BOROUGH OF PARAMUS
County of Bergen, New Jersey

NJ Comprehensive Annual Financial Report
Year Ended December 31, 2011
(With Independent Auditors' Reports Thereon)

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Introductory Section

BOROUGH OF PARAMUS
Roster of Officials
Year Ended December 31, 2011

Name	Title	Term Expires
Richard LaBarbiera	Mayor	12/31/14
Ralph Amato	Councilman	12/31/13
Eric Nazziola	Councilman	12/31/13
Cathy Bentz	Councilwoman	12/31/11
Maureen O'Brien	Councilwoman	12/31/11
Alan Brundage	Councilman	12/31/12
Michael Rohdieck	Councilman	12/31/12
Joseph D'Arco	Administrator	
Toni Falato	Municipal Clerk	
	Assessment Search Officer	
Marianne Grady	Senior Clerk	
Gina Affuso	Senior Clerk	
Grisel Maza	Senior Clerk	
Thomas Kane	Acting Chief Financial Officer	
	Treasurer	
Evelina Johnson	Deputy Treasurer	
Deborah Rumbaugh	Sr. Accounting Clerk	
Patricia Zdanowski	Bookeeper	
Patricia Smith	Secretary - Administration	
Emil Hrabal	Tax Collector	
	Tax Search Officer	
Clare Pigoncelli	Payroll Supervisor	
Olga Leccese	Payroll Clerk	
Judith Migliaccio	Health Officer	
	Registrar of Vital Statistics	
DiMaria & DiMaria, LLP	Borough Auditor	
Brian Giblin, Esq.	Borough Attorney	
Rogut, McCarthy LLC	Bond Counsel	
Mark Raso, Esq.	Labor Attorney	
Kauker & Kauker, LLC	Planner	
James Anzevino	Tax Assessor	
Christine Stellatos	Associate to the Tax Assessor	
Rose Whitehead	Secretary - Tax Assessor	
Guy Picone	DPW Superintendent	
Boswell Engineering	Borough Engineer	
Christopher Brock	Chief of Police	
Anthony Gallina, Esq.	Municipal Court Judge	12/31/13
David Lafferty, Esq.	Assistant Municipal Court Judge	12/31/11
Cynthia Holmes	Municipal Court Administrator	
Silvyan Luna-Victoria	Deputy Court Administrator	
Elisabeth Connors	Deputy Court Administrator	
Doreen Miller	Deputy Court Administrator	
Marc Ramundo	Prosecutor	
Ron Mondello	Public Defender	
Michael Sluka	Public Defender	
George Georgeou	Construction Code Official	
Scott Pardon	Fire Official	
Jeffrey Levine	Fire Prevention	
Jean Payoczkowski	Secretary - Fire Prevention	
Martin Barry	Building Sub-Code Official	
Michael O'Connell	Plumbing Sub-Code Official	
	Building & Mechanical Inspector	
Frank Scardino	Electrical Sub-Code Official	
Lisa Meserole	Residential Zoning & Signage Officer	
Ken Hook	Commerical Zoning Officer	
Valerie Frazita	Secretary - Board of Adjustment	
Linda Garofalo	Building Dept. Secretary	
Joseph Sexton III	Shade Tree Department Director	
Irene Maury	Public Asisstance Director	
Susan Regan	Recreation Director	

BOROUGH OF PARAMUS

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Financial Section

Di Maria & Di Maria LLP
Accountants & Consultants

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

Independent Auditors' Report

Honorable Mayor and Members of the Borough Council
Borough of Paramus, County of Bergen, New Jersey

We have audited the accompanying statements of financial position - regulatory basis of the various funds of the Borough of Paramus, State of New Jersey, as of and for the year ended December 31, 2011 and 2010, and the related statements of operations and changes in fund balance - regulatory basis, and statement of revenue and expenditures - regulatory basis as listed in the table of contents. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Borough of Paramus prepares its financial statements in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between the regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Independent Auditors' Report (Continued)

In our opinion, because of the Borough of Paramus' requirement to prepare it's financial statements on the basis of accounting discussed in preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the various funds of the Borough of Paramus, State of New Jersey, as of December 31, 2011 and 2010, or the results of it's operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds of the Borough of Paramus, State of New Jersey at December 31, 2011 and 2010, and the results of its operations and the changes in fund balance of the individual funds for the year then ended, and the revenues and expenditures of the various funds for the years ended December 31, 2011 and 2010 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2012 on our consideration of the Borough of Paramus, State of New Jersey internal control over financial reporting and 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 reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Independent Auditors' Report (Continued)

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2012

BOROUGH OF PARAMUS
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 2011
(With Comparative Totals for 2010)

	Current Fund	Federal and State Grant Fund	Trust Fund	General Capital Fund	Golf Utility Operating Fund	Golf Utility Capital Fund	Swim Pool Utility Operating Fund	Swim Pool Utility Capital Fund	Sewer Assessment Trust	Fixed Asset Account Group	Totals (Memorandum Only) 2011	Totals (Memorandum Only) 2010
ASSETS AND OTHER DEBITS												
Cash	$ 11,709,124	$ 121,375	$ 16,181,311	$ 1,779,040	$ 605,238	$ 942,124	$ 338,300	$ 89,822	$ 71,229	$ -	$ 31,837,563	$ 27,188,928
Deferred Compensation Assets	-	-	-	-	-	-	-	-	-	-	-	-
Assessment Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Consumer Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interfunds Receivable	227,277	-	2,683,647	815,635	84,121	76,624	49,309	3,932	64,765	-	4,005,310	1,089,260
Intergovernmental Receivable	-	15,759	-	616,403	-	-	-	-	-	-	632,162	1,087,717
Other Receivables	900,915	-	1,118,839	945	-	-	-	-	-	-	2,020,699	2,117,911
Central Supply Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Charges	-	-	-	39,911,707	-	-	-	-	-	-	39,911,707	41,203,317
Prospective Assessments Raised by Taxation	-	-	-	14,250	-	-	-	-	-	-	14,250	14,250
Fixed Capital Authorized & Uncompleted	-	-	-	-	-	2,312,362	-	1,026,784	-	-	3,339,146	3,339,146
Fixed Capital	-	-	-	-	-	12,361,230	-	2,406,287	-	-	14,767,517	14,767,517
Fixed Assets	-	-	-	-	-	-	-	-	-	171,687,206	171,687,206	171,359,453
Total Assets and Other Debits	$ 12,837,316	$ 137,134	$ 19,983,797	$ 43,137,980	$ 689,359	$ 15,692,340	$ 387,609	$ 3,526,825	$ 135,994	$ 171,687,206	$ 268,215,560	$ 262,167,499
LIABILITIES, RESERVES AND FUND BALANCE												
Interfunds Payable	$ 2,805,118	$ -	$ 303,396	$ 590,832	$ 186,802	$ 71,607	$ 22,518	$ 23,092	$ 1,945	$ -	$ 4,005,310	$ 1,089,260
Deferred Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Accounts/Encumbrances Payable	94,980	-	-	-	17,621	-	11,783	-	-	-	124,384	133,992
Other Liabilities and Reserves	4,256,366	137,134	19,666,686	602,174	183,625	286,479	116,100	-	-	-	25,248,564	23,183,389
Improvement Authorizations	-	-	-	7,750,579	-	667,386	-	81,418	-	-	8,499,383	6,881,736
Intergovernmental Payable	53,605	-	13,715	-	-	-	-	-	-	-	67,320	69,809
Serial Bonds Payable	-	-	-	21,680,000	-	1,805,000	-	400,000	-	-	23,885,000	26,445,000
Bond Anticipation Notes Payable	-	-	-	12,101,740	-	2,047,576	-	972,036	-	-	15,121,352	15,605,445
Loan Payable	-	-	-	302,109	-	-	-	-	-	-	302,109	459,689
Reserve for Receivables & Other Assets	1,128,192	-	-	-	-	-	-	-	-	-	1,128,192	1,196,157
Reserve for Investment in Fixed Assets	-	-	-	-	-	-	-	-	-	171,687,206	171,687,206	171,359,453
Reserve for Amortization	-	-	-	-	-	10,556,230	-	2,006,287	-	-	12,562,517	12,267,517
Reserve for Deferred Amortization	-	-	-	-	-	258,062	-	43,978	-	-	302,040	222,271
Fund Balance	4,499,055	-	-	110,546	301,311	-	237,208	14	134,049	-	5,282,183	3,253,781
Total Liabilities, Reserves and Fund Balance	$ 12,837,316	$ 137,134	$ 19,983,797	$ 43,137,980	$ 689,359	$ 15,692,340	$ 387,609	$ 3,526,825	$ 135,994	$ 171,687,206	$ 268,215,560	$ 262,167,499

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

BOROUGH OF PARAMUS
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - STATUTORY BASIS
Year Ended December 31, 2011

	Current Fund	Golf Course Utility Fund	Swimming Pool Utility Fund	Total
REVENUES AND OTHER CREDITS TO INCOME				
Revenues:				
Fund Balance Anticipated	$ 600,000	$ -	$ -	$ 600,000
Miscellaneous	11,685,590	-	-	11,685,590
Receipts from Delinquent Taxes	970,915	-	-	970,915
Amount to be Raised by Taxation - Municipal	42,202,972	-	-	42,202,972
Amount to be Raised by Taxation - Library	2,875,661	-	-	2,875,661
Membership Fees	-	231,608	491,949	723,557
Registration Fees	-	115,587	10,245	125,832
Guest Fees	-	-	74,140	74,140
Golf Cart Rental Fees	-	235,381	-	235,381
Green Fees	-	1,167,857	-	1,167,857
Snack Bar Rental Fees	-	50,400	15,020	65,420
Miniature Golf Fees	-	124,933	-	124,933
Rental of Facilities	-	-	-	-
Total Revenues	58,335,138	1,925,766	591,354	60,852,258
Other Credits to Income	89,562,987	190,393	28,140	89,781,520
Total Revenues and Other Credits to Income	$ 147,898,125	$ 2,116,159	$ 619,494	$ 150,633,778
EXPENDITURES AND OTHER CHARGES TO INCOME				
Expenditures:				
Within "CAPS":				
Operations:				
Salaries and Wages	$ 22,601,658	$ -	$ -	$ 22,601,658
Other Expenses	13,581,651	-	-	13,581,651
Deferred Charges and Statutory Expenditures	5,357,913	-	-	5,357,913
Excluded From "CAPS":				
Operations:				
Salaries and Wages	-	900,000	175,000	1,075,000
Other Expenses	6,760,628	500,000	198,718	7,459,346
Capital Improvements	100,000	119,283	57,236	276,519
Debt Service	6,165,414	414,717	107,014	6,687,145
Deferred Charges and Statutory Expenditures	-	66,000	22,032	88,032
Deficit in Operations in Prior Years	-	-	-	-
Reserve for Uncollected Taxes	2,000,000	-	-	2,000,000
Total Expenditures	56,567,264	2,000,000	560,000	59,127,264
Other Charges to Income	89,015,460	-	-	89,015,460
Total Expenditures and Charges to Income	$ 145,582,724	$ 2,000,000	$ 560,000	$ 148,142,724
Statutory Excess to Fund Balance	2,315,401	116,159	59,494	2,491,054
Deferred Charges to Budget of Succeeding Year	-	-	-	-
Fund Balance, January 1	2,783,654	185,152	177,714	3,146,520
	5,099,055	301,311	237,208	5,637,574
Decreased by:				
Utilization as Anticipated Revenue	600,000	-	-	600,000
Fund Balance, December 31	$ 4,499,055	$ 301,311	$ 237,208	$ 5,037,574

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

BOROUGH OF PARAMUS
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
STATUTORY BASIS - BUDGET & ACTUAL -- CURRENT FUND
Year Ended December 31, 2011

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	$ 600,000	$ 600,000	$ -
Miscellaneous Revenues	11,184,300	11,685,590	501,290
Receipts from Delinquent Taxes	825,000	970,915	145,915
Amount to be Raised by Taxation - Municipal	41,082,303	42,202,972	1,120,669
Amount to be Raised by Taxation - Library	2,875,661	2,875,661	-
Total Revenues	56,567,264	58,335,138	1,767,874
Other Credits to Income	88,826,395	89,562,987	736,592
Total Revenues and Other Credits to Income	$ 145,393,659	$ 147,898,125	$ 2,504,466
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	$ 22,601,658	$ 22,601,658	$ -
Other Expenses	13,581,651	13,581,651	-
Deferred Charges and Statutory Expenditures	5,357,913	5,357,913	-
Excluded From "CAPS":			
Operations:			
Salaries and Wages	-	-	-
Other Expenses	6,760,628	6,760,628	-
Capital Improvements	100,000	100,000	-
Municipal Debt Service	6,165,414	6,165,414	-
Deferred Charges	-	-	-
Reserve for Uncollected Taxes	2,000,000	2,000,000	-
Total Expenditures	56,567,264	56,567,264	-
Other Charges to Income	88,826,395	89,015,460	189,065
Total Expenditures and Charges to Income	$ 145,393,659	$ 145,582,724	$ 189,065
Statutory Excess to Current Fund Balance		2,315,401	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		2,783,654	
		$ 5,099,055	
Decreased by:			
Utilization as Anticipated Revenue		600,000	
Fund Balance, December 31		$ 4,499,055	

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

BOROUGH OF PARAMUS
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
STATUTORY BASIS - BUDGET & ACTUAL -- GOLF COURSE UTILITY OPERATING FUND
Year Ended December 31, 2011

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	$ -	$ -	$ -
Membership Fees	230,000	231,608	1,608
Registration Fees	120,000	115,587	(4,413)
Golf Cart Rental Fees	260,000	235,381	(24,619)
Green Fees	1,185,000	1,167,857	(17,143)
Snack Bar Rental Fees	50,000	50,400	400
Miniature Golf Fees	155,000	124,933	(30,067)
Total Revenues	2,000,000	1,925,766	(74,234)
Other Credits to Income	-	190,393	190,393
Total Revenues and Other Credits to Income	$ 2,000,000	$ 2,116,159	$ 116,159
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Operations:			
Salaries and Wages	$ 900,000	$ 900,000	$ -
Other Expenses	500,000	500,000	-
Capital Improvements	119,283	119,283	-
Debt Service	414,717	414,717	-
Statutory Expenditures	66,000	66,000	-
Deficit in Operations in Prior Years	-	-	-
Total Expenditures	2,000,000	2,000,000	-
Other Charges to Income	-	-	-
Total Expenditures and Charges to Income	$ 2,000,000	$ 2,000,000	$ -
Statutory Excess to Current Fund Balance		116,159	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		185,152	
		301,311	
Decreased by:			
Utilization as Anticipated Revenue		-	
Fund Balance, December 31		$ 301,311	

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

BOROUGH OF PARAMUS
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
STATUTORY BASIS - BUDGET & ACTUAL - SWIMMING POOL UTILITY OPERATING FUND
Year Ended December 31, 2011

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	$ -	$ -	$ -
Membership Fees	475,000	491,949	16,949
Registration Fees	15,000	10,245	(4,755)
Guest Fees	60,000	74,140	14,140
Snack Bar Rental Fees	10,000	15,020	5,020
Rental of Facilities	-	-	-
Total Revenues	560,000	591,354	31,354
Other Credits to Income	-	28,140	28,140
Total Revenues and Other Credits to Income	$ 560,000	$ 619,494	$ 59,494
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Operations:			
Salaries and Wages	$ 175,000	$ 175,000	$ -
Other Expenses	198,718	198,718	-
Capital Improvements	57,236	57,236	-
Debt Service	107,014	107,014	-
Deferred Charges	7,032	7,032	-
Statutory Expenditures	15,000	15,000	-
Deficit in Operations in Prior Years	-	-	-
Total Expenditures	560,000	560,000	-
Other Charges to Income	-	-	-
Total Expenditures and Charges to Income	$ 560,000	$ 560,000	$ -
Statutory Excess to Current Fund Balance		59,494	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		177,714	
		$ 237,208	
Decreased by:			
Utilization as Anticipated Revenue		-	
Fund Balance, December 31		$ 237,208	

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

Note 1 - Reporting Entity, Organization and Function

A. Introduction

The Borough of Paramus (the "Borough") is a municipal corporation of the State of New Jersey located in the county of Bergen and is located approximately 8 miles west of the City of New York. The Borough's population according to the 2010 census is 26,342.

The Borough operates under a "Mayor-Council" form of government. The Mayor is the chief executive officer. The Borough operates on a calendar fiscal year, January 1 to December 31.

The municipal budget includes the following generally stated municipal services:

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

B. Component Units

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

Volunteer Fire Department
Volunteer Ambulance Corp.
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 "N.J. Comprehensive Annual Financial Report" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the municipality accounts for its financial transactions through the following separate funds which differs from the funds required by generally accepted accounting principles (GAAP).

Basis of Accounting

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

Use of Estimates

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

Reclassifications and Restatements

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

Note 2 - Summary of Significant Accounting Policies (Continued)

A. Funds and Account Groups

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

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

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

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

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

General Fixed Asset Account Group - The General Fixed Asset Account Group accounts for Township owned real and personal property in accordance with Technical Accounting Directive #85-2.

Swimming Pool & Golf Course Utility Funds - The Swimming Pool and Golf Course Utility Funds are used to account for the revenues and expenditures for the operation of the swimming pool and golf course 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 (Continued)

B. Budgets and Budgetary Accounting

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

C. Cash and Investments

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

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

D. Interfunds

Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

E. Inventories of Supplies

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

F. General Fixed Assets

Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive. 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 ccounted for separately. Refer to footnote 7 for additional information regarding the Borough's General Fixed Assets.

Note 2 - Summary of Significant Accounting Policies (Continued)

G. Foreclosed Property

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

H. Deferred Charges

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

I. Appropriation Reserves

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

J. Liens Sold for Other Governmental Units

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

K. Fund Balance

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

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 Township's budget. Other amounts that are due the Township 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 Township's annual budget, but also the amounts required in support of the budgets of the entities that follow. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenue to be recognized when available and measurable reduced by an allowance for doubtful accounts.

N. School Taxes

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

O. County Taxes

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

Note 2 - Summary of Significant Accounting Policies (Continued)

P. Reserve for Uncollected Taxes

The inclusion of the "Reserve for Uncollected Taxes" appropriation in the municipalitie'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 (Continued)

T. Use of Estimates

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

U. New Reporting Standard(s)

In July 2004, the Governmental Accounting Standards Board (GASB) adopted statement number 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions". This statement will become effective for governmental entities on a phased in basis based on the entities total annual revenues. This phase in began with fiscal years beginning after December 15, 2006 and continued thru December 15, 2008 depending on annual revenues. The Borough's effective date is the year beginning January 1, 2009. This statement will require Governmental entities to report the future cost of other post employment benefits (OPEB) on a present value basis instead of the present "pay as you go" method. Refer to footnote 13 for further information on the actuarial computation of this disclosure.

Note 3 - Cash and Cash Equivalents

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

A. Deposits

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

All bank deposits as of the balance sheet date are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act. In general, bank deposits are classified as to credit risk by the three categories described below:

Category 1 - Insured or collateralized with securities held by the municipality or by its agent in the municipalitie's name.
Category 2 - Collateralized with securities held by the pledging public depository's trust department or agent in the municipalitie's name.
Category 3 - Uncollateralized, including any deposits that is collateralized with securities held by the pledging public depository, or by its trust department or agent but not in the municipalitie's name.

At December 31, the municipality's deposits categorized by level of risk are summarized as follows:

Year	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
2011	$ 31,824,982	$ 31,824,982	$ -	$ -	$ 31,837,563
2010	$ 27,579,294	$ 27,579,294	$ -	$ -	$ 27,188,928
2009	$ 26,210,684	$ 26,210,684	$ -	$ -	$ 26,144,749

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.

Note 4 - Investments

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

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

No investments were held as of December 31, 2011.

Note 5 - Receivables

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

Note 6 - Commitments

The municipality is entered into a number of operating leases which vary on cancellation provisions and other terms. Annual requirements are provided for in appropriate department budget appropriations. Complete lease information is on file and available with the municipality.

Note 7 - Fixed Assets

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

2011

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Land	$ 118,616,300	$ -	$ -	$ (168,000)	$ 118,448,300
Buildings and Improvements	12,094,400	-	-	(2,500)	12,091,900
Sports Complex	1,279,812	-	-	-	1,279,812
Sanitary Sewer System	21,448,816	-	-	-	21,448,816
Equipment	17,920,125	638,252	(139,999)	-	18,418,378
	$ 171,359,453	$ 638,252	$ (139,999)	$ (170,500)	$ 171,687,206

2010

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Land	$ 118,616,300	$ -	$ -	$ -	$ 118,616,300
Buildings and Improvements	12,094,400	-	-	-	12,094,400
Sports Complex	1,279,812	-	-	-	1,279,812
Sanitary Sewer System	21,448,816	-	-	-	21,448,816
Equipment	17,990,044	77,505	(147,424)	-	17,920,125
	$ 171,429,372	$ 77,505	$ (147,424)	$ -	$ 171,359,453

Note 8 - Municipal Debt

A. Types of Municipal Debt

Capital Debt

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

Note 8 - Municipal Debt (Continued)

B. Comparative Summary of Debt and Remaining Borrowing Power

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

	2011	2010
Issued:		
School Bonds and Notes	24,347,000	26,222,000
General Bonds and Notes	39,308,461	42,445,369
	$ 63,655,461	$ 68,667,369
Authorized but not Issued:		
General Bonds and Notes	$ 5,845,352	$ 4,359,152
Gross Debt	$ 69,500,813	$ 73,026,521
Deductions	$ 42,754,597	$ 38,864,366
Net Debt	$ 26,746,216	$ 34,162,155
Equalized Valuation Basis	$ 8,763,546,148	$ 8,997,186,741
Statutory Net Debt Percentage	0.31%	0.38%
3-1/2% of Equalized Valuation Basis	$ 306,724,115	$ 314,901,536
Remaining Borrowing Power	$ 279,977,899	$ 280,739,381

Note 8 - Municipal Debt (Continued)

C. Long-Term Bonded Debt Service Requirements to Maturity

The annual debt service requirement for long-term obligations requirements to maturity, including principal and interest as of December 31, 2011 are as follows:

Loans and General Bonds

	7/15/02 General Improvement Bonds		3/01/03 Pension Refunding Bonds	
Calendar Year	Principal	Interest	Principal	Interest
2012	1,075,000	275,804	105,000	102,868
2013	1,010,000	232,804	120,000	97,520
2014	1,025,000	192,404	140,000	91,000
2015	1,150,000	150,122	160,000	83,200
2016	1,180,000	102,685	185,000	74,230
2017	1,250,000	53,125	210,000	63,960
2018	-	-	235,000	52,390
2019	-	-	265,000	39,390
2020	-	-	295,000	24,830
2021	-	-	330,000	8,580
	$ 6,690,000	$ 1,006,944	$ 2,045,000	$ 637,968

	09/01/05 General Improvement Bonds		09/10/07 Refunding Bonds	
Calendar Year	Principal	Interest	Principal	Interest
2012	565,000	348,225	540,000	182,600
2013	700,000	319,975	535,000	161,000
2014	725,000	284,975	580,000	139,600
2015	700,000	248,725	575,000	116,400
2016	750,000	224,225	570,000	93,400
2017	750,000	196,475	615,000	70,600
2018	2,050,000	167,600	610,000	46,000
2019	2,140,000	85,600	540,000	21,600
	$ 8,380,000	$ 1,875,800	$ 4,565,000	$ 831,200

	1998 Green Trust Loan		N.J.E.I.T. Wastewater Loan	
Calendar Year	Principal	Interest	Principal	Interest
2012	40,625	5,840	-	-
2013	41,442	5,024	-	-
2014	42,275	4,191	-	-
2015	43,124	3,341	-	-
2016	43,991	2,474	-	-
2017	44,875	1,590	-	-
2018	45,777	688	-	-
	$ 302,109	$ 23,148	$ -	$ -

Note 8 - Municipal Debt (Continued)

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

	Total	
Calendar Year	Principal	Interest
2012	2,325,625	915,337
2013	2,406,442	816,323
2014	2,512,275	712,170
2015	2,628,124	601,788
2016	2,728,991	497,014
2017	2,869,875	385,750
2018	2,940,777	266,678
2019	2,945,000	146,590
2020	295,000	24,830
2021	330,000	8,580
	$ 21,982,109	$ 4,375,060

Swimming Pool Utility Bonds

	7/15/02 General Improvement Bonds		9/01/05 General Improvement Bonds	
Calendar Year	Principal	Interest	Principal	Interest
2012	20,000	800	60,000	17,125
2013	-	-	90,000	14,125
2014	-	-	105,000	9,625
2015	-	-	125,000	4,375
	$ 20,000	$ 800	$ 380,000	$ 45,250

	Total	
Calendar Year	Principal	Interest
2012	80,000	17,925
2013	90,000	14,125
2014	105,000	9,625
2015	125,000	4,375
	$ 400,000	$ 46,050

Note 8 - Municipal Debt (Continued)

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

Golf Course Utility Bonds

	7/15/02 General Improvement Bonds		9/01/06 General Improvement Bonds	
Calendar Year	Principal	Interest	Principal	Interest
2012	140,000	37,926	125,000	37,907
2013	145,000	32,326	135,000	31,658
2014	150,000	26,526	140,000	24,907
2015	155,000	20,339	150,000	17,908
2016	160,000	13,945	160,000	12,658
2017	170,000	7,225	175,000	6,737
	$ 920,000	$ 138,287	$ 885,000	$ 131,775

	Total	
Calendar Year	Principal	Interest
2012	265,000	75,833
2013	280,000	63,984
2014	290,000	51,433
2015	305,000	38,247
2016	320,000	26,603
2017	345,000	13,962
	$ 1,805,000	$ 270,062

Note 8 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt

During the fiscal year ended December 31, 2011 the following changes occurred in liabilities reported as general long-term debt:

Loans and General Bonds

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	$ -	$ -	$ -	$ -
Emergency Notes	-	-	-	-
	$ -	$ -	$ -	$ -
Long-Term Debt:				
Serial Bonds	$ 23,945,000	$ -	$ (2,265,000)	$ 21,680,000
Loans/Notes Payable	394,924	-	(92,815)	302,109
Bond Anticipation Notes	12,506,064	12,101,740	(12,506,064)	12,101,740
Authorized but not Issued	4,341,658	3,633,000	(2,146,800)	5,827,858
	$ 41,187,646	$ 15,734,740	$ (17,010,679)	$ 39,911,707
	$ 41,187,646	$ 15,734,740	$ (17,010,679)	$ 39,911,707

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	$ -		$ -
Emergency Notes	-		-
	$ -	$ -	$ -
Long-Term Debt:			
Serial Bonds	$ 21,680,000	$ 2,285,000	$ 19,395,000
Loan Payable	302,109	40,625	261,484
Bond Anticipation Notes	12,101,740	12,101,740	-
Authorized but not Issued	5,827,858	-	5,827,858
	$ 39,911,707	$ 14,427,365	$ 25,484,342
	$ 39,911,707	$ 14,427,365	$ 25,484,342

Note 8 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt (Continued)

Swimming Pool Utility Bonds

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	$ -	$ -	$ -	$ -
Emergency Notes	-	-	-	-
	$ -	$ -	$ -	$ -
Long-Term Debt:				
Serial Bonds	$ 470,000	$ -	$ (70,000)	$ 400,000
Loan Payable	-	-	-	-
Bond Anticipation Notes	975,968	972,036	(975,968)	972,036
Authorized but not Issued	10,770	-	-	10,770
	$ 1,456,738	$ 972,036	$ (1,045,968)	$ 1,382,806
	$ 1,456,738	$ 972,036	$ (1,045,968)	$ 1,382,806

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	$ -		$ -
Emergency Notes	-		-
	$ -	$ -	$ -
Long-Term Debt:			
Serial Bonds	$ 400,000	$ 80,000	$ 320,000
Loan Payable	-	-	-
Bond Anticipation Notes	972,036	972,036	-
Authorized but not Issued	10,770	-	10,770
	$ 1,382,806	$ 1,052,036	$ 330,770
	$ 1,382,806	$ 1,052,036	$ 330,770

Note 8 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt (Continued)

Golf Course Utility Bonds

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	$ -	$ -	$ -	$ -
Emergency Notes	-	-	-	-
	$ -	$ -	$ -	$ -
Long-Term Debt:				
Serial Bonds	$ 2,030,000	$ -	$ (225,000)	$ 1,805,000
Loan Payable		-	-	-
Bond Anticipation Notes	2,123,413	2,047,576	(2,123,413)	2,047,576
Authorized but not Issued	6,724	-	-	6,724
	$ 4,160,137	$ 2,047,576	$ (2,348,413)	$ 3,859,300
	$ 4,160,137	$ 2,047,576	$ (2,348,413)	$ 3,859,300

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	$ -		$ -
Emergency Notes	-		-
	$ -	$ -	$ -
Long-Term Debt:			
Serial Bonds	$ 1,805,000	$ 265,000	$ 1,540,000
Loan Payable	-	-	-
Bond Anticipation Notes	2,047,576	2,047,576	-
Authorized but not Issued	6,724	-	6,724
	$ 3,859,300	$ 2,312,576	$ 1,546,724
	$ 3,859,300	$ 2,312,576	$ 1,546,724

Note 9 - Risk Management

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. The Borough of Paramus is a member of the Bergen County Municipal Joint Insurance Fund (BJIF) 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 and worker's compensation. The BJIF and MEL coverage amounts are on file with the Borough. The relationship between the Borough 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 Borough is contractually obligated to make all annual and supplementary contributions to insurance, to report claims on a timely basis, cooperate with the management of the Fund, its claims investigation and settlement, and to follow risk management procedures as outlined by the insurance pools. Members have a contractual obligation to fund any deficit of the insurance fund 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 preventive procedures to be followed by the members. There has been no significant reduction in insurance coverage from the previous year nor have been there been any settlements in excess of insurance coverage in any of the prior three years. Contributions to the Funds, including a reserve for contingencies, are payable in four installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the State of New Jersey provides the administration of payments to former employees of the Borough. The Borough is billed quarterly for benefits paid to former employees.

Note 10 - Interfunds

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

	Interfunds Receivable	Interfunds Payable
2011		
Current Fund	$ 227,277	$ 2,805,118
Trust Fund	2,683,647	303,396
General Capital Fund	815,635	590,832
Golf Course Utility Operating Fund	84,121	186,802
Golf Course Utility Capital Fund	76,624	71,607
Swimming Pool Utility Operating Fund	49,309	22,518
Swimming Pool Utility Capital Fund	3,932	23,092
Sewer Assessment Trust Fund	64,765	1,945
	$ 4,005,310	$ 4,005,310
2010		
Current Fund	$ 197,085	$ 607,284
Trust Fund	87,953	289,712
General Capital Fund	593,560	11,840
Golf Course Utility Operating Fund	80,911	83,499
Golf Course Utility Capital Fund	76,624	68,397
Swimming Pool Utility Operating Fund	49,195	3,932
Swimming Pool Utility Capital Fund	3,932	22,978
Sewer Assessment Trust Fund	-	1,618
	$ 1,089,260	$ 1,089,260

Note 11 - Deferred Charges to be Raised in Succeeding Budgets

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

	Balance December 31,	Appropriated in Subsequent Year's Budget	Balance to Succeeding
2011			
Current Fund:			
Overexpenditures	$ -	$ -	$ -
Expenditures Without Appropriations	-	-	-
Deficit in Operations	-	-	-
Emergency Authorizations	-	-	-
Special Emergency Authorizations (40A:4-53) - Wastwater Plan	-	-	-
Special Emergency Authorizations (40A:4-53) - Re-Assessment	-	-	-
Special Emergency Authorizations (40A:4-53) - Master Plan	-	-	-
	$ -	$ -	$ -
2010			
Current Fund:			
Overexpenditures	$ 8,639	$ 8,639	$ -
Expenditures Without Appropriations	-	-	-
Deficit in Operations	-	-	-
Emergency Authorizations	-	-	-
Special Emergency Authorizations (40A:4-53) - Wastwater Plan	-	-	-
Special Emergency Authorizations (40A:4-53) - Re-Assessment	-	-	-
Special Emergency Authorizations (40A:4-53) - Master Plan	-	-	-
	$ 8,639	$ 8,639	$ -

Note 12 - Retirement Plans

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

A. Public Employees' Retirement System (PERS)

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

At June 30, 2010 and 2009, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2010	2009
State of New Jersey	1	1
County Agencies	65	65
Municipalities	580	584
School Districts	581	566
Other Public Agencies	483	484
Total	1,710	1,700

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

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

Note 12 - Retirement Plans (Continued)

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

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

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

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

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

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

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

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

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

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

Note 12 - Retirement Plans (Continued)

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

Membership in the system consisted of the following at June 30, 2010 and 2009, the dates of the most recent actuarial valuations:

	2010	2009
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	141,973	138,619
Active Members:		
Vested	149,506	144,698
Non-Vested	159,593	172,151
Total Active Members	309,099	316,849
Total	451,072	455,468

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

Description of the System

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

At June 30, 2010 and 2009, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2010	2009
State of New Jersey	1	1
Municipalities	588	588
Total	589	589

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

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

Note 12 - Retirement Plans (Continued)

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

Vesting and Benefit Provisions

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

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

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

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

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

Membership in the System consisted of the following at June 30, 2010 and 2009 the dates of the most recent actuarial valuations:

	2010	2009
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	35,973	34,364
Active members:		
Vested	29,552	29,400
Non-vested	14,652	15,750
Total active members	44,204	45,150
Total	80,177	79,514

Note 12 - Retirement Plans (Continued)

C. Defined Contribution Retirement Program (DCRP)

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

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

Eligibility

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

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

Enrollment

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

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

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

Retirement

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

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

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

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

Note 12 - Retirement Plans (Continued)

D. Contributions Required by Employer

Year	Pension Cost	Percentage Contributed	Non-Contrib Health Ins.	Pension Obligation
Police and Firemens' Pension Fund (PFRS)				
2011	2,791,105	100.00%	121,404	$ 2,912,509
2010	$ 2,417,813	100.00%	$ 122,923	$ 2,540,736
2009	$ 1,197,110	50.00%	$ 98,450	$ 2,492,670
2008	$ 2,351,673	100.00%	$ -	$ 2,351,673
Public Employees Retirement System (PERS)				
2011	1,287,946	100.00%	$ 97,819	$ 1,385,765
2010	$ 928,737	100.00%	$ 128,794	$ 1,057,531
2009	$ 413,470	50.00%	$ 102,790	$ 929,730
2008	$ 642,968	80.00%	$ -	$ 803,710
Defined Contribution Retirement Program (DCRP)				
2011	$ -	100.00%	$ -	$ -
2010	$ -	100.00%	$ -	$ -
2009	$ -	100.00%	$ -	$ -
2008	$ -	100.00%	$ -	$ -

E. Trend Information

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

Note 13 - Other Post Retirement Benefits

A. Compensated Absences (Unaudited)

The Borough has permitted certain employees and bargaining units to accumulate (with certain restrictions) unused sick pay which may be taken in cash (with certain limitations), upon death, retirement or by extended time off immediately preceding retirement. A detail of amounts due is on file in the Office of the Borough Clerk - 1 Jockish Square, Paramus, NJ 07652 - (201) 265-2100. In accordance with accounting practices prescribed by the Division of Local Government Services, this amount is not recorded as either an expenditure or a liability. The Borough approximates this liability at December 31, 2011 to be $2,150,000.

B. Post Retirement Health Benefits

The Borough provides, at its cost, post employment health care benefits in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, P.L. 1981.

Plan Description

The Borough of Paramus contributed to the State Health Benefits Program ("SHBP"), a cost-sharing, multi-employer defined benefit post-retirement healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. The SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and requires supplementary information for the SHBP. That report may be obtained by writing to: State of NJ Division of Pension & Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at http://www.state.nj.us/treasury/pensions/pdf/financial/gasb-43-july2011.pdf.

Note 13 - Other Post Retirement Benefits (continued)

Plan Coverage

Any employee who retires after twenty-five (25) years or more of service within the Borough shall be entitled to be continued in the above health insurance coverage on a family-plan basis, with the cost thereof to be paid by the Borough. Dental benefits are not included.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to that, medical benefits were funded on an actuarial basis.

Contributions to pay for health premiums of participating employees in the SHBP are billed to the Borough of Paramus on a monthly basis. The Borough's contributions to SHBP for post-retirement benefits for the years ended December 31, 2011 and 2010 were $2,233,464 and $1,859,918, respectively. These amounts equaled the required contributions for each year.

The borough did not accumulate the actuarial data necessary to properly disclose the future cost of other post-employment benefits (OPEB) as required by GASB 45.

Note 14 - Contingencies

A. Litigation

The Borough 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 Borough.

B. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2011 and 2010. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, to be material. As of December 31, 2011 and 2010, the Borough recorded $0 and $0 of reserves in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability has been be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

C. Federal and State Grants

The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor agency. If expenditures are disallowed, the Borough may be required to reimburse the grantor agency. As of December 31, 2011, significant amounts of grant expenditures have not been audited. The Borough believes that any future disallowed expenditures will not have a material effect on its financial position.

Note 15 - Subsequent Events

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

A. Subsequent Year Capital Projects

The Borough's 2012 Capital Budget currently includes the following:

Purpose	Total	CIF and Other Funded Sources	Bonds & Notes Authorized
#12-16 Various Public Improvements	$ 2,970,000	$ 145,000	$ 2,825,000
#12-23 Various Public Improvements	160,000	8,000	152,000
	$ 3,130,000	$ 153,000	$ 2,977,000

B. Bond Anticipation Notes

On February 24, 2012 the Borough issued Bond Anticipation Notes in the amount of $16,834,874 comprised of $13,924,891 of General Capital notes, $1,971,739 of Golf Utility Capital notes and $938,244 of Swimming Pool Utility Capital notes to temporarily finance expenditures related to various capital projects. The Borough paid down $2,377,478 to the maturing note derived from the 2012 Current Fund budget ($2,267,849), the 2012 Golf Course Utility Operating Fund budget ($75,837) and the 2012 Swimming Pool Utility Operating Fund budget ($33,792). The Borough has awarded the sale of said notes to TD Securities at a gross interest rate of 1.25% receiving a premium of $109,763 producing a lower effective interest rate. These notes will mature on February 22, 2013.

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS AND OTHER DEBITS		
Cash:		
Current Account	$ 10,536,180	$ 3,902,190
Current Account - Paramus Ambulance Corps.	1,171,994	3,148,325
Petty Cash Funds	500	500
Change Funds	450	450
	$ 11,709,124	$ 7,051,465
Interfunds Receivable:		
Trust Fund - Claims Account	$ 40,562	$ 40,562
Golf Course Utility Operating Fund	7,662	7,662
Animal Control Trust Fund	75,752	75,752
General Capital Fund	34,228	11,063
Other Trust Fund	67,125	60,425
Social Security Trust Fund	3	3
Assessment Trust Fund	1,945	1,618
	$ 227,277	$ 197,085
Other Receivables:		
Delinquent Property Taxes Receivable	$ 874,741	$ 972,898
Tax Title Liens Receivable	2,196	2,196
Property Acquired for Taxes - Assessed Valuation	23,978	23,978
Revenue Accounts Receivable	-	-
	$ 900,915	$ 999,072
Deferred Charges:		
Overexpenditures	$ -	$ 8,639
Special Emergency Authorizations (40A:4-53)	-	-
	$ -	$ 8,639
Total Assets and Other Debits	$ 12,837,316	$ 8,256,261
LIABILITIES, RESERVES AND FUND BALANCE		
Interfunds Payable:		
Swimming Pool Utility Operating Fund	$ 13,724	$ 13,724
Assessment Trust Fund	64,765	-
Trust Fund (Claims)	2,032,883	-
General Capital Fund	693,746	593,560
	$ 2,805,118	$ 607,284
Accounts Payable	$ -	$ -
Other Liabilities and Reserves:		
Appropriation Reserves	$ 3,630,260	$ 2,847,746
Reserve for Encumbrances	94,980	112,528
Reserve for Third Party Tax Title Liens	2,500	44,079
Pre-Paid Taxes	618,479	603,344
Tax Overpayments	-	5,375
Library Taxes Payable	5,127	-
	$ 4,351,346	$ 3,613,072
Intergovernmental Payable		
Due County for Added & Omitted Taxes	$ 31,760	$ 25,681
Due County for Added & Omitted Open Space Taxes	427	346
Due to State of New Jersey	21,418	30,067
	$ 53,605	$ 56,094
Reserve for Receivables and Other Assets	$ 1,128,192	$ 1,196,157
Fund Balance	$ 4,499,055	$ 2,783,654
Total Liabilities, Reserves and Fund Balance	$ 12,837,316	$ 8,256,261

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Budget As Modified	Realized	Excess/ (Deficit)
REVENUES			
Fund Balance Anticipated	$ 600,000	$ 600,000	$ -
Miscellaneous Revenues:			
Alcoholic Beverage Licenses	$ 95,000	$ 90,290	$ (4,710)
Other Licenses	200,000	328,462	128,462
Fees and Permits	130,000	243,309	113,309
Municipal Court Fines and Costs	800,000	798,844	(1,156)
Interest and Costs on Taxes	200,000	216,428	16,428
Interest on Investments and Deposits	85,000	49,944	(35,056)
Consolidated Municipal Property Tax Relief	538,090	538,090	-
Energy Receipts Tax	3,518,219	3,518,219	-
Uniform Construction Code Fees	1,300,000	1,418,682	118,682
Oradell BORO - Garbage & Trash Removal Service	81,750	28,090	(53,660)
Rochelle Park TWP - Garbage & Trash Removal Service	312,482	324,351	11,869
911 Services	36,000	40,916	4,916
Clean Communities Program	30,000	30,000	-
Safe & Secure Grant	60,000	60,000	-
Municipal Alliance on Alcoholism and Drug Abuse	15,759	15,759	-
Uniform Fire Safety Act	140,000	135,335	(4,665)
Sewer User Charges	1,600,000	1,706,224	106,224
Hotel Occupancy Tax	380,000	427,659	47,659
Ambulance Fees	1,000,000	1,016,353	16,353
Business Licencing Fees	400,000	404,307	4,307
Cablevision Franchise Fee	262,000	294,328	32,328
Employee Health Insurance Contribution	-		-
Total Miscellaneous Revenues	$ 11,184,300	$ 11,685,590	$ 501,290
Receipts From Delinquent Taxes	$ 825,000	$ 970,915	$ 145,915
Amount to be Raised by Taxation - Municipal	$ 41,082,303	$ 42,202,972	$ 1,120,669
Amount to be Raised by Taxation - Library	2,875,661	2,875,661	-
	43,957,964	45,078,633	1,120,669
Total Revenues	$ 56,567,264	$ 58,335,138	$ 1,767,874

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Budget As Modified	Realized	Excess/ (Deficit)
OTHER CREDITS TO INCOME			
Miscellaneous Revenues Not Anticipated	$ -	$ 310,202	$ 310,202
Unexpended Balances of Appropriation Reserves	-	299,505	299,505
Interfund Loans Returned	-	-	-
Unexpended Balances Cancelled	-	-	-
Cancellations & Non-Cash Adjustments	-	126,885	126,885
Taxes Allocated to School and County:			
Local District School Tax	70,832,633	70,832,633	-
County Tax Levy	17,744,769	17,744,769	-
County Open Space	216,806	216,806	-
Municipal Open Space Preservation	-	-	-
Added County Taxes	31,760	31,760	-
Added County Open Space	427	427	-
Added Municipal Open Space		-	-
Total Other Credits to Income	$ 88,826,395	$ 89,562,987	$ 736,592
Total Revenues and Other Credits to Income	$ 145,393,659	$ 147,898,125	$ 2,504,466

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriated		Expended		Unexpended	
	2011 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"						
General Government Functions						
General Administration:						
Salaries and Wages	$ 245,000	$ 296,527	$ 296,527	$ -	$ -	$ -
Other Expenses	9,000	9,638	9,638	-	-	-
Other Expenses - Equipment Maintenance	39,000	39,000	38,991	9	-	-
Other Expenses - Grants Consultant	20,000	20,000	18,586	1,414	-	-
Mayor and Council:						
Salaries and Wages	52,000	52,000	51,475	525	-	-
Other Expenses	24,300	26,615	26,615	-	-	-
Municipal Clerk:						
Salaries and Wages	162,000	171,230	171,230	-	-	-
Other Expenses	53,300	63,255	63,255	-	-	-
Other Expenses - Codification of Ordinances	1,000	1,000	-	1,000	-	-
Financial Administration:						
Salaries and Wages	345,000	345,000	303,976	41,024	-	-
Audit Services:						
Other Expenses	76,500	76,500	69,083	7,417	-	-
Revenue Administration:						
Salaries and Wages	115,000	115,000	113,069	1,931	-	-
Other Expenses	17,100	17,100	8,271	8,829	-	
Tax Assessment Administration:						
Salaries and Wages	190,000	190,000	188,757	1,243	-	-
Other Expenses	12,200	12,200	5,339	6,861	-	-
Legal Services:						
Salaries and Wages	30,000	30,000	30,000	-	-	-
Other Expenses	525,000	525,000	444,156	80,844	-	-
Other Expenses - Zoning Appeals	12,000	12,000	7,500	4,500	-	-
Engineering Services:						
Other Expenses	18,000	18,706	18,706	-	-	-
Land Use Administration						
Planning Board:						
Salaries and Wages	121,000	121,000	119,337	1,663	-	-
Other Expenses	18,500	40,590	40,590	-	-	-
Insurance						
General Liability	670,000	787,655	787,655	-	-	-
Contribution to Insurance Fund	600,000	600,000	300,000	300,000	-	-
Worker Compensation Insurance	50,000	50,000	49,960	40	-	-
Employee Group Health	6,650,000	6,650,000	6,056,780	593,220	-	-

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriated		Expended		Unexpended	
	2011 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)						
Public Safety Functions						
Police:						
Salaries and Wages	$ 12,757,000	$ 12,213,154	$ 11,584,021	$ 629,133	$ -	$ -
Other Expenses	90,000	90,000	63,042	26,958	-	-
Other Expenses - Clothing Allowance	60,000	60,000	54,900	5,100	-	-
Other Expenses - Purchase of Police Cars	30,000	30,000	2,507	27,493	-	-
Office of Emergency Management:						
Salaries and Wages	50,000	50,979	50,979	-	-	-
Other Expenses	18,000	18,000	6,646	11,354	-	-
Rescue Squad:						
Salaries and Wages	7,900	7,900	6,900	1,000	-	-
Salaries and Wages - Clothing Allowance	7,000	7,500	7,500	-	-	-
Salaries and Wages - Stipends	120,000	120,000	74,000	46,000	-	-
Other Expenses - Purchase of Police Cars	18,044	18,044	8,974	9,070	-	-
Fire Department:						
Salaries and Wages	27,000	30,000	30,000	-	-	-
Salaries and Wages - Clothing Allowance	63,000	63,000	60,250	2,750	-	-
Salaries and Wages - Stipends	420,000	420,000	328,670	91,330	-	-
Other Expenses	96,400	98,202	98,202	-	-	-
Ambulance Corps.						
Salaries and Wages	800,000	800,000	782,644	17,356	-	-
Other Expenses	49,500	49,500	41,970	7,530	-	-
Uniform Fire Safety Act:						
Salaries and Wages	347,000	370,869	370,869	-	-	-
Other Expenses	10,500	10,500	7,039	3,461	-	-
Public Works Functions						
Streets and Road Maintenance:						
Salaries and Wages	1,127,500	1,127,500	785,888	341,612	-	-
Other Expenses	95,000	95,000	80,802	14,198	-	-
Traffic Maintenance:						
Salaries and Wages	185,000	185,000	181,869	3,131	-	-
Other Expenses	15,300	15,300	10,092	5,208	-	-
Shade Tree Commission:						
Salaries and Wages	952,500	1,013,089	1,013,089	-	-	-
Other Expenses	45,000	45,000	30,170	14,830	-	-
Sewer:						
Salaries and Wages	329,500	329,500	286,159	43,341	-	-
Other Expenses	151,000	162,276	162,276	-	-	-
Solid Waste Collection:						
Salaries and Wages	1,446,000	1,446,000	1,193,297	252,703	-	-
Other Expenses	20,000	24,028	24,028	-	-	-
Buildings and Grounds:						
Salaries and Wages	225,000	255,220	255,220	-	-	-
Other Expenses	120,000	120,000	109,459	10,541	-	-
Vehicle Maintenance:						
Salaries and Wages	800,000	829,304	829,304	-	-	-
Other Expenses	443,000	443,764	443,764	-	-	-
Health and Human Services						
Public Health Services:				-	-	-
Salaries and Wages	575,000	580,886	580,886	-	-	-
Other Expenses	30,600	30,600	19,496	11,104	-	-
Animal Control:						
Salaries and Wages				-	-	
Other Expenses	30,000	31,625	31,625	-	-	-
Administration of Public Assistance						
Salaries and Wages	63,000	63,000	62,342	658	-	-
Other Expenses	500	564	564	-	-	-

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriated		Expended		Unexpended	
	2011 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)						
Park and Recreation Functions						
Recreational Services & Programs						
Salaries and Wages	$ 320,000	$ 320,000	$ 290,025	$ 29,975	$ -	$ -
Other Expenses	72,000	75,444	75,444	-	-	-
Senior Citizens Activities						
Salaries and Wages	88,000	88,000	82,146	5,854	-	-
Other Expenses	15,300	15,300	5,063	10,237	-	-
Landfill/Solid Waste Disposal Costs						
Other Expenses	575,000	651,642	651,642	-	-	-
Municipal Court						
Municipal Court Administration:						
Salaries and Wages	497,500	497,500	482,227	15,273	-	-
Other Expenses	101,000	101,000	27,194	73,806	-	-
Code Enforcement Administration						
Uniform Construction Code Enforcement Functions:						
Salaries and Wages	462,500	462,500	450,162	12,338	-	-
Other Expenses	90,000	90,000	64,207	25,793	-	-
Utility Expenses and Bulk Purchases						
Electricity	570,000	570,000	492,450	77,550	-	-
Street Lighting	570,000	570,000	455,013	114,987	-	-
Telephone	137,500	137,500	111,827	25,673	-	-
Water	65,000	65,000	54,920	10,080	-	-
Fire Hydrant Service	450,000	450,000	336,973	113,027	-	-
Gasoline	485,000	560,503	560,503	-	-	-
Stormwater Management	3,600	3,600	-	3,600		
Total Operations - Within "CAPS"	$ 36,183,544	$ 36,183,309	$ 33,038,735	$ 3,144,574	$ -	$ -
Contingent	-	-	-	-	-	-
Total Operations Including Contingent - Within "C.	$ 36,183,544	$ 36,183,309	$ 33,038,735	$ 3,144,574	$ -	$ -
Detail:						
Salaries and Wages	$ 22,930,400	$ 22,601,658	$ 21,062,818	$ 1,538,840	$ -	$ -
Other Expenses	$ 13,253,144	$ 13,581,651	$ 11,975,917	$ 1,605,734	$ -	$ -

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriated		Expended		Unexpended	
	2011 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"						
Deferred Charges						
Emergency Authorizations	$ -	$ -	$ -	$ -	$ -	$ -
Deficit in Animal Control Fund	-	-	-	-	-	-
Overexpenditures of Appropriations	8,639	8,639	8,639	-	-	-
Expenditure Without Appropriation	-	-	-	-	-	-
Statutory Expenditures						
Public Employees' Retirement System	1,385,765	1,385,765	1,385,765	-	-	-
Social Security System (O.A.S.I.)	1,050,000	1,050,000	969,492	80,508	-	-
Police and Firemen's Retirement System	2,912,509	2,912,509	2,912,509	-	-	-
Defined Contribution Retirement Program	1,000	1,000	-	1,000	-	-
Total Deferred Charges and Statutory Expenditur	$ 5,357,913	$ 5,357,913	$ 5,276,405	$ 81,508	$ -	$ -
Total General Appropriations for Municipal Purpo:	$ 41,541,457	$ 41,541,222	$ 38,315,140	$ 3,226,082	$ -	$ -

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriated		Expended		Unexpended	
	2011 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - EXCLUDED FROM "CAPS"						
Insurance						
Employee Group Insurance	$ 70,800	$ 70,800	$ 70,800	$ -	$ -	$ -
Statutory Expenditures						
Public Employees Retirement System	-	-	-	-	-	-
Police & Firemen's Retirement System	-	-	-	-	-	-
Defined Contribution Retirement Plan	-	-	-	-	-	-
Police & Firemen's Retirement System	-	-	-	-	-	-
Utility Expenses & Bulk Purchases						
Sewerage Processing & Disposal						
Other Expenses	3,300,000	3,300,235	3,300,235	-	-	-
Education						
Maintenance of Free Public Library - Salary & Wa	-	-	-	-	-	-
Maintenance of Free Public Library - Other	2,875,661	2,875,661	2,875,661	-	-	-
Interlocal Service Agreements						
Oradell BORO - Garbage & Trash Removal Servi	81,750	81,750	55	81,695	-	-
Rochelle Park TWP - Garbage & Trash Removal !	312,483	312,483	-	312,483	-	-
Public and Private Programs Offset by Revenues						
Cash Match for Grants	10,000	10,000	-	10,000	-	-
Alliance on Alcoholism and Drug Abuse - State	15,759	15,759	15,759	-	-	-
Alliance on Alcoholism and Drug Abuse - Local	3,940	3,940	3,940	-	-	-
Safe & Secure Community Program	60,000	60,000	60,000	-	-	-
Clean Communities Program	30,000	30,000	30,000	-	-	-
Total Operations Excluded from "CAPS"	$ 6,760,393	$ 6,760,628	$ 6,356,450	$ 404,178	$ -	$ -
Detail:						
Salaries and Wages	$ -	$ -	$ -	$ -	$ -	$ -
Other Expenses	$ 6,760,393	$ 6,760,628	$ 6,356,450	$ 404,178	$ -	$ -

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriated		Expended		Unexpended	
	2011 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	$ 100,000	$ 100,000	$ 100,000	$ -	$ -	$ -
Total Capital Improvements - Excluded From "CA	$ 100,000	$ 100,000	$ 100,000	$ -	$ -	$ -
DEBT SERVICE - EXCLUDED FROM "CAPS"						
Municipal Debt Service						
Bond Principal	$ 2,265,000	$ 2,265,000	$ 2,265,000	$ -	$ -	$ -
Bond Interest	997,095	997,095	997,095	-	-	-
Payment of Bond Anticipation Notes	2,582,849	2,582,849	2,582,849	-		-
Note Interest	154,000	154,000	154,000	-		-
Green Trust & Wastewater Loan Programs:						
Loan Repayments of Principal and Interest	166,470	166,470	166,470	-		-
Total Debt Service - Excluded From "CAPS"	$ 6,165,414	$ 6,165,414	$ 6,165,414	$ -	$ -	$ -
DEFERRED CHARGES - EXCLUDED FROM "CAPS"						
Emergency Authorizations	$ -	$ -	$ -	$ -	$ -	$ -
Deferred Charges to Future Taxation-Unfunded	-	-	-	-	-	-
Special Emergency Authorizations - 5 Years (N.J.	-	-	-	-	-	-
Total General Appropriations for Municipal Purpo:	$13,025,807	$13,026,042	$12,621,864	$ 404,178	$ -	$ -
Subtotal General Appropriations	$54,567,264	$54,567,264	$50,937,004	$ 3,630,260	$ -	$ -
Reserve for Uncollected Taxes	2,000,000	2,000,000	2,000,000	-	-	-
Total General Appropriations	$ 56,567,264	$ 56,567,264	$ 52,937,004	$ 3,630,260	$ -	$ -
Budget Appropriations - Adopted Budget	$56,567,264	$56,567,264				
Budget Appropriations - Added by N.J.S. 40A:4-8	-	-				
Emergency Appropriations	-	-				
	$56,567,264	$56,567,264				
Other Charges to Income:						
Interfund Advances Originating in Current Year		$ -	$ 30,192			
Refund of Prior Year's Revenue		-	98,873			
Shortfall in Federal/State Grant Fund		-	60,000			
Taxes Allocated to School and County:						
Local District School Tax		70,832,633	70,832,633			
County Tax Levy		17,744,769	17,744,769			
County Open Space		216,806	216,806			
Municipal Open Space Preservation		-	-			
Added County Taxes		31,760	31,760			
Added County Open Space		427	427			
Added Municipal Open Space		-	-			
		$88,826,395	$89,015,460			

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
STATEMENT OF ASSETS, LIABILITIES AND RESERVES - STATUTORY BASIS

	2011	2010
ASSETS		
Cash	$ 121,375	$ (60,000)
Intergovernmental Receivable:		
Grants Receivable	$ 15,759	$ 103,175
Total Assets	$ 137,134	$ 43,175
LIABILITIES AND RESERVES		
Other Liabilities and Reserves:		
Appropriated Reserves	$ 41,568	$ 43,175
Unappropriated Reserves	95,566	-
	$ 137,134	$ 43,175
Total Liabilities and Reserves	$ 137,134	$ 43,175

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
STATEMENT OF GRANTS RECEIVABLE
Year Ended December 31, 2011

Program	Balance December 31, 2010	Revenue Realized	Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2011
Federal:						
Edward J. Byrne Memorial Justice Assistance Grant	$ 43,175	$ -	$ -	$ -	$ (43,175)	$ -
State:						
Clean Communities Program	$ -	$ 30,000	$ 30,000	$ -	$ -	$ -
Municipal Alliance on Alcoholism & Drug Abuse	-	15,759	-	-	-	15,759
Safe & Secure Community Grant	60,000	60,000	-	-	(120,000)	-
	$ 60,000	$ 105,759	$ 30,000	$ -	$ (120,000)	$ 15,759
Other:						
None	$ -	$ -	$ -	$ -	$ -	$ -
Grand Total	$ 103,175	$ 105,759	$ 30,000	$ -	$ (163,175)	$ 15,759

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
STATEMENT OF APPROPRIATED RESERVES
Year Ended December 31, 2011

Program	Balance December 31, 2010	Budget	Paid or Charged	Adjustments	Balance December 31, 2011
Federal:					
COPS Fast Grant	-	-	-	-	-
Stormwater Management	-	-	-	-	-
Edward J. Byrne Memorial Justice Assistance Grant	43,175	-	-	(43,175)	-
	$ 43,175	$ -	$ -	$ (43,175)	$ -
State:					
Clean Communities Program	$ -	$ 30,000	$ 953	$ -	$ 29,047
Municipal Alliance on Alcoholism and Drug Abuse - State	-	15,759	4,069	-	11,690
Municipal Alliance on Alcoholism and Drug Abuse - Local	-	3,940	3,109	-	831
Safe & Secure Community Grant	-	60,000	-	(60,000)	-
	$ -	$ 109,699	$ 8,131	$ (60,000)	$ 41,568
Other:					
None	$ -	$ -	$ -	$ -	$ -
Grand Total	$ 43,175	$ 109,699	$ 8,131	$ (103,175)	$ 41,568

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
STATEMENT OF UNAPPROPRIATED RESERVES
Year Ended December 31, 2011

Program	Balance December 31, 2010	Appropriated in 2011	Received in 2011	Adjustments	Balance December 31, 2011
State:					
Clean Communities Program	$ -	$ -	$ 8,624	$ -	$ 8,624
Recycling Tonnage Grant	-	-	79,882	-	79,882
Body Armor Replacement Program	-	-	7,060	-	7,060
	$ -	$ -	$ 95,566	$ -	$ 95,566

BOROUGH OF PARAMUS
TRUST FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES & FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
Trust & Escrow Deposit Account	$ 6,629,522	$ 9,889,525
Property & General Liability Self-Insurance Trust Account	101,498	32,000
Unemployment Trust Account	82,069	109,909
Social Security Trust Account	46,031	9,308
Workmen's Compensation Insurance Claims Trust Account	162,613	486,259
Vision Self-Insurance Trust Account	31,316	51,710
Net Payroll Account	720,457	596,365
Claims Account I	149,911	149,402
Claims Account II	2,005,848	70,480
Animal Control Account	87,489	83,006
COAH Trust Fund	6,164,557	6,211,614
	$ 16,181,311	$ 17,689,578
Interfund Receivable:		
Claims (Trust & Escrow)	$ 52,819	$ 45,835
Community Development A/C (Trust & Escrow)	8,017	-
Net Payroll (Unemployment Trust)	35,099	35,099
Swimming Pool Utility Capital (Claims)	6,242	6,242
Current (Claims)	2,032,883	-
General Capital (Trust & Escrow)	547,810	-
General Capital (Claims)	777	777
	$ 2,683,647	$ 87,953
Other Assets:		
Accrued Interest on Mortgage Receivable	$ 122,636	$ 122,636
Mortgage Receivable - A.H.B.P., LP	990,998	990,998
Due From Borough Clerk Account (Animal Control)	5,205	5,205
	$ 1,118,839	$ 1,118,839
Total Assets	$ 19,983,797	$ 18,896,370
LIABILITIES AND RESERVES		
Interfunds Payable:		
Current Fund (Animal Control)	$ 75,752	$ 75,752
Current Fund (Trust & Escrow)	67,125	60,425
Current Fund (Claims)	40,562	40,562
Current Fund (Social Security)	3	3
Golf Course Utility Operating (Claims)	12,514	12,514
Golf Course Utility Capital (Claims)	787	787
Swimming Pool Utility Operating (Claims)	18,735	18,735
Trust & Escrow (Claims)	52,819	45,835
Unemployment Trust (Net Payroll)	35,099	35,099
	$ 303,396	$ 289,712
Intergovernmental Payable:		
State of N.J.	$ 13,715	$ 13,715
Other Liabilities and Reserves:		
Net Payroll Payable	$ 685,358	$ 561,266
Tax Title Lien Premiums Payable	148,200	81,500
Reserve for Claim Account Expenditures	4,070,243	108,466
Reserve for Animal Control Expenditures	16,731	12,248
Reserve for Developers' Escrow & Other Deposits	7,022,845	9,793,437
Reserve for Property Self-Insurance Claims	40,328	47,237
Reserve for General Liability Self-Insurance Claims	61,170	(15,237)
Reserve for Unemployment Claims	103,663	131,504
Reserve for Social Security Expenditures	46,028	9,305
Reserve for Workmen's Compensation Claims	162,613	486,259
Reserve for Vision Claims	31,316	51,710
Reserve for COAH Expenditures	6,164,557	6,211,614
Reserve for Accrued Interest Receivable	122,636	122,636
Reserve for Mortgage Receivable	990,998	990,998
	$ 19,666,686	$ 18,592,943
Total Liabilities, Reserves and Fund Balance	$ 19,983,797	$ 18,896,370

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
General Capital Account	$ 1,294,704	$ 343,844
Green Trust Account	476,308	474,826
Community Development Account	8,028	-
	$ 1,779,040	$ 818,670
Interfund Receivable:		
Current Fund	$ 693,746	$ 593,560
Golf Course Utility Operating Fund	103,303	-
Swimming Pool Utility Operating Fund	18,586	-
	$ 815,635	$ 593,560
Other Receivables:		
Due From Columbia Bank	$ 945	$ -
Intergovernmental Receivable:		
Grants Receivable	$ 615,660	$ 983,799
Due From Board Of Education (#10-07)	743	743
	$ 616,403	$ 984,542
Deferred Charges:		
Funded	$21,982,109	$24,339,924
Unfunded	17,929,598	16,847,722
	$39,911,707	$41,187,646
Prospective Assessments Raised by Taxation	$ 14,250	$ 14,250
Estimated Proceeds Bonds and Notes Authorized	$ 5,827,858	$ 4,341,658
Total Assets	$48,965,838	$47,940,326
LIABILITIES AND FUND BALANCE		
Interfund Payable:		
Trust Fund (Claims)	$ 777	$ 777
Trust Fund (Escrow)	547,810	-
Trust Fund (From Community Development A/C)	8,017	-
Current Fund	34,228	11,063
	$ 590,832	$ 11,840
Other Liabilities and Reserves:		
Capital Improvement Fund	$ 42,134	$ 34,134
Reserve for Debt Service	395,491	395,491
Reserve for Oradell Sewer Connection	6,300	6,300
Reserve for Prospective Assessments Raised by Taxation	14,250	14,250
Reserve for Green Trust	140,345	140,345
Reserve for Amount Due to Community Development Program	3,654	3,654
	$ 602,174	$ 594,174
Improvement Authorizations:		
Funded	$ 1,966,253	$ 2,606,971
Unfunded	5,784,326	3,501,732
	$ 7,750,579	$ 6,108,703
Serial/Refunding Bonds Payable	$21,680,000	$23,945,000
Bond Anticipation Notes Payable	$12,101,740	$12,506,064
Bonds and Notes Authorized but Not Issued	$ 5,827,858	$ 4,341,658
Loans Payable	$ 302,109	$ 394,924
Fund Balance	$ 110,546	$ 37,963
Total Liabilities and Reserves	$48,965,838	$47,940,326

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF GRANTS RECEIVABLE
Year Ended December 31, 2011

Improvement Description	Balance December 31, 2010	Improvement Authorized	Cash Received	Other	Balance December 31, 2011
Federal:					
Federal Housing & Community Development Act -- Passed Thru the County of Bergen -- Community Development Program:					
#88-19	$ 50,000	$ -	$ -	$ -	$ 50,000
#89-17	10,026	-	-	-	10,026
#94-31	8	-	-	-	8
#97-22	21,060	-	-	-	21,060
#98-22	84,900	-	-	-	84,900
#98-26	16,197	-	-	-	16,197
#98-35	3,473	-	-	-	3,473
#99-11	20,551	-	-	-	20,551
#00-12	2,820	-	-	-	2,820
#00-19	2,561	-	-	-	2,561
#03-17	46,006	-	-	-	46,006
	$ 257,602	$ -	$ -	$ -	$ 257,602
Department of Homeland Security -- Passed Thru the State of NJ Division of Law & Public Saety					
#02-25	$ 6,894	$ -	$ -	$ -	$ 6,894
#04-01	23,754	-	-	-	23,754
	$ 30,648	$ -	$ -	$ -	$ 30,648
Total Federal	$ 288,250	$ -	$ -	$ -	$ 288,250
State:					
Department of Transportation -- Passed Thru the State of NJ Department of Transportation:					
#02-15	$ 84,202	$ -	$ -	$ -	$ 84,202
#03-17	77,500	-	-	-	77,500
#08-33	44,436	-	-	-	44,436
#10-09	200,000	-	(94,234)	-	105,766
	$ 406,138	$ -	$ (94,234)	$ -	$ 311,904
Total State	$ 406,138	$ -	$ (94,234)	$ -	$ 311,904
Other:					
Bergen County - Open Space Trust Fund	$ 289,411	$ -	$ (273,905)	$ -	$ 15,506
Total Other	$ 289,411	$ -	$ (273,905)	$ -	$ 15,506
Total Grants Receivable	$ 983,799	$ -	$ (368,139)	$ -	$ 615,660

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF LOANS PAYABLE
Year Ended December 31, 2011

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2010	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2011
1/1/91 Wastewater Treatment Trust Loan	$ 390,599	$ 19,239	$ -	$ 19,239	$ -
1/1/91 Wastewater Treatment Trust Loan	$ 387,000	33,751	-	33,751	-
1998 Green Trust Loan	$ 750,000	341,934	-	39,825	302,109
		$ 394,924	$ -	$ 92,815	$ 302,109

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
Year Ended December 31, 2011

Improvement	Balance December 31, 2010	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations	Balance December 31, 2011	Analysis of Balance: Outstanding BANs	B&N Authorized	Capital Cash
General Improvements										
#86-17 Various Public Improvements	$ 3,650	$ -	$ -	$ -	$ -	$ -	$ 3,650	$ -	$ 3,650	$ -
#91-26 Improvements to Sewer System PH 5	1,597	-	-	-	-	-	1,597	-	1,597	-
#96-15 Library /Public SafetyEquipment	520	-	-	-	-	-	520	-	520	-
#97-08 Acquisition of Land	843,968	-	-	-	-	-	843,968	-	843,968	-
#97-15 Life Safety Complex	764	-	-	-	-	-	764	-	764	-
#02-31 Pension Refunding	105,000	-	-	-	-	-	105,000	-	105,000	-
#03-17 Various Public Improvements	54	-	-	-	-	-	54	-	54	-
#04-01 Acquisition of Fire Truck	400	-	-	-	-	-	400	-	400	-
#06-01 Refunding Tax Appeals	3,700,000	-	-	(1,800,000)	-	-	1,900,000	1,900,000	-	-
#06-15 Various Public Improvements	1,572,507	-	-	(87,873)	-	-	1,484,634	1,484,634	-	-
#07-08 Various Public Improvements	264,810	-	-	(15,440)	-	-	249,370	249,370	-	-
#07-17 Refunding Bond Ordinance	235,000	-	-	-	-	-	235,000	-	235,000	-
#07-22 Various Public Improvements	1,479,747	-	-	(78,701)	-	-	1,401,046	1,401,046	-	-
#07-35 Refunding Tax Appeals	2,165,000	-	-	(45,000)	-	-	2,120,000	2,095,000	25,000	-
#08-33 Various Public Improvements	2,004,000	-	-	(99,110)	-	-	1,904,890	1,904,890	-	-
#08-37 Municipal Pool Environmental Remediation	920,000	-	-	-	-	-	920,000	920,000	-	-
#08-41 Refunding Tax Appeals	425,000	-	-	(425,000)	-	-	-	-	-	-
#09-04 Municipal Pool Environmental Remediation	523,800	-	-	-	-	-	523,800	523,800	-	-
#09-12 Various Public Improvements	960,000	-	-	-	-	-	960,000	827,500	132,500	-
#10-09 2010 Road Improvement Program	570,000	-	-	-	-	-	570,000	-	570,000	-
#10-10 Emergency Services Communication Tower	238,000	-	-	-	-	-	238,000	-	238,000	-
#10-11 Various Public Improvements	795,500	-	-	-	-	-	795,500	795,500	-	-
#11-16 Various Public Improvements	-	1,833,000	-	-	-	-	1,833,000	-	1,833,000	-
#11-28 Refunding Bond - Tax Appeals	-	1,800,000	-	-	-	-	1,800,000	-	1,800,000	-
	$ 16,809,317	$ 3,633,000	$ -	$ (2,551,124)	$ -	$ -	$ 17,891,193	$ 12,101,740	$ 5,789,453	$ -
Local Improvements										
#87-23 Construction of Concrete Curbs	$ 27,655	$ -	$ -	$ -	$ -	$ -	$ 27,655	$ -	$ 27,655	$ -
#89-26 Sidewalk Improvements	10,750	-	-	-	-	-	10,750	-	10,750	
	$ 38,405	$ -	$ -	$ -	$ -	$ -	$ 38,405	$ -	$ 38,405	$ -
Total	$ 16,847,722	$ 3,633,000	$ -	$ (2,551,124)	$ -	$ -	$ 17,929,598	$ 12,101,740	$ 5,827,858	$ -

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2011

Description	Balance - January 1, 2011 Funded	Balance - January 1, 2011 Unfunded	Capital Improvement Fund	Capital Surplus	Grants	From BOE	Bonds & Notes Authorized	Expended	Refunded	Cancellations	Balance - December 31, 2011 Funded	Balance - December 31, 2011 Unfunded
#96-15 Acquisition of Equipment	$ 3,914	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,914	$ -
#97-08 Acquisition of Land	333,289	843,968	-	-	-	-	-	-	-	-	333,289	843,968
#97-15 Life Safety Complex	18,318	764	-	-	-	-	-	-	-	-	18,318	764
#97-21 Improvements to Century Road	181,675	-	-	-	-	-	-	-	-	-	181,675	-
#97-22 Barrier Free Improvements	57	-	-	-	-	-	-	-	-	-	57	-
#98-19 Various Public Improvements	31,270	-	-	-	-	-	-	-	-	-	31,270	-
#99-11 Various Public Improvements	1	-	-	-	-	-	-	-	-	-	1	-
#99-12 Sports Complex	5,885	-	-	-	-	-	-	-	-	-	5,885	-
#00-12 Various Public Improvements	69,545	-	-	-	-	-	-	-	-	-	69,545	-
#01-19 Various Public Improvements	138,023	-	-	-	-	-	-	24,864	-	-	113,159	-
#01-28 Acquisition of Land	152,665	-	-	-	-	-	-	-	-	-	152,665	-
#02-15 Various Public Improvements	143,921	-	-	-	-	-	-	-	-	-	143,921	-
#02-31 Refunding - Pension	22,896	105,000	-	-	-	-	-	-	-	-	22,896	105,000
#03-13 Construction of New Fire House	16,651	-	-	-	-	-	-	-	-	-	16,651	-
#03-17 Various Public Improvements	301,675	54	-	-	-	-	-	7,955	-	-	293,720	54
#04-11 Various Public Improvements	90,013	-	-	-	-	-	-	-	-	-	90,013	-
#04-19 Acquisition of Property	168,392	-	-	-	-	-	-	-	-	-	168,392	-
#05-24 Various Public Improvements	210,170	-	-	-	-	-	-	-	-	-	210,170	-
#06-15 Various Public Improvements	-	139,791	-	-	-	-	-	-	-	-	-	139,791
#07-09 Update 911 System	59,360	-	-	-	-	-	-	-	-	-	59,360	-
#07-17 Refunding - Tax Appeals	-	62,864	-	-	-	-	-	62,864	-	-	-	-
#07-22 Various Public Improvements	-	133,449	-	-	-	-	-	-	-	-	-	133,449
#07-30 Update 911 System	94,842	-	-	-	-	-	-	44,665	-	-	50,177	-
#08-33 Various Public Improvements	-	461,247	-	-	-	-	-	-	-	-	-	461,247
#08-37 Municipal Pool Environmental Remediation	-	991	-	-	-	-	-	-	-	-	-	991
#09-04 Municipal Pool Environmental Remediation	-	97,038	-	-	-	-	-	-	-	-	-	97,038
#09-12 Various Public Improvements	-	320,220	-	-	-	-	-	55,017	-	-	-	265,203
#672 - Local - Sewer Syetems - Stage 4	-	17,074	-	-	-	-	-	-	-	-	-	17,074
#10-07 Turf Field at Paramus HS	562,637	-	-	-	-	-	-	561,462	-	-	1,175	-
#10-09 Soldier Hill/2010 Road Improvements	-	323,467	-	-	-	-	-	321,847	-	-	-	1,620
#10-10 Emergency Services Communication Tower	-	200,305	-	-	-	-	-	142,957	-	-	-	57,348
#10-11 Various Public Improvements	1,772	795,500	-	-	-	-	-	318,512	-	-	-	478,760
#11-16 Various Public Improvements	-	-	92,000	-	-	-	1,833,000	538,531	-	-	-	1,386,469
#11-28 Refunding Bond - Tax Appeals	-	-	-	-	-	-	1,800,000	4,450	-	-	-	1,795,550
	$ 2,606,971	$ 3,501,732	$ 92,000	$ -	$ -	$ -	$ 3,633,000	$ 2,083,124	$ -	$ -	$ 1,966,253	$ 5,784,326

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS PAYABLE
Year Ended December 31, 2011

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2010	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2011
7/15/02 General Improvement Bonds	13,235,000	7,755,000	-	1,065,000	6,690,000
3/1/03 Pension Refunding Bonds	2,395,000	2,130,000	-	85,000	2,045,000
9/1/05 General Improvement Bonds	10,480,000	8,835,000	-	455,000	8,380,000
9/10/07 Refunding Bonds - Tax Appeals	5,265,000	5,225,000	-	660,000	4,565,000
		$ 23,945,000	$ -	$ 2,265,000	$ 21,680,000

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
Year Ended December 31, 2011

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Issued	Decreased	Budget Paydown	Balance December 31, 2011
10-1R										
#08-37 Municipal Pool Environmental Remediation	$ 920,000	2/26/2009	02/26/10	02/25/11	1.50%	$ 920,000	$ -	$ 920,000	$ -	$ -
10-2R										
#06-01 Refunding Tax Appeals	8,650,000	6/20/2006	04/07/10	02/25/11	1.50%	3,700,000	-	1,900,000	1,800,000	-
#06-15 Various Public Improvements	1,710,000	8/10/2007	04/07/10	02/25/11	1.50%	1,572,507	-	1,484,634	87,873	-
#07-08 Various Public Improvements	280,250	8/10/2007	04/07/10	02/25/11	1.50%	264,810	-	249,370	15,440	-
#07-22 Various Public Improvements	1,602,175	8/10/2007	04/07/10	02/25/11	1.50%	1,479,747	-	1,401,046	78,701	-
#07-35 Refunding Tax Appeals	2,200,000	4/15/2008	04/07/10	02/25/11	1.50%	2,140,000	-	2,095,000	45,000	-
#08-33 Various Public Improvements	2,004,000	11/13/2008	04/07/10	02/25/11	1.50%	2,004,000	-	1,904,890	99,110	-
#08-41 Refunding Tax Appeals	725,000	4/15/2009	04/07/10	02/25/11	1.50%	425,000	-	-	425,000	-
						$ 11,586,064	$ -	$ 9,034,940	$ 2,551,124	$ -
						$ 12,506,064	$ -	$ 9,954,940	$ 2,551,124	$ -
11-1R										
#06-01 Refunding Tax Appeals	8,650,000	6/20/2006	02/25/11	02/24/12	1.25%	$ -	$ 1,900,000	$ -	$ -	$ 1,900,000
#06-15 Various Public Improvements	1,710,000	8/10/2007	02/25/11	02/24/12	1.25%	-	1,484,634	-	-	1,484,634
#07-08 Various Public Improvements	280,250	8/10/2007	02/25/11	02/24/12	1.25%	-	249,370	-	-	249,370
#07-22 Various Public Improvements	1,602,175	8/10/2007	02/25/11	02/24/12	1.25%	-	1,401,046	-	-	1,401,046
#07-35 Refunding Tax Appeals	2,200,000	4/15/2008	02/25/11	02/24/12	1.25%	-	2,095,000	-	-	2,095,000
#08-33 Various Public Improvements	2,004,000	11/13/2008	02/25/11	02/24/12	1.25%	-	1,904,890	-	-	1,904,890
#08-37 Municipal Pool Environmental Remediation	920,000	2/26/2009	02/25/11	02/24/12	1.25%	-	920,000	-	-	920,000
#09-04 Municipal Pool Environmental Remediation	523,800	2/25/2011	02/25/11	02/24/12	1.25%	-	523,800	-	-	523,800
#09-12 Various Public Improvements	827,500	2/25/2011	02/25/11	02/24/12	1.25%	-	827,500	-	-	827,500
#10-11 Various Public Improvements	795,500	2/25/2011	02/25/11	02/24/12	1.25%	-	795,500	-	-	795,500
						$ -	$ 12,101,740	$ -	$ -	$ 12,101,740
						$ 12,506,064	$ 12,101,740	$ 9,954,940	$ 2,551,124	$ 12,101,740

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2011

Improvement Description	Balance December 31, 2010	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2011
General Improvements						
#86-17 Various Public Improvements	$ 3,650	$ -	$ -	$ -	$ -	$ 3,650
#96-15 Library /Public SafetyEquipment	520	-	-	-	-	520
#97-08 Acquisition of Land	843,968	-	-	-	-	843,968
#97-15 Life Safety Complex	764	-	-	-	-	764
#91-26 Improvements to Sewer System PH 5	1,597	-	-	-	-	1,597
#02-31 Pension Refunding	105,000	-	-	-	-	105,000
#03-17 Various Public Improvements	54	-	-	-	-	54
#04-01 Acquisition of Fire Truck	400	-	-	-	-	400
#07-17 Refunding Bond Ordinance	235,000	-	-	-	-	235,000
#07-35 Refunding Tax Appeals	25,000	-	-	-	-	25,000
#09-04 Municipal Pool Environmental Remediation	523,800	-	523,800	-	-	-
#09-12 Various Public Improvements	960,000	-	827,500	-	-	132,500
#10-09 2010 Road Improvement Program	570,000	-	-	-	-	570,000
#10-10 Emergency Services Communication Tower	238,000	-	-	-	-	238,000
#10-11 Various Public Improvements	795,500	-	795,500	-	-	-
#11-16 Various Public Improvements	-	1,833,000	-	-	-	1,833,000
#11-28 Refunding Bond - Tax Appeals	-	1,800,000	-	-	-	1,800,000
	$ 4,303,253	$ 3,633,000	$ 2,146,800	$ -	$ -	$ 5,789,453
Local Improvements						
#87-23 Construction of Concrete Curbs	$ 27,655	$ -	$ -	$ -	$ -	$ 27,655
#89-26 Sidewalk Improvements	10,750	-	-	-	-	10,750
	$ 38,405	$ -	$ -	$ -	$ -	$ 38,405
Total	$ 4,341,658	$ 3,633,000	$ 2,146,800	$ -	$ -	$ 5,827,858

BOROUGH OF PARAMUS
GOLF COURSE UTILTY OPERATING FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
Operating Account	$ 605,238	$ 342,931
Change Funds	-	-
	$ 605,238	$ 342,931
Interfund Receivable:		
Golf Course Utility Capital Fund	$ 71,607	$ 68,397
Trust Fund - Claims Account	12,514	12,514
	$ 84,121	$ 80,911
Deferred Charges:		
Operating Deficit	$ -	$ -
Overexpenditures	-	-
	$ -	$ -
Total Assets	$ 689,359	$ 423,842
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ 17,621	$ 8,861
Interfund Payable:		
Current Fund	$ 7,662	$ 7,662
Golf Course Utility Capital Fund	75,837	75,837
General Capital	103,303	-
	$ 186,802	$ 83,499
Other Liabilities and Reserves:		
Accrued Interest on Bonds	$ 30,019	$ 33,352
Accrued Interest on Notes	21,685	20,066
Sales Tax Payable	670	365
Appropriation Reserves	131,251	92,547
	$ 183,625	$ 146,330
Fund Balance	$ 301,311	$ 185,152
Total Liabilities and Reserves	$ 689,359	$ 423,842

BOROUGH OF PARAMUS
GOLF COURSE UTILTY OPERATING FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ -	$ -	$ -
Membership Fees	$ 230,000	$ 231,608	$ 1,608
Registration Fees	120,000	115,587	(4,413)
Golf Cart Rental Fees	260,000	235,381	(24,619)
Green Fees	1,185,000	1,167,857	(17,143)
Snack Bar Rental Fees	50,000	50,400	400
Miniature Golf Fees	155,000	124,933	(30,067)
	$ 2,000,000	$ 1,925,766	$ (74,234)
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	$ -	$ 61,975	$ 61,975
Deficit (General Budget)	-	-	-
Unexpended Balances Cancelled	-	123,451	123,451
Miscellaneous Revenue Not Anticipated:			
Interest Income	-	4,967	4,967
Lost Cards	-	-	-
No-Show Golfers	-	-	-
Miscellaneous	-	-	-
	$ -	$ 190,393	$ 190,393
Fund Balance - Golf Course Utility Capital	$ -	$ -	$ -
Total Revenues and Credits to Income	$ 2,000,000	$ 2,116,159	$ 116,159

BOROUGH OF PARAMUS
GOLF COURSE UTILTY OPERATING FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriations		Expended		Unexpended	
	Adopted Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpenditure
Operating:						
Salaries and Wages	$ 900,000	$ 900,000	$ 808,535	$ 91,465	$ -	$ -
Other Expenses:	500,000	500,000	481,067	18,933		
	$ 1,400,000	$ 1,400,000	$ 1,289,602	$ 110,398	$ -	$ -
Capital Improvements:						
Capital Improvement Fund	$ -	$ -		$ -	$ -	$ -
Capital Outlay	119,283	119,283		-	119,283	-
	$ 119,283	$ 119,283	$ -	$ -	$ 119,283	$ -
Debt Service:						
Payment of Bonds	$ 225,000	$ 225,000	$ 225,000	$ -	$ -	$ -
Payment of BAN's & Capital Notes	75,837	75,837	75,837	-	-	-
Interest on Bonds	80,625	80,625	80,625	-	-	
Interest on Notes (BAN's)	33,255	33,255	29,087	-	4,168	-
	$ 414,717	$ 414,717	$ 410,549	$ -	$ 4,168	$ -
Statutory Expenditures:						
Social Security System	$ 66,000	$ 66,000	$ 45,147	$ 20,853	$ -	$ -
	$ 66,000	$ 66,000	$ 45,147	$ 20,853	$ -	$ -
Deficit in Operations in Prior Years				$ -		$ -
Total Appropriations	$ 2,000,000	$ 2,000,000	$ 1,745,298	$ 131,251	$ 123,451	$ -

Other Charges to Income:			
Refund of Prior Year's Revenue			$ -

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
Operating Account	$ 942,124	$ 963,143
	$ 942,124	$ 963,143
Interfund Receivable:		
Trust Fund - Claims Account	$ 787	$ 787
Golf Course Utility Operating Fund	75,837	75,837
	$ 76,624	$ 76,624
Fixed Capital Authorized & Uncompleted	$ 2,312,362	$ 2,312,362
Fixed Capital	$ 12,361,230	$ 12,361,230
Estimated Proceed of Bonds & Notes Authorized	$ 6,724	$ 6,724
Total Assets	$ 15,699,064	$ 15,720,083
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ -	$ -
Interfund Payable:		
Golf Course Utility Operating Fund	$ 71,607	$ 68,397
Other Liabilities and Reserves:		
Capital Improvement Fund	$ 61,479	$ 61,479
Reserve for Payment of Debt Service	225,000	225,000
Reserve for Amortization	10,556,230	10,331,230
Reserve for Deferred Amortization	258,062	182,225
	$ 11,100,771	$ 10,799,934
Improvement Authorizations:		
Funded	$ 219,787	$ 222,987
Unfunded	447,599	468,628
	$ 667,386	$ 691,615
Bond Anticipation Notes Payable	$ 2,047,576	$ 2,123,413
Serial Bonds Payable	$ 1,805,000	$ 2,030,000
Bonds & Notes Authorized but not Issued	$ 6,724	$ 6,724
Fund Balance	$ -	$ -
Total Liabilities and Reserves	$ 15,699,064	$ 15,720,083

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
Year Ended December 31, 2011

Improvement	Balance December 31, 2010	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2011	Analysis of Balance: Outstanding BANs	Analysis of Balance: B&N Authorized	Analysis of Balance: Deferred Amortization
#97-19 Golf Course Improvements	$ 1,674	$ -	$ -	$ -	$ -	$ -	$ 1,674	$ -	$ 1,674	$ -
#99-14 Golf Course Improvements	14,500	-	-	-	-	-	14,500	-	-	14,500
#99-31 Acquisition of Land	11,250	-	-	-	-	-	11,250	-	-	11,250
#01-07 Golf Course Improvements	18,250	-	-	-	-	-	18,250	-	4,025	14,225
#03-19 Golf Course Improvements	1,025	-	-	-	-	-	1,025	-	1,025	-
#04-12 Golf Course Improvements	15,000	-	-	-	-	-	15,000	-	-	15,000
#05-26 Golf Course Impts/Gannarelli Sports Complex	11,500	-	-	-	-	-	11,500	-	-	11,500
#07-06 Constr/Renovation to Parkway School Field	1,644,310	-	-	-	-	-	1,644,310	1,503,620	-	140,690
#07-21 Golf Course Improvements	594,853	-	-	-	-	-	594,853	543,956	-	50,897
	$ 2,312,362	$ -	$ -	$ -	$ -	$ -	$ 2,312,362	$ 2,047,576	$ 6,724	$ 258,062

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2011

Description	Balance - January 1, 2011 Funded	Balance - January 1, 2011 Unfunded	Bonds & Notes Authorized	Expended	Adjustments	Cancellations	Balance - December 31, 2011 Funded	Balance - December 31, 2011 Unfunded
#89-33 Golf Course Improvements	$ 25,284	$ -	$ -	$ -	$ -	$ -	$ 25,284	$ -
#99-14 Golf Course Improvements	74,949	-	-	-	-	-	74,949	-
#99-31 Acquisition of Land	12,749	-	-	-	-	-	12,749	-
#01-07 Golf Course Improvements	26,799	4,025	-	3,200	-	-	23,599	4,025
#02-16 Golf Course Improvements	903	-	-	-	-	-	903	-
#03-19 Golf Course Improvements	21,817	1,025	-	-	-	-	21,817	1,025
#04-12 Golf Course Improvements	15,623	-	-	-	-	-	15,623	-
#05-26 Golf Course Impts/Gannarelli Sports Complex	44,863	-	-	-	-	-	44,863	-
#07-06 Constr/Renovation to Parkway School Field	-	444,224	-	21,029	-	-	-	423,195
#07-21 Golf Course Improvements	-	19,354	-	-	-	-	-	19,354
	$ 222,987	$ 468,628	$ -	$ 24,229	$ -	$ -	$ 219,787	$ 447,599

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
STATEMENT OF SERIAL BONDS PAYABLE
Year Ended December 31, 2011

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2010	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2011
7/15/02 General Golf Course Utility Bonds	1,865,000	1,045,000	-	125,000	920,000
9/1/06 General Golf Course Utility Bonds	1,320,000	985,000	-	100,000	885,000
		$ 2,030,000	$ -	$ 225,000	$ 1,805,000

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
Year Ended December 31, 2011

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Issued	Decreased	Budget Paydown	Balance December 31, 2011
10-1RGU										
#07-06 - Constr/Renovation to Parkway School Field	$ 8,650,000	8/10/2007	04/07/10	02/25/11	1.50%	$ 1,559,310	$ -	$ 1,503,620	$ 55,690	$ -
#07-21 - Golf Course Improvements	1,710,000	8/10/2007	04/07/10	02/25/11	1.50%	564,103	-	543,956	20,147	-
						$ 2,123,413	$ -	$ 2,047,576	$ 75,837	$ -
11-1RGU										
#07-06 - Constr/Renovation to Parkway School Field	$ 8,650,000	8/10/2007	02/25/11	02/24/12	1.25%	$ -	$ 1,503,620	$ -	$ -	$ 1,503,620
#07-21 - Golf Course Improvements	1,710,000	8/10/2007	02/25/11	02/24/12	1.25%	-	543,956	-	-	543,956
						$ -	$ 2,047,576	$ -	$ -	$ 2,047,576
						$ 2,123,413	$ 2,047,576	$ 2,047,576	$ 75,837	$ 2,047,576

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2011

Improvement Description	Balance December 31, 2010	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2011
#97-19 Golf Course Improvements	$ 1,674	$ -	$ -	$ -	$ -	$ 1,674
#01-07 Golf Course Improvements	4,025	-	-	-	-	4,025
#03-19 Golf Course Improvements	1,025	-	-	-	-	1,025
Total	$ 6,724	$ -	$ -	$ -	$ -	$ 6,724

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
Operating Account	$ 338,300	$ 157,766
	$ 338,300	$ 157,766
Interfund Receivable:		
Swimming Pool Utility Capital Fund	$ 16,850	$ 16,736
Current Fund	13,724	13,724
Trust Fund - Claims Account	18,735	18,735
	$ 49,309	$ 49,195
Deferred Charges:		
Operating Deficit	$ -	$ -
Overexpenditures	-	7,032
	$ -	$ 7,032
Total Assets	$ 387,609	$ 213,993
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ 11,783	$ 12,603
Interfund Payable:		
General Capital	$ 18,586	$ -
Swimming Pool Utility Capital Fund	3,932	3,932
	$ 22,518	$ 3,932
Other Liabilities and Reserves:		
Accrued Interest on Bonds	$ 6,075	$ 6,962
Accrued Interest on Notes	10,294	12,166
Appropriation Reserves	99,731	616
	$ 116,100	$ 19,744
Fund Balance	$ 237,208	$ 177,714
Total Liabilities and Reserves	$ 387,609	$ 213,993

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ -	$ -	$ -
Membership Fees	$ 475,000	$ 491,949	$ 16,949
Registration Fees	15,000	10,245	(4,755)
Guest Fees	60,000	74,140	14,140
Snack Bar Rental Fees	10,000	15,020	5,020
Rental of Facilities	-	-	-
	$ 560,000	$ 591,354	$ 31,354
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	$ -	$ 13,219	$ 13,219
Deficit (General Budget)	-	-	-
Unexpended Balances Cancelled	-	900	900
Miscellaneous Revenue Not Anticipated:			
Interest Income	-	501	501
Special Events	-	13,520	13,520
	$ -	$ 28,140	$ 28,140
Fund Balance - Swimming Pool Utility Capital	$ -	$ -	$ -
Total Revenues and Credits to Income	$ 560,000	$ 619,494	$ 59,494

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - STATUTORY BASIS
Year Ended December 31, 2011

	Appropriations		Expended		Unexpended	
	Adopted Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpenditure
Operating:						
Salaries and Wages	$ 175,000	$ 175,000	$ 148,757	$ 26,243	$ -	$ -
Other Expenses:	210,000	198,718	189,419	9,299		
	$ 385,000	$ 373,718	$ 338,176	$ 35,542	$ -	$ -
Capital Improvements:						
Capital Improvement Fund	$ -	$ -	$ -	$ -	$ -	$ -
Capital Outlay	57,236	57,236	-	57,236	-	-
	$ 57,236	$ 57,236	$ -	$ 57,236	$ -	$ -
Debt Service:						
Payment of Bonds	$ 70,000	$ 70,000	$ 70,000	$ -	$ -	$ -
Payment of BAN's & Capital Notes	3,932	3,932	3,932	-	-	-
Interest on Bonds	20,300	20,300	19,400	-	900	-
Interest on Notes (BAN's)	1,500	12,782	12,782	-	-	-
	$ 95,732	$ 107,014	$ 106,114	$ -	$ 900	$ -
Deferred Charges:						
Overexpenditures	$ 7,032	$ 7,032	$ 7,032	$ -	$ -	$ -
	$ 7,032	$ 7,032	$ 7,032	$ -	$ -	$ -
Statutory Expenditures:						
Social Security System	$ 15,000	$ 15,000	$ 8,047	$ 6,953	$ -	$ -
	$ 15,000	$ 15,000	$ 8,047	$ 6,953	$ -	$ -
Deficit in Operations in Prior Years	$ -	$ -		$ -	$ -	$ -
Total Appropriations	$ 560,000	$ 560,000	$ 459,369	$ 99,731	$ 900	$ -

Other Charges to Income:			
Refund of Prior Year's Revenue			$ -

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
Operating Account	$ 89,822	$ 89,708
	$ 89,822	$ 89,708
Interfund Receivable:		
Swimming Pool Utility Operating Fund	$ 3,932	$ 3,932
Fixed Capital Authorized & Uncompleted	$ 1,026,784	$ 1,026,784
Fixed Capital	$ 2,406,287	$ 2,406,287
Estimated Proceed of Bonds & Notes Authorized	$ 10,770	$ 10,770
Total Assets	$ 3,537,595	$ 3,537,481
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ -	$ -
Interfund Payable:		
Trust Fund - Claims Account	$ 6,242	$ 6,242
Swimming Pool Utility Operating Fund	16,850	16,736
	$ 23,092	$ 22,978
Other Liabilities and Reserves:		
Reserve for Amortization	$ 2,006,287	$ 1,936,287
Reserve for Deferred Amortization	43,978	40,046
	$ 2,050,265	$ 1,976,333
Improvement Authorizations:		
Funded	$ 63,177	$ 63,177
Unfunded	18,241	18,241
	$ 81,418	$ 81,418
Bond Anticipation Notes Payable	$ 972,036	$ 975,968
Serial Bonds Payable	$ 400,000	$ 470,000
Bonds & Notes Authorized but not Issued	$ 10,770	$ 10,770
Fund Balance	$ 14	$ 14
Total Liabilities and Reserves	$ 3,537,595	$ 3,537,481

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
Year Ended December 31, 2011

Improvement	Balance December 31, 2010	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2011	Analysis of Balance: Outstanding BANs	Analysis of Balance: B&N Authorized	Analysis of Balance: Deferred Amortization
#80-19 Improvements to Filtration System	$ 146	$ -	$ -	$ -	$ -	$ -	$ 146	$ -	$ -	$ 146
#01-18 Pool Improvements	10,000	-	-	-	-	-	10,000	-	950	9,050
#02-14 Pool Improvements	4,170	-	-	-	-	-	4,170	-	70	4,100
#03-18 Pool Improvements	9,500	-	-	-	-	-	9,500	-	9,500	-
#05-25 Pool Improvements	5,750	-	-	-	-	-	5,750	-	-	5,750
#05-26 Pool Improvements	250	-	-	-	-	-	250	-	250	-
#06-16 Pool Improvements	116,068	-	-	-	-	-	116,068	106,136	-	9,932
#08-28 Pool Improvements	580,900	-	-	-	-	-	580,900	580,900	-	-
#08-38 Pool Improvements	300,000	-	-	-	-	-	300,000	285,000	-	15,000
Reserve for Pool Improvements	-	-	-	-	-	-	-	-	-	-
	$ 1,026,784	$ -	$ -	$ -	$ -	$ -	$ 1,026,784	$ 972,036	$ 10,770	$ 43,978

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2011

Description	Balance - January 1, 2011		Bonds & Notes	Expended	Adjustments	Cancellations	Balance - December 31, 2011	
	Funded	Unfunded	Authorized				Funded	Unfunded
#80-19 Improvements to Filtration System	$ 146	$ -	$ -	$ -	$ -	$ -	$ 146	$ -
#01-18 Pool Improvements	10,550	950	-	-	-	-	10,550	950
#02-14 Pool Improvements	18	70	-	-	-	-	18	70
#03-18 Pool Improvements	28,008	9,500	-	-	-	-	28,008	9,500
#05-25 Pool Improvements	24,455	250	-	-	-	-	24,455	250
#06-16 Pool Improvements	-	5,484	-	-	-	-	-	5,484
#08-38 Pool Improvements	-	1,987	-	-	-	-	-	1,987
	$ 63,177	$ 18,241	$ -	$ -	$ -	$ -	$ 63,177	$ 18,241

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF SERIAL BONDS PAYABLE
Year Ended December 31, 2011

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2010	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2011
7/15/02 Pool Improvement Bonds	$ 171,000	$ 40,000	$ -	$ 20,000	$ 20,000
9/1/05 Pool Improvement Bonds	535,000	430,000	-	50,000	380,000
		$ 470,000	$ -	$ 70,000	$ 400,000

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
Year Ended December 31, 2011

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Issued	Decreased	Budget Paydown	Balance December 31, 2011
10-1RSPU										
#08-28 Pool Improvements	$ 580,900	2/26/2009	02/26/10	02/25/11	1.50%	$ 580,900	$ -	$ 580,900	$ -	$ -
#08-38 Pool Improvements	285,000	2/26/2009	02/26/10	02/25/11	1.50%	285,000	-	285,000	-	-
						$ 865,900	$ -	$ 865,900	$ -	$ -
10-2RSPU										
#06-16 Pool Improvements	$ 114,000	8/10/2007	04/07/10	02/25/11	1.50%	$ 110,068	$ -	$ 106,136	$ 3,932	$ -
						$ 975,968	$ -	$ 972,036	$ 3,932	$ -
11-1RSPU										
#06-16 Pool Improvements	$ 114,000	8/10/2007	02/25/11	02/24/12	1.25%	$ -	$ 106,136	$ -	$ -	$ 106,136
#08-28 Pool Improvements	580,900	2/26/2009	02/25/11	02/24/12	1.25%	-	580,900	-	-	580,900
#08-38 Pool Improvements	285,000	2/26/2009	02/25/11	02/24/12	1.25%	-	285,000	-	-	285,000
						$ -	$ 972,036	$ -	$ -	$ 972,036
						$ 975,968	$ 972,036	$ 972,036	$ 3,932	$ 972,036

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2011

Improvement Description	Balance December 31, 2010	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2011
#01-18 Pool Improvements	$ 950	$ -	$ -	$ -	$ -	$ 950
#02-14 Pool Improvements	70	-	-	-	-	70
#03-18 Pool Improvements	9,500	-	-	-	-	9,500
#05-26 Pool Improvements	250	-	-	-	-	250
	$ 10,770	$ -	$ -	$ -	$ -	$ 10,770

BOROUGH OF PARAMUS
SEWER ASSESSMENT TRUST FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - STATUTORY BASIS

	2011	2010
ASSETS		
Cash:		
Operating Account	$ 71,229	$ 135,667
Assessment Receivable	$ -	$ -
Interfund Receivable:		
Due From Current Fund	$ 64,765	$ -
Total Assets	$ 135,994	$ 135,667
LIABILITIES AND FUND BALANCE		
Interfund Payable:		
Current Fund	$ 1,945	$ 1,618
Assessment NJEIT Loan Payable	$ -	$ 64,765
Reserve for Receivables	$ -	$ -
Fund Balance	$ 134,049	$ 69,284
Total Liabilities and Reserves	$ 135,994	$ 135,667

BOROUGH OF PARAMUS
GENERAL FIXED ASSET ACCOUNT GROUP
STATEMENT OF ASSETS AND FUND BALANCE - STATUTORY BASIS

	2011
ASSETS	
Land	$ 118,448,300
Buildings and Improvements	12,091,900
Sports Complex	1,279,812
Sanitary Sewer System	21,448,816
Equipment	18,418,378
	$ 171,687,206
FUND BALANCE	
Reserve for Investment in General Fixed Assets	$ 171,687,206

BOROUGH OF PARAMUS
GENERAL FIXED ASSET ACCOUNT GROUP
STATEMENT OF CHANGES IN RESERVE FOR GENERAL FIXED ASSETS

	Balance December 31, 2010	Additions	Retirements	Adjustments	Balance December 31, 2011
Land	$ 118,616,300	$ -	$ -	$ (168,000)	$ 118,448,300
Buildings and Improvements	12,094,400	-	-	(2,500)	12,091,900
Sports Complex	1,279,812	-	-	-	1,279,812
Sanitary Sewer System	21,448,816	-	-	-	21,448,816
Equipment	17,920,125	638,252	(139,999)	-	18,418,378
	$ 171,359,453	$638,252	$ (139,999)	$ (170,500)	$ 171,687,206

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

Statistical Section

BOROUGH OF PARAMUS
Adopted Budgets
(Unaudited)

	2011	2010	2009	2008	2007
CURRENT FUND					
REVENUES					
Fund Balance	$ 600,000	$ 600,000	$ 574,000	$ 1,675,000	$ 3,050,000
Miscellaneous Revenues	11,184,300	11,273,064	13,415,194	13,481,597	13,338,381
Receipts From Delinquent Taxes	825,000	825,000	814,000	837,000	725,000
Amount to be Raised by Taxation	43,957,964	43,969,263	39,616,139	37,210,944	33,362,041
Total Revenues	$ 56,567,264	$ 56,667,327	$ 54,419,333	$ 53,204,541	$ 50,475,422
APPROPRIATIONS					
Within "CAPS":					
Operations:					
Salaries and Wages	$ 22,930,400	$ 18,165,000	$ 23,914,119	$ 22,831,292	$ 22,113,181
Other Expenses	13,253,144	18,290,294	13,065,650	13,536,250	13,385,004
Deferred Charges	8,639	-	1,616,260	16,289	7,505
Statutory Expenditures	5,349,274	2,936,234	1,296,560	991,000	910,000
Judgments		-	-	-	-
Excluded From "CAPS":					
Operations:					
Salaries and Wages	-	-	56,411	50,582	93,500
Other Expenses	6,760,393	9,331,441	7,011,907	8,796,600	7,455,981
Capital Improvements	100,000	100,000	90,000	75,000	100,000
Municipal Debt Service	6,165,414	5,803,375	5,218,426	5,094,178	4,230,251
Deferred Charges	-	-	200,000	-	180,000
Reserve for Uncollected Taxes	2,000,000	2,040,983	1,950,000	1,813,350	2,000,000
Total Appropriations	$ 56,567,264	$ 56,667,327	$ 54,419,333	$ 53,204,541	$ 50,475,422
	-	-	-	-	-

BOROUGH OF PARAMUS
Adopted Budgets
(Unaudited)

	2011	2010	2009	2008	2007
GOLF COURSE UTILITY FUND					
REVENUES					
Fund Balance Anticipated	$ -	$ -	$ 545,171	$ 594,216	$ 405,061
Membership Fees	230,000	159,000	154,600	160,000	160,000
Registration Fees	120,000	126,000	145,000	120,000	126,000
Golf Cart Rental	260,000	248,000	280,000	280,000	280,000
Green Fees	1,185,000	1,211,000	1,300,000	1,250,000	1,250,000
Snack Bar	50,000	48,000	55,000	45,000	46,000
Miniature Golf	155,000	223,000	200,000	-	-
Reserve for Payment of Debt Svce.		-	31,500	31,500	-
Deficit (General Budget)		-	-	-	-
Total Revenues	$ 2,000,000	$ 2,015,000	$ 2,711,271	$ 2,480,716	$ 2,267,061
APPROPRIATIONS					
Operations:					
Salaries and Wages	$ 900,000	$ 875,000	$ 1,120,000	$ 970,000	$ 850,000
Other Expenses	500,000	610,000	950,000	900,000	850,000
Capital Improvements	119,283	1,493	90,000	-	100,000
Municipal Debt Service	414,717	437,191	464,271	530,716	403,061
Deferred Charges	-	-	-	-	-
Statutory Expenditures	66,000	70,000	87,000	80,000	64,000
Surplus (General Budget)		-	-	-	-
Deficit in Operations		21,316	-	-	-
Total Appropriations	$ 2,000,000	$ 2,015,000	$ 2,711,271	$ 2,480,716	$ 2,267,061
	-	-	-	-	-

BOROUGH OF PARAMUS
Adopted Budgets
(Unaudited)

	2011	2010	2009	2008	2007
SWIMMING POOL UTILITY FUND					
REVENUES					
Fund Balance Anticipated	$ -	$ 15,000	$ 84,025	$ 51,445	$ 120,000
Membership Fees	475,000	376,000	345,000	-	342,900
Facility Rental	-	13,000	8,700	-	7,900
Snack Bar	10,000	5,000	9,300	-	4,900
Guest Fees	60,000	48,000	42,000	-	38,000
Registration Fees	15,000	18,000	18,550	-	15,000
Reserve for Payment of Debt Svce.		-	-	12,000	-
Deficit (General Budget)		-	-	16,289	-
Total Revenues	$ 560,000	$ 475,000	$ 507,575	$ 79,734	$ 528,700
APPROPRIATIONS					
Operations:					
Salaries and Wages	$ 175,000	$ 180,000	$ 222,269	$ -	$ 200,000
Other Expenses	210,000	185,000	188,000	10,000	185,000
Capital Improvements	57,236	443	-	-	68,861
Municipal Debt Service	95,732	94,557	71,281	69,734	56,839
Deferred Charges	7,032	1,000	5,025	-	-
Statutory Expenditures	15,000	14,000	21,000	-	18,000
Surplus (General Budget)		-	-	-	-
Deficit in Operations		-	-	-	-
Total Appropriations	560,000	$ 475,000	$ 507,575	$ 79,734	$ 528,700

BOROUGH OF PARAMUS
Fund Balance Summary
(Unaudited)

	2011	2010	2009	2008	2007
CURRENT FUND					
Fund Balance, Beginning	$ 2,783,654	$ 1,692,054	$ 641,615	$ 1,726,738	$ 3,275,571
Generated Current Year	2,315,401	1,691,600	1,624,439	589,877	1,501,167
Utilized Current Year	(600,000)	(600,000)	(574,000)	(1,675,000)	(3,050,000)
Fund Balance, Ending	$ 4,499,055	$ 2,783,654	$ 1,692,054	$ 641,615	$ 1,726,738
GOLF COURSE UTILITY FUND					
Fund Balance, Beginning	$ 185,152	$ 4,749	$ 549,920	$ 790,290	$ 825,555
Generated Current Year	116,159	180,403	-	353,846	369,796
Utilized Current Year	-	-	(545,171)	(594,216)	(405,061)
Fund Balance, Ending	$ 301,311	$ 185,152	$ 4,749	$ 549,920	$ 790,290
SWIMMING POOL UTILITY FUND					
Fund Balance, Beginning	$ 177,714	$ 42,726	$ 84,144	$ 51,864	$ 121,316
Generated Current Year	59,494	149,988	42,607	83,725	50,548
Utilized Current Year	-	(15,000)	(84,025)	(51,445)	(120,000)
Fund Balance, Ending	$ 237,208	$ 177,714	$ 42,726	$ 84,144	$ 51,864

BOROUGH OF PARAMUS
Tax Levy and Collection Data
(Unaudited)

	2011	2010	2009	2008	2007
CURRENT YEAR % COLLECTION RATES					
Current Tax Levy	$ 132,753,469	$ 130,865,676	$ 124,772,901	$ 118,714,890	$ 111,452,044
Current Collections	$ 131,910,155	$ 129,892,528	$ 123,331,518	$ 117,811,525	$ 110,503,176
Percentage of Collections	99.36%	99.26%	98.84%	99.24%	99.15%
DELINQUENT TAX %					
Delinquent Taxes	$ 874,741	$ 972,898	$ 843,585	$ 814,793	$ 838,162
Tax Title Liens	2,196	2,196	1,946	1,362	1,362
Total Delinquent	$ 876,937	$ 975,094	$ 845,531	$ 816,155	$ 839,524
Tax Levy	$ 132,753,469	$ 130,865,676	$ 124,772,901	$ 118,714,890	$ 111,452,044
Percentage of Tax Levy	0.66%	0.75%	0.68%	0.69%	0.75%
PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES					
Recorded at - Assessed Valuation	$ 23,978	$ 23,978	$ 23,978	$ 23,978	$ 23,978

BOROUGH OF PARAMUS
Assessed and County Equalized Valuation Data
(Unaudited)

Description	2011 # of Parcels	2011 Value	2010 # of Parcels	2010 Value	2009 # of Parcels	2009 Value	2008 # of Parcels	2008 Value	2007 # of Parcels	2007 Value
NET VALUATIONS TAXABLE										
Vacant Land	117	$ 144,588,300	117	$ 144,177,500	119	$ 150,553,900	124	$ 154,005,400	114	$ 155,672,300
Residential	8124	4,369,004,200	8124	4,348,882,600	8127	4,085,384,000	8118	4,052,386,800	8123	3,673,674,200
Farm (Regular)	4	1,479,800	4	1,479,800	4	1,479,800	4	1,479,800	4	1,479,800
Farm (Qualified)	4	22,400	4	22,400	4	22,400	4	22,400	4	22,400
Commercial	424	3,319,761,100	418	3,378,135,900	423	3,628,077,100	414	3,625,769,000	411	2,950,830,100
Industrial	26	116,116,200	26	116,580,000	26	123,055,000	26	125,476,500	26	89,876,200
Apartments	1	18,642,800	1	18,642,800	1	18,642,800	1	18,642,800	1	17,025,400
Sub-Total	8700	7,969,614,800	8694	8,007,921,000	8704	8,007,215,000	8691	7,977,782,700	8683	6,888,580,400
Personal Property		6,426,503		7,054,399		6,375,948		6,821,663		5,090,171
Net Valuations Taxable		7,976,041,303		8,014,975,399		8,013,590,948		7,984,604,363		6,893,670,571
Bergen County Equalization Adjustment		696,184,977		1,308,591,869		1,273,662,427		1,389,946,054		2,087,657,688
Bergen County Equalized Valuations		$ 8,672,226,280		$ 9,323,567,268		$ 9,287,253,375		$ 9,374,550,417		$ 8,981,328,259
Bergen County Equalization Ratio		92.90%		86.81%		87.21%		86.09%		77.60%
Average Improved Residential Assessment		$ 537,790		$ 535,313		$ 502,693		$ 499,185		$ 452,256

BOROUGH OF PARAMUS
Tax Requirement and Rate Data
(Unaudited)

	2011	2010	2009	2008	2007
TAX REQUIREMENTS					
County	$ 17,744,769	$ 17,904,485	$ 16,840,816	$ 15,739,696	$ 14,537,765
County Open Space	216,806	233,089	928,725	937,455	898,133
District School	70,832,633	69,062,075	66,353,215	64,239,930	62,168,404
Municipal Open Space	-	-	-	-	-
Municipal - Local	41,082,303	43,969,263	39,616,139	37,210,944	33,362,041
Municipal - Library	2,875,661	-	-	-	-
Total Tax Requirements	$ 132,752,172	$ 131,168,912	$ 123,738,895	$ 118,128,025	$ 110,966,343
TAX RATES					
County	0.223	0.224	0.211	0.198	0.211
County Open Space	0.003	0.003	0.012	0.012	0.010
District School	0.888	0.862	0.828	0.805	0.902
Municipal Open Space	-	-	-	-	-
Municipal - Local	0.515	0.548	0.494	0.467	0.487
Municipal - Library	0.036	-	-	-	-
Total Tax Rates	1.665	1.637	1.545	1.482	1.610

BOROUGH OF PARAMUS
Ratio of Gross and Net Debt to County Equalized Value and Debt Per Capita
(Unaudited)

	2011	2010	2009	2008	2007
Population	26,507	26,342	26,137	26,015	26,010
County Equalized Valuation	$ 8,672,226,280	$ 9,323,567,268	$ 9,287,253,375	$ 9,374,550,417	$ 8,981,328,259
Gross Debt	$ 69,500,814	$ 73,026,521	$ 78,129,421	$ 82,947,330	$ 84,110,478
Gross Debt Per Capita	$ 2,622	$ 2,772	$ 2,989	$ 3,188	$ 3,234
Ratio of Gross Debt to County Equalized Valuations	0.80%	0.78%	0.84%	0.88%	0.94%
Net Debt	$ 26,746,216	$ 34,162,155	$ 39,128,335	$ 43,831,270	$ 43,455,318
Ratio of Net Debt to County Equalized Valuations	0.31%	0.37%	0.42%	0.47%	0.48%
Net Debt per Capita	$ 1,009	$ 1,297	$ 1,497	$ 1,685	$ 1,671

BOROUGH OF PARAMUS
Legal Debt Margin
(Unaudited)

	2011	2010	2009	2008	2007
Equalized Valuation Basis (State)	$ 8,763,546,148	$ 8,997,186,741	$ 9,192,421,239	$ 9,055,062,051	$ 8,737,378,263
Municipal Borrowing Power:					
3 1/2% of Equalized Valuation Basis	$ 306,724,115	$ 314,901,536	$ 321,734,743	$ 316,927,172	$ 305,808,239
Net Debt	26,746,216	34,162,155	39,128,335	43,831,270	43,455,318
Remaining Borrowing Power	$ 279,977,899	$ 280,739,381	$ 282,606,408	$ 273,095,902	$ 262,352,921
School Borrowing Power:					
4% of Equalized Valuation Basis	$ 350,541,846	$ 359,887,470	$ 367,696,850	$ 362,202,482	$ 349,495,131
Net School Debt	24,347,000	26,222,000	28,042,000	30,049,000	32,159,000
School Borrowing Margin Available	$ 326,194,846	$ 333,665,470	$ 339,654,850	$ 332,153,482	$ 317,336,131

BOROUGH OF PARAMUS
Direct and Overlapping Debt
(Unaudited)

		2011		2010		2009		2008		2007
NET DIRECT DEBT										
Municipal Debt	$	26,746,216	$	34,162,155	$	39,128,335	$	43,831,270	$	43,455,318
Local School Debt		24,347,000		26,222,000		28,042,000		30,049,000		32,159,000
	$	51,093,216	$	60,384,155	$	67,170,335	$	73,880,270	$	75,614,318
OVERLAPPING DEBT										
County of Bergen (1)	$	60,607,515	$	63,412,293	$	56,356,019	$	56,562,024	$	56,563,378
Bergen County Utilities Authority (2)		13,523,799		13,945,770		14,309,833		14,307,592		16,350,907
	$	74,131,314	$	77,358,063	$	70,665,852	$	70,869,616	$	72,914,285
(1) County Debt:										
Municipal Equalized Valuations	$	8,672,226,280	$	9,323,567,268	$	9,287,253,375	$	9,374,550,417	$	8,981,328,259
Total County Equalized Valuations	$	173,258,537,441	$	183,412,099,706	$	187,580,071,463	$	182,767,512,263	$	172,863,500,734
		5.01%		5.08%		4.95%		5.13%		5.20%
County's Outstanding Debt		1,209,730,830		1,248,273,490		1,138,505,430		1,102,573,565		1,087,757,268
	$	60,607,515	$	63,412,293	$	56,356,019	$	56,562,024	$	56,563,378
(2) Bergen County Utilities Authority Debt:										
Paramus BORO User Fees	$	3,300,235	$	3,045,877	$	2,863,181	$	2,625,361	$	2,437,793
Total User Fees	$	61,684,818	$	58,635,759	$	55,599,600	$	52,885,837	$	48,210,978
		5.35%		5.19%		5.15%		4.96%		5.06%
BCUA's Outstanding Debt		252,781,291		268,704,631		277,860,831		288,459,524		323,140,462
	$	13,523,799	$	13,945,770	$	14,309,833	$	14,307,592	$	16,350,907

Source: County of Bergen; Bergen County Utilities Authority

BOROUGH OF PARAMUS
Ratio of Annual Debt Service Appropriations to Total Adopted Current Fund Appropriations
(Unaudited)

	2011	2010	2009	2008	2007
Serial Bonds:					
Principal	$ 2,265,000	$ 2,125,000	$ 1,990,000	$ 1,900,000	$ 1,873,000
Interest	997,095	1,080,914	1,158,093	1,195,181	1,331,498
Notes:					
Principal	2,582,849	2,218,000	1,575,000	1,450,000	600,000
Interest	154,000	214,000	390,125	442,600	314,860
Loans:					
Principal	157,580	151,435	86,364	83,048	83,205
Interest	8,891	14,026	18,844	23,349	27,688
	$ 6,165,415	$ 5,803,375	$ 5,218,426	$ 5,094,178	$ 4,230,251
Total Current Fund Budget Appropriations	$ 56,567,264	$ 56,667,327	$ 54,419,333	$ 53,204,541	$ 50,475,422
Ratio of Debt Service to Current Fund Budget Appropriatio	10.90%	10.24%	9.59%	9.57%	8.38%

BOROUGH OF PARAMUS
Demographic Statistics
(Unaudited)

	2011*	2010	2009	2008	2007
Average Labor Force Estimates by Municipality:					
Labor Force	12,938	12,922	12,988	12,927	12,862
Employment	11,951	11,920	12,024	12,405	12,474
Unemployment	987	1,002	964	522	388
Unemployment Rate	7.6%	7.8%	7.4%	4.0%	3.0%
Per Capital Personal Income - Bergen Cty.	$ 65,486	$ 65,486	$ 63,198	$ 68,227	$ 67,394

	Estimates as of July 1,				
Subcounty Population Estimates:					
Paramus BORO	26,507	26,342	26,137	26,015	26,010
County of Bergen	911,004	905,116	895,250	889,915	885,664

* Latest Information Available

BOROUGH OF PARAMUS
Ten Largest Taxpayers by Assessment
(Unaudited)

	Taxpayer	2011 Assessed Valuation	As a Percent of Total 2011 Net Valuations $ 7,976,041,303
1	Westland GSP, L.P. (Route 17)	$ 560,426,600	7.03%
2	Vornado, Bergen Mall, L.L.C.	244,110,300	3.06%
3	ALX of Paramus, L.L.C.	162,000,000	2.03%
4	Paramus Park General Growth Prop.	113,780,000	1.43%
5	Westland GSP, L.P. (Route 4)	97,069,400	1.22%
6	Faber Bros. Inc. NJ	70,000,000	0.88%
7	Country Club Office Plaza L.L.C.	65,003,800	0.81%
8	Paramus Park Inc. c/o Macy's Tax Dept.	60,147,300	0.75%
9	Mack Paramus Affiliates	58,100,000	0.73%
10	Farber (Trustees/Etal), William A	48,956,500	0.61%
		$ 1,479,593,900	18.55%

BOROUGH OF PARAMUS
Value of New Construction, Improvements, Alterations and Demolitions
(Unaudited)

	2011	2010	2009	2008
# of Permits Issued	2,380	2,336	2,043	2,166
Value of Construction	$ 84,613,602	$ 100,126,741	$ 66,317,727	$ 105,936,960

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

Single Audit Section

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Accountants & Consultants

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Honorable Mayor and Members of the Borough Council
Borough of Paramus, County of Bergen, New Jersey

We have audited the financial statements of the Borough of Paramus in the County of Bergen, State of New Jersey, as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated June 30, 2012. Our report disclosed that, as described in Note 1 to the financial statements, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Di Maria & Di Maria LLP

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* (Continued)

Compliance and Other Matters

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

We noted certain other matters that we reported to management of the Borough of Paramus, New Jersey in a separate letter dated June 30, 2012.

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2012

BOROUGH OF PARAMUS
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
Year Ended December 31, 2011

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	State Aid/Grant Program Titles	State Project Number	Award Amount	Grant Period From	Grant Period To	Balance December 31, 2010	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2011	Deferred Revenue December 31, 2011	Due to Grantor at December 31, 2011
General Capital Fund															
US Department of Housing and Urban Development - Passed Thru the County of Bergen-															
CDBG Grant	14.208	Community Development	N/A	$ 440,718	Various	Various	$ (257,602)	$ -	$ -	$ -	$ -	$ -	$ (257,602)	$ -	$ -
US Department of Homeland Security - Passed thru the State of NJ Division of Law & Public Safety -															
Emergency Preparedness Grant	97.004	Domestic Preparedness	N/A	270,278	Various	Various	(30,648)	-	-	-	-	-	(30,648)	-	-
							$ (288,250)	$ -	$ -	$ -	$ -	$ -	$ (288,250)	$ -	$ -
Federal and State Grant Fund															
US Department of Justice -															
Edward J. Byrne Memorial Justice Assist. Grant	16.738	Edward J. Byrne Memorial	N/A	43,175	01/01/10	12/31/10	(43,175)	-	-	-	43,175	-	-	-	-
Edward J. Byrne Memorial Justice Assist. Grant	16.738	Edward J. Byrne Memorial	N/A	43,175	01/01/10	12/31/10	43,175	-	-	-	(43,175)	-	-	-	-
							$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
				Total Federal Financial Assistance			$ (288,250)	$ -	$ -	$ -	$ -	$ -	$ (288,250)	$ -	$ -

*Expenditures less than $500,000; U.S. Office of Management and Budget (OMB) Circular A-133 (Revised, June 27, 2003), Audit not applicable.

BOROUGH OF PARAMUS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
Year Ended December 31, 2011

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period From	Grant Period To	Balance December 31, 2010	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2011	Deferred Revenue December 31, 2011	Due to Grantor at December 31, 2011
State of N.J., Department of Community Affairs --													
Consolidated Municipal Property Tax Relief Aid	082-495-6020	$ 538,090	01/01/11	12/31/11	$ -	$ -	$ 538,090	$ (538,090)	$ -	$ -	$ -	$ -	$ -
LEA Rebates	022-100-6120	135,335	01/01/11	12/31/11	-	-	135,335	(135,335)	-	-	-	-	-
State of N.J., Department of Treasury --													
Energy Receipts Tax	082-100-6020	3,518,219	01/01/11	12/31/11	-	-	3,518,219	(3,518,219)	-	-	-	-	-
Hotel Fees		427,659	01/01/11	12/31/11	-	-	427,659	(427,659)	-	-	-	-	-
Veterans & Senior Citizens	082-495-6020	336,327	01/01/11	12/31/11	-	-	336,327	(336,327)	-	-	-	-	-
State of N.J., Department of Environmental Protection --													
Clean Communities Program	042-4900-765-004	30,000	01/01/11	12/31/11	-	-	30,000	(953)	-	-	-	29,047	-
State of N.J., Department of Law and Public Safety --													
Safe & Secure Community Program	P4615	60,000	01/01/10	12/31/10	(60,000)	-	-	-	60,000	-	-	-	-
State of N.J., Department of Human Services --													
Passed thru the County of Bergen --													
Municipal Alliance on Alcoholism & Drug Abuse	20-00139	15,759	01/01/11	12/31/11	-	-	-	(4,069)	-	-	(15,759)	11,690	-
Municipal Alliance on Alcoholism & Drug Abuse	20-00139	3,940	01/01/11	12/31/11	-	-	3,940	(3,109)	-	-	-	831	-
Total State Financial Assistance					$ (60,000)	$ -	$ 4,989,570	$ (4,963,761)	$ 60,000	$ -	$ (15,759)	$ 41,568	$ -
					$ (466,138)	$ -	$ 5,083,804	$ (4,963,761)	$ 60,000	$ -	$ (327,663)	$ 41,568	$ -

*Expenditures less than $500,000; N.J. Office of Management and Budget (OMB) Circular 04-04 Audit not applicable.

See Accompanying Notes to Schedules of Federal and State Financial Assistance.

BOROUGH OF PARAMUS
NOTES TO SCHEDULES OF STATE AND FEDERAL FINANCIAL ASSISTANCE
Year Ended December 31, 2011

Note 1 - General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Borough of Paramus, County of Bergen, State of New Jersey. The Borough of Paramus 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 on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3 - Relationship to General-Purpose Finacial Statements

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

Basis of Accounting
The Borough'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 in total on the Schedule of State Financial Assistance.

BOROUGH OF PARAMUS
NOTES TO SCHEDULES OF STATE AND FEDERAL FINANCIAL ASSISTANCE
Year Ended December 31, 2011

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

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

Expenditures per Financial Reports
Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2011 to December 31, 2011. Breakdown by fund is as follows:

	Federal	State	Total
Current Fund	$ -	$ 4,955,630	$ 4,955,630
Federal and State Grant Fund	-	8,131	8,131
General Capital Fund	-	-	-
Total Awards and Financial Assistance	$ -	$ 4,963,761	$ 4,963,761

Note 4 - Relationship to Federal and State Financial Reports

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

Note 5 - Federal and State Loans Outstanding

The Borough had the following federal and state loans outstanding at of December 31, 2011:

General Capital Fund:	
1998 Green Trust Loan	$ 302,109
	$ 302,109

Note 6 - Contingencies

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

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

Section I -- Summary of Auditors' Results

Financial Statements

A) Type of auditors' report issued: Unqualified

B) Internal control over financial reporting:

1. Material weakness(es) identified? __X__ yes _____ no

2. Reportable condition(s) identified that are not considered to be material weakness(es)? _____ yes __X__ none reported

C) Noncompliance material to financial statements noted? _____ yes __X__ no

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

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

Federal Awards

****NOT APPLICABLE - EXPENDITURES UNDER $500,000****

A) Internal control over major programs:

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

2. Reportable condition(s) identified that are not considered to be material weakness(es)? ________ yes ________ none reported

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 section 510(a) of Circular A-133? ________ yes ________ no

D) Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster

E) Dollar threshold used to distinguish between type A and type B programs: $ 300,000

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

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

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

State Awards

****NOT APPLICABLE - EXPENDITURES UNDER $500,000****

A) Internal control over major programs:

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

2. Reportable condition(s) identified that are not considered to be material weakness(es)? __________ yes __________ none reported

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 04-04? __________ yes __________ no

D) Identification of major programs:

Program Number(s)	Name of State Program or Cluster

E) Dollar threshold used to distinguish between type A and type B programs: $ 300,000

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

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

Section II -- Financial Statement Findings

1. The Chief Financial Officer did not implement and maintain a general fixed asset accounting system.
   Technical Accounting Directive #85-02.

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

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.

BOROUGH OF PARAMUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2011

1. The Chief Financial Officer did not implement and maintain a general fixed asset accounting system as per *Technical Accounting Directive #85-02.*

   Status - Unresolved

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

Cash Cycle

Chief Financial Officer

Bank reconciliations are not being performed promptly after month-end; the payroll account has not been reconciled in over 2 years.
Deposits are not being made within 48 hours of receipt as required by N.J.S.A. 40:5-15.
There are dormant unreconciled bank accounts on hand with significant balances.

Revenues/Receipts Cycle

Municipal Court

The reconciled balance in the Municipal Court Bail Account was not proven to the ACS Computer System on a monthly basis.
There are bank reconciling items which need to be reviewed, identified and cleared of record.
There are tickets assigned but not issued over 180 days.
There are tickets recorded as "Other" case status.
Ticket assignment records were incomplete.
There is only one signature required on the Municipal Court General Account.
There is a shortage in the Municipal Court General Account which has existed for at least 2 years.

Expenditures/Disbursements Cycle

An encumbrance system was not implemented in accordance with Technical Accounting Directive #85-01.

The Local Public Contract Law was not adhered to with regard to Affordable Housing Home Improvement Program expenditures.

A claims account was utilized which did not provide a clear audit trail.

Affordable Housing checks were prepared and approved months before work was performed.

Payroll Cycle

The payroll account was not maintained on an imprest basis.

The payroll account was not reconciled on a monthly basis.

The Borough did not report taxable compensation to applicable employees for non-qualified, non-personal use vehicles.

State statutes pertaining to employee contributions to health insurance premiums are not being adhered to.

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
Year Ended December 31, 2011

Capital Assets

A fixed asset system has not been implemented in accordance with Technical Accounting Directive #85-02.

Other Significant Matters

A general ledger system has not been implemented in accordance with Technical Accounting Directive #85-03.

A complete record of accumulated absences was not maintained.

Trust Accounts were established without Dedication by Rider approval.

Entities outside the Borough are utilizing the Borough's Federal Tax Identification number.

Finance Department subsidiary records were not reconciled to control accounts promptly after month-end.

A salary ordinance has not been adopted in accordance with state statute for many years.

Grant balances are not reviewed on an regular basis.

There are various computer applications being utilized within the finance department; none of which are integrated nor being fully utilized.

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

There are various balances in Escrow accounts pertaining to completed projects.

There are various improvement authorizations with aged balances.

Golf Course Utility

Complete comprehensive and functioning internal control systems are not in place for all applicable cycles.

Swimming Pool Utility

Complete comprehensive and functioning internal control systems are not in place for all applicable cycles.

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the sy endations
23. That
issual encumbrance system be implemented in accordance with Technical
24. That ng Directive #85-01.*
least fixed asset system be implemented in accordance with Technical
25. That ng Directive #85-02.*
clear general ledger system be implemented in accordance with Technical
26. That ng Directive #85-03.*
omplete record of accumulated absences be maintained.*
27. That Trust Accounts be established in accordance with State Regulations
bene
28. That g Dedication by Rider.*
reco ntities outside the Borough utilizing the Borough's Federal Tax
29. That ation number be prohibited from doing so.*
reco Local Public Contract Law be strictly adhered to.*
30. That nk reconciliations be performed promptly after month-end.*
Finance Department subsidiary records be reconciled to control
s promptly after month-end.*
alary ordinance be adopted in accordance with state statute.*
ate statutes pertaining to employee contribution to health insurance
ns be strictly adhered to.*
grant balances be reviewed and cleared of record.*
deposits be made within 48 hours of receipt as required by N.J.S.A. 40:5-

use of a claims account be discontinued.*
finance department computer systems be properly integrated.*
dormant bank accounts be reviewed and cleared of record.*
complete set of internal controls be developed and implemented for the
urse Utility.*
complete set of internal controls be developed and implemented for the
ng Pool Utility.*
reconciled balance in the Municipal Court Bail Account be proven to the
omputer System on a monthly basis.*
municipal court bank reconciling items be reviewed, identified and
of record.*
ckets assigned but not issued over 180 days be recalled by the Court
strator and either reassigned or destroyed.*
ckets recorded as "Other" case status be investigated and removed from
em as applicable.*
ocedures be implemented to ensure that all tickets be assigned prior to
e.*
sbursement checks in the Municipal Court General Account require at
o authorizing signatures.*
e shortage in the Municipal Court General Account be reviewed and
of record.*
ecks be prepared only after goods or services have been furnished.*

pplicable employee's taxable compensation include automobile fringe
s in accordance with U.S. Treasury Regulations.
Escrow Accounts be reviewed and completed accounts be cleared of

ged improvement authorization balances be reviewed and cleared of

quired disclosures pertaining to post-employment benefits be prepared.

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
Year Ended December 31, 2011

Status of Prior Years' Recommendations

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

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2012