BOROUGH OF PARAMUS
County of Bergen, New Jersey

NJ Comprehensive Annual Financial Report
Year Ended December 31, 2012
(With Independent Auditors' Reports Thereon)

BOROUGH OF PARAMUS
NJ Comprehensive Annual Financial Report
Table of Contents
Year Ended December 31, 2012

BOROUGH OF PARAMUS
NJ Comprehensive Annual Financial Report
Table of Contents
Year Ended December 31, 2012

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

Introductory Section

BOROUGH OF PARAMUS
Roster of Officials
Year Ended December 31, 2012

Name	Title	Term Expires
Richard LaBarbiera	Mayor	12/31/14
Ralph Amato	Councilman	12/31/13
Eric Nazziola	Councilman	12/31/13
MariaElena Bellinger	Councilwoman	12/31/14
Donna Warburton	Councilwoman	12/31/15
Joseph Lagana	Councilman	12/31/14
Patsy L. Verile	Councilman	12/31/15
Joseph D'Arco	Administrator	
Annemarie Krusznis	Municipal Clerk	
	Assessment Search Officer	
Marianne Grady	Senior Clerk	
Grisel Maza	Senior Clerk	
Raymond Herr	Chief Financial Officer	
Evelina Johnson	Treasurer	
	Payroll Supervisor	
Deborah Rumbaugh	Sr. Accounting Clerk	
Patricia Zdanowski	Bookeeper	
Patricia Smith	Secretary - Administration	
Emil Hrabal	Tax Collector	
	Tax Search Officer	
Clare Pigoncelli	Payroll Clerk	
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	12/31/12
Cynthia Holmes	Municipal Court Administrator	
Elisabeth Connors	Deputy Court Administrator	
Doreen Miller	Violations Clerk	
Silvya Luna-Victoria	Violations Clerk	
Courtney Demarest	Violations Clerk	
Marilyn Tessler	Violations Clerk	
Maria Molina	Violations Clerk	
Stephanie Jacobs	Violations Clerk	
Michael Soriano	Sound Recorder	
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

NJ Comprehensive Annual Financial Report

Financial Section

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

Report on the Financial Statements

We have audited the basic financial statements - *regulatory basis* - of the various funds of the Borough of Paramus, in the County of Bergen (the "Borough") as of and for the year ended December 31, 2012, and the related notes to the financial statements, as listed in the foregoing table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as described in Note 2 to the financial statements. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Independent Auditors' Report (Continued)

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to in the first paragraph do not present fairly in conformity with accounting principles generally accepted in the United States of America the financial position of the Borough as of December 31, 2012, or the changes in financial position or where applicable, cash flows thereof, for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements - regulatory basis - referred to above present fairly, in all material respects, the financial position of the various funds of the Borough as of December 31, 2012, and the results of operations and changes in fund balance - regulatory basis, where applicable, of such funds, thereof for the year then ended on the basis of the financial reporting provisions prescribed by the Division, as described in Note 2.

Independent Auditors' Report (Continued)

Other Matters

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2013 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2013

BOROUGH OF PARAMUS
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS
DECEMBER 31, 2012

	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	Total
ASSETS AND OTHER DEBITS											
Cash	$ 16,818,492	$ 240,981	$ 17,754,527	$ 641,454	$ 877,182	$ 882,743	$ 407,804	$ 88,756	$ 71,389	$ -	$ 37,783,328
Consumer Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-
Interfunds Receivable	322,715	-	2,894,337	3,381,604	429,197	76,624	49,354	3,932	64,765	-	7,222,528
Intergovernmental Receivable	-	-	-	525,937	-	-	-	-	-	-	525,937
Other Receivables	993,806	-	1,118,839	-	-	-	-	-	-	-	2,112,645
Deferred Charges	-	-	-	38,295,233	-	-	-	-	-	-	38,295,233
Prospective Assessments Raised by Taxation	-	-	-	14,250	-	-	-	-	-	-	14,250
Fixed Capital Authorized & Uncompleted	-	-	-	-	-	2,312,362	-	1,026,784	-	-	3,339,146
Fixed Capital	-	-	-	-	-	12,506,872	-	2,430,552	-	-	14,937,424
Fixed Assets	-	-	-	-	-	-	-	-	-	172,185,669	172,185,669
Total Assets and Other Debits	$ 18,135,013	$ 240,981	$ 21,767,703	$ 42,858,478	$ 1,306,379	$ 15,778,601	$ 457,158	$ 3,550,024	$ 136,154	$ 172,185,669	$ 276,416,160
LIABILITIES, RESERVES AND FUND BALANCE											
Interfunds Payable	$ 5,566,524	$ -	$ 303,396	$ 806,800	$ 379,028	$ 73,919	$ 67,619	$ 23,137	$ 2,105	$ -	$ 7,222,528
Accounts/Encumbrances Payable	879,902	-	-	284,375	9,847	8,867	1,373	-	-	-	1,184,364
Other Liabilities and Reserves	1,899,260	240,981	21,450,592	893,216	132,373	336,479	38,385	-	-	-	24,991,286
Improvement Authorizations	-	-	-	7,073,582	-	546,826	-	80,307	-	-	7,700,715
Intergovernmental Payable	79,619	-	13,715	-	-	-	-	-	-	-	93,334
Serial Bonds Payable	-	-	-	19,395,000	-	1,540,000	-	320,000	-	-	21,255,000
Bond Anticipation Notes Payable	-	-	-	13,924,891	-	1,971,739	-	938,244	-	-	16,834,874
Loan Payable	-	-	-	261,484	-	-	-	-	-	-	261,484
Reserve for Receivables & Other Assets	1,316,521	-	-	-	-	-	-	-	-	-	1,316,521
Reserve for Investment in Fixed Assets	-	-	-	-	-	-	-	-	-	172,185,669	172,185,669
Reserve for Amortization	-	-	-	-	-	10,966,872	-	2,110,552	-	-	13,077,424
Reserve for Deferred Amortization	-	-	-	-	-	333,899	-	77,770	-	-	411,669
Fund Balance	8,393,187	-	-	219,130	785,131	-	349,781	14	134,049	-	9,881,292
Total Liabilities, Reserves and Fund Balance	$ 18,135,013	$ 240,981	$ 21,767,703	$ 42,858,478	$ 1,306,379	$ 15,778,601	$ 457,158	$ 3,550,024	$ 136,154	$ 172,185,669	$ 276,416,160

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 - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	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	11,695,298	-	-	11,695,298
Receipts from Delinquent Taxes	810,323	-	-	810,323
Amount to be Raised by Taxation - Municipal	42,343,619	-	-	42,343,619
Amount to be Raised by Taxation - Library	2,817,760	-	-	2,817,760
Membership Fees	-	58,560	501,195	559,755
Registration Fees	-	115,096	6,895	121,991
Guest Fees	-	-	66,179	66,179
Golf Cart Rental Fees	-	184,707	-	184,707
Green Fees	-	1,639,938	-	1,639,938
Snack Bar Rental Fees	-	44,800	15,500	60,300
Miniature Golf Fees	-	124,696	-	124,696
Miscellaneous	-	106,467		
Rental of Facilities	-	-	11,684	11,684
Total Revenues	58,267,000	2,274,264	601,453	61,036,250
Other Credits to Income	95,082,068	131,680	86,120	95,299,868
Total Revenues and Other Credits to Income	$ 153,349,068	$ 2,405,944	$ 687,573	$ 156,336,118
EXPENDITURES AND OTHER CHARGES TO INCOME				
Expenditures:				
Within "CAPS":				
Operations:				
Salaries and Wages	$ 22,385,434	$ -	$ -	$ 22,385,434
Other Expenses	14,407,566	-	-	14,407,566
Deferred Charges and Statutory Expenditures	5,214,908	-	-	5,214,908
Excluded From "CAPS":				
Operations:				
Salaries and Wages	-	674,000	175,000	849,000
Other Expenses	6,434,806	534,000	217,500	7,186,306
Capital Improvements	170,000	226,777	24,265	421,042
Debt Service	6,063,604	443,223	143,235	6,650,062
Deferred Charges and Statutory Expenditures	-	42,000	15,000	57,000
Deficit in Operations in Prior Years	-	-	-	-
Reserve for Uncollected Taxes	2,135,331	-	-	2,135,331
Total Expenditures	56,811,649	1,920,000	575,000	59,306,649
Other Charges to Income	92,043,287	2,124	-	92,045,411
Total Expenditures and Charges to Income	$ 148,854,936	$ 1,922,124	$ 575,000	$ 151,352,060
Statutory Excess to Fund Balance	4,494,132	483,820	112,573	5,090,525
Deferred Charges to Budget of Succeeding Year	-	-	-	-
Fund Balance, January 1	4,499,055	301,311	237,208	5,037,574
	8,993,187	785,131	349,781	10,128,099
Decreased by:				
Utilization as Anticipated Revenue	600,000	-	-	600,000
Fund Balance, December 31	$ 8,393,187	$ 785,131	$ 349,781	$ 9,528,099

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
REGULATORY BASIS - BUDGET & ACTUAL -- CURRENT FUND
YEAR ENDED DECEMBER 31, 2012

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	$ 600,000	$ 600,000	$ -
Miscellaneous Revenues	11,549,561	11,695,298	145,737
Receipts from Delinquent Taxes	825,000	810,323	(14,677)
Amount to be Raised by Taxation - Municipal	41,019,328	42,343,619	1,324,291
Amount to be Raised by Taxation - Library	2,817,760	2,817,760	-
Total Revenues	56,811,649	58,267,000	1,455,351
Other Credits to Income	90,310,009	95,082,068	4,772,059
Total Revenues and Other Credits to Income	$ 147,121,658	$ 153,349,068	$ 6,227,410
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	$ 22,385,434	$ 22,385,434	$ -
Other Expenses	14,407,566	14,407,566	-
Deferred Charges and Statutory Expenditures	5,214,908	5,214,908	-
Excluded From "CAPS":			
Operations:			
Salaries and Wages	-	-	-
Other Expenses	6,434,806	6,434,806	-
Capital Improvements	170,000	170,000	-
Municipal Debt Service	6,063,604	6,063,604	-
Deferred Charges	-	-	-
Reserve for Uncollected Taxes	2,135,331	2,135,331	-
Total Expenditures	56,811,649	56,811,649	-
Other Charges to Income	90,310,009	92,043,287	1,733,278
Total Expenditures and Charges to Income	$ 147,121,658	$ 148,854,936	$ 1,733,278
Statutory Excess to Current Fund Balance		4,494,132	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		4,499,055	
		$ 8,993,187	
Decreased by:			
Utilization as Anticipated Revenue		600,000	
Fund Balance, December 31		$ 8,393,187	

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
REGULATORY BASIS - BUDGET & ACTUAL -- GOLF COURSE UTILITY OPERATING FUND
YEAR ENDED DECEMBER 31, 2012

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	$ -	$ -	$ -
Membership Fees	230,000	58,560	(171,440)
Registration Fees	115,000	115,096	96
Golf Cart Rental Fees	235,000	184,707	(50,293)
Green Fees	1,166,000	1,639,938	473,938
Snack Bar Rental Fees	50,000	44,800	(5,200)
Miniature Golf Fees	124,000	124,696	696
Miscellaneous	-	106,467	106,467
Total Revenues	1,920,000	2,274,264	354,264
Other Credits to Income	-	131,680	131,680
Total Revenues and Other Credits to Income	$ 1,920,000	$ 2,405,944	$ 485,944
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Operations:			
Salaries and Wages	$ 674,000	$ 674,000	$ -
Other Expenses	534,000	534,000	-
Capital Improvements	226,777	226,777	-
Debt Service	443,223	443,223	-
Statutory Expenditures	42,000	42,000	-
Deficit in Operations in Prior Years	-	-	-
Total Expenditures	1,920,000	1,920,000	-
Other Charges to Income	-	2,124	2,124
Total Expenditures and Charges to Income	$ 1,920,000	$ 1,922,124	$ 2,124
Statutory Excess to Current Fund Balance		483,820	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		301,311	
		785,131	
Decreased by:			
Utilization as Anticipated Revenue		-	
Fund Balance, December 31		$ 785,131	

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
REGULATORY BASIS - BUDGET & ACTUAL - SWIMMING POOL UTILITY OPERATING FUND
YEAR ENDED DECEMBER 31, 2012

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	$ -	$ -	$ -
Membership Fees	490,000	501,195	11,195
Registration Fees	5,000	6,895	1,895
Guest Fees	70,000	66,179	(3,821)
Snack Bar Rental Fees	10,000	15,500	5,500
Rental of Facilities	-	11,684	11,684
Total Revenues	575,000	601,453	26,453
Other Credits to Income	-	86,120	86,120
Total Revenues and Other Credits to Income	$ 575,000	$ 687,573	$ 112,573
EXPENDITURES AND OTHER CHARGES TO INCOME			
Expenditures:			
Operations:			
Salaries and Wages	$ 175,000	$ 175,000	$ -
Other Expenses	217,500	217,500	-
Capital Improvements	24,265	24,265	-
Debt Service	143,235	143,235	-
Deferred Charges	-	-	-
Statutory Expenditures	15,000	15,000	-
Deficit in Operations in Prior Years	-	-	-
Total Expenditures	575,000	575,000	-
Other Charges to Income	-	-	-
Total Expenditures and Charges to Income	$ 575,000	$ 575,000	$ -
Statutory Excess to Current Fund Balance		112,573	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		237,208	
		$ 349,781	
Decreased by:			
Utilization as Anticipated Revenue		-	
Fund Balance, December 31		$ 349,781	

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. 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.

C. 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).

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, General Capital and Swimming Pool Utility Capitial Funds are recorded as expenditures at the time of purchase and are not capitalized. Accounting for Governmental Fixed Assets, as promulgated by N.J.A.C. 5:30-5.6 differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the 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. The balance in the Reserve for Amortization account in the Swimming Pool Utility Capital Fund represents charges to operations for the costs of acquisitions of property, equipment and improvements.

No depreciation on general fixed assets is recorded in the financial statements. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets".

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 capitalized or accounted for separately.

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

Q. Expenditures

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

R. Compensated Absences and Postemployment Benefits

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

S. Total Columns on Combined Statements

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

Note 2 - Summary of Significant Accounting Policies (Continued)

T. Use of Estimates

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

U. New Reporting Standard(s)

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

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

U. New Reporting Standard(s) (Continued)

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

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

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

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

Note 3 - Cash and Cash Equivalents

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

A. Deposits

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

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

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

Year	Bank Balance	Carrying Amount
2012	$ 39,302,146	$ 37,783,328

B. New Jersey Cash Management Fund

The State of New Jersey Cash Management Fund is managed by the State of New Jersey, Division of Investment under the Department of Treasury. It consists of U.S. Treasury obligations, government agency obligations, certificates of deposit and commercial paper. The Borough had $0 invested in this Fund as of December 31, 2012.

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, 2012.

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 and Swimming Pool Utility 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 immaterial operating leases (postage and copy machines) which vary on cancellation provisions and other terms. Annual requirements are provided for in appropriate department budget appropriations.

Note 7 - Fixed Assets (Unaudited)

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

2012

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Land	$ 118,448,300	$ -	$ -	$ -	$ 118,448,300
Buildings and Improvements	12,091,900	-	-	-	12,091,900
Sports Complex	1,279,812	-	-	-	1,279,812
Sanitary Sewer System	21,448,816	-	-	-	21,448,816
Equipment	18,418,378	709,467	(211,004)	-	18,916,841
	$ 171,687,206	$ 709,467	$ (211,004)	$ -	$ 172,185,669

Note 8 - Municipal Debt

A. Types of Municipal Debt

Capital Debt

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

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

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

The Borough's long term debt paid by the Current Fund consisted of the following at December 31, 2012:

$13,235,000 - General Obligation Bonds Series 2002 issued 7/15/2002 payable in annual installments through 7/15/2017. Interest is paid semi-annually at varying rates from 3.25% to 4.25% per annum. The balance remaining on this issue as of December 31, 2012 is $5,615,000.

$2,395,000 - Pension Refunding Bonds Series 2003 issued 3/1/2003 payable in annual installments through 3/1/2021. Interest is paid semi-annually at varying rates from 2.40% to 5.20% per annum. The balance remaining on this issue as of December 31, 2012 is $1,940,000.

$10,480,000 - General Obligation Bonds Series 2005 issued 9/20/2005 payable in annual installments through 9/1/2019. Interest is paid semi-annually at varying rates from 2.75% to 5.00% per annum. The balance remaining on this issue as of December 31, 2012 is $7,815,000.

$5,265,000 - Refunding Bonds - Tax Appeals Series 2007 issued 9/27/2007 payable in annual installments through 8/1/2019. Interest is paid semi-annually at 4.00% per annum. The balance remaining on this issue as of December 31, 2012 is $4,025,000.

$683,236 - Green Trust Loan Series 1998 issued 6/8/2000 payable in semi-annual installments through 11/5/2018. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2012 is $261,484.

Note 8 - Municipal Debt (Continued)

A. Types of Municipal Debt (Continued)

The Borough's long term debt paid by the Golf Course Utility Operating Fund consisted of the following at December 31, 2012:

$1,865,000 - General Obligation Bonds Series 2002 issued 7/15/2002 payable in annual installments through 7/15/2017. Interest is paid semi-annually at varying rates from 3.75% to 4.25% per annum. The balance remaining on this issue as of December 31, 2012 is $780,000.

$1,320,000 - General Obligation Bonds Series 2005 issued 9/20/2005 payable in annual installments through 9/1/2017. Interest is paid semi-annually at varying rates from 2.75% to 3.85% per annum. The balance remaining on this issue as of December 31, 2012 is $760,000.

The Borough's long term debt paid by the Swimming Pool Utility Operating Fund consisted of the following at December 31, 2012:

$535,000 - General Obligation Bonds Series 2005 issued 9/20/2005 payable in annual installments through 9/1/2015. Interest is paid semi-annually at varying rates from 2.75% to 3.50% per annum. The balance remaining on this issue as of December 31, 2012 is $320,000.

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.

	2012	2011
Issued:		
School Bonds and Notes	22,625,000	24,347,000
General Bonds and Notes	38,351,358	39,308,461
	$ 60,976,358	$ 63,655,461
Authorized but not Issued:		
General Bonds and Notes	$ 4,731,352	$ 5,845,352
Gross Debt	$ 65,707,710	$ 69,500,813
Deductions	$ 37,582,477	$ 42,754,597
Net Debt	$ 28,125,233	$ 26,746,216
Equalized Valuation Basis	$ 8,580,655,278	$ 8,763,546,148
Statutory Net Debt Percentage	0.33%	0.31%
3-1/2% of Equalized Valuation Basis	$ 300,322,935	$ 306,724,115
Remaining Borrowing Power	$ 272,197,702	$ 279,977,899

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, 2012 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
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
	$ 5,615,000	$ 731,140	$ 1,940,000	$ 535,100

	09/01/05 General Improvement Bonds		09/10/07 Refunding Bonds	
Calendar Year	Principal	Interest	Principal	Interest
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
	$ 7,815,000	$ 1,527,575	$ 4,025,000	$ 648,600

	1998 Green Trust Loan		N.J.E.I.T. Wastewater Loan	
Calendar Year	Principal	Interest	Principal	Interest
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	-	-
	$ 261,484	$ 17,308	$ -	$ -

Note 8 - Municipal Debt (Continued)

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

	Total	
Calendar Year	Principal	Interest
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
	$ 19,656,484	$ 3,459,723

Swimming Pool Utility Bonds

	7/15/02 General Improvement Bonds		9/01/05 General Improvement Bonds	
Calendar Year	Principal	Interest	Principal	Interest
2013	-	-	90,000	14,125
2014	-	-	105,000	9,625
2015	-	-	125,000	4,375
	$ -	$ -	$ 320,000	$ 28,125

	Total	
Calendar Year	Principal	Interest
2013	90,000	14,125
2014	105,000	9,625
2015	125,000	4,375
	$ 320,000	$ 28,125

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
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
	$ 780,000	$ 100,361	$ 760,000	$ 93,868

	Total	
Calendar Year	Principal	Interest
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
	$ 1,540,000	$ 194,229

Note 8 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt

During the fiscal year ended December 31, 2012 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	$ -	$ -	$ -	$ -
Bond Anticipation Notes	12,101,740	13,924,891	(12,101,740)	13,924,891
Emergency Notes	-	-	-	-
	$ 12,101,740	$ 13,924,891	$ (12,101,740)	$ 13,924,891
Long-Term Debt:				
Serial Bonds	$ 21,680,000	$ -	$ (2,285,000)	$ 19,395,000
Loans/Notes Payable	302,109	-	(40,625)	261,484
Authorized but not Issued	5,827,858	2,977,000	(4,091,000)	4,713,858
	$ 27,809,967	$ 2,977,000	$ (6,416,625)	$ 24,370,342
	$ 39,911,707	$ 16,901,891	$ (18,518,365)	$ 38,295,233

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	$ -		$ -
Bond Anticipation Notes	13,924,891	13,924,891	-
Emergency Notes	-		-
	$ 13,924,891	$ 13,924,891	$ -
Long-Term Debt:			
Serial Bonds	$ 19,395,000	$ 2,365,000	$ 17,030,000
Loan Payable	261,484	41,442	220,042
Authorized but not Issued	4,713,858	-	4,713,858
	$ 24,370,342	$ 2,406,442	$ 21,963,900
	$ 38,295,233	$ 16,331,333	$ 21,963,900

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	$ -	$ -	$ -	$ -
Bond Anticipation Notes	972,036	938,244	(972,036)	938,244
Emergency Notes	-	-	-	-
	$ 972,036	$ 938,244	$ (972,036)	$ 938,244
Long-Term Debt:				
Serial Bonds	$ 400,000	$ -	$ (80,000)	$ 320,000
Loan Payable	-	-	-	-
Authorized but not Issued	10,770	-	-	10,770
	$ 410,770	$ -	$ (80,000)	$ 330,770
	$ 1,382,806	$ 938,244	$ (1,052,036)	$ 1,269,014

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	$ -		$ -
Bond Anticipation Notes	938,244	938,244	-
Emergency Notes	-		-
	$ 938,244	$ 938,244	$ -
Long-Term Debt:			
Serial Bonds	$ 320,000	$ 90,000	$ 230,000
Loan Payable	-	-	-
Authorized but not Issued	10,770	-	10,770
	$ 330,770	$ 90,000	$ 240,770
	$ 1,269,014	$ 1,028,244	$ 240,770

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	$ -	$ -	$ -	$ -
Bond Anticipation Notes	2,047,576	1,971,739	(2,047,576)	1,971,739
Emergency Notes	-	-	-	-
	$ 2,047,576	$ 1,971,739	$ (2,047,576)	$ 1,971,739
Long-Term Debt:				
Serial Bonds	$ 1,805,000	$ -	$ (265,000)	$ 1,540,000
Loan Payable		-	-	-
Authorized but not Issued	6,724	-	-	6,724
	$ 1,811,724	$ -	$ (265,000)	$ 1,546,724
	$ 3,859,300	$ 1,971,739	$ (2,312,576)	$ 3,518,463

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	$ -		$ -
Bond Anticipation Notes	1,971,739	1,971,739	-
Emergency Notes	-		-
	$ 1,971,739	$ 1,971,739	$ -
Long-Term Debt:			
Serial Bonds	$ 1,540,000	$ 280,000	$ 1,260,000
Loan Payable	-	-	-
Authorized but not Issued	6,724	-	6,724
	$ 1,546,724	$ 280,000	$ 1,266,724
	$ 3,518,463	$ 2,251,739	$ 1,266,724

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.. During the 2012 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Paramus is a member of the Bergen County Joint Insurance Fund (BCJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The BCJIF 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 funds, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

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

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

Unemployment expenditures for the past 3 years are as follows:

CY2012 - $ 131,114
CY2011 - $ 148,012
CY2010 - $ 111,389

Note 10 - Interfunds

As of December 31, 2012 interfund balances on the Borough's various balance sheets were as follows:

	Interfunds Receivable	Interfunds Payable
Current Fund	$ 322,715	$ 5,566,524
Trust Fund	2,894,337	303,396
General Capital Fund	3,381,604	806,800
Golf Course Utility Operating Fund	429,197	379,028
Golf Course Utility Capital Fund	76,624	73,919
Swimming Pool Utility Operating Fund	49,354	67,619
Swimming Pool Utility Capital Fund	3,932	23,137
Sewer Assessment Trust Fund	64,765	2,105
	$ 7,222,528	$ 7,222,528

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, 2012, the following deferred charges are shown on the balance sheet of the indicated Fund:

	Balance December 31,	Appropriated in Subsequent Year's Budget	Balance to Succeeding
Current Fund:			
Overexpenditures	$ -	$ -	$ -
Expenditures Without Appropriations	-	-	-
Deficit in Operations	-	-	-
Emergency Authorizations	-	-	-
Special Emergency Authorization (40A:4-53)			
	$ -	$ -	$ -

Note 12 - Retirement Plans

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

A. Public Employees' Retirement System (PERS)

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

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

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

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, 2011 and 2010, the dates of the most recent actuarial valuations:

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

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

Description of the System

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

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

	2011	2010
State of New Jersey	1	1
Municipalities	585	588
Total	586	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, 2011 and 2010 the dates of the most recent actuarial valuations:

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

Note 12 - Retirement Plans (Continued)

C. Defined Contribution Retirement Program (DCRP)

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

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

Eligibility

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

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

Enrollment

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

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

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

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. & CH 19	Pension Obligation
Police and Firemens' Pension Fund (PFRS)					
	2012	2,258,355	100.00%	253,100	$ 2,511,455
Public Employees Retirement System (PERS)					
	2012	1,262,894	100.00%	$ 139,559	$ 1,402,453
Defined Contribution Retirement Program (DCRP)					
	2012	$ -	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. 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, 2012 to be $2,300,000.

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-july2012.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 year ended December 31, 2012 was $2,583,188. This amount equaled the required contribution for the 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 - Contingent Liabilities

A. Litigation

The municipality 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 municipality.

B. Federal and State Grants

The municipality 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 municipality may be required to reimburse the grantor agency. As of December 31, 2012, significant amounts of grant expenditures have not been audited. The municipality believes that any future disallowed expenditures will not have a material effect on its financial position.

C. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2012. 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, 2012, the Borough had no reserves recorded in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

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 2013 Capital Budget currently includes the following:

Purpose	Total	CIF and Other Funded Sources	Bonds & Notes Authorized
#13-12 Various Public Improvements	$ 1,198,000	$ 58,000	$ 1,140,000
#13-13 Acquiaition of Ambulance & Automated Stretchers	250,000	250,000	-
#13-28 Various Public Improvements	2,680,000	128,000	2,552,000
#13-33 Trailer Mounted Generators	365,000	18,000	347,000
	$ 4,493,000	$ 454,000	$ 4,039,000

B. Bond Anticipation Notes

On February 22, 2013 the Borough issued Bond Anticipation Notes in the amount of $16,987,000 comprised of $14,194,000 of General Capital notes, $1,890,000 of Golf Utility Capital notes and $903,000 of Swimming Pool Utility Capital notes to temporarily finance expenditures related to various capital projects. The Borough paid down $2,824,874 to the maturing note derived from the 2013 Current Fund budget ($2,707,891), the 2013 Golf Course Utility Operating Fund budget ($81,739) and the 2013 Swimming Pool Utility Operating Fund budget ($35,244). The Borough has awarded the sale of said notes to TD Securities at a gross interest rate of 1.00% receiving a premium of $64,551 producing an effective interest rate of .6189%. These notes will mature on February 21, 2014.

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS AND OTHER DEBITS		
Cash:		
Current Account	$ 14,982,351	$ 10,536,180
Current Account - Paramus Ambulance Corps.	1,835,191	1,171,994
Petty Cash Funds	500	500
Change Funds	450	450
	$ 16,818,492	$ 11,709,124
Interfunds Receivable:		
Trust Fund - Claims Account	$ 40,562	$ 40,562
Golf Course Utility Operating Fund	97,662	7,662
Animal Control Trust Fund	75,752	75,752
General Capital Fund	39,506	34,228
Other Trust Fund	67,125	67,125
Social Security Trust Fund	3	3
Assessment Trust Fund	2,105	1,945
	$ 322,715	$ 227,277
Other Receivables:		
Delinquent Property Taxes Receivable	$ 966,919	$ 874,741
Tax Title Liens Receivable	2,909	2,196
Property Acquired for Taxes - Assessed Valuation	23,978	23,978
Revenue Accounts Receivable	-	-
	$ 993,806	$ 900,915
Deferred Charges:		
Overexpenditures	$ -	$ -
Special Emergency Authorizations (40A:4-53)	-	-
	$ -	$ -
Total Assets and Other Debits	$ 18,135,013	$ 12,837,316
LIABILITIES, RESERVES AND FUND BALANCE		
Interfunds Payable:		
Swimming Pool Utility Operating Fund	$ 13,724	$ 13,724
Assessment Trust Fund	64,765	64,765
Trust Fund (Claims)	2,032,883	2,032,883
General Capital Fund	3,112,388	693,746
Golf Course Utility Operating Fund	342,764	-
	$ 5,566,524	$ 2,805,118
Accounts Payable	$ -	$ -
Other Liabilities and Reserves:		
Appropriation Reserves	$ 1,233,097	$ 3,630,260
Reserve for Encumbrances	879,902	94,980
Reserve for Third Party Tax Title Liens	-	2,500
Pre-Paid Taxes	654,037	618,479
Tax Overpayments	-	-
Library Taxes Payable	12,126	5,127
	$ 2,779,162	$ 4,351,346
Intergovernmental Payable		
Due County for Added & Omitted Taxes	$ 45,985	$ 31,760
Due County for Added & Omitted Open Space Taxes	600	427
Due to State of New Jersey	33,034	21,418
	$ 79,619	$ 53,605
Reserve for Receivables and Other Assets	$ 1,316,521	$ 1,128,192
Fund Balance	$ 8,393,187	$ 4,499,055
Total Liabilities, Reserves and Fund Balance	$ 18,135,013	$ 12,837,316

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Budget As Modified	Realized	Excess/ (Deficit)
REVENUES			
Fund Balance Anticipated	$ 600,000	$ 600,000	$ -
Miscellaneous Revenues:			
Alcoholic Beverage Licenses	$ 90,000	$ 90,322	$ 322
Other Licenses	325,000	357,856	32,856
Fees and Permits	210,000	250,792	40,792
Municipal Court Fines and Costs	798,000	760,593	(37,407)
Interest and Costs on Taxes	215,000	197,571	(17,429)
Interest on Investments and Deposits	40,000	34,084	(5,916)
Consolidated Municipal Property Tax Relief	396,031	396,031	-
Energy Receipts Tax	3,660,278	3,660,278	-
Uniform Construction Code Fees	1,400,000	1,696,668	296,668
Rochelle Park TWP - Garbage & Trash Removal Service	169,600	169,581	(19)
911 Services	40,000	67,070	27,070
Recycling Tonnage Grant	67,747	67,747	-
Safe & Secure Grant	60,000	60,000	-
Municipal Alliance on Alcoholism and Drug Abuse	15,759	15,759	-
Uniform Fire Safety Act	135,000	143,032	8,032
Sewer User Charges	1,700,000	1,436,726	(263,274)
Hotel Occupancy Tax	425,000	421,646	(3,354)
Ambulance Fees	1,000,000	1,066,997	66,997
Business Licencing Fees	400,000	400,399	399
Cablevision Franchise Fee	201,721	201,721	-
Verizon FIOS Franchise Fee	110,425	110,425	-
Employee Health Insurance Contribution - Golf Utility	90,000	90,000	-
Total Miscellaneous Revenues	$ 11,549,561	$ 11,695,298	$ 145,737
Receipts From Delinquent Taxes	$ 825,000	$ 810,323	$ (14,677)
Amount to be Raised by Taxation - Municipal	$ 41,019,328	$ 42,343,619	$ 1,324,291
Amount to be Raised by Taxation - Library	2,817,760	2,817,760	-
	43,837,088	45,161,379	1,324,291
Total Revenues	$ 56,811,649	$ 58,267,000	$ 1,455,351

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Budget As Modified	Realized	Excess/ (Deficit)
OTHER CREDITS TO INCOME			
Miscellaneous Revenues Not Anticipated	$ -	$ 1,745,957	$ 1,745,957
Unexpended Balances of Appropriation Reserves	-	2,622,102	2,622,102
Interfund Loans Returned	-	-	-
Unexpended Balances Cancelled	-	404,000	404,000
Cancellations & Non-Cash Adjustments	-	-	-
Taxes Allocated to School and County:			
Local District School Tax	71,671,391	71,671,391	-
County Tax Levy	18,378,073	18,378,073	-
County Open Space	213,960	213,960	-
Municipal Open Space Preservation	-	-	-
Added County Taxes	45,985	45,985	-
Added County Open Space	600	600	-
Added Municipal Open Space	-	-	-
Total Other Credits to Income	$ 90,310,009	$ 95,082,068	$ 4,772,059
Total Revenues and Other Credits to Income	$ 147,121,658	$ 153,349,068	$ 6,227,410

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"							
General Government Functions							
General Administration:							
Salaries and Wages	$ 261,000	$ -	$ 333,900	$ 333,869	$ 31	$ -	$ -
Other Expenses	11,000	-	11,210	11,200	10	-	-
Other Expenses - Equipment Maintenance	-	-	-	-	-	-	-
Other Expenses - Grants Consultant	20,000	-	22,260	22,255	5	-	-
Mayor and Council:							
Salaries and Wages	52,000	-	52,000	51,519	481	-	-
Other Expenses	27,000	-	12,000	11,536	464	-	-
Municipal Clerk:							
Salaries and Wages	234,000	-	174,000	171,806	2,194	-	-
Other Expenses	73,000	-	68,000	66,443	1,557	-	-
Financial Administration:							
Salaries and Wages	351,000	-	306,000	267,544	38,456	-	-
Other Expenses	3,000	-	4,654	4,654	-	-	-
Audit Services:							
Other Expenses	100,000	-	163,000	161,297	1,703	-	-
Central Equipment and Data Processing:							
Salaries and Wages	100,000	-	10,000	8,575	1,425	-	-
Other Expenses	424,000	-	274,000	219,211	54,789	-	-
Revenue Administration:							
Salaries and Wages	116,000	-	136,200	136,172	28	-	-
Other Expenses	17,000	-	18,000	17,898	102	-	-
Tax Assessment Administration:							
Salaries and Wages	149,000	-	159,900	159,843	57	-	-
Other Expenses	10,000	-	10,000	6,347	3,653	-	-
Legal Services:							
Salaries and Wages	30,000	-	30,050	30,041	9	-	-
Other Expenses	458,000	-	458,000	386,123	71,877	-	-
Other Expenses - Zoning Appeals	12,000	-	61,785	61,786	(1)	-	-
Engineering Services:							
Other Expenses	20,000	-	20,000	15,121	4,879	-	-
Land Use Administration							
Planning Board:							
Salaries and Wages	122,000	-	122,100	122,099	1	-	-
Other Expenses	29,000	-	33,100	33,098	2	-	-
Zoning Board:							
Other Expenses	-	-	1,600	1,562	38	-	-
Insurance							
General Liability	619,000	-	671,000	670,702	298	-	-
Contribution to Insurance Fund	653,000	-	3,000	-	3,000	-	-
Worker Compensation Insurance	450,000	-	-	-	-	-	-
Employee Group Health	6,062,000	-	7,019,927	7,019,927	-	-	-

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)							
Public Safety Functions							
Police:							
Salaries and Wages	$ 12,890,000	$ -	$ 12,644,730	$ 12,644,730	$ -	$ -	$ -
Other Expenses	116,000	-	116,000	80,878	35,122	-	-
Other Expenses - Clothing Allowance	50,000	-	50,000	50,000	-	-	-
Other Expenses - Purchase of Police Cars	60,000	-	60,000	-	60,000	-	-
Office of Emergency Management:							
Salaries and Wages	50,000	-	50,000	49,453	547	-	-
Other Expenses	33,000	-	33,000	30,284	2,716	-	-
Rescue Squad:							
Salaries and Wages	100,000	-	100,000	8,900	91,100	-	-
Other Expenses - Clothing Allowance	8,000	-	12,000	12,000	-	-	-
Salaries and Wages - Stipends	-	-	68,000	68,000	-	-	-
Other Expenses	34,000	-	34,250	30,216	4,034	-	-
Fire Department:							
Salaries and Wages	30,000	-	30,000	-	30,000	-	-
Other Expenses - Clothing Allowance	63,000	-	72,225	72,225	-	-	-
Salaries and Wages - Stipends	440,000	-	440,000	352,000	88,000	-	-
Other Expenses	119,000	-	121,400	112,078	9,322	-	-
Ambulance Corps.							
Salaries and Wages	800,000	-	800,000	753,406	46,594	-	-
Other Expenses	57,000	-	57,000	47,118	9,882	-	-
Uniform Fire Safety Act:							
Salaries and Wages	375,000	-	375,000	371,031	3,969	-	-
Other Expenses	11,000	-	11,000	7,309	3,691	-	-
Public Works Functions							
Streets and Road Maintenance:							
Salaries and Wages	1,090,000	-	1,090,000	1,012,127	77,873	-	-
Other Expenses	209,000	-	209,000	162,013	46,987	-	-
Traffic Maintenance:							
Salaries and Wages	-	-	85,000	84,501	499	-	-
Other Expenses	-	-	3,000	2,670	330	-	-
Shade Tree Commission:							
Salaries and Wages	1,043,000	-	1,043,000	937,814	105,186	-	-
Other Expenses	51,000	-	51,000	50,843	157	-	-
Sewer:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-
Solid Waste Collection:							
Salaries and Wages	1,060,000	-	1,248,727	1,248,727	-	-	-
Other Expenses	12,000	-	47,000	47,000	-	-	-
Buildings and Grounds:							
Salaries and Wages	259,000	-	246,900	246,900	-	-	-
Other Expenses	245,000	-	245,000	245,000	-	-	-
Vehicle Maintenance:							
Salaries and Wages	939,000	-	839,000	839,000	-	-	-
Other Expenses	732,000	-	732,000	732,000	-	-	-
Health and Human Services							
Public Health Services:							
Salaries and Wages	410,000	-	410,000	386,364	23,636	-	-
Other Expenses	72,000	-	72,000	19,604	52,396	-	-
Animal Control:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	31,000	-	31,000	30,959	41	-	-
Administration of Public Assistance							
Salaries and Wages	65,000	-	65,000	62,342	2,658	-	-
Other Expenses	1,000	-	1,000	364	636	-	-

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)							
Park and Recreation Functions							
Recreational Services & Programs							
Salaries and Wages	$ 285,000	$ -	$ 292,100	$ 292,043	$ 57	$ -	$ -
Other Expenses	79,000	-	79,000	78,233	767	-	-
Senior Citizens Activities							
Salaries and Wages	64,000	-	90,600	90,548	52	-	-
Other Expenses	7,000	-	7,155	7,155	-	-	-
Utility Expenses and Bulk Purchases							
Electricity	631,000	-	631,000	631,000	-	-	-
Street Lighting	570,000	-	570,000	544,021	25,979	-	-
Telephone	137,000	-	212,000	194,406	17,594	-	-
Water	67,000	-	90,000	82,373	7,627	-	-
Fire Hydrant Service	450,000	-	450,000	432,340	17,660	-	-
Gasoline	900,000	-	900,000	900,000	-	-	-
Stormwater Management	-	-	-	-	-	-	-
Landfill/Solid Waste Disposal Costs							
Other Expenses	570,000	-	570,000	570,000	-	-	-
Municipal Court							
Municipal Court Administration:							
Salaries and Wages	400,000	-	446,527	446,527	-	-	-
Other Expenses	62,000	-	62,000	46,608	15,392	-	-
Other Common Operating Functions							
Compensated Absences	250,000	-	250,000	250,000	-	-	-
Code Enforcement Administration							
Uniform Construction Code Enforcement Functions:							
Salaries and Wages	436,000	-	446,700	446,696	4	-	-
Other Expenses	27,000	-	27,000	18,343	8,657	-	-
Total Operations - Within "CAPS"	$ 36,793,000	$ -	$ 36,793,000	$ 35,818,777	$ 974,223	$ -	$ -
Contingent	-	-	-	-	-	-	-
Total Operations Including Contingent - Within "CAPS"	$ 36,793,000	$ -	$ 36,793,000	$ 35,818,777	$ 974,223	$ -	$ -
Detail:							
Salaries and Wages	$ 22,401,000	$ -	$ 22,385,434	$ 21,872,577	$ 512,857	$ -	$ -
Other Expenses	$ 14,392,000	$ -	$ 14,407,566	$ 13,946,200	$ 461,366	$ -	$ -

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	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	-	-	-	-	-	-	-
Expenditure Without Appropriation	-	-	-	-	-	-	-
Statutory Expenditures							
Public Employees' Retirement System	1,402,453	-	1,402,453	1,402,453	-	-	-
Social Security System (O.A.S.I.)	1,300,000	-	1,300,000	1,300,000	-	-	-
Police and Firemen's Retirement System	2,511,455	-	2,511,455	2,511,455	-	-	-
Defined Contribution Retirement Program	1,000	-	1,000	-	1,000	-	-
Total Deferred Charges and Statutory Expenditures - M	$ 5,214,908	$ -	$ 5,214,908	$ 5,213,908	$ 1,000	$ -	$ -
Total General Appropriations for Municipal Purposes -	$ 42,007,908	$ -	$ 42,007,908	$ 41,032,685	$ 975,223	$ -	$ -

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - EXCLUDED FROM "CAPS"							
Insurance							
Employee Group Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
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	-	3,300,000	3,211,726	88,274	-	-
Education							
Maintenance of Free Public Library							
Other Expenses - Third of a Mil	2,817,760	-	2,817,760	2,817,760	-	-	-
Interlocal Service Agreements							
Oradell BORO - Garbage & Trash Removal Service	-	-	-	-	-	-	-
Rochelle Park TWP - Recycling Service	169,600	-	169,600	-	169,600	-	-
Public and Private Programs Offset by Revenues							
Recycling Tonnage Grant	67,747	-	67,747	67,747	-	-	-
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	-	-	-	-	-	-	-
Total Operations Excluded from "CAPS"	$ 6,434,806	$ -	$ 6,434,806	$ 6,176,932	$ 257,874	$ -	$ -
Detail:							
Salaries and Wages	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Expenses	$ 6,434,806	$ -	$ 6,434,806	$ 6,176,932	$ 257,874	$ -	$ -

BOROUGH OF PARAMUS
CURRENT FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"							
Capital Improvement Fund	$ 170,000	$ -	$ 170,000	$ 170,000	$ -	$ -	$ -
Total Capital Improvements - Excluded From "CAPS"	$ 170,000	$ -	$ 170,000	$ 170,000	$ -	$ -	$ -
DEBT SERVICE - EXCLUDED FROM "CAPS"							
Municipal Debt Service							
Bond Principal	$ 1,640,000	$ -	$ 1,640,000	$ 1,640,000	$ -	$ -	$ -
Bond Interest	624,029	-	624,029	624,029	-	-	-
Refunding Bonds (Pension) - Principal	105,000	-	105,000	105,000	-	-	-
Refunding Bonds (Pension) - Interest	102,868	-	102,868	102,868	-	-	-
Refunding Bonds (Tax Appeals) - Principal	540,000	-	540,000	540,000	-	-	-
Refunding Bonds (Tax Appeals) - Interest	182,600	-	182,600	182,600	-	-	-
Refunding BANs (Tax Appeals) - Principal	1,900,000	-	1,900,000	1,900,000	-	-	-
Refunding BANs (Tax Appeals) - Principal	55,000	-	55,000	55,000	-	-	-
Refunding BANs (Tax Appeals) - Principal	350,000	-	350,000	-	-	350,000	-
Refunding BANs (Tax Appeals) - Interest	54,000	-	54,000	-	-	54,000	-
Bond Anticipation Notes and Capital Notes	312,849	-	312,849	312,849	-	-	-
Note Interest (BAN'S)	150,793	-	150,793	150,793	-	-	-
Green Trust Loan - Principal	40,625	-	40,625	40,625	-	-	-
Green Trust Loan - Interest	5,840	-	5,840	5,840	-	-	-
Total Debt Service - Excluded From "CAPS"	$ 6,063,604	$ -	$ 6,063,604	$ 5,659,604	$ -	$ 404,000	$ -
DEFERRED CHARGES - EXCLUDED FROM "CAPS"							
Emergency Authorizations	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Deferred Charges to Future Taxation-Unfunded	-	-	-	-	-	-	-
Special Emergency Authorizations - 5 Years (N.J.S. 4(	-	-	-	-	-	-	-
Total General Appropriations for Municipal Purposes -	$ 12,668,410	$ -	$ 12,668,410	$ 12,006,536	$ 257,874	$ 404,000	$ -
Subtotal General Appropriations	$ 54,676,318	$ -	$ 54,676,318	$ 53,039,221	$ 1,233,097	$ 404,000	$ -
Reserve for Uncollected Taxes	2,135,331	-	2,135,331	2,135,331	-	-	-
Total General Appropriations	$ 56,811,649	$ -	$ 56,811,649	$ 55,174,552	$ 1,233,097	$ 404,000	$ -
Budget Appropriations - Adopted Budget	$ 56,567,264		$ 56,567,264				
Budget Appropriations - Added by N.J.S. 40A:4-87	-		-				
Emergency Appropriations	-		-				
	$ 56,567,264		$ 56,567,264				
Other Charges to Income:							
Interfund Advances Originating in Current Year			$ -	$ 95,438			
Refund of Prior Year's Revenue			-	1,637,821			
Shortfall in Federal/State Grant Fund			-	-			
Prior Year Added/Omitted Taxes			-	19			
Taxes Allocated to School and County:							
Local District School Tax			71,671,391	71,671,391			
County Tax Levy			18,378,073	18,378,073			
County Open Space			213,960	213,960			
Municipal Open Space Preservation			-	-			
Added County Taxes			45,985	45,985			
Added County Open Space			600	600			
Added Municipal Open Space			-	-			
			$ 90,310,009	$ 92,043,287			

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
SCHEDULE OF ASSETS, LIABILITIES AND RESERVES - REGULATORY BASIS

	2012	2011
ASSETS		
Cash	$ 240,981	$ 121,375
Intergovernmental Receivable:		
Grants Receivable	$ -	$ 15,759
Total Assets	$ 240,981	$ 137,134
LIABILITIES AND RESERVES		
Other Liabilities and Reserves:		
Appropriated Reserves	$ 100,284	$ 41,568
Unappropriated Reserves	140,697	95,566
	$ 240,981	$ 137,134
Total Liabilities and Reserves	$ 240,981	$ 137,134

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

Program	Balance December 31, 2011	Revenue Realized	Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2012
Federal:						
Edward J. Byrne Memorial Justice Assistance Grant	$ -	$ -	$ 43,175	$ -	$ 43,175	$ -
State:						
Clean Communities Program	$ -	$ -	$ -	$ -	$ -	$ -
Municipal Alliance on Alcoholism & Drug Abuse	15,759	15,759	6,365	-	(25,153)	-
Recycling Tonnage Grant	-	67,747	67,747	-	-	-
Safe & Secure Community Grant	-	60,000	60,000	-	-	-
	$ 15,759	$ 143,506	$ 134,112	$ -	$ (25,153)	$ -
Other:						
None	$ -	$ -	$ -	$ -	$ -	$ -
Grand Total	$ 15,759	$ 143,506	$ 177,287	$ -	$ 18,022	$ -

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2012

Program	Balance December 31, 2011	Budget	Paid or Charged	Adjustments	Balance December 31, 2012
Federal:					
Edward J. Byrne Memorial Justice Assistance Grant	-	-	38,950	43,175	4,225
	$ -	$ -	$ 38,950	$ 43,175	$ 4,225
State:					
Clean Communities Program	$ 29,047	$ -	$ 735	$ -	$ 28,312
Municipal Alliance on Alcoholism and Drug Abuse - State	11,690	15,759	7,356	(20,093)	-
Municipal Alliance on Alcoholism and Drug Abuse - Local	831	3,940	4,771	-	-
Recycling Tonnage Grant	-	67,747	-	-	67,747
Safe & Secure Community Grant	-	60,000	-	(60,000)	-
	$ 41,568	$ 147,446	$ 12,862	$ (80,093)	$ 96,059
Other:					
None	$ -	$ -	$ -	$ -	$ -
Grand Total	$ 41,568	$ 147,446	$ 51,812	$ (36,918)	$ 100,284

BOROUGH OF PARAMUS
FEDERAL & STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2012

Program	Balance December 31, 2011	Appropriated in 2012	Received in 2012	Adjustments	Balance December 31, 2012
State:					
Clean Communities Program	$ 8,624	$ -	$ 37,976	$ -	$ 46,600
Recycling Tonnage Grant	79,882	-	-	-	79,882
Body Armor Replacement Program	7,060	-	7,155	-	14,215
	$ 95,566	$ -	$ 45,131	$ -	$ 140,697

BOROUGH OF PARAMUS
TRUST FUND
SCHEDULE OF ASSETS, LIABILITIES, RESERVES & FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Cash:		
Trust & Escrow Deposit Account	$ 10,628,710	$ 6,629,522
Property & General Liability Self-Insurance Trust Account	76,646	101,498
Unemployment Trust Account	25,970	82,069
Social Security Trust Account	46,149	46,031
Workmen's Compensation Insurance Claims Trust Account	(4,701)	162,613
Vision Self-Insurance Trust Account	18,670	31,316
Net Payroll Account	719,924	720,457
Claims Account I	195,761	149,911
Claims Account II	178,365	2,005,848
Animal Control Account	93,302	87,489
COAH Trust Fund	5,775,731	6,164,557
	$ 17,754,527	$ 16,181,311
Interfund Receivable:		
Claims (Trust & Escrow)	$ 52,819	$ 52,819
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	2,032,883
General Capital (Trust & Escrow)	547,810	547,810
General Capital (Claims)	219,484	777
	$ 2,894,337	$ 2,683,647
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	$ 21,767,703	$ 19,983,797
LIABILITIES AND RESERVES		
Interfunds Payable:		
Current Fund (Animal Control)	$ 75,752	$ 75,752
Current Fund (Trust & Escrow)	67,125	67,125
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	52,819
Unemployment Trust (Net Payroll)	35,099	35,099
	$ 303,396	$ 303,396
Intergovernmental Payable:		
State of N.J.	$ 13,715	$ 13,715
Other Liabilities and Reserves:		
Net Payroll Payable	$ 684,825	$ 685,358
Tax Title Lien Premiums Payable	168,300	148,200
Reserve for Claim Account Expenditures	2,507,318	4,070,243
Reserve for Animal Control Expenditures	22,545	16,731
Reserve for Developers' Escrow & Other Deposits	10,993,913	7,022,845
Reserve for Property Self-Insurance Claims	20,601	40,328
Reserve for General Liability Self-Insurance Claims	56,045	61,170
Reserve for Unemployment Claims	47,565	103,663
Reserve for Social Security Expenditures	46,146	46,028
Reserve for Workmen's Compensation Claims	(4,701)	162,613
Reserve for Vision Claims	18,670	31,316
Reserve for COAH Expenditures	5,775,731	6,164,557
Reserve for Accrued Interest Receivable	122,636	122,636
Reserve for Mortgage Receivable	990,998	990,998
	$ 21,450,592	$ 19,666,686
Total Liabilities, Reserves and Fund Balance	$ 21,767,703	$ 19,983,797

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Cash:		
General Capital Account	$ 163,954	$ 1,294,704
Green Trust Account	477,500	476,308
Community Development Account	-	8,028
	$ 641,454	$ 1,779,040
Interfund Receivable:		
Current Fund	$ 3,112,388	$ 693,746
Golf Course Utility Operating Fund	205,529	103,303
Swimming Pool Utility Operating Fund	63,687	18,586
	$ 3,381,604	$ 815,635
Other Receivables:		
Due From Columbia Bank	$ -	$ 945
Intergovernmental Receivable:		
Grants Receivable	$ 525,194	$ 615,660
Due From Board Of Education (#10-07)	743	743
	$ 525,937	$ 616,403
Deferred Charges:		
Funded	$19,656,484	$21,982,109
Unfunded	18,638,749	17,929,598
	$38,295,233	$39,911,707
Prospective Assessments Raised by Taxation	$ 14,250	$ 14,250
Total Assets	$42,858,478	$43,137,980
LIABILITIES AND FUND BALANCE		
Accounts/Encumbrances Payable	$ 284,375	$ -
Interfund Payable:		
Trust Fund (Claims)	$ 219,484	$ 777
Trust Fund (Escrow)	547,810	547,810
Trust Fund (From Community Development A/C)	-	8,017
Current Fund	39,506	34,228
	$ 806,800	$ 590,832
Other Liabilities and Reserves:		
Capital Improvement Fund	$ 59,134	$ 42,134
Reserve for Debt Service	669,543	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	3,644	3,654
	$ 893,216	$ 602,174
Improvement Authorizations:		
Funded	$ 1,907,626	$ 1,966,253
Unfunded	5,165,956	5,784,326
	$ 7,073,582	$ 7,750,579
Serial/Refunding Bonds Payable	$19,395,000	$21,680,000
Bond Anticipation Notes Payable	$13,924,891	$12,101,740
Loans Payable	$ 261,484	$ 302,109
Fund Balance	$ 219,130	$ 110,546
Total Liabilities and Reserves	$42,858,478	$43,137,980

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

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	-	(41,458)	-	43,442
#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	$ -	$ (41,458)	$ -	$ 216,144
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	$ -	$ (41,458)	$ -	$ 246,792
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	105,766	-	(49,008)	-	56,758
	$ 311,904	$ -	$ (49,008)	$ -	$ 262,896
Total State	$ 311,904	$ -	$ (49,008)	$ -	$ 262,896
Other:					
Bergen County - Open Space Trust Fund	$ 15,506	$ -	$ -	$ -	$ 15,506
Total Other	$ 15,506	$ -	$ -	$ -	$ 15,506
Total Grants Receivable	$ 615,660	$ -	$ (90,466)	$ -	$ 525,194

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2012

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2011	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2011
1/1/91 Wastewater Treatment Trust Loan	$ 390,599	$ -	$ -	$ -	$ -
1/1/91 Wastewater Treatment Trust Loan	$ 387,000	-	-	-	-
1998 Green Trust Loan	$ 683,236	302,109	-	40,625	261,484
		$ 302,109	$ -	$ 40,625	$ 261,484

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2012

Improvement	Balance December 31, 2011	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations	Balance December 31, 2012	Analysis of Balance: Outstanding BANs	Analysis of Balance: B&N Authorized	Analysis of Balance: 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	1,900,000	-	-	(1,900,000)	-	-	-	-	-	-
#06-15 Various Public Improvements	1,484,634	-	-	(87,873)	-	-	1,396,761	1,396,761	-	-
#07-08 Various Public Improvements	249,370	-	-	(15,440)	-	-	233,930	233,930	-	-
#07-17 Refunding Bond Ordinance	235,000	-	-	-	-	-	235,000	-	235,000	-
#07-22 Various Public Improvements	1,401,046	-	-	(78,701)	-	-	1,322,345	1,322,345	-	-
#07-35 Refunding Tax Appeals	2,120,000	-	-	(55,000)	-	-	2,065,000	2,040,000	25,000	-
#08-33 Various Public Improvements	1,904,890	-	-	(99,110)	-	-	1,805,780	1,805,780	-	-
#08-37 Municipal Pool Environmental Remediation	920,000	-	-	(31,725)	-	-	888,275	888,275	-	-
#08-41 Refunding Tax Appeals	-	-	-	-	-	-	-	-	-	-
#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	1,450,000	350,000	-
#12-16 Various Public Improvements	-	2,825,000	-	-	-	-	2,825,000	-	2,825,000	-
#12-23 Various Sidewalk Repairs	-	152,000	-	-	-	-	152,000	-	152,000	-
	$ 17,891,193	$ 2,977,000	$ -	$ (2,267,849)	$ -	$ -	$ 18,600,344	$ 13,924,891	$ 4,675,453	$ -
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	$ 17,929,598	$ 2,977,000	$ -	$ (2,267,849)	$ -	$ -	$ 18,638,749	$ 13,924,891	$ 4,713,858	$ -

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

Description	Balance - January 1, 2012		Capital Improvement Fund	Capital Surplus	Grants	From BOE	Bonds & Notes Authorized	Expended	Refunded	Cancellations	Balance - December 31, 2012	
	Funded	Unfunded									Funded	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	-	-	-	-	-	-	1,819	-	-	29,451	-
#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	113,159	-	-	-	-	-	-	285	-	-	112,874	-
#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	293,720	54	-	-	-	-	-	-	-	-	293,720	54
#04-11 Various Public Improvements	90,013	-	-	-	-	-	-	14,037	-	-	75,976	-
#04-19 Acquisition of Property	168,392	-	-	-	-	-	-	-	-	-	168,392	-
#05-24 Various Public Improvements	210,170	-	-	-	-	-	-	2,936	-	-	207,234	-
#06-15 Various Public Improvements	-	139,791	-	-	-	-	-	28,945	-	-	-	110,846
#07-09 Update 911 System	59,360	-	-	-	-	-	-	-	-	-	59,360	-
#07-17 Refunding - Tax Appeals	-	-	-	-	-	-	-	-	-	-	-	-
#07-22 Various Public Improvements	-	133,449	-	-	-	-	-	30,378	-	-	-	103,071
#07-30 Update 911 System	50,177	-	-	-	-	-	-	39,550	-	-	10,627	-
#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	-	265,203	-	-	-	-	-	19,969	-	-	-	245,234
#672 - Local - Sewer Syetems - Stage 4	-	17,074	-	-	-	-	-	-	-	-	-	17,074
#10-07 Turf Field at Paramus HS	1,175	-	-	-	-	-	-	-	-	-	1,175	-
#10-09 Soldier Hill/2010 Road Improvements	-	1,620	-	-	-	-	-	-	-	-	-	1,620
#10-10 Emergency Services Communication Tower	-	57,348	-	-	-	-	-	65,992	-	-	-	(8,644)
#10-11 Various Public Improvements	-	478,760	-	-	-	-	-	456,576	-	-	-	22,184
#11-16 Various Public Improvements	-	1,386,469	-	-	-	-	-	1,227,719	-	-	-	158,750
#11-28 Refunding Bond - Tax Appeals	-	1,795,550	-	-	-	-	-	652,358	-	-	-	1,143,192
#12-16 Various Public Improvements	-	-	145,000	-	-	-	2,825,000	1,183,291	-	-		1,786,709
#12-23 Various Sidewalk Repairs	-	-	8,000	-	-	-	152,000	83,142	-	-	-	76,858
	$ 1,966,253	$ 5,784,326	$ 153,000	$ -	$ -	$ -	$ 2,977,000	$ 3,806,997	$ -	$ -	$ 1,907,626	$ 5,165,956

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2011	Issued In 2012	Paid by Budget Appropriation	Balance December 31, 2012
7/15/02 General Improvement Bonds	13,235,000	6,690,000	-	1,075,000	5,615,000
3/1/03 Pension Refunding Bonds	2,395,000	2,045,000	-	105,000	1,940,000
9/1/05 General Improvement Bonds	10,480,000	8,380,000	-	565,000	7,815,000
9/10/07 Refunding Bonds - Tax Appeals	5,265,000	4,565,000	-	540,000	4,025,000
		$ 21,680,000	$ -	$ 2,285,000	$ 19,395,000

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2012

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Issued	Decreased	Budget Paydown	Balance December 31, 2012
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	-	1,396,761	87,873	-
#07-08 Various Public Improvements	280,250	8/10/2007	02/25/11	02/24/12	1.25%	249,370	-	233,930	15,440	-
#07-22 Various Public Improvements	1,602,175	8/10/2007	02/25/11	02/24/12	1.25%	1,401,046	-	1,322,345	78,701	-
#07-35 Refunding Tax Appeals	2,200,000	4/15/2008	02/25/11	02/24/12	1.25%	2,095,000	-	2,040,000	55,000	-
#08-33 Various Public Improvements	2,004,000	11/13/2008	02/25/11	02/24/12	1.25%	1,904,890	-	1,805,780	99,110	-
#08-37 Municipal Pool Environmental Remediation	920,000	2/26/2009	02/25/11	02/24/12	1.25%	920,000	-	888,275	31,725	-
#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	$ -	$ 9,833,891	$ 2,267,849	$ -
12-1R										
#06-15 Various Public Improvements	1,710,000	8/10/2007	02/24/12	02/22/13	1.25%	$ -	$ 1,396,761	$ -	$ -	$ 1,396,761
#07-08 Various Public Improvements	280,250	8/10/2007	02/24/12	02/22/13	1.25%	-	233,930	-	-	233,930
#07-22 Various Public Improvements	1,602,175	8/10/2007	02/24/12	02/22/13	1.25%	-	1,322,345	-	-	1,322,345
#07-35 Refunding Tax Appeals	2,200,000	4/15/2008	02/24/12	02/22/13	1.25%	-	2,040,000	-	-	2,040,000
#08-33 Various Public Improvements	2,004,000	11/13/2008	02/24/12	02/22/13	1.25%	-	1,805,780	-	-	1,805,780
#08-37 Municipal Pool Environmental Remediation	920,000	2/26/2009	02/24/12	02/22/13	1.25%	-	888,275	-	-	888,275
#09-04 Municipal Pool Environmental Remediation	523,800	2/25/2011	02/24/12	02/22/13	1.25%	-	523,800	-	-	523,800
#09-12 Various Public Improvements	827,500	2/25/2011	02/24/12	02/22/13	1.25%	-	827,500	-	-	827,500
#10-09 2010 Road Improvement Program			02/24/12	02/22/13	1.25%	-	570,000	-	-	570,000
#10-10 Emergency Services Communication Tower			02/24/12	02/22/13	1.25%	-	238,000	-	-	238,000
#10-11 Various Public Improvements	795,500	2/25/2011	02/24/12	02/22/13	1.25%	-	795,500	-	-	795,500
#11-16 Various Public Improvements			02/24/12	02/22/13	1.25%	-	1,833,000	-	-	1,833,000
#11-28 Refunding Bond - Tax Appeals			02/24/12	02/22/13	1.25%	-	1,450,000	-	-	1,450,000
						$ -	$ 13,924,891	$ -	$ -	$ 13,924,891
						$ 12,101,740	$ 13,924,891	$ 9,833,891	$ 2,267,849	$ 13,924,891

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

Improvement Description	Balance December 31, 2011	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2012
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	-	-	-	-	-	-
#09-12 Various Public Improvements	132,500	-	-	-	-	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	-	-	-	-	-	-
#11-16 Various Public Improvements	1,833,000	-	1,833,000	-	-	-
#11-28 Refunding Bond - Tax Appeals	1,800,000	-	1,450,000	-	-	350,000
#12-16 Various Public Improvements	-	2,825,000	-	-	-	2,825,000
#12-23 Various Sidewalk Repairs	-	152,000	-	-	-	152,000
	$ 5,789,453	$ 2,977,000	$ 4,091,000	$ -	$ -	$ 4,675,453
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	$ 5,827,858	$ 2,977,000	$ 4,091,000	$ -	$ -	$ 4,713,858

BOROUGH OF PARAMUS
GOLF COURSE UTILTY OPERATING FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Cash:		
Operating Account	$ 877,182	$ 605,238
Change Funds	-	-
	$ 877,182	$ 605,238
Interfund Receivable:		
Golf Course Utility Capital Fund	$ 73,919	$ 71,607
Trust Fund - Claims Account	12,514	12,514
Current Fund	342,764	-
	$ 429,197	$ 84,121
Total Assets	$ 1,306,379	$ 689,359
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ 9,847	$ 17,621
Interfund Payable:		
Current Fund	$ 97,662	$ 7,662
Golf Course Utility Capital Fund	75,837	75,837
General Capital	205,529	103,303
	$ 379,028	$ 186,802
Other Liabilities and Reserves:		
Accrued Interest on Bonds	$ 25,369	$ 30,019
Accrued Interest on Notes	20,901	21,685
Sales Tax Payable	551	670
Appropriation Reserves	85,552	131,251
	$ 132,373	$ 183,625
Fund Balance	$ 785,131	$ 301,311
Total Liabilities and Reserves	$ 1,306,379	$ 689,359

BOROUGH OF PARAMUS
GOLF COURSE UTILTY OPERATING FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ -	$ -	$ -
Membership Fees	$ 230,000	$ 58,560	$ (171,440)
Registration Fees	115,000	115,096	96
Golf Cart Rental Fees	235,000	184,707	(50,293)
Green Fees	1,166,000	1,639,938	473,938
Snack Bar Rental Fees	50,000	44,800	(5,200)
Miniature Golf Fees	124,000	124,696	696
Miscellaneous	-	106,467	106,467
	$ 1,920,000	$ 2,274,264	$ 354,264
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	$ -	$ 122,410	$ 122,410
Deficit (General Budget)	-	-	-
Unexpended Balances Cancelled	-	4,722	4,722
Miscellaneous Revenue Not Anticipated:			
Interest Income	-	4,548	4,548
Lost Cards	-	-	-
No-Show Golfers	-	-	-
Miscellaneous	-	-	-
	$ -	$ 131,680	$ 131,680
Fund Balance - Golf Course Utility Capital	$ -	$ -	$ -
Total Revenues and Credits to Income	$ 1,920,000	$ 2,405,944	$ 485,944

BOROUGH OF PARAMUS
GOLF COURSE UTILTY OPERATING FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriations			Expended		Unexpended	
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpenditure
Operating:							
Salaries and Wages	$ 620,000	$ -	$ 674,000	$ 674,000	$ -	$ -	$ -
Other Expenses	475,000	-	444,000	399,319	44,681	-	-
Group Insurance Reimbursement	90,000	-	90,000	90,000	-	-	-
	$ 1,185,000	$ -	$ 1,208,000	$ 1,163,319	$ 44,681	$ -	$ -
Capital Improvements:							
Capital Improvement Fund	$ 50,000	$ -	$ 50,000	$ 50,000	$ -	$ -	$ -
Capital Outlay	191,777	-	176,777	145,641	31,136	-	-
	$ 241,777	$ -	$ 226,777	$ 195,641	$ 31,136	$ -	$ -
Debt Service:							
Payment of Bonds	$ 265,000	$ -	$ 265,000	$ 265,000	$ -	$ -	$ -
Payment of BAN's & Capital Notes	76,000	-	76,000	75,837	-	163	-
Interest on Bonds	75,834	-	75,834	72,059	-	3,775	-
Interest on Notes (BAN's)	26,389	-	26,389	25,605	-	784	-
	$ 443,223	$ -	$ 443,223	$ 438,501	$ -	$ 4,722	$ -
Statutory Expenditures:							
Social Security System	$ 50,000	$ -	$ 42,000	$ 32,265	$ 9,735	$ -	$ -
	$ 50,000	$ -	$ 42,000	$ 32,265	$ 9,735	$ -	$ -
Deficit in Operations in Prior Years					$ -		$ -
Total Appropriations	$ 1,920,000	$ -	$ 1,920,000	$ 1,829,726	$ 85,552	$ 4,722	$ -

Other Charges to Income:				
Refund of Prior Year's Revenue				$ 2,124

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Cash:		
Operating Account	$ 882,743	$ 942,124
	$ 882,743	$ 942,124
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	$12,506,872	$12,361,230
Total Assets	$ 15,778,601	$ 15,692,340
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ 8,867	$ -
Interfund Payable:		
Golf Course Utility Operating Fund	$ 73,919	$ 71,607
Other Liabilities and Reserves:		
Capital Improvement Fund	$ 111,479	$ 61,479
Reserve for Payment of Debt Service	225,000	225,000
Reserve for Amortization	10,966,872	10,556,230
Reserve for Deferred Amortization	333,899	258,062
	$ 11,637,250	$ 11,100,771
Improvement Authorizations:		
Funded	$ 114,235	$ 219,787
Unfunded	432,591	447,599
	$ 546,826	$ 667,386
Bond Anticipation Notes Payable	$ 1,971,739	$ 2,047,576
Serial Bonds Payable	$ 1,540,000	$ 1,805,000
Fund Balance	$ -	$ -
Total Liabilities and Reserves	$ 15,778,601	$ 15,692,340

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
YEAR ENDED DECEMBER 31, 2012

Improvement	Balance December 31, 2011	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2012	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	1,447,930	-	196,380
#07-21 Golf Course Improvements	594,853	-	-	-	-	-	594,853	523,809	-	71,044
	$ 2,312,362	$ -	$ -	$ -	$ -	$ -	$ 2,312,362	$ 1,971,739	$ 6,724	$ 333,899

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

Description	Balance - January 1, 2012		Bonds & Notes	Expended	Adjustments	Cancellations	Balance - December 31, 2012	
	Funded	Unfunded	Authorized				Funded	Unfunded
#89-33 Golf Course Improvements	$ 25,284	$ -	$ -	$ 18,837	$ -	$ -	$ 6,447	$ -
#99-14 Golf Course Improvements	74,949	-	-	14,920	-	-	60,029	-
#99-31 Acquisition of Land	12,749	-	-	1,153	-	-	11,596	-
#01-07 Golf Course Improvements	23,599	4,025	-	12,984	-	-	10,615	4,025
#02-16 Golf Course Improvements	903	-	-	-	-	-	903	-
#03-19 Golf Course Improvements	21,817	1,025	-	13,454	-	-	8,363	1,025
#04-12 Golf Course Improvements	15,623	-	-	-	-	-	15,623	-
#05-26 Golf Course Impts/Gannarelli Sports Complex	44,863	-	-	44,204	-	-	659	-
#07-06 Constr/Renovation to Parkway School Field	-	423,195	-	3,073	-	-	-	420,122
#07-21 Golf Course Improvements	-	19,354	-	11,935	-	-	-	7,419
	$ 219,787	$ 447,599	$ -	$ 120,560	$ -	$ -	$ 114,235	$ 432,591

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2011	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2012
7/15/02 General Golf Course Utility Bonds	1,865,000	920,000	-	140,000	780,000
9/20/05 General Golf Course Utility Bonds	1,320,000	885,000	-	125,000	760,000
		$ 1,805,000	$ -	$ 265,000	$ 1,540,000

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2012

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Issued	Decreased	Budget Paydown	Balance December 31, 2012
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	$ -	$ 1,447,930	$ 55,690	$ -
#07-21 - Golf Course Improvements	1,710,000	8/10/2007	02/25/11	02/24/12	1.25%	543,956	-	523,809	20,147	-
						$ 2,047,576	$ -	$ 1,971,739	$ 75,837	$ -
12-1RGU										
#07-06 - Constr/Renovation to Parkway School Field	$ 8,650,000	8/10/2007	02/24/12	02/22/13	1.25%	$ -	$ 1,447,930	$ -	$ -	$ 1,447,930
#07-21 - Golf Course Improvements	1,710,000	8/10/2007	02/24/12	02/22/13	1.25%	-	523,809	-	-	523,809
						$ -	$ 1,971,739	$ -	$ -	$ 1,971,739
						$ 2,047,576	$ 1,971,739	$ 1,971,739	$ 75,837	$ 1,971,739

BOROUGH OF PARAMUS
GOLF COURSE UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

Improvement Description	Balance December 31, 2011	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2012
#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
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Cash:		
Operating Account	$ 407,804	$ 338,300
	$ 407,804	$ 338,300
Interfund Receivable:		
Swimming Pool Utility Capital Fund	$ 16,895	$ 16,850
Current Fund	13,724	13,724
Trust Fund - Claims Account	18,735	18,735
	$ 49,354	$ 49,309
Deferred Charges:		
Operating Deficit	$ -	$ -
Overexpenditures	-	-
	$ -	$ -
Total Assets	$ 457,158	$ 387,609
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ 1,373	$ 11,783
Interfund Payable:		
General Capital	$ 63,687	$ 18,586
Swimming Pool Utility Capital Fund	3,932	3,932
	$ 67,619	$ 22,518
Other Liabilities and Reserves:		
Accrued Interest on Bonds	$ 4,708	$ 6,075
Accrued Interest on Notes	9,946	10,294
Appropriation Reserves	23,731	99,731
	$ 38,385	$ 116,100
Fund Balance	$ 349,781	$ 237,208
Total Liabilities and Reserves	$ 457,158	$ 387,609

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ -	$ -	$ -
Membership Fees	$ 490,000	$ 501,195	$ 11,195
Registration Fees	5,000	6,895	1,895
Snack Bar Rental Fees	10,000	15,500	5,500
Guest Fees	70,000	66,179	(3,821)
Miscellaneous	-	11,684	11,684
	$ 575,000	$ 601,453	$ 26,453
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	$ -	$ 80,191	$ 80,191
Deficit (General Budget)	-	-	-
Unexpended Balances Cancelled	-	1,924	1,924
Miscellaneous Revenue Not Anticipated	-	4,005	4,005
	$ -	$ 86,120	$ 86,120
Fund Balance - Swimming Pool Utility Capital	$ -	$ -	$ -
Total Revenues and Credits to Income	$ 575,000	$ 687,573	$ 112,573

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Appropriations			Expended		Unexpended	
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpenditure
Operating:							
Salaries and Wages	$ 175,000	$ -	$ 175,000	$ 165,703	$ 9,297	$ -	$ -
Other Expenses:	217,500	-	217,500	208,704	8,796	-	-
	$ 392,500	$ -	$ 392,500	$ 374,407	$ 18,093	$ -	$ -
Capital Improvements:							
Capital Improvement Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Outlay	24,265	-	24,265	24,265	-	-	-
	$ 24,265	$ -	$ 24,265	$ 24,265	$ -	$ -	$ -
Debt Service:							
Payment of Bonds	$ 80,000	$ -	$ 80,000	$ 80,000	$ -	$ -	$ -
Payment of BAN's & Capital Notes	34,000	-	34,000	33,792	-	208	-
Interest on Bonds	17,925	-	17,925	16,558	-	1,367	-
Interest on Notes (BAN's)	11,310	-	11,310	10,961	-	349	-
	$ 143,235	$ -	$ 143,235	$ 141,311	$ -	$ 1,924	$ -
Deferred Charges:							
Overexpenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Statutory Expenditures:							
Social Security System	$ 15,000	$ -	$ 15,000	$ 9,362	$ 5,638	$ -	$ -
	$ 15,000	$ -	$ 15,000	$ 9,362	$ 5,638	$ -	$ -
Deficit in Operations in Prior Years	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Appropriations	$ 575,000	$ -	$ 575,000	$ 549,345	$ 23,731	$ 1,924	$ -

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

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Cash:		
Operating Account	$ 88,756	$ 89,822
	$ 88,756	$ 89,822
Interfund Receivable:		
Swimming Pool Utility Operating Fund	$ 3,932	$ 3,932
Fixed Capital Authorized & Uncompleted	$ 1,026,784	$ 1,026,784
Fixed Capital	$ 2,430,552	$ 2,406,287
Total Assets	$ 3,550,024	$ 3,526,825
LIABILITIES AND FUND BALANCE		
Reserve for Encumbrances	$ -	$ -
Interfund Payable:		
Trust Fund - Claims Account	$ 6,242	$ 6,242
Swimming Pool Utility Operating Fund	16,895	16,850
	$ 23,137	$ 23,092
Other Liabilities and Reserves:		
Reserve for Amortization	$ 2,110,552	$ 2,006,287
Reserve for Deferred Amortization	77,770	43,978
	$ 2,188,322	$ 2,050,265
Improvement Authorizations:		
Funded	$ 62,066	$ 63,177
Unfunded	18,241	18,241
	$ 80,307	$ 81,418
Bond Anticipation Notes Payable	$ 938,244	$ 972,036
Serial Bonds Payable	$ 320,000	$ 400,000
Fund Balance	$ 14	$ 14
Total Liabilities and Reserves	$ 3,550,024	$ 3,526,825

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
YEAR ENDED DECEMBER 31, 2012

Improvement	Balance December 31, 2011	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2012	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	102,204	-	13,864
#08-28 Pool Improvements	580,900	-	-	-	-	-	580,900	560,868	-	20,032
#08-38 Pool Improvements	300,000	-	-	-	-	-	300,000	275,172	-	24,828
Reserve for Pool Improvements	-	-	-	-	-	-	-	-	-	-
	$ 1,026,784	$ -	$ -	$ -	$ -	$ -	$ 1,026,784	$ 938,244	$ 10,770	$ 77,770

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

Description	Balance - January 1, 2012		Bonds & Notes				Balance - December 31, 2012	
	Funded	Unfunded	Authorized	Expended	Adjustments	Cancellations	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	-	1,111	-	-	26,897	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	$ -	$ 1,111	$ -	$ -	$ 62,066	$ 18,241

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2011	Issued In 2012	Paid by Budget Appropriation	Balance December 31, 2012
7/15/02 Pool Improvement Bonds	$ 171,000	$ 20,000	$ -	$ 20,000	$ -
9/20/05 Pool Improvement Bonds	535,000	380,000	-	60,000	320,000
		$ 400,000	$ -	$ 80,000	$ 320,000

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2012

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Issued	Decreased	Budget Paydown	Balance December 31, 2012
11-1RSPU										
#06-16 Pool Improvements	$ 114,000	8/10/2007	02/25/11	02/24/12	1.25%	$ 106,136	$ -	$ 102,204	$ 3,932	$ -
#08-28 Pool Improvements	580,900	2/26/2009	02/25/11	02/24/12	1.25%	580,900	-	560,868	20,032	-
#08-38 Pool Improvements	285,000	2/26/2009	02/25/11	02/24/12	1.25%	285,000	-	275,172	9,828	-
						$ 972,036	$ -	$ 938,244	$ 33,792	$ -
12-1RSPU										
#06-16 Pool Improvements	$ 114,000	8/10/2007	02/24/12	02/22/13	1.25%	$ -	$ 102,204	$ -	$ -	$ 102,204
#08-28 Pool Improvements	580,900	2/26/2009	02/24/12	02/22/13	1.25%	-	560,868	-	-	560,868
#08-38 Pool Improvements	285,000	2/26/2009	02/24/12	02/22/13	1.25%	-	275,172	-	-	275,172
						$ -	$ 938,244	$ -	$ -	$ 938,244
						$ 972,036	$ 938,244	$ 938,244	$ 33,792	$ 938,244

BOROUGH OF PARAMUS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

Improvement Description	Balance December 31, 2011	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2012
#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
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS

	2011	2010
ASSETS		
Cash:		
Operating Account	$ 71,389	$ 135,667
Assessment Receivable	$ -	$ -
Interfund Receivable:		
Due From Current Fund	$ 64,765	$ -
Total Assets	$ 136,154	$ 135,667
LIABILITIES AND FUND BALANCE		
Interfund Payable:		
Current Fund	$ 2,105	$ 1,618
Assessment NJEIT Loan Payable	$ -	$ 64,765
Reserve for Receivables	$ -	$ -
Fund Balance	$ 134,049	$ 69,284
Total Liabilities and Reserves	$ 136,154	$ 135,667

BOROUGH OF PARAMUS
GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF ASSETS AND FUND BALANCE - REGULATORY BASIS

	2012	2011
ASSETS		
Land	$ 118,448,300	$ 118,448,300
Buildings and Improvements	12,091,900	12,091,900
Sports Complex	1,279,812	1,279,812
Sanitary Sewer System	21,448,816	21,448,816
Equipment	18,916,841	18,418,378
	$ 172,185,669	$ 171,687,206
FUND BALANCE		
Reserve for Investment in General Fixed Assets	$ 172,185,669	$ 171,687,206

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

	Balance December 31, 2011	Additions	Retirements	Adjustments	Balance December 31, 2012
Land	$ 118,448,300	$ -	$ -	$ -	$ 118,448,300
Buildings and Improvements	12,091,900	-	-	-	12,091,900
Sports Complex	1,279,812	-	-	-	1,279,812
Sanitary Sewer System	21,448,816	-	-	-	21,448,816
Equipment	18,418,378	709,467	(211,004)	-	18,916,841
	$ 171,687,206	$ 709,467	$ (211,004)	$ -	$ 172,185,669

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

Statistical Section

BOROUGH OF PARAMUS
ADOPTED BUDGETS
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
CURRENT FUND							
REVENUES							
Fund Balance	$ 600,000	$ 600,000	$ 600,000	$ 574,000	$ 1,675,000	$ 3,050,000	$ 1,182,900
Miscellaneous Revenues	11,481,814	11,184,300	11,273,064	13,415,194	13,481,597	13,338,381	13,473,397
Receipts From Delinquent Taxes	825,000	825,000	825,000	814,000	837,000	725,000	680,000
Amount to be Raised by Taxation	43,837,089	43,957,964	43,969,263	39,616,139	37,210,944	33,362,041	31,504,146
Total Revenues	$ 56,743,903	$ 56,567,264	$ 56,667,327	$ 54,419,333	$ 53,204,541	$ 50,475,422	$ 46,840,443
APPROPRIATIONS							
Within "CAPS":							
Operations:							
Salaries and Wages	$ 22,372,000	$ 22,930,400	$ 18,165,000	$ 23,914,119	$ 22,831,292	$ 22,113,181	$ 20,651,466
Other Expenses	14,421,000	13,253,144	18,290,294	13,065,650	13,536,250	13,385,004	6,720,695
Deferred Charges	-	8,639	-	1,616,260	16,289	7,505	-
Statutory Expenditures	5,214,908	5,349,274	2,936,234	1,296,560	991,000	910,000	860,000
Judgments			-	-	-	-	-
Excluded From "CAPS":							
Operations:							
Salaries and Wages	-	-	-	56,411	50,582	93,500	73,500
Other Expenses	6,367,059	6,760,393	9,331,441	7,011,907	8,796,600	7,455,981	12,928,036
Capital Improvements	170,000	100,000	100,000	90,000	75,000	100,000	100,000
Municipal Debt Service	6,063,604	6,165,414	5,803,375	5,218,426	5,094,178	4,230,251	3,326,746
Deferred Charges	-	-	-	200,000	-	180,000	180,000
Reserve for Uncollected Taxes	2,135,332	2,000,000	2,040,983	1,950,000	1,813,350	2,000,000	2,000,000
Total Appropriations	$ 56,743,903	$ 56,567,264	$ 56,667,327	$ 54,419,333	$ 53,204,541	$ 50,475,422	$ 46,840,443
	-	-	-	-	-	-	-

BOROUGH OF PARAMUS
ADOPTED BUDGETS
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
GOLF COURSE UTILITY FUND							
REVENUES							
Fund Balance Anticipated	$ -	$ -	$ -	$ 545,171	$ 594,216	$ 405,061	$ 446,180
Membership Fees	230,000	230,000	159,000	154,600	160,000	160,000	155,385
Registration Fees	115,000	120,000	126,000	145,000	120,000	126,000	127,880
Golf Cart Rental	235,000	260,000	248,000	280,000	280,000	280,000	276,500
Green Fees	1,166,000	1,185,000	1,211,000	1,300,000	1,250,000	1,250,000	1,229,000
Snack Bar	50,000	50,000	48,000	55,000	45,000	46,000	80,000
Miniature Golf	124,000	155,000	223,000	200,000	-	-	-
Reserve for Payment of Debt Svce.	-	-	-	31,500	31,500	-	-
Deficit (General Budget)	-	-	-	-	-	-	-
Total Revenues	$ 1,920,000	$ 2,000,000	$ 2,015,000	$ 2,711,271	$ 2,480,716	$ 2,267,061	$ 2,314,945
APPROPRIATIONS							
Operations:							
Salaries and Wages	$ 620,000	$ 900,000	$ 875,000	$ 1,120,000	$ 970,000	$ 850,000	$ 800,000
Other Expenses	565,000	500,000	610,000	950,000	900,000	850,000	800,000
Capital Improvements	241,777	119,283	1,493	90,000	-	100,000	250,000
Municipal Debt Service	443,223	414,717	437,191	464,271	530,716	403,061	407,945
Deferred Charges	-	-	-	-	-	-	-
Statutory Expenditures	50,000	66,000	70,000	87,000	80,000	64,000	57,000
Surplus (General Budget)			-	-	-	-	-
Deficit in Operations			21,316	-	-	-	-
Total Appropriations	$ 1,920,000	$ 2,000,000	$ 2,015,000	$ 2,711,271	$ 2,480,716	$ 2,267,061	$ 2,314,945
	-	-	-	-	-	-	-

J-1

BOROUGH OF PARAMUS
ADOPTED BUDGETS
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
SWIMMING POOL UTILITY FUND							
REVENUES							
Fund Balance Anticipated	$ -	$ -	$ 15,000	$ 84,025	$ 51,445	$ 120,000	$ 100,000
Membership Fees	490,000	475,000	376,000	345,000	-	342,900	321,900
Facility Rental	-	-	13,000	8,700	-	7,900	7,800
Snack Bar	10,000	10,000	5,000	9,300	-	4,900	18,000
Guest Fees	70,000	60,000	48,000	42,000	-	38,000	35,000
Registration Fees	5,000	15,000	18,000	18,550	-	15,000	11,900
Reserve for Payment of Debt Svce.			-	-	12,000	-	-
Deficit (General Budget)			-	-	16,289	-	-
Total Revenues	$ 575,000	$ 560,000	$ 475,000	$ 507,575	$ 79,734	$ 528,700	$ 494,600
APPROPRIATIONS							
Operations:							
Salaries and Wages	$ 175,000	$ 175,000	$ 180,000	$ 222,269	$ -	$ 200,000	$ 195,000
Other Expenses	217,500	210,000	185,000	188,000	10,000	185,000	205,000
Capital Improvements	24,265	57,236	443	-	-	68,861	22,388
Municipal Debt Service	143,235	95,732	94,557	71,281	69,734	56,839	55,212
Deferred Charges	-	7,032	1,000	5,025	-	-	-
Statutory Expenditures	15,000	15,000	14,000	21,000	-	18,000	17,000
Surplus (General Budget)			-	-	-	-	-
Deficit in Operations			-	-	-	-	-
Total Appropriations	575,000	560,000	$ 475,000	$ 507,575	$ 79,734	$ 528,700	$ 494,600

BOROUGH OF PARAMUS
FUND BALANCE SUMMARY
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
CURRENT FUND							
Fund Balance, Beginning	$ 4,499,055	$ 2,783,654	$ 1,692,054	$ 641,615	$ 1,726,738	$ 3,275,571	$ 1,577,316
Generated Current Year	4,494,132	2,315,401	1,691,600	1,624,439	589,877	1,501,167	2,881,155
Utilized Current Year	(600,000)	(600,000)	(600,000)	(574,000)	(1,675,000)	(3,050,000)	(1,182,900)
Fund Balance, Ending	$ 8,393,187	$ 4,499,055	$ 2,783,654	$ 1,692,054	$ 641,615	$ 1,726,738	$ 3,275,571
GOLF COURSE UTILITY FUND							
Fund Balance, Beginning	$ 301,311	$ 185,152	$ 4,749	$ 549,920	$ 790,290	$ 825,555	$ 846,128
Generated Current Year	483,820	116,159	180,403	-	353,846	369,796	425,607
Utilized Current Year	-	-	-	(545,171)	(594,216)	(405,061)	(446,180)
Fund Balance, Ending	$ 785,131	$ 301,311	$ 185,152	$ 4,749	$ 549,920	$ 790,290	$ 825,555
SWIMMING POOL UTILITY FUND							
Fund Balance, Beginning	$ 237,208	$ 177,714	$ 42,726	$ 84,144	$ 51,864	$ 121,316	$ 124,843
Generated Current Year	112,573	59,494	149,988	42,607	83,725	50,548	96,473
Utilized Current Year	-	-	(15,000)	(84,025)	(51,445)	(120,000)	(100,000)
Fund Balance, Ending	$ 349,781	$ 237,208	$ 177,714	$ 42,726	$ 84,144	$ 51,864	$ 121,316

BOROUGH OF PARAMUS
TAX LEVY AND COLLECTION DATA
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
CURRENT YEAR % COLLECTION RATES							
Current Tax Levy	$ 134,310,279	$ 132,753,469	$ 130,865,676	$ 124,772,901	$ 118,714,890	$ 111,452,044	$ 106,540,893
Current Collections	$ 133,343,036	$ 131,910,155	$ 129,892,528	$ 123,331,518	$ 117,811,525	$ 110,503,176	$ 105,791,982
Percentage of Collections	99.28%	99.36%	99.26%	98.84%	99.24%	99.15%	99.30%
DELINQUENT TAX %							
Delinquent Taxes	$ 966,919	$ 874,741	$ 972,898	$ 843,585	$ 814,793	$ 838,162	$ 725,699
Tax Title Liens	2,909	2,196	2,196	1,946	1,362	1,362	1,362
Total Delinquent	$ 969,828	$ 876,937	$ 975,094	$ 845,531	$ 816,155	$ 839,524	$ 727,061
Tax Levy	$ 134,310,279	$ 132,753,469	$ 130,865,676	$ 124,772,901	$ 118,714,890	$ 111,452,044	$ 106,540,893
Percentage of Tax Levy	0.72%	0.66%	0.75%	0.68%	0.69%	0.75%	0.68%
PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES							
Recorded at - Assessed Valuation	$ 23,978	$ 23,978	$ 23,978	$ 23,978	$ 23,978	$ 23,978	$ 23,978

BOROUGH OF PARAMUS
ASSESSED AND COUNTY EQUALIZED VALUATION DATA
(UNAUDITED)

	2012		2011		2010		2009		2008		2007		2006	
Description	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
NET VALUATIONS TAXABLE														
Vacant Land	116	$ 144,326,700	117	$ 144,588,300	117	$ 144,177,500	119	$ 150,553,900	124	$ 154,005,400	114	$ 155,672,300	124	$ 156,618,700
Residential	8123	4,146,398,000	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	8113	3,613,699,400
Farm (Regular)	4	1,479,800	4	1,479,800	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	4	22,400	4	22,400
Commercial	425	3,567,000,300	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	413	2,936,662,500
Industrial	26	115,428,700	26	116,116,200	26	116,580,000	26	123,055,000	26	125,476,500	26	89,876,200	28	112,419,000
Apartments	1	18,642,800	1	18,642,800	1	18,642,800	1	18,642,800	1	18,642,800	1	17,025,400	1	17,025,400
Sub-Total	8699	7,993,298,700	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	8687	6,837,927,200
Personal Property		6,411,753		6,426,503		7,054,399		6,375,948		6,821,663		5,090,171		4,776,586
Net Valuations Taxable		7,999,710,453		7,976,041,303		8,014,975,399		8,013,590,948		7,984,604,363		6,893,670,571		6,842,703,786
Bergen County Equalization Adjustment		558,684,819		696,184,977		1,308,591,869		1,273,662,427		1,389,946,054		2,087,657,688		1,465,583,611
Bergen County Equalized Valuations		$ 8,558,395,272		$ 8,672,226,280		$ 9,323,567,268		$ 9,287,253,375		$ 9,374,550,417		$ 8,981,328,259		$ 8,308,287,397
Bergen County Equalization Ratio		94.35%		92.90%		86.81%		87.21%		86.09%		77.60%		83.28%
Average Improved Residential Assessment		$ 510,452		$ 537,790		$ 535,313		$ 502,693		$ 499,185		$ 452,256		$ 445,421

**Revaluation Year (if applicable)

BOROUGH OF PARAMUS
TAX REQUIREMENT AND RATE DATA
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
TAX REQUIREMENTS							
County	$ 18,378,073	$ 17,744,769	$ 17,904,485	$ 16,840,816	$ 15,739,696	$ 14,537,765	$ 14,526,066
County Open Space	213,960	216,806	233,089	928,725	937,455	898,133	830,829
District School	71,671,391	70,832,633	69,062,075	66,353,215	64,239,930	62,168,404	59,186,592
Municipal Open Space	-	-	-	-	-	-	-
Municipal - Local	41,019,328	41,082,303	43,969,263	39,616,139	37,210,944	33,362,041	31,504,146
Municipal - Library	2,817,760	2,875,661	-	-	-	-	-
Total Tax Requirements	$ 134,100,512	$ 132,752,172	$ 131,168,912	$ 123,738,895	$ 118,128,025	$ 110,966,343	$ 106,047,633
TAX RATES							
County	0.230	0.223	0.224	0.211	0.198	0.211	0.212
County Open Space	0.003	0.003	0.003	0.012	0.012	0.010	0.010
District School	0.896	0.888	0.862	0.828	0.805	0.902	0.865
Municipal Open Space	-	-	-	-	-	-	-
Municipal - Local	0.513	0.515	0.548	0.494	0.467	0.487	0.463
Municipal - Library	0.035	0.036	-	-	-	-	-
Total Tax Rates	1.677	1.665	1.637	1.545	1.482	1.610	1.550

**Revaluation Year (if applicable)

BOROUGH OF PARAMUS
RATIO OF GROSS AND NET DEBT TO COUNTY EQUALIZED VALUE AND DEBT PER CAPITA
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
Population	26,532	26,507	26,374	26,137	26,015	26,010	26,012
County Equalized Valuation	$ 8,558,395,272	$ 8,672,226,280	$ 9,323,567,268	$ 9,287,253,375	$ 9,374,550,417	$ 8,981,328,259	$ 8,308,287,397
Gross Debt	$ 65,707,710	$ 69,500,814	$ 73,026,521	$ 78,129,421	$ 82,947,330	$ 84,110,478	$ 81,800,921
Gross Debt Per Capita	$ 2,477	$ 2,622	$ 2,769	$ 2,989	$ 3,188	$ 3,234	$ 3,145
Ratio of Gross Debt to County Equalized Valuations	0.77%	0.80%	0.78%	0.84%	0.88%	0.94%	0.98%
Net Debt	$ 28,125,233	$ 26,746,216	$ 34,162,155	$ 39,128,335	$ 43,831,270	$ 43,455,318	$ 41,156,325
Ratio of Net Debt to County Equalized Valuations	0.33%	0.31%	0.37%	0.42%	0.47%	0.48%	0.50%
Net Debt per Capita	$ 1,060	$ 1,009	$ 1,295	$ 1,497	$ 1,685	$ 1,671	$ 1,582

BOROUGH OF PARAMUS
LEGAL DEBT MARGIN
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
Equalized Valuation Basis (State)	$ 8,580,655,278	$ 8,763,546,148	$ 8,997,186,741	$ 9,192,421,239	$ 9,055,062,051	$ 8,737,378,263	$ 8,067,165,005
Municipal Borrowing Power:							
3 1/2% of Equalized Valuation Basis	$ 300,322,935	$ 306,724,115	$ 314,901,536	$ 321,734,743	$ 316,927,172	$ 305,808,239	$ 282,350,775
Net Debt	28,125,233	26,746,216	34,162,155	39,128,335	43,831,270	43,455,318	41,156,325
Remaining Borrowing Power	$ 272,197,702	$ 279,977,899	$ 280,739,381	$ 282,606,408	$ 273,095,902	$ 262,352,921	$ 241,194,450
School Borrowing Power:							
4% of Equalized Valuation Basis	$ 343,226,211	$ 350,541,846	$ 359,887,470	$ 367,696,850	$ 362,202,482	$ 349,495,131	$ 322,686,600
Net School Debt	22,625,000	24,347,000	26,222,000	28,042,000	30,049,000	32,159,000	33,917,000
School Borrowing Margin Available	$ 320,601,211	$ 326,194,846	$ 333,665,470	$ 339,654,850	$ 332,153,482	$ 317,336,131	$ 288,769,600

BOROUGH OF PARAMUS
DIRECT AND OVERLAPPING DEBT
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
NET DIRECT DEBT							
Municipal Debt	$ 28,125,233	$ 26,746,216	$ 34,162,155	$ 39,128,335	$ 43,831,270	$ 43,455,318	$ 41,156,325
Local School Debt	22,625,000	24,347,000	26,222,000	28,042,000	30,049,000	32,159,000	33,917,000
	$ 50,750,233	$ 51,093,216	$ 60,384,155	$ 67,170,335	$ 73,880,270	$ 75,614,318	$ 75,073,325
OVERLAPPING DEBT							
County of Bergen (1)	$ 64,735,328	$ 60,607,515	$ 63,412,293	$ 56,356,019	$ 56,562,024	$ 56,563,378	$ 44,582,278
Bergen County Utilities Authority (2)	12,046,307	13,523,799	13,945,770	14,309,833	14,307,592	16,350,907	11,235,054
	$ 76,781,635	$ 74,131,314	$ 77,358,063	$ 70,665,852	$ 70,869,616	$ 72,914,285	$ 55,817,332

(1) County Debt:

	2012	2011	2010	2009	2008	2007	2006
Municipal Equalized Valuations	$ 8,558,395,272	$ 8,672,226,280	$ 9,323,567,268	$ 9,287,253,375	$ 9,374,550,417	$ 8,981,328,259	$ 8,308,287,397
Total County Equalized Valuations	$ 168,748,014,772	$ 173,258,537,441	$ 183,412,099,706	$ 187,580,071,463	$ 182,767,512,263	$ 172,863,500,734	$ 153,984,695,626
	5.07%	5.01%	5.08%	4.95%	5.13%	5.20%	5.40%
County's Outstanding Debt	1,276,830,919	1,209,730,830	1,248,273,490	1,138,505,430	1,102,573,565	1,087,757,268	825,597,736
	$ 64,735,328	$ 60,607,515	$ 63,412,293	$ 56,356,019	$ 56,562,024	$ 56,563,378	$ 44,582,278

(2) Bergen County Utilities Authority Debt:

	2012	2011	2010	2009	2008	2007	2006
Paramus BORO User Fees	$ 3,211,726	$ 3,300,235	$ 3,045,877	$ 2,863,181	$ 2,625,361	$ 2,437,793	$ 2,207,965
Total User Fees	$ 63,866,441	$ 61,684,818	$ 58,635,759	$ 55,599,600	$ 52,885,837	$ 48,210,978	$ 45,482,055
	5.03%	5.35%	5.19%	5.15%	4.96%	5.06%	4.85%
BCUA's Outstanding Debt	239,489,200	252,781,291	268,704,631	277,860,831	288,459,524	323,140,462	231,650,600
	$ 12,046,307	$ 13,523,799	$ 13,945,770	$ 14,309,833	$ 14,307,592	$ 16,350,907	$ 11,235,054

Source: County of Bergen; Bergen County Utilities Authority

BOROUGH OF PARAMUS
RATIO OF ANNUAL DEBT SERVICE APPROPRIATIONS TO TOTAL ADOPTED CURRENT FUND APPROPRIATIONS
(UNAUDITED)

	2012	2011	2010	2009	2008	2007	2006
Serial Bonds:							
Principal	$ 2,635,000	$ 2,265,000	$ 2,125,000	$ 1,990,000	$ 1,900,000	$ 1,873,000	$ 1,775,000
Interest	963,497	997,095	1,080,914	1,158,093	1,195,181	1,331,498	1,386,345
Notes:							
Principal	2,267,849	2,582,849	2,218,000	1,575,000	1,450,000	600,000	-
Interest	150,793	154,000	214,000	390,125	442,600	314,860	-
Loans:							
Principal	40,625	157,580	151,435	86,364	83,048	83,205	133,427
Interest	5,840	8,891	14,026	18,844	23,349	27,688	31,974
	$ 6,063,604	$ 6,165,415	$ 5,803,375	$ 5,218,426	$ 5,094,178	$ 4,230,251	$ 3,326,746
Total Current Fund Budget Appropriations	$ 56,743,903	$ 56,567,264	$ 56,667,327	$ 54,419,333	$ 53,204,541	$ 50,475,422	$ 46,840,443
Ratio of Debt Service to Current Fund Budget Appropriatio	10.69%	10.90%	10.24%	9.59%	9.57%	8.38%	7.10%

BOROUGH OF PARAMUS
DEMOGRAPHIC STATISTICS
(UNAUDITED)

	2012*	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Average Labor Force Estimates by Municipality:											
Labor Force	12,992	12,938	12,922	12,988	12,927	12,862	12,898	12,754	12,428	12,874	12,904
Employment	12,021	11,951	11,920	12,024	12,405	12,474	12,443	12,309	12,116	12,348	12,370
Unemployment	971	987	1,002	964	522	388	455	445	312	526	534
Unemployment Rate	7.5%	7.6%	7.8%	7.4%	4.0%	3.0%	3.5%	3.5%	2.5%	4.1%	4.1%
Per Capital Personal Income - Bergen Cty.	$ 66,096	$ 66,096	$ 65,486	$ 63,198	$ 68,227	$ 67,394	$ 62,714	$ 56,706	$ 54,462	$ 51,132	$ 51,913
	Estimates as of July 1,										
Subcounty Population Estimates:											
Paramus BORO	26,532	26,507	26,374	26,137	26,015	26,010	26,012	26,125	26,257	26,243	26,082
County of Bergen	918,888	911,004	906,184	895,250	889,915	885,664	884,581	887,322	890,232	889,739	889,442

* Latest Information Available

BOROUGH OF PARAMUS
TEN LARGEST TAXPAYERS BY ASSESSMENT
(UNAUDITED)

	Taxpayer	2012 Assessed Valuation	As a Percent of Total 2012 Net Valuations $ 7,999,710,453
1	Westland GSP, L.P. (Route 17)	$ 560,426,600	7.01%
2	Vornado, Bergen Mall, L.L.C.	244,110,300	3.05%
3	ALX of Paramus, L.L.C.	162,000,000	2.03%
4	Paramus Park General Growth Prop.	113,780,000	1.42%
5	Westland GSP, L.P. (Route 4)	97,069,400	1.21%
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	18.50%

BOROUGH OF PARAMUS
VALUE OF NEW CONSTRUCTION, IMPROVEMENTS, ALTERATIONS AND DEMOLITIONS
(UNAUDITED)

	2012	2011	2010	2009	2008
# of Permits Issued	2,478	2,380	2,336	2,043	2,166
Value of Construction	$ 90,809,943	$ 84,613,602	$ 100,126,741	$ 66,317,727	$ 105,936,960

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

Single Audit Section

Di Maria & Di Maria LLP
Accountants and Consultants

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890
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Independent Auditors' Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Borough of Paramus, in the County of Bergen (the "Borough") as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements and have issued our report thereon dated June 30, 2013, which was adverse due to the financial statements being prepared in conformity with accounting principles prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

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

Di Maria & Di Maria LLP

Independent Auditors' Report **(Continued)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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, 2013.

Purpose of this Report

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2013

K-3
Schedule A

BOROUGH OF PARAMUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2012

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, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2012	Deferred Revenue December 31, 2012	Due to Grantor at December 31, 2012
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)	$ -	$ 41,458	$ -	$ -	$ -	$ (216,144)	$ -	$ -
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)	$ -	$ 41,458	$ -	$ -	$ -	$ (246,792)	$ -	$ -
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	01/01/12	12/31/12	-	-	43,175	(38,950)	-	-	-	4,225	-
							$ -	$ -	$ 43,175	$ (38,950)	$ -	$ -	$ -	$ 4,225	$ -
Total Federal Financial Assistance							$ (288,250)	$ -	$ 84,633	$ (38,950)	$ -	$ -	$ (246,792)	$ 4,225	$ -

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

BOROUGH OF PARAMUS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period From	Grant Period To	Balance December 31, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2012	Deferred Revenue December 31, 2012	Due to Grantor at December 31, 2012
General Capital Fund													
State of NJ Department of Transportation-													
Transportation Trust Fund Authority Act	6320-480-608383-60	738,171	Various	Various	$ (311,904)	$ -	$ 49,008	$ -	$ -	$ -	$ (262,896)	$ -	$ -
Current Fund													
State of N.J., Department of Community Affairs --													
Consolidated Municipal Property Tax Relief Aid	082-495-6020	$ 396,031	01/01/12	12/31/12	$ -	$ -	$ 396,031	$ (396,031)	$ -	$ -	$ -	$ -	$ -
LEA Rebates	022-100-6120	143,032	01/01/12	12/31/12	-	-	143,032	(143,032)	-	-	-	-	-
State of N.J., Department of Treasury --													
Energy Receipts Tax	082-100-6020	3,660,278	01/01/12	12/31/12	-	-	3,660,278	(3,660,278)	-	-	-	-	-
Hotel Fees		421,646	01/01/12	12/31/12	-	-	421,646	(421,646)	-	-	-	-	-
Veterans & Senior Citizens	082-495-6020	325,635	01/01/12	12/31/12	-	-	325,635	(325,635)	-	-	-	-	-
Federal and State Grant Fund													
State of N.J., Department of Environmental Protection --													
Clean Communities Program	042-4900-765-004	30,000	01/01/11	12/31/11	29,047	-	-	(735)	-	-	-	28,312	-
Recycling Tonnage Grant	042-4900-752-490	67,747	01/01/12	12/31/12	-	-	67,747	-	-	-	-	67,747	-
State of N.J., Department of Law and Public Safety --													
Safe & Secure Community Program	P4615	60,000	01/01/12	12/31/12	-	-	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	(15,759)	-	6,365	-	9,394	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse	20-00139	15,759	01/01/11	12/31/11	11,690	-	-	(7,356)	(4,334)	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse	20-00139	3,940	01/01/11	12/31/11	831	-	-	(831)	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse	20-00139	15,759	01/01/12	12/31/12	-	-	15,759	-	(15,759)	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse	20-00139	3,940	01/01/12	12/31/12	-	-	3,940	(3,940)	-	-	-	-	-
		Total State Financial Assistance			$ 25,809	$ -	$ 5,100,433	$ (4,959,484)	$ (70,699)	$ -	$ -	$ 96,059	$ -
					$ (286,095)	$ -	$ 5,149,441	$ (4,959,484)	$ (70,699)	$ -	$ (262,896)	$ 96,059	$ -

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

BOROUGH OF PARAMUS
NOTES TO SCHEDULES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

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 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

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, 2012 to December 31, 2012. Breakdown by fund is as follows:

	Federal	State	Total
Current Fund	$ -	$ 4,946,622	$ 4,946,622
Federal and State Grant Fund	38,950	12,862	51,812
General Capital Fund	-	-	-
Total Awards and Financial Assistance	$ 38,950	$ 4,959,484	$ 4,998,434

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, 2012:

General Capital Fund:	
1998 Green Trust Loan	$ 261,484
	$ 261,484

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, 2012

Section I -- Summary of Auditors' Results

Financial Statements

A) Type of auditors' report issued: Adverse - GAAP; Unqualified - Regulatory

B) Internal control over financial reporting:

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

2. Significant deficiency(ies) identified? _____ yes __X__ no

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

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2012

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

Federal Awards

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

A) Internal control over compliance:

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

2. Significant deficiency(ies) identified? ________ yes ________ no

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

C) Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB 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, 2012

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. Significant deficiency(ies) identified? ________ yes ________ no

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

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular 04-04? ________ yes ________ no

D) Identification of major programs:

Program GMIS 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, 2012

Section II -- Financial Statement Findings

1. Condition: The municipality failed to comply with N.J.A.C. 5:30-5.6 which requires the implementation and continued maintenance of a fixed asset accounting system.

   Criteria: N.J.A.C. 5:30-5.6

   Cause: The CFO has failed to implement the accounting directive.

   Effect: The financial statements do not reflect correct amounts for fixed assets.

   Recommendation: That a fixed asset accounting system be implemented in accordance with N.J.A.C. 5:30-5.6.

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2012

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

Current Year

Federal Awards:

None

State Awards:

None

BOROUGH OF PARAMUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2012

1. The Chief Financial Officer did not implement and maintain a general fixed asset accounting system as per *N.J.A.C. 5:30-5.6.*

   Status - Condition continues to exist.

BOROUGH OF PARAMUS

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

Cash Cycle Ref.

Chief Financial Officer

None

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2012

Revenues/Receipts Cycle	Ref.
Municipal Court	
The Borough did not utilize a private collection agency to collect outstanding municipal court debts.	#9
Aged bank reconciling items were not reviewed and cleared of record.	#10
There are tickets assigned but not issued over 180 days.	#11
There are tickets recorded as "Other" case status.	#12
Ticket assignment records were incomplete.	#13
There is only one signature required on the Municipal Court General Account.	#14
There is a shortage in the Municipal Court General Account which has existed for at least 3 years.	#15

<u>Expenditures/Disbursements Cycle</u>	<u>Ref.</u>
The Local Public Contract Law was not adhered to with regard to Affordable Housing Home Improvement Program expenditures.	#4
Affordable Housing checks were prepared and approved months before work was performed.	#4

Payroll Cycle	Ref.
The payroll account was not maintained on an imprest basis.	#16
The payroll account was not reconciled on a monthly basis.	#16
The Borough did not report taxable compensation to applicable employees for non-qualified, non-personal use vehicles.	#6
State statutes pertaining to employee contributions to health insurance premiums are not being adhered to.	#17
A salary ordinance has not been adopted in accordance with state statute.	#5

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2012

Capital Assets	Ref.
A fixed asset system has not been implemented in accordance with *N.J.A.C. 5:30-5.6.*	#1

Other Significant Matters	Ref.
A complete record of accumulated absences was not maintained.	#2
Trust Accounts were established without Dedication by Rider approval.	#3
Adequate subsidiary records for trust accounts are not maintained.	#7
Disclosures for Post-Retirement Benefits were not prepared in accordance with State Regulations.	#8

Golf Course Utility — Ref.

None

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2012

Swimming Pool Utility	Ref.

None

Recommendations

1. That a fixed asset system be implemented in accordance with N.J.A.C. 5:30-5.6. *
2. That a complete record of accumulated absences be maintained. *
3. That all Trust Accounts be established in accordance with State Regulations regarding Dedication by Rider. *
4. That the Local Public Contract Law be strictly adhered to. *
5. That a salary ordinance be adopted in accordance with state statute. *
6. That applicable employee's taxable compensation include automobile fringe benefits in accordance with U.S. Treasury Regulations. *
7. That an adequate subsidiary record be maintained for all Escrow Accounts, and that balances be reviewed and completed accounts be cleared of record. *
8. That required disclosures pertaining to post-employment benefits be prepared. *
9. That the Borough utilize a private collection agency to collect outstanding municipal court debts.
10. That all municipal court bank reconciling items be reviewed, identified and cleared of record. *
11. That tickets assigned but not issued over 180 days be recalled by the Court Administrator and either reassigned or destroyed. *
12. That tickets recorded as "Other" case status be investigated and removed from the system as applicable. *
13. That procedures be implemented to ensure that all tickets be assigned prior to issuance. *
14. That disbursement checks in the Municipal Court General Account require at least two authorizing signatures. *
15. That the shortage in the Municipal Court General Account be reviewed and cleared of record. *
16. That adequate records be maintained for payroll and agency acounts, and that they be maintained on an imprest basis. *
17. That state statutes pertaining to employee contribution to health insurance premiums be strictly adhered to. *

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2012

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, 2013