,168	
Maintenance of Patients in State Institutions for Mentally Retarded	7,401,789	7,646,954	245,165
County Patients - State Hospital	9,828	9,629	(199)
University of Medicine and Dentistry	2,902	1,244	(1,658)
Casino Revenue	783,538	783,538	
Area Plan Grant - Aging Area Nutrition	1,283,115	1,283,115	
Area Plan Grant	1,375,499	1,375,499	
State Health Insurance Program	3,000	3,000	
Clean Communities	68,263	68,263	
Workforce Learning Link (WLL)	115,000	115,000	
Radon Awareness Program	1,000	1,000	
Sandy SSBG	10,000	10,000	
Family Court Services	278,149	278,149	
State Community Partnership	500,656	500,656	
Social Service for the Homeless	60,000	60,000	
Banfield Charitable Trust	1,600	1,600	
Social Service for the Homeless	40,000	40,000	
Division of Child Behavior Health Services	158,456	158,456	
LIHEAP Assistance 2015	503,936	503,936	
Human Services ISBERN PASP	48,997	48,997	
NCA Program Support	9,000	9,000	
Stop Violence Against Women	27,566	27,566	
Insurance Fraud	250,000	250,000	
VOCA	234,626	234,626	
Justice Assistance Program	29,049	29,049	
Click it or Ticket	4,000	4,000	
LEOTEF	7,601	7,601	
Social Services for the Homeless	50,000	50,000	
Eva's Village Homeless Housing	116,895	116,895	
St. Joe's CDC	45,531	45,531	
St. Paul's	45,531	45,531	

## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
CSBG Non-Discretionary	165,218	165,218	
Emergency Management	85,000	85,000	
USAI Local Share	18,023	18,023	
Workforce Innovation and Opportunity Act - WIOA Adult	1,611,389	1,611,389	
Workforce Innovation and Opportunity Act - WIOA Dislocated Worker	1,576,896	1,576,896	
Workforce Innovation and Opportunity Act - WIOA Youth	1,758,920	1,758,920	
Temporary Assistance for Needy Families (TANF)	3,606,574	3,606,574	
General Assistance/Supplemental Nutrition Assistance Program (GA/SN)	1,778,340	1,778,340	
Workforce Learning Link (WLL)	145,000	145,000	
Housing First PILOT - 2007	317,621	317,621	
Housing First - 2008	258,007	258,007	
St. Joe's CDC	44,595	44,595	
St. Paul's	44,595	44,595	
Eva's Homeless Housing	114,495	114,495	
Social Services for the Homeless	1,045,019	1,045,019	
Municipal Alliance	512,024	512,024	
15BERN	350,746	350,746	
Transportation and TIP	404,914	404,914	
JARC	210,000	210,000	
2015 CEHA	39,444	39,444	
Weatherization DOE	2,970	2,970	
USAI Local Share	2	2	
Paterson Transit Facility Pedestrian Safety	250,000	250,000	
Access and Functional Needs	11,565	11,565	
SHIP	28,000	28,000	
Weatherization DOE	315,435	315,435	
Clean Communities	82,859	82,859	
Seniors Farmer Market Nutrition	1,000	1,000	
Aging Area Nutrition	707,778	707,778	
Aging Area Plan Grant	467,862	467,862	
County EOC Generator Project	100,223	100,223	
Social Services for the Homeless	10,000	10,000	
Transfer of Developmental Rights	50,000	50,000	
Universal Service Fund	409,863	409,863	
Right to Know	15,213	15,213	
PHLP LINCS	516,567	516,567	
LIHEAP Assistance	566,001	566,001	
Temporary Assistance for Needy Families (TANF)	19,480	19,480	
General Assistance/Supplemental Nutrition Assistance Program (GA/SN)	4,870	4,870	
Dislocated Worker Employer Focus	287,359	287,359	
Parolee Employment Placement	245,000	245,000	
Drive Sober or Get Pulled Over	5,000	5,000	
Preakness Gero-Psych Program	338,210	338,210	
Community Development Block Grant (CDBG)	822,008	822,008	
County Gang, Gun & Narcotics Taskforce	174,698	174,698	

## COUNTY OF PASSAIC

## Statement of Revenues-Regulatory Basis

## Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Justice Assistance Program	27,348	27,348	
Aging Area Nutrition	2,663	2,663	
Aging Area Plan Grant	3,937	3,937	
Smart STEPS	16,050	16,050	
Emergency Management	100,000	100,000	
Body Armor PCPO	7,151	7,151	
Body Armor PCSD	44,955	44,955	
LEOTEF	8,712	8,712	
Sub Regional Transportation Grant	132,048	132,048	
CSBG Non-Discretionary	136,168	136,168	
Human Services BERN PASP	6,997	6,997	
Passaic County Film Festival	2,250	2,250	
Housing First - 2008	252,703	252,703	
Housing First PILOT	311,069	311,069	
Recycling Enhancement	385,000	385,000	
LEOTEF	8,073	8,073	
CEHA 2015	152,000	152,000	
Weatherization LIHEAP 2015	635,191	635,191	
Passaic County Youth Golf Program	50,000	50,000	
Alcohol and Drug Abuse Grant	726,452	726,452	
Juvenile Detention Alternatives Innovations	120,000	120,000	
Sexual Assault Nurse Examiner (SART/SANE)	73,028	73,028	
Medical Reserve Corp. Capacity Building Award	3,500	3,500	
Heating Improvement (HIP) 2015	342,488	342,488	
Recycling Enhancement	423,500	423,500	
Homeless Security	365,351	365,351	
Added and Omitted Taxes	700,000	635,251	(64,749)
Board Inmates at County-State	87,000	160,374	73,374
Title IV D Parent Locator Program	1,175,000	1,098,029	(76,971)
Fringe Benefits	8,575,000	12,474,382	3,899,382
Indirect Costs - Grants	3,500,000	3,771,510	271,510
Preakness Hospital - Medicaid Reimbursements	33,000,000	33,100,000	100,000
Maintenance in Lieu of Rent - Martin Luther King - Soc. Serv.	170,000	130,991	(39,009)
State School Building Aid (Chapter 12)	50,000	3,750	(46,250)
Park Fees	1,615,000	1,829,429	214,429
Telephone Commissions	444,500	397,710	(46,790)
Capital Surplus	2,000,000	2,000,000	
Site Plan Fees	54,000	61,673	7,673
Radio Tower Rental	32,000	33,352	1,352
Closeout of Preakness Healthcare Construction Account	820,000	1,175,634	355,634
Rental Revenue - Quarry	800,000	851,832	51,832
Reserve for Payment of Bonds	2,500,000	2,500,000	
Due From Federal and State Grant Fund	3,000,000	3,000,000	
County Clerk P.L. 2001 C370	107,435	107,435	
Register P.L. 2001 C370	1,167,907	1,167,907	

**COUNTY OF PASSAIC**  
**Statement of Revenues-Regulatory Basis**  
**Current Fund**  
**Year Ended December 31, 2015**

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surrogate P.L. 2001 C370	110,000	110,000	
Sheriff P.L. 2001 C370	<u>202,506</u>	<u>202,506</u>	
Total Miscellaneous Revenues	<u>127,147,381</u>	<u>134,282,757</u>	<u>7,135,376</u>
Amount to be Raised by Taxation - County Purpose Tax	<u>335,617,867</u>	<u>335,617,867</u>	
Total Budget Revenues	<u>\$ 479,765,248</u>	<u>486,900,624</u>	<u>7,135,376</u>
Nonbudget Revenue		<u>4,626,966</u>	
		<u>\$ 491,527,590</u>	

**COUNTY OF PASSAIC**  
**Statement of Revenues-Regulatory Basis**  
**Current Fund**  
**Year Ended December 31, 2015**

Miscellaneous Revenue Not Anticipated:		
State of New Jersey	\$	40,934
Sale of Equipment		89,194
Bid Spec Fees		6,615
Duplication of Records		5,935
Vending Machine Commissions		22,577
Prior Year Fringe Benefits		754,946
SLAP Fees		95,752
PILOT County Share		99,432
ID Bureau		15,315
P/R Deduction Fees		70,140
Construction Board of Appeals		3,600
Bail Processing Fees		12,253
Bail Bond Forfeitures		54,110
Refunds		17,792
SHIP Reimbursements		75,998
2014 Nov. General Election		145,621
Church Street Security Deposit		100,000
Access Secure Commissions		24,003
Additional Rent		40,752
ATM Fees		5,023
Insurance Recoveries		1,404,572
Prosecutor & Sheriff Reimbursements		86,810
Cancelled Inmate Funds		53,801
Excess SUI		43,967
Various SSA Incentives & Federal Reimbursements		98,346
Keefe Commissions		96,421
Towing/Impound Fees		5,300
Off Duty Administrative Fees		205,896
Police Academy Registration & Fees		214,599
PCIA Fees		2,087
PC Tech Reimbursements		221,811
Sale of Property - New Street		139,860
Various Salary & Wage Reimbursements		109,958
SCAAP Grant		112,881
OCA Benefit Services		45,026
2014 Warehouse		41,207
Other Miscellaneous		64,432
	\$	<u>4,626,966</u>

See accompanying notes to the financial statements.

**COUNTY OF PASSAIC**

**Statement of Expenditures-Regulatory Basis**

**Current Fund**

**Year Ended December 31, 2015**

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	Paid or <u>Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
<b>OPERATIONS:</b>					
<b>GENERAL GOVERNMENT</b>					
Administration Executive					
Board of Freeholders	340,500	340,500	301,878	38,622	
Salaries and Wages	75,000	75,000	37,799	37,201	
Other Expenses	70,000	70,000	70,000		
Contribution to Public Access Libraries					
County Administrator	552,597	552,597	473,823	78,774	
Salaries and Wages	327,053	327,053	216,539	110,514	
Other Expenses					
Finance Section					
Finance Department	1,235,200	1,211,950	1,110,146	101,804	
Salaries and Wages	399,206	394,306	325,135	69,171	
Other Expenses	200,000	200,000	184,980	15,020	
Postage	105,500	105,500	105,500		
Audit	250,000	250,000	250,000		
Payroll Processing-Other Expenses		4,900	2,754	2,146	
Insurance Division					
Legal Department					
County Counsel	1,172,152	1,172,152	1,143,867	28,285	
Salaries and Wages	75,000	75,000	57,699	17,301	
Other Expenses	10,000	10,000	749	9,251	

**COUNTY OF PASSAIC**

**Statement of Expenditures-Regulatory Basis**

**Current Fund**

**Year Ended December 31, 2015**

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
County Adjuster					
Salaries and Wages	271,358	271,358	245,953	25,405	
Other Expenses	77,200	77,200	71,645	5,555	
Clerk of the Board					
Salaries and Wages	375,266	375,266	362,831	12,435	
Other Expenses	28,000	28,000	20,017	7,983	
Personnel					
Salaries and Wages	431,059	431,059	396,911	34,148	
Other Expenses	77,540	77,540	54,203	23,337	
State and National Association of County Officials	10,715	10,715	10,715		
County Clerk					
Salaries and Wages	899,523	799,523	692,176	107,347	
Other Expenses	21,800	21,800	16,944	4,856	
Other Expenses	280,500				
County Register					
Salaries and Wages	1,120,706	1,120,706	1,061,170	59,536	
Other Expense	151,900	151,900	107,227	44,673	
Prosecutor's Office					
Salaries and Wages	18,426,617	17,639,617	16,602,060	1,037,557	
Other Expenses	559,400	559,400	532,669	26,731	
Countywide Police Radio	85,000	85,000	57,901	27,099	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Purchasing Department					
Salaries and Wages	864,118	864,118	786,352	77,766	
Other Expenses	35,000	35,000	29,350	5,650	
Other Expenses-Bulk Purchasing	86,550	86,550	20,910	65,640	
MIS Department (Finance Department)					
Other Expenses	828,458	828,458	794,346	34,112	
Building and Grounds					
Salaries and Wages	6,400,000	6,400,000	5,991,936	408,064	
Other Expenses	3,383,380	3,778,380	3,726,939	51,441	
Other Expenses-Parking	417,960	417,960	394,920	23,040	
Other Expenses-Preakness Health Center	92,000	92,000	91,575	425	
Other Expenses-Welfare Board	30,000	55,000	41,137	13,863	
Photostat					
Other Expenses	35,493	35,493	34,045	1,448	
Surrogate					
Salaries and Wages	1,147,845	1,159,845	1,159,129	716	
Other Expenses	49,400	49,400	43,201	6,199	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Insurances: Group Hospitalization, Medical					
Surgical, Major Med. for Employees	52,000,000	52,250,000	51,142,156	1,107,844	
Group Life Insurance for Employee	40,000	40,000	10,667	29,333	
Surety Bond Premium	6,000	6,000	3,974	2,026	
Worker's Compensation	450,000	450,000	98,596	351,404	
Disability Insurance	450,000	450,000	309,820	140,180	
Other Insurance	500,000	500,000	374,205	125,795	
Drug Plan	17,825,000	18,825,000	17,086,452	1,738,548	
Dental Plan	672,000	712,000	657,756	54,244	
REGULATION					
Sheriff's Office					
Salaries and Wages	11,656,941	11,656,941	9,440,251	2,216,690	
Other Expenses	261,085	261,085	183,405	77,680	
Weights and Measures					
Salaries and Wages	435,738	435,738	435,643	95	
Other Expenses	9,000	9,000	8,002	998	
Board of Taxation					
Salaries and Wages	371,000	371,000	370,999	1	
Office Expenses	15,000	15,000	6,222	8,778	
Medical Examiner					
Other Expenses-Contractual State of NJ	1,500,000	1,500,000	1,324,824	175,176	
Indigent Burials	50,000	50,000	9,523	40,477	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Board of Elections					
Salaries and Wages	715,600	715,600	641,779	73,821	
Other Expenses	157,700	157,700	108,595	49,105	
Superintendent of Elections					
Salaries and Wages	1,455,304	1,455,304	1,431,571	23,733	
Other Expenses	524,400	524,400	237,071	287,329	
Elections-County Clerk		280,500	129,953	150,547	
County Emergency Management					
Salaries and Wages	184,954	184,954	129,810	55,144	
Other Expenses	18,000	18,000	16,615	1,385	
Planning Board (NJS 40:273)					
Salaries and Wages	327,927	315,927	297,762	18,165	
Other Expenses	23,750	30,000	21,942	8,058	
Economic Development					
Salaries and Wages	138,332	150,332	149,175	1,157	
Other Expenses	16,800	16,800	16,773	27	
Construction Board of Appeals	3,600	3,600	600	3,000	
ROADS & BRIDGES DEPT.					
Roads and Bridges Dept.					
Salaries and Wages-Roads	560,000	560,000	490,211	69,789	
Salaries and Wages-Mosquito	754,181	750,681	663,478	87,203	
Other Expenses-Roads	1,776,000	2,206,000	2,043,682	162,318	
Other Expenses-Mosquito	25,100	28,600	26,939	1,661	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Engineering					
Salaries and Wages	697,068	697,068	539,689	157,379	
Other Expenses	17,100	17,100	8,003	9,097	
<b>CORRECTIONAL AND PENAL</b>					
Jail and Workhouse					
Salaries and Wages - Jail	38,030,030	38,030,030	37,139,248	890,782	
Salaries and Wages - Patrol	12,242,319	12,242,319	10,479,366	1,762,953	
Other Expenses	4,121,268	4,121,268	3,351,555	769,713	
Other Expenses-Medical Expenses	5,203,885	5,203,885	4,983,697	220,188	
<b>HEALTH AND WELFARE</b>					
Crippled Children	36,000	36,000	36,000		
Mental Health Board (30:9A-3)					
Salaries and Wages	236,509	236,509	204,844	31,665	
Mental Health Program (40:5-29)					
Contractual	744,300	744,300	744,299	1	
Aid to Bergen-Passaic Unit for the Mentally Retarded (NJS 40:23-8.11)	54,000	54,000	54,000		
Alcohol and Drugs					
Addiction Program Contractual-Salaries and Wages	37,409	37,409	37,409		
Addiction Program Contractual-Other Expenses	154,591	154,591	130,833	23,758	

**COUNTY OF PASSAIC**

**Statement of Expenditures-Regulatory Basis**

**Current Fund**

**Year Ended December 31, 2015**

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Maintenance of Patients in State Institutions:					
Mentally Diseased and Mentally Retarded	29,033,300	29,858,300	29,100,550	757,750	
Welfare Board-Administration	13,114,400	13,114,400	13,106,300	8,100	
Administration-Fringe Benefits	5,700,000	5,700,000	5,700,000		
Supplement Security Income	1,483,787	1,483,787	1,427,000	56,787	
Aid to Dependent Children (NJS 44:10-1 ST Seq	1,470,816	1,470,816	1,370,000	100,816	
New Jersey Bureau of Children's Services	3,586,134	3,586,134	3,586,134		
Department of Human Services					
Salaries and Wages	75,000	75,000		75,000	
Other Expenses	25,000	25,000		25,000	
Department of Youth Services					
Salaries and Wages	221,500	221,500	196,650	24,850	
Other Expenses-Shared Services Essex County	2,502,550	2,502,550	2,502,550		
Other Expenses-Education	500,000	500,000	477,916	22,084	
Other Expenses-Shelter Beds	265,000	265,000	245,384	19,616	
Other Expenses-Medical	511,000	511,000	511,000		
Other Expenses	13,000	13,000	10,814	2,186	
Preakness Hospital					
Salaries and Wages	30,454,861	28,824,861	27,965,066	859,795	
Other Expenses	6,500,000	6,500,000	6,089,576	410,424	
Camp Hope (40:23-6. 1 to 16)					
Salaries and Wages	512,258	512,258	492,525	19,733	
Other Expenses	45,820	45,820	29,629	16,191	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Div. of Senior Services, Disabilities, & Vets Affairs, Etc.					
Salaries and Wages	191,961	192,133	162,445	29,688	
Other Expenses	19,635	19,463	18,601	862	
County Health Dept. Chapter 329 PL 1975					
Salaries and Wages	531,600	531,600	443,612	87,988	
Other Expenses	23,700	23,700	18,471	5,229	
EDUCATIONAL					
Office of County Superintendent of Schools					
Salaries and Wages	496,118	496,118	479,327	16,791	
Other Expenses	24,605	24,605	21,219	3,386	
Passaic County Vocational School					
County Extension Services	7,044,585	7,044,585	7,044,576	9	
Salaries and Wages	59,000	59,000	58,059	941	
Other Expenses	142,050	142,050	85,322	56,728	
Passaic County Community College					
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	13,213,345	13,213,345	13,213,345		
	175,000	175,000	160,936	14,064	
RECREATIONAL					
Park and Recreational Department					
Salaries and Wages-Parks	1,426,139	1,426,139	1,237,003	189,136	
Salaries and Wages-Golf Course	1,415,929	1,415,929	1,279,858	136,071	
Other Expenses-Parks	206,875	206,875	202,398	4,477	
Other Expenses-Golf Course	421,606	421,606	415,150	6,456	
Passaic County Historical Society (NJS 40:32-6)	25,000	25,000	25,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
UNCLASSIFIED					
Equipment, Office, Car, Other	75,000	75,000	46,703	28,297	
Sick Leave Payment	750,000	750,000	536,960	213,040	
Matching Funds for Grants	281,743	281,743	42,201	239,542	
Aid to Children Care Coordination Committee (4C'S) (NJSA 40:23)	22,500	22,500	22,500		
Aid to Women's Haven NJSA 30:14-11	15,750	15,750	15,750		
Aid to D.I.A.L (40:23-811)	54,000	54,000	54,000		
Para-Transit					
Salaries and Wages	80,000	80,000	78,777	1,223	
Other Expenses	50,000	50,000	49,982	18	
Police Academy					
Salaries and Wages	548,529	555,529	549,788	5,741	
Other Expenses	96,958	96,958	75,673	21,285	
Aid to Health & Welfare Councils (NJIS 40-23-8.28)	536,510	536,510	533,912	2,598	
Salaries and Wage Adjustment	325,000	325,000	31,389	293,611	
Utilities (40A:4-45 4H)					
Gasoline	1,400,000	1,231,000	856,951	374,049	
Telephone and Telegraph	700,000	700,000	638,725	61,275	
Natural Gas & Electric	5,500,000	5,575,500	4,859,115	716,385	
Street Lighting	500,000	500,000	389,659	110,341	
Heating Oil	100,000	100,000	26,814	73,186	
Water	625,000	718,500	707,242	11,258	
Garbage	450,000	450,000	261,851	188,149	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Debt Service Fees	50,000	50,000	30,500	19,500	
Aid to Housing First	90,000	90,000		90,000	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
County Match					
Aging Area Plan	1,900,000	1,900,000	1,900,000		
Casino Revenue Grant	1,077,313	1,077,313	1,077,313		
SANE/SART Program	18,257	18,257	18,257		
NCA Program Support	9,000	9,000	9,000		
Stope Violence Against Woman Act	27,566	27,566	27,566		
Insurance Fraud	250,000	250,000	250,000		
VOCA	234,626	234,626	234,626		
Justice Assistance Program	29,049	29,049	29,049		
Click It or Ticket	4,000	4,000	4,000		
LEOTEF	7,601	7,601	7,601		
Social Services for the Homeless	50,000	50,000	50,000		
Evas Village Homeless Housing	116,895	116,895	116,895		
St Joes CDC	45,531	45,531	45,531		
St Pauls	45,531	45,531	45,531		
CSBG Non Discretionary	165,218	165,218	165,218		
Emergency Management	85,000	85,000	85,000		
USAI Local Share	18,023	18,023	18,023		
WIOA Adult 15/16	1,611,389	1,611,389	1,611,389		
WIOA Dislocated Worker	1,576,896	1,576,896	1,576,896		
WOA Youth	1,758,920	1,758,920	1,758,920		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
TANF 15/16	3,606,574	3,606,574	3,606,574		
GA/SNAP 15/16	1,778,340	1,778,340	1,778,340		
Workforce Learning Link	145,000	145,000	145,000		
Housing First Pilot 2007	317,621	317,621	317,621		
Housing First 2008	258,007	258,007	258,007		
St Joes CDC	44,595	44,595	44,595		
St Pauls	44,595	44,595	44,595		
Eva Homeless Housing	114,495	114,495	114,495		
Social Services for the Homeless	1,045,019	1,045,019	1,045,019		
Municipal Alliance	512,024	512,024	512,024		
15 Bern	350,746	350,746	350,746		
Transportation and Tip	404,914	404,914	404,914		
JARC	210,000	210,000	210,000		
2015 CEHA	39,444	39,444	39,444		
Weatherization DOE	2,970	2,970	2,970		
USAI Local Share	2	2	2		
Paterson Transit Facility Pedestrian Safety	250,000	250,000	250,000		
Access and Functional Needs	11,565	11,565	11,565		
SHIP	28,000	28,000	28,000		
Weatherization DOE	315,435	315,435	315,435		
Clean Communities	82,859	82,859	82,859		
Seniors Farmer Market Nutrition	1,000	1,000	1,000		
Aging Area Nutrition	707,778	707,778	707,778		
Aging Area Plan Grant	467,862	467,862	467,862		
County EOC Generator Project	100,223	100,223	100,223		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Social Services for the Homeless	10,000	10,000	10,000		
Transfer of Development	50,000	50,000	50,000		
Universal Service Fund	409,863	409,863	409,863		
Right to Know	15,213	15,213	15,213		
Philp Lines	516,567	516,567	516,567		
LIHEAP Assistance	566,001	566,001	566,001		
TANF 15/16	19,480	19,480	19,480		
GASNAP 15/16	4,870	4,870	4,870		
Dislocated Worker Employer Focus	287,359	287,359	287,359		
Parolee Employment Placement	245,000	245,000	245,000		
Drive Sober or Get Pulled Over	5,000	5,000	5,000		
Preakness GARO Psych Program	338,210	338,210	338,210		
CDBG	822,008	822,008	822,008		
County Gang, gun & Narcotics Taskforce	174,698	174,698	174,698		
Justice Assistance	27,348	27,348	27,348		
Aging Area Nutrition FY14	2,663	2,663	2,663		
Aging Area Plan Grant	3,937	3,937	3,937		
Smart Steps	16,050	16,050	16,050		
Casino Revenue	783,538	783,538	783,538		
Area Plan Grant-Aging Area Nutrition	1,283,115	1,283,115	1,283,115		
Area Plan Grant	1,375,499	1,375,499	1,375,499		
State Health Insurance Program	3,000	3,000	3,000		
Clena Communities	68,263	68,263	68,263		
Workforce Learning Link	115,000	115,000	115,000		
Radon Awareness Program	1,000	1,000	1,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	Paid or <u>Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Sandy SSBG	10,000	10,000	10,000		
Family Court Services	278,149	278,149	278,149		
E Smart Steps	100,000	100,000	100,000		
Body Armor PCPO	7,151	7,151	7,151		
Body Armor PCSD	44,955	44,955	44,955		
LEOTEF	8,712	8,712	8,712		
Sub Regional Transportation Grant	132,048	132,048	132,048		
CSBG Non Discretionary	136,168	136,168	136,168		
Human Services BERN PASP	6,997	6,997	6,997		
Passaic County Film Festival	2,250	2,250	2,250		
Housing First 2008	252,703	252,703	252,703		
Housing First Pilot	311,069	311,069	311,069		
Recycling Enhancement	385,000	385,000	385,000		
Workforce Investment Allocation-WIA Dislocated Worker					
State Community Partnership	500,656	500,656	500,656		
Social Services for the Homeless	60,000	60,000	60,000		
Banfield Charitable Trust	1,600	1,600	1,600		
Social Services for the Homeless	40,000	40,000	40,000		
Division of Child Behavior Health Services	158,456	158,456	158,456		
LJHEAP Assistance 2015	503,936	503,936	503,936		
Human Services 15Bern Pasp	48,997	48,997	48,997		
LEOTEF	8,073	8,073	8,073		
CEHA 2015	152,000	152,000	152,000		
Weatherization LJHEAP 2015	635,191	635,191	635,191		
Passaic County Youth Golf Program	50,000	50,000	50,000		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Alcohol/Drug Abuse Grant	726,452	726,452	726,452		
Juvenile Detention Alternatives Innovations	120,000	120,000	120,000		
Sexual Assault Nurse Examiner (SART/SANE)	73,028	73,028	73,028		
Medical Reserve Corp. Capacity Building Award	3,500	3,500	3,500		
Heating Improvement (HIP) 2015	342,488	342,488	342,488		
Recycling Enhancement	423,500	423,500	423,500		
Homeless Security	365,351	365,351	365,351		
<b>Total Operation (item 8(A) )</b>	<b>362,081,446</b>	<b>362,531,446</b>	<b>343,591,428</b>	<b>18,940,018</b>	
Contingent	50,000	50,000	12,485	37,515	
<b>Total Operation Including Contingent</b>	<b>362,131,446</b>	<b>362,581,446</b>	<b>343,603,913</b>	<b>18,977,533</b>	
Detail:					
Salaries and Wages	138,168,148	135,643,570	126,290,926	9,352,644	
Other Expenses (Including Contingent)	223,963,298	226,937,876	217,312,987	9,624,889	
<b>Capital Improvement</b>					
Capital Improvement Fund	500,000	500,000	500,000		
Acquisition of Various Equipment	200,000	200,000	152,243	47,757	
<b>Total Capital Improvements</b>	<b>700,000</b>	<b>700,000</b>	<b>652,243</b>	<b>47,757</b>	

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
County Debt Service					
Payment of Bond Principal					
County College Bonds	3,600,000	3,915,000	3,915,000		
State Aid- County College Bonds (N.J.S. 18A:64A-22.6)	1,800,000	2,010,000	2,010,000		285,000
Vocational School Bonds	810,000	810,000	525,000		698,000
Other Bonds	31,500,000	30,975,000	30,277,000		800,000
800,000		800,000			
Payment of Bond Anticipation Notes					
Interest on Bonds					
County College Bonds	925,000	1,045,000	1,002,022		42,978
State Aid- County College Bonds (N.J.S. 18A:64A-22.6)	475,000	475,000	355,792		119,208
Vocational School Bonds	170,000	170,000	69,383		100,617
Other Bonds	10,500,000	10,380,000	7,943,742		2,436,258
Interest on Notes	1,200,000	1,200,000	819,739		380,261
Passaic County Utilities Authority PCIA Loan	4,250,000	4,250,000	4,129,707		120,293
Prosecutors Building	460,000	460,000	460,000		
Preakness Healthcare Center	5,700,000	5,700,000	5,486,523		213,477
Green Trust Loan	49,550	49,550	49,542		8
Total County Debt Service	<u>62,239,550</u>	<u>62,239,550</u>	<u>57,043,450</u>		<u>5,196,100</u>

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Deferred Charges and Statutory Expenditures					
Emergency Authorizations	4,000,000	4,000,000	4,000,000		
Special Emergency Authorization 5 Years - (40A:4-55)	1,129,611	1,129,611	1,129,611		
Overexpenditure of Appropriations	36,360	36,360	36,360		
Prior Year Bills-Summary					
Bergen Regional Medical Center	7,513	7,513	7,513		2,140
Cypros Trading	2,140	2,140			
Kodali Nephrology & Hypertension Center	616	616	616		
Leonard Farinola	195	195	195		
Public Employees' Retirement System-BCBSS	7,863	7,863	7,863		
The Clifton Center for Oral Surgery	572	572	572		
IMR Limited	486	486	486		
Language Line Service	24	24	24		
Stone Industries	350	350	350		
Virtual Radiologic Pys	11	11			11
ART Agency	79	79	79		
Robert Devirgilio	521	521	521		
Kirks Orange Tire & Auto	373	373	373		
Marie Thompson	30	30	30		
NJ Dept of Labor & Workforce	296,903	296,903	296,903		

COUNTY OF PASSAIC

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2015

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Statutory Charges:					
Contribution to PERS	14,236,975	14,236,974	14,236,974		
Social Security System (O.A.S.I.)	13,500,000	13,100,000	12,731,287	368,713	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	750,000	700,000	643,987	56,013	
Police and Fire Retirement System	18,653,631	18,653,631	18,653,631		
County Pension Fund	2,000,000	2,000,000	2,000,000		
Defined Benefit Pension	100,000	100,000	53,946	46,054	
Total Deferred Charges & Statutory Expenditures	<u>54,724,253</u>	<u>54,274,252</u>	<u>53,801,321</u>	<u>470,780</u>	<u>2,151</u>
Total General Appropriations	<u>\$ 479,795,249</u>	<u>479,795,248</u>	<u>455,100,927</u>	<u>19,496,070</u>	<u>5,198,251</u>

Adopted Budget 457,230,764  
 Added by N.J.S.A. 40A:4-87 22,564,484

\$ 479,795,248

Cash \$ 411,986,740  
 Reserve for Encumbrances 6,212,192  
 Emergency Authorizations 4,000,000  
 Grants Appropriated 32,901,995

\$ 455,100,927

See accompanying notes to financial statements.

COUNTY OF PASSAIC

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2015 and 2014

<u>Assets</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Other Trust Fund:			
Cash	B-1	\$ 34,099,389	33,777,223
Due from Current Fund	B-12	1,099	585,442
Accounts Receivable - PCSD Confiscated Local	B-3		34,721
Accounts Receivable - PCSD Off Duty	B-3	251,508	563,033
		<u>34,351,996</u>	<u>34,960,419</u>
Confiscated Trust Fund:			
Cash	B-1	2,600,573	2,494,247
		<u>2,600,573</u>	<u>2,494,247</u>
Self Insurance Fund:			
Cash	B-1	832,668	207,849
		<u>832,668</u>	<u>207,849</u>
Community Development Grant Fund:			
Cash	B-1	6,080,996	5,909,483
		<u>6,080,996</u>	<u>5,909,483</u>
Total Assets		<u>\$ 43,866,233</u>	<u>43,571,998</u>

## COUNTY OF PASSAIC

## Comparative Balance Sheet-Regulatory Basis

## Trust Funds

December 31, 2015 and 2014

<u>Liabilities, Reserves &amp; Fund Balance</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<b>Other Trust Fund:</b>			
Various Trust Deposits	B-2	\$ 1,067,912	1,049,484
Reserve for Dedicated Revenues	B-3	19,573,674	19,737,162
Reserve for Open Space Expenditures	B-4	5,877,961	6,255,957
Open Space Grant Commitments Payable	B-5	7,675,308	7,739,483
Due to Current Fund	B-12	79	21,271
Open Space - Due to Municipalities	B-6	157,062	157,062
		<u>34,351,996</u>	<u>34,960,419</u>
<b>Confiscated Trust Fund:</b>			
Due to Current Fund	B-12		2,317
Reserve for Confiscated Trust Fund	B-7	2,600,573	2,491,930
		<u>2,600,573</u>	<u>2,494,247</u>
<b>Self Insurance Fund:</b>			
Reserve for Workmen's Compensation	B-8	36,753	10,835
Reserve for Health Benefits	B-9	731,844	187,613
Reserve for Liability Insurance	B-10	64,071	9,401
		<u>832,668</u>	<u>207,849</u>
<b>Community Development Grant Fund:</b>			
Amount Due to Current Fund	B-12	503	
Reserve for:			
Housing Voucher Program	B-11	6,080,493	5,909,483
		<u>6,080,996</u>	<u>5,909,483</u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ <u>43,866,233</u></b>	<b><u>43,571,998</u></b>

See accompanying notes to financial statements.

(0)

COUNTY OF PASSAIC  
 Comparative Balance Sheet-Regulatory Basis  
 General Capital Fund  
 December 31, 2015 and 2014

<u>Assets</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Cash	C-2/C-3	\$ 36,542,805	42,414,634
Grants Receivable	C-4	103,539,223	74,347,561
Due from Current Fund Fund	C-12	63,509	
Deferred Charges to Future Taxation:			
Funded	C-5	312,657,798	337,646,563
Unfunded	C-6	151,588,274	153,607,707
Total Assets		<u>\$ 604,391,609</u>	<u>608,016,465</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-19	\$ 231,964,000	254,601,000
Green Trust Loans Payable	C-20	278,798	300,563
Bond Anticipation Notes	C-18	80,930,000	64,488,000
Capital Leases Payable	C-21	80,415,000	82,745,000
Improvement Authorizations:			
Funded	C-7	64,934,499	47,063,961
Unfunded	C-7	66,929,947	72,134,103
Commitments Payable	C-8	36,796,788	42,507,297
Capital Improvement Fund	C-9	15,346	16,596
Reserve for Final Payments and Litigation	C-10	160,258	160,258
Reserve for Payment of Bonds and Notes	C-11	11,241,112	13,741,012
Due to Current Fund	C-12	88,010	88,010
Reserve for Salt Shed - West Milford	C-13	296,619	296,619
Reserve for Interest for Fire Academy	C-14	1,101,710	1,101,710
Reserve for Administration Building Settlement	C-15	9,786	9,786
Reserve for Interest for DOT Projects	C-16	12,786	12,786
Reserve for Grants Receivable	C-17	24,722,037	24,722,037
Fund Balance	C-1	4,582,923	4,027,727
Total Liabilities		<u>\$ 604,391,609</u>	<u>608,016,465</u>

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2015 and 2014 of \$71,428,760 and \$89,119,708, respectively.

See accompanying notes to the financial statements.

**COUNTY OF PASSAIC**  
**Statement of Changes in Fund Balance-Regulatory Basis**  
**General Capital Fund**  
**For the Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Balance - January 1,	\$ 4,027,727	4,383,001
Increased by:		
Premium on Bond/Note Sales	1,361,675	1,622,106
Improvement Authorizations Cancelled	1,215,914	224,408
Cancel Reserve Balance	<u>9,607</u>	<u>15,289</u>
	<u>2,587,196</u>	<u>1,861,803</u>
	6,614,923	6,244,804
Decreased by:		
Premium on Bond/Note Sales	32,000	217,077
Due to Current Fund - Anticipated Revenue	<u>2,000,000</u>	<u>2,000,000</u>
	<u>2,032,000</u>	<u>2,217,077</u>
Balance - December 31,	<u>\$ 4,582,923</u>	<u>4,027,727</u>

See accompanying notes to the financial statements.

## COUNTY OF PASSAIC

## Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>General Fixed Assets:</u>		
Land	\$ 326,979,707	327,505,114
Buildings	280,609,199	301,416,385
Equipment	61,800,381	60,268,440
Construction in Progress	<u>8,121,582</u>	<u>8,121,582</u>
	<u>\$ 677,510,869</u>	<u>697,311,521</u>
 Investment in Fixed Assets	 <u>\$ 677,510,869</u>	 <u>697,311,521</u>

See accompanying notes to financial statements.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the County of Passaic have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the County accounts for its financial transactions through the following separate funds and account group which differ from the fund structure required by GAAP.

A. Reporting Entity

The County of Passaic (the "County") was organized under an act of the New Jersey Legislative on February 7, 1837 and operates under an elected Freeholder form of County government. The County's major operations include the County judiciary system; law enforcement, recreation, road and bridge maintenance and construction, the County correctional and penal system, health and welfare, education and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will be by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the counties in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the County does not include the operations of the autonomous agencies including the Passaic County Utilities Authority, Passaic County Community College, Vocational-Technical High School, Employees Retirement System, Welfare Board and the Private Industry Council of Passaic County which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The County uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain County functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those funds.

The County has the following funds and account group:

Current Fund - This fund is used to account for the resources and expenditures for governmental operations of a general nature, including Federal and State grants for operations.

Trust Funds - Trust funds are used to account for assets held by the government in a trustee capacity. Funds held by the County as an agent for individual, private organizations or other governments are recorded in the Trust Funds.

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the County as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits and deposited funds with the County as collateral.

Confiscated Trust Fund - This fund is created to account for assets seized by local and county law enforcement agencies. Any seized assets forfeited are allocated to the respective agencies or returned upon the conclusion of each legal case filed.

Self-Insurance Fund - This fund is used to account for expenditures for Worker's Compensation and General Liability insurance claims and premiums.

Community Development Grant Fund - This fund is used to account for grant proceeds and related expenditures for Housing and Urban Development Grant Entitlements.

General Capital Fund - This fund is used to account for the receipts and disbursements of funds used for the acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

General Fixed Assets Account Group - To account for all fixed assets of the County. The County's infrastructure is not reported in the group.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

Basis of Accounting

A modified accrual basis of accounting is followed by the County of Passaic. Under this method of accounting revenues are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for counties by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units.

Property Tax Revenues - Real property taxes are assessed to each municipality within the County, based upon a County wide assessment at true equalized value. Taxes are payable in four quarterly installments on February 15, May 15, August 15 and November 15. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the municipality for the preceding year. The installment due the third and fourth quarters is determined by taking the full tax as levied for the current year against the municipality, less the amount previously charged as the first and second installments, the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 6% per annum. In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable are realized as revenue when collected. Since delinquent taxes are fully reserved, no provision has been made to estimate that portion of the taxes receivable that are uncollectible. GAAP requires property tax revenues to be recognized in the account period when they become subsequent to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the County's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the County's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the County and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

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

Trust Funds  
General Capital Fund

The governing body shall introduce and approve the annual budget not later than January 26, of the fiscal year. The budget shall be adopted not later than February 25, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the County budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the County. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Government Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During the years ended December 31, 2015 and 2014, the Governing Body approved additional revenues and appropriations of \$22,564,484 and \$16,817,601, respectfully, in accordance with N.J.S.A. 40A:4-87. The Governing Body also approved \$4,000,000 of emergency appropriations for group hospitalization in 2014. In addition, several budget transfers were approved by the governing body in 2015 and 2014.

Expenditures - Are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

Appropriation Reserves - Are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves does not exist under GAAP.

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Self-Insurance Contributions - Payments to self-insurance funds are charged to current budget appropriations. GAAP requires payments to be accounted for as an operating transfer and not as an expenditure.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost which approximates fair value and are limited by N.J.S.A. 40A:5-15.1 to bonds or obligations of, or guaranteed by, the Federal Government and bonds or other obligations of Federal or local units having a maturity date not more than twelve months from the date of purchase.

Incurred But Not Reported (IBNR) Reserves - The County has not created a reserve for any potential unreported losses which have taken place but in which the County has not received notices or report of losses. Additionally, the County has not recorded a liability for those claims filed, but which have not been paid. GAAP requires the establishment of reserves for such potential claims.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the County establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the County may levy taxes on all taxable property within the local unit to repay the debt. Annually, the County raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

General Fixed Assets - The County of Passaic has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Fixed assets purchased after December 31, 1989 are stated at cost.

Fixed assets purchased prior to December 31, 1989 are stated as follows:

Land	Assessed Value
Buildings	Fair Market Value (Replacement Cost at Time of Acquisition or construction Completion)
Equipment	
Acquired Prior to 12/31/85	Replacement Cost
Acquired After 12/31/85	Actual Cost Where Available or Estimated Replacement
Construction Work in Progress	Actual Cost

No depreciation has been provided for in the financial statements.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

The County did not perform an update of its fixed assets inventory for the year ended December 31, 2015.

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

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

Recent Accounting Pronouncements

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

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

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

Recent Accounting Pronouncements, (continued)

In February 2015, the Government Accounting Standards Board issued GASB Statement No. 72, Fair Value Measurement and Application. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement also provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This Statement is effective for periods beginning after June 15, 2015. The County is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68. This Statement is effective for periods beginning after June 15, 2015 – except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for periods beginning after June 15, 2016. The County is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This Statement applies to OPEB plans and basically parallels GASB Statement 67 and replaces GASB Statement 43 and is effective for periods beginning after June 15, 2016. The County is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for periods beginning after June 15, 2017. The County is currently reviewing what effect, if any, this Statement might have on future financial statements.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

Recent Accounting Pronouncements, (continued)

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the American Institute of Certified Public Accountants that is cleared by the GASB. This Statement is effective for periods beginning after June 15, 2015. The County is currently reviewing what effect, if any, this Statement might have on future financial statements.

In August 2015, the Government Accounting Standards Board issued GASB Statement No. 77, *Tax Abatement Disclosures*, which improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The County is currently reviewing what effect, if any, this Statement might have on future financial statements.

In December 2015, the Government Accounting Standards Board issued GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. This Statement is effective for reporting periods beginning after December 15, 2015. The County is currently reviewing what effects, if any, this Statement might have on future financial statements.

In December 2015, the Government Accounting Standards Board issued GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

Recent Accounting Pronouncements, (continued)

participants. Specifically, it established criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. This Statement is effective for periods beginning after June 15, 2015, and for certain provisions, periods beginning after December 15, 2015. The County is currently reviewing what effects, if any, this Statement might have on future financial statements.

C. Basic Financial Statements

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

**NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2015 and 2014, \$-0- of the County's bank balance of \$152,602,974 and \$134,671,738, respectfully, were exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

**NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)**

**Credit Risk**

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The County places no limit on the amount the County may invest in any one issuer.

**NOTE 3. COUNTY DEBT**

Long-term debt as of December 31, 2015 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable - General					
Obligation Debt	\$254,601,000	\$56,490,000	\$79,127,000	\$231,964,000	\$34,814,000
Capital Leases	82,745,000	23,060,000	25,390,000	80,415,000	2,775,000
Other Liabilities:					
Compensated Absences	38,468,460	685,298	1,145,633	38,008,125	
New Jersey:					
Green Trust Loans	322,113		43,315	278,798	44,186
Deferred Pension	<u>9,123,989</u>		<u>529,807</u>	<u>8,594,182</u>	<u>573,994</u>
	<u>\$385,260,562</u>	<u>\$80,235,298</u>	<u>\$106,235,755</u>	<u>\$359,260,105</u>	<u>\$38,207,180</u>

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the County are general obligation bonds, backed by the full faith and credit of the County. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

The County's debt is summarized as follows:

	<u>2015</u>	<u>2014</u>
Issued		
General		
Bonds, Notes and Loans	\$313,172,798	\$319,206,113
Less: Funds Temporarily Held to Pay Bonds and Notes	11,241,112	13,741,012
Bonds Guaranteed by Municipality	102,268,951	
Additional Borrowing for County College	11,441,000	8,806,000
Refunding Bonds	<u>13,390,000</u>	<u>15,770,000</u>
	<u>138,341,063</u>	<u>38,317,012</u>
Net Debt Issued	174,831,735	280,889,101
Authorized But Not Issued		
General		
Bonds, Notes and Loans	<u>173,697,711</u>	<u>89,119,708</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$348,529,446</u>	<u>\$370,008,809</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of .75% and .79% at December 31, 2015 and 2014, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2015</u>			
General debt	<u>\$486,870,509</u>	<u>\$138,341,063</u>	<u>\$348,529,446</u>
<u>2014</u>			
General debt	<u>\$408,325,821</u>	<u>\$38,317,012</u>	<u>\$370,008,809</u>

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

	<u>2015</u>	<u>2014</u>
2% of equalized valuation basis (county)	\$925,186,516	\$932,419,493
Net debt	<u>348,529,446</u>	<u>370,008,809</u>
Remaining Borrowing Power	<u>\$576,657,070</u>	<u>\$562,410,684</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

The County's long-term debt consisted of the following at December 31, 2015 and 2014:

Paid by Current Fund:

**General Obligation Bonds**

	<u>2015</u>	<u>2014</u>
\$30,765,000, 1998 Bonds, due in annual installments of \$1,600,000 to \$2,500,000 through Sept. 1, 2020, interest at various rates from 5.88% to 6.77%	\$10,900,000	\$12,600,000
\$665,000, 1998 Bonds, due in annual installments of \$220,000 to \$225,000 through Sept. 2018-2020, interest at 6.77%	665,000	665,000
\$14,965,000, 2001 Bonds, due in annual installments of \$1,600,000 to \$1,665,000 through Sept. 15, 2015, interest at 4.20%		1,665,000
\$6,560,000 2003 Bonds, due in annual installments of \$25,000 to \$880,000 through Feb. 15, 2021, interest at various rates from 2.00% to 5.75%	1,825,000	2,505,000
\$2,010,000 2003 Bonds, due in annual installments of \$170,000 through Aug. 15, 2015 with interest at 4.20%		170,000
\$21,855,000 2003 Bonds, due in annual installments of \$1,915,000 to \$1,985,000 through Mar. 1, 2016, interest at 5.20%	1,915,000	3,870,000
\$19,495,000, 2004 Bonds, due in annual installments of \$1,800,000 to \$3,745,000, through March 15, 2016, interest at various rates from 3.00% to 3.50%	3,745,000	7,145,000
\$12,220,000, 2004 Bonds, due in annual installments of \$1,095,000 to \$1,205,000, through May 1, 2017, interest at various rates from 3.00% to 3.375%	2,265,000	3,455,000
\$4,788,000, 2004 Bonds, due in annual installments of \$420,000 to \$488,000, through Oct. 15, 2017, interest at 3.60%	953,000	1,403,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

	<u>2015</u>	<u>2014</u>
<b>NOTE 3. COUNTY DEBT, (continued)</b>		
\$20,000,000, 2006 Bonds, due in annual installments of \$200,000 to \$1,100,000 through June 1, 2026, interest at various rates from 4.375% to 4.50%	\$1,100,000	\$2,100,000
\$3,050,000, 2006 Bonds, due in annual installments of \$270,000 to \$300,000 through Nov. 15, 2018, interest at various rates from 3.625% to 4.00%	890,000	1,170,000
\$3,050,000, 2006 Bonds, due in annual installments of \$270,000 to \$300,000 through Nov. 15, 2018, interest at various rates from 3.625% to 4.00%	890,000	1,170,000
\$5,950,000, 2007 Bonds, due in annual installments of \$525,000 to \$625,000 through Nov. 15, 2019, interest at various rates from 3.625% to 4.00%	2,405,000	2,950,000
\$5,950,000, 2007 Bonds, due in annual installments of \$525,000 to \$625,000 through Nov. 15, 2019, interest at various rates from 3.625% to 4.00%	2,405,000	2,950,000
\$48,625,000, 2008 Bonds, due in annual installments of \$2,000,000 to \$4,225,000 through May 1, 2028, interest at various rates from 4.00% to 4.50%	5,000,000	46,275,000
\$2,938,000, 2008 Bonds, due in annual installments of \$260,000 to \$438,000 through May 1, 2019, interest at various rates from 4.00% to 5.00%	\$645,000	\$1,753,000
\$8,077,000, 2008 Bonds, due in annual installments of \$660,000 to \$812,000 through May 1, 2020, interest at various rates from 4.00% to 5.00%	1,410,000	4,472,000
\$8,540,000, 2009 Bonds, due in annual installments of \$1,515,000 to \$1,550,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%		1,550,000
\$2,190,000, 2009 Bonds, due in annual installments of \$380,000 to \$390,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%		390,000
\$2,160,000, 2009 Bonds, due in annual installments of \$350,000 to \$360,000 through Sept. 15, 2015, interest at various rates from 3.00% to 5.00%		350,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

	<u>2015</u>	<u>2014</u>
<b>NOTE 3. COUNTY DEBT, (continued)</b>		
\$19,671,000, 2010 Bonds, due in annual installments of \$350,000 to \$2,796,000 through Apr. 1, 2024, interest at various rates from 2.00% to 4.00%	\$17,696,000	\$18,446,000
\$945,000, 2010 Bonds, due in annual installments of \$100,000 to \$130,000 through Apr. 1, 2019, interest at various rates from 2.00% to 3.50%	475,000	585,000
\$2,130,000, 2010 Bonds, due in annual installments of \$180,000 to \$240,000 through Apr. 1, 2021, interest at various rates from 2.00% to 4.00%	1,280,000	1,470,000
\$10,045,000, 2010 Bonds, due in annual installments of \$1,665,000 to \$1,690,000 through June 1, 2016, interest at various rates from 2.00% to 3.00%	1,665,000	3,350,000
\$4,389,000, 2010 Bonds, due in annual installments of \$200,000 to \$374,000 through July 31, 2027, interest at various rates from 1.660% to 6.540%	3,407,000	3,614,000
\$1,177,000, 2010 Bonds, due in annual installments of \$95,000 to \$152,000 through Aug. 1, 2021, interest at various rates from 2.00% to 3.00%	727,000	827,000
\$1,176,000, 2010 Bonds, due in annual installments of \$95,000 to \$151,000 through Aug. 1, 2021, interest at various rates from 2.00% to 3.00%	\$726,000	\$826,000
\$26,415,000, 2011 Bonds, due in annual installments of \$735,000 to \$4,480,000 through May 1, 2020, interest at various rates from 2.00% to 5.00%	10,770,000	15,125,000
\$610,000, 2011 Bonds, due in annual installments of \$175,000 to \$180,000 through May 1, 2015, interest at various rates from 2.00% to 5.00%		180,000
\$300,000, 2011 Bonds, due in annual installments of \$85,000 to \$90,000 through May 1, 2015, interest at various rates from 2.00% to 5.00%		90,000
\$11,695,000, 2012 Refunding Bonds, due in annual installments of \$1,705,000 to \$2,225,000 through February 1, 2019, interest at various rates from 3.00% to 4.00%	8,200,000	9,990,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

	<u>2015</u>	<u>2014</u>
<b>NOTE 3. <u>COUNTY DEBT</u>, (continued)</b>		
\$23,155,000, 2012 Bonds, due in annual installments of \$1,025,000 to \$2,050,000 through Apr. 1, 2026, interest at various rates from 2.00% to 3.00%	\$19,905,000	\$21,105,000
\$13,570,000, 2012 Bonds, due in annual installments of \$1,000,000 to \$1,570,000 through Apr. 1, 2022, interest at various rates from 2.00% to 3.00%	10,570,000	11,670,000
\$4,250,000, 2012 Series A College Bonds, due in annual installments of \$375,000 to \$495,000 through June 1, 2022, interest at various rates from 1.50% to 3.00%	3,120,000	3,510,000
\$4,250,000, 2012 Series B College Bonds, due in annual installments of \$375,000 to \$495,000 through June 1, 2022, interest at various rates from 1.50% to 3.00%	3,120,000	3,510,000
\$10,200,000, 2012 Refunding Bonds, due in annual installments of \$550,000 to \$2,895,000 through Aug. 15, 2021, interest at various rates from 1.50% to 4.00%	5,785,000	8,520,000
\$530,000, 2012 Bonds, due in annual installments of \$120,000 to \$205,000 through Aug. 15, 2015, interest rate of 3.00%	\$120,000	\$1,200,000
\$17,650,000, 2013 Refunding Bonds, due in annual installments of \$1,265,000 to \$2,595,000 through Feb. 1, 2026, interest at various rates from 1.25% to 3.00%	17,480,000	17,480,000
\$2,875,000, 2014 Series A College Bonds, due in annual installments of \$175,000 to \$235,000 through June 15, 2028, interest at various rates from 2.00% to 5.00%	2,700,000	2,875,000
\$2,875,000 2014 Series B College Bonds, due in annual installments of \$175,000 to \$235,000 through June 15, 2028, interest at various rates from 2.00% to 5.00%	2,700,000	2,875,000

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

	<u>2015</u>	<u>2014</u>
<b>NOTE 3. COUNTY DEBT, (continued)</b>		
\$22,201,000, 2014 Bonds, due in annual installments of \$965,000 to \$1,921,000 through December 1, 2029, interest at various rates from 2.00% to 4.00%	\$21,236,000	\$22,201,000
\$979,000, 2014 Vocational School Bonds, due in annual installments of \$40,000 to \$80,000 through December 1, 2029, interest at various rates from 2.00% to 4.00%	939,000	979,000
\$2,500,000, 2014 Series A College Bonds, due in annual installments of \$325,000 to \$650,000 through December 1, 2019, interest at various rates from 2.00% to 3.00%	2,175,000	2,500,000
\$3,940,000, 2014 Series B College Bonds, due in annual installments of \$275,000 to \$515,000 through December 1, 2024, interest at various rates from 2.50% to 3.00%	3,665,000	3,940,000
\$36,570,000, 2015 General Obligation Refunding Bonds, due in annual installments of \$2,735,000 to \$4,050,000 through February 1, 2028, interest at various rates from 3.00% to 5.00%	36,570,000	
\$815,000, 2015 County Vocational School Refunding Bonds, due in annual installments of \$380,000 to \$435,000 through February 1, 2019, interest at various rates from 4.00% to 5.00%	815,000	
\$2,305,000, 2015 County College Refunding Bonds, due in annual installments of \$745,000 to \$790,000 through February 1, 2020, interest at various rates from 4.00% to 5.00%	2,305,000	
\$1,600,000, 2015 County College Bonds, Series 2015A, due in annual installments of \$105,000 to \$200,000 through July 1, 2025, interest at various rates from 2.00% to 4.00%	1,600,000	

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

2015

2014

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

\$1,600,000, 2015 County College Bonds, Series 2015B, due in annual installments of \$105,000 to \$200,000 through July 1, 2025, interest at various rates from 2.00% to 4.00%	\$1,600,000	\$
\$11,600,000, 2015 General Improvement Bonds, due in annual installments of \$710,000 to \$1,400,000 through December 1, 2028, interest at various rates from 1.50% to 4.00%	11,600,000	
\$2,000,000, 2015 County Vocational School Bonds, due in annual installments of \$100,000 to \$200,000 through December 1, 2027, interest at various rates from 1.50% to 4.00%	<u>2,000,000</u>	<u>                    </u>
	<u>\$231,964,000</u>	<u>\$255,476,000</u>

**Intergovernmental Loans Payable**

The County has entered into a loan agreement with New Jersey Department of Environmental Protection for the financing relating to the Acquisition of Sterling Forest.

2015

2014

\$564,657 Loan, due in semi-annual installments of \$19,124 to \$24,526 through August 28, 2021, interest at 2.0%	<u>\$278,798</u>	<u>\$322,113</u>
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**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

The County's principal and interest for long-term debt issued and outstanding at December 31, 2015 is as follows:

Calendar Year	Bonds		Loans		Total
	Principal	Interest	Principal	Interest	
2016	\$34,814,000	\$8,338,496	\$44,186	\$5,356	\$43,202,038
2017	23,356,000	7,172,838	45,074	4,468	30,578,380
2018	26,348,000	5,242,842	45,980	3,562	31,640,384
2019	23,104,000	3,369,904	46,904	2,638	26,523,446
2020	20,197,000	2,687,218			22,884,218
2021-2025	73,812,000	6,352,218			80,164,218
2026-2030	30,333,000	790,796			31,123,796
	<u>\$231,964,000</u>	<u>\$33,954,312</u>	<u>\$182,144</u>	<u>\$16,024</u>	<u>\$266,116,480</u>

**NOTE 4. BOND ANTICIPATION NOTES**

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

On December 31, 2015 and 2014, the County had \$80,930,000 and \$64,488,000, respectively, in outstanding General Capital bond anticipation notes.

The following activity related to bond anticipation notes occurred during the calendar years ended December 31, 2015 and 2014:

2015	Beginning Balance	Additions	Reductions	Ending Balance
TD Securities LLC	\$57,980,000	\$66,430,000	\$57,980,000	\$66,430,000
Jefferies & Co., Inc.	6,500,000		6,500,000	
Cede & Co.		14,500,000		14,500,000
	<u>\$64,480,000</u>	<u>\$80,930,000</u>	<u>\$64,480,000</u>	<u>\$80,930,000</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

**NOTE 5. SPECIAL EMERGENCY NOTE**

On December 31, 2015 and 2014, the County had \$-0- and \$4,000,000, respectively, in outstanding Current Fund special emergency notes payable.

The following activity related to special emergency notes occurred during the calendar years ended December 31, 2015 and 2014:

<u>2015</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Passaic Valley Water Commission	<u>\$4,000,000</u>	<u>\$ -0-</u>	<u>\$4,000,000</u>	<u>\$ -0-</u>
<u>2014</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Cede & Co.	\$7,500,000	\$	\$7,500,000	\$
Passaic Valley Water Commission		<u>4,000,000</u>		<u>4,000,000</u>
	<u>\$7,500,000</u>	<u>\$4,000,000</u>	<u>\$7,500,000</u>	<u>\$4,000,000</u>

**NOTE 6. CAPITAL LEASES PAYABLE**

In 2005 and 2006, the County entered into two lease agreements with the Passaic County Improvement Authority to fund improvement projects at the Prosecutor's office and Preakness Healthcare Center in the amounts of \$6,000,000 and \$87,960,000, respectively. In 2012, the County entered into a \$57,425,000 refunding capital lease agreement for the Preakness Healthcare Center capital lease to take advantage of debt savings. In 2015, the County entered into a \$19,550,000 refunding capital lease agreement for the Preakness Healthcare Center capital lease and a \$3,510,000 refunding capital lease agreement for the Prosecutor's Office to take advantage of debt savings. Annual debt service requirements for these capital leases are as follows:

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

**NOTE 6. CAPITAL LEASES PAYABLE, (continued)**

The County's principal and interest for long-term debt issued and outstanding at December 31, 2015 is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$2,775,000	\$3,798,594	\$6,573,594
2017	2,930,000	3,279,425	6,209,425
2018	3,070,000	2,751,844	5,821,844
2019	3,195,000	2,626,344	5,821,344
2020	3,310,000	2,516,838	5,826,838
2021-2025	18,770,000	10,338,502	29,108,502
2029-2030	20,580,000	6,305,773	26,885,773
2031-2035	24,410,000	2,494,539	26,904,539
2036	<u>1,375,000</u>	<u>25,781</u>	<u>1,400,781</u>
	<u>\$80,415,000</u>	<u>\$34,137,640</u>	<u>\$114,552,640</u>

**NOTE 7. FIXED ASSETS**

The following is a summary of the General Fixed Assets Account Group as of December 31, 2015 and 2014.

<u>2015</u>	<u>Balance Dec. 31, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance Dec. 31, 2015</u>
Land	\$327,505,114	\$	\$525,407	\$326,979,707
Buildings and Building Improvements	301,416,385	4,814,346	25,621,532	280,609,199
Machinery and Equipment	60,268,440	1,629,068	97,127	61,800,381
Construction in Progress	<u>8,121,582</u>			<u>8,121,582</u>
	<u>\$697,311,521</u>	<u>\$6,443,414</u>	<u>\$26,244,066</u>	<u>\$677,510,869</u>
	Restated Balance			Balance
<u>2014</u>	<u>Dec. 31, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Dec. 31, 2014</u>
Land	\$327,420,694	\$84,420	\$	\$327,505,114
Buildings and Building Improvements	301,033,200	383,185		301,416,385
Machinery and Equipment	59,260,481	1,668,846	660,887	60,268,440
Construction in Progress	<u>5,478,080</u>	<u>2,643,502</u>		<u>8,121,582</u>
	<u>\$693,192,455</u>	<u>\$4,779,953</u>	<u>\$660,887</u>	<u>\$697,311,521</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

**NOTE 8. INTERFUND BALANCES AND ACTIVITIES**

Balances due to/from other funds at December 31, 2015 consist of the following:

\$63,509	Due to the General Capital Fund from the Current Fund for reimbursement of budget expenditures.
250	Due to the Current Fund from the Payroll Agency Account for excess funds transferred.
2,403,818	Due to the Federal and State Grant Fund from the Current Fund for grants receivable.
1,019	Due to the Other Trust Fund from the Current Fund to cover fund transfers and overpayments.
<u>503</u>	Due to the Current Fund from the Community Development Grant Fund for reimbursement of expenses.
<u>\$2,469,099</u>	

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

**NOTE 9. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

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

	<u>Balance</u> Dec. 31, 2015	<u>Amount</u> Raised in 2016 Budget	<u>Balance</u> Succeeding Year budget
Current Fund:			
Special Emergency:			
Accrued Sick & Vacation	\$593,250	\$593,250	
Hurricane Irene	<u>536,361</u>	<u>536,361</u>	<u>          </u>
 Total Deferred Charges	 <u>\$1,129,611</u>	 <u>\$1,129,611</u>	 <u>\$          </u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

**NOTE 10. FUND BALANCES APPROPRIATED**

Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective funds for the succeeding years were as follows:

	<u>2016</u>	<u>2015</u>
Current Fund	<u>\$17,000,000</u>	<u>\$17,000,000</u>

**NOTE 11. ACCUMULATED VACATION AND SICK PAY (UNAUDITED)**

Under the existing policies of the county, certain employees are allowed to accumulate (with certain restrictions) unused vacation and sick pay over the life of their working careers and to redeem such unused leave time in cash upon retirement or by extended absence immediately preceding retirement.

The maximum sick leave benefits an employee is entitled to at retirement is \$15,000. Employees are entitled to carryover one year vacation time (with certain exceptions).

It is estimated that the current cost of such unpaid compensation, which was not audited by us would approximate \$38,008,125 and \$38,468,460 at December 31, 2015 and 2014, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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**NOTE 12. EMPLOYEE RETIREMENT SYSTEM**

Description of Systems:

Substantially all of the County's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemens' Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Public Employees' Retirement System and the Police and Firemens' Retirement System (PFRS) are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate.

*Public Employees' Retirement System (PERS)*

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to certain qualified members. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system. Vesting occurs after 8-10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 60 with 25 or more years of credited service. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

Description of Systems:

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

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

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

Chapter 78, P.L. 2011, provides that new members of PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65. Tier 5 members will be eligible for a service retirement benefit at age 65.

*Police and Firemens' Retirement System (PFRS)*

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

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

Description of Systems:

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

Benefits fully vest on reaching 10 years of service. Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions.

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for PERS and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Divisions of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waiver participation in the DCRP for that office or position. The waiver is irrevocable.

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

Defined Contribution Retirement Program, (continued)

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

All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may retain in the PERS.

A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

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

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

Contributions made by employees for DCRP are currently at 5.5% of the base wages. Member contributions are matched by a 3.0% employer contribution.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

Contribution Requirements, (continued)

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

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>	<u>DCRP</u>
2015	\$14,236,974	\$18,653,632	\$53,946
2014	12,922,168	13,125,066	55,161
2013	13,134,935	12,783,858	49,465

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements. The following pension information is as of June 30, 2014 which is the latest information available. This information is eighteen months prior to December 31, 2015. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees Retirement System (PERS)**

At December 31, 2015, the County had a liability of \$200,412,716 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2014, the County's proportion was 1.0704243556 percent, which was an increase/(decrease) of (0.00528364) percent from its proportion measured as of June 30, 2013.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

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

For the year ended December 31, 2015, the County recognized pension expense of \$14,236,974. At December 31, 2015, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$6,302,052	\$
Net difference between projected and actual earnings on pension plan investments		11,943,549
Changes in proportion and differences between County contributions and proportionate share of contributions		853,005
County contributions subsequent to the measurement date	<u>8,838,475</u>	<u>                    </u>
Total	<u>\$15,140,527</u>	<u>\$12,796,554</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2014) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$(1,827,412)
2017	(1,827,412)
2018	(1,827,412)
2019	1,158,465
Thereafter	509,725

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

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

**Additional Information**

Local Group Collective balances at June 30, 2014 and June 30, 2013 are as follows:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Collective deferred outflows of resources	\$952,194,675	Not Available
Collective deferred inflows of resources	1,479,224,662	Not Available
Collective net pension liability	18,722,735,003	\$19,111,986,111
County s Proportion	1.07042436%	1.075707991%

**Actuarial Assumptions**

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which rolled forward to June 30, 2014. The total pension liability for the July 1, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	3.01 Percent
Salary Increases:	
2012-2021	2.15-4.40 Percent (based on age)
Thereafter	3.15-5.40 Percent (based on age)
Investment Rate of Return	7.90 Percent

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

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

**Mortality Rates**

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback one year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bond	1.00%	2.49%
Intermediate Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation Indexed Bonds	2.50%	3.51%
Broad U.S. Equities	25.90%	8.22%
Developed Foreign Markets	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Returns	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%
	<u>100.00%</u>	

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

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

**Discount Rate**

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2014 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2014		
	1% Decrease <u>4.39%</u>	At Current Discount Rate <u>5.39%</u>	1% Increase <u>6.39%</u>
County's proportionate share of the pension liability	\$252,126,020	\$200,412,716	\$156,986,700

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

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

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Police and Firemen's Retirement System (PFRS)**

At December 31, 2015, the County had a liability of \$206,428,039 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2014, the County's proportion was 0.132272301 percent, which was an increase/(decrease) of (0.31561068) percent from its proportion measured as of June 30, 2013.

For the year ended December 31, 2015, the County recognized pension expense of \$18,653,632. At December 31, 2015, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$7,749,269	\$
Net difference between projected and actual earnings on pension plan investments		21,063,725
Changes in proportion and differences between County contributions and proportionate share of contributions	587,199	302,824
County contributions subsequent to the measurement date	<u>13,360,668</u>	<u>                    </u>
Total	<u>\$21,697,136</u>	<u>\$21,366,549</u>

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

**Police and Firemen's Retirement System (PFRS), (continued)**

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2014) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	(\$3,036,530)
2017	(3,036,530)
2018	(3,036,530)
2019	1,208,260
Thereafter	205,404

**Additional Information**

Local Group Collective balances at June 30, 2014 and June 30, 2013 are as follows:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Collective deferred outflows of resources	\$750,532,959	Not Available
Collective deferred inflows of resources	1,561,923,934	Not Available
Collective net pension liability	13,933,627,178	\$14,533,269,004
County's Proportion	1.32272301%	1.6383369%

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

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

**Police and Firemen's Retirement System (PFRS), (continued)**

**Actuarial Assumptions**

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which rolled forward to June 30, 2014. The total pension liability for the July 1, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	3.01 Percent
Salary Increases:	
2012-2021	3.95-8.62 Percent (based on age)
Thereafter	4.95-9.62 Percent (based on age)
Investment Rate of Return	7.90 Percent

**Mortality Rates**

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback one year for females) with adjustments for mortality improvements from the base year of 2011 based on Projection Scale AA.

**COUNTY OF PASSAIC, N.J.**  
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**NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

**Police and Firemen's Retirement System (PFRS), (continued)**

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bond	1.00%	2.49%
Intermediate Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation Indexed Bonds	2.50%	3.51%
Broad U.S. Equities	25.90%	8.22%
Developed Foreign Markets	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Returns	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%
	<u>100.00%</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 6.32% and 6.45% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2015 and 2014, respectively, based on the

**COUNTY OF PASSAIC, N.J.**  
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**NOTE 12. EMPLOYEE RETIREMENT SYSTEM, (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)**

**Police and Firemen's Retirement System (PFRS), (continued)**

Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2014 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2014		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>5.32%</u>	<u>6.32%</u>	<u>7.32%</u>
County's proportionate share of the pension liability	\$285,888,378	\$206,428,309	\$140,719,984

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

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

**County Retirement System**

The System's designated purpose is to provide retirement allowances and other benefits to its members. The County of Passaic Employees' Retirement System was established on January 1, 1949 under Chapter 310, P.L. 1948 until 1966 when it became subject to Chapter 210, P.L. 1966. The Plan is a defined benefit plan covering employees of the County employed by the County prior to July 1, 1967. The System's Board of Commissioners is responsible for its organization and administration.

**Vesting and Benefit Provisions** - Participants are eligible to receive normal retirement benefits upon completion of 20 years of service and attainment of age 55, or upon completion of 35 years of service regardless of age. Benefits under the plan are calculated on the basis of 50% of salary. In addition, a member who has completed 25 years of service and attained age 55 is entitled to an additional 1% salary for each year of service over 25 years up to age 70.

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

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

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

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

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

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

A surviving spouse will qualify for a death benefit if he/she married the employee before the member's retirement. Also, he/she must have married the employee before the member attained age 50 unless the employee continues in the employment of the County for at least five years after such marriage.

If an active member becomes permanently and totally disabled he/she is entitled to retire and receive a pension equal to 2 ½% of salary multiplied by the number of years of service up to a maximum of 20 years. However, if the disability is the result of injury, accident or sickness arising out of and in the course of employment, the pension will be equal to 50% of salary regardless of the amount of service. For members who were transferred from certain prior retirement systems, the pension is equal to 50% of salary regardless of the reason for the disability.

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

**Pension Benefit Obligations**

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

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

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

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

**Actuarial Assumptions**

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

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

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

The valuation results are summarized below:

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

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

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

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

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

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

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

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

**NOTE 13. SELF-INSURANCE WORKMEN'S COMPENSATION PLAN**

The County has established a workmens compensation plan for its employees. The County funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$300,000 for any one accident or occurrence, with any excess benefit being reimbursed through a Re-Insurance Agreement with Continental Casualty Corporation up to \$1,000,000 for any one accident or occurrence. The County has not created a loss reserve for claims incurred which were unpaid at December 31, 2015 and 2014. In addition, the County has not created a reserve for any potential unreported losses which have taken place but in which the County has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the County under existing reinsurance agreements. Exhibit B-9 summarizes the 2015 transactions of the plan.

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

**NOTE 14. SELF-INSURANCE LIABILITY PLAN**

The County has established a liability trust reserve for the purpose of funding payments that may arise from any general, auto or other liability claims against the County on a self-insured basis. The County funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$1,000,000 for any one accident or occurrence, with any excess benefit being reimbursed through a Re-Insurance Agreement with Coregis Insurance Company up to \$5,000,000 for any one accident or occurrence. The County has not created a loss reserve for claims incurred which were unpaid at December 31, 2015 and 2014. In addition, the County has not created a reserve for any potential unreported losses which have taken place but in which the county has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. Exhibit B-11 summarizes the 2015 transactions of the plan.

**NOTE 15. SELF-INSURANCE HEALTH BENEFITS PLAN**

The County has established a Health Benefits plan for its employees. The County funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$150,000 per employee per year, with any excess benefit being reimbursed through a Re-Insurance Agreement with Pacific Mutual Insurance Company up to \$1,000,000 per employee per year. The County has not created a loss reserve for claims incurred which were unpaid at December 31, 2015 and 2014. In addition, the County has not created a reserve for any potential unreported losses which have taken place but in which the County has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the County under existing reinsurance agreements. Benefits are paid directly from current fund budget appropriations.

**NOTE 16. CLAIMS AND JUDGEMENTS**

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2015 and 2014, significant amounts of grant expenditure have not been audited by the various grantor agencies but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

**COUNTY OF PASSAIC, N.J.**  
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**NOTE 17. RELATED PARTY TRANSACTIONS**

In March 1987, the County of Passaic organized the Passaic County Utilities Authority (the "Authority"). The purpose of the Authority is to implement the County's Solid Waste Management Plan. The following is a synopsis of the County's related party transactions with the Authority.

a. Overlapping Debt/Contingent Liability

The Authority has issued several series of bonds over the years since 1987 pursuant to a resolution of the authority adopted on August 12, 1987 and entitled, "*The Passaic County Utilities Authority General Bond Resolution Authorizing the Issuance of Solid Waste Disposal Revenue Bonds*", as amended and supplemented as necessary in connection with each bond issuance (collectively, the "Landfill Resolution").

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

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

- \$9,145,000 Solid Waste Disposal Revenue Bonds (Taxable Series 2004B) (the "Taxable Series 2004B Bonds") outstanding in the amount \$8,060,000.

- \$19,270,000 in aggregate principal amount of its Solid Waste Disposal Revenue Bonds, Refunding Series 2008 outstanding in the amount of \$17,215,000.

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**NOTE 18. PRIOR YEAR DEFEASANCE DEBT**

In prior years, the County defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the County's financial statements. On May 15, 2013, August 15, 2012, February 1, 2012, May 1, 2011, June 17, 2010, September 15, 2009, September 1, 2001, May 1, 2004, September 1, 2003, March 1, 2001, September 1, 1998, September 1, 1995, February 1, 1994, September 1, 1993 and December 1, 1992, \$17,075,000, \$10,647,000, \$11,950,000, \$26,540,000, \$10,045,000, \$13,029,000, \$12,220,000, \$48,513,000, \$15,890,000, \$31,145,000, \$30,100,000, \$4,875,000, \$18,981,000, \$36,879,000 and \$17,134,000 of bonds outstanding were defeased, respectively.

**NOTE 19. LITIGATION**

**General Litigation**

In the opinion of William J. Pascrell, III, Esq., County Counsel, there is no litigation of any nature now pending or threatened restraining or enjoining the issuance or the delivery of the Obligations or the levy or the collection of any taxes to pay the interest on or the principal of the Obligations, or in any manner questioning the levy or the collection of taxes, or affecting the validity of the Obligations or the levy or the collection of taxes. Neither the authority or the proceedings for the issuance of the Obligations nor the title of any of the present officers of the County to their respective offices is being contested. Neither the corporate existence or boundaries of the County is being contested; no authority or proceedings for the issuance of the Obligations has or have been repealed, revoked or rescinded; and all actions or proceedings in regard to the issuance of the Obligations taken by governing body subsequent to the adoption of the Open Public Meetings Act of New Jersey have been in compliance with said Act.

**LITIGATION AFFECTING THE PASSAIC COUNTY UTILITIES AUTHORITY**

A discussion of certain pending litigation that could have an adverse impact on the financial condition of the Authority is set forth below and has been provided by McManimon, Scotland & Baumann, LLC, General Counsel to the Authority.

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

- 1. In the Matter of the Petition of the Passaic County Utilities Authority for a Ruling Regarding the Continuing Obligation of Pen Pac, Inc. to Provide Transfer Station Services and for the Establishment of Rates for Such Transfer Station Services, DEP Docket No. SR92101003J and OAL Docket No. 00788-93N**

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

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

**Determination of Underrecovery**

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

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

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

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

The Appellate Division entered a decision affirming the DEP Commissioner's Summary Order awarding PenPac \$3,238,792, plus interest in the amount of \$256,313.00. The Appellate Division also remanded the matter to the DEP for a determination of rate underrecovery for that portion of calendar year 1997 during which PenPac provided transfer station services, and for a determination of the overall rate of interest on the entire award<sup>1</sup>. Certification of that decision was sought to the New Jersey Supreme Court, and ultimately denied.

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

PenPac thereafter filed a Complaint in Superior Court, captioned PenPac, Inc. v. Passaic County Utilities Authority, Docket No. PAS-1-2040-05 (Superior Court of New Jersey, Law Division - Passaic County, the second case listed above), seeking to have the administrative underrecovery decision, as affirmed by the Appellate Division, reduced to a judgment in the Superior Court. On August 15, 2005, the Passaic County Superior Court entered a judgment against the Authority in the amount of the Commissioner's Decision, as affirmed, plus interest (total judgment amount of \$3,495,105).

Since the entry of the August 15, 2005 judgment in PenPac's favor<sup>2</sup>, PenPac has engaged in various efforts to enforce the judgment and collect upon it from the Authority (and, as of 2012, against the County of Passaic as well - see *infra*). As a result of the Authority's financial condition, including the amount of outstanding debt, its inability to generate operating revenues in the wake of the judicial rulings in Atlantic Coast Demolition & Recycling, Inc. v. Atlantic County Bd. Of Chosen Freeholders, 112 F.3d 652 (3d Cir. 1997), amended, 135 F.3d 891 (3d Cir. 1998) (the "Atlantic Coast" decisions) and its obligations to the Authority's bondholders, the Authority has consistently taken the position that its limited

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<sup>1</sup> On remand, the NJDEP determined that PenPac was entitled to an additional \$1.3 million of underrecovery for services rendered for portions of calendar year 1997, as well as for interest on the overall award (the "Remand Award"). The Remand Award was reduced to judgment on March 5, 2009 in the third matter listed above, PenPac, Inc. v. Passaic County Utilities Authority, Docket No. PAS-L-2615-08 (Superior Court of New Jersey, Law Division - Passaic County). Post-judgment efforts are ongoing, primarily and directly, against the County of Passaic at this time, discussed *infra*. Nonetheless, the unsatisfied portion of both judgments remain obligations of the Authority, despite its financial condition and regardless of collection efforts against the County.

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

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

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

monetary assets are pledged to the bondholders and should be applied to reduce debt service. Therefore, the Authority has maintained that PenPac's judgment for underrecovery may not be satisfied out of the Authority's monetary assets. The Authority has argued consistently in State court that State law clearly provides that the assets of a county or municipal utilities authority are exempt from levy and execution, and are otherwise pledged to its bondholders in either event. They are not available to satisfy unsecured judgment creditors. Stated simply, the Authority has argued that its assets are pledged to the superior priority of the bondholders, and are not subject to seizure by an unsecured judgment creditor such as PenPac.

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

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

On March 2, 2007, the Court issued a written opinion, which ordered the implementation of mandamus relief by way of ordering the Authority to 1) turnover \$701,230.41 in Bank of New York accounts to PenPac; 2) to turnover \$1,702,220.84 in Bank of America accounts to PenPac; and 3) to assign all future income derived from the Passaic Investors mortgage receivable, held by the Authority, to PenPac. That decision was memorialized by Order entered on March 12, 2007. The March 12, 2007 Order effectively transferred all of the Authority's known monetary assets to PenPac, excepting only certain Bank of New York accounts associated with the Authority's active and outstanding 1999 and 2004 Series Bonds (as well as any account associated with an active bond issue, such as the 2008 Bonds), which the trial court found were validly pledged to the bondholders and thus not subject to turnover. The rest of the assets were found to be free and available to satisfy PenPac's Judgment.

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

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

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

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

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

As noted above, the Remand Award was also reduced to judgment in the amount of approximately \$1.3 million on March 5, 2009 in the third matter listed above, **PenPac, Inc. v. Passaic County Utilities Authority**, Docket No. PAS-L-2615-08 (Superior Court of New Jersey, Law Division — Passaic County). PenPac, is still owed payment by the Authority with respect to the balance due on the 2005 judgment, and the entire 2009 Remand Award judgment. What is outstanding does not include post-judgment interest, which accrues pursuant to the New Jersey Rules of Court.

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

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

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

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

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

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

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

**2. Brown et. al. v. County of Passaic**

On February 25, 2010, Plaintiffs (seven former investigators employed by the Passaic County Prosecutors Office) filed a Two Count Complaint against the County of Passaic and James F. Avigliano, as Passaic County Prosecutor in the Superior Court of New Jersey, Passaic Count. Plaintiffs alleged they were forced to retire or terminated because of their age in violation of the New Jersey Law Against Discrimination (LAD). The Second Count

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

of Plaintiffs' Complaint was dismissed by the Court on Defendants' Motion to Dismiss and one Plaintiff voluntarily withdrew his claims. With respect to the remaining six Plaintiffs, the matter proceeded through discovery to trial. On July 12, 2012, the jury returned a verdict in favor of the Plaintiffs in the total amount of \$3,812,600 (including punitive damages). Defendants appealed, and on June 6, 2014, the Appellate Division affirmed the jury's verdict, but reduced slightly the award of attorneys' fees, rendering Defendants liable for \$3,724,043.50. As a prevailing party, Plaintiffs are also entitled to their attorneys' fees incurred on appeal, however, Plaintiffs' counsel has not yet made that application. Defendants are evaluating whether to appeal to the New Jersey Supreme Court.

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

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

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

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

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

Mr. Rivera was a Housing Assistant Technician who was terminated on December 29, 2010. He was terminated for incompetency; inability and failure to perform duties; conduct unbecoming a public employee and neglect of duties. Mr. Rivera failed to show for various inspections, submitted incorrect information on forms and inadequately performed inspections over a period of time. He appealed his termination through the Civil Service

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

Commission. The matter proceeded through several days of hearing before an Administrative Law Judge. The Administrative Law Judge overturned the termination and issued a 90 day suspension, which included back pay. Exceptions were filed to the Civil Service Commission and the Commission increased the suspension to 120 days. The parties are negotiating the back pay component of the decision.

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

1. The nature of the litigation:

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

a. The Proceedings: Amos Saunders and Janet Saunders v. A.H. Environment, et al., Docket No. MID-L-3368 13AS, Superior Court, Law Division.

b. The Claims Asserted – Plaintiff, Amos Saunders, is a retired Superior Court Judge who sat in the main Passaic County Courthouse from 1981-2000. This courthouse underwent asbestos remediation in 1983. The plaintiff also testified that prior to becoming a judge, he would be in the main courthouse several times a week since 1959 as an attorney. He was diagnosed with lung cancer, or possibly mesothelioma. Passaic County is charged with negligence for allegedly waiting for an unreasonably long period, after acquiring knowledge of the danger of asbestos to evacuate the building and to hire a contractor (A.H. Environment Inc., now bankrupt) to remediate the asbestos in the courthouse. Saunders also alleges that the contractor negligently performed remediation work causing further asbestos exposure. A co-defendant of the County, Alaimo Group, an engineering firm, is alleged to have been negligent in drawing up the specifications for asbestos abatement project, and in overseeing the remediation work.

2. The progress of the case to date:

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

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

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

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

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

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

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

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

**6. Tundo, Racanelli, Gilgorri v. the County of Passaic**

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

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

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

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

This is a very dangerous situation, because it is a winner-take-all scenario. If the jury or a Court determines that these three individuals were not properly re-hired, they will be entitled to back wages for calendar years 2009, 2010, 2011 and 2012, which would include health benefits and pension contributions. In addition, they could possibly be entitled to additional compensatory damages as well as possibly punitive damages. This matter is currently listed for arbitration. This matter is currently listed for arbitration in the latter part of August 2014.

In light of the substantial back wage component to this case (for each of the plaintiffs), it is respectfully requested that a reserve for Three Million Dollars (\$3,000,000.00) be placed on this matter.

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

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

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

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

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

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

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

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

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

By way of brief background, this matter, which involved an allegation of employment discrimination under the New Jersey Law Against Discrimination ("LAD") was initiated in by Complaint in April 2010. On May 23, 2012, after approximately four (4) weeks of trial, the Jury in this matter returned a verdict of No Cause with regard to Plaintiff Garnes. However, the Jury found in favor of Plaintiff Klein that he was improperly laid off from his

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

position with the Sheriff's Department on January 1, 2008, and awarded him \$159,400.00 in back pay and \$18,300.00 in pension losses. All other claims of damages were rejected by the Jury.

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

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

**9. Woolridge v. The County of Passaic, et al**

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

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

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

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

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

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

**10. Garcia v. Speziale, et al**

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

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

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

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

**11. Darrell Walton v. Charles Meyers and P.C.S.D.**

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

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

**12. Basilis Stephanatos v. Wayne Township and the County of Passaic**

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

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

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

**13. Guisseppi Iudici v. Passaic County Sheriff's Department**

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

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

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

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

**14. Richard Vieira v. County of Passaic**

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

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

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

**15. Terrance Robinson v. Oscar Ivles**

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

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

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

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

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

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

This case is currently stayed.

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

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

**18. McDuffie v. County of Passaic**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**NOTE 20. ARBITRAGE REBATE**

The County sometimes temporarily reinvests the proceeds of its tax-exempt debt in higher yielding taxable investments which is referred to as arbitrage by the federal tax code. In certain situations, the County is permitted to keep the extra earnings that result from arbitrage. Otherwise, any excess earnings resulting from arbitrage must be rebated to the federal government. Federal law requires that arbitrage be calculated and rebated at the end of each five-year period that tax-exempt debt is outstanding.

The County engaged Public Financial Management (PFM) to perform an arbitrage rebate calculation for the period July 1, 1999 to December 31, 2003. Their report date, March 24, 2005, shows that the County owed a rebate of \$491,545 to the Federal Government.

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

**NOTE 21. RISK MANAGEMENT**

The County is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has obtained insurance coverage to guard against these events which will provide minimum exposure to the County should they occur. During the 2015 calendar year, the County did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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**NOTE 22. POST RETIREMENT BENEFITS**

**Plan Description**

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

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

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

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

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

The number of retirees receiving premium-free benefits as of December 31, 2015, the effective date of the biannual Other Post-Employment Benefit, herein referred to as "OPEB", valuation is 1,033. Of these, 557 retirees retain dependent or spousal coverage. There have been no significant changes in the number of covered retirees or type of coverage since the valuation date.

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

**Actuarial Valuation Results**

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

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

**Funding Policy**

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

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

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

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

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

**Method and Assumptions**

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

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

<b>Valuation of Assets:</b>	Assets are valued at market value (Plan currently not funded)
<b>Premium Equivalence:</b>	Current pre-social security cost equivalent rates are adjusted by 35% (age banding) to retirement age. Medicare supplement rates are assumed to be age adjusted.
<b>Trend Rates:</b>	Premiums are assumed to increase annually at a rate starting at 8% and decreasing linearly each year to an ultimate annual increase of 5%.

**COUNTY OF PASSAIC, N.J.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**  
**(continued)**

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

**Summary of Plan Provisions**

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

**Health Benefits:**

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

**NOTE 23. SUBSEQUENT EVENTS**

The County has evaluated subsequent events through May 4, 2016, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**SUPPLEMENTARY DATA**

COUNTY OF PASSAIC

Supplementary Data

Officials in Office and Surety Bonds

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

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

(A) Passaic County Self-Insurance Fund.

(B) All County employees were covered under a Public Employees Dishonesty Blanket Bond.

**COUNTY OF PASSAIC**

**Supplementary data**

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

	<u>Year 2015</u>		<u>Year 2014</u>	
<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Fund Balance Utilized	\$ 17,000,000	3.36 %	\$ 17,000,000	3.52 %
Miscellaneous - From Other Than				
Tax Levies	152,951,590	30.25	146,643,600	30.33
Collection of Current Tax Levy	<u>335,617,867</u>	<u>66.38</u>	<u>319,796,781</u>	<u>66.15</u>
Total Income	<u>505,569,457</u>	<u>100.00 %</u>	<u>483,440,381</u>	<u>100.00 %</u>
 <u>EXPENDITURES</u>				
Budget	474,593,378	98.82	464,826,464	98.74
Other	<u>5,664,038</u>	<u>1.18</u>	<u>5,913,077</u>	<u>1.26</u>
Total Expenditures	<u>480,257,416</u>	<u>100.00 %</u>	<u>470,739,541</u>	<u>100.00 %</u>
Excess in Revenue	25,312,041		12,700,840	
Adjustments to Income Before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year			<u>4,000,000</u>	
Statutory Excess to Surplus	25,312,041		16,700,840	
Fund Balance, January 1	<u>26,052,147</u>		<u>26,351,307</u>	
	51,364,188		43,052,147	
Utilized as Budget Revenue	<u>17,000,000</u>		<u>17,000,000</u>	
Fund Balance, December 31	<u>\$ 34,364,188</u>		<u>\$ 26,052,147</u>	

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

		<u>County Tax Base</u>				
		<u>Assessed Valuation of Real Property</u>	<u>Assessed Valuation of Personal Property</u>	<u>Net Valuation Taxable</u>	<u>Equalized Valuation of Real and Personal Property</u>	<u>Tax Rate Per \$100.00</u>
2015	\$	32,786,310,200	34,040,195	32,820,350,395	46,248,587,253	0.7097
2014		35,280,703,902	33,890,547	35,314,594,449	45,880,150,930	0.7697
2013		35,477,614,974	38,786,512	35,516,401,486	46,688,025,747	0.7607
2012		36,051,366,476	40,161,083	36,091,527,559	47,373,694,806	0.7618
2011		34,072,490,040	43,449,319	34,115,939,359	50,249,517,609	0.6789

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2015	\$ 335,617,867	335,617,867	100.00%
2014	319,796,781	319,796,781	100.00%
2013	310,795,236	310,795,236	100.00%
2012	304,999,886	304,999,886	100.00%
2011	298,661,500	298,661,500	100.00%

Comparative Schedule of Fund Balance

	<u>Year</u>	<u>Dec. 31</u>	<u>Utilized in budget of succeeding year</u>
Current Fund	2015	\$ 34,364,188	17,000,000
	2014	26,052,147	17,000,000
	2013	26,351,307	17,000,000
	2012	27,412,049	18,000,000
	2011	27,612,716	20,000,000

## COUNTY OF PASSAIC

## Schedule of Cash and Investments

## Current Fund

Year Ended December 31, 2015

	<u>Checking</u>	<u>Investments</u>
Balance, December 31, 2014	\$ 44,224,298	500,921
Increased by Receipts:		
2015 Tax Levy	335,617,867	
Federal and State Grants Receivable	37,879,817	
Revenue Accounts Receivable	104,376,332	
Non-Budget Revenues	4,626,966	
Petty Cash	15,650	
Schedule of Interfunds	81,374,467	
Prepaid Revenues	19,825	
Miscellaneous Reserves	3,823,071	
Unappropriated Reserves for Grants	381,900	
Transfer Investments		1,500,000
Interest		3,361
	<u>568,115,895</u>	<u>1,503,361</u>
	612,340,193	2,004,282
Decreased by Disbursements:		
2015 Budget Appropriation	411,986,740	85
2014 Appropriation Reserves	10,559,028	
Schedule of Interfunds	86,611,657	
Accounts Payable	2,149	
Emergency Note	4,000,000	
Federal & State Grant Commitments Payable	15,775,125	
Reserve for Federal & State Grants Appropriated	16,441,339	
Petty Cash	15,650	
Miscellaneous Reserves	3,876,149	
Refunds	111,410	
Transfer Investments	1,500,000	
	<u>550,879,247</u>	<u>85</u>
Balance, December 31, 2015	<u>\$ 61,460,946</u>	<u>2,004,197</u>

Exhibit A-5

COUNTY OF PASSAIC  
 Schedule of Cash - Change Fund  
 Current Fund  
 Year Ended December 31, 2015

<u>Office</u>	Balance December 31, <u>2014</u>	Balance December 31, <u>2015</u>
County Courts	\$ <u>675</u>	<u>675</u>

Exhibit A-6

Schedule of Cash - Petty Cash  
 Current Fund  
 Year Ended December 31, 2015

<u>Office</u>	Received From <u>Treasurer</u>	Returned To <u>Treasurer</u>
Finance	200	200
Road	200	200
Preakness Hospital	250	250
Prosecutor	<u>15,000</u>	<u>15,000</u>
	<u>15,650</u>	<u>15,650</u>

## COUNTY OF PASSAIC

## Schedule of Federal and State Grants Receivable

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, December 31, 2014	2015 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2015
Special General Election	\$ 357,480				357,480	
USF 2015	308,864			308,864		
USF 2016			409,863			409,863
Weatherization LIHEAP 2015		635,191				635,191
LIHEAP Assistance 2015		503,936		503,936		
LIHEAP Assistance 2016			566,001			566,001
Heating Improvement (HIP) 2013	726,004			726,004		
Heating Improvement (HIP) 2015		342,488		77,955		264,533
Weatherization DOE 2013	286,379		318,405	289,349		315,435
Preakness Gero-Psych Program	169,105			169,103		2
Preakness Gero-Psych Program			338,210	253,657		84,553
WIOA Adult 15/16			1,611,233	266		1,610,967
WIOA Youth 15/16			1,758,920	39,511		1,719,409
WIOA Dislocated Worker 15/16			1,576,896	310		1,576,586
Workforce Learning Link Program 15/16			145,000	24,942		120,058
WFNJ TANF 15/16			3,626,054	1,052,752		2,573,302
WFNJ GA/SNAP 15/16			1,783,210	321,633		1,461,577
Dislocated Worker Employer Focus			287,359			287,359
Workfirst-ABAED 1997	89,402					89,402
Smart Steps			16,050			16,050
Parolee Job Placement Initiative Program			245,000	12,498		232,502
Alcohol/Drug Abuse Grant FY14	519,182			391,753		127,429
Alcohol/Drug Abuse Grant FY15		726,452		167,159		559,293
Municipal Alliance 2013	506,019			429,238		76,781
Municipal Alliance 2014	512,024			110,710		401,314
Municipal Alliance 2015			512,024			512,024
Workforce Learning Link Program	9,624			3,615		6,009
Workforce Learning Link Program	164,673	115,000		279,673		
Workforce Investment (PIC) 2012/2013	191,665					191,665
Workforce Investment (PIC) 2013/2014	106,741			106,741		
Workforce Investment (PIC) 2014/2015	1,877,262			1,748,986		128,276
Workfirst NJ 2012/2013	861,068					861,068
Workfirst NJ 2013/2014	528,418			255,605		272,813
Workfirst NJ - TANF	3,192,188			2,869,238	102,515	220,435
Workfirst NJ - GA/SNAP	1,619,577			1,318,539		301,038
Department of Labor - WIA Adult	104,685					104,685
Department of Labor - WIA Adult	579,256			579,256		
Department of Labor - WIA Adult	1,831,954			840,338		991,616
Department of Labor - WIA Dislocated Worker	39,941					39,941
Department of Labor - WIA Dislocated Worker	447,813			447,812		1
Department of Labor - WIA Dislocated Worker	1,816,570			983,749		832,821
Workforce Invest (Pic) 2010/11	140,781					140,781
Workforce Invest (Pic) 2011/12	2,859,022					2,859,022
Smart Steps	2,407			2,407		
L.E.O.T.E.F. 2015		8,073	16,313	24,386		
Community Svc. Block Grant PHLP LINC'S 2013						
Community Svc. Block Grant PHLP LINC'S 2014	32,425				32,425	
Community Svc. Block Grant PHLP LINC'S 2015	417,148			388,151		28,997
Community Svc. Block Grant PHLP LINC'S 2016			516,567	101,191		415,376
CEHA 2014	10,000				10,000	
CEHA 2015		152,000		152,000		
MRC Cap Bldg Non-Competitive		3,500		3,500		
Right to Know Program 2014	11,410			11,410		
Right to Know Program 2015			15,213	3,803		11,410
Sandy Grant (L.I.N.C.S. Agencies) 2015	25,000	10,000		33,866		1,134

## COUNTY OF PASSAIC

## Schedule of Federal and State Grants Receivable

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, December 31, 2014	2015 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2015
CEHA Calendar	74,630			74,630		
CEHA Calendar			39,444	25,804		13,640
Clean Communities Grant 2014		68,263		68,263		
Clean Communities Grant 2015			82,859	82,859		
Recycling Enhancement Act			385,000	385,000		
Recycling Enhancement Act			423,500	423,500		
Radon Awareness Program (RAP) 2014	1,000			999	1	
Radon Awareness Program (RAP) 2015	1,000			1,000		
Radon Awareness Program (RAP) 2016		1,000		996		4
Passaic County Film Festival 2015	2,000			2,000		
Passaic County Film Festival 2016			2,250			2,250
2012 Disaster Relief	280,000			209,906		70,094
CDBG - DR Program	10,583,611			2,923,280		7,660,331
Passaic County Youth Golf Program		50,000		50,000		
Aging Area Nutrition FY13	109,325				109,325	
Aging Area Nutrition FY14	2,012,859			2,012,859		
Aging Area Nutrition FY15		4,558,614	1,182,240	5,740,854		
Casino Revenue 2011	38,386				38,386	
Casino Revenue 2012	2,550				2,550	
Casino Revenue 2013	202					202
Casino Revenue 2014	367,961			367,961		
Casino Revenue 2015		1,860,851		1,406,193		454,658
Farmers Market Nutrition Program			1,000	1,000		
Meals on Wheels Pet Food		1,600		1,600		
State Health Insurance Program 2012	3,619				3,619	
State Health Insurance Program 2014	4,000	3,000		7,000		
State Health Insurance Program 2015			28,000	13,999		14,001
Access and Functional Needs Program Assistance			11,565	11,565		
JJC Partnership 2014	427,070			358,278	(18,144)	86,936
JJC Partnership 2015		500,656				500,656
Homeless HIRZ8N 2013	1,000	100,000	60,000	161,000		
Social Services for the Homeless	4,599					4,599
Social Services for the Homeless	1,045,019			261,255		783,764
Social Services for the Homeless			1,045,019	261,255		783,764
Human Services 13BERN	2,949					2,949
Human Services 15BERN			350,746	206,319		144,427
Rapid Rehousing Clifton S-09	20,529				20,529	
Rapid Rehousing Paterson S-09	9				9	
Div of Child Behavioral Health Services		158,456		158,456		
Special Initiative and Transportation & TIP 2012	12,292				12,292	
Special Initiative and Transportation 2013	48,957				48,957	
Special Initiative and Transportation 2014	404,914			75,733	63,643	265,538
Special Initiative and Transportation 2015			404,914	101,229		303,685
HUD - St. Joseph NJ36310	5,892					5,892
Eva's Village Apartments	34,195					34,195
Passaic County Housing First Leasing	19,776					19,776
Passaic County Housing First	190,558			69,166		121,392
Passaic County Housing First NJ-513	900,086			83,417		816,669
Passaic County Housing First	731,784					731,784
HUD Eva's Projext NJ36308	308,345					308,345
Passaic County Housing First Collaborative II	893,064			408,664		484,400
Passaic County Housing First Collaborative III	337,939			69,712		268,227
New Passaic County Housing First	235,260			36,422		198,838
HUD St. Paul's	117,949					117,949
HUD	186,660					186,660
State Incentive Program 2010	240,126				240,126	
HUD Paterson Park Apartments	592,346			147,778		444,568

## COUNTY OF PASSAIC

## Schedule of Federal and State Grants Receivable

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, December 31, 2014	2015 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2015
C.S.B.G. 2014 Non-Discretionary	294,781			294,781		
C.S.B.G. 2015 Non-Discretionary			301,386	165,218		136,168
J.A.I.B.G. 2009	7,482				7,482	
J.A.I.B.G. 2012	14,930			14,930		
J.A.I.B.G. 2013	26,639			25,998		641
Inovations Funding	120,000			70,314	49,686	
Juvenile Detention Alternative Innovation		120,000				120,000
Birch Street Apartments	238,479					238,479
Human Services 14 BERN PASP	3,500		6,997	10,497		
Human Services 15 BERN PASP		48,997		32,665		16,332
Family Court Services 2013	13,907				13,907	
Family Court Services 2014	85,511			17,543	18,144	49,824
Family Court Services 2015		278,149				278,149
21st Century CLC Program	27,145				27,145	
JARC 2012	245,700			226,286		19,414
JARC 2014/15			210,000	88,420		121,580
Transportation Clean Air Measures	468,000				468,000	
Plan Conformance	70,000					70,000
Paterson Transit Facility Pedestrian Safety Project			250,000			250,000
Haledon Ave Green Streets	330,572				330,572	
Transfer of Development Rights TDR			50,000			50,000
Passaic County Morris Canal Greenway Project	532,566				532,566	
Weatherization LIHEAP 2010	72,220			72,220		
Weatherization LIHEAP 2011	267,025			267,025		
Weatherization LIHEAP 2013	503,066			197,067		305,999
Weatherization HIP 2011	624,805			624,805		
Great Falls Circulation Study	240,000			9,788		230,212
Subregional Transportation Planning	5,334				5,334	
Subregional Transportation Planning	98,415			97,958		457
Subregional Transportation Planning			165,060	33,012		132,048
History and Tourism Plan						
Community Development Block Grant 2008	51,958			51,958		
Community Development Block Grant 2009	28,479			5,009		23,470
Community Development Block Grant 2010	49,846					49,846
Community Development Block Grant 2011	734					734
Community Development Block Grant 2012	19,915			27,787	(45,150)	37,278
Community Development Block Grant 2013	528,038			258,159	45,150	224,729
Community Development Block Grant 2014	863,469			158,224		705,245
Community Development Block Grant 2015			822,008	402		821,606
Local Government Capacity Grant	27,681			27,679	2	
Emergency Management Program Grant			100,000	100,000		
Emergency Management Program Grant			85,000	85,000		
Hazard Mitigation	187,500					187,500
UASI - Fire Decontamination Task Force	7,000				7,000	
UASI - Projects 2012	18,082				18,082	
UASI - Projects 2013	476,972		18,025	490,241	4,756	
UASI - Local Projects	886,396			339,682	31,550	515,164
County EOC Generator Project			100,223			100,223
SANE/SART Program 2013						
SANE/SART Program 2014	19,522			7,993	11,529	
SANE/SART Program 2015		91,285		77,924		13,361
Justice Assistance Program			29,049	29,049		
Justice Assistance Program			27,348			27,348
Victims of Crime Act Grant 2013	224,305			224,305		
Victims of Crime Act Grant 2015			234,626	207,249		27,377
National Justice Information Sharing (JIS) 2012	942				942	
Insurance Fraud Reimbursement Program	55,605			55,605		

## COUNTY OF PASSAIC

## Schedule of Federal and State Grants Receivable

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, December 31, 2014	2015 Budget Revenue Realized	Revenue Realized by 40A:4-87	Received	Canceled/ Adjusted	Balance, December 31, 2015
Insurance Fraud Reimbursement Program			250,000	177,204		72,796
Body Armor Replacement P.C.P.O.			7,151	7,151		
National Childrens Alliance Program 2014	9,000			8,000	1,000	
National Childrens Alliance Program 2015			9,000			9,000
Violence Against Women Act - DV Advocate Justice Assistance Grant			36,755	36,755		
			174,698	38,444		136,254
Multi-Jurisdictional Narcotics Task 2012	154,805			154,805		
Homeland Security Grant FY13	251,515			250,938	577	
Homeland Security Grant FY14	379,461			41,721		337,740
Homeland Security Grant FY15			365,351			365,351
Body Armor P.C.S.D. 2015			44,955	44,955		
Click it or Ticket			4,000	4,000		
Drive Sober or Get Pulled Over	200					200
Drive Sober or Get Pulled Over			5,000	4,100		900
Hazardous Materials Prep & Planning Apartments	5,140			5,140		
	59,081					59,081
Eva's Village Homeless Housing	120,953			69,040		51,913
Eva's Village Homeless Housing			116,895	51,112		65,783
Eva's Village Homeless Housing			114,495			114,495
HUD - Scattered Sites Homeless Program	47,110			42,443		4,667
HUD - St. Joe's CDC	47,110			36,510		10,600
HUD - St. Joe's CDC			45,531	36,380		9,151
HUD - St. Joe's CDC			44,595			44,595
HUD - St. Paul's CDC	47,736					47,736
HUD - St. Paul's CDC			45,531	25,243		20,288
HUD - St. Paul's CDC			44,595			44,595
NJ-511-PC Housing First	1,010,648			555,584		455,064
PC Housing First Bonus	221,424			64,962		156,462
Housing First PILOT Project	327,953			320,212		7,741
Housing First PILOT Project 2007			317,621	277,185		40,436
Housing First PILOT Project			311,069			311,069
Housing First PILOT Project 2008			258,007	147,607		110,400
Housing First 2008			252,703			252,703
	<u>\$ 51,005,205</u>	<u>10,337,511</u>	<u>22,606,529</u>	<u>38,038,142</u>	<u>2,551,987</u>	<u>43,359,116</u>
Grant		\$ 7,341,941	22,564,328			
Match		2,995,570	42,201			
		<u>\$ 10,337,511</u>	<u>22,606,529</u>			
			Unappropriated Reserves \$ 158,325			
			Cash 37,879,817			
				<u>\$ 38,038,142</u>		

## COUNTY OF PASSAIC

## Schedule of Revenue Accounts Receivable

## Current Fund

Year Ended December 31, 2015

	Balance, December 31, <u>2014</u>	Accrued <u>2015</u>	<u>Collected</u>	Balance, December 31, <u>2015</u>
Miscellaneous Revenues:				
County Clerk	\$	894,124	894,124	
Clerk - Registry Division	113,000	2,860,451	2,973,451	
Surrogate		465,132	465,132	
Sheriff		1,328,112	1,328,112	
Interest on Investments and Deposits		36,640	36,640	
Road Opening Permits		369,124	369,124	
Rental Income		243,422	243,422	
State Aid - College County Bonds		2,365,793	2,365,793	
Division of Youth and Family Services		3,586,134	3,586,134	
Welfare - Supplemental Security Income		1,383,340	1,383,340	
Maintenance of Patients in State Institutions for Mental Diseases		18,260,168	18,260,168	
Maintenance of Patients in State Institutions for Mentally Retarded		7,646,954	7,646,954	
County Patients - State Hospital		9,629	9,629	
University of Medicine and Dentistry		1,244	1,244	
Added and Omitted Taxes	527,920	1,029,116	635,251	921,785
Board of Inmates at County - State		160,374	160,374	
Title IV D Parent Locator Program		1,098,029	1,098,029	
Fringe Benefits		12,474,382	12,474,382	
Indirect Costs - Grants		3,771,510	3,771,510	
Preakness Hospital-Medicaid Reimbursements		33,100,000	33,100,000	
Maintenance in Lieu of Rent-Martin Luther King-Soc Serv.		130,991	130,991	
State School Building Aid (Chapter 12)		3,750	3,750	
Park Fees		1,829,429	1,829,429	
Telephone Commissions		397,710	397,710	
Capital Surplus		2,000,000	2,000,000	
Site Plan Fees		61,673	61,673	
Radio Tower Rental		33,352	33,352	
Closeout of Preakness Healthcare Construction Account		1,175,633	1,175,633	
Rental Revenue - Quarry		851,832	851,832	
Reserve for Payment of Bonds		2,500,000	2,500,000	
Due from Federal and State Grant Fund		3,000,000	3,000,000	
County Clerk P.L. 2001 C370		107,435	107,435	
Register P.L. 2001 C370		1,167,907	1,167,907	
Surrogate P.L. 2001 C370		110,000	110,000	
Sheriff P.L. 2001 C370		202,506	202,506	
	\$ 640,920	104,655,896	104,375,031	921,785

COUNTY OF PASSAIC

Schedule of Interfunds

Current Fund

Year Ended December 31, 2015

	Balance, December 31, <u>2014</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2015</u>
Federal and State Grant Fund	\$ 3,294,464	35,115,422	40,813,703	(2,403,817)
Other Trust Fund:				
Off-Duty Emp.	18	1,604,716	1,604,734	
Open Space Trust	(154,841)	6,443,040	6,289,298	(1,099)
Register of Deeds	119	67,503	67,622	
Other Trust	(430,601)	816,361	385,681	79
Motor Vehicle Fines Trust	2		2	
PCSD Local	21,107		21,107	
PCSD Municipal	25	810,520	810,545	
Total Other Trust Fund	<u>\$ (564,171)</u>	<u>9,742,140</u>	<u>9,178,989</u>	<u>(1,020)</u>
Confiscated Trust Fund	2,317	1,851,345	1,853,662	
Worker's Comp Trust Fund		28,814	28,814	
Liability Trust Fund		2,394,460	2,394,460	
HUD Trust Fund		564,185	563,682	503
General Capital Fund	88,010	71,855,325	72,006,844	(63,509)
Payroll Agency Account	112	419,590	419,452	250
Net Payroll Account	<u>4,941</u>	<u>1,910</u>	<u>6,851</u>	
	<u>2,825,673</u>	<u>121,973,191</u>	<u>127,266,457</u>	<u>(2,467,593)</u>
Due from	3,411,115	115,099,550	118,509,833	832
Due (to)	<u>(585,442)</u>	<u>6,873,641</u>	<u>8,756,624</u>	<u>(2,468,425)</u>
	<u>\$ 2,825,673</u>	<u>121,973,191</u>	<u>127,266,457</u>	<u>(2,467,593)</u>
Cash Receipts			81,374,467	
Cash Disbursements		86,611,657		
Reimbursement for Expenses Paid		1,584,754		
Capital Improvement Fund		500,000	500,000	
Interest Earnings		22,988	22,990	
Grants Receivable Cancelled			2,551,986	
Appropriated Grants Cancelled		2,898,961		
Reserve for Payment of Debt			2,500,000	
Capital Fund Balance			2,000,000	
Budgeted Revenue		4,073,795	3,000,000	
Federal and State Grants		26,032,761	35,261,717	
Appropriation Reserves			32,000	
Budget Appropriations		<u>248,275</u>	<u>23,297</u>	
		<u>\$ 121,973,191</u>	<u>127,266,457</u>	

## COUNTY OF PASSAIC

## Schedule of Appropriation Reserves

## Current Fund

Year Ended December 31, 2015

	Balance, Dec. 31, 2014	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
<b>Salaries and Wages:</b>				
Board of Freeholders	\$ 4,446	4,446		4,446
County Administrator	34,067	24,067		24,067
Finance Department	20,441	20,441		20,441
County Counsel	17,417	17,417		17,417
County Adjuster	15,000	15,000		15,000
Clerk of the Board	1,151	1,151		1,151
Personnel	17,682	17,682		17,682
County Clerk	54,393	54,393		54,393
County Register	43,714	43,714		43,714
Prosecutor's Office	1,018,030	954,030		954,030
Purchasing Department	8,525	8,525		8,525
Buildings and Grounds	126,385	6,385		6,385
Surrogate	18,536	18,536		18,536
Sheriff's Office	615,084	535,084	424,754	110,330
Weights and Measures	13,223	13,223		13,223
Board of Taxation	655	655		655
Board of Elections	54,664	54,664		54,664
Superintendent of Elections	22,963	22,963		22,963
County Emergency Management	5,001	5,001		5,001
Planning Board (NJS 40:273)	11,129	11,129		11,129
Economic Development	7,215	7,215		7,215
Roads	128,696	128,696	128,600	96
Mosquito	244	244		244
Engineering	17,118	17,118		17,118
Jail and Workhouse - Jail	273,891	273,891	180,942	92,949
Jail and Workhouse - Patrol	260,774	260,774	187,905	72,869
Mental Health Board (30:9A-3)	3,960	3,960		3,960
Addiction Program Contractual		20,349		20,349
Department of Youth Services	28,385	28,385		28,385
Preakness Hospital	841,208	841,208	(8,655)	849,863
Camp Hope (40:23-6 1 to 16)	1,574	1,574		1,574
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	30,301	30,301		30,301
County Health Dept . Chapter 329 PL 1975	9,035	9,035		9,035
Office of County Superintendent of Schools	12,890	12,890		12,890
County Extensive Services	200	200		200
Parks	135,967	135,967		135,967
Golf Course	49,008	49,008		49,008
Sick Leave Payout	366,798	366,798	366,700	98
Para-Transit	267	267		267
Police Academy	11,563	11,563		11,563
<b>Other Expenses:</b>				
Board of Freeholders	34,945	40,133	32,993	7,140
County Administrator	101,244	127,391	96,684	30,707
Finance Department	5,152	52,793	49,513	3,280
Audit		99,500	99,500	
MIS Department (Finance Department)	18,737	81,484	65,730	15,754
Payroll Processing	40,439	50,064	29,293	20,771
County Counsel	8,436	20,937	14,812	6,125
County Counsel Ethics	9,902	10,000		10,000
County Adjuster	9,671	13,889	8,932	4,957
Clerk of the Board	11,774	13,629	720	12,909
Personnel	18,787	24,090	3,512	20,578
County Clerk	1,368	6,550	5,130	1,420
County Clerk - Other Expenses	165,629			
County Register	94,291	117,783	18,183	99,600
Photostat	34,565	38,023	3,321	34,702

## COUNTY OF PASSAIC

## Schedule of Appropriation Reserves

## Current Fund

Year Ended December 31, 2015

	Balance, Dec. 31, 2014	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
Prosecutors Office	63,747	111,948	65,519	46,429
Countywide Radio	1,577	42,545	41,753	792
Purchasing Dept.	30,005	41,561	8,655	32,906
Bulk Purchasing	32,132	188,572	131,435	57,137
Building and Grounds	5,627	373,672	366,758	6,914
Building and Grounds - Preakness Health Center	6,308	14,668	13,995	673
Building and Grounds - Welfare Board	13,890	13,890	13,624	266
Economic Development	122	3,601	2,950	651
Surrogate	7,448	41,825	33,654	8,171
Surgical, Major Medical for Employees	1,421,044	1,430,736	1,429,951	785
Surety Bond Premium	6,000	6,000		6,000
Worker's Compensation	525	525	(105)	630
Other Insurance	955	5,690	4,427	1,263
Drug Plan	610,189	610,189	610,146	43
Dental Plan	71,873	71,873	60,575	11,298
Sheriff's Office	8,326	130,772	126,918	3,854
Weights and Measures	3,269	4,987	1,645	3,342
Board of Taxation	493	3,622	3,096	526
Medical Examiner	524,511	588,235	588,235	
Indigent Burials	30,927	32,454	1,527	30,927
Board of Elections	68,265	122,367	51,734	70,633
Superintendent of Elections	90,895	241,230	25,057	216,173
Election-County Clerk		165,629		165,629
County Emergency Management	645	2,913	2,362	551
Planning Board (NJS 40:273)	3,632	7,929	5,481	2,448
Construction Board of Appeals	5,000	5,000	2,750	2,250
Roads	107,199	369,242	367,403	1,839
Mosquito	4,914	6,405	2,589	3,816
Engineering	852	2,936	2,514	422
Health/Human Services Section	25,000	25,000		25,000
Jail and Workhouse	609,645	1,272,647	677,765	594,882
Jail and Workhouse - Medical	598,834	1,479,491	568,133	911,358
Disabled Children		1,200	1,200	
Mental Health Programs		12,000	12,000	
Aid to Develop Disabled		40,500	40,500	
Addiction Program Contractual	20,391	55,907	55,865	42
Mentally Diseased and Mentally Retarded	1,023,724	1,023,724	1,023,724	
Supplement Security Income	11	11		11
Aid to Dependent Children	384	384		384
Department of Youth Services	2,740	183,773	30,334	153,439
Department of Youth Services-Shared Services Essex County	1			
Department of Youth Services-Education	120,500			
Preakness Hospital	163,711	943,622	639,566	304,056
Camp Hope (40:23-6. 1 to 16)	9,561	14,838	3,411	11,427
Div. of Senior Services, Disabilities, & Vets Affaris, Etc.	162	3,330	2,970	360
County Health Dept. Ch 329 PL 1975	3,641	13,020	10,497	2,523
Office of County Superintendent of Schools	5,774	10,055	4,099	5,956
Passaic County Vocational School	9	587,057	587,048	9
County Extensive Services	84,089	86,116	22,641	63,475
Reimbursement for Residents Attending Out of County Two Year College (NJS18:A:64A-23)	9,147	19,147	14,500	4,647
Parks	20,473	26,830	7,619	19,211
Golf Course	6,810	25,013	14,635	10,378
Equipment, Office, Car, Other	15,302	50,000	42,850	7,150
Matching Funds for Grants	188,741	188,741		188,741
Aid to Children Care Coordination Committee				

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

**Current Fund**

**Year Ended December 31, 2015**

	Balance, Dec. 31, <u>2014</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
(4C's) (NJSA 40:23)	22,500	22,500		22,500
Aid to Women's Haven NJSA 30:14-11		15,750	15,750	
Aid to D.I.A.L. (40:23-811)		43,619	43,619	
Para-Transit	477	8,504	5,992	2,512
Police Academy	28,624	34,409	16,797	17,612
Aid to Health & Welfare Councils (NJS 40-23-8.28)	205,918	205,918	191,355	14,563
Utilities:				
Gasoline	157,957	388,778	59,710	329,068
Telephone and Telegraph	4,601	105,501	65,256	40,245
Natural Gas & Electric	66,235	1,385,678	715,391	670,287
Street Lighting	154,696	184,553	62,707	121,846
Heating Oil	54,051	58,708	11,022	47,686
Water	872	99,152	88,922	10,230
Garbage	181,369	152,523	18,794	133,729
Debt Service Fees	4,361	7,361	6,850	511
Aid to Housing First	90,000	90,000	65,000	25,000
Contingent	45,048	45,048	45,048	
Acquisition of Various Equipment	136,406	161,114	161,114	
Passaic County Utilities Authority (P.C.U.A)		2,812	2,812	
Statutory Charges:				
Contribution to PERS	5,758	5,758		5,758
Contribution to DCRP		44,839	2,443	42,396
Social Security System (O.A.S.I.)	231,104	231,104	6,675	224,429
Unemployment Compensation	35,616	35,616	27,274	8,342
	<u>\$ 12,335,992</u>	<u>18,756,882</u>	<u>11,045,105</u>	<u>7,711,777</u>

Appropriation Reserves \$	12,335,992
Reserve for Encumbrances	<u>6,420,890</u>
	<u>\$ 18,756,882</u>

Transfer to Accounts Payable \$	436,077
Reserve for Salary and Wage Adjustment	50,000
Budget Reimbursements	(273,592)
Cash Disbursements	<u>10,832,620</u>
	<u>\$ 11,045,105</u>

**COUNTY OF PASSAIC**  
**Schedule of Accounts Payable**  
**Current Fund**  
**Year Ended December 31, 2015**

Balance, December 31, 2014		\$	980,180
Increased by:			
Transfers from Appropriation Reserves			<u>436,077</u>
			1,416,257
Decreased by:			
Payments	\$	2,149	
Cancelled		<u>20,128</u>	
			<u>22,277</u>
Balance, December 31, 2015		\$	<u><u>1,393,980</u></u>

COUNTY OF PASSAIC

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2015

	<u>Total</u>	<u>Budget Appropriations</u>	<u>Reserve for Federal and State Grant Funds</u>
Balance, December 31, 2014	\$ 6,420,890	6,420,890	<u>                    </u>
Increased by:			
Charges to 2015 Budget Appropriations	6,212,192	6,212,192	
Charges to Reserve for Federal and State Grants Appropriated	<u>14,075,446</u>	<u>                    </u>	<u>14,075,446</u>
	<u>20,287,638</u>	<u>6,212,192</u>	<u>14,075,446</u>
	26,708,528	12,633,082	14,075,446
Decreased by:			
Encumbrances Transferred to Appropriation Reserves	6,420,890	6,420,890	
Encumbrances Transferred to Federal and State Grant Fund	<u>14,075,446</u>	<u>                    </u>	<u>14,075,446</u>
	<u>20,496,336</u>	<u>6,420,890</u>	<u>14,075,446</u>
Balance, December 31, 2015	\$ <u>6,212,192</u>	<u>6,212,192</u>	<u>                    </u>

**COUNTY OF PASSAIC**  
**Schedule of Commitments Payable**  
**Federal and State Grant Fund**  
**Year Ended December 31, 2015**

Balance, December 31, 2014	\$ 15,775,125
Increased by:	
Transfer from Current Fund - Encumbrances Payable	<u>14,075,446</u>
	29,850,571
Decreased by:	
Payments	<u>15,775,125</u>
Balance, December 31, 2015	\$ <u><u>14,075,446</u></u>

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, Dec. 31, 2014	Transferred From 2015 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2015
		Budget	Appropriation By 40A:4-87				
Special General Election	\$ 355,618					(355,618)	
USF 2015	162,287				162,287		
USF 2016			409,863		138,627	(1)	271,235
Weatherization LIHEAP 2015		635,191			49,858		585,333
LIHEAP Assistance 2015		503,936			503,936		
LIHEAP Assistance 2016			566,001				566,001
Heating Improvement (HIP) 2013	78,092				78,092		
Heating Improvement (HIP) 2015		342,488			233,877		108,611
Weatherization DOE 2013	286,379		318,405		433,289		171,495
Preakness Gero-Psych Program	17,261					(17,261)	
Preakness Gero-Psych Program	14,671						14,671
Preakness Gero-Psych Program			338,210		338,210		
WIOA Adult 15/16			1,611,233		271		1,610,962
WIOA Youth 15/16			1,758,920		200,275		1,558,645
WIOA Dislocated Worker 15/16			1,576,896		316		1,576,580
Workforce Learning Link Program 15/16			145,000		40,638		104,362
WFNJ TANF 15/16			3,626,054		1,303,723		2,322,331
WFNJ GA/SNAP 15/16			1,783,210		412,280		1,370,930
Dislocated Worker Employer Focus SmartSteps			287,359				287,359
SmartSteps			16,050				16,050
Parolee Employment Placement Program			245,000		1,142		243,858
Alcohol/Drug Abuse Grant FY14'	3,206				(254)		3,460
Alcohol/Drug Abuse Grant FY15'		726,452			705,149		21,303
Municipal Alliance 2013	55,813				(20,968)		76,781
Municipal Alliance 2014	63,653				16,399		47,254
Municipal Alliance 2015			512,024		450,948		61,076
Workforce Learning Link Program	13,855						13,855
Workforce Learning Link Program	149,605	115,000			264,605		
Workforce Investment (PIC) 2012/2013	242,845						242,845
Workforce Invest Allocation - Youth 13/14	168,313				60,005		108,308
Workforce Invest Allocation - Youth 14/15	1,867,201				1,690,404		176,797
WorkFirst New Jersey 2012/2013	1,529,058						1,529,058
WorkFirst NJ Grant	886,978				180,220		706,758
WorkFirst NJ Grant - TANF	2,800,292				2,499,458	(102,515)	198,319
WorkFirst NJ Grant - GA/SNAP	1,480,941				1,177,285		303,656
Department of Labor - WIA Adult	786,818						786,818
Department of Labor - WIA Adult	419,857				295,100		124,757
Department of Labor - WIA Adult	1,828,721				960,497		868,224
Department of Labor - WIA Dislocated Worker	530,344						530,344
Department of Labor - WIA Dislocated Worker	270,756				207,252		63,504
Department of Labor - WIA Dislocated Worker	1,800,045				1,092,917		707,128
Disability Employment Initiative	142,071						142,071
Workforce Invest 2010/11	196,268						196,268
Workforce Invest 2011/12	1,486,072						1,486,072
SmartSteps	2,407				2,407		
L.E.O.T.E.F 2007	49,328				49,328		
L.E.O.T.E.F 2008	48,990				2,444		46,546
L.E.O.T.E.F 2009	9,943						9,943
L.E.O.T.E.F 2010	57,487						57,487
L.E.O.T.E.F 2012	58,170						58,170
L.E.O.T.E.F 2013	14,133						14,133
L.E.O.T.E.F 2014	43,795						43,795
L.E.O.T.E.F 2015		8,073	16,313				24,386
Community Svc. Block Grant PHLP LINCS 2013	32,863					(32,863)	
Community Svc. Block Grant PHLP LINCS 2014	222,620				193,431		29,189

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, Dec. 31, 2014	Transferred From 2015 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2015
		Budget	Appropriation By 40A:4-87				
Community Sv. Block Grant PHLP LINCS 2015			516,567		347,785		168,782
CEHA 2014	6,625					(6,625)	
CEHA 2015		152,000			152,000		
MRC Cap Bldg Non-Competitive	2,570				40		2,530
MRC Cap Bldg Non-Competitive		3,500					3,500
Right to Know Program			15,213		15,213		
Sandy Grant (LINCS Agencies)	25,000	10,000			33,866		1,134
MRC Competitive Award	4,482				80		4,402
CEHA Grant Award Calendar			39,444		25,852		13,592
Clean Communities 2013	1,483					(1,483)	
Clean Communities 2014		68,263			67,679		584
Clean Communities 2015			82,859		43,660		39,199
Recycling Enhancement Act Bonus Grant	199,829				176,509		23,320
Recycling Enhancement Act	71,233				69,733		1,500
Recycling Enhancement Act			385,000		118,331		266,669
Recycling Enhancement Act			423,500				423,500
Radon Awareness Program 2014	1					(1)	
Radon Awareness Program 2016		1,000			996		4
Passaic County Film Festival	2,000				2,000		
Passaic County Film Festival			2,250				2,250
Disaster Relief 2012	125						125
CDBG-DR Program	282,432				179,443		102,989
PC Youth Golf Program	34,405	50,000			13,068		71,337
Aging Area Nutrition FY 2014	240,300				(44,776)	(285,076)	
Aging Area Nutrition FY 2015		883,115	710,441	1,900,000	1,590,902		1,902,654
Aging Administration	41,472					(41,472)	
Aging Administration 2013	58,000				58,000		
Aging Administration 2014	680,595				636,744	(43,851)	
Aging Administration 2015		1,775,499	471,799		1,351,967		895,331
Casino Revenue 2012	259,940				259,940		
Casino Revenue 2013	305,602				305,602		
Casino Revenue 2014	259				(80,555)		80,814
Casino Revenue 2015		783,538		1,077,313	1,723,347		137,504
Farmers Market Nutrition Prgn (WIC)			1,000		1,000		
Meals on Wheels Pet Food Grant		1,600			1,600		
State Health Insurance Program 2012	29,000				29,000		
State Health Insurance Program 2013	29,000				29,000		
State Health Insurance Program 2014	22,000	3,000			25,000		
State Health Insurance Program 2015			28,000		20,797		7,203
Access & Functional Needs Program Assis.			11,565				11,565
JJC Partnership 2013	6,896					(6,896)	
JJC Partnership 2014	25,030				18,293		6,737
State Community Partnership 2015		500,656			497,273		3,383
Homeless H1RZ8N 2013		100,000	60,000		160,000		
Homeless H1RZ8N 2014	40,300				40,300		
Social Services for the Homeless	37,860				25,064		12,796
Social Services for the Homeless			1,045,019		1,017,401		27,618
Human Services 13BERN	36,986				2,857		34,129
Human Services 15BERN			350,746		126,227		224,519
Rapid Rehousing - Clifton	33,139					(33,139)	
Rapid Rehousing - Paterson	8,137					(8,137)	
Homelessness Prevention & Rapid Rehousing	7,071					(7,071)	
Div. Of Child Behavioral Hlth Serv. 2014	18,541					(18,541)	
Div. Of Child Behavioral Hlth Serv. 2015		158,456			133,579		24,877
Transportation and TIP	12,294					(12,294)	
Transportation and TIP	20,455				(92,145)	(112,600)	

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, Dec. 31, 2014	Transferred From 2015 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2015
		Budget	Appropriation By 40A:4-87				
Tranportation and TIP	364,879				233,685		131,194
Tranportation and TIP			404,914		293,852		111,062
HUD - St. Joseph NJ 36310	8,026				31		7,995
EVA's Village Apartments	34,195						34,195
New Passaic County Housing First	14,823				874		13,949
Passaic County Housing First	151,056				65,270		85,786
Passaic County Housing First	712,757				300,114		412,643
Passaic County Housing First	731,781						731,781
HUD-EVA'S Project	308,358				13,302		295,056
Collaborative II	79,716				(324,766)		404,482
Passaic County Housing First	276,914				3,856		273,058
New Passaic County Housing First	120,840				61,539		59,301
HUD-St. Paul's	110,142						110,142
HUD-St. Joseph	186,660						186,660
State Incentive Program 2010	214,371					(214,371)	
HUD-Paterson Park Apartments	34,173						34,173
C.S.B.G. Non-Discretionary 2014	10,442				10,442		
C.S.B.G. Non-Discretionary 2015			301,386		267,377		34,009
J.A.I.B.G. 2009	45,541					(45,541)	
J.A.I.B.G. 2011	19,675					(19,675)	
J.A.I.B.G. 2013	46					(46)	
J.A.I.B.G. 2014	98						98
Juvenile Det. Alternatives Innovations Funding					(49,686)	(49,686)	
Juvenile Det. Alternatives Innovations Funding		120,000			120,000		
Birch Street Apartments	238,479						238,479
Human Services 15 BERN PASP			6,997				6,997
Human Services 14 BERN PASP		48,997			48,583		414
Family Court Services 2013	3,440				(12,157)	(15,597)	
Family Court Services 2014	49						49
Family Court Services 2015		278,149			268,149		10,000
21st Century CLC Program	40,083					(40,083)	
JARC 2014			210,000		210,000		
Transportation Clean Air Measures	468,000					(468,000)	
NJ Highlands - Plan Conformance	70,000						70,000
Pat Transit Facility Pedestrian Safety			250,000				250,000
Haledon Ave. Green Streets	330,572					(330,572)	
Transfer of Development Rights			50,000				50,000
Passaic County Morris Canal Greenway Project	532,566					(532,566)	
Weatherization LIHEAP 2010	1,382				1,382		
Weatherization LIHEAP 2011	158,800				158,800		
Weatherization LIHEAP	490,857				388,298		102,559
Weatherization HIP 2011	601,249				601,249		
Weatherization LIHEAP 2013	781				781		
Great Falls Circulation Study	300,000				260,503		39,497
Subregional Transportation Planning	2,602				5	(2,597)	
Subregional Transportation Planning	108,019				107,703		316
Subregional Transportation Planning			132,048	33,012	79,753		85,307

## COUNTY OF PASSAIC

## Schedule of Appropriated Reserves for Grants

## Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, Dec. 31, 2014	Transferred From 2015 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2015
		Budget	Appropriation By 40A:4-87				
Community Development Block Grant 2008	36,959				36,959		
Community Development Block Grant 2009	22,301				12,116		10,185
Community Development Block Grant 2010	49,846						49,846
Community Development Block Grant 2011	1,399						1,399
Community Development Block Grant 2012	15,437				(11,846)		27,283
Community Development Block Grant 2013	72,851				61,139		11,712
Community Development Block Grant 2014	810,618				796,783		13,835
Community Development Block Grant 2015			822,008		658,069		163,939
Emergency Management Agency Assistance			100,000		45,000		55,000
Emergency Management Agency Assistance			85,000		85,000		
Hazard Mitigation Grant	40,959						40,959
UASI - Fire Decon Task Force	623					(623)	
UASI - Projects	35,502				17,420	(18,082)	
UASI - Projects	98,374		18,025		111,647	(4,752)	
UASI - Local Share	886,396				654,132	(31,550)	200,714
County EOC Generator Project			100,223				100,223
National Justice Information Sharing (JIS) 2012	942					(942)	
SANE/SART Program 2013	11,530					(11,530)	
Sexual Assault Nurse Examiner SAST/SANE		73,028		18,257	79,246		12,039
Justice Assistance Program			29,049		29,049		
Justice Assistance Program			27,348				27,348
Victims of Crime Act Grant							
Victims of Crime Act Grant	127,627				127,627		
Victims of Crime Act Grant			234,626		85,947		148,679
Insurance Fraud Reimbursement Program			250,000		250,000		
Body Armor P.C.P.O 2014	7,332				6,332		1,000
Body Armor P.C.P.O 2015			7,151				7,151
National Childrens Alliance Program 2014	1,000					(1,000)	
National Childrens Alliance Program 2015			9,000		4,105		4,895
STOP Violence Against Women Act Formula Grant			27,566	9,189	36,755		
County Gang, Gun & Narcotic Task Force			174,698				174,698
Multi Jurisdictional NARC Task Force 2012	21,662						21,662
Multi Jurisdictional NARC Task Force 2013	67,813				50,027		17,786
Multi Jurisdictional NARC Task Force 2014	103,562				53,517		50,045
Homeland Security Grant FY 12	10,983					(10,983)	
Homeland Security Grant FY 13	200,689				185,476	(15,213)	
Homeland Security Grant FY 14	379,461				327,641		51,820
Homeland Security Grant FY 15			365,351				365,351
2008 Body Armor Repl. P.C.S.D	72					(72)	
2009 Body Armor P.C.S.D	34					(34)	
Body Armor P.C.S.D	45,038				45,038		
Body Armor P.C.S.D			44,955				44,955
Click It or Ticket 2015			4,000				4,000
Drive Sober or Get Pulled Over	5,000						5,000
Drive Sober or Get Pulled Over			5,000				5,000
REN Eva's Village Apartments	9,316				(45,379)		54,695
Eva's Village Homeless Housing	64,740				55,010		9,730
Eva's Village Homeless Housing			116,895		82,978		33,917
Eva's Village Homeless Housing			114,495		337		114,158

COUNTY OF PASSAIC

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2015

Grant	Balance, Dec. 31, 2014	Transferred From 2015 Budget Appropriations		Cash Match	Expended	Adjusted/ Canceled	Balance, Dec. 31, 2015
		Budget	Appropriation By 40A:4-87				
HUD - Scatterd Sites	11,008				4,103		6,905
HUD - St. Joe's CDC	14,132				5,107		9,025
HUD - St. Joe's CDC			45,531		42,406		3,125
HUD - St. Joe's CDC			44,595				44,595
HUD - St. Paul's CDC	35,018				(3,701)		38,719
HUD - St. Paul's CDC			45,531		31,088		14,443
HUD - St. Paul's CDC			44,595				44,595
NJ-511-PC Housing First	866,651				359,351		507,300
PC Housing First Bonus	211,469				7,431		204,038
Housing First PILOT Project	19,757						19,757
Housing First PILOT Project 2007			317,621		249,960		67,661
Housing First PILOT			311,069				311,069
Housing First 2008			258,007		65,856		192,151
Housing First 2008			252,703				252,703
	<u>\$ 31,777,291</u>	<u>7,341,941</u>	<u>22,564,328</u>	<u>3,037,771</u>	<u>30,516,785</u>	<u>(2,898,959)</u>	<u>31,305,587</u>
			Cash Disbursed		\$ 16,441,339		
			Encumbrances Payable		14,075,446		
					<u>\$ 30,516,785</u>		

**COUNTY OF PASSAIC**  
**Schedule of Prepaid Revenues**  
**Current Fund**  
**Year Ended December 31, 2015**

Increased by:	
Cash Receipts	\$ <u>19,825</u>
Balance, December 31, 2015	\$ <u><u>19,825</u></u>

## COUNTY OF PASSAIC

## Schedule of Miscellaneous Reserves

## Current Fund

## Year Ended December 31, 2015

	Balance, December 31, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance, Dec. 31, <u>2015</u>
Sheriff's DWI-DDEF	\$ 18,535			18,535
Office on Aging - Deferred Revenue	887,317	52,942	140,983	799,276
Salary and Wage Adjustment		50,000		50,000
Weatherization Program Income	9,720		9,720	
Payroll Deductions - P.E.R.S.	<u>301,253</u>	<u>3,770,129</u>	<u>3,728,446</u>	<u>342,936</u>
	<u>\$ 1,216,825</u>	<u>3,873,071</u>	<u>3,879,149</u>	<u>1,210,747</u>
Cash		\$ 3,823,071	3,876,149	
Transfer to Appropriation Reserves		<u>50,000</u>		
		<u>\$ 3,873,071</u>	<u>3,876,149</u>	

COUNTY OF PASSAIC

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2015

<u>Grant</u>	Balance, Dec. 31, <u>2014</u>	Transferred To 2015 Budget <u>Appropriations</u>  <u>Budget</u>	Cash <u>Received</u>	Balance, Dec. 31, <u>2015</u>
14 BERN-01-PASP	\$ 10,497	10,497		
11 EMPG - AFNA-06	11,565	11,565		
2014 Clean Communities	68,263	68,263		
2013 Homeless	68,000	68,000		
2014 REA Entitlement			381,900	381,900
	<u>\$ 158,325</u>	<u>158,325</u>	<u>381,900</u>	<u>381,900</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Federal and State Grants Fund

Year Ended December 31, 2015

	Balance, December 31, <u>2014</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2015</u>
Current Fund	\$ (3,294,464)	40,813,704	35,115,423	2,403,817
	<u>(3,294,464)</u>	<u>40,813,704</u>	<u>35,115,423</u>	<u>2,403,817</u>
Due from		34,620,281	32,216,464	2,403,817
Due (to)	<u>(3,294,464)</u>	<u>6,193,423</u>	<u>2,898,959</u>	
	<u>\$ (3,294,464)</u>	<u>40,813,704</u>	<u>35,115,423</u>	<u>2,403,817</u>
Cancellation of Grant Receivable	\$	2,551,987		
Cancellation of Appropriated Grants			2,898,959	
Grant Receipts		37,879,817		
Unappropriated Grant Receipts		381,900		
Reimbursement for expenses			32,216,464	
		<u>40,813,704</u>	<u>35,115,423</u>	

**COUNTY OF PASSAIC**  
**Schedule of Deferred Charges**  
**Current Fund**  
**Year Ended December 31, 2015**

	Balance, December 31, <u>2014</u>	Reduced in <u>2015</u>
Overexpenditure of Trust Fund Reserve	\$ 36,360	\$ 36,360
Emergency Appropriation:		
Group Hospitalization Insurance	<u>4,000,000</u>	<u>4,000,000</u>
	<u>\$ 4,036,360</u>	<u>\$ 4,000,000</u>

COUNTY OF PASSAIC

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

Current Fund

Year Ended December 31, 2015

	Date Authorized	Amount Authorized	1/5 of Amount Authorized	Balance, December 31, 2014	Reduced in 2015	Balance, December 31, 2015
Payment of Accrued Sick & Vacation Time	04/26/11	2,966,250	593,250	1,186,500	593,250	593,250
Hurricane Irene	09/27/11	2,681,805	536,361	1,072,722	536,361	536,361
				<u>\$ 2,259,222</u>	<u>1,129,611</u>	<u>\$ 1,129,611</u>

**COUNTY OF PASSAIC**  
**Schedule of Special Emergency Notes Payable**

**Current Fund**

**Year Ended December 31, 2015**

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

## COUNTY OF PASSAIC

## Schedule of Cash

## Trust Funds

Year Ended December 31, 2015

	Other Trust <u>Fund</u>	Confiscated Trust <u>Fund</u>	Self- Insurance Trust <u>Fund</u>	Community Development Trust <u>Fund</u>
Balance - December 31, 2014	<u>33,777,223</u>	<u>2,494,247</u>	<u>207,849</u>	<u>5,909,483</u>
Increase by Receipts:				
Various Trust Deposits	226,423			
Reserve for Dedicated Trusts	7,153,885			
Reserve for Open Space Trust	4,583,862			
Due from (to) Current Fund	6,858,958	1,851,345	28,814	503
Receipts from Confiscated Funds		1,035,014		
Reserve for Workmen's Compensation			3,298,390	
Reserve for Health Benefits			544,246	
Reserve for Liability Insurance			2,629,130	
Housing Voucher Program				9,826,051
Total Receipts	<u>18,823,128</u>	<u>2,886,359</u>	<u>6,500,580</u>	<u>9,826,554</u>
	<u>52,600,351</u>	<u>5,380,606</u>	<u>6,708,429</u>	<u>15,736,037</u>
Decreased by Disbursements:				
Various Trust Deposits	207,995			
Reserve for Dedicated Revenues	4,034,704			
Open Space Commitments Payable	3,398,576			
Open Space Trust Expenditures	915,457			
Due from (to) Current Fund	9,944,230	1,853,662	2,423,274	563,705
Adjudicated Confiscations		926,371		
Reserve for Workmen's Compensation			3,272,472	
Reserve for Health Benefits			15	
Reserve for Liability Insurance			180,000	
Housing Voucher Program				9,091,336
Total Disbursements	<u>18,500,962</u>	<u>2,780,033</u>	<u>5,875,761</u>	<u>9,655,041</u>
Balance - December 31, 2015	<u>\$ 34,099,389</u>	<u>2,600,573</u>	<u>832,668</u>	<u>6,080,996</u>

**COUNTY OF PASSAIC**  
**Schedule of Various Trust Deposits**  
**Year Ended December 31, 2015**

Balance - December 31, 2014		\$	1,049,484
Increased by:			
Cash Deposits			<u>226,423</u>
			1,275,907
Decreased by:			
Payments			<u>207,995</u>
Balance - December 31, 2015		\$	<u><u>1,067,912</u></u>

## COUNTY OF PASSAIC

## Schedule of Reserve for Dedicated Trusts

Year Ended December 31, 2015

	Balance December 31, <u>2014</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2015</u>
Homelessness Trust Fund	\$ 330,562	115,599	1,680	444,481
Off-Duty Police Outside Employment	353,138	1,294,707	1,404,686	243,159
Off-Duty Police Vehicle Fee	174,517	364,724	200,000	339,241
Off-Duty Police Admin Fee	68,001	138,168	205,896	273
Off-Duty Police PBA Admin Fee		9,146		9,146
Weights and Measure Fines	1,400,624	171,563	188,731	1,383,456
Tax Appeal Fees	1,134,488	125,314	127,032	1,132,770
County Clerk	397,990	48,678	2,292	444,376
County Sheriff	109,150	47,231	104,161	52,220
Surrogate	71,537	27,042	29,862	68,717
Forensic Lab Fees	156,595	46,925		203,520
Parks - Fines		33		33
Human Services	8,838			8,838
Parks - Lambert Castle	660			660
Passaic County Corr. Enh. Dist.	780,558	139,674	89,007	831,225
502 Pat-Ham Tpk Sidewalks	20,000			20,000
County Retirement Plan	316,697	21,635	117,689	220,643
Accumulated Absences		366,700		366,700
Snow Removal		124,000		124,000
Motor Vehicle Fines	1,936,831	2,459,452	2,700,000	1,696,283
Sheriff's Confiscated Funds - Local	28,120	50,230		78,350
Sheriff's Confiscated Funds - Treasury	63,413	13		63,426
Sheriff's Confiscated Funds - Justice	1,045,059	540,200	417,564	1,167,695
Municipal Confiscated Funds - Local	2,090,683	325,724	668,468	1,747,939
Municipal Confiscated Funds - Federal	1,395,531	414,986	569,706	1,240,811
Prosecutor's Confiscated Funds - Local	4,530,894	353,642	82,516	4,802,020
Prosecutor's Confiscated Funds - Treasury	499,170	50,789	336,390	213,569
Prosecutor's Confiscated Funds - Justice	1,153,301	3,837	192,195	964,943
Para Transit	199,205	45,321	64,666	179,860
Register of Deeds	1,471,600	120,060	66,340	1,525,320
	<u>\$ 19,737,162</u>	<u>7,405,393</u>	<u>7,568,881</u>	<u>19,573,674</u>
		Cash \$ 7,153,885	4,034,704	
		Interfunds	3,534,177	
		Accounts Receivable	251,508	
		<u>\$ 7,405,393</u>	<u>7,568,881</u>	

**COUNTY OF PASSAIC**  
**Schedule of Reserve for Open Space Trust Expenditures**  
**Year Ended December 31, 2015**

Balance - December 31, 2014		\$ 6,255,957
Increased by:		
Levy	\$ 4,548,493	
Added and Omitted	9,042	
Reimbursements	9,122	
Interest on Investments	<u>17,205</u>	
		<u>4,583,862</u>
		10,839,819
Decreased by:		
Open Space Grant Commitments Payable	3,334,401	
Payments	915,457	
Interfunds	<u>712,000</u>	
		<u>4,961,858</u>
Balance - December 31, 2015		<u>\$ 5,877,961</u>

**Schedule of Open Space Grant Commitments Payable**  
**Year Ended December 31, 2015**

Balance - December 31, 2014		\$ 7,739,483
Increased by:		
Reserve for Open Space Trust Expenditures		<u>3,334,401</u>
		11,073,884
Decreased by:		
Payments		<u>3,398,576</u>
Balance - December 31, 2015		<u>\$ 7,675,308</u>

COUNTY OF PASSAIC

Schedule of Open Space Levy - Due to Municipalities

Year Ended December 31, 2015

Balance - December 31, 2014	\$ <u>157,062</u>
Balance - December 31, 2015	\$ <u><u>157,062</u></u>

Schedule of Reserve for Confiscated Trust Fund

Year Ended December 31, 2015

	Balance December 31, <u>2014</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2015</u>
Reserve for Interest - Prosecutor	\$ 12,541	20,634	30,000	3,175
Narcotics	863,878	249,225	844,258	268,845
Gambling	224,866			224,866
Prostitution	164,404			164,404
Theft/Robbery	127,829			127,829
Other Crimes	1,037,865	765,155	52,113	1,750,907
Lottery	18,122			18,122
Gambling/Narc	3,454			3,454
Bribery	16,000			16,000
Adjudicated to Distribute	<u>22,971</u>	<u>774,762</u>	<u>774,762</u>	<u>22,971</u>
	<u>\$ 2,491,930</u>	<u>1,809,776</u>	<u>1,701,133</u>	<u>2,600,573</u>
Reclass	\$ 774,762		774,762	
Cash		<u>1,035,014</u>	<u>926,371</u>	
		<u>\$ 1,809,776</u>	<u>1,701,133</u>	

COUNTY OF PASSAIC

Schedule of Reserve for Workmen's Compensation

Year Ended December 31, 2015

Balance - December 31, 2014		\$	10,835
Increased by:			
Miscellaneous Contributions and Reimbursements	\$	58,890	
Budget Appropriations		<u>3,239,500</u>	
			<u>3,298,390</u>
			3,309,225
Decreased by:			
Payment of Claims			<u>3,272,472</u>
Balance - December 31, 2015		\$	<u><u>36,753</u></u>

**Exhibit B-9**

**COUNTY OF PASSAIC**

**Schedule of Reserve for Health Benefit Funds**

**Year Ended December 31, 2015**

Balance - December 31, 2014		\$	187,613
Increased by:			
Interest Income	246		
Unexpended Medical/RX Funds	<u>544,000</u>		
			<u>544,246</u>
			731,859
Decreased by:			
Claims Paid			<u>15</u>
Balance - December 31, 2015		\$	<u><u>731,844</u></u>

**Exhibit B-10**

**Schedule of Reserve for Liability Insurance**

**Year Ended December 31, 2015**

Balance - December 31, 2014		\$	9,401
Increased by:			
Miscellaneous Contributions and Reimbursements	\$ 51,630		
Budget Appropriations	<u>2,577,500</u>		
			<u>2,629,130</u>
			2,638,531
Decreased by:			
Interfunds	2,394,460		
Claims Paid	<u>180,000</u>		
			<u>2,574,460</u>
Balance - December 31, 2015		\$	<u><u>64,071</u></u>

**COUNTY OF PASSAIC**  
**Reserve for Housing Voucher Program**  
**Year Ended December 31, 2015**

Balance - December 31, 2014		\$ 5,909,483
Increased by:		
Grant Revenues	\$ 9,653,996	
Other Income	165,732	
Interest Income	<u>6,323</u>	
		<u>9,826,051</u>
		15,735,534
Decreased by:		
Interfunds	563,705	
Expenditures	<u>9,091,336</u>	
		<u>9,655,041</u>
Balance - December 31, 2015		<u>\$ 6,080,493</u>

COUNTY OF PASSAIC

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2015

	Balance December 31, <u>2014</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2015</u>
Other Trust Fund				
Homelessness Trust		1,680	1,680	
Off-Duty Emp.	(18)	1,604,734	1,604,716	
Open Space Trust	154,841	6,289,298	6,443,040	1,099
Register of Deeds	(119)	67,622	67,503	
Other Trust	430,601	319,184	749,864	(79)
Dedicated Trust	(2)	2		
PCSD Local	(21,107)	21,107		
PCSD Justice		271,632	271,632	
PCSD Municipal	(25)	810,545	810,520	
PCPO Local		75,325	75,325	
PCPO Treasury		221,551	221,551	
PCPO Justice		192,195	192,195	
Para Transit		64,817	64,817	
Confiscated Trust Fund				
Due from (to) Current Fund	(2,317)	1,853,662	1,851,345	
Self Insurance Trust Fund:				
Due from (to) Current Fund		2,423,274	2,423,274	
HUD Trust Fund:				
Due from (to) Current Fund		563,202	563,705	(503)
	<u>561,854</u>	<u>14,779,830</u>	<u>15,341,167</u>	<u>517</u>
 Intrafunds				
Self Insurance - Other Trust		300,000	300,000	
Other Trust - Self Insurance		300,000	300,000	
Register of Deeds - Other Trust		2,292		2,292
Other Trust - Register of Deeds			2,292	(2,292)
		<u>602,292</u>	<u>602,292</u>	
	<u>\$ 561,854</u>	<u>15,382,122</u>	<u>15,943,459</u>	<u>517</u>
 Cash Receipts		\$	8,739,620	
Reimbursement for Expenses Paid		596,152	7,203,839	
Deposit in Error		1,099		
Cash Disbursements		14,784,871		
		<u>\$ 15,382,122</u>	<u>15,943,459</u>	

**COUNTY OF PASSAIC**  
**Schedule of Cash**  
**General Capital Fund**  
**Year Euded December 31, 2015**

Balance - December 31, 2014		\$ 42,414,634
Increased by Receipts:		
Capital Leases	\$ 23,060,000	
Cash Proceeds	141,694	
Bond Anticipation Notes	30,042,000	
Grants Receivable	272,388	
Schedule of Interfunds	24,934,280	
Interest Earnings	21,045	
Fund Balance	<u>1,361,675</u>	
		<u>79,833,082</u>
		122,247,716
Decreased by Disbursements:		
Improvement Authorizations	3,519,825	
Committments Payable	42,507,297	
Capital Leases	22,720,000	
Schedule of Interfunds	14,925,789	
Fund Balance	<u>2,032,000</u>	
		<u>85,704,911</u>
Balance - December 31, 2015		<u>\$ 36,542,805</u>

## COUNTY OF PASSAIC

## Analysis of Cash

## General Capital Fund

Year Ended December 31, 2015

Fund Balance	\$ 4,582,923
Grants Receivable	(103,539,223)
Due from/to Current Fund	(63,509)
Committments payable	36,796,788
Capital Improvement Fund	15,346
Reserve for Final Payments and Litigation	160,258
Reserve for Payment of Bonds and Notes	11,241,112
Reserve for Salt Shed - West Milford	296,619
Reserve for Interest for Fire Academy	1,101,710
Reserve for Administration Building Settlement	9,786
Reserve for Interest for DOT Projects	12,786
Reserve for Grants Receivable	24,722,037

## Improvement Authorizations:

## Ordinance

<u>Number</u>	<u>Improvement Description</u>	
87-25	Reconstruction Phases I - III	(337,629)
87-43/88-11	Reconstruction of Old Turnpike Road Bridge	(87,868)
91-30	Replace East Main St. Bridge	(101,608)
95-04	Road Intersection Program	(63,538)
95-07	Reconstruction Lafayette Ave. - Supplemental	(1,500)
96-06	Road Improvements Passaic Avenue	(81,782)
96-15	Hazel Street Scoping/Construction	(5,937)
96-21	Preakness Brook PC #348	(37,000)
96-22	Reconstruction of Valley Road	(8,240)
96-24	Expansion PCCC	(222,000)
97-01	Main St. & Arch St. Bridges - PC #15 & 16	(58,685)
97-05	Road Resurfacing Program - 1997	(2,040)
97-13	Church St. Bridge - PC #125	(92,581)
97-20	Police Academy Addition	(7,000)
97-26	Rehabilitate Bridges - PC #28 & #29	(344,538)
97-31	Design & Rehab. Magee Rd. Bridge - PC #404	(90,000)
98-23	Wagaraw Road Bridge PC #103	(75,000)
98-35	Belmont & Barbour Street Intersection	(7,058)
98-36	Kingsland Avenue Bridge PC #81	305,316
99-10	Minor Drainage Project - Supplemental	(238,000)
99-15	Totowa and French Hill Road Improvements	(476,000)
00-08	Supplemental - Road Improvements	(265)
00-14	Supplemental - Redecking of McBride Bridge	(1,067)

**COUNTY OF PASSAIC**

**Analysis of Cash**

**General Capital Fund**

**Year Ended December 31, 2015**

00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinchman Ave	(238,000)
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave Bridge PC #81.	664,000
00-41	Supplemental - Valley Road and Pompton-Hamburg Tpke intersection improvements.	(88,000)
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	(900)
01-37	Supplemental - Structure Deficient Bridges	21,784
02-41	Refunding ordinance - Payment of Pension Obligation	(107)
03-06	Supplemental - Road Improvements	(266)
03-27	Supplemental - Acquisition of Hospital Equipment	16,510
04-01	Improvements to Paterson Hamburg	8,292
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	(98)
04-05	Acquisition of Property for a Salt Dome	(36,779)
04-09	Acq of Equipment for Passaic County Comm. College	(881)
04-12	Imp & Renovations to 435 Hamburg Turnpike	(177,351)
04-23	Intersection Improvements	(141,849)
04-24	Miscellaneous Buildings & Grounds Improvements	76,700
04-29	Acquisition of & Renovation to County Building	279,791
05-06	Improvements to the PC Tech Institute	(308)
05-07	Parks & Recreation General Improvements	71,230
05-09	Acquisition of Equipment- Preakness Healthcare Center	6,837
05-11	Various Repairs & Improvements	946
06-05	Private Fiber Optic Network	2,727
06-06	Bridge Replacements and/or Repairs	(126,131)
06-07	Various Capital Improvments	465,003
06-08	Parks & Recreation General Improvements	65,840
06-11	Improvements to the Vocational School	(549)
06-12	Improvements to the Community College	(761)
06-16	Reconstruction and Rehabilitations of Various Bridges	35,407
07-06	Various Capital Improvments	(319,618)
07-07	Stabilization Improvements to Groffle Brook	6,933
07-08	2007 Road Improvement Projects	616,884
07-11	Intersection Improvement Projects	(63,302)
07-12	Acquisition of Various Equipment	10,701
07-13	Various Capital Improvments	269,247
07-15	Various Imp for the Vocational Technical School	(308)
08-01	Various Building and Grounds Improvements	(410,000)
08-02	Various Roadway Imp & Acq. of Equipment	(1,696,252)
08-03	Various Capital Improvements	1,937,370
08-05	Lambert Castle Restoration	1,849,572

## COUNTY OF PASSAIC

## Analysis of Cash

## General Capital Fund

Year Ended December 31, 2015

09-01	2009 Road Resurfacing	(18,270)
09-05	Bridge, Road, & Traffic Safety	2,361,650
09-06	Building & Grounds Improvements	2,932,829
09-07	Acquisition of Equipment	131,826
09-08	Various Capital Improvements - PCCC	(988)
09-09	Various Capital Improvements - PCTI	(319,202)
09-10	Various Capital Improvements - PCCC	678,621
10-03	Dey Mansion Renovations	257,941
10-04	County Park Improvements	428,588
10-06	Various Capital Improvements	697,050
10-07	Refunding Bonds - GI 2003, 32mil	(1,041,865)
10-08	Various Capital Improvement Funds	5,614,263
11-03	Various Capital Improvements	1,195,702
11-04	Various Capital Improvements	17,503
12-03	Improvements to Passaic Community College Facilities	2,034,475
12-04	Improvement of Passaic County Community College	(2,338,508)
12-05	Improvement of the Passaic County Technical School	37,749
12-06	Various Capital Improvements	244,294
12-07	Various Capital Improvements	(1,215,320)
13-05	Various Bridge/Drain/Road Impvts.	9,506
13-06	Improvement of Passaic County Community College	10,195
13-07	Various Capital Improvements	34,857
13-08	Improvement of the Passaic County Vocational School District	39,807
13-09	Improvement of Passaic County Community College	1,420,126
13-10	Various Capital Improvements	36,495
14-02	Improvement of Passaic County Community College	101,885
14-03	Improvement of Passaic County Community College	4,210,507
14-04	Improvement of the Passaic County Vocational School District	(176,916)
14-06	Self Insurance Funding	(243,721)
14-07	Improvement of the Passaic County Vocational School District	137,378
14-08	Various Capital Improvements	7,443,507
14-10	Police Radio Communications System	26,399
15-02	Acquisition Golf/Utility Carts	36,244
15-03	PCTI Improvements	(550)
15-04	PCCC Improvements	(550)
15-05	PCCC Improvements - Chp. 12	3,139,657
15-06	Renovations to Courthouse Complex - Historic Preservation Trust	124,600
15-07	Various Capital Improvements	32,088,114
		<u>\$ 36,542,805</u>

COUNTY OF PASSAIC

Schedule of Receivables

General Capital Fund

Year Ended December 31, 2015

Grantor	Project	Ord. No.	Acct. No.	Balance Dec. 31, 2014	Awarded in 2015	Decreased	Balance Dec. 31, 2015
Federal Grants:				\$			
Federal Highway Administration	Replacement of Hillery Street Bridge	07-04	04-117-03-000-053	317,878			317,878
Community Development	Wet Reflective Tape	08-03	04-117-03-000-067	302,613		302,613	
Federal Highway Administration	Main Street Drainage	13-05	04-117-03-000-097	200,000			200,000
Federal Highway Administration	Future Bridge Needs	14-08	04-117-03-000-105	1,000,000			1,000,000
Federal Highway Administration	Future Bridge Needs	14-08	04-117-03-000-104	1,000,000			1,000,000
Federal Highway Administration	Various Road Improvements	14-08	04-117-03-000-106	2,200,000			2,200,000
				5,020,491		302,613	4,717,878
State Grants:							
N.J. Department of Transportation	Two Bridges Road	99-20	04-117-03-000-019	94,280		94,280	
State of New Jersey	Renovation to Market Street	00-06	04-117-03-000-017	441,134			441,134
State of New Jersey	Rehab of Paterson-Hamburg Tpk Bridge PC # 42,43,44	00-15	04-117-03-000-018	260,705			260,705
State of New Jersey	Study and Improvement to Hazel St	00-44	04-117-03-000-009	122,949			122,949
N.J. Department of Transportation	Hurricane Floyd - Cedar Grove Road Wall	01-52	04-117-03-000-029	444,000			444,000
N.J. Department of Transportation	Goffle Brook Stabilization	02-13	04-117-03-000-035	221,729			221,729
N.J. Department of Transportation	Clove Road/Long Hill Road & Hazel St	05-11	04-117-03-000-047	220,566			220,566
State of New Jersey	Imp to Guide Rails and Reflective Marking Tape	05-11	04-117-03-000-048	5,000		5,000	
EFA Const. & Financing Grant	Vocational School Long Range Facilities Plan Projects	05-12	04-117-03-000-050	57,530		37,530	
N.J. Department of Transportation	Bridge Replacement and/or Repairs	06-06	04-117-03-000-051	531,792			531,792
State of New Jersey	2006 Various Road Improvements	06-07	04-117-03-000-052	224,500			224,500
N.J. Department of Environment Prot.	Barbour Pond Improvements & Lambert Castle Tower Cons.	07-09	04-117-03-000-063	109,778		109,778	
County Aid	Union Valley Road, PC #434	08-03	04-117-03-000-064	53,561			53,561
County Aid	President Street, PC #53	08-03	04-117-03-000-064	187,050			187,050
N.J. Transportation Planning Authority	Two Bridges Road Bridge	08-03	04-117-03-000-064	106,883			106,883
N.J. Department of Transportation	Hazel Street Construction, CR 702	08-03	04-117-03-000-066	25,801		25,801	
N.J. Department of Transportation	Black Oak Ridge Road/Pompton Planes Cross Road	08-03	04-117-03-000-068	900,000		883,456	16,544
N.J. Department of Transportation	County Road Improvement Project	09-05	04-117-03-000-071	4,713,945		572,187	4,141,758
N.J. Historical Trust	Rehabilitation and Reconstruction of Dey Mansion	10-03	04-117-03-000-072	1,239,475		431,538	807,937
N.J. Department of Transportation	Pennington Ave Culvert	10-08	04-117-03-000-073	150,000			150,000
N.J. Department of Transportation	Local Bridges - Warburton Ave/Goffle Brook, PC 81	10-08	04-117-03-000-074	72,546			72,546
County Aid	Moorestown Road	10-08	04-117-03-000-075	200,000			200,000
N.J. Department of Transportation	Squirrelwood Road	10-08	04-117-03-000-076	470,002			470,002
County Aid	Black Oak Ridge Road/Jackson Avenue Signal Replacement	10-08	04-117-03-000-077	300,223			300,223
County Aid	McBride/Hillery Street Improvements	10-08	04-117-03-000-078	236,498			236,498
N.J. Department of Transportation	Fairlawn Avenue Bridge	10-08	04-117-03-000-080	569,828			569,828
N.J. Department of Transportation	Two Bridges Road/West Belt	10-08	04-117-03-000-081	1,686,900		320,731	1,366,169
N.J. Department of Transportation	West Brook Road/Wanaque Reservoir, PC 491	10-08	04-117-03-000-082	300,000		655,144	300,000
N.J. Department of Transportation	Eighth Street Bridge Rehabilitation	10-08	04-117-03-000-083	625,772		16,650	609,122
N.J. Department of Transportation	DOT Surface Transportation	11-03	04-117-03-000-084	20,400,000			20,400,000
DOT Future Needs	Bridge Replacement, Rehab, Repairs	11-03	04-117-03-000-085	1,000,000			1,000,000
County Aid	Bridge Replacement, Rehab, Repairs	11-03	04-117-03-000-086	124,000			124,000



**COUNTY OF PASSAIC**  
**Schedule of Deferred Charges to Future**  
**Taxation - Funded**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Balance - December 31, 2014		\$	337,646,563
Increased by:			
Serial Bonds Issued	\$		56,490,000
Capital Leases Issued		<u>23,060,000</u>	
			<u>79,550,000</u>
			417,196,563
Decreased by:			
Serial Bonds Refunded	\$		42,400,000
Capital Leases Refunded			22,720,000
2015 Budget Appropriations to Pay Bonds			36,727,000
2015 Budget Appropriations to Pay Loans			21,765
2015 Budget Appropriations to Pay Capital Leases		<u>2,670,000</u>	
			<u>104,538,765</u>
Balance - December 31, 2015		\$	<u><u>312,657,798</u></u>

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2015

Ordinance Number	Improvement Description	Analysis of Balance - Dec. 31, 2015				Unexpended Improvement Authorization
		Balance Dec. 31, 2014	2015 Authorizations	Reduced	Balance Dec. 31, 2015	
		\$				
87-25	General Improvements:	337,629			337,629	
	Acquisition of a Right-of-Way; Phase II & III					
	Construction of New Street	87,868			87,868	
87-43/88-11	Replacement of Old Turnpike Road Bridge	101,608			101,608	
91-30	East Main Street Bridge	63,538			63,538	
95-04	Road Intersection Program	1,500			1,500	
95-07	Reconstruction Lafayette Ave. - Supplemental	81,782			81,782	
96-06	Road Improvements Passaic Avenue	5,937			5,937	
96-15	Hazel Street Scoping/Construction	37,000			37,000	
96-21	Preakness Brook PC #348	8,240			8,240	
96-22	Reconstruction of Valley Road	222,000			222,000	
96-24	Expansion PCCC	58,685			58,685	
97-01	Main St. & Arch St. Bridges - PC #15 & 16	2,040			2,040	
97-05	Road Resurfacing Program - 1997	92,581			92,581	
97-13	Church St. Bridge - PC #125	7,000			7,000	
97-20	Police Academy Addition	344,538			344,538	
97-26	Rehabilitate Bridges - PC #28 & #29	90,000			90,000	
97-31	Design & Rehab. Magee Rd. Bridge - PC #404	75,000			75,000	
98-23	Wagaraw Road Bridge PC #103	7,058			7,058	
98-35	Belmont & Barbour Street Intersection	238,000			238,000	
99-10	Various Drainage Improvement Projects	476,000			476,000	
99-15	Intersection Imp. Totowa & French Hill Roads	265			265	
00-08	Supplemental - Road Improvements	1,067			1,067	
00-14	Supplemental - Redecking of McBride Bridge	238,000			238,000	
	Turnpike to Hinchman Ave					
00-40	Supplemental - Repairs/Rehab. To Kingsland Ave	36,000			36,000	
	Bridge PC #81.					
00-41	Supplemental - Valley Road and Pompton-Hamburg	88,000			88,000	
	Turnpike intersection improvements.					
01-29	Supplemental - Reconstruction of Greenwood Lake	900			900	
	Turnpike	107			107	
02-41	Refunding Ordinance - Payment of Pension Obligations	266			266	
03-06	Supplemental - Road Improvements					
04-01	Improvements to Paterson Hamburg	3,286,050	3,208,292		77,758	77,758
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98			98	98
						36,000

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance		Reduced	Balance Dec. 31, 2015	Financed by		Unexpended Improvement Authorization
		Dec. 31, 2014	2015 Authorizations			Bond Anticipation Notes	Expenditures	
04-05	Acquisition of Property for a Salt Dome	185,000			185,000		36,779	148,221
04-09	Acq of Equipment for Passaic County Comm. College	881			881		881	
04-12	Imp & Renovations to 435 Hamburg Turnpike	480,000			480,000		177,351	302,649
04-23	Intersection Improvements	282,500			282,500		141,849	140,651
05-06	Improvements to the PC Tech Institute	308			308		308	
06-05	Private Fiber Optic Network	827			827			827
06-06	Bridge Replacements and/or Repairs	869,887			869,887		126,131	743,756
06-07	Various Capital Improvements	359,500			359,500	359,500		
06-11	Improvements to the Vocational School	549			549		549	
06-12	Improvements to the Community College	761			761		761	
07-06	Various Capital Improvements	995,000			995,000		319,618	675,382
07-11	Intersection Improvement Projects	332,500			332,500		63,302	269,198
07-12	Acquisition of Various Equipment	946,850			946,850	900,000		46,850
07-15	Various Imp for the Vocational Technical School	308			308		308	
08-01	Various Building and Grounds Improvements	4,910,000		74,998	4,910,000	4,500,000	410,000	
08-02	Various Roadway Imp & Acq. of Equipment	5,771,250			5,696,252	4,000,000	1,696,252	
08-03	Various Capital Improvements	1,328,141		1,328,141				
09-01	2009 Road Resurfacing	1,918,270		1,900,000	18,270		18,270	
09-04	Various Park & Recreation Improvements	717,250			717,250	717,250		
09-05	Bridge, Road, & Traffic Safety	1,164,700			1,164,700	1,164,700		
09-06	Building & Grounds Improvements	4,530,000		27,966	4,502,034	4,500,000		2,034
09-07	Acquisition of Equipment	1,914,000			1,914,000	1,914,000		
09-08	Various Capital Improvements - PCCC	2,278,988			2,278,988	2,278,000	988	
09-09	Various Capital Improvements - PCTI	2,937,924		2,000,000	937,924	600,000	319,202	18,722
10-06	Various Capital Improvements	104,500			104,500		1,041,865	104,500
10-07	Refunding Bonds - GI 2003, 32mil	1,041,865			1,041,865			
10-08	Various Capital Improvement Funds	2,500,000		2,500,000		3,096,500		2,935,805
11-03	Various Capital Improvements	6,177,500		145,195	2,970,609	2,800,000		170,609
11-04	Various Capital Improvements	7,096,500		4,125,891	2,338,508		2,338,508	
12-04	Improvement of Passaic County Community College	2,338,508			1,958,616	1,200,000		758,616
12-05	Improvement of the Passaic County Technical Institute	1,958,616			8,631,466	8,500,000		131,466
12-06	Various Capital Improvements	8,773,160		141,694	17,144,089	8,000,000	1,215,320	7,928,769
12-07	Various Capital Improvements	18,473,444		1,329,355	6,550,000	1,500,000		5,050,000
13-05	Various Bridge/Drain/Road Impvts.	6,550,000			4,368,110	4,365,000		3,110
13-06	Improvement of Passaic County Community College	4,368,110						

COUNTY OF PASSAIC

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance		2015 Authorizations	Reduced	Balance Dec. 31, 2015	Analysis of Balance - Dec. 31, 2015		
		Dec. 31, 2014	Dec. 31, 2015				Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
13-07	Various Capital Improvements	2,672,000	2,672,000			2,672,000	1,500,000	1,172,000	
13-08	Improvement of the Passaic County Vocational School District	951,308	951,308			951,308	815,000	136,308	
13-10	Various Capital Improvements	5,094,325	5,094,325			5,094,325	4,100,000	994,325	
14-01	Various Capital Improvements	285,000	285,000			285,000	285,000		
14-02	Improvement of Passaic County Community College	980,840	980,840			980,840	700,000	280,840	
14-04	Improvement of the Passaic County Vocational School District	1,958,616	1,958,616			1,958,616	14,500,000	1,781,700	
14-06	Self Insurance Funding	25,457,142	25,457,142			25,457,142	6,000,000	10,713,421	
14-07	Improvement of the Passaic County Vocational School District	8,155,622	8,155,622			8,155,622		2,155,622	
14-08	Various Capital Improvements	9,550,000	9,550,000			9,550,000		9,550,000	
14-10	Police Radio Communications System	1,206,500	1,206,500			1,206,500	1,206,000	500	
15-01	Refunding Bonds		45,000,000	45,000,000			580,806	(580,806)	
15-02	Acquisition of Golf & Utility Carts		12,944	12,944		580,806	580,806		
15-03	PCTI Improvements		979,308	979,308		979,308		978,758	
15-04	PCCC Improvements		1,896,985	1,896,985		1,896,985		1,896,435	
15-05	PCCC Chapter 12		3,200,000	3,200,000				550	
15-06	Court House Complex		2,375,000	2,375,000		2,375,000		2,375,000	
15-07	Various Capital Improvements		8,930,000	8,930,000		8,930,000		8,930,000	
		\$ 153,607,707	62,975,043	62,975,043	64,994,476	151,588,274	80,740,320	10,996,686	59,851,268

Improvement Authorizations \$ 62,975,043

County College Bonds 3,200,000  
 General Serial Bonds 13,600,000  
 Refunding Bonds 39,690,000  
 Cancelled by Resolution 8,362,782  
 Cash Proceeds 141,694

\$ 64,994,476

Excess Proceeds 782,680  
 Bond Anticipation Notes 80,930,000

\$ 80,147,320

## COUNTY OF PASSAIC

## Schedule of Deferred Charges to Future Taxation - Unfunded

## General Capital Fund

Year Ended December 31, 2015

Improvement Authorizations Unfunded		\$ 66,929,947
Less: Unexpended Proceeds of Bond Anticipation Notes Issued		
<u>Ordinance No.</u>		
06-07	359,500	
07-12	10,701	
09-05	1,164,700	
09-06	2,932,829	
09-07	131,826	
11-03	1,195,702	
12-05	37,749	
12-06	244,294	
13-05	9,506	
13-06	10,195	
13-07	34,857	
13-08	39,807	
13-10	36,495	
14-02	101,885	
14-07	137,378	
14-10	26,399	
15-02	24,050	
		<u>6,497,873</u>
		\$ <u>60,432,074</u>

**COUNTY OF PASSAIC**  
**Schedule of Improvement Authorizations**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2014		2015 Authorizations		Cancelled	Paid or Charged	Balance Dec. 31, 2015	
			Funded	Unfunded	Funded	Unfunded			Funded	Unfunded
98-36	General Improvements:	\$								
00-40	Kingsland Avenue Bridge PC #81	400,000	306,872				1,556	305,316		36,000
	Supplemental - Repairs/Rehab. to Kingsland Ave Bridge PC #81.	700,000	664,000	36,000			3,378	664,000		21,784
01-37	Supplemental - Structure Deficient Bridges	250,000	25,162			14,282				
03-20	Supplemental - Various Drainage Improvements	1,400,000	14,282							
03-27	Supplemental - Acquisition of Hospital Equipment	8,750,000	16,510			8,292	(541)	16,510		148,221
04-01	Improvements to Paterson Hamburg	200,000		7,751			3,258			
04-05	Acquisition of Property for a Salt Dome Imp to Greenwood lake Tpke/West Milford	2,100,000	556	151,479		556				
04-11	Imp & Renovations to 435 Hamburg Turnpike	600,000					9,227			302,649
04-12	Imp & Renovations to 435 Hamburg Turnpike	1,000,000	60	311,876		60				
04-19	Various Bridge Repair & Replacement Project	650,000	73,124			73,124				140,651
04-21	Various Road Improvement Projects	350,000		149,614						
04-23	Intersection Improvements	2,000,000	80,950				8,963	76,700		
04-24	Miscellaneous Buildings & Grounds Improvements	6,000,000	280,243				4,250	279,791		
04-29	Acquisition of & Renovation to County Building	2,903,400	77,053				5,823	71,230		
05-07	Parks & Recreation General Improvements	1,000,000	19,130				12,293	6,837		
05-09	Acquisition of Equipment - Preakness Healthcare Center	12,334,000	139,748			5,000		946		
05-11	Various Repairs & Improvements	5,500,000	2,727	827			133,802	2,727		827
06-05	Private Fiber Optic Network	2,760,000		743,756						743,756
06-06	Bridge Replacements and/or Repairs	5,375,000	109,931	359,500			4,428	105,503		359,500
06-07	Various Capital Improvements	3,750,000	70,069				4,229	65,840		
06-08	Parks & Recreation General Improvements	5,500,000	76,108							
06-10/06-14	Various Repairs & Improvements	6,652,000	48,599			76,108				
06-16	Reconstruction and Rehabilitations of Various Bridges	2,500,000		871,898			13,192	35,407		675,382
07-06	Various Capital Improvements	200,000	6,933				196,516			
07-07	Stabilization Improvements to Groffle Brook	3,773,000	616,884					6,933		
07-08	2007 Road Improvement Projects	750,000	604,039			604,039		616,884		
07-09	General Parks and Recreation Program Imp	1,350,000		310,064						269,198
07-11	Intersection Improvement Projects	1,523,000	355,201	261,292			203,741			57,551
07-12	Acquisition of Various Equipment	4,500,000					85,954	269,247		
07-13	Various Capital Improvements	6,075,000		77,094			2,096			
08-02	Various Roadway Imp & Acq. of Equipment	10,800,000	1,806,453	1,328,141		74,998	35,701	1,187,370		
08-03	Various Capital Improvements	1,850,000	1,850,000			1,911,523	428	1,849,572		
08-05	Lambert Castle Restoration	12,150,000	1,588,295				391,345	1,196,950		1,164,700
09-05	Bridge, Road, & Traffic Safety	7,400,000		1,164,700			184,609			2,934,863
09-06	Building & Grounds Improvements	2,015,000		3,147,438		27,966	1,950			131,826
09-07	Acquisition of Equipment	2,937,924		54,687			35,965			18,722
09-09	Various Capital Improvements - PCTI	2,353,000	777,309				98,688	678,621		
09-10	Various Capital Improvements - PCCC	1,858,950	441,430				183,489	257,941		
10-03	Dey Mansion Renovations	3,000,000	537,238				108,650	428,588		
10-04	County Park Improvements									

**COUNTY OF PASSAIC**  
**Schedule of Improvement Authorizations**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2014		2015 Authorizations	Cancelled	Paid or Charged	Balance Dec. 31, 2015	
			Funded	Unfunded				Funded	Unfunded
10-06	Various Capital Improvements	4,730,000	771,943	104,500			74,893	697,050	104,500
10-08	Various Capital Improvement Funds	16,304,250	5,471,455	200,066			57,258	5,614,263	
11-03	Various Capital Improvements	27,920,000	4,929,805	4,929,805		145,195	653,103		4,131,507
11-04	Various Capital Improvements	11,470,000		713,339		125,891	399,336	17,503	170,609
12-03	Improvements to Passaic Community College Facilities	8,500,000	6,170,743				4,136,268	2,034,475	
12-05	Improvement of the Passaic County Technical Institute	1,958,616		1,958,616			1,162,251		796,365
12-06	Various Capital Improvements	12,428,000	165,000	637,035			426,275		375,760
12-07	Various Capital Improvements	28,853,000	4,246,056	7,329,395		1,329,355	2,317,327		7,928,769
13-05	Various Bridge/Drain/Road Impvmts.	6,700,000		5,752,689			693,183		5,059,506
13-06	Improvement of Passaic County Community College	4,368,110		1,231,736			1,218,431		13,305
13-07	Various Capital Improvements	3,100,000		1,634,342			427,485		1,206,857
13-08	Improvement of the Passaic County Voc School District	951,308		468,115			292,000		176,115
13-09	Improvement of Passaic County Community College	1,500,000	1,454,434				34,308	1,420,126	
13-10	Various Capital Improvements	8,500,000		1,146,581			115,761		1,030,820
14-02	Improvement of Passaic County Community College	980,840		980,240			597,515	4,210,507	382,725
14-03	Improvement of Passaic County Community College	4,250,000	4,210,507						1,781,700
14-04	Improvement of the Passaic County Technical Institute	1,958,616		1,958,016			176,316		10,713,421
14-06	Insurance Refunding	26,730,000		16,359,637			5,646,216		2,293,000
14-07	Improvement of the Passaic County Technical Institute	8,155,622		8,042,499			5,749,499		9,530,000
14-08	Various Capital Improvements	29,461,708	13,984,917	9,550,000			6,541,410	7,443,507	
14-10	Police Radio Communication System	1,270,000		27,599			700		26,899
15-01	Refunding Bonds			45,000,000			39,690,000		
15-02	Acquisition of Golf & Utility Carts			625,000		5,310,000	588,006		24,050
15-03	PCTI Improvements			979,308		12,944			978,758
15-04	PCCC Improvements			1,896,985			550		1,896,435
15-05	PCCC Chapter 12			3,200,000			60,343	3,139,657	
15-06	Court House Complex			2,500,000			400	124,600	2,375,000
15-07	Various Capital Improvements			49,625,372			8,607,258	32,088,114	8,930,000
			\$ 47,063,961	72,134,103	103,826,665	9,719,273	81,441,010	64,934,499	66,929,947

Capital Improvement Fund	\$ 501,250
Interfunds-Open Space Grants	712,000
Grants Receivable	39,638,372
Def. Charges to Future Taxation	62,975,043
	<u>\$ 103,826,665</u>

Cash	\$ 3,519,825
Interfunds	41,124,397
Encumbrances	36,796,788
	<u>\$ 81,441,010</u>

**COUNTY OF PASSAIC**  
**Schedule of Commitments Payable**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Balance - December 31, 2014	\$	42,507,297
Increased by:		
Charges to Improvement Authorizations		<u>36,796,788</u>
		79,304,085
Decreased by:		
Payments		<u>42,507,297</u>
Balance - December 31, 2015	\$	<u><u>36,796,788</u></u>

**COUNTY OF PASSAIC**  
**Schedule of Capital Improvement Fund**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Balance - December 31, 2014	\$	16,596
Increased by:		
2015 Budget Appropriations		<u>500,000</u>
		516,596
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>501,250</u>
Balance - December 31, 2015	\$	<u><u>15,346</u></u>

**Schedule of Reserve for Final Payments and Litigation**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Balance - December 31, 2014	\$	<u>160,258</u>
Balance - December 31, 2015	\$	<u><u>160,258</u></u>

## COUNTY OF PASSAIC

## Schedule of Reserve for Payment of Bonds and Notes

## General Capital Fund

Year Ended December 31, 2015

	<u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Reserve for Payment of Bonds:				
Acquisition of Property - Bail Tract	05-15	\$ 1,102,410		1,102,410
Bridge, Road, & Traffic Safety	09-05	599,280		599,280
		<u>1,701,690</u>		<u>1,701,690</u>
Total Reserve for Payment of Bonds				
Reserve for Payment of Bond Anticipation Notes:				
Hamburg Turnpike	04-01	2,791,000	2,500,000	291,000
Implementation of Traffic Safety Program	07-10	2,700		2,700
Various Capital Improvements	08-03	3,680,522		3,680,522
Over Borrowed		48,150		48,150
ARRA 2009 Road Resurfacing	09-01	4,613,251		4,613,251
2009 Road Resurfacing	09-01	26,440		26,440
Various Building & Grounds Imp	09-06	91,252		91,252
Acquisition of Equipment	09-07	1,334		1,334
Various Capital Improvements	10-08	732,009		732,009
Various Capital Improvements	12-06	52,664		52,664
		<u>12,039,322</u>	<u>2,500,000</u>	<u>9,539,322</u>
Total Reserve for Payment of Bond Anticipation Notes				
Total Reserve for Payment of Bonds and Notes		\$ <u>13,741,012</u>	<u>2,500,000</u>	<u>11,241,012</u>
			Interfunds \$ <u>2,500,000</u>	

COUNTY OF PASSAIC

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2015

	Balance, December 31, <u>2014</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2015</u>
Current Fund	\$ (88,010)	72,006,844	71,855,325	63,509
Open Space Trust Fund	<u>                    </u>	<u>712,000</u>	<u>712,000</u>	<u>                    </u>
	<u>(88,010)</u>	<u>72,718,844</u>	<u>72,567,325</u>	<u>63,509</u>
Due from		15,579,010	15,515,501	63,509
Due (to)	<u>(88,010)</u>	<u>57,139,834</u>	<u>57,051,824</u>	<u>                    </u>
	<u>\$ (88,010)</u>	<u>72,718,844</u>	<u>72,567,325</u>	<u>63,509</u>

Receipts	\$	24,934,280
Reimbursement for Expenditure Paid	9,332,097	
Improvement Authorizations	712,000	
Bonds Issued	39,690,000	42,400,000
Grant Reimbursements		712,000
Grants Cancelled	8,058,958	
Budgeted Revenue		4,500,000
Interest on Investments		21,045
Disbursements	<u>14,925,789</u>	<u>                    </u>
	<u>\$ 72,718,844</u>	<u>72,567,325</u>

COUNTY OF PASSAIC

Schedule of Reserve for Salt Shed - West Milford

General Capital Fund

Year Ended December 31, 2015

Balance - December 31, 2014	\$ <u>296,619</u>
Balance - December 31, 2015	\$ <u><u>296,619</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Interest - Fire Academy

General Capital Fund

Year Ended December 31, 2015

Balance - December 31, 2014	\$ <u>1,101,710</u>
Balance - December 31, 2015	\$ <u><u>1,101,710</u></u>

Exhibit C-15

**COUNTY OF PASSAIC**  
**Schedule of Reserve for Administration**  
**Building Settlement**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Balance - December 31, 2014	\$ <u>9,786</u>
Balance - December 31, 2015	\$ <u><u>9,786</u></u>

Exhibit C-16

**Schedule of Reserve for Interest - DOT Programs**  
**General Capital Fund**  
**Year Ended December 31, 2015**

Balance - December 31, 2014	\$ <u>12,786</u>
Balance - December 31, 2015	\$ <u><u>12,786</u></u>

COUNTY OF PASSAIC

Schedule of Reserve for Grants Receivable

General Capital Fund

Year Ended December 31, 2015

Balance - December 31, 2014	\$ <u>24,722,037</u>
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Balance - December 31, 2015	\$ <u><u>24,722,037</u></u>
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Analysis of Balance:

Ordinance 08-03	\$ 1,555,908
Ordinance 12-06	6,757,000
Ordinance 12-07	11,134,004
Ordinance 13-05	3,300,000
Ordinance 13-07	900,000
Ordinance 13-10	<u>1,075,125</u>
	<u><u>24,722,037</u></u>

COUNTY OF PASSAIC

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2015

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						Dec. 31, 2014	Dec. 31, 2015
04-01	Improvements to Paterson Hamburg Turnpike	12/29/11	12/14/15	12/13/16	2.272324%	3,200,000	3,200,000
09-01	2009 Road Resurfacing	12/29/11	12/14/15	12/13/16	2.272324%	1,900,000	1,900,000
09-09	Various Capital Improvements	12/29/11	12/14/15	12/13/16	2.272324%	2,000,000	2,000,000
10-08	Various Capital Improvements	12/29/11	12/14/15	12/13/16	2.272324%	2,500,000	2,500,000
11-04	Various Capital Improvements	12/29/11	12/14/15	12/13/16	2.272324%	4,000,000	4,000,000
04-01	Improvements to Paterson Hamburg	12/26/13	12/14/15	12/13/16	2.272324%	86,050	86,050
06-07	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	359,500	359,500
08-01	Various Building and Grounds Improvements	12/26/13	12/14/15	12/13/16	2.272324%	2,500,000	2,500,000
08-03	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	750,000	750,000
09-04	Various Park & Recreation Improvements	12/26/13	12/14/15	12/13/16	2.272324%	717,250	717,250
09-05	Bridge, Road, & Traffic Safety	12/26/13	12/14/15	12/13/16	2.272324%	1,164,700	1,164,700
09-06	Building & Grounds Improvements	12/26/13	12/14/15	12/13/16	2.272324%	300,000	300,000
09-07	Acquisition of Equipment	12/26/13	12/14/15	12/13/16	2.272324%	1,914,000	1,914,000
11-03	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	3,096,500	3,096,500
12-06	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	5,000,000	5,000,000
12-07	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	5,000,000	5,000,000
13-06	Improvement of Passaic County Community College	12/26/13	12/14/15	12/13/16	2.272324%	2,500,000	2,500,000
13-10	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	1,500,000	1,500,000
08-02	Various Capital Improvements	12/4/14	12/14/15	12/13/16	2.272324%	4,000,000	4,000,000
09-06	Building & Grounds Improvements	12/4/14	12/14/15	12/13/16	2.272324%	4,200,000	4,200,000
09-09	Various Capital Improvements	12/4/14	12/14/15	12/13/16	2.272324%	600,000	600,000
11-04	Various Capital Improvements	12/29/11	12/14/15	12/13/16	2.272324%	2,000,000	2,000,000
12-06	Various Capital Improvements	12/26/13	12/14/15	12/13/16	2.272324%	2,000,000	2,000,000
13-08	Various Capital Improvements	12/4/14	12/14/15	12/13/16	2.272324%	415,000	415,000
14-01	Various Capital Improvements	12/4/14	12/14/15	12/13/16	2.272324%	285,000	285,000
14-06	Self Insurance Funding	12/4/14	12/14/15	12/13/16	1.500000%	6,500,000	6,500,000
14-07	Various Capital Improvements	12/4/14	12/14/15	12/13/16	2.272324%	6,000,000	6,000,000
14-06	Self Insurance Funding	12/4/14	12/14/15	12/13/16	1.500000%	8,000,000	8,000,000
11-04	Various Capital Improvements	12/14/15	12/14/15	12/13/16	2.272324%	800,000	800,000
12-06	Various Capital Improvements	12/14/15	12/14/15	12/13/16	2.272324%	1,500,000	1,500,000
12-07	Various Capital Improvements	12/14/15	12/14/15	12/13/16	2.272324%	3,000,000	3,000,000

COUNTY OF PASSAIC

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2015

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						Dec. 31, 2014	Dec. 31, 2015
13-06	Improvements to PCCC	12/14/15	12/14/15	12/13/16	2.272324%		1,865,000
13-10	Various Capital Improvements	12/14/15	12/14/15	12/13/16	2.272324%		2,600,000
13-08	Improvements to PCCC	12/14/15	12/14/15	12/13/16	2.272324%		400,000
07-12	Acquisition of Equipment	12/14/15	12/14/15	12/13/16	2.272324%		900,000
08-01	Various Building and Grounds Improvements	12/14/15	12/14/15	12/13/16	2.272324%		2,000,000
09-08	Improvements to PCCC	12/14/15	12/14/15	12/13/16	2.272324%		1,200,000
12-05	Various Capital Improvements PCIT	12/14/15	12/14/15	12/13/16	2.272324%		1,500,000
13-07	Various Capital Improvements	12/14/15	12/14/15	12/13/16	2.272324%		700,000
14-02	Improvements to PCCC	12/14/15	12/14/15	12/13/16	2.272324%		1,206,000
14-10	Police Radio Communication System	12/14/15	12/14/15	12/13/16	2.272324%		593,000
15-02	Acquisition of Golf Carts	12/14/15	12/14/15	12/13/16	2.272324%		1,500,000
13-05	Various Bridges/Drainage/Road Improvements	12/14/15	12/14/15	12/13/16	2.272324%		1,500,000
						\$ 64,488,000	80,930,000
							64,488,000

Cash  
Serial Bonds  
Renewed

\$ 30,042,000  
50,888,000  
\$ 80,930,000

13,600,000  
50,888,000  
64,488,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series B	09/01/98	30,700,000	2016	1,800,000	6.770%	\$ 12,600,000		1,700,000	10,900,000
			2017	1,900,000	6.770%				
			2018	2,300,000	6.770%				
			2019	2,400,000	6.770%				
			2020	2,500,000	6.770%				
General Obligation Refunding Bonds of 1998 (Term Bonds) - Series A	09/01/98	665,000	2018	220,000	6.770%	665,000			665,000
			2019	220,000	6.770%				
			2020	225,000	6.770%				
General Improvement Bonds	09/15/01	14,965,000					1,665,000		1,665,000
Pension Refunding Bonds, Series 2003	02/15/03	6,560,000	2016	780,000	5.000%	2,505,000		680,000	1,825,000
			2017	880,000	5.000%				
			2018	25,000	5.750%				
			2019	35,000	5.750%				
			2020	45,000	5.750%				
County College Bonds	08/15/03	2,010,000							170,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
General Obligation Refunding Bonds	09/01/03	21,855,000	2016	1,915,000	5.200%	3,870,000		1,955,000	1,915,000
General Obligation Bonds	03/15/04	19,495,000	2016	3,745,000	3.500%	7,145,000		3,400,000	3,745,000
General Obligation Refunding Bonds	05/01/04	12,220,000	2016	1,170,000	3.250%	3,455,000		1,190,000	2,265,000
			2017	1,095,000	3.375%				
County College Bonds (A)	10/15/04	4,788,000	2016	465,000	3.600%	1,403,000		450,000	953,000
			2017	488,000	3.600%				
General Obligation Bonds	06/01/06	20,000,000	2016	1,100,000	4.375%	2,100,000		1,000,000	1,100,000
County College Bonds (A)	11/15/06	3,050,000	2016	290,000	3.875%	1,170,000		280,000	890,000
			2017-18	300,000	4.000%				
County College Bonds (B)	11/15/06	3,050,000	2016	290,000	3.875%	1,170,000		280,000	890,000
			2017-18	300,000	4.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			of Bonds Outstanding December 31, 2015						
			Year	Amount					
County College Bonds (A)	11/01/07	5,950,000	2016	570,000	3.750%	2,950,000		545,000	2,405,000
			2017	595,000	3.750%				
			2018	615,000	4.000%				
			2019	625,000	4.000%				
County College Bonds (B)	11/01/07	5,950,000	2016	570,000	3.750%	2,950,000		545,000	2,405,000
			2017	595,000	3.750%				
			2018	615,000	4.000%				
			2019	625,000	4.000%				
General Obligation Bonds	05/01/08	48,625,000	2016	2,100,000	5.000%	46,275,000		41,275,000	5,000,000
			2017	2,900,000	5.000%				
			2018	3,000,000	5.000%				
			2019	3,100,000	5.000%				
			2020	3,200,000	4.000%				
			2021	3,300,000	4.125%				
			2022	3,400,000	4.250%				
			2023	3,500,000	4.250%				
			2024	3,700,000	4.250%				
			2025	3,800,000	4.250%				
			2026	3,900,000	4.250%				
			2027	4,075,000	4.500%				
2028	4,225,000	4.500%							
Vocational School Bonds	05/01/08	2,938,000	2016	310,000	5.000%	1,753,000		1,108,000	645,000
			2017	335,000	5.000%				
			2018	385,000	5.000%				
			2019	438,000	5.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
County College Bonds	05/01/08	8,077,000	2016	700,000	5.000%	4,472,000		3,062,000	1,410,000
			2017	710,000	5.000%				
			2018	770,000	5.000%				
			2019	795,000	5.000%				
			2020	812,000	4.000%				
General Improvement Refunding Bonds	09/15/09	8,540,000				1,550,000		1,550,000	
College Refunding Bonds	09/15/09	2,190,000				390,000		390,000	
College Refunding Bonds	09/15/09	2,160,000				350,000		350,000	
General Obligation Bonds	04/01/10	19,671,000	2016	1,000,000	2.500%	18,446,000		750,000	17,696,000
			2017	1,250,000	3.000%				
			2018	1,500,000	3.250%				
			2019	1,750,000	3.500%				
			2020	2,000,000	4.000%				
			2021	2,250,000	4.000%				
			2022	2,500,000	4.000%				
			2023	2,650,000	4.000%				
			2024	2,796,000	4.000%				
	Vocational School Bonds	04/01/10	945,000	2016	120,000	2.500%	585,000		110,000
			2017	125,000	3.000%				
			2018	130,000	3.250%				
			2019	100,000	3.500%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
County College Bonds	04/01/10	2,130,000	2016	200,000	2.500%	1,470,000		190,000	1,280,000
			2017	210,000	3.000%				
			2018	220,000	3.250%				
			2019	230,000	3.500%				
			2020	240,000	4.000%				
			2021	180,000	4.000%				
General Refunding Bonds	06/17/10	10,045,000	2016	1,665,000	3.000%	3,350,000		1,685,000	1,665,000
			2017	223,000	4.450%				
Recovery Zone Economic Development Bonds	07/28/10	4,389,000	2016	214,000	4.350%	3,614,000		207,000	3,407,000
			2017	233,000	4.910%				
			2018	244,000	5.010%				
			2019	257,000	5.110%				
			2020	270,000	5.610%				
			2021	285,000	5.610%				
			2022	300,000	5.610%				
			2023	317,000	5.610%				
			2024	336,000	5.610%				
			2025	354,000	6.540%				
			2026	374,000	6.540%				
County College Bonds	08/01/10	1,177,000	2016	105,000	2.500%	827,000		100,000	727,000
			2017	110,000	3.000%				
			2018	115,000	3.000%				
			2019	120,000	3.000%				
			2020	125,000	3.000%				
			2021	152,000	3.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015	Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
County College Bonds	08/01/10	1,176,000	2016 105,000	2.500%	826,000		100,000	726,000
			2017 110,000	3.000%				
			2018 115,000	3.000%				
			2019 120,000	3.000%				
			2020 125,000	3.000%				
			2021 151,000	3.000%				
General Obligation Refunding Bonds	05/01/11	26,415,000	2016 4,325,000	4.000%	15,125,000		4,355,000	10,770,000
			2017 475,000	4.250%				
			2018 4,480,000	5.000%				
			2019 755,000	4.750%				
			2020 735,000	4.750%				
College Refunding Bonds	05/01/11	610,000			180,000			
Vocational Education Refunding Bonds	05/01/11	300,000			90,000			
General Obligation Refunding Bonds	02/01/12	11,695,000	2016 1,875,000	4.000%	9,990,000		1,790,000	8,200,000
			2017 1,975,000	4.000%				
			2018 2,125,000	4.000%				
			2019 2,225,000	4.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
General Obligation Bonds	04/01/12	23,155,000	2016	1,350,000	3.000%	21,105,000		1,200,000	19,905,000
			2017	1,400,000	3.000%				
			2018	1,500,000	3.000%				
			2019	1,550,000	3.000%				
			2020	1,805,000	3.000%				
			2021	2,050,000	3.000%				
			2022	2,050,000	3.000%				
			2023	2,050,000	3.000%				
			2024	2,050,000	3.000%				
			2025	2,050,000	3.000%				
			2026	2,050,000	3.000%				
General Obligation Bonds - Taxable Bonds	04/01/12	13,570,000	2016	1,200,000	3.000%	11,670,000		1,100,000	10,570,000
			2017	1,350,000	3.000%				
			2018	1,450,000	3.000%				
			2019	1,600,000	3.000%				
			2020	1,700,000	3.000%				
			2021	1,700,000	3.000%				
2022	1,570,000	3.000%							
College Bond - Series 2012A	06/01/12	4,250,000	2016	400,000	2.000%	3,510,000		390,000	3,120,000
			2017	415,000	2.000%				
			2018	430,000	2.000%				
			2019	445,000	3.000%				
			2020	460,000	3.000%				
			2021	475,000	3.000%				
2022	495,000	3.000%							

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
College Bond - Series 2012B	06/01/12	4,250,000	2016	400,000	2.000%	3,510,000		390,000	3,120,000
			2017	415,000	2.000%				
			2018	430,000	2.000%				
			2019	445,000	3.000%				
			2020	460,000	3.000%				
			2021	475,000	3.000%				
			2022	495,000	3.000%				
General Obligation Refunding Bonds	08/15/12	10,200,000	2016	2,895,000	3.000%	8,520,000		2,735,000	5,785,000
			2017	600,000	3.000%				
			2018	585,000	4.000%				
			2019	580,000	4.000%				
			2020	575,000	4.000%				
			2021	550,000	4.000%				
College Refunding Bonds	08/15/12	530,000	2016	120,000	3.000%	325,000		205,000	120,000
General Obligation Refunding Bonds	05/15/13	17,650,000	2017	1,265,000	3.000%	17,480,000			17,480,000
			2018	1,360,000	4.000%				
			2019	1,455,000	4.000%				
			2020	1,550,000	4.000%				
			2021	1,650,000	4.000%				
			2022	1,745,000	4.000%				
			2023	1,835,000	4.000%				
			2024	1,930,000	4.000%				
			2025	2,095,000	4.000%				
			2026	2,595,000	5.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
College Bond - Series 2014A	06/15/14	2,875,000	2016	180,000	3.000%	2,875,000			2,700,000
			2017	185,000	4.000%				
			2018	190,000	5.000%				
			2019	195,000	5.000%				
			2020	200,000	5.000%				
			2021	205,000	5.000%				
			2022	210,000	5.000%				
			2023	215,000	5.000%				
			2024	220,000	4.000%				
			2025	225,000	3.000%				
			2026	230,000	3.000%				
2027	235,000	3.000%							
2028	210,000	3.000%							
College Bond - Series 2012B	06/15/14	2,875,000	2016	180,000	3.000%	2,875,000		175,000	2,700,000
			2017	185,000	4.000%				
			2018	190,000	5.000%				
			2019	195,000	5.000%				
			2020	200,000	5.000%				
			2021	205,000	5.000%				
			2022	210,000	5.000%				
			2023	215,000	5.000%				
			2024	220,000	4.000%				
			2025	225,000	3.000%				
			2026	230,000	3.000%				
2027	235,000	3.000%							
2028	210,000	3.000%							

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Balance December 31, 2015
			Year	Amount			
General Improvement Bonds, Series 2014A	12/04/14	22,201,000	2016	965,000	2.000%	22,201,000	21,236,000
			2017	965,000	3.000%		
			2018	965,000	3.000%		
			2019	965,000	2.000%		
			2020	1,590,000	4.000%		
			2021	1,625,000	4.000%		
			2022	1,645,000	2.000%		
			2023	1,670,000	2.250%		
			2024	1,695,000	2.250%		
			2025	1,720,000	2.500%		
			2026	1,770,000	3.000%		
			2027	1,820,000	3.000%		
			2028	1,920,000	3.000%		
2029	1,921,000	3.000%					
County Vocational School Bonds, Series 2014		979,000	2016	40,000	2.000%	979,000	939,000
			2017	40,000	3.000%		
			2018	40,000	3.000%		
			2019	40,000	2.000%		
			2020	65,000	4.000%		
			2021	75,000	4.000%		
			2022	80,000	2.000%		
			2023	80,000	2.250%		
			2024	80,000	2.250%		
			2025	80,000	2.250%		
			2026	80,000	2.500%		
			2027	80,000	3.000%		
			2028	80,000	3.000%		
			2029	79,000	3.000%		
						40,000	965,000

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
County College Bonds, Series 2014A	12/04/14	2,500,000	2016	350,000	2.000%	2,500,000		325,000	2,175,000
			2017	575,000	3.000%				
			2018	600,000	3.000%				
			2019	650,000	2.000%				
General Obligation Bonds, Series 2014B	12/04/14	3,940,000	2016	300,000	2.500%	3,940,000		275,000	3,665,000
			2017	325,000	2.500%				
			2018	350,000	2.500%				
			2019	375,000	2.500%				
			2020	410,000	2.500%				
			2021	430,000	2.500%				
			2022	460,000	2.700%				
			2023	500,000	2.870%				
2024	515,000	3.000%							
General Obligation Refunding Bonds	02/01/15	36,570,000	2018	2,735,000	4.000%		36,570,000		36,570,000
			2019	2,810,000	5.000%				
			2020	2,910,000	5.000%				
			2021	3,025,000	5.000%				
			2022	3,140,000	5.000%				
			2023	3,250,000	5.000%				
			2024	3,465,000	5.000%				
			2025	3,585,000	5.000%				
			2026	3,705,000	5.000%				
			2027	3,895,000	5.000%				
2028	4,050,000	3.000%							
County Vocational School Refunding Bonds	02/01/15	815,000	2018	380,000	4.000%		815,000		815,000
			2019	435,000	5.000%				

COUNTY OF PASSAIC

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Year	Amount					
County College Refunding Bonds	02/01/15	2,305,000	2018	745,000	4.000%		2,305,000		2,305,000
			2019	770,000	5.000%				
			2020	790,000	5.000%				
County College Bonds, Series 2015A	07/01/15	1,600,000	2016	105,000	2.000%		1,600,000		1,600,000
			2017	115,000	2.000%				
			2018	125,000	2.000%				
			2019	130,000	3.000%				
			2020	160,000	3.000%				
			2021	180,000	4.000%				
			2022	190,000	2.000%				
			2023	195,000	2.125%				
			2024	200,000	2.375%				
			2025	200,000	3.000%				
			County College Bonds, Series 2015B	07/01/15	1,600,000				
2017	115,000	2.000%							
2018	125,000	2.000%							
2019	130,000	3.000%							
2020	160,000	3.000%							
General Improvement Bonds	12/14/15	11,600,000	2016	710,000	1.500%		11,600,000		11,600,000
			2017	730,000	2.000%				
			2018	755,000	4.000%				
			2019	785,000	3.000%				
			2020	710,000	3.000%				
			2021	725,000	4.000%				



COUNTY OF PASSAIC

Schedule of New Jersey Green Trust Loans Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding		Interest Rate	Balance December 31, 2014	Decreased	Balance December 31, 2015
			Date	Amount				
Lambert Castle Grounds Project	02/28/08	\$ 564,657	02/28/16	21,983	2.000%	322,113	43,315	278,798
			08/28/16	22,203	2.000%			
			02/28/17	22,425	2.000%			
			08/28/17	22,649	2.000%			
			02/28/18	22,875	2.000%			
			08/28/18	23,104	2.000%			
			02/28/19	23,335	2.000%			
			08/28/19	23,569	2.000%			
			02/28/20	23,804	2.000%			
			08/28/20	24,042	2.000%			
		02/28/21	24,283	2.000%				
		08/28/21	25,526	2.000%				
						\$ 322,113	43,315	278,798

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2014	Balance December 31, 2015
			Date	Amount			
Preakness Healthcare Center Expansion	05/01/05	\$ 65,000,000			5.000%	1,595,000	1,595,000
Prosecutor's Office Building Improvements	12/09/05	6,000,000	12/15/16	310,000	4.000%	4,050,000	4,050,000
			12/15/17	320,000	4.125%		
			12/15/18	335,000	4.125%		
			12/15/19	350,000	4.250%		
			12/15/20	365,000	4.250%		
			12/15/21	380,000	4.300%		
			12/15/22	395,000	4.375%		
		12/15/23	415,000	4.375%			
		12/15/24	430,000	4.500%			
		12/15/25	450,000	4.500%			

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Date	Amount					
Preakness Healthcare Center Expansion	05/01/06	\$ 22,960,000	05/01/16	575,000	4.100%	20,100,000		19,525,000	575,000
			05/01/17	600,000	4.125%				
			05/01/18	625,000	4.250%				
			05/01/19	655,000	4.250%				
			05/01/20	685,000	4.300%				
			05/01/21	715,000	4.375%				
			05/01/22	745,000	4.375%				
			05/01/23	780,000	4.500%				
			05/01/24	815,000	4.500%				
			05/01/25	850,000	4.500%				
			05/01/26	890,000	4.500%				
			05/01/27	930,000	4.500%				
			05/01/28	975,000	4.500%				
			05/01/29	1,020,000	4.750%				
			05/01/30	1,070,000	4.750%				
			05/01/31	1,125,000	4.750%				
		05/01/32	1,175,000	4.750%					
		05/01/33	1,235,000	4.750%					
		05/01/34	1,295,000	4.750%					
		05/01/35	1,360,000	4.750%					
		05/01/36	1,425,000	4.750%					

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Date	Amount					
Refunding -Preakness Healthcare Center Expansion	05/01/12	\$ 57,425,000	05/01/16	1,905,000	5.000%	57,000,000		220,000	56,780,000
	05/01/17	2,000,000	05/01/17	2,000,000	5.000%				
	05/01/18	200,000	05/01/18	200,000	4.000%				
	05/01/18	1,905,000	05/01/18	1,905,000	5.000%				
	05/01/19	1,890,000	05/01/19	1,890,000	3.000%				
	05/01/19	300,000	05/01/19	300,000	4.000%				
	05/01/20	2,250,000	05/01/20	2,250,000	2.125%				
	05/01/21	2,330,000	05/01/21	2,330,000	5.000%				
	05/01/22	1,530,000	05/01/22	1,530,000	2.500%				
	05/01/22	900,000	05/01/22	900,000	5.000%				
	05/01/23	2,010,000	05/01/23	2,010,000	2.625%				
	05/01/23	500,000	05/01/23	500,000	4.000%				
	05/01/24	2,610,000	05/01/24	2,610,000	5.000%				
	05/01/25	2,740,000	05/01/25	2,740,000	5.000%				
	05/01/26	2,885,000	05/01/26	2,885,000	5.000%				
05/01/27	3,000,000	05/01/27	3,000,000	3.000%					
05/01/28	3,090,000	05/01/28	3,090,000	3.000%					
05/01/29	3,185,000	05/01/29	3,185,000	3.125%					
05/01/30	3,290,000	05/01/30	3,290,000	3.125%					
05/01/35	18,260,000	05/01/35	18,260,000	3.500%					

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding Dec. 31, 2015		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Date	Amount					
Refunding -Preakness Healthcare Center Expansion	05/20/15	\$ 19,550,000	05/01/17	630,000	4.000%		19,550,000		19,550,000
			05/01/18	655,000	4.000%				
			05/01/19	685,000	5.000%				
			05/01/20	725,000	5.000%				
			05/01/21	760,000	5.000%				
			05/01/22	795,000	5.000%				
			05/01/23	840,000	5.000%				
			05/01/24	880,000	5.000%				
			05/01/25	925,000	5.000%				
			05/01/26	960,000	5.000%				
			05/01/27	990,000	3.000%				
			05/01/28	1,025,000	3.125%				
			05/01/29	1,060,000	3.250%				
			05/01/30	1,095,000	3.250%				
			05/01/31	1,140,000	3.750%				
			05/01/32	1,180,000	3.750%				
			05/01/33	1,230,000	3.750%				
			05/01/34	1,275,000	3.750%				
			05/01/35	1,325,000	3.750%				
			05/01/36	1,375,000	3.750%				

COUNTY OF PASSAIC

Schedule of Capital Leases Payable

General Capital Fund

Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Capital Leases Outstanding		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Date	Amount					
Refunding - Prosecutor Building	05/20/15	\$ 3,510,000	05/01/16	295,000	2.000%		3,510,000		3,510,000
			05/01/17	300,000	3.000%				
			05/01/18	310,000	3.000%				
			05/01/19	320,000	5.000%				
			05/01/20	335,000	5.000%				
			05/01/21	355,000	5.000%				
			05/01/22	370,000	5.000%				
			05/01/23	390,000	5.000%				
			05/01/24	405,000	5.000%				
			05/01/25	430,000	3.000%				
						\$ 82,745,000	23,060,000	25,390,000	80,415,000

## COUNTY OF PASSAIC

## Schedule of Bonds and Notes Authorized But Not Issued

## General Capital Fund

Year Ended December 31, 2015

Ordinance Number		Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
General Improvements:					
87-25	New Street Reconstruction - Phases II and III	\$ 337,629			337,629
87-43	Reconstruction of Old Turnpike Bridge PC #325	87,868			87,868
91-30	Reconstruction East Main Bridge	101,608			101,608
95-04	Road Intersection Program	63,538			63,538
95-07	Reconstruction Lafayette Ave.	1,500			1,500
96-06	Road Improvements Passaic Avenue	81,782			81,782
96-15	Hazel Street Scoping/Construction	5,937			5,937
96-21	Preakness Brook PC #348	37,000			37,000
96-22	Reconstruction of Valley Road	8,240			8,240
96-24	Expansion PCCC	222,000			222,000
97-01	Main Street & Arch Street Bridges - PC#15 & 16	58,685			58,685
97-05	Road Resurfacing Program - 1997	2,040			2,040
97-13	Church Street Bridge - PC #125	92,581			92,581
97-20	Construction of Police Academy Addition	7,000			7,000
97-26	Rehabilitate Bridges - PC #28 & #29	344,538			344,538
97-31	Design & Rehab. Magee Road Bridge - PC #404	90,000			90,000
98-23	Replacement of Wagaraw Road Bridge	75,000			75,000
98-35	Intersection Improvement at Belmont and Barbour Street	7,058			7,058
99-10	Various Drainage Improvements Projects	238,000			238,000
99-15	Totowa/French Hill Roads Intersection Improvements	476,000			476,000
00-08	Supplemental - Road Improvements	265			265
00-14	Supplemental - Redecking of McBride Bridge	1,067			1,067
00-20	Construction of Jughandle from Paterson-Hamburg Turnpike to Hinchman Ave	238,000			238,000
00-40	Supplemental - Repairs/Rechab. to Kingsland Ave Bridge PC	36,000			36,000
00-41	Supplemental - Valley Road and Pompton-HamburgTpke intersection improvements	88,000			88,000
01-29	Supplemental - Reconstruction of Greenwood Lake Turnpike	900			900
02-41	Refunding ordinance - Payment of Pension Obligation	107			107
03-06	Supplemental - Road Improvements	266			266
04-03	Imp to Paterson Hamburg Turnpike/Jackson Ave.	98			98
04-05	Acquisition of Property for a Salt Dome	185,000			185,000
04-09	Acq of Equipment for Passaic County Comm. College	881			881
04-12	Imp & Renovations to 435 Hamburg Turnpike	480,000			480,000
04-23	Intersection Improvements	282,500			282,500
05-06	Improvements to the PC Tech Institute	308			308
06-05	Private Fiber Optic Network	827			827
06-06	Bridge Replacements and/or Repairs	869,887			869,887
06-11	Improvements to the Vocational School	549			549
06-12	Improvements of Passaic County Community College	761			761
07-06	Various Capital Improvments	995,000			995,000
07-11	Intersection Improvement Projects	332,500			332,500
07-12	Acquisition of Various Equipment	946,850		900,000	46,850
07-15	Various Improvements for the Vocational Technical School	308			308
08-01	Various Building and Grounds Improvements	2,410,000		2,000,000	410,000
08-02	Various Roadway Imp & Acq. of Equipment	1,771,250		74,998	1,696,252
08-03	Various Capital Improvements	578,142		578,142	
09-01	2009 Road Resurfacing	18,270			18,270

## COUNTY OF PASSAIC

## Schedule of Bonds and Notes Authorized But Not Issued

## General Capital Fund

Year Ended December 31, 2015

Ordinance Number		Balance			Balance Dec. 31, 2015
		Dec. 31, 2014	Increased	Decreased	
General Improvements:					
09-06	Building & Grounds Improvements	30,000		27,966	2,034
09-07	Acquisition of Equipment				
09-08	Various Capital Improvements - PCCC	2,278,988		2,278,000	988
09-09	Various Capital Improvements - PCTI	337,924			337,924
10-06	Various Capital Improvements	104,500			104,500
10-07	Refunding Bonds - GI 2003, 32mil	1,041,865			1,041,865
11-03	Various Capital Improvements	3,081,000		145,195	2,935,805
11-04	Various Capital Improvements	1,096,500		925,891	170,609
12-04	Improvement of Passaic County Community College	2,338,508			2,338,508
12-05	Improvement of the Passaic County Technical Institute	1,958,616		1,200,000	758,616
12-06	Various Capital Improvements	1,773,160		1,641,694	131,466
12-07/14-09	Various Capital Improvements	13,473,444		4,329,355	9,144,089
13-05	Various Bridge/Drain/Road Impvts.	6,550,000		1,500,000	5,050,000
13-06	Improvement of Passaic County Community College	1,868,110		1,865,000	3,110
13-07	Various Capital Improvements	2,672,000		1,500,000	1,172,000
13-08	Improvement of the Passaic County Vocational School District	536,308		400,000	136,308
13-09	Improvement of Passaic County Community College				
13-10	Various Capital Improvements	3,594,325		2,600,000	994,325
14-01	Various Capital Improvements				
14-02	Improvement of Passaic County Community College	980,840		700,000	280,840
14-03	Improvement of Passaic County Community College-Chp.12				
14-04	Improvement of the Passaic County Vocational School District	1,958,616			1,958,616
14-06	Self Insurance Funding	18,957,142		8,000,000	10,957,142
14-07	Improvement of the Passaic County Vocational School District	2,155,622			2,155,622
14-08	Various Capital Improvements	9,550,000			9,550,000
14-10	Police Radio Communications System	1,206,500		1,206,000	500
15-01	Refunding Bond Ordinance		45,000,000	45,000,000	
15-02	Acquisition Golf/Utility Carts		593,750	593,750	
15-03	PCTI Improvements		979,308		979,308
15-04	PCCC Improvements		1,896,985		1,896,985
15-05	PCCC Improvements - Chp. 12		3,200,000	3,200,000	
	Renovations to Courthouse Complex - Historic Preservation				
15-06	Trust		2,375,000		2,375,000
15-07	Various Capital Improvements		8,930,000		8,930,000
		<u>\$ 89,119,708</u>	<u>62,975,043</u>	<u>80,665,991</u>	<u>71,428,760</u>
			Refunding Authorized	45,000,000	
				<u>17,975,043</u>	
				<u>62,975,043</u>	
			Cancelled by Resolution	2,282,297	
			Bonds Issued	48,200,000	
			Bond Anticipation Notes	30,042,000	
			Cash Proceeds	141,694	
				<u>80,665,991</u>	

**COUNTY OF PASSAIC**

**STATE OF NEW JERSEY**

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

**PART II**

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

**COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2015**

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

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

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

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

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the County of Passaic in the State of New Jersey as of and for the year ended December 31, 2015 and the related notes to the financial statements, and have issued our report thereon dated May 4, 2016, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

### **Internal Control Over Financial Reporting**

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

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



The Honorable Board of Chosen Freeholders  
County of Passaic  
Page 2.

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

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

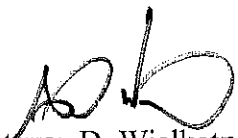
### **Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the County of Passaic' financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to the management of the County of Passaic in the accompanying comments and recommendations section of this report.

### **Purpose of this Report**

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

  
Steven D. Wielkocz  
Registered Municipal Accountant  
No. 413

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

May 4, 2016



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

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
Steven D. Wielkocz, CPA, RMA  
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Certified Public Accountants  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442  
973-835-7900  
Fax 973-835-6631

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

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08**

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

### **Report on Compliance for Each Major Federal and State Program**

We have audited the County of Passaic in the State of New Jersey compliance with the types of compliance requirements described in the OMB Compliance Supplement and N.J. Office of Management and Budget (OMB) Circular 15-08 Compliance Supplement that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2015. The County of Passaic's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County of Passaic's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08. Those standards, the Uniform Guidance and N.J. OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the County of Passaic's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination on the County of Passaic's compliance.

### **Opinion on Each Major Federal and State Program**

In our opinion, the County of Passaic complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2015.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Compliance Supplement and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questions costs as items 2015-001 to 2015-003. Our opinion on each major federal and state program is not modified with respect to these matters.

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

### **Report on Internal Control Over Compliance**

Management of the County of Passaic is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County of Passaic's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal and state program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Passaic's internal control over compliance.

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



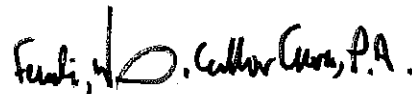
reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.



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



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

May 4, 2016



COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2015

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance Dec. 31 2014	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec. 31 2015	MEMO	
										Cumulative Total Expenditures	Total Expenditures
U.S. Dept. of Agriculture: Farmer's Market Nutrition Program	10.576	10-147-WIC-L-0	2015	1,000	(21,987)	209,906	1,000		(69,959)	*	1,000
					(21,987)	209,906	1,000		(69,959)	*	1,000
U.S. Dept. of Commerce: Passaic County Disaster Assessment	11.307		2012	280,000	(7,499)	251,888	251,888		(69,959)	*	279,875
					(7,499)	251,888	251,888		(69,959)	*	279,875
U.S. Dept. of Housing & Urban Development: Community Development Block Grant	14.218		2008	864,476	(7,499)	51,958	44,459			*	864,476
Community Development Block Grant	14.218		2009	874,892	(3,171)	5,009	12,116		(10,278)	*	861,700
Community Development Block Grant	14.218		2010	946,150						*	896,304
Community Development Block Grant	14.218		2011	950,250	664				664	*	948,851
Community Development Block Grant	14.218		2012	805,450	13,579	27,787	5,060	(45,151)	(8,985)	*	777,156
Community Development Block Grant	14.218		2013	602,187	(123,976)	258,159	144,348	45,151	54,986	*	642,473
Community Development Block Grant	14.218		2014	866,001	(230)	158,224	175,560		(17,566)	*	178,521
Community Development Block Grant	14.218		2015	822,008		402	174		228	*	174
Community Development Block Grant - Disaster Recovery	14.218		2013	11,854,865	(7,703)	2,923,280	2,140,912		774,667	*	3,419,867
					(128,534)	3,424,819	2,522,569		773,716	*	8,589,322
Birch Street Apartments	14.235		2008	454,080	(238,479)				(238,479)	*	454,080
HUD - Eva's Project 36308	14.235		2010	471,360	13		13,302		(13,289)	*	176,304
HUD - Eva's Village Apartments	14.235		2011	476,902						*	436,707
					(238,466)		13,302		(231,768)	*	1,067,091
Passaic County Housing First	14.238		2009	1,411,200	(3)				(3)	*	679,419
Passaic County Housing First	14.238		2012/14	19,776	(4,953)		874		(5,827)	*	5,827
Passaic County Housing First	14.238		2011/16	221,400	(26,988)	69,166	66,686		(24,508)	*	124,516
Passaic County Housing First - Collaborative II	14.238		2011/16	1,101,420	(208,943)	408,664	275,816		(76,095)	*	693,115
Passaic County Housing First - Collaborative III	14.238		2011/16	369,480	(31,948)	69,712	31,539		6,225	*	94,848
Passaic County Housing First	14.238		2012/17	235,260	(28,441)	36,422	112,412		(104,431)	*	140,853
Passaic County Housing First	14.238		2013/18	1,107,720	(151,909)	83,417	146,969		(215,461)	*	506,512
Passaic County Housing First	14.238		2013/18	1,192,497	(59,151)	555,584	379,725		116,708	*	503,043
Passaic County Housing First	14.238		2014	327,953	(304,567)	320,212			15,645	*	304,567
Passaic County Housing First - Bonus	14.238		2013	221,424	(4,055)	64,962	13,330		47,577	*	24,885
Passaic County Housing First PILOT 2007	14.238		2014/15	317,621		277,185	152,487		124,698	*	152,487
Passaic County Housing First PILOT 2007	14.238		2015/16	311,069						*	
Passaic County Housing First - 2008	14.238		2015	258,007		147,607	44,406		103,201	*	44,406
Passaic County Housing First - 2008	14.238		2015/16	252,703						*	
HUD - St. Paul's	14.238		2011	186,600	5,193				5,193	*	76,518
HUD - St. Joseph	14.238		2011	186,600						*	
HUD - St. Joseph	14.238		2013	47,736	2,134		32		2,102	*	42,742
HUD - Birch Street Apartments	14.238		2011	103,761	238,479				238,479	*	134,718
HUD - Paterson Park Apartments	14.238		2012	806,760	(63,887)	147,778	95,571		(11,680)	*	373,872
HUD - Eva's Village Apartments	14.238		2013	121,824	(3,020)	1,366	4,144		(4,386)	*	113,444
Eva's Village Homeless Housing Project	14.238		2014	120,953	(65,552)	69,040	41,144		(27,656)	*	96,696
Eva's Village Homeless Housing Project	14.238		2015	116,895		51,112	37,794		13,318	*	37,794
Eva's Village Homeless Housing Project	14.238		2015	114,495						*	
Scattered Sites Homeless Housing Project	14.238		2014	47,110	(26,906)	42,443	13,299		2,238	*	40,205
St. Joe's CDC	14.238		2014	47,110	(21,064)	36,510	17,001		(1,575)	*	38,085
St. Joe's CDC	14.238		2015	45,531		36,380	19,640		16,740	*	19,640
St. Joe's CDC	14.238		2015	44,595						*	
St. Paul's CDC	14.238		2014	47,736	(1,977)	25,243	7,039		(9,016)	*	9,016
St. Paul's CDC	14.238		2015	45,531		15,058	15,058		10,185	*	15,058
St. Paul's CDC	14.238		2015	44,595	(747,578)	2,441,437	1,472,188		221,671	*	4,902,830

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2015

Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance Dec. 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec. 31 2015	MEMO Cumulative Total Expenditures
Homeless Prevention and Rapid Rehousing-Clifton	14.257	022-8020-100-179	2009	581,485	12,610			(12,610)	*	554,846
Homeless Prevention and Rapid Rehousing-Paterson	14.257	022-8020-100-179	2009	1,154,543	8,128			(8,128)	*	1,114,160
Homeless Prevention and Rapid Rehousing-ARRA	14.257	022-8020-100-179	2009	976,000	7,072			(7,072)	*	968,927
					27,810			(27,810)	*	2,637,933
Local Government Capacity Grant	14.703	N/A	2014	27,681	(27,681)	27,679		2	*	45,989
					(27,681)	27,679		2	*	45,989
Section 8 Housing Choice Voucher Program	14.871	N1090-2FFH-2014	2014	9,521,084					*	
Federal Office of Justice Programs Passed Through N.J. State Law Enforcement Planning Agency:										
Juvenile Crime Reduction	16.523	066-1500-100-121	2009	78,089	38,059			(38,059)	*	63,647
Juvenile Crime Reduction	16.523	066-1500-100-121	2010	60,546	19,675			(19,675)	*	40,871
Juvenile Crime Reduction	16.523	066-1500-100-121	2012	34,814		14,930	191	(46)	*	34,768
Juvenile Crime Reduction	16.523	066-1500-100-121	2013	26,639	(22,288)	25,998	3,663		37	28,921
					20,743	40,928	3,854	(57,380)	37	168,207
Juvenile Justice - Partnership	16.540	066-1500-100-007	2013	514,393	6,896			(6,896)	*	488,700
Juvenile Justice - Partnership	16.540	066-1500-100-007	2014	487,746	(276,993)	358,278	65,141	(18,144)	*	163,141
Juvenile Justice - Partnership	16.540	066-1500-100-007	2015	500,656	(270,097)	358,278	389,674	(25,040)	*	389,674
							452,815		(389,674)	1,041,515
Victims of Crime Act Grant	16.575	100-066-1020-142	2014	224,305	(96,678)	224,305	127,627		*	224,305
Victims of Crime Act Grant	16.575	100-066-1020-142	2015	234,626		207,249	85,947		121,302	85,947
SART/SANE Program	16.575	066-1020-100-142	2014	84,608	(7,992)	7,995		(1)	*	73,078
SART/SANE Program	16.575	066-1020-100-142	2015	73,028	(104,670)	59,667	60,989		(1,322)	60,989
						459,214	274,563	(1)	119,980	444,319
STOP Violence Against Women Act Formula Grant	16.588	066-1020-100-246	2015	27,566		27,566	27,566		*	27,566
						27,566	27,566		*	27,566
Main-Juvs Narc Task Force	16.738	066-1020-100-364	2012	169,657	21,662				21,662	147,975
Multi-Juvs Narc Task Force	16.738	066-1020-100-364	2013	172,000	67,813		50,027		17,786	154,214
Multi-Juvs Narc Task Force	16.738	066-1020-100-364	2014	184,139	(50,593)	154,805	74,167		50,045	134,094
Multi-Juvs Narc Task Force	16.738	066-1020-100-364	2015	174,698		38,444			38,444	
Justice Assistance Program	16.738	066-1020-100-364	2015	29,049		29,049	29,049		*	2,049
Justice Assistance Program	16.738	066-1020-100-364	2015	27,348		27,348	153,243		127,937	438,332
					53,882	272,298				
National Children's Alliance Support	16.758		2014	9,000	(8,000)	8,000			(4,105)	8,000
National Children's Alliance Support	16.758		2015	9,000	(8,000)	8,000	4,105		(4,105)	4,105
						8,000	4,105		(4,105)	12,105
U.S. Dept. of Labor Passed Through N.J. Dept. of Labor: Disability Employment Initiative	17.207	062-4545-100-026	2011/13	240,750	142,071				142,071	38,679
					142,071				142,071	38,679
I.T.P.A. (Workforce Investment)	17.258	062-4545-100-029	2012/13	1,817,131	51,180				51,180	1,223,638
Workforce Learning Link Program	17.258	062-4545-100-095	2013/14	157,000	4,231				7,846	142,199
Workforce Learning Link Program	17.258	062-4545-100-095	2014/15	311,000	(15,068)	279,675	264,665		(15,696)	311,000
Workforce Learning Link Program	17.258	062-4545-100-095	2015/16	145,000		24,942	40,658			40,658
WIA - Adult	17.258	062-4545-100-095	2012/13	1,799,182	682,133				682,133	1,012,364
WIA - Adult	17.258	062-4545-100-095	2013/14	1,785,055	(159,399)	579,256	295,100		124,757	1,610,298
WIA - Adult	17.258	062-4545-100-095	2014/15	1,831,954	(3,233)	840,338	960,497		(123,392)	963,730
WIA - Adult	17.258	062-4545-100-095	2015/16	1,611,233		266	271		(5)	271
WIA - Youth	17.259	062-4545-100-095	2013/14	1,798,551	61,572	106,741	60,605		108,308	1,690,243

COUNTY OF PASSAIC  
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Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec., 31 2015	MEMO Cumulative Total Expenditures
U.S. Dept. of Transportation Great Falls Circulation Study	17.259	662-4545-100-095	2014/15	1,914,231	(10,061)	1,748,986	1,690,404		48,521 *	1,737,434
	17.259	662-4545-100-095	2015/16	1,758,920		39,511	200,275		(160,764) *	200,275
	17.260	662-4545-100-105	2012/13	1,480,768	490,403				490,403 *	950,484
	17.260	662-4545-100-105	2013/14	1,727,953	(177,057)	447,812	207,252		63,503 *	1,664,722
	17.260	662-4545-100-105	2014/15	1,817,952	(16,525)	983,749	1,092,917		(125,693) *	1,110,824
	17.260	662-4545-100-105	2015/16	1,576,896		310	316		(6) *	316
	17.260	662-4545-100-105	2015/16	287,359	908,176	5,055,199	4,812,280		1,151,095 *	12,658,376
	20.205			300,000	60,000	9,788	51,474		18,314 *	51,474
	20.505			98,415	(1,923)		813	2,736		95,817
	20.505			132,048	9,604	97,958	106,403		1,159 *	121,403
U.S. Dept. of Energy Passed Through N.J. Dept. of Community Affairs: Weatherization Assistance Program	20.516		2012	440,000	(110,069)	226,286	135,650		(19,413) *	440,000
	20.516		2014	210,000	(110,069)	88,420	110,167		(21,747) *	110,167
	20.601		2014	5,000	4,800				(41,160) *	550,167
	20.601		2015	5,000	4,800	4,100			4,800 *	
	20.602		2015	4,000	4,000	4,000			4,000 *	
	20.703		2014	5,140		5,140			5,140 *	
	81.042		2013	667,475		289,349	413,480		(124,131) *	476,171
	84.287		2013	500,000	12,938			(12,938)		459,917
	84.411		2014	120,000	(34,147)	70,314	36,167		(70,046) *	70,314
	U.S. Dept. of Health and Human Services Passed Through N.J. Dept. of Services: Preteens Care-Psych Program	93.005		2013	538,210	17,261			(17,261)	
93.005			2014	538,210	(154,434)	169,105			14,669 *	323,539
93.005			2015	338,210	(137,173)	253,657	338,210		(84,553) *	338,210
93.008			2013	4,000	2,570		40		2,530 *	1,470
93.008			2013	7,000	4,482		80		4,402 *	2,598
93.008			2015	3,500	7,052	3,500	120		3,500 *	4,068
93.044			2009	2,441,094	41,472			(41,472)		2,399,622
93.044			2013	1,940,246	58,000		58,000			1,226,511
93.044			2014	2,277,556	748,891		58,001	(43,850)		2,233,706
93.044			2015	1,593,556		1,593,556	39,565		1,554,191 *	39,565

COUNTY OF PASSAIC

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Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grant's Number	Grant Period	Total Grant Award	Balance Dec. 31, 2014	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec. 31, 2015	MEMO		
										Expenditures	Cumulative Total Expenditures	
Aging Area Nutrition Grant Aging Area Nutrition Grant Aging Area Nutrition Grant	93.045	046-4275-100-228	2013	1,843,068	(109,325)	2,012,859	60,635	109,325	1,306,183	*	839,466	
	93.045	046-4275-100-228	2014	2,876,368	(1,567,148)	2,247,298	941,115	(283,076)	1,306,183	*	2,876,368	
	93.045	046-4275-100-228	2015	2,247,298	(928,110)	5,853,713	1,804,156	(261,073)	2,860,374	*	941,115	
												10,356,153
Community Services Block Grant (PHLP) Community Services Block Grant (PHLP) Community Services Block Grant (PHLP)	93.069	046-4230-100-361	2013	584,224	7,688	388,151	367,821	(438)	2,781	*	551,361	
	93.069	046-4230-100-361	2014	514,592	(17,549)	101,191	213,869	(438)	(112,678)	*	482,814	
	93.069	046-4230-100-361	2015	516,567	(9,861)	489,342	588,940	(438)	(109,897)	*	213,869	
												1,248,044
												314,127
Human Services Human Services Human Services PASP Human Services PASP Human Services PASP Human Services PASP Transportation & TIP Transportation & TIP Transportation & TIP Transportation & TIP Transportation & TIP	93.558	046-4275-100-371	2013	330,746	37,939	206,319	4,269	(10,497)	33,670	*	125,409	
	93.558	046-4275-100-371	2014	330,746	10,497	206,319	125,409	(10,497)	80,910	*	10,497	
	93.558	054-7545-100-005	2014	10,497	(3,500)	32,665	47,881	(2)	6,997	*	42,000	
	93.558	054-7545-100-005	2015	48,997	2	404,914	47,881	(2)	(15,216)	*	392,620	
	93.558	100-054-7530-308	2012	404,914	(25,114)	75,753	144,915	25,114	(134,330)	*	381,071	
	93.558	100-054-7530-308	2013	404,914	(40,035)	101,229	120,961	(25,113)	(19,732)	*	184,950	
	93.558	100-054-7530-308	2014	404,914	(20,211)	415,946	443,435	(1)	(47,701)	*	120,961	
	93.558	100-054-7530-308	2015	404,914	(20,211)	415,946	443,435	(1)	(47,701)	*	1,619,516	
	93.568	HIP	2011	624,805	(23,556)	613,240	589,601	(83)	613,157	*	503,936	
	93.568	100-022-8030-182	2014-15	503,936		503,936	503,936		49,858	*	49,858	
	93.568	100-022-8030-182	2015-16	635,191		566,001	49,858		(49,858)	*		
	93.568	100-022-8030-182	2016	566,001	(385,091)	726,004	140,913	(10,497)	726,004	*	200,163	
	93.568	100-022-8030-182	2013	726,004	(64,811)	72,220	200,163	(122,208)	200,163	*	128,314	
	93.568	100-022-8030-182	2015	342,488	(37,123)	287,025	229,902		603,780	*	104,578	
	93.568	DHS	2010	128,314		781	781		(194,641)	*	1,014,078	
93.568	DHS	2011	603,780	781	197,067	402,484		(366,707)	*	3,943,668		
93.568	022-8050-100-182	2013	104,378	(699,024)	10,776	2,125,047	(83)	2,125,047	*			
93.568	022-8050-100-182	2014	1,125,436		2,457,447	2,125,047		294,781	*	294,781		
93.569	022-8050-100-184	2014	294,781	(268,339)	294,781	26,442		(56,272)	*	221,490		
93.569	022-8050-100-184	2015	301,386	(268,339)	459,999	247,932		(56,272)	*	516,271		
Social Services Block Grant - Post Sandy Recovery	93.667		2014	35,000		33,866	33,866		*	33,866		
											33,866	
											29,000	
											29,000	
State Health Insurance Program (SHIP) State Health Insurance Program (SHIP) State Health Insurance Program (SHIP) State Health Insurance Program (SHIP)	93.779	100-034-7530-055	2012	29,000	25,381		29,000	3,619	*	29,000		
	93.779	100-034-7530-055	2013	29,000	18,000	7,000	29,000		*	29,000		
	93.779	100-034-7530-055	2014	27,000	18,000	13,999	25,000		*	25,000		
	93.779	100-034-7530-055	2015	28,000	72,381	20,999	20,797	3,619	(6,798)	*	20,797	
											103,797	
U.S. Dept. of Homeland Security Urban Area Security Initiative (UASI) - Five Decan Urban Area Security Initiative (UASI) Projects Urban Area Security Initiative (UASI) Projects Urban Area Security Initiative (UASI) Projects - Local	97.008		2004	12,500	(6,377)		17,420	6,377	*	12,500		
	97.008		2013	393,629	(73,652)	490,241	416,592	3	(146,541)	*	375,547	
	97.008		2014	1,331,292	(62,509)	359,682	400,279	6,380	(60,597)	*	1,331,292	
	97.008		2015	886,396	(342,821)	829,923	834,291	6,380	(60,597)	*	400,279	
											2,119,618	
Disaster Grants - Public (Hurricane Sandy)	97.036		2013	342,821	(342,821)		342,821		*	342,821		
											342,821	
Hazard Mitigation Grant Hazard Mitigation Grant - EOC Generator Project	97.039		2014	187,500	(14,654)		131,887		(146,541)	*	146,541	
	97.039		2015	100,223	(14,654)		131,887		(146,541)	*	146,541	

COUNTY OF PASSAIC

Schedule of Expenditures of Federal Awards  
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Name of Federal Agency or Department	C.F.D.A. Account No.	Passed Through Grantor's Number	Grant Period	Total Grant Award	Balance Dec., 31, 2014	Revenue Realized	Grant Expenditures	Adjustments/Cancelled	Balance Dec., 31, 2015	MEMO	
										Cumulative Total Expenditures	
Emergency Management Performance Grant	97.042		2013	85,000		85,000	85,000		*	85,000	
Emergency Management Performance Grant	97.042		2014	11,565	11,565				11,565	*	
Emergency Management Performance Grant	97.042		2015	100,000		100,000	100,000		100,000	*	
					11,565	185,000	85,000		11,565	*	85,000
Homeland Security Grant Program	97.073		2012	255,515	10,983			(10,983)	*	244,532	
Homeland Security Grant Program	97.073		2013	292,702	(43,712)	250,938	192,591	(14,633)	*	277,489	
Homeland Security Grant Program	97.073		2014	379,461		41,721	253,752		(212,031)	*	253,752
Homeland Security Grant Program	97.073		2015	365,351		292,659	446,343	(25,618)	(212,031)	*	775,773
					(32,729)						
Other Agencies:				9,515,000	(317,878)				(317,878)	*	9,515,000
Replacement of Hillery Street Bridge			07-04	302,613	(302,613)				(302,613)	*	302,613
Wet Reflective Tape			08-03	200,000						*	
Main Street Drainage			13-05	1,000,000	(77,590)				(77,590)	*	77,590
Future Bridge Needs			14-08	1,000,000	(698,081)				(698,081)	*	9,895,203
Future Bridge Needs			14-08	1,000,000						*	
					(3,576,742)	24,576,833	18,143,318	(72,485)	2,784,288	*	65,788,226

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2015

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2015	MEMO	
									Total	Cumulative
<b>State Programs</b>										
<b>Senior Citizen and Disabled Resident Transportation</b>										
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2011	1,313,383	(38,386)		38,386			*	1,313,383
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2012	1,133,836	257,390		259,940	2,550		*	1,133,836
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2013	1,075,061	305,400		305,602		(202)	*	1,075,061
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2014	1,950,424	(29,716)	367,961	257,432		80,813	*	1,869,610
Assistance Program (Casino Revenue Fund)	491-078-6050-001	2015	785,538		328,880	631,267		(302,387)	*	631,267
				494,688	696,841	1,454,241	40,936	(221,776)	*	6,023,157
<b>State Department of Transportation:</b>										
Two Bridges Road	6320-480-078-6320-496	99-20	650,000	(94,280)			94,280		*	650,000
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	724,619	22,755				22,755	*	688,908
Hurricane Floyd - Cedar Grove Road Wall	6320-480-078-6320-496	01-32	444,000	(444,000)				(444,000)	*	444,000
Goffle Brook Stabilization	6320-480-078-6320-496	02-13	392,500	(221,729)				(221,729)	*	392,500
Restoration of Lambert Castle	6320-480-078-6320-496	02-27	1,000,000						*	1,000,000
West Broadway Bridge PC#17	6320-480-078-6320-496	03-24	350,000						*	350,000
Goffle/Weasel Brook Park	6320-480-078-6320-496	03-25	170,000						*	170,000
Inp to Paterson/Hamburg Turnpike	6320-480-078-6320-496	04-01	2,500,000						*	2,500,000
Glove Road/Long Hill Road & Hazel Street	6320-480-078-6320-496	05-11	579,000	(220,566)				(220,566)	*	579,000
Bridge Replacement and/or Repair	6320-480-078-6320-496	06-06	582,364	(531,792)				(531,792)	*	582,364
2006 Various Road Improvements	6320-480-078-6320-496	06-07	3,791,000	(29,710)				(29,710)	*	3,791,000
Paterson/Hamburg Turnpike/Jackson Avenue Imp	6320-480-078-6320-496	07-08	1,600,000	756,909				756,909	*	821,749
Barbour Pond Improvements & Lambert Castle Const.	6320-480-078-6320-496	07-09	250,000	(109,777)			109,777		*	144,960
Black Oak Ridge/Pompton Road Improvements	6320-480-078-6320-496	07-11	1,000,000	1,000,000				1,000,000	*	1,000,000
Hurricane Floyd	6320-480-078-6320-496	01-04	1,000,000	72,646				72,646	*	927,354
Chapter 12, Passaic County Community College	6320-480-078-6320-496	99-14	1,000,000						*	1,000,000
Renovation to Market Street	6320-480-078-6320-496	00-06	500,000	(441,134)				(441,134)	*	500,000
Reliab of Paterson-Hamburg Tpk Bridge	6320-480-078-6320-496	00-15	300,000	(260,705)				(260,705)	*	300,000
Study and Improvement to Hazel Street	6320-480-078-6320-496	00-44	230,000	(122,949)				(122,949)	*	230,000
8th Street & 5th Avenue Bridges	6320-480-078-6320-496	01-19	350,000						*	350,000
Inp to Crooks Ave & Wabash Ave Drainage	6320-480-078-6320-496	04-04	952,817						*	952,817
Inp to Guide Rails & Reflective Marking Tape	6320-480-078-6320-496	05-11	157,400	(5,000)				(5,000)	*	157,400
West Broadway/Passaic River Bridge PC#17	6320-480-078-6320-496	05-11	4,900,000	(224,500)				(224,500)	*	4,900,000
2006 Various Road Improvements	6320-480-078-6320-496	06-07	224,500	985,544	302,613			1,288,157	*	880,895
Union Valley Road, PC #434	6320-480-078-6320-496	08-03	1,900,000						*	1,900,000
President Street, PC #53	6320-480-078-6320-496	08-03	200,000						*	200,000
Two Bridges Road Bridge	6320-480-078-6320-496	08-03	249,965	(106,883)				(106,883)	*	249,965
Greenwood Lake Turnpike	6320-480-078-6320-496	08-03	223,000						*	223,000
Hazel Street Construction, CR 702	6320-480-078-6320-496	08-03	4,200,000	(25,801)			25,801		*	4,200,000
Black Oak Ridge Road/Pompton Planes Cross Road	6320-480-078-6320-496	08-03	900,000	(900,000)	900,000				*	900,000
Bridge Replacement and/or Repairs	6320-480-078-6320-496	09-05	5,900,000	1,851,294		329,005		1,522,289	*	4,377,711
2006 Various Road Improvements	6320-480-078-6320-496	09-05	5,024,000	(4,713,945)	572,187			(4,141,758)	*	5,024,000
Rehabilitation and Reconstruction of Dey Mansion	6320-480-078-6320-496	10-03	1,239,475		431,538			431,538	*	431,538
Perunington Ave Culvert	6320-480-078-6320-496	10-08	150,000						*	150,000

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Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2015	MEMO	
									Expenditures	Cumulative Total
Local Bridges - Warburton Ave/Goffle Brook, PC 81	6320-480-078-6320-496	10-08	1,000,000	864,965		14,216		850,749	209,255	
Moorestown Road	6320-480-078-6320-496	10-08	200,000	(95)				(470,000)	95	
Squirrelwood Road	6320-480-078-6320-496	10-08	1,250,000	(470,000)				(281,527)	301,304	
Black Oak Ridge Road/Jackson Avenue Signal Replacement	6320-480-078-6320-496	10-08	320,000	(281,527)		3,900		(88,184)	401,686	
McBride/Hillery Street Improvements	6320-480-078-6320-496	10-08	550,000	(84,284)					3,036,000	
Resurfacing of Various Roads	6320-480-078-6320-496	10-08	3,036,000					320,732	302,171	
Fairawn Avenue Bridge	6320-480-078-6320-496	10-08	600,000					655,144		
Two Bridges Road/West Belt	6320-480-078-6320-496	10-08	1,686,900					(107,862)		
West Brook Road/Wanaque Reservoir, PC 491	6320-480-078-6320-496	10-08	300,000	(107,862)				655,144		
Eighth Street Bridge Rehabilitation	6320-480-078-6320-496	10-08	2,019,250	1,378,717				1,395,367		
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	20,400,000	(20,400,000)				(20,400,000)		
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	1,000,000	(698,986)				(698,986)		
Bridge Replacement, Rehab, Repairs	6320-480-078-6320-496	11-03	124,000			124,000		(124,000)		
Resurfacing of Various Roads	6320-480-078-6320-496	11-04	4,200,000	(707,464)				(222,289)		
Resurfacing Various Roads	6320-480-078-6320-496	12-03	10,000,000	(5,248,512)				(5,248,512)		
West Brook Road/Wanaque Reservoir, PC 491	6320-480-078-6320-496	12-07	9,700,000	4,365,996				8,792,380		
Two Bridges Road/West Belt	6320-480-078-6320-496	12-07	3,800,000					5,805		
Clinton Road Bridge	6320-480-078-6320-496	12-07	1,000,000			974,000		(974,000)		
8th Street Rehabilitation PC4	6320-480-078-6320-496	12-07	30,000	30,000				30,000		
Pompton Hamburg Turnpike/Valley Road	6320-480-078-6320-496	12-07	1,000,000	(54,635)				(240,786)		
McBride/Slippery Rock Improvements	6320-480-078-6320-496	13-05	1,000,000	(347,615)		186,151		(347,615)		
County Golf Course Bridges	6320-480-078-6320-496	13-05	400,000							
Haledon Avenue(Green Street) Improvements	6320-480-078-6320-496	13-05	100,000			100,000		(100,000)		
Clove Road in Little Falls	6320-480-078-6320-496	13-05	1,600,000			350,000		(350,000)		
Parks & Recreation Improvements	6320-480-078-6320-496	13-07	250,000	(250,000)				(250,000)		
Parks & Recreation Improvements	6320-480-078-6320-496	13-07	650,000	(495,344)				(522,346)		
Various Road Improvements	6320-480-078-6320-496	13-10	4,300,800	(1,075,125)		27,002		(522,346)		
Various Road Improvements	6320-480-078-6320-496	14-08	7,100,000	(2,144,829)				1,075,125		
2015 Future Bridge Needs	6320-480-078-6320-496	15-07	1,000,000			1,176,128		(3,220,301)		
Various Road Improvements	6320-480-078-6320-496	15-07	34,184,000							
1772 Foundation Grant	6320-480-078-6320-496	15-07	13,000							
Haledon Avenue(Green Street) Improvements	6320-480-078-6320-496	15-07	330,572			14,161		(14,161)		
Resurfacing Various Roads	6320-480-078-6320-496	15-07	4,110,800			3,504,831		(3,504,831)		
EFA Construction & Financing Grant										
Vocational School Long Range Facilities Plan Projects										
		05-12	7,505,998	(37,530)			37,530		7,505,998	
				(29,527,753)		6,803,394	272,388	(26,766,750)	98,030,584	
Paterson Transit Facility Pedestrian Safety Grant	15-480-078-6300-GS3-7310	2015	250,000							
Department of Health and Senior Services:										
Homeless Grant	100-054-7550-049	2013	1,173,609	11,506		172,506	68,000	(4,598)	1,234,609	
Homeless Grant	100-054-7550-072	2014	535,993	35,702		40,300	(68,000)		535,992	
Homeless Grant	100-054-7550-049	2014	68,000	68,000						
Social Services for the Homeless	100-054-7550-072	2015	1,045,019	(254,923)		777,299		(770,967)	1,032,222	
Social Services for the Homeless	100-054-7550-072	2016	1,045,019			21,949		239,306	21,949	

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2015

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2015	MEMO	
									Cumulative Total Expenditures	Total Expenditures
Department of Health and Senior Services cont.....				(139,715)	615,510	1,012,054		(536,259)	2,824,772	
Family Court Services	100-066-1500-021	2013	282,634	1,690			(1,690)		267,037	*
Family Court Services	100-066-1500-021	2014	278,149	32,625	17,543	58,577	18,144	9,735	218,591	*
Family Court Services	100-066-1500-021	2015	278,149	34,315	17,543	238,250	16,454	(179,673)	179,673	*
								(169,938)	665,301	
NJ Department of Community Affairs:										
Universal Service Fund	100-022-8030-B14	2015	308,864	(146,577)	308,864	162,287			308,864	*
Universal Service Fund	100-022-8030-B15	2016	409,863	(146,577)	308,864	295,218		(132,931)	132,931	*
								(132,931)	441,795	*
NJ Department of Environmental Protection:										
Recycling Enhancement Act Bonus Grant	758-042-4960-2001	2010	221,400	199,932		176,612		23,320	198,080	*
Recycling Enhancement Act	758-042-4960-2001	2012	385,000		385,000	92,151		292,849	92,151	*
Recycling Enhancement Act	758-042-4960-2001	2013	423,500		423,500			423,500		*
Recycling Enhancement Act	758-042-4960-2001	2014	336,600	105,163		97,859		7,304	329,296	*
Recycling Enhancement Act	758-042-4960-2001	2015	381,900	305,095	1,190,400	366,622		381,900	619,527	*
Radon Awareness Program	100-042-4820-4CBC	2014	1,000	(999)	999				999	*
Radon Awareness Program	100-042-4820-4CBC	2015	1,000	(1,000)	1,000				1,000	*
Radon Awareness Program	100-042-4820-4CBC	2016	1,000		996	996				*
				(1,999)	2,995	996			1,999	*
C.E.H.A. - 2014	100-042-4855-001	2014	153,000	(3,375)					146,375	*
C.E.H.A. - 2014 Calendar	100-042-4855-001	2014	74,630	(74,630)	74,630		3,375		74,630	*
C.E.H.A. - 2015	100-042-4855-001	2015	152,000		152,000	152,000			152,000	*
C.E.H.A. - 2015 Calendar	100-042-4855-001	2015	39,444	(78,005)	25,804	25,852		(48)	25,852	*
					252,434	177,852	3,375	(48)	398,857	*
NJ Department of Environmental Protection cont.....										
Clean Communities	765-042-4900-005	2013	72,481	3,798		2,315			70,997	*
Clean Communities	765-042-4900-005	2014	68,263	68,263	65,435		(1,483)	2,828	65,435	*
Clean Communities	765-042-4900-005	2015	82,859	72,061	82,859	109,854	(1,483)	40,755	42,104	*
								43,583	178,536	*
New Jersey Highlands Council										
Transfer of Development Rights Feasibility Grant	100-082-2078-033	2015	50,000							*
Other State Agencies:										
Municipal Alliance	100-082-C01-044	2013	806,748	(370,495)	429,238	58,743			729,967	*
Municipal Alliance	100-082-C01-044	2014	512,024	(26,700)	110,710	384,298		(300,288)	410,998	*
Municipal Alliance	100-082-C01-044	2015	512,024			29,682		(29,682)	29,682	*

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2015

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2015	MEMO	
									Expenditures	Total Expenditures
				(397,195)	539,948	472,723		(329,970)		1,170,647
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2014	7,332	7,332	6,332			1,000		6,332
Body Armor Replacement Fund P.C.P.O.	718-066-1020-001	2015	7,151		7,151			7,151		
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2008	55,165	72			(72)			55,093
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2009	12,904	34			(34)			12,870
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2013	61,921	10,115	9,825			290		61,631
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2014	45,038	45,038	38,474			6,564		38,474
Body Armor Replacement Fund P.C.S.D.	718-066-1020-001	2015	44,955		44,955			44,955		
				62,591	52,106	54,631	(106)	59,960		174,400
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2014	711,999	(391,741)	391,753	123,982		(123,970)		708,540
Comprehensive Alcoholism & Drug Abuse Grant	100-046-4219-024	2015	726,452		167,159	576,965		(409,806)		576,965
				(391,741)	558,912	700,947		(533,776)		1,285,505
Work First NJ	7550-150-158010-63	1997		(89,402)				(89,402)		
Work First NJ	7550-150-158010-63	FY10/11	7,682,259	55,487				55,487		7,485,991
Work First NJ	7550-150-158010-63	FY11/12	6,610,560	(1,372,950)				(1,372,950)		5,124,488
Work First NJ	7550-150-158010-63	FY12/13	5,634,345	667,990				667,990		4,054,533
Work First NJ	7550-150-158010-63	FY13/14	5,862,604	358,560	255,605	180,220		433,945		4,379,580
Work First NJ - TANF	7550-150-158010-64	FY14/15	3,905,050	(391,896)	2,869,238	2,499,458		(22,116)		3,604,216
Work First NJ - TANF	7550-150-158010-64	FY15/16	3,626,054		1,052,752	1,303,723		(250,971)		1,303,723
Work First NJ - GA/SNAP	7550-150-158010-65	FY14/15	1,957,554	(138,636)	1,318,539	1,177,284		2,619		1,653,897
Work First NJ - GA/SNAP	7550-150-158010-65	FY15/16	1,783,210		321,633	412,280		(90,647)		412,280
Work First NJ - Smart Steps	7550-150-158010-66	FY14/15	9,630		2,407	2,407				9,630
Work First NJ - Smart Steps	7550-150-158010-66	FY15/16	16,050							
				(910,847)	5,820,174	5,575,372		(666,045)		28,028,338
Parolee Employment Placement Program/PEPP	PEPP-2015-05	FY15/16	245,000		12,498	1,142		11,356		1,142
					12,498	1,142		11,356		1,142
Child Behavioral Health Services	100-016-1620-014	2014	158,456	18,541	158,456	133,579	(18,541)	24,877		139,915
Child Behavioral Health Services	100-016-1620-014	2015	158,456		158,456	133,579	(18,541)	24,877		133,579
				18,541		133,579		24,877		273,494
Insurance Fraud Reimbursement Program	100-1020-066-102	2014	250,000	(55,605)	55,605	250,000		(72,796)		250,000
Insurance Fraud Reimbursement Program	100-1020-066-102	2014	250,000	(55,605)	177,204	250,000		(72,796)		250,000
					232,809	250,000		(72,796)		500,000
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2007	61,915	57,538		57,288		250		61,665
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2008	48,990	48,990		737		48,253		737
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2009	9,943	9,943				9,943		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2010	57,487	57,487				57,487		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2012	58,170	58,170				58,170		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2013	14,133	14,133				14,133		
L.E.O.T.E.F.	1020-100-066-1020-314-TCJS-6120	2014	43,795	43,795				43,795		

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2015

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2015	MEMO Cumulative Total Expenditures
L.E.O.T.E.F.	1020-100-066-1020-314-ICJS-6120	2015	24,386	290,056	24,386	58,025		24,386	62,402
County Right to Know Program	100-046-4771-105	2014	15,213	(11,410)	11,410				15,213
County Right to Know Program	100-046-4771-105	2015	15,213	3,803	3,803	15,213		(11,410)	15,213
				(11,410)	15,213	15,213		(11,410)	30,426
Other State Agencies cont....				(25,754)			25,754		25,678
State Incentive Program	SIP-09-PS-16	2010	240,124	(25,754)			25,754		25,678
				88,472		90,335	1,863		1,742,655
Special General Election		2013	1,742,655	88,472		90,335	1,863		1,742,655
				88,472		90,335	1,863		1,742,655
Total State Programs				(30,320,782)	19,873,957	17,810,448	340,640	(27,916,633)	142,479,215
<b>Local Programs:</b>									
Passaic County Open Space Trust		03-25	650,000	354,675				354,675	18,420
Goffle/Weasel Brook Park		03-29	200,000	200,000				200,000	
Goffle Brook Stabilization Project		07-07	200,000	200,000				7,004	192,996
Stabilization Improvements of Goffles Brook Park		07-09	250,000	250,000			(250,000)		
Barbour Pond Improvements & Lambert Castle Const.		07-09	250,000	250,000			(250,000)		
Garrett Min Trail Imp, Lambert Castle Roof		08-05	1,850,000	1,850,000		428		1,849,572	428
Lambert Tower Reconstruction & Rehabilitation		12-06	165,000	165,000				165,000	
Golf Course Improvements		14-08	3,425,142	3,425,142				3,425,142	
Various Park Improvements - Amending Ord 2009-05		14-08	532,566		532,566			532,566	
Various Park Improvements - Amending Ord 2009-05		14-08	468,000		366,292			366,292	
Various Park Improvements - Amending Ord 2009-05		15-07	150,000		150,000			150,000	
Hamilton Street Courthouse Plaza		15-07	87,000		87,000			87,000	
Dey Mansion Rehabilitation and Rea House		15-07	350,000		350,000			350,000	
Weasel Brook Park Improvements									
Borough of Wanaque-Amending Ordinance 2009-05		13-04	3,522,738	3,396,194				3,396,194	2,000
County Aid - Road Resurfacing		14-08	3,686,000	2,764,575				2,764,575	
County Aid					2,000	2,000			
Passaic County Film Festival - 2015		2015	2,000						
Passaic County Film Festival - 2016		2016	2,250						
Passaic County Youth Golf Program		2014-15	100,000	34,405	50,000	13,068		71,337	18,663
Meads on Wheels Pet Food Program		2015	1,600		1,600	1,600			1,600

COUNTY OF PASSAIC

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2015

Program Description	State Program / Account No.	Grant Period	Total Grant Award	Balance Dec., 31 2014	Revenue Realized	Grant Expenditures	Adjustments/ Canceled	Balance Dec., 31 2015	MEMO	
									Grant Expenditures	Cumulative Total Expenditures
Total Local Programs				12,889,991	1,539,458	210,092	(500,000)	13,719,357 *	234,107	
Total State and Local Programs				\$ (17,430,791)	21,413,415	18,020,540	(159,360)	(14,197,276) *	142,713,322	

**COUNTY OF PASSAIC  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE 1. GENERAL**

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

**NOTE 2. BASIS OF ACCOUNTING**

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

**NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS**

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

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Current Fund	\$18,143,318	\$11,007,054	\$210,092	\$29,360,464
General Capital Fund		<u>6,803,394</u>		<u>6,803,394</u>
	<u>\$18,143,318</u>	<u>\$17,810,448</u>	<u>\$210,092</u>	<u>\$36,163,858</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree, in all material respect, with the amounts reported in the related federal and state financial reports. However, we noted certain differences which are reported in the accompanying schedule of Findings of Noncompliance and Questioned Costs.

**NOTE 5. FEDERAL AND STATE LOANS OUTSTANDING**

The County's federal and state loans outstanding at December 31, 2015, which are not required to be reported on the schedule of expenditures of federal and state awards, are as follows:

<u>Loan Program</u>	<u>Federal CFDA Number/ State Account Number</u>	<u>State</u>
Green Trust Loan Program	4800-533-851000-60	<u>\$278,798</u>

**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

*Section I - Summary of Auditor's Results*

**Financial Statements**

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

Internal control over financial reporting:

1. Material weakness(es) identified?            yes       X       no

2. Were significant deficiencies identified that are not considered to be material weaknesses?            yes       X       no

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

**Federal Awards Section**

Dollar threshold used to determine type A programs: \$ 1,062,856

Auditee qualified as low-risk auditee?            yes       X       no

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

Internal Control over compliance:

1. Material weakness(es) identified?            yes       X       no

2. Were significant deficiencies identified that were not considered to be material weaknesses?       X       yes            no

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance       X       yes            no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871 (A)	Section 8 Housing Choice Vouchers
17.258, 17.259, 17.260 (A)	WIA Cluster
93.044, 93.045 (A)	Aging Cluster
14.238 (A)	Shelter Plus Care
14.218 (A)	Community Development Block Grant
97.008 (A)	Non-Profit Security Program (UASI)
93.568 (A)	Low-Income Home Energy Assistance Program (LIHEAP/Weatherization)

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

**COUNTY OF PASSAIC**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(continued)**

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

**State Awards Section**

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

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

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

Internal Control over compliance:

1. Material weakness(es) identified? \_\_\_\_\_ yes    X no

2. Were significant deficiencies identified that were not considered to be material weaknesses? \_\_\_\_\_ yes    X no

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? \_\_\_\_\_ yes    X no

Identification of major programs:

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

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

**COUNTY OF PASSAIC**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(continued)**

*Section II - Schedule of Financial Statement Findings*

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

None

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

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by 2 CFR 200.516(a) the Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

See Attached

**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

**FEDERAL AWARDS**

**Finding 2015-001**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Criteria or specific requirement:**

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

**Condition:**

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

**Questioned costs:**

None.

**Context:**

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

**Effect:**

Failure to perform fiscal and programmatic monitoring results in non-compliance with the specific program requirements in accordance with 2 CFR 200.516(a).

**Cause:**

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

**Recommendation:**

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

**Management's response:**

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

**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(continued)**

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

**FEDERAL AWARDS**

**Finding 2015-002 (Repeat 13-3)**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Criteria or specific requirement:**

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

**Condition:**

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

**Questioned costs:**

None.

**Context:**

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

**Effect:**

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

**Cause:**

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

**Recommendation:**

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

**Management's response:**

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

**COUNTY OF PASSAIC  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(continued)**

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

**FEDERAL AWARDS**

**Finding 2015-003 (Repeat 13-4)**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Criteria or specific requirement:**

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

**Condition:**

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

**Questioned costs:**

None.

**Context:**

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

**Effect:**

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

**Cause:**

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

**Recommendation:**

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

**Management's response:**

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

**COUNTY OF PASSAIC**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(continued)**

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

**STATE AWARDS**

None.

**COUNTY OF PASSAIC**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(continued)**

This section identifies the status of prior-year findings related to the general purpose financial statements and federal and state awards that are required to be reported in accordance with CFR 200.516(a) the Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

**STATUS OF PRIOR YEAR FINDINGS**

See Attached

**COUNTY OF PASSAIC  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**FEDERAL AWARDS**

**Finding 14-1**

**Information on the federal program:**

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

**Condition:**

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

**Recommendation:**

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

**Current Status:**

Corrective action has been taken.

**Finding 14-2**

**Information on the federal program:**

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

**Condition:**

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

**Recommendation:**

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

**Current Status:**

Corrective action has been taken.

**COUNTY OF PASSAIC  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(continued)**

**FEDERAL AWARDS**

**Finding 14-3**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Condition:**

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

**Recommendation:**

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

**Current Status:**

See Finding 2014-002.

**Finding 14-4**

**Information on the federal program:**

Shelter Plus Care, CFDA # 14.238

**Condition:**

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

**Recommendation:**

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

**Current Status:**

See Finding 2014-003.

**COUNTY OF PASSAIC  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(continued)**

**STATE AWARDS**

**Finding 14-5**

**Information on the state program:**

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

**Condition:**

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

**Recommendation:**

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

**Current Status:**

Corrective action has been taken.

**Finding 14-6**

**Information on the state program:**

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

**Condition:**

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

**Recommendation:**

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

**Current Status:**

Corrective action has been taken.

**COUNTY OF PASSAIC  
GENERAL COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**GENERAL COMMENTS**

**Contracts and Agreements**

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

- a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.
- c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

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

- a. Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act of specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

**COUNTY OF PASSAIC  
GENERAL COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(continued)**

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

The governing body of the County has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the County Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

- West Milford Salt Storage Project
- Main Street Drainage Replacement in the Borough of Bloomingdale
- Passaic County John Rea House Roof Replacement Project at Goffle Brook Park
- Passaic County's Prosecutor's Office New Fencing and Parking Lot Renovations
- 2015 Road Resurfacing Project Upper County
- 2015 Road Resurfacing Project Lower County
- Passaic County Sheriff's Headquarters New Generator-Electrical Components and Support
- Passaic County Administration Building Roof Repair and Replacement
- Rehabilitation of Structure No. 1600-476 Crosby Avenue
- Replacement of Kingsland Road Bridge over Third River
- Replacement of the Clinton Road Bridge over Mossman's Brook
- River Boulevard Drainage Pipe Lining Project
- County-wide On-call Drainage System Repairs
- West Milford Salt Storage Project
- Replacement of Eight Street Bridge over Passaic River
- Replacement of Culvert No. 1600-184 Colfax Avenue over Acid Brook
- Weasel Brook Park Improvements
- Passaic County Camp Hope New Concrete Pad and Utilities for Future Pavillion

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

**COUNTY OF PASSAIC**  
**COMMENTS AND RECOMMENDATIONS**  
**DECEMBER 31, 2015**

**COMMENTS:**

**FINANCE/TREASURER:**

1. \*The County has deferred charges to future taxation, unfunded balances over five years old, where the projects have been completed and payments made from unfinanced cash.
2. \*The County has grants receivable recorded in the General Capital Fund over ten years old.

**PREAKNESS HOSPITAL:**

1. The Petty Cash Account check register does not include all checks in the sequence.
2. There is no proper reconciliation being prepared for the General Account.
3. There is no proper cash receipt ledger being maintained.
4. The balance in the Petty Cash account is not properly analyzed.
5. The balance of the Petty Cash Account was not turned over to the State of NJ Unclaimed Property prescribed by Chapter 30B Title 46 of the Revised N.J.S.A.
6. The Client is using a vendor who is not following SOC1/SSAE16 Best Practices of having an annual report conducted on internal controls.

**PARKS DEPARTMENT:**

1. Based on a review of cash collected during the date of fieldwork, it was discovered that cash on hand does not agree to the daily revenue report.
2. Based on a review of the change fund, it was determined that cash on hand does not agree to the approved change fund amount.

**COUNTY OF PASSAIC**  
**COMMENTS AND RECOMMENDATIONS**  
**(CONTINUED)**

**RECOMMENDATIONS:**

**FINANCE/TREASURER:**

1. \*That all ordinances with cash deficits over five years old should be funded through a valid financing sources.
2. \*That all receivables be reviewed for collectability and cancelled if necessary.

**PREAKNESS HOSPITAL:**

1. That all checks can be accounted for in sequential order.
2. That more care be taken when reconciling the General Account.
3. That a cash ledger be maintained to determine when receipts were received.
4. That more care be taken in analyzing the balance of the Petty Cash Account.
5. That funds be remitted to the appropriate agency.
6. That the client engages with vendors who adhere to the SOC1/SSAE16 Best Practices recommendation of having an annual report conducted on internal controls.

**PARKS DEPARTMENT:**

1. More care should be taken to ensure that all cash collected is accounted for in a timely manner.
2. More care should be taken to ensure all cash is accounted for within the change fund.

**COUNTY OF PASSAIC  
GENERAL COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(continued)**

**STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS**

A review was performed on all prior year recommendations. Corrective action was taken on all prior year recommendations with the exception of those recommendations denoted with an asterisk (\*).

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

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

Very truly yours,



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



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

May 4, 2016