

BOROUGH OF MAYWOOD
County of Bergen, New Jersey

NJ Comprehensive Annual Financial Report
Year Ended December 31, 2012

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 NJ COMPREHENSIVE ANNUAL FINANCIAL REPORT
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BOROUGH OF MAYWOOD
NJ Comprehensive Annual Financial Report
Introductory Section

**BOROUGH OF MAYWOOD
ROSTER OF OFFICIALS**

Name	Title	Term Expires
Gregg A. Padovano	Mayor	12/31/15
Frank A. Meglio	Council member	12/31/14
Alfred M. Ballerini	Council member	12/31/14
Adrian J. Febre	Council member	12/31/13
Erich Fleischmann	Council member	12/31/13
John E. Savage	Council President	12/31/12
Marianne F. Auriemma	Council member	12/31/12
Roberta Stern	Administrator	
Jean M. Pelligra	Municipal Clerk	
Charles S. Cuccia	Chief Financial Officer	
Sheryl Ann Biondi	Treasurer	
	Tax Collector	
	Tax/Accounts Receivable Clerk	
	Assessment Search Officer	
Donna De Gregorio	Accounts Payable/Payroll/Purchasing Clerk	
	Registrar of Vital Statistics	
County of Bergen	Public Health Nurse	
	Health Officer	
	Registered Environmental Health Inspector	
Donald Russell	Public Works Superintendent	
Ronald Dario, Esq.	Borough Attorney	
Di Maria & Di Maria, LLP	Borough Auditor	
Rogut McCarthy LLC	Bond Counsel	
George Reggo	Tax Assessor	
Neglia Engineering	Borough Engineer	
David Pegg	Chief of Police	
Patrick Kelly	Municipal Court Judge	06/30/14
Geeta Joshi	Municipal Court Administrator	
Joann Jodice	Deputy Court Administrator	
John Corrigan	Prosecutor	
Mark Musella	Public Defender	
James Mazzer	Construction Code Official	
	Building Sub-Code Official	
	Building Inspector	
	Zoning Official	
	Property Maintenance Officer	
	Plumbing Sub-Code Official	
	Plumbing Inspector	
Martin Barry	Electrical Sub-Code Official	
	Electrical Inspector	
Charles Eyer	Fire Sub-Code Official	
	Fire Inspector	
Joseph Mellone	Fire Marshall	
	Fire Chief	
Lisa Schieli	Recreation Director	
	Recycling Coordinator	
Professional Insurance Associates	Risk Management Consultants	

BOROUGH OF MAYWOOD
NJ Comprehensive Annual Financial Report
Financial Section

Independent Auditors' Report

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Di Maria & Di Maria LLP

Independent Auditors' Report (Continued)

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Qualified Opinion on Regulatory Basis of Accounting

As described in Note 13 of the financial statements. the Borough participates in a Length of Service Award Program ("LOSAP") for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$586,134 for 2012 were not audited and, therefore, we express no opinion on the LOSAP program.

Qualified Opinion on Regulatory Basis of Accounting

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

Di Maria & Di Maria LLP

Independent Auditors' Report (Continued)

Other Matters

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2013

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

A-1

	Current Fund	Federal and State Grant Fund	Trust Fund	General Capital Fund	Swimming Pool Utility Operating Fund	Swimming Pool Utility Capital Fund	Sewer Utility Capital Fund	Fixed Asset Account Group	Total
ASSETS AND OTHER DEBITS									
Cash	\$ 2,886,577	\$ 39,949	\$ 1,156,903	\$ 1,645,310	\$ 99,041	\$ 51,895	\$ -	\$ -	\$ 5,879,675
Deferred Compensation Assets	-	-	586,134	-	-	-	-	-	586,134
Interfunds Receivable	81,660	169,857	-	368,354	14,527	-	-	-	634,398
Intergovernmental Receivable	4,743	26,639	-	497,795	-	-	-	-	529,177
Other Receivables	838,776	-	604	-	-	-	-	-	839,380
Deferred Charges	196,000	-	-	14,841,723	-	-	-	-	15,037,723
Fixed Capital	-	-	-	-	-	894,280	161,000	-	1,055,280
Fixed Capital Authorized and Uncompleted	-	-	-	-	-	95,000	-	-	95,000
Fixed Assets	-	-	-	-	-	-	-	17,173,223	17,173,223
Total Assets and Other Debits	\$ 4,007,756	\$ 236,445	\$ 1,743,641	\$ 17,353,182	\$ 113,568	\$ 1,041,175	\$ 161,000	\$ 17,173,223	\$ 41,829,990
LIABILITIES, RESERVES AND FUND BALANCE									
Interfunds Payable	\$ 415,524	\$ -	\$ 111,236	\$ -	\$ 16,445	\$ 91,193	\$ -	\$ -	\$ 634,398
Deferred Revenues	-	236,445	-	-	-	-	-	-	236,445
Accounts Payable	-	-	-	-	-	-	-	-	-
Other Liabilities and Reserves	1,708,657	-	1,632,404	908,799	47,804	612,153	-	-	4,909,817
Improvement Authorizations	-	-	-	3,808,601	-	-	-	-	3,808,601
Intergovernmental Payable	10,378	-	1	-	-	-	-	-	10,379
Serial Bonds Payable	-	-	-	5,745,000	-	-	-	-	5,745,000
Bond Anticipation Notes Payable	-	-	-	4,934,030	-	337,636	-	-	5,271,666
Loans Payable	-	-	-	1,244,270	-	-	-	-	1,244,270
Capital Leases Payable	-	-	-	711,164	-	-	-	-	711,164
Reserve for Receivables and Other Assets	920,436	-	-	-	-	-	-	-	920,436
Reserve for Investment in Fixed Assets	-	-	-	-	-	-	-	17,173,223	17,173,223
Reserve for Amortization	-	-	-	-	-	-	161,000	-	161,000
Fund Balance	952,761	-	-	1,318	49,319	193	-	-	1,003,591
Total Liabilities, Reserves and Fund Balance	\$ 4,007,756	\$ 236,445	\$ 1,743,641	\$ 17,353,182	\$ 113,568	\$ 1,041,175	\$ 161,000	\$ 17,173,223	\$ 41,829,990

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

BOROUGH OF MAYWOOD
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

	Current Fund	Swimming Pool Utility Fund	Total
<u>REVENUES AND OTHER CREDITS TO INCOME</u>			
Revenues:			
Fund Balance Anticipated	\$ 937,463	\$ 22,318	\$ 959,781
Swimming Pool Fees	-	210,409	210,409
Miscellaneous	2,819,489	51,431	2,870,920
Receipts from Delinquent Taxes	334,006	-	334,006
Amount to be Raised by Taxation - Local	11,980,473	-	11,980,473
Amount to be Raised by Taxation - Library	443,698	-	-
Total Revenues	16,515,129	284,158	16,355,589
Other Credits to Income	20,216,818	39,161	20,255,979
Total Revenues and Other Credits to Income	\$ 36,731,947	\$ 323,319	\$ 36,611,568
<u>EXPENDITURES AND OTHER CHARGES TO INCOME</u>			
Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	\$ 5,137,850	\$ -	\$ 5,137,850
Other Expenses	4,659,810	-	4,659,810
Deferred Charges and Statutory Expenditures	1,202,005	-	1,202,005
Excluded From "CAPS":			
Operations:			
Salaries and Wages	-	145,000	145,000
Other Expenses	3,030,174	107,000	3,137,174
Capital Improvements	60,000	-	60,000
Municipal Debt Service	1,179,732	21,957	1,201,689
Deferred Charges	99,488	12,000	111,488
Judgements	-	-	-
Reserve for Uncollected Taxes	850,000	-	850,000
Total Expenditures	16,219,059	285,957	16,505,016
Other Charges to Income	20,389,292	319	20,389,611
Total Expenditures and Charges to Income	\$ 36,608,351	\$ 286,276	\$ 36,894,627
Statutory Excess to Fund Balance	123,596	37,043	160,639
Deferred Charges to Budget of Succeeding Year	100,000	-	100,000
Fund Balance, January 1	1,666,628	34,594	1,701,222
	1,890,224	71,637	1,961,861
Decreased by Utilization as Anticipated Revenue	937,463	22,318	959,781
Fund Balance, December 31	\$ 952,761	\$ 49,319	\$ 1,002,080

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

BOROUGH OF MAYWOOD
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
REGULATORY BASIS - BUDGET AND ACTUAL -- CURRENT FUND
YEAR ENDED DECEMBER 31, 2012

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	\$ 937,463	\$ 937,463	\$ -
Miscellaneous Revenues	2,881,104	2,819,489	(61,615)
Receipts from Delinquent Taxes	430,000	334,006	(95,994)
Amount to be Raised by Taxation - Local	11,426,794	11,980,473	553,679
Amount to be Raised by Taxation - Library	443,698	443,698	-
Total Revenues	16,119,059	16,515,129	396,070
Other Credits to Income	18,798,989	20,216,818	1,417,829
Total Revenues and Other Credits to Income	<u>\$ 34,918,048</u>	<u>\$ 36,731,947</u>	<u>\$ 1,813,899</u>

EXPENDITURES AND OTHER CHARGES TO INCOME

Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	\$ 5,137,850	\$ 5,137,850	\$ -
Other Expenses	4,659,810	4,659,810	-
Deferred Charges and Statutory Expenditures	1,202,005	1,202,005	-
Excluded From "CAPS":			
Operations:			
Salaries and Wages	-	-	-
Other Expenses	3,030,174	3,030,174	-
Capital Improvements	60,000	60,000	-
Municipal Debt Service	1,179,732	1,179,732	-
Deferred Charges	99,488	99,488	-
Judgements	-	-	-
Reserve for Uncollected Taxes	850,000	850,000	-
Total Expenditures	16,219,059	16,219,059	-
Other Charges to Income	18,798,989	20,389,292	1,590,303
Total Expenditures and Charges to Income	<u>\$ 35,018,048</u>	<u>\$ 36,608,351</u>	<u>\$ 1,590,303</u>

Statutory Excess to Fund Balance	123,596
Deferred Charges to Budget of Succeeding Year	100,000
Fund Balance, January 1	1,666,628
	<u>1,890,224</u>
Decreased by Utilization as Anticipated Revenue	937,463
Fund Balance, December 31	<u>\$ 952,761</u>

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

BOROUGH OF MAYWOOD
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
REGULATORY BASIS - BUDGET AND ACTUAL -- SWIMMING POOL UTILITY FUND
YEAR ENDED DECEMBER 31, 2012

	<u>Budget as Modified</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES AND OTHER CREDITS TO INCOME</u>			
Revenues:			
Fund Balance Anticipated	\$ 22,318	\$ 22,318	\$ -
Swimming Pool Fees	225,000	210,409	(14,591)
Miscellaneous	38,639	51,431	12,792
Total Revenues	<u>285,957</u>	<u>284,158</u>	<u>(1,799)</u>
Other Credits to Income	-	39,161	39,161
Total Revenues and Other Credits to Income	<u>\$ 285,957</u>	<u>\$ 323,319</u>	<u>\$ 37,362</u>

EXPENDITURES AND OTHER CHARGES TO INCOME

Operations:			
Salaries and Wages	\$ 145,000	\$ 145,000	\$ -
Other Expenses	107,000	107,000	-
Capital Improvements	-	-	-
Debt Service	21,957	21,957	-
Deferred Charges	-	-	-
Statutory Expenditures	12,000	12,000	-
Deficit in Operations in Prior Years	-	-	-
Total Expenditures	<u>285,957</u>	<u>285,957</u>	<u>-</u>
Other Charges to Income	-	319	319
Total Expenditures and Charges to Income	<u>\$ 285,957</u>	<u>\$ 286,276</u>	<u>\$ 319</u>

Statutory Excess to Fund Balance	<u>37,043</u>
Deferred Charges to Budget of Succeeding Year	-
Fund Balance, January 1	<u>34,594</u>
	71,637
Decreased by Utilization as Anticipated Revenue	22,318
Fund Balance, December 31	<u>\$ 49,319</u>

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 1 - Reporting Entity, Organization and Function

A. Introduction

The Borough of Maywood (the "Borough") is an municipal corporation of the State of New Jersey located within the County of Bergen, located approximately 20 miles west of the City of New York. The Borough's population according to the 2010 census is 9,555. The Borough operates under a "Mayor-Council" form of government. The Mayor is the chief executive officer.

The municipal budget includes the following generally stated municipal services:

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

B. Basis of Accounting

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

C. Component Units

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

Free Public Library

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies

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

A. Funds and Account Groups

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

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

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

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

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

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

Swimming Pool Utility Operating and Capital Funds - The Swimming Pool Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned swimming pool utility.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

B. Budgets and Budgetary Accounting

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

C. Cash and Investments

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

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

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

D. Interfunds

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

E. Inventories of Supplies

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

F. General Fixed Assets

Property and equipment purchased by the Current, General Capital and Swimming Pool Utility Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Accounting for Governmental Fixed Assets, as promulgated by N.J.A.C. 5:30-5.6 differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive. Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. The balance in the Reserve for Amortization account in the Swimming Pool Utility Capital Fund represents charges to operations for the costs of acquisitions of property, equipment and improvements.

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

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants-in-aid or contributed capital have not been capitalized or accounted for separately.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

G. Foreclosed Property

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

H. Deferred Charges

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

I. Appropriation Reserves

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

J. Liens Sold for Other Governmental Units

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

K. Fund Balance

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

L. Revenues

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

M. Property Tax Revenues

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

N. School Taxes

The municipality is responsible for levying, collecting and remitting school taxes for the Local School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31. GAAP would require the recording of a deferred revenue.

O. County Taxes

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

P. Reserve for Uncollected Taxes

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

Q. Expenditures

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

R. Compensated Absences and Post-Employment Benefits

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

S. Total Columns on Combined Statements

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

T. Use of Estimates

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 2 - Summary of Significant Accounting Policies (Continued)

U. New Reporting Standard(s)

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

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

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

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

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

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

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 3 - Cash and Cash Equivalents

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

A. Deposits

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

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

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

<u>Year</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
2012	\$ 8,019,336	\$ 5,879,675

B. New Jersey Cash Management Fund

The State of New Jersey Cash Management Fund is managed by the State of New Jersey, Division of Investment under the Department of Treasury. It consists of U.S. Treasury obligations, government agency obligations, certificates of deposit and commercial paper. The Borough had \$263,510 invested in this Fund as of December 31, 2012.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 4 - Investments

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

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

No investments were held as of December 31, 2012.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 5 - Receivables

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 6 - Commitments

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 7 - Fixed Assets (Unaudited)

The following is a summary of general fixed asset additions, deletions and adjustments for the year ended December 31, 2012:

	Balance December 31, 2011	Additions	Deletions	Adjustments	Balance December 31, 2012
Land	\$ 280,767	\$ -	\$ -	\$ -	\$ 280,767
Buildings and Improvements	10,542,243	-	-	-	10,542,243
Machinery & Equipment	6,255,031	176,223	(81,041)	-	6,350,213
	<u>\$ 17,078,041</u>	<u>\$ 176,223</u>	<u>\$ (81,041)</u>	<u>\$ -</u>	<u>\$ 17,173,223</u>

No depreciation on general fixed assets is recorded in the financial statements in accordance with N.J.A.C. 5:30-5.6.

BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

Note 8 - Municipal Debt

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

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

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

BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

Note 8 - Municipal Debt (Continued)

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

\$8,650,000 - General Obligation Bonds Series 2004 issued 1/15/2004 payable in annual installments through 1/15/2021. Interest is paid semi-annually at varying rates from 3.00% to 4.00% per annum. The balance remaining on this issue as of December 31, 2012 is \$5,745,000.

\$125,950 - New Jersey Green Trust Loan issued 8/11/2004 payable in semi-annual installments through 5/16/2024. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2012 is \$80,105.

\$197,500 - New Jersey Green Trust Loan issued 5/19/2008 payable in semi-annual installments through 2/19/2028. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2012 is \$162,984.

\$184,000 - New Jersey Green Trust Loan issued 5/19/2008 payable in semi-annual installments through 2/19/2028. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2012 is \$151,844.

\$66,000 - New Jersey Green Trust Loan issued 8/22/2008 payable in semi-annual installments through 5/22/2028. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2012 is \$54,466.

\$139,574 - New Jersey Green Trust Loan issued 12/15/2011 payable in semi-annual installments through 3/15/2029. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2012 is \$136,106.

\$350,651 - New Jersey Environmental Infrastructure Trust (Fund Loan) issued 5/3/2012 payable in semi-annual installments through 8/1/2031. No interest is payable on this issue. The balance remaining on this issue as of December 31, 2012 is \$338,765.

\$150,793 - Bergen County Improvement Authority Capital Lease Agreement issued 2/1/2007 payable in semi-annual installments through 3/1/2016. Interest is paid semi-annually at 4.23% per annum. The balance remaining on this issue as of December 31, 2012 is \$65,039.

\$528,928 - Bergen County Improvement Authority Capital Lease Agreement issued 3/26/2007 payable in semi-annual installments through 3/1/2017. Interest is paid semi-annually at 3.83% per annum. The balance remaining on this issue as of December 31, 2012 is \$288,677.

\$26,690 - Bergen County Improvement Authority Capital Lease Agreement issued 11/3/2008 payable in semi-annual installments through 8/1/2013. Interest is paid semi-annually at 2.34% per annum. The balance remaining on this issue as of December 31, 2012 is \$5,556.

\$80,122 - Bergen County Improvement Authority Capital Lease Agreement issued 4/1/2009 payable in semi-annual installments through 4/1/2014. Interest is paid semi-annually at 1.62% per annum. The balance remaining on this issue as of December 31, 2012 is \$32,823.

\$386,975 - Bergen County Improvement Authority Capital Lease Agreement issued 4/23/2009 payable in semi-annual installments through 4/23/2019. Interest is paid semi-annually at 1.77% per annum. The balance remaining on this issue as of December 31, 2012 is \$277,926.

\$50,750 - Bergen County Improvement Authority Capital Lease Agreement issued 6/1/2011 payable in semi-annual installments through 6/1/2016. Interest is paid semi-annually at 2.75% per annum. The balance remaining on this issue as of December 31, 2012 is \$41,143.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 8 - Municipal Debt (Continued)

A. Comparative Summary of Debt

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

	<u>2012</u>
Issued:	
General Bonds, Notes & Loans	\$ 11,923,300
School Bonds	10,066,000
Swimming Pool Utility Bonds & Notes	337,636
	<u>\$ 22,326,936</u>
Authorized but not Issued:	
General Bonds and Notes	\$ 2,206,771
Swimming Pool Utility Bonds & Notes	47,241
	<u>\$ 2,254,012</u>
Gross Debt	<u>\$ 24,580,948</u>
Deductions	<u>\$ 10,700,656</u>
Net Debt	<u>\$ 13,880,292</u>
Equalized Valuation Basis	\$ 1,335,671,753
Statutory Net Debt Percentage	1.04%
3-1/2% of Equalized Valuation Basis	\$ 46,748,511
Remaining Borrowing Power	\$ 32,868,219

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 8 - Municipal Debt (Continued)

B. Long-Term Bonded Debt Service Requirements to Maturity

The annual debt service requirement for long-term obligations requirements to maturity, including principal and interest as of December 31, 2012 are as follows:

Calendar Year	01/15/04 General Improvement Bonds	
	Principal	Interest
2013	540,000	209,242
2014	555,000	190,755
2015	580,000	170,530
2016	605,000	148,674
2017	635,000	125,265
2018	660,000	100,000
2019	680,000	73,200
2020	710,000	45,400
2021	780,000	15,600
	<u>\$ 5,745,000</u>	<u>\$ 1,078,666</u>

Calendar Year	8/11/04 Green Trust - Var. Park Impts.		5/19/08 Green Trust - Thoma Park	
	Principal	Interest	Principal	Interest
2013	6,261	1,571	9,067	3,215
2014	6,387	1,445	9,249	3,032
2015	6,515	1,317	9,435	2,846
2016	6,646	1,186	9,624	2,657
2017	6,780	1,052	9,818	2,463
2018	6,916	916	10,015	2,266
2019	7,055	777	10,216	2,065
2020	7,197	635	10,422	1,859
2021	7,342	490	10,631	1,650
2022	7,489	343	10,845	1,436
2023	7,640	192	11,063	1,218
2024	3,877	39	11,285	996
2025	-	-	11,512	769
2026	-	-	11,743	538
2027	-	-	11,979	302
2028	-	-	6,080	61
	<u>\$ 80,105</u>	<u>\$ 9,963</u>	<u>\$ 162,984</u>	<u>\$ 27,373</u>

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 8 - Municipal Debt (Continued)

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

Calendar Year	5/19/08 Green Trust - Thoma Field		8/22/08 Green Trust - Thoma Field	
	Principal	Interest	Principal	Interest
2013	8,447	2,995	3,030	1,074
2014	8,617	2,825	3,091	1,013
2015	8,790	2,652	3,153	951
2016	8,966	2,475	3,216	888
2017	9,147	2,295	3,281	823
2018	9,330	2,111	3,347	757
2019	9,518	1,924	3,414	690
2020	9,709	1,732	3,483	621
2021	9,904	1,537	3,553	551
2022	10,104	1,338	3,624	480
2023	10,307	1,135	3,697	407
2024	10,514	928	3,771	333
2025	10,725	716	3,847	257
2026	10,941	501	3,924	180
2027	11,161	281	4,003	101
2028	5,664	57	2,032	20
	\$ 151,844	\$ 25,502	\$ 54,466	\$ 9,146

Calendar Year	12/15/11 Green Trust - Land Acq.		Total Green Trust Loans	
	Principal	Interest	Principal	Interest
2013	7,038	2,687	33,843	11,542
2014	7,180	2,546	34,524	10,861
2015	7,324	2,401	35,217	10,167
2016	7,471	2,254	35,923	9,460
2017	7,621	2,104	36,647	8,737
2018	7,775	1,951	37,383	8,001
2019	7,931	1,794	38,134	7,250
2020	8,090	1,635	38,901	6,482
2021	8,253	1,472	39,683	5,700
2022	8,419	1,307	40,481	4,904
2023	8,588	1,137	41,295	4,089
2024	8,761	965	38,208	3,261
2025	8,937	789	35,021	2,531
2026	9,117	609	35,725	1,828
2027	9,300	426	36,443	1,110
2028	9,487	239	23,263	377
2029	4,814	48	4,814	48
	\$ 136,106	\$ 24,364	\$ 585,505	\$ 96,348

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 8 - Municipal Debt (Continued)

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

Calendar Year	5/3/12 NJEIT Trust Loan - Sewer Proj.		5/3/12 NJEIT Fund Loan - Sewer Proj.	
	Principal	Interest	Principal	Interest
2013	10,000	13,331	17,830	-
2014	10,000	13,132	17,830	-
2015	10,000	12,831	17,830	-
2016	10,000	12,432	17,830	-
2017	15,000	11,931	17,830	-
2018	15,000	11,182	17,830	-
2019	15,000	10,431	17,830	-
2020	15,000	9,681	17,830	-
2021	15,000	8,931	17,830	-
2022	15,000	8,181	17,830	-
2023	20,000	7,431	17,830	-
2024	20,000	6,431	17,830	-
2025	20,000	5,431	17,830	-
2026	20,000	4,431	17,830	-
2027	20,000	3,431	17,829	-
2028	20,000	2,831	17,829	-
2029	25,000	2,232	17,829	-
2030	25,000	1,450	17,829	-
2031	20,000	650	17,829	-
	\$ 320,000	\$ 146,381	\$ 338,765	\$ -

Calendar Year	Total NJEIT Loans	
	Principal	Interest
2013	27,830	13,331
2014	27,830	13,132
2015	27,830	12,831
2016	27,830	12,432
2017	32,830	11,931
2018	32,830	11,182
2019	32,830	10,431
2020	32,830	9,681
2021	32,830	8,931
2022	32,830	8,181
2023	37,830	7,431
2024	37,830	6,431
2025	37,830	5,431
2026	37,830	4,431
2027	37,829	3,431
2028	37,829	2,831
2029	42,829	2,232
2030	42,829	1,450
2031	37,829	650
	\$ 658,765	\$ 146,381

BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

Note 8 - Municipal Debt (Continued)

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

Calendar Year	2/1/07 BCIA Lease - Ambulance		3/26/07 BCIA Lease - Fire Truck etc.	
	Principal	Interest	Principal	Interest
2013	15,396	2,751	53,479	11,056
2014	16,048	2,100	55,527	9,008
2015	16,727	1,421	57,654	6,882
2016	16,868	704	59,862	4,673
2017	-	-	62,155	2,381
2018	-	-	-	-
	\$ 65,039	\$ 6,976	\$ 288,677	\$ 34,000

Calendar Year	11/3/08 BCIA Lease - Ford Escape		4/1/09 BCIA Lease - Dump Trucks	
	Principal	Interest	Principal	Interest
2013	5,556	130	16,280	532
2014	-	-	16,543	268
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
	\$ 5,556	\$ 130	\$ 32,823	\$ 800

Calendar Year	4/23/09 BCIA Lease - Garbage Truck & Sweeper		6/1/11 BCIA Lease - Rescue Truck	
	Principal	Interest	Principal	Interest
2013	37,645	4,919	9,871	1,131
2014	38,311	4,253	10,143	860
2015	38,989	3,575	10,421	581
2016	39,680	2,885	10,708	294
2017	40,382	2,182	-	-
2018	41,096	1,468	-	-
2019	41,823	740	-	-
	\$ 277,926	\$ 20,022	\$ 41,143	\$ 2,866

Calendar Year	Total BCIA Leases	
	Principal	Interest
2013	138,227	20,519
2014	136,572	16,489
2015	123,791	12,459
2016	127,118	8,556
2017	102,537	4,563
2018	41,096	1,468
2019	41,823	740
	\$ 711,164	\$ 64,794

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 8 - Municipal Debt (Continued)

C. Summary of Changes in Municipal Debt

During the year ended December 31, 2012, the following changes occurred in liabilities reported as General Capital Fund long-term debt:

	Beginning Balance	Authorized/ Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ -
Bond Anticipation Notes	3,605,573	4,934,030	(3,605,573)	4,934,030
Emergency Notes	-	-	-	-
	<u>\$ 3,605,573</u>	<u>\$ 4,934,030</u>	<u>\$ (3,605,573)</u>	<u>\$ 4,934,030</u>
Long-Term Debt:				
Serial Bonds	\$ 6,275,000	\$ -	\$ (530,000)	\$ 5,745,000
Loans Payable	475,677	810,225	(41,632)	1,244,270
Capital Leases Payable	794,738	50,750	(134,324)	711,164
Authorized but not Issued	2,218,671	250,000	(261,900)	2,206,771
	<u>\$ 9,764,086</u>	<u>\$ 1,110,975</u>	<u>\$ (967,856)</u>	<u>\$ 9,907,205</u>
	<u>\$ 13,369,659</u>	<u>\$ 6,045,005</u>	<u>\$ (4,573,429)</u>	<u>\$ 14,841,235</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -	\$ -	-
Bond Anticipation Notes	4,934,030	4,934,030	-
Emergency Notes	-	-	-
	<u>\$ 4,934,030</u>	<u>\$ 4,934,030</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ 5,745,000	\$ 540,000	\$ 5,205,000
Loan Payable	1,244,270	61,673	1,182,597
Capital Leases Payable	711,164	138,227	572,937
Authorized but not Issued	2,206,771	250,000	1,956,771
	<u>\$ 9,907,205</u>	<u>\$ 989,900</u>	<u>\$ 8,917,305</u>
	<u>\$ 14,841,235</u>	<u>\$ 5,923,930</u>	<u>\$ 8,917,305</u>

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 8 - Municipal Debt (Continued)

C. Summary of Changes in Municipal Debt (Continued)

During the year ended December 31, 2012, the following changes occurred in liabilities reported as Swimming Pool Utility Capital Fund long-term debt:

	Beginning Balance	Authorized/ Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ -
Bond Anticipation Notes	351,613	-	(13,977)	337,636
Emergency Notes	-	-	-	-
	<u>\$ 351,613</u>	<u>\$ -</u>	<u>\$ (13,977)</u>	<u>\$ 337,636</u>
Long-Term Debt:				
Serial Bonds	\$ -	\$ -	\$ -	\$ -
Loan Payable	-	-	-	-
Authorized but not Issued	47,241	-	-	47,241
	<u>\$ 47,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,241</u>
	<u>\$ 398,854</u>	<u>\$ -</u>	<u>\$ (13,977)</u>	<u>\$ 384,877</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -	\$ -	-
Bond Anticipation Notes	337,636	337,636	-
Emergency Notes	-	-	-
	<u>\$ 337,636</u>	<u>\$ 337,636</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ -	\$ -	-
Loan Payable	-	-	-
Authorized but not Issued	47,241	-	47,241
	<u>\$ 47,241</u>	<u>\$ -</u>	<u>\$ 47,241</u>
	<u>\$ 384,877</u>	<u>\$ 337,636</u>	<u>\$ 47,241</u>

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 9 - Risk Management

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur.. During the 2012 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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

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

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

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

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this method, the Borough is required to remit employee withholdings to the State on a quarterly basis. All of the Borough's claims are paid by the State.

Unemployment expenditures for the past 3 years are as follows:

CY2012 - \$29,652

CY2011 - \$ 9,013

CY2010 - \$ 9,747

**BOROUGH OF MAYWOOD
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2012**

Note 10 - Interfunds

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

	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 81,660	\$ 415,524
Federal and State Grant Fund	169,857	-
Trust Fund	-	111,236
General Capital Fund	368,354	-
Swimming Pool Utility Operating Fund	14,527	16,445
Swimming Pool Utility Capital Fund	-	91,193
	\$ 634,398	\$ 634,398

Interfund balances are comprised of the following:

All interfund balances are due to interest not being turned over and/or expenditures paid from an incorrect fund. It is anticipated that all interfunds will be liquidated during the subsequent fiscal year.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 11 - Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the following deferred charges are shown on the balance sheet of the following funds.

	<u>Balance</u>	<u>Appropriated in Subsequent Year</u>
Current Fund:		
Special Emergency (40A:4-53)	\$ 96,000	\$ 24,000
Emergency Authorizations	100,000	100,000
	<u>\$ 196,000</u>	<u>\$ 124,000</u>

The 2013 Budget Appropriations are not less than that required by statute.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans

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

A. Public Employees' Retirement System (PERS)

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

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

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

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

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

**BOROUGH OF MAYWOOD
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans (Continued)

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

Description of the System

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

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

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

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

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans (Continued)

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

Vesting and Benefit Provisions

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

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

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

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

**BOROUGH OF MAYWOOD
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans (Continued)

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

Significant Legislation:

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

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

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans (Continued)

C. Defined Contribution Retirement Program (DCRP)

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

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

Eligibility

Individuals eligible for membership in the DCRP include:

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

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

Enrollment

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

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

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

C. Defined Contribution Retirement Program (DCRP)

Retirement

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

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

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

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 12 - Retirement Plans (Continued)

D. Contributions Required by Employer

	Year	Pension Cost	Percentage Contributed	Non-Contrib Health/ ERI/CH19	Pension Obligation
<i>Police and Firemens' Pension Fund (PFRS)</i>					
	2012	\$ 571,169	100.00%	\$ 62,318	\$ 633,487
<i>Public Employees Retirement System (PERS)</i>					
	2012	\$ 201,978	100.00%	\$ 55,991	\$ 257,969
<i>Defined Contribution Retirement Program (DCRP)</i>					
	2012	\$ -	100.00%	\$ -	-

E. Trend Information

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 13 - Deferred Compensation Plan - LOSAP

A. Description

The Borough offers its qualifying volunteers participation in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by outside contractors, permit participants to defer Borough contributions until future years. Amounts deferred under the plan are not available to volunteers until termination, retirement, unforeseeable emergency or upon death to their beneficiaries.

All amounts of Borough contribution deferred under the plan and all income attributable to those amounts are (until paid or made available to the qualifying volunteer or other beneficiary) solely the property of the Borough.

The Borough has no liability for losses under the plan. Under the plan, participants select investments from alternatives offered by the plan administrators, whose manages the plan on behalf of the Borough. Investment selection by the participants may change from time to time, as the Borough manages none of the investment selections. By making the selection, participants accept and assume all risks that adhere in the plan and its administration.

Information pertaining to the plan offered by the Borough is as follows:

Lincoln Financial Group

This plan administers Borough contributions towards its Volunteer Length of Service Award Program (LOSAP).

	<u>2012</u>
Assets, Beginning of Year (Market Value)	\$ 502,019
Borough Contribution	52,567
Earnings and Adjustments to Market Value	58,033
Payments to Eligible Employees	(23,568)
Charges and Credits	(2,917)
Assets, Ending of Year (Market Value)	<u>\$ 586,134</u>

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 14 - Other Post Employment Benefits

A. Compensated Absences

The Borough has permitted certain employees to carry forward a limited amount of their unused sick, vacation and compensatory time pay to the succeeding calendar year. This time may be taken as time off or paid at a later date at an agreed-upon rate. Carryover days not taken in the succeeding year are forfeited. In accordance with accounting practices prescribed by the Division of Local Government Services, this amount is not recorded as either an expenditure or a liability. The Borough approximates this liability at December 31, 2012 to be \$211,000.

B. Health Care Benefits

In addition to the pension benefits described in Note 12, the Borough 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.

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

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 14 - Other Post Employment Benefits (Continued)

The Borough's annual other postemployment benefits ("OPEB") costs for the Plan, which is currently funded on a pay-as-you-go basis and is a non-contributory plan with all plan payments for plan benefits being funded by the Borough, is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and interest on the net OPEB obligation and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Borough's annual OPEB cost for the year ended December 31, 2011, and the related information for the plan are as follows:

Actuarial Accrued Liability

The Actuarial Accrued Liability ("AAL") as of December 31, 2011 is \$ 35,425,981 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2011. This represents the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The majority of this obligation is for current active employees.

Annual Required Contribution

The Annual Required Contribution ("ARC") is the measure of annual cost on an accrual basis. It is comprised of the "Normal Cost" which is the portion of future liabilities attributable to the measurement year, plus 30 year amortization of the Unfunded Actuarial Accrued Liability ("UAAL"). As of the measurement date, the plan had no assets to offset any portion of the AAL, so the UAAL and AAL are equal.

The ARC as of December 31, 2011 is \$2,942,592 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2011. The breakdown of the ARC is as follows:

(1) Normal Cost	\$767,736
(2) Actuarial Accrued Liability (AAL)	\$35,425,981
(3) Assets	\$0
(4) UAAL = (2)-(3)	\$35,425,981
(5) 30 Year Amortization of UAAL at Discount Rate	\$2,174,856
(6) ARC = (1)+(5)	\$2,942,592

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 14 - Other Post Employment Benefits (Continued)

B. Health Care Benefits (Continued)

Basis of Valuation

This valuation has been conducted as of December 31, 2011 based upon census, plan design and claims information provided by The Fund. Census includes 32 participants currently receiving retiree benefits, and 63 active participants of whom 11 are eligible to retire as of the valuation date. The average age of the active population is 45 and the average age of the retiree population is 70.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard Number 45.

Demographic assumptions were selected based on those used in by the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2011 report from Buck Consultants. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2011 report from Aon Consultants.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 14 - Other Post Employment Benefits (Continued)

Key Actuarial Assumptions

Mortality - RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years

Turnover - NJ State Pensions Ultimate Withdrawal Rates- prior to benefits eligibility

Assumed Retirement Age - At first eligibility after completing 25 years of service

Full Attribution Period - Service to Assumed Retirement Age

Annual Discount Rate - 4.50%

Medical Trend - 9% in 2012, reducing by 0.5% per annum, leveling at 5% per annum in 2020

Medical Cost Aging Factor - NJ SHBP Medical Morbidity Rates

Attribution period – The attribution period begins with the date of hire and ends with full benefits eligibility date.

Per capita cost methods – The valuation reflects per capita net premium costs based on actual 2012 medical and dental premiums and the plan option selected. Plan selections are assumed to remain unchanged in retirement. The age specific cost was derived based on per person costs at the average age of the active population (45) and scaled to each age based on the medical cost aging factors. At age 65, Medicare becomes the primary payor of medical benefits and consequentially, per capita plan costs are offset by Medicare payments. Thus, post 65 costs were decreased using the assumption that Medicare picks up 66.7% of medical costs.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 14 - Other Post Employment Benefits (Continued)

B. Health Care Benefits (Continued)

Retiree Contributions – NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees Retirement System. For purposes of this valuation, we have assumed that future retiree contribution percentages will be equal to the minimum percentage of premium so as not to understate actuarial measurements. Assumed percentages as follows: retiree only 4.5%, retiree and spouse 3.5%, family 3.0%. Based on retiree data, 60% of future retirees are assumed to be married and 40% are assumed to be single. 2012 employer contributions for retiree benefits as reported by the Fund are \$607 thousand.

Actuarial valuation method – Projected Unit Credit Funding Method

In the opinion of UHY Advisors (the Borough's Employee Benefits Consultants and actuaries), the actuarial assumptions are reasonable, taking into account the experience of the plan and reasonable expectations and individually represent their best estimate of anticipated experience under the plan.

Their measurements are based on the Borough's census, demographic, financial, and plan design information as provided to them by The Fund. Should any of this information change, their measurements could differ significantly.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 15 - Contingent Liabilities

A. Litigation

The municipality is a party to various legal proceedings which normally occur in the operation of government. These proceedings are not likely to have a materially adverse affect on the various funds of the municipality.

B. Federal and State Grants

The municipality participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor agency. If expenditures are disallowed, the municipality may be required to reimburse the grantor agency. As of December 31, 2012, significant amounts of grant expenditures have not been audited. The municipality believes that any future disallowed expenditures will not have a material effect on its financial position.

C. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2012. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, to be material. As of December 31, 2012, the Borough had no reserves recorded in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

**BOROUGH OF MAYWOOD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012**

Note 16 - Subsequent Events

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

A. Subsequent Year Capital Projects

The Borough's FY2013 Capital Budget currently includes the following:

Purpose	Total	CIF and Other Funded Sources	Bonds & Notes Authorized
Varios Road Resurfacing	\$ 200,000	\$ 10,000	\$ 190,000
	<u>\$ 200,000</u>	<u>\$ 10,000</u>	<u>\$ 190,000</u>

B. Bond Anticipation Notes

On February 1, 2013 the Borough issued a Bond Anticipation Note in the amount of \$851,900 comprised 100% of General Capital notes to temporarily finance expenditures related to various capital projects. The new note consisted of \$851,900 of renewed obligations and \$0 of new borrowing. This note matured on May 1, 2013.

On March 15, 2013 the Borough issued a Bond Anticipation Note in the amount of \$2,570,000 (after required paydowns) also comprised 100% of General Capital notes to temporarily finance expenditures related to various capital projects. The new note consisted of \$2,570,000 of renewed obligations and \$0 of new borrowing. This note also matured on May 1, 2013.

On March 15, 2013 the Borough issued a Bond Anticipation Note in the amount of \$320,000 (after required paydowns) comprised 100% of Swimming Pool Utility notes to temporarily finance expenditures related to various capital projects. The new note consisted of \$320,000 of renewed obligations and \$0 of new borrowing. This note also matured on May 1, 2013.

C. Serial Bonds

On May 1, 2013, the Borough issued serial bonds in the amount of \$3,990,000, comprised of \$3,670,000 of General Capital notes and \$320,000 of Swimming Pool Utility notes to permanently finance amounts outstanding on the above noted Bond Anticipation Notes. The Borough awarded the sale of said bonds to Janney Montgomery Scott, LLC at interest rates from 2.00% to 2.25% receiving \$0 in premium. These bonds will mature on May 1, 2027.

Composition of the serial bonds are as follows:

General Capital:

BAN Outstanding #1	\$ 851,900
Paid by Budget Appropriation	(1,900)
BAN Outstanding #2	2,570,000
New Borrowing	250,000
Bond Amount	<u>\$ 3,670,000</u>

Swimming Pool Utility:

BAN Outstanding #1	\$ 320,000
Bond Amount	<u>\$ 320,000</u>

Grand Total Bonds Sold	<u>\$ 3,990,000</u>
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**BOROUGH OF MAYWOOD
CURRENT FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS**

	2012	2011
<u>ASSETS AND OTHER DEBITS</u>		
Cash:		
Current Account	\$ 2,886,027	\$ 3,028,371
Change Funds	550	550
	<u>\$ 2,886,577</u>	<u>\$ 3,028,921</u>
Interfunds Receivable:		
Animal Control Trust Fund	\$ 6,503	\$ 6,503
Developer's Escrow Trust	-	5,728
Other Trust Fund	63,374	2
Public Assistance Trust Fund Petty Cash	72	72
Fire Prevention Trust	-	8,519
Unemployment Insurance Trust	11,711	11,711
Net Payroll Trust Fund	-	14,390
General Capital Fund	-	269,287
	<u>\$ 81,660</u>	<u>\$ 316,212</u>
Intergovernmental Receivable:		
State of N.J. for Vets and Senior Citizen Deductions	\$ 4,743	\$ 7,876
Other Receivables:		
Delinquent Property Taxes Receivable	\$ 405,716	\$ 433,076
Property Acquired for Taxes at Assessed Valuation	294,419	294,419
Revenue Accounts Receivable	-	56,572
Tax Title Lien Receivable	24,872	6,720
Protested Checks	-	3,425
Prepaid School Taxes	87,379	79,356
Prepaid County Taxes	-	99
Other Receivable	-	3,950
Payroll Account	24,390	-
Flexible Spending Account	2,000	-
	<u>\$ 838,776</u>	<u>\$ 877,617</u>
Deferred Charges:		
Special Emergency Authorizations (40A:4-53)	\$ 96,000	\$ 120,000
Emergency Authorizations	100,000	75,000
	<u>\$ 196,000</u>	<u>\$ 195,000</u>
Total Assets and Other Debits	<u>\$ 4,007,756</u>	<u>\$ 4,425,626</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Interfunds Payable:		
Federal & State Grant Fund	\$ 169,857	\$ 216,095
Drug Enforcement Fund	-	6,520
Swimming Pool Utility Operating Fund	14,527	8,639
General Capital Fund	231,140	-
	<u>\$ 415,524</u>	<u>\$ 231,254</u>
Accounts Payable	\$ -	\$ 4,027
Other Liabilities and Reserves:		
Appropriation Reserves	\$ 998,629	\$ 649,687
Reserve for Encumbrances	185,675	355,053
Tax Overpayments	31,515	33,074
Reserve for Tax Title Lien Redemptions & Premiums	26,500	27,400
Reserve for Preparation of Tax Map	5,951	5,951
Reserve for Revaluation	41,687	130,387
Reserve for Master Plan Expenditures	17,471	17,471
Pre-Paid Taxes	401,229	102,116
Reimbursement for Building Inspections	-	1,815
	<u>\$ 1,708,657</u>	<u>\$ 1,322,954</u>
Intergovernmental Payable		
Due County for Added & Omitted Taxes	\$ 856	\$ 4,832
Due to State of New Jersey	9,522	2,102
	<u>\$ 10,378</u>	<u>\$ 6,934</u>
Reserve for Receivables and Other Assets	\$ 920,436	\$ 1,193,829
Fund Balance	\$ 952,761	\$ 1,666,628
Total Liabilities, Reserves and Fund Balance	<u>\$ 4,007,756</u>	<u>\$ 4,425,626</u>

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

	Budget As Modified	Realized	Excess/ (Deficit)
<u>REVENUES</u>			
Fund Balance Anticipated	\$ 937,463	\$ 937,463	\$ -
Miscellaneous Revenues - Adopted Budget:			
Alcoholic Beverage Licenses	\$ 9,001	\$ 9,370	\$ 369
Other Licenses	6,000	7,027	1,027
Fees and Permits	50,000	61,310	11,310
Municipal Court Fines and Costs	185,000	218,111	33,111
Interest and Costs on Taxes	95,000	68,420	(26,580)
Sewer User Fees	750,000	690,061	(59,939)
Energy Receipts Tax	1,035,152	1,035,152	-
Consolidated Municipal Property Tax Relief	21,912	21,912	-
Uniform Construction Code Fees	205,000	231,224	26,224
Clean Communities Program	13,143	13,143	-
Drunk Driving Enforcement Fund	2,011	2,011	-
Body Armor Replacement Program	2,290	2,290	-
Recycling Tonnage Grant	43,022	43,022	-
Recycling Revenue	70,000	52,466	(17,534)
Payment in Lieu of Taxes - Senior Citizens	129,000	126,452	(2,548)
Cable T.V. Franchise Fee	115,000	87,945	(27,055)
Due From General Capital Fund	149,573	149,573	-
Total Miscellaneous Revenues	\$ 2,881,104	\$ 2,819,489	\$ (61,615)
Receipts From Delinquent Taxes	\$ 430,000	\$ 334,006	\$ (95,994)
Amount to be Raised by Taxation - Local	\$ 11,426,794	\$ 11,980,473	\$ 553,679
Amount to be Raised by Taxation - Library	443,698	443,698	-
	\$ 11,870,492	\$ 12,424,171	\$ 553,679
Total Revenues	\$ 16,119,059	\$ 16,515,129	\$ 396,070
<u>OTHER CREDITS TO INCOME</u>			
Miscellaneous Revenues Not Anticipated	\$ -	\$ 482,139	\$ 482,139
Unexpended Balances of Appropriation Reserves	-	479,120	479,120
Unexpended Balances Cancelled	-	5,684	5,684
Interfund Loans Returned	-	383,194	383,194
Excess in Federal & State Grant Fund Reserves	-	36,265	36,265
Cancellations & Non-Cash Adjustments	-	31,427	31,427
<u>Taxes Allocated to School and County:</u>			
Local District School Tax	16,088,536	16,088,536	-
County Tax Levy	2,678,402	2,678,402	-
County Open Space	31,096	31,096	-
Added County & Open Space Taxes	955	955	-
Total Other Credits to Income	\$ 18,798,989	\$ 20,216,818	\$ 1,417,829
Total Revenues and Other Credits to Income	\$ 34,918,048	\$ 36,731,947	\$ 1,813,899

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

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"							
<u>General Government Functions</u>							
<u>General Administration:</u>							
Salaries and Wages - Administrator	180,000	-	182,000	181,752	248	-	-
Salaries and Wages - Clerk's Office	128,000	-	125,000	124,949	51	-	-
<u>Other Expenses:</u>							
Administrator's Office	108,500	-	119,500	117,955	1,545	-	-
Stationary, Printing, & Adv.	20,000	-	22,500	22,210	290	-	-
Borough Clerk's Office	10,000	-	7,000	2,033	4,967	-	-
<u>Annual Audit:</u>							
Other Expenses	37,000	-	37,000	22,950	14,050	-	-
<u>Collection of Taxes:</u>							
Salaries and Wages	186,300	-	176,300	173,126	3,174	-	-
Other Expenses	79,550	-	45,800	37,662	8,138	-	-
<u>Assessment of Taxes:</u>							
Salaries and Wages	15,000	-	15,000	14,560	440	-	-
Other Expenses	3,500	-	3,500	1,605	1,895	-	-
<u>Legal Services & Costs:</u>							
Other Expenses	90,000	-	87,000	79,505	7,495	-	-
<u>Engineering Services & Costs:</u>							
Other Expenses	30,000	-	30,000	20,703	9,297	-	-
<u>Historical Committee:</u>							
Other Expenses	2,500	-	500	157	343	-	-
<u>Municipal Land Use Law (NJSA 40:55D-1)</u>							
<u>Planning Board:</u>							
Salaries and Wages	3,500	-	3,500	3,309	191	-	-
Other Expenses - Legal	7,500	-	1,500	-	1,500	-	-
Other Expenses	5,700	-	1,700	436	1,264	-	-
<u>Insurance:</u>							
Other Insurance Premiums	195,000	-	195,000	103,199	91,801	-	-
Surety Bond Premiums	16,550	-	16,550	-	16,550	-	-
Workers's Compensation	225,000	-	225,000	202,538	22,462	-	-
Hospital Service Plan	2,285,200	-	2,290,850	2,205,458	85,392	-	-
<u>Public Safety:</u>							
<u>Police:</u>							
Salaries and Wages	3,163,500	12,500	3,306,000	3,306,000	-	-	-
Other Expenses	104,000	5,000	107,000	103,761	3,239	-	-
<u>Emergency Management Services:</u>							
Other Expenses - Auxiliary Police	4,700	-	4,700	4,226	474	-	-
Other Expenses	5,000	-	2,000	1,164	836	-	-
<u>Fire-Police Emergency Squad:</u>							
Other Expenses	9,250	-	9,260	9,223	37	-	-
<u>Fire (Volunteer Fire Company):</u>							
Salaries & Wages	3,025	-	3,025	1,755	1,270	-	-
Other Expenses - Fire Hydrant Service	118,000	-	118,000	113,309	4,691	-	-
Other Expenses - Clothing Replacement	20,300	-	20,300	18,800	1,500	-	-
Other Expenses	54,000	-	54,000	40,942	13,058	-	-
Life Hazard Use Grant	15,000	-	15,000	1,640	13,360	-	-
<u>Municipal Prosecutor:</u>							
Salaries & Wages	12,500	-	12,500	12,307	193	-	-
<u>Municipal Court:</u>							
Salaries & Wages	144,500	-	144,500	133,657	10,843	-	-
Salaries and Wages - Public Defender	5,500	-	5,500	2,760	2,740	-	-
Other Expenses	15,000	-	15,000	12,265	2,735	-	-
<u>Radio Service & Maintenance:</u>							
Other Expenses	5,000	-	6,500	6,230	270	-	-

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

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)							
<u>Public Works Function:</u>							
Road Repairs & Maintenance							
Salaries and Wages	\$ 910,600	\$ 20,000	\$ 930,600	\$ 868,529	\$ 62,071	\$ -	\$ -
Other Expenses	100,000	62,500	162,500	93,656	68,844	-	-
<u>Shade Tree:</u>							
Other Expenses	20,000	-	15,000	11,713	3,287	-	-
<u>Recycling:</u>							
Salaries and Wages	4,700	-	700	-	700	-	-
Other Expenses	9,500	-	4,500	112	4,388	-	-
<u>Public Buildings & Grounds:</u>							
Other Expenses	223,100	-	228,100	223,884	4,216	-	-
<u>Maintenance of Vehicles:</u>							
Other Expenses	130,500	-	105,340	92,950	12,390	-	-
<u>Health & Welfare:</u>							
<u>Board of Health:</u>							
Salaries and Wages	5,500	-	5,500	2,530	2,970	-	-
Salaries and Wages - EMT	75,000	-	79,000	78,849	151	-	-
Other Expenses - Ambulance Service	26,700	-	26,700	24,316	2,384	-	-
Other Expenses	18,460	-	20,960	19,659	1,301	-	-
<u>Park and Recreation Functions:</u>							
<u>Recreational Commission RS40-12-1:</u>							
Salaries and Wages	\$ 24,725	\$ -	\$ 4,725	\$ 1,069	\$ 3,656	\$ -	\$ -
Other Expenses	11,250	-	11,250	10,440	810	-	-
<u>Senior Citizens Committee:</u>							
Sr. Citizens Club (Existing)	3,800	-	3,800	2,275	1,525	-	-
Sr. Citizens Club (New)	3,800	-	3,800	3,556	244	-	-
Sr. Citizens Advisory Committee	200	-	200	-	200	-	-
<u>Parks & Playgrounds:</u>							
Other Expenses	35,500	-	45,000	41,678	3,322	-	-
<u>Celebration of Public Events:</u>							
Other Expenses							
Decorating of Soldiers' Graves	350	-	350	350	-	-	-
Other Expenses	6,000	-	6,000	933	5,067	-	-
4th of July Parade	20,650	-	20,650	15,014	5,636	-	-
<u>Board of Health:</u>							
Hepatitis B Program	5,500	-	5,500	68	5,432	-	-
<u>State Uniform Construction Code:</u>							
<u>Construction Official:</u>							
Salaries and Wages	159,000	-	144,000	136,854	7,146	-	-
Other Expenses	6,500	-	4,500	3,685	815	-	-
<u>Unclassified:</u>							
Sewer Testing	8,500	-	8,500	3,172	5,328	-	-
Street Lighting	120,000	-	132,000	119,752	12,248	-	-
Telephone	55,000	-	55,000	49,206	5,794	-	-
Landfill Tipping Fee	405,000	-	365,000	334,936	30,064	-	-
Total Operations - Within "CAPS"	\$ 9,697,910	\$ 100,000	\$ 9,797,660	\$ 9,221,332	\$ 576,328	\$ -	\$ -
Contingent	-	-	-	-	-	-	-
Total Operations Including Contingent - Within "CAP"	\$ 9,697,910	\$ 100,000	\$ 9,797,660	\$ 9,221,332	\$ 576,328	\$ -	\$ -
Detail:							
Salaries and Wages	\$ 5,021,350	\$ 32,500	\$ 5,137,850	\$ 5,042,006	\$ 95,844	\$ -	\$ -
Other Expenses	\$ 4,676,560	\$ 67,500	\$ 4,659,810	\$ 4,179,326	\$ 480,484	\$ -	\$ -

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

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"							
<u>Deferred Charges:</u>							
Prior Year Bills:							
Beattie Padovano - Legal	\$ 549	\$ -	\$ 549	\$ 549	\$ -	\$ -	\$ -
<u>Statutory Expenditures:</u>							
Public Employees' Retirement System (PERS)	257,969	-	257,969	257,969	-	-	-
Social Security System (O.A.S.I.)	245,000	-	245,000	207,689	37,311	-	-
Consolidated Police and Firemen's Pension Fund	35,000	-	35,000	32,236	2,764	-	-
Police and Firemen's Retirement System (PFRS)	633,487	-	633,487	633,487	-	-	-
Unemployment Insurance	30,000	-	30,000	29,652	348	-	-
<hr/>							
Total Deferred Charges and Statutory Expenditures							
- Municipal - Within "CAPS"	\$ 1,202,005	\$ -	\$ 1,202,005	\$ 1,161,582	\$ 40,423	\$ -	\$ -
<hr/>							
(H-1) Total General Appropriations for Municipal Purposes - Within "CAPS"	\$ 10,899,915	\$ 100,000	\$ 10,999,665	\$ 10,382,914	\$ 616,751	\$ -	\$ -

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

	Appropriated			Expended		Unexpended	
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - EXCLUDED FROM "CAPS"							
<u>Educational Functions:</u>							
Maintenance of Free Public Library	\$ 443,698	\$ -	\$ 443,698	\$ 362,967	\$ 80,731	\$ -	\$ -
BCUA Service Charges - Contractural	2,013,760	-	2,013,760	1,802,460	211,300	-	-
LOSAP	65,000	-	65,000	52,567	12,433	-	-
<u>Shared Service Agreements:</u>							
City of Hackensack - Solid Waste and Recycling Collection	248,000	-	248,000	234,450	13,550	-	-
Borough of Paramus - Diesel Fuel	5,500	-	5,500	-	5,500	-	-
Township of Rochelle Park - Gas and Diesel Fuel	143,000	-	143,000	84,699	58,301	-	-
County of Bergen - Health Officer	50,500	-	50,750	50,687	63	-	-
<u>Public and Private Programs Offset by Revenues:</u>							
Drunk Driving Enforcement Fund	2,011	-	2,012	2,012	-	-	-
Body Armor Grant	2,290	-	2,289	2,289	-	-	-
Clean Commuunities Grant	13,143	-	13,143	13,143	-	-	-
Recycling Tonnage Grant	43,022	-	43,022	43,022	-	-	-
Total Operations Excluded from "CAPS"	<u>\$ 3,029,924</u>	<u>\$ -</u>	<u>\$ 3,030,174</u>	<u>\$ 2,648,296</u>	<u>\$ 381,878</u>	<u>\$ -</u>	<u>\$ -</u>
Detail:							
Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenses	\$ 3,029,924	\$ -	\$ 3,030,174	\$ 2,648,296	\$ 381,878	\$ -	\$ -

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

	Appropriated			Expended		Unexpended		Overexpended
	2012 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled		
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"								
Capital Improvement Fund	\$ 60,000	\$ -	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	-
Total Capital Improvements - Excluded From "CAPS"	\$ 60,000	\$ -	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	-
DEBT SERVICE - EXCLUDED FROM "CAPS"								
<u>Municipal Debt Service:</u>								
Bond Principal	\$ 530,000	\$ -	\$ 530,000	\$ 530,000	\$ -	\$ -	\$ -	-
Payment of Bond Anticipation Notes	133,444	-	133,444	133,442	\$ -	2	-	-
Bond Interest	225,967	-	225,967	225,967	\$ -	-	-	-
Note Interest	72,112	-	72,112	72,112	\$ -	-	-	-
Green Trust Loan Program:								
Loan Repayments for Principal & Interest	35,659	-	35,659	35,659	\$ -	-	-	-
NJ Environmental Infrastructure Trust:								
Loan Repayments for Principal & Interest	23,800	-	23,800	18,118	\$ -	5,682	-	-
BCIA:								
Principal and Interest	88,369	-	88,369	88,369	\$ -	-	-	-
Post 7/1/2008 Principal and Interest	70,381	-	70,381	70,381	\$ -	-	-	-
Total Debt Service - Excluded From "CAPS"	\$ 1,179,732	\$ -	\$ 1,179,732	\$ 1,174,048	\$ -	\$ 5,684	\$ -	-
DEFERRED CHARGES - EXCLUDED FROM "CAPS"								
<u>Deferred Charges:</u>								
Emergency Authorizations	\$ 75,000	\$ -	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	-
Special Emergency Authorizations 5 Years (N.J.S. 40A:4-55)	24,000	-	24,000	24,000	-	-	-	-
Overexpenditure of Capital Ordinance	488	-	488	488	-	-	-	-
	\$ 99,488	\$ -	\$ 99,488	\$ 99,488	\$ -	\$ -	\$ -	-
(O) Total General Appropriations for Municipal Purposes - Excluded from "CAPS"								
	\$ 4,369,144	\$ -	\$ 4,369,394	\$ 3,981,832	\$ 381,878	\$ 5,684	\$ -	-
(L) Subtotal General Appropriations (Items H-1 and (O))								
	\$ 15,269,059	\$ 100,000	\$ 15,369,059	\$ 14,364,746	\$ 998,629	\$ 5,684	\$ -	-
Reserve for Uncollected Taxes	850,000	-	850,000	850,000	-	-	-	-
Total General Appropriations	\$ 16,119,059	\$ 100,000	\$ 16,219,059	\$ 15,214,746	\$ 998,629	\$ 5,684	\$ -	-
Budget Appropriations - Adopted Budget								
	\$ 16,119,059	\$ -	\$ 16,119,059					
Budget Appropriations - Added by N.J.S. 40A:4-87								
	-	-	-					
Emergency Appropriations								
	-	100,000	100,000					
	\$ 16,119,059	\$ 100,000	\$ 16,219,059					
<u>Other Charges to Income:</u>								
Interfund Advances Originating in Current Year		\$ -	\$ 1,527,469					
Refund of Prior Year's Revenue		-	18,873					
Shortage in Federal & State Grant Fund Receivables		-	43,961					
<u>Taxes Allocated to School and County:</u>								
Local District School Tax			16,088,536	16,088,536				
County Tax Levy			2,678,402	2,678,402				
County Open Space			31,096	31,096				
Added County & Open Space Taxes			955	955				
			\$ 18,798,989	\$ 20,389,292				

**BOROUGH OF MAYWOOD
GRANT FUND
SCHEDULE OF ASSETS, LIABILITIES AND RESERVES - REGULATORY BASIS**

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash	\$ 39,949	\$ -
Interfunds Receivable:		
Current Fund	\$ 169,857	\$ 216,095
Intergovernmental Receivable:		
Grants Receivable	\$ 26,639	\$ 343,961
Total Assets	<u>\$ 236,445</u>	<u>\$ 560,056</u>
<u>LIABILITIES AND RESERVES</u>		
Deferred Revenue:		
Appropriated Reserves	\$ 204,078	\$ 492,115
Reserve for Encumbrances	7,475	7,475
Unappropriated Reserves	24,892	60,466
	<u>\$ 236,445</u>	<u>\$ 560,056</u>
Total Liabilities and Reserves	<u>\$ 236,445</u>	<u>\$ 560,056</u>

**BOROUGH OF MAYWOOD
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012**

Program	Balance December 31, 2011	Revenue Realized	Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2012
<u>Federal:</u>						
US Department of Energy	\$ 300,000	\$ -	\$ 273,361	\$ -	\$ -	\$ 26,639
<u>State</u>						
Supplemental Safe Neighborhoods Program	\$ 4,683	\$ -	\$ -	\$ -	\$ (4,683)	\$ -
Clean Communities Program	-	13,143	-	13,143	-	-
Drunk Driving Enforcement Fund	-	2,011	-	2,011	-	-
Recycling Tonnage Grant	-	43,022	-	43,022	-	-
Body Armor Replacement Program	-	2,290	-	2,290	-	-
Statewide Local Domestic Preparedness Equipment Grant	147	-	-	-	(147)	-
Hazardous Toxic Pollution	8,295	-	-	-	(8,295)	-
Alcohol Education & Rehabilitation Fund	1,599	-	-	-	(1,599)	-
Municipal Alliance on Alcoholism & Drug Abuse	29,237	-	-	-	(29,237)	-
	<u>\$ 43,961</u>	<u>\$ 60,466</u>	<u>\$ -</u>	<u>\$ 60,466</u>	<u>\$ (43,961)</u>	<u>\$ -</u>
<u>Other</u>						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Grand Total	<u>\$ 343,961</u>	<u>\$ 60,466</u>	<u>\$ 273,361</u>	<u>\$ 60,466</u>	<u>\$ (43,961)</u>	<u>\$ 26,639</u>

**BOROUGH OF MAYWOOD
GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2012**

Program	Balance December 31, 2011	Budget	Paid or Charged	Adjustments	Balance December 31, 2012
<u>Federal</u>					
US Department of Energy - Solar Panels	\$ 286,235	\$ -	\$ 275,321	\$ -	\$ 10,914
Department of Justice - Bulletproof Vest Partnership	5,111	-	4,436	-	675
Department of Justice - COPS More	22,294	-	-	-	22,294
Department of Environmental Protection - Stormwater Management	11,053	-	2,041	-	9,012
	<u>\$ 324,693</u>	<u>\$ -</u>	<u>\$ 281,798</u>	<u>\$ -</u>	<u>\$ 42,895</u>
<u>State</u>					
Clean Communities Program	\$ 38,271	\$ 13,143	\$ 25,058	\$ -	\$ 26,356
DOT Pothole Repair Grant	25	-	-	-	25
Recreation Opportunities Grant (ROID)	4,922	-	-	-	4,922
Alcohol Education & Rehabilitation Fund	8,120	-	-	-	8,120
Hazardous Toxic Pollution Grant	8,295	-	-	-	8,295
Tree Planting Grant	9,544	-	-	-	9,544
Longevity of Deciduous Trees	990	-	-	-	990
Body Armor Replacement Program	13,220	2,290	1,750	-	13,760
Drunk Driving Enforcement Fund	9,004	2,011	2,370	-	8,645
Domestic Violence Grant	2,989	-	-	-	2,989
Click-It-Or-Ticket	5,551	-	-	(5,551)	-
Aggressive Driver Enforcement	9,740	-	-	-	9,740
Recycling Tonnage Grant	11,917	43,022	-	-	54,939
Statewide Local Domestic Preparedness Equipment Grant	1,805	-	-	-	1,805
Municipal Alliance on Alcoholism & Drug Abuse - State	31,976	-	1,262	(30,714)	-
	<u>\$ 156,369</u>	<u>\$ 60,466</u>	<u>\$ 30,440</u>	<u>\$ (36,265)</u>	<u>\$ 150,130</u>
<u>Other</u>					
BCUA Municipal Recycling Assistance Program	\$ 11,053	\$ -	\$ -	\$ -	\$ 11,053
	<u>\$ 11,053</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,053</u>
Grand Total	<u>\$ 492,115</u>	<u>\$ 60,466</u>	<u>\$ 312,238</u>	<u>\$ (36,265)</u>	<u>\$ 204,078</u>

**BOROUGH OF MAYWOOD
GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2012**

Program	Balance December 31, 2011	Appropriated	Received	Adjustments	Balance December 31, 2012
<u>Federal</u>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
<u>State</u>					
Clean Communities Program	\$ 13,143	\$ 13,143	\$ 12,930	\$ -	\$ 12,930
Body Armor Replacement Program	2,290	2,290	2,389	-	2,389
Recycling Tonnage Grant	43,022	43,022	6,232	-	6,232
Drunk Driving Enforcement Fund	2,011	2,011	2,466	-	2,466
Bullet Proof Vest Partnership	-	-	875	-	875
	<u>\$ 60,466</u>	<u>\$ 60,466</u>	<u>\$ 24,892</u>	<u>\$ -</u>	<u>\$ 24,892</u>
<u>Other</u>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	<u>\$ 60,466</u>	<u>\$ 60,466</u>	<u>\$ 24,892</u>	<u>\$ -</u>	<u>\$ 24,892</u>

**BOROUGH OF MAYWOOD
TRUST FUND
SCHEDULE OF ASSETS, LIABILITIES AND RESERVES - REGULATORY BASIS**

	2012	2011
<u>ASSETS</u>		
Cash:		
Trust & Escrow Deposit Account	\$ 1,092,752	\$ 942,103
Unemployment Insurance Account	15,550	343
Animal Control Account	15,576	12,789
P.A.T.F. I	13,307	20,174
P.A.T.F. II	19,518	18,899
Petty Cash - P.A.T.F. I & II	200	200
	<u>\$ 1,156,903</u>	<u>\$ 994,508</u>
Interfund Receivable:		
Current Fund (Drug Enforcement Fund)	\$ -	\$ 6,520
Intergovernmental Receivable:		
Grants Receivable - BCCD (Community Development Trust)	\$ -	\$ 29,576
Other Assets:		
Accounts Receivable (Unemployment Trust)	\$ 604	\$ 604
Deferred Charges:		
Deficit in Reserve (Unemployment Trust)	\$ -	\$ 25,758
Deferred Compensation Plan Assets:		
Lincoln Financial Group - LOSAP	\$ 586,134	\$ 502,020
Contributions Receivable	-	48,400
	<u>\$ 586,134</u>	<u>\$ 550,420</u>
Total Assets	<u>\$ 1,743,641</u>	<u>\$ 1,607,386</u>
<u>LIABILITIES AND RESERVES</u>		
Interfunds Payable:		
Current Fund (Animal Control Trust)	\$ 6,503	\$ 6,503
Current Fund (Unemployment Trust)	11,711	11,711
Current Fund (Trust & Escrow Deposit)	63,374	14,249
Current Fund (P.A.T.F.)	72	72
General Capital Fund (Community Development Trust)	29,576	29,576
	<u>\$ 111,236</u>	<u>\$ 62,111</u>
Intergovernmental Payable:		
State of N.J.	\$ 1	\$ 1
Other Liabilities and Reserves:		
Reserve for Deferred Compensation	\$ 586,134	\$ 550,420
Reserve for Animal Control Expenditures	9,072	6,285
Reserve for Unemployment Expenditures	4,443	14,994
Reserve for P.A.T.F. Expenditures	32,953	39,201
Reserve for Developers and Escrow Deposits	618,515	574,807
Reserve for Fire Prevention Expenditures	5,236	13,165
Reserve for Parking Offenses Adjudication (POAA) Expenditures	1,776	4,513
Reserve for Recycling Program Expenditures	3,454	31,533
Reserve for Recreation Expenditures	134,635	86,879
Reserve for Shade Tree Expenditures	2,493	1,993
Reserve for Drug Enforcement Expenditures	36,109	32,868
Reserve for Other Trust Fund Expenditures	197,584	188,616
	<u>\$ 1,632,404</u>	<u>\$ 1,545,274</u>
Total Liabilities and Reserves	<u>\$ 1,743,641</u>	<u>\$ 1,607,386</u>

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

	2012	2011
<u>ASSETS</u>		
Cash:		
General Capital Account	\$ 1,645,310	\$ 1,648,686
Interfund Receivable:		
Community Development Trust	\$ 29,576	\$ 29,576
Current Fund	231,140	-
Swimming Pool Utility Operating Fund	16,445	16,445
Swimming Pool Utility Capital Fund	91,193	91,193
	<u>\$ 368,354</u>	<u>\$ 137,214</u>
Intergovernmental Receivable:		
Grants Receivable - Department of Transportation	\$ 112,622	\$ 112,622
Grants Receivable - Department of Community Affairs	729	729
Grants Receivable - County of Bergen - Open Space Trust	114,395	114,395
Grants Receivable - County of Bergen - Community Development	270,049	270,049
	<u>\$ 497,795</u>	<u>\$ 497,795</u>
Deferred Charges:		
Funded	\$ 7,700,434	\$ 7,545,415
Unfunded	7,140,801	5,674,244
Overexpenditure of Ordinance	488	488
	<u>\$ 14,841,723</u>	<u>\$ 13,220,147</u>
Total Assets	<u>\$ 17,353,182</u>	<u>\$ 15,503,842</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Accounts/Contracts Payable	\$ -	\$ -
Interfund Payable:		
Current Fund	\$ -	\$ 269,287
	<u>\$ -</u>	<u>\$ 269,287</u>
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 358,491	\$ 298,491
Reserve for Payment of Debt Service	249,779	249,779
Reserve for Park Improvements	60,000	60,000
Reserve for Engineering Fees	4,430	4,430
Reserve for Grants Receivable - Ord#15-2010	50,000	50,000
Reserve for Green Acres Grant & Loan	186,099	186,099
	<u>\$ 908,799</u>	<u>\$ 848,799</u>
Improvement Authorizations:		
Funded	\$ 385,792	\$ 409,032
Unfunded	3,422,809	2,824,418
	<u>\$ 3,808,601</u>	<u>\$ 3,233,450</u>
Serial Bonds Payable	<u>\$ 5,745,000</u>	<u>\$ 6,275,000</u>
Bond Anticipation Notes Payable	<u>\$ 4,934,030</u>	<u>\$ 3,605,573</u>
Loans Payable:		
Green Trust	\$ 585,505	\$ 475,677
N.J.E.I.T. Trust	658,765	-
	<u>\$ 1,244,270</u>	<u>\$ 475,677</u>
Capital Leases Payable	<u>\$ 711,164</u>	<u>\$ 794,738</u>
Fund Balance	<u>\$ 1,318</u>	<u>\$ 1,318</u>
Total Liabilities and Reserves	<u>\$ 17,353,182</u>	<u>\$ 15,503,842</u>

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

<u>Date of Issue - Purpose</u>	<u>Type</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2011</u>	<u>Issued In 2012</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2012</u>
8/11/2004 Multi Park Improvements - Briarcliff Park	Green Trust	\$ 125,950	\$ 86,243	\$ -	\$ 6,138	\$ 80,105
5/19/2008 Thomas Avenue Park	Green Trust	197,500	171,873	-	8,889	162,984
5/19/2008 Thomas Avenue Little League Field	Green Trust	184,000	160,125	-	8,281	151,844
8/22/2008 Thomas Avenue Little League Field	Green Trust	66,000	57,436	-	2,970	54,466
12/15/2011 Thomas Avenue Little League Field - Land Acq.	Green Trust	139,574	-	139,574	3,468	136,106
5/03/2012 Sewer Projects	NJEIT - Trust	320,000	-	320,000	-	320,000
5/03/2012 Sewer Projects	NJEIT - Fund	350,651	-	350,651	11,886	338,765
			<u>\$ 475,677</u>	<u>\$ 810,225</u>	<u>\$ 41,632</u>	<u>\$ 1,244,270</u>

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

Improvement	Balance December 31, 2011	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Adjustments	Balance December 31, 2012
#8-92 Improvements to Borough Owned Property	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
#22-92 Various Public Improvements	71	-	-	-	-	-	71
#13-93 Resurfacing Portions of Spring Valley Avenue	229	-	-	-	-	-	229
#14-93 1993 Road Improvement Program	900	-	-	-	-	-	900
#7-94 Repair of Sanitary Sewer Line - Briarcliff Avenue	1,445	-	-	-	-	-	1,445
#13-94 Acquisition of Fire Engines	1,769	-	-	-	-	-	1,769
#7-98 Resurfacing of Grant & Belle Avenues and Parkway	108,042	-	-	-	-	-	108,042
#24-02/10-03 Various Public Improvements	877	-	-	-	-	-	877
#3-03 Improvements to Briarcliff Avenue Park	2,050	-	-	-	-	-	2,050
#14-03 Barrier Free Curb Cut Program	888	-	-	-	-	-	888
#6-04 West Pleasant Avenue Streetscape - Phase 1	50,526	-	-	(3,158)	-	-	47,368
#21-04 Curb, Sidewalk and Resurfacing of Stewart Street	93,389	-	-	(5,837)	-	-	87,552
#7-05 West Pleasant Avenue Streetscape - Phase 2	84,208	-	-	(5,264)	-	-	78,944
#12-05 Acquisition of Property & Construction of Municipal Parking Lot	505,721	-	-	(9,093)	-	-	496,628
#15-05 Improvements to Public Library	101,052	-	-	(6,316)	-	-	94,736
#17-05/12-08 Acq. of Equipment & Reconstruction of Basketball Courts - Memorial Park	117,366	-	-	(10,278)	-	-	107,088
#25-05 School Safety Improvements	25,263	-	-	(1,579)	-	-	23,684
#26-05 Resurfacing of Spring Valley Avenue	21,052	-	-	(1,316)	-	-	19,736
#27-05 Acquisition of Garbage Truck	107,933	-	-	(17,989)	-	-	89,944
#15-06 Acquisition of New Communications & Signal System	81,432	-	-	(11,634)	-	-	69,798
#06-07 West Pleasant Avenue Streetscape - Phase 2	378,947	-	-	(21,053)	-	-	357,894
#14-07 Purchase of Various Equipment	7,911	-	-	(590)	-	-	7,321
#25-07/32-07 Resurfacing of Various Roads	225,473	-	-	(12,527)	-	-	212,946
#6-08 Resurfacing of Various Roads	33,800	-	-	(17,042)	-	-	16,758
#7-08 Improvements to Fetzer Park	140,400	-	-	(4,842)	-	-	135,558
#8-08 Improvements to Memorial Park Athletic Fields	142,800	-	-	(4,925)	-	-	137,875
#8-09 Resurfacing of Prospect Avenue	35,000	-	-	-	-	-	35,000
#19-09 Storm Water Drainage Improvements - Briarcliff Avenue	23,800	-	-	-	-	-	23,800
#20-09 Various Sewer Projects	1,840,000	-	-	-	-	-	1,840,000
#21-09 Various Public Improvements	157,100	-	-	-	-	-	157,100
#7-2010 Acquisition of Equipment, Machinery, Communications and Vehicles	333,200	-	-	-	-	-	333,200
#8-2010 Resurfacing of Various Roads	114,200	-	-	-	-	-	114,200
#15-2010 Resurfacing of Coles Street/Terrace Avenue - Section 2	85,000	-	-	-	-	-	85,000
#20-2010 Construction Costs - Municipal Complex	590,000	-	-	-	-	-	590,000
#4-11 Resurfacing of Stelling Avenue	261,900	-	-	-	-	-	261,900
#8-12 Resurfacing of Spring Valley Road	-	250,000	-	-	-	-	250,000
#13-12 Tax Appeal Refunding Bond	-	1,350,000	-	-	-	-	1,350,000
	\$ 5,674,244	\$ 1,600,000	\$ -	\$ (133,443)	\$ -	\$ -	\$ 7,140,801

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

Description	Authorized									
	Balance - January 1, 2012		Bonds & Notes	Capital Improvement Fund	Grants	Expended	Refunded	Cancellations & Adjustments	Balance - December 31, 2012	
	Funded	Unfunded							Funded	Unfunded
#9-95 Barrier Free Improvements	\$ 95,398	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,398	\$ -
#21-97/9-98 Various Public Improvements	1,353	-	-	-	-	641	-	-	712	-
#7-98 Resurfacing of Grant & Belle Avenues and Parkway	-	91,437	-	-	-	-	-	-	-	91,437
#13-98 Resurfacing of Portions of Various Streets	6,520	-	-	-	-	-	-	-	6,520	-
#4-99 Refund of Taxes	9,634	-	-	-	-	-	-	-	9,634	-
#15-99 Construction of Bicycle Path	5,571	-	-	-	-	-	-	-	5,571	-
#15-01 Resurfacing of Various Roads	5,926	-	-	-	-	-	-	-	5,926	-
#21-01 Addition to Emergency Services Building	23,666	-	-	-	-	-	-	-	23,666	-
#22-01 Acquisition of Easements	330	-	-	-	-	-	-	-	330	-
#11-02 Resurfacing of Coolidge Avenue	10	-	-	-	-	-	-	-	10	-
#24-02/10-03 Various Public Improvements	647	877	-	-	-	-	-	-	647	877
#2-03 Various Building Improvements	4,201	-	-	-	-	-	-	-	4,201	-
#3-03 Improvements to Briarcliff Avenue Park	11,505	2,050	-	-	-	-	-	-	11,505	2,050
#4-03 Resurfacing of Senior Center Parking Lot	2,632	-	-	-	-	-	-	-	2,632	-
#5-03 Acquisition of a Shuttle Bus	180	-	-	-	-	-	-	-	180	-
#6-03 Improvements to Maywood Train Station	15	-	-	-	-	-	-	-	15	-
#14-03 Barrier Free Curb Cut Program	-	92	-	-	-	-	-	-	-	92
#5-04 Amend #15-99 Construction of Bike Path at Memorial Park	3,861	-	-	-	-	-	-	-	3,861	-
#16-04/23-05/07-07 Various Public Improvements	58,126	-	-	-	-	-	-	-	58,126	-
#19-04/24-05 Amend #6-03 Improvements to Maywood Train Station	4	-	-	-	-	-	-	-	4	-
#20-04/15-05 Improvements to Public Library	-	16,149	-	-	-	8,500	-	-	-	7,649
#21-04 Curb, Sidewalk and Resurfacing of Stewart Street	-	24,203	-	-	-	71	-	-	-	24,132
#12-05 Acquisition of Property & Construction of Municipal Parking Lot	-	4,269	-	-	-	71	-	-	-	4,198
#16-05 /Resurfacing of Various Roads	88,353	-	-	-	-	-	-	-	88,353	-
#17-05/12-08 Acq. of Equipment & Reconstruction of Basketball Courts - Memorial Park	-	2,220	-	-	-	71	-	-	-	2,149
#25-05 School Safety Improvements	-	2,343	-	-	-	71	-	-	-	2,272
#26-05 Resurfacing of Spring Valley Avenue	35,290	22,368	-	-	-	71	-	-	35,219	22,368
#27-05 Acquisition of Garbage Truck	-	7,865	-	-	-	71	-	-	-	7,794
#14-06 Resurfacing of Various Roads	4,471	-	-	-	-	-	-	-	4,471	-
#15-06 Acquisition of New Communications & Signal System	-	9,265	-	-	-	71	-	-	-	9,194
#25-07/32-07 Resurfacing of Various Roads	-	26,441	-	-	-	142	-	-	-	26,299
#7-08 Improvements to Fetzer Park	-	103,885	-	-	-	71	-	-	-	103,814
#8-08 Improvements to Memorial Park Athletic Fields	-	76,791	-	-	-	18,455	-	-	-	58,336
#21-08 Resurfacing of Various Roads	50,887	-	-	-	-	22,076	-	-	28,811	-
#8-09 Resurfacing of Prospect Avenue	-	2,052	-	-	-	71	-	-	-	1,981
#19-09 Storm Water Drainage Improvements - Briarcliff Avenue	-	9,773	-	-	-	71	-	-	-	9,702
#20-09 Various Sewer Projects	-	1,715,513	-	-	-	538,023	-	-	-	1,177,490
#21-09 Various Public Improvements	-	149,247	-	-	-	71	-	-	-	149,176
#7-2010 Acquisition of Equipment, Machinery, Communications and Vehicles	-	187,476	-	-	-	122,366	-	-	-	65,110
#8-2010 Resurfacing of Various Roads	-	90,487	-	-	-	1,071	-	-	-	89,416
#20-2010 Construction Costs - Municipal Complex	-	17,715	-	-	-	407	-	-	-	17,308
#4-11 Resurfacing of Stelling Avenue	452	261,900	-	-	-	143,226	-	-	-	119,126
#8-12 Resurfacing of Spring Valley Road	-	-	250,000	-	-	169,161	-	-	-	80,839
#13-12 Tax Appeal Refunding Bond	-	-	1,350,000	-	-	-	-	-	-	1,350,000
	-	-	-	-	-	-	-	-	-	-
	\$ 409,032	\$ 2,824,418	\$ 1,600,000	\$ -	\$ -	\$ 1,024,849	\$ -	\$ -	\$ 385,792	\$ 3,422,809

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

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2011	Issued In 2011	Paid by Budget Appropriation	Balance December 31, 2012
1/15/2004 General Improvement Bonds	\$ 8,650,000	\$ 6,275,000	\$ -	\$ 530,000	\$ 5,745,000
		<u>\$ 6,275,000</u>	<u>\$ -</u>	<u>\$ 530,000</u>	<u>\$ 5,745,000</u>

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

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Issued	Decreased	Paydown	Balance December 31, 2012
#6-04 West Pleasant Avenue Streetscape - Phase 1	\$ 60,000	03/21/06	03/18/11	03/16/12	2.00%	\$ 50,526	\$ -	\$ 47,368	\$ 3,158	\$ -
#21-04 Curb, Sidewalk and Resurfacing of Stewart Street	110,900	03/21/06	03/18/11	03/16/12	2.00%	93,389	-	87,552	5,837	-
#7-05 West Pleasant Avenue Streetscape - Phase 2	100,000	03/21/06	03/18/11	03/16/12	2.00%	84,208	-	78,944	5,264	-
#12-05 Acquisition of Property & Construction of Municipal Parking Lot	533,000	03/21/06	03/18/11	03/16/12	2.00%	505,721	-	496,628	9,093	-
#15-05 Improvements to Public Library	120,000	03/21/06	03/18/11	03/16/12	2.00%	101,052	-	94,736	6,316	-
#17-05/12-08 Acq. of Equipment & Reconstruction of Basketball Courts - Memorial Park	148,200	03/21/06	03/18/11	03/16/12	2.00%	117,366	-	107,088	10,278	-
#25-05 School Safety Improvements	30,000	03/21/06	03/18/11	03/16/12	2.00%	25,263	-	23,684	1,579	-
#26-05 Resurfacing of Spring Valley Avenue	25,000	03/21/06	03/18/11	03/16/12	2.00%	21,052	-	19,736	1,316	-
#27-05 Acquisition of Garbage Truck	161,900	03/21/06	03/18/11	03/16/12	2.00%	107,933	-	89,944	17,989	-
#15-06 Acquisition of New Communications & Signal System	104,700	03/21/07	03/18/11	03/16/12	2.00%	81,432	-	69,798	11,634	-
#06-07 West Pleasant Avenue Streetscape - Phase 2	400,000	03/20/08	03/18/11	03/16/12	2.00%	378,947	-	357,894	21,053	-
#14-07 Purchase of Various Equipment	8,500	03/20/08	03/18/11	03/16/12	2.00%	7,911	-	7,321	590	-
#25-07/32-07 Resurfacing of Various Roads	238,000	03/20/08	03/18/11	03/16/12	2.00%	225,473	-	212,946	12,527	-
#6-08 Resurfacing of Various Roads	323,800	03/20/09	03/18/11	03/16/12	2.00%	33,800	-	16,757	17,043	-
#7-08 Improvements to Fetzer Park	140,400	03/20/09	03/18/11	03/16/12	2.00%	140,400	-	135,558	4,842	-
#8-08 Improvements to Memorial Park Athletic Fields	142,800	03/20/09	03/18/11	03/16/12	2.00%	142,800	-	137,875	4,925	-
#8-09 Resurfacing of Prospect Avenue	235,000	03/19/10	03/18/11	03/16/12	2.00%	35,000	-	35,000	-	-
#19-09 Storm Water Drainage Improvements - Briarcliff Avenue	23,800	03/19/10	03/18/11	03/16/12	2.00%	23,800	-	23,800	-	-
#21-09 Various Public Improvements	157,100	03/19/10	03/18/11	03/16/12	2.00%	157,100	-	157,100	-	-
#7-2010 Acquisition of Equipment, Machinery, Communications and Vehicles	333,200	03/18/11	03/18/11	03/16/12	2.00%	333,200	-	333,200	-	-
#8-2010 Resurfacing of Various Roads	114,200	03/18/11	03/18/11	03/16/12	2.00%	114,200	-	114,200	-	-
#15-2010 Resurfacing of Coles Street/Terrace Avenue - Section 2	235,000	03/18/11	03/18/11	03/16/12	2.00%	235,000	-	235,000	-	-
#20-2010 Construction Costs - Municipal Complex	590,000	02/01/11	02/01/11	02/01/12	2.00%	590,000	-	590,000	-	-
						<u>\$ 3,605,573</u>	<u>\$ -</u>	<u>\$ 3,472,129</u>	<u>\$ 133,444</u>	<u>\$ -</u>
#6-04 West Pleasant Avenue Streetscape - Phase 1	\$ 60,000	03/21/06	03/16/12	03/15/13	0.75%	\$ -	\$ 47,368	\$ -	\$ -	\$ 47,368
#21-04 Curb, Sidewalk and Resurfacing of Stewart Street	110,900	03/21/06	03/16/12	03/15/13	0.75%	-	87,552	-	-	87,552
#7-05 West Pleasant Avenue Streetscape - Phase 2	100,000	03/21/06	03/16/12	03/15/13	0.75%	-	78,944	-	-	78,944
#12-05 Acquisition of Property & Construction of Municipal Parking Lot	533,000	03/21/06	03/16/12	03/15/13	0.75%	-	496,628	-	-	496,628
#15-05 Improvements to Public Library	120,000	03/21/06	03/16/12	03/15/13	0.75%	-	94,736	-	-	94,736
#17-05/12-08 Acq. of Equipment & Reconstruction of Basketball Courts - Memorial Park	148,200	03/21/06	03/16/12	03/15/13	0.75%	-	114,410	-	-	114,410
#25-05 School Safety Improvements	30,000	03/21/06	03/16/12	03/15/13	0.75%	-	23,684	-	-	23,684
#26-05 Resurfacing of Spring Valley Avenue	25,000	03/21/06	03/16/12	03/15/13	0.75%	-	19,736	-	-	19,736
#27-05 Acquisition of Garbage Truck	161,900	03/21/06	03/16/12	03/15/13	0.75%	-	89,944	-	-	89,944
#15-06 Acquisition of New Communications & Signal System	104,700	03/21/07	03/16/12	03/15/13	0.75%	-	69,798	-	-	69,798
#06-07 West Pleasant Avenue Streetscape - Phase 2	400,000	03/20/08	03/16/12	03/15/13	0.75%	-	357,894	-	-	357,894
#14-07 Purchase of Various Equipment	8,500	03/20/08	03/16/12	03/15/13	0.75%	-	8,500	-	-	8,500
#25-07/32-07 Resurfacing of Various Roads	238,000	03/20/08	03/16/12	03/15/13	0.75%	-	204,446	-	-	204,446
#6-08 Resurfacing of Various Roads	323,800	03/20/09	03/16/12	03/15/13	0.75%	-	16,757	-	-	16,757
#7-08 Improvements to Fetzer Park	140,400	03/20/09	03/16/12	03/15/13	0.75%	-	135,558	-	-	135,558
#8-08 Improvements to Memorial Park Athletic Fields	142,800	03/20/09	03/16/12	03/15/13	0.75%	-	137,875	-	-	137,875
#8-09 Resurfacing of Prospect Avenue	235,000	03/19/10	03/16/12	03/15/13	0.75%	-	35,000	-	-	35,000
#19-09 Storm Water Drainage Improvements - Briarcliff Avenue	23,800	03/19/10	03/16/12	03/15/13	0.75%	-	23,800	-	-	23,800
#21-09 Various Public Improvements	157,100	03/19/10	03/16/12	03/15/13	0.75%	-	157,100	-	-	157,100
#7-2010 Acquisition of Equipment, Machinery, Communications and Vehicles	333,200	03/18/11	03/16/12	03/15/13	0.75%	-	333,200	-	-	333,200
#8-2010 Resurfacing of Various Roads	114,200	03/18/11	03/16/12	03/15/13	0.75%	-	114,200	-	-	114,200
#15-2010 Resurfacing of Coles Street/Terrace Avenue - Section 2	235,000	03/18/11	03/16/12	03/15/13	0.75%	-	85,000	-	-	85,000
#20-2010 Construction Costs - Municipal Complex	590,000	02/01/11	02/01/12	02/01/13	0.90%	-	590,000	-	-	590,000
#4-11 Resurfacing of Stelling Avenue	261,900	02/01/12	02/01/12	02/01/13	0.90%	-	261,900	-	-	261,900
#13-12 Tax Appeal Refunding Bond	1,350,000	12/19/12	12/19/12	11/15/13	1.50%	-	1,350,000	-	-	1,350,000
						<u>\$ -</u>	<u>\$ 4,934,030</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,934,030</u>
						<u>\$ 3,605,573</u>	<u>\$ 4,934,030</u>	<u>\$ 3,472,129</u>	<u>\$ 133,444</u>	<u>\$ 4,934,030</u>

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

Improvement Description	Balance December 31, 2011	Authorized	BANs Issued	Bonds Issued	Adjustments	Balance December 31, 2012
#8-92 Improvements to Borough Property	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 500
#22-92 Various Public Improvements	71	-	-	-	-	71
#13-93 Resurfacing Portions of Spring Valley Avenue	229	-	-	-	-	229
#14-93 1993 Road Improvement Program	900	-	-	-	-	900
#7-94 Repair of Sanitary Sewer Line - Briarcliff Avenue	1,445	-	-	-	-	1,445
#13-94 Acquisition of Fire Engines	1,769	-	-	-	-	1,769
#7-98 Resurfacing of Grant & Belle Avenues and Parkway	108,042	-	-	-	-	108,042
#24-02/10-03 Various Public Improvements	877	-	-	-	-	877
#3-03 Improvements to Briarcliff Avenue Park	2,050	-	-	-	-	2,050
#14-03 Barrier Free Curb Cut Program	888	-	-	-	-	888
#20-09 Various Sewer Projects	1,840,000	-	-	-	-	1,840,000
#4-11 Resurfacing of Stelling Avenue	261,900	-	(261,900)	-	-	-
#8-12 Resurfacing of Spring Valley Road	-	250,000	-	-	-	250,000
	<u>\$ 2,218,671</u>	<u>\$ 250,000</u>	<u>\$ (261,900)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,206,771</u>

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

Improvement Description	Balance December 31, 2011	Improvement Authorized	Cash Received	Cancellations & Adjustments	Balance December 31, 2012
Federal:					
Department of Transportation -- Passed Thru the State of N.J. Department of Transportation:					
#15-99	\$ 2,572	\$ -	\$ -	\$ -	\$ 2,572
#5-03	50	-	-	-	50
#19-04	20,000	-	-	-	20,000
#24-05	40,000	-	-	-	40,000
#15-10	50,000	-	-	-	50,000
Total Department of Transportation	<u>\$ 112,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,622</u>
Total Federal	<u>\$ 112,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,622</u>
State:					
State of New Jersey Department of Community Affairs -- Livable Communities Grant:					
#20-2004	\$ 601	\$ -	\$ -	\$ -	\$ 601
#15-2005	128	-	-	-	128
Total State of New Jersey Department of Community Affairs	<u>\$ 729</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729</u>
Total State	<u>\$ 729</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729</u>
Other:					
Bergen County Community Development Block Grant:					
#9-95	\$ 106,987	\$ -	\$ -	\$ -	\$ 106,987
#23-99	444	-	-	-	444
#13-98	794	-	-	-	794
#4-03	13,119	-	-	-	13,119
#16-04	1,025	-	-	-	1,025
#21-04	9,827	-	-	-	9,827
#16-05	41,639	-	-	-	41,639
#21-08	96,214	-	-	-	96,214
Total Bergen County Community Development Block Grant	<u>\$ 270,049</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,049</u>
Bergen County Open Space Trust:					
#7-08	\$ 66,750	\$ -	\$ -	\$ -	\$ 66,750
#8-08	47,645	-	-	-	47,645
Total Bergen County Open Space Trust	<u>\$ 114,395</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,395</u>
Total Other	<u>\$ 384,444</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,444</u>
Total Grants Receivable	<u>\$ 497,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 497,795</u>

**BOROUGH OF MAYWOOD
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL LEASES PAYABLE
YEAR ENDED DECEMBER 31, 2012**

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2011	Issued In 2012	Paid by Budget Appropriation	Balance December 31, 2012
2/1/2007 Ford E450 Horton Ambulance	\$ 150,793	\$ 79,811	\$ -	\$ 14,772	\$ 65,039
3/26/2007 Pierce Pumper Fire Truck	528,928	340,183	-	51,506	288,677
11/3/2008 2008 Ford Escape	26,690	10,985	-	5,429	5,556
4/1/2009 Ford F450 Dump Trucks (2)	80,122	48,843	-	16,020	32,823
4/23/2009 Garbage Truck, Street Sweeper, (2) Salt Spreaders	386,975	314,916	-	36,990	277,926
6/1/2011 Radios, Tools and Rescue Truck	50,750	-	50,750	9,607	41,143
		<u>\$ 794,738</u>	<u>\$ 50,750</u>	<u>\$ 134,324</u>	<u>\$ 711,164</u>

**BOROUGH OF MAYWOOD
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2012**

<u>Description</u>	<u>Balance December 31, 2011</u>	<u>Current Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Cancelled Funded Authorizations</u>	<u>Balance December 31, 2012</u>
Capital Improvement Fund	\$ 298,491	\$ 60,000	\$ -	\$ -	\$ 358,491

**BOROUGH OF MAYWOOD
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE
YEAR ENDED DECEMBER 31, 2012**

Ordinance	Balance December 31, 2011	Current Fund Revenue	Cancelled Funded Authorizations	Balance December 31, 2012
#22-05 West Pleasant Avenue Streetscape - Phase II	\$ 249,779	\$ -	\$ -	\$ 249,779
	<u>\$ 249,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249,779</u>

**BOROUGH OF MAYWOOD
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS**

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 99,041	\$ 92,456
Consumer Accounts Receivable	\$ -	\$ -
Interfund Receivable:		
Current Fund	\$ 14,527	\$ 8,639
Payroll Trust	-	65
	<u>\$ 14,527</u>	<u>\$ 8,704</u>
 Total Assets	 <u>\$ 113,568</u>	 <u>\$ 101,160</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Interfund Payable:		
General Capital Fund	\$ 16,445	\$ 16,445
Other Liabilities and Reserves:		
Accrued Interest on Notes	\$ 5,909	\$ 4,981
Appropriation Reserves	19,860	33,731
Reserve for Encumbrances	21,140	10,514
Sales Tax Payable	895	895
	<u>\$ 47,804</u>	<u>\$ 50,121</u>
Reserve for Receivables	\$ -	\$ -
Fund Balance	<u>\$ 49,319</u>	<u>\$ 34,594</u>
Total Liabilities and Reserves	<u>\$ 113,568</u>	<u>\$ 101,160</u>

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

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 22,318	\$ 22,318	\$ -
Swimming Pool Fees	\$ 225,000	\$ 210,409	\$ (14,591)
Miscellaneous	\$ 38,639	\$ 51,431	\$ 12,792
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	\$ -	\$ 39,141	\$ 39,141
Unexpended Balance Cancelled	-	20	20
Miscellaneous Revenue Not Anticipated	-	-	-
Cancellations and Adjustments	-	-	-
Deficit in Operations	-	-	-
Prior Period Adjustment	-	-	-
	\$ -	\$ 39,161	\$ 39,161
Total Revenues and Credits to Income	\$ 285,957	\$ 323,319	\$ 37,362

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

	Appropriations			Expended		Unexpended		Overexpenditure
	Adopted Budget	Emergency Appropriations	Budget After Modification	Paid or Charged	Reserved	Balance Canceled		
Operating:								
Salaries and Wages	\$ 145,000	\$ -	\$ 145,000	\$ 127,347	\$ 17,653	\$ -	\$ -	-
Salaries and Wages - Overtime	-	-	-	-	-	-	-	-
Other Expenses:	107,000	-	107,000	104,793	2,207	-	-	-
	<u>\$ 252,000</u>	<u>\$ -</u>	<u>\$ 252,000</u>	<u>\$ 232,140</u>	<u>\$ 19,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Capital Improvements:								
Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Capital Outlay	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Debt Service:								
Payment of Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Payment of BAN's & Capital Notes	13,997	-	13,997	13,977	-	20	-	-
Interest on Bonds	-	-	-	-	-	-	-	-
Interest on Notes	7,960	-	7,960	7,960	-	-	-	-
	<u>\$ 21,957</u>	<u>\$ -</u>	<u>\$ 21,957</u>	<u>\$ 21,937</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>-</u>
Deferred Charges:								
Prior Year Bills	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Overexpenditures	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Statutory Expenditures:								
Public Employee Retirement System	\$ 1,500	\$ -	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ -	-
Social Security System	9,500	-	9,500	9,500	-	-	-	-
Unemployment Compensation Insurance	1,000	-	1,000	1,000	-	-	-	-
	<u>\$ 12,000</u>	<u>\$ -</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Surplus (General Budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Appropriations	<u>\$ 285,957</u>	<u>\$ -</u>	<u>\$ 285,957</u>	<u>\$ 266,077</u>	<u>\$ 19,860</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>-</u>
Other Charges to Income:								
Refund of Prior Year's Revenue				<u>\$ 319</u>				

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

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 51,895	\$ 51,895
Fixed Capital	\$ 894,280	\$ 894,280
Fixed Capital Authorized and Uncompleted	\$ 95,000	\$ 95,000
Total Assets	<u>\$ 1,041,175</u>	<u>\$ 1,041,175</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Interfund Payable:		
General Capital Fund	\$ 91,193	\$ 91,193
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 7,750	\$ 7,750
Reserve for Amortization	599,653	585,676
Reserve for Deferred Amortization	4,750	4,750
	<u>\$ 612,153</u>	<u>\$ 598,176</u>
Improvement Authorizations:		
Funded	\$ -	\$ -
Unfunded	-	-
	<u>\$ -</u>	<u>\$ -</u>
Bond Anticipation Notes Payable	\$ 337,636	\$ 351,613
Fund Balance	\$ 193	\$ 193
Total Liabilities and Reserves	<u>\$ 1,041,175</u>	<u>\$ 1,041,175</u>

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

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Issued	Decreased	Paydown	Balance December 31, 2012
#8-01 Various Pool Improvements	\$ 165,000	06/14/02	03/18/11	03/16/12	2.00%	\$ 125,160	\$ -	\$ 119,470	\$ 5,690	\$ -
#14-05 Reconditioning of Pool	100,000	05/03/06	03/18/11	03/16/12	2.00%	89,653	-	86,204	3,449	-
#6-06 Reconditioning of Pool	20,000	03/21/07	03/18/11	03/16/12	2.00%	18,620	-	17,930	690	-
#6-07 Reconditioning of Pool	30,000	03/21/07	03/18/11	03/16/12	2.00%	27,930	-	26,895	1,035	-
#4-08 Refurbishing of Filtration System and Acquisition of Equipment	90,250	03/20/09	03/18/11	03/16/12	2.00%	90,250	-	87,137	3,113	-
						<u>\$ 351,613</u>	<u>\$ -</u>	<u>\$ 337,636</u>	<u>\$ 13,977</u>	<u>\$ -</u>
#8-01 Various Pool Improvements	\$ 165,000	06/14/02	03/16/12	03/15/13	0.75%	\$ -	\$ 119,470	\$ -	\$ -	\$ 119,470
#14-05 Reconditioning of Pool	100,000	05/03/06	03/16/12	03/15/13	0.75%	-	86,204	-	-	86,204
#6-06 Reconditioning of Pool	20,000	03/21/07	03/16/12	03/15/13	0.75%	-	17,930	-	-	17,930
#6-07 Reconditioning of Pool	30,000	03/21/07	03/16/12	03/15/13	0.75%	-	26,895	-	-	26,895
#4-08 Refurbishing of Filtration System	90,250	03/20/09	03/16/12	03/15/13	0.75%	-	87,137	-	-	87,137
						<u>\$ -</u>	<u>\$ 337,636</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 337,636</u>
						<u>\$ 351,613</u>	<u>\$ 337,636</u>	<u>\$ 337,636</u>	<u>\$ 13,977</u>	<u>\$ 337,636</u>

**BOROUGH OF MAYWOOD
 SWIMMING POOL UTILITY CAPITAL FUND
 SCHEDULE OF FIXED CAPITAL
 YEAR ENDED DECEMBER 31, 2012**

Description	Balance December 31, 2011	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2012
Pool Improvements and Upgrades	\$ 744,280	\$ -	\$ -	\$ -	\$ 744,280
Reconditioning of Municipal Swimming Pool	100,000	-	-	-	100,000
Reconditioning of Municipal Swimming Pool	20,000	-	-	-	20,000
Reconditioning of Municipal Swimming Pool	30,000	-	-	-	30,000
	<u>\$ 894,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 894,280</u>

**BOROUGH OF MAYWOOD
 SWIMMING POOL UTILITY CAPITAL FUND
 SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
 YEAR ENDED DECEMBER 31, 2012**

Improvement Description	Balance December 31, 2011	Authorized	Transferred to Fixed Capital	Adjustments	Cancellations	Balance December 31, 2012
#4-08 Refurbishing of Filtration System and Acquisition of Equipment	\$ 95,000	\$ -	\$ -	\$ -	\$ -	\$ 95,000
	<u>\$ 95,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,000</u>

**BOROUGH OF MAYWOOD
 SWIMMING POOL UTILITY CAPITAL FUND
 SCHEDULE OF CAPITAL IMPROVEMENT FUND
 YEAR ENDED DECEMBER 31, 2012**

<u>Description</u>	<u>Balance December 31, 2011</u>	<u>Swimming Pool Operating Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Cancelled Funded Authorizations</u>	<u>Balance December 31, 2012</u>
Capital Improvement Fund	\$ 7,750	\$ -	\$ -	\$ -	\$ 7,750

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

Description	Balance December 31, 2011	Authorized	Issued	Cancellations and Adjustments	Balance December 31, 2012
#1-97 Swimming Pool Improvements	\$ 42,500	\$ -	\$ -	\$ -	\$ 42,500
#12-03 Upgrading/Reconstruction of Pool Playground	4,741	-	-	-	4,741
	<u>\$ 47,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,241</u>

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

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Land	\$ 280,767	\$ 280,767
Buildings and Improvements	10,542,243	10,542,243
Machinery & Equipment	6,350,213	6,255,031
	<u>\$ 17,173,223</u>	<u>\$ 17,078,041</u>
<u>FUND BALANCE</u>		
Reserve for Investment in General Fixed Assets	<u>\$ 17,173,223</u>	<u>\$ 17,078,041</u>

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

	Balance December 31, 2011	Additions	Retirements	Adjustments	Balance December 31, 2012
Land	\$ 280,767	\$ -	\$ -	\$ -	\$ 280,767
Buildings and Improvements	10,542,243	-	-	-	10,542,243
Machinery & Equipment	6,255,031	176,223	(81,041)	-	6,350,213
	<u>\$ 17,078,041</u>	<u>\$ 176,223</u>	<u>\$ (81,041)</u>	<u>\$ -</u>	<u>\$ 17,173,223</u>

**BOROUGH OF MAYWOOD
SEWER UTILITY CAPITAL FUND
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - REGULATORY BASIS**

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Fixed Capital	\$ 161,000	\$ 161,000
Total Assets	<u>\$ 161,000</u>	<u>\$ 161,000</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ -	\$ -
Reserve for Amortization	161,000	161,000
	<u>\$ 161,000</u>	<u>\$ 161,000</u>
Fund Balance	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities and Reserves	<u>\$ 161,000</u>	<u>\$ 161,000</u>

BOROUGH OF MAYWOOD
NJ Comprehensive Annual Financial Report
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**BOROUGH OF MAYWOOD
ADOPTED BUDGETS
(UNAUDITED)**

	2012	2011	2010	2009	2008
<u>CURRENT FUND</u>					
<u>REVENUES</u>					
Fund Balance	\$ 937,463	\$ 900,126	\$ 828,112	\$ 410,000	\$ 400,000
Miscellaneous Revenues	2,881,104	2,776,883	2,557,094	3,171,185	3,776,169
Receipts From Delinquent Taxes	430,000	375,000	335,000	355,000	345,500
Amount to be Raised by Taxation - Local	11,426,794	11,265,108	10,743,441	9,922,773	9,328,534
Amount to be Raised by Taxation - Library	443,698	466,783	455,501	469,944	515,000
Total Revenues	<u>\$ 16,119,059</u>	<u>\$ 15,783,900</u>	<u>\$ 14,919,148</u>	<u>\$ 14,328,902</u>	<u>\$ 14,365,203</u>
<u>APPROPRIATIONS</u>					
Within "CAPS":					
Operations:					
Salaries and Wages	\$ 5,021,350	\$ 5,326,000	\$ 5,205,600	\$ 5,346,996	\$ 5,064,992
Other Expenses	4,676,560	4,293,212	4,469,641	4,378,638	4,324,265
Deferred Charges	549	6,289	-	-	-
Statutory Expenditures	1,201,456	1,309,417	768,639	714,496	293,222
Judgments	-	-	-	-	-
Excluded From "CAPS":					
Operations:					
Salaries and Wages	-	-	-	-	82,853
Other Expenses	3,029,924	3,099,292	2,779,762	2,161,560	2,956,311
Capital Improvements	60,000	60,000	60,000	110,000	95,000
Municipal Debt Service	1,179,732	1,074,690	1,066,406	1,108,912	1,079,177
Deferred Charges	99,488	60,000	50,000	55,000	69,383
Reserve for Uncollected Taxes	850,000	555,000	519,100	453,300	400,000
Total Appropriations	<u>\$ 16,119,059</u>	<u>\$ 15,783,900</u>	<u>\$ 14,919,148</u>	<u>\$ 14,328,902</u>	<u>\$ 14,365,203</u>
<u>SWIMMING POOL UTILITY FUND</u>					
<u>REVENUES</u>					
Fund Balance Anticipated	\$ 22,318	\$ 45,000	\$ 35,374	\$ 27,939	\$ 29,315
Swimming Pool Fees	225,000	190,000	190,000	215,000	208,000
Miscellaneous	38,639	63,864	29,000	5,000	4,000
Total Revenues	<u>\$ 285,957</u>	<u>\$ 298,864</u>	<u>\$ 254,374</u>	<u>\$ 247,939</u>	<u>\$ 241,315</u>
<u>APPROPRIATIONS</u>					
Operations:					
Salaries and Wages	\$ 145,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 135,000
Other Expenses	107,000	115,000	82,000	82,000	76,825
Capital Improvements	-	-	-	-	-
Municipal Debt Service	21,957	11,864	20,374	13,939	17,490
Deferred Charges	-	20,000	-	-	-
Statutory Expenditures	12,000	12,000	12,000	12,000	12,000
Judgments	-	-	-	-	-
Surplus (General Budget)	-	-	-	-	-
Deficit in Operations	-	-	-	-	-
Total Appropriations	<u>\$ 285,957</u>	<u>\$ 298,864</u>	<u>\$ 254,374</u>	<u>\$ 247,939</u>	<u>\$ 241,315</u>

Note: Data for 2003 to 2007 not available.

**BOROUGH OF MAYWOOD
FUND BALANCE SUMMARY
(UNAUDITED)**

	2012	2011	2010	2009	2008
<u>CURRENT FUND</u>					
Fund Balance, Beginning	\$ 1,666,628	\$ 1,436,377	\$ 1,223,803	\$ 471,807	\$ 437,547
Generated Current Year	231,292	1,130,377	1,040,686	1,161,996	434,260
Utilized Current Year	(937,463)	(900,126)	(828,112)	(410,000)	(400,000)
Fund Balance, Ending	<u>\$ 960,457</u>	<u>\$ 1,666,628</u>	<u>\$ 1,436,377</u>	<u>\$ 1,223,803</u>	<u>\$ 471,807</u>

SWIMMING POOL UTILITY FUND

Fund Balance, Beginning	\$ 34,594	\$ 65,847	\$ 54,112	\$ 60,416	\$ 37,946
Generated Current Year	37,108	13,747	47,109	21,635	51,785
Utilized Current Year	(22,318)	(45,000)	(35,374)	(27,939)	(29,315)
Fund Balance, Ending	<u>\$ 49,384</u>	<u>\$ 34,594</u>	<u>\$ 65,847</u>	<u>\$ 54,112</u>	<u>\$ 60,416</u>

Note: Data for 2003 to 2007 not available.

**BOROUGH OF MAYWOOD
TAX LEVY AND COLLECTION DATA
(UNAUDITED)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>CURRENT YEAR % COLLECTION RATES</u>				
Current Tax Levy	\$ 30,698,059	\$ 30,463,856	\$ 29,166,206	\$ 27,821,969
Current Collections	\$ 30,373,260	\$ 29,969,128	\$ 28,646,405	\$ 27,323,109
Percentage of Collections	98.94%	98.38%	98.22%	98.21%
<u>DELINQUENT TAX %</u>				
Delinquent Taxes	\$ 405,716	\$ 433,076	\$ 377,988	\$ 335,293
Tax Title Liens	24,872	6,720	6,720	13,248
Total Delinquent	\$ 430,588	\$ 439,796	\$ 384,708	\$ 348,541
Tax Levy	\$ 30,698,059	\$ 30,463,856	\$ 29,166,206	\$ 27,821,969
Percentage of Tax Levy	1.40%	1.44%	1.32%	1.25%
<u>PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES</u>				
Recorded at - Assessed Valuation	\$ 294,419	\$ 294,419	\$ 294,419	\$ 294,419

Note: Data for 2003 to 2008 not available.

**BOROUGH OF MAYWOOD
 ASSESSED AND EQUALIZED COUNTY VALUATION DATA
 (UNAUDITED)**

Description	2012		2011		2010		2009		2008**	
	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
NET VALUATIONS TAXABLE										
Vacant Land	62	\$ 12,865,700	64	\$ 9,543,300	64	\$ 8,245,300	63	\$ 8,993,200	69	\$ 10,218,100
Residential	2731	864,613,100	2727	1,121,414,100	2726	1,123,410,200	2725	1,127,099,000	2727	1,131,820,000
Farm (Regular)	0	-	0	-	0	-	0	-	0	-
Farm (Qualified)	0	-	0	-	0	-	0	-	0	-
Commercial	103	118,993,500	102	119,176,800	103	123,677,300	103	120,968,100	104	119,258,700
Industrial	26	95,232,000	28	104,769,000	28	109,286,400	28	110,343,600	28	110,343,600
Apartments	15	52,484,700	15	53,635,600	15	55,811,700	15	59,479,500	15	59,479,500
Sub-Total	<u>2937</u>	<u>1,144,189,000</u>	<u>2936</u>	<u>1,408,538,800</u>	<u>2936</u>	<u>1,420,430,900</u>	<u>2934</u>	<u>1,426,883,400</u>	<u>2943</u>	<u>1,431,119,900</u>
Personal Property		1,364,594		1,406,988		1,875,053		1,326,499		418,145
Net Valuations Taxable		<u>1,145,553,594</u>		<u>1,409,945,788</u>		<u>1,422,305,953</u>		<u>1,428,209,899</u>		<u>1,431,538,045</u>
Bergen County Equalization Adjustment		98,284,413		(14,349,978)		(53,377,952)		(13,304,136)		(17,027,214)
Bergen County Equalized Valuations		<u>\$ 1,243,838,007</u>		<u>\$ 1,395,595,810</u>		<u>\$ 1,368,928,001</u>		<u>\$ 1,414,905,763</u>		<u>\$ 1,414,510,831</u>
Bergen County Equalization Ratio		<u>92.63%</u>		<u>101.57%</u>		<u>104.52%</u>		<u>101.54%</u>		<u>101.81%</u>
Average Improved Residential Assessment		<u>\$ 316,592</u>		<u>\$ 411,226</u>		<u>\$ 412,109</u>		<u>\$ 413,614</u>		<u>\$ 415,042</u>

**Revaluation Year

Note: Data for 2003 to 2007 not available.

**BOROUGH OF MAYWOOD
TAX REQUIREMENT AND RATE DATA
(UNAUDITED)**

	2012	2011	2010	2009	2008**	2007	2006	2005	2004
<u>TAX REQUIREMENTS</u>									
County	\$ 2,678,402	\$ 2,831,461	\$ 2,629,956	\$ 2,569,419	\$ 2,461,969	\$ 2,326,353	\$ 2,096,367	\$ 1,987,390	\$ 1,877,910
County Open Space	31,096	34,890	34,223	141,491	141,451	135,629	118,420	104,879	94,070
Local School	16,088,536	15,810,775	15,238,138	14,638,474	14,334,851	13,901,964	13,290,582	12,412,881	11,682,106
Regional High School	-	-	-	-	-	-	-	-	-
Municipal Open Space	-	-	-	-	-	-	-	-	-
Municipal - Local	11,426,828	11,265,108	11,198,942	10,392,717	9,843,534	9,091,144	8,440,383	7,964,582	7,656,955
Municipal - Library	443,698	466,783	-	-	-	-	-	-	-
Total Tax Requirements	<u>\$ 30,668,560</u>	<u>\$ 30,409,017</u>	<u>\$ 29,101,259</u>	<u>\$ 27,742,101</u>	<u>\$ 26,781,805</u>	<u>\$ 25,455,090</u>	<u>\$ 23,945,752</u>	<u>\$ 22,469,732</u>	<u>\$ 21,311,041</u>
<u>TAX RATES</u>									
County	0.234	0.201	0.185	0.180	0.172	0.377	0.339	0.322	0.304
County Open Space	0.003	0.002	0.002	0.010	0.010	0.022	0.019	0.017	0.015
Local School	1.404	1.121	1.071	1.025	1.001	2.256	2.150	2.010	1.889
Regional High School	-	-	-	-	-	-	-	-	-
Municipal Open Space	-	-	-	-	-	-	-	-	-
Municipal - Local	0.997	0.799	0.787	0.728	0.688	1.475	1.365	1.289	1.238
Municipal - Library	0.039	0.033	-	-	-	-	-	-	-
Total Tax Rates	<u>2.677</u>	<u>2.156</u>	<u>2.045</u>	<u>1.943</u>	<u>1.871</u>	<u>4.130</u>	<u>3.873</u>	<u>3.638</u>	<u>3.446</u>

**Revaluation Year

Note: Data for 2003 not available.

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

	2012	2011	2010	2009	2008
Population (1)	9,588	9,562	9,558	9,144	9,112
County Equalized Valuation	\$ 1,243,838,007	\$ 1,395,595,810	\$ 1,368,928,001	\$ 1,414,905,763	\$ 1,414,510,831
Gross Debt	\$ 24,580,948	\$ 23,920,775	\$ 24,992,130	\$ 24,798,309	\$ 23,311,132
Gross Debt Per Capita	\$ 2,564	\$ 2,502	\$ 2,615	\$ 2,712	\$ 2,558
Ratio of Gross Debt to County Equalized Valuations	1.98%	1.71%	1.83%	1.75%	1.65%
Net Debt	\$ 13,880,292	\$ 12,325,142	\$ 12,560,633	\$ 12,119,748	\$ 11,124,411
Ratio of Net Debt to County Equalized Valuations	1.12%	0.88%	0.92%	0.86%	0.79%
Net Debt per Capita	\$ 1,448	\$ 1,289	\$ 1,314	\$ 1,325	\$ 1,221

(1) Population as of July 1 of year presented.

Note: Data for 2003 to 2007 not available.

**BOROUGH OF MAYWOOD
LEGAL DEBT MARGIN
(UNAUDITED)**

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	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Equalized Valuation Basis (State)	\$ 1,335,671,753	\$ 1,364,446,837	\$ 1,391,022,379	\$ 1,391,694,551	\$ 1,387,287,280
Municipal Borrowing Power:					
3 1/2% of Equalized Valuation Basis	\$ 46,748,511	\$ 47,755,639	\$ 48,685,783	\$ 48,709,309	\$ 48,555,055
Net Debt	13,880,292	12,325,142	12,560,633	12,119,748	11,124,411
Remaining Borrowing Power	<u>\$ 32,868,219</u>	<u>\$ 35,430,497</u>	<u>\$ 36,125,150</u>	<u>\$ 36,589,561</u>	<u>\$ 37,430,644</u>
School Borrowing Power:					
4% of Equalized Valuation Basis	\$ 53,426,870	\$ 54,577,873	\$ 55,640,895	\$ 55,667,782	\$ 55,491,491
Net School Debt	10,066,000	10,947,000	11,282,000	11,602,000	11,757,000
School Borrowing Margin Available	<u>\$ 43,360,870</u>	<u>\$ 43,630,873</u>	<u>\$ 44,358,895</u>	<u>\$ 44,065,782</u>	<u>\$ 43,734,491</u>

Note: Data for 2003 to 2007 not available.

**BOROUGH OF MAYWOOD
DIRECT AND OVERLAPPING DEBT
(UNAUDITED)**

	2012	2011	2010	2009	2008
DIRECT DEBT					
Municipal Debt - Net	\$ 13,880,292	\$ 12,325,142	\$ 12,560,633	\$ 12,119,748	\$ 11,124,411
Local School Debt	10,066,000	10,947,000	11,282,000	11,602,000	11,757,000
	<u>\$ 23,946,292</u>	<u>\$ 23,272,142</u>	<u>\$ 23,842,633</u>	<u>\$ 23,721,748</u>	<u>\$ 22,881,411</u>

OVERLAPPING DEBT					
County of Bergen (1)	\$ 9,448,549	\$ 9,798,820	\$ 9,362,051	\$ 8,538,791	\$ 8,489,816
Bergen County Utilities Authority (2)	7,543,910	6,547,035	7,147,543	6,807,590	8,134,559
	<u>\$ 16,992,459</u>	<u>\$ 16,345,855</u>	<u>\$ 16,509,594</u>	<u>\$ 15,346,381</u>	<u>\$ 16,624,375</u>

(1) County Debt:

Municipal Equalized Valuations	\$ 1,243,838,007	\$ 1,395,595,810	\$ 1,368,928,001	\$ 1,414,905,763	\$ 1,414,510,831
Total County Equalized Valuations	\$ 168,748,014,772	\$ 173,258,537,441	\$ 183,412,099,706	\$ 187,580,071,463	\$ 182,767,512,263
	0.74%	0.81%	0.75%	0.75%	0.77%
County's Outstanding Debt	1,276,830,919	1,209,730,830	1,248,273,490	1,138,505,430	1,102,573,565
	<u>\$ 9,448,549</u>	<u>\$ 9,798,820</u>	<u>\$ 9,362,051</u>	<u>\$ 8,538,791</u>	<u>\$ 8,489,816</u>

(2) Bergen County Utilities Authority Debt:

Maywood Borough User Fees	\$ 2,013,760	\$ 1,596,725	\$ 1,558,915	\$ 1,362,014	\$ 1,493,010
Total User Fees	\$ 63,866,441	\$ 61,684,818	\$ 58,635,759	\$ 55,599,600	\$ 52,885,837
	3.15%	2.59%	2.66%	2.45%	2.82%
BCUA's Outstanding Debt	239,489,200	252,781,291	268,704,631	277,860,831	288,459,524
	<u>\$ 7,543,910</u>	<u>\$ 6,547,035</u>	<u>\$ 7,147,543</u>	<u>\$ 6,807,590</u>	<u>\$ 8,134,559</u>

Source: Municipal Annual Debt Statements, County of Bergen, & Bergen County Utilities Authority

Note: Data for 2003 to 2007 not available.

BOROUGH OF MAYWOOD**Ratio of Annual Debt Service Appropriations to Total Adopted Current Fund Appropriations
(UNAUDITED)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Serial Bonds:					
Principal	\$ 530,000	\$ 515,000	\$ 500,000	\$ 585,000	\$ 565,000
Interest	225,967	241,650	257,000	278,842	300,000
Notes:					
Principal	133,444	106,634	73,000	60,830	-
Interest	72,112	28,000	53,000	70,000	121,700
Loans:					
Principal	41,935	25,759	25,251	21,956	5,668
Interest	17,526	9,901	10,409	9,600	4,125
Capital Leases:					
Principal	134,325	117,786	117,786	57,863	57,863
Interest	24,423	29,960	29,960	24,821	24,821
	<u>\$ 1,179,732</u>	<u>\$ 1,074,690</u>	<u>\$ 1,066,406</u>	<u>\$ 1,108,912</u>	<u>\$ 1,079,177</u>
Total Current Fund Budget Appropriations	<u>\$ 16,119,059</u>	<u>\$ 15,783,900</u>	<u>\$ 14,919,148</u>	<u>\$ 14,328,902</u>	<u>\$ 14,365,203</u>
Ratio of Debt Service to Current Fund Budget Appropriations	<u>7.32%</u>	<u>6.81%</u>	<u>7.15%</u>	<u>7.74%</u>	<u>7.51%</u>

Note: Data for 2003 to 2007 not available.

**BOROUGH OF MAYWOOD
DEMOGRAPHIC STATISTICS
(UNAUDITED)**

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Average Labor Force Estimates by Municipality:									
Labor Force	5,457	5,417	5,420	5,458	5,438	5,382	5,377	5,310	5,274
Employment	5,038	5,007	5,004	5,049	5,209	5,209	5,184	5,126	5,073
Unemployment	419	409	416	409	228	173	192	184	200
Unemployment Rate	7.7%	7.6%	7.7%	7.5%	4.2%	3.2%	3.6%	3.5%	3.8%
Per Capital Personal Income - Bergen County	\$ 66,096	\$ 66,096	\$ 63,385	\$ 62,604	\$ 68,227	\$ 67,394	\$ 62,714	\$ 56,706	\$ 54,462

	Estimates as of July 1,							Corrected Census 2010 Count
Sub county Population Estimates:								
Maywood BORO	9,588	9,562	9,558	9,144	9,112	9,139	9,181	8,937
County of Bergen	918,888	912,773	906,597	895,250	889,915	885,664	884,581	905,116

* Latest Data Available

Note: Data for 2003 not available.

**BOROUGH OF MAYWOOD
TEN LARGEST TAXPAYERS BY ASSESSMENT
(UNAUDITED)**

Taxpayer (Block-Lot)	2012 Assessed Valuation	As a Percent of 2012 Total Net Valuations \$ 1,145,553,594
1 Kin Properties, Inc. (124-30)	\$ 22,434,400	1.96%
2 Vornado Bergen Mall, LLC (2-9)	18,457,100	1.61%
3 Adler, ETAL - Myron (124-34)	11,884,500	1.04%
4 Maybrook Gardens C/O Marcus Retter (3 Properties)	11,482,600	1.00%
5 Essex Gardens, LLC (4 Properties)	10,233,700	0.89%
6 Stepan Company, Attn. Tax Department (6 Properties)	9,933,600	0.87%
7 S.W.S. Realty (124-4)	8,000,000	0.70%
8 Maywood Health Care Realty, LLC (122-2)	7,909,000	0.69%
9 Maywood Developers, LLC (131-12)	6,443,500	0.56%
10 Stepan Company, Attn. Tax Department (124-33)	4,199,000	0.37%
	<u>\$ 110,977,400</u>	9.69%

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
# of Permits Issued	682	726	675	521	669	796
Value of Construction	\$ 12,337,159	\$ 7,467,051	\$ 6,546,866	\$ 6,773,320	\$ 6,520,067	\$ 5,226,760

Note: Data for 2003 to 2006 not available.

BOROUGH OF MAYWOOD
NJ Comprehensive Annual Financial Report
Single Audit Section

Di Maria & Di Maria LLP
Accountants and Consultants

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

Independent Auditors' Report

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

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

Internal Control Over Financial Reporting

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

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

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

Di Maria & Di Maria LLP

Independent Auditors' Report (Continued)

Compliance and Other Matters

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

We noted certain other matters that we reported to management of the Borough of Maywood, New Jersey in a separate letter dated June 30, 2013.

Purpose of this Report

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2013

BOROUGH OF MAYWOOD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended December 31, 2012

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	State Aid/Grant Program Titles	State Project Number	Award Amount	Grant Period		Balance December 31, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at
					From	To							December 31, 2012	December 31, 2012	December 31, 2012
Current & Federal & State Grant Funds															
Department of Energy	81.119	Solar Panels	N/A	\$ 300,000	01/01/11	12/31/11	\$ (300,000)	\$ -	\$ 273,361	\$ -	\$ -	\$ -	(26,639)	\$ -	\$ -
	81.119	Solar Panels	N/A	300,000	01/01/11	12/31/11	286,235	-	-	(275,321)	-	-	-	10,914	-
Department of Justice	16.607	Bulletproof Vest Partnership	N/A	5,566	2004 Thru	2009	5,111	-	-	(4,436)	-	-	-	675	-
	16.710	COPS More	N/A	60,442	01/01/02	12/31/02	22,294	-	-	-	-	-	-	22,294	-
Department of Environmental Protection	66.605	Stormwater Management	N/A	19,053	2004 Thru	2008	11,053	-	-	(2,041)	-	-	-	9,012	-
							<u>\$ 24,693</u>	<u>\$ -</u>	<u>\$ 273,361</u>	<u>\$ (281,798)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(26,639)</u>	<u>\$ 42,895</u>	<u>\$ -</u>
General Capital Fund															
None															
							<u>\$ 24,693</u>	<u>\$ -</u>	<u>\$ 273,361</u>	<u>\$ (281,798)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(26,639)</u>	<u>\$ 42,895</u>	<u>\$ -</u>
							<u>\$ 24,693</u>	<u>\$ -</u>	<u>\$ 273,361</u>	<u>\$ (281,798)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(26,639)</u>	<u>\$ 42,895</u>	<u>\$ -</u>

BOROUGH OF MAYWOOD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
Year Ended December 31, 2012

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance December 31, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at
			From	To							December 31, 2012	December 31, 2012	December 31, 2012
General Capital Fund													
State of N.J., Department of Transportation --													
Bicycle Path - Ord #15-99	6320-480-608383-60	\$ 40,000	01/01/01	12/31/01	(2,572)	\$ -	\$ -	\$ -	\$ -	\$ -	(2,572)	\$ -	\$ -
Acquisition of Shuttle Bus - Ord #5-03	6320-480-608383-60	-	01/01/03	12/31/03	(50)	-	-	-	-	-	(50)	-	-
Improvements to Maywood Train Station - Ord #19-04	6320-480-608383-60	20,000	01/01/04	12/31/04	(20,000)	-	-	-	-	-	(20,000)	-	-
Improvements to Maywood Train Station - Ord #24-05	6320-480-608383-60	40,000	01/01/05	12/31/05	(40,000)	-	-	-	-	-	(40,000)	-	-
Resurfacing of Coles Street/Terrace Avenue - Ord #15-10	6320-480-608383-60	50,000	01/01/10	12/31/10	(50,000)	-	-	-	-	-	(50,000)	-	-
State of N.J., Department of Community Affairs --													
Livable Communities Grant		\$ 73,998	01/01/04	12/31/04	(729)	-	-	-	-	-	(729)	-	-
Total General Capital Fund					\$ (113,351)	\$ -	\$ -	\$ -	\$ -	\$ -	(113,351)	\$ -	\$ -
Current & Federal & State Grant Funds													
State of N.J., Department of Community Affairs --													
Supplemental Safe Neighborhood Program	N/A	\$ -	N/A		(4,683)	\$ -	\$ -	\$ -	4,683	\$ -	\$ -	\$ -	\$ -
Recreation Opportunities Grant (ROID)	98-100-022-8050-035	-	1998 Thru 2000		4,922	-	-	-	-	-	-	4,922	-
State of N.J., Department of Environmental Protection --													
Clean Communities Program	4900-765-042-4900-004	\$ -	1996 Thru 2011		38,271	\$ -	\$ -	(25,058)	\$ -	\$ -	\$ -	13,213	\$ -
Clean Communities Program	4900-765-042-4900-004	13,143	01/01/12	12/31/12	-	-	13,143	-	-	-	-	13,143	-
Recycling Tonnage Grant	4900-752-042-4900-001	-	2005 Thru 2011		11,917	-	-	-	-	-	-	11,917	-
Recycling Tonnage Grant	4900-752-042-4900-001	43,022	01/01/12	12/31/12	-	-	43,022	-	-	-	-	43,022	-
Hazardous Toxic Pollution Grant	N/A	-	N/A		(8,295)	-	-	-	8,295	-	-	-	-
Hazardous Toxic Pollution Grant	N/A	-	N/A		8,295	-	-	-	-	-	-	8,295	-
Tree Planting Grant	N/A	-	01/01/01	12/31/01	9,544	-	-	-	-	-	-	9,544	-
Longevity of Deciduous Trees	N/A	-	01/01/01	12/31/01	990	-	-	-	-	-	-	990	-
State of N.J., Department of Law and Public Safety --													
Body Armor Replacement Program	1020-718-066-1020-001	\$ -	2003 Thru 2011		13,220	\$ -	\$ -	(1,750)	\$ -	\$ -	\$ -	11,470	\$ -
Body Armor Replacement Program	1020-718-066-1020-001	2,290	01/01/12	12/31/12	-	-	2,290	-	-	-	-	2,290	-
Drunk Driving Enforcement Fund	6400-100-078-6400	-	2007 Thru 2011		9,004	-	-	(2,370)	-	-	-	6,634	-
Drunk Driving Enforcement Fund	6400-100-078-6400	2,011	01/01/12	12/31/12	-	-	2,011	-	-	-	-	2,011	-
Statewide Local Domestic Preparedness Equipment Grant	N/A	-	01/01/04	12/31/04	(147)	-	-	-	147	-	-	-	-
Statewide Local Domestic Preparedness Equipment Grant	N/A	-	01/01/04	12/31/04	1,805	-	-	-	-	-	-	1,805	-
Click-It-or-Ticket	1160-100-066-1160-116	-	01/01/05	12/31/05	5,551	-	-	-	(5,551)	-	-	-	-
Aggressive Driver Enforcement	1160-100-066-1160-127	-	2006 Thru 2007		9,740	-	-	-	-	-	-	9,740	-
State of N.J., Department of Health & Senior Services --													
Passed thru the County of Bergen --													
Alcohol Education & Rehabilitation Fund	9735-760-098-900-001	\$ -	01/01/07	12/31/07	(1,599)	\$ -	\$ -	\$ -	1,599	\$ -	\$ -	\$ -	\$ -
Alcohol Education & Rehabilitation Fund	9735-760-098-900-001	-	01/01/07	12/31/07	8,120	-	-	-	-	-	-	8,120	-
State of N.J., Department of Human Services --													
Passed thru the County of Bergen --													
Municipal Alliance on Alcoholism & Drug Abuse	100-054-7555	\$ -	2005 Thru 2008		(29,237)	\$ -	\$ -	\$ -	29,237	\$ -	\$ -	\$ -	\$ -
Municipal Alliance on Alcoholism & Drug Abuse	100-054-7556	-	2005 Thru 2008		31,976	-	-	(1,262)	(30,714)	-	-	-	-
Domestic Violence Grant	N/A	2,989	01/01/04	12/31/04	2,989	-	-	-	-	-	-	2,989	-
State of N.J., Department of Transportation --													
Pothole Repair Grant	N/A	\$ -	N/A		25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	25	\$ -
Total Current & Federal & State Grant Funds					\$ 112,408	\$ -	\$ 60,466	\$ (30,440)	\$ 7,696	\$ -	\$ -	\$ 150,130	\$ -
Total State Financial Assistance					\$ (943)	\$ -	\$ 60,466	\$ (30,440)	\$ 7,696	\$ -	\$ (113,351)	\$ 150,130	\$ -

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

Note 1 - General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Borough of Maywood, County of Bergen, State of New Jersey. The Borough of Maywood is defined in Note 1 to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting

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

Note 3 - Relationship to General-Purpose Financial Statements

Organization

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

Basis of Accounting

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

Current Fund Grants -

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

Trust Fund and Capital Fund Grants -

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

Local Contributions

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

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

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

Expenditures

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

Expenditures per Financial Reports

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2012 to December 31, 2012. Breakdown by fund is as follows:

	Federal	State	Total
Current & Federal and State Grant Fund	\$ 281,798	\$ 30,440	\$ 312,238
General Capital Fund	-	-	-
Total Awards and Financial Assistance	<u>\$ 281,798</u>	<u>\$ 30,440</u>	<u>\$ 312,238</u>

Note 4 - Relationship to Federal and State Financial Reports

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

Note 5 - Federal and State Loans Outstanding

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

General Capital Fund:	
Green Trust	\$ 585,505
N.J.E.I.T. Trust	658,765
	<u>\$ 1,244,270</u>

Note 6 - Contingencies

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

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

Section I -- Summary of Auditors' Results

Financial Statements

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

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

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

Federal Awards

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

A) Internal control over major programs:

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

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

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

C) Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _____ yes _____ no

D) Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

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

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

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

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

State Awards

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

A) Internal control over major programs:

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

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

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

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

D) Identification of major programs:

<u>Program GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
_____	_____
_____	_____
_____	_____

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

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

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

Section II -- Financial Statement Findings

None

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

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

Current Year

Federal Awards:

There were no findings or questioned costs identified.

State Awards:

There were no findings or questioned costs identified.

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

Not Applicable

BOROUGH OF MAYWOOD

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

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

Cash Cycle

Ref.

None

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

Revenues/Cash Receipts Cycles

Ref.

Treasurer

None

Tax Collector

None

Municipal Clerk

None

Recreation Department

None

Fire Official

None

Construction Code Official

None

Registrar of Vital Statistics

None

Police Department

None

Municipal Court

None

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

Expenditures/Cash Disbursement Cycles

Ref.

- 1. The use of gift cards/credit convenient cards was noted in our detail expenditure testing. #5

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

Payroll Cycle

Ref.

- 1. It appears that pensionable base salaries are being reported to include longevity by the certifying officer. #6

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

Fixed Assets

Ref.

None

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

Other Significant Matters

	Ref.
1. There were interfund balances at year end.	#1
2. There were aged community development balances in the General Capital Fund.	#2
3. There were aged trust, improvement authorization, and grant balances.	#3

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

Recommendations

1. That all interfund balances be liquidated prior to close of the fiscal year. *
2. That aged community development grant receivable balance be reviewed and cleared of record. *
3. That trust reserve balances (overages and underages), aged improvement authorization balances and other grant receivable balances be reviewed and cleared of record. *
5. That the use of credit (convenient) cards/gift cards be discontinued.
6. That only base salaries (excluding longevity) be reported by the certifying officer upon retirement for all PERS and PFRS members.

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

Status of Prior Years' Recommendations

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

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

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

Frank Di Maria

**Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463**

June 30, 2013