

TOWNSHIP OF TEANECK  
BERGEN COUNTY, NEW JERSEY

FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2012

TOWNSHIP OF TEANECK  
BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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TOWNSHIP OF TEANECK  
BERGEN COUNTY, NEW JERSEY

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**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
Of the Teaneck Council  
Township of Teaneck, New Jersey

We have audited the accompanying comparative balance sheets—regulatory basis of various funds of the Township of Teaneck, County of Bergen, State of New Jersey (the "Township"), as of December 31, 2012 and 2011, and the related comparative statements of operations and changes in fund balance—regulatory basis for the years then ended, and the related statements of revenue and expenditures—regulatory basis, and statement of general fixed asset group of accounts for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the 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 the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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.

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

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

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

As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the *Division of Local Government Services, Department of Community Affairs, State of New Jersey*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position- regulatory basis of the various funds of the Township as of December 31, 2012 and 2011, and the results of its operations and the changes in fund balance of such funds for the years then ended, and the revenues-regulatory basis, expenditures-regulatory basis, of the various funds, and general fixed assets, for the year ended December 31, 2012, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

### **Other Information**

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental financial statements presented for the purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

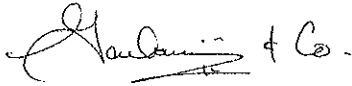
The accompanying schedules of expenditures of federal awards and/or state financial assistance are presented for the purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations* and State of New Jersey Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are also not a required part of the financial statements. The supplementary schedules and schedules of expenditures of federal awards and/or 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole on the basis of accounting described in Note 1.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 24, 2013 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534



Garbarini & Co. P.C.  
Certified Public Accountants

July 24, 2013  
Carlstadt, New Jersey



TOWNSHIP OF TEANECK  
CURRENT FUND

**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	Reference	<u>At December 31:</u>	
		<u>2012</u>	<u>2011</u>
<b>ASSETS</b>			
Current Assets:			
Cash	A-4	\$ 22,355,891.20	\$ 25,741,003.53
Petty Cash	A-6	1,800.00	1,800.00
Change Fund	A-7	750.00	575.00
Note Receivable- Capital Fund	A-12	1,060,979.32	
Senior Citizens' and Veterans' Deductions Due from State of New Jersey	A-8	3,249.31	3,172.61
		<u>23,422,669.83</u>	<u>25,746,551.14</u>
Receivable and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-9	\$ 2,598,960.07	2,341,714.51
Tax Title Liens Receivable	A-10A	2,444.50	1,593.56
Property Acquired for Taxes - Assessed Valuations	A-10	\$263,167.00	263,167.00
Revenue Accounts Receivable	A-11	47,865.25	48,189.52
Sales Contracts Receivable	A-13	10,000.00	15,000.00
Other Accounts Receivable	A-14	21,150.74	102,148.87
		<u>2,943,587.56</u>	<u>2,771,813.46</u>
Deferred Charges :			
Special Emergency Authorizations NJSA 40A:4-53	A-15	614,666.40	768,333.00
		<u>26,980,923.79</u>	<u>29,286,697.60</u>
Federal and State Grant Fund:			
Interfund - Current Fund	A-12	171,338.30	48,390.16
Grants Receivable	A-17	120,423.60	165,892.90
		<u>291,761.90</u>	<u>214,283.06</u>
<b>TOTAL ASSETS</b>		<u>\$ 27,272,685.69</u>	<u>\$ 29,500,980.66</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND

**COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(CONTINUED)**

A

		<u>At December 31:</u>	
	Reference	<u>2012</u>	<u>2011</u>
<b>LIABILITIES, RESERVES AND FUND BALANCES</b>			
Current Fund:			
Appropriation Reserves	A-3/A-18	\$ 3,373,864.14	\$ 3,505,671.17
Encumbrances Payable	A-3/A-19	1,242,599.60	826,420.11
Interfunds	A-12	11,825,139.97	13,417,849.62
Special Emergency Note Payable	A-16	614,333.00	768,000.00
Prepaid Taxes	A-20	508,601.44	595,220.93
Prepaid Licenses and Permits	A-21		9,520.00
Added County Taxes Payable	A-23	22,240.56	16,087.06
Due to State of New Jersey:			
Domestic Violence	A-26	2,275.00	875.00
Building Surcharge Fees	A-26	7,707.00	8,885.00
Dog License Fees	A-26	16.80	14.40
Tax and Interest Overpayments	A-26	780,834.66	1,149,838.47
Miscellaneous Suspense Deposits	A-26	34,135.00	33,835.00
Accounts Payable	A-26	53,295.25	56,233.25
Reserve for:			
Library Grants	A-26	195.80	195.80
Maintenance of Free Public Library with State Aid	A-26	85,932.00	102,720.96
Revaluation	A-26	196,847.62	196,847.62
Master Plan Update	A-26	3,188.78	3,188.78
Property Deposits	A-26	6,750.00	6,750.00
Tax Settlement	A-26	58,313.47	58,313.47
Debt Payment Cedar Lane SID Loan	A-26	40,000.00	40,000.00
Severance Liabilities	A-26		73,055.35
Sale of Municipal Assets	A-26	15,750.00	15,750.00
		<u>18,872,020.09</u>	<u>20,885,271.99</u>
Reserve for Receivables	Contra	2,943,587.56	2,771,813.46
Fund Balance	A-1	<u>5,165,316.14</u>	<u>5,629,612.15</u>
		<u>26,980,923.79</u>	<u>29,286,697.60</u>
Federal and State Grant Fund :			
Appropriated Reserve for Grants	A-27	200,498.19	211,339.26
Unappropriated Reserves for Grants	A-29	78,959.48	250.00
Encumbrances Payable	A-28	12,304.23	2,693.80
		<u>291,761.90</u>	<u>214,283.06</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$ 27,272,685.69</b>	<b>\$ 29,500,980.66</b>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

A-1

	Reference	<u>For the Years Ended December 31:</u>	
		<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 4,450,000.00	\$ 4,450,000.00
Miscellaneous Revenue Anticipated	A-2	8,372,079.25	8,553,175.56
Receipts from Delinquent Taxes	A-2	2,334,089.20	2,073,317.43
Receipts from Current Taxes	A-2	142,114,347.01	140,216,492.59
Non-Budget Revenues	A-2	938,615.18	786,880.95
Other Credits to Income:			
Unexpended Balance of Appropriations	A-3	350.03	
Unexpended Balance of Appropriation Reserves	A-18	2,339,427.05	1,951,350.58
Canceled School Taxes	A-22	0.02	
Cancellation of Appropriated Grants	A-27		383.14
Cancellation of Accounts Payable	A-26		417,333.79
Revenue Accounts Receivable-Sales Contracts Receipts	A-13	5,000.00	
		<u>160,553,907.74</u>	<u>158,448,934.04</u>
Total Revenues and Other Income			
Expenditures:			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages	A-3	33,510,684.00	32,680,953.00
Other Expenses	A-3	20,555,293.75	19,800,257.19
Municipal Debt Service	A-3	1,880,879.05	1,843,946.61
Capital Improvements	A-3	326,740.00	546,838.00
Deferred Charges and Statutory Expenditures - Municipal	A-3	7,025,622.38	8,646,935.31
Local District School Taxes	A-22	79,546,326.00	79,235,126.00
County Taxes including Added Taxes	A-23	12,582,750.18	12,048,879.54
Special District Taxes	A-24	180,182.93	183,888.41
Municipal Open Space Taxes	A-25, B-15	602,765.64	607,476.24
Cancellation of Grants Receivable			-
Bank Service Charges and Fees	A-4	19,804.61	-
Prior Year Senior Citizen & Veteran Deductions	A-8	3,250.00	4,101.37
Refund of Prior Years Revenue	A-4	3,953.60	
Refund Tax Appeals	A-4	329,951.61	590,785.07
		<u>156,568,203.75</u>	<u>156,189,186.74</u>
Total Expenditures			
Excess in Revenue		3,985,703.99	2,259,747.30
Adjustments to Income Before Fund Balance			
Emergency Authorization - Which are by Statute			
Deferred to Budget of Succeeding Year			768,333.00
			<u>768,333.00</u>
Statutory Excess to Fund Balance		3,985,703.99	3,028,080.30
Fund Balance January 1	A	5,629,612.15	7,051,531.85
		<u>9,615,316.14</u>	<u>10,079,612.15</u>
Decreased by:			
Fund Balance Utilizes as Budget Revenue		<u>4,450,000.00</u>	<u>4,450,000.00</u>
Fund Balance December 31	A	<u>\$ 5,165,316.14</u>	<u>\$ 5,629,612.15</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF REVENUES - REGULATORY BASIS

A-2

	<u>Reference</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 4,450,000.00	\$ 4,450,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-11	70,000.00	71,814.00	1,814.00
Other	next pg.	125,000.00	118,310.00	(6,690.00)
Fees and Permits - Other	next pg.	975,000.00	1,020,291.97	45,291.97
Fines and Costs:				
Municipal Court	A-11	730,000.00	678,046.46	(51,953.54)
Other	A-11	20,000.00	19,254.00	(746.00)
Interest and Costs on Taxes	A-4	505,000.00	544,143.75	39,143.75
Interest and Costs on Assessments	A-4	15,000.00	6,478.11	(8,521.89)
Interest on Investments and Deposits	A-11	40,000.00	2,092.90	(37,907.10)
Rent of Township Property	A-11	46,000.00	55,004.21	9,004.21
Sewer Use Charges	A-11	525,000.00	568,296.83	43,296.83
Consolidated Municipal Property Tax Relief Aid	A-11	232,952.00	232,951.90	(0.10)
Energy Receipts Tax	A-11	3,146,344.00	3,146,344.00	-
Uniform Construction Code Fees	A-11	880,000.00	1,018,896.60	138,896.60
Special Items of General Revenue Anticipated				
With prior written Consent of Director of				
Local Government Services - Public and				
Private Revenue Offset with Appropriations				
Pedestrian Safety	A-17	16,000.00	16,000.00	-
FEMA Firefighters Grant	A-17	74,151.00	74,151.00	-
FEMA Assistance to Firefighters Grant	A-17	8,906.00	8,906.00	-
Sustainable Land Use Planning Grant	A-17	5,250.00	5,250.00	-
Municipal Alliance Grant	A-17	15,759.00	15,759.00	-
Drunk Driving Enforcement Fund	A-17	4,573.62	4,573.62	-
COPS in Shops	A-17	2,400.00	2,400.00	-
Clean Communities	A-17	53,767.99	53,767.99	-
Office of Emergency Management	A-17	5,000.00	5,000.00	-
Other Special Items:				
Hotel Occupancy Fee (P.L. 2003, c. 114)	A-11	420,000.00	430,346.91	10,346.91
Reserve for CLSID Downtown Loan Payment	A-26	40,000.00	40,000.00	-
Capital Surplus	A-12	234,000.00	234,000.00	-
Total Miscellaneous Revenues	A-1	8,190,103.61	8,372,079.25	181,975.64
Receipts from Delinquent Taxes	A-1, next pg.	2,323,155.00	2,334,089.20	10,934.20
Subtotal General Revenues		14,963,258.61	15,156,168.45	192,909.84
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal				
Purposes Including Reserve for Uncollected Taxes				
	A-9, next pg.	51,465,960.57	52,332,322.26	866,361.69
Budget Totals		66,429,219.18	67,488,490.71	1,059,271.53
Non-Budget Revenue	A-1, next pg.		938,615.18	938,615.18
		<u>\$ 66,429,219.18</u>	<u>\$ 68,427,105.89</u>	<u>\$ 1,997,886.71</u>
		A-3		
Adopted Budget	A-3	\$ 66,405,489.56		
Appropriated by N.J.S.A. 40A:4-87	A-3	23,729.62		
		<u>\$ 66,429,219.18</u>		

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**STATEMENT OF REVENUES - REGULATORY BASIS  
(CONTINUED)**

A-2

<u>Analysis of Realized Revenues</u>		
	<u>Reference</u>	
Revenue from Collections	A-1	\$ 142,114,347.01
Allocated to School, County and Special District Taxes and Municipal Open Space Taxes	A-9	<u>(92,912,024.75)</u>
Balance for Support of Municipal Appropriations		49,202,322.26
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>3,130,000.00</u>
Amount for Support of Municipal Budget Appropriations	prev. pg.	<u>\$ 52,332,322.26</u>
Receipts from Delinquent Taxes		
Delinquent Taxes	A-9	<u>\$ 2,334,089.20</u>
	prev. pg.	<u>\$ 2,334,089.20</u>
Licenses - Other:		
Township Clerk	A-11	\$ 9,375.00
Health Department	A-11	108,935.00
	prev. pg.	<u>\$ 118,310.00</u>
Fees and Permits - Other:		
Township Clerk	A-11	\$ 27,411.38
Department of Public Works	A-11	11,015.00
Fire Department	A-11	33,097.00
Planning Board/Board of Adjustment	A-11	76,016.10
Board of Health	A-11	108,272.00
Police Department	A-11	42,129.42
Recreation Department	A-11	<u>722,351.07</u>
	A-2	<u>\$ 1,020,291.97</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**STATEMENT OF REVENUES - REGULATORY BASIS  
(CONTINUED)**

A-2

Analysis of Non-Budget Revenues  
Reference

Miscellaneous Revenues Not Anticipated:

Revenues Accounts Receivable:

Teaneck Senior Citizens Housing Association		
Lease Agreement (PILOT)	A-11	\$ 84,300.00
Township Clerk	A-11	8,151.65
Health Department	A-11	947.00
Department of Public Works	A-11	3,474.00
Police Department	A-11	107.10
Building Department	A-11	17,458.70
Recreation	A-11	7,000.00
Fire Department	A-11	8,844.72
Assessor	A-11	8.50
Miscellaneous Charges Receivable	A-14	<u>118,124.02</u>

248,415.69

Fire Services Reimbursement LEA Rebate	20,063.77
Other- Miscellaneous	14,007.83
Duplicate Tax Bills	369.02
Appropriation Refunds	53,592.97
Miscellaneous Department Fees	3,367.00
Creative Outdoor Advertising Fees	350.25
Lot Cleanings	2,842.97
TBOE Shared Services	2,829.88
Cable Franchise Fee	199,680.29
DEA/Ice Overtime Reimbursement	26,021.01
SB Tower- Rent & Revenue Sharing	44,904.28
Prior Year Voided Checks	25,393.27
Telephone Commissions	65.63
Township Auctions	5,326.86
Parking Meters	13,664.32
State of NJ Hep B Fund	3,192.00
FEMA Reimbursement	108,500.01
Film Fees	1,000.00
Veterans & Sr. Citizen Deduction/ Homestead Reb Fees	6,556.46
Restitution and Fines	683.00
Fire Chief Misc	2,978.11
Premium Refunds as per Resolution	19,500.00
Bond Anticipation Note Premiums	129,908.66
Christmas Lights Donations	1,141.98
DMV Inspection Reimbursements	<u>4,259.92</u>

A-4 690,199.49

A-2 \$ 938,615.18

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

General Appropriations	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditure
OPERATIONS - WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Township Manager						
Salaries and Wages	\$ 313,500.00	\$ 313,500.00	\$ 271,545.75	\$ 41,954.25	\$ -	\$ -
Other Expenses	49,725.00	39,725.00	25,047.24	14,677.76	-	-
Township Council						
Salaries and Wages	49,980.00	49,980.00	48,998.88	981.12	-	-
Other Expenses	32,500.00	32,500.00	29,632.59	2,867.41	-	-
Township Clerk						
Salaries and Wages	174,000.00	179,000.00	176,157.46	2,842.54	-	-
Other Expenses	144,425.00	139,425.00	70,848.61	68,576.39	-	-
Human Resources						
Salaries and Wages	149,520.00	149,520.00	148,432.83	1,087.17	-	-
Other Expenses	53,100.00	53,100.00	24,359.50	28,740.50	-	-
Finance Office						
Salaries and Wages	469,000.00	469,000.00	463,960.82	5,039.18	-	-
Other Expenses	105,400.00	120,400.00	120,329.79	70.21	-	-
Purchasing						
Salaries and Wages	152,000.00	152,000.00	150,488.40	1,511.60	-	-
Other Expenses	3,830.00	3,830.00	3,478.06	351.94	-	-
Annual Audit						
Other Expenses	89,750.00	89,750.00	89,473.75	276.25	-	-
Management Information Systems						
Other Expenses	93,558.00	93,558.00	79,481.45	14,076.55	-	-
Tax Collection Office						
Salaries and Wages	211,600.00	211,600.00	194,454.76	17,145.24	-	-
Other Expenses	7,125.00	7,125.00	6,430.30	694.70	-	-
Assessment of Taxes						
Salaries and Wages	177,500.00	177,500.00	176,632.95	867.05	-	-
Other Expenses	111,795.00	151,795.00	142,746.16	9,048.84	-	-
Legal Services and Costs						
Salaries and Wages	71,000.00	71,000.00	69,487.92	1,512.08	-	-
Other Expenses	929,800.00	929,800.00	669,113.83	260,686.17	-	-
Municipal Court:						
Salaries and Wages	476,500.00	452,500.00	393,989.73	58,510.27	-	-
Other Expenses	46,370.00	70,370.00	47,256.66	23,113.34	-	-

(Continued Next Page)

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

General Appropriations	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditure
<b>OPERATIONS - WITHIN "CAPS" (CONT'D)</b>						
<b>INSURANCE:</b>						
Group Insurance Plan for Employees	\$ 5,812,200.00	\$ 5,812,200.00	\$ 5,442,221.17	\$ 369,978.83	\$ -	\$ -
Other Insurance Premiums	192,500.00	192,500.00	192,500.00	-	-	-
Insurance Fund Commission	1,050,000.00	1,050,000.00	1,050,000.00	-	-	-
<b>PUBLIC SAFETY:</b>						
<b>Police</b>						
Salaries and Wages	11,680,000.00	11,680,000.00	11,613,052.94	66,947.06	-	-
Other Expenses	216,967.00	216,967.00	184,996.65	31,970.35	-	-
Purchase of Police Cars	195,700.00	195,700.00	190,134.84	5,565.16	-	-
<b>School Guards</b>						
Salaries and Wages	155,000.00	155,000.00	150,324.17	4,675.83	-	-
Other Expenses	1,000.00	1,000.00	1,000.00	-	-	-
<b>Emergency Management</b>						
Other Expenses	17,000.00	17,000.00	2,494.05	14,505.95	-	-
<b>Volunteer Ambulance Corps</b>						
Other Expenses	70,000.00	70,000.00	70,000.00	-	-	-
<b>Fire</b>						
Salaries and Wages	9,806,400.00	9,801,300.00	9,751,999.76	49,300.24	-	-
Other Expenses	132,204.00	137,304.00	86,505.77	50,798.23	-	-
<b>PUBLIC WORKS:</b>						
<b>Department of Public Works</b>						
Salaries and Wages	3,328,100.00	3,328,100.00	3,081,839.95	246,260.05	-	-
Other Expenses	1,920,165.00	1,920,165.00	1,158,030.05	762,134.95	-	-
<b>Building and Grounds</b>						
Salaries and Wages	535,500.00	535,500.00	531,477.50	4,022.50	-	-
Other Expenses	97,800.00	107,800.00	95,238.31	12,561.69	-	-
<b>Maintenance Garage</b>						
Salaries and Wages	793,500.00	778,500.00	739,141.48	39,358.52	-	-
Other Expenses	447,245.00	462,245.00	434,141.89	28,103.11	-	-
<b>HEALTH AND WELFARE:</b>						
<b>Health Department</b>						
Salaries and Wages	574,000.00	574,000.00	507,933.92	66,066.08	-	-
Other Expenses	255,632.00	255,632.00	217,350.47	38,281.53	-	-

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See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

General Appropriations	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditure
<b>OPERATIONS - WITHIN "CAPS" (CONT'D)</b>						
<b>PARKS AND RECREATION:</b>						
Recreation Department						
Salaries and Wages	\$ 1,593,800.00	\$ 1,593,800.00	\$ 1,572,316.67	\$ 21,683.33	\$ -	\$ -
Other Expenses	261,613.00	261,613.00	244,935.05	16,677.95	-	-
<b>UNIFORM CONSTRUCTION CODE:</b>						
Construction Code officials						
Salaries and Wages	811,200.00	811,200.00	794,985.31	16,214.69	-	-
Other Expenses	82,485.00	82,485.00	56,758.94	25,726.06	-	-
<b>UNCLASSIFIED:</b>						
Terminal Leave	150,000.00	150,000.00	150,000.00	-	-	-
Postage	78,000.00	78,000.00	61,832.58	16,167.42	-	-
Central Supply	53,300.00	53,300.00	38,717.41	14,582.59	-	-
Employee Allowances	186,770.00	121,770.00	66,329.59	55,440.41	-	-
Advertising	15,000.00	15,000.00	11,927.82	3,072.18	-	-
Utilities:						
Electricity, Gas and Street Lighting	1,295,800.00	1,295,800.00	1,037,062.65	258,737.35	-	-
Telephone and Telegraph	94,100.00	104,100.00	90,187.23	13,912.77	-	-
Water & Fire Hydrants	524,900.00	524,900.00	508,345.25	16,554.75	-	-
Heating Oil	34,500.00	34,500.00	23,374.41	11,125.59	-	-
Diesel Fuel	281,400.00	281,400.00	269,401.91	11,998.09	-	-
Gasoline	275,500.00	275,500.00	219,584.40	55,915.60	-	-
Total Operations within "CAPS"	46,931,259.00	46,931,259.00	44,048,289.58	2,882,969.42	-	-
Contingent	20,000.00	20,000.00	13,452.83	6,547.17	-	-
Total operations Including Contingent Within "CAPS"	46,951,259.00	46,951,259.00	44,061,742.41	2,889,516.59	-	-
Detail:						
Salaries and Wages	31,672,100.00	31,633,000.00	30,987,021.20	645,978.80	-	-
Other Expenses	15,279,159.00	15,318,259.00	13,074,721.21	2,243,537.79	-	-

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See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

General Appropriations	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditure
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>						
Deferred Charges:						
Payment of Prior Years Bills:						
Carmagnola & Ritadri, LLC - 2009 - Legal Fee	\$ 9,512.32	\$ 9,512.32	\$ 9,512.32	\$ -	\$ -	\$ -
AES Fire, LLC - 2009 - Fire Alarm Inspection	2,091.00	2,091.00	2,091.00	-	-	-
John J. Bruno - 2010 - Munic Court Repl Judge	1,925.00	1,925.00	1,925.00			
Edmunds & Assoc. - 2008 - Tax Office	350.00	350.00	-		350.00	
Statutory Expenditures						
Contribution to:						
Public Employees' Retirement System	989,772.00	989,772.00	989,772.00	-	-	-
Social Security System (O.A.S.I.)	1,404,000.00	1,404,000.00	1,201,650.96	202,349.04	-	-
Consolidated Police and Fireman's Pension Fund	58,666.46	58,666.46	58,666.46	-	-	-
Police and Fireman's Retirement System	4,340,639.00	4,340,639.00	4,340,639.00	-	-	-
Unemployment Insurance	60,000.00	60,000.00	-	60,000.00		
DCRP	5,000.00	5,000.00	4,475.98	524.02	-	-
Total Deferred Charged and Statutory Expenditures - Municipal within "CAPS"	<u>6,871,955.78</u>	<u>6,871,955.78</u>	<u>6,608,732.72</u>	<u>262,873.06</u>	<u>350.00</u>	<u>-</u>
Total General Appropriations for Municipal Purposes within "CAPS"	<u>53,823,214.78</u>	<u>53,823,214.78</u>	<u>50,670,475.13</u>	<u>3,152,389.65</u>	<u>350.00</u>	<u>-</u>
 <b>OPERATIONS - EXCLUDED FROM "CAPS"</b>						
Reserve for Tax Appeals	200,000.00	200,000.00	200,000.00	-		
Maintenance of Free Public Library (P.L. 1985 Ch. 82-541)						
Salaries and Wages	1,877,684.00	1,877,684.00	1,744,234.17	133,449.83	-	-
Other Expenses	408,050.00	408,050.00	324,037.30	84,012.70	-	-
Bergen County Utilities Authority (40:14A-9)						
Sewer Service Charge	4,424,938.14	4,424,938.14	4,424,937.18	0.96	-	-
 <b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:</b>						
Clean Communities Program						
Department of Public Works						
Other Expenses	53,767.99	53,767.99	53,767.99	-		

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See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

General Appropriations	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	Over- Expenditure
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (CONT'D):						
NJ Division of Criminal Justice- Body Armor Grant				\$ -	\$ -	\$ -
Matching Funds for Grants	10,000.00	10,000.00	5,989.00	4,011.00	-	-
Pedestrian Safety	16,000.00	16,000.00	16,000.00	-	-	-
FEMA Firefighters Grant	74,151.00	74,151.00	74,151.00	-	-	-
Matching Funds for FEMA Firefighters	8,239.00	8,239.00	8,239.00	-	-	-
Municipal Alliance Against Drug & Alcohol Abuse	15,759.00	15,759.00	15,759.00	-	-	-
COPS in Shops	2,400.00	2,400.00	2,400.00	-	-	-
Chapter 159						
Sustainable Land Use Planning Grant	5,250.00	5,250.00	5,250.00	-	-	-
2012 FEMA Firefighters Grant	8,906.00	8,906.00	8,906.00	-	-	-
Drunk Driving Enforcement Fund	4,573.62	4,573.62	4,573.62	-	-	-
FFY 10 Office of Emergency Management	5,000.00	5,000.00	5,000.00	-	-	-
Total Operations - Excluded from "CAPS"	<u>7,114,718.75</u>	<u>7,114,718.75</u>	<u>6,893,244.26</u>	<u>221,474.49</u>	<u>-</u>	<u>-</u>
Detail:						
Salaries and Wages	1,877,684.00	1,877,684.00	1,744,234.17	133,449.83	-	-
Other Expenses	5,237,034.75	5,237,034.75	5,149,010.09	88,024.66	-	-
Capital Improvements Excluded from "CAPS"						
Capital Improvement Fund	326,740.00	326,740.00	326,740.00	-	-	-
Total Capital Improvements Excluded from "CAPS"	<u>326,740.00</u>	<u>326,740.00</u>	<u>326,740.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Municipal Debt Service:						
Payment of Bond Principal	300,000.00	300,000.00	300,000.00	-	-	-
Payment of Bond Anticipation Notes	968,924.00	968,924.00	968,924.00	-	-	-
Interest on Bonds	51,695.50	51,695.50	51,695.50	-	-	-
Interest on Notes	361,729.11	361,729.11	361,729.08	-	0.03	-
EDA Loan - Principal	67,500.00	67,500.00	67,500.00	-	-	-
EDA Loan - Interest	2,025.00	2,025.00	2,025.00	-	-	-
BCIA -Principal	70,052.17	70,052.17	70,052.17	-	-	-
BCIA -Interest	18,953.27	18,953.27	18,953.27	-	-	-
Downtown Business District Loan - Principal	40,000.00	40,000.00	40,000.00	-	-	-
Total Municipal Debt Service - Excluded from "CAPS"	<u>1,880,879.05</u>	<u>1,880,879.05</u>	<u>1,880,879.02</u>	<u>-</u>	<u>0.03</u>	<u>-</u>

(Continued Next Page)

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

	APPROPRIATIONS		EXPENDED			Over- Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved	Canceled	
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>						
Deferred Charges:						
Special Emergency Authorization - 5 Years	\$ 153,666.60	\$ 153,666.60	\$ 153,666.60	\$ -	\$ -	\$ -
Total Deferred Charges - Municipal- Excluded From "CAP"	<u>153,666.60</u>	<u>153,666.60</u>	<u>153,666.60</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE-EXCLUDED FROM "CAPS"	<u>9,476,004.40</u>	<u>9,476,004.40</u>	<u>9,254,529.88</u>	<u>221,474.49</u>	<u>350.03</u>	<u>0.00</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>63,299,219.18</u>	<u>63,299,219.18</u>	<u>59,925,005.01</u>	<u>3,373,864.14</u>	<u>700.03</u>	<u>0.00</u>
Reserve for Uncollected Taxes	<u>3,130,000.00</u>	<u>3,130,000.00</u>	<u>3,130,000.00</u>		-	-
TOTAL GENERAL APPROPRIATIONS	<u>\$ 66,429,219.18</u>	<u>\$ 66,429,219.18</u>	<u>\$ 63,055,005.01</u>	<u>\$ 3,373,864.14</u>	<u>\$ 350.03</u>	<u>\$ -</u>
Reference	A-2	A-2	Below	A	A-1	A
Reference						
Cash Expended	A-4		\$58,434,484.62			
Encumbrance Payable	A, A-19		1,242,599.60			
Reserve for Uncollected Taxes	A-2		3,130,000.00			
Budget Offsets	A-4		(455,781.42)			
Deferred Charges- Special Emergency Authorization	A-15		153,666.60			
Due to Trust Fund	A-12		150,000.00			
Reserve for Tax Appeals	A-26		200,000.00			
Transfer to Grant Fund	A-27		185,807.61			
Transfer to Grant Fund - Matching Funds	A-4,27		<u>14,228.00</u>			
	Above		<u>\$63,055,005.01</u>			

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND

COMPARATIVE BALANCE SHEET- REGULATORY BASIS

B

<u>ASSETS</u>	<u>Reference</u>	<u>At December 31:</u>	
		<u>2012</u>	<u>2011</u>
<b>Assessment Fund:</b>			
Cash	B-2	\$ 8,201.85	\$ 8,201.85
Assessments Receivable	B-4	7,917.40	15,951.03
Due From Current Fund	B-5	340,971.72	332,938.09
		357,090.97	357,090.97
<b>Animal License Fund:</b>			
Cash	B-2	12,411.49	12,411.49
Due from Current Fund	B-5	29,088.40	7,304.00
Due from Board of Health	B-8	48.00	
		41,547.89	19,715.49
<b>Other Trust Funds:</b>			
Cash	B-2	126,646.07	131,632.81
Cash - Payroll	B-2	327,876.62	452,281.44
Due From Social Services	B-12	5,000.00	
Due from Current Fund	B-5	5,100,630.04	5,058,486.49
Due from General Capital Fund	B-6	3,094,550.61	3,169,550.61
		8,654,703.34	8,811,951.35
<b>TOTAL ASSETS</b>		<b>\$ 9,053,342.20</b>	<b>\$ 9,188,757.81</b>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND

COMPARATIVE BALANCE SHEET- REGULATORY BASIS  
(CONTINUED)

B

		<u>At December 31:</u>	
LIABILITIES, RESERVE AND FUND BALANCE	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Assessment Fund:			
Due to General Capital Fund	B-7,C	\$ 353,828.21	\$ 353,828.21
Fund Balance	B-1	3,262.76	3,262.76
		357,090.97	357,090.97
Animal License Fund:			
Reserve for Dog Fund Expenditures	B-8	41,547.89	19,715.49
Due to State of New Jersey	B-8A	-	
		41,547.89	19,715.49
Other Trust Funds:			
Tax Sale Premiums	B-9	1,767,000.00	1,250,900.00
Returned Bail	B-9	5,494.50	5,494.50
Outside Police Duty	B-9	218,448.79	66,199.26
Street and Other Deposits Payable	B-9	918,232.79	825,063.09
Deposits for Redemption of Tax Sale Certificates	B-9	277,046.46	232,274.43
Drunk Driving Enforcement Fund	B-9	18,952.12	19,252.12
Municipal Court - POAA	B-9	52,635.73	52,744.60
Dedicated Fire Penalties	B-9	8,587.00	8,087.00
Reserve for Elevator Inspection Fees	B-9	4,571.00	8,236.00
Snow Removal Reserve	B-9	355,159.97	367,375.25
Donations for Municipal Open Space	B-9	25,844.00	25,844.00
Reserve for Accumulated Absence Liability	B-9	20,740.71	130,914.27
Reserve for Recycling	B-9	526,973.41	547,211.38
Other Gifts and Donations	B-9	106,616.43	120,238.67
Zoning Escrow Deposits	B-9	131,574.65	109,999.65
Reserve for Special Law Enforcement Trust	B-9	249,802.99	114,513.06
Cedar Lane Special Improvement District	B-9	118,473.00	110,883.45
Payroll Deductions	B-10	327,876.62	452,281.44
Reserve For:			
Self Insurance Fund (Commission)	B-11	179,687.67	977,553.21
Worker's Compensation Self Insurance	B-11	85,842.17	493,708.26
Unemployment Insurance Trust Fund	B-11	205,449.60	222,729.36
Affordable Housing	B-12	295,606.89	295,677.28
COAH Fees	B-13	71,030.83	71,020.64
Municipal Open Space	B-14	251,783.93	475,243.99
Municipal Open Space- Recreation	B-15	2,431,272.08	1,828,506.44
Total Liabilities, Reserves, & Fund Balance		8,654,703.34	8,811,951.35
TOTAL LIABILITIES, RESERVE AND FUND BALANCE		\$ 9,053,342.20	\$ 9,188,757.81

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

STATEMENT OF FUND BALANCE - REGULATORY BASIS  
ASSESSMENT TRUST FUND

B-1

	Reference	
Balance December 31, 2011	B	\$ 3,262.76
		<hr/>
Balance December 31, 2012	B	\$ 3,262.76
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See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND

C

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

ASSETS	Reference	At December 31:	
		2012	2011
Cash	C-2, 3	\$ 385,170.33	\$ 119,658.61
Due from Current Fund	C-2A	6,183,111.51	7,970,730.88
Due from Trust Assessment Fund	B	353,828.21	353,828.21
Due from Community Development - Grants	C-4	85,315.89	174,158.00
Due from State of New Jersey- State Road Aid	C-4	523,367.11	948,545.78
Due from Bergen County Open Space Trust	C-4	214,708.00	267,502.00
Deferred Charges to Future Taxation			
Funded	C-5	1,946,081.93	2,423,634.10
Unfunded	C-6	31,761,068.08	33,668,988.19
		\$ 41,452,651.06	\$ 45,927,045.77
 <b>TOTAL ASSETS</b>			
 <b>LIABILITIES, RESERVE AND FUND BALANCE</b>			
E.D.A. Loan Payable	C-7	67,500.00	135,000.00
Downtown Business Improv. Fund Loan Payable	C-8	360,000.00	400,000.00
General Serial Bonds Payable	C-9	1,044,000.00	1,344,000.00
Bond Anticipation Notes	C-10	22,378,350.00	23,347,274.00
Notes Payable- Current Fund	C-10A	1,060,979.32	0.00
Capital Lease Payable	C-11	474,581.93	544,634.10
Due to Other Trust Fund	C-15	3,094,550.61	3,169,550.61
Reserve for Improvements		25,000.67	25,000.67
Reserve for Preliminary Cost Studies	C-16	107,964.77	160,849.18
Improvement Authorizations			
Funded	C-12	1,158,761.80	1,986,086.19
Unfunded	C-12	8,245,119.50	13,952,260.76
Encumbrance Payable	C-18	1,715,618.34	
Capital Improvement Fund	C-13	726,717.09	627,327.09
Reserve for Payment of BANS	C-17	398,817.24	0.00
Fund Balance	C-1	594,689.79	235,063.17
		\$ 41,452,651.06	\$ 45,927,045.77

Bonds and notes authorized but not issued on December 31, 2012  
amounted to \$ 8,321,738.76 (Exhibit C-14).

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

	Reference	
Balance December 31, 2011	C	\$ 235,063.17
Increased by:		
Canceled Ordinances	C-12	593,626.62
		828,689.79
Decreased by:		
Appropriated to 2012 Budget Revenue	C-2A	234,000.00
Balance December 31, 2012	C	\$ 594,689.79

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
SOCIAL SERVICES FUND

**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

**D**

	<u>Reference</u>	<u>At December 31:</u>	
<b>ASSETS</b>		<u>2012</u>	<u>2011</u>
Cash	D-1	11,323.79	4,734.67
<b>TOTAL ASSETS</b>		11,323.79	4,734.67
<b>LIABILITIES, RESERVE AND FUND BALANCE</b>			
Due to Other Trust Fund	B	\$ 5,000.00	
Reserve for Social Services	D-2	6,223.79	4,734.67
<b>TOTAL LIABILITIES, RESERVE AND FUND BALANCE</b>		11,223.79	4,734.67

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
GENERAL FIXED ASSET ACCOUNT GROUP

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS- REGULATORY BASIS

E

	<u>At December 31,</u>	
	<u>2012</u>	<u>2011</u>
<b><u>GENERAL FIXED ASSETS:</u></b>		
Land	\$ 119,004,300.00 *	\$ 55,464,000.00
Buildings	15,717,300.00	14,116,200.00
Machinery, Equipment and Vehicles	<u>16,091,151.12</u>	<u>15,489,115.18</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 150,812,751.12</u></b>	<b><u>\$ 85,069,315.18</u></b>
Investment in General Fixed Assets	<u>\$ 150,812,751.12</u>	<u>\$ 85,069,315.18</u>

\* Adjusted to agree with assessed value per tax duplicate

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011

**1. Summary of Significant Accounting Policies**

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

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

***A. Reporting Entity***

The Township operates under a Council-Manager form of government. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

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

However, the municipalities in the State of New Jersey do not issue financial statements in accordance with GAAP, and thus, do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers, or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Township do not include the municipal library, which is considered a component unit under GAAP. Complete financial statements of the above component can be obtained by contacting the Treasurer of the respective entity.

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

1. **Summary of Significant Accounting Policies (Continued)**

***B. Fund Accounting***

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

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

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

Assessment Trust Fund - This fund is used to account for special assessments levied against properties of specific purposes.

Other Trust Fund - This fund is established to account for the assets and resources, which are also held by the Township as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposit and deposited funds with the Township as collateral.

Animal License Fund - This fund is used to account for fees collected from the dog and cat licenses and expenditures which are regulated by NJS 4:19-15.11.

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

Public Assistance/ Social Services Fund - Receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes. Effective April 1, 1998, the Township transferred administration of the general assistance program to the Bergen County Board of Social Services. The funds remaining in the public assistance fund are to be used to assist certain residents who do not qualify for the general assistance program.

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

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

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

1. **Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting***

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

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

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

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

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

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

Trust Funds  
General Capital Fund  
Public Assistance Fund

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

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

***C. Basis of Accounting (Continued)***

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

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

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

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

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

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

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

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

Deferred Charges to Future Taxation Funded and Unfunded- Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. Accordingly to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

1. Summary of Significant Accounting Policies (Continued)

*C. Basis of Accounting (Continued)*

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

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

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

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

- i. Place a value of all fixed assets put into service
- ii. Have a subsidiary ledger of detailed records of fixed assets
- iii. Provide property management standards to control fixed assets
- iv. Provide a statement of fixed assets in the annual audit.

Fixed Assets purchased after December 31, 1989 are stated at cost.

Fixed Assets purchased prior to December 31, 1989 are stated as follows:

Land and Buildings	Assessed Valuations
Machinery and Equipment	Estimated Market Value

No depreciation has been provided for in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. GAAP requires that fixed assets be capitalized at historical cost or at estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded. Schedule E of the Financial Statement will disclosure the major classes of Fixed Assets as of December 31, 2012 and December 31, 2011, no depreciation has been provided for in the financial statements.

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

1. **Summary of Significant Accounting Policies (Continued)**

*C. Basis of Accounting (Continued)*

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

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

*D. Basic Financial Statements*

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

2. **Cash and Cash Equivalents**

**Custodial Credit Risk – Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A: 5-15.1(a) that are treated as cash equivalents. As of December 31, 2012 and 2011, \$0 of the Township's bank balance \$22,736,048.14 and \$27,019,174.28 were exposed to custodial credit risk



TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**2. Cash and Cash Equivalents (Continued)**

*Investments*

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

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

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment’s existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the “Other-than-State” participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of December 31, 2012 and 2011, the Township had \$33,389.36 and \$33,370.58 on deposit with the New Jersey Cash Management Fund, which is accounted for in the following funds:

	12/31/12	12/31/11
Capital Fund	\$ 4,661.22	4,658.61
Other Trust Fund	28,728.14	28,711.97
	\$ 33,389.36	\$ 33,370.58

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

**3. Fixed Assets**

The following is a summary of changes in the general fixed asset group for the year 2012. The land and buildings category was adjusted to reflect the current assessed values of borough owned property.

	Balance <u>December 31, 2011</u>	<u>Additions/ Adjustments</u>	<u>Deletions/ Adjustments</u>	Balance <u>December 31, 2012</u>
Land	\$ 55,464,000.00	\$ 63,540,300.00		\$ 119,004,300.00
Buildings	14,116,200.00	\$ 1,601,100.00		15,717,300.00
Machinery and Equipment	15,489,115.18	798,901.18	\$ (196,865.24)	16,091,151.12
	\$ 85,069,315.18	\$ 65,940,301.18	\$ (196,865.24)	\$ 150,812,751.12

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

**4. Leases**

In 2008, the Township authorized the execution of an agreement with the Bergen County Improvement Authority for the leasing of certain capital equipment. The lease term is based on the useful bond life of each particular item. The lease payments consist of basic rent, which is compromised of principal and 3.48% interest. The following schedule presents the remaining lease payments at December 31, 2012.

Calendar Year	Principal	Interest	Total
2013	72,489.99	16,515.45	89,005.44
2014	75,012.64	13,992.80	89,005.44
2015	77,623.08	11,382.36	89,005.44
2016	80,324.36	8,681.08	89,005.44
2017	83,119.65	5,885.79	89,005.44
2018	86,012.21	2,993.23	89,005.44
	<u>\$ 474,581.93</u>	<u>\$ 59,450.71</u>	<u>\$ 534,032.64</u>

The full faith and credit of the Municipality has been pledged to the punctual payment of the obligations set forth in the Lease (the "Lease Payments"). The Lease Payments under the Lease shall be a direct, unlimited and general obligation of the Municipality, not subject to annual appropriation by the Municipality pursuant to the County Improvement Authorities Law, and unless paid from other sources, the Municipality should be obligated to levy ad valorem taxes upon all the taxable real property within the Municipality for the payment of the lease payments thereunder without limitation as to rate or amount.

**5. Long-Term Debt**

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012	Amounts Due Within One Year
Bonds Payable- General Obligation Debt	\$ 1,344,000.00		\$ (300,000.00)	\$ 1,044,000.00	\$ 325,000.00
Other Liabilities - New Jersey Economic Devel. Dept. Loans	135,000.00		(67,500.00)	67,500.00	67,500.00
Capital Leases Payable	544,634.10		(70,052.17)	474,581.93	72,489.99
Downtown Business Improv. Loan	400,000.00		(40,000.00)	360,000.00	40,000.00
Compensated Absences Payable	5,967,126.04		(1,376,544.14)	4,590,581.90	170,740.00
<b>Total</b>	<u>\$ 8,390,760.14</u>	<u>\$ -</u>	<u>\$ (1,854,096.31)</u>	<u>\$ 6,536,663.83</u>	<u>\$ 675,729.99</u>

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**5. Long-Term Debt (Continued)**

*Summary of Municipal Debt*

	<u>Year 2012</u>	<u>Year 2011</u>	<u>Year 2010</u>
Bonds and Notes Issued -			
General Capital	\$ 23,849,850.00	\$ 25,226,274.00	\$21,207,911.00
Authorized but not Issued			
General:			
Bonds and Notes	9,382,718.08	10,265,911.36	7,822,643.46
Assessment:			
Bonds and Notes	<u>55,802.83</u>	<u>55,802.83</u>	<u>55,802.83</u>
Total	<u>33,232,568.08</u>	<u>35,547,988.19</u>	<u>29,086,357.29</u>
Deductions on Annual			
Debt Statement:			
Refunding Bond	5,450,000.00	5,950,000.00	5,950,000.00
Net Debt	<u><u>\$27,782,568.08</u></u>	<u><u>\$29,597,988.19</u></u>	<u><u>\$23,136,357.29</u></u>

Summary of Statutory Condition – Annual Debt Statement

The summarized statement of debt condition, which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .487 %

Net Debt \$ 27,782,568.08 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$ 5,722,133,408 = .486 %

Borrowing Power Under N.J.S.A. 40A:2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$200,274,669.28
Net Debt	27,782,568.08
Remaining Borrowing Power	<u><u>\$172,492,101.20</u></u>

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**5. Long-Term Debt (Continued)**

The Township's long-term debt consisted of permanent financing at December 31, 2012:

Schedule of Annual Debt Service for Principal and Interest for  
Bonded Debt Issued and Outstanding

<u>Year End</u>	<u>General</u>	
	<u>Principal</u>	<u>Interest</u>
2013	325,000.00	38,639.25
2014	350,000.00	24,076.75
2015	369,000.00	8,210.25
Total	\$ 1,044,000.00	\$ 70,926.25

Schedule of Annual Debt Service for Principal and Interest for  
 Loans Issued & Outstanding New Jersey Economic Development Authority:

<u>Year End</u>	<u>General Obligation</u>	
	<u>Principal</u>	<u>Interest</u>
2013	67,500.00	1,012.50
Total	\$ 67,500.00	\$ 1,012.50

Schedule of Annual Debt Service for Principal and Interest for  
Loans Issued and Outstanding - New Jersey Downtown Business Improvement Fund Loan

<u>Year End</u>	<u>General</u>	
	<u>Principal</u>	<u>Interest</u>
2013	40,000.00	-
2014	40,000.00	-
2015	40,000.00	-
2016	40,000.00	-
2017	40,000.00	-
2016-2021	160,000.00	-
Total	\$ 360,000.00	\$ -

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

**6. Bond Anticipation Notes**

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2012, the Township had \$22,378,350 in outstanding bond anticipation notes at an interest rate of 1.00% as detailed on Exhibit C-10. These notes matured on April 26, 2013. The Township also had outstanding at December 31, 2012 a non-interest bearing Note Payable from the Current Fund to the Capital Fund in the amount of \$1,060,979.32, maturing November 26, 2013 as detailed on Exhibit C-10A..

	<u>Balance</u> <u>December 31, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>December 31, 2012</u>
Notes Payable:				
Cede & Co.	\$ 23,347,274.00		\$ (968,924.00)	\$ 22,378,350.00
TD Securities LLC				-
Current Fund	-	\$ 1,060,979.32	-	\$ 1,060,979.32
	<u>\$ 23,347,274.00</u>	<u>\$ 1,060,979.32</u>	<u>\$ (968,924.00)</u>	<u>\$ 23,439,329.32</u>

**7. Interfund Receivables and Payables**

Interfund receivables and payables at December 31, 2012 were as follows:

	<u>Receivables</u>	<u>Payables</u>
Current Fund		\$ 11,825,139.97
Grant Fund	171,338.30	
Capital Fund	6,536,939.72	3,094,550.61
Trust Funds - Other	8,195,180.65	
Animal License Fund	29,088.40	
Special Assessment Fund	340,971.72	353,828.21
Total Interfund Receivables/Payables	<u>\$ 15,273,518.79</u>	<u>\$ 15,273,518.79</u>

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

8. **Contingencies**

*Litigation*

As of July 26, 2012, the Township Attorney has reported in accordance with Financial Accounting Standards No. 5 that the Township is party to various legal proceedings, which normally occur in governmental operations. There are a multiplicity of claims against the Township (as distinguished from suits), most relating to raised sidewalks, trees falling on persons or property, potholes, and other similar claims, which may never be litigated and under which the Township claim statutory immunity under the New Jersey Tort Claims Act, NJSA 59:1-1 et seq. In addition, there are a multiplicity of tax appeals seeking reassessment by various residential and commercial; properties none of which in the opinion of the Tax Assessor, except the appeals as they relate to what is commonly referred to as the "Glenpointe Hotel Complex", represents tax court judgments of significant exposure. Also, there are various employment issues involving grievances and work related matters which per civil service rules involve hearings and arbitrations.

In addition, there are numerous cases outstanding at December 31, 2012 that the Township Attorney has reported are material. No evaluation of the outcome or range of potential loss can be made at this time. However, if decided against the Township, then these cases will be covered by insurance, or funded through future taxation. As a result of the modified accrual basis of accounting, the financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings. The Township's management has concluded that accrual or provision would not be material to the financial statements.

*Claims and Judgments*

The Township participated 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 government. If expenditures are disallowed due to noncompliance with grant program regulations, the Township may be required to reimburse the grantor government. As of December 31, 2012, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Township believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Township.

*Compensated Absences*

The Township has permitted employees to accrue unused sick pay which is based on the various employee contracts. The current cost of such vested unpaid compensation has been estimated at \$ 4,590,581.90. This amount which is material to the financial statements is not reported either as an expenditure or liability. The Township has established a dedicated trust account for the payment of accumulated benefits. The balance at December 31, 2012 is \$20,740.71. In addition it is expected that the cost of such unpaid compensation would be included in the Township's operating budget in the year it is used if there are insufficient funds in the trust account.

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**9. Risk Management**

The Township 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. During years of 2012 and 2011, the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

Self-funded Worker's Compensation Insurance and Employer's Liability

The Township is self-insured for workman's compensation and general liability insurance except for automobile and catastrophic fire. D&H Alternative Risk Solutions administers the general liability, automobile, catastrophic liability and the self-insured workers' compensation fund. The self insured retention amount for the general liability fund is \$1,000,000 per claim. There is an excess liability insurance policy of \$5,000,000 for the excess liability. There has been no provision included in the financial statements for claims incurred but not reported as of December 31, 2012 and 2011.

**10. Fund Balance Appropriated**

Fund Balance December 31, 2012 and 2011, which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2012 and 2011, were as follows:

	<u>2012</u>	<u>2011</u>
Current Fund	\$ 4,450,000.00	\$ 4,450,000.00

**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 sheets of the various funds of the Township.

	<u>Balance Dec. 31, 2012</u>	<u>2013 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Speical Emergency Authorizations -			
Severence Liabilities	\$ 614,666.40	\$ 153,667.00	\$ 460,999.40

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**12. Local District School, Regional High School and County Taxes**

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. Local District School Tax has been raised on a calendar year basis and there is no deferred liability at December 31.

**13. Taxes Collected in Advance**

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

	Balance <u>Dec. 31, 2012</u>	Balance <u>Dec. 31, 2011</u>
Prepaid Taxes	<u>\$ 508,601.44</u>	<u>\$ 595,220.93</u>

**14. Retirement Plans**

*Description of Plans*

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemen's Retirement System (PFRS) or the Public Employees' Retirement System (PERS). Those systems are sponsored and administered by the State of New Jersey and are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for PERS and PFRS. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625 or the report can be accessed on the internet at – <http://www.state.nj.us/treasury/pensions/annrptsarchive.htm>.

*Public Employees' Retirement System (PERS)*

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State 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 or local jurisdiction.

*Police and Firemen's Retirement System (PFRS)*

The Police and Firemen's Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.



TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**14. Retirement Plans (Continued):**

*Funding Policy*

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employees. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2012, PERS employee pension contribution rates increased from 5.5% to 6.5% of salary, effective October 1, 2011. An additional increase to be phased over the next 7 years will bring the total pension contribution rate to 7.5% of salary. PFRS employee pension contribution rates increased from 8.5% to 10% of salary, effective October 1, 2011. Employers are required to contribute at an actuarially determined rate in PERS and PFRS. The Township's contributions to PERS and PFRS were as follows:

Year Ended December 31,	PERS Amount	PFRS Amount
2012	\$ 989,772.00	\$ 4,399,305.46
2011	1,042,090.00	5,447,978.18
2010	813,038.97	4,688,541.73
2009	735,332.20	4,471,761.00

*Defined Contribution Retirement Program*

The Defined Contributions Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial. If the eligible elected or appointed official will earn less than \$5,000 annually, the official may choose to waive participation on the DCRP for the office or position. The waiver is irrevocable. This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee, employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment option provided by the employer. The law requires that three classes of employees enroll in the DCRP detailed as follows: All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the PERS. A Governor appointee by an elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator, or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge. Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to join or remain in PERS.

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)

**14. Retirement Plans (Continued)**

*Deferred Compensation Plan*

The Township maintains a Deferred Compensation Plan in accordance with Internal Revenues Code Section 457. "The plan" was not audited or reviewed by our firm.

Any employee of the Township is eligible to participate in the Plan. Participation in the Plan is entirely voluntary on the part of each employee. The Township does not and is not required to make contributions to the Plan. ICMARC is the Administrator of the Plan. Fund assets at December 31, 2012 and 2011 totaled \$ 27,076,834.59 and \$24,584,298.83, respectively.

**15. Post Employment Benefits**

In addition to the pension benefits described in Note 11, the Township provides post employment health care benefits in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, P.L. 1981, at its cost.

*Plan Description*

The Township contributes to the State Health Benefits Program (SHBP) a cost sharing, multi-employer defined benefit post-employment 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 required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

*Plan Coverage*

Coverage applies to certain full –time, qualifying department heads as follows:

1. Retire with at least twenty-five years of full-time service to the Township; and
2. The retired employee and their eligible spouse will be covered until they are respectively eligible for Medicare or eligible to receive paid medical benefits from another source, whichever comes first. Coverage shall cease for the spouse, at the expense of the Township, upon the death of the eligible employee.

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**15. Post Employment Benefits (Continued)**

*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 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township of Teaneck on a monthly basis. The rates charges by the system for the year ended December 31, 2012 were as follows:

The Township of Teaneck contributes to SHBP for post-retirement benefits for the years ended December 31, 2012 and 2011 were \$102,104.76 and \$92,402.40, respectively, which equaled the required contribution for each year. There were approximately 4 retired participants eligible at December 31, 2012 and 2011, respectively.

**16. Property Tax Calendar**

The Township of Teaneck property taxes are due the first of February, May, August, and November. The levy is determined upon certification of tax rate by the county. Liens are sold at a tax sale in the subsequent year. The tax sale was held on November 30, 2012 for 2011 taxes.

**17. Municipal Court**

The Municipal Court department files a regulatory report with the county administrative office of the court. The 2012 report has been filed on March 28, 2013.

**18. Comparative Schedule of Fund Balances**

	<u>Year</u>	Balance <u>December 31</u>	Utilized in Budget of Succeeding <u>Year</u>
Current Fund	2012	\$ 5,165,316.14	\$ 4,450,000.00
	2011	5,629,611.94	4,450,000.00
	2010	7,051,531.85	4,450,000.00
	2009	6,371,159.31	4,150,000.00
	2008	6,729,195.41	4,150,000.00

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**19. Comparative Schedule of Tax Rate Information**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>\$2.397</u>	<u>\$2.363</u>	<u>\$2.328</u>	<u>\$2.281</u>

Apportionment of Tax Rate

Municipal	0.855	0.848	0.824	0.787
Municipal Open Space	0.010	0.010	0.010	0.010
County	0.207	0.196	0.194	0.191
County Open Space	0.003	0.003	0.003	0.011
Local School	1.322	1.306	1.297	1.282

Net Valuation Taxable as listed in the Bergen County Board of Taxation Levy Duplicate

2012	<u>\$ 6,016,932,785</u>
2011	<u>\$ 6,066,673,026</u>
2010	<u>\$6,092,893,157</u>
2009	<u>\$6,092,338,564</u>

**20. Comparison of Tax Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collection</u>	<u>Percentage of Collection</u>
2012	\$ 144,713,011.43	\$ 142,114,347.01	98.20%
2011	143,730,387.60	140,216,492.59	97.56%
2010	142,355,042.31	139,650,760.11	98.10%
2009	139,401,520.52	136,507,230.17	97.92%

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012 AND 2011  
 (Continued)

**21. Delinquent Taxes and Tax Title Liens**

This tabulation includes a comparison expressing percentage of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

<u>December Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total</u>	<u>Percentage of Tax Levy</u>
2012	\$ 2,444.50	\$ 2,598,960.07	\$ 2,601,404.57	1.80%
2011	1,593.56	2,341,714.51	2,343,308.07	1.63%
2010	-	2,089,402.46	2,089,402.46	1.47%
2009	-	2,580,756.87	2,580,756.87	1.85%
2008	-	2,078,219.31	2,078,219.31	1.54%

**22. Property Acquired by Tax Title Lien Liquidation**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of properties, was as follows:

<u>Year</u>	<u>Amount</u>
2012	\$ 263,167.00
2011	263,167.00
2010	263,167.00
2009	263,167.00

**23. Subsequent Events**

On April 16, 2013 the Township of Teaneck issued bonds in the amount of \$10,000,000 at variable interest rates ranging from 2.00% to 3.00% for various capital ordinances. The proceeds of the bonds were used for a current refunding of \$10,000,000 of the Township's \$22,378,350 outstanding bond anticipation notes which matured on April 26, 2013. The Township intends on funding the remaining outstanding bond anticipation notes with a second bond issue in early 2014.

The 2013 Municipal Budget was adopted on May 7, 2013.

TOWNSHIP OF TEANECK  
 NOTES TO FINANCIAL STATEMENTS  
 ECONOMIC AND DEMOGRAPHIC INFORMATION

A. Employment and Unemployment Comparisons

For the years 2012 through 2008, the New Jersey Department of Labor reported the following annual average employment information for the Township of Teaneck, the County of Bergen and the State of New Jersey:

<u>Year</u>	<u>Total Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate</u>
2012	21,200	19,600	1600	7.4
2011	20,650	19,212	1438	7.0
2010	20,561	19,005	1556	7.6
2009	20,485	18,941	1544	7.5
2008	20,513	19,664	849	4.1

B. Employment and Unemployment Comparisons

County of Bergen

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed Labor Force</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
2012	488,500	451,000	37,500	7.7
2011	479,131	441,277	37,854	7.9
2010	476,243	436,522	39,721	8.3
2009	480,494	442,452	38,042	7.9
2008	477,926	456,482	21,444	4.5

Source: New Jersey Department of Labor and Workforce Development  
 Labor Planning and Analysis  
 Local Area Unemployment Statistics

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
ECONOMIC AND DEMOGRAPHIC INFORMATION

C. Per Capita Income

County of Bergen

<u>Year</u>	<u>Income</u>
2011	\$66,096
2010	65,486
2009	63,198
2008	68,227
2007	67,394

Source: US Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, Local Area Personal Income

D. Population Estimates for Township of Teaneck

<u>Year</u>	<u>Population</u>
2011	38,971
2010	37,825
2009	38,633
2008	38,541
2007	38,652

Source: State of NJ Department of Labor and Workforce Development, Division of Labor Planning and Analysis

TOWNSHIP OF TEANECK  
NOTES TO FINANCIAL STATEMENTS  
ECONOMIC AND DEMOGRAPHIC INFORMATION

E. Assessed Valuations

Land and Improvements by Class

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Utilities</u>	<u>Total</u>
2012	\$ 23,156,300	\$ 5,202,928,400	\$ 599,205,600	\$ 186,093,300	\$ 5,549,185	\$ 6,016,932,785
2011	25,463,300	5,243,263,500	608,092,200	184,038,300	5,815,726	\$ 6,066,673,026
2010	28,599,600	5,250,478,800	614,853,100	191,725,400	7,236,257	6,092,893,157
2009	32,595,400	5,238,910,900	623,269,600	192,381,500	5,181,164	6,092,338,564
2008	29,911,100	5,239,172,100	621,159,100	198,441,100	5,118,294	6,093,801,694
2007 *	25,474,400	5,242,322,900	608,229,500	199,453,200	5,198,681	6,080,678,681

Note: Revaluation



TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF CASH - COLLECTOR - TREASURER

A-4

	<u>Reference</u>		
Balance December 31, 2011	A		\$ 25,741,003.53
Increased by:			
Interest and Costs on Taxes	A-2	544,143.75	
Interest and Costs on Assessments	A-2	6,478.11	
Miscellaneous Revenue Not Anticipated	A-2	690,199.49	
Appropriation Contras	A-3	455,781.42	
Taxes Receivable	A-9	143,619,715.28	
Revenue Accounts Receivable	A-11	7,482,418.84	
Interfunds	A-12	29,765,403.75	
Sales Contracts Receivable	A-13	5,000.00	
Miscellaneous Charges Receivable	A-14	118,124.02	
Prepaid Taxes	A-20	508,601.44	
Due From State - Senior Citizens and Veterans Deductions	A-8	230,173.30	
Various Cash Liabilities and Reserves	A-26	391,845.29	
		<hr/>	
			183,817,884.69
			<hr/> 209,558,888.22
Decreased by:			
Refund Prior Year Revenue	A-1	3,953.60	
Bank Service Charges	A-1	19,804.61	
Current Year Budget Appropriations	A-3	58,434,484.62	
Matching Funds for Grants	A-3	14,228.00	
Change Fund Increase	A-7	175.00	
Interfunds	A-12	32,937,855.75	
Emergency Note Payable	A-16	153,667.00	
Appropriation Reserves	A-18	1,992,664.23	
Local District School Taxes	A-22	79,546,325.98	
County Taxes Payable	A-23	12,576,596.68	
Special District Taxes Payable	A-24	180,182.93	
Various Cash Liabilities and Reserves	A-26	1,343,058.62	
		<hr/>	
			187,202,997.02
Balance December 31, 2012	A		<hr/> <hr/> \$ 22,355,891.20

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF CASH - GRANT FUND**

A-5

	<u>Reference</u>		
Balance December 31, 2011	A		\$ -
<b>Increased by Receipts:</b>			
Unappropriated Grants Received	A-29	78,959.48	
Grants Receivable	A-17	231,026.91	
Matching Funds for Grants	A-27	<u>14,228.00</u>	
			<u>324,214.39</u>
			<u>324,214.39</u>
<b>Decreased by Disbursements:</b>			
Interfund Current Fund (Net of Increases & Decreases)	A-12	122,948.14	
Appropriated Reserve for Grants	A-27	198,572.45	
Encumbrances Payable Paid	A-28	<u>2,693.80</u>	
			<u>324,214.39</u>
Balance December 31, 2012	A		<u>\$ -</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF PETTY CASH**

A-6

	<u>Reference</u>	
Balance December 31, 2011	A	<u>\$ 1,800.00</u>
Balance December 31, 2012	A	<u>\$ 1,800.00</u>
<u>Analysis of Balance:</u>		
Treasurer		700.00
Police		500.00
Library		600.00
		<u>\$ 1,800.00</u>

A-7

**SCHEDULE OF CASH - CHANGE FUND**

	<u>Reference</u>	
Balance December 31, 2011	A	<u>\$ 575.00</u>
Increased by:		
Increase in Change Fund	A-1,4	<u>175.00</u>
Balance December 31, 2012	A	<u>\$ 750.00</u>
<u>Analysis of Balance:</u>		
Tax Collector		\$ 300.00
Municipal Court		200.00
Registrar		50.00
Library		100.00
Construction Code Department		100.00
		<u>\$ 750.00</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF AMOUNT DUE FROM STATE OF NEW JERSEY  
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS - CH73 P.L. 1976**

A-8

	<u>Reference</u>	
Balance December 31, 2011	A	\$ 3,172.61
Increased by:		
Senior Citizens' Deductions Per Tax Billing		36,250.00
Veterans' Deductions Per Tax Billing		195,250.00
Senior Citizens' and Veterans' Allowed		4,500.00
Senior Citizens' and Veterans' Allowed -Prior Year		_____
		236,000.00
Less:		
Senior Citizens' and Veterans' Disallowed		2,500.00
Senior Citizens' and Veterans' Disallowed- 2011 Taxes	A-1	_____
		3,250.00
		_____
		5,750.00
		_____
		233,422.61
Decreased by:		
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4	230,173.30
		_____
		230,173.30
		_____
Balance December 31, 2012	A	<u><u>\$ 3,249.31</u></u>
 <b>Calculation of Amount Realized</b>		
Senior Citizens		36,250.00
Veterans		195,250.00
Senior Citizens & Veterans Deductions Allowed		_____
		4,500.00
		236,000.00
		_____
Less: Current Year/Seniors & Veterans Disallowed		2,500.00
		_____
Realized as Tax Revenue	A-9	<u><u>\$ 233,500.00</u></u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

A-9

	Balance <u>Dec. 31, 2011</u>	2012 Levy	Collections 2011	2012	Transfer to Lien	Added (Canceled/ Judgments.)	Balance <u>Dec. 31, 2012</u>
PY Taxes	\$ 2,341,714.51	\$ -	\$ -	\$ 2,334,089.20	\$ -	\$ 36,875.82	\$ 44,501.13
2012 Taxes	<u>2,341,714.51</u>	<u>144,662,231.37</u>	<u>595,220.93</u>	<u>141,519,126.08</u>	<u>850.94</u>	<u>7,425.52</u>	<u>2,554,458.94</u>
	<u>\$2,341,714.51</u>	<u>\$144,662,231.37</u>	<u>\$595,220.93</u>	<u>\$143,853,215.28</u>	<u>\$850.94</u>	<u>\$44,301.34</u>	<u>\$2,598,960.07</u>
Reference	A	Below	A-20	Below	A-10A		A
					<u>Reference</u>		
Cash Receipts				\$ 143,619,715.28	A-4		
State of NJ - Realized				233,500.00	A-8		
Seniors and Veterans Deductions				<u>\$143,853,215.28</u>	Above		
<u>Analysis of 2012 Property Tax Levy</u>							
					<u>Reference</u>		
Tax yield:							
General Property Tax					\$ 144,092,870.04		
Public Utility Tax					133,013.96		
Special District Taxes					180,182.91		
Added Tax (R.S. 54:4-63.1 et seq.)					256,164.46		
					<u>144,662,231.37</u>		
Tax Levy				Above			
					<u>\$ 144,662,231.37</u>		
Local District School Tax				A-22	\$ 79,546,326.00		
County Taxes				A-23	12,415,847.13		
County Open Space Taxes				A-23	144,662.49		
Added County Taxes				A-23	22,240.56		
Special District Taxes				A-24	180,182.93		
Municipal Open Space Taxes				A-25, B-15	602,765.64		
				A-2	<u>92,912,024.75</u>		
Local Tax for Municipal Purposes				A-2	51,465,960.57		
Additional Taxes					284,246.05		
					<u>51,750,206.62</u>		
				Above	<u>\$ 144,662,231.37</u>		

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)**

**A-10**

	<u>Reference</u>	
Balance December 31, 2011	A	<u>\$263,167.00</u>
Balance December 31, 2012	A	<u><u>\$263,167.00</u></u>

**SCHEDULE OF TAX TITLE LIEN RECEIVABLE**

**A-10A**

	<u>Reference</u>	
Balance December 31, 2011		\$1,593.56
Increased by:		
Transfer from Taxes Receivable	A-9	\$ 850.94
		<u>850.94</u>
Balance December 31, 2012	A	<u><u>\$2,444.50</u></u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

A-11

Revenue Accounts Receivable:	Balance December 31, 2011	Accrued in 2012	Collected in 2012	Balance December 31, 2012
Township Clerk:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 71,814.00	\$ 71,814.00	\$ -
Other	-	9,375.00	9,375.00	-
Fees and Permits - Other		27,411.38	27,411.38	-
Miscellaneous		8,151.65	8,151.65	-
Health Department				-
Licenses		108,935.00	108,935.00	-
Fees and Permits - Other		108,272.00	108,272.00	-
Miscellaneous		947.00	947.00	-
Department of Public Works				-
Fees and Permits		11,015.00	11,015.00	-
Miscellaneous		3,474.00	3,474.00	-
Fire Department				-
Fees and Permits		33,097.00	33,097.00	-
Miscellaneous		8,844.72	8,844.72	-
Planning Board/Board of Adjustments				-
Fees and Permits	\$ 880.00	75,136.10	76,016.10	-
Finance Department				-
Fees and Permits				-
Police Department				-
Fees and Permits		42,129.42	42,129.42	-
Miscellaneous		107.10	107.10	-
Recreation Department				-
Fees and Permits		722,351.07	722,351.07	-
Miscellaneous		7,000.00	7,000.00	-
Assessor				-
Miscellaneous		8.50	8.50	-
Library				-
Fines and Costs	177.00	19,077.00	19,254.00	-
Municipal Court				-
Fines and Costs	46,287.52	679,624.19	678,046.46	47,865.25
Uniform Construction Code				-
Fees and Permits	845.00	1,018,051.60	1,018,896.60	0.00
Miscellaneous		17,458.70	17,458.70	-
Interest on Investments and Deposits		2,092.90	2,092.90	-
Rent of Township Property		55,004.21	55,004.21	-
Sewer Use Charges		568,296.83	568,296.83	-
Energy Receipts Tax		3,146,344.00	3,146,344.00	-
Consolidated Municipal Property Tax Relief Aid		232,951.90	232,951.90	-
Hotel Occupancy Fee (P.L. 2003, c. 114)		430,346.91	430,346.91	-
Teaneck Senior Housing Association				-
Lease Agreement		84,300.00	84,300.00	-
	<u>\$ 48,189.52</u>	<u>\$ 7,491,617.18</u>	<u>\$ 7,491,941.45</u>	<u>\$ 47,865.25</u>
<b>Reference</b>	A		Below	A
Budget Revenues				
Cash Receipts	A-4		\$ 7,482,418.84	
Interest Due from Other Funds	A-2,12		2.61	
Applied	A-21		9,520.00	
	Above		<u>\$ 7,491,941.45</u>	

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF INTERFUNDS

A-12

<u>Fund</u>	<u>Reference</u>	<u>Due From / (To)</u>			<u>Due From / (To)</u>
		<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
		<u>Dec. 31, 2011</u>			<u>Dec. 31, 2012</u>
Federal and State Grants		\$ (48,390.16)	\$ 201,266.25	\$ 324,214.39	\$ (171,338.30)
Animal License Trust		(7,304.00)		21,784.40	(29,088.40)
Trust Assessment		(332,938.09)		8,033.63	(340,971.72)
Other Trust Funds-Other		(5,058,486.49)	5,951,054.57	5,993,198.12	(5,100,630.04)
General Capital		(7,970,730.88)	27,019,537.54	25,231,918.17	(6,183,111.51)
Due from Current Fund	A	<u>\$ (13,417,849.62)</u>	<u>\$ 33,171,858.36</u>	<u>\$ 31,579,148.71</u>	<u>\$ (11,825,139.97)</u>
<u>Analysis</u>					
Cash Receipts	A-4	\$ -		\$ 29,765,403.75	
Disbursements	A-4		32,937,855.75		
Note Receivable- Capital Fund	A			1,060,979.32	
Municipal Open Space Due to Trust Fund	A-25			602,765.64	
Budget Appropriations - Due to Trust	A-3			150,000.00	
Realize Interest- Budget Revenue	A-2,11		2.61		
Realize Capital Surplus - Budget Revenue	A-2		234,000.00		
		<u>\$ -</u>	<u>\$ 33,171,858.36</u>	<u>\$ 31,579,148.71</u>	<u>\$ -</u>

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TENEACK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF SALES CONTRACTS RECEIVABLE

A-13

	<u>Reference</u>	
Balance December 31, 2011	A	\$ 15,000.00
Decreased by:		
Cash Receipts	A-1,4	<u>5,000.00</u>
Balance December 31, 2012	A	<u><u>\$ 10,000.00</u></u>

SCHEDULE OF OTHER ACCOUNTS RECEIVABLE

A-14

	<u>Reference</u>	
Balance December 31, 2011	A	\$ 102,148.87
Increased by:		
Lot Cleaning and Sewer Charges Etc.		<u>37,125.89</u>
		<u>37,125.89</u>
		139,274.76
Decreased by:		
Canceled/ Reclassed Collected	A-2, 4	<u>118,124.02</u>
		<u>118,124.02</u>
Balance December 31, 2012	A	<u><u>\$ 21,150.74</u></u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

A-15

<u>Purpose / Date Authorized</u>	<u>Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2011</u>	<u>Increased in 2012</u>	<u>Reduced in 2012</u>	<u>Balance Dec. 31, 2012</u>
Severance Liabilities	\$ -	\$ -	\$ 768,333.00	\$ -	\$ 153,666.60	\$ 614,666.40
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 768,333.00</u>	<u>\$ -</u>	<u>\$ 153,666.60</u>	<u>\$ 614,666.40</u>
			A	A-3	A-3	A

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

A-16

	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Increased in 2012</u>	<u>Reduced in 2012</u>	<u>Balance Dec. 31, 2012</u>
Emergency Note- Severance Liabilities	04/26/12	1.50%	\$ 768,000.00	\$ -	\$ 153,667.00	\$ 614,333.00
			<u>\$ 768,000.00</u>	<u>\$ -</u>	<u>\$ 153,667.00</u>	<u>\$ 614,333.00</u>
					A-4	A

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF GRANTS RECEIVABLE - FEDERAL AND STATE GRANT FUND**

A-17

<u>Grant</u>	Balance Dec. 31, <u>2011</u>	Budget <u>Revenue</u>	<u>Received</u>	Transfer From <u>Unappropriated</u>	Balance Dec. 31, <u>2012</u>
Edward Byrne JAG Grant	\$ 9,997.00		\$ 9,997.00		\$ -
<b>2011 Grants:</b>					
FEMA Firefighters Grant	134,017.00		134,017.00		0.00
Green Communities Grant	3,000.00		2,699.48		300.52
Teaneck Against Substance Abuse (TMAASA)	14,378.90		9,000.87		5,378.03
NJLM Education Foundation	4,500.00				4,500.00
<b>2012 Grants:</b>					
Teaneck Against Substance Abuse (TMAASA)		15,759.00			15,759.00
COPS in Shop		2,400.00	2,268.36		131.64
Pedestrian Safety Grant		16,000.00	15,750.00	250.00	0.00
FEMA Firefighters Grant		74,151.00			74,151.00
FEMA Firefighters Grant		8,906.00			8,906.00
Clean Communities Grant		53,767.99	52,720.58		1,047.41
Sustainable Land Use Planning		5,250.00			5,250.00
Drunk Driving Enforcement Fund		4,573.62	4,573.62		0.00
FFY10 Office of Emergency Management		5,000.00			5,000.00
	-				-
	<u>\$ 165,892.90</u>	<u>\$ 185,807.61</u>	<u>\$ 231,026.91</u>	<u>\$ 250.00</u>	<u>\$ 120,423.60</u>
Reference	A	A-2	A-5	A-29	A

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF APPROPRIATION RESERVES

A-18

	Balance Dec. 31, 2011	Transfers	Encumbrances	Modified by Transfers	Paid or Charged	Lapsed	Overexpenditures
<b>SALARIES AND WAGES WITHIN "CAPS":</b>							
Township Manager	\$ 4,263.22	\$ -	\$ -	\$ 4,263.22	\$ -	\$ 4,263.22	\$ -
Township Council	1.12			1.12	-	1.12	
Township Clerk	19,619.78			19,619.78	-	19,619.78	
Human Resources	1,882.25			1,882.25	-	1,882.25	
Finance Office	9,337.01			9,337.01	-	9,337.01	
Purchasing	5,909.25			5,909.25	-	5,909.25	
Tax Collection Office	540.20			540.20	-	540.20	
Assessment of Taxes	1,383.95			1,383.95	-	1,383.95	
Legal Services and Costs	6,512.16			6,512.16	-	6,512.16	
Municipal Court	66,211.80			66,211.80	-	66,211.80	
Police	415,672.62			415,672.62	-	415,672.62	
School Guards	6,683.51			6,683.51	-	6,683.51	
Fire	126,868.03			126,868.03	-	126,868.03	
Department of Public Works	119,809.53			119,809.53	-	119,809.53	
Buildings and Grounds	28,909.34			28,909.34	-	28,909.34	
Maintenance Garage	20,535.97			20,535.97	-	20,535.97	
Health Department	48,465.20			48,465.20	-	48,465.20	
Recreation Department	26,981.06			26,981.06	-	26,981.06	
Construction Official	94,055.19			94,055.19	-	94,055.19	
<b>TOTAL SALARIES AND WAGES WITHIN "CAPS"</b>	<b>1,003,641.19</b>	<b>-</b>	<b>-</b>	<b>1,003,641.19</b>	<b>-</b>	<b>1,003,641.19</b>	<b>-</b>
<b>OTHER EXPENSES WITHIN "CAPS":</b>							
Township Manager	12,178.35		7,332.78	19,511.13	8,138.28	11,372.85	
Township Council	16,799.00			16,799.00	6,500.00	10,299.00	
Township Clerk	22,921.39		414.31	23,335.70	704.18	22,631.52	
Human Resources	34,226.78		553.91	34,780.69	2,103.52	32,677.17	
Finance Office	12,494.13	2,000.00	264.00	14,758.13	10,017.37	4,740.76	
Annual Audit	22,625.00			22,625.00	22,625.00	-	
Purchasing	250.87			250.87	99.00	151.87	
Management Information Systems	2,435.49		27,705.20	30,140.69	28,781.24	1,359.45	
Tax Collection Office	173.10	1,500.00		1,673.10	1,434.24	238.86	
Assessment of Taxes	2,217.08	4,500.00		6,717.08	6,257.49	459.59	
Legal Services and Costs	9,705.66	87,000.00	19,700.00	116,405.66	95,195.93	21,209.73	
Municipal Court	4,462.99		1,443.90	5,906.89	2,960.22	2,946.67	
Group Insurance For Employees	915,368.15	(71,000.00)		844,368.15	404,410.20	439,957.95	
Police	11,137.73		62,093.38	73,231.11	68,306.45	4,924.66	
School Guards				-	-	-	
Purchase of Police Cars			185,252.00	185,252.00	185,252.00	-	
Emergency Management	16,569.44		430.56	17,000.00	430.56	16,569.44	
Fire	17,832.79		25,629.28	43,462.07	28,705.11	14,756.96	
Department of Public Works	451,647.19		333,790.92	785,438.11	434,103.20	351,334.91	
Buildings & Grounds	13,142.66	5,000.00	9,065.65	27,208.31	14,272.30	12,936.01	
Maintenance Garage	160.70	100,000.00	91,593.93	191,754.63	156,836.19	34,918.44	
Health Department	24,724.26		26,072.92	50,797.18	37,989.06	12,808.12	
Recreation Department	19,722.79		20,028.47	39,751.26	32,189.74	7,561.52	
Construction Official	22,462.03		13,475.90	35,937.93	1,693.61	34,244.32	
Postage	14,090.39		441.96	14,532.35	6,981.24	7,551.11	
Central Supply	13,141.93		1,131.04	14,272.97	8,470.68	5,802.29	
Employee Allowances	25,969.99			25,969.99	1,643.18	24,326.81	
Advertising	4,810.04			4,810.04	4,792.02	18.02	
Gasoline	34,529.27			34,529.27	15,852.03	18,677.24	
Diesel Fuel	18,834.69	10,000.00		28,834.69	27,568.64	1,266.05	
Electricity, Gas and Street Lighting	289,486.35	(52,000.00)		237,486.35	146,298.52	91,187.83	
Telephone	8,934.65			8,934.65	6,212.56	2,722.09	
Heating Oil	7,884.83			7,884.83	5,089.85	2,794.98	
Water and Fire Hydrant Service	152,657.65	15,000.00		167,657.65	159,853.49	7,804.16	
Contingent	13,180.62			13,180.62	125.31	13,055.31	
<b>TOTAL OTHER EXPENSES WITHIN "CAPS"</b>	<b>\$ 2,216,777.99</b>	<b>\$ 102,000.00</b>	<b>\$ 826,420.11</b>	<b>\$ 3,145,198.10</b>	<b>\$ 1,931,892.41</b>	<b>\$ 1,213,305.69</b>	<b>\$ -</b>

(Continued Next Page)

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF APPROPRIATION RESERVES  
(CONTINUED)

A-18

	Balance Dec. 31, 2011	Transfers	Encumbrances	Modified by Transfers	Paid or Charged	Lapsed	Overexpenditures
DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN "CAPS":							
Social Security System (O.A.S.I.)	\$ 163,819.59	\$ (102,000.00)		\$ 61,819.59	\$ 21,980.62	\$ 39,838.97	\$ -
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN "CAPS"	<u>163,819.59</u>	<u>(102,000.00)</u>	<u>0.00</u>	<u>61,819.59</u>	<u>21,980.62</u>	<u>39,838.97</u>	<u>0.00</u>
TOTAL RESERVES WITHIN "CAPS"	<u>3,384,238.77</u>	<u>0.00</u>	<u>826,420.11</u>	<u>4,210,658.88</u>	<u>1,953,873.03</u>	<u>2,256,785.85</u>	<u>0.00</u>
OTHER EXPENSES EXCLUDED FROM "CAPS":							
Matching Funds for Grants	13,648.00			13,648.00	-	13,648.00	
Maintenance of Free Public Library	107,784.40			107,784.40	38,791.20	68,993.20	
BCUA Sewer Charges					-	-	
TOTAL OTHER EXPENSES EXCLUDED FROM "CAPS"	<u>121,432.40</u>		<u>-</u>	<u>121,432.40</u>	<u>38,791.20</u>	<u>82,641.20</u>	<u>-</u>
TOTAL RESERVES EXCLUDED FROM "CAPS"	<u>121,432.40</u>	<u>-</u>	<u>-</u>	<u>121,432.40</u>	<u>38,791.20</u>	<u>82,641.20</u>	<u>-</u>
TOTAL RESERVES	<u>\$ 3,505,671.17</u>	<u>\$ -</u>	<u>\$ 826,420.11</u>	<u>\$ 4,332,091.28</u>	<u>\$ 1,992,664.23</u>	<u>\$ 2,339,427.05</u>	<u>\$ -</u>
	A, Below			Below	Below	A-1	

Ref.

Appropriation Reserve	\$3,505,671.17
Prior Year Encumbrances	A-19 Above <u>826,420.11</u>
	<u>\$4,332,091.28</u>
Accounts Payable	A-26 Above <u>1,992,664.23</u>
Disbursed	A-4 Above <u>\$ 1,992,664.23</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ENCUMBRANCES PAYABLE

A-19

	<u>Reference</u>	
Balance December 31, 2011	A	\$ 826,420.11
Increased by:		
Transfer from Current Appropriations	A-3	<u>1,242,599.60</u> 2,069,019.71
Decreased by:		
Transfer to Appropriations Reserves	A-18	<u>826,420.11</u>
Balance December 31, 2012	A	<u>\$ 1,242,599.60</u>

SCHEDULE OF PREPAID TAXES

A-20

	<u>Reference</u>	
Balance December 31, 2011	A	\$ 595,220.93
Increased by:		
Receipts - Prepaid 2013 Taxes	A-4	<u>508,601.44</u> <u>508,601.44</u> 1,103,822.37
Decreased by:		
Applied to 2012 Taxes	A-9	<u>595,220.93</u> <u>595,220.93</u>
Balance December 31, 2012	A	<u>\$ 508,601.44</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
 CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF PREPAID LICENSES AND PERMITS**

	<u>Reference</u>	A-21
Balance December 31, 2011	A	\$ 9,520.00
Increased by:		
Receipts - Prepaid 2012 Licenses and Permits	A-4	_____
		_____
		9,520.00
Decreased by:		
Applied to Revenue	A-11	_____ 9,520.00
		_____
		9,520.00
Balance December 31, 2012	A	\$ _____
 <u>Analysis of Balance December 31, 2012</u>		
Township Clerk		_____

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES**

A-22

	<u>Reference</u>		
Balance December 31, 2011	A		\$ -
Increased by:			
2012 Levy	A-1,9		79,546,326.00
			<u>79,546,326.00</u>
Decreased by:			
Canceled	A-1	0.02	
Payments	A-4	<u>79,546,325.98</u>	<u>79,546,326.00</u>
Balance December 31, 2012	A		<u><u>\$ -</u></u>

**SCHEDULE OF COUNTY TAXES PAYABLE**

A-23

	<u>Reference</u>		
Balance December 31, 2011	A		\$ 16,087.06
Increased by:			
Levy - General	A-1, 9	\$ 12,415,847.13	
Levy- Open Space	A-1, 9	144,662.49	
Added and Omitted Taxes	A-1, 9	<u>22,240.56</u>	
			<u>12,582,750.18</u>
			12,598,837.24
Decreased by:			
Payments	A-4		<u>12,576,596.68</u>
Balance December 31, 2012	A		<u><u>\$ 22,240.56</u></u>

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE**

A-24

	<u>Reference</u>		
Balance December 31, 2011	A		\$ -
Increased by:			
Levy- Special Improvement District	A-1,9		180,182.93
			<u>180,182.93</u>
Decreased by:			
Payments	A-4		180,182.93
			<u>180,182.93</u>
Balance December 31, 2012	A		<u><u>\$ -</u></u>

**SCHEDULE OF MUNICIPAL OPEN SPACE TAXES PAYABLE**

A-25

	<u>Reference</u>		
Balance December 31, 2011	A		\$ -
Increased by:			
Levy- Open Space	A-1, 9	\$ 601,693.00	
Added and Omitted Taxes	A-1, 9	<u>1,072.64</u>	
			<u>602,765.64</u>
			602,765.64
Decreased by:			
Due to Trust Fund	A-12		602,765.64
			<u>602,765.64</u>
Balance December 31, 2012	A		<u><u>\$ -</u></u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF VARIOUS CASH LIABILITIES AND RESERVES**

A-26

<u>Liabilities and Reserves</u>	Balance Dec. 31, <u>2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Adjustment/Canceled</u>	Balance Dec. 31, <u>2012</u>
<u>Liabilities:</u>					
Due to State of NJ - Domestic Violence Fund	\$ 875.00	\$ 4,350.00	\$ 2,950.00	\$ -	\$ 2,275.00
Tax and Interest Overpayments	1,149,838.47	814,198.30	1,183,202.11		780,834.66
Accounts Payable	56,233.25		2,938.00		53,295.25
Miscellaneous Suspense - Deposits	33,835.00	300.00			34,135.00
Due to State of NJ - Dog Licenses	14.40	2,550.60	2,548.20		16.80
Due to State of NJ - Bldg. Surcharge Fees	8,885.00	42,795.00	43,973.00		7,707.00
 <u>Reserves for:</u>					
Maintenance of Free Public Library - with State Aid	102,720.96	17,603.00	34,391.96		85,932.00
Library Grants	195.80				195.80
Reserve for Revaluation	196,847.62				196,847.62
Master Plan Updates	3,188.78				3,188.78
Property Deposits	6,750.00				6,750.00
Tax Settlement	58,313.47				58,313.47
Debt Payment Cedar Lane SID Loan	40,000.00	40,000.00	40,000.00		40,000.00
Reserve for Sale of Municipal Assets	15,750.00				15,750.00
Severance Liabilities	73,055.35		73,055.35		0.00
	<u>\$ 1,746,503.10</u>	<u>\$ 921,796.90</u>	<u>\$ 1,383,058.62</u>	<u>\$ -</u>	<u>\$ 1,285,241.38</u>
	A	Below	Below	Below	A
	<u>Ref.</u>				
Receipts	A-4	\$ 391,845.29			
Disbursed	A-4		\$ 1,343,058.62		
Canceled Accounts Payable	A-1				
Prior Year Tax Appeals	A-1	329,951.61			
Reserve for Tax Appeals	A-3	200,000.00			
Transfer from Budget Appropriation	A-3				
Transfer from Budget Appropriation- Severance Liabilities	A-3				
Realized as Current Year Revenue	A-2		40,000.00		
Transfer from Appropriation Reserve	A-18				
	Above	<u>\$ 921,796.90</u>	<u>\$ 1,383,058.62</u>	<u>\$ -</u>	

TOWNSHIP OF TEANECK  
 FEDERAL AND STATE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF APPROPRIATED RESERVES FOR GRANTS - FEDERAL AND STATE GRANT FUND

A-27

<u>Grant</u>	Balance Dec. 31, 2011	Budget Revenue	Expended	Balance Dec. 31, 2012
Clean Communities Grant -2012	-	53,767.99	53,767.99	0.00
Drunk Driving Enforcement Fund-2012	-	4,573.62		4,573.62
FFY10- Office of Emergency Management	-	5,000.00		5,000.00
NJ Emergency Management Assistance	5,000.00			5,000.00
NJ 911 Assistance Grant	9,898.00		9,898.00	0.00
Pedestrian Safety & Education Grant-2012	-	16,000.00	2,000.00	14,000.00
Body Armor Replacement	12,567.23		9,605.85	2,961.38
FEMA- Assistance to Firefighters	134,017.00		94,050.39	39,966.61
FEMA Assistance to Firefighters Match	15,912.00			15,912.00
FEMA- Assistance to Firefighters-2012		83,057.00		83,057.00
FEMA Assistance to Firefighters Match -2012		9,228.00		9,228.00
Sustainable Land Use Planning (Includes \$5,000 Match)-2012	-	10,250.00	10,000.00	250.00
COPS in Shops-2012	-	2,400.00		2,400.00
Edward Byrne JAG Grant - 2010	9,997.00			9,997.00
Green Communities Grant (Including Match \$1,500)	4,500.00		3,000.00	1,500.00
Teaneck Against Substance Abuse (TMAASA) 2011	10,448.03		10,448.03	0.00
Teaneck Against Substance Abuse (TMAASA) 2012		15,759.00	9,706.42	6,052.58
NJLM Education Foundation	9,000.00		8,400.00	600.00
	<u>\$ 211,339.26</u>	<u>\$ 200,035.61</u>	<u>\$ 210,876.68</u>	<u>\$ 200,498.19</u>
	A	Below	Below	A
	<u>Ref.</u>			
Transfer from Budget Appropriations	A-3	\$ 185,557.61	\$ -	
Transfer from Unappropriated Grants	A-29	250.00		
Matching Funds for Grants	A-3,5	14,228.00		
Encumbered	A-28		12,304.32	
Disbursement	A-5		198,572.45	
	Above	<u>\$ 200,035.61</u>	<u>\$ 210,876.77</u>	

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
FEDERAL AND STATE GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ENCUMBRANCES PAYABLE

A-28

	<u>Reference</u>	
Balance December 31, 2011	A	\$ 2,693.80
Increased by:		
Charges - Appropriated Reserves for Grants	A-27	<u>12,304.23</u>
		14,998.03
Decreased by:		
Disbursed	A-5	<u>2,693.80</u>
Balance December 31, 2012	A	<u>\$ 12,304.23</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
 FEDERAL AND STATE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF UNAPPROPRIATED RESERVES FOR GRANTS - FEDERAL AND STATE GRANT FUND**

A-29

<u>Grant</u>	Balance Dec. 31, 2011	Transfer to Budget <u>Revenue</u>	<u>Received</u>	Balance Dec. 31, 2012
Pedestrian Safety & Education Grant	\$ 250.00	\$ 250.00	\$ -	\$ -
Alcohol Education and Rehabilitation Fund			971.33	971.33
Click it or Ticket Grant			4,000.00	4,000.00
Recycling Tonnage Grant			40,227.03	40,227.03
Body Armor Replacement Grant			8,818.74	8,818.74
Federal Bulletproof Vest Partnership Grant			24,942.38	24,942.38
	\$ 250.00	\$ 250.00	\$ 78,959.48	\$ 78,959.48
	A	A-17,27	A-5	A

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF CASH - COLLECTOR - TREASURER**

**B-2**

	<u>Reference</u>	<u>Assessment Trust Fund</u>	<u>Animal License Fund</u>	<u>Other Trust</u>	<u>Payroll</u>
Balance December 31, 2011	B	\$ 8,201.85	\$ 12,411.49	\$ 131,632.81	\$ 452,281.44
Increased by Receipts:					
Other Trust Funds (Interest Income)	B-9			73.46	
Reserve for COAH Fees (Interest Income)	B-13			10.19	
Payroll Deductions Receipts	B-10				14,942,657.46
Total Receipts		<u>0.00</u>	<u>0.00</u>	<u>83.65</u>	<u>14,942,657.46</u>
		<u>8,201.85</u>	<u>12,411.49</u>	<u>131,716.46</u>	<u>15,394,938.90</u>
Decreased by Disbursements:					
Reserve for Affordable Housing	B-12			5,070.39	
Payroll Deductions Disbursements	B-10				15,067,062.28
Total Disbursements		<u>0.00</u>	<u>-</u>	<u>5,070.39</u>	<u>15,067,062.28</u>
Balance December 31, 2012	B	<u>\$ 8,201.85</u>	<u>\$ 12,411.49</u>	<u>\$ 126,646.07</u>	<u>\$ 327,876.62</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

ANALYSIS OF ASSESSMENT CASH  
ASSESSMENT TRUST FUND

B-3

	<u>Reference</u>	
Fund Balance	B-1	\$3,262.76
Interfund - General Capital Fund		345,910.81
Interfund - Current Fund	B-5	(340,971.72)
		<hr/>
	B	<u><u>\$8,201.85</u></u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ASSESSMENTS RECEIVABLE

Ord. No.	Improvement Description	Assessment Number	Date of Confirmation	Payable In Annual Installments of	Due Dates	Balance December 31, 2011	Collected	Balance December 31, 2012	B-4 Balance Pledged to	
									Capital Fund	Reserve
3509	Sidewalk Improvements Various	11	03-23-99	10	06-07-99/08	\$4.37	\$0.00	\$4.37	\$4.37	\$ -
3691/3770	Sidewalk Improvements Various	12	11-01-05	10		15,946.66	8,033.63	7,913.03	7,913.03	
					Reference	<u>\$15,951.03</u>	<u>\$8,033.63</u>	<u>\$7,917.40</u>	<u>\$7,917.40</u>	<u>\$ -</u>
						B	B-5	B		

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF DUE FROM/ (TO) CURRENT FUND

					B-5
	<u>Reference</u>	<u>Total</u>	<u>Assessment Fund</u>	<u>Animal License Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2011	B	\$ 5,586,651.76	\$ 332,938.09	\$ 7,304.00	\$ 5,058,486.49
Increased by:					
Receipts in Current					
Assessment Receivables	B-4	8,033.63	8,033.63		
Animal License Receipts	B-8	21,784.40		21,784.40	
Other Trust Funds	B-9	4,272,244.92			4,272,244.92
Insurance Refunds	B-11	1,085,763.27			1,085,763.27
Unemployment W/H from Payroll	B-11	32,424.29			32,424.29
Municipal Open Space Levy	B-15	602,765.64			602,765.64
		<u>11,609,667.91</u>	<u>340,971.72</u>	<u>29,088.40</u>	<u>11,051,684.61</u>
Decreased by:					
Disbursements in Current					
Reserve for Animal License Fund	B-8	0.00			
Reserve for Other Trust Funds	B-9	3,461,395.56			3,461,395.56
Reserve for Insurance Funds	B-11	2,341,198.95			2,341,198.95
Reserve for Municipal Open Space	B-14	148,460.06			148,460.06
		<u>5,951,054.57</u>	<u>0.00</u>	<u>0.00</u>	<u>5,951,054.57</u>
Balance December 31, 2012	B	<u>\$ 5,658,613.34</u>	<u>\$ 340,971.72</u>	<u>\$ 29,088.40</u>	<u>\$ 5,100,630.04</u>
			B-3		

SCHEDULE OF INTERFUND- GENERAL CAPITAL FUND  
OTHER TRUST FUND

					B-6
	<u>Reference</u>				
Balance December 31, 2011- Due From	B		\$ 3,169,550.61		
Decreased by:					
Due to Capital- Fund Improvement Auth.	B-14	<u>75,000.00</u>		<u>75,000.00</u>	
Balance December 31, 2012- Due From	B		<u>\$ 3,094,550.61</u>		

SCHEDULE OF INTERFUND- GENERAL CAPITAL FUND  
ASSESSMENT TRUST FUND

					B-7
	<u>Reference</u>				
Balance December 31, 2011- Due To	B		\$ 353,828.21		
Balance December 31, 2012- Due To	B		<u>\$ 353,828.21</u>		

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF RESERVE FOR ANIMAL LICENSE FUND EXPENDITURES**

**B-8**

	<u>Reference</u>	
Balance December 31, 2011	B	\$ 19,715.49
Increased by:		
Dog License Fees- Township Share		13,006.40
Cat License Fees -Township Share		4,401.00
Late Fees		4,425.00
	Below	21,832.40
Decreased by:		41,547.89
Expenditures	B-5	0.00
Balance December 31, 2012	B	\$ 41,547.89

License Fees Collected

2011		21,382.20
2010		22,910.20
		\$ 44,292.40
Due from Current Fund		
Due from Board of Health	B-5	21,784.40
	B	48.00
	Above	\$ 21,832.40

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF OTHER TRUST FUNDS**

B-9

	<u>Balance</u>			<u>Balance</u>
	<u>Dec. 31, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Dec. 31, 2012</u>
Tax Sale Premium	\$ 1,250,900.00	\$ 1,128,300.00	\$ 612,200.00	\$ 1,767,000.00
Returned Bail Void Checks	5,494.50			5,494.50
Outside Police Duty (Receivable)	66,199.26	801,786.03	649,536.50	218,448.79
Recycling Trust	547,211.38	199,005.44	219,243.41	526,973.41
Street & Other Deposits Payable	825,063.09	250,920.60	157,750.90	918,232.79
Redemption of Tax Sale Certificate	232,274.43	1,147,624.33	1,102,852.30	277,046.46
Special Law Enforcement Trust	114,513.06	209,768.77	74,478.84	249,802.99
Other Gifts and Donations	120,238.67	34,463.49	48,085.73	106,616.43
Zoning Escrow Deposits	109,999.65	89,640.00	68,065.00	131,574.65
Drunk Driving Enforcement Fund	19,252.12		300.00	18,952.12
Municipal Court - POAA Fund	52,744.60	4,176.00	4,284.87	52,635.73
Dedicated Fire Penalties	8,087.00	500.00		8,587.00
Elevator Inspections	8,236.00	34,152.00	37,817.00	4,571.00
Snow Removal Reserve	367,375.25	35,764.72	47,980.00	355,159.97
Donations- Historical Burial Grounds	25,844.00			25,844.00
Accumulated Absence Liability	130,914.27	150,073.46	260,247.02	20,740.71
Cedar Lane Special Improvement District	110,883.45	186,143.54	178,553.99	118,473.00
	<u>\$ 3,995,230.73</u>	<u>\$ 4,272,318.38</u>	<u>\$ 3,461,395.56</u>	<u>\$ 4,806,153.55</u>
Reference	B	Below	Below	B
Due to Current Fund	B-5	\$ 4,272,244.92	\$ 3,461,395.56	
Cash Receipts- Interest Income	B-2	73.46		
	Above	<u>\$ 4,272,318.38</u>	<u>\$ 3,461,395.56</u>	

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE**

**B-10**

<u>Account</u>	Balance <u>Dec. 31, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance <u>Dec. 31, 2012</u>
Federal Withholding Tax and F.I.C.A.	\$ 0.04	\$ 6,593,332.13	\$ 6,593,332.13	\$ 0.04
State Withholding Tax	-	1,255,383.15	1,255,383.15	-
Unemployment Retirement System	3,511.33	62,212.65	62,809.88	2,914.10
Public Employees' Retirement System	68,400.05	835,562.98	826,423.40	77,539.63
Police and Firemen's Retirement System	347,163.86	2,672,151.62	2,805,766.14	213,549.34
Employees' Union Dues	-	285,027.98	285,027.98	-
Garnishment/Levy	9,540.26	446,102.43	445,310.18	10,332.51
Deferred Compensation	(783.40)	1,513,718.55	1,512,935.15	-
Uniform Payments	(273.54)	10,166.85	9,732.20	161.11
Employee Benefits - Eye Care	53.08	1,779.56	1,760.04	72.60
Employee Benefits - FSA	15,536.20	99,640.35	104,377.56	10,798.99
Employee Benefits - AFLAC	9,236.29	129,930.67	125,858.92	13,308.04
Health Insurance	-	456,381.42	456,381.42	-
Miscellaneous	(102.73)	581,267.12	581,964.13	(799.74)
	\$ 452,281.44	\$ 14,942,657.46	\$ 15,067,062.28	\$ 327,876.62
Reference	<u>B</u>	<u>B-2</u>	<u>B-2</u>	<u>B</u>

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF RESERVE FOR INSURANCE FUNDS**

	Balance <u>Dec. 31, 2011</u>	Increased By:				<b>B-11</b>
		<u>Payroll</u>	<u>Approp. Reserves/ Budget Approp.</u>	<u>Paid</u>	<u>Refunds</u>	<u>Balance Dec. 31, 2012</u>
<u>Insurance Fund</u>						
General Liability						
Self Insurance Fund						
(Insurance Fund Commission)	\$ 977,553.21		\$ 535,763.27	\$ 1,333,628.81	\$ -	\$ 179,687.67
Workmen's Compensation						
Self Insurance Fund	493,708.26		550,000.00	957,866.09		85,842.17
Unemployment Insurance Trust Fund	222,729.36	32,424.29		49,704.05		205,449.60
	<u>\$ 1,693,990.83</u>	<u>\$ 32,424.29</u>	<u>\$ 1,085,763.27</u>	<u>\$ 2,341,198.95</u>	<u>\$ -</u>	<u>\$ 470,979.44</u>
Reference	B	B-5	B-5	B-5	B-5	B

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF RESERVE FOR AFFORDABLE HOUSING**

**B-12**

	<u>Reference</u>	
Balance December 31, 2011	B	\$ 295,677.28
Increased by:		
Due from Social Services	B	5,000.00
		<u>300,677.28</u>
Decreased by:		
Disbursements	B-2	5,070.39
		<u>5,070.39</u>
Balance December 31, 2012	B	<u>\$ 295,606.89</u>

**SCHEDULE OF RESERVE FOR COAH FEES**

**B-13**

	<u>Reference</u>	
Balance December 31, 2011	B	\$ 71,020.64
Increased by:		
Interest Income	B-2	10.19
		<u>10.19</u>
Balance December 31, 2012	B	<u>\$ 71,030.83</u>

**SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE**

**B-14**

	<u>Reference</u>	
Balance December 31, 2011	B	\$ 475,243.99
Decreased by:		
Due to Capital Fund	B-6	\$ 75,000.00
Disbursements	B-5	148,460.06
		<u>223,460.06</u>
Balance December 31, 2012	B	<u>\$ 251,783.93</u>

**SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE FOR YEARS 2009-2012**

**B-15**

	<u>Reference</u>	
Balance December 31, 2011	B	\$ 1,828,506.44
Increased by:		
Levy- Open Space	A-1, 8	\$ 601,693.00
Added and Omitted Taxes	A-1, 8	1,072.64
	B-5	<u>602,765.64</u>
Balance December 31, 2012	B	<u>\$ 2,431,272.08</u>

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF CASH - TREASURER**

C-2

	<u>Reference</u>		
Balance December 31, 2011	C		\$ 119,658.61
Increased by:			
Community Development- Grants	C-4	265,509.11	
Interfund - Current Fund- Interest Income	C-2A,3	2.61	265,511.72
Balance December 31, 2012	C		\$ 385,170.33

**SCHEDULE OF DUE FROM CURRENT FUND**

C-2A

	<u>Reference</u>		
Balance December 31, 2011	C		\$ 7,970,730.88
Increased by:			
Grants Receivable/ Other	C-4	\$ 771,515.85	
Reserve for Payment of BANS	C-17	80,000.00	
Bond Anticipation Notes	C-10	22,378,350.00	
Notes Receivable- Current Fund	C-10A	1,060,979.32	
Capital Improvement Fund Appropriated	C-13	326,740.00	24,617,585.17
			32,588,316.05
Decreased by:			
Improvement Authorizations	C-12	3,712,874.98	
Bond Anticipation Notes	C-10	22,378,350.00	
Reserve for Preliminary Costs Studies	C-16	79,976.95	
Fund Balance Appropriated to 2012 Budget Revenue	C-1	234,000.00	
Interest Earned	C-2	2.61	26,405,204.54
Balance December 31, 2012	C		\$ 6,183,111.51

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

C-3

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Interfund Current</u> <u>Receipts</u>	<u>Interfund Current</u> <u>Disbursements</u>	<u>Transfer</u> <u>To/(From)</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Improvement Authorizations:					
Ord. #	Improvement Description				
4213	169,416.00				169,416.00
4214	120,000.00				120,000.00
4215	4,775.00				4,775.00
4216	60,000.00		60,000.00		-
4217	11,000.00				11,000.00
4218	20,000.00				20,000.00
4219	22,000.00				22,000.00
4220	902,501.65		792,506.98		109,994.67
4221	897,485.64		676,316.54		221,169.30
4222	526,040.00		260,095.00		265,945.00
4223	225,000.00		6,243.75		218,756.25
4224	190,000.00		103,390.00		86,610.00
4227	9,000.00		9,000.00		-
4234	30,000.00		29,957.25	(42.75)	-
4235	10,688.00		72,560.11		(61,872.11)
4236	6,750.00		41,533.92		(34,783.92)
4237	140,000.00		140,000.00		-
4238	38,289.00		1,083,271.50		(1,044,982.50)
4239	4,700.00		94,000.00		(89,300.00)
4240	10,617.50		317,255.00		(306,637.50)
4242	2,500.00		45,374.49		(42,874.49)
4250			44,000.00	44,000.00	-
4251			47,116.27	77,825.00	30,708.73
4252			175,000.00	175,000.00	-
4253			69,146.32	150,000.00	80,853.68
4265				146,500.00	146,500.00
4267				99,350.00	99,350.00
4270				20,000.00	20,000.00
4272				25,000.00	25,000.00
4273				9,000.00	9,000.00
					-
					-
<u>Local Improvements:</u>					
3691/3770					-
				(6,623.33)	-
	6,623.33			(6,623.33)	-
	<u>\$ 119,658.61</u>	<u>\$ 265,511.72</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 385,170.33</u>
Reference	C,C-2	C-2			C.C-2

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

C-3

		<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Interfund Current</u> <u>Receipts</u>	<u>Interfund Current</u> <u>Disbursements</u>	<u>Transfer</u> <u>To/(From)</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Improvement Authorizations:						
Ord. #	Improvement Description					
3945	Road Resurfacing & Curb Replacement	62,270.71		34,934.39		27,336.32
3946	Refunding Bond Ordinance Judgments	39,677.59			(39,677.59)	-
3954	Renovations and Upgrades to Police Headquarters	104,649.39			(104,649.39)	-
3960	Acquisition of Public Works Equipment	8,548.90			(8,548.90)	-
3995	Upgrade to Votee Park Pool	5,774.30			(5,774.30)	-
4000	Various Capital Improvements	582.30			(582.30)	-
4003	Road Resurfacing & Curb Replacement	35,684.53		5,674.14		30,010.39
4004	Acquisition of Packer Truck	20,198.00			(20,198.00)	-
4022	Votee Park Inclusive Playground	31,285.98			(31,285.98)	-
4027	HVAC Upgrades for Library & Municipal Building	(408,468.50)		9,429.84	417,898.24	(0.10)
4074	Various Capital Improvements	70,486.40		32,199.84		38,286.56
4075	Various Park Equipment & Improvements	38,237.24			(38,237.24)	-
4076	Annual Road Resurfacing & Curb Replacement	24,360.73				24,360.73
4127	Various Photovoltaic Power Projects	(106,456.40)			106,456.40	-
4128	Refunding Bond Ordinance Judgments	44,547.50			(44,547.50)	-
4138	Pool, Courts, Field Upgrades Various Parks	12,280.00				12,280.00
4141/4160	Streetscape Improvements Ward Plaza	204,082.46		32,417.60		171,664.86
4145	Improvements to Various Township Buildings	99,414.55		45,176.43		54,238.12
4147	Installation of Lightning Detection System	16,964.58			(16,964.58)	-
4152	Acq. Of Radio Communication Upgrade Equip.	6,838.12		6,838.12		-
4164	Annual Road Resurfacing & Curb Replacement	51,451.11		38,730.76		12,720.35
4165	Stormwater Drainage Improvements Ardsley Ct.	55,069.40			(55,069.40)	-
4166	Improvements to Votee Park Pool	128,791.00		150.00		128,641.00
4167	Improvements at the Greenbelt Walkway	193,200.00		176,175.60		17,024.40
4168	Sanitary Sewer Perry Lane and Lozier Place	151,800.00				151,800.00
4188	Glenwood/ Sanford St. Resurface	6,600.00				6,600.00
4189	Wading Pools/BB Courts BCOS	81,654.00				81,654.00
4190	Road Resurfacing & Curb Replacement	94,199.04		67,009.54		27,189.50
4193	Robinson Street Resurfacing -CDBG	5,359.57			(5,359.57)	-
4195	ADA Ramps & Curbs- BCDPW	60,945.10				60,945.10
4202	Fire Department Work Station Uniforms	5,948.01				5,948.01
4203	Fire Department Personal Emergency Escape System	5,580.00		720.00		4,860.00
4204	Acq. Of DPW Trucks/Equipment	284,210.40		405,292.00		(121,081.60)
4205	Radio Communication Upgrade Equipment	208,122.00		157,402.63		50,719.37

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

C-3

	Balance <u>Dec. 31, 2011</u>	Interfund Current <u>Receipts</u>	Interfund Current <u>Disbursements</u>	Transfer <u>To/(From)</u>	Balance <u>Dec. 31, 2012</u>
Fund Balance	\$ 235,063.17	\$ -		\$ 359,626.62	\$ 594,689.79
Capital Improvement Fund	627,327.09	326,740.00		(227,350.00)	726,717.09
Due from Current Fund	(7,970,730.88)	(23,556,603.24)	(26,171,201.93)	(826,979.32)	(6,183,111.51)
Due from Assessment Fund	(353,828.21)				(353,828.21)
Due to Other Trust Fund	3,169,550.61			(75,000.00)	3,094,550.61
State Road Aid Receivable	(948,545.78)	528,923.42		(103,744.75)	(523,367.11)
Due from Community Development	(174,158.00)	380,307.54		(291,465.43)	(85,315.89)
Due from Bergen County Open Space	(267,502.00)	127,794.00		(75,000.00)	(214,708.00)
Encumbrances Payable			(1,715,618.34)		1,715,618.34
Reserve for Improvements	25,000.67				25,000.67
Reserve for Preliminary Cost Studies	160,849.18		126,884.41	74,000.00	107,964.77
Reserve for Payment of Bond Anticipation Notes	-	80,000.00		318,817.24	398,817.24
Bond Anticipation Notes - Renewals		22,378,350.00	22,378,350.00		-
Improvement Authorizations:					
Ord. #	Improvement Description				
3547	Various Capital Improvements	2,999.30		(2,999.30)	-
3586	Various Capital Improvements	19,682.28		(19,682.28)	-
3604	Construction of New DPW Building	(531,785.44)		3,226.74	535,012.18
3628	Various Capital Improvements	264.77		(264.77)	-
3632	Various Road Improvements	3,697.07		(3,697.07)	-
3663/3683	Various Capital Improvements	2,179.47		(2,179.47)	-
3668	Road Resurfacing & Curb Replacement	1,994.85		(1,994.85)	-
3669	Library Renovations and Equip./ Furniture	5,628.93		1,117.65	(4,511.28)
3705	Various Capital Improvements	8,783.04		(8,783.04)	-
3706/3819/	Cedar Lane Streetscape Project /				
3834/3858	Cedar Lane Streetscape - Supplemental	222,543.92		67,150.00	155,393.92
3708	Various Capital Improvements	9,877.94		(9,877.94)	-
3712	Road Resurfacing & Curb/Sidewalk Replacement	16,421.25		(16,421.25)	-
3802	Various Capital Improvements - Supp.	1,438.74		(1,438.74)	-
3812	Improvements to the Police Building	157,203.02		(157,203.02)	-
3756	Road Resurfacing & Curb Replacement	71,787.99		16,808.10	(54,979.89)
3794	Replacement of Lighting System at Votee Park	27,800.00		(27,800.00)	-
3800	Various Capital Improvements	9,788.03		(9,788.03)	-
3803/3872	Purchase of Street Signs	66.00		(66.00)	-
3807	Pedestrian Bridge Votee Park	42,755.25		(42,755.25)	-
3808	Purchase of Police Communications Equipment	2,729.06		(2,729.06)	-
3810	Road Resurfacing & Curb Replacement	38,222.52		(38,222.52)	-
3811	Replacement of Various Public Works Equipment	(1,612.50)		1,612.50	-
3813/4087	Replacement of Library Roof	3,697.00		(3,697.00)	-
3814	Municipal Building Exteriors Upgrades	155,552.05		135,412.04	20,140.01
3873	Various Capital Improvements	54,513.61		26,700.00	27,813.61
3874	Road Resurfacing & Curb Replacement	81,189.05		(81,189.05)	-
3875	Acq. Of Rescue Vehicle & Related Equipment	300.00		(300.00)	-
3880	Renovation of Fire Station No. 2	2,134.14		(2,134.14)	-
3932	Acquisition of Pomander Walk	618.00		(618.00)	-
3942	Various Improvements	89,665.90		(89,665.90)	-
3944	Sewer Upgrade Winthrop Road	65,223.39		52,253.51	12,969.88

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF ANALYSIS OF VARIOUS RECEIVABLES

C-4

		Balance	Grants	Cash	Canceled	Balance
Ref.	Dec. 31, 2011	Approved	Received	Received	Dec. 31, 2012	Dec. 31, 2012
<u>State Road Aid Receivable:</u>						
Ord #						
3807	Pedestrian Bridge Votee Park	\$ 100,000.00			\$ (42,755.25)	\$ 57,244.75
3834	Cedar Lane Streetscape	75,000.00		75,000.00		-
4160	Streetscape Improvement of Ward Plaza	574,295.78		402,630.92		171,664.86
	Queen Anne Road Sidewalk Improvement Study	2,500.00		1,292.50		1,207.50
	Cedar Lane /Palisades Park Intersection Impr.	6,750.00				6,750.00
4192	Queen Anne Road Section 7	50,000.00		50,000.00		-
4237	West Englewood Avenue, Section 4	140,000.00				140,000.00
4265	Glenwood Ave. Resurfacing		146,500.00			146,500.00
		<u>948,545.78</u>	<u>0.00</u>	<u>528,923.42</u>	<u>(42,755.25)</u>	<u>523,367.11</u>
C						
<u>Community Development:</u>						
Ord #						
4193	Robinson Street Resurfacing	120,158.00		114,798.43	(5,359.57)	-
4195	ADA Ramps & Curbs- BCDPW	54,000.00				54,000.00
4250	Street Improvement Sylvan Terrace		44,000.00	44,000.00		-
4251	Lozier Place Sanitary Sewer Replacement		77,825.00	46,509.11		31,315.89
4252	Street Improvement State Street		175,000.00	175,000.00		-
		<u>174,158.00</u>	<u>0.00</u>	<u>380,307.54</u>	<u>(5,359.57)</u>	<u>85,315.89</u>
C						
<u>Bergen County Open Space</u>						
Ord #						
4138	Playground Improvements Various	6,140.00		6,140.00		-
4189	Wading Pools/BB Courts	81,654.00		81,654.00		-
4213	Rehabilitation of Votee Park Sports Fields	84,708.00				84,708.00
4224	Phelps/Votee Courts	95,000.00		40,000.00		55,000.00
4253	Open Space Park Projects		75,000.00			75,000.00
		<u>87,794.00</u>	<u>75,000.00</u>	<u>127,794.00</u>	<u>0.00</u>	<u>214,708.00</u>
C						
		<u>\$ 1,210,497.78</u>	<u>\$ 75,000.00</u>	<u>\$ 1,037,024.96</u>	<u>\$ (48,114.82)</u>	<u>\$ 823,391.00</u>
Reference			C-12	Below		
			Due From Current Func C-2A	771,515.85		
			Cash Received C-2	265,509.11		
				<u>\$ 1,037,024.96</u>		

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

	<u>Reference</u>	C-5
Balance December 31, 2011	C	\$ 2,423,634.10
Decreased by:		
Principal on State of NJ Economic Development Authority Loan		
Paid by Budget Appropriations	C-7	67,500.00
Downtown Business Improvement Loan	C-8	40,000.00
Budget Appropriations to Pay Bonds	C-9	300,000.00
Budget Appropriations to Pay Capital Leases	C-11	<u>70,052.17</u>
		<u>477,552.17</u>
Balance December 31, 2012	C	<u>\$ 1,946,081.93</u>

See independent auditor's report and the notes to the financial statements.

BOROUGH OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. #	Improvement Description	Balance Dec. 31, 2011	2012 Appropriations	Funded/Unfunded Transfers	Balance Dec. 31, 2012	Expenditures	Unexpended Improvement Appropriations
	<b>General Improvements:</b>						
3604	Constructing of DPW	\$ 3,775,000.00	\$ -	\$ 3,229,987.82	\$ 535,012.18	\$ 535,012.18	\$ -
3706/2819/	Coker Lane Streetscape Project	1,898,895.00		73,055.00	1,825,840.00	1,670,466.08	155,373.92
3834/3838	Supplemental	299,337.46		13,280.96	286,056.50	286,056.50	0.00
3811	Replacement of Various Public Works Equipment	769,500.00		269,890.00	499,610.00	499,610.00	0.00
3813/4087	Replacement of Library Roof	522,500.00		522,500.00	0.00	502,559.99	20,140.01
3814	Municipal Building Exterior Upgrades	555,384.00		14,616.00	540,768.00	540,768.00	0.00
3874	Road Resurfacing & Curb Replacement	456,000.00		57,000.00	399,000.00	399,000.00	0.00
3875	Acq. of Rescu. Vehicle & Related Equipment	266,631.00			266,631.00	266,631.00	0.00
3932	Acquisition of Remanufact. Walk	408,500.00			408,500.00	395,530.12	12,969.88
3944	Sewer Upgrade W/Inpump Road	663,000.00			663,000.00	607,660.68	27,339.32
3954	Police Headquarters Upgrade	2,565,000.00			2,565,000.00	2,565,000.00	0.00
3960	Acquisition of Public Works Equipment	498,820.00		16,388.00	482,432.00	482,432.00	0.00
4003	Road Resurfacing & Curb Replacement	684,000.00		38,000.00	646,000.00	646,000.00	0.00
4004	Acquisition of Pumper Truck	240,350.00			240,350.00	240,350.00	0.00
4027	HVAC Upgrades for Library & Municipal Building	451,250.00			451,250.00	417,898.34	33,351.66
4076	Annual Road Resurfacing & Curb Replacement	617,500.00			617,500.00	593,139.27	24,366.73
4127	Various Photovoltaic Power Projects	175,030.90			175,030.90	175,030.90	0.00
4128	Improvements in Various Township Buildings	332,500.00		68,574.50	263,925.50	263,925.50	0.00
4145	Refueling Book Ordinance - Emergency Judgments	5,950,000.00		500,000.00	5,450,000.00	5,450,000.00	0.00
4152	Acq. of Radio Communication Upgrade Equipment	213,750.00			213,750.00	213,750.00	0.00
4164	Annual Road Resurfacing & Curb Replacement	380,000.00			380,000.00	367,279.65	12,720.35
4165	Stormwater Drainage Improvements Ashley Ct.	261,250.00			261,250.00	261,250.00	0.00
4166	Improvements to Veece Park Pool	190,000.00			190,000.00	161,539.00	28,461.00
4167	Improvements at the Greenbelt Walkway	148,200.00			148,200.00	172,975.60	17,024.40
4188	Suitery Sewer Perry Lane and Lester Place	475,000.00			475,000.00	475,000.00	0.00
4188	Recycling Trucks	598,500.00			598,500.00	598,500.00	0.00
4190	Road Resurfacing & Curb Replacement	769,000.00			769,000.00	732,810.50	22,189.50
4203	Fire Department Personal Emergency Escape System	85,800.00			85,800.00	80,640.00	4,860.00
4204	Acq. of DPW Truck/Equipment	876,350.00			876,350.00	521,861.69	408,168.40
4205	Radio Communication Upgrade Equipment	213,750.00			213,750.00	103,050.63	96,719.37
4214	Fire House Signal Improvements	114,000.00			114,000.00	0.00	114,000.00
4215	Install Fencing at Voice Park	90,725.00			90,725.00	0.00	90,725.00
4218	Stormwater Drainage Improvements at Northumberland Road	57,000.00			57,000.00	57,000.00	0.00
4217	Improvement to Grief/Paine Suitery Sewer Pump Station	209,000.00			209,000.00	0.00	209,000.00
4220	HVAC Improvement to Library, Police and Municipal Buildings	950,000.00			950,000.00	840,005.33	109,994.67
4221	Suitery Sewer Improvements	1,055,500.00			1,033,500.00	814,330.70	221,169.30
4222	Renovation of Old Police Headquarters Building	3,325,000.00			3,315,000.00	134,055.00	3,190,945.00
4223	Various Public Improvements	475,000.00			475,000.00	0.00	475,000.00
4235	Acquisition of Radio Communication Upgrade Equipment	203,692.00			203,692.00	61,872.11	141,819.89
4236	Acquisition of Fire Dept. Vehicle & Equipment	128,250.00			128,250.00	34,783.92	93,466.08
4238	2011 Road Resurf. & Sidewalk & Curb Improvements Program	1,045,000.00			1,044,982.50	17.50	17.50
4239	Stormwater Drainage Improvements - Various	89,300.00			89,300.00	89,300.00	0.00
4240	Resurfacing of Various Municipal Parking Lots	310,650.00			310,650.00	306,637.50	4,012.50
4242	Acquisition of Sign Making Equipment for DPW	47,500.00			47,500.00	42,874.49	4,625.51
4250	Street Improvement Sylvan Terrace	44,000.00		44,000.00	0.00	0.00	44,000.00
4251	Lester Place Suitery Sewer Replacement	77,825.00			77,825.00	0.00	77,825.00
4253	Star Street Improvements	175,000.00			175,000.00	9.90	175,000.00
4253	Open Space Park Projects	150,000.00		150,000.00	0.00	0.00	150,000.00
4253	Open Space Park Projects	146,500.00		146,500.00	0.00	0.00	146,500.00
4257	Glenwood Ave. Resurfacing	1,987,000.00			1,987,000.00	1,887,650.00	109,350.00
4270	2013 Road & Municipal Parking Lot Resurfacing Program	400,000.00			400,000.00	380,000.00	20,000.00
4270	Acquisition of Emergency Generators	25,000.00			25,000.00	0.00	25,000.00
4272	Installation of Library Roof Drainage System	160,000.00		160,000.00	0.00	0.00	160,000.00
4275	Stormwater Drainage Impr. Todoloka & Dearborn						
	<b>Local Improvements:</b>						
3491/7770	Sidewalk Improvements Various	55,802.83		55,802.83	0.00	0.00	55,802.83
		<b>C</b>	<b>C-14</b>	<b>Below</b>	<b>C</b>	<b>C-12</b>	<b>C-12</b>
		\$ 33,666,988.19	\$ 3,185,225.00	\$ 2,993,216.11	\$ 31,761,068.08	\$ 23,515,848.58	\$ 8,245,119.50

Capital Improvement Fund C-13 \$ 155,350.00  
 Capital Improvement Authorization C-12 3,277,646.11  
 BAN Paydown C-10 968,924.00  
 Funded by Grants C-4 593,225.00  
 Above \$ 3,093,225.11

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF NEW JERSEY -E.D.A. LOAN PAYABLE**

	<u>Reference</u>	C-7
Balance December 31, 2011	C	\$ 135,000.00
Decreased by:		
Principal on State of NJ Economic Development Authority Loan Paid by Budget Appropriations	C-5	<u>67,500.00</u>
Balance December 31, 2012	C	<u>\$ 67,500.00</u>

**Maturities of Loan Outstanding -December 31, 2012**

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Payment Dates</u>	<u>Principal Payments</u>
11-17-93	1.50%	08-15-12/13	67,500.00

**SCHEDULE OF LOAN PAYABLE- NEW JERSEY  
 DOWNTOWN BUSINESS IMPROVEMENT LOAN FUND**

	<u>Reference</u>	C-8
Balance December 31, 2011	C	\$ 400,000.00
Decreased by:		
Principal on State of NJ Downtown Business Improvement Loan Paid	C-5	<u>40,000.00</u>
Balance December 31, 2012	C	<u>\$ 360,000.00</u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF GENERAL SERIAL BONDS

C-9

Purpose	Date of Issue	Original Issue	Maturates of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2011	Issued	Decreased	Balance Dec. 31, 2012
			Date	Amount					
General Improvement Bonds - 2002	04/15/02	\$ 3,544,000.00	04/15/2013	325,000.00	4.25%	\$ 1,344,000.00	\$ -	\$ 300,000.00	\$ 1,044,000.00
			04/15/2014	350,000.00	4.38%				
			04/15/2015	369,000.00	4.45%				
						<u>\$ 1,344,000.00</u>	<u>\$ -</u>	<u>\$ 300,000.00</u>	<u>\$ 1,044,000.00</u>
						C		C-5	C
Paid by Budget Appropriation						A-3		<u>\$ 300,000.00</u>	

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

C-10

SCHEDULE OF BOND ANTICIPATION NOTES

Ord. #	Purpose	Original Amount Issued	Original Date of Issue	Date of Maturity	Interest Rate	Balance			Balance Dec. 31, 2012
						Dec. 31, 2011	Issued	Paid/Transferred	
3706	Cedar Lane Streetscape	\$ 2,118,000.00	06/22/2006	04/26/13	1.00%	\$ 1,898,895.00	\$ 1,825,860.00	\$ 1,898,895.00	\$ 1,825,860.00
3811	Various Public Works Equipment	320,000.00	07/31/2008	04/26/13	1.00%	284,444.00	14,551.00	284,444.00	14,551.00
3874	Road Resurfacing & Curb Repl	570,000.00	07/31/2008	04/26/13	1.00%	555,384.00	540,768.00	555,384.00	540,768.00
3875	Acq. Of Rescue Vehicle & Equipment	513,000.00	07/31/2008	04/26/13	1.00%	456,000.00	399,000.00	456,000.00	399,000.00
3960	Acq. Of Public Works Equip.	475,000.00	07/31/2008	04/26/13	1.00%	458,620.00	442,240.00	458,620.00	442,240.00
4003	Road Resurfacing & Curb Repl	722,000.00	07/31/2008	04/26/13	1.00%	684,000.00	646,000.00	684,000.00	646,000.00
4128	Refunding Bonds Judgment	5,950,000.00	07/07/2009	04/26/13	1.00%	5,950,000.00	5,450,000.00	5,950,000.00	5,450,000.00
3818	Replacement of Library Roof	380,000.00	04/26/10	04/26/13	1.00%	380,000.00	380,000.00	380,000.00	380,000.00
4087	Supplemental Replacement of Libr. Roof	389,500.00	04/26/10	04/26/13	1.00%	389,500.00	389,500.00	389,500.00	389,500.00
3814	Municipal Bldg. Exterior Upgrades	522,500.00	04/26/10	04/26/13	1.00%	522,500.00	522,500.00	522,500.00	522,500.00
3932	Acq. of Pomander Walk	266,631.00	04/26/10	04/26/13	1.00%	266,631.00	266,631.00	266,631.00	266,631.00
3944	Sewer Upgrade Winthrop Road	408,500.00	04/26/10	04/26/13	1.00%	408,500.00	408,500.00	408,500.00	408,500.00
3945	Road Resurfacing & Curb Repl	665,000.00	04/26/10	04/26/13	1.00%	665,000.00	665,000.00	665,000.00	665,000.00
3954	Police Headquarters Upgrade	2,565,000.00	04/26/10	04/26/13	1.00%	2,565,000.00	2,565,000.00	2,565,000.00	2,565,000.00
4004	Acq. of Packer Garbage Truck	240,350.00	04/26/10	04/26/13	1.00%	240,350.00	240,350.00	240,350.00	240,350.00
4076	Road Resurfacing & Curb Repl	617,500.00	04/26/10	04/26/13	1.00%	617,500.00	617,500.00	617,500.00	617,500.00
4152	Radio Communications Equip Upgrade	213,750.00	04/26/10	04/26/13	1.00%	213,750.00	213,750.00	213,750.00	213,750.00
4164	Road Resurfacing & Curb Repl	380,000.00	04/26/10	04/26/13	1.00%	380,000.00	380,000.00	380,000.00	380,000.00
4165	Stormwater Drainage Improvements	261,250.00	04/26/10	04/26/13	1.00%	261,250.00	261,250.00	261,250.00	261,250.00
4166	Imp. To Votce Park Inground Pool	190,000.00	04/26/10	04/26/13	1.00%	190,000.00	190,000.00	190,000.00	190,000.00
4168	Sanitary Sewer Replacement/ Upgrade	148,200.00	04/26/10	04/26/13	1.00%	148,200.00	148,200.00	148,200.00	148,200.00
4145	Improvements to Various Township Buildings		04/26/11	04/26/13	1.00%	332,500.00	332,500.00	332,500.00	332,500.00
4167	Improvements at the Greenbelt Walkway		04/26/11	04/26/13	1.00%	190,000.00	190,000.00	190,000.00	190,000.00
4182	Fire Pumper Truck		04/26/11	04/26/13	1.00%	475,000.00	475,000.00	475,000.00	475,000.00
4186	Recycling Trucks		04/26/11	04/26/13	1.00%	598,500.00	598,500.00	598,500.00	598,500.00
4190	Road Resurfacing & Curb Replacement		04/26/11	04/26/13	1.00%	760,000.00	760,000.00	760,000.00	760,000.00
4203	Fire Department Personal Emergency Escape System		04/26/11	04/26/13	1.00%	85,500.00	85,500.00	85,500.00	85,500.00
4204	Acq. Of DPW Trucks/Equipment		04/26/11	04/26/13	1.00%	400,000.00	400,000.00	400,000.00	400,000.00
4205	Radio Communication Upgrade Equipment		04/26/11	04/26/13	1.00%	213,750.00	213,750.00	213,750.00	213,750.00
4214	Fire House Signal Improvements		04/26/11	04/26/13	1.00%	114,000.00	114,000.00	114,000.00	114,000.00
4216	Stormwater Drainage Improvements at Northumberland Road		04/26/11	04/26/13	1.00%	57,000.00	57,000.00	57,000.00	57,000.00
4220	HVAC Improvement to Library, Police and Municipal Buildings		04/26/11	04/26/13	1.00%	950,000.00	950,000.00	950,000.00	950,000.00
4221	Sanitary Sewer Improvements		04/26/11	04/26/13	1.00%	1,035,500.00	1,035,500.00	1,035,500.00	1,035,500.00
4222	Renovation of Old Police Headquarters Building		04/26/11	04/26/13	1.00%	400,000.00	400,000.00	400,000.00	400,000.00
4223	Various Public Improvements		04/26/11	04/26/13	1.00%	200,000.00	200,000.00	200,000.00	200,000.00
						<u>\$ 23,347,274.00</u>	<u>\$ 22,378,350.00</u>	<u>\$ 23,347,274.00</u>	<u>\$ 22,378,350.00</u>
Reference						C	C-2A,Below	C-2A	C
Renewals							C-2A	22,378,350.00	
New Issues							C-14		
Paid by Reserve for Payment of BAN							C-6,17		
Unfunded							C-14		
Paid by Budget Appropriation							C-2A,6	<u>968,924.00</u>	
							Above	<u>\$ 23,347,274.00</u>	

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

C-10A

**SCHEDULE OF NOTES PAYABLE- CURRENT FUND**

Ord. #	Purpose	Original Amount Issued	Original Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Issued	Balance Dec. 31, 2012
3604	Construction of DPW Building	\$ 535,012.18	11/26/2012	11/26/2013	0.00%		\$ 535,012.18	\$ 535,012.18
3811	Replacement of Various Public Works Equipment	1,612.50	11/26/2012	11/26/2013	0.00%		1,612.50	1,612.50
4027	HVAC Upgrades for Library & Municipal Building	417,898.24	11/26/2012	11/26/2013	0.00%		417,898.24	417,898.24
4127	Various Photovoltaic Power Projects	106,456.40	11/26/2012	11/26/2013	0.00%		106,456.40	106,456.40
						<u>\$ -</u>	<u>\$ 1,060,979.32</u>	<u>\$ 1,060,979.32</u>
					Reference	C	C-2A,14	C

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF CAPITAL LEASE PAYABLE

C-11

Purpose	Date of Issue	Original Issue	Semi-Annual Maturities		Interest Rate	Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
			Date	Amount				
Bergen County Improvement Authority - Various Equipment	09/12/2008	\$ 1,557,775.00	09/12/2013	\$ 72,489.99		\$ 544,634.10	\$ 70,052.17	\$ 474,581.93
			09/12/2014	75,012.64				
			09/12/2015	77,623.08				
			09/12/2016	80,324.36				
			09/12/2017	83,119.65				
			09/12/2018	86,012.21				
			<u>\$ 474,581.93</u>		<u>\$ 544,634.10</u>	<u>\$ 70,052.17</u>	<u>\$ 474,581.93</u>	
					C	C-5	C	

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

C-12

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance December 31, 2011		2011 Authorizations	Paid or Charged	Reimbursed/ (Canceled)	Balance December 31, 2012	
				Funded	Unfunded				Funded	Unfunded
<i>General Improvements</i>										
3547	Various Capital Improvements	04-07-98	\$ 379,000.00	\$ 2,999.30				\$ (2,999.30)	\$ -	\$ -
3586	Various Capital Improvements	04-06-99	319,300.00	19,682.28				(19,682.28)	-	-
3604	Construction of New DPW Building	08-24-99	4,000,000.00		3,243,214.56		3,226.74	(3,239,987.82)	-	-
3628	Various Capital Improvements	04-11-00	262,000.00	264.77				(264.77)	-	-
3632	Various Road Improvements	05-16-00	400,000.00	3,697.07				(3,697.07)	-	-
3663/3683	Various Capital Improvements	07-24-01	360,000.00	2,179.47				(2,179.47)	-	-
3668	Road Resurfacing & Curb Replacement	05-08-01	500,000.00	1,994.85				(1,994.85)	-	-
3669	Library Renovations and Equipment/Furnishings	05-08-01	300,000.00	5,628.93			1,117.65	(4,511.28)	-	-
3705	Various Capital Improvements	03/12/02	269,500.00	8,783.04				(8,783.04)	-	-
3858	Supplemental	02-08-05	250,000.00		222,543.92		67,150.00		-	155,393.92
3708	Various Capital Improvements	04-09-02	487,500.00	9,877.94				(9,877.94)	-	-
3712	Road Resurfacing & Curb/Sidewalk Replacement	05-28-02	600,000.00	16,421.25				(16,421.25)	-	-
3812	Improvements to the Police Building- Supplemental	04-12-04	250,000.00	157,203.02				(157,203.02)	-	-
3753/3802	Various Capital Improvements - Supplemental	04/01/04	125,000.00	1,438.74				(1,438.74)	-	-
3756	Road Resurfacing & Curb Replacement	05-27-03	600,000.00	71,787.99			16,808.10	(54,979.89)	-	-
3794	Replacement of Lighting System at Votee Park	01-20-04	233,500.00	27,800.00				(27,800.00)	-	-
3800	Various Capital Improvements	03-23-04	310,500.00	9,788.03				(9,788.03)	-	-
3872	Supplemental - Purchase of Street Signs	04-26-05	25,000.00	66.00				(66.00)	-	-
3807	Pedestrian Bridge Votee Park	04-01-04	100,000.00	42,755.25				(42,755.25)	-	-
3808	Purchase of Police Communications Equipment	04-21-04	320,000.00	2,729.06				(2,729.06)	-	-
3810	Road Resurfacing & Curb Replacement	04-21-04	600,000.00	38,222.52				(38,222.52)	-	-
3811	Replacement of Various Public Works Equipment	04-21-04	1,000,000.00			13,280.96		(13,280.96)	-	-
3813/4087	Replacement of Library Roof	04-21-04	400,000.00			3,697.00		(3,697.00)	-	-
3814	Municipal Building Exterior Upgrades	04-21-04	550,000.00			155,552.05	135,412.04			20,140.01
3873	Various Capital Improvements	04-26-05	388,000.00	54,513.61			26,700.00		27,813.61	-
3874	Road Resurfacing & Curb Replacement	04-26-05	600,000.00			81,189.05		(81,189.05)	-	-
3875	Acq. Of Rescue Vehicle & Related Equipment	04-26-05	540,000.00			300.00		(300.00)	-	-
3880	Renovation of Fire Station No. 2	05-24-05	197,500.00	2,134.14				(2,134.14)	-	-
3932	Acquisition of Pomander Walk	02-07-06	425,000.00			618.00		(618.00)	-	-
3942	Various Improvements	04-04-06	252,000.00	89,665.90				(89,665.90)	-	-
3944	Sewer Upgrade Winthrop Road	04-17-06	430,000.00			65,223.39	52,253.51			12,969.88
3945	Road Resurfacing & Curb Replacement	04-17-06	700,000.00			62,270.71	34,934.39			27,336.32
3946	Refunding Bond Ordinance Judgments	04-17-06	2,560,000.00	39,677.59				(39,677.59)	-	-
3954	Renovations and Upgrades to Police Headquarters	07-25-06	2,700,000.00			104,649.39		(104,649.39)	-	-
3960	Acquisition of Public Works Equipment	08-22-06	500,000.00			8,548.90		(8,548.90)	-	-
3995	Upgrade of Votee Park Pool	03-20-07	80,000.00	5,774.30				(5,774.30)	-	-
4000	Various Capital Improvements	04-11-07	138,900.00	582.30				(582.30)	-	-
4003	Road Resurfacing & Curb Replacement	04-24-07	760,000.00			35,684.53	5,674.14			30,010.39
4004	Acquisition of Packer Truck	04-24-07	253,000.00			20,198.00		(20,198.00)	-	-
4022	Votee Park and Playground	07-25-07	580,000.00	31,285.98				(31,285.98)	-	-
4027	HVAC Upgrades for Library & Municipal Building	08-21-07	475,000.00			42,781.50	9,429.84			33,351.66
4074	Various Capital Improvements	05-27-08	126,500.00	70,486.40			32,199.84		38,286.56	-
4075	Various Park Equipment & Improvements	05-27-08	183,000.00	38,237.24				(38,237.24)	-	-
4076	Annual Road Resurfacing & Curb Replacement	05-27-08	650,000.00			24,360.73			-	24,360.73

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
(CONTINUED)

C-12

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance		2012 Authorizations	Paid or Charged	Reimbursed/ (Canceled)	Balance	
				December 31, 2011 Funded	Unfunded				December 31, 2012 Funded	Unfunded
<i>General Improvements</i>										
4127	Various Photovoltaic Power Projects	05-19-09	\$ 615,000.00		\$ 68,574.50			\$ (68,574.50)	\$ -	\$ -
4128	Refunding Bond Ordinance	05-19-09	5,950,000.00		44,547.50			(44,547.50)	-	-
4138	Pool, Courts, Field Upgrades Various Parks	06-23-09	140,000.00	12,280.00					12,280.00	
4141/4160	Streetscape Improvements Ward Plaza	11-23-09	854,766.00	204,082.46			32,417.60		171,664.86	
4145	Improvements to Various Township Buildings	09-08-09	350,000.00		99,414.55		45,176.43		-	54,238.12
4147	Installation of Lightning Detection System	09-08-09	50,000.00	16,964.58				(16,964.58)	-	
4152	Acq. Of Radio Communications Upgrade Equipment	11-09-09	225,000.00		6,838.12		6,838.12		-	-
4164	Annual Road Resurfacing and Curb Replacement	11-23-09	400,000.00		51,451.11		38,730.76			12,720.35
4165	Stormwater Drainage Improvements Ardsley Ct.	11-23-09	275,000.00		55,069.40			(55,069.40)	-	-
4166	Improvements to Votee Park Pool	11-23-09	200,000.00		128,791.00		150.00			128,641.00
4167	Improvements to the Greenbelt Walkway	11-23-09	200,000.00	3,200.00	190,000.00		176,175.60			17,024.40
4168	Sanitary Sewer Perry Lane and Lozier Place	11-23-09	156,000.00	3,600.00	148,200.00				3,600.00	148,200.00
4188	Glenwood/ Sanford St. Resurface	07-27-10	55,000.00		6,600.00				6,600.00	
4189	Wading Pools/BB Courts BCOS	07-27-10	163,308.00	81,654.00					81,654.00	
4190	Road Resurfacing & Curb Replacement	07-27-10	800,000.00		94,199.04		67,009.54		-	27,189.50
4193	Robinson Street Resurfacing -CDBG	08-10-10	120,158.00	5,359.57				(5,359.57)	-	-
4195	ADA Ramps & Curbs- BCDPW	08-10-10	108,000.00	60,945.10					60,945.10	
4202	Fire Department Work Station Uniforms	10-12-10	25,000.00	5,948.01					5,948.01	
4203	Fire Department Personal Emergency Escape System	10-12-10	90,000.00		5,580.00		720.00		-	4,860.00
4204	Acq. Of DPW Trucks/Equipment	10-12-10	975,000.00		810,460.40		405,292.00		-	405,168.40
4205	Radio Communication Upgrade Equipment	10-12-10	225,000.00		208,122.00		157,402.63		-	50,719.37
4213	Rehabilitation of Votee Park Sports Fields	01-25-11	169,416.00	169,416.00					169,416.00	
4214	Fire House Signal Improvements	02-08-11	120,000.00	6,000.00	114,000.00				6,000.00	114,000.00
4215	Install Fencing at Votee Park	02-08-11	95,500.00	4,775.00	90,725.00				4,775.00	90,725.00
4216	Stormwater Drainage Improvements at Northumberland Road	02-08-11	60,000.00	3,000.00	57,000.00		60,000.00		-	-
4217	Improvement to GlenPointe Sanitary Sewer Pump Station	02-08-11	220,000.00	11,000.00	209,000.00				11,000.00	209,000.00
4218	Installation of Fencing at Andreas Park	02-22-11	20,000.00	20,000.00					20,000.00	-
4219	Sagamore Park Fencing/Trail Paving	02-22-11	22,000.00	22,000.00					22,000.00	-
4220	HVAC Improvement to Library, Police and Municipal Buildings	02-22-11	1,000,000.00		902,501.65		792,506.98			109,994.67
4221	Sanitary Sewer Improvements	02-22-11	1,090,000.00		897,485.64		676,316.34			221,169.30
4222	Renovation of Old Police Headquarters Building	02-22-11	3,500,000.00	126,040.00	3,325,000.00		260,095.00			3,190,945.00
4223	Various Public Improvements	02-22-11	500,000.00	25,000.00	475,000.00		6,243.75		18,756.25	475,000.00
4224	Phelps/Votee Courts	04-12-11	190,000.00	190,000.00			103,390.00		86,610.00	-
4227	Defibrillators	03-22-11	9,000.00		9,000.00		9,000.00		-	-
4234	Police Department Computer Equipment	05-24-11	30,000.00	30,000.00			29,957.25	(42.75)	-	-
4235	Acquisition of Radio Communication Upgrade Equipment	05-24-11	213,750.00	10,688.00	203,062.00		72,560.11			141,189.89
4236	Acquisition of Fire Dept. Vehicles & Equipment	06-28-11	135,000.00	6,750.00	128,250.00		41,533.92			93,466.08
4237	NJ Dept of Transportation - Resurfacing West Englewood Ave #4	06-28-11	140,000.00	140,000.00			140,000.00			-
4238	2011 Road Resurf. & Sidewalk & Curb Improvements Program	06-28-11	1,100,000.00	38,289.00	1,045,000.00		1,083,271.50			17.50
4239	Stormwater Drainage Improvements - Various	06-28-11	94,000.00	4,700.00	89,300.00		94,000.00			-
4240	Resurfacing of Various Municipal Parking Lots	06-28-11	327,000.00	10,617.50	310,650.00		317,255.00			4,012.50
4242	Acquisition of Sign Making Equipment for DPW	09-13-11	50,000.00	2,500.00	47,500.00		45,374.49			4,625.51

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
(CONTINUED)

C-12

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance December 31, 2011		2012 Authorizations	Paid or Charged	Reimbursed/ (Canceled)	Balance December 31, 2012																																																																							
				Funded	Unfunded				Funded	Unfunded																																																																						
<i>General Improvements</i>																																																																																
4250	Street Improvement Sylvan Terrace	02/21/2012	\$ 44,000.00			\$ 44,000.00	44,000.00		\$ -	\$ -																																																																						
4251	Lozier Place Sanitary Sewer Replacement	02/21/2012	77,825.00			77,825.00	47,116.27		30,708.73	-																																																																						
4252	State Street Improvements	02/21/2012	175,000.00			175,000.00	175,000.00			-																																																																						
4253	Open Space Park Projects	03/06/2012	150,000.00			150,000.00	69,146.32		80,853.68																																																																							
4265	Glenwood Ave Resurfacing	08/14/2012	146,500.00			146,500.00	-		146,500.00																																																																							
4267	2012 Road & Municipal Parking Lot Resurfacing Program	08/14/2012	1,987,000.00			1,987,000.00			99,350.00	1,887,650.00																																																																						
4270	Acquisition of Emergency Generators	09/11/2012	400,000.00			400,000.00			20,000.00	380,000.00																																																																						
4272	Installation of Library Roof Drainage System	09/24/2012	25,000.00			25,000.00			25,000.00	-																																																																						
4273	Stormwater Drainage Improv. Tokoloka & Dearborn	09/24/2012	180,000.00			180,000.00			9,000.00	171,000.00																																																																						
<i>Local Improvements:</i>																																																																																
3770	Amended- Sidewalk Improvements Various	07-22-03	100,000.00		62,426.16			(62,426.16)		-																																																																						
				\$ 1,986,086.19	\$ 13,952,260.76	\$ 3,185,325.00	\$ 5,381,585.86	\$ (4,338,204.79)	\$ 1,158,761.80	\$ 8,245,119.50																																																																						
				C	C	Below	Below	Below	C	C, C-6																																																																						
<table border="0" style="width: 100%;"> <tr> <td style="width: 40%;"></td> <td style="width: 10%; text-align: center;">Ref.</td> <td style="width: 30%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td>Bond Ordinance Authorized</td> <td></td> <td>2,438,650.00</td> <td></td> <td></td> </tr> <tr> <td>Capital Ordinance Funded by Grants</td> <td>C-4</td> <td>518,325.00</td> <td></td> <td></td> </tr> <tr> <td>Capital Ordinance Funded by CIF</td> <td>C-13</td> <td>153,350.00</td> <td></td> <td></td> </tr> <tr> <td>Capital Ordinance Funded by Trust Fund</td> <td>C-15</td> <td>75,000.00</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">Above</td> <td style="border-top: 1px solid black; text-align: right;">\$ 3,185,325.00</td> <td></td> <td></td> </tr> <tr> <td>Encumbrance Payable</td> <td>C-18</td> <td>1,668,710.88</td> <td></td> <td></td> </tr> <tr> <td>Cash Disbursements</td> <td>C-2A</td> <td>3,712,874.98</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">Above</td> <td style="border-top: 1px solid black; text-align: right;">\$ 5,381,585.86</td> <td></td> <td></td> </tr> <tr> <td>Canceled to Grants Receivable</td> <td>C-4</td> <td>\$ 48,114.82</td> <td></td> <td></td> </tr> <tr> <td>Canceled Unfunded Ordinances</td> <td>C-6,14</td> <td>3,377,646.11</td> <td></td> <td></td> </tr> <tr> <td>Canceled to Reserve for Payment BANS</td> <td>C-17</td> <td>318,817.24</td> <td></td> <td></td> </tr> <tr> <td>Canceled - Surplus</td> <td>C-1</td> <td>593,626.62</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">Above</td> <td style="border-top: 1px solid black; text-align: right;">\$ 4,338,204.79</td> <td></td> <td></td> </tr> </table>												Ref.				Bond Ordinance Authorized		2,438,650.00			Capital Ordinance Funded by Grants	C-4	518,325.00			Capital Ordinance Funded by CIF	C-13	153,350.00			Capital Ordinance Funded by Trust Fund	C-15	75,000.00				Above	\$ 3,185,325.00			Encumbrance Payable	C-18	1,668,710.88			Cash Disbursements	C-2A	3,712,874.98				Above	\$ 5,381,585.86			Canceled to Grants Receivable	C-4	\$ 48,114.82			Canceled Unfunded Ordinances	C-6,14	3,377,646.11			Canceled to Reserve for Payment BANS	C-17	318,817.24			Canceled - Surplus	C-1	593,626.62				Above	\$ 4,338,204.79		
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See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
 CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF CAPITAL IMPROVEMENT FUND

C-13

	<u>Reference</u>		
Balance December 31, 2011	C		\$ 627,327.09
Increased by:			
Budget Appropriation	C-2A		326,740.00
			954,067.09
Decreased by:			
Appropriated to Finance Improvement			
Authorizations	C-6,14	\$ 153,350.00	
Appropriated to Finance Preliminary Costs	C-16	74,000.00	
			227,350.00
 Balance December 31, 2012	 C		 \$ <u><u>726,717.09</u></u>

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-14

Ord. No.	Improvement Description <u>General Improvements</u>	<u>Balance December 31, 2011</u>		2012	Unfunded /	Funded /	<u>Balance December 31, 2012</u>	
		<u>Capital Fund</u>	<u>Trust Fund</u>	<u>Authorizations</u>	<u>Transferred</u>	<u>Canceled</u>	<u>Capital Fund</u>	<u>Trust Fund</u>
3604	Construction of DPW Building	\$ 3,775,000.00	\$ -	\$ -		\$ 3,775,000.00	\$ -	\$ -
3811	Replacement of Various Public Works Equipment	14,893.46				14,893.46	-	
4027	HVAC Upgrades for Library & Municipal Building	451,250.00				417,898.24	33,351.76	
4127	Various Photovoltaic Power Projects	175,030.90				175,030.90	-	
4204	Acq. Of DPW Trucks/Equipment	526,250.00					526,250.00	
4215	Install Fencing at Votee Park	90,725.00					90,725.00	
4217	Improvement to GlenPointe Sanitary Sewer Pump Station	209,000.00					209,000.00	
4222	Renovation of Old Police Headquarters Building	2,925,000.00					2,925,000.00	
4223	Various Public Improvements	275,000.00					275,000.00	
4235	Acquisition of Radio Communication Upgrade Equipment	203,062.00					203,062.00	
4236	Acquisition of Fire Dept. Vehicles & Equipment	128,250.00					128,250.00	
4238	2011 Road Resurf. & Sidewalk & Curb Improvements Program	1,045,000.00					1,045,000.00	
4239	Stormwater Drainage Improvements - Various	89,300.00					89,300.00	
4240	Resurfacing of Various Municipal Parking Lots	310,650.00					310,650.00	
4242	Acquisition of Sign Making Equipment for DPW	47,500.00					47,500.00	
4250	Street Improvement Sylvan Terrace			44,000.00		44,000.00	-	
4251	Lozier Place Sanitary Sewer Replacement			77,825.00		77,825.00	-	
4252	State Street Improvements			175,000.00		175,000.00	-	
4253	Open Space Park Projects			150,000.00		150,000.00	-	
4265	Glenwood Ave. Resurfacing			146,500.00		146,500.00	-	
4267	2012 Road & Municipal Parking Lot Resurfacing Program			1,987,000.00		99,350.00	1,887,650.00	
4270	Acquisition of Emergency Generators			400,000.00		20,000.00	380,000.00	
4272	Installation of Library Roof Drainage System			25,000.00		25,000.00	-	
4273	Stormwater Drainage Impr. Tokoloka & Dearborn			180,000.00		9,000.00	171,000.00	
	<u>Local Improvements:</u>							
3509	Sidewalk Improvements Various						-	
3691/	Sidewalk Improvements Various -Supplemental		55,802.83			55,802.83		-
		<u>\$ 10,265,911.36</u>	<u>\$ 55,802.83</u>	<u>\$ 3,185,325.00</u>	<u>\$ -</u>	<u>\$ 5,185,300.43</u>	<u>\$ 8,321,738.76</u>	<u>\$ -</u>
				C-6,12	C-10	Below	C	C

Funded Through:  
Capital Improvement Fund  
Grants  
Canceled  
Current Fund Note

C-13 \$ 153,350.00  
C-12 593,325.00  
C-12 3,377,646.11  
C-10A 1,060,979.32  
Above \$ 5,185,300.43

See independent auditor's report and the notes to the financial statements.

TOWNSHIP OF TEANECK  
CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE OF DUE TO TRUST FUND

	Reference	C-15
Balance December 31, 2011	C	\$ 3,169,550.61
Decreased by:		
Fund Ordinance # 4253- From Municipal Open Space Reserve	C-12	<u>75,000.00</u>
Balance December 31, 2012	C	<u>\$ 3,094,550.61</u>

SCHEDULE OF RESERVE FOR PRELIMINARY COSTS

	Reference	C-16
Balance December 31, 2011	C	\$ 160,849.18
Increased by:		
New Preliminary Cost Resolutions:		
State Street- Res # 107-12		\$ 19,000.00
Court Game RNV T Ammann & Votce- Res # 113-12		13,000.00
Glenwood Ave Resurfacing- Res # 122-12		<u>42,000.00</u>
Funded from Capital Improvement Fund	C-13	<u>74,000.00</u>
		234,849.18
Decreased by:		
Encumbrances	C-18	46,907.46
Expenditures- Paid from Current Fund	C-2A	<u>79,976.95</u>
		<u>126,884.41</u>
Balance December 31, 2012	C	<u>\$ 107,964.77</u>

SCHEDULE OF RESERVE FOR PAYMENT OF BOND ANTICIPATION NOTES

	Reference	C-17
Balance December 31, 2011	C	\$ -
Increased by:		
Canceled Ordinances	C-12	318,817.24
Cedar Lane Street Scape- Ord # 3834	C-2A	<u>80,000.00</u>
		<u>398,817.24</u>
Balance December 31, 2012	C	<u>\$ 398,817.24</u>
Analysis of Reserve for Pmt of BANS	Ordinance #	
	3834	\$ 80,000.00
	3874	81,189.05
	3932	618.00
	3813/4087	3,697.00
	3875	300.00
	3954	104,649.39
	3960	8,548.90
	4004	20,198.00
	4128	44,547.50
	4165	<u>55,069.40</u>
		<u>\$ 398,817.24</u>

SCHEDULE OF ENCUMBRANCE PAYABLE

	Reference	C-18
Balance December 31, 2011	C	\$ -
Increased by:		
Preliminary Costs- Encumbrances	C-16	46,907.46
Improvement Authorizations- Encumbrances	C-12	<u>1,668,710.88</u>
		<u>1,715,618.34</u>
Balance December 31, 2012	C	<u>\$ 1,715,618.34</u>

See independent auditor's report and the notes to the financial statements.



TOWNSHIP OF TEANECK  
 SOCIAL SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**SCHEDULE OF CASH-SOCIAL SERVICES FUND - TREASURER**

**D-1**

	<u>Reference</u>		
Balance December 31, 2011	D		\$ 4,734.67
Increased by:			
Due to Other Trust Fund	D	5,000.00	
Donations	D-2	<u>10,023.00</u>	<u>15,023.00</u>
			19,757.67
Decreased by:			
Disbursements	D-2		<u>8,433.88</u>
Balance December 31, 2012	D		<u><u>\$ 11,323.79</u></u>

**SCHEDULE OF RESERVE FOR SOCIAL SERVICES**

**D-2**

	<u>Reference</u>		
Balance December 31, 2011	D		\$ 4,734.67
Increased by:			
Cash Receipts	D-1		<u>10,023.00</u>
			14,757.67
Decreased by:			
Social Services / Donations	D-1		<u>8,433.88</u>
Balance December 31, 2012	D		<u><u>\$ 6,323.79</u></u>

See independent auditor's report and the notes to the financial statements.

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Township Council  
Township of Teaneck, State of New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements- regulatory basis (the "financial statements") of the Township of Teaneck (the "Township"), State of New Jersey, prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated July 24, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal 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 Township'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 Township's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as item 12-01 through 12-03 that we consider to be significant deficiencies in internal control over financial reporting.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under **Government Auditing Standards**, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the accompanying schedule of findings and questioned costs as item 12-02 and 12-03.

We noted certain matters that we reported to management of the Township in the schedule of audit comments and recommendations as item numbers 12-04 through 12-06.

### **Township's Response to Findings**

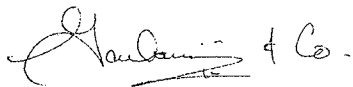
The Township's responses to findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of financial statements, and, accordingly, we express no opinion on it.

## 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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534



Garbarini & Co. P.C.  
Certified Public Accountants

July 24, 2013  
Carlstadt, New Jersey

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND  
STATE OF NEW JERSEY'S OMB CIRCULAR 04-04**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Township Council  
Township of Teaneck, State of New Jersey

**Report on Compliance for Each Major Federal Program**

We have audited the Township of Teaneck, Bergen County, State of New Jersey (the "Township") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the New Jersey State Office of Management and Budget's (OMB) State Grant Compliance Supplement that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2012. The Township's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Township's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the *Comptroller General of the United States*; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and *State of New Jersey's OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, *OMB Circular A-133 and State Circular 04-04* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination on the Township's compliance.

## Opinion on Each Major Federal and State Program

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2012.


## Report on Internal Control Over Compliance

Management of Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state programs and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Townships' internal control over compliance.

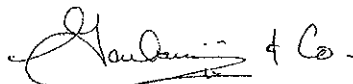
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Non-Profit Organizations and State of New Jersey's OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid. Accordingly, this report is not suitable for any other purpose.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534



Garbarini & Co. P.C.  
Certified Public Accountants

July 24, 2013  
Carlstadt, New Jersey

TOWNSHIP OF TEANECK

COMPARATIVE SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2012

Schedule I-1

Name of Federal Agency or Department	Federal Program	Federal CFDA#	Total Grant Award Amount	Balance Dec. 31, 2011	Cash Received	Program Expenditures	Adjusted/ Canceled	Balance Dec. 31, 2012	Memo Cumulative Total Expenditures
Department of Housing and Urban Development	Community Development Block Grant:								
Pass through County of Bergen	Robinson Street Resurfacing (Ord # 4193)	14.218	\$ 120,158.00	\$ (114,798.43)	114,798.43			\$ -	\$ 114,798.43
	ADA Ramps & Curbs (Ord 4195)		108,000.00	6,945.10		-		6,945.10	47,054.90
	Street Improvement Sylan Terrace (Ord # 4250)		44,000.00		44,000.00	44,000.00		-	44,000.00
	Lozier Place Sanitary Sewer Replacement (Ord # 4251)		77,825.00		46,509.11	47,116.27		(607.16)	47,116.27
	State Street Improvements (Ord # 4252)		175,000.00		175,000.00	175,000.00		-	175,000.00
								-	
								-	
U.S. Department of Homeland Security	Assistance to Firefighters Grant	97.044	143,217.00	-	134,017.00	94,050.39		39,966.61	103,250.39
			83,057.00					-	
U.S. Department of Transportation	Pedestrian Safety Program	20.600	16,000.00	-	16,000.00	2,000.00		14,000.00	2,000.00
National Highway Safety	Click it or Ticket	20.602	4,000.00	-	4,000.00			4,000.00	
Pass thru State of NJ	US Department of Transportation Pass Through Funds	20.205							
	Transportation Trust Fund:								
	Pedestrian Bridge Votee Park (Ord # 3807)		100,000.00	(57,244.75)				(57,244.75)	57,244.75
	Cedar Lane Streetscape (Ord # 3834)		400,000.00	-	155,000.00	155,000.00		-	475,000.00
	Cedar Lane / Palisades Prk Intersection (Ord # 4160)		27,000.00	(6,750.00)				(6,750.00)	27,000.00
	Resurfacing of Queen Anne Road- Section 7 (Ord # 4192)		200,000.00	(50,000.00)	50,000.00			-	200,000.00
	Streetscape Improvement of Ward Plaza (4141/4160)		854,766.00	(370,213.32)	402,630.92	32,417.60		-	683,101.14
	W. Englewood # 4 (Ord # 4237)		140,000.00	-		140,000.00		(140,000.00)	140,000.00
	Glenwood Ave Resurfacing (Ord # 4265)		146,500.00			-		-	-
U.S. Department of Justice	COPS - Grant Award- COPS in Shops	16.710	2,400.00	(0.00)	2,268.36			2,268.36	-
Pass Thru Boro. Of Paramus	Edward Byrne Mem. JAG	16.738	9,997.00	-	9,997.00			9,997.00	-
	Bulletproof Vest Program	16.607	12,496.05	(12,496.05)	24,942.38	*	12,496.05	24,942.38	12,496.05
US Department of Law & Public Safety	Public Assistance Grants	97.036		-					
	Hurricane Sandy		826,801.29			826,801.29		(826,801.29)	826,801.29
	Hurricane Irene		115,252.34		115,252.34	*	115,252.34	-	115,252.34
	October 2011 Snowstorm		29,012.39		29,012.39	*	29,012.39	-	29,012.39
	Emergency Management Performance Grant (PY)	97.042	5,000.00	5,000.00		-		5,000.00	-
			5,000.00					-	
<b>Total Federal Financial Assistance</b>				<u>\$ (599,557.45)</u>	<u>\$ 1,323,427.93</u>	<u>\$ 1,516,385.55</u>	<u>\$ 156,760.78</u>	<u>\$ (924,283.75)</u>	<u>\$ 3,099,127.95</u>

\* Expended prior year

TOWNSHIP OF TEANECK

COMPARATIVE SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011 FOR COMPARATIVE PURPOSES WITH 2012

Schedule 1-2

Name of Federal Agency or Department	Federal Program	Federal CED#	Total Grant Award Amount	Balance Dec. 31, 2010	Cash Received	Program Expenditures	Reallocate/ Canceled	Balance Dec. 31, 2011	Memo
									Cumulative Total Expenditures
Department of Housing and Urban Development Pass through County of Bergen	Community Development Block Grant:  Robinson Street Resurfacing (Ord # 4193) ADA Ramps & Curbs (Ord 4195)	14.218	\$ 120,158.00 108,000.00	\$ - -	54,000.00	\$ 114,798.43 47,054.90		\$ (114,798.43) 6,945.10	\$ 114,798.43 47,054.90
U.S. Department of Homeland Security	Assistance to Firefighters Grant	97.044	732,960.00 143,217.00	(29,510.00)	57,960.00 9,200.00	28,450.00 9,200.00		- -	732,960.00 9,200.00
U.S. Department of Transportation	Pedestrian Safety Program	20.600	14,000.00 13,000.00	7,100.00	13,000.00	7,100.00 13,000.00		- -	14,000.00 13,000.00
National Highway Safety Pass thru State of NJ	Click it or Ticket	20.602	4,000.00	-	4,000.00	4,000.00		-	4,000.00
	US Department of Transportation Pass Through Funds	20.205							
	Transportation Trust Fund: Pedestrian Bridge Votee Park (Ord # 3807) Cedar Lane Streetscape (Ord # 3834) Cedar Lane / Palisades Prk Intersection (Ord # 4160) Resurfacing of Queen Anne Road- Section 7 (Ord # 4192) Streetscape Improvement of Ward Plaza (4141/4160) W. Englewood # 4 (Ord # 4237)		100,000.00 400,000.00 27,000.00 200,000.00 854,766.00 140,000.00	(57,244.75) - (6,750.00) - (504,369.54)	150,000.00 280,470.22	200,000.00 146,314.00		(57,244.75) - (6,750.00) (50,000.00) (370,213.32) -	57,244.75 320,000.00 27,000.00 200,000.00 650,683.54
U.S. Department of Justice	COPS - Grant Award- COPS in Shops	16.710	2,800.00 2,616.20	1,300.00	2,616.20	1,300.00 2,616.20		(0.00) -	2,800.00 2,616.20
Pass Thru Boro. Of Paramus	Edward Byrne Mem. JAG Edward Byrne Mem. JAG	16.738 16.738	9,529.00 9,997.00	3.30 -			(3.30)	- -	9,529.00 -
	Bulletproof Vest Program	16.607	12,496.05	-		12,496.05		(12,496.05)	12,496.05
US Department of Law & Public Safety	Public Assistance Grants Emergency Management Performance Grant (PY)	97.036 97.042	144,396.97 5,000.00	- -	144,396.97 5,000.00	144,396.97		- 5,000.00	144,396.97 -
Total Federal Financial Assistance				\$ (589,470.99)	\$ 720,643.39	\$ 730,726.55	\$ (3.30)	\$ (599,557.45)	\$ 2,361,779.84



TOWNSHIP OF TEANECK  
 COMPARATIVE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2012

Schedule I-3

State Grantor Department	Program Title	State Program/ Account Number	Program Amount	Balance Dec. 31, 2011	Cash Received	Program Expenditures	Adjusted/ Canceled	Balance Dec. 31, 2012	Memo Cumulative Total Expenditures
Department of Law & Public Safety	Body Armor Grant	120-718-066-1020-001	\$ 10,877.83 8,168.67 8,818.74	\$ 4,398.56 8,168.67		\$ 4,398.56 5,207.29		\$ (0.00) 2,961.38	\$ 10,877.83 5,207.29
	Drunk Driving Enforcement Fund		4,573.62		4,573.62			4,573.62	-
	NJ 911 Assistance Grant		36,651.00	9,898.00		9,898.00		-	36,651.00
Division of Motor Vehicles	Municipal Court Alcohol Education & Rehab. Fund	9735-760-060000-60	971.33 653.55	- 653.55	971.33		(653.55)	971.33 -	
Department of Environmental Protection	Clean Communities Program	4900-765-042-4900	53,767.99	-	52,720.58	53,767.99		(1,047.41)	53,767.99
	Forest Service BSF Grant		7,000.00	-				-	7,000.00
	Green Communities Grant-2011		3,000.00	-	2,699.48	3,000.00		(300.52)	3,000.00
	State Recycling Grants	4900-752-001-4900	40,227.03	-	40,227.03			40,227.03	-
	Sustainable Land Use Grant		5,250.00			5,250.00		(5,250.00)	5,250.00
Bergen County Municipal Alliance	Governor's Alcohol and Drug Abuse Prevention Teaneck Against Substance Abuse		15,759.00 15,759.00	(5,310.97)	9,000.87	10,448.03 9,706.42	1,380.10	(5,378.03) (9,706.42)	15,759.00 9,706.42
NJ	NJLM Education Foundation		9,000.00	4,500.00		8,400.00		(3,900.00)	8,400.00
<b>Total State Financial Assistance:</b>				<u>\$ 22,307.81</u>	<u>\$ 119,011.65</u>	<u>\$ 110,076.29</u>	<u>\$ 726.55</u>	<u>\$ 23,150.98</u>	<u>\$ 155,619.53</u>
<b>Total Federal and State Financial Assistance</b>				<u>\$ (577,249.64)</u>	<u>\$ 1,442,439.58</u>	<u>\$ 1,626,461.84</u>	<u>\$ 157,487.33</u>	<u>\$ (901,132.77)</u>	<u>\$ 3,254,747.48</u>

TOWNSHIP OF TEANECK  
 COMPARATIVE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2011 FOR COMPARATIVE PURPOSES WITH 2012

Schedule I-4

State Grantor Department	Program Title	State Program/ Account Number	Program Amount	Balance Dec. 31, 2010	Cash Received	Program Expenditures	Reallocate/ Canceled	Balance Dec. 31, 2011	Memo Cumulative Total Expenditures
Department of Law & Public Safety	Body Armor Grant	120-718-066-1020-001		\$ -				\$ -	
			11,489.51	10,243.29		10,243.29		-	10,243.29
			10,254.64	10,254.64		10,254.64		-	10,254.64
			10,877.83	10,877.83		6,479.27		4,398.56	6,479.27
			8,168.67	-	8,168.67			8,168.67	-
	NJ 911 Assistance Grant		36,651.00	9,898.00				9,898.00	26,028.15
Division of Motor Vehicles	Municipal Court Alcohol Education & Rehab. Fund	9735-760-060000-60	862.96	-	862.96	862.96		-	862.96
			653.55	653.55				653.55	
Department of Environmental Protection	Clean Communities Program	4900-765-042-4900	53,609.40	-	53,609.40	53,609.40		-	53,609.40
	Forest Service BSF Grant		7,000.00	-	7,000.00	7,000.00		-	7,000.00
	Green Communities Grant-2011		3,000.00	-	-			-	-
	State Recycling Grants	4900-752-001-4900	49,745.34	-	49,745.34	49,745.34		-	49,745.34
Department of Community Affairs	Statewide Livable Communities (Grant was Canceled as per State of NJ Dept of Community Affairs)		75,000.00	-				-	
Bergen County Municipal Alliance	Governor's Alcohol and Drug Abuse Prevention Teaneck Against Substance Abuse		12,444.08	(6,229.55)	8,911.44	2,681.89		0.00	12,444.08
			15,759.00			4,955.13	(355.84)	(5,310.97)	4,955.13
NJ	NJLM Education Foundation		9,000.00		4,500.00			4,500.00	
<b>Total State Financial Assistance:</b>				<u>\$ 35,697.76</u>	<u>\$ 132,797.81</u>	<u>\$ 145,831.92</u>	<u>\$ (355.84)</u>	<u>\$ 22,307.81</u>	<u>\$ 181,622.26</u>
<b>Total Federal and State Financial Assistance</b>				<u>\$ (553,773.23)</u>	<u>\$ 853,441.20</u>	<u>\$ 876,558.47</u>	<u>\$ (359.14)</u>	<u>\$ (577,249.64)</u>	<u>\$ 2,543,402.10</u>

TOWNSHIP OF TEANECK  
 NOTES TO THE SCHEDULES OF EXPENDITURES  
 OF FEDERAL AND STATE FINANCIAL ASSISTANCE  
 DECEMBER 31, 2012 AND 2011

**1. General**

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

**2. Basis of Accounting**

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

**3. Relationship of Financial Statements**

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

	<u>Federal</u>	<u>State/Other</u>	<u>Total</u>
Current /Grant Fund	\$ 922,851.68	\$ 110,076.29	\$ 1,032,927.97
Capital	593,533.87	_____	593,533.87
	<u>\$ 1,516,385.55</u>	<u>\$ 110,076.29</u>	<u>\$ 1,626,461.84</u>

**4. Relationship to Federal and State Financial Reports**

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

**5. State Loans Outstanding**

The Township's New Jersey loans outstanding at December 31, 2012, which are not required to be reported on the schedule of expenditures of state financial assistance, are as follows:

<u>Loan Program</u>	<u>State Account Number</u>	<u>State</u>
E.D.A. Loan Payable	Various	\$ 67,500

**Section I – Summary of Auditor’s Results**

**Financial Statements**

[Reference – Section .510 of Circular OMB-133]

Type of Auditors Report Issued	<u>Unqualified</u>		
Internal Control over Financial Reporting:			
1) Material weakness(s) identified?	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Significant deficiencies identified?	<u>X</u>	<u>Yes</u>	
Noncompliance material to basic financial statement noted?	<u>Yes</u>	<u>X</u>	<u>No</u>

**Federal Awards**

Internal Control over major programs:			
1) Material weakness(s) identified	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Significant deficiencies identified?	<u>Yes</u>	<u>X</u>	
Type of auditor’s report issued on compliance for major programs:	<u>Unqualified</u>		
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?	<u>Yes</u>	<u>X</u>	<u>No</u>

Identification of major programs:

	<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
(Type A)	<u>20.205</u>	<u>US Department of Transportation (Pass through State of NJ)</u>
(Type A)	<u>97.036</u>	<u>Public Assistance Grants-FEMA</u>

Dollar threshold used to determine type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? X Yes No

Township of Teaneck  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended December 31, 2012

*Section I – Summary of Auditor’s Results (Continued)*

**State Awards –Not Applicable**

Dollar threshold used to determine Type A and Type B Programs:

\$300,000

Audited qualified as low-risk auditee?

Yes

No

Internal Control over Major Programs

1) Material weakness identified

Yes

No

2) Significant deficiencies identified that are not considered to be material weaknesses?

Yes

No

Type of Auditor’s Report Issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04?

Yes

No

Identification of major programs:

State Grant/ Project Number

Name of State Program

None

***Section II – Financial Statement Findings***

[This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting in a Circular A-133 and New Jersey OMB Circular 04-04 audit. See paragraphs 13.15 and 13.35. See the AICPA Audit Guide *Government Auditing Standards and Circular A-133 Audits* for further guidance on this schedule]

**Finding 12-01:**

Proper internal control recommends that departments of the Township are required to maintain a detailed cash receipts ledger, pre-numbered receipts and or permits. The ledger should detail the date received, payee, receipt type, pre-numbered receipt and or permit number and amount for every receipt.

**Criteria:**

Generally Accepted Auditing Standards and N.J. Requirements of Audit and Accounting (DLGS) revised 1987.

**Condition:**

Several departments did not maintain a detailed cash receipts ledger, pre-numbered receipts and or permits which detail date received, payee, receipt type, pre-numbered receipt, permit number and amount for every receipt for the entire year. In the last quarter of the year there was substantial improvement in the various departments.

**Cause:**

There was no uniform procedure in place, during the first three quarters of the year, which required all departments to maintain the required documentation for all receipts. The Certified Chief Financial Officer had instituted a uniform procedure starting in the last quarter of 2012.

**Effect:**

It was not possible to trace deposits to individual receipts for several departments during the first three quarters of the year.

**Recommendation:**

That departments of the Township continue to be required to maintain a detailed cash receipts ledger, pre-numbered receipts and or permits which detail date received, payee, receipt type, pre-numbered receipt, permit number and amount for every receipt.

**Management's Response:**

The finance and the tax department have redesigned the collection and reporting procedures for all of the outside departments to ensure that all of the relevant information is captured in the financial records.

*Section II – Financial Statement Findings*

**\*Finding 12-02:**

All funds shall be deposited within forty-eight (48) hours of receipt.

**Criteria:**

N.J.S.A.40: A5-15

**Condition:**

The Health Department was not always depositing funds within 48 hours. Several other departments could not provide documentation of receipts in order to ascertain that deposits are made within 48 hours.

**Cause:**

The Health Department was not depositing within 48 hours. Several other departments did not maintain the proper documentation for receipts.

**Effect:**

Not depositing within 48 hours.

**Recommendation:**

That all funds for all departments be deposited within forty-eight (48) hours of receipt, in accordance with N.J.S.A.40: A5-15

**Management's Response:**

The requirements of N.J.S.A.40: A5-15 will be reviewed with each of the departments to ensure compliance.

*Section II – Financial Statement Findings*

**Payroll Department:**

**Finding 12-03:**

- a. Health insurance deductions should be calculated correctly.
- b. Payroll account monthly cash reconciliations should be completed monthly and timely.
- c. Eligible employees that meet the criteria established by the State of NJ Division of Pensions must be enrolled.
- d. New Jersey GIT wages were not reported accurately on the quarterly Form #927.

**Criteria:**

- N.J.S.A 40A:5-19, 40:49-2, and 40:73-6
- Requirements of Audit, DLGS revised 1987
- NJ Pension LFN 2012-20R
- Division of Pension and Benefits

**Condition:**

- a. A few health insurance deductions tested were not calculated correctly.
- b. The payroll reconciliation is not being done on a monthly basis.
- c. Several employees categorized as seasonal, appear to be full time employees and are not enrolled in the pension system.
- d. New Jersey GIT wages reported on the quarterly Forms #927, did not agree with the payroll records.

**Cause:**

- Lack of monitoring over duties of the payroll department.
- No segregation of duties in the payroll department.



*Section II – Financial Statement Findings*

**Finding 12-03:**

**Payroll Department (Continued):**

**Effect:**

The payroll department health insurance deductions, and payroll tax forms may not always be accurate. Employees that are full-time are not always enrolled on the pension system.

**Recommendation:**

- a) That health insurance deductions be calculated correctly.
- b) That the payroll account cash receipts and disbursements be reconciled to the bank's statements both monthly and timely
- c) That eligible employees that meet the criteria established by the State of NJ Division of Pensions be enrolled.
- d) That New Jersey GIT wages be reported accurately on the quarterly Form NJ #927.

**Management's Response:**

The finance department will work with the human resources department to design the current of internal controls in order to prevent, detect, and deter errors and irregularities.

*Section III – Schedule of Federal and State Award Findings and Questioned Cost*

[This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04].

**FEDERAL AWARDS**

No matters were reported.

**STATE AWARDS**

No matters were reported.

*Section IV: Summary Schedule of Prior – Year Audit Findings  
and Questioned Costs as Prepared by Management*

[This section identifies the status of prior-year findings related to the general-purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB Circular A-133 (section .315(a)(b)) and NJOMB's Circular Letter 04-04].

“None”

TOWNSHIP OF TEANECK  
 ROSTER OF OFFICIALS AND SURETY BONDS  
 AT DECEMBER 31, 2012

<u>Name</u>	<u>Title</u>	
Mohammed Z. Hameeduddin	Mayor	
Adam Gussen	Deputy- Mayor	
Elie Y. Katz	Council Member	
Lizette P. Parker	Council Member	
Henry Pruitt	Council Member	
Mark J. Schwartz	Council Member	
Yitz Stern	Council Member	
William Broughton	Township Manager	
Jamie L. Evelina	Township Clerk & Officer for Searches for Municipal Improvements	
Christine L. Brown	Chief Financial Officer	
Milene Quijano	Tax Collector	(a)\$167,000
James E. Young, Jr.	Judge	
Jill Graham	Municipal Court Administrator	
Charles McKearnin	Engineer	
Steven Gluck	Construction Code/Zoning Official	
Robert Wilson	Police Chief	
Anthony Verley	Fire Chief	
Chris Brothers	Fire Official	
Kevin McQuire	Fire Sub-Code Official	
Ken Katter	Health Officer	
Laura Turnbull	Registrar of Vital Statistics	
Michael D. McCue	Library Director	
Stanley Turitz	Attorney	
James Tighe	Assessor	
Glenna Crockett	Superintendent of Recreation	

**(a) Note:** The Surety Bond for the Tax Collector, Municipal Court Personnel and other municipal employees is provided by the Traveler's Casualty and Surety Company of America.

TOWNSHIP OF TEANECK  
General Comments  
For the Year Ended December 31, 2012

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

NJS40A:11-4 states "Every contract awarded by the contracting agents, for the provision or performance of any goods or services, the cost of which in the aggregate exceed the bid threshold [40A:11-3 "a contract year the total sum of \$17,500. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$36,000.00"], shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

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

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000.00 within the calendar year or any twelve-month period. Where questions arise as to whether any contract or agreement might result in a violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

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

Our examination of expenditures did not reveal individual payments, contracts or agreements in excess of \$36,000.00 "for the performance of any work, or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJS 40A:11-6.

Expenditure of \$5,400 or more and less than \$36,000.00 Per N.J.S.A. 40A:11-6.1

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

TOWNSHIP OF TEANECK  
General Comments (Continued)  
For the Year Ended December 31, 2012

Collection of Interest of Delinquent Taxes and Assessments

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

The Governing Body on January 1, 2012 adopted the following resolution authorizing interest to be charged on delinquent taxes:

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

WHEREAS, N.J.S.A. 54:4-67 has been amended to permit the fixing of said rate of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00 and allows an additional penalty of 6% be collected against a delinquency in excess of \$10,000.00 prior to the end of the calendar year;

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

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in areas beyond December 31, and additional penalty of 6% shall be charged against the delinquency.
2. Effective January 1, 2012 there will be a ten-day grace period of quarterly tax payments made by cash, check, or money order.
3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

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

TOWNSHIP OF TEANECK  
Summary Schedule of Prior Year Audit Comments  
For The Year Ended December 31, 2012

**#11-01 RECOMMENDATION:**

That departments of the Township be required to maintain a detailed cash receipts ledger, pre-numbered receipts and or permits which detail date received, payee, receipt type, pre-numbered receipt, permit number and amount for every receipt.

**STATUS:**

Partial corrective action has been taken.

**#11-02 RECOMMENDATION:**

That all funds for all departments be deposited within forty-eight (48) hours of receipt, in accordance with N.J.S.A. 40: A5-15.

**STATUS:**

Partial corrective action has been taken.

**#11-03 RECOMMENDATION:**

**Payroll Department:**

- a) That salaries and wages be consistent with the Salary Ordinances and that overtime and health insurance deductions be calculated correctly.
- b) That stale outstanding checks be reviewed and canceled
- c) That payroll account monthly cash reconciliations be completed accurately.
- d) That eligible employees that meet the criteria established by the State of NJ Division of Pensions be enrolled.
- e) That Federal Payroll Form# 941 and NJ Form# 927 be completed accurately and tax deposits be made in correct amounts to avoid penalties and overpayments.

**STATUS:**

Partial corrective action has been taken.

**# 11-04 Recommendation:**

That Bond Counsel be consulted regarding the funding of ordinances that with cash deficits. If the ordinance cannot be permanently financed, then the amount must be raised in the budget.

**STATUS:**

Corrective action has been taken.

TOWNSHIP OF TEANECK  
Summary Schedule of Prior Year Audit Comments  
For The Year Ended December 31, 2012

**#11-05 Recommendation:**

That all minutes of Council meetings be promptly prepared and available for inspection.

**STATUS:**

Corrective action has been taken.

**#11-06 Recommendation:**

That monthly and or quarterly statements be sent to developers in accordance with Finance Notice CFO-98-7.

**STATUS:**

Corrective action has not been taken.

**#11-07 Recommendation:**

That a Report on Controls of a Service Organization SSAE #16 be obtained for 2011 and 2012 for the deferred compensation plan as required by N.J.A.C. 5:37-1.

**STATUS:**

Corrective action has been taken.

TOWNSHIP OF TEANECK  
Summary Schedule of Prior Year Audit Comments  
For The Year Ended December 31, 2012

**#11-08 Recommendation:**

**Municipal Court:**

1. Case management processing:

- a) The Eligible for FTA Report should be reviewed and FTA's should be promptly generated.
- b) All tickets assigned over six (6) months not issued should be recalled.
- c) The Eligible for DSUS Notices Report should be reviewed and the tickets/complaints eligible for drivers license suspension should be processed through ATS/ACS.
- d) The Case Status Report should be reviewed and each ticket/case should be reviewed regularly by the court to insure processing is continued.
- e) The Eligible for Warrant Reports should be reviewed and cases should be promptly processed to complete ticket processing follow up procedures.
- f) The Cases Eligible for Dismissal Report and Follow-Up Incomplete Report should be reviewed. As per Rule 7:8-9(f), once the case is over 3 years old, and the follow-up procedures available to the municipal court have not been completed, the ticket must be dismissed.

2. The Police department should ensure that, when accepting bail in the form of a check for an out-of-town summons/warrant, the check is made payable to Teaneck Municipal Court. All out-of-town traffic and criminal bail monies posted/disbursed for outside agencies should be receipted through the ATS/ACS automated system.
3. The court should ensure that all tickets disposed of in court that are amended are signed by the Judge.
4. The Police Department and the Municipal Court pre-numbered manual receipt books should be used in sequential numerical order, and the receipt books should not be skipped. Also, the pre-printed receipt books specifically for the Police Department and for the Municipal Court should be used by the corresponding department and should not be mixed. Although it is not required, it is strongly recommended that the police department sign-out for the manual receipt books.
5. All manual receipt books used should be retained and receipts issued subsequent to the flood damage incident date should be available for inspection.
6. Bail monies collected by the Police Department should be turned over to the municipal court timely, by the next business day.

**STATUS:**

Partial corrective action has been taken.

TOWNSHIP OF TEANECK  
Audit Comments and Recommendations  
For the Year Ended December 31, 2012

**\*Comment # 12-04**

Monthly and or quarterly statements are not being sent to developers in accordance with Finance Notice CFO-98-7. The statements must include a listing of all deposits, interest earnings, disbursements, and cumulative balance of the escrow account. The statements must be provided on a quarterly basis, if monthly charges are \$1,000 or less; or on a monthly basis if charges exceed \$1,000. Professionals are also required to send payment vouchers to the CFO as well as an advice copy to the developer/applicant.

**Recommendation:**

That monthly and or quarterly statements be sent to developers in accordance with Finance Notice CFO-98-7.

**Municipal Court:**

**\*Comment # 12-05**

1. Review of ATS/ACS Monthly Management Report dated December 31, 2012 indicated a backlog in ticket/complaint processing resulting in the following:
  - a). There were 127 tickets assigned but not issued over 180 days.
  - b). There were 44 parking tickets over three years old eligible for dismissal.
2. In the Police department, there were (2) instances noted in our test sample where bail was collected for an out-of -town municipal court and where the payment was in the form of a check, the checks were made payable directly to other courts. These bail payment checks were not made payable to Teaneck Municipal Court and were not processed through Teaneck's ATS/ACS system as "out of town bail" as they should have been.
3. During 2012, the manual pre-numbered bail receipt books utilized by the Municipal Court and by the Police Department were not always used in numerical sequence. Also, the pre-printed bail receipt books specifically for the Township Police Department (prefix "P") and bail receipts books specifically for the Township of Teaneck Municipal Court (prefix "B") were mixed and used by both departments. Proper use of manual receipts books was implemented January 2013.



TOWNSHIP OF TEANECK  
Audit Comments and Recommendations  
For the Year Ended December 31, 2012

**Municipal Court:**

**Recommendation:**

1. Case management processing:
  - a). All tickets assigned over six (6) months not issued should be recalled.
  - b). The Cases Eligible for Dismissal Report and Follow-Up Incomplete Report should be reviewed. As per Rule 7:8-9(f), once the case is over 3 years old, and the follow-up procedures available to the municipal court have not been completed, the ticket must be dismissed.
2. The Police department should ensure that, when accepting bail in the form of a check for an out-of-town summons/warrant, the check is made payable to Teaneck Municipal Court. All out-of-town traffic and criminal bail monies posted/disbursed for outside agencies should be receipted through the ATS/ACS automated system.
3. The Police Department and the Municipal Court pre-numbered manual receipt books should be used in sequential numerical order. Also, pre-printed receipt books specifically for use by the Police Department and for use by the Municipal Court should be used by the corresponding department and should not be mixed. Corrective action was implemented January 2013.

**Fixed Assets:**

**Comment # 12-06**

The fixed assets accounting and reporting system is not being maintained completely, in accordance with N.J.A.C. 5:30-5.6 Governmental Fixed Assets Accounting and reporting system. Although a list is maintained, not all fixed assets are properly identified and therefore a complete physical inventory cannot be properly completed. Fixed assets purchased with grant funds are not identified as such on the fixed asset listing.

**Recommendation:**

- a) That fixed assets with grant funds be identified on the fixed asset listing as required by NJAC 5:30-5.6.
- b) That fixed assets be tagged and properly identified as required by NJAC 5:30-5.6.

Appreciation

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

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

July 24, 2013