

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

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2010

BOROUGH OF HASBROUCK HEIGHTS
BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-regulatory basis of the various funds of the Borough of Hasbrouck Heights ("the Borough"), State of New Jersey, as of December 31, 2010 and December 31, 2009, and the related statements of operations and changes in fund balance-regulatory basis for the years then ended, and the related statements of revenues-regulatory-basis, statement of expenditures-regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2010. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Length of Services Awards Program of the Borough has not been audited, and we were not engaged to audit The Length of Service Awards Program financial statements as part of our audit of the Borough's financial statements.

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

In our opinion, because of the effects on the financial statements of the requirement that the "Borough" prepare its financial statements in accordance with the accounting practices on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Hasbrouck Heights, State of New Jersey, as of December 31, 2010 and 2009 or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-regulatory basis of the various funds of the Borough of Hasbrouck Heights, State of New Jersey, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance of such funds-regulatory basis for the years then ended, and the revenues-regulatory basis, expenditures-regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2010 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated, July 22, 2011 on our consideration of the Borough of Hasbrouck Heights, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of the laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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

Paul C. Garbarini

Paul C. Garbarini, CPA
Registered Municipal Accountant
No. 120

Garbarini & Co., P.C.

Garbarini & Co. P.C.
Certified Public Accountants

July 22, 2011
Carlstadt, New Jersey

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
AT DECEMBER 31, 2010 AND 2009

A

COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>Ref.</u>	<u>Dec. 31, 2010</u>	<u>Dec. 31, 2009</u>
Cash	A-4	\$2,061,634.38	\$2,322,449.79
Cash-Change Funds	A-5	275.00	275.00
		<hr/>	<hr/>
		\$2,061,909.38	\$2,322,724.79
Receivables and Other Assets with			
Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$457,795.24	\$352,447.43
Tax Title Liens Receivable	A-9	184,095.46	174,211.32
Martin Act Property	A-10	543.04	543.04
Property Acquired for Taxes-			
Assessed Valuation	A	304,730.00	304,730.00
Revenue Accounts Receivable	A-11	10,629.10	16,166.31
Due from Dog Fund - Statutory Excess	B		
		<hr/>	<hr/>
	Contra	\$957,792.84	\$848,098.10
Deferred Charges:			
Special Emergency Authorizations			
(40A:4-55)	A-12		0.00
		<hr/>	<hr/>
		\$0.00	\$0.00
		<hr/>	<hr/>
Total Assets		\$3,019,702.22	\$3,170,822.89

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
AT DECEMBER 31, 2010 AND 2009

A

COMPARATIVE BALANCE SHEET

<u>LIABILITIES, RESERVES AND FUND BALANCE:</u>	<u>Ref.</u>	<u>Dec. 31, 2010</u>	<u>Dec. 31, 2009</u>
Liabilities:			
Appropriation Reserves	A-3,13	\$651,763.49	\$617,468.96
Reserve for Encumbrances	A-3,13	76,352.06	92,675.20
Accounts Payable	A-22	17,201.08	16,500.00
Prepaid Taxes	A-4,8	122,423.35	104,940.00
Due to State of N.J. for Senior Citizens and Veterans Deductions	A-7	1,750.00	22,421.35
Tax Overpayments	A-14	20,517.20	24,354.91
Due to County for Added Taxes	A-1,4	5,522.57	9,411.31
Due to State of N.J.:			
Building Surcharge Fees	A-15	2,086.00	2,333.00
Department of Human Services	A-15	1,645.00	1,670.00
Burial Permit Fees	A-15	2,140.00	2,290.00
Reserve for:			
Maintenance of Free Public Library with State Aid	A-16	141.98	456.89
Tax Appeals Pending	A-18	71,757.58	31,610.07
Special Emergency - Municipal Building Fire	A-19	0.00	6,439.34
L.O.S.A.P.	A-20	0.00	29,933.25
Ravaluation of Real Property	A-21	0.00	7,245.00
		<hr/>	<hr/>
		\$973,300.31	\$969,749.28
Reserve for Receivables and Other Assets	Contra	957,792.84	848,098.10
Fund Balance (Note 3)	A-1	1,088,609.07	1,352,975.51
		<hr/>	<hr/>
Total Liabilities, Reserves and Fund Balance		\$3,019,702.22	\$3,170,822.89

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-1

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

	<u>Ref</u>	<u>Dec. 31, 2010</u>	<u>Dec. 31, 2009</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-2	\$1,200,000.00	\$1,300,000.00
Miscellaneous Revenue Anticipated	A-2	2,492,282.26	2,882,217.03
Receipts from Delinquent Taxes	A-2	328,313.10	413,219.20
Receipts from Current Taxes	A-2	40,047,462.60	38,284,057.18
Non-Budget Revenues	A-2	112,012.66	215,485.78
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	289,520.09	157,369.92
Unexpended Balances of 2010 Budget Appropriations	A-3	109,896.76	795.19
Cancelled Tax Overpayments	A-14	7,269.54	6,414.93
Cancel Due to State Senior Citizens Deductions	A-7	21,421.35	868.17
Cancel Special Emergency	A-19	6,439.34	287.51
Cancel Reserve for L.O.S.A.P.	A-20	29,933.25	
Cancel Reserve for Revaluation of Real Property	A-21	7,245.00	
Miscellaneous Credits	A-4	235.41	
<u>Total Income</u>		<u>\$44,652,031.36</u>	<u>\$43,260,714.91</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations	A-3	\$17,096,250.62	\$16,969,062.67
County Taxes Paid	A-4,8	3,765,163.29	3,731,332.12
Due to County for Added Taxes	A,A-8	5,522.57	9,411.31
Local District School Tax	A-4,8,17	22,847,662.00	21,488,634.00
Senior Citizens Deductions Disallowed - Prior Years	A-7	1,799.32	1,120.54
Check returned for NSF	A-4		2,348.81
Posting Correction	A-4		2,185.00
Payroll Fund Correction	A-4		7,576.98
<u>Total Expenditures</u>		<u>\$43,716,397.80</u>	<u>\$42,211,671.43</u>
Statutory Excess to Fund Balance		\$935,633.56	\$1,049,043.48
Fund Balance, January 1	A	1,352,975.51	1,603,932.03
		\$2,288,609.07	\$2,652,975.51
Less: Amount of Fund Balance Utilized as Revenue	A-2	1,200,000.00	1,300,000.00
Fund Balance December 31	A	<u>\$1,088,609.07</u>	<u>\$1,352,975.51</u>

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-2

STATEMENT OF REVENUES

		<u>Anticipated</u>			
	<u>Ref</u>	<u>Budget</u>	Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	A-1	\$1,200,000.00	-	\$1,200,000.00	-
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages		\$7,500.00		\$10,222.50	\$2,722.50
Other		34,900.00		36,658.60	1,758.60
Fees and Permits		76,700.00		69,347.00	(7,353.00)
Fines and Costs:					
Municipal Court		229,000.00		167,662.62	(61,337.38)
Interest and Costs on Taxes		75,000.00		75,179.58	179.58
Interest on Investments and Deposits		41,500.00		24,068.30	(17,431.70)
Lease-Hasbrouck Heights Swim Club		7,000.00		7,000.00	
Cable TV Franchise Fees		133,191.84		133,191.84	
Energy Receipts Taxes		980,075.00		980,075.00	
Consolidated Municipal Property Replacement		103,073.00		103,073.00	
Fire Protection-Teterboro		92,150.00		92,150.00	
911 Coverage - Teterboro		6,141.00		6,173.78	32.78
911 Coverage - Wood-Ridge		8,992.00		8,992.00	
Joint Assessor's Office - South Hackensack		14,800.00		14,826.00	26.00
Lease-Port of New York Authority		1,036.00		1,036.63	0.63
Uniform Construction Code Fees		175,000.00		174,902.00	(98.00)
Hotel and Motel Occupancy Fee		448,000.00		471,534.81	23,534.81
Car Dealership Registration Fees		40,000.00		50,000.00	10,000.00
State and Federal Revenues Offset with					
Appropriations:					
Uniform Fire Safety Act (P.L.1983,Ch.383)		14,759.26		14,533.98	(225.28)
Drunk Driving Enforcement Fund	D-2	7,055.19		7,055.19	
Reserve for Recycling Tonnage Grant	D-2	14,367.03		14,367.03	
Governor's Council on Alcoholism and					
Drug Abuse (P.L.1989, c.51)	D-2	11,356.00		11,356.00	
Reserve For Clean Communities Grant	D-2	17,159.25		17,159.25	
Res. For Alcohol Education and Rehabilitation Fund	D-2	1,717.15		1,717.15	
	Below	\$2,540,472.72		\$2,492,282.26	(\$48,190.46)
	Ref			A-1	

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-2

STATEMENT OF REVENUES

	<u>Ref</u>	<u>Anticipated</u> <u>Budget</u>	Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Receipts from Delinquent Taxes	A-1	\$340,000.00		\$328,313.10	(\$11,686.90)
<hr/>					
Amount to be Raised for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-8,Below	\$13,980,150.89		\$14,393,487.73	\$413,336.84
<hr/>					
Budget Totals	A-3	\$18,060,623.61		\$18,414,083.09	\$353,459.48
<hr/>					
Non-Budget Revenues	A-1,4,Below			\$112,012.66	\$112,012.66
	A-3	18,060,623.61		18,526,095.75	465,472.14

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31,2010

A-2

STATEMENT OF REVENUES

ANALYSIS OF REALIZED REVENUES

Ref

Allocation of Current Tax Collections:

Revenue from Collections and State Share
of Senior Citizens and Veterans Deductions

A-1 \$40,047,462.60

Allocated to:

School and County Taxes

26,618,347.86

Balance for Support of Municipal Budget Appropriations

\$13,429,114.74

Add: Appropriation-"Reserve for Uncollected Taxes"

A-3 964,372.99

Amount for Support of Municipal Budget Appropriations

Above \$14,393,487.73

MISCELLANEOUS REVENUES

Current Fund

A-4 \$2,440,627.64

Grant Fund

A-3 51,654.62

Above \$2,492,282.26

RECEIPTS FROM DELINQUENT TAXES

Delinquent Tax Collections

A-1 \$328,313.10

ANALYSIS OF NON-BUDGET REVENUES

Miscellaneous Revenue Not Anticipated:

Miscellaneous Sewer Fee

62,572.15

Prior Year Revenue received

11,899.42

Housing Inspection Reimbursement

4,922.00

Insurance Refund

12,705.96

Miscellaneous Fees, Charges, Reimbursements and Reports

19,913.13

A-1,4,Above 112,012.66

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Expend</u>					
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Paid or Charged and Encumbered</u>	<u>Cash Unexpended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>OPERATIONS-WITHIN "CAPS"</u>								
GENERAL GOVERNMENT								
Administrative and Executive-Mayor and Council								
Salaries and Wages	\$40,000.00	\$40,000.00	\$38,859.00		\$38,859.00	\$1,141.00	\$1,141.00	
Administrative and Executive								
Salaries and Wages	182,433.00	182,433.00	180,527.58		180,527.58	1,905.42	1,905.42	
Other Expenses	24,750.00	27,250.00	27,058.11	155.22	27,213.33	191.89	36.67	
Elections								
Salaries and Wages	6,000.00	6,000.00	6,000.00		6,000.00			
Other Expenses	14,000.00	14,000.00	11,286.03		11,286.03	2,713.97	2,713.97	
Financial Administration								
Salaries and Wages	127,750.00	127,750.00	125,970.00		125,970.00	1,780.00	1,780.00	
Other Expenses	5,000.00	5,000.00	4,815.63		4,815.63	184.37	184.37	
Other Expenses- Audit	33,500.00	33,500.00	23,250.00		23,250.00	10,250.00	10,250.00	
Assessment of Taxes								
Salaries and Wages	54,500.00	54,500.00	54,453.00		54,453.00	47.00	47.00	
Other Expenses	5,700.00	5,700.00	3,712.70	469.70	4,182.40	1,987.30	1,517.60	
Collection of Taxes								
Salaries and Wages	98,500.00	98,500.00	93,393.55		93,393.55	5,106.45	5,106.45	
Other Expenses	20,800.00	20,800.00	19,546.31	220.00	19,766.31	1,253.69	1,033.69	
Legal Services and Costs								
Salaries and Wages	107,650.00	104,650.00	98,644.77		98,644.77	6,005.23	6,005.23	
Other Expenses	65,000.00	68,000.00	67,983.88		67,983.88	16.12	16.12	
Municipal Court								
Salaries and Wages	\$102,500.00	95,500.00	93,794.51		93,794.51	1,705.49	1,705.49	
Other Expenses	10,950.00	9,150.00	6,267.53	250.00	6,517.53	2,882.47	2,632.47	
Municipal Prosecutor								
Salaries and Wages	21,800.00	21,800.00	18,400.00		18,400.00	3,400.00	3,400.00	
Other Expenses	500.00	500.00				500.00	500.00	

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Expended</u>		<u>Paid or Charged and Encumbered</u>	<u>Cash</u>		<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>		<u>Unexpended</u>	<u>Unexpended</u>		
Public Defender									
Salaries and Wages	\$10,000.00	10,000.00	\$9,600.00		9,600.00	400.00	400.00		
Other Expenses	500.00	500.00				500.00	500.00		
Engineering Services and Costs									
Other Expenses	45,000.00	35,000.00	21,428.57		21,428.57	13,571.43	13,571.43		
Public Buildings and Grounds									
Salaries and Wages	49,000.00	51,500.00	46,967.28		46,967.28	4,532.72	4,532.72		
Other Expenses	83,200.00	83,200.00	57,000.02	3,654.14	60,654.16	14,199.98	10,545.84		12,000.00
Master Plan									
Other Expenses	12,500.00	12,500.00	10,113.00		10,113.00	2,387.00	2,387.00		
Codification of Ordinances									
Other Expenses	7,500.00	7,500.00	3,874.32		3,874.32	3,625.68	3,625.68		
MUNICIPAL LAND USE LAW (N.J.S.A.40:55D-1)									
Planning Board									
Salaries and Wages	8,000.00	8,000.00	8,000.00		8,000.00		382.37		
Other Expenses	4,000.00	4,000.00	3,617.63		3,617.63				
Board of Adjustment									
Salaries and Wages	33,000.00	33,000.00	32,782.33		32,782.33	217.67	217.67		
Other Expenses	6,500.00	6,500.00	4,910.23		4,910.23	1,589.77	1,589.77		
Shade Trees									
Salaries and Wages	251,000.00	259,000.00	248,524.03		248,524.03	10,475.97	10,475.97		
Other Expenses	16,950.00	18,800.00	16,973.16		16,973.16	1,826.84	1,826.84		
Recycling Program									
Salaries and Wages	229,750.00	229,750.00	209,715.51		209,715.51	20,034.49	20,034.49		
Other Expenses	80,000.00	92,000.00	88,158.88	3,441.40	91,600.28	3,841.12	399.72		
Insurance									
Other Insurance Premiums - General Liability	256,500.00	249,500.00	249,254.54		249,254.54	245.46	245.46		
Workers Compensation	249,500.00	267,000.00	249,397.00		249,397.00	17,603.00	17,603.00		
Group Insurance for Employees	1,729,282.00	1,736,782.00	1,734,590.02		1,734,590.02	2,191.98	2,191.98		

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Expended</u>		<u>Paid or Charged and Encumbered</u>	<u>Cash Unexpended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>				
<u>PUBLIC SAFETY</u>								
Fire								
Salaries and Wages	\$102,500.00	\$102,500.00	\$82,649.80		\$82,649.80	\$8,850.20	\$8,850.20	11,000.00
Other Expenses	107,000.00	107,000.00	\$5,299.09	\$6,015.92	61,315.01	51,700.91	45,684.99	
Uniform Fire Safety Act (Ch. 383 P.L. 1983)								
Fire								
Salaries and Wages	53,000.00	53,000.00	49,467.24		49,467.24	3,532.76	3,532.76	
Other Expenses	6,800.00	6,800.00	4,463.80	199.93	4,663.73	2,336.20	2,136.27	
Police								
Salaries and Wages	4,378,500.00	4,378,500.00	4,162,010.20		4,162,010.20	176,489.80	176,489.80	40,000.00
Other Expenses	186,000.00	186,000.00	145,089.19	38,025.74	183,114.93	40,910.81	2,885.07	
Emergency Management Services								
Salaries and Wages	5,750.00	5,750.00	5,487.94		5,487.94	262.06	262.06	
Other Expenses	1,000.00	1,000.00	688.91		688.91	311.09	311.09	
<u>STREETS AND ROADS</u>								
Road Repairs and Maintenance								
Salaries and Wages	416,500.00	429,000.00	426,607.18		426,607.18	2,392.82	2,392.82	
Other Expenses	57,900.00	57,900.00	53,654.81	26.04	53,680.85	4,245.19	4,219.15	
<u>SANITATION</u>								
Street Cleaning								
Salaries and Wages	205,000.00	205,000.00	197,324.55		197,324.55	7,675.45	7,675.45	
Other Expenses	29,100.00	33,100.00	26,519.47		26,519.47	6,580.53	6,580.53	

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Paid or Charged and Encumbered</u>	<u>Cash Unexpended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Garbage and Trash Removal									
Salaries and Wages	\$590,500.00	\$565,500.00	\$547,323.07	\$547,323.07		\$547,323.07	\$18,176.93	\$18,176.93	
Other Expenses	45,900.00	50,100.00	50,089.31	50,089.31		50,089.31	10.69	10.69	
Sewer Maintenance	169,750.00	169,750.00	160,992.02	160,992.02		160,992.02	8,757.98	8,757.98	
Salaries and Wages	24,200.00	26,700.00	26,534.88	26,534.88		26,534.88	165.12	165.12	
Other Expenses									
Sanitary Landfill									
Contractual-Bergen County	500,000.00	468,125.00	357,771.33	357,771.33		357,771.33	85,353.67	85,353.67	25,000.00
<u>HEALTH AND WELFARE</u>									
Board of Health									
Salaries and Wages	42,500.00	42,500.00	41,300.94	41,300.94		41,300.94	1,199.06	1,199.06	
Other Expenses:									
Health Services-Contractual	68,500.00	68,500.00	49,620.00	49,620.00	16,540.00	66,160.00	18,880.00	2,340.00	
Miscellaneous Other Expenses	6,200.00	6,350.00	6,316.57	6,316.57		6,316.57	33.43	33.43	
Dog Regulation									
Other Expenses:									
County of Bergen-Contractual	18,500.00	18,500.00	9,458.36	9,458.36		9,458.36	2,041.64	2,041.64	7,000.00
Miscellaneous	500.00	500.00			374.61	374.61	500.00	125.39	
Administration of Public Assistance									
Other Expenses	750.00	750.00					750.00	750.00	

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Expended</u>		<u>Paid or Charged and Encumbered</u>	<u>Cash</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>		<u>Unexpended</u>	<u>Reserved</u>	
<u>RECREATION AND EDUCATION</u>								
Parks and Playgrounds								
Salaries and Wages	\$120,500.00	\$120,500.00	\$120,043.90		\$120,043.90	\$456.10	\$456.10	
Other Expenses	17,500.00	17,500.00	11,013.87	\$1,714.78	12,728.65	6,486.13	4,771.35	
Recreation								
Salaries and Wages	69,065.00	69,065.00	65,681.02		65,681.02	3,383.98	3,383.98	
Other Expenses	31,000.00	31,175.00	31,169.58		31,169.58	5.42	5.42	
Celebration of Public Event, Anniversary or Holiday								
Other Expenses	21,500.00	21,500.00	21,220.32		21,220.32	279.68	279.68	
Senior Citizen's Transportation								
Salaries and Wages	12,500.00	13,200.00	13,192.08		13,192.08	7.92	7.92	
Other Expenses	2,750.00	1,750.00	265.09		265.09	1,484.91	1,484.91	
Senior Citizens Activities								
Salaries and Wages	28,350.00	28,350.00	28,346.98		28,346.98	3.02	3.02	
Other Expenses	9,250.00	10,550.00	10,476.54		10,476.54	73.46	73.46	
<u>UNIFORM CONSTRUCTION CODE- APPROPRIATION OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u>								
Construction Code Officials								
Salaries and Wages	124,500.00	124,500.00	118,529.05		118,529.05	5,970.95	5,970.95	
Other Expenses	4,250.00	4,250.00	2,903.29		2,903.29	1,346.71	1,346.71	

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended Encumbrances</u>	<u>Paid or Charged and Encumbered</u>	<u>Cash</u>		<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>						<u>Unexpended</u>			
<u>Unclassified</u>										
Utilities:										
Gasoline	\$130,000.00		\$130,000.00	\$102,648.63	\$5,144.68	\$107,793.31	\$27,351.37		\$22,206.69	
Electricity	130,000.00		130,000.00	126,863.16		126,863.16	3,136.84		3,136.84	
Telephone	49,500.00		53,000.00	52,838.02		52,838.02	161.98		161.98	
Natural Gas	41,000.00		41,000.00	31,060.46		31,060.46	9,939.54		9,939.54	
Street Lighting	90,000.00		90,000.00	76,780.51		76,780.51	13,219.49		13,219.49	
Fire Hydrant Service	115,000.00		115,000.00	108,426.83		108,426.83	6,573.17		6,573.17	
Water	9,500.00		10,300.00	10,299.38		10,299.38	0.62		0.62	
TOTAL OPERATIONS WITHIN "CAPS"	\$12,016,030.00		\$12,014,030.00	\$11,259,296.49	\$76,232.16	\$11,335,528.65	\$659,733.51		\$583,501.35	\$95,000.00
<u>Detail:</u>										
Salaries and Wages	\$7,640,798.00		\$7,629,498.00	\$7,284,587.53		\$7,284,587.53	\$293,910.47		\$293,910.47	\$51,000.00
Other Expenses	4,375,232.00		4,384,532.00	3,974,708.96	\$76,232.16	4,050,941.12	365,823.04		289,590.88	\$44,000.00
	\$12,016,030.00		\$12,014,030.00	\$11,259,296.49	\$76,232.16	\$11,335,528.65	\$659,733.51		\$583,501.35	\$95,000.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Expended</u>		<u>Paid or Charged and Encumbered</u>	<u>Cash Unexpended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>				
DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"								
Statutory Expenditures:								
Contribution to:								
Public Employees Retirement System	\$257,249.00	\$257,249.00	\$257,249.00		\$257,249.00			
Social Security System (O.A.S.I.)	335,000.00	335,000.00	332,736.21		332,736.21	\$2,263.79	\$2,263.79	
Consolidated Police and Firemen's Pension Fund								
Police and Firemen's Retirement System of N.J.	950,257.00	950,257.00	950,257.00		950,257.00			
Unemployment Insurance	25,000.00	25,000.00	25,000.00		25,000.00			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"	\$1,567,506.00	\$1,567,506.00	\$1,565,242.21		\$1,565,242.21	\$2,263.79	\$2,263.79	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	\$13,583,536.00	\$13,581,536.00	\$12,824,538.70	\$76,232.16	\$12,900,770.86	\$661,997.30	\$585,765.14	\$95,000.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Paid or Charged and Encumbered</u>	<u>Cash</u>		<u>Unexpended Balance Cancelled</u>	
	<u>Budget</u>				<u>Encumbrances</u>		<u>Unexpended</u>	<u>Reserved</u>		
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>										
Maintenance of Free Public Library (Ch. 82 & 541, P.L. 1985)	\$790,000.00		\$790,000.00	\$784,533.87	\$119.90	\$784,653.77	\$5,466.13	\$5,346.23		
Bergen County Utilities Authority Service Charges-Contractual	993,000.00		993,000.00	992,597.88		992,597.88	402.12	402.12		
Other Sewer Service Charges-Contractual	4,000.00		4,000.00				4,000.00	4,000.00		
Reserve for Tax Appeals L.O.S.A.P.	75,000.00 50,000.00		76,000.00 50,000.00	75,000.00		75,000.00	1,000.00 50,000.00	1,000.00 50,000.00		
Insurance Group Insurance for Employees	65,038.00		65,038.00	65,038.00		65,038.00				
Police and Firemen's Retirement System of NJ Public Employees Retirement System of NJ	3,997.00 52,400.00		3,997.00 52,400.00	3,997.00 52,400.00		3,997.00 52,400.00				
Sanitary Landfill Recycling Tax	18,750.00		18,750.00	14,500.00		14,500.00	4,250.00	4,250.00		
NJDES Stormwater Permit NISA 40A:4-45.3 cc Street Cleaning										
Salaries and Wages Other Expenses	48,500.00 6,500.00		48,500.00 6,500.00	48,500.00 6,500.00		48,500.00 6,500.00				

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Paid or Charged and Encumbered</u>	<u>Cash Unexpended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>				<u>Encumbrances</u>				
STATE AND FEDERAL PROGRAMS									
<u>OFF-SET BY REVENUES</u>									
Drunk Driving Enforcement Fund									
Police									
Salaries and Wages	\$7,055.19		\$7,055.19	\$7,055.19		\$7,055.19			
Recycling Tonnage Grant	14,367.03		14,367.03	14,367.03		14,367.03			
Reserve for Alcohol Education Act	1,717.15		1,717.15	1,717.15		1,717.15			
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989, C.51)	11,356.00		11,356.00	11,356.00		11,356.00			
Governor's Council on Alcoholism and Drug Abuse (P.L. 1989, C.51) - Match	2,875.00		2,875.00	2,875.00		2,875.00			
Clean Communities Act									
Street Cleaning									
Other Expenses	17,159.25		17,159.25	17,159.25		17,159.25			
TOTAL OPERATIONS-EXCLUDED FROM "CAPS"									
DETAIL:									
Salaries and Wages	\$55,555.19		\$55,555.19	\$55,555.19		\$55,555.19			
Other Expenses	2,106,159.43		2,107,159.43	2,042,041.18	\$119.90	2,042,161.08	65,118.25	64,998.35	
	\$2,161,714.62		\$2,162,714.62	\$2,097,596.37	\$119.90	\$2,097,716.27	\$65,118.25	\$64,998.35	

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended Encumbrances</u>	<u>Paid or Charged and Encumbered</u>	<u>Cash</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>						<u>Unexpended</u>	<u>Reserved</u>	
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"									
	30,000.00		31,000.00	30,000.00		30,000.00	1,000.00	1,000.00	
	\$30,000.00		\$31,000.00	\$30,000.00		\$30,000.00	\$1,000.00	\$1,000.00	
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"									
	\$375,000.00		\$375,000.00	\$375,000.00		\$375,000.00			14,500.00
	690,000.00		690,000.00	675,500.00		675,500.00			108.74
	198,500.00		198,500.00	198,391.26		198,391.26			\$288.02
	57,500.00		57,500.00	57,211.98		57,211.98			
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"	\$1,321,000.00		\$1,321,000.00	\$1,306,103.24		\$1,306,103.24			\$14,896.76

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
YEAR THE YEAR ENDED DECEMBER 31, 2010

A-3

STATEMENT OF EXPENDITURES

	<u>Appropriations</u>		<u>Expended</u>		<u>Paid or Charged and Encumbered</u>		<u>Cash Unexpended</u>		<u>Unexpended Balance Cancelled</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended</u>	<u>Cancelled</u>		
DEFERRED CHARGES-MUNICIPAL-EXCLUDED FROM "CAPS"										
Emergency Authorizations										
Special Emergency Authorizations-5 Years (N.J.S.A. 40A:4-55)										
TOTAL DEFERRED CHARGES-MUNICIPAL-EXCLUDED FROM "CAPS"										
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES-EXCLUDED FROM "CAPS"	\$3,512,714.62	\$3,514,714.62	\$3,433,699.61	\$119.90	\$3,433,819.51	\$65,998.35	\$66,118.25	\$14,896.76		
Sub-Total General Appropriations Reserve for Uncollected Taxes	\$17,096,250.62 964,372.99	\$17,096,250.62 964,372.99	\$16,258,238.31 964,372.99	\$76,352.06	\$16,334,590.37 964,372.99	\$651,763.49	\$728,115.55	\$109,896.76		
Total General Appropriations	\$18,060,623.61	\$18,060,623.61	\$17,222,611.30	\$76,352.06	\$17,298,963.36	\$651,763.49	\$728,115.55	\$109,896.76		
	A-2		Below	A		A		A-1		
	<u>Ref</u>									
Reserve for Tax Appeals	A-18		\$75,000.00							
Reserve for State Grants	A-2		51,654.62							
Reserve for State Grants - Matching Funds	D-3, A-4		2,875.00							
Reserve for Uncollected Taxes Disbursed	A-2 A-4		964,372.99 16,128,708.69							
	Above		\$17,222,611.30							

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B

COMPARATIVE BALANCE SHEET

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>ASSETS</u>			
<u>ASSESSMENT FUND</u>			
Cash	B-1	<u>\$1,838.67</u>	<u>\$1,838.67</u>
<u>DOG LICENSE FUND</u>			
Cash	B-1	<u>\$24,970.29</u>	<u>\$14,566.07</u>
		<u>\$24,970.29</u>	<u>\$14,566.07</u>
<u>OTHER FUNDS</u>			
Cash	B-1	<u>\$746,096.26</u>	<u>\$874,885.54</u>
		<u>\$746,096.26</u>	<u>\$874,885.54</u>
Total Assets		<u>\$772,905.22</u>	<u>\$891,290.28</u>

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B

COMPARATIVE BALANCE SHEET

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>ASSESSMENT FUND</u>			
Fund Balance	B-8	\$1,838.67	\$1,838.67
<u>DOG LICENSE FUND</u>			
Reserve for Dog Fund Expenditures	B-2	\$24,903.29	\$14,451.07
Registration Fees Due to State of New Jersey	B-2	67.00	115.00
Due to Current Fund	B-5		
		\$24,970.29	\$14,566.07
<u>OTHER FUNDS</u>			
Deposits Payable	B-3	\$604,231.29	\$734,865.84
Payroll Deductions Payable	B-4	128,552.86	125,875.49
Reserve for:			
Unemployment Insurance Trust Fund	B-6	1,628.53	2,460.63
FEMA Reimbursement	B-7	8,679.84	8,679.84
Fund Balance	B-8	3,003.74	3,003.74
		\$746,096.26	\$874,885.54
Total Liabilities, Reserves and Fund Balance		\$772,905.22	\$891,290.28

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C

COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
Cash	C-2,3	\$423,236.47	\$215,598.56
Due from State of N.J.- Department of Transportation	C-4	555,318.81	323,318.81
Due from County of Bergen	C-5	80,142.15	175,142.15
Deferred Charges to Future Taxation:			
Funded	C-9	4,859,000.00	5,234,000.00
Unfunded	C-6	4,321,718.48	4,887,218.48
Total Assets		\$10,239,415.91	\$10,835,278.00
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-9	\$4,859,000.00	\$5,234,000.00
Improvement Authorizations:			
Funded	C-8	778,844.46	638,079.54
Unfunded	C-8	825,655.47	1,297,782.48
Capital Improvement Fund	C-7	121,110.17	121,110.17
Reserve for Garrison Ave F.E.M.A. Funds	C-12	7,800.86	7,800.86
Bond Anticipation Notes Payable	C-10	3,640,150.00	3,529,650.00
Fund Balance	C-1	6,854.95	6,854.95
Total Liabilities, Reserves and Fund Balance		\$10,239,415.91	\$10,835,278.00

There were Bonds and Notes Authorized but not Issued on December 31, 2010
of \$681,568.48 and on December 31, 2009 of \$1,357,568.48 (Exhibit C-11).

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-1

STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2009	C	<u>\$6,854.95</u>
Balance December 31, 2010	C	<u>\$6,854.95</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

D

COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
<u>Federal and State Grants</u>			
Cash	D-1	\$43,178.42	\$43,105.61
Grant Receivable	D-2	13,606.00	13,267.00
Total Assets		<u>\$56,784.42</u>	<u>\$56,372.61</u>

LIABILITIES, RESERVES AND FUND BALANCE

	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
<u>Federal and State Grants</u>			
Reserve for Federal and State Grants:			
Appropriated	D-3	\$33,120.64	\$23,129.18
Unappropriated	D-4	23,663.78	33,243.43
Total Liabilities, Reserves and Fund Balance		<u>\$56,784.42</u>	<u>\$56,372.61</u>

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
PUBLIC ASSISTANCE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

E

COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Cash	E-1	\$8,049.19	\$7,374.04
		<u>\$8,049.19</u>	<u>\$7,374.04</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance	E-4	8,049.19	7,374.04
		<u>\$8,049.19</u>	<u>\$7,374.04</u>

See Accompanying Notes to Financial Statements

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2010

COMPARATIVE STATEMENT OF FINANCIAL POSITION

F

	<u>At December 31,</u>	
	<u>2010</u>	<u>2009</u>
ASSETS		
Land-Assessed Value	\$26,309,100.00	\$26,309,100.00
Buildings	10,626,700.00	10,626,700.00
Machinery and Equipment	<u>8,153,660.00</u>	<u>7,959,657.00</u>
TOTAL ASSETS	<u><u>\$45,089,460.00</u></u>	<u><u>\$44,895,457.00</u></u>
 LIABILITIES AND RESERVES		
Investment in General Fixed Assets	<u>\$45,089,460.00</u>	<u>\$44,895,457.00</u>
TOTAL LIABILITIES AND RESERVES	<u><u>\$45,089,460.00</u></u>	<u><u>\$44,895,457.00</u></u>

See Accompanying Notes to Financial Statements.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

1. Summary of Significant Accounting Policies

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

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

A. Reporting Entity

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

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

However, the municipalities in the State of New Jersey do not issue financial statements in accordance with GAAP, and thus, do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers, or commissions as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough do not include the municipal library, volunteer fire department or volunteer ambulance squad, which are component units under GAAP.

B. Fund Accounting

The accounting policies of the Borough conform to the accounting principles applicable to municipalities, which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. The accounts of the Borough are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues, and expenses or expenditures. The following funds and groups of accounts are used by the Borough:

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

1. Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (Continued)

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

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

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

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

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

C. Basis of Accounting

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

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

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

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

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

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

Trust Funds
General Capital Fund
Public Assistance Fund

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

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

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

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

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

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

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

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

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

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

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

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

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

GAAP requires that fixed assets be capitalized at historical cost or at estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded. Schedule F of the Financial Statement will disclosure the major classes of Fixed Assets as of December 31, 2009 and December 31, 2008, no depreciation has been provided for in the financial statements.

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

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

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

1. Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements

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

2. Cash and Cash Equivalents

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A: 5-15.1(a) that are treated as cash equivalents. As of December 31, 2010, \$0 of the Borough's bank balance of \$ 3,610,898.47 was exposed to custodial credit risk.

At December 31, 2010, the Borough had the following cash held by a custodial bank or financial institution:

Current Fund	\$2,061,634.38
Current Fund – Change Fund	275.00
Federal / State Grant Fund	43,178.42
Assessment Fund	1,838.67
Trust Fund	746,096.26
Capital Fund	423,236.47
Public Assistance Fund	8,049.19
Dog License Fund	24,970.29
	<hr/>
	\$3,309,278.68
	<hr/>
Municipal Court *	\$26,138.57

* Municipal Court audit is under separate cover

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

2. Cash and Cash Equivalents (Continued)

Investments

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

Credit Risk. New Jersey Statutes 40A: 5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk. The Borough places no limit on the amount the Borough may invest in any one issuer.

As of December 31, 2010, the Borough had no investments.

3. Leases

The Borough of Hasbrouck Heights had no leases during the year ended December 31, 2010.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

4. Long-Term Debt

Summary of Municipal Debt

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
Issued			
Bonds and Note Issued			
General:			
Bonds and Notes	<u>\$8,499,150.00</u>	<u>\$8,763,650.00</u>	<u>\$9,863,650.00</u>
Net Debt Issued	<u>8,499,150.00</u>	<u>8,763,650.00</u>	<u>9,863,650.00</u>
Authorized But Not Issued			
General:			
Bonds and Notes	<u>681,568.48</u>	<u>1,357,568.00</u>	<u>752,568.48</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u><u>\$9,180,718.48</u></u>	<u><u>\$10,121,218.00</u></u>	<u><u>\$10,616,218.48</u></u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .49%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Debt	\$11,959,254.00	\$11,959,254.00	\$0.00
General Debt	<u>9,180,718.48</u>	<u>0.00</u>	<u>9,180,718.48</u>
	<u><u>\$21,139,972.48</u></u>	<u><u>\$11,959,254.00</u></u>	<u><u>\$9,180,718.48</u></u>

Net Debt \$ 9,180,718.48 Equalized Valuation Basis per N.J.S.A. 40A:2-2
as amended \$ 1,894,518,878 = .49 %

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

4. Long-Term Debt (Continued)

<u>Calender Year</u>	<u>General</u>	
	<u>Principal</u>	<u>Interest</u>
2011	375,000.00	184,797.50
2012	375,000.00	171,203.76
2013	375,000.00	157,610.00
2014	375,000.00	144,016.25
2015	375,000.00	130,422.50
2015-2024	2,984,000.00	529,254.50
Total	<u>\$4,859,000.00</u>	<u>\$1,317,304.51</u>

The Borough's long-term debt consisted of the following at December 31, 2010:

General Obligation Bonds

\$7,279,000 – 2003 Bonds, due in annual installments of, \$375,000-09/15/2011-
09/15/2022, \$359,000-09/15/2023, interest at various rates \$4,859,000.00

The Borough's short-term debt consisted of Bond Anticipation Notes Payable in the amount of 3,640,150.00
Schedule C-10 of the financial statements disclosed the various due dates and interest rates of the Bond
Anticipation Notes Payable as of December 31, 2010.

Interfund Receivables and Payables

The Borough did not have any interfund receivables and payables at December 31, 2010.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

5. Contingencies

Litigation

The Borough is party to various legal proceedings which normally occur in governmental operations. In the opinion of the management, the ultimate resolution of such litigation will not have a material impact on the Borough's financial statements. The Borough attorney has reported that there is one material case in which the Superior Court entered judgment against the borough involving the termination of a police officer. The judgment ordered that the termination be vacated and further ordered that he be paid from the time he was suspended without pay until the resolution of the matter. An appeal has been taken to the Appellate Division on an emergent basis and it is anticipated that the judgment will be reversed. However should the judgment be affirmed, the Chief Financial Officer estimated that satisfaction of this judgment would cost the Borough approximately \$365,000 plus interest.

Claims and Judgements

The Borough received and continued to participate in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes and effective internal control for the proper administration of the funds. The Borough is subject to the provision of the Single Audit Act of 1984 and as amended by the Single Audit Act of 1996 and other related Federal requirements, and State of New Jersey requirements which require that financial assistance programs received by the Borough be audited in conjunction with the audit of the general purpose financial statements. In addition, substantially all grants, entitlements and costs reimbursements are subject to financial and compliance audits by the grantors. As of December 31, 2010, the Borough estimates that no material liabilities will result from such audits.

Compensated Absences

Employees cannot accrue sick and vacation benefits beyond the current year. The contract of the Department of Public Works employees' provides for terminal pay for unused sick days for those employees with specific continuous years of service. Any potential liability will be raised in that year's budget. The value of the Department of Public Works unused sick days as of December 31, 2010 was \$ 116,800. There is one police officer which also has accrued sick pay in the amount of \$144,500.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

6. Risk Management

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

7. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are to be deferred to budgets of succeeding years. At December 31, 2010, there were no deferred charges.

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

The Local District School Taxes are raised on a calendar year basis, for the period January 1, 2010 to December 31, 2010.

9. Taxes Collected in Advance

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

	Balance Dec. 31, 2010	Balance Dec. 31, 2009
Prepaid Taxes	<u>\$122,423.35</u>	<u>\$104,940.00</u>

10. Retirement Plans

Plan Description, Contribution Information, and Funding

Employees who are eligible for a pension plan are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The three State administered plans are: (1) the Public Employees' Retirement System, (2) the Police and Consolidated Police and Firemen's Pension Fund and (3) the Police and Firemen's Retirement System. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial methods. A portion of the cost is contributed by the employees. The Borough's share of pension costs, which is based upon the amount paid or charged to the 2010 budget, amounted to \$1,263,903 for 2010 and \$1,175,884 for 2009.

Borough employees are also covered by the Federal Insurance Contribution Act. Information as to the comparison of the actuarial computed value of vested benefit with the system's assets is not available from the State Retirement Systems and, therefore, is not presented.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

10. Retirement Plans (Continued)

Deferred Compensation Plan

The Borough received State approval in October 1983 for a Deferred Compensation Plan. Those employees participating in this program started making contributions through payroll deductions in November 1983. The Program's financial accounting and investment plan is maintained by the ING Life Insurance and Annuity Company. Any employee of the Borough is eligible to participate in the Plan. Participation in the Plan is entirely voluntary on the part of each employee. The Borough does not and is not required to make contributions to the Plan. Fund assets at December 31, 2010 totaled \$ 3,231,233.32. These figures were taken directly from reports submitted by ING Life Insurance and Annuity Company, and an audit will be made by another Certified Public Accounting firm.

11. Other Post Employment Benefits

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

The SHBP was extended to employees, retirees, and dependents of participating local public employees in 1964. Local employers must adopt a resolution to participate in the SHBP. On February 27, 2007, the Borough authorized participation in the SHBP's post retirement benefit program through a resolution number 42. Pursuant to N.J.S.A. 40A:10-23, the Borough shall pay the entire cost of health care insurance coverage for its retired employees and their eligible dependents under the following circumstances: 1. DPW workers which have retired after they have completed 25 years of service. 2. Health insurance for police officers are paid as specified by the Police and Fireman's Retirement System after 25 years of service. Currently the Borough has 33 retired employees, which have this benefit. In 2010 the cost of these health insurance benefits totaled \$445,636.20.

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

12. Joint Insurance

The Borough of Hasbrouck Heights participates in North Jersey Intergovernmental Insurance Fund for workman's compensation and General Liability Insurance. The Borough pays an annual assessment to be part of the Fund. In 2010, the assessments were \$484,017. The annual assessments consist of an amount allocated for administrative costs, plus a specific assessment to replenish the claim or loss retention trust fund account for each type of average provided by the fund. Any monies for the Fund, in excess of the amount necessary to fund all obligations for the fiscal year, may be refunded to the borough in proportion to the member's participation in the Fund for such year. The Fund purchases commercial insurance for all major programs except employee health care. The New Jersey Health Benefits fund is the carrier of the Borough's employee health insurance.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

12. Joint Insurance (Continued)

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

13. Property Tax Calendar

The Borough of Hasbrouck Heights property taxes are due on first of February, May, August and November. The levy is determined upon certification of tax rate by the county. Liens are sold at a tax sale in the subsequent year. The tax sale was held on July 9, 2010 for 2009 taxes.

14. Municipal Court

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

15. Other Commitments

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

16. Comparative Schedule of Fund Balances

Year	<u>Current Fund</u>	
	Balance December 31	Utilized In Budget of Succeeding Year
2010	\$1,088,609.07	\$900,000.00
2009	1,352,975.51	1,200,000.00
2008	1,603,932.03	1,300,000.00
2007	1,389,833.65	1,200,000.00
2006	1,476,734.26	1,275,000.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

17. Comparative Schedule of Tax Rate Information

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>2.169</u>	<u>2.070</u>	<u>1.997</u>	<u>1.890</u>	<u>1.780</u>
<u>Apportionment of Tax Rate</u>					
Municipal	0.746	0.719	0.692	0.613	0.600
County	0.202	0.201	0.190	0.173	0.170
Local School	1.221	1.150	1.115	1.074	1.010

Assessed Valuation

2010	<u>\$1,872,097,822</u>				
2009		<u>\$1,867,662,044</u>			
2008			<u>\$1,856,759,375</u>		
2007				<u>\$1,853,773,480</u>	
2006					<u>\$1,855,266,800</u> * Revaluation of Real Property 01/01/06

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

18. Comparison of Tax Levies and Collection Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2010	\$40,654,752.26	\$40,047,462.60	98.51%
2009	38,739,748.72	38,284,057.18	98.82%
2008	37,197,437.62	36,773,564.26	98.86%
2007	35,137,143.00	34,676,153.00	98.69%
2006	33,070,720.97	32,629,106.46	98.66%

19. Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total</u>	<u>Percentage of Tax Levy</u>
2010	\$184,638.50	\$457,795.24	\$642,433.74	1.58%
2009	174,211.32	352,447.43	526,658.75	1.36%
2008	165,321.37	393,654.14	558,975.51	1.50%
2007	156,221.03	387,218.34	543,439.37	1.55%
2006	146,929.98	356,931.75	503,861.73	1.52%

20. Property Acquired by Tax Title Lien Liquidation

No properties have been acquired in 2010 by foreclosure or deed, as a result of liquidation of tax title liens. The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties was as follows:

<u>Year</u>	<u>Amount</u>
2010	\$304,730.00
2009	304,730.00
2008	304,730.00
2007	304,730.00
2006	304,730.00

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

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

We have audited the financial statements of the Borough of Hasbrouck Heights, State of New Jersey, as of and for the year ended December 31, 2010 and have issued our report thereon dated July 22, 2011. Our report disclosed that, as described in Note 1 to the financial statements, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

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

Compliance

As part of obtaining reasonable assurance about whether the Borough's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed instances of noncompliance or other matters that are required to be reported under **Government Auditing Standards**, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the accompanying schedule of findings and recommendations as items 10-01 through 10-02.

We noted certain matters that we reported to management of the Borough in a separate letter dated July 22, 2011. The Borough's responses to findings identified in our audit are described in the accompanying schedule of findings and recommendations. We did not audit the Borough's response, and accordingly, we express no opinion on it.

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

Paul C. Garbarini

Paul C. Garbarini, CPA
Registered Municipal Accountant
No. 120

Garbarini & Co., P.C.

Garbarini & Co. P.C.
Certified Public Accountants

July 22, 2011
Carlstadt, New Jersey

BOROUGH OF HASBROUCK HEIGHTS
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Grantor/ Pass-Through Grantor Program	Federal CFDA#	Pass - Through Entity ID #	Grant Award	Grant Period	Cash Received	Program Expenditures	Schedule I-1	
							Receivable	Unreimbursed
Community Development:	14.218							
Barrier Free Curb (Ord. 1868)		Bergen County		Prior Period			5,141.35	
New Senior Center (Ord. 1944)		Bergen County		Prior Period			0.80	
Resurfacing of Jefferson Ave (Ord # 2210)		Bergen County	90,000.00	01/01/09-12/31/09	90,000.00	90,000.00		
Transportation State Aid Highway:	20.205	NJ Dept of Transportation						
Resurfacing of Burton Ave (Ord 1803)			150,000.00	Prior Years			4,578.06	
Boulevard Streetscape Improvement (Ord 2209)				01/01/09-12/31/09		30,776.02	145,740.75	
Boulevard Streetscape Improvement (Ord 2238)			140,000.00	01/01/10-12/31/10		10,349.26	140,000.00	
Curb Replacement Program (Ord 2234 & 2246)			135,000.00	01/01/10-12/31/10	43,000.00	85,839.01	92,000.00	
Total Federal Financial Assistance					<u>133,000.00</u>	<u>216,964.29</u>	<u>387,460.96</u>	

BOROUGH OF HASBROUCK HEIGHTS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

State Grant Program	Pass - Through Entity ID #	State Account Number	Grant Award	Grant Period	Cash Received	Program Expenditures	Schedule I-2 Receivable
Environmental Solid Waste Administration:							
Clean Communities Grant	N/A	042-4900-765-004	17,837.56	01/01/10-12/31/10	17,837.56	12,372.60	
Recycling Tonnage Grant	N/A	042-4900-752-001	14,367.03	01/01/10-12/31/10		13,038.88	
Law and Public Division of Criminal Justice:							
Body Armor Replacement Fund	N/A	066-1020-018-001	3,915.84	01/01/10-12/31/10	3,915.84	4,189.62	
Division of Motor Vehicles:							
Drunk Driving Enforcement Fund	N/A	6400-100-078-6400	7,055.19	01/01/10-12/31/10	7,055.19	2,039.50	
Municipal Court:							
Alcohol Education & Rehabilitation	N/A	098-9735-760-001	1,910.38	01/01/10-12/31/10	1,910.38	825.00	
Division of State Library:							
Per Capita Aid	N/A	074-2541-100-006	5,534.00	01/01/10-12/31/10	5,534.00	5,848.91	
New Jersey Department of Community Affairs							
Legislative Grants:							
Bureau of Housing Inspection	N/A	022-810-100-023	4,922.00	01/01/10-12/31/10	4,922.00	4,922.00	
Safe Routes to School Program (Ord # 2221,2222)	N/A		173,000.00	01/01/10-12/31/10		19,684.96	173,000.00
Stormwater Regulation Program	N/A	Unavailable		01/01/10-12/31/10		3,000.00	
Total State Financial Assistance:					<u>41,174.97</u>	<u>65,921.47</u>	<u>173,000.00</u>

BOROUGH OF HASBROUCK HEIGHTS
SCHEDULE OF EXPENDITURES OF COUNTY FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

County Grant Program	Pass - Through Entity ID #	County Account Number	Current Year Grant Award	Grant Period	Cash Received	Program Expenditures	Receivable
Bergen County Open Space Trust:							
Improvement to Depken Field (Ord.# 2232)	N/A	Unavailable	75,000.00	01/01/10-12/31/10		38.75	75,000.00
Improvement to Miers & Woodland Park (Ord # 2211)			80,000.00	01/01/09-01/01/09	80,000.00	18,077.94	
Contribution from Port Authority for Ambulance (Ord # 2208)			80,000.00	01/01/09-01/01/09		80,000.00	
Bergen County:							
Municipal Alliance Grant	N/A	Unavailable	11,356.00	01/01/10-12/31/10	11,017.00	8,322.56	11,356.00
Special Project Municipal Alliance	N/A	Unavailable	2,250.00	01/01/09-12/31/09			2,250.00
Total County Financial Assistance					<u>91,017.00</u>	<u>106,439.25</u>	<u>88,606.00</u>

Schedule I-3

BOROUGH OF HASBROUCK HEIGHTS, N.J.
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

1. General

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

2. Basis of Accounting

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

3. Relationship of Financial Statements

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

	<u>Federal</u>	<u>State</u>	<u>County</u>	<u>Total</u>
Capital Fund	\$216,964.29	\$19,684.96	\$98,116.69	\$334,765.94
Grant Fund		35,465.60	8,322.56	43,788.16
Current Fund		10,770.91		10,770.91
	<u>\$216,964.29</u>	<u>\$65,921.47</u>	<u>\$106,439.25</u>	<u>\$389,325.01</u>

4. Relationship to Federal and State Financial Reports

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

5. State Loans Outstanding

The Borough has no state loans outstanding as of December 31, 2010.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-4

SCHEDULE OF CASH-COLLECTOR-TREASURER

	<u>Ref</u>		
Balance December 31, 2009	A		\$2,322,449.79
Increased by Receipts:			
Miscellaneous Revenue	A-2	\$2,440,627.64	
Miscellaneous Revenue Not Anticipated	A-2	112,012.66	
Due from State of N.J.-Senior Citizens and Veterans Deductions	A-7	134,200.68	
Taxes Receivable	A-8	40,135,585.70	
Due to Trust - Other Fund	B-5	368,909.93	
Miscellaneous Credits	A-1	235.41	
Tax Overpayments	A-14	13,247.79	
Due to State of N.J.:			
Building Surcharge Fees	A-15	10,291.00	
Department of Human Services	A-15	1,125.00	
State Library Aid	A-16	5,534.00	
Prepaid Taxes	A	122,423.35	
Petty Cash Funds	A-6	600.00	
			<hr/>
			43,344,793.16
			<hr/>
			\$45,667,242.95

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-4

SCHEDULE OF CASH-COLLECTOR-TREASURER

Ref

Decreased by Disbursements:

2010 Budget Appropriations	A-3	\$16,128,708.69
Reserve for Grants - Matching Funds	A-3	2,875.00
2009 Appropriation Reserves	A-13	404,124.07
County Taxes	A-1,8	3,765,163.29
Local District School Tax	A-1,8,17	22,847,662.00
Due to County for Added Taxes-2010	A	9,411.31
Petty Cash Funds	A-6	600.00
Due to Trust - Other Fund	B-5	368,909.93
Tax Overpayments Refunded and Applied	A-14	9,815.96
Due to State of N.J. :		
Building Surcharge Fees	A-15	10,538.00
Department of Human Services	A-15	1,150.00
Burial Permit Fees	A-15	150.00
Reserve for:		
Maintenance of Free Public Library with		
State Aid	A-16	5,848.91
Tax Appeals Pending	A-18	34,852.49
Accounts Payable	A-22	15,798.92

43,605,608.57

Balance December 31, 2010

A

\$2,061,634.38

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-5

SCHEDULE OF CHANGE FUNDS

Balance December 31, 2009	A	<u>\$275.00</u>
Balance December 31, 2010	A	<u>\$275.00</u>
<u>Analysis of Balance</u>		<u>Dec. 31, 2010</u>
Tax Collector-Treasurer		\$100.00
Clerk of Municipal Court		100.00
Board of Health		50.00
Police Department		25.00
		<u>\$275.00</u>

A-6

SCHEDULE OF PETTY CASH FUNDS

<u>OFFICE</u>	Received From <u>Treasurer</u>	Returned to <u>Treasurer</u>
Police Chief	\$100.00	\$100.00
Borough Clerk	100.00	100.00
Library	100.00	100.00
Tax Collector-Treasurer	100.00	100.00
Recreation Director	75.00	75.00
Board of Health	25.00	25.00
Superintendent of D.P.W.	100.00	100.00
	<u>\$600.00</u>	<u>\$600.00</u>

Reference

A-4

A-4

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-7

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

	<u>Ref</u>	
Balance December 31, 2009 (Due To)	A	(\$22,421.35)
Increased by:		
Original Duplicate-2010		
Senior Citizens Deductions		\$22,750.00
Veterans Deductions		111,500.00
Allowed by Tax Collector:		
Senior Citizens Deductions-2010		1,750.00
Veterans Deductions-2010		1,250.00
		<hr/>
		137,250.00
		114,828.65
Cancelled to Budget Operations	A-1	21,421.35
		<hr/>
		\$136,250.00
Decreased by:		
Disallowed by Tax Collector:		
Senior Citizens Deductions-2010		\$2,000.00
Senior Citizens Deductions-2009	A-1	1,799.32
		<hr/>
		3,799.32
		\$132,450.68
Received in Cash from State	A-4	134,200.68
		<hr/>
Balance December 31, 2010 (Due To)	A	<u>(\$1,750.00)</u>
2010 Tax Revenue:		
Original Duplicate		
Senior Citizens Deductions		\$22,750.00
Veterans Deductions		111,500.00
Allowed by Tax Collector:		
Senior Citizens Deductions		1,750.00
Veterans Deductions		1,250.00
		<hr/>
		\$137,250.00
Disallowed by Tax Collector:		
Senior Citizens Deductions		\$0.00
Veterans Deductions		0.00
		<hr/>
		0.00
Total Revenue	A-8	<u>\$137,250.00</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-8

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2009	2010 Levy	Added Taxes	Cash Collections		Senior Citizens and Veterans Deductions	Cancelled	Transfer to Tax Title Liens	Balance Dec. 31, 2010
				2009	2010				
2009	\$352,447.43		\$11,724.97		\$328,313.10		\$35,859.30		(\$0.00)
2010	0.00	40,605,803.52	\$48,950.50	104,940.00	39,807,272.60	135,250.00	139,612.04	9,884.14	457,795.24
	\$352,447.43	\$40,605,803.52	\$60,675.47	\$104,940.00	\$40,135,585.70	\$135,250.00	\$175,471.34	\$9,884.14	\$457,795.24

Ref A Below

Below A

ANALYSIS OF 2009 PROPERTY TAX LEVY
TAX YIELD

General Purpose Tax:
Communications Companies
General Property Tax
State Share of Senior Citizens and
Veterans Deductions

Martin Act Property
Tax Title Liens
A-10
A-9
Above

Total
Added Taxes (54:4-63.1 et. seq.)
Omitted Taxes (54:4-63.12 et. seq.)

\$25,436.34
40,446,117.18
134,250.00
\$40,605,803.52
\$48,950.50
\$40,654,754.02

TAX LEVY

Local District School Tax (Abstract)
County Taxes (Abstract)
Due County for Added Open Space Taxes
Due County for Added Taxes

A-1,4,17
A-1,4
A-1
A-1

\$3,765,163.29
0.00
5,522.57
\$22,847,662.00

Total County Taxes

3,770,685.86

Local Tax for Municipal Purposes
Add: Additional Taxes

A-2

\$13,980,150.89
56,255.27

Local Tax for Municipal Purposes Levied

14,036,406.16

\$40,654,754.02

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-9

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref</u>	
Balance December 31, 2009	A	\$174,211.32
Increased by:		
Transfer from Taxes Receivable	A-8	<u>9,884.14</u>
Balance December 31, 2010	A	<u>\$184,095.46</u>

A-10

SCHEDULE OF MARTIN ACT PROPERTY

	<u>Ref</u>	
Balance December 31, 2009	A	<u>\$543.04</u>
Balance December 31, 2010	A	<u>\$543.04</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-11

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance <u>Dec. 31, 2009</u>	Accrued <u>in 2010</u>	<u>Collected</u>	Balance <u>Dec. 31, 2010</u>
Municipal Court	\$16,166.31	\$10,629.10	\$16,166.31	\$10,629.10
Ref	A			A

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-12

SCHEDULE OF DEFERRED CHARGES-N.J.S.A. 40A:4-55 SPECIAL EMERGENCY

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net</u> <u>Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Authorized</u> <u>Current</u> <u>Year</u>	<u>Reduced by</u> <u>2010 Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
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Special Emergency
N.J.S.A. 40A:4-55

N/A

Ref

A

A-3

A

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-13

SCHEDULE OF 2009 APPROPRIATION RESERVES

	<u>Balance December 31, 2009</u>			<u>Transfers</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Total</u>				
GENERAL GOVERNMENT							
Administrative and Executive - Mayor and Council							
Salaries and Wages	\$	\$641.06	\$641.06	\$	\$641.06	\$238.53	\$402.53
Administrative and Executive							
Salaries and Wages		106.10	106.10		106.10	105.00	1.10
Other Expenses	1,359.14	196.07	1,555.21		1,555.21	1,404.37	150.84
Elections							
Other Expenses		802.60	802.60		802.60		802.60
Financial Administration							
Salaries and Wages		299.44	299.44		299.44		299.44
Other Expenses		1,961.46	1,961.46		1,961.46	1,950.00	11.46
Audit		5,125.00	5,125.00		5,125.00	5,125.00	
Assessment of Taxes							
Salaries and Wages		316.38	316.38		316.38		316.38
Other Expenses	193.10	1,544.02	1,737.12		1,737.12	1,725.10	12.02
Collection of Taxes							
Salaries and Wages		34.36	34.36		34.36		34.36
Other Expenses	1,206.39	39.88	1,246.27		1,246.27	706.32	539.95
Legal Services and Costs							
Salaries and Wages		68.00	68.00		68.00		68.00
Other Expenses		8,056.03	8,056.03		8,056.03	7,654.50	401.53
Municipal Court							
Salaries and Wages		35.75	35.75	850.00	885.75	850.00	35.75
Other Expenses	123.00	256.34	379.34		379.34	54.26	325.08
Municipal Prosecutor							
Salaries and Wages		445.12	445.12		445.12	425.00	20.12
Other Expenses		500.00	500.00		500.00		500.00
Public Defender							
Salaries and Wages		450.00	450.00		450.00	375.00	75.00
Other Expenses		500.00	500.00		500.00		500.00
Engineering Services and Costs							
Salaries and Wages		500.00	500.00		500.00		500.00
Other Expenses		18,688.18	18,688.18	(15,000.00)	3,688.18	1,760.63	1,927.55
Public Buildings and Grounds							
Salaries and Wages		37.68	37.68	1,950.00	1,987.68	1,948.88	38.80
Other Expenses	2,142.37	6,207.63	8,350.00	(3,000.00)	5,350.00	3,851.03	1,498.97
Master Plan							
Other Expenses		5,650.90	5,650.90		5,650.90	93.75	5,557.15
Planning Board							
Other Expenses		4,428.00	4,428.00		4,428.00	989.00	3,439.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-13

SCHEDULE OF 2009 APPROPRIATION RESERVES

	<u>Balance December 31, 2009</u>			<u>Transfers</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Total</u>				
Board of Adjustment							
Salaries and Wages	\$	\$1,399.78	\$1,399.78		\$1,399.78	\$	\$1,399.78
Other Expenses		38.52	38.52	275.00	313.52	\$298.30	15.22
Shade Trees							
Salaries and Wages		242.10	242.10	2,350.00	2,592.10	2,575.42	16.68
Other Expenses	2,509.35	2,216.20	4,725.55		4,725.55	2,509.35	2,216.20
Recycling Program							
Salaries and Wages		24,239.58	24,239.58	(\$18,000.00)	6,239.58	1,463.94	4,775.64
Other Expenses	1,791.71	27.47	1,819.18		1,819.18	1,791.61	27.57
Insurance							
Group Insurance for Employees		189.31	189.31		189.31		189.31
Workmen's Compensation Insurance		25,328.00	25,328.00		25,328.00	16,500.00	8,828.00
Other Insurance Premiums		52,789.21	52,789.21		52,789.21	11,740.00	41,049.21
PUBLIC SAFETY							
Fire							
Salaries and Wages		233.40	233.40		233.40		233.40
Other Expenses	14,433.73	46,928.11	61,361.84		61,361.84	24,485.39	36,876.45
Uniform Fire Safety Act							
Salaries and Wages		2,452.28	2,452.28		2,452.28		2,452.28
Other Expenses	515.88	0.17	516.05		516.05	184.93	331.12
Police							
Salaries and Wages		16,604.21	16,604.21		16,604.21	16,207.34	396.87
Other Expenses	2,449.69	473.67	2,923.36	2,550.00	5,473.36	4,363.34	1,110.02
Emergency Management Services							
Salaries and Wages		11.90	11.90		11.90		11.90
Other Expenses		394.44	394.44		394.44		394.44
STREETS AND ROADS							
Road Repairs and Maintenance							
Salaries and Wages		861.07	861.07	9,000.00	9,861.07	9,777.49	83.58
Other Expenses	1,677.15	4,800.41	6,477.56		6,477.56	2,871.05	3,606.51

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-13

SCHEDULE OF 2009 APPROPRIATION RESERVES

	<u>Balance December 31, 2009</u>			<u>Transfers</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Total</u>				
Street Cleaning							
Salaries and Wages		\$387.59	\$387.59	\$5,150.00	\$5,537.59	\$5,516.38	\$21.21
Other Expenses	\$1,346.69	971.55	2,318.24		2,318.24	1,886.69	431.55
Garbage and Trash Removal							
Salaries and Wages		81.80	81.80	13,000.00	13,081.80	13,000.33	81.47
Other Expenses	1,638.93	147.83	1,786.76	75.00	1,861.76	1,838.93	22.83
Sewer Maintenance							
Salaries and Wages		8,137.11	8,137.11		8,137.11	4,111.90	4,025.21
Other Expenses	567.07	14,976.30	15,543.37	(12,000.00)	3,543.37	576.57	2,966.80
Sanitary Landfill							
Contractual-Bergen County	39,208.30	114,723.00	153,931.30	(14,700.00)	139,231.30	117,848.76	21,382.54
HEALTH AND WELFARE							
Board of Health							
Salaries and Wages		199.06	199.06		199.06		199.06
Health Services - Contractual	16,492.50	530.00	17,022.50		17,022.50	16,492.50	530.00
Other Expenses	8.07	72.96	81.03		81.03	63.49	17.54
Dog Regulation							
Other Expenses		21.40	21.40		21.40		21.40
County of Bergen - Contractual		13,316.76	13,316.76		13,316.76		13,316.76
Administration of Public Assistance							
Other Expenses		750.00	750.00		750.00		750.00
Parks and Playgrounds							
Salaries and Wages		899.59	899.59	775.00	1,674.59	1,650.41	24.18
Other Expenses	320.00	6,510.44	6,830.44		6,830.44	320.00	6,510.44
Board of Recreation Commissioners							
Salaries and Wages		5,035.62	5,035.62	(3,750.00)	1,285.62	170.00	1,115.62
Other Expenses	1,294.06	34.05	1,328.11	3,750.00	5,078.11	5,075.06	3.05
Celebration of Public Events, Anniversary or Holiday							
Other Expenses		38.47	38.47	200.00	238.47	204.00	34.47

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-13

SCHEDULE OF 2009 APPROPRIATION RESERVES

	<u>Balance December 31, 2009</u>			<u>Balance</u>	<u>Paid</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Total</u>	<u>After Transfers</u>	<u>or Charged</u>	<u>Lapsed</u>
Senior Citizen's Transportation						
Salaries and Wages	\$	\$14.60	\$14.60	\$14.60	\$12.40	\$2.20
Other Expenses		632.90	632.90	807.90		807.90
Senior Citizen's Activities						
Salaries and Wages		46.38	46.38	46.38		46.38
Other Expenses	75.84	180.66	256.50	2,656.50	2,610.84	45.66
Construction Code Officials						
Salaries and Wages		546.11	546.11	1,121.11	1,103.20	17.91
Other Expenses	\$237.05	288.44	525.49	675.49	\$665.93	9.56
Unclassified						
Utilities:						
Gasoline	2,456.16	54,565.04	57,021.20	57,021.20	10,006.39	47,014.81
Electricity		17,019.18	17,019.18	17,019.18	14,174.27	2,844.91
Telephone		1,573.53	1,573.53	4,673.53	4,585.76	87.77
Natural Gas		12,594.53	12,594.53	12,594.53	6,035.21	6,559.32
Street Lighting		15,499.51	15,499.51	15,499.51	8,056.55	7,442.96
Fire Hydrant Service		11,842.43	11,842.43	11,842.43	9,720.36	2,122.07
Water		774.20	774.20	899.20	885.88	13.32
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)		16.98	16.98	16.98		16.98
TOTAL OPERATIONS WITHIN "CAPS"	\$92,046.18	\$518,547.85	\$610,594.03	\$590,594.03	\$350,636.34	\$239,957.69

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
SCHEDULE OF 2009 APPROPRIATION RESERVES

A-13

	<u>Balance December 31, 2009</u>						
	<u>Encumbered</u>	<u>Reserved</u>	<u>Total</u>	<u>Transfers</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Maintenance of Free Public Library (Chap. 82 & 541, P.L. 1985)	629.02	15,369.88	15,998.90		15,998.90	9,137.73	6,861.17
Sewer Charges:							
Borough of Teterboro		200.00	200.00		200.00		200.00
City of Hackensack		4,000.00	4,000.00		4,000.00		4,000.00
Bergen County Utilities Authority		421.23	421.23		421.23		421.23
L.O.S.A.P.		50,000.00	50,000.00		50,000.00	45,850.00	4,150.00
Reserve for Tax Appeals		10,000.00	10,000.00	20,000.00	30,000.00		30,000.00
Sanitary Landfill Recycling Tax		3,930.00	3,930.00		3,930.00		3,930.00
Capital Improvement Fund		15,000.00	15,000.00		15,000.00	15,000.00	
	<u>\$629.02</u>	<u>\$98,921.11</u>	<u>\$99,550.13</u>	<u>\$20,000.00</u>	<u>\$119,550.13</u>	<u>\$69,987.73</u>	<u>\$49,562.40</u>

TOTALS	<u>\$92,675.20</u>	<u>\$617,468.96</u>	<u>\$710,144.16</u>		<u>\$710,144.16</u>	<u>\$420,624.07</u>	<u>\$289,520.09</u>
Ref	A	A			Ref	Below	A-1
Transferred to Accounts Payable					A-22	\$16,500.00	
Disbursed					A-4	404,124.07	
					Above	<u>\$420,624.07</u>	

OPERATIONS EXCLUDED FROM "CAPS"

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-14

SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref</u>	
Balance December 31, 2009	A	\$24,354.91
Increased by:		
Overpayments in 2010	A-4	13,247.79
		<u>\$37,602.70</u>
Decreased by:		
Refunds	A-4	\$9,815.96
Canceled	A-1	<u>7,269.54</u>
		\$17,085.50
Balance December 31, 2010	A	<u>\$20,517.20</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-15

SCHEDULE OF DUE TO STATE OF N.J.- SURCHARGE FEES

	Ref	Burial Permit <u>Fees</u>	Construction Surcharge <u>Fees</u>	Marriage License <u>Fees</u>
Balance December 31, 2009	A	\$2,290.00	\$2,333.00	\$1,670.00
Increased by:				
Receipts	A-4		10,291.00	1,125.00
		\$2,290.00	\$12,624.00	\$2,795.00
Decreased by:				
Cash Disbursements	A-4	150.00	10,538.00	1,150.00
Balance December 31, 2010	A	\$2,140.00	\$2,086.00	\$1,645.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-16

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

	<u>Ref</u>	
Balance December 31, 2009	A	\$456.89
Increased by:		
State Library Aid	A-4	<u>5,534.00</u>
		\$5,990.89
Decreased by:		
Cash Disbursements	A-4	<u>5,848.91</u>
Balance December 31, 2010	A	<u>\$141.98</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-17

SCHEDULE OF SCHOOL TAXES PAYABLE

	<u>Ref</u>	
Balance December 31, 2009	A	----
Increased by:		
2010 School Tax Levy	A-1,8	22,847,662.00
		<u>\$22,847,662.00</u>
Decreased by:		
School Taxes Paid	A-4	<u>22,847,662.00</u>
Balance December 31, 2010	A	<u>-----</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-18

SCHEDULE OF RESERVE FOR TAX APPEALS PENDING

	<u>Ref</u>	
Balance December 31, 2009	A	\$31,610.07
Increased by:		
Transferred from 2010 Budget Appropriations	A-3	75,000.00
		<u>\$106,610.07</u>
Decreased by:		
Cash Disbursements	A-4	<u>34,852.49</u>
Balance December 31, 2010	A	<u>\$71,757.58</u>

A-19

SCHEDULE OF RESERVE FOR
SPECIAL EMERGENCY N.J.S.A. 40A:4-46

	<u>Ref</u>	
Balance December 31, 2009	A	\$6,439.34
Decreased by:		
Cancelled to Budget Operations	A-1	<u>6,439.34</u>
Balance December 31, 2010	A	<u>----</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

A-20

SCHEDULE OF RESERVE FOR L.O.S.A.P.

	<u>Ref</u>	
Balance December 31, 2009	A	\$29,933.25
Decreased by:		
Cancelled to Budget Operations	A-1	29,933.25
Balance December 31, 2010	A	----

A-21

RESERVE FOR REVALUATION OF REAL PROPERTY

	<u>Ref</u>	
Balance December 31, 2009	A	\$7,245.00
Decreased by:		
Cancelled to Budget Operations	A-1	7,245.00
Balance December 31, 2010	A	----

A-22

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>Ref</u>	
Balance December 31, 2009	A	\$16,500.00
Increased by:		
Transferred from 2009 Budget Appropriations	A-13	16,500.00
		\$33,000.00
Decreased by:		
Cash Disbursements	A-4	15,798.92
Balance December 31, 2010	A	\$17,201.08

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-1

SCHEDULE OF CASH-COLLECTOR-TREASURER

	<u>Ref</u>	<u>Assessment Fund</u>	<u>Dog License Fund</u>	<u>Other Funds</u>
Balance December 31, 2009	B	\$1,838.67		\$874,885.54
Increased by Receipts:				
Dog License Fees	B-2		\$15,336.40	
State Registration Fees	B-2		1,860.60	
Deposits Payable	B-3			\$902,630.67
Payroll Deductions Payable	B-4			3,214,491.99
Unemployment Budget Appropriation	B-6	-0-		25,000.95
		<u>\$1,838.67</u>	<u>17,197.00</u>	<u>4,142,123.61</u>
			<u>\$31,763.07</u>	<u>\$5,017,009.15</u>
Decreased by Disbursements:				
Expenditures under R.S. 4:19-15.11	B-2		\$4,884.18	
Due to State of N.J.-Registration Fees	B-2		1,908.60	
Deposits Payable	B-3			664,355.29
Payroll Deductions Payable	B-4			3,211,814.62
Due to/from Current Fund	B-5			368,909.93
Due to Department of Labor - Unemployment	B-6			25,833.05
		<u>-0-</u>	<u>6,792.78</u>	<u>4,270,912.89</u>
		<u>\$1,838.67</u>	<u>\$24,970.29</u>	<u>\$746,096.26</u>
Balance December 31, 2010	B			

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-2

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2009	B	\$14,451.07
Increased by :		
Dog License Fees Collected	B-1	15,336.40
		<u>15,336.40</u>
		\$29,787.47
Decreased by :		
Expenditures Under R.S. 4:19-15.11-Cash	B-1	\$4,884.18
		<u>4,884.18</u>
Balance December 31, 2010	B	<u>\$24,903.29</u>

Licenses Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$14,781.00
2008	14,698.20
	<u>\$29,479.20</u>

<u>Summary of State Registration Fees</u>		
State Registration Fees Due at 12/31/09	B	\$115.00
State Registration Fees Collected	B-1	1,860.60
		<u>1,975.60</u>
State Registration Fees Paid	B-1	1,908.60
State Registration Fees Due at 12/31/10	B	<u>\$67.00</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-3

SCHEDULE OF RESERVES AND DEPOSITS PAYABLE

not complete

	Balance Dec. 31, 2009	Receipts	Disbursements	Adjustments	Adjustments To/(From) Current Fund	Balance Dec. 31, 2010
DEPOSITS						
Merchant Bonds	\$8,250.00	\$200.00				\$8,450.00
Library Book Fund	28,347.05	46,619.01	39,389.85			35,576.21
Board of Recreation Commission	11,061.87	73,723.50	63,240.34		(19,925.00)	1,620.03
Towing	2,689.94					2,689.94
Planning Board	120,830.51	36,786.19	32,095.80			125,520.90
Off-Duty Municipal Police Pay	14,524.98	387,975.78				53,515.83
Off-Duty Police Car Charges	(108,267.33)	474.16	7,674.34		(348,984.93)	(115,467.51)
Developer's Deposit - Car Wash	14,062.06	21.40				14,083.46
Performance Bond - ADPP	24,202.13	36.85				24,238.98
Performance Bond - BRE Prime	163,437.22	248.74				163,685.96
Redemption of Outside Tax Title						
Lien Certificate		233,490.06	233,507.52		(17.46)	
Tax Sale Premiums	343,200.00	50,800.00	212,100.00			181,900.00
Donations- Police Bullet Proof						
Vests	373.66					373.66
Town Wide Garage Sale						
Elevator Sub-Code Fees	6,943.00					6,943.00
Sidewalk Crossing	750.00					750.00
Sewer Opening	3,380.00	2,700.00	3,400.00			2,680.00
Miscellaneous	88.97	8,330.00	10,675.00			(2,256.03)
Parking Offenses Adjudication Act	32,757.06	2,162.00				34,919.06
Uniform Fire Penalties	250.60	960.00				1,210.60
Reserve for Street Fair	4,923.39	24,532.99	21,569.50			7,886.88
Reserve for Firefighters Walk of Honor	1,320.80	65.00				1,385.80
Reserve for Fire Truck Repairs	487.58					487.58
Reserve for Municipal Building Repairs	1,958.67					1,958.67
Reserve for Municipal Stormwater Program	(2,806.33)					(2,806.33)
Reserve for Master Plan	388.30					388.30
Reserve for Veterans Memorial Park	4,617.00	250.00				4,867.00
Reserve for Veterans Memorial Park Maintenance	9,740.05					9,740.05
Reserve for Bench Program	1,036.36					1,036.36
Reserve for OEM Grant	503.02					503.02
Reserve for Andrew Feintuch Memorial Fund	8,653.18	13.92				8,667.10
Reserve for Hurricane Katrina Relief Fund	225.57	0.36				225.93
Recycling Proceeds	31,708.53	33,240.71	34,252.94			30,696.30
Reserve for Police Exam	5,228.00		6,450.00			(1,222.00)
	\$734,865.84	\$902,630.67	\$664,355.29		(\$368,909.93)	\$604,231.29

Reference

B

B-5

B-1

B-1

B

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-4

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

<u>ACCOUNT</u>	<u>Balance Dec. 31, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance Dec. 31, 2010</u>
Federal Withholding Tax	\$6,105.17	\$1,108,441.94	\$1,108,441.94	\$6,105.17
F.I.C.A.	(7,399.36)	496,035.49	501,247.79	(12,611.66)
Medicare	7,305.79	233,299.08	231,594.75	9,010.12
Unemployment Insurance	40,720.78	17,570.51	754.07	57,537.22
State of N.J.-Gross Income Tax	(3,542.91)	304,040.30	311,090.01	(10,592.62)
P.E.R.S.-Pension	21,926.68	274,496.11	276,445.59	19,977.20
P.E.R.S.-Contributory Insurance	1,667.23	17,601.52	17,716.23	1,552.52
Police and Firemen's Retirement System	54,141.96	390,179.62	394,491.48	49,830.10
Deferred Compensation Plan	80.00	224,794.84	224,794.84	80.00
Union Dues - DPW	(1,091.73)	21,541.24	18,532.50	1,917.01
Union Dues - PBA	1,315.89	11,544.11	10,800.00	2,060.00
Wage Garnishees	1,192.85	32,564.00	32,564.00	1,192.85
Credit Union	826.03	19,201.99	14,408.00	5,620.02
AFLAC	163.76	18,385.05	18,445.88	102.93
Premier Vision Care	14.86	304.00	304.00	14.86
Suspense	702.09		3,944.95	(3,242.86)
Employee Contribution to Benefits	1,746.40	44,492.19	46,238.59	
Total Payroll Deductions	<u>\$125,875.49</u>	<u>\$3,214,491.99</u>	<u>\$3,211,814.62</u>	<u>\$128,552.86</u>
Ref	B	B-1	B-1	B

(Deficit) - Deduct

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-5

SCHEDULE OF DUE (TO)/FROM CURRENT FUND

	<u>Ref.</u>	<u>Dog Fund</u>	<u>Other Funds</u>
Balance December 31, 2009	B	----	----
Increased by:			
Paid to Current Fund	B-1		368,909.93
			<u>368,909.93</u>
Decreased by:			
Due to Current Fund	A-4,B-3		368,909.93
			<u>368,909.93</u>
Balance December 31, 2010	B	-----	-----

SCHEDULE OF RESERVE FOR UNEMPLOYMENT
INSURANCE TRUST FUND

B-6

	<u>Ref.</u>		
Balance December 31, 2009	B	\$	\$2,460.63
Increased by:			
2010 Budget Appropriation	A-3	25,000.00	
Interest Earned		0.95	
	B-1		<u>25,000.95</u>
			<u>\$27,461.58</u>
Decreased by:			
Payments - N.J. Dept. of Labor		25,833.05	
	B-1		<u>25,833.05</u>
Balance December 31, 2010	B		<u>\$1,628.53</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-7

SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS

	<u>Ref.</u>	<u>Other Funds</u>
Balance December 31, 2009	B	<u>\$8,679.84</u>
Balance December 31, 2010	B	<u>\$8,679.84</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

B-8

SCHEDULE OF FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2009	B	<u>\$4,841.40</u>
Balance December 31, 2010	B	<u>\$4,841.40</u>
		Below
<u>Analysis of Balance</u>		
Assessment Fund	B	1,838.67
Other Trust Funds	B	<u>3,003.74</u>
Total		<u>\$4,842.41</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-2

SCHEDULE OF CASH-COLLECTOR-TREASURER

	<u>Ref.</u>		
Balance December 31, 2009	C		\$215,598.56
Increased by:			
Budget Appropriation for Capital Improvement Fund	C-3,7	\$45,000.00	
Received from State of N.J. Department of Transportation	C-3,4	43,000.00	
Received from County of Bergen	C-3,5	170,000.00	
Bond Anticipation Notes Issued	C-3,10,11	786,000.00	
			<u>1,044,000.00</u>
			\$1,259,598.56
Decreased by:			
Improvement Authorizations	C-8	\$836,362.09	
			<u>836,362.09</u>
Balance December 31, 2010	C		<u>\$423,236.47</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-3

SCHEDULE OF ANALYSIS OF CASH

	Balance Dec. 31, 2009	Receipts		Disbursements		Transfers		Balance Dec. 31, 2010
		Budget	Sale of Notes and Bonds	Improvement Authorizations	Misc.	To	From	
Fund Balance	\$6,854.95	\$	\$	\$	\$	\$	\$	\$6,854.95
Capital Improvement Fund	121,110.17	45,000.00					45,000.00	121,110.17
Reserve for Improvements to Garrison Avenue - F.E.M.A.	7,800.86							7,800.86
Improvement Authorizations:								
Ordinance Number								
1600	78.09							78.09
1620	3,400.46							3,400.46
1628	(2,015.00)							(2,015.00)
1653	9,217.89							9,217.89
1716	830.98							830.98
1719	(25,577.19)							(25,577.19)
1772	127.96							127.96
1803	(2,408.06)							(2,408.06)
1848	429.65							429.65
1858	1,998.16							1,998.16
1868	(4,001.32)							(4,001.32)
1899	7.09							7.09
1895	2,434.07							2,434.07
1908	(46,887.35)							(46,887.35)
1915/1940	224.34		64,250.00					224.34
1935	1,343.27							1,343.27
1936	(40,000.00)							(40,000.00)
1941								
1942	(41,860.59)							(41,860.59)

Provide for the Rehabilitation of the
Underground Fuel Storage Tanks
Reconstruction of the Woodside Avenue
Sewer Pump Station
Resurfacing of a Portion of Burton Avenue
from Williams Avenue to Route 46
Reconstruction or Replacement of Curbs
Acquisition of 34 Semi-Automatic Pistols for the
Police Department
Reconstruction of Lawrence Ave. from the Boulevard
to Terrace Ave.
Acquisition of Pagers and Relocation of Radio Fail Safe
System for the Fire Department
Resurfacing of Burton Avenue from Williams Avenue
to Passaic Avenue
Resurfacing of Hamilton Avenue from the Boulevard
to Terrace Avenue
Acquisition of Computer Hardware and Software as part
of the Year 2000 Upgrades
Barrier Free Curb Ramps
Purchase of Communications Equipment for the Police Dept.
and Fire Dept.
Purchase of a High Pressure Breathing Air System
Resurfacing of Ottawa Ave from Burton ave to route 17
Purchase of Communication Equipment, Improvement of Parks,
Improvement of the Police Pistol Range and Acquisition of a
4 Wheel Drive Vehicle for the Police Department
Acquisition of a Pumper Truck
Refurbishment of the Hook and Ladder
Resurfacing of Kipp Avenue from the Boulevard to Terrace Ave
Resurfacing of LaSalle Avenue from the Boulevard to Oak Grove
Avenue and Paterson Ave. from Terrace Avenue to Burton Ave

C-3

C-3

C-3

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-3

SCHEDULE OF ANALYSIS OF CASH

	Balance Dec. 31, 2009	Receipts			Disbursements		Transfers		Balance Dec. 31, 2010
		Budget	Notes and Bonds	Miscellaneous	Improvement Authorizations	Misc.	To	From	
2208 Acquisition of a New Ambulance	92,962.40		80,000.00		171,242.62				1,719.78
2210 Resurfacing of Jefferson Avenue	(2,330.11)		137,500.00	90,000.00	119,377.36				105,792.53
2211 Improvement of Miers Park and Woodland Park	(48,130.06)		110,000.00	80,000.00	128,399.67				13,470.27
2219 2009 Road Resurfacing Program	12,500.00		237,500.00		170,884.05				79,115.95
2221 Pedestrian Safety Infrastructure Improvements	25,000.00				13,969.41				11,030.59
2222 Pedestrian Safety Encouragement Improvements	2,000.00				5,715.55				(3,715.55)
2232 Repair and Replacement of Certain Fencing, Sidewalks and Landscaping at Depken Field					38.75		15,000.00		(38.75)
2233 Rehabilitation and Environmental Remediation at DPW					39,888.89				(24,888.89)
2234 Curb and Sidewalk Reconstruction along Portions of Terrace Ave and The Boulevard - County Road Program				43,000.00	83,378.88		10,000.00		(30,378.88)
2238 Continuation of Boulevard Street Scape Improvements					10,349.26		10,000.00		(349.26)
2246 Curb and Sidewalk Reconstruction along Portions of Passaic Ave and The Boulevard					2,460.13		10,000.00		7,539.87
	<u>\$215,598.56</u>	<u>\$45,000.00</u>	<u>\$786,000.00</u>	<u>\$213,000.00</u>	<u>\$836,362.09</u>	<u>---</u>	<u>\$45,000.00</u>	<u>\$45,000.00</u>	<u>\$423,236.47</u>

Reference

C C-2 C-2 below C-8 Contra C

Due From State of New Jersey Department of Transportation
Due from County of Bergen Community Development Grant Funds
Received from Port Authority of New York/New Jersey

C-2.4 \$43,000.00
C-2.5 90,000.00
C-2 80,000.00
Above \$213,000.00

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE OF DUE FROM STATE OF N.J.

C-4

	<u>Ref</u>	
Balance December 31, 2009	C	\$323,318.81
Increased by:		
Grants Awarded in 2010	C-8	275,000.00
		<u>598,318.81</u>
Decreased by:		
Cash Received	C-2,3	43,000.00
Balance December 31, 2010	C, Below	<u>\$555,318.81</u>

ANALYSIS OF BALANCE DECEMBER 31, 2010

Burton Avenue-Ordinance No. 1628	\$2,170.00
Burton Avenue-Ordinance No. 1803	2,408.06
Boulevard Streetscape-Ordinance No. 2185, 2209 & 2238	285,740.75
Safe Routes to Schools -Ordinance No. 2221	150,000.00
Safe Routes to Schools -Ordinance No. 2222	23,000.00
Curb Replacement Program-Ordinance No. 2234 & 2246	92,000.00
Above	<u>\$555,318.81</u>

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

C-5

	<u>Ref</u>	
Balance December 31, 2009	C	\$175,142.15
Increased by:		
Grants Awarded in 2010	C-8	75,000.00
		<u>\$250,142.15</u>
Decreased by:		
Cash Received	C-2,3	170,000.00
Balance December 31, 2010	C, Below	<u>\$80,142.15</u>

ANALYSIS OF BALANCE DECEMBER 31, 2010

Barrier Free Curb Ramps- Ordinance No. 1868	\$5,141.35
New Senior Citizen Center- Ordinance No. 1944	0.80
Improvements to Depken Field - Ordinance No. 2232	75,000.00
Above	<u>\$80,142.15</u>

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

Analysis of Balance Dec. 31, 2010

Ordinance Number	IMPROVEMENT DESCRIPTION	Balance Dec. 31, 2009	2010 Authorizations	Deferred Charges Paid Off	Cancelled	Balance Dec. 31, 2010	Financed By Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
	GENERAL IMPROVEMENTS:								
1719	Reconstruction of Lawrence Avenue from the Boulevard to Terrace Avenue	\$42,500.00	\$	\$	\$	\$42,500.00	\$	\$	\$42,500.00
1720	Reconstruction and Improvement of the Storm Water Drainage Line West of the Boulevard between Franklin and LaSalle	153,918.48		39,500.00		153,918.48			153,918.48
1889	Acquisition of a High Pressure Sewer and Catch Basin Cleaner	39,500.00							
1907	Resurfacing of Wood Street, Cleveland Ave from Terrace Ave to the Boulevard and Kipp Ave from the Boulevard to Woodside Ave	34,200.00		20,100.00		14,100.00	14,100.00		
1908	Resurfacing of Ottawa Ave from Burton Ave to Route 17	64,250.00				64,250.00	64,250.00		
1909	Rehabilitation of Sanitary Sewers	9,150.00		9,150.00					
1915/1940	Purchase of Communication Equipment, Improvement to Parks, Improvement of Pistol Range and Acquisition of a 4 Wheel Drive Vehicle for the Police Department	500.00				500.00			500.00
1935	Acquisition of a Pumper Truck	270,000.00		90,000.00		180,000.00	180,000.00		
1936	Refurbishment of the Hook and Ladder	33,250.00		10,000.00		23,250.00	23,250.00		
1937	Acquisition of a Sewer Line Inspection System	18,750.00		6,250.00		12,500.00	12,500.00		
1941	Resurfacing of Kipp Avenue from the Boulevard to Terrace Avenue	40,000.00				40,000.00	40,000.00		
1942	Resurfacing of LaSalle Ave from the Boulevard to Oak Grove and Paterson Ave from Terrace Ave to Burton Ave	43,000.00		60,000.00		43,000.00	43,000.00		
1943	Reconstruction of Summit Street and Plant Road	196,450.00				136,450.00	136,450.00		
1944/1968/1985	Construction of a New Municipal Building and a New Public Safety Building	900.00				900.00			900.00
1947	Acquisition of a Litter Vacuum	16,900.00		5,400.00		11,500.00	11,500.00		
1989	Acquisition of a Garbage Truck and Dump Truck	190,000.00		21,500.00		168,500.00	168,500.00		
1990	Acquisition of Fire Gear and Equipment	23,750.00				23,750.00	23,750.00		
1991	Reconstruction of Sanitary Sewers	47,500.00		6,000.00		41,500.00	41,500.00		
1993	Acquisition of Mobile Computers for the Police Department and Traffic Signal Upgrades	48,750.00		8,250.00		40,500.00	40,500.00		
1994	Resurfacing of Various Streets	101,000.00		28,000.00		73,000.00	73,000.00		
2007	Acquisition of Furniture and Shelving for the New Public Library	126,750.00		30,750.00		96,000.00	96,000.00		
2030	Acquisition of a New Public Safety Communications and Dispatch System and an 80' Communications Tower	257,000.00		48,600.00		208,400.00	208,400.00		

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

C-6

Analysis of Balance Dec. 31, 2010

Ordinance Number	IMPROVEMENT DESCRIPTION	Balance Dec. 31, 2009	2010 Authorizations	Deferred Charges Paid Off	Cancelled	Balance Dec. 31, 2010	Financed By Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
2054	GENERAL IMPROVEMENTS: Resurfacing of Oak Grove Avenue from Jefferson Ave to Williams Avenue	\$80,000.00	\$	\$	\$	\$80,000.00	\$	\$51,180.61	\$28,819.39
2055	Resurfacing of Streets as part of the 2004 Road Program	175,000.00		25,000.00		150,000.00	150,000.00		
2057	Completion of Construction of New Municipal Building and Public Safety Building	365,000.00		60,000.00		305,000.00	305,000.00		
2058	Acquisition of Gear and Equipment for the Fire Department	40,000.00		4,000.00		36,000.00	36,000.00		
2059	Acquisition of a Tree Stump Grinder and Tree Trimming Vehicle	184,500.00		26,500.00		158,000.00	158,000.00		
2087	Acquisition of a New Front End Loader	112,500.00		16,250.00		96,250.00	96,250.00		
2088	Acquisition of a New Rolloff Truck	104,000.00		16,100.00		87,900.00	87,900.00		
2089	Acquisition of a Two New 4 Wheel Drive Vehicles for the Fire Department and Fire Prevention Department	80,000.00		9,000.00		71,000.00	71,000.00		
2134	2006 Computer Upgrades	51,950.00		6,000.00		45,950.00	45,950.00		
2135	Acquisition of Gear and Equipment for the Fire Department	47,500.00		5,500.00		42,000.00	42,000.00		
2136	Construction of a Parking Lot and Pocket Park	327,500.00		46,750.00		280,750.00	280,750.00		
2157	2007 Road Improvement Program	235,000.00		29,400.00		205,600.00	205,600.00		
2159	Acquisition of Gear and Equipment for the Fire Department	180,000.00		20,000.00		160,000.00	160,000.00		
2183	Acquisition of a Garbage Truck and Dump Truck with Salt Spreader and Plow	213,750.00				213,750.00		99,874.58	113,875.42
2184	2008 Road Improvement Program	237,500.00		27,500.00		210,000.00	210,000.00		
2185	Boulevard Streetscape Improvement	80,000.00				80,000.00			
2189	Renovations to the DPW Building	50,000.00		5,000.00		50,000.00	50,000.00		
2208	Acquisition of a New Ambulance	80,000.00				80,000.00	80,000.00		
2210	Resurfacing of Jefferson Avenue	137,500.00				137,500.00	137,500.00		
2211	Improvement of Miers Park and Woodland Park	110,000.00				110,000.00	110,000.00		
2219	2009 Road Resurfacing Program	237,500.00				237,500.00	237,500.00		
2233	Rehabilitation and Environmental Remediation at DPW		85,000.00			85,000.00		24,888.89	60,111.11
2238	Continuation of Boulevard Street Scape Improvement		25,000.00			25,000.00			25,000.00

\$4,887,218.48	\$110,000.00	\$675,500.00	---	\$4,321,718.48	\$3,640,150.00	\$175,944.08	\$505,624.40
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Reference

C

C-8,11

Notes Paid by Current Fund Budget

below

Ref

C-10, A-3

above

C

C-10

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-7

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref</u>		
Balance December 31, 2009	C		\$121,110.17
Increased by:			
2009 Appropriation Reserves	A-13	\$15,000.00	
2010 Budget Appropriation	A-3	30,000.00	
	C-2		45,000.00
			<u>166,110.17</u>
Decreased by:			
Appropriated to Finance Improvement			
Authorizations	C-8		45,000.00
Balance December 31, 2010	C		<u>\$121,110.17</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-8

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	IMPROVEMENT DESCRIPTION	Ordinance	Balance December 31, 2009			2010 Authorizations	Paid or Charged	Cancelled & Adjustments	Balance December 31, 2010	
			Date	Amount	Funded	Unfunded			Funded	Unfunded
1600	General Improvements: Provide for the Rehabilitation of the Underground Fuel Storage Tanks		8-13-91	\$210,000.00	\$78.09				\$78.09	
1620/1789	Reconstruction of the Woodside Avenue Sewer Pump Station		9-8-92	109,200.00	3,400.46				3,400.46	
1628	Resurfacing of a Portion of Burton Avenue from Williams Avenue to Route 46		12-29-92	15,000.00	155.00				155.00	
1653	Reconstruction or Replacement of Curbs		9-23-93	157,750.00	9,217.89				9,217.89	
1716	Acquisition of 34 Semi-Automatic Pistols for the Police Dept.		7-11-95	13,000.00	830.98				830.98	
1719	Reconstruction of Lawrence Ave. from the Boulevard to Terrace Ave.		9-12-95	195,000.00		16,922.81				16,922.81
1720	Reconstruction and Improvement of the Storm Water Drainage Line West of the Boulevard-Franklin to LaSalle		9-12-95	165,000.00		153,918.48				153,918.48
1772	Acquisition of Pagers and Relocation of Radio Fax Safe System for the Fire Department		12-10-96	25,000.00	127.96				127.96	
1848	Resurfacing of a Portion of Hamilton Avenue from the Boulevard to Terrace Avenue		4-13-99	60,000.00	429.65				429.65	
1858	Acquisition and Installation of Computer Hardware and Software as Part of the Year 2000 Upgrades		5-25-99	50,000.00			1,598.16		1,140.03	1,998.16
1868	Barrier Free Curb Ramps		7-27-99	37,000.00					\$7.09	
1899	Purchase of Communications Equipment for the Fire Department and Police Department		5-23-00	\$60,000.00	\$7.09				2,434.07	
1895	Purchase of a High Pressure Breathing Air System		6-13-00	27,000.00						
1908	Resurfacing of Ottawa Ave from Burton Ave to Route 17		8-8-00	215,000.00			17,362.65			17,362.65
1915/1940	Purchase of Communication Equipment, Improvement of Parks, Drive Vehicle for the Police Department		11-30-00	255,000.00						
	Improvement of the Police Pistol Range and Acquisition of a 4-wheel		7-10-01	190,000.00	224.34				224.34	500.00
	Refurbishment of the Hook and Ladder		6-12-01	100,000.00						1,343.27
1936	Refurbishment of the Hook and Ladder									
1942	Resurfacing of LaSalle Avenue from the Boulevard to Oak Grove Avenue and Paterson Avenue from Terrace Avenue to Burton Ave		8-14-01	45,500.00						1,139.41
1944/1968	Construction of a New Municipal Building and a New Public Safety Building		8-14-01; 7-9-02					20,914.35		
1985/2038	Acquisition of a New Ambulance		11-26-02; 4-27-04	11,311,645.63	64,792.12				43,877.77	900.00
1948	Acquisition of Real Property Located at 302 Boulevard		11-13-01	150,000.00	566.49				566.49	
1976	Acquisition of a Garbage Truck and Dump Truck		9-10-02	450,000.00	815.29				815.29	
1989	Acquisition of Furniture, Furnishings and Fittings for use throughout the New Municipal Building		11-26-02	200,000.00						
2006	Acquisition of Furniture, Furnishings and Fittings for use throughout the New Municipal Building		4-8-03	215,000.00	643.47				643.47	
2007	Acquisition of Furniture, Furnishings, Shelving and other Fittings for the New Free Public Library		4-8-03	245,000.00						1,651.59
2012	Improvement of Baldwin Avenue Between the Boulevard and Route 46		8-12-03	55,000.00	4,951.61				4,951.61	
2030	Acquisition of a New Public Safety Communications and Dispatch System, and an 80 Communications Tower		12-31-03	550,000.00						935.96
2048	Acquisition of Furniture, Furnishings and Fittings for use throughout the Public Safety Building and OEM		5-25-04	380,000.00	8,999.38				8,999.38	

~~SCHEDULE OF IMPROVEMENT AUTHORIZATIONS~~

Ord.	No.
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Ord. No.	IMPROVEMENT DESCRIPTION	Date	Balance December 31, 2009			2010 Authorizations	Paid or Charged	Cancelled & Adjustments *	Balance December 31, 2010	
			Funded	Unfunded	Amount				Funded	Unfunded
2054	General Improvements Resurfacing of Oak Grove Ave. from Jefferson Ave to Williams Avenue	7-27-04			325,000.00	28,819.39				
2055	Resurfacing of Streets as part of the 2004 Road Program	7-27-04			250,000.00	25,842.18	9,043.22			28,819.39
2059	Acquisition of a Tree Stump Grinder and a Tree Trimming Vehicle	10-12-04			250,000.00	21,804.88				16,798.96
2085	Acquisition of Laptop Computers for the Free Public Library	4-26-05		1,655.12	16,000.00			1,655.12		21,804.88
2087	Acquisition of a Front End Loader for the DPW	5-10-05			125,000.00	1,687.66				1,687.66
2088	Acquisition of a Rolloff Truck for the DPW	5-10-05			125,000.00	4,760.49				4,760.49
2089	Acquisition of 2 Four Wheel Drive Vehicles for Fire Dept and Fire Prevention	5-10-05			85,000.00	18,978.64				18,978.64
2133/2145	Barrier Free Improvements to Woodland Park	5-9-06, 12-12-06		4,023.05	215,000.00			4,023.05		
2134	2006 Computer Upgrades	6-13-06			75,000.00	3,890.02				3,200.02
2135	Acquisition of Gear and Equipment for the Fire Department	8-8-06			50,000.00	397.70	690.00			397.70
2136	Construction of a Parking Lot and Pocket Park - Central Avenue	8-8-06			420,000.00	37,465.39				37,465.39
2146	Improvement to Gary Deplen Field	12-12-06		77,983.48	1,625,000.00		15,935.25		62,048.23	
2147	Improvement of Ravine Ave. Construction of Parks and Installation of Playground Equipment adjacent to Deplen Field	12-12-06			335,000.00					
2159	Acquisition of Gear and Equipment for the Fire Department	7-10-07		77,643.70	190,000.00	1,394.76	3,695.25		73,948.45	1,394.76
2182	Acquisition of a New Senior Citizen Bus	6-10-08		4,329.33	60,000.00				4,329.33	
2183	Acquisition of a Garbage Truck and Dump Truck with Salt Spreader and Plow	6-10-08			225,000.00	113,875.42				113,875.42
2184	2008 Road Street Sweep Program	6-10-08			250,000.00	18,026.96	9,603.43			8,423.53
2185/2209	Boulevard Street Scape Improvement	6-10-08		118,368.97	200,000.00		30,776.02		87,592.95	80,000.00
2188	Acquisition of a New Alcohol Breath Testing System	9-9-08		617.75	15,000.00				617.75	
2189	Renovations of the Department of Public Works Department	9-9-08			55,000.00					6,166.66
2199	Reconstruction of Certain Sanitary Sewerage Facilities	12-23-08		2,641.99	50,000.00			2,641.99		
2208	Acquisition of a New Ambulance	5-12-09		92,962.40	175,000.00	80,000.00	171,242.62			1,719.78
2210	Resurfacing of Jefferson Avenue	5-12-09		87,669.89	237,500.00	137,500.00	119,377.36			105,792.53
2211	Improvement of Miers Park and Woodland Park	5-12-09		31,869.94	250,000.00	110,000.00	128,399.67		13,470.27	
2219	2009 Road Resurfacing Program	12-15-09		12,508.00	250,000.00	237,500.00	170,884.05			79,115.95
2221	Pedestrian Safety: Infrastructure Improvements	12-15-09		175,000.00	175,000.00		13,969.41		161,030.59	
2222	Pedestrian Safety: Encouragement Improvements	12-15-09		25,000.00			5,715.55		19,284.45	
2232	Repair and Replacement of Certain Fencing, Sidewalks and Landscaping at Deplen Field	4-13-10			75,000.00	75,000.00	38.75		74,961.25	
2233	Rehabilitation and Environmental Remediation at DPW	4-13-10			100,000.00	100,000.00	39,888.89			60,111.11
2234	Curb and Sidewalk Reconstruction along Portions of Terrace Ave and The Boulevard - County Road Program	4-13-10			300,000.00		83,378.88		16,021.12	
2238	Continuation of Boulevard Street Scape Improvement	5-11-10			175,000.00	175,000.00	10,349.26		139,650.74	25,000.00
2246	Curb and Sidewalk Reconstruction along Portions of Passaic Ave and the Boulevard	9-28-10			55,000.00	55,000.00	2,460.13		52,539.87	
			\$81,079.54	\$1,124,782.48	\$505,000.00	\$836,362.09	---		\$778,844.46	\$825,655.47

Capital Improvement Fund
Deferred Charges Unfunded
Disbursed
Due from County - Open Space Grant
Due From State of NJ - DOT

Due From State of NJ - DOT

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-9

SCHEDULE OF GENERAL SERIAL BONDS

<u>PURPOSE</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>					
General Bonds of 2003	9-15-03	\$7,279,000.00	9-15-2011/2014	375,000.00	3.625%	\$5,234,000.00		\$375,000.00	\$4,859,000.00
			9-15-2015	375,000.00	3.700%				
			9-15-2016/2018	375,000.00	3.750%				
			9-15-2019/2022	375,000.00	4.000%				
			9-15-2023	359,000.00	4.000%				
						<u>\$5,234,000.00</u>	<u>\$0.00</u>	<u>\$375,000.00</u>	<u>\$4,859,000.00</u>
						Reference			
						C			
						C			
						Paid by Budget Appropriation			
						A-3			
						<u>\$375,000.00</u>			
						C			

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE OF BOND ANTICIPATION NOTES

C-10

Ordinance Number	IMPROVEMENT DESCRIPTION	Original Amount Issued	Date of Issue of Original Note	Date of Maturity	Interest Rate	Balance Dec.31,2009	Increased	Decreased	Balance Dec.31,2010
General Improvements									
1889	Acquisition of a New High Pressure Sewer and Catch Basin Vacuum Cleaner Mounted on a Single Duty Truck Chassis	190,000.00	4/14/00			39,500.00		39,500.00	
1909	Rehabilitation of Sanitary Sewers	47,500.00	11/3/00			9,150.00		9,150.00	
1907	Resurfacing of Wood Street Through its Entire Length, Cleveland Avenue from Terrace Avenue to the Boulevard and Kipp Avenue from the Boulevard to Woodside Avenue	180,500.00	11/2/01	4/3/10	0.79%	34,200.00		20,100.00	14,100.00
1935	Acquisition of a Pumper Truck for the Fire Department	427,500.00	1/18/02	4/3/10	0.79%	270,000.00		90,000.00	180,000.00
1936	Refurbishment of the Hook and Ladder Truck for the Fire Department	87,000.00	4/12/02	4/3/10	0.79%	33,250.00		10,000.00	23,250.00
1937	Acquisition of a Sewer Line Inspection System for the DPW	38,000.00	4/12/02	4/3/10	0.79%	18,750.00		6,250.00	12,500.00
1947	Acquisition of a Mobile Litter Vacuum for the DPW	26,600.00	4/12/02	4/3/10	0.79%	16,900.00		5,400.00	11,500.00
1943	Reconstruction of Summit Avenue and Plant Road	325,900.00	11/1/02	4/3/10	0.79%	196,450.00		60,000.00	136,450.00
1993	Acquisition of Mobile Computers for Police Vehicles and Upgrade of Traffic Signals	71,250.00	1/17/03	4/3/10	0.79%	48,750.00		8,250.00	40,500.00
1994	Resurfacing of Various Streets-2002 Road Program	190,000.00	4/11/03	4/3/10	0.79%	101,000.00		28,000.00	73,000.00
2007	Acquisition of Furniture, Furnishings and Fittings for use throughout the New Free Public Library	230,000.00	10/31/03	4/3/10	0.79%	126,750.00		30,750.00	96,000.00
2030	Acquisition of a New Public Safety Communications and Dispatch System and an 80'communications Tower	300,000.00	10/29/04	4/3/10	0.79%	257,000.00		48,600.00	208,400.00
2055	Resurfacing of Various Streets as Part of the 2004 Road Program	225,000.00	4/8/05	4/3/10	0.79%	175,000.00		25,000.00	150,000.00
2057	Completion of Construction of New Municipal Building and Public Safety Building	375,000.00	4/8/05	4/3/10	0.79%	365,000.00		60,000.00	305,000.00
2059	Acquisition of a Tree Stump Grinder and Tree Trimming Vehicle	237,500.00	10/28/05	4/3/10	0.79%	184,500.00		26,500.00	158,000.00
2087	Acquisition of a Front End Loader for the DPW	117,500.00	4/7/06	4/3/10	0.79%	112,500.00		16,250.00	96,250.00
2088	Acquisition of a New Rolloff Truck for the DPW	117,500.00	4/7/06	4/3/10	0.79%	104,000.00		16,100.00	87,900.00
2136	Construction of a Parking Lot and Pocket Park	346,000.00	10/27/06	4/3/10	0.79%	327,500.00		46,750.00	280,750.00
2135	Acquisition of Turnout Gear and Equipment for the Fire Dept.	47,500.00	10/25/07	4/3/10	0.79%	47,500.00		5,500.00	42,000.00
2157	2007 Road Program	235,000.00	10/25/07	4/3/10	0.79%	235,000.00		29,400.00	205,600.00
1989	Acquisition of a New Garbage Truck	190,000.00	4/4/08	4/3/10	0.79%	190,000.00		21,500.00	168,500.00
1991	Rehabilitation of Sanitary Sewers	47,500.00	4/4/08	4/3/10	0.79%	47,500.00		6,000.00	41,500.00
2058	Acquisition of Two New 4 Wheel Drive Vehicles for the Fire Department and Fire Prevention Department	40,000.00	4/4/08	4/3/10	0.79%	40,000.00		4,000.00	36,000.00
2134	Computer Upgrades	80,000.00	4/4/08	4/3/10	0.79%	80,000.00		9,000.00	71,000.00
2159	Acquisition of Gear and Equipment for the Fire Dept.	51,950.00	4/4/08	4/3/10	0.79%	51,950.00		6,000.00	45,950.00
2184	2008 Road Resurfacing Program	180,000.00	4/4/08	4/3/10	0.79%	180,000.00		20,000.00	160,000.00
1908	Resurfacing of Ottawa Ave from Burton Ave to Route 17	237,500.00	10/25/08	4/3/10	0.79%	237,500.00	64,250.00	27,500.00	210,000.00
1941	Resurfacing of Kipp Ave from the Boulevard to Terrace Ave	64,250.00	4/3/10	4/3/10	0.79%		40,000.00		64,250.00
1942	Resurfacing of LaSalle Ave from the Boulevard to Oak Grove Ave and Paterson Ave from Terrace Ave to Burton Ave	43,000.00	4/3/10	4/3/10	0.79%		43,000.00		43,000.00
1990	Acquisition of Gear and Equipment for the Fire Department	23,750.00	4/3/10	4/3/10	0.79%		23,750.00		23,750.00
2189	Renovations to DPW Building	50,000.00	4/3/10	4/3/10	0.79%		50,000.00		50,000.00
2208	Acquisition of an Ambulance	80,000.00	4/3/10	4/3/10	0.79%		80,000.00		80,000.00
2210	Resurfacing of Jefferson Ave from Burton Ave to Woodside Ave	137,500.00	4/3/10	4/3/10	0.79%		137,500.00		137,500.00
2211	Improvement to Miets Park	110,000.00	4/3/10	4/3/10	0.79%		110,000.00		110,000.00
2219	2009 Road Resurfacing Program	237,500.00	4/3/10	4/3/10	0.79%		237,500.00		237,500.00

\$5,428,200.00	\$3,329,650.00	\$786,000.00	\$675,500.00	\$3,640,150.00
		C	C-2,11	C.C-6
		Paid by Budget	below	C-6
			\$675,500.00	above
			\$675,500.00	

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-11

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	IMPROVEMENT DESCRIPTION	Balance Dec. 31, 2009	Authorized 2010	Bond Anticipation Notes Issued	Cancelled	Funded by Bond Sale	Balance Dec. 31, 2010
	General Improvements:						
1719	Reconstruction of Lawrence Avenue from the Boulevard to Terrace Avenue	42,500.00					42,500.00
1720	Reconstruction and Improvement of the Storm Water Drainage Line West of the Boulevard between Franklin and LaSalle	153,918.48					153,918.48
1908	Resurfacing of Ottawa Ave from Burton Ave to Route 17	64,250.00		64,250.00			
1915/1940	Purchase of Communication Equipment, Improvement of Parks, Improvement of Pistol Range and Acquisition of a 4 Wheel Drive Vehicle for the Police Department	500.00					500.00
1941	Resurfacing of Kipp Avenue from the Boulevard to Terrace Avenue	40,000.00		40,000.00			
1942	Resurfacing of LaSalle Ave from the Boulevard to Oak Grove and Paterson Ave from Terrace Ave to Burton Ave	43,000.00		43,000.00			
1944/1968/1985	Construction of a New Municipal Building and a New Public Safety Building	900.00					900.00
1990	Acquisition of Gear and Equipment for the Fire Department	23,750.00		23,750.00			
2054	Resurfacing of Oak Grove Avenue from Jefferson Ave to Williams Ave	80,000.00					80,000.00
2183	Acquisition of a Garbage Truck and Dump Truck with Salt Spreader and Plow	213,750.00					213,750.00
2185/2209	Boulevard Streetscape Improvement	80,000.00		50,000.00			80,000.00
2189	Renovations to DPW Building	50,000.00		80,000.00			
2208	Acquisition of an Ambulance	80,000.00		137,500.00			
2210	Resurfacing of Jefferson Avenue from Burton Ave to Woodside Ave	137,500.00		110,000.00			
2211	Improvement of Miers Park	110,000.00		237,500.00			
2219	2009 Road Resurfacing Program	237,500.00					85,000.00
2233	Environmental Remediation at Department of Public Works		85,000.00				25,000.00
2238	Continuation of Boulevard Streetscape Improvement		25,000.00				

\$1,357,568.48	\$110,000.00	\$786,000.00	----	\$681,568.48
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Reference

C

C-6

C-2,10

C

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

C-12

SCHEDULE OF RESERVE TO FOR GARRISON AVENUE REPAIR
F.E.M.A. FUNDS

	<u>Ref.</u>	
Balance December 31, 2009	C	<u>\$7,800.86</u>
Balance December 31, 2010	C	<u>\$7,800.86</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
FEDERAL AND STATE GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

D-1

SCHEDULE OF CASH-COLLECTOR-TREASURER

	<u>Ref</u>		
Balance December 31, 2009	D		\$43,105.61
Increased by Receipts:			
State Grant Funds-Appropriated	D-2	\$20,947.19	
State Grant Funds-Unappropriated	D-4	<u>23,663.78</u>	
			<u>44,610.97</u>
			\$87,716.58
Decreased by Disbursements:			
State Grant Funds	D-3	44,538.16	
			<u>44,538.16</u>
Balance December 31, 2010	D		<u><u>\$43,178.42</u></u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
FEDERAL AND STATE GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

D-2

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

<u>GRANT</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Budget Revenue Realized</u>	<u>Cash Received</u>	<u>Applied From Unap- propriated</u>	<u>Applied From Operations</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2010</u>
Clean Communities Act		\$17,159.25		\$17,159.25			
Recycling Tonnage Grant		14,367.03		14,367.03			
Drunk Driving Enforcement Fund		7,055.19	7,055.19				
Governor's Council on Alcoholism and Drug Abuse	\$11,017.00	11,356.00	11,017.00				\$11,356.00
Alcohol Education and Rehabilitation Fund		1,717.15		1,717.15			
Bergen County Municipal Alliance Special Project	\$2,250.00						\$2,250.00
Governor's Council on Alcoholism and Drug Abuse - Match		2,875.00	2,875.00				
	<u>\$13,267.00</u>	<u>\$54,529.62</u>	<u>\$20,947.19</u>	<u>\$33,243.43</u>	<u>---</u>	<u>---</u>	<u>\$13,606.00</u>
Ref	D	A-2,D-3	D-1	D-3,4			D

BOROUGH OF HASBROUCK HEIGHTS, N.J.
FEDERAL AND STATE GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

D-3

SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

<u>Grant</u>	<u>Transferred from 2010 Budget Appropriations</u>				<u>Expended</u>	<u>Balance Dec. 31, 2010</u>
	<u>Balance Dec. 31, 2009</u>	<u>Budget</u>	<u>40A:4-87</u>	<u>Adjustments</u>		
Clean Communities Act Street Cleaning	\$835.61	\$17,159.25			\$12,372.60	\$5,622.26
Division of Criminal Justice Body Armor Fund	4,189.62				4,189.62	
Office of Justice Bulletproof Vest Fund						
Recycling Tonnage Grant	90.50	14,367.03			13,038.88	1,418.65
Drunk Driving Enforcement Fund Police		7,055.19			2,039.50	5,015.69
Alcohol Education and Rehabilitation Fund		1,717.15			825.00	892.15
Governor's Council on Alcoholism and Drug Abuse	10,599.80	11,356.00			8,322.56	13,633.24
Municipal Stormwater Regulation Program	7,089.00				3,000.00	4,089.00
<u>Matching Funds for Grants</u>						
Cops More	324.50					324.50
Governor's Council on Alcoholism and Drug Abuse	0.15	2,875.00			750.00	2,125.15
TOTALS	\$23,129.18	\$54,529.62	---		\$44,538.16	\$33,120.64
Ref	D	D-2			D-1	D
<u>TRANSFERRED TO STATE GRANT FUND</u>				<u>Ref</u>		
Grant Funds - Current Receipts		21,286.19				
Grant Funds - from Unappropriated		33,243.43		D-2		
Total		<u>\$54,529.62</u>	<u>---</u>	Above, D-2		

D-4

<u>Grant</u>	<u>Balance Dec.31,2009</u>	<u>Cash Received in 2010</u>	<u>Transferred to 2010 Budget Appropriations</u>		<u>Balance Dec.31,2010</u>
			<u>Budget</u>	<u>40A:4-87</u>	
Alcohol Education and Rehabilitation	1,717.15	1,910.38	1,717.15		1,910.38
Clean Communities Grant Funds	17,159.25	17,837.56	17,159.25		17,837.56
Tonnage Grant	14,367.03		14,367.03		
Body Armor Fund		3,915.84			3,915.84
	\$33,243.43	\$23,663.78	\$33,243.43		\$23,663.78
Ref	D	D-1	D-2		D

BOROUGH OF HASBROUCK HEIGHTS, N.J.
PUBLIC ASSISTANCE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

E-1

SCHEDULE OF CASH-COLLECTOR-TREASURER

	Reference	
Balance December 31, 2009	E	\$7,374.04
Increased by Receipts:		
Food Pantry Donations	E-2	<u>4,675.15</u>
		12,049.19
Decreased by Disbursements:		
Public Assistance Expenditures	E-2	<u>4,000.00</u>
Balance December 31, 2010	E	<u><u>\$8,049.19</u></u>
Reconciliation - December 31, 2010		
Balance on Deposit per Statement of:		
Valley National Bank A/C # 0001016865		\$8,051.62
Reconciling Items		<u>(2.43)</u>
Balance December 31, 2010		<u><u>\$8,049.19</u></u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
PUBLIC ASSISTANCE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

E-2

SCHEDULE OF PUBLIC ASSISTANCE REVENUES

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

E-3

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES

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

E-4

SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE

	Ref	P.A.T.F. #II	TOTAL
Balance December 31, 2009	E	\$7,374.04	\$7,374.04
Increased by:			
Revenues	E-2	<u>4,675.15</u>	<u>4,675.15</u>
		\$12,049.19	\$12,049.19
Decreased by:			
Expenditures	E-3	<u>4,000.00</u>	<u>4,000.00</u>
Balance December 31, 2010	E	<u>\$8,049.19</u>	<u>\$8,049.19</u>

BOROUGH OF HASBROUCK HEIGHTS, N.J.
OFFICIALS IN OFFICE AND SURETY BONDS
AT DECEMBER 31, 2010

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

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL COMMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

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

NJS40A:11-4 states "Every contract awarded by the contracting agents, for the provision or performance of any goods or services, the cost of which in the aggregate exceed the bid threshold [40A:11-3 "a contract year the total sum of \$31,000...If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$36,000.]", shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

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

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

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

Our examination of expenditures did reveal one individual payments, contracts or agreements in excess of \$36,000 "for the performance of any work, or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJS 40A:11-6.

Expenditure of \$4,650 or more and less than \$31,000 Per N.J.S.A. 40A:11-6.1

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
GENERAL COMMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

Collection of Interest of Delinquent Taxes and Assessments

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

The Governing Body on January 1, 2010 adopted the following resolution authorizing interest to be charged on delinquent taxes:

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

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

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

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in areas beyond December 31, and additional penalty of 6% shall be charged against the delinquency. Real estate taxes for 2010 will be advertised for sale after April 1, 2011.
2. Effective January 1, 2010 there will be a ten-day grace period of quarterly tax payments made by cash, check, or money order.
3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

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

BOROUGH OF HASBROUCK HEIGHTS, N.J.
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS – 2009
YEAR ENDED DECEMBER 31, 2010

Finding: #09-01:

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

Status:

Partial Corrective action has been taken. See current year audit findings.

Finding: #09-02:

All fees and correct dates received should be entered into the Recreation Department software to properly record all payments received by the recreation department.

Status:

Corrective action has not been taken.

Finding: #09-03:

That expenditures be monitored to be in compliance with the Local Public Contract Law.

Status:

Corrective action has been taken.

BOROUGH OF HASBROUCK HEIGHTS, N.J.
COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

***Finding: #10-01**

There are several capital ordinances over 5 years old with cash deficits, which were not funded as of the date of our audit:

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

There were also some ordinances with grants receivable which need to be cancelled and funded:

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

Recommendation:

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

Borough's Proposed Corrective Action Plan:

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

***Finding: # 10-02:**

The Recreation Department did not maintain a detailed cash receipts ledger indicating dates, amounts, and program participants. The cash receipts were not deposited within 48 hours in accordance with NJSA 40A:5-15.

Recommendation:

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

Borough's Proposed Corrective Action Plan:

The Recreation Software will be used to implement the above finding.

Appreciation

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

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

July 22, 2011