

**CITY OF HACKENSACK
COUNTY OF BERGEN, NEW JERSEY**

**REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2019**

CITY OF HACKENSACK

Part I

Report on Audit of Financial Statements and Supplementary Schedules

CITY OF HACKENSACK
 REPORT OF AUDIT
 YEAR ENDED DECEMBER 31, 2019
 TABLE OF CONTENTS

<u>Ref.</u>		<u>Page</u>
<u>Part I - Report on Audit of Financial Statements and Supplementary Schedules</u>		
	Independent Auditors' Report.....	1
Financial Statements:		
A	Current Fund--Comparative Balance Sheet (Regulatory Basis).....	4
A-1	Current Fund--Comparative Statement of Operations and Changes in Fund Balance (Regulatory Basis).....	6
A-2	Current Fund--Statement of Revenues (Regulatory Basis).....	7
A-3	Current Fund--Statement of Expenditures (Regulatory Basis).....	9
B	Trust Fund--Comparative Balance Sheet (Regulatory Basis).....	18
C	General Capital Fund--Comparative Balance Sheet (Regulatory Basis).....	20
C-1	General Capital Fund--Comparative Statement of Changes in Fund Balance (Regulatory Basis).....	21
D	Public Parking Utility Fund--Comparative Balance Sheet (Regulatory Basis).....	22
D-1	Public Parking Utility Operating Fund--Comparative Statement of Operations and Changes in Fund Balance (Regulatory Basis)	23
D-2	Public Parking Utility Capital Fund--Comparative Statement of Changes in Fund Balance (Regulatory Basis)	24
D-3	Public Parking Utility Operating Fund--Statement of Revenues (Regulatory Basis).....	25
D-4	Public Parking Utility Operating Fund--Statement of Expenditures (Regulatory Basis).....	26
E	General Fixed Asset Account Group--Comparative Balance Sheet (Regulatory Basis).....	27
E-1	General Fixed Asset Account Group--Comparative Statement of Changes in Fund Balance (Regulatory Basis).....	28
Notes to Financial Statements:		
	Note 1 - Reporting Entity, Organization and Function.....	30
	Note 2 - Summary of Significant Accounting Policies.....	31
	Note 3 - Cash and Cash Equivalents.....	40
	Note 4 - Investments.....	41
	Note 5 - Fixed Assets.....	42
	Note 6 - Municipal Debt.....	43
	Note 7 - Risk Management.....	56
	Note 8 - Interfunds.....	57
	Note 9 - Deferred Charges to be Raised in Succeeding Budgets.....	58
	Note 10 - Retirement Plans.....	59
	Note 11 - Other Post Employment Benefits.....	75
	Note 12 - Contingencies.....	78
	Note 13 - Fund Balances Appropriated.....	79
	Note 14 - Economic Dependency.....	80
	Note 15 - Subsequent Events.....	81

CITY OF HACKENSACK
 REPORT OF AUDIT
 YEAR ENDED DECEMBER 31, 2019
 TABLE OF CONTENTS

<u>Ref.</u>		<u>Page</u>
<u>Part I - Report on Audit of Financial Statements and Supplementary Schedules (Continued)</u>		
Supplementary Schedules:		
<u>Current Fund</u>		
A-5	Statement of Change Funds.....	84
A-6	Statement of Delinquent Taxes Receivable.....	85
A-7	Statement of Property Acquired for Taxes - Assessed Valuation.....	86
A-8	Statement of Deferred Charges.....	87
A-10	Statement of Grants Receivable.....	88
A-12	Statement of Appropriated Reserves.....	89
A-13	Statement of Unappropriated Reserves.....	90
<u>Trust Fund</u>		
B-1	Statement of Animal Control Trust Fund Reserve.....	92
B-2	Statement of Municipal Open Space Trust Fund Reserve.....	93
B-3	Statement of Community Development Trust Fund Reserve.....	94
B-4	Statement of Other Trust Fund Reserves.....	95
<u>General Capital Fund</u>		
C-2	Statement of Cash - Treasurer (General Capital Account).....	
C-3	Analysis of Cash.....	
C-4	Statement of Grants Receivable.....	97
C-5	Statement of Deferred Charges to Future Taxation - Funded.....	98
C-6	Statement of Deferred Charges to Future Taxation - Unfunded.....	99
C-7	Statement of Serial Bonds Payable.....	100
C-8	Statement of Capital Lease Obligations Payable.....	101
C-9	Statement of Loans Payable.....	102
C-10	Statement of Bond Anticipation Notes Payable.....	103
C-11	Statement of Improvement Authorizations.....	104
C-12	Statement of Capital Improvement Fund.....	105
C-13	Statement of Reserve for Preliminary Plan Expenses.....	106
C-14	Statement of Reserve for Debt Service.....	107
C-15	Statement of Bonds and Notes Authorized but not Issued.....	108

CITY OF HACKENSACK
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2019
TABLE OF CONTENTS

<u>Ref.</u>		<u>Page</u>
	<u>Part I - Report on Audit of Financial Statements and Supplementary Schedules (Continued)</u>	
	Supplementary Schedules (Continued):	
	<u>Public Parking Utility Fund</u>	
D-5	Public Parking Utility Operating Fund--Statement of Cash--Treasurer.....	110
D-6	Public Parking Utility Capital Fund--Statement of Cash--Change Fund.....	111
D-7	Public Parking Utility Capital Fund--Analysis of Cash.....	112
D-8	Public Parking Utility Operating Fund--Statement of Appropriation Reserves (2018).....	113
D-9	Public Parking Utility Operating Fund--Statement of Accrued Interest on Bonds.....	114
D-10	Public Parking Utility Capital Fund--Statement of Fixed Capital.....	115
D-11	Public Parking Utility Capital Fund--Statement of Fixed Capital Authorized and Uncompleted.....	116
D-12	Public Parking Utility Capital Fund--Statement of Bond Anticipation Notes Payable.....	117
D-13	Public Parking Utility Capital Fund--Statement of Reserve for Amortization.....	118
D-14	Public Parking Utility Capital Fund--Statement of Capital Improvement Fund.....	119
D-15	Public Parking Utility Capital Fund--Statement of Improvement Authorizations.....	120
D-16	Public Parking Utility Capital Fund--Statement of Bonds and Notes Authorized but not Issued.....	121

CITY OF HACKENSACK
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2019
TABLE OF CONTENTS

<u>Ref.</u>	<u>Page</u>
<u>Part II - Government Auditing Standards</u>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards -	
Independent Auditors' Report.....	123
Schedule of Expenditures of Federal Awards.....	125
Schedule of Expenditures of State Financial Assistance.....	126
Notes to Schedules of Federal Awards and State Financial Assistance.....	127
Schedule of Findings and Questioned Costs.....	130
Summary Schedule of Prior Audit Findings.....	135
<u>Part III - Supplementary Data and Letter of Comments and Recommendations</u>	
Tax Requirement and Rate Data.....	137
Tax Levy and Collection Data.....	138
Fund Balance Summaries.....	139
Roster of Officials.....	140
Cash Cycle.....	141
Revenues/Receipts Cycle.....	142
Expenditures/Disbursements Cycle.....	143
Fixed Assets.....	144
Payroll Cycle.....	145
Public Parking Utility.....	146
Other Significant Matters.....	147
Recommendations.....	148
Status of Prior Years' Recommendations.....	149

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the City of Hackensack, as of December 31, 2019 and 2018, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independent Auditors' Report (Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed above in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the City of Hackensack as of December 31, 2019 and 2018, or changes in financial position, or, where applicable, cash flows for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The notes to the City of Hackensack's financial statements do not disclose the other post employment benefit obligations related to post-retirement medical benefits provided to its eligible retirees and their dependents as required by Government Accounting Standards Board Statement Number 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In our opinion, disclosure of that information is required to conform with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the omission of the note disclosure regarding the other post-employment benefit obligations, as described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph above, the financial statements - regulatory basis referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the City of Hackensack as of December 31, 2019 and 2018, and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the respective revenues - regulatory basis and expenditures - regulatory basis of the various funds for the year ended December 31, 2019 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Independent Auditors' Report (Continued)

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Hackensack as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance and the supplementary data and letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Hackensack.

The supplementary schedules listed in the table of contents, schedule 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1 .

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2019 on our consideration of the City of Hackensack'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 of Hackensack's internal control over financial reporting and compliance.

DI MARIA & DI MARIA LLP

Accountants and Advisors

Frank Di Maria

Frank Di Maria

Registered Municipal Accountant

RMA No. CR00463

September 30, 2020

CITY OF HACKENSACK
 CURRENT FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Current Fund</u>			
<u>Assets</u>			
Cash - Current Account.....		\$ 24,201,227	\$ 23,641,682
Cash - Change Funds.....	A-5	450	450
		<u>24,201,677</u>	<u>23,642,132</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable.....	A-6	310	8,616
Property Acquired for Taxes - Assessed Valuation.....	A-7	1,311,800	1,311,800
		<u>1,312,110</u>	<u>1,320,416</u>
Deferred Charges:			
Special Emergency Authorizations.....	A-8	432,000	380,000
		<u>25,945,787</u>	<u>25,342,548</u>
<u>Grant Fund</u>			
<u>Assets</u>			
Interfund Receivable - Current Account.....	A-9	369,742	405,770
Grants Receivable.....	A-10	250,297	188,338
		<u>620,039</u>	<u>594,108</u>
		<u>\$ 26,565,826</u>	<u>\$ 25,936,656</u>

CITY OF HACKENSACK
 CURRENT FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Current Fund</u>			
<u>Liabilities, Reserves and Fund Balance</u>			
Liabilities:			
Interfund Payable - Grant Fund.....	A-9	\$ 369,742	\$ 405,770
Accounts Payable.....		847,821	511,996
Due County for Added & Omitted Taxes.....		2,117	8,049
Due to State of New Jersey.....		29,747	46,534
Appropriation Reserves.....	A-3	3,267,984	3,367,460
Reserve for Encumbrances.....		1,482,971	1,670,019
Pre-Paid Taxes.....		1,629,185	727,788
Tax Overpayments.....		66,722	55,147
Outside Lien Redemptions Payable.....		-	128,512
Reserve for Re-Assessment Expenditures.....		14,000	30,666
Reserve for Tax Map Expenditures.....		156,135	-
Reserve for Tax Appeals.....		445,448	1,234,513
		<u>8,311,872</u>	<u>8,186,454</u>
Reserve for Receivables and Other Assets.....		1,312,110	1,320,416
Fund Balance.....	A-1	<u>16,321,805</u>	<u>15,835,678</u>
		<u>25,945,787</u>	<u>25,342,548</u>
		-	-
<u>Grant Fund</u>			
<u>Liabilities</u>			
Appropriated Reserves.....	A-12	570,427	577,968
Unappropriated Reserves.....	A-13	49,612	16,140
		<u>620,039</u>	<u>594,108</u>
		-	-
		<u>\$ 26,565,826</u>	<u>\$ 25,936,656</u>
		-	-

CITY OF HACKENSACK
 CURRENT FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND
 CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized.....	A-2	\$ 4,000,000	\$ 3,300,000
Miscellaneous Revenue Anticipated.....	A-2	16,327,347	14,191,071
Receipts from Delinquent Taxes.....	A-2	8,616	170,659
Receipts from Current Taxes.....	A-2	184,928,226	184,667,560
Non-Budget Revenue.....	A-2	2,960,769	5,062,990
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves.....	A-1	2,158,548	3,408,630
Other Cancellations & Non-Cash Adjustments.....		-	-
Total Income.....		<u>210,383,506</u>	<u>210,800,910</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Within "CAPS":			
Operations:			
Salaries and Wages.....	A-3	42,931,600	41,916,100
Other Expenses.....	A-3	32,062,230	31,026,674
Statutory Expenditures.....	A-3	11,006,032	9,996,426
Excluded From "CAPS":			
Operations:			
Salaries and Wages.....	A-3	-	-
Other Expenses.....	A-3	9,588,552	9,364,997
Capital Improvements.....	A-3	400,000	400,000
Debt Service.....	A-3	9,538,923	9,717,592
Deferred Charges and Statutory Expenditures.....	A-3	190,000	1,286,719
Reserve for Uncollected Taxes.....	A-3	1,500,000	1,500,000
Local District School Tax.....	A-1:A-6	84,329,910	82,711,318
County Tax.....	A-1:A-6	13,274,661	12,806,081
County Open Space Tax.....	A-1:A-6	574,149	555,609
Added County Taxes.....	A-1:A-6	2,117	8,049
Municipal Open Space Tax.....	A-1:A-6	277,205	-
Special Improvement District Tax.....	A-1:A-6	464,000	430,040
Refund of Prior Year Revenue.....		-	249,536
Total Expenditures.....		<u>206,139,379</u>	<u>201,969,141</u>
Excess in Revenue.....		<u>4,244,127</u>	<u>8,831,769</u>
Adjustments to Income Before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year.....		<u>242,000</u>	<u>-</u>
Statutory Excess to Fund Balance.....		4,486,127	8,831,769
Fund Balance, January 1.....	A	15,835,678	10,303,909
Decreased by - Utilization as Anticipated Revenue.....		4,000,000	3,300,000
Fund Balance, December 31.....	A	<u>\$ 16,321,805</u>	<u>\$ 15,835,678</u>

The accompanying notes are an integral part of this statement.

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF REVENUES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2019

	Ref.	Anticipated		Realized	Excess/ (Deficit)
		Budget	Added by N.J.S. 40A:4-87		
Fund Balance Anticipated.....	A-1	\$ 4,000,000	\$ -	\$ 4,000,000	\$ -
Miscellaneous Revenues:					
Alcoholic Beverage Licenses.....		94,000	-	98,942	4,942
Other Licenses.....		111,000	-	127,651	16,651
Fees and Permits.....		805,000	-	1,013,983	208,983
Municipal Court Fines and Costs.....		1,990,000	-	1,681,926	(308,074)
Interest and Costs on Taxes.....		295,000	-	229,130	(65,870)
Interest on Investments and Deposits.....		250,000	-	325,560	75,560
Anticipated Utility Operating Surplus.....		360,000	-	360,000	-
Sewer Service Fees.....		328,000	-	318,089	(9,911)
Consolidated Municipal Property Tax Relief.....		87,118	-	87,118	-
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167).		4,209,466	-	4,209,466	-
Uniform Construction Code Fees.....		2,880,000	-	3,742,976	862,976
Nursing Services - Hackensack BOE.....		10,422	-	10,250	(172)
NJ Municipal Alliance on Alcoholism & Drug Abuse....		15,279	-	15,279	-
NJ Recycling Tonnage Grant.....		53,771	-	53,771	-
NJ Safe and Secure Communities Grant.....		15,000	-	15,000	-
NJ Body Armor Grant.....		11,056	-	11,056	-
NJ Recycling Enhancement Grant.....		-	3,000	3,000	-
NJ Clean Communities Program.....		-	80,738	80,738	-
NJ Summer Food Program.....		-	157,247	157,247	-
Uniform Fire Safety Act.....		222,000	-	214,989	(7,011)
Reserve for Payment of Debt Service.....		176,885	-	176,884	(1)
Verizon FIOS Franchise Fees.....		230,508	-	230,508	-
Cablevision Franchise Fees.....		338,452	-	338,453	1
Air Rights - HUMC.....		200,000	-	200,000	-
Hackensack BOE - School Resource Officer.....		170,000	-	143,622	(26,378)
PILOT - Hackensack Housing Authority.....		180,000	-	198,617	18,617
Admin Fees - Outside Police Employment.....		92,000	-	287,235	195,235
PILOT - 100 State Street (94 State Street).....		477,000	-	477,857	857
HUMC Payment.....		1,518,000	-	1,518,000	-
Total Miscellaneous Revenues	A-1	15,119,957	240,985	16,327,347	966,405
Receipts From Delinquent Taxes.....	A-1	-	-	8,616	8,616
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes.....		85,689,118	-	84,053,670	(1,635,448)
Library Tax.....		1,952,514	-	1,952,514	-
	A-2	87,641,632	-	86,006,184	(1,635,448)
Budget Totals.....		106,761,589	240,985	106,342,147	(660,427)
Non-Budget Revenues.....	A-2	-	-	2,960,769	2,960,769
	Ref.	\$ 106,761,589	\$ 240,985	\$ 109,302,916	\$ 2,300,342
		A-3	A-3		

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

Analysis of Realized Revenues

<u>Allocation of Current Tax Collections</u>	<u>Ref.</u>	
Revenue from Current Tax Collections.....	A-6	183,428,226
Add: Appropriation "Reserve for Uncollected Taxes".....	A-1:A-3	1,500,000
Total Receipts from Current Taxes.....	A-1	<u>184,928,226</u>
Allocated to:		
Local District School Tax.....	A-1	84,329,910
County Tax.....	A-1	13,274,661
County Open Space Tax.....	A-1	574,149
Added County Taxes.....	A-1	2,117
Municipal Open Space Tax.....	A-1	277,205
Special Improvement District Tax.....	A-1	<u>464,000</u>
		<u>98,922,042</u>
Balance for Support of Municipal Budget Appropriations.....		<u>86,006,184</u>
	<i>Ref.</i>	A-2

Analysis of Non-Budget Revenues

<u>Miscellaneous Revenue Not Anticipated</u>		
Miscellaneous.....		69,162
Hackensack University Medical Center Settlement.....		2,482,000
Interest on Investments.....		-
Stale / Outstanding Checks Cancelled.....		-
South Bergen Municipal JIF Dividend.....		10,916
Recycling.....		7,627
Tax Exemption Application Fee.....		2,500
Refund of Prior Year Contract Payment.....		-
Prior Year Violation Settlement.....		-
BCUA - Sewer Connection Rebate.....		-
EDRS.....		29,045
FEMA Reimbursement - "Superstorm Sandy".....		131,718
NJMVC Vehicle Inspection Fines.....		22,079
Outdoor Advertising.....		5,104
Rents.....		12,000
Sewer Connection Fees.....		120,000
Sale of Municipal Assets.....		32,600
Showmobile Rentals.....		7,850
Sr. Citizens / Vets Deduction Admin Fee.....		2,118
Municipal Court Restitution.....		1,919
Tax Sale Certificate Escheat to Municipality.....		2,000
Sale of Garbage Cans.....		4,200
North Arlington BORO - PSAP Services.....		10,005
HUMC Reimbursement.....		7,926
Unclaimed Property Recovery.....		-
		<u>2,960,769</u>
	<i>Ref.</i>	A-1:A-2

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged		
OPERATIONS - WITHIN "CAPS"							
<u>General Government Functions</u>							
General Administration:							
Salaries and Wages	\$ 426,000	\$ -	\$ -	\$ 443,000	\$ 442,903	\$ 97	\$ -
Other Expenses	179,500	-	-	161,500	153,708	7,792	-
Human Resources:							
Salaries and Wages	231,000	-	-	171,000	167,945	3,055	-
Mayor & City Council:							
Salaries and Wages	54,600	-	-	54,600	54,600	-	-
City Clerk:							
Salaries and Wages	257,000	-	-	266,200	264,009	2,191	-
Other Expenses	120,000	-	-	107,000	91,150	15,850	-
Financial Administration:							
Salaries and Wages	609,000	-	-	610,300	610,247	53	-
Other Expenses	122,750	-	-	122,750	115,623	7,127	-
Audit Services:							
Other Expenses	105,000	-	-	100,000	100,000	-	-
Computerized Data Processing:							
Other Expenses	86,200	-	-	86,200	85,068	1,132	-
Revenue Administration (Collection of Taxes):							
Salaries and Wages	277,500	-	-	278,900	278,827	73	-
Other Expenses	54,400	-	-	54,400	53,120	1,280	-
Tax Assessment Administration:							
Salaries and Wages	223,000	-	-	223,000	213,516	9,484	-
Other Expenses	749,800	-	-	749,800	744,748	5,052	-
Other Expenses - Emergency	-	-	242,000	242,000	242,000	-	-
Legal Services:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	735,000	-	-	685,000	562,292	122,708	-
Codification of Ordinances	7,000	-	-	7,000	7,000	-	-
Project Management:							
Salaries and Wages	182,000	-	-	182,000	175,000	7,000	-
Other Expenses	410,500	-	-	430,500	430,131	369	-
Economic Development:							
Salaries and Wages	106,000	-	-	106,000	105,968	32	-
Other Expenses	164,000	-	-	164,000	157,814	6,186	-

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	Appropriated				Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS - WITHIN "CAPS" (Continued)</u>								
<u>Land Use Administration</u>								
Planning Board:								
Other Expenses	\$ 60,950	\$ -	\$ -	\$ 80,350	\$ 66,023	\$ 14,327	\$ -	\$ -
Zoning Board of Adjustment:								
Other Expenses	91,120	-	-	75,120	71,541	3,579	-	-
Rent Stabilization Board:								
Salaries and Wages	5,000	-	-	5,000	4,153	847	-	-
Other Expenses	21,000	-	-	6,000	402	5,598	-	-
Property Maintenance:								
Salaries and Wages	495,500	-	-	525,500	522,387	3,113	-	-
Other Expenses	300	-	-	300	65	235	-	-
<u>Insurance</u>								
General Liability Insurance & Surety Bond:	2,202,000	-	-	2,113,260	1,995,685	117,575	-	-
Workmen's Compensation Insurance	1,015,000	-	-	1,103,740	994,970	108,770	-	-
Group Insurance to Employees	16,871,000	-	-	16,871,000	16,561,064	309,936	-	-
Health Benefit Waiver for Employees	185,000	-	-	185,000	177,535	7,465	-	-

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2019

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>OPERATIONS - WITHIN "CAPS" (Continued)</u>							
<u>Public Safety Functions</u>							
Police:							
Salaries and Wages	\$ 15,575,000	\$ -	\$ -	\$ 15,575,000	\$ 14,754,846	\$ 820,154	\$ -
Other Expenses	822,500	-	-	783,500	702,460	81,040	-
Communication Center:							
Salaries and Wages	1,128,000	-	-	1,113,000	1,101,707	11,293	-
Other Expenses	9,000	-	-	9,000	7,200	1,800	-
Police - Traffic Control:							
Other Expenses	47,000	-	-	56,000	52,572	3,428	-
School Crossing Guards:							
Salaries and Wages	613,000	-	-	613,000	612,855	145	-
Office of Emergency Management:							
Salaries and Wages	8,500	-	-	8,500	8,500	-	-
Other Expenses	15,850	-	-	15,850	11,147	4,703	-
Fire:							
Salaries and Wages	13,391,000	-	-	13,399,000	13,377,562	21,438	-
Other Expenses	335,300	-	-	320,300	243,749	76,551	-
Fire Prevention:							
Salaries and Wages	688,000	-	-	688,000	682,861	5,139	-
Other Expenses	22,800	-	-	24,800	21,056	3,744	-
Emergency Medical Service:							
Salaries and Wages	9,600	-	-	9,600	8,400	1,200	-
Other Expenses	20,000	-	-	10,000	1,181	8,819	-
Municipal Prosecutor:							
Other Expenses	71,000	-	-	75,000	71,000	4,000	-

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	Appropriated				Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS - WITHIN "CAPS" (Continued)</u>								
<u>Public Works Functions</u>								
Administration:								
Salaries and Wages	\$ 899,000	\$ -	\$ -	\$ 911,000	\$ 910,919	\$ 81	\$ -	\$ -
Other Expenses	82,900	-	-	82,900	75,488	7,412	-	-
Streets & Roads:								
Salaries and Wages	169,000	-	-	162,000	131,264	30,736	-	-
Other Expenses	111,200	-	-	93,200	61,954	31,246	-	-
Sewer System:								
Salaries and Wages	223,000	-	-	240,000	239,964	36	-	-
Other Expenses	369,700	-	-	369,700	352,994	16,706	-	-
Public Buildings and Grounds:								
Salaries and Wages	738,000	-	-	738,000	701,040	36,960	-	-
Other Expenses	256,500	-	-	241,500	213,036	28,464	-	-
Vehicle Maintenance:								
Salaries and Wages	571,000	-	-	571,000	525,879	45,121	-	-
Other Expenses	45,800	-	-	45,800	42,346	3,454	-	-
Shade Tree:								
Salaries and Wages	127,000	-	-	127,000	88,231	38,769	-	-
Other Expenses	57,250	-	-	52,250	31,410	20,840	-	-
Snow Removal:								
Salaries and Wages	100,000	-	-	100,000	71,066	28,934	-	-
Other Expenses	363,000	-	-	348,000	292,787	55,213	-	-
<u>Sanitation</u>								
Garbage & Trash Removal:								
Salaries and Wages	1,350,000	-	-	1,397,000	1,396,465	535	-	-
Other Expenses	401,450	-	-	274,750	225,308	49,442	-	-
Recycling:								
Salaries and Wages	48,000	-	-	43,000	42,641	359	-	-
Other Expenses	48,000	-	-	119,000	103,000	16,000	-	-
Street Cleaning:								
Salaries and Wages	65,000	-	-	65,000	51,977	13,023	-	-
Other Expenses	39,800	-	-	39,800	29,095	10,705	-	-

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>OPERATIONS - WITHIN "CAPS" (Continued)</u>							
<u>Health and Human Services</u>							
Hazard Act (PEOSHA):							
Other Expenses	\$ 166,200	\$ -	\$ -	\$ 190,200	\$ 187,059	\$ 3,141	\$ -
Public Health Clinics:							
Other Expenses	30,650	-	-	30,650	29,687	963	-
Department of Health Administration:							
Salaries and Wages	675,000	-	-	675,000	665,894	9,106	-
Other Expenses	55,500	-	-	48,500	33,810	14,690	-
Animal Control:							
Other Expenses	55,700	-	-	55,700	54,700	1,000	-
Human Services:							
Other Expenses	1,000	-	-	1,000	-	1,000	-
<u>Park and Recreation Functions</u>							
Recreation:							
Salaries and Wages	412,000	-	-	479,500	479,075	425	-
Other Expenses	93,650	-	-	86,650	78,402	8,248	-
Cultural Arts Center:							
Salaries and Wages	170,000	-	-	170,000	166,912	3,088	-
Other Expenses	123,750	-	-	133,750	117,278	16,472	-
Parks & Playgrounds:							
Salaries and Wages	428,000	-	-	478,000	477,434	566	-
Other Expenses	167,200	-	-	162,200	128,407	33,793	-
<u>Utility Expenses and Bulk Purchases</u>							
Electricity & Natural Gas	615,000	-	-	691,000	634,648	56,352	-
Telecommunications	189,000	-	-	202,800	190,635	12,165	-
Water	200,000	-	-	240,500	201,801	38,699	-
Fire Hydrants	355,000	-	-	355,000	341,666	13,334	-
Gasoline	440,000	-	-	372,000	322,163	49,837	-
Sewerage Processing and Disposal	44,000	-	-	44,000	40,883	3,117	-
Street Lighting	460,000	-	-	449,000	391,176	57,824	-
Landfill/Solid Waste Disposal	1,350,000	-	-	1,302,400	1,241,433	60,967	-

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2019

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>OPERATIONS - WITHIN "CAPS" (Continued)</u>							
<u>Municipal Court</u>							
Municipal Court Administration:							
Salaries and Wages	\$ 695,000	\$ -	\$ -	\$ 695,000	\$ 664,778	\$ 30,222	\$ -
Other Expenses	79,760	-	-	79,760	65,427	14,333	-
Public Defender:							
Other Expenses	23,000	-	-	23,000	21,125	1,875	-
<u>Code Enforcement & Administration:</u>							
Salaries and Wages	560,000	-	-	568,500	568,181	319	-
Other Expenses	272,350	-	-	234,350	221,099	13,251	-
<u>Unclassified:</u>							
Boys & Girls Club	5,000	-	-	5,000	5,000	-	-
Municipal Alliance Local Match	1,000	-	-	1,000	-	1,000	-
Accumulated Absences:							
Salary & Wages	1,200,000	-	-	1,200,000	744,192	455,808	-
Reserve for Tax Appeals	1,000,000	-	-	1,000,000	1,000,000	-	-
Accumulated Absences:							
Salaries and Wages	40,000	-	-	40,000	23,026	16,974	-
Other Expenses	70,000	-	-	40,000	2,013	37,987	-
Total Operations - Within "CAPS"	74,847,030	-	242,000	74,986,330	71,791,358	3,194,972	-
Contingent	7,500	-	-	7,500	-	7,500	-
Total Operations Including Contingent - Wi	74,854,530	-	242,000	74,993,830	71,791,358	3,202,472	-
Detail:							
Salaries and Wages	42,749,700	-	-	42,931,600	41,335,223	1,596,377	-
Other Expenses	32,104,830	-	242,000	32,062,230	30,456,135	1,606,095	-

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"</u>							
<u>Deferred Charges</u>							
Prior Year Bills:							
Overexpenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-
<u>Statutory Expenditures</u>							
Public Employees' Retirement System	1,519,993	-	-	1,439,993	1,394,391	45,602	-
Social Security System (O.A.S.I.)	1,200,000	-	-	1,374,500	1,374,112	388	-
Police and Firemen's Retirement System	8,049,339	-	-	8,049,339	8,049,339	-	-
Unemployment Insurance	120,000	-	-	120,000	120,000	-	-
Defined Contribution Retirement Program	14,000	-	-	22,200	20,755	1,445	-
	10,903,332	-	-	11,006,032	10,958,597	47,435	-
Total General Appropriations for Municipal	85,757,862	-	242,000	85,999,862	82,749,955	3,249,907	-

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2019

	Appropriated				Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
OPERATIONS - EXCLUDED FROM "CAPS"								
<u>Utility Expenses & Bulk Purchases</u>								
BCUA Share of Costs	\$ 6,455,000	\$ -	\$ -	\$ 6,455,000	\$ 6,454,830	\$ 170	\$ -	\$ -
<u>Educational Functions</u>								
Maintenance of Free Public Library	2,773,220	-	-	2,773,220	2,773,220	-	-	-
<u>Interlocal Municipal Service Agreements:</u>								
Nursing Services - Hackensack BOE								
Salaries and Wages	10,422	-	-	10,422	-	10,422	-	-
Borough of Paramus - Fire Vehicle Repairs								
Other Expenses	10,000	-	-	10,000	2,515	7,485	-	-
<u>Public & Private Programs Offset by Revenues:</u>								
NJ Municipal Alliance on Alcoholism & Dru	15,279	-	-	15,279	15,279	-	-	-
NJ Municipal Alliance on Alcoholism & Dru	3,819	-	-	3,819	3,819	-	-	-
NJ Recycling Tonnage Grant	53,771	-	-	53,771	53,771	-	-	-
NJ Safe and Secure Communities Grant	15,000	-	-	15,000	15,000	-	-	-
NJ Body Armor Grant	11,056	-	-	11,056	11,056	-	-	-
NJ Recycling Enhancement Grant	-	3,000	-	3,000	3,000	-	-	-
NJ Clean Communities Program	-	80,738	-	80,738	80,738	-	-	-
NJ Summer Food Program	-	157,247	-	157,247	157,247	-	-	-
Total Operations Excluded from "CAPS"	9,347,567	240,985	-	9,588,552	9,570,475	18,077	-	-
Detail:								
Salaries and Wages	10,422	-	-	-	-	-	-	-
Other Expenses	9,337,145	240,985	-	9,588,552	9,570,475	18,077	-	-

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2019

	Appropriated				Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Added by N.J.S. 40A:4-87	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>								
Capital Improvement Fund	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ 400,000	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-
Total Capital Improvements - Excluded From	400,000	-	-	400,000	400,000	-	-	-
<u>DEBT SERVICE - EXCLUDED FROM "CAPS"</u>								
<u>Municipal Debt Service</u>								
Bond Principal	7,430,000	-	-	7,430,000	7,430,000	-	-	-
Bond Interest	1,774,000	-	-	1,774,000	1,773,603	-	397	-
Payment of Bond Anticipation Notes	-	-	-	-	-	-	-	-
Note Interest - BANs	-	-	-	-	-	-	-	-
Green Trust Loan	28,276	-	-	28,276	28,275	-	1	-
Wastewater Treatment Bonds	282,000	-	-	282,000	255,217	-	26,783	-
Bergen County Improve. Authority Lease	51,884	-	-	51,884	51,828	-	56	-
Total Debt Service - Excluded From "CAPS"	9,566,160	-	-	9,566,160	9,538,923	-	27,237	-
<u>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>								
Special Emergency Authorizations :	190,000	-	-	190,000	190,000	-	-	-
Deferred Charges Unfunded - Capital Judgments	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	190,000	-	-	190,000	190,000	-	-	-
	19,503,727	240,985	-	19,744,712	19,699,398	18,077	27,237	-
Subtotal General Appropriations	105,261,589	240,985	242,000	105,744,574	102,449,353	3,267,984	27,237	-
Reserve for Uncollected Taxes	1,500,000	-	-	1,500,000	1,500,000	-	-	-
Total General Appropriations	\$ 106,761,589	\$ 240,985	\$ 242,000	\$ 107,244,574	\$ 103,949,353	\$ 3,267,984	\$ 27,237	\$ -

CITY OF HACKENSACK
 TRUST FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u><i>Animal Control Trust</i></u>			
<u><i>Assets</i></u>			
Cash - Animal Control Trust Account.....		\$ 12,075	\$ 15,703
<u><i>Reserves</i></u>			
Reserve for Animal Control Expenditures.....	B-1	\$ 12,075	\$ 15,703
<u><i>Municipal Open Space Trust</i></u>			
<u><i>Assets</i></u>			
Cash - Municipal Open Space Trust Account.....		\$ 277,279	\$ -
<u><i>Reserves</i></u>			
Reserve for Open Space Expenditures.....	B-2	\$ 277,279	\$ -
<u><i>CDBG Trust</i></u>			
<u><i>Assets</i></u>			
Cash - Community Development Trust Account.....		\$ 1	\$ 1
<u><i>Reserves</i></u>			
Reserve for Community Development Expenditures.....	B-3	\$ 1	\$ 1

CITY OF HACKENSACK
 TRUST FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Other Trust</u>			
<u>Assets</u>			
Cash:			
Unemployment Trust Account.....	\$	21,153	\$ 29,681
Self-Insurance - Liability Trust Account.....		65,051	35,727
Self-Insurance - Worker's Compensation Trust Account....		67,497	44,639
Self-Insurance - Dental Trust Account.....		74,159	103,847
Developer's Escrow (Master) Trust Account.....		2,418,141	2,305,779
Developer's Escrow (Disbursement) Trust Account.....		7,606	41,764
Affordable Housing Trust Account.....		1,362,434	964,238
Federal Equitable Sharing Program Trust Account.....		548,798	256,940
Other Trust Account.....		7,665,883	7,033,184
		<u>\$ 12,230,722</u>	<u>\$ 10,815,799</u>
<u>Reserves</u>			
Unemployment.....	\$	21,153	\$ 29,681
Self Insurance - Liability.....		65,051	61,694
Self Insurance - Workers' Compensation.....		67,497	18,672
Self Insurance - Dental.....		74,159	103,847
Developer's Escrow (Master).....		2,418,141	2,305,779
Developer's Escrow (Disbursement).....		7,606	41,764
Affordable Housing.....		1,362,434	964,238
Federal Equitable Sharing Program.....		548,798	256,940
Other Trust.....		7,665,883	7,033,184
	B-4	<u>\$ 12,230,722</u>	<u>\$ 10,815,799</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
AS OF DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Assets</u>			
Cash - General Capital Account.....	C-2,3	\$ 5,234,348	\$ 7,371,953
Grants Receivable.....	C-4	3,211,903	2,601,635
Deferred Charges to Future Taxation - Funded.....	C-5	46,833,686	54,547,332
Deferred Charges to Future Taxation - Unfunded.....	C-6	51,488,498	18,128,550
		<u>\$ 106,768,435</u>	<u>\$ 82,649,470</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds Payable.....	C-7	43,749,000	51,179,000
Capital Lease Obligations Payable.....	C-8	-	50,883
Loans Payable.....	C-9	3,084,686	3,317,449
Bond Anticipation Notes Payable.....	C-10	7,831,000	-
Improvement Authorizations - Funded.....	C-11	3,315,585	9,041,603
Improvement Authorizations - Unfunded.....	C-11	43,418,416	14,484,636
Capital Improvement Fund.....	C-12	817,425	752,429
Reserve for Preliminary Plan Expenses.....	C-13	150,840	105,497
Reserve for Debt Service.....	C-14	8,955	176,883
Reserve for Grants Receivable.....	C-4	3,211,903	2,601,635
Fund Balance.....	C-1	1,180,625	939,455
		<u>\$ 106,768,435</u>	<u>\$ 82,649,470</u>
		-	-
There were bonds and notes authorized but not issued on December 31, in the amounts of.....	C-15	<u>\$ 43,657,498</u>	<u>\$ 18,128,550</u>

CITY OF HACKENSACK
 GENERAL CAPITAL FUND
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2019 AND 2018

	<i>Ref.</i>	2019	2018
Fund Balance, January 1.....	C	\$ 939,455	196,025
Increased by:			
Funded Improvement Authorizations Cancelled..		221,939	121,338
Premium on Sale of Bonds.....		65,813	622,092
Excess Grant Awards.....		353,418	-
		641,170	743,430
Decreased by:			
Appropriated - Current Fund Revenue.....		-	-
Appropriated - Improvement Authorizations.....		400,000	-
		400,000	-
Fund Balance, December 31.....	C	\$ 1,180,625	\$ 939,455

CITY OF HACKENSACK
PUBLIC PARKING UTILITY FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
AS OF DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Operating Fund</u>			
<u>Assets</u>			
Cash - Operating Account.....	D-5	\$ 2,051,890	\$ 1,349,046
Cash - Change Funds.....	D-6	130	130
		<u>\$ 2,052,020</u>	<u>\$ 1,349,176</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Reserve for Encumbrances.....	D-4:D-8	\$ 10,129	\$ 106,607
Appropriation Reserves.....	D-4:D-8	130,205	87,064
Accrued Interest on Bonds and Notes.....	D-9	1,936	-
Fund Balance.....	D-1	1,909,750	1,155,505
		<u>\$ 2,052,020</u>	<u>\$ 1,349,176</u>
		-	-
<u>Capital Fund</u>			
<u>Assets</u>			
Cash - Capital Account.....	D-5:D-7	\$ 1,640,591	\$ 176,186
Fixed Capital.....	D-10	8,035,084	8,035,084
Fixed Capital Authorized & Uncompleted.....	D-11	3,584,000	1,734,000
		<u>13,259,675</u>	<u>9,945,270</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Reserve for Encumbrances.....	D-4:D-15	166,614	-
Bond Anticipation Notes Payable.....	D-12	1,584,000	-
Reserve for Amortization.....	D-13	8,035,084	8,035,084
Capital Improvement Fund.....	D-14	141,000	141,000
Improvement Authorizations - Unfunded.....	D-15	3,208,478	1,644,687
Fund Balance.....	D-2	124,499	124,499
		<u>\$ 13,259,675</u>	<u>\$ 9,945,270</u>
		-	-
There were bonds and notes authorized but not issued on December 31, in the amounts of.....	D-16	<u>\$ 2,000,000</u>	<u>\$ 1,734,000</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE (REGULATORY BASIS)
YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>			
Surplus Utilized.....	D-3	\$ 360,000	\$ 360,000
Rents.....	D-3	2,122,288	1,547,099
Non-Budget Revenue.....	D-3	20,651	18,378
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves.....	D-8	71,306	302,279
Total Income.....		<u>2,574,245</u>	<u>2,227,756</u>
<u>Expenditures</u>			
Operations:			
Salaries and Wages.....	D-4	380,500	342,500
Other Expenses.....	D-4	437,064	456,191
Capital Improvements.....	D-4	100,000	109,403
Debt Service.....	D-4	1,936	151,406
Deferred Charges.....	D-4	150,000	-
Statutory Expenditures.....	D-4	30,500	25,500
Surplus - General Budget.....	D-4	360,000	360,000
Total Expenditures.....		<u>1,460,000</u>	<u>1,445,000</u>
Excess in Revenue.....		1,114,245	782,756
Adjustments to Income Before Surplus:			
Deferred Charges to Budget of Succeeding Year.....		-	-
Statutory Excess to Fund Balance.....		1,114,245	782,756
Fund Balance, January 1.....	D	1,155,505	732,749
Decreased by - Utilization as Anticipated Revenue.....	D-1:D-4	360,000	360,000
Fund Balance, December 31.....	D	<u>\$ 1,909,750</u>	<u>\$ 1,155,505</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY CAPITAL FUND
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2019 AND 2018

	<i>Ref.</i>	<u>2019</u>	<u>2018</u>
Fund Balance, January 1.....	D	\$ 124,499	\$ 124,499
Increased by:		-	-
Decreased by:		-	-
Fund Balance, December 31.....	D	<u>\$ 124,499</u>	<u>\$ 124,499</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY OPERATING FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	<i>Ref.</i>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Utilized.....	D-1:D-4	\$ 360,000	\$ 360,000	\$ -
Rents.....	D-1	1,100,000	2,122,288	1,022,288
		<u>\$ 1,460,000</u>	<u>\$ 2,482,288</u>	<u>\$ 1,022,288</u>

Analysis of Non-Budget Revenues:

Interest on Investments - Utility Operating Fund	\$ 20,135
Interest on Investments - Utility Capital Fund	492
Miscellaneous	24
Prior Year Refund	-
	<u>\$ 20,651</u>
<i>Ref.</i>	D-1

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY OPERATING FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2019

	Appropriations		Expended		Unexpended Balance Canceled	Overexpenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Reserved		
Operating:						
Salaries and Wages.....	\$ 353,500	\$ 380,500	\$ 380,406	\$ 94	\$ -	\$ -
Other Expenses.....	466,000	437,064	383,594	53,470	-	-
Capital Improvements:						
Capital Improvement Fund.....	-	-	-	-	-	-
Capital Outlay.....	100,000	100,000	25,026	74,974	-	-
	<u>100,000</u>	<u>100,000</u>	<u>25,026</u>	<u>74,974</u>	<u>-</u>	<u>-</u>
Debt Service:						
Payment of Bonds.....	-	-	-	-	-	-
Payment of Notes.....	-	-	-	-	-	-
Interest on Bonds.....	-	-	-	-	-	-
Interest on Notes.....	-	1,936	1,936	-	-	-
	<u>-</u>	<u>1,936</u>	<u>1,936</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Charges:						
Emergency Authorizations.....	-	-	-	-	-	-
DCFTU.....	150,000	150,000	150,000	-	-	-
	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Statutory Expenditures:						
Public Employees Retirement System..	500	500	-	500	-	-
Social Security System.....	30,000	30,000	28,833	1,167	-	-
Unemployment Compensation.....	-	-	-	-	-	-
	<u>30,500</u>	<u>30,500</u>	<u>28,833</u>	<u>1,667</u>	<u>-</u>	<u>-</u>
Deficit in Operations in Prior Years.....	-	-	-	-	-	-
Surplus - General Budget.....	360,000	360,000	360,000	-	-	-
Total Appropriations.....	<u>\$ 1,460,000</u>	<u>\$ 1,460,000</u>	<u>\$ 1,329,795</u>	<u>\$ 130,205</u>	<u>\$ -</u>	<u>\$ -</u>
			\$ 1,317,730	Cash Disbursed		
			10,129	Encumbered		
			1,936	Charged		
			<u>\$ 1,329,795</u>			

CITY OF HACKENSACK
 GENERAL FIXED ASSET ACCOUNT GROUP
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2019 AND 2018

	<i>Ref.</i>	<u>2019</u>	<u>2018</u>
<u>Assets</u>			
Land.....	E-1	\$ 9,539,800	\$ 9,539,800
Land Improvements.....	E-1	5,113,888	5,113,888
Buildings	E-1	22,537,040	19,895,788
Machinery & Equipment.....	E-1	3,462,574	2,056,819
Infrastructure.....	E-1	2,575,039	2,030,546
		<u>\$ 43,228,341</u>	<u>\$ 38,636,841</u>
 <u>Fund Balance</u>			
Investment in General Fixed Assets.....	E-1	<u>\$ 43,228,341</u>	<u>\$ 38,636,841</u>
		-	-

CITY OF HACKENSACK
GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
YEARS ENDED DECEMBER 31, 2019 AND 2018

2019	Balance December 31, 2018	Additions	Retirements	Adjustments	Balance December 31, 2019
Land.....	\$ 9,539,800	\$ -	\$ -	\$ -	\$ 9,539,800
Land Improvements.....	5,113,888	-	-	-	5,113,888
Buildings	19,895,788	2,641,252	-	-	22,537,040
Machinery & Equipment.....	2,056,819	1,405,755	-	-	3,462,574
Infrastructure.....	2,030,546	544,493	-	-	2,575,039
	<u>\$ 38,636,841</u>	<u>\$ 4,591,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,228,341</u>

2018	Balance December 31, 2017	Additions	Retirements	Adjustments	Balance December 31, 2018
Land.....	\$ 9,539,800	\$ -	\$ -	\$ -	\$ 9,539,800
Land Improvements.....	5,078,488	35,400	-	-	5,113,888
Buildings	19,895,788	-	-	-	19,895,788
Machinery & Equipment.....	209,118	1,847,701	-	-	2,056,819
Infrastructure.....	2,030,546	-	-	-	2,030,546
	<u>\$ 36,753,740</u>	<u>\$ 1,883,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,636,841</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY, ORGANIZATION AND FUNCTION

A. Reporting Entity

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 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 less than 15 City Managers. The City operates on a calendar fiscal year, January 1 to December 31.

B. Component Units

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the City do not include the municipal library and volunteer ambulance squad, or redevelopment agency, which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

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

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 "NJ 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).

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.

Grant Fund - The 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 City owned real and personal property in accordance with N.J.A.C 5:30-5.6.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 the Local Finance Board. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last 2 months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level.

The City is not required to adopt budgets for the Trust and General Capital Funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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. Property and equipment purchased after December 31, 1985 are stated at cost. Donated fixed assets are recorded at estimated fair market value at the date of donation. Purchases prior to December 31, 1985 are stated as assessed value for Land & Buildings and estimated historical cost for Machinery & Equipment. 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. Fixed Assets acquired by the Water Utility and Sewer Utility Funds are capitalized as Fixed Capital and not depreciated.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 local free public library (if applicable), municipal open space (if applicable) and the entities described in "N" and "O" 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 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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)

GASB No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement applies to donated capital assets, donated works of art, donated historical treasures, and also to similar assets and capital assets received in a service concession arrangement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.

GASB No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

U. New Reporting Standard (s) (Continued)

GASB No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB No. 77, *Tax Abatement Disclosures*, will be effective beginning with the fiscal year ending June 30, 2017. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

GASB No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No.73*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pension, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

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

The City's deposits of public funds are insured by either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The City is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA which requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm.

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

Year	Bank Balance	Book Balance
2019	\$ 46,681,528	\$ 45,648,714
2018	\$ 43,447,331	\$ 43,370,950
2017	\$ 38,442,034	\$ 38,477,531

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City does not have a formal policy for custodial credit risk. As of December 31, 2019 and 2018, the City's bank balances were not exposed to custodial credit risk.

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. At December 31, 2019 the City did not have any cash deposited with the New Jersey Cash Management Fund.

NOTE 4 - INVESTMENTS

The City is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the City or bonds or other obligations of the school districts which are a part of the City or school districts located within the City, Local Government investment pools, and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

As of December 31, 2019 and 2018, the City did not hold any investments:

CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 5 - FIXED ASSETS

The following is a summary of general fixed asset additions, deletions and adjustments:

2019	Balance December 31, 2018	Additions	Retirements	Adjustments	Balance December 31, 2019
Land.....	\$ 9,539,800	\$ -	\$ -	\$ -	\$ 9,539,800
Land Improvements.....	5,113,888	-	-	-	5,113,888
Buildings	19,895,788	2,641,252	-	-	22,537,040
Machinery & Equipment.....	2,056,819	1,405,755	-	-	3,462,574
Infrastructure.....	2,030,546	544,493	-	-	2,575,039
	<u>\$ 38,636,841</u>	<u>\$ 4,591,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,228,341</u>

2018	Balance December 31, 2017	Additions	Retirements	Adjustments	Balance December 31, 2018
Land.....	\$ 9,539,800	\$ -	\$ -	\$ -	\$ 9,539,800
Land Improvements.....	5,078,488	35,400	-	-	5,113,888
Buildings	19,895,788	-	-	-	19,895,788
Machinery & Equipment.....	209,118	1,847,701	-	-	2,056,819
Infrastructure.....	2,030,546	-	-	-	2,030,546
	<u>\$ 36,753,740</u>	<u>\$ 1,883,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,636,841</u>

Threshold: \$ 5,000

Depreciation Method: Not Applicable - N.J.A.C. 5:30-5.6

Useful Lives: Not Applicable - N.J.A.C. 5:30-5.6

NOTE 6 - MUNICIPAL DEBT

A. Types of Municipal 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.

Loans - Loans issued are retired in accordance with the issuer's amortization requirements.

NOTE 6 - MUNICIPAL DEBT

The City's long term debt consisted of the following at December 31, 2019:

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 of 3.75% to 5.00% per annum. The balance remaining on this issue as of December 31, 2019 is \$4,110,000.

\$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, 2019 is \$4,165,000.

\$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, 2019 is \$2,449,000.

\$21,820,000 - General Obligation Bonds Series 2018 issued 4/1/2018 payable in annual installments through 4/1/2037. Interest is paid semi-annually at varying rates from 3.25% to 5.00% per annum. The balance remaining on this issue as of December 31, 2019 is \$21,035,000.

\$16,025,000 - Refunding Bonds Series 2018 issued 4/1/2018 payable in annual installments through 4/1/2023. Interest is paid semi-annually at 5.00% per annum. The balance remaining on this issue as of December 31, 2019 is \$11,990,000.

Green Acres Loan:

\$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, 2019 is \$311,350.

NJEIT Wastewater Treatment Loans:

\$495,000 - Series 2000 Trust Loan issued 10/15/00 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, 2019 is \$40,000.

\$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, 2019 is \$295,043.

\$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, 2019 is \$675,000.

\$760,000 - Series 2015 "A-1" Trust Loan issued 5/28/15 payable in annual installments through 8/1/2034. 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, 2019 is \$650,000.

\$1,459,650 - Series 2015 "A-1" Trust Loan issued 5/28/15 payable in annual installments through 8/1/2034. 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, 2019 is \$1,113,293.

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

B. Summary of Debt and Remaining Borrowing Power

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

	<u>2019</u>	<u>2018</u>
<i>Issued:</i>		
School Bonds and Notes.....	\$ 595,000	\$ 1,175,000
General Bonds	43,749,000	51,179,000
Public Parking Utility Bonds	-	-
Infrastructure & Green Trust Loans.....	3,084,686	3,317,449
Bond Anticipation Notes - General.....	7,831,000	-
Bond Anticipation Notes - Public Parking Utility.....	1,584,000	-
	<u>56,843,686</u>	<u>55,671,449</u>
<i>Authorized but not Issued:</i>		
General Bonds and Notes.....	43,657,499	18,128,550
Public Parking Utility.....	2,000,000	1,734,000
	<u>45,657,499</u>	<u>19,862,550</u>
Gross Debt.....	<u>102,501,185</u>	<u>75,533,999</u>
Deductions.....	<u>4,179,000</u>	<u>2,909,000</u>
Net Debt.....	<u>\$ 98,322,185</u>	<u>\$ 72,624,999</u>
Equalized Valuation Basis.....	\$ 5,828,643,595	\$ 5,706,993,821
Statutory Net Debt Percentage.....	1.687%	1.273%
3-1/2% of Equalized Valuation Basis.....	\$ 204,002,526	\$ 199,744,784
Remaining Borrowing Power.....	\$ 105,680,341	\$ 127,119,785

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity

General Obligation Bonds

Calendar Year	1/1/2008		5/1/2013	
	General Improvement Bonds		General Improvement Bonds "A"	
	Principal	Interest	Principal	Interest
2020	\$ 1,995,000	\$ 50,423	\$ 405,000	\$ 94,290
2021	2,115,000	17,131	470,000	85,540
2022	-	-	470,000	76,140
2023	-	-	470,000	66,740
2024	-	-	470,000	57,340
2025	-	-	470,000	47,470
2026	-	-	470,000	35,250
2027	-	-	470,000	21,150
2028	-	-	470,000	7,050
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-
	<u>\$ 4,110,000</u>	<u>\$ 67,554</u>	<u>\$ 4,165,000</u>	<u>\$ 490,970</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

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

General Obligation Bonds Continued)

Calendar Year	5/1/2013		4/12/2018	
	General Improvement Bonds "B"		General Improvement Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 270,000	\$ 71,771	\$ 880,000	\$ 767,144
2021	270,000	63,671	910,000	722,394
2022	270,000	55,571	935,000	676,269
2023	270,000	47,471	960,000	628,894
2024	270,000	39,371	1,000,000	579,894
2025	270,000	31,271	1,030,000	529,144
2026	280,000	22,741	1,055,000	482,294
2027	270,000	13,873	1,090,000	439,394
2028	279,000	4,743	1,130,000	394,994
2029	-	-	1,165,000	354,919
2030	-	-	1,205,000	319,369
2031	-	-	1,240,000	282,694
2032	-	-	1,285,000	244,819
2033	-	-	1,330,000	205,594
2034	-	-	1,380,000	164,081
2035	-	-	1,425,000	120,253
2036	-	-	1,480,000	73,938
2037	-	-	1,535,000	24,944
	<u>\$ 2,449,000</u>	<u>\$ 350,483</u>	<u>\$ 21,035,000</u>	<u>\$ 7,011,032</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

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

General Obligation Bonds Continued)

Calendar Year	4/12/2018		Total	
	Refunding Bonds		Principal	Interest
	Principal	Interest		
2020	\$ 4,035,000	\$ 498,625	\$ 7,585,000	\$ 1,482,253
2021	4,035,000	296,875	7,800,000	1,185,611
2022	2,600,000	131,000	4,275,000	938,980
2023	1,320,000	33,000	3,020,000	776,105
2024	-	-	1,740,000	676,605
2025	-	-	1,770,000	607,885
2026	-	-	1,805,000	540,285
2027	-	-	1,830,000	474,417
2028	-	-	1,879,000	406,787
2029	-	-	1,165,000	354,919
2030	-	-	1,205,000	319,369
2031	-	-	1,240,000	282,694
2032	-	-	1,285,000	244,819
2033	-	-	1,330,000	205,594
2034	-	-	1,380,000	164,081
2035	-	-	1,425,000	120,253
2036	-	-	1,480,000	73,938
2037	-	-	1,535,000	24,944
	<u>\$ 11,990,000</u>	<u>\$ 959,500</u>	<u>\$ 43,749,000</u>	<u>\$ 8,879,539</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

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

Loans

Calendar Year	12/4/2012 Green Acres Trust		10/15/2000 NJFIT Wastewater Treatment	
	Principal	Interest	Principal	Interest
2020	\$ 22,158	\$ 6,117	\$ 40,000	\$ 2,100
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	139	-	-
2033	-	-	-	-
2034	-	-	-	-
	<u>\$ 311,350</u>	<u>\$ 42,086</u>	<u>\$ 40,000</u>	<u>\$ 2,100</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

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

Loans (Continued)

Calendar Year	9/30/2010		12/2/2010	
	NJEIT Wastewater Treatment "A"		NJEIT Wastewater Treatment "B"	
	Principal	Interest	Principal	Interest
2020	\$ 26,822	\$ -	\$ 50,000	\$ 33,750
2021	26,822	-	50,000	31,250
2022	26,822	-	50,000	28,750
2023	26,822	-	55,000	26,250
2024	26,822	-	60,000	23,500
2025	26,822	-	60,000	20,500
2026	26,822	-	65,000	17,500
2027	26,822	-	65,000	14,250
2028	26,822	-	70,000	11,000
2029	26,822	-	75,000	7,500
2030	26,823	-	75,000	3,750
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
	<u>\$ 295,043</u>	<u>\$ -</u>	<u>\$ 675,000</u>	<u>\$ 218,000</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

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

Loans (Continued)

Calendar Year	5/28/2015		5/28/2015	
	NJFIT Wastewater Treatment "Trust"		NJFIT Wastewater Treatment "Fund"	
	Principal	Interest	Principal	Interest
2020	30,000	28,500	74,220	-
2021	35,000	27,000	74,219	-
2022	35,000	25,250	74,220	-
2023	35,000	23,500	74,219	-
2024	35,000	21,750	74,220	-
2025	40,000	20,000	74,219	-
2026	40,000	18,000	74,220	-
2027	45,000	16,000	74,219	-
2028	45,000	14,200	74,220	-
2029	45,000	12,400	74,219	-
2030	50,000	10,600	74,220	-
2031	50,000	8,600	74,219	-
2032	55,000	6,600	74,220	-
2033	55,000	4,400	74,219	-
2034	55,000	2,200	74,220	-
	<u>\$ 650,000</u>	<u>\$ 239,000</u>	<u>\$ 1,113,293</u>	<u>\$ -</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

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

Loans (Continued)

<u>Calendar Year</u>	<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 243,200	\$ 70,467
2021	208,645	63,922
2022	209,100	59,217
2023	214,562	54,504
2024	220,036	49,531
2025	225,517	44,299
2026	231,010	38,806
2027	236,511	33,055
2028	242,024	27,493
2029	247,545	21,671
2030	253,080	15,588
2031	151,800	9,294
2032	143,217	6,739
2033	129,219	4,400
2034	129,220	2,200
	<u>\$ 3,084,686</u>	<u>\$ 501,186</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

D. Summary of Changes in Municipal Debt

General Debt

2019	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Short-Term Debt:</i>					
Bond Anticipation Notes.....	\$ -	\$ 7,831,000	\$ -	\$ 7,831,000	\$ 7,831,000
<i>Long-Term Debt:</i>					
Serial Bonds.....	51,179,000	-	7,430,000	43,749,000	7,585,000
Loans.....	3,317,449	-	232,763	3,084,686	243,200
Capital Leases.....	50,883	-	50,883	-	-
Authorized.....	18,128,550	33,464,000	7,935,052	43,657,498	-
	<u>72,675,882</u>	<u>33,464,000</u>	<u>15,648,698</u>	<u>90,491,184</u>	<u>7,828,200</u>
	<u>\$ 72,675,882</u>	<u>\$ 41,295,000</u>	<u>\$ 15,648,698</u>	<u>\$ 98,322,184</u>	<u>\$ 15,659,200</u>

2018	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Short-Term Debt:</i>					
Bond Anticipation Notes.....	\$ 33,430,644	\$ -	\$ 33,430,644	\$ -	\$ -
<i>Long-Term Debt:</i>					
Serial Bonds.....	15,924,000	37,845,000	2,590,000	51,179,000	7,430,000
Loans.....	3,549,784	-	232,335	3,317,449	232,763
Capital Leases.....	218,533	-	167,650	50,883	50,883
Authorized.....	24,435,152	6,742,500	13,049,102	18,128,550	-
	<u>44,127,469</u>	<u>44,587,500</u>	<u>16,039,087</u>	<u>72,675,882</u>	<u>7,713,646</u>
	<u>\$ 77,558,113</u>	<u>\$ 44,587,500</u>	<u>\$ 49,469,731</u>	<u>\$ 72,675,882</u>	<u>\$ 7,713,646</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

D. Summary of Changes in Municipal Debt (Continued)

Public Parking Utility Debt

<u>2019</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Short-Term Debt:</i>					
Bond Anticipation Notes.....	\$ -	\$ 1,584,000	\$ -	\$ 1,584,000	\$ 1,584,000
<i>Long-Term Debt:</i>					
Serial Bonds.....	-	-	-	-	-
Authorized.....	1,734,000	2,000,000	1,734,000	2,000,000	-
	<u>1,734,000</u>	<u>2,000,000</u>	<u>1,734,000</u>	<u>2,000,000</u>	<u>-</u>
	<u>\$ 1,734,000</u>	<u>\$ 3,584,000</u>	<u>\$ 1,734,000</u>	<u>\$ 3,584,000</u>	<u>\$ 1,584,000</u>

<u>2018</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Short-Term Debt:</i>					
Bond Anticipation Notes.....	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Long-Term Debt:</i>					
Serial Bonds.....	150,000	-	150,000	-	-
Authorized.....	434,000	1,300,000	-	1,734,000	-
	<u>584,000</u>	<u>1,300,000</u>	<u>150,000</u>	<u>1,734,000</u>	<u>-</u>
	<u>\$ 584,000</u>	<u>\$ 1,300,000</u>	<u>\$ 150,000</u>	<u>\$ 1,734,000</u>	<u>\$ -</u>

CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 6 - MUNICIPAL DEBT

E. Summary of Changes in Other Liabilities

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

Changes in other long-term liabilities for the years ended December 31, 2019 and 2018 were as follows:

	Beginning			Ending	Due
<u>2019</u>	Balance	Additions	Reductions	Balance	Within
					One Year
Compensated Absences.....	\$ 17,304,004	\$ 2,156,298	\$ 678,169	\$ 18,782,133	\$ -
Net Pension Liability - PFRS....	105,178,145	-	21,809,046	83,369,099	-
Net Pension Liability - PERS....	28,705,255	-	2,376,373	26,328,882	-
Net OPEB Liability.....	405,994,668	104,138,252	-	510,132,920	-
	<u>\$ 557,182,072</u>	<u>\$ 106,294,550</u>	<u>\$ 24,863,588</u>	<u>\$ 638,613,034</u>	<u>\$ -</u>

	Beginning			Ending	Due
<u>2018</u>	Balance	Additions	Reductions	Balance	Within
					One Year
Compensated Absences.....	\$ 17,985,178	\$ 441,821	\$ 1,122,995	\$ 17,304,004	\$ -
Net Pension Liability - PFRS....	118,855,685	-	13,677,540	105,178,145	-
Net Pension Liability - PERS....	33,835,747	-	5,130,492	28,705,255	-
Net OPEB Liability.....	394,702,986	11,291,682	-	405,994,668	-
	<u>\$ 565,379,596</u>	<u>\$ 11,733,503</u>	<u>\$ 19,931,027</u>	<u>\$ 557,182,072</u>	<u>\$ -</u>

NOTE 7 - RISK MANAGEMENT

Insurance Coverage

The City is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The City has obtained commercial insurance coverage to guard against these events to minimize the exposure to the City should they occur.

The City is a member of South Bergen Municipal Joint Insurance Fund (SBJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Funds are risk-sharing public entity pools. The SBJIF and MEL coverage amounts are on file with the City.

The relationship between the City and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The City is contractually obligated to make all annual and supplementary contributions to the insurance funds, to report claims on a timely basis, to cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which the municipality was a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the funds can be obtained by contacting the respective fund's Treasurer.

There has been no significant reduction in insurance coverage from the previous year; however there has been settlements in excess of insurance coverage within the prior three years.

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 8 - INTERFUNDS

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

2019	Interfunds Receivable	Interfunds Payable
Current Fund.....	\$ -	\$ 369,742
Grant Fund.....	369,742	-
Trust Fund.....	-	-
General Capital Fund.....	-	-
Public Parking Utility Operating Fund.....	-	-
Public Parking Utility Capital Fund.....	-	-
	<u>\$ 369,742</u>	<u>\$ 369,742</u>

2018	Interfunds Receivable	Interfunds Payable
Current Fund.....	\$ -	\$ 405,770
Grant Fund.....	405,770	-
Trust Fund.....	-	-
General Capital Fund.....	-	-
Public Parking Utility Operating Fund.....	-	-
Public Parking Utility Capital Fund.....	-	-
	<u>\$ 405,770</u>	<u>\$ 405,770</u>

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 9 - 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 Current Fund:

2019	Balance December 31,	Appropriated in Subsequent Year's Budget	Balance to Succeeding
Current Fund:			
Overexpenditures.....	\$ -	\$ -	\$ -
Expenditures Without Appropriations.....	-	-	-
Deficit in Operations.....	-	-	-
Emergency Authorizations	-	-	-
Special Emergency Authorizations (40A:4-53)	190,000	190,000	-
	<u>\$ 190,000</u>	<u>\$ 190,000</u>	<u>\$ -</u>

2018	Balance December 31,	Appropriated in Subsequent Year's Budget	Balance to Succeeding
Current Fund:			
Overexpenditures.....	\$ -	\$ -	\$ -
Expenditures Without Appropriations.....	-	-	-
Deficit in Operations.....	-	-	-
Emergency Authorizations	-	-	-
Special Emergency Authorizations (40A:4-53)	380,000	190,000	190,000
	<u>\$ 380,000</u>	<u>\$ 190,000</u>	<u>\$ 190,000</u>

NOTE 10 - RETIREMENT PLANS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those City employees who are eligible for pension coverage.

Police and Firemen's Retirement System (PFRS)

Established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, refer to the State Division of Pension and Benefits ("Division's") Comprehensive Annual Financial Report ("CAFR") at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement benefits 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.

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits 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. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tier 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years, but not to exceed 30 years. Members may elect deferred retirement benefits 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.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan. For additional information about PERS, refer to the State Division of Pension and Benefits ("Division's") Comprehensive Annual Financial Report ("CAFR") at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which, if applicable, vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/5 5th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have a least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

NOTE 10 - RETIREMENT PLANS

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those City employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP)

Established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. DCRP is a defined contribution pension plan.

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Pensions Adjustment Fund (PAF). Prior to the adoption of pension reform legislation, P.L. 2011, C.78, it provided cost of living increases equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which includes the CPFPPF. Cost-of-living increases provided under the State's pension adjustment program are currently suspended as a result of the reform legislation. This benefit is funded by the State as benefit allowances become payable.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation. According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

NOTE 10 - RETIREMENT PLANS

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj/treasury/doinvest.

Collective Net Pension Liability

The collective net pension liability of the participating employers for PERS at June 30, 2019 and 2018 is \$18.1 billion and \$19.7 billion, respectively, and the plan fiduciary net position as a percentage of the total pension liability is 56.27% and 53.60%, respectively. The collective net pension liability of the participating employers for PFRS at June 30, 2019 and 2018 is \$14.2 billion and \$15.4 billion, respectively and the plan fiduciary net position as a percentage of total pension liability is 65.00% and 62.48%, respectively. The total pension liabilities were determined based on actuarial valuations as of July 1, 2018 and 2017 which were rolled forward to June 30, 2019 and 2018, respectively.

Actuarial Methods and Assumptions

In the July 1, 2018 and 2017 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

NOTE 10 - RETIREMENT PLANS

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2019 and 2018 based on 10.0% for PFRS, 7.50% (effective July 1, 2018) and 7.34% (effective July 1, 2017) for PERS and 5.50% for DCRP of employee's annual compensation.

For the years ended December 31, 2019 and 2018 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the City for 2019, 2018 and 2017 were equal to the required contributions.

During the years ended December 31, 2019, 2018 and 2017, the City, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

Year Ended December 31,	PFRS	PERS	DCRP
2019	\$ 8,049,339	\$ 1,519,993	\$ 20,755
2018	\$ 7,195,332	\$ 1,428,894	\$ 11,136
2017	\$ 6,738,981	\$ 1,371,083	\$ 11,283

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

	2019		2018	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The City's PFRS liability and proportionate share at December 31 was.....	<u>\$ 83,369,099</u>	<u>0.730269837</u>	<u>\$ 105,178,145</u>	<u>0.777275173</u>

	2019		2018	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The City's pension expense calculations for years ended December 31, were.....	<u>\$ 8,142,394</u>	<u>\$ 8,049,339</u>	<u>\$ 9,470,075</u>	<u>\$ 7,195,332</u>

The City's deferred outflows of resources and deferred inflows of resources related to PFRS pension; which are not reported on the City's financial statements are from the following sources at December 31:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ 754,390	\$ 565,812	\$ -	\$ 435,252
Changes of assumptions.....	3,062,272	28,883,274	1,070,050	26,955,343
Net difference between projected and actual earnings on pension plan investments.....	-	1,210,922	9,028,129	575,420
Changes in proportion and differences between City contributions and proportionate share of contributions.....	2,386,531	6,894,068	3,959,976	983,954
Total	<u>\$ 6,203,193</u>	<u>\$ 37,554,076</u>	<u>\$ 14,058,155</u>	<u>\$ 28,949,969</u>

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Actuarial Assumptions

The City's total pension liability reported for the year ended December 31, 2019 was based on the June 30, 2019 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The total pension liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2019	2018
Inflation Rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Thru 2026		2.10% - 8.98% based on age
Thereafter		3.10% - 9.98% based on age
All Future Years	3.25% - 15.25% based on service years	
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	Pub-2010	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2019 and AA for 2018.

The actuarial assumptions used in the July 1, 2018 and 2017 valuations were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018, and July 1, 2010 to June 30, 2013, respectively.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2019 and 2018, as reported for the years ended December 31, 2019 and 2018, respectively, are summarized in the following tables:

Asset Class	2019		2018	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.67%	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	10.00%	3.87%
US Equity	28.00%	8.26%	30.00%	8.19%
Non-US Developed Markets Equity	12.50%	9.00%	11.50%	9.00%
Emerging Markets Equity	6.50%	11.37%	6.50%	11.64%
High Yield	2.00%	5.37%	2.50%	6.82%
Global Diversified Credit	0.00%	0.00%	5.00%	7.10%
Credit Oriented Hedge Funds	0.00%	0.00%	1.00%	6.60%
Debt Related Private Equity	0.00%	0.00%	2.00%	10.63%
Debt Related Real Estate	0.00%	0.00%	1.00%	6.61%
Real Assets	2.50%	9.31%	2.50%	11.83%
Equity Related Real Estate	0.00%	0.00%	6.25%	9.23%
Buyouts/Venture Capital	0.00%	0.00%	8.25%	13.08%
Private Credit	6.00%	7.92%	0.00%	0.00%
Real Estate	7.50%	8.33%	0.00%	0.00%
Private Equity	12.00%	10.85%	0.00%	0.00%
	<u>100.00%</u>		<u>100.00%</u>	

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Discount Rate

	2019		2018	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total pension liabilities was as follows.....	06/30/19	6.85%	06/30/18	6.51%

The following table represents the crossover period, if applicable, for the PFRS defined benefit plan:

	2019	2018
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	Through June 30, 2076	Through June 30, 2062
Municipal Bond Rate *	From July 1, 2076 and Thereafter	From July 1, 2062 and Thereafter

*The municipal bond return rate used is 3.50% and 3.87% as of the measurement dates of June 30, 2019 and 2018, respectively. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AAa or higher.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Sensitivity of Net Pension Liability

The following presents the City's proportionate share of the PFRS net pension liability as of December 31, 2019 and 2018 calculated using the discount rate of 6.85% and 6.51%, respectively, as well as what the City's proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 5.85% and 5.51%, respectively or 1-percentage-point higher 7.85% and 7.51%, respectively than the current rate:

<u>2019</u>	1.00% Decrease <u>5.85%</u>	Current Discount Rate <u>6.85%</u>	1.00% Increase <u>7.85%</u>
The City's Proportionate Share of the PFRS Net Pension Liability.....	<u>\$ 83,957,650</u>	<u>\$ 83,369,099</u>	<u>\$ 82,174,163</u>
<u>2018</u>	1.00% Decrease <u>5.51%</u>	Current Discount Rate <u>6.51%</u>	1.00% Increase <u>7.51%</u>
The City's Proportionate Share of the PFRS Net Pension Liability.....	<u>\$ 106,303,165</u>	<u>\$ 105,178,145</u>	<u>\$ 104,053,125</u>

The sensitivity analysis was based on the proportionate share of the City's net pension liability at December 31, 2019 and 2018. A sensitivity analysis specific to the City's net pension liability was not provided by the pension system.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Special Funding Situation

Under N.J.S.A. 43:16A-15, the City is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 20 I, P.L. 200 I. The amounts contributed on behalf of the City by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the City's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2019 and 2018, the State's proportionate share of the net pension liability attributable to the City for the PFRS special funding situation is \$14,111,550 and \$14,286,712, respectively. For the years ended December 31, 2019 and 2018, the pension system has determined the State's proportionate share of the pension expense attributable to the City for the PFRS special funding situation is \$1,639,647 and \$1,692,238, respectively, which are more than the actual contributions the State made on behalf of the City of \$950,826 and \$846,118, respectively. At December 31, 2019 (measurement date June 30, 2019) the State's share of the PFRS net pension liability attributable to the City was 0.7302698367 percent, which was a decrease of .047006 percent from its proportionate share measured as of December 31, 2018 (measurement date June 30, 2018) of .7772751731 percent. The State's proportionate share attributable to the City was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the City's financial statements.

Pension Plan Fiduciary Net Position

Detailed information about the PFRS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

	2019		2018	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The City's PERS liability and proportionate share at December 31 was.....	\$ 26,328,882	0.146121523	\$ 28,705,255	0.14578965

	2019		2018	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The City's pension expense calculations for years ended December 31, were.....	\$ 1,085,534	\$ 1,519,993	\$ 1,441,729	\$ 1,428,894

The City's deferred outflows of resources and deferred inflows of resources related to PERS pension; which are not reported on the City's financial statements are from the following sources at December 31:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ 472,569	\$ 116,309	\$ 547,414	\$ 148,014
Changes of assumptions.....	2,629,036	9,138,672	4,730,151	9,178,414
Net difference between projected and actual earnings on pension plan investments.....	-	415,612	-	269,257
Changes in proportion and differences between City contributions and proportionate share of contributions.....	702,546	520,470	1,093,252	1,121,471
Total	\$ 3,804,151	\$ 10,191,063	\$ 6,370,817	\$ 10,717,156

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Actuarial Assumptions

The City's total pension liability reported for the year ended December 31, 2019 was based on the June 30, 2019 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The total pension liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2019	2018
Inflation Rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Thru 2026	2.00% - 6.00% based on years of service	1.65% - 4.15% based on age
Thereafter	3.00% - 7.00% based on years of service	2.65% - 5.15% based on age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2019 and AA for 2018.

The actuarial assumptions used in the July 1, 2018 and 2017 valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018, and July 1, 2011 to June 30, 2014, respectively.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2019 and 2018, as reported for the years ended December 31, 2019 and 2018, respectively, are summarized in the following tables:

Asset Class	2019		2018	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.67%	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	10.00%	3.87%
US Equity	28.00%	8.26%	30.00%	8.19%
Non-US Developed Markets Equity	12.50%	9.00%	11.50%	9.00%
Emerging Markets Equity	6.50%	11.37%	6.50%	11.64%
High Yield	2.00%	5.37%	2.50%	6.82%
Global Diversified Credit	0.00%	0.00%	5.00%	7.10%
Credit Oriented Hedge Funds	0.00%	0.00%	1.00%	6.60%
Debt Related Private Equity	0.00%	0.00%	2.00%	10.63%
Debt Related Real Estate	0.00%	0.00%	1.00%	6.61%
Real Assets	2.50%	9.31%	2.50%	11.83%
Equity Related Real Estate	0.00%	0.00%	6.25%	9.23%
Buyouts/Venture Capital	0.00%	0.00%	8.25%	13.08%
Private Credit	6.00%	7.92%	0.00%	0.00%
Real Estate	7.50%	8.33%	0.00%	0.00%
Private Equity	12.00%	10.85%	0.00%	0.00%
	<u>100.00%</u>		<u>100.00%</u>	

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Discount Rate

	2019		2018	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total pension liabilities was as follows.....	06/30/19	6.28%	06/30/18	5.66%

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

	2019	2018
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	Through June 30, 2057	Through June 30, 2046
Municipal Bond Rate *	From July 1, 2057 and Thereafter	From July 1, 2046 and Thereafter

*The municipal bond return rate used is 3.50% and 3.87% as of the measurement dates of June 30, 2019 and 2018, respectively. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AAa or higher.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Sensitivity of Net Pension Liability

The following presents the City's proportionate share of the PERS net pension liability as of December 31, 2019 and 2018 calculated using the discount rate of 6.28% and 5.66%, respectively, as well as what the City's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 5.28% and 4.66%, respectively or 1-percentage-point higher 7.28% and 6.66%, respectively than the current rate:

<u>2019</u>	1.00% Decrease <u>5.28%</u>	Current Discount Rate <u>6.28%</u>	1.00% Increase <u>7.28%</u>
The City's Proportionate Share of the PERS Net Pension Liability.....	<u>\$ 26,675,278</u>	<u>\$ 26,328,882</u>	<u>\$ 26,112,033</u>
 <u>2018</u>	 1.00% Decrease <u>4.66%</u>	 Current Discount Rate <u>5.66%</u>	 1.00% Increase <u>6.66%</u>
The City's Proportionate Share of the PERS Net Pension Liability.....	<u>\$ 29,009,530</u>	<u>\$ 28,705,255</u>	<u>\$ 28,400,981</u>

The sensitivity analysis was based on the proportionate share of the City's net pension liability at December 31, 2019 and 2018. A sensitivity analysis specific to the City's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

Note 11 - Other Post Retirement Benefits

Plan Description

The City provides post-employment medical benefits, including prescription drug and vision benefits as part of the medical plan, on a self-funded basis administered by Horizon Blue Cross Blue Shield of New Jersey (BCBSNJ).

Benefits Provided

The City provides postretirement healthcare insurance benefits for retirees and their dependents who meet certain eligibility requirements.

Section A: Reported OPEB Liability as of Year End December 31, 2019

1 Discount Rate		2.90%
2 Present Value of Future Benefits as of Year End December 31, 2019	\$	601,562,611
3 Total OPEB Liability as of Year End December 31, 2019	\$	510,132,920
4 Plan Fiduciary Net Position as of Year End December 31, 2019	\$	-
5 Net OPEB Liability as of Year End December 31, 2019: (3) - (4)	\$	510,132,920
6 Plan Fiduciary Net Position as a Percentage of OPEB Liability: (4) / (3)		0.00%
7 Total Annual Salary (Compensation) based on Valuation Census Information	\$	37,896,223
8 Net OPEB Liability as a Percentage of Annual Salary: (5) / (7)		1346.13%
9 Total Employee Census Counts for Valuation		
a. Active Employees		424
b. Retired Employees (incl. vested terminations)		199
c. Subtotal: (8a) + (8b)		623

CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 AND 2018

Note 11 - Other Post Retirement Benefits

Section B: Projected Expense Calculation as of Year End December 31, 2019

1 Service Cost with Interest to Year End - Period January 1, 2019 to December 31, 2019	\$	5,213,939
2 Interest Cost - Period January 1, 2019 to December 31, 2019		
a. Discount Rate		2.90%
b. Total OPEB Liability as of January 1, 2019	\$	394,702,986
c. Actual Benefit Payments - Illustrated as Project for Period January 1, 2019 to December 31, 2019	\$	8,353,510
d. Interest Cost: (2a) x [(2b) - (2c) / 2]	\$	14,347,693
3 Investment Return - Period January 1, 2019 to December 31, 2019	\$	-
4 Employee Contributions - Period January 1, 2019 to December 31, 2019	\$	-
5 Administrative Expenses	\$	-
6 Plan Changes	\$	-
7 Amortization of Unrecognized Amounts		
a. Liability (Gain)/Loss	\$	8,448,194
b. Asset (Gain)/Loss	\$	-
c. Net (Gain)/Loss: (7a) - (7b)	\$	8,448,194
8 Total Expense - Period January 1, 2019 to December 31, 2019	\$	28,009,826

Section C: Reconciliation of Net OPEB Liability as of Year End December 31, 2019

	<u>Total</u> <u>OPEB Liability</u>	<u>Plan Fiduciary</u> <u>Net Position</u>	<u>Net</u> <u>OPEB Liability</u>
1 Balance Recognized as of Beginning of Year (End of Prior Year)	\$ 405,994,668	\$ -	\$ 405,994,668
2 Changes Recognized for Fiscal Year			
a. Service Cost: Section B, Line 1	\$ 5,213,939	\$ -	\$ 5,213,939
b. Interest on Total OPEB Liability: Section B, Line 2d	\$ 14,347,693	\$ -	\$ 14,347,693
c. Change in Benefit Terms: Section B, Line 6	\$ -	\$ -	\$ -
d. Change in Expected to Actual	\$ -	\$ -	\$ -
e. Changes in Assumptions	\$ 92,930,130	\$ -	\$ 92,930,130
f. Benefit Payments: Section B, Line 2c	\$ (8,353,510)	\$ -	\$ (8,353,510)
g. Contributions from Employer	\$ -	\$ -	\$ -
h. Contributions from Employees	\$ -	\$ -	\$ -
i. Net Investment Income: Section B, Line 3	\$ -	\$ -	\$ -
j. Administrative Expenses: Section B, Line 5	\$ -	\$ -	\$ -
k. Net Changes: (a) + ... + (j)	\$ 104,138,252	\$ -	\$ 104,138,252
3 Balance Recognized as of End Year - December 31, 2019	\$ 510,132,920	\$ -	\$ 510,132,920

CITY OF HACKENSACK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 AND 2018

Note 11 - Other Post Retirement Benefits

Section D: Discount (Interest) Rate Sensitivity as of Year End December 31, 2019

	Current Valuation Discount Rate <u>2.90%</u>	Discount Rate Less 1% <u>1.90%</u>	Discount Rate Plus 1% <u>3.90%</u>
1 Total OPEB Liability as of Year End December 31, 2019			
a. OPEB Liability	\$ 510,132,920	\$ 655,511,975	\$ 408,608,737
b. Ratio to Current Valuation Assumptions	n/a	128.50%	80.10%
2 Plan Fiduciary Net Position as of Year End December 31, 2019			
a. Plan Fiduciary Net Position	\$ -	\$ -	\$ -
b. Ratio to Current Valuation Assumptions	n/a	n/a	n/a
3 Net OPEB Liability as of Year End December 31, 2019			
a. OPEB Liability: (1a) - (2a)	\$ 510,132,920	\$ 655,511,975	\$ 408,608,737
b. Ratio to Current Valuation Assumptions	n/a	128.50%	80.10%

Section E: Healthcare Cost Inflation (Trend) Rate Sensitivity as of Year End December 31, 2019

	Current Valuation Discount Rate	Trend Rate Less 1%	Trend Rate Plus 1%
1 Total OPEB Liability as of Year End December 31, 2019			
a. OPEB Liability	\$ 510,132,920	\$ 389,175,434	\$ 679,536,053
b. Ratio to Current Valuation Assumptions	n/a	76.29%	133.21%
2 Plan Fiduciary Net Position as of Year End December 31, 2019			
a. Plan Fiduciary Net Position	\$ -	\$ -	\$ -
b. Ratio to Current Valuation Assumptions	n/a	n/a	n/a
3 Net OPEB Liability as of Year End December 31, 2019			
a. OPEB Liability: (1a) - (2a)	\$ 510,132,920	\$ 389,175,434	\$ 679,536,053
b. Ratio to Current Valuation Assumptions	n/a	76.29%	133.21%

NOTE 12 - CONTINGENCIES

A. Litigation

The City is a party to various legal proceedings which normally occur in the operation of government. These proceedings are not likely to 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, 2019. Amounts claimed have not yet been determined. The City is vigorously defending its assessments in each case. Under the prescribed accounting principles, the City does not recognize any liability, until the cases have been adjudicated. The City expects such amounts, if any, to be material. Funding of any liability would be provided for in succeeding years' budgets, fund balance, cash reserve, or by issuance of refunding bonds.

C. Federal and State Awards

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 grantor agency. If expenditures are disallowed, the City may be required to reimburse the grantor agency. As of December 31, 2019, 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.

D. Federal Arbitrage Rebate

The City is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2019, the City has not estimated its arbitrage earnings due to the IRS, if any.

E. COVID-19

Both short and long-term financial impact from COVID-19 has yet to be determined. Preliminarily, certain anticipated revenues are deemed to be at risk, as well as current and delinquent taxes.

CITY OF HACKENSACK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 13 - FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund and Utility Operating Fund are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	2019		2018	
	Fund Balance December 31,	Utilized in Subsequent Years' Budget	Fund Balance December 31,	Utilized in Subsequent Years' Budget
Current Fund:				
Cash Surplus	\$ 16,321,805	\$ 4,000,000	\$ 15,835,678	\$ 4,000,000
Non-Cash Surplus	-	-	-	-
	<u>\$ 16,321,805</u>	<u>\$ 4,000,000</u>	<u>\$ 15,835,678</u>	<u>\$ 4,000,000</u>
Utility Operating Fund:				
Cash Surplus	\$ 1,909,750	\$ 360,000	\$ 1,155,505	\$ 360,000
Non-Cash Surplus	-	-	-	-
	<u>\$ 1,909,750</u>	<u>\$ 360,000</u>	<u>\$ 1,155,505</u>	<u>\$ 360,000</u>

NOTE 14 - 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.

NOTE 15 - SUBSEQUENT EVENTS

The following material events occurring subsequent to the December 31, 2019 balance sheet date require disclosure:

A. Capital Projects

Subsequent to December 31, 2019, the City adopted capital ordinances appropriating \$4,902,000 capital improvements to be funded with \$3,000,000 reserve for sale of municipal assets, \$402,000 capital surplus and \$1,500,000 debt authorized.

B. Deferred Charges

Prior to December 31, 2020, the City adopted a resolution declaring an emergency appropriation to provide for the local share of grants in the amount of \$24,356. That amount will appear as a deferred charge on the City's December 31, 2020 balance sheet and will be required to be raised by taxation in full in the City's CY2021 municipal budget.

SUPPLEMENTARY SCHEDULES

CURRENT FUND

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018.....		\$	450
Increased by:			
			-
			-
			450
Decreased by:			
			-
			-
Balance, December 31, 2019.....		\$	<u>450</u>

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF DELINQUENT PROPERTY TAXES RECEIVABLE
 YEAR ENDED DECEMBER 31, 2019

Year	Balance	2019 Levied	Cash Received		Vets & SC Deductions	Cancelled	Balance
	December 31, 2018		2018	2019			December 31, 2019
2017	\$ 225	\$ -	\$ -	\$ 225	\$ -	\$ -	\$ -
2018	8,391	-	-	8,391	-	-	-
	8,616	-	-	8,616	-	-	-
2019	-	186,607,493	727,488	182,594,830	105,908	3,178,957	310
	<u>\$ 8,616</u>	<u>\$ 186,607,493</u>	<u>\$ 727,488</u>	<u>\$ 182,603,446</u>	<u>\$ 105,908</u>	<u>\$ 3,178,957</u>	<u>\$ 310</u>

Analysis of 2019 Property Tax Levy

Calculation of "Revenue from Current Tax Collections"

Tax Yield:

General Purpose Tax.....	\$ 186,115,182
Special Improvement District Tax.....	464,000
Omitted Taxes (N.J.S.A. 54:4-63.12 et. seq.).....	-
Added Taxes (N.J.S.A. 54:4-63.1 et. seq.).....	28,311
	<u>\$ 186,607,493</u>

Cash Received - 2018	\$ 727,488
Cash Received - 2019	182,594,830
Vets & SC Deductions	105,908
	<u>\$ 183,428,226</u>

Tax Levy:

County.....	\$ 13,274,661
County Open Space.....	574,149
District School.....	84,329,910
Municipal Open Space.....	277,205
Municipal.....	85,689,118
Library.....	1,952,514
	<u>186,097,557</u>
Tax Duplicate Rounding.....	17,625
Omitted Taxes (N.J.S.A. 54:4-63.12 et. seq.).....	-
Added Taxes (N.J.S.A. 54:4-63.1 et. seq.).....	28,311
Special Improvement District Tax.....	464,000
	<u>\$ 186,607,493</u>

CITY OF HACKENSACK
CURRENT FUND
STATEMENT OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018.....		\$	1,311,800
Increased by:			
	<u>-</u>		<u>-</u>
			1,311,800
Decreased by:			
	<u>-</u>		<u>-</u>
Balance, December 31, 2019.....		<u>\$</u>	<u>1,311,800</u>

CITY OF HACKENSACK
 CURRENT FUND
 STATEMENT OF DEFERRED CHARGES
 YEAR ENDED DECEMBER 31, 2019

<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance December 31, 2018</u>	<u>Authorized</u>	<u>Reduced by Budget Appropriation</u>	<u>Adjustments</u>	<u>Balance December 31, 2019</u>
<i>N.J.S.A. 40A:4-53 Special Emergency Authorizations:</i>							
Re-Assessment	950,000	190,000	\$ 380,000	\$ -	\$ 190,000	\$ -	190,000

CITY OF HACKENSACK
 GRANT FUND
 STATEMENT OF GRANTS RECEIVABLE
 YEAR ENDED DECEMBER 31, 2019

Program	Balance December 31, 2018	Revenue Realized		Cash Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2019
		Budget	Added by N.J.S. 40A:4-87				
Federal:							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Child Nutrition Summer Program	40,259	-	157,247	50,568	-	-	146,938
	40,259	-	157,247	50,568	-	-	146,938
State:							
NJ Municipal Alliance on Alcoholism & I	26,326	15,279	-	24,428	-	-	17,177
NJ Clean Communities Program	-	-	80,738	80,738	-	-	-
NJ Drunk Driving Enforcement Fund	-	-	-	-	-	-	-
NJ Safe and Secure Communities Grar	-	15,000	-	15,000	-	-	-
NJ Body Armor Replacement Program	-	11,056	-	11,056	-	-	-
NJ Recycling Enhancement Grant	-	-	3,000	3,000	-	-	-
NJ Assistance to Firefighters Grant	86,182	-	-	-	-	-	86,182
NJ Recycling Tonnage Grant	-	53,771	-	53,771	-	-	-
NJ Body Worn Cameras Grant	-	-	-	-	-	-	-
	112,508	95,106	83,738	187,993	-	-	103,359
Other:							
Bergen County Open Space Grant	35,571	-	-	35,571	-	-	-
	35,571	-	-	35,571	-	-	-
Grand Total	\$ 188,338	\$ 95,106	\$ 240,985	\$ 274,132	\$ -	\$ -	\$ 250,297

CITY OF HACKENSACK
 GRANT FUND
 STATEMENT OF APPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2019

Program	Balance	Appropriated		Expended	Adjustments	Balance
	December 31, 2018	Budget	Added by N.J.S. 40A:4-87			December 31, 2019
<u>Federal:</u>						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Technology Grant	51,016	-	-	-	-	51,016
Emergency Operation Center	152,616	-	-	-	-	152,616
Child Nutrition Summer Program	99,052	-	157,247	29,840	-	226,459
	<u>302,684</u>	<u>-</u>	<u>157,247</u>	<u>29,840</u>	<u>-</u>	<u>430,091</u>
<u>State:</u>						
NJ Clean Communities Program	39,115	-	80,738	96,774	-	23,079
NJ Municipal Alliance on Alcoholism & Drug Abuse	23,036	19,098	-	17,002	-	25,132
NJ Alcohol Education & Rehabilitation Fund	295	-	-	-	-	295
NJ Law & Public Safety Grant	25,200	-	-	25,200	-	-
NJ Assistance to Firefighters Grant	86,182	-	-	86,182	-	-
NJ Body Worn Cameras Grant	-	-	-	-	-	-
NJ Safe & Secure Communities Grant	15,000	15,000	-	5,618	-	24,382
NJ Recycling Tonnage Grant	46,894	53,771	-	72,780	-	27,885
NJ Body Armor Replacement Program	-	11,056	-	11,056	-	-
NJ Drunk Driving Enforcement Fund	20,151	-	-	-	-	20,151
NJ Emergency Management Assitance	7,000	-	-	-	-	7,000
NJ Recycling Enhancement Grant	-	-	3,000	3,000	-	-
NJ EDA State Street Site Remediation	3	-	-	-	-	3
NJ DEP Recycling Assistance Grant	11,408	-	-	-	-	11,408
	<u>274,284</u>	<u>98,925</u>	<u>83,738</u>	<u>317,612</u>	<u>-</u>	<u>139,335</u>
<u>Other:</u>						
County History Grant	1,000	-	-	-	-	1,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Grand Total	<u>\$ 577,968</u>	<u>\$ 98,925</u>	<u>\$ 240,985</u>	<u>\$ 347,452</u>	<u>\$ -</u>	<u>\$ 570,426</u>

CITY OF HACKENSACK
 GRANT FUND
 STATEMENT OF UNAPPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2019

Program	Balance December 31, 2018	Appropriated		Received in 2018	Adjustments	Balance December 31, 2019
		Budget	Added by N.J.S. 40A:4-87			
Child Nutrition Summer Program	\$ 1,140	\$ -	\$ -	\$ -	\$ -	\$ 1,140
Safe and Secure Communities	15,000	15,000	-	5,000	-	5,000
NJ Law & Public Safety Grant	-	-	-	43,472	-	43,472
NJ Clean Communities Program	-	-	-	-	-	-
NJ Body Armor Replacement Program	-	11,056	-	11,056	-	-
NJ Recycling Enhancement Grant	-	-	3,000	3,000	-	-
NJ Recycling Tonnage Grant	-	53,771	-	53,771	-	-
	<u>\$ 16,140</u>	<u>\$ 79,827</u>	<u>\$ 3,000</u>	<u>\$ 116,299</u>	<u>\$ -</u>	<u>\$ 49,612</u>

TRUST FUND

CITY OF HACKENSACK
 TRUST FUND
 STATEMENT OF ANIMAL CONTROL TRUST FUND RESERVE
 YEAR ENDED DECEMBER 31, 2019

Purpose	Balance December 31, 2018	Receipts	Disbursements	Balance December 31, 2019
Prior	\$ 15,703	\$ -	\$ -	\$ 15,703
2019	-	8,696	12,324	(3,628)
	<u>\$ 15,703</u>	<u>\$ 8,696</u>	<u>\$ 12,324</u>	<u>\$ 12,075</u>

CITY OF HACKENSACK
 TRUST FUND
 STATEMENT OF MUNICIPAL OPEN SPACE TRUST FUND RESERVE
 YEAR ENDED DECEMBER 31, 2019

Purpose	Balance December 31, 2018	Receipts	Disbursements	Balance December 31, 2019
2019 - Levy	\$ -	\$ 277,205	\$ -	\$ 277,205
2019 - Interest Earned	-	74	-	74
	<u>\$ -</u>	<u>\$ 277,279</u>	<u>\$ -</u>	<u>\$ 277,279</u>

CITY OF HACKENSACK
 TRUST FUND
 STATEMENT OF COMMUNITY DEVELOPMENT BLOCK GRANT TRUST FUND RESERVE
 YEAR ENDED DECEMBER 31, 2019

Purpose	Balance December 31, 2018	Receipts	Disbursements	Balance December 31, 2019
Undesignated	\$ 1	\$ -	\$ -	\$ 1

CITY OF HACKENSACK
 TRUST FUND
 STATEMENT OF OTHER TRUST FUND RESERVES
 YEAR ENDED DECEMBER 31, 2019

Purpose	Balance December 31, 2018	Receipts	Disbursements	Balance December 31, 2019
Unemployment	\$ 29,681	\$ 44,481	\$ 53,008	\$ 21,154
Self Insurance - Liability	61,694	1,098,577	1,095,220	65,051
Self Insurance - Workers' Compensation	18,672	1,137,643	1,088,818	67,497
Self Insurance - Dental	103,847	303,638	333,326	74,159
Developers' Escrow (Master and Disbursen	2,347,543	2,028,774	1,950,570	2,425,747
Affordable Housing	964,238	420,925	22,729	1,362,434
Federal Equitable Sharing Program	256,940	414,655	122,797	548,798
Tax Sale Premiums	3,129,508	1,586,500	2,182,400	2,533,608
Local Code Enforcement (Fire)	28,013	18,625	14,323	32,315
Donations - Trees	3,495	975	-	4,470
DARE / Municipal Alliance	8,164	5,830	4,583	9,411
National Night Out	7,404	750	1,409	6,745
Uniform Fire Safety Act Penalties	559,689	170,298	77,794	652,193
Local Code Enforcement (Building)	6,350	-	-	6,350
Donations - Fire Department	69,639	16,000	4,438	81,201
POAA - Municipal Court	83,504	22,878	15,303	91,079
Public Defender	82,282	30,052	55,600	56,734
Recreation Programs	207,685	208,183	197,040	218,828
Road Openings	16,577	-	-	16,577
Snow/Debris Removal	833,551	206,697	10,970	1,029,278
Accumulated Absences	1,279,079	-	-	1,279,079
Recreation Programs - Performing Arts	92,707	91,474	5,033	179,148
Outside Police Employment	131,231	2,121,041	2,252,271	1
Self Insurance - Health Benefits	494,307	974,559	-	1,468,866
	\$ 10,815,800	\$ 10,902,555	\$ 9,487,632	\$ 12,230,723

GENERAL CAPITAL FUND

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

Program	Balance December 31, 2018	Improvement Authorized	Received	Unappropriated Reserve Applied	Reprogram/ Cancelled/ Adjustments	Balance December 31, 2019
<u>Federal</u>						
U.S. DOT Passed Thru - NJDOT - #12-16	\$ 195,129	\$ -	\$ -	\$ -	\$ -	\$ 195,129
U.S. EPA Passed Thru - NJDEP - #31-14	35,679	-	-	-	35,679	-
#55-19 Various Public Improvements	-	353,419	-	-	-	353,419
	<u>230,808</u>	<u>353,419</u>	<u>-</u>	<u>-</u>	<u>35,679</u>	<u>548,548</u>
<u>State of New Jersey</u>						
#09-18 NJDOT - Main St. Streetscape	95,827	-	-	-	-	95,827
#40-17 Green Acres Grant	600,000	-	-	-	-	600,000
#28-19 Main Street Streetscaping	-	1,000,000	-	-	-	1,000,000
#28-19 Main Street Streetscaping	-	241,918	-	-	-	241,918
#28-19 Main Street Streetscaping	-	255,610	-	-	-	255,610
#28-19 Main Street Streetscaping	-	370,000	-	-	-	370,000
	<u>695,827</u>	<u>1,867,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,563,355</u>
<u>Other:</u>						
Bergen County Open Space - #40-17	100,000	-	-	-	-	100,000
Bergen County Adaptive Signal Grant	1,575,000	-	-	-	1,575,000	-
	<u>1,675,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,575,000</u>	<u>100,000</u>
	<u>\$ 2,601,635</u>	<u>\$ 2,220,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,610,679</u>	<u>\$ 3,211,903</u>

CITY OF HACKENSACK
 GENERAL CAPITAL FUND
 STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
 YEAR ENDED DECEMBER 31, 2019

Description	Balance December 31, 2018	Issued In 2019	Paid by Budget Appropriation	Adjustments	Balance December 31, 2019
Serial Bonds Payable.....	\$ 51,179,000	\$ -	\$ 7,430,000	\$ -	\$ 43,749,000
Capital Lease Obligations Payable.....	50,883	-	50,883	-	-
Loans Payable.....	3,317,449	-	232,763	-	3,084,686
	<u>\$ 54,547,332</u>	<u>\$ -</u>	<u>\$ 7,713,646</u>	<u>\$ -</u>	<u>\$ 46,833,686</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2019

Improvement	Balance December 31, 2018	Debt Authorized	Paid by Budget Appropriation	Paid by Budget Appropriation	Paid by Budget Appropriation	Premium Applied	Cancelled	Serial Bonds Issued	Serial Bonds Issued	Cancelled/ Adjusted	Balance December 31, 2019	Analysis of Balance		
												Outstanding BANs	B&N Authorized	Capital Cash
#14-16 Sports Facility - Johnson Park	\$ 6,650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,650,000	\$ -	\$ 6,650,000	\$ -
#22-16 Acquisition of Riparian Rights	1,570,000.00	-	-	-	-	-	-	-	-	-	1,570,000.00	1,570,000.00	-	-
#39-14 CSO Sewer Separation - Phase I	1,880,350.00	-	-	-	-	-	-	-	-	-	1,880,350.00	1,880,300.00	50.00	-
#40-17 Foschini Park Improvements	1,285,700.00	-	-	-	-	-	-	-	-	-	1,285,700.00	-	1,285,700.00	-
#09-18 Garbage Trucks	761,800.00	-	-	-	-	-	-	-	-	-	761,800.00	761,800.00	-	-
#19-18 UST / HVAC	552,300.00	-	-	-	-	-	104,052.00	-	-	-	448,248.00	-	448,248.00	-
#32-18 Adaptive Signal	1,809,500.00	-	-	-	-	-	-	-	-	-	1,809,500.00	-	1,809,500.00	-
#51-18 Various Capital Improvements	3,618,900.00	-	-	-	-	-	-	-	-	-	3,618,900.00	3,618,900.00	-	-
#28-19 Main Street Streetscaping	-	6,600,000	-	-	-	-	-	-	-	-	6,600,000.00	-	6,600,000.00	-
#38-19 Stormwater Infrastructure Improvements	-	1,550,000	-	-	-	-	-	-	-	-	1,550,000.00	-	1,550,000.00	-
#39-19 Court Street CSO Improvements	-	14,630,000	-	-	-	-	-	-	-	-	14,630,000.00	-	14,630,000.00	-
#50-19 Main Street CSO Improvements	-	6,500,000	-	-	-	-	-	-	-	-	6,500,000.00	-	6,500,000.00	-
#53-19 Voorhis Pump Station Improvements	-	375,000	-	-	-	-	-	-	-	-	375,000.00	-	375,000.00	-
#55-19 Various Public Improvements	-	3,809,000	-	-	-	-	-	-	-	-	3,809,000.00	-	3,809,000.00	-
	\$ 18,128,550	\$ 33,464,000	\$ -	\$ -	\$ -	\$ -	\$ 104,052	\$ -	\$ -	\$ -	\$ 51,488,498	\$ 7,831,000	\$ 43,657,498	\$ -

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2019

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2018	Issued In 2019	Paid by Budget Appropriation	Balance December 31, 2019
01/01/08 General Improvement Bonds.....	\$ 11,900,000	\$ 6,075,000	\$ -	\$ 1,965,000	\$ 4,110,000
05/01/13 General Improvement Bonds - "A".....	6,170,000	4,540,000	-	375,000	4,165,000
05/01/13 General Improvement Bonds - "B".....	3,679,000	2,719,000	-	270,000	2,449,000
04/12/18 General Improvement Bonds.....	21,820,000	21,820,000	-	785,000	21,035,000
04/12/18 Refunding Bonds.....	16,025,000	16,025,000	-	4,035,000	11,990,000
		<u>\$ 51,179,000</u>	<u>\$ -</u>	<u>\$ 7,430,000</u>	<u>\$ 43,749,000</u>

CITY OF HACKENSACK
 GENERAL CAPITAL FUND
 STATEMENT OF CAPITAL LEASE OBLIGATIONS PAYABLE
 YEAR ENDED DECEMBER 31, 2019

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2018</u>	<u>Issued In 2019</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2019</u>
06/04/09 BCIA - Garbage Trucks	\$ 456,750	<u>\$ 50,883</u>	<u>\$ -</u>	<u>\$ 50,883</u>	<u>\$ -</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2019

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2018</u>	<u>Issued In 2019</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2019</u>
12/04/12 - Green Acres Trust Loan - Second Warc	\$ 445,113	\$ 333,073	\$ -	\$ 21,723	\$ 311,350
10/15/00 - Series 2000 - NJEIT Wastewater Treati	495,000	75,000	-	35,000	40,000
09/30/10 - Series 2010 "A" - NJEIT Wastewater Tr	527,500	321,865	-	26,822	295,043
12/02/10 - Series 2010 "B" - NJEIT Wastewater Tr	980,000	720,000	-	45,000	675,000
05/28/15 - Series 2015 "A-1" - NJEIT Wastewater	760,000	680,000	-	30,000	650,000
05/28/15 - Series 2015 "A-1" - NJEIT Wastewater	1,459,650	1,187,511	-	74,218	1,113,293
		<u>\$ 3,317,449</u>	<u>\$ -</u>	<u>\$ 232,763</u>	<u>\$ 3,084,686</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2019

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Issued		Renewed	Paid by Budget Appropriation	Balance December 31, 2019
							Renewed	New Cash			
#39-14 CSO Sewer Separation - Phase I	1,880,300	12/10/19	12/10/19	12/09/20	2.00%	\$ -	\$ -	\$ 1,880,300	\$ -	\$ -	\$ 1,880,300
#22-16 Acquisition of Riparian Rights	1,570,000	12/10/19	12/10/19	12/09/20	2.00%	-	-	1,570,000	-	-	1,570,000
#09-18 Garbage Trucks	761,800	12/10/19	12/10/19	12/09/20	2.00%	-	-	761,800	-	-	761,800
#51-18 Various Capital Improvements	3,618,900	12/10/19	12/10/19	12/09/20	2.00%	-	-	3,618,900	-	-	3,618,900
						<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,831,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,831,000</u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

Description	Date	Ordinance Amount	Authorized								Balance - December 31, 2019	
			Balance - January 1, 2018		Capital Improvement Fund	Capital Surplus	Bonds & Notes Authorized	Other	Expended	Cancelled	Funded	Unfunded
			Funded	Unfunded								
#11-09 Public Training Facility/Imp to Various Parks	04/20/09	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
#18-13 Various Improvements to Firehouse #2	08/20/13	300,000	68,552	-	-	-	-	-	-	-	68,552	-
#24-14 Tax Appeal Refunding (2014)	09/16/14	8,650,000	-	-	-	-	-	-	-	-	-	-
#25-14 Improvements to Atlantic Street Park	08/18/14	650,000	-	-	-	-	-	-	-	-	-	-
#31-14 Water Infrastructure Improvements	09/16/14	540,000	29,399	-	-	-	-	21,852	7,547	-	-	-
#37-14 Improvements to Firehouse #2	2014	200,000	60,387	-	-	-	-	-	-	-	60,387	-
#38-14 Acquisition of DPW Equipment	2014	400,000	11,038	-	-	-	-	1,646	-	-	9,392	-
#39-14 CSO Sewer Separation - Phase I	2014	4,100,000	-	632,283	-	-	-	131,684	-	-	-	500,599
#01-15 Improvements to Atlantic Street Park	2015	120,000	-	-	-	-	-	-	-	-	-	-
#10-15 Various Road Improvements	03/23/15	1,088,000	22,978	-	-	-	-	22,978	-	-	-	-
#21-15 Various Capital Improvements & Acquisitions	2015	473,000	53,842	-	-	-	-	7,700	-	-	46,142	-
#26-15 Performing Arts Center & Road Improvements	07/07/15	2,280,000	214,981	-	-	-	-	30,688	180,854	-	3,439	-
#39-15 Tax Appeal Refunding	10/06/15	10,150,000	-	-	-	-	-	-	-	-	-	-
#56-15 Carver Park Splash Park - Supplemental	2015	572,364	-	-	-	-	-	-	-	-	-	-
#12-16 Various Road Improvements	04/04/16	1,919,000	227,378	-	-	-	-	204,736	-	-	22,642	-
#13-16 Main & State Streets Two Way Conversion	04/04/16	5,856,520	1,969,772	-	-	-	-	1,480,087	-	-	489,685	-
#14-16 Sports Facility - Johnson Park	2016	7,000,000	-	6,586,146	-	-	-	608,844	-	-	-	5,977,302
#15-16 M&M Recreation Building Revocations	04/04/16	8,200,000	3,893,714	-	-	-	-	3,209,409	-	-	684,305	-
#22-16 Acquisition of Riparian Rights	2016	1,650,000	-	17,354	-	-	-	-	-	-	-	17,354
#29-16 Acquisition of Fire Pumper	07/25/16	980,000	114,859	-	-	-	-	25,584	7,373	-	81,902	-
#31-16 Performing Arts Center - Supplemental	2016	675,000	-	-	-	-	-	-	-	-	-	-
#33-16 Tax Appeal Refunding (2016)	09/27/16	10,065,000	898,834	-	-	-	-	887,592	-	-	11,242	-
#04-17 Acquisition of Garbage Trucks/ Road Improvements	04/11/17	-	148,250	-	-	-	-	49,670	-	-	98,580	-
#14-17 City Building Improvements	2017	-	41,535	-	-	-	-	17,000	24,535	-	-	-
#22-17 Various Public Improvements	09/12/17	-	861,034	-	-	-	-	500,313	1,630	-	359,091	-
#24-17 City Hall Improvements	2017	-	341,668	-	-	-	-	66,325	-	-	275,343	-
#40-17 Foschini Park Improvements	2017	-	44,295	1,285,700	-	-	-	209,729	-	-	-	1,120,266
#09-18 Garbage Trucks	03/13/18	800,000	-	516,029	-	-	-	126,868	-	-	-	389,161
#17-18 Acq. of Police In-CarVideo System	05/08/18	250,000	-	-	-	-	-	-	-	-	-	-
#19-18 UST / HVAC	05/22/18	580,000	-	246,863	-	-	-	3,011	104,052	-	-	139,800
#32-18 Adaptive Signal	07/23/18	1,900,000	39,087	1,809,500	-	-	-	760,710	-	-	-	1,087,877
#51-18 Various Capital Improvements	10/31/18	3,800,000	-	3,390,761	-	-	-	2,594,791	8,955	-	-	787,015
#25-19 Various Public Improvements	2019	400,000	-	-	-	400,000	-	273,272	30,996	-	95,732	-
#28-19 Main Street Streetscaping	2019	6,600,000	-	-	-	-	6,600,000	54,160	-	-	-	6,545,840
#38-19 Stormwater Infrastructure Improvements	2019	1,550,000	-	-	-	-	1,550,000	350	-	-	-	1,549,650
#39-19 Court Street CSO Improvements	2019	14,630,000	-	-	-	-	14,630,000	10,098	-	-	-	14,619,902
#50-19 Main Street CSO Improvements	2019	6,500,000	-	-	-	-	6,500,000	350	-	-	-	6,499,650
#53-19 Voorhis Pump Station Improvements	2019	375,000	-	-	-	-	375,000	825,000	350	-	824,650	375,000
#55-19 Various Public Improvements	2019	4,000,000	-	-	191,000	-	3,809,000	6,499	-	-	184,501	3,809,000
			<u>\$ 9,041,603</u>	<u>\$ 14,484,636</u>	<u>\$ 191,000</u>	<u>\$ 400,000</u>	<u>\$ 33,464,000</u>	<u>\$ 825,000</u>	<u>\$ 11,306,296</u>	<u>\$ 365,942</u>	<u>\$ 3,315,585</u>	<u>\$ 43,418,416</u>

CITY OF HACKENSACK
 GENERAL CAPITAL FUND
 STATEMENT OF CAPITAL IMPROVEMENT FUND
 YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018		\$	752,429
Increased by:			
Budget Appropriation	\$	400,000	
Improvement Authorizations Cancelled		30,996	
		-	
			<u>430,996</u>
			1,183,425
Decreased by:			
Appropriated - Improvement Authorizations	\$	191,000	
Appropriated - Preliminary Plan Expenses		175,000	
		-	
			<u>366,000</u>
Balance, December 31, 2019		\$	<u><u>817,425</u></u>

CITY OF HACKENSACK
 GENERAL CAPITAL FUND
 STATEMENT OF RESERVE FOR PRELIMINARY PLAN EXPENSES
 YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018		\$	105,497
Increased by:			
Appropriated from Capital Improvement Fund	\$	175,000	
		-	
		-	
		<u> </u>	175,000
			<u>280,497</u>
Decreased by:			
Expended	\$	129,657	
		-	
		-	
		<u> </u>	129,657
Balance, December 31, 2019		\$	<u><u>150,840</u></u>

CITY OF HACKENSACK
 GENERAL CAPITAL FUND
 STATEMENT OF RESERVE FOR DEBT SERVICE
 YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018		\$	176,883
Increased by:			
Improvement Authorizations Cancelled	\$	8,955	
		-	
		-	
			<u>8,955</u>
			<u>185,838</u>
Decreased by:			
Utilized as Current Fund Revenue	\$	176,883	
		-	
		-	
			<u>176,883</u>
Balance, December 31, 2019		\$	<u><u>8,955</u></u>

CITY OF HACKENSACK
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

Improvement Description	Balance December 31, 2018	Debt Authorized	BANs Issued	Serial Bonds Issued	Raised by Budget Appropriation	Premium Applied	Cancelled	Balance December 31, 2019
#39-14 CSO Sewer Separation - Phase I	\$ 1,880,350	\$ -	\$ 1,880,300	\$ -	\$ -	\$ -	\$ -	\$ 50
#14-16 Sports Facility - Johnson Park	6,650,000	-	-	-	-	-	-	6,650,000
#22-16 Acquisition of Riparian Rights	1,570,000	-	1,570,000	-	-	-	-	-
#40-17 Foschini Park Improvements	1,285,700	-	-	-	-	-	-	1,285,700
#09-18 Garbage Trucks	761,800	-	761,800	-	-	-	-	-
#19-18 UST / HVAC	552,300	-	-	-	-	-	104,052	448,248
#32-18 Adaptive Signal	1,809,500	-	-	-	-	-	-	1,809,500
#51-18 Various Capital Improvements	3,618,900	-	3,618,900	-	-	-	-	-
#28-19 Main Street Streetscaping	-	6,600,000	-	-	-	-	-	6,600,000
#38-19 Stormwater Infrastructure Improvements	-	1,550,000	-	-	-	-	-	1,550,000
#39-19 Court Street CSO Improvements	-	14,630,000	-	-	-	-	-	14,630,000
#50-19 Main Street CSO Improvements	-	6,500,000	-	-	-	-	-	6,500,000
#53-19 Voorhis Pump Station Improvements	-	375,000	-	-	-	-	-	375,000
#55-19 Various Public Improvements	-	3,809,000	-	-	-	-	-	3,809,000
	<u>\$ 18,128,550</u>	<u>\$ 33,464,000</u>	<u>\$ 7,831,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,052</u>	<u>\$ 43,657,498</u>

PUBLIC PARKING UTILITY FUND

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY FUND
 STATEMENT OF CASH - TREASURER
 YEAR ENDED DECEMBER 31, 2019

	<u>Operating</u>	<u>Capital</u>
Cash Balance, December 31, 2018.....	\$ 1,349,046	\$ 176,186
Receipts:		
Rents.....	2,122,288	-
Non-Budget Revenue.....	20,651	-
Due to - Utility Operating Fund.....	-	492
Deferred Charges.....	-	150,000
Bond Anticipation Notes.....	-	1,584,000
	<u>2,142,939</u>	<u>1,734,492</u>
	3,491,985	1,910,678
Disbursements:		
Due to - Utility Operating Fund.....	-	492
Budget Appropriations.....	1,317,730	-
Appropriation Reserves.....	122,365	-
Accrued Interest.....	-	-
Improvement Authorizations.....	-	269,595
	<u>1,440,095</u>	<u>270,087</u>
Cash Balance, December 31, 2019.....	<u>\$ 2,051,890</u>	<u>\$ 1,640,591</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY OPERATING FUND
STATEMENT OF CASH - CHANGE FUND
YEAR ENDED DECEMBER 31, 2019

Cash Balance, December 31, 2018.....	\$	130
Receipts:		
	-	
	-	
	<hr/>	-
		<hr/>
		130
Disbursements:		
	-	
	-	
	<hr/>	-
		<hr/>
		-
Cash Balance, December 31, 2019.....	<u>\$</u>	<u>130</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2019

Description	Balance December 31, 2018	Cash Receipts	Cash Disbursements	From	To	Balance December 31, 2019
Due to - Utility Operating Fund.....	\$ -	\$ 492	\$ 492	\$ -	\$ -	\$ -
Capital Improvement Fund.....	141,000	-	-	-	-	141,000
Fund Balance.....	124,499	-	-	-	-	124,499
#28-14 Various Parking Improvements....	(89,313)	434,000	269,595	-	-	75,092
#33-18 Atlantic St. Garage Renovation....	-	1,300,000	-	-	-	1,300,000
#33-19 Atlantic St. Garage Renovation....	-	-	-	-	-	-
	<u>\$ 176,186</u>	<u>\$ 1,734,492</u>	<u>\$ 270,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,640,591</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY OPERATING FUND
 STATEMENT OF APPROPRIATION RESERVES (2018)
 YEAR ENDED DECEMBER 31, 2019

	Balance, December 31, 2018			Balance After Transfers	Paid or Charged	Balance Lapsed	Overexpended
	Reserved	Encumbered	Total				
Salaries and Wages.....	\$ 384	\$ -	\$ 384	\$ 384	\$ -	\$ 384	\$ -
Other Expenses.....	85,861	7,962	93,823	93,823	24,551	69,272	-
Capital Improvement Fund.....	-	-	-	-	-	-	-
Capital Outlay.....	-	98,645	98,645	98,645	97,814	831	-
Payment of Bonds.....	-	-	-	-	-	-	-
Interest on Bonds.....	-	-	-	-	-	-	-
Interest on Notes.....	-	-	-	-	-	-	-
Emergency Authorizations.....	-	-	-	-	-	-	-
Overexpenditures.....	-	-	-	-	-	-	-
Public Employees Retirement System...	500	-	500	500	-	500	-
Social Security System.....	319	-	319	319	-	319	-
Unemployment Compensation.....	-	-	-	-	-	-	-
Deficit in Operations in Prior Years.....	-	-	-	-	-	-	-
	<u>\$ 87,064</u>	<u>\$ 106,607</u>	<u>\$ 193,671</u>	<u>\$ 193,671</u>	<u>\$ 122,365</u>	<u>\$ 71,306</u>	<u>\$ -</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY OPERATING FUND
 STATEMENT OF ACCRUED INTEREST ON BONDS
 YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018.....		\$	-
Increased by:			
Accrued.....	\$	1,936	
			<u>1,936</u>
			1,936
Decreased by:			
Disbursed.....		-	
			<u>-</u>
			-
Balance, December 31, 2019.....		\$	<u><u>1,936</u></u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2019

Account	Balance December 31, 2018	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2019
Infrastructure.....	\$ 8,035,084	\$ -	\$ -	\$ -	\$ 8,035,084
				Reserve for Amortization	\$ 8,035,084
				Serial Bonds Payable	-
					<u>\$ 8,035,084</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2019

Description	Balance December 31, 2018	Authorized	Transferred to Fixed Capital	Cancellations	Balance December 31, 2019
#28-14 Various Parking Improvements.....	\$ 434,000	\$ -	\$ -	\$ -	\$ 434,000
#33-18 Atlantic Street Garage Renovation.	1,300,000	2,000,000	-	150,000	3,150,000
	<u>\$ 1,734,000</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 3,584,000</u>
				Reserve for Deferred Amortization	\$ -
				Bond Anticipation Notes Payable	1,584,000
				Bonds & Notes Authorized but not Issued	2,000,000
					<u>\$ 3,584,000</u>
					-

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2019

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Issued		Renewed	Paid by Budget Appropriation	Balance December 31, 2019
							Renewed	New Cash			
#28-14 Various Parking Improvements.....	284,000	12/10/19	12/10/19	12/09/20	2.00%	\$ -	\$ -	\$ 284,000	\$ -	\$ -	\$ 284,000
#33-18 Atlantic Street Garage Renovation.....	1,300,000	12/10/19	12/10/19	12/09/20	2.00%	-	-	1,300,000	-	-	1,300,000
						<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,584,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,584,000</u>

CITY OF HACKENSACK
 PUBLIC PARKING UTILITY CAPITAL FUND
 STATEMENT OF RESERVE FOR AMORTIZATION
 YEAR ENDED DECEMBER 31, 2019

Description	Balance December 31, 2018	Transferred From Fixed Capital Authorized & Uncompleted	Serial Bond Principal Payments	Cancellations	Balance December 31, 2019
Infrastructure.....	\$ 8,035,084	\$ -	\$ -	\$ -	\$ 8,035,084

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2019

Balance, December 31, 2018.....	\$	141,000
Increased by:		
		-
		<u>-</u>
		141,000
Decreased by:		
		-
		<u>-</u>
Balance, December 31, 2019.....	\$	<u>141,000</u>

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

Description	Authorized									
	Balance - January 1, 2018		Capital Improvement Fund	Capital Surplus	Bonds & Notes	Expended	Adjustments	Cancellations	Balance - December 31, 2019	
	Funded	Unfunded							Funded	Unfunded
#28-14 Various Parking Improvements.....	\$ -	\$ 344,687	\$ -	\$ -	\$ -	\$ 344,687	\$ -	\$ -	\$ -	\$ -
#33-18 Atlantic St. Garage Renovation.....	-	1,300,000	-	-	-	91,522	-	-	-	1,208,478
#33-19 Atlantic St. Garage Renovation.....	-	-	-	-	2,000,000	-	-	-	-	2,000,000
	<u>\$ -</u>	<u>\$ 1,644,687</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>	<u>\$ 436,209</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,208,478</u>

\$ 269,595 Cash Disbursed
166,614 Encumbered
\$ 436,209

CITY OF HACKENSACK
PUBLIC PARKING UTILITY CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

Improvement Description	Balance December 31, 2018	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2019
#28-14 Various Parking Improvements.....	\$ 434,000	\$ -	\$ 284,000	\$ -	\$ 150,000	\$ -
#33-18 Atlantic Street Garage Renovation.....	1,300,000	-	1,300,000	-	-	-
#33-19 Atlantic St. Garage Renovation.....	-	2,000,000	-	-	-	2,000,000
	<u>\$ 1,734,000</u>	<u>\$ 2,000,000</u>	<u>\$ 1,584,000</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 2,000,000</u>

CITY OF HACKENSACK

Part II

Government Auditing Standards

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890

Independent Auditors' Report

Honorable Mayor and Members of the Board of Commissioners
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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 30, 2020, which was adverse due to the financial statements being prepared in conformity with the New Jersey regulatory basis of accounting as prescribed by the Division which is a basis of accounting other than accounting principles generally accepted in the United States.

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.

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*.

We also noted certain matters that are not required to be reported under *Government Auditing Standards* that we reported to management of the City of Hackensack in the section of this report of audit entitled; "General Comments and Recommendations Section".

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 Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

September 30, 2020

CITY OF HACKENSACK
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2019

Title of Federal Domestic Assistance Program	Federal C.F.D.A. Number	State Aid/Grant Program Titles	State Project Number	Award Amount	Grant Period		Balance December 31, 2017	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2018	Deferred Revenue December 31, 2018	Due to Grantor at December 31, 2018
					From	To									

NOT APPLICABLE

CITY OF HACKENSACK
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 YEAR ENDED DECEMBER 31, 2019

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance December 31, 2017	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at
			From	To							December 31, 2018	December 31, 2018	December 31, 2018

NOT APPLICABLE

CITY OF HACKENSACK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019

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 1 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 using the regulatory basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is further described in Note 2 to the basic financial statements. The information in these schedules are presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CITY OF HACKENSACK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019

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.

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, 2018 to December 31, 2018.

CITY OF HACKENSACK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019

Note 4 - Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the City's fiscal year and grant program years.

Note 5 - Federal and State Loans Outstanding

The City's federal and state loans outstanding at of December 31, 2018 are as follows:

N.J.E.I.T Trust & Fund Loans - Sewer Overflow Projects	\$2,773,336
Green Trust Loans - Various Park Improvements	<u>311,350</u>
Total	<u>\$3,084,686</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, 2019

Section I -- Summary of Auditors' Results

Financial Statements

A) Type of auditors' report issued:	<u>Adverse - GAAP; Qualified - Regulatory</u>	
B) Internal control over financial reporting:		
1. Material weakness(es) identified?	_____ yes	<u> X </u> no
2. Significant deficiency(ies) identified not considered to be material weakness(es)?	_____ yes	<u> X </u> no
C) Noncompliance material to general-purpose financial statements noted?	_____ yes	<u> X </u> no

CITY OF HACKENSACK
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 2019

Section I -- Summary of Auditors' Results (Continued)

Federal Awards

NOT APPLICABLE - EXPENDITURES UNDER \$750,000

A) Internal control over major programs:

- 1. Material weakness(es) identified? yes no
- 2. Significant deficiency(ies) identified not considered to be material weakness(es)? yes no

B) Type of auditors' report issued on compliance for major programs: _____

C) Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) section .510(a)? yes no

D) Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____
_____	_____
_____	_____

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? yes no

CITY OF HACKENSACK
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 2019

Section I -- Summary of Auditors' Results (Continued)

State Awards

NOT APPLICABLE - EXPENDITURES UNDER \$750,000

A) Internal control over major programs:

- 1. Material weakness(es) identified? yes no
- 2. Significant deficiency(ies) identified not considered to be material weakness(es)? yes no

B) Type of auditors' report issued on compliance for major programs:

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?

yes no

D) Identification of major programs:

Program GMIS Number(s)

Name of State Program

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? yes no

CITY OF HACKENSACK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019

Section II -- Financial Statement Findings

None

CITY OF HACKENSACK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019

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

Current Year

Federal Awards:

There were no findings or questioned costs identified.

State Awards:

There were no findings or questioned costs identified.

Prior Year

Federal Awards:

There were no prior year findings or questioned costs.

State Awards:

There were no prior year findings or questioned costs.

CITY OF HACKENSACK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2019

Not Applicable - None in 2018

CITY OF HACKENSACK

Part III

Part III - Supplementary Data and Letter of Comments and Recommendations

CITY OF HACKENSACK
 SUPPLEMENTARY DATA
 TAX REQUIREMENT AND RATE DATA
 (UNAUDITED)

	2019	2018	2017	2016**	2015	2014	2013	2012	2011**	2010
<u>TAX REQUIREMENTS</u>										
County.....	\$ 13,274,661	\$ 12,806,081	\$ 12,171,909	\$ 12,610,460	\$ 12,322,857	\$ 11,593,571	\$ 12,598,923	\$ 12,102,241	\$ 10,815,562	\$ 11,739,996
County Open Space.....	574,149	555,609	544,268	138,681	137,700	132,819	140,180	143,669	137,935	153,262
District School.....	84,329,910	82,711,318	80,840,020	76,953,101	75,582,908	73,009,438	70,482,192	68,099,979	65,943,131	62,433,400
Municipal Open Space.....	277,205	-	-	-	-	-	-	-	-	-
Municipal.....	85,689,118	85,875,294	84,190,041	82,661,673	80,686,739	77,610,636	74,174,863	72,235,316	70,765,881	65,641,005
Library.....	1,952,514	1,892,409	1,862,066	1,979,628	1,845,832	1,758,254	1,867,718	2,000,208	1,976,806	-
Total Tax Requirements.....	<u>\$ 186,097,557</u>	<u>\$ 183,840,711</u>	<u>\$ 179,608,304</u>	<u>\$ 174,343,543</u>	<u>\$ 170,576,036</u>	<u>\$ 164,104,718</u>	<u>\$ 159,263,876</u>	<u>\$ 154,581,413</u>	<u>\$ 149,639,315</u>	<u>\$ 139,967,663</u>
<u>TAX RATES</u>										
County.....	0.240	0.238	0.232	0.245	0.253	0.235	0.255	0.243	0.214	0.196
County Open Space.....	0.011	0.010	0.011	0.003	0.003	0.003	0.003	0.003	0.003	0.003
District School.....	1.521	1.536	1.537	1.491	1.551	1.478	1.424	1.363	1.300	1.038
Municipal Open Space.....	0.005	-	-	-	-	-	-	-	-	-
Municipal.....	1.545	1.594	1.600	1.601	1.655	1.571	1.498	1.446	1.395	1.091
Library.....	0.035	0.035	0.035	0.038	0.038	0.035	0.037	0.040	0.039	-
Total Tax Rates.....	<u>3.357</u>	<u>3.413</u>	<u>3.415</u>	<u>3.378</u>	<u>3.500</u>	<u>3.322</u>	<u>3.217</u>	<u>3.095</u>	<u>2.951</u>	<u>2.328</u>

**Reassessment Year

Source: County of Bergen, Board of Taxation

CITY OF HACKENSACK
 SUPPLEMENTARY DATA
 TAX LEVY AND COLLECTION DATA
 (UNAUDITED)

	2019	2018	2017	2016	2015***	2014	2013	2012	2011	2010
<u>CURRENT YEAR % COLLECTION RATES</u>										
Final Adjusted Tax Levy.....	\$ 183,521,306	\$ 183,255,295	\$ 178,422,269	\$ 171,465,201	\$ 164,798,187	\$ 161,063,344	\$ 156,915,929	\$ 155,216,881	\$ 149,728,425	\$ 140,328,258
Total Collections and Credits.....	\$ 183,520,995	\$ 183,167,560	\$ 178,352,574	\$ 171,406,660	\$ 164,805,319	\$ 158,247,518	\$ 153,965,693	\$ 152,032,026	\$ 145,535,156	\$ 135,206,720
Percentage of Collections.....	99.99%	99.95%	99.96%	99.97%	100.00%	98.25%	98.12%	97.95%	97.20%	96.35%

DELINQUENT TAX %

Delinquent Taxes.....	\$ 310	\$ 8,616	\$ 182,063	\$ 121,689	\$ 171,495	\$ 3,181,888	\$ 3,363,414	\$ 3,560,005	\$ 3,113,812	\$ 3,307,479
Tax Title Liens.....	-	-	-	-	-	-	-	-	-	-
Total Delinquent.....	\$ 310	\$ 8,616	\$ 182,063	\$ 121,689	\$ 171,495	\$ 3,181,888	\$ 3,363,414	\$ 3,560,005	\$ 3,113,812	\$ 3,307,479
Tax Levy.....	\$ 183,521,306	\$ 183,255,295	\$ 178,422,269	\$ 171,465,201	\$ 164,798,187	\$ 161,063,344	\$ 156,915,929	\$ 155,216,881	\$ 149,728,425	\$ 140,328,258
Percentage of Tax Levy.....	0.00%	0.00%	0.10%	0.07%	0.10%	1.98%	2.14%	2.29%	2.08%	2.36%

*** Accelerated Tax Sale Implemented.

PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES

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

Source: City of Hackensack Financial Records

CITY OF HACKENSACK
 SUPPLEMENTARY DATA
 FUND BALANCE SUMMARY
 (UNAUDITED)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<i><u>CURRENT FUND</u></i>										
Fund Balance, Beginning.....	\$ 15,835,678	\$ 10,303,909	\$ 6,843,560	\$ 4,712,738	\$ 1,465,896	\$ 2,032,231	\$ 4,103,440	\$ 3,657,191	\$ 3,072,548	\$ 7,894,909
Generated Current Year.....	4,486,127	8,831,769	6,460,349	4,830,822	4,246,842	433,665	1,278,791	3,171,249	3,309,643	1,137,639
Utilized Current Year.....	(4,000,000)	(3,300,000)	(3,000,000)	(2,700,000)	(1,000,000)	(1,000,000)	(3,350,000)	(2,725,000)	(2,725,000)	(5,960,000)
Fund Balance, Ending.....	<u>\$ 16,321,805</u>	<u>\$ 15,835,678</u>	<u>\$ 10,303,909</u>	<u>\$ 6,843,560</u>	<u>\$ 4,712,738</u>	<u>\$ 1,465,896</u>	<u>\$ 2,032,231</u>	<u>\$ 4,103,440</u>	<u>\$ 3,657,191</u>	<u>\$ 3,072,548</u>
<i><u>PUBLIC PARKING UTILITY FUND</u></i>										
Fund Balance, Beginning.....	\$ 1,155,505	\$ 732,749	\$ 695,727	\$ 834,055	\$ 983,040	\$ 895,797	\$ 851,366	\$ 869,588	\$ 868,204	\$ 865,682
Generated Current Year.....	1,114,245	782,756	397,022	221,672	331,015	687,243	770,931	558,278	785,884	850,022
Utilized Current Year - Utility Fund.....	(360,000)	(360,000)	(360,000)	(360,000)	(480,000)	(600,000)	(150,000)	-	(208,000)	(271,000)
Utilized Current Year - Current Fund..	-	-	-	-	-	-	(576,500)	(576,500)	(576,500)	(576,500)
Fund Balance, Ending.....	<u>\$ 1,909,750</u>	<u>\$ 1,155,505</u>	<u>\$ 732,749</u>	<u>\$ 695,727</u>	<u>\$ 834,055</u>	<u>\$ 983,040</u>	<u>\$ 895,797</u>	<u>\$ 851,366</u>	<u>\$ 869,588</u>	<u>\$ 868,204</u>

Source: City of Hackensack Financial Records

CITY OF HACKENSACK
 SUPPLEMENTARY DATA
 ROSTER OF OFFICIALS

Name	Title	Term Expires
John P. Labrosse, Jr.....	Mayor	06/30/21
Kathleen Canestrino.....	Councilwoman	06/30/21
David Sims.....	Councilman	06/30/21
Leonardo Battaglia.....	Councilman	06/30/21
Stephanie Von Rudenburg.....	Councilwoman	06/30/21
Ted Ehrenburg.....	City Manager	
Deborah Karlsson, RMC.....	City Clerk	
James A. Mangin.....	Chief Financial Officer	
	Treasurer	
Monica Villafana.....	Qualified Purchasing Agent	
Elisa Coccia.....	Tax Collector	
	Tax Search Officer	
Art Carlson, Jr.....	Tax Assessor	
Cassandra Seshadri.....	Personnel Director (Acting)	
Lisamarie Schieli.....	Recycling Coordinator	
Captain Peter Busciglio.....	Police Officer In Charge	
Louis J. Dinice, Esq.....	Municipal Court Judge	12/31/21
Richard Takvorian, Esq.....	Temporary Municipal Court Judge	
Aarika Will.....	Municipal Court Administrator	
Ernest J. Sisco.....	Construction Code Official	
Kevin McCue.....	Electrical Sub-code Official	
David Ludwig.....	Building Sub-code Official	
Michael T. Meade.....	Plumbing Sub-code Official	
Charles E. Eyer.....	Fire Sub-code Official	
Richard Heinbuch.....	Elevator Sub-code Official	
Thomas Freeman.....	Fire Chief	
Susan McVeigh.....	Health Officer	
Maria Tartaglione.....	Registrar of Vital Statistics	
Joseph Inglima.....	Public Works Superintendent	
Rose Frontignano.....	Recreation Superintendent (Acting)	
Steven W. Kleinman, Esq.....	City Attorney	
DiMaria & DiMaria, LLP.....	City Auditor	
Suburban Engineering.....	City Engineer	
Otterstedt Agency.....	Risk Management Consultants	
Elsbeth Crusius.....	City Prosecutor	
Chase Lamparello Mallon & Cappuzzo.....	Tax Appeal Attorney	
Wilentz, Goldman & Spitzer.....	Bond Counsel	

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Cash Cycle

Ref.

None

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Revenues/Receipts Cycle

Ref.

None

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Expenditures/Disbursements Cycle

Ref.

None

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Fixed Assets

Ref.

None

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Payroll Cycle

Ref.

None

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Public Parking Utility

Ref.

None

Rates, rents, fees, etc. should be evaluated at the beginning of each fiscal year to project liquidity of the utility.

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Other Significant Matters

Ref.

Trust Fund:

#1.

Significant progress was noted in this area; Remaining tasks include 1) comparison of Edmunds system trust ledgers to individual bank accounts, and 2) required cancellations by resolution and remittance to Current Fund.

Trust Fund - Tax Sale Premiums

The Chief Financial Officer's December 31, 2019 tax sale premiums general ledger control account balance is higher than the balance in the Tax Collector's subsidiary register. After the balance sheet date of this report, but prior to December 31, 2020, the Chief Financial Officer performed a 100% comparison of receipts and disbursements entries to control accounts from January 1, 2019 to September 30, 2020. With no discrepancies noted, the Chief Financial Officer concluded the difference in control account to subsidiary records was attributable to a prior year opening balance. The Chief Financial Officer will disburse a check from the Tax Sale Premium Trust account to the Current account prior to December 31, 2020 for the difference bringing the two account balances into agreement.

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

Recommendations

1. That balances in dormant developer's escrows be cancelled by resolution, and remitted to the Current Fund. *

CITY OF HACKENSACK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2019

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 Advisors

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

September 30, 2020