

**CITY OF HACKENSACK
County of Bergen, New Jersey**

**NJ Comprehensive Annual Financial Report
Year Ended December 31, 2013
(With Independent Auditors' Reports Thereon)**

**CITY OF HACKENSACK
 NJ COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2013
 TABLE OF CONTENTS**

<u>Reference</u>		<u>Page</u>
<u>INTRODUCTORY SECTION</u>		
	Roster of Officials.....	1
	Independent Auditors' Report.....	3-7
<u>FINANCIAL SECTION</u>		
A-1	Comparative Balance Sheet - Regulatory Basis.....	8
A-2	Combined Statement of Operations and Changes in Fund Balance -- Regulatory Basis.....	9
A-3	Statement of Operations and Changes in Fund Balance -- Regulatory Basis - Budget & Actual - Current Fund.....	10
A-4	Statement of Operations and Changes in Fund Balance -- Regulatory Basis - Budget & Actual - Public Parking Utility Operating Fund.....	11
Notes to Financial Statements:		
	Note 1 - Reporting Entity, Organization and Function.....	12
	Note 2 - Summary of Significant Accounting Policies.....	13-21
	Note 3 - Cash and Cash Equivalents.....	22
	Note 4 - Investments.....	23
	Note 5 - Receivables.....	24
	Note 6 - Commitments.....	25
	Note 7 - Fixed Assets.....	26
	Note 8 - Municipal Debt.....	27-35
	Note 9 - Risk Management.....	36
	Note 10 - Interfunds.....	37
	Note 11 - Deferred Charges to be Raised in Succeeding Budgets.....	38
	Note 12 - Retirement Plans.....	39-46
	Note 13 - Other Post Retirement Benefits.....	47-49
	Note 14 - Fund Balances Appropriated.....	50
	Note 15 - Economic Dependency.....	51
	Note 16 - Contingencies.....	52
	Note 17 - Subsequent Events.....	53
<u>Supplementary Data</u>		
<u>Current Fund</u>		
B-1	Comparative Balance Sheet - Regulatory Basis.....	54
B-2	Schedule of Revenues and Other Credits to Income - Regulatory Basis.....	55
B-3	Schedule of Expenditures and Other Charges to Income - Regulatory Basis.....	56-61
<u>Grant Fund</u>		
C-1	Comparative Balance Sheet - Regulatory Basis.....	62
C-2	Schedule of Grants Receivable.....	63
C-3	Schedule of Appropriated Reserves.....	64
C-4	Schedule of Unappropriated Reserves.....	65
<u>Trust Fund</u>		
D-1	Comparative Balance Sheet - Regulatory Basis.....	66

**CITY OF HACKENSACK
 NJ COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2013
 TABLE OF CONTENTS**

<u>Reference</u>		<u>Page</u>
	<u>FINANCIAL SECTION (Continued)</u>	
	<u>Supplementary Data (Continued)</u>	
	<u>General Capital Fund</u>	
E-1	Comparative Balance Sheet - Regulatory Basis.....	67
E-2	Schedule of Loans Payable.....	68
E-3	Schedule of Deferred Charges to Future Taxation - Unfunded.....	69
E-4	Schedule of Improvement Authorizations.....	70
E-5	Schedule of Serial Bonds Payable.....	71
E-6	Schedule of Bond Anticipation Notes Payable.....	72
E-7	Schedule of Bonds and Notes Authorized but not Issued.....	73
E-8	Schedule of Deferred Charges to Future Taxation - Funded.....	74
E-9	Schedule of Grants Receivable.....	75
E-10	Schedule of Capital Lease Obligation Payable.....	76
	<u>Public Parking Utility Fund</u>	
F-1	Comparative Balance Sheet - Regulatory Basis.....	77
F-2	Schedule of Revenues and Other Credits to Income - Regulatory Basis.....	78
F-3	Schedule of Expenditures and Other Charges to Income - Regulatory Basis.....	79
F-4	Comparative Balance Sheet - Regulatory Basis.....	80
F-5	Schedule of Fixed Capital Authorized & Uncompleted.....	81
F-6	Schedule of Improvement Authorizations.....	82
F-7	Schedule of Serial Bonds Payable.....	83
F-8	Schedule of Bond Anticipation Notes Payable.....	84
F-9	Schedule of Bonds and Notes Authorized but not Issued.....	85
	<u>General Fixed Asset Account Group</u>	
H-1	Comparative Balance Sheet - Regulatory Basis.....	86
H-2	Schedule of Changes In Reserve for General Fixed Assets.....	87

**CITY OF HACKENSACK
 NJ COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2013
 TABLE OF CONTENTS**

<u>Reference</u>		<u>Page</u>
<u>ANNUAL FINANCIAL INFORMATION AND OPERATING DATA</u>		
J-1	Adopted Budgets.....	89
J-2	Fund Balance Summary.....	90
J-3	Tax Levy and Collection Data.....	91
J-4	Assessed and County Equalized Valuation Data.....	92
J-5	Tax Requirement and Rate Data.....	93
J-6	Ratio of Gross and Net Debt to County Equalized Value and Debt Per Capita.....	94
J-7	Legal Debt Margin.....	95
J-8	Direct and Overlapping Debt.....	96
J-9	Ratio of Annual Debt Service Appropriations to Total Adopted Current Fund Appropriations	97
J-10	Demographic Statistics.....	98
J-11	Ten Largest Taxpayers by Assessment.....	99
J-12	Value of New Construction, Improvements, Alterations and Demolitions.....	100
<u>SINGLE AUDIT SECTION</u>		
K-1	Independent Auditors' Report.....	102-103
K-3	Schedule of Expenditures of Federal Awards.....	104
K-4	Schedule of Expenditures of State Financial Assistance.....	105
K-5	Notes to Schedules of Expenditures of Federal Awards & State Financial Assistance.....	106-107
K-6	Schedule of Findings and Questioned Costs.....	108-112
K-7	Summary of Prior Audit Findings.....	113
<u>GENERAL COMMENTS AND RECOMMENDATIONS</u>		
	Cash Cycle.....	115
	Revenues/Receipts Cycle.....	116
	Expenditures/Disbursements Cycle.....	117
	Payroll Cycle.....	118
	Fixed Assets.....	119
	Long Term Debt.....	120
	Other Significant Matters.....	121
	Recommendations.....	122
	Status of Prior Years' Recommendations.....	123

CITY OF HACKENSACK

NJ Comprehensive Annual Financial Report

Introductory Section

**CITY OF HACKENSACK
ROSTER OF OFFICIALS**

Name	Title	Term Expires
John P. Labrosse, Jr.	Mayor	06/30/17
Kathleen Canestrino	Councilwoman	06/30/17
David Sims	Councilman	06/30/17
Leonardo Battaglia	Councilman	06/30/17
Rose Greenman	Councilwoman	06/30/17
Deborah Karlsson	City Clerk	
Art Koster	Acting City Manager	
	Personnel Director	
	Recycling Coordinator	
James A. Mangin	Chief Financial Officer	
	Treasurer	
Elisa Coccia	Tax Collector	
	Tax Search Officer	
DiMaria & DiMaria, LLP	City Auditor	
Thomas P. Scrivo	City Attorney	
Frank Catania, Jr.	City Prosecutor	
Marc Raso, Esq.	Tax Appeal Attorney	
Wilentz, Goldman & Spitzer	Bond Counsel	
Art Carlson, Jr.	Tax Assessor	
Boswell Engineering	City Engineer	
Otterstedt Agency	Risk Management Consultants	
Michael Mordaga	Police Director	
Louis J. Dinice, Esq.	Municipal Court Judge	12/31/15
Elizabeth Pezzillo	Municipal Court Administrator	
Ernest Sisco	Construction Code Official	
	Building Subcode Official	
Thomas Freeman	Fire Chief	
Susan McVeigh	Health Officer	
	Registrar of Vital Statistics	
Sharon Castanteen	Library Director	
Jesse D'Amore	Public Works Superintendent	
Pat Ruggerio	Acting Recreation Superintendent	

CITY OF HACKENSACK
NJ Comprehensive Annual Financial Report
Financial Section

Di Maria & Di Maria LLP

Accountants & Consultants

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890
Facsimile 973.779.6891

Independent Auditors' Report

Honorable Mayor and Members of the City Council
City of Hackensack, County of Bergen, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheet - *regulatory basis* - of the various funds and account group of the City of Hackensack, in the County of Bergen (the "City") as of and for the year ended December 31, 2013, and the related statement of operations and changes in fund balance - *regulatory basis* - for the year then ended, and the related statement of revenues - *regulatory basis* - and statement of expenditures - *regulatory basis* - of the various funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the foregoing table of contents. Balances as of December 31, 2012 were audited by another firm, whose opinion was adverse for U.S. Generally Accepted Accounting Principles and unmodified for the regulatory basis of accounting.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Report (Continued)

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Independent Auditors' Report (Continued)

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

As described in Note 2, these financial statements have been prepared in conformity with accounting principles prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of the City as of December 31, 2013 and 2012, or the changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2013 and 2012, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2013 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 2.

Independent Auditors' Report (Continued)

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary data schedules listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and the schedule of expenditures of state financial assistance, as required by the U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-profit Organizations; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules listed in the table of contents, the schedules of expenditures of federal awards, and the schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting as described in Note 2.

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

Independent Auditors' Report (Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank DiMaria

Registered Municipal Accountant
RMA No. CR00463

June 30, 2014

**CITY OF HACKENSACK
COMBINED COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
DECEMBER 31, 2013**

A-1

	Current Fund	Grant Fund	Trust Fund	General Capital Fund	Public Parking Utility Operating Fund	Public Parking Utility Capital Fund	Fixed Asset Account Group	Totals (Memorandum Only)	
								2013	2012
ASSETS AND OTHER DEBITS									
Cash	\$ 8,498,140	\$ -	\$ 8,807,979	\$ 3,809,952	\$ 1,645,640	\$ 86,329	\$ -	\$ 22,848,040	\$ 25,679,664
Consumer Accounts Receivable	-	-	-	-	-	-	-	-	-
Interfunds Receivable	28,796	161,757	-	-	11	-	-	190,564	472,200
Intergovernmental Receivable	-	664,277	-	926,120	-	-	-	1,590,397	2,497,743
Other Receivables	4,675,214	-	12,842	167	-	-	-	4,688,223	4,874,932
Deferred Charges	292,800	-	-	36,710,300	-	-	-	37,003,100	41,017,137
Fixed Capital Authorized & Uncompleted	-	-	-	-	-	829,900	-	829,900	931,552
Fixed Capital	-	-	-	-	-	8,035,084	-	8,035,084	7,933,432
Fixed Assets	-	-	-	-	-	-	51,562,905	51,562,905	50,589,312
Total Assets and Other Debits	\$ 13,494,950	\$ 826,034	\$ 8,820,821	\$ 41,446,539	\$ 1,645,651	\$ 8,951,313	\$ 51,562,905	\$ 126,748,213	\$ 133,995,972
LIABILITIES, RESERVES AND FUND BALANCE									
Interfunds Payable	\$ 161,757	\$ -	\$ 28,133	\$ 663	\$ -	\$ 11	\$ -	\$ 190,564	\$ 472,200
Accounts/Encumbrances Payable	1,032,780	-	-	-	13,545	-	-	1,046,325	899,119
Other Liabilities and Reserves	5,367,437	826,034	8,792,012	2,490,024	736,309	141,000	-	18,352,816	18,974,654
Improvement Authorizations	-	-	-	5,899,778	-	749,071	-	6,648,849	8,831,267
Intergovernmental Payable	13,735	-	18	-	-	-	-	13,753	37,721
Serial Bonds Payable	-	-	-	23,814,000	-	750,000	-	24,564,000	16,371,000
Bond Anticipation Notes Payable	-	-	-	5,670,000	-	-	-	5,670,000	17,055,200
Loan Payable	-	-	-	2,550,877	-	-	-	2,550,877	2,830,911
Emergency Note Payable	183,000	-	-	-	-	-	-	183,000	-
Special Emergency Note Payable	-	-	-	-	-	-	-	-	-
Capital Lease Obligation Payable	-	-	-	795,379	-	-	-	795,379	918,293
Reserve for Receivables & Other Assets	4,704,010	-	-	-	-	-	-	4,704,010	4,899,600
Reserve for Investment in Fixed Assets	-	-	-	-	-	-	51,562,905	51,562,905	50,589,312
Reserve for Amortization	-	-	-	-	-	7,285,084	-	7,285,084	7,135,084
Fund Balance	2,032,231	-	658	225,818	895,797	26,147	-	3,180,651	4,981,611
Total Liabilities, Reserves and Fund Balance	\$ 13,494,950	\$ 826,034	\$ 8,820,821	\$ 41,446,539	\$ 1,645,651	\$ 8,951,313	\$ 51,562,905	\$ 126,748,213	\$ 133,995,972

**CITY OF HACKENSACK
COMBINED STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE -
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013**

	Current Fund	Public Parking Utility Fund	Total
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Operating Surplus Anticipated	\$ 3,350,000	\$ 150,000	\$ 3,500,000
Miscellaneous	11,173,463	-	11,173,463
Receipts from Delinquent Taxes	2,778,220	-	2,778,220
Amount to be Raised by Taxation - Local	72,611,680	-	72,611,680
Amount to be Raised by Taxation - Library	1,867,718	-	1,867,718
Off Street Parking	-	783,579	783,579
On Street Parking	-	432,283	432,283
Interest on Investments & Deposits	-	-	-
Total Revenues	91,781,081	1,365,862	93,146,943
Other Credits to Income	88,324,649	675,069	88,999,718
Total Revenues and Other Credits to Income	<u>\$ 180,105,730</u>	<u>\$ 2,040,931</u>	<u>\$ 182,146,661</u>
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	\$ 38,796,278	\$ -	\$ 38,796,278
Other Expenses	25,774,850	-	25,774,850
Deferred Charges	39,496	-	39,496
Statutory Expenditures	8,760,645	-	8,760,645
Excluded From "CAPS":			
Operations:			
Salaries and Wages	596,300	315,000	911,300
Other Expenses	9,834,670	600,000	10,434,670
Capital Improvements	200,000	139,500	339,500
Debt Service	4,504,647	190,000	4,694,647
Deferred Charges and Statutory Expenditures	389,869	25,500	415,369
Deficit in Operations in Prior Years	-	-	-
Reserve for Uncollected Taxes	3,735,000	-	3,735,000
Total Expenditures	92,631,755	1,270,000	93,901,755
Other Charges to Income	86,378,184	-	86,378,184
Total Expenditures and Charges to Income	<u>\$ 179,009,939</u>	<u>\$ 1,270,000</u>	<u>\$ 180,279,939</u>
Statutory Excess to Fund Balance	1,095,791	770,931	1,866,722
Deferred Charges to Budget of Succeeding Year	183,000	-	183,000
Fund Balance, January 1	4,103,440	851,366	4,954,806
	5,382,231	1,622,297	7,004,528
Decreased by:			
Utilization as Anticipated Revenue	3,350,000	150,000	3,500,000
Transferred to Current Fund	-	576,500	576,500
Fund Balance, December 31	<u>\$ 2,032,231</u>	<u>\$ 895,797</u>	<u>\$ 2,928,028</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013**

	Budget as Modified	Actual	Variance
<u>REVENUES AND OTHER CREDITS TO INCOME</u>			
Revenues:			
Operating Surplus Anticipated	\$ 3,350,000	\$ 3,350,000	\$ -
Miscellaneous Revenues	10,306,173	11,173,463	867,290
Receipts from Delinquent Taxes	2,750,000	2,778,220	28,220
Amount to be Raised by Taxation - Local	74,174,864	72,611,680	(1,563,184)
Amount to be Raised by Taxation - Library	1,867,718	1,867,718	-
Total Revenues	<u>92,448,755</u>	<u>91,781,081</u>	<u>(667,674)</u>
Other Credits to Income	83,221,295	88,324,649	5,103,354
Total Revenues and Other Credits to Income	<u>\$ 175,670,050</u>	<u>\$ 180,105,730</u>	<u>\$ 4,435,680</u>
<u>EXPENDITURES AND OTHER CHARGES TO INCOME</u>			
Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	\$ 38,796,278	\$ 38,796,278	\$ -
Other Expenses	25,774,850	25,774,850	-
Deferred Charges	39,496	39,496	-
Statutory Expenditures	8,760,645	8,760,645	-
Excluded From "CAPS":			
Operations:			
Salaries and Wages	596,300	596,300	-
Other Expenses	9,834,670	9,834,670	-
Capital Improvements	200,000	200,000	-
Municipal Debt Service	4,504,647	4,504,647	-
Deferred Charges	389,869	389,869	-
Reserve for Uncollected Taxes	3,735,000	3,735,000	-
Total Expenditures	<u>92,631,755</u>	<u>92,631,755</u>	<u>-</u>
Other Charges to Income	83,221,295	86,378,184	3,156,889
Total Expenditures and Charges to Income	<u>\$ 175,853,050</u>	<u>\$ 179,009,939</u>	<u>\$ 3,156,889</u>
Statutory Excess to Current Fund Balance		<u>1,095,791</u>	
Deferred Charges to Budget of Succeeding Year		183,000	
Fund Balance, January 1		<u>4,103,440</u>	
		\$ 5,382,231	
Decreased by:			
Utilization as Anticipated Revenue		<u>3,350,000</u>	
Fund Balance, December 31		<u>\$ 2,032,231</u>	

**CITY OF HACKENSACK
PUBLIC PARKING UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013**

	Budget as Modified	Actual	Variance
<u>REVENUES AND OTHER CREDITS TO INCOME</u>			
Revenues:			
Operating Surplus Anticipated	\$ 150,000	\$ 150,000	\$ -
Off Street Parking	700,000	783,579	83,579
On Street Parking	420,000	432,283	12,283
Interest on Investments & Deposits	-	-	-
Total Revenues	<u>1,270,000</u>	<u>1,365,862</u>	<u>95,862</u>
Other Credits to Income	-	675,069	675,069
Total Revenues and Other Credits to Income	<u>\$ 1,270,000</u>	<u>\$ 2,040,931</u>	<u>\$ 770,931</u>
<u>EXPENDITURES AND OTHER CHARGES TO INCOME</u>			
Expenditures:			
Operations:			
Salaries and Wages	\$ 315,000	\$ 315,000	\$ -
Other Expenses	600,000	600,000	-
Capital Improvements	139,500	139,500	-
Debt Service	190,000	190,000	-
Deferred Charges & Statutory Expenditures	25,500	25,500	-
Deficit in Operations in Prior Years	-	-	-
Total Expenditures	<u>1,270,000</u>	<u>1,270,000</u>	<u>-</u>
Other Charges to Income	-	-	-
Total Expenditures and Charges to Income	<u>\$ 1,270,000</u>	<u>\$ 1,270,000</u>	<u>\$ -</u>
Statutory Excess to Current Fund Balance		<u>770,931</u>	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		<u>851,366</u>	
		<u>1,622,297</u>	
Decreased by:			
Utilization as Anticipated Revenue		150,000	
Transferred to Current Fund		<u>576,500</u>	
Fund Balance, December 31		<u>\$ 895,797</u>	

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 1 - Reporting Entity, Organization and Function

A. Introduction

The City of Hackensack (the "City") is a municipal corporation of the State of New Jersey located in the county of Bergen and is located approximately 12 miles northwest of the City of New York. The City's population according to the 2010 census is 43,010.

The City operates under the 1923 Municipal Manager Law form of New Jersey municipal government. The City Council consists of five members who are elected to four-year terms on a concurrent basis in a non-partisan election held every four years in May. This form of government separates policy making (the work of the mayor and city council) from the execution of policy (the work of the city manager). This maintains professional management and a City-wide perspective through: nonpartisan election, at-large representation, concentration of executive responsibility in the hands of a professional manager accountable to the Mayor and Council, concentration of policy making power in one body: a five-person Mayor and Council. In the several decades in which the City has used the Municipal Manager form of government, Hackensack has had only nine City Managers. The Township operates on a calendar fiscal year, January 1 to December 31.

The municipal budget includes the following generally stated municipal services:

General Government Functions	Code Enforcement Functions
Land Use Administration Functions	Municipal Court Functions
Public Safety Functions	Capital Improvements
Health and Human Service Functions	Debt Service
Park and Recreation Functions	Educational Functions

B. Component Units

The financial statements of the component units of the municipality are not presented in accordance with Governmental Accounting Standards Board Statement No. 14 as amended by Statement No. 61. If the provisions of this statement had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the municipality:

Free Public Library

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies

Financial Statement Reporting

The financial statements contain all applicable funds and account groups in accordance with the "Requirements of Audit" and the "N.J. Comprehensive Annual Financial Report" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. 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 municipality accounts for its financial transactions through the following separate funds which differs from the funds required by generally accepted accounting principles (GAAP).

Basis of Accounting

A modified accrual basis of accounting is followed with minor exceptions. Accounting principles prescribed for New Jersey municipalities by the Department of Community Affairs, Division of Local Government Services differ in certain respects from generally accepted accounting principles applicable to local government units.

Use of Estimates

The preparation of the financial statements requires management to make certain estimates and assumptions that affect assets, liabilities, revenues and expenditures during and as of the end of the reporting period. Accordingly, actual results may differ from those estimates.

Reclassifications and Restatements

Certain reclassifications and restatements may be made to prior amounts for clarification purposes.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

A. Funds and Account Groups

The accounts are organized into the following funds and account groups:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature.

Federal and State Grant Fund - The Federal and State Grant Fund accounts for the budgeted and unbudgeted revenue/receipt, expenditure/disbursement of federal and state grants which qualify for accounting treatment more closely related to GAAP.

Trust Fund - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The General Capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. It is also the only fund, other than the Current Fund, that possesses the statutory authority to issue debt.

General Fixed Asset Account Group - The General Fixed Asset Account Group accounts for Township owned real and personal property in accordance with N.J.A.C. 5:30-5.6.

Public Parking Utility Fund - The Parking Utility Fund is used to account for the revenues and expenditures for the operation of the parking utility and the related assets and liabilities. Acquisition or improvement of capital facilities and assets are accounted for in the capital section of the fund.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

B. Budgets and Budgetary Accounting

The municipality must adopt an annual budget in accordance with N.J.S.A. 40A:4 et al. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten (10) days prior to the hearing in a newspaper published and circulated in the municipality. The public hearing must not be held less than twenty-eight (28) days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the municipality's financial statements.

C. Cash and Investments

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The cash management plan adopted by the municipality requires that funds be deposited in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the governmental units. All certificates of deposit are recorded as cash regardless of date of maturity.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

D. Interfunds

Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

E. Inventories of Supplies

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

F. General Fixed Assets

Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Accounting for Governmental Fixed Assets, as promulgated by N.J.A.C. 5:30-5.6 differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the statute. Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation on general fixed assets is recorded 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. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

G. Foreclosed Property

Foreclosed property is recorded in the Current Fund at the assessed value when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Asset Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Asset Account Group. GAAP requires property to be recorded in the General Fixed Asset Account Group at the market value at the time of acquisition.

H. Deferred Charges

The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

I. Appropriation Reserves

Appropriation reserves covering unexpended appropriation balances are automatically created at year end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriation Reserves are not established under GAAP.

J. Liens Sold for Other Governmental Units

Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

K. Fund Balance

Fund Balances included in the current fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

L. Revenues

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized as and when anticipated as such in the City's budget. Other amounts that are due the City which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP generally requires that grant revenues be recognized when the actual expenditures financed by the grant are made.

M. Property Tax Revenues

Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. Property taxes unpaid on April 1 of the year following their final due date are subject to tax sale in accordance with the statutes. The amount of taxes levied includes not only the amount required in support of the City's annual budget, but also the amounts required in support of the budgets of the entities that follow below. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenue to be recognized when available and measurable reduced by an allowance for doubtful accounts.

N. School Taxes

The municipality is responsible for levying, collecting and remitting school taxes for the Local School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30. GAAP would require the recording of a deferred revenue.

O. County Taxes

The municipality is responsible for levying, collecting and remitting county taxes for the County. Operations are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

P. Reserve for Uncollected Taxes

The inclusion of the "Reserve for Uncollected Taxes" appropriation in the municipality's annual budget protects from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A Reserve for Uncollected Taxes is not established under GAAP.

Q. Expenditures

Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Outstanding encumbrances at December 31, are recorded as a cash liability. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long term debt which is recognized when due.

R. Compensated Absences and Postemployment Benefits

Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis. GAAP requires that the amount that would normally be liquidated with expendable financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as long term obligations.

S. Total Columns on Combined Statements

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 2 - Summary of Significant Accounting Policies (Continued)

T. Use of Estimates

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

U. New Reporting Standard(s)

In November 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 61 "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The purpose of the statement is to amend the criteria for reporting and including component units with the primary government. This statement, which is effective for fiscal periods beginning after June 15, 2012, is not anticipated to have any effect on the City's financial reporting.

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65 "Items Previously Reported as Assets and Liabilities". This statement, which clarifies the reporting requirements related to deferred assets and liabilities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the City's financial reporting.

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 66 "Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62". This statement, which resolves conflicts between Statements No. 10 and No. 54 provides more flexibility in fund classifications for risk based activities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the City's financial reporting.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

**Note 2 - Summary of Significant Accounting Policies (Continued)
U. New Reporting Standard(s) (Continued)**

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67 "Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25". This statement, which is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the City's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the City's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations". This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the City's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees". This statement, which is effective for fiscal years beginning after June 15, 2013, will not have any impact on the financial position of the City but will require due diligence analysis and specific disclosure in the financial statements.

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

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 3 - Cash and Cash Equivalents

Change funds, petty cash, cash in banks, certificates of deposit and funds on deposit with the New Jersey Cash Management Fund are considered cash and cash equivalents.

A. Deposits

New Jersey Statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insures deposits, or the New Jersey Cash Management Fund.

All bank deposits as of the balance sheet date are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act.

At December 31, the municipality's deposits are summarized as follows:

<u>Year</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
2013	\$ 23,081,667	\$ 22,848,040

B. New Jersey Cash Management Fund

The State of New Jersey Cash Management Fund is managed by the State of New Jersey, Division of Investment under the Department of Treasury. It consists of U.S. Treasury obligations, government agency obligations, certificates of deposit and commercial paper. The City had no investments in this Fund as of December 31, 2013.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 4 - Investments

New Jersey Statutes permit the municipality to purchase the following types of securities for investment:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States of America.
- b. Government Money Market Mutual Funds.
- c. Any obligation that a federal agency or federal instrumentality has issued, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest.
- d. Bonds or other obligations of municipalities or bonds or other obligations of school districts.
- e. Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury, Division of Investments.
- f. Local government investment pools.
- g. Agreement for the repurchase of fully collateralized securities, if transacted in accordance with N.J.S.A. 40A:5-15.1(8a-8e).

No investments were held as of December 31, 2013.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 5 - Receivables

New Jersey municipal accounting procedures require accrued receivables to be off-set with a reserve originating with a charge to operations. Exceptions to this requirement include those grants used to fund capital projects reflected in the General Capital Fund, amounts due from the State of New Jersey for Veterans and Senior Citizens Deductions and public and private programs qualifying for grant accounting treatment in the Federal and State Grant Fund.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 6 - Commitments

The municipality is entered into a number of immaterial operating leases (postage and copy machines) which vary on cancellation provisions and other terms. Annual requirements are provided for in appropriate department budget appropriations.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 7 - Fixed Assets

The following is a summary of general fixed asset additions, deletions and adjustments as of December 31, 2013:

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Land	\$ 9,539,800	\$ -	\$ -	\$ -	\$ 9,539,800
Buildings	19,895,788	17,459	-	-	19,913,247
Improvements & Infrastructure	7,125,259	410,993	-	40,648	7,576,900
Machinery, Vehicles & Equipment	14,028,465	513,159	(8,666)	-	14,532,958
	<u>\$ 50,589,312</u>	<u>\$ 941,611</u>	<u>\$ (8,666)</u>	<u>\$ 40,648</u>	<u>\$ 51,562,905</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt

A. Types of Municipal Debt

Capital Debt

The "Local Bond Law" of New Jersey Statutes governs the issuance of bonds and notes to finance capital expenditures, and are permitted only from the General Capital Fund. Bonds and Notes are backed by the full faith and credit of the municipality. Capital projects financed under the Local Bond Law must have a minimum useful life of five years.

Bond Anticipated Notes - Bond Anticipation Note ("BANs") are issued to temporarily finance projects prior to the issuance of permanent bonds. Generally, the term of BANs can not exceed one year, but may be renewed from time to time for periods not exceeding one year, and ultimately paid or permanently financed no later than the first day of the fifth month following the close of the tenth fiscal year following the original issue date of the BAN. New Jersey Statutes require that on or before the third anniversary date of the original BAN issue date, an amount at least equal to the first legally payable installment must be paid towards the BAN upon each renewal until permanently funded or retired.

Bonds - Bonds issued are retired in serial installments within statutory periods of usefulness. New Jersey Statutes limit installment increments unless approval for a non-conforming maturity schedule is approved by the Local Finance Board.

The City's long term debt paid by the Current Fund consisted of the following at December 31, 2013:

General Serial Bonds:

\$11,900,000 - General Obligation Bonds Series 2008 issued 1/1/2008 payable in annual installments through 1/15/2021. Interest is paid semi-annually at varying rates from 3.75% to 5.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$10,965,000.

\$7,365,000 - General Obligation Refunding Bonds Series 2008 issued 4/11/2008 payable in annual installments through 3/15/2018. Interest is paid semi-annually at varying rates from 2.25% to 4.75% per annum. The balance remaining on this issue as of December 31, 2013 is \$3,000,000.

\$6,170,000 - General Obligation Bonds Series 2013"A" issued 5/1/2013 payable in annual installments through 5/1/2028. Interest is paid semi-annually at varying rates from 2.00% to 3.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$6,170,000.

\$3,679,000 - General Obligation Bonds Series 2013"B" issued 5/1/2013 payable in annual installments through 5/1/2028. Interest is paid semi-annually at varying rates from 3.00% to 3.40% per annum. The balance remaining on this issue as of December 31, 2013 is \$3,679,000.

Green Acres Loans:

\$445,113 - Green Trust Loan (Second Ward Park Improvement Project) issued 12/4/2012 payable in annual installments through 3/9/2032. Interest is paid annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$435,427.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

A. Types of Municipal Debt (Continued)

NJEIT Wastewater Treatment Loans

\$1,445,000 - Series 1997" T" issued 11/1/97 payable in annual installments through 8/1/2017. Interest is paid annually at varying rates from 4.00% to 5.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$341,502.

\$1,387,492 - Series 1997" L" issued 11/1/97 payable in semi-annual installments through 8/1/2015. No interest is payable on this issue. The balance remaining on this issue as of December 31, 2013 is \$103,563.

\$495,000 - Series 2000 Trust Loan issued 11/9/00 payable in annual installments through 8/1/2020. Interest is paid annually at varying rates from 5.00% to 5.25% per annum. The balance remaining on this issue as of December 31, 2013 is \$124,411.

\$490,000 - Series 2002" A" Trust Loan issued 11/7/02 payable in annual installments through 8/1/2017. Interest is paid annually at varying rates from 3.00% to 5.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$175,000.

\$527,500 - Series 2010" A" Fund Loan issued 9/30/10 payable in semi-annual installments through 8/1/2030. No interest is payable on this issue. The balance remaining on this issue as of December 31, 2013 is \$455,974.

\$980,000 - Series 2010" B" Trust Loan issued 12/2/10 payable in annual installments through 8/1/2030. Interest is paid annually at 5.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$915,000.

Capital Lease Obligations:

\$456,750 - BCIA (Garbage Truck Purchase) - issued 6/4/09 payable in semi-annual installments through 7/1/2019. Interest is paid semi-annually at 2.47% per annum. The balance remaining on this issue as of December 31, 2013 is \$287,379.

\$520,000 - BCIA (Pension Refunding) - issued 5/1/12 payable in annual installments through 3/1/2018. Interest is paid semi-annually at varying rates from .43% to 2.11% per annum. The balance remaining on this issue as of December 31, 2013 is \$508,000.

The City's long term debt paid by the Public Parking Utility Fund consisted of the following at December 31, 2013:

General Serial Bonds:

\$1,500,000 - General Obligation Refunding Bonds Series 2008 issued 4/11/2008 payable in annual installments through 3/15/2018. Interest is paid semi-annually at varying rates from 2.25% to 4.75% per annum. The balance remaining on this issue as of December 31, 2013 is \$750,000.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

B. Summary of Debt and Remaining Borrowing Power

The following information summarizes the statutory debt calculations of the municipality as reported on the municipality's Annual Debt Statement.

	<u>2013</u>
Issued:	
School Bonds and Notes	4,160,000
General Bonds	23,814,000
Public Parking Utility Bonds	750,000
Infrastructure Trust Loans	2,550,876
Bond Anticipation Notes - General	5,670,000
Bond Anticipation Notes - Public Parking Utility	-
	<u>\$ 36,944,876</u>
Authorized but not Issued:	
General Bonds and Notes	\$ 3,878,844
Public Parking Utility	\$ 829,900
	<u>\$ 4,708,744</u>
Gross Debt	<u>\$ 41,653,620</u>
Deductions	<u>\$ 13,562,822</u>
Net Debt	<u>\$ 28,090,798</u>
Equalized Valuation Basis	\$ 5,530,195,914
Statutory Net Debt Percentage	0.508%
3-1/2% of Equalized Valuation Basis	\$ 193,556,857
Remaining Borrowing Power	\$ 165,466,059

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

C. Long-Term Bonded Debt Service Requirements to Maturity

The annual debt service requirement for long-term obligations requirements to maturity, including principal and interest as of December 31, 2013 are as follows:

General Bonds

Calendar Year	1/1/2008		4/11/2008	
	General Improvement Bonds		Pension Refunding Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 850,000	\$ 427,538	\$ 590,000	\$ 124,750
2015	900,000	394,725	585,000	98,312
2016	950,000	358,850	580,000	71,375
2017	925,000	316,725	630,000	42,638
2018	1,325,000	267,100	615,000	13,838
2019	1,900,000	202,600	-	-
2020	1,975,000	125,100	-	-
2021	2,140,000	42,800	-	-
	<u>\$ 10,965,000</u>	<u>\$ 2,135,438</u>	<u>\$ 3,000,000</u>	<u>\$ 350,913</u>

Calendar Year	5/1/2013		5/1/2013	
	General Improvement Bonds "A"		General Improvement Bonds "B"	
	Principal	Interest	Principal	Interest
2014	\$ 235,000	\$ 136,090	\$ 140,000	\$ 110,621
2015	235,000	131,390	140,000	106,421
2016	470,000	124,340	280,000	100,121
2017	345,000	116,190	200,000	92,921
2018	345,000	109,290	200,000	86,921
2019	375,000	102,090	270,000	79,871
2020	405,000	94,290	270,000	71,771
2021	470,000	85,540	270,000	63,671
2022	470,000	76,140	270,000	55,571
2023	470,000	66,740	270,000	47,471
2024	470,000	57,340	270,000	39,371
2025	470,000	47,470	270,000	31,271
2026	470,000	35,250	280,000	22,741
2027	470,000	21,150	270,000	13,873
2028	470,000	7,050	279,000	4,743
	<u>\$ 6,170,000</u>	<u>\$ 1,210,360</u>	<u>\$ 3,679,000</u>	<u>\$ 927,359</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

General Bonds (Continued)

Calendar Year	Total	
	Principal	Interest
2014	\$ 1,815,000	\$ 798,999
2015	1,860,000	730,848
2016	2,280,000	654,686
2017	2,100,000	568,474
2018	2,485,000	477,149
2019	2,545,000	384,561
2020	2,650,000	291,161
2021	2,880,000	192,011
2022	740,000	131,711
2023	740,000	114,211
2024	740,000	96,711
2025	740,000	78,741
2026	750,000	57,991
2027	740,000	35,023
2028	749,000	11,793
	<u>\$ 23,814,000</u>	<u>\$ 4,624,070</u>

Loans

Calendar Year	12/4/2012 Green Acres Trust		11/1/1997 NJEIT Wastewater Treatment "T"	
	Principal	Interest	Principal	Interest
2014	\$ 19,664	\$ 8,611	\$ 80,020	\$ 17,070
2015	20,060	8,215	79,562	13,080
2016	20,463	7,812	83,532	9,103
2017	20,874	7,401	98,388	4,919
2018	21,294	6,981	-	-
2019	21,722	6,553	-	-
2020	22,158	6,117	-	-
2021	22,604	5,672	-	-
2022	23,058	5,217	-	-
2023	23,521	4,754	-	-
2024	23,994	4,281	-	-
2025	24,476	3,799	-	-
2026	24,968	3,306	-	-
2027	25,470	2,805	-	-
2028	25,982	2,293	-	-
2029	26,504	1,771	-	-
2030	27,037	1,238	-	-
2031	27,581	694	-	-
2032	13,997	140	-	-
	<u>\$ 435,427</u>	<u>\$ 87,660</u>	<u>\$ 341,502</u>	<u>\$ 44,172</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

Loans (Continued)

Calendar Year	11/1/1997		11/9/2000	
	NJEIT Wastewater Treatment "L"		NJEIT Wastewater Treatment	
	Principal	Interest	Principal	Interest
2014	\$ 74,328	\$ -	\$ 16,719	\$ 5,337
2015	29,235	-	16,102	4,515
2016	-	-	15,327	3,798
2017	-	-	19,350	3,092
2018	-	-	18,416	2,295
2019	-	-	17,404	1,554
2020	-	-	21,093	865
	<u>\$ 103,563</u>	<u>\$ -</u>	<u>\$ 124,411</u>	<u>\$ 21,456</u>

Calendar Year	11/7/2002		9/30/2010	
	NJEIT Wastewater Treatment "A"		NJEIT Wastewater Treatment "A"	
	Principal	Interest	Principal	Interest
2014	\$ 40,000	\$ 8,850	\$ 26,822	\$ -
2015	45,000	6,750	26,822	-
2016	45,000	4,500	26,822	-
2017	45,000	2,250	26,822	-
2018	-	-	26,822	-
2019	-	-	26,822	-
2020	-	-	26,822	-
2021	-	-	26,822	-
2022	-	-	26,822	-
2023	-	-	26,822	-
2024	-	-	26,822	-
2025	-	-	26,822	-
2026	-	-	26,822	-
2027	-	-	26,822	-
2028	-	-	26,822	-
2029	-	-	26,822	-
2030	-	-	26,822	-
	<u>\$ 175,000</u>	<u>\$ 22,350</u>	<u>\$ 455,974</u>	<u>\$ -</u>

Calendar Year	12/2/2010		Total	
	NJEIT Wastewater Treatment "B"			
	Principal	Interest	Principal	Interest
2014	\$ 35,000	\$ 45,750	\$ 292,553	\$ 85,618
2015	35,000	44,000	251,781	76,560
2016	40,000	42,250	231,144	67,463
2017	40,000	40,250	250,434	57,912
2018	45,000	38,250	111,532	47,526
2019	45,000	36,000	110,948	44,107
2020	50,000	33,750	120,073	40,732
2021	50,000	31,250	99,426	36,922
2022	50,000	28,750	99,880	33,967
2023	55,000	26,250	105,343	31,004
2024	60,000	23,500	110,816	27,781
2025	60,000	20,500	111,298	24,299
2026	65,000	17,500	116,790	20,806
2027	65,000	14,250	117,292	17,055
2028	70,000	11,000	122,804	13,293
2029	75,000	7,500	128,326	9,271
2030	75,000	3,750	128,859	4,988
2031	-	-	27,581	694
2032	-	-	13,997	140
	<u>\$ 915,000</u>	<u>\$ 464,500</u>	<u>\$ 2,550,877</u>	<u>\$ 640,138</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

Capital Lease Obligations

Calendar Year	6/4/2009		5/1/2012	
	BCIA - Garbage Truck		BCIA Pension Refunding	
	Principal	Interest	Principal	Interest
2014	\$ 45,006	\$ 6,822	\$ 87,000	\$ 6,562
2015	46,124	5,704	94,000	5,899
2016	47,271	4,557	101,000	4,880
2017	48,446	3,382	108,000	3,371
2018	49,649	2,178	118,000	1,244
2019	50,883	945	-	-
	<u>\$ 287,379</u>	<u>\$ 23,588</u>	<u>\$ 508,000</u>	<u>\$ 21,956</u>

Calendar Year	Total	
	Principal	Interest
2014	\$ 132,006	\$ 13,384
2015	140,124	11,603
2016	148,271	9,437
2017	156,446	6,753
2018	167,649	3,422
2019	50,883	945
	<u>\$ 795,379</u>	<u>\$ 45,544</u>

Public Parking Utility Bonds

Calendar Year	4/11/2008	
	General Improvement Bonds	
	Principal	Interest
2014	\$ 150,000	\$ 31,125
2015	150,000	24,375
2016	150,000	17,437
2017	150,000	10,313
2018	150,000	3,375
	<u>\$ 750,000</u>	<u>\$ 86,625</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt

Loans and General Bonds

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ -
Bond Anticipation Notes	17,055,200	5,670,000	(17,055,200)	5,670,000
Emergency Notes	-	-	-	-
	<u>\$ 17,055,200</u>	<u>\$ 5,670,000</u>	<u>\$ (17,055,200)</u>	<u>\$ 5,670,000</u>
Long-Term Debt:				
Serial Bonds	\$ 15,471,000	\$ 9,849,000	\$ (1,506,000)	\$ 23,814,000
Loans/Notes Payable	2,830,911	-	(280,034)	2,550,877
Capital Lease Obligations	918,293	-	(122,914)	795,379
Authorized but not Issued	4,242,064	1,033,000	(1,396,220)	3,878,844
	<u>\$ 23,462,268</u>	<u>\$ 10,882,000</u>	<u>\$ (3,305,168)</u>	<u>\$ 31,039,100</u>
	<u>\$ 40,517,468</u>	<u>\$ 16,552,000</u>	<u>\$ (20,360,368)</u>	<u>\$ 36,709,100</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -	\$ -	-
Bond Anticipation Notes	5,670,000	1,635,000	4,035,000
Emergency Notes	-	-	-
	<u>\$ 5,670,000</u>	<u>\$ 1,635,000</u>	<u>\$ 4,035,000</u>
Long-Term Debt:			
Serial Bonds	\$ 23,814,000	\$ 1,815,000	\$ 21,999,000
Loan Payable	2,550,877	292,553	2,258,324
Capital Lease Obligations	795,379	132,006	663,373
Authorized but not Issued	3,878,844	-	3,878,844
	<u>\$ 31,039,100</u>	<u>\$ 2,239,559</u>	<u>\$ 28,799,541</u>
	<u>\$ 36,709,100</u>	<u>\$ 3,874,559</u>	<u>\$ 32,834,541</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 8 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt (Continued)

Public Parking Utility Bonds

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ -
Bond Anticipation Notes	-	-	-	-
Emergency Notes	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Long-Term Debt:				
Serial Bonds	\$ 900,000	\$ -	\$ (150,000)	\$ 750,000
Loan Payable	-	-	-	-
Authorized but not Issued	829,900	-	-	829,900
	<u>\$ 1,729,900</u>	<u>\$ -</u>	<u>\$ (150,000)</u>	<u>\$ 1,579,900</u>
	<u>\$ 1,729,900</u>	<u>\$ -</u>	<u>\$ (150,000)</u>	<u>\$ 1,579,900</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -	\$ -	-
Bond Anticipation Notes	-	-	-
Emergency Notes	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Long-Term Debt:			
Serial Bonds	\$ 750,000	\$ 150,000	\$ 600,000
Loan Payable	-	-	-
Authorized but not Issued	829,900	-	829,900
	<u>\$ 1,579,900</u>	<u>\$ 150,000</u>	<u>\$ 1,429,900</u>
	<u>\$ 1,579,900</u>	<u>\$ 150,000</u>	<u>\$ 1,429,900</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 9 - Risk Management

The City is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has established a self-insurance fund for the following types of coverages:

General Liability
Workers' Compensation
Dental Insurance
Fire Equipment

The City makes annual contributions to fund the cost of the plan. Claims are administered by Bergen Risk Managers, Inc.

The City has not created a loss reserve for claims incurred which were unpaid at December 31, 2103. In addition, the City has not created a reserve for any potential unreported losses which have occurred but for which the City has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined. A contingent liability exists with respect to reinsurance which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the City under existing reinsurance agreements. Any future liabilities would be funded by municipal taxes.

At December 31, 2013 and 2012 ,the following cash reserves were maintained by the City:

Reserve for General Liability Insurance Claims:

2013 \$ 5,973
2012 \$ 26,486

Reserve for Dental Insurance Claims:

2013 \$ 86,941
2012 \$ 83,976

Reserve for Fire Equipment:

2013 \$ 0
2012 \$ 133

The City has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the State of New Jersey provides the administration of payments to former employees of the City. The City is billed quarterly for benefits paid to former employees. A separate dedicated unemployment Trust account is maintained to which all Unemployment expenditures are charged.

Unemployment expenditures for the past 3 years are as follows:

CY2013 - \$100,218
CY2012 - \$120,000
CY2011 - \$120,000

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 10 - Interfunds

As of December 31, 2013, interfund balances on the City's various balance sheets were as follows:

	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 28,796	\$ 161,757
Grant Fund	161,757	-
Trust Fund	-	28,133
General Capital Fund	-	663
Public Parking Utility Operating Fund	11	11
Public Parking Utility Capital Fund	-	-
	<u>\$ 190,564</u>	<u>\$ 190,564</u>

Interfund balances are comprised of the following:

Current Fund owes the Grant Fund \$161,757 for cash received and not turned over. All other interfund balances are due to expenditures paid from an incorrect fund. It is anticipated that all interfunds will be liquidated during the subsequent fiscal year.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 11 - Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are shown on the balance sheet of the indicated Fund:

	<u>Balance December 31,</u>	<u>Appropriated in Subsequent Year's Budget</u>	<u>Balance to Succeeding</u>
<u>2013</u>			
Current Fund:			
Special Emergency Authorizations (40A:4-55) - Employee Retirement Payments	\$ 109,800	\$ 54,900	\$ 54,900
Emergency Authorization	183,000	183,000	-
	<u>\$ 292,800</u>	<u>\$ 237,900</u>	<u>\$ 54,900</u>

2012

Current Fund:			
Special Emergency Authorizations (40A:4-55) - Employee Retirement Payments	\$ 164,700	\$ 54,900	\$ 109,800
General Capital Fund:			
Overexpenditures of Ordinances	334,969	334,969	-
	<u>\$ 499,669</u>	<u>\$ 389,869</u>	<u>\$ 109,800</u>

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 12 - Retirement Plans

Those employees who are eligible for pension coverage are enrolled in either the Public Employees Retirement System of New Jersey (PERS) or the Police and Firemans' Retirement System of New Jersey (PFRS) and the Defined Contribution Retirement Program (DCRP). The systems are cost-sharing multiple-employer contributory defined benefit pension plans, and are component units of the State of New Jersey. Each retirement system has a Board of Trustees which is responsible for its organization and administration.

A. Public Employees' Retirement System (PERS)

Description of the System - The State of New Jersey Public Employees' Retirement System (the System; PERS) is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The System is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

At June 30, 2011 and 2010, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2011	2010
State of New Jersey	1	1
County Agencies	65	65
Municipalities	579	580
School Districts	580	581
Other Public Agencies	481	483
Total	<u>1,706</u>	<u>1,710</u>

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 12 - Retirement Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The System provides retirement, death and disability benefits. All benefits vest after eight to ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the System.

For Tier 1 members, retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of final average salary for each year of service credit, as defined Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years service credit, as defined, or they may elect deferred retirement after achieving eight to ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for earnings on their contributions at 2% per annum. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired, as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. The COLA increases are funded by the retirement system and are included in the annual actuarial calculations of the required state and state-related employer contributions. Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases are suspended for all current and future retirees of all retirement systems. No further COLA increases will be granted. The law does not reduce any COLA increases that have already been added to retiree benefits.

Significant Legislation - Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and prior to November 2, 2008 (Tier 2 members) and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55. Also, this law provided that the amount of compensation for Tier 2 members used for employer and member contributions and benefits under the PERS cannot exceed the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008 and on or before May 21, 2010 (Tier 3 members). It also increased the minimum annual compensation required for membership eligibility for new Tier 3 members from \$1,500 to \$7,500 in addition to amending the early retirement reduction formula for Tier 3 members retiring with 25 years of service to 1% for every year between age 55 and 62, plus 3% for every year under age 55.

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS hired after May 21, 2010 (Tier 4 and Tier 5 members) from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for these members of PERS to 1/60 from 1/55, and it provided that the retirement allowance for these members be calculated using the average annual compensation for the last five years of service instead of the last three years of service. Tier 4 and Tier 5 members of PERS no longer receive pension service credit from more than one employer. Pension service credit is earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for Tier 4 and Tier 5 members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 78, P.L. 2011, provided that new members of PERS hired on or after June 28, 2011 (Tier 5 members) need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. Tier 5 members are eligible for a service retirement benefit at age 65.

Membership in the system consisted of the following at June 30, 2011 and 2010, the dates of the most recent actuarial valuations:

	2011	2010
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	149,218	141,973
Active Members:		
Vested	149,719	149,506
Non-Vested	142,107	159,593
Total Active Members	291,826	309,099
Total	441,044	451,072

**CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2013**

Note 12 - Retirement Plans (Continued)

B. Police and Firemen's Retirement System (PFRS)

Description of the System

State of New Jersey Police and Firemen's Retirement System (the System; PFRS) is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The System is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

At June 30, 2011 and 2010, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2011	2010
State of New Jersey	1	1
Municipalities	585	588
Total	<u>586</u>	<u>589</u>

The System's designated purpose is to provide retirement, death and disability benefits to its members. Membership in the System is mandatory for substantially all full-time county and municipal police or firemen, and state firemen or officer employees with police powers appointed after June 30, 1944. The System's Board of Trustees is primarily responsible for its administration.

According to State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Note 12 - Retirement Plans (Continued)

B. Police and Firemen's Retirement System (PFRS) (Continued)

Vesting and Benefit Provisions

The vesting and benefit provisions are set by N.J.S.A. 43:16A and 43:3B. The PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Final compensation equals the compensation for the final year of service prior to retirement. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service. The annual benefit under special retirement is 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. The maximum allowance is therefore 70% of final compensation. Pursuant to the provisions of Chapter 78, P.L. 2011, the annual benefit under special retirement for members enrolled after June 28, 2011 (Tier 3 members), is 60% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. The maximum allowance is therefore 65% of final compensation.

Widow/widowers of members retired since December 18, 1967 receive 50% of the retiree's final compensation. The minimum annual widow/widower's benefits of an accidental disability retiree prior to December 18, 1967 and of all retirees since December 18, 1967 is \$4,500.

Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions providing no survivor death benefits are payable.

Eligible retirees receiving monthly benefits are entitled to cost-of-living (COLA) increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired, as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in the dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. The COLA increases are funded by the retirement system and are included in the annual actuarial calculations of the required state and state-related employer contributions. Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases are suspended for all current and future retirees of all retirement systems. No further COLA increases will be granted. The law does not reduce any COLA increases that have already been added to retiree benefits.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 12 - Retirement Plans (Continued)

B. Police and Firemen's Retirement System (PFRS) (Continued)

Significant Legislation:

Pursuant to Chapter 1, P.L. 2010, for new members of PFRS hired after May 21, 2010 (Tier 2 members), this law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for Social Security, and required the pension benefit to be calculated using a three-year average annual compensation instead of the last year's salary.

Membership in the System consisted of the following at June 30, 2011 and 2010 the dates of the most recent actuarial valuations:

	2011	2010
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	38,091	35,973
Active members:		
Vested	28,817	29,552
Non-vested	13,182	14,652
Total active members	41,999	44,204
Total	80,090	80,177

Note 12 - Retirement Plans (Continued)

C. Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and expanded under the provisions of Chapter 89, P.L. 2008,

The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Eligibility

Individuals eligible for membership in the DCRP include:

- 1) State or local officials who are elected or appointed on or after July 1, 2007
- 2) Employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; and
- 3) Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Membership Tier 3 enrollment (\$7,500 in 2009, subject to adjustment in future years) but who earn salary of at least \$1,500 annually.)

Employees enrolled in the PERS or TPAF on or after July 1, 2007 are subject to a maximum compensation limit for PERS and TPAF pension contributions. The maximum compensation is based on the annual maximum wage for Social Security (see chart below) and is subject to change at the start of each calendar year.

Enrollment

Eligible PERS or TPAF members are enrolled in the DCRP when the annual salary exceeds the maximum compensation limit. This may occur either:

Upon enrollment into the PERS or TPAF when an annual base salary is reported on the Enrollment Application that will exceed the maximum compensation; or when a PERS or TPAF member's annual salary is increased to where it will exceed the maximum compensation and it is reported by the employer to the Division of Pensions and Benefits (either by directly contacting the Division, or when submitted by the employer on the Quarterly Report of Contributions). When enrolled in the DCRP, members contribute 5.5% of the base salary in excess of the maximum compensation limit to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pensions and Benefits. Member contributions are matched by a 3% employer contribution based on the salary in excess of the maximum compensation limit.

It is important that an employer enroll a DCRP eligible PERS or TPAF member as soon as it is known that the employee's annual salary will exceed the maximum compensation, so that the DCRP account can be established in advance of collection of any required contributions.

Note 12 - Retirement Plans (Continued)

C. Defined Contribution Retirement Program (DCRP)

Retirement

Six months before retirement, a member should contact the employer and Prudential Financial for information regarding DCRP benefits and options.

A DCRP member may elect to receive all or a portion of his/her account in a lump-sum distribution, or in a variety of periodic payment methods. Please contact your administrative services provider for more information. All returns of contributions and earnings are considered taxable in the year they are received; therefore, the type of payout plan should be considered carefully prior to retirement.

There is no minimum retirement age under the DCRP. The member will automatically be considered retired, regardless of age, if there is any distribution of mandatory contributions.

A member may take a distribution at any time after termination of employment; however, if you return to public employment in New Jersey, you cannot participate in any State-administered retirement system.

CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

Note 12 - Retirement Plans (Continued)

D. Contributions Required by Employer

	<u>Year</u>	<u>Pension Cost</u>	<u>Percentage Contributed</u>
<i>Police and Firemens' Pension Fund (PFRS)</i>			
	2013	\$ 5,860,147	100.00%
	2012	\$ 5,703,067	100.00%
<i>Public Employees Retirement System (PERS)</i>			
	2013	\$ 1,208,970	100.00%
	2012	\$ 1,226,505	100.00%
<i>Defined Contribution Retirement Program (DCRP)</i>			
	2013	\$ 2,321	100.00%
	2012	\$ 1,133	100.00%

E. Trend Information

Historical trend information showing the plan's progress in accumulating sufficient assets to pay benefits when due are presented in the State of New Jersey's PERS, PFRS and DCRP financial reports. Those reports may be obtained by writing to the State of New Jersey, Department of Treasury Division of Pensions, Trenton, New Jersey.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 13 - Other Post Retirement Benefits

A. Compensated Absences (Unaudited)

Under the existing ordinances of the City, employees are permitted to accumulate (with certain limitations) unused sick and vacation pay over the life of their working careers which may be redeemed in cash (with certain limitations), upon death, retirement or by extended time off immediately preceding retirement.

At December 31, 2013, the accumulated value of unused sick and vacation was approximately \$10,600,000. There were no reserves for such purposes as of December 31, 2013. Payments are charged to operations when incurred.

In accordance with accounting practices prescribed by the Division of Local Government Services, this amount is not recorded as either an expenditure or a liability.

B. Post Retirement Health Benefits

In addition to the pension benefits described in Note 12, the City provides, at its cost, post employment health care benefits, including prescription drug and vision benefits, as part of the medical plan on a self-funded basis administered by Horizon BC/BS of New Jersey in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, P.L. 1981.

Pursuant to GASB Statement No. 45 ("GASB 45"), Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, the City obtained an actuarially determined calculation for this obligation.

The City's annual other postemployment benefits ("OPEB") costs for the Plan, which is currently funded on a pay-as-you-go basis and is a non-contributory plan with all plan payments for plan benefits being funded by the City, is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and interest on the net OPEB obligation and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City's annual OPEB cost for the year ended December 31, 2012 (latest available), and the related information for the plan are as follows:

CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

Note 13 - Other Post Retirement Benefits (continued)

Projected Unfunded Accrued Liability as of 12/31/12:

(1) Unfunded Accrued Liability (UAL) as of 1/1/12	\$156,588,653
(2) Service Cost at Year End	4,608,509
(3) Projected Pay-As-You-Go Benefits for 1/1/12 to 12/31/12	4,344,899
(4) Interest on Unfunded Accrued Liability	<u>6,176,648</u>
(5) Unfunded Accrued Liability (UAL) as of 12/31/12	<u>\$163,028,911</u>

Annual OPEB Cost as of 12/31/12:

(1) Service Cost at Year End	\$ 4,608,509
(2) Amortization of Initial UAL	5,208,259
(3) Interest on Net OPEB Obligation for Current Plan Year	<u>225,175</u>
(4) Total Annual OPEB Cost - 1/1/12 to 12/31/12	\$10,041,943
(5) Projected Pay-As-You-Go Benefits for 1/1/12 to 12/31/12	<u>4,344,899</u>
(6) Net OPEB Cost as of 12/31/12	<u>\$ 5,697,044</u>

The **Present Value of all Projected Benefits** is the total present value of all expected future benefits, based on certain actuarial assumptions. The Present Value of all projected benefits is a measure of total liability or obligation. Essentially, the Present Value of all projected benefits is the value (on the valuation date) of the benefits promised to current and future retirees. The Plan's present value of all projected benefits (at December 31, 2011) was \$206,415,080 assuming no prefunding obligations. The majority of this liability is for current active employees (future retirees). This calculation was not performed at December 31, 2012.

The **Actuarial Accrued Liability** is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The Plan's Actuarial Accrued Liability (at December 31, 2102) is \$163,028,911 assuming no prefunding obligations. The majority of this liability is for current active employees.

Future Normal Costs represent the present value of the remaining balance of all projected benefits to be earned in future years.

Assumptions

The results were calculated based upon plan provisions, as provided by the City of Hackensack and the State of New Jersey, along with certain demographic and economic assumptions as recommended by the actuary, in conjunction with the City of Hackensack with guidance from the GASB statement.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 13 - Other Post Retirement Benefits (continued)

Demographic Assumptions

Data was provided by the City of Hackensack as of December 31, 2012. Some highlights of census demographic information as of the January 1, 2011 valuation date are as follows:

- (1) Valuation based on 567 employees, 407 active and 160 retired. Of the retired, 157 are retirees and 3 are surviving spouses.
- (2) For retirees, the overall average age is 59.1 years, which reflects an average age of 56.7 for pre-65 retirees and 69.0 for post-65 retirees.
- (3) For actives, the average age is 43.6 years and average years of service of 11.2.
- (4) Of the active population, 6.9% of the population (28 employees) is eligible to retire.
- (5) 20.6% actives and 13.8% retirees valued were female. Retiree counts include surviving spouses (3 listed).
- (6) The discount rate assumption is 4%.
- (7) The healthcare inflation assumptions reflect 9% beginning January 1, 2013 and decrease one percent per year until an ultimate trend rate of 5%.

Economic Assumptions

The GASB statement requires that the discount rate used to determine the retiree healthcare liabilities should be estimated long-term yield on the "investments that are expected to be used to finance the payments of benefits". Since the City of Hackensack does not currently pre-fund the retiree healthcare liabilities, the discount rate for the "no prefunding" scenario should be based on the portfolio of the City of Hackensack's "general assets" used to pay these benefits. The discount rate assumption selected by the City is 4.00%.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 14 - Fund Balances Appropriated

Fund balances at December 31 2013 and 2012 which were appropriated and included as anticipated revenue in their respective funds for the years ending December 31, 2014 and 2013 were as follows:

	<u>2014</u>		<u>2013</u>
Current Fund	\$ 1,000,000	\$	3,350,000
Public Parking Utility	600,000		150,000

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 15 - Economic Dependency

The City of Hackensack is not economically dependent on any one business or industry as a major source of tax revenue for the City.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 16 - Contingencies

A. Litigation

The City is a party to various legal proceedings which normally occur in the operation of government. These proceedings may have a materially adverse affect on the various funds of the City.

B. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2013. Amounts claimed have not yet been determined. The City is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the City does not recognize a liability, if any, until these cases have been adjudicated. The City expects such amounts, if any, to be material. As of December 31, 2013, the City recorded \$0 of reserves in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

C. Federal and State Grants

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor agency. If expenditures are disallowed, the City may be required to reimburse the grantor agency. As of December 31, 2013, significant amounts of grant expenditures have not been audited. The City believes that any future disallowed expenditures will not have a material effect on its financial position.

**CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013**

Note 17 - Subsequent Events

As of the date of this report, the following are considered material subsequent events:

A. Subsequent Year Capital Projects

The City's 2014 Capital Budget currently includes the following:

Purpose	Total	CIF and Other Funded Sources	Bonds & Notes Authorized
911 System Upgrade	214,000	214,000	-
Computer Purchases	44,000	44,000	-
Police Telephone Upgrade	52,000	52,000	-
Police Radio Console	150,000	150,000	-
Security Cameras	40,000	40,000	-
Municipal Court Metal Detector	30,000	30,000	-
Kronos Time Keep System	11,000	11,000	-
Road Re-Surfacing (CDBG)	800,000	445,750	354,250
Pulaski Park Improvements	110,000	110,000	-
Fire Ladder Truck Purchase	843,000	611,600	231,400
Atlantic Street Park Improvements	650,000	300,500	349,500
	<u>\$ 2,944,000</u>	<u>\$ 2,008,850</u>	<u>\$ 935,150</u>

B. Bond Anticipation Notes

On April 28, 2014 the City issued Bond Anticipation Notes in the amount of \$4,035,000 comprised of \$4,035,000 of General Capital notes, and \$0 of Public Parking Utility Capital Notes to temporarily finance expenditures related to various capital projects. The City paid down \$1,635,000 to the maturing notes derived from the 2014 Current Fund budget (\$1,635,000), and the 2014 Public Parking Utility budget (\$0). The City has awarded the sale of said notes to two separate entities: TD Bank, N.A. (\$3,784,000) at a gross interest rate of .54% receiving a premium of \$0 and the City's Public Parking Utility (\$251,000) at a gross interest rate of .27% receiving a premium of \$0. Both notes will mature on April 28, 2015.

Fund	Balance December 31, 2013	New Money	Paydowns	Issued April 28, 2014
General Capital Fund	\$ 5,670,000	\$ -	\$ (1,635,000)	\$ 4,035,000
Public Parking Utility Capital Fund	-	-	-	-
	<u>\$ 5,670,000</u>	<u>\$ -</u>	<u>\$ (1,635,000)</u>	<u>\$ 4,035,000</u>

**CITY OF HACKENSACK
CURRENT FUND
COMPARATIVE BALACE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS AND OTHER DEBITS</u>		
Cash:		
Current Account	\$ 8,497,605	\$ 10,665,945
Change Funds	67	67
Petty Cash	468	-
	<u>\$ 8,498,140</u>	<u>\$ 10,666,012</u>
Interfunds Receivable:		
Animal Control Trust Fund	\$ 4,175	\$ 4,065
Developer's Escrow Trust Fund	-	1,173
General Capital Fund	663	-
Net Payroll Trust Fund	23,697	22,295
Payroll Agency Trust Fund	4	6
Other Trust Fund	257	256
	<u>\$ 28,796</u>	<u>\$ 27,795</u>
Intergovernmental Receivable:		
Due From County of Bergen	\$ -	\$ 333,264
Due From State of New Jersey	-	892
	<u>\$ -</u>	<u>\$ 334,156</u>
Other Receivables:		
Delinquent Property Taxes Receivable	\$ 3,363,414	\$ 3,560,005
Property Acquired for Taxes - Assessed Valuation	1,311,800	1,311,800
	<u>\$ 4,675,214</u>	<u>\$ 4,871,805</u>
Deferred Charges:		
Emergency Authorizations	\$ 183,000	\$ -
Special Emergency Authorizations	109,800	164,700
	<u>\$ 292,800</u>	<u>\$ 164,700</u>
Total Assets and Other Debits	<u>\$ 13,494,950</u>	<u>\$ 16,064,468</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Accounts Payable	\$ 11,018	\$ -
Interfunds Payable:		
General Capital Fund	\$ -	\$ 419,835
Grant Fund	161,757	24,522
	<u>\$ 161,757</u>	<u>\$ 444,357</u>
Other Liabilities and Reserves:		
Appropriation Reserves	\$ 4,174,202	\$ 4,483,245
Reserve for Encumbrances	1,021,762	858,301
Pre-Paid Taxes	601,326	470,356
Tax Overpayments	490,756	667,469
Reserve for Payment of Notes	100,000	100,000
Reserve for Library State Aid Expenditures	1,153	-
	<u>\$ 6,389,199</u>	<u>\$ 6,579,371</u>
Intergovernmental Payable		
Due County for Added & Omitted Taxes	\$ -	\$ 1,528
Due to State of New Jersey	13,735	36,172
	<u>\$ 13,735</u>	<u>\$ 37,700</u>
Emergency Note Payable	\$ 183,000	\$ -
Special Emergency Note Payable	\$ -	\$ -
Reserve for Receivables and Other Assets	\$ 4,704,010	\$ 4,899,600
Fund Balance	<u>\$ 2,032,231</u>	<u>\$ 4,103,440</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 13,494,950</u>	<u>\$ 16,064,468</u>

**CITY OF HACKENSACK
CURRENT FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013**

	Budget As Modified	Realized	Excess/ (Deficit)
REVENUES			
Operating Surplus Anticipated	\$ 3,350,000	\$ 3,350,000	\$ -
Miscellaneous Revenues:			
Alcoholic Beverage Licenses	\$ 77,600	\$ 79,015	\$ 1,415
Other Licenses	92,900	96,725	3,825
Fees and Permits	417,000	497,137	80,137
Municipal Court Fines and Costs	1,150,000	1,349,586	199,586
Interest and Costs on Taxes	500,000	607,660	107,660
Consolidated Municipal Property Tax Relief	480,115	480,115	-
Energy Receipts Tax	3,816,469	3,816,469	-
Uniform Construction Code Fees	966,000	1,293,191	327,191
Nursing Services for Hackensack BOE	18,555	18,555	-
Health Officer Shared Services (Saddle River)	10,300	7,725	(2,575)
Maywood Garbage	229,900	284,250	54,350
Maywood Recycling	80,600	99,200	18,600
Municipal Alliance on Alcoholism & Drug Abuse	15,279	15,279	-
Chronic Disease Self Management Program	11,500	11,500	-
Bergen County History Grant	400	400	-
Edward J. Byrne Memorial Justice Grant (JAG) - CH 159	13,715	13,715	-
Edward J. Byrne Memorial Justice Grant (JAG) - CH 159	11,444	11,444	-
Click It or Ticket - CH 159	4,000	4,000	-
Clean Communities Program - CH 159	68,276	68,276	-
NJDOA Summer Food Program - CH 159	132,815	132,815	-
ADA Curb Ramp Improvement Project - CH 159	126,400	126,400	-
Puffin Foundation Grant - Mural - CH 159	1,000	1,000	-
2013 Emergency Management Grant - CH 159	5,000	5,000	-
Safe & Secure Communities Grant - CH 159	60,000	60,000	-
Bullet Proof Vest Partnership Grant - CH 159	7,960	7,960	-
Recycling Tonnage Grant - CH 159	56,444	56,444	-
Body Armor Replacement Fund - CH 159	13,286	13,286	-
Utility Operating Surplus of Prior Year	576,500	576,500	-
Uniform Fire Safety Act	148,000	195,855	47,855
Insurance Reimbursements - Hurricane "Irene"	109,715	109,715	-
Reserve for Payment of Debt Service	655,000	655,000	-
Air Rights - HUMC	450,000	479,246	29,246
Total Miscellaneous Revenues	\$ 10,306,173	\$ 11,173,463	\$ 867,290
Receipts From Delinquent Taxes	\$ 2,750,000	\$ 2,778,220	\$ 28,220
Amount to be Raised by Taxation - Local	\$ 74,174,864	\$ 72,611,680	\$ (1,563,184)
Amount to be Raised by Taxation - Library	\$ 1,867,718	\$ 1,867,718	\$ -
Total Revenues	\$ 92,448,755	\$ 91,781,081	\$ (667,674)
OTHER CREDITS TO INCOME			
Miscellaneous Revenues Not Anticipated	\$ -	\$ 1,727,852	\$ 1,727,852
Unexpended Balances of Appropriation Reserves	-	3,232,613	3,232,613
Interfund Loans Returned	-	6,004	6,004
Unexpended Balances Cancelled	-	113,771	113,771
Cancellations & Non-Cash Adjustments	-	23,114	23,114
Taxes Allocated to School and County:			
Local District School Tax	70,482,192	70,482,192	-
County Tax Levy	12,598,923	12,598,923	-
County Open Space	140,180	140,180	-
Municipal Open Space Preservation	-	-	-
Added County Taxes	-	-	-
Added County Open Space	-	-	-
Added Municipal Open Space	-	-	-
Total Other Credits to Income	\$ 83,221,295	\$ 88,324,649	\$ 5,103,354
Total Revenues and Other Credits to Income	\$ 175,670,050	\$ 180,105,730	\$ 4,435,680

CITY OF HACKENSACK
 CURRENT FUND
 SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2013

	Appropriated			Expended		Unexpended	
	2013 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"							
<u>General Government Functions</u>							
General Administration:							
Salaries and Wages	\$ 596,000	\$ -	\$ 576,500	\$ 562,714	\$ 13,786	\$ -	\$ -
Other Expenses	97,200	-	121,200	121,200	-	-	-
Human Resources:							
Salaries and Wages	27,000	-	27,000	26,644	356	-	-
Mayor & City Council:							
Salaries and Wages	54,600	-	54,700	54,700	-	-	-
Other Expenses	-	-	-	-	-	-	-
City Clerk:							
Salaries and Wages	161,400	-	166,100	160,199	5,901	-	-
Other Expenses	137,000	-	135,500	131,030	4,470	-	-
Financial Administration:							
Salaries and Wages	326,000	-	332,000	331,809	191	-	-
Other Expenses	280,500	-	280,500	280,003	497	-	-
Audit Services:							
Other Expenses	62,000	-	62,000	62,000	-	-	-
Tax Assessment Administration:							
Salaries and Wages	160,500	-	160,500	158,717	1,783	-	-
Other Expenses	372,000	-	372,000	306,354	65,646	-	-
Revenue Administration (Collection of Taxes):							
Salaries and Wages	226,000	-	226,000	213,008	12,992	-	-
Other Expenses	49,600	-	49,600	42,714	6,886	-	-
Legal Services:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	1,000,000	-	1,000,000	822,104	177,896	-	-
Codification of Ordinances	7,100	-	7,100	1,195	5,905	-	-
<u>Utility Expenses and Bulk Purchases</u>							
Electricity	-	-	-	-	-	-	-
Water	85,000	-	85,000	77,933	7,067	-	-
Gasoline	625,000	-	625,000	605,975	19,025	-	-
Gas (Natural)	800,000	-	800,000	530,538	269,462	-	-
Street Lighting	500,000	-	500,000	404,576	95,424	-	-
Public Buildings & Grounds:							
Salaries and Wages	577,000	-	584,500	584,033	467	-	-
Other Expenses	211,500	-	211,500	177,889	33,611	-	-
Telephones:							
Other Expenses	145,500	-	145,500	130,957	14,543	-	-
<u>Land Use Administration</u>							
Planning Board:							
Salaries and Wages	100	-	100	-	100	-	-
Other Expenses	48,150	-	38,150	15,706	22,444	-	-
Zoning Board of Adjustment:							
Salaries and Wages	100	-	100	-	100	-	-
Other Expenses	136,150	-	136,150	116,367	19,783	-	-
Rent Stabilization Board:							
Salaries and Wages	9,600	-	9,600	5,013	4,587	-	-
Other Expenses	2,100	-	2,100	-	2,100	-	-
<u>Insurance</u>							
Group Insurance to Employees	12,024,000	-	12,524,000	12,400,649	123,351	-	-
Workmen's Compensation Insurance	995,000	-	855,000	738,982	116,018	-	-
General Insurance & Surety Bonds	2,275,000	-	2,552,500	2,178,607	373,893	-	-

CITY OF HACKENSACK
 CURRENT FUND
 SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2013

	Appropriated			Expended		Unexpended	
	2013 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)							
<u>Public Safety Functions</u>							
Fire:							
Salaries and Wages	\$ 12,467,900	\$ -	\$ 12,320,400	\$ 12,144,188	\$ 176,212	\$ -	\$ -
Other Expenses	304,750	-	304,750	254,353	50,397	-	-
Fire Hydrant Service	360,000	-	360,000	296,552	63,448	-	-
Emergency Medical Service:							
Salaries and Wages	9,600	-	9,600	9,600	-	-	-
Other Expenses	-	-	-	-	-	-	-
Fire Official:							
Salaries and Wages	574,000	-	574,000	545,043	28,957	-	-
Other Expenses	23,500	-	23,500	13,133	10,367	-	-
Police:							
Salaries and Wages	14,175,500	-	13,957,100	13,197,034	760,066	-	-
Other Expenses	543,000	-	543,000	479,082	63,918	-	-
Police - Traffic Control:							
Salaries and Wages	95,000	-	97,500	97,467	33	-	-
Other Expenses	55,000	-	95,000	77,735	17,265	-	-
Communication Center:							
Salaries and Wages	639,500	-	644,500	633,302	11,198	-	-
Other Expenses	2,500	-	2,500	-	2,500	-	-
School Marshals:							
Salaries and Wages	566,000	-	501,000	478,288	22,712	-	-
Other Expenses	-	-	-	-	-	-	-
First Aid Organization:							
Other Expenses	39,000	-	39,000	23,936	15,064	-	-
Emergency Management:							
Salaries and Wages	8,500	-	8,500	8,500	-	-	-
Other Expenses	11,850	-	11,850	91	11,759	-	-
<u>Building Department</u>							
Inspection & Property Maintenance:							
Salaries and Wages	433,500	-	358,500	353,693	4,807	-	-
Other Expenses	3,500	-	3,500	2,291	1,209	-	-
Code Enforcement:							
Other Expenses	44,400	-	19,400	6,224	13,176	-	-
Community Development:							
Salaries and Wages	-	-	42,500	42,500	-	-	-
Other Expenses	145,000	-	145,000	139,273	5,727	-	-
Construction Board of Appeals:							
Other Expenses	3,900	-	3,900	15	3,885	-	-
<u>Public Works Functions</u>							
Administration:							
Salaries and Wages	672,600	-	712,600	678,106	34,494	-	-
Other Expenses	125,350	-	115,350	73,875	41,475	-	-
City Garage:							
Salaries and Wages	366,200	-	373,700	373,252	448	-	-
Other Expenses	57,000	-	69,000	67,976	1,024	-	-
Streets & Roads:							
Salaries and Wages	227,500	-	247,500	238,086	9,414	-	-
Other Expenses	119,300	-	119,300	95,551	23,749	-	-
Shade Tree:							
Salaries and Wages	133,000	-	133,000	130,172	2,828	-	-
Other Expenses	64,575	-	64,575	32,693	31,882	-	-
Snow Removal:							
Salaries and Wages	175,000	-	175,000	132,034	42,966	-	-
Other Expenses	324,000	-	324,000	182,841	141,159	-	-
<u>Sanitation</u>							
Street Cleaning:							
Salaries and Wages	115,000	-	119,500	114,404	5,096	-	-
Other Expenses	38,800	-	42,300	38,743	3,557	-	-
Garbage & Trash Removal:							
Salaries and Wages	1,487,000	-	1,475,000	1,222,351	252,649	-	-
Other Expenses	281,900	-	413,500	411,532	1,968	-	-
Bergen County Sanitary Landfill:							
Other Expenses - Contractual	1,614,375	-	1,272,875	1,015,361	257,514	-	-
Recycling:							
Salaries and Wages	221,000	-	229,000	228,945	55	-	-
Other Expenses	61,700	-	79,700	79,102	598	-	-
Sewer System:							
Salaries and Wages	115,000	-	115,000	108,283	6,717	-	-
Other Expenses	274,000	-	274,000	248,313	25,687	-	-
Sewer Treatment & Disposal	50,000	-	32,000	31,552	448	-	-

CITY OF HACKENSACK
 CURRENT FUND
 SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2013

	Appropriated			Expended		Unexpended	
	2013 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)							
<u>Health and Human Services</u>							
Department of Health Administration:							
Salaries and Wages	\$ 817,000	\$ -	\$ 741,078	\$ 709,061	\$ 32,017	\$ -	\$ -
Other Expenses	86,510	-	86,510	68,241	18,269	-	-
Department of Health:							
Other Expenses	47,200	-	47,200	41,484	5,716	-	-
Animal Control:							
Salaries and Wages	4,200	-	4,200	1,200	3,000	-	-
Other Expenses	56,860	-	56,860	55,082	1,778	-	-
Human Services:							
Salaries and Wages	261,000	-	261,000	232,244	28,756	-	-
Other Expenses	39,950	-	39,950	14,006	25,944	-	-
<u>Park and Recreation Functions</u>							
Parks & Playgrounds:							
Salaries and Wages	596,000	-	631,000	629,998	1,002	-	-
Other Expenses	141,700	-	141,700	135,295	6,405	-	-
Recreation:							
Salaries and Wages	412,000	-	412,000	407,373	4,627	-	-
Other Expenses	111,400	-	111,400	104,025	7,375	-	-
Celebration of Public Events:							
Salaries and Wages	65,000	-	65,000	54,758	10,242	-	-
Other Expenses	66,000	-	75,000	72,612	2,388	-	-
<u>Municipal Court</u>							
Municipal Court Administration:							
Salaries and Wages	706,000	-	706,000	664,351	41,649	-	-
Other Expenses	106,000	-	106,000	72,870	33,130	-	-
Public Defender:							
Salaries and Wages	53,500	-	-	-	-	-	-
<u>Code Enforcement & Administration:</u>							
Salaries and Wages	325,000	-	245,000	243,776	1,224	-	-
Other Expenses	13,950	-	13,950	7,907	6,043	-	-
<u>Unclassified:</u>							
Salary Adjustments	1,500,000	-	1,500,000	1,348,460	151,540	-	-
Update of City Website	35,000	-	40,780	38,463	2,317	-	-
Boys & Girls Club	10,000	-	10,000	5,000	5,000	-	-
<u>Hazard Act:</u>							
Other Expenses	177,200	-	177,200	175,304	1,896	-	-
Total Operations - Within "CAPS"	\$ 64,651,770	\$ -	\$ 64,563,628	\$ 60,628,598	\$ 3,935,030	\$ -	\$ -
Contingent	7,500	-	7,500	-	7,500	-	-
Total Operations Including Contingent - Within "CAPS"	\$ 64,659,270	\$ -	\$ 64,571,128	\$ 60,628,598	\$ 3,942,530	\$ -	\$ -
Detail:							
Salaries and Wages	\$ 39,359,800	\$ -	\$ 38,796,278	\$ 37,123,306	\$ 1,672,972	\$ -	\$ -
Other Expenses	\$ 25,299,470	\$ -	\$ 25,774,850	\$ 23,505,292	\$ 2,269,558	\$ -	\$ -

CITY OF HACKENSACK
 CURRENT FUND
 SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2013

	Appropriated			Expended		Unexpended	
	2013 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"							
<u>Deferred Charges</u>							
Prior Year Bills:							
Malcom Pernie - Engineering	\$ 9,805	\$ -	\$ 9,805	\$ 9,805	\$ -	\$ -	-
Legal - Joseph Zisa	6,577	-	6,577	6,577	-	-	-
Overexpenditures	23,114	-	23,114	23,114	-	-	-
	<u>\$ 39,496</u>	<u>\$ -</u>	<u>\$ 39,496</u>	<u>\$ 39,496</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
<u>Statutory Expenditures</u>							
Public Employees' Retirement System (PERS)	1,208,970	-	1,208,970	1,183,939	25,031	-	-
Social Security System (O.A.S.I.)	1,426,886	-	1,388,986	1,240,009	148,977	-	-
Consolidated Police & Firemen's Pension Fund	55,000	-	1,000	28	972	-	-
Police and Firemen's Retirement System (PFRS)	5,860,147	-	6,058,969	6,058,969	-	-	-
Reserve for Unemployment Insurance	120,000	-	100,220	100,218	2	-	-
DCRP	1,500	-	2,500	2,321	179	-	-
	<u>\$ 8,672,503</u>	<u>\$ -</u>	<u>\$ 8,760,645</u>	<u>\$ 8,585,484</u>	<u>\$ 175,161</u>	<u>\$ -</u>	<u>-</u>
Total General Appropriations for Municipal Purposes - Within "C"	\$ 73,371,269	\$ -	\$ 73,371,269	\$ 69,253,578	\$ 4,117,691	\$ -	-

CITY OF HACKENSACK
 CURRENT FUND
 SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2013

	Appropriated			Expended		Unexpended	
	2013 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - EXCLUDED FROM "CAPS"							
NJDEP Remediation	\$ 5,000	\$ -	\$ 5,000	\$ 2,746	\$ 2,254	\$ -	\$ -
<u>Utility Expenses & Bulk Purchases</u>							
BCUA Share of Costs	6,071,000	-	6,071,000	6,064,428	6,572	-	-
<u>Educational Functions</u>							
Maintenance of Free Public Library	2,957,777	-	2,957,777	2,957,777	-	-	-
Reserve for Tax Appeals	-	183,000	183,000	183,000	-	-	-
<u>Interlocal Municipal Service Agreements:</u>							
Nursing Services - Hackensack BOE	18,555	-	18,555	18,555	-	-	-
911 Program:							
Salaries and Wages	275,500	-	275,500	241,496	34,004	-	-
Other Expenses	68,000	-	68,000	54,319	13,681	-	-
Borough of Maywood - Solid Waste							
Salaries and Wages	229,900	-	229,900	229,900	-	-	-
Borough of Maywood - Recycling							
Salaries and Wages	80,600	-	80,600	80,600	-	-	-
Borough of Saddle River - Health Officer							
Salaries and Wages	10,300	-	10,300	10,300	-	-	-
<u>Public & Private Programs Offset by Revenues:</u>							
Municipal Alliance on Alcoholism & Drug Abuse - State	15,279	-	15,279	15,279	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse - Local	3,819	-	3,819	3,819	-	-	-
Chronic Disease Self Management Program	11,500	-	11,500	11,500	-	-	-
Bergen County History Grant	400	-	400	400	-	-	-
Edward J. Byrne Mem. Justice Grant - CH 159	13,715	-	13,715	13,715	-	-	-
Edward J. Byrne Mem. Justice Grant - CH 159	11,444	-	11,444	11,444	-	-	-
Click It or Ticket - CH 159	4,000	-	4,000	4,000	-	-	-
Clean Communities Program - CH 159	68,276	-	68,276	68,276	-	-	-
NJDOA Summer Food Program - CH 159	132,815	-	132,815	132,815	-	-	-
ADA Curb Ramp Improvement Project - CH 159	126,400	-	126,400	126,400	-	-	-
Puffin Foundation Grant - Mural - CH 159	1,000	-	1,000	1,000	-	-	-
2013 Emergency Management Grant - CH 159	5,000	-	5,000	5,000	-	-	-
Safe & Secure Communities Grant - CH 159	60,000	-	60,000	60,000	-	-	-
Bullet Proof Vest Partnership Grant - CH 159	7,960	-	7,960	7,960	-	-	-
Recycling Tonnage Grant - CH 159	56,444	-	56,444	56,444	-	-	-
Body Armor Replacement Fund - CH 159	13,286	-	13,286	13,286	-	-	-
Total Operations Excluded from "CAPS"	\$ 10,247,970	\$ 183,000	\$ 10,430,970	\$ 10,374,459	\$ 56,511	\$ -	\$ -
Detail:							
Salaries and Wages	\$ 596,300	\$ -	\$ 596,300	\$ 562,296	\$ 34,004	\$ -	\$ -
Other Expenses	\$ 9,651,670	\$ 183,000	\$ 9,834,670	\$ 9,812,163	\$ 22,507	\$ -	\$ -

CITY OF HACKENSACK
 CURRENT FUND
 SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2013

	Appropriated			Expended		Unexpended	
	2013 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"							
Capital Improvement Fund	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -
Total Capital Improvements - Excluded From "CAPS"	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -
DEBT SERVICE - EXCLUDED FROM "CAPS"							
<u>Municipal Debt Service</u>							
Bond Principal	\$ 1,506,000	\$ -	\$ 1,506,000	\$ 1,506,000	\$ -	\$ -	\$ -
Payment of Bond Anticipation Notes	1,535,000	-	1,535,000	1,535,000	-	-	-
Bond Interest	800,000	-	800,000	749,078	-	50,922	-
Note Interest - BANS	133,200	-	133,200	132,641	-	559	-
NJEIT Trust Loan Principal & Interest	22,947	-	22,947	22,946	-	1	-
Wastewater Treatment Bonds - Principal	270,500	-	270,500	230,349	-	40,151	-
Wastewater Treatment Bonds - Interest	85,000	-	85,000	75,418	-	9,582	-
Bergen County Improve. Authority Lease - Principal	123,000	-	123,000	122,914	-	86	-
Bergen County Improve. Authority Lease - Interest	29,000	-	29,000	16,530	-	12,470	-
Total Debt Service - Excluded From "CAPS"	\$ 4,504,647	\$ -	\$ 4,504,647	\$ 4,390,876	\$ -	\$ 113,771	\$ -
DEFERRED CHARGES - EXCLUDED FROM "CAPS"							
Emergency Authorizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Emergency Authorizations							
5 Years (N.J.S. 40A:4-53)	54,900	-	54,900	54,900	-	-	-
Overexpenditures - Various Ordinances	334,969	-	334,969	334,969	-	-	-
Total General Appropriations for Municipal Purposes - Excluded from "CAPS"	\$ 15,342,486	\$ 183,000	\$ 15,525,486	\$ 15,355,204	\$ 56,511	\$ 113,771	\$ -
Subtotal General Appropriations	\$ 88,713,755	\$ 183,000	\$ 88,896,755	\$ 84,608,782	\$ 4,174,202	\$ 113,771	\$ -
Reserve for Uncollected Taxes	3,735,000	-	3,735,000	3,735,000	-	-	-
Total General Appropriations	\$ 92,448,755	\$ 183,000	\$ 92,631,755	\$ 88,343,782	\$ 4,174,202	\$ 113,771	\$ -
Budget Appropriations - Adopted Budget	\$ 91,948,415	\$ -	\$ 91,948,415				
Budget Appropriations - Added by <u>N.J.S. 40A:4-87</u>	500,340	-	500,340				
Emergency Appropriations	-	183,000	183,000				
	\$ 92,448,755	\$ 183,000	\$ 92,631,755				
Other Charges to Income:							
Interfund Advances Originating in Current Year			\$ -	\$ -			
Refund of Prior Year's Revenue			-	3,156,889			
Shortfall in Federal & State Grant Fund			-	-			
Taxes Allocated to School and County:							
Local District School Tax			70,482,192	70,482,192			
County Tax Levy			12,598,923	12,598,923			
County Open Space			140,180	140,180			
Municipal Open Space Preservation			-	-			
Added County Taxes			-	-			
Added County Open Space			-	-			
Added Municipal Open Space			-	-			
			\$ 83,221,295	\$ 86,378,184			

**CITY OF HACKENSACK
GRANT FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ -	\$ -
Intergovernmental Receivable: Grants Receivable	\$ 664,277	\$ 832,370
Interfunds Receivable: Current Fund	\$ 161,757	\$ 24,522
Total Assets	<u>\$ 826,034</u>	<u>\$ 856,892</u>
<u>LIABILITIES AND RESERVES</u>		
Other Liabilities and Reserves: Appropriated Reserves	\$ 771,787	\$ 856,892
Reserve for Encumbrances	54,247	-
Unappropriated Reserves	-	-
	<u>\$ 826,034</u>	<u>\$ 856,892</u>
Total Liabilities and Reserves	<u>\$ 826,034</u>	<u>\$ 856,892</u>

CITY OF HACKENSACK
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2013

Program	Balance December 31, 2012	Revenue Realized	Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2013
<u>Federal:</u>						
Edward J. Byrne Memorial Justice Assistance Grant	\$ 17,408	\$ 25,159	\$ 31,123	\$ -	\$ -	\$ 11,444
COPS Fast	200,000	-	-	-	-	200,000
U.S. Dept. of Transportation - Passed Thru - New Jersey Department of Transportation - Kennedy Street	42,280	-	-	-	(42,280)	-
U.S. Dept. of Transportation - Passed Thru - New Jersey Department of Transportation - Main Street	-	-	27,703	-	27,703	-
U.S. Dept. of Homeland Security - Passed Thru - New Jersey Department of Law & Public Safety - Emergency Management Grant	5,000	5,000	5,000	-	-	5,000
U.S. Dept. of Homeland Security - Passed Thru - New Jersey Department of Law & Public Safety - Emergency Operation Center	300,000	-	-	-	-	300,000
U.S. Dept. of Agriculture - Passed Thru - New Jersey Department of Agriculture - Child Nutrition Summer Program	57,904	132,815	103,397	-	(57,903)	29,419
ARRA - Chronic Disease Self Management	-	11,500	11,500	-	-	-
U.S. Dept. of Justice - Bullet Proof Vest Partnership	1,221	7,960	1,221	-	-	7,960
	<u>623,813</u>	<u>182,434</u>	<u>179,944</u>	<u>-</u>	<u>(72,480)</u>	<u>553,823</u>
<u>State:</u>						
Municipal Alliance on Alcoholism & Drug Abuse	\$ 15,759	\$ 15,279	\$ 14,557	\$ -	\$ (1,202)	\$ 15,279
Clean Communities Program	-	68,276	68,276	-	-	-
Body Armor Replacement Program	-	13,286	13,286	-	-	-
Recycling Tonnage Grant	-	56,444	56,444	-	-	-
Safe & Secure Communities Grant	114,292	60,000	159,293	-	-	14,999
Energy Conservation Block Grant	55,034	-	48,230	-	-	6,804
Click It or Ticket	-	4,000	4,000	-	-	-
ADA Curb Ramp Improvement Project	-	126,400	60,500	-	-	65,900
Pedestrian Safety Grant	16,000	-	16,000	-	-	-
Hazardous Discharge Site Remediation Fund	7,472	-	-	-	-	7,472
	<u>\$ 208,557</u>	<u>\$ 343,685</u>	<u>\$ 440,586</u>	<u>\$ -</u>	<u>\$ (1,202)</u>	<u>\$ 110,454</u>
<u>Other:</u>						
Bergen County History Grant	\$ -	\$ 400	\$ 400	\$ -	\$ -	\$ -
Puffin Foundation Grant - Mural	-	1,000	1,000	-	-	-
	<u>\$ -</u>	<u>\$ 1,400</u>	<u>\$ 1,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Grand Total	<u>\$ 832,370</u>	<u>\$ 527,519</u>	<u>\$ 621,930</u>	<u>\$ -</u>	<u>\$ (73,682)</u>	<u>\$ 664,277</u>

CITY OF HACKENSACK
GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2013

Program	Balance December 31, 2012	Revenue Realized	Expended	Adjustments	Balance December 31, 2013
<u>Federal:</u>					
Edward J. Byrne Memorial Justice Assistance Grant	\$ 8,530	\$ 25,159	\$ 22,245	\$ -	\$ 11,444
COPS Fast	200,000	-	-	-	200,000
U.S. Dept. of Transportation - Passed Thru - New Jersey Department of Transportation - Kennedy Street	16,524	-	-	(16,524)	-
U.S. Dept. of Transportation - Passed Thru - New Jersey Department of Transportation - Main Street	-	-	27,703	27,703	-
U.S. Dept. of Homeland Security - Passed Thru - New Jersey Department of Law & Public Safety - Emergency Management Grant	10,226	5,000	10,000	(226)	5,000
U.S. Dept. of Homeland Security - Passed Thru - New Jersey Department of Law & Public Safety - Assistance to Firefighters	87	-	87	-	-
U.S. Dept. of Homeland Security - Passed Thru - New Jersey Department of Law & Public Safety - Emergency Operation Center	300,000	-	-	-	300,000
U.S. Dept. of Homeland Security - Passed Thru - New Jersey Department of Law & Public Safety - Infrastructure Preparedness	1,500	-	-	(1,500)	-
U.S. Dept. of Agriculture - Passed Thru - New Jersey Department of Agriculture - Child Nutrition Summer Program	66,317	132,815	85,797	(66,152)	47,183
ARRA - Chronic Disease Self Management	2,062	11,500	11,500	(2,062)	-
FEMA Fire Preparedness	750	-	-	(750)	-
U.S. Dept. of Justice - Bullet Proof Vest Partnership	1,221	7,960	3,009	-	6,172
	<u>607,217</u>	<u>182,434</u>	<u>160,341</u>	<u>(59,511)</u>	<u>569,799</u>
<u>State:</u>					
Clean Communities Program	\$ 44,996	\$ 68,276	\$ 82,942	\$ -	\$ 30,330
Municipal Alliance on Alcoholism & Drug Abuse - State	2,018	15,279	16,163	(202)	932
Municipal Alliance on Alcoholism & Drug Abuse - Local	1,617	3,819	2,749	(300)	2,387
Safe & Secure Communities Grant	12,200	60,000	57,200	-	15,000
Recycling Tonnage Grant	76,972	56,444	19,979	-	113,437
Body Armor Replacement Program	20,696	13,286	14,393	(6,303)	13,286
Drunk Driving Enforcement Fund	1,801	-	-	(1,801)	-
Click It or Ticket	-	4,000	4,000	-	-
Energy Conservation Block Grant	55,033	-	48,229	-	6,804
ADA Curb Ramp Improvement Project	-	126,400	126,400	-	-
Pedestrian Safety Grant	11,975	-	11,975	-	-
Hazardous Discharge Site Remediation Fund	6,096	-	30	-	6,066
Enhanced 911 Program Grant	3,525	-	-	(3,525)	-
Municipal Recycling Assistance Program	12,746	-	-	-	12,746
	<u>\$ 249,675</u>	<u>\$ 347,504</u>	<u>\$ 384,060</u>	<u>\$ (12,131)</u>	<u>\$ 200,988</u>
<u>Other:</u>					
Bergen County History Grant	\$ -	\$ 400	\$ 400	\$ -	\$ -
Puffin Foundation Grant - Mural	-	1,000	-	-	1,000
	<u>\$ -</u>	<u>\$ 1,400</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,000</u>
Grand Total	<u>\$ 856,892</u>	<u>\$ 531,338</u>	<u>\$ 544,801</u>	<u>\$ (71,642)</u>	<u>\$ 771,787</u>

CITY OF HACKENSACK
 GRANT FUND
 SCHEDULE OF UNAPPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2013

Program	Balance December 31, 2012	Appropriated in 2013	Received in 2013	Adjustments	Balance December 31, 2013
<u>State:</u>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF HACKENSACK
TRUST FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Cash:		
Unemployment Trust Account	\$ 133,583	\$ 78,907
Self-Insurance Trust Accounts	92,526	110,595
Self-Insurance Investment Account	389	-
Net Payroll Trust Account	11,000	19,518
Payroll Agency Trust Account	53,687	99,020
Animal Control Trust Account	12,053	11,939
Trust & Escrow Deposit Account	1,229,751	1,263,742
Other Trust Account	2,997,577	2,974,248
Urban Development Action Grant Fund Account	2,902,335	3,368,564
Equitable Sharing Program Agreement Trust Account	922,204	341,908
PATF #1 Trust Account	12,412	12,345
PATF #2 Trust Account	440,462	693,550
	<u>\$ 8,807,979</u>	<u>\$ 8,974,336</u>
Other Assets:		
Revenue Accounts Receivable	\$ 145	\$ 183
Other Receivables	12,697	2,777
	<u>\$ 12,842</u>	<u>\$ 2,960</u>
Total Assets	<u>\$ 8,820,821</u>	<u>\$ 8,977,296</u>
<u>LIABILITIES AND RESERVES</u>		
Accounts Payable	\$ -	\$ 10,003
Interfunds Payable:		
Current Fund (Animal Control Trust)	\$ 4,175	\$ 4,065
Current Fund (Other Trust)	257	256
Current Fund (Developer's Escrow Trust)	-	1,173
Current Fund (Net Payroll Trust)	23,697	22,295
Current Fund (Payroll Agency Trust)	4	6
	<u>\$ 28,133</u>	<u>\$ 27,795</u>
Intergovernmental Payable:		
State of N.J.	\$ 18	\$ 21
Other Liabilities and Reserves:		
Net Payroll & Deductions Payable	\$ 53,683	\$ 99,014
Tax Sale Premiums	1,807,308	1,557,408
Reserve for Animal Control Expenditures	8,006	8,036
Reserve for Unemployment Claims	133,583	78,907
Reserve for Public Defender Expenditures	14,281	44,923
Reserve for POAA Expenditures	19,133	14,187
Reserve for EDA Site Remediation Expenditures	48,097	48,097
Reserve for Section 312 Program Expenditures	486	486
Reserve for Developers' Escrow Deposits	1,229,751	1,262,570
Reserve for Other Trust Expenditures	1,101,366	1,292,238
Reserve for Commodity Resale System Expenditures	5,991	5,991
Reserve for Public Assistance Expenditures	452,874	705,895
Reserve for Equitable Sharing Program Agreement Expenditures	922,204	341,908
Reserve for Urban Development Action Grant Project Expenditures	2,902,335	3,368,564
Reserve for General Liability Insurance Claims	5,973	26,486
Reserve for Fire Equipment Self Insurance Claims	-	133
Reserve for Dental Insurance Claims	86,941	83,976
	<u>\$ 8,792,012</u>	<u>\$ 8,938,819</u>
Fund Balance	<u>\$ 658</u>	<u>\$ 658</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 8,820,821</u>	<u>\$ 8,977,296</u>

**CITY OF HACKENSACK
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash:		
General Capital Account	\$ 2,615,160	\$ 3,669,129
Green Acres Account	92,643	92,548
Community Development Account	1,102,149	629,871
	<u>\$ 3,809,952</u>	<u>\$ 4,391,548</u>
Interfund Receivables:		
Current Fund	-	419,835
	<u>\$ -</u>	<u>\$ 419,835</u>
Other Receivables:		
Miscellaneous	167	167
	<u>\$ 167</u>	<u>\$ 167</u>
Intergovernmental Receivable:		
Grants Receivable	\$ 926,120	\$ 1,331,217
	<u>\$ 926,120</u>	<u>\$ 1,331,217</u>
Deferred Charges:		
Funded	\$ 27,160,256	\$ 19,220,204
Unfunded	9,550,044	21,297,264
Overexpenditure of Improvement Authorization	-	334,969
	<u>\$ 36,710,300</u>	<u>\$ 40,852,437</u>
Total Assets	<u>\$ 41,446,539</u>	<u>\$ 46,995,204</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Interfund Payable:		
Current Fund	\$ 663	-
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 750,618	\$ 602,618
Reserve for Payment of Debt Service	1,022,922	975,287
Reserve for Bond Closing Costs	13,388	13,388
Reserve for 911 Program - Computer Hardware	239,476	239,476
Reserve for Grants Receivable	463,620	806,835
	<u>\$ 2,490,024</u>	<u>\$ 2,637,604</u>
Improvement Authorizations:		
Funded	\$ 2,195,181	\$ 2,766,545
Unfunded	3,704,597	5,315,651
	<u>\$ 5,899,778</u>	<u>\$ 8,082,196</u>
Serial Bonds Payable	<u>\$ 23,814,000</u>	<u>\$ 15,471,000</u>
Bond Anticipation Notes Payable	<u>\$ 5,670,000</u>	<u>\$ 17,055,200</u>
Loans Payable:		
NJEIT Wastewater Treatment	\$ 2,115,450	2,385,798
Green Acres	435,427	445,113
	<u>\$ 2,550,877</u>	<u>\$ 2,830,911</u>
Capital Lease Obligation Payable	<u>\$ 795,379</u>	<u>\$ 918,293</u>
Fund Balance	<u>\$ 225,818</u>	<u>\$ -</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 41,446,539</u>	<u>\$ 46,995,204</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2013

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2012	Issued In 2013	Paid by Budget Appropriation	Balance December 31, 2013
11/1/97 - Series "T" - NJEIT Wastewater Treatment	\$ 1,445,000	\$ 418,601	\$ -	\$ 77,099	\$ 341,502
11/1/97 - Series "L" - NJEIT Wastewater Treatment	1,387,492	177,736	-	74,173	103,563
11/9/00 - Series 2000 - NJEIT Wastewater Treatment	495,000	141,665	-	17,254	124,411
11/7/02 - Series 2002A - NJEIT Wastewater Treatment	490,000	215,000	-	40,000	175,000
09/30/10 - Series 2010A - NJEIT Wastewater Treatment	527,500	482,796	-	26,822	455,974
12/2/2010 - Series 2010B - NJEIT Wastewater Treatment	980,000	950,000	-	35,000	915,000
		<u>2,385,798</u>	<u>-</u>	<u>270,348</u>	<u>2,115,450</u>
12/4/12 - Green Acres Trust Loan - Second Ward Park	445,113	445,113	-	9,686	435,427
		<u>\$ 2,830,911</u>	<u>\$ -</u>	<u>\$ 280,034</u>	<u>\$ 2,550,877</u>

**CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2013**

Improvement	Balance		Reserve for Payment of Debt Applied	BANS Paid By Budget	Serial Bonds Issued	Unappropriated Grants Received	Cancelled	Analysis of Balance			
	December 31, 2012	Authorized						December 31, 2013	Outstanding BANS	B&N Authorized	Capital Cash
#04-93 Rehabilitation of Anderson Street	\$ 54,400	\$ -	\$ -	\$ -	\$ (54,400)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
#05-96 Sewer Improvements - Anderson & Court Street	319,500	-	-	-	(319,500)	-	-	-	-	-	-
#20-96 Renovation to Former Branch Library	181,500	-	-	-	(181,500)	-	-	-	-	-	-
#05-98 Acq. Of Garbage Collection Vehicle & Equipment	68,300	-	-	-	(67,450)	-	-	850	-	-	850
#08-98 Improvements to Kennedy Street Pump Station	20,000	-	-	-	(20,000)	-	-	-	-	-	-
#11-98 Improvements to City Hall Complex	506,300	-	-	-	(506,300)	-	-	-	-	-	-
#12-98 Purchase Emergency Fire Vehicle	193,900	-	-	-	(193,900)	-	-	-	-	-	-
#02-00 Resurfacing of Lodi Street	47,600	-	-	-	(47,600)	-	-	-	-	-	-
#07-00 Various Public Improvements	185,653	-	-	-	(65,000)	-	-	120,653	120,653	-	-
#11-01 Various Public Improvements	160,169	-	-	-	-	-	(160,169)	-	-	-	-
#12-02 Acquisition of Various Properties	550,000	-	-	-	-	-	(550,000)	-	-	-	-
#13-02 Improvement to Summit Ave. Storm Sewers	40,950	-	-	-	-	-	-	40,950	40,950	-	-
#11-03 Improvements to Green Street	39,100	-	-	-	(39,100)	-	-	-	-	-	-
#05-04 Various Public Improvements	40,959	-	-	-	-	-	-	40,959	40,959	-	-
#06-04 Various Road & Sidewalk Improvements	21,500	-	-	-	-	-	-	21,500	21,500	-	-
#07-04 Construction of Pedestrian Safety Zones	26,778	-	-	-	-	-	-	26,778	26,778	-	-
#22-07 Waterfront Bikeway - Phase II	675,000	-	-	-	(675,000)	-	-	-	-	-	-
#23-07 Hudson Street Streetscape - Phase II	61,750	-	-	-	(61,750)	-	-	-	-	-	-
#29-07/32-07 Improvements to Vreeland Avenue	318,750	-	-	-	(318,750)	-	-	-	-	-	-
#30-07 Roof Replacement - Johnson Library	159,600	-	-	-	(159,600)	-	-	-	-	-	-
#08-08 Acq. of Various Properties (89-91 Anderson Street)	2,375,000	-	-	-	(2,375,000)	-	-	-	-	-	-
#21-08 Renovations to 89-91 Anderson Street	237,500	-	-	-	(237,500)	-	-	-	-	-	-
#155-08 Various Public Improvements	37,500	-	-	-	(37,150)	-	-	350	-	-	350
#27-09/41-09 Repairs to Storm/Sanitary Sewer System	598,500	-	-	-	(598,500)	-	-	-	-	-	-
#28-09 Improvements to 2nd Ward Park	214,435	-	-	-	-	-	-	214,435	214,435	-	-
#01-10 Acquisition of Fire Pumper	475,000	-	-	-	(475,000)	-	-	-	-	-	-
#04-10 Various Public Improvements	950,000	-	-	-	(950,000)	-	-	-	-	-	-
#09-10 Replace HVAC at Johnson Library	237,500	-	-	-	(237,500)	-	-	-	-	-	-
#14-10 Refunding Bond - Accrued Sick & Vacation	2,805,000	-	-	(935,000)	-	-	-	1,870,000	1,870,000	-	-
#15-10 Refunding Bond - Tax Appeals	4,400,000	-	-	(600,000)	-	-	-	3,800,000	3,800,000	-	-
#18-10 Various Sewer System Improvements	500,500	-	-	-	(500,500)	-	-	-	-	-	-
#19-10 Improvements to Union Street Park	290,000	-	-	-	(290,000)	-	-	-	-	-	-
#22-10 Improvements to Foschini Park	486,643	-	-	-	-	-	-	486,643	486,643	-	-
#30-10 Resurfacing of Various Roads	333,000	-	-	-	(200,000)	-	-	133,000	133,000	-	-
#36-10 Improvements to Foschini Park	339,327	-	-	-	(150,000)	-	-	189,327	189,327	-	-
#40-10 Resurfacing of Various Roads	68,150	-	-	-	(25,000)	-	-	43,150	43,150	-	-
#42-10 Purchase of Sewer Jet Chassis	104,500	-	-	-	(75,000)	-	-	29,500	29,500	-	-
#09-11 ADA Park Improvements - 102 State Street	1,140,000	-	-	-	-	(143,000)	(268,085)	728,915	728,915	-	-
#15-11 Acquisition of Equipment & Vehicles - DPW	988,000	-	-	-	(988,000)	-	-	-	-	-	-
#23-11 Road Resurfacing - Kaplan/Sutton/Simons	570,000	-	-	-	-	-	-	570,000	570,000	-	-
#28-12 Various Communication Equipment	475,000	-	-	-	-	-	-	475,000	475,000	-	-
#10-13 Various Road Impts. - Hudson & Main Streets	-	245,000	-	-	-	-	-	245,000	245,000	-	-
#11-13 Various Road Improvements - CDBG	-	513,000	-	-	-	(274,966)	-	238,034	238,034	-	-
#18-13 Various Improvements to Firehouse #2	-	275,000	-	-	-	-	-	275,000	275,000	-	-
	\$ 21,297,264	\$ 1,033,000	\$ -	\$ (1,535,000)	\$ (9,849,000)	\$ (417,966)	\$ (978,254)	\$ 9,550,044	\$ 5,670,000	\$ 3,878,844	\$ 1,200

CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2013

Description	Date	Ordinance	Amount	Authorized											Balance - December 31, 2013				
				Balance - January 1, 2013		Capital Improvement Fund	Capital Surplus	Grants	Bonds & Notes Authorized	Expended	Transferred to Deferred Chg.	Refunds/ Adjustments	Cancellations	Adjustments	Funded	Unfunded			
				Funded	Unfunded														
#12-92, 23-94 Various Capital Improvements	1992/1994		142,000	\$ -	\$ 321	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
#09-93 Various Capital Improvement	08/02/93		357,000	-	745	-	-	-	-	-	-	-	-	-	-	-	-	-	
#26-94 Road Resurfacing 1994	1994		-	6,743	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
#03-95 Reconst./Resurfacing of Various Streets	1995		-	6,374	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
#05-96, 16-98 Sewer Imp. Anderson and Court St P/S	1996		1,900,000	-	11,434	-	-	-	-	-	-	-	-	-	-	-	-	-	
#20-96, 15-99 Renovations to Former Branch Library	1996		-	-	34,424	-	-	-	-	-	-	-	-	-	-	-	-	-	
#08-00, 21-02 Improvements to Hudson Street	12/02/02		682,500	24,373	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
#11-01 Various Capital Improvements	11/05/01		1,348,200	17,652	160,169	-	-	-	-	-	-	-	-	-	-	-	-	-	
#12-02 Acquisition of Various Properties	07/01/02		2,047,500	118,625	550,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
#13-02 Imp. To Summit Avenue Storm Sewers	07/01/02		-	-	40,950	-	-	-	-	-	-	-	-	-	-	-	-	-	
#01-03 Various Capital Improvements	04/07/03		1,050,000	43,073	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
#05-03 Creation of GIS System/Tax Maps	06/16/03		-	5,783	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
#11-03 Improvements to Green Street	08/04/03		-	-	5,567	-	-	-	-	5,567	-	-	-	-	-	-	-	-	
#13-03 Improvements to Johnson Park	09/15/03		1,365,000	108,054	-	-	-	-	-	-	-	-	-	-	-	-	-	108,054	
#18-03 Improvements to Various Streets/Roads	10/20/03		-	48,284	-	-	-	-	-	-	-	-	-	-	-	-	-	48,284	
#05-04 Various Capital Improvements	08/02/04		698,250	-	18,882	-	-	-	-	-	-	-	-	-	-	-	-	18,882	
#06-04 Various Road and Sidewalk Imp.	08/02/04		330,000	82,780	21,500	-	-	-	-	-	-	-	-	-	-	-	-	21,500	
#07-04 Const. Of Pedestrian Safety Zones	08/02/04		250,000	69,860	26,778	-	-	-	-	-	-	-	-	-	-	-	-	26,778	
#10-04 Various Capital Improvements	10/04/04		1,312,500	277,219	-	-	-	-	-	-	-	-	277,219	-	-	-	-	-	
#13-05 Various Capital Improvements	06/20/05		976,500	34,453	-	-	-	-	-	-	-	-	-	-	-	-	-	34,453	
#26-05 High School Athletic Field Project	10/11/05		1,600,000	20,150	-	-	-	-	-	-	-	-	-	-	-	-	-	20,150	
#22-06 Const. Of Police Training Facility	07/11/06		1,000,000	701,199	-	-	-	-	-	14,535	-	-	-	-	-	-	-	686,664	
#14-07 Roadway Imp./Barrier Free Ramps	05/08/07		-	109,984	-	-	-	-	-	-	-	-	-	-	-	-	-	109,984	
#15-07 Various Capital Improvements	05/08/07		1,335,000	366,308	-	-	-	-	-	-	-	-	-	-	-	-	-	366,308	
#22-07 Waterfront Bikeway Phase II	07/17/07		-	1,004	-	-	-	-	-	1,004	-	-	-	-	-	-	-	-	
#29-07/32-07 Improvements to Vreeland Ave.	11/05/07		350,000	24,692	-	-	-	-	-	7,645	-	-	-	-	-	-	-	17,047	
#30-07 Roof Replacement - Johnson Library	11/05/07		168,000	158	-	-	-	-	-	-	-	-	-	-	-	-	-	158	
#09-08 Acq. of SCUBA Gear	05/06/08		300,000	24,095	-	-	-	-	-	4,884	-	-	-	-	-	-	-	19,211	
#10-08 Improvements to Carver Park	05/06/08		30,000	58,285	-	-	-	-	-	-	-	-	-	-	-	-	-	58,285	
#21-08 Renovations to 89-91 Anderson St.	09/16/08		250,000	-	5,951	-	-	-	-	231	-	-	-	-	-	-	-	5,720	
#22-08 Resurfacing of Mercer/English/Stanley	09/16/08		140,200	37,770	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
#11-09 Public Training Facility/Imp to Various Parks	04/20/09		1,000,000	517,547	-	-	-	-	-	-	-	-	-	37,770	-	-	-	-	
#28-09 Improvements to 2nd Ward Park	10/06/09		433,310	80,969	214,436	-	-	-	-	-	-	-	-	-	-	-	-	214,436	
#01-10 Acquisition of Fire Pumper	06/15/10		500,000	-	77,305	-	-	-	-	5,115	-	-	-	-	-	-	-	72,190	
#4-10 Various Capital Improvements	03/03/10		1,000,000	179,086	-	-	-	-	-	5,115	-	-	-	-	-	-	-	173,971	
#9-10 Replacement of HVAC (Johnson Library)	04/06/10		250,000	3,998	-	-	-	-	-	3,998	-	-	-	-	-	-	-	-	
#14-10 Refunding Ordinance: Sick and Vacation	05/04/10		4,675,000	543,928	-	-	-	-	-	543,928	-	-	-	-	-	-	-	-	
#15-10 Refunding Ordinance Tax Appeals	05/04/10		4,900,000	358,709	-	-	-	-	-	-	-	22,543	-	-	-	-	-	381,252	
#18-10 Various Sewer Improvements	06/15/10		2,350,000	319,881	-	-	-	-	-	79,751	-	-	-	-	-	-	-	240,130	
#19-10, 25-10 Improvements to Union Street Park	07/13/10		225,000	6,060	-	-	-	-	-	-	-	-	-	-	-	-	-	6,060	
#20-10 Improvements to 2nd Ward Park	06/15/10		1,000,000	125,120	-	-	-	-	-	7,626	-	-	-	-	-	-	-	117,494	
#22-10 Improvements to Foschini Park	06/16/10		650,000	563,460	-	-	-	-	-	231	-	-	-	-	-	-	-	563,229	
#30-10 Road Resurfacing	09/07/10		350,000	110,457	-	-	-	-	-	5,116	-	-	-	-	-	-	-	105,341	
#36-10 Improvements to Foschini Park	09/07/10		1,000,000	228,644	-	-	-	-	-	5,141	-	-	-	-	-	-	-	223,503	
#40-10 Road Resurfacing	11/09/10		270,000	50,421	-	-	-	-	-	5,115	-	-	-	-	-	-	-	45,306	
#41-10 Reappropriation of Various Old Ordinances	12/07/10		200,000	85,757	-	-	-	-	-	-	-	-	-	-	-	-	-	85,757	
#42-10 Purchase of Chasis for Sewer Jet Unit	12/07/10		110,000	28,882	-	-	-	-	-	5,115	-	-	-	-	-	-	-	23,767	
#09-11 ADA / Park Improvements	05/17/11		1,200,000	710,687	-	-	-	-	-	6,757	-	-	-	-	-	-	-	435,845	
#15-11 Acquisition of Equipment / Vehicles	08/16/11		1,040,000	58,426	-	-	-	-	-	5,071	-	-	-	-	-	-	-	53,355	
#23-11 Road Resurfacing	12/19/11		600,000	254,784	-	-	-	-	-	17,208	-	-	-	-	-	-	-	237,576	
#28-12 Various Communication Equipment	12/04/12		500,000	475,000	-	-	-	-	-	468,376	-	-	-	-	-	-	-	31,624	
#10-13 Various Road Impts. - Hudson & Main Streets	2013		245,000	-	-	-	-	-	-	245,000	9,180	-	-	-	-	-	-	235,820	
#11-13 Various Road Improvements - CDBG	2013		540,000	-	27,000	-	-	-	-	513,000	459,373	-	-	-	-	-	-	80,627	
#18-13 Various Improvements to Firehouse #2	2013		300,000	-	25,000	-	-	-	-	275,000	25,922	-	-	-	-	-	-	274,078	
				\$ 2,766,545	\$ 5,315,651	\$ 52,000	\$ -	\$ -	\$ -	\$ 1,033,000	\$ 1,692,004	\$ -	\$ -	\$ 22,543	\$ 1,597,957	\$ -	\$ -	\$ 2,195,181	\$ 3,704,597

**CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2013**

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2012	Issued In 2013	Paid by Budget Appropriation	Balance December 31, 2013
11/15/01 General Improvement Bonds	\$ 6,551,000	\$ 726,000	\$ -	\$ 726,000	\$ -
1/01/08 General Improvement Bonds	11,900,000	11,145,000	-	180,000	10,965,000
4/11/08 Refunding Bonds	7,365,000	3,600,000	-	600,000	3,000,000
5/1/13 General Improvement Bonds - "A"	6,170,000	-	6,170,000	-	6,170,000
5/1/13 General Improvement Bonds - "B"	3,679,000	-	3,679,000	-	3,679,000
		<u>\$ 15,471,000</u>	<u>\$ 9,849,000</u>	<u>\$ 1,506,000</u>	<u>\$ 23,814,000</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2013

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2012	Issued	Reserve for Payment of Debt Applied	Serial Bonds Issued	Renewal	Ordinance Cancelled	Budget Paydown	Balance December 31, 2013
#05-96/16-98 Sewer Impt. Anderson and Court Street Pump Station	\$ 319,500	05/07/10	05/04/12	05/03/13	0.68%	\$ 319,500	\$ -	\$ -	\$ 319,500	\$ -	\$ -	\$ -	\$ -
#20-96/15-99 Renovations to Former Branch Library	181,500	05/07/10	05/04/12	05/03/13	1.18%	181,500	-	-	181,500	-	-	-	-
#04-93/2-98 Rehabilitation of Anderson Street Train Station	54,400	05/07/10	05/04/12	05/03/13	1.18%	54,400	-	-	54,400	-	-	-	-
#05-98 Acquisition of Automated Garbage Vehicle	68,300	05/07/10	05/04/12	05/03/13	1.18%	68,300	-	-	67,450	-	-	850	-
#08-98 Improvements to Kennedy Street Pump Station	20,000	05/07/10	05/04/12	05/03/13	1.18%	20,000	-	-	20,000	-	-	-	-
#11-98 Improvements to City Hall Copmplex	506,300	05/07/10	05/04/12	05/03/13	1.18%	506,300	-	-	506,300	-	-	-	-
#12-98 Emergency Fire Vehicle	193,900	05/07/10	05/04/12	05/03/13	1.18%	193,900	-	-	193,900	-	-	-	-
#02-00 Resurfacing of Lodi Street	47,600	05/07/10	05/04/12	05/03/13	1.18%	47,600	-	-	47,600	-	-	-	-
#07-00 Various Public Improvements	65,000	05/07/10	05/04/12	05/03/13	0.68%	65,000	-	-	65,000	-	-	-	-
#11-03 Improvements to Green Street	39,100	05/07/10	05/04/12	05/03/13	1.18%	39,100	-	-	39,100	-	-	-	-
#22-07 Waterfront Bikeway - Phase II	675,000	11/21/12	11/21/12	05/03/13	1.09%	675,000	-	-	675,000	-	-	-	-
#23-07 Hudson Street Streetscape - Phase II	61,750	05/07/10	05/04/12	05/03/13	0.68%	61,750	-	-	61,750	-	-	-	-
#29-07 Improvements to Vreeland Avenue	125,000	05/07/10	05/04/12	05/03/13	0.68%	125,000	-	-	125,000	-	-	-	-
#30-07 Roof Replacement - Johnson Library	159,600	05/07/10	05/04/12	05/03/13	0.68%	159,600	-	-	159,600	-	-	-	-
#32-07 Improvements to Vreeland Avenue	193,750	05/07/10	05/04/12	05/03/13	1.18%	193,750	-	-	193,750	-	-	-	-
#08-08 Acquisition of Various Properties (89-91 Anderson Street)	2,375,000	05/07/10	05/04/12	05/03/13	1.18%	2,375,000	-	-	2,375,000	-	-	-	-
#09-08 Acquisition of SCUBA Gear	37,500	05/07/10	05/04/12	05/03/13	0.68%	37,500	-	-	37,150	-	-	350	-
#21-08 Renovations to 89-91 Anderson Street	237,500	05/07/10	05/04/12	05/03/13	0.68%	237,500	-	-	237,500	-	-	-	-
#27-09/41-09 Repairs to Storm/Sanitary Sewer System	598,500	05/07/10	05/04/12	05/03/13	0.68%	598,500	-	-	598,500	-	-	-	-
#04-10 Various Public Improvements	950,000	05/07/10	05/04/12	05/03/13	0.68%	950,000	-	-	950,000	-	-	-	-
#14-10 Refunding Bond - Accrued Sick & Vacation	3,420,000	05/07/10	05/04/12	05/03/13	0.68%	2,052,000	-	-	-	1,368,000	-	684,000	-
#14-10 Refunding Bond - Accrued Sick & Vacation	1,255,000	05/07/10	05/04/12	05/03/13	1.18%	753,000	-	-	-	502,000	-	251,000	-
#15-10 Refunding Bond - Tax Appeals	4,900,000	05/07/10	05/04/12	05/03/13	0.68%	4,400,000	-	-	-	3,800,000	-	600,000	-
#01-10 Acquisition of Fire Pumper	475,000	11/21/12	11/21/12	05/03/13	1.09%	475,000	-	-	475,000	-	-	-	-
#09-10 Replace HVAC at Johnson Library	237,500	11/21/12	11/21/12	05/03/13	1.09%	237,500	-	-	237,500	-	-	-	-
#18-10 Various Sewer System Improvements	500,500	11/21/12	11/21/12	05/03/13	1.09%	500,500	-	-	500,500	-	-	-	-
#20-10 Improvements to 2nd Ward Park	290,000	11/21/12	11/21/12	05/03/13	1.09%	290,000	-	-	290,000	-	-	-	-
#30-10 Resurfacing of Various Roads	200,000	11/21/12	11/21/12	05/03/13	1.09%	200,000	-	-	200,000	-	-	-	-
#36-10 Improvements to Foschini Park	150,000	11/21/12	11/21/12	05/03/13	1.09%	150,000	-	-	150,000	-	-	-	-
#40-10 Resurfacing of Various Roads	25,000	11/21/12	11/21/12	05/03/13	1.09%	25,000	-	-	25,000	-	-	-	-
#42-10 Purchase of Sewer Jet Chassis	75,000	11/21/12	11/21/12	05/03/13	1.09%	75,000	-	-	75,000	-	-	-	-
#15-11 Acquisition of Equipment & Vehicles - DPW	988,000	11/21/12	11/21/12	05/03/13	1.09%	988,000	-	-	988,000	-	-	-	-
						<u>\$ 17,055,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,849,000</u>	<u>\$ 5,670,000</u>	<u>\$ -</u>	<u>\$ 1,536,200</u>	<u>\$ -</u>
#14-10 Refunding Bond - Accrued Sick & Vacation	3,420,000	05/07/10	05/01/13	05/01/14	1.25%	-	1,368,000	-	-	-	-	-	1,368,000
#14-10 Refunding Bond - Accrued Sick & Vacation	1,255,000	05/07/10	05/01/13	05/01/14	1.50%	-	502,000	-	-	-	-	-	502,000
#15-10 Refunding Bond - Tax Appeals	4,900,000	05/07/10	05/01/13	05/01/14	1.25%	-	3,800,000	-	-	-	-	-	3,800,000
						<u>\$ -</u>	<u>\$ 5,670,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,670,000</u>
						<u>\$ 17,055,200</u>	<u>\$ 5,670,000</u>	<u>\$ -</u>	<u>\$ 9,849,000</u>	<u>\$ 5,670,000</u>	<u>\$ -</u>	<u>\$ 1,536,200</u>	<u>\$ 5,670,000</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2013

Improvement Description	Balance		BANS Issued	Bonds Issued	Unappropriated Grants		Balance December 31, 2013
	December 31, 2012	Authorized			Received	Cancelled	
#11-01 Various Public Improvements	\$ 160,169	\$ -	\$ -	\$ -	\$ -	\$ (160,169)	\$ -
#12-02 Acquisition of Various Properties	550,000	-	-	-	-	(550,000)	-
#13-02 Improvement to Summit Ave. Storm Sewers	40,950	-	-	-	-	-	40,950
#05-04 Various Capital Improvements	40,959	-	-	-	-	-	40,959
#06-04 Various Road and Sidewalk Imp.	21,500	-	-	-	-	-	21,500
#07-04 Const. Of Pedestrian Safety Zones	26,778	-	-	-	-	-	26,778
#28-09 Improvements to 2nd Ward Park	214,435	-	-	-	-	-	214,435
#22-10 Improvements to Foschini Park	486,643	-	-	-	-	-	486,643
#30-10 Resurfacing of Various Roads	133,000	-	-	-	-	-	133,000
#36-10 Improvements to Foschini Park	189,327	-	-	-	-	-	189,327
#40-10 Resurfacing of Various Roads	43,150	-	-	-	-	-	43,150
#41-10 Reappropriation of Various Old Ordinances	120,653	-	-	-	-	-	120,653
#42-10 Purchase of Sewer Jet Chassis	29,500	-	-	-	-	-	29,500
#09-11 ADA Park Improvements - 102 State Street	1,140,000	-	-	-	(143,000)	(268,085)	728,915
#23-11 Road Resurfacing - Kaplan/Sutton/Simons	570,000	-	-	-	-	-	570,000
#28-12 Various Communication Equipment	475,000	-	-	-	-	-	475,000
#10-13 Various Road Impts. - Hudson & Main Streets	-	245,000	-	-	-	-	245,000
#11-13 Various Road Improvements - CDBG	-	513,000	-	-	(274,966)	-	238,034
#18-13 Various Improvements to Firehouse #2	-	275,000	-	-	-	-	275,000
	<u>\$ 4,242,064</u>	<u>\$ 1,033,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (417,966)</u>	<u>\$ (978,254)</u>	<u>\$ 3,878,844</u>

**CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2013**

Improvement	Balance	Paid By Budget	Serial Bonds Issued	Balance	Analysis of Balance		
	December 31, 2012			December 31, 2013	Outstanding Bonds	Outstanding Loans	Outstanding Capital Leases
11/15/01 General Improvement Bonds	\$ 726,000	\$ (726,000)	\$ -	\$ -	\$ -	\$ -	\$ -
1/01/08 General Improvement Bonds	11,145,000	(180,000)	-	10,965,000	10,965,000	-	-
4/11/08 Refunding Bonds	3,600,000	(600,000)	-	3,000,000	3,000,000	-	-
5/1/13 General Improvement Bonds - "A"	-	-	6,170,000	6,170,000	6,170,000	-	-
5/1/13 General Improvement Bonds - "B"	-	-	3,679,000	3,679,000	3,679,000	-	-
11/1/97 - Series "T" - NJEIT Wastewater Treatment	418,601	\$ (77,099)	-	341,502	-	341,502	-
11/1/97 - Series "L" - NJEIT Wastewater Treatment	177,736	(74,173)	-	103,563	-	103,563	-
11/9/00 - Series 2000 - NJEIT Wastewater Treatment	141,665	(17,254)	-	124,411	-	124,411	-
11/7/02 - Series 2002A - NJEIT Wastewater Treatment	215,000	(40,000)	-	175,000	-	175,000	-
09/30/10 - Series 2010A - NJEIT Wastewater Treatment	482,796	(26,822)	-	455,974	-	455,974	-
12/2/2010 - Series 2010B - NJEIT Wastewater Treatment	950,000	(35,000)	-	915,000	-	915,000	-
12/4/12 - Green Acres Loan - Second Ward Park	445,113	(9,686)	-	435,427	-	435,427	-
4/1/03 - County Guaranteed Loan Revenue Bonds	67,000	(67,000)	-	-	-	-	-
6/4/09 - Purchase of Garbage Truck	331,293	(43,914)	-	287,379	-	-	287,379
5/1/12 - County Guaranteed Loan Revenue Refunding Bonds	520,000	(12,000)	-	508,000	-	-	508,000
	<u>\$ 19,220,204</u>	<u>\$ (1,908,948)</u>	<u>\$ 9,849,000</u>	<u>\$ 27,160,256</u>	<u>\$ 23,814,000</u>	<u>\$ 2,550,877</u>	<u>\$ 795,379</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2013

Program	Balance December 31, 2012	Revenue Realized	Received	Unappropriated Reserve Applied	Reprogram/ Cancelled/ Adjustments	Balance December 31, 2013
<u>Federal:</u>						
U.S. Dept. of Transportation Passed Thru - State of NJ Department of Transportation - Waterfront Bikeway & Pedestrian Park - Phase II	\$ 262,500	\$ -	\$ -	\$ -	\$ (100,000)	\$ 162,500
U.S. Dept. of Transportation Passed Thru - State of NJ Department of Transportation - Waterfront Bikeway & Pedestrian Park - Phase II	200,000	-	-	-	100,000	300,000
U.S. Dept. of Transportation Passed Thru - State of NJ Department of Transportation - Vreeland Avenue	93,750	-	-	-	(93,750)	-
U.S. Dept. of Transportation Passed Thru - State of NJ Department of Transportation - Resurfacing of Mercer, English and Stanley	6,589	-	-	-	(6,589)	-
U.S. Dept. of Transportation Passed Thru - State of NJ Department of Transportation - Various Road Impts. - Hudson & Main Streets		161,620	-	-	-	161,620
	<u>\$ 562,839</u>	<u>\$ 161,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (100,339)</u>	<u>\$ 624,120</u>
<u>State:</u>						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Other:</u>						
Bergen County Community Development Block Grants - ADA Park Improvements - 102 State Street	\$ 143,000	\$ -	\$ -	\$ 143,000	\$ -	\$ -
Bergen County Community Development Block Grants - Reprogrammed Amounts	302,000	-	-	-	-	302,000
Bergen County Community Development Block Grants - Road Resurfacing - Kaplan/Sutton/Simons	55,293	-	-	55,293	-	-
Bergen County Community Development Block Grants - Various Road Improvements - CDBG	-	274,966	-	274,966	-	-
Bergen County Open Space - Reprogrammed Amounts	268,085	-	-	-	(268,085)	-
	<u>\$ 768,378</u>	<u>\$ 274,966</u>	<u>\$ -</u>	<u>\$ 473,259</u>	<u>\$ (268,085)</u>	<u>\$ 302,000</u>
Grand Total	<u>\$ 1,331,217</u>	<u>\$ 436,586</u>	<u>\$ -</u>	<u>\$ 473,259</u>	<u>\$ (368,424)</u>	<u>\$ 926,120</u>

**CITY OF HACKENSACK
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL LEASE OBLIGATION PAYABLE
YEAR ENDED DECEMBER 31, 2013**

E-10

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2012	Issued In 2013	Paid by Budget Appropriation	Balance December 31, 2013
4/1/03 - Bergen County Improvement Authority - Pension Refunding	\$ 1,034,000	\$ 67,000	\$ -	\$ 67,000	\$ -
6/4/09 - Bergen County Improvement Authority - Garbage Truck	456,750	331,293	-	43,914	287,379
5/1/12 - Bergen County Improvement Authority - Pension Refunding	520,000	520,000	-	12,000	508,000
		<u>\$ 918,293</u>	<u>\$ -</u>	<u>\$ 122,914</u>	<u>\$ 795,379</u>

**CITY OF HACKENSACK
PUBLIC PARKING UTILITY OPERATING FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash:		
Parking Utility Operating Account	\$ 1,645,510	\$ 1,561,272
Change Funds	130	130
	<u>\$ 1,645,640</u>	<u>\$ 1,561,402</u>
Consumer Accounts Receivable	<u>\$ -</u>	<u>\$ -</u>
Interfund Receivable:		
Public Parking Utility Capital Fund	\$ 11	\$ 48
	<u>\$ 1,645,651</u>	<u>\$ 1,561,450</u>
Total Assets		
	<u>\$ 1,645,651</u>	<u>\$ 1,561,450</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Accounts Payable	<u>\$ 13,525</u>	<u>\$ -</u>
Reserve for Encumbrances	<u>\$ 20</u>	<u>\$ 30,815</u>
Other Liabilities and Reserves:		
Accrued Interest on Bonds	\$ 10,062	\$ 8,117
Accrued Interest on Notes (BANs)	-	-
Reserve for Receivables	-	-
Appropriation Reserves	726,247	671,152
	<u>\$ 736,309</u>	<u>\$ 679,269</u>
Fund Balance	<u>\$ 895,797</u>	<u>\$ 851,366</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 1,645,651</u>	<u>\$ 1,561,450</u>

**CITY OF HACKENSACK
PUBLIC PARKING UTILITY OPERATING FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013**

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 150,000	\$ 150,000	\$ -
Off Street Parking	\$ 700,000	\$ 783,579	\$ 83,579
On Street Parking	420,000	432,283	12,283
Interest on Investments & Deposits	-	-	-
	<u>\$ 1,120,000</u>	<u>\$ 1,215,862</u>	<u>\$ 95,862</u>
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	\$ -	\$ 671,508	\$ 671,508
Deficit (General Budget)	-	-	-
Unexpended Balances Cancelled	-	1,300	1,300
Miscellaneous Revenue Not Anticipated	-	2,261	2,261
Cancellations & Adjustments	-	-	-
	<u>\$ -</u>	<u>\$ 675,069</u>	<u>\$ 675,069</u>
Fund Balance - Water Utility Capital	\$ -	\$ -	\$ -
Total Revenues and Credits to Income	<u>\$ 1,270,000</u>	<u>\$ 2,040,931</u>	<u>\$ 770,931</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY OPERATING FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

	Appropriations			Expended		Unexpended		Overexpenditure
	Adopted Budget	Emergency Appropriations	Budget After Modification	Paid or Charged	Reserved	Balance Canceled		
Operating:								
Salaries and Wages	\$ 315,000	\$ -	\$ 315,000	\$ 121,237	\$ 193,763	\$ -	\$ -	-
Other Expenses:	600,000	-	600,000	223,431	376,569	-	-	-
	<u>\$ 915,000</u>	<u>\$ -</u>	<u>\$ 915,000</u>	<u>\$ 344,668</u>	<u>\$ 570,332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Capital Improvements:								
Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Capital Outlay	139,500	-	139,500	-	139,500	-	-	-
	<u>\$ 139,500</u>	<u>\$ -</u>	<u>\$ 139,500</u>	<u>\$ -</u>	<u>\$ 139,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Debt Service:								
Payment of Bonds	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	-
Payment of BAN's & Capital Notes	-	-	-	-	-	-	-	-
Interest on Bonds	40,000	-	40,000	38,700	-	1,300	-	-
Interest on Notes	-	-	-	-	-	-	-	-
	<u>\$ 190,000</u>	<u>\$ -</u>	<u>\$ 190,000</u>	<u>\$ 188,700</u>	<u>\$ -</u>	<u>\$ 1,300</u>	<u>\$ -</u>	<u>-</u>
Deferred Charges:								
Prior Year Bills	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Overexpenditures	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Statutory Expenditures:								
Public Employee Retirement System	\$ 500	\$ -	\$ 500	\$ -	\$ 500	\$ -	\$ -	-
Social Security System	\$ 25,000	\$ -	\$ 25,000	\$ 9,085	\$ 15,915	\$ -	\$ -	-
	<u>\$ 25,500</u>	<u>\$ -</u>	<u>\$ 25,500</u>	<u>\$ 9,085</u>	<u>\$ 16,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Surplus (General Budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Appropriations	<u>\$ 1,270,000</u>	<u>\$ -</u>	<u>\$ 1,270,000</u>	<u>\$ 542,453</u>	<u>\$ 726,247</u>	<u>\$ 1,300</u>	<u>\$ -</u>	<u>-</u>
Other Charges to Income:								
Refund of Prior Year's Revenue				<u>\$ -</u>				

**CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash:		
Parking Utility Capital Account	\$ 86,329	\$ 86,366
Fixed Capital Authorized & Uncompleted	\$ 829,900	\$ 931,552
Fixed Capital	\$ 8,035,084	\$ 7,933,432
Total Assets	<u>\$ 8,951,313</u>	<u>\$ 8,951,350</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Interfund Payable:		
Public Parking Utility Operating Fund	\$ 11	\$ 48
	<u>\$ 11</u>	<u>\$ 48</u>
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 141,000	\$ 141,000
Reserve for Amortization	7,285,084	7,135,084
Reserve for Deferred Amortization	-	-
	<u>\$ 7,426,084</u>	<u>\$ 7,276,084</u>
Improvement Authorizations:		
Funded	\$ 98,352	\$ 98,352
Unfunded	650,719	650,719
	<u>\$ 749,071</u>	<u>\$ 749,071</u>
Serial Bonds Payable	\$ 750,000	\$ 900,000
Bond Anticipation Notes Payable	\$ -	\$ -
Fund Balance	<u>\$ 26,147</u>	<u>\$ 26,147</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 8,951,313</u>	<u>\$ 8,951,350</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2013

Improvement	Balance		Receipts Applied	BANDs Paid By Budget	Serial Bonds Issued	Cancellations/ Adjustments	Analysis of Balance			
	December 31, 2012	Authorized					December 31, 2013	Outstanding BANDs	B&N Authorized	Deferred Amortization
#13-88/17-88 Construction of Parking Garage	\$ 66,941	\$ -	\$ -	\$ -	\$ -	\$ (62,041)	\$ 4,900	\$ -	\$ 4,900	\$ -
#26-95 Acquisition of Land for Parking Lot	18,352	-	-	-	-	(18,352)	-	-	-	-
#05-00 Acquisition & Impts. to State & Union Streets	46,259	-	-	-	-	(21,259)	25,000	-	25,000	-
#24-03 Acquisition of Property	500,000	-	-	-	-	-	500,000	-	500,000	-
#20-06 Improvements to Parking Lot "D"	300,000	-	-	-	-	-	300,000	-	300,000	-
\$	931,552	\$ -	\$ -	\$ -	\$ -	(101,652)	\$ 829,900	\$ -	\$ 829,900	\$ -

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2013

Description	Balance - January 1, 2013		Bonds & Notes Authorized	Expended	Adjustments	Cancellations	Balance - December 31, 2013	
	Funded	Unfunded					Funded	Unfunded
#13-88/17-88 Construction of Parking Garage	\$ 66,941	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,941	\$ -
#26-95 Acquisition of Land for Parking Lot	13,453	4,900	-	-	-	-	13,453	4,900
#05-00 Acquisition & Impts. to State & Union Streets	17,958	25,000	-	-	-	-	17,958	25,000
#24-03 Acquisition of Property	-	500,000	-	-	-	-	-	500,000
#20-06 Improvements to Parking Lot "D"	-	120,819	-	-	-	-	-	120,819
	<u>\$ 98,352</u>	<u>\$ 650,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,352</u>	<u>\$ 650,719</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY CAPITAL FUND
 SCHEDULE OF SERIAL BONDS PAYABLE
 YEAR ENDED DECEMBER 31, 2013

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2012	Issued In 2013	Paid by Budget Appropriation	Balance December 31, 2013
4/11/08 Construction of Parking Garage	\$ 1,500,000	\$ 900,000	\$ -	\$ 150,000	\$ 750,000
		<u>\$ 900,000</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 750,000</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
 YEAR ENDED DECEMBER 31, 2013

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2012	Issued	Decreased	Budget Paydown	Balance December 31, 2013
None						\$ -	\$ -	\$ -	\$ -	\$ -
						<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2013

Improvement Description	Balance December 31, 2012	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2013
#13-88/17-88 Construction of Parking Garage	\$ 4,900	\$ -	\$ -	\$ -	\$ -	\$ 4,900
#05-00 Acquisition & Impts. to State & Union Streets	25,000	-	-	-	-	25,000
#24-03 Acquisition of Property	500,000	-	-	-	-	500,000
#20-06 Improvements to Parking Lot "D"	300,000	-	-	-	-	300,000
	<u>\$ 829,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 829,900</u>

**CITY OF HACKENSACK
GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE BALACE SHEET (REGULATORY BASIS)**

	<u>2012</u>	<u>2012</u>
<u>ASSETS</u>		
Land	\$ 9,539,800	\$ 9,539,800
Buildings	19,913,247	19,895,788
Improvements & Infrastructure	7,576,900	7,125,259
Machinery, Vehicles & Equipment	14,532,958	14,028,465
	<u>\$ 51,562,905</u>	<u>\$ 50,589,312</u>
<u>FUND BALANCE</u>		
Reserve for Investment in General Fixed Assets	<u>\$ 51,562,905</u>	<u>\$ 50,589,312</u>

**CITY OF HACKENSACK
GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF CHANGES IN RESERVE FOR GENERAL FIXED ASSETS**

	Balance December 31, 2012	Additions	Retirements	Adjustments	Balance December 31, 2013
Land	\$ 9,539,800	\$ -	\$ -	\$ -	\$ 9,539,800
Buildings	19,895,788	17,459	-	-	19,913,247
Improvements & Infrastructure	7,125,259	410,993	-	40,648	7,576,900
Machinery, Vehicles & Equipment	14,028,465	513,159	(8,666)	-	14,532,958
	<u>\$ 50,589,312</u>	<u>\$ 941,611</u>	<u>\$ (8,666)</u>	<u>\$ 40,648</u>	<u>\$ 51,562,905</u>

CITY OF HACKENSACK

NJ Comprehensive Annual Financial Report

Annual Financial Information and Operating Data Section

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
ADOPTED BUDGETS
(UNAUDITED)**

	2013	2012	2011	2010	2009	2008	2007
CURRENT FUND							
REVENUES							
Operating Surplus Anticipated	\$ 3,350,000	\$ 2,725,000	\$ 2,725,000	\$ 5,960,000	\$ 4,000,000	\$ 7,000,000	\$ 5,000,000
Miscellaneous Revenues	9,805,833	9,920,892	10,366,827	10,985,575	12,170,079	9,823,510	11,303,944
Receipts From Delinquent Taxes	2,750,000	2,500,000	2,602,000	2,535,000	2,400,000	2,000,000	1,590,000
Amount to be Raised by Taxation - Local	74,174,863	72,235,316	70,765,881	65,641,005	60,758,874	60,761,043	58,290,255
Amount to be Raised by Taxation - Library	1,867,718	2,000,208	1,976,806	-	-	-	-
Total Revenues	\$ 91,948,414	\$ 89,381,416	\$ 88,436,514	\$ 85,121,580	\$ 79,328,953	\$ 79,584,553	\$ 76,184,199

APPROPRIATIONS							
Within "CAPS":							
Operations:							
Salaries and Wages	\$ 39,359,800	\$ 37,927,150	\$ 37,292,379	\$ 38,172,170	\$ 37,765,273	\$ 37,005,813	\$ 35,572,869
Other Expenses	25,291,970	24,152,846	21,890,262	20,431,450	18,833,780	17,450,826	17,340,136
Deferred Charges	39,495	83,252	174,738	1,562,051	100,073	575,822	-
Statutory Expenditures	8,672,503	8,534,915	8,944,119	4,549,547	4,408,854	1,215,095	1,154,556
Contingent	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Excluded From "CAPS":							
Operations:							
Salaries and Wages	596,300	486,873	558,508	302,663	302,350	291,075	240,610
Other Expenses	9,151,330	9,269,480	10,802,230	12,184,192	8,158,342	13,229,594	12,175,321
Capital Improvements	200,000	200,000	163,878	-	395,000	395,000	395,000
Municipal Debt Service	4,504,647	4,872,000	4,813,000	3,352,007	3,357,781	3,413,828	3,208,468
Deferred Charges	389,869	112,400	54,900	825,000	200,000	200,000	200,000
Judgments	-	-	-	-	-	-	10,000
Reserve for Uncollected Taxes	3,735,000	3,735,000	3,735,000	3,735,000	5,800,000	5,800,000	5,879,739
Total Appropriations	\$ 91,948,414	\$ 89,381,416	\$ 88,436,514	\$ 85,121,580	\$ 79,328,953	\$ 79,584,553	\$ 76,184,199

PUBLIC PARKING UTILITY FUND

REVENUES							
Operating Surplus Anticipated	\$ 150,000	\$ -	\$ 208,000	\$ 271,000	\$ 275,730	\$ 180,500	\$ 405,500
Off Street Parking	700,000	900,000	910,000	910,000	900,000	900,000	750,000
On Street Parking	420,000	370,500	287,500	287,500	287,500	325,000	250,000
Total Revenues	1,270,000	1,270,500	1,405,500	1,468,500	1,463,230	1,405,500	1,405,500

APPROPRIATIONS							
Operations:							
Salaries and Wages	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 300,000	\$ 300,000
Other Expenses	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Capital Improvements	139,500	140,000	140,000	140,000	140,000	140,000	140,000
Municipal Debt Service	190,000	190,000	325,000	388,000	382,730	340,000	340,000
Deferred Charges & Statutory Expenditures	25,500	25,500	25,500	25,500	25,500	25,500	25,500
Deficit in Operations	-	-	-	-	-	-	-
Total Appropriations	\$ 1,270,000	\$ 1,270,500	\$ 1,405,500	\$ 1,468,500	\$ 1,463,230	\$ 1,405,500	\$ 1,405,500

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
FUND BALANCE SUMMARY
(UNAUDITED)**

J-2

	2013	2012	2011	2010	2009	2008	2007
<u>CURRENT FUND</u>							
Fund Balance, Beginning	\$ 4,103,440	\$ 3,657,191	\$ 3,072,548	\$ 7,894,909	\$ 6,656,985	\$ 10,085,941	\$ 7,412,887
Generated Current Year	1,278,791	3,171,249	3,309,643	1,137,639	5,237,924	3,571,044	7,673,054
Utilized Current Year	(3,350,000)	(2,725,000)	(2,725,000)	(5,960,000)	(4,000,000)	(7,000,000)	(5,000,000)
Fund Balance, Ending	<u>\$ 2,032,231</u>	<u>\$ 4,103,440</u>	<u>\$ 3,657,191</u>	<u>\$ 3,072,548</u>	<u>\$ 7,894,909</u>	<u>\$ 6,656,985</u>	<u>\$ 10,085,941</u>
<u>PUBLIC PARKING UTILITY FUND</u>							
Fund Balance, Beginning	\$ 851,366	\$ 869,588	\$ 868,204	\$ 865,682	\$ 1,005,142	\$ 1,283,793	\$ 1,558,774
Generated Current Year	770,931	558,278	785,884	850,022	636,270	401,849	630,519
Utilized Current Year - Utility Fund	(150,000)	-	(208,000)	(271,000)	(275,730)	(180,500)	(405,500)
Utilized Current Year - Current Fund	(576,500)	(576,500)	(576,500)	(576,500)	(500,000)	(500,000)	(500,000)
Fund Balance, Ending	<u>\$ 895,797</u>	<u>\$ 851,366</u>	<u>\$ 869,588</u>	<u>\$ 868,204</u>	<u>\$ 865,682</u>	<u>\$ 1,005,142</u>	<u>\$ 1,283,793</u>

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
TAX LEVY AND COLLECTION DATA
(UNAUDITED)**

	2013	2012	2011	2010	2009	2008	2007
<u>CURRENT YEAR % COLLECTION RATES</u>							
Current Tax Levy	\$ 156,915,929	\$ 155,216,881	\$ 149,728,425	\$ 140,328,258	\$ 135,359,822	\$ 130,698,612	\$ 125,611,481
Current Collections	\$ 153,965,693	\$ 152,032,026	\$ 145,535,156	\$ 135,206,720	\$ 131,769,464	\$ 127,473,140	\$ 122,477,194
Percentage of Collections	98.12%	97.95%	97.20%	96.35%	97.35%	97.53%	97.50%

DELINQUENT TAX %

Delinquent Taxes	\$ 3,363,414	\$ 3,560,005	\$ 3,113,812	\$ 3,307,479	\$ 3,272,990	\$ 3,243,768	\$ 2,950,281
Tax Title Liens	-	-	-	-	-	-	-
Total Delinquent	\$ 3,363,414	\$ 3,560,005	\$ 3,113,812	\$ 3,307,479	\$ 3,272,990	\$ 3,243,768	\$ 2,950,281
Tax Levy	\$ 156,915,929	\$ 155,216,881	\$ 149,728,425	\$ 140,328,258	\$ 135,359,822	\$ 130,698,612	\$ 125,611,481
Percentage of Tax Levy	2.14%	2.29%	2.08%	2.36%	2.42%	2.48%	2.35%

PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES

Recorded at - Assessed Valuation	\$ 1,311,800	\$ 1,311,800	\$ 1,311,800	\$ 1,184,600	\$ 1,184,600	\$ 1,184,600	\$ 1,184,600
----------------------------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------

ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
 ASSESSED AND COUNTY EQUALIZED VALUATION DATA
 (UNAUDITED)

Description	2013		2012		2011		2010		2009		2008		2007		2006	
	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
NET VALUATIONS TAXABLE																
Vacant Land	260	\$ 48,369,100	243	\$ 47,731,400	242	\$ 39,988,200	238	\$ 57,531,800	226	\$ 53,414,800	231	\$ 57,457,000	226	\$ 52,587,500	285	\$ 24,413,900
Residential	8218	1,995,196,200	8221	1,998,662,800	8227	2,000,415,500	8240	2,704,803,000	8241	2,720,209,500	8248	2,728,447,600	8202	2,749,255,400	8121	954,256,400
Farm (Regular)	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Farm (Qualified)	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Commercial	1008	1,718,956,070	1018	1,740,230,570	1021	1,794,497,900	1008	1,929,082,100	1012	1,964,528,500	1016	1,987,365,400	1020	2,007,826,000	1003	766,726,700
Industrial	227	288,435,400	230	295,561,200	230	296,636,900	236	323,600,400	236	335,371,000	236	337,615,700	236	342,569,200	238	140,085,800
Apartments	209	879,727,000	208	891,042,000	208	913,359,200	207	969,174,000	208	998,181,600	206	1,079,890,500	207	1,121,889,200	208	374,163,800
Sub-Total	9922	4,930,683,770	9920	4,973,227,970	9928	5,044,897,700	9929	5,984,191,300	9923	6,071,705,400	9937	6,190,776,200	9891	6,274,127,300	9855	2,259,646,600
Personal Property		21,534,684		21,534,684		26,094,565		28,273,057		24,540,672		26,667,333		24,503,789		11,063,274
Net Valuations Taxable		4,952,218,454		4,994,762,654		5,070,992,265		6,012,464,357		6,096,246,072		6,217,443,533		6,298,631,089		2,270,709,874
Bergen County Equalization Adjustment		654,979,666		751,979,131		446,420,327		118,023,236		437,169,117		(273,533,481)		(409,838,531)		2,743,277,681
Bergen County Equalized Valuations		<u>\$ 5,607,198,120</u>		<u>\$ 5,746,741,785</u>		<u>\$ 5,517,412,592</u>		<u>\$ 6,130,487,593</u>		<u>\$ 6,533,415,189</u>		<u>\$ 5,943,910,052</u>		<u>\$ 5,888,792,558</u>		<u>\$ 5,013,987,555</u>
Bergen County Equalization Ratio		89.10%		87.65%		92.90%		99.16%		94.20%		105.79%		108.12%		45.70%
Average Improved Residential Assessment		<u>\$ 242,784</u>		<u>\$ 243,117</u>		<u>\$ 243,152</u>		<u>\$ 328,253</u>		<u>\$ 330,082</u>		<u>\$ 330,801</u>		<u>\$ 335,193</u>		<u>\$ 117,505</u>
Residential Load %		58.05%		57.85%		57.46%		61.11%		60.99%		61.25%		61.46%		58.50%
Non-Residential Load %		41.95%		42.15%		42.54%		38.89%		39.01%		38.75%		38.54%		41.50%
		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>

CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
TAX REQUIREMENT AND RATE DATA
(UNAUDITED)

	2013	2012**	2011	2010	2009	2008	2007
<u>TAX REQUIREMENTS</u>							
County	\$ 12,598,923	\$ 12,102,241	\$ 10,815,562	\$ 11,739,996	\$ 11,693,293	\$ 10,286,001	\$ 9,887,410
County Open Space	140,180	143,669	137,935	153,262	653,342	594,391	588,879
District School	70,482,192	68,099,979	65,943,131	62,433,400	61,883,694	58,652,691	56,010,195
Municipal Open Space	-	-	-	-	-	-	-
Municipal - Local	74,174,863	72,235,316	70,765,881	65,641,005	60,758,874	60,761,043	58,290,255
Municipal - Library	1,867,718	2,000,208	1,976,806	-	-	-	-
Total Tax Requirements	<u>\$ 159,263,876</u>	<u>\$ 154,581,413</u>	<u>\$ 149,639,315</u>	<u>\$ 139,967,663</u>	<u>\$ 134,989,203</u>	<u>\$ 130,294,126</u>	<u>\$ 124,776,739</u>
<u>TAX RATES</u>							
County	0.255	0.243	0.214	0.196	0.192	0.166	0.157
County Open Space	0.003	0.003	0.003	0.003	0.011	0.010	0.010
District School	1.424	1.363	1.300	1.038	1.015	0.943	0.889
Municipal Open Space	-	-	-	-	-	-	-
Municipal - Local	1.498	1.446	1.395	1.091	0.997	0.978	0.934
Municipal - Library	0.037	0.040	0.039	-	-	-	-
Total Tax Rates	<u>3.217</u>	<u>3.095</u>	<u>2.951</u>	<u>2.328</u>	<u>2.215</u>	<u>2.097</u>	<u>1.990</u>

**Reassessment Year

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
RATIO OF GROSS AND NET DEBT TO COUNTY EQUALIZED VALUE AND DEBT PER CAPITA
(UNAUDITED)**

	2013	2012	2011	2010	2009	2008	2007
Population (Est. as of 7/1)	44,113	43,845	43,285	43,060	42,839	42,637	42,634
County Equalized Valuation	\$ 5,607,198,120	\$ 5,746,741,785	\$ 5,517,412,592	\$ 6,130,487,593	\$ 6,533,415,189	\$ 5,943,910,052	\$ 5,888,792,558
Gross Debt	\$ 41,653,620	\$ 46,109,076	\$ 51,405,688	\$ 55,856,739	\$ 41,991,600	\$ 41,882,709	\$ 41,750,611
Gross Debt Per Capita	\$ 944	\$ 1,052	\$ 1,188	\$ 1,297	\$ 980	\$ 982	\$ 979
Ratio of Gross Debt to County Equalized Valuations	0.74%	0.80%	0.93%	0.91%	0.64%	0.70%	0.71%
Net Debt	\$ 28,090,798	\$ 40,131,889	\$ 43,523,004	\$ 41,551,839	\$ 25,075,774	\$ 24,511,358	\$ 30,104,449
Ratio of Net Debt to County Equalized Valuations	0.50%	0.70%	0.79%	0.68%	0.38%	0.41%	0.51%
Net Debt per Capita	\$ 637	\$ 915	\$ 1,005	\$ 965	\$ 585	\$ 575	\$ 706

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
LEGAL DEBT MARGIN
(UNAUDITED)**

J-7

	2013	2012	2011	2010	2009	2008	2007
Equalized Valuation Basis (State)	\$ 5,530,195,914	\$ 5,746,502,303	\$ 5,999,942,193	\$ 6,199,080,142	\$ 6,208,608,875	\$ 6,090,011,322	\$ 5,549,797,748
Municipal Borrowing Power:							
3 1/2% of Equalized Valuation Basis	\$ 193,556,857	\$ 201,127,581	\$ 209,997,977	\$ 216,967,805	\$ 217,301,311	\$ 213,150,396	\$ 194,242,921
Net Debt	28,090,798	40,131,889	43,523,004	41,551,839	25,075,774	24,511,358	30,104,449
Remaining Borrowing Power	\$ 165,466,059	\$ 160,995,692	\$ 166,474,973	\$ 175,415,966	\$ 192,225,537	\$ 188,639,038	\$ 164,138,472
School Borrowing Power:							
4% of Equalized Valuation Basis	\$ 221,207,837	\$ 229,860,092	\$ 239,997,688	\$ 247,963,206	\$ 248,344,355	\$ 243,600,453	\$ 221,991,910
Net School Debt	4,160,000	4,780,000	5,690,634	6,320,634	6,898,634	7,483,634	7,915,328
School Borrowing Margin Available	\$ 217,047,837	\$ 225,080,092	\$ 234,307,054	\$ 241,642,572	\$ 241,445,721	\$ 236,116,819	\$ 214,076,582

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
DIRECT AND OVERLAPPING DEBT
(UNAUDITED)**

	2013	2012	2011	2010	2009
GROSS DIRECT DEBT					
Municipal Debt	\$ 37,493,620	\$ 41,329,076	\$ 45,715,054	\$ 49,536,739	\$ 35,092,966
Local School Debt	4,160,000	4,780,000	5,690,634	6,320,000	6,898,634
	<u>\$ 41,653,620</u>	<u>\$ 46,109,076</u>	<u>\$ 51,405,688</u>	<u>\$ 55,856,739</u>	<u>\$ 41,991,600</u>

OVERLAPPING DEBT					
County of Bergen (1)	\$ 45,688,783	\$ 43,539,934	\$ 38,469,440	\$ 41,692,335	\$ 39,619,989
Passaic Valley Sewerage Authority (2)	20,692,135	21,434,283	24,292,282	24,022,194	27,258,148
	<u>\$ 66,380,918</u>	<u>\$ 64,974,217</u>	<u>\$ 62,761,722</u>	<u>\$ 65,714,529</u>	<u>\$ 66,878,137</u>

(1) County Debt:

Municipal Equalized Valuations	\$ 5,607,198,120	\$ 5,746,741,785	\$ 5,517,412,592	\$ 6,130,487,593	\$ 6,533,415,189
Total County Equalized Valuations	\$ 165,008,934,260	\$ 168,748,014,772	\$ 173,258,537,441	\$ 183,412,099,706	\$ 187,580,071,463
	3.40%	3.41%	3.18%	3.34%	3.48%
County's Outstanding Debt	1,343,787,738	1,276,830,919	1,209,730,830	1,248,273,490	1,138,505,430
	<u>\$ 45,688,783</u>	<u>\$ 43,539,934</u>	<u>\$ 38,469,440</u>	<u>\$ 41,692,335</u>	<u>\$ 39,619,989</u>

(2) Bergen County Utilities Authority Debt:

Hackensack CITY User Fees	\$ 6,064,428	\$ 5,715,113	\$ 5,928,214	\$ 5,244,703	\$ 5,452,302
Total User Fees	\$ 65,668,840	\$ 63,866,441	\$ 61,684,818	\$ 58,635,759	\$ 55,599,600
	9.23%	8.95%	9.61%	8.94%	9.81%
BCUA's Outstanding Debt	224,183,483	239,489,200	252,781,291	268,704,631	277,860,831
	<u>\$ 20,692,135</u>	<u>\$ 21,434,283</u>	<u>\$ 24,292,282</u>	<u>\$ 24,022,194</u>	<u>\$ 27,258,148</u>

Source: County of Bergen; Bergen County Utilities Authority

CITY OF HACKENSACK

ANNUAL FINANCIAL INFORMATION AND OPERATING DATA

RATIO OF ANNUAL DEBT SERVICE APPROPRIATIONS TO TOTAL ADOPTED CURRENT FUND APPROPRIATIONS

(UNAUDITED)

	2013	2012	2011	2010	2009	2008	2007
Serial Bonds:							
Principal	\$ 1,506,000	\$ 2,165,000	\$ 2,080,000	\$ 1,900,000	\$ 1,793,000	\$ 1,640,000	\$ 1,600,000
Interest	800,000	695,000	776,000	881,000	918,450	818,220	638,072
Notes:							
Principal	1,535,000	1,285,000	1,185,000	-	-	-	175,000
Interest	133,200	165,000	265,000	-	-	279,000	121,294
Loans:							
Principal	280,186	275,000	245,000	240,435	250,424	259,611	255,180
Interest	98,261	110,000	86,000	50,703	59,557	85,000	90,587
Capital Lease Obligations:							
Principal	123,000	135,000	126,000	226,596	283,750	269,732	256,979
Interest	29,000	42,000	50,000	53,273	52,600	62,265	71,356
	<u>\$ 4,504,647</u>	<u>\$ 4,872,000</u>	<u>\$ 4,813,000</u>	<u>\$ 3,352,007</u>	<u>\$ 3,357,781</u>	<u>\$ 3,413,828</u>	<u>\$ 3,208,468</u>
Total Current Fund Budget Appropriations	\$ 91,948,414	\$ 89,381,416	\$ 88,436,514	\$ 85,121,580	\$ 79,328,953	\$ 79,584,553	\$ 76,184,199
Ratio of Debt Service to Current Fund Budget Appropriations	<u>4.90%</u>	<u>5.45%</u>	<u>5.44%</u>	<u>3.94%</u>	<u>4.23%</u>	<u>4.29%</u>	<u>4.21%</u>

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
DEMOGRAPHIC STATISTICS
(UNAUDITED)**

J-10

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Average Labor Force Estimates by Municipality:										
Labor Force	24,100	24,336	24,216	24,329	24,501	24,252	24,049	24,285	23,971	24,033
Employment	22,119	22,037	21,906	21,935	22,114	22,815	22,948	22,977	22,767	22,407
Unemployment	1,981	2,299	2,310	2,394	2,387	1,437	1,101	1,308	1,204	1,626
Unemployment Rate	8.2%	9.4%	9.5%	9.8%	9.7%	5.9%	4.6%	5.4%	5.0%	6.8%
Per Capital Personal Income - Bergen Cty.	\$ 69,919	\$ 69,919	\$ 67,240	\$ 63,950	\$ 63,862	\$ 67,375	\$ 67,606	\$ 63,166	\$ 57,745	\$ 55,322

	Estimates as of July 1,									
Subcounty Population Estimates:										
Hackensack CITY	44,113	43,845	43,285	43,060	42,839	42,637	42,634	42,788	43,041	43,101
County of Bergen	925,328	918,888	911,004	906,184	895,250	889,915	885,664	884,581	887,322	890,232

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
TEN LARGEST TAXPAYERS BY ASSESSMENT
(UNAUDITED)**

Taxpayer (Block/Lot)	2013 Assessed Valuation	As a Percent of Total 2013 Net Valuations \$ 4,952,218,454
1 Riverside Square LTD, C/O Simon (504.02/12.02)	\$ 156,048,800	3.15%
2 Hackensack Hospital Assn. (236/1.02)	126,774,000	2.56%
3 Hackensack VF, LLC C/O Vornado Realty (504.02/13.01)	66,000,000	1.33%
4 Stellar Capital %MSNW Contin'l Asc (512.01/6)	51,455,400	1.04%
5 Hackensack University Medical Center (233/12)	50,000,000	1.01%
6 Equity One JV SU Riverfront Plz, LLC (10/1.01)	40,050,300	0.81%
7 GSG Residential Prospect Towers, LLC (341/7.02)	38,902,800	0.79%
8 Pierre Towers, LLC (241/14)	37,000,000	0.75%
9 Bloomingdale's, Inc. (504.02/12.01)	35,917,300	0.73%
10 10 Hackensack Avenue, LLC (514/1)	35,631,700	0.72%
	<u>\$ 637,780,300</u>	12.88%

**CITY OF HACKENSACK
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
VALUE OF NEW CONSTRUCTION, IMPROVEMENTS, ALTERATIONS AND DEMOLITIONS
(UNAUDITED)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
# of New Permits Issued	1,608	1,525	1,542	1,488	1,401	1,528	1,708	1,657	1,735	1,608
# of Permit Updates	188	195	172	148	154	145	137	154	154	109
Value of Construction	\$ 51,696,343	\$ 43,579,063	\$ 57,928,669	\$ 42,703,868	\$ 37,442,094	\$ 95,420,876	\$ 63,192,015	\$ 60,391,248	\$ 61,648,902	\$ 50,388,967

CITY OF HACKENSACK
NJ Comprehensive Annual Financial Report
Single Audit Section

Di Maria & Di Maria LLP
Accountants and Consultants

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890
Facsimile 973.779.6891

Independent Auditors' Report

Honorable Mayor and Members of the City Council
City of Hackensack, County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds and account group of the City of Hackensack, in the County of Bergen (the "City") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2014, which was adverse due to the financial statements being prepared in conformity with the New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

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

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

Di Maria & Di Maria LLP

Independent Auditors' Report (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

We noted certain other matters that we reported to management of the City of Hackensack, New Jersey in a separate letter dated June 30, 2014.

Purpose of this Report

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank DiMaria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2014

**CITY OF HACKENSACK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2013**

Schedule A

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	Award Amount	Grant Period		Balance December 31, 2012	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at
			From	To							December 31, 2013	December 31, 2013	December 31, 2013
General Capital Fund													
<i>U.S. Dept. of Transportation Passed Thru - State of NJ Department of Transportation:</i>													
Waterfront Bikeway & Pedestrian Park - Phase II	20.205	\$ 262,500	01/01/12	12/31/12	\$ (262,500)	\$ -	\$ -	\$ -	100,000	\$ -	(162,500)	\$ -	\$ -
Waterfront Bikeway & Pedestrian Park - Phase II	20.205	200,000	01/01/12	12/31/12	(200,000)	-	-	-	(100,000)	-	(300,000)	-	-
Vreeland Avenue	20.205	93,750	01/01/12	12/31/12	(93,750)	-	-	-	93,750	-	-	-	-
Resurfacing of Mercer, English and Stanley	20.205	6,589	01/01/12	12/31/12	(6,589)	-	-	-	6,589	-	-	-	-
Various Road Impts. - Hudson & Main Streets	20.205	161,620	01/01/13	12/31/13	-	-	-	(161,620)	-	-	(161,620)	-	-
					\$ (562,839)	\$ -	\$ -	\$ (161,620)	\$ 100,339	\$ -	\$ (624,120)	\$ -	\$ -
Federal and State Grant Fund													
Edward J. Byrne Memorial Justice Assistance Grant	N/A	\$ 17,408	01/01/12	12/31/12	\$ (17,408)	\$ -	17,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Edward J. Byrne Memorial Justice Assistance Grant	N/A	17,408	01/01/12	12/31/12	8,530	-	-	(8,530)	-	-	-	-	-
Edward J. Byrne Memorial Justice Assistance Grant	N/A	25,159	01/01/13	12/31/13	-	-	13,715	(13,715)	-	-	(11,444)	11,444	-
COPS Fast	16.710	200,000	01/01/12	12/31/12	(200,000)	-	-	-	-	-	(200,000)	-	-
COPS Fast	16.710	200,000	01/01/12	12/31/12	200,000	-	-	-	-	-	-	200,000	-
<i>U.S. Dept. of Transportation - Passed Thru - NJ Department of Transportation:</i>													
Kennedy Street	20.205	212,045	01/01/12	12/31/12	(42,280)	-	-	-	42,280	-	-	-	-
Kennedy Street	20.205	212,045	01/01/12	12/31/12	16,524	-	-	-	(16,524)	-	-	-	-
Main Street	20.205	27,703	01/01/13	12/31/13	-	-	27,703	(27,703)	-	-	-	-	-
<i>U.S. Dept. of Homeland Security - Passed Thru - NJ Department of Law & Public Safety:</i>													
Emergency Management Grant	97.042	5,000	01/01/12	12/31/12	(5,000)	-	5,000	-	-	-	-	-	-
Emergency Management Grant	97.042	5,000	01/01/12	12/31/12	10,226	-	-	(10,000)	(226)	-	-	-	-
Emergency Management Grant	97.042	5,000	01/01/13	12/31/13	-	-	-	-	-	-	(5,000)	5,000	-
Emergency Operation Center	97.044	300,000	01/01/08	12/31/08	(300,000)	-	-	-	-	-	(300,000)	-	-
Emergency Operation Center	97.044	300,000	01/01/08	12/31/08	300,000	-	-	-	-	-	-	300,000	-
Assistance to Firefighters	97.044	66,600	01/01/08	12/31/08	87	-	-	(87)	-	-	-	-	-
Assistance to Firefighters	97.044	1,500	01/01/09	12/31/09	1,500	-	-	-	(1,500)	-	-	-	-
<i>U.S. Dept. of Agriculture - Passed Thru - NJ Department of Agriculture:</i>													
Child Nutrition Summer Program	10.559	131,829	01/01/12	12/31/12	(57,904)	-	57,904	-	-	-	-	-	-
Child Nutrition Summer Program	10.559	131,829	01/01/12	12/31/12	66,317	-	-	(66,317)	-	-	-	-	-
Child Nutrition Summer Program	10.559	132,815	01/01/13	12/31/13	-	-	45,493	(19,480)	(8,249)	-	(29,419)	47,183	-
ARRA - Chronic Disease Self Management	93.725	12,060	01/01/11	12/31/11	2,062	-	-	-	(2,062)	-	-	-	-
ARRA - Chronic Disease Self Management	93.725	11,500	01/01/13	12/31/13	-	-	11,500	(11,500)	-	-	-	-	-
<i>U.S. Dept. of Homeland Security - Passed Thru - NJ Department of Law & Public Safety:</i>													
FEMA Fire Preparedness	97.044	111,895	01/01/10	12/31/10	750	-	-	-	(750)	-	-	-	-
U.S. Dept. of Justice - Bullet Proof Vest Partnership	16.710	22,909	01/01/11	12/31/11	(1,221)	-	1,221	-	-	-	-	-	-
U.S. Dept. of Justice - Bullet Proof Vest Partnership	16.710	22,909	01/01/11	12/31/11	1,221	-	-	(1,221)	-	-	-	-	-
U.S. Dept. of Justice - Bullet Proof Vest Partnership	16.710	7,960	01/01/13	12/31/13	-	-	-	(1,788)	-	-	(7,960)	6,172	-
					\$ (16,596)	\$ -	\$ 179,944	\$ (160,341)	\$ 12,969	\$ -	\$ (553,823)	\$ 569,799	\$ -
Total Federal Financial Assistance					\$ (579,435)	\$ -	\$ 179,944	\$ (321,961)	\$ 113,308	\$ -	\$ (1,177,943)	\$ 569,799	\$ -

**CITY OF HACKENSACK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
Year Ended December 31, 2013**

Schedule B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance December 31, 2012	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at
			From	To							December 31, 2013	December 31, 2013	December 31, 2013
<i>State of N.J., Department of Environmental Protection --</i>													
Clean Communities Program	042-4900-765-004	\$ 59,073	01/01/11	12/31/11	\$ 114	\$ -	\$ -	\$ (114)	\$ -	\$ -	\$ -	\$ -	\$ -
Clean Communities Program	042-4900-765-004	58,153	01/01/12	12/31/12	44,882	-	-	(44,882)	-	-	-	-	-
Clean Communities Program	042-4900-765-004	68,276	01/01/13	12/31/13	-	-	68,276	(37,946)	-	-	-	30,330	-
Recycling Tonnage Grant	042-4900-752-001	27,062	01/01/11	12/31/11	1,616	-	-	(1,616)	-	-	-	-	-
Recycling Tonnage Grant	042-4900-752-001	75,356	01/01/12	12/31/12	75,356	-	-	(18,363)	-	-	-	56,993	-
Recycling Tonnage Grant	042-4900-752-001	56,444	01/01/13	12/31/13	-	-	56,444	-	-	-	-	56,444	-
Energy Conservation Grant	N/A	201,700	01/01/10	12/31/10	(55,034)	-	-	-	-	-	(6,804)	-	-
Energy Conservation Grant	N/A	201,700	01/01/10	12/31/10	55,033	-	-	(48,229)	-	-	-	6,804	-
Hazardous Site Remediation Fund	N/A	82,192	01/01/09	12/31/09	(7,472)	-	-	-	-	-	(7,472)	-	-
Hazardous Site Remediation Fund	N/A	82,192	01/01/09	12/31/09	6,096	-	-	(30)	-	-	-	6,066	-
Municipal Recycling Assistance Program	N/A	12,746	01/01/07	12/31/07	12,746	-	-	-	-	-	-	12,746	-
<i>State of N.J., Department of Law and Public Safety --</i>													
Body Armor Replacement Program	1020-718-001	10,214	01/01/11	12/31/11	10,214	-	-	(10,214)	-	-	-	-	-
Body Armor Replacement Program	1020-718-001	10,482	01/01/12	12/31/12	10,482	-	-	(4,179)	(6,303)	-	-	-	-
Body Armor Replacement Program	1020-718-001	13,286	01/01/13	12/31/13	-	-	13,286	-	-	-	-	13,286	-
Pedestrian Safety Grant	N/A	16,000	01/01/12	12/31/12	(16,000)	-	16,000	-	-	-	-	-	-
Pedestrian Safety Grant	N/A	16,000	01/01/12	12/31/12	11,975	-	-	(11,975)	-	-	-	-	-
Drunk Driving Enforcement Fund	6400-100-078-6400	7,393	01/01/10	12/31/10	1,801	-	-	-	(1,801)	-	-	-	-
Click It or Ticket	20.602	4,000	01/01/13	12/31/13	-	-	4,000	(4,000)	-	-	-	-	-
Safe & Secure Communities Grant	1020-100-232	120,000	01/01/12	12/31/12	(114,292)	-	114,292	-	-	-	-	-	-
Safe & Secure Communities Grant	1020-100-232	120,000	01/01/12	12/31/12	12,200	-	-	(12,200)	-	-	-	-	-
Safe & Secure Communities Grant	1020-100-232	60,000	01/01/13	12/31/13	-	-	45,001	(45,000)	-	-	(14,999)	15,000	-
ADA Curb Ramp Improvement Project	N/A	126,400	01/01/13	12/31/13	-	-	60,500	(126,400)	-	-	(65,900)	-	-
<i>State of N.J., Department of Treasury --</i>													
Enhanced 911 Program Grant	2034-100-050	56,790	01/01/07	12/31/07	3,525	-	-	-	(3,525)	-	-	-	-
<i>State of N.J., Department of Health & Human Services --</i>													
Municipal Alliance on Alcoholism & Drug Abuse - State	N/A	15,759	01/01/12	12/31/12	(15,759)	-	14,557	-	1,202	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse - State	N/A	15,759	01/01/12	12/31/12	2,018	-	-	(2,018)	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse - Local	N/A	3,940	01/01/12	12/31/12	1,617	-	-	(1,617)	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse - State	N/A	15,279	01/01/13	12/31/13	-	-	-	(14,145)	(202)	-	(15,279)	932	-
Municipal Alliance on Alcoholism & Drug Abuse - Local	N/A	3,819	01/01/13	12/31/13	-	-	3,819	(1,132)	(300)	-	-	2,387	-
Total State Financial Assistance					\$ 41,118	\$ -	\$ 444,405	\$ (384,060)	\$ (10,929)	\$ -	\$ (110,454)	\$ 200,988	\$ -

**CITY OF HACKENSACK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
Year Ended December 31, 2013**

Note 1 - General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the City of Hackensack, County of Bergen, State of New Jersey. The City of Hackensack is defined in Note I to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting. This basis of accounting is described in Note 2 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3 - Relationship to General-Purpose Financial Statements

Organization

The City of Hackensack, New Jersey is the prime sponsor and recipient of various federal and state grant funds. The City has delegated the general administration of grant programs and the reporting function to the City Treasurer. Substantially all grant and program cash funds are commingled with the City's other funds, although each grant is accounted for separately within the City's financial records. The City Treasurer's office performs accounting functions for all grants.

Basis of Accounting

The City's grants are presented on the modified accrual basis of accounting utilizing the following methods:

Current Fund Grants -

In accordance with a directive from the State Department of Community Affairs, Division of Local Government Services, all grant revenues and expenditures are fully realized within the current fund budget and corresponding receivables and spending reserves are recorded to account for grant activity.

Trust Fund and Capital Fund Grants -

In accordance with accounting principles prescribed by the State of New Jersey, grant receivables are offset with grant spending reserves.

Local Contributions

Local matching contributions are raised in the current fund budget. The percentage of matching contributions varies with each program. Local and state shares of grants are reflected separately on the Schedule of State Financial Assistance.

**CITY OF HACKENSACK
 NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
 STATE FINANCIAL ASSISTANCE
 Year Ended December 31, 2013**

Note 3 - Relationship to General-Purpose Financial Statements (continued)

Expenditures

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect actual cash disbursements charged directly to a grant program and, in certain instances, do not include allocated expenses or accrued expenses. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, are transferred to current fund balance when the grant is closed out.

Expenditures per Financial Reports

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2013 to December 31, 2013.

Note 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.

Note 5 - Federal and State Loans Outstanding

The Township had the following federal and state loans outstanding at December 31, 2012:

<u>General Capital Fund (Paid by the Current Fund):</u>	
NJEIT Wastewater Treatment	\$ 2,115,450
Green Acres	435,427
	<u>\$ 2,550,877</u>

Note 6 - Contingencies

Each of the grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy, efficiency and program results.

**CITY OF HACKENSACK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2013**

Section I -- Summary of Auditors' Results

Financial Statements

- A) Type of auditors' report issued: Adverse - GAAP; Qualified - Regulatory
- B) Internal control over financial reporting:
1. Material weakness(es) identified? X yes no
 2. Significant deficiency(ies) identified? yes X no
- C) Noncompliance material to general-purpose financial statements noted? yes X no

**CITY OF HACKENSACK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2013**

Section II -- Financial Statement Findings

None

**CITY OF HACKENSACK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2013**

Section III -- Federal and State Award Findings and Questioned Costs

Current Year

Federal Awards:

None

State Awards:

None

**CITY OF HACKENSACK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2013**

Not Applicable - None in 2012

CITY OF HACKENSACK

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Cash Cycle

Ref.

There are old outstanding checks drawn on various bank accounts.

1.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Revenues/Receipts Cycle

Ref.

General

There is significant lack of controls regarding local service billing, and reimbursements most notably from the Hackensack Board of Education and Hackensack University Medical Center. 2.

Municipal Court

Disbursement checks in the general and bail accounts require only one authorizing signature. 3.

There were 301 tickets assigned but not issued over 180 days listed on the monthly management report. 4.

It is suggested that the City contract with a private collection agency to collect outstanding municipal court debts. N/A

Construction Official

None

Recreation

Funds collected were not deposited or remitted to a central cashier within 48 hours of receipt in accordance with N.J.S.A. 40A:5-15. 5.

Tax Collector

Hackensack University Medical Center - Approximately \$1M in unpaid real estate taxes remain unpaid without any evidence of collection action. 6.

Bergen County 355 Main Street - Approximately \$400k in unpaid real estate taxes remain unpaid without any evidence of collection action. 6.

Sanitation

Funds collected were not deposited or remitted to a central cashier within 48 hours of receipt in accordance with N.J.S.A. 40A:5-15. 5.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

<u>Expenditures/Disbursements Cycle</u>	<u>Ref.</u>
The resolution appointing a qualified purchasing agent did not contain an amount setting the bid threshold.	7.,8.
There were significant instances of the use of "emergency purchases" particularly in the area of vehicle maintenance, whereby no emergency procurement report was ever filed with the Division of Local Government Services.	7.,8.
Quotes were not obtained in all required instances.	7.,8.
There were numerous errors and omissions with regard to professional service contracts, including: Missing approving resolutions Missing contracts Missing advertisements Missing certification of availability of funds	7.,8.
There were a significant number of instances whereby goods and services were ordered outside of the City's procurement system.	7.,8.
Many city fees established by ordinance were incorrectly "contra-ed" or "refunded" back to budget appropriations.	7.,8.
There are some professional services paid through payroll.	7.,8.
There were instances of incorrect use of capital improvement fund preliminary plan expenses.	7.,8.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

<u>Payroll Cycle</u>	<u>Ref.</u>
Errors were noted in the calculation of two payments for accumulated absences.	9.
Payments for accumulated absences were not authorized by resolution.	10.
Controls regarding electronic disbursement for payroll purposes were not implemented in accordance with N.J.A.C. 5:30-17.	11.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Fixed Assets

Ref.

There was a difference in the City's opening fixed asset balance than that contained in the December 31, 2012 audit. N/A

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Long-Term Debt

Ref.

There is a very significant and material tax appeal situation in the City. The potential refunds, if successful, are extraordinary and could seriously impact the City's overall financial condition. 12.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Other Significant Matters

Ref.

There are significant aged improvement authorization balances which have not been reviewed and cleared of record. 13.

There are significant aged trust balances which have not been reviewed and cleared of record. 14.

Disclosures for Post-Retirement Benefits were not prepared in accordance with State Regulations. 15.

Not all Trust accounts were established in accordance with State Regulations pertaining to Dedication by Rider. 16.

Non-compliance pertaining to the City's continuing disclosure obligation has been identified. 17.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Recommendations

1. That old outstanding checks drawn on various accounts be reviewed and cleared of record.*
2. That internal controls be implemented regarding service and reimbursement billing.
3. That disbursement checks for the municipal court general and bail accounts be made to require at least two authorizing signatures.
4. That municipal court tickets assigned but not issued over 180 days be recalled and reissued.
5. That all fund collected be remitted to central cashier or deposited within 48 hours as required by N.J.S.A. 40A:5-15.*
6. That efforts be made to collect old delinquent real estate tax balances from HUMC and the County of Bergen.
7. That strict adherence be made to all aspects of the local public contracts law N.J.S.A 40A:11-1, et seq, and related regulations.
8. That the Chief Financial Officer review all procurement internal control policies and make specific recommendations for improvement to the governing body.
9. That controls be implemented in calculating payments for accumulated absences.
10. That all payments for accumulated absences be authorized by resolution.
11. That controls be implemented in accordance with N.J.A.C. 5:30-17 regarding electronic disbursement controls for payroll purposes.
12. That the Chief Financial Officer, along with the tax assessor develop a plan to address outstanding tax appeals.
13. That a review of aged improvement authorization balances be made, and proper disposition be made of completed projects with balances.
14. That a review of aged trust balances be made, and proper disposition be made of dormant accounts.
15. That required disclosures pertaining to post-employment benefits be prepared.
16. That all Trust Accounts be established in accordance with State Regulations regarding Dedication by Rider.
17. That the City retain the services of a registered municipal financial advisor to evaluate compliance with SEC continuing disclosure regulations, and provide dissemination agent services for years going forward.

**CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2013**

Status of Prior Years' Recommendations

A review was made of all prior year's recommendations, and corrective action was taken on all with the exception of those denoted with an asterisk (*).

The synopsis of this report, together with the recommendations must be published as required by statute. We wish to express our appreciation of the assistance and courtesies extended by the Municipal Officials during the course of the audit.

**DI MARIA & DI MARIA LLP
Accountants and Consultants**

Frank DiMaria

**Registered Municipal Accountant
RMA No. CR00463**

June 30, 2014