

TOWNSHIP OF HADDON

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2015**

**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

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COUNTY OF CAMDEN**

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**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

PART I

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Board of Commissioners
Township of Haddon
135 Haddon Avenue
Westmont, New Jersey 08108

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Haddon, County of Camden, State of New Jersey as of December 31, 2015 and 2014, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statements of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2015.

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 and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As discussed in Note 1 to the financial statements, the Township of Haddon prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Haddon, County of Camden, State of New Jersey, as of December 31, 2015, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Haddon, County of Camden, State of New Jersey, as of December 31, 2015, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended December 31, 2015 the Township of Haddon adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No.27*. Our opinion on regulatory basis of accounting is not modified with respect to this matter.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the

auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2016, on our consideration of the Township of Haddon'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Haddon's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA #435

May 24, 2016
Medford, New Jersey

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

Honorable Mayor and Members
of the Township Board of Commissioners
Township of Haddon
135 Haddon Avenue
Westmont, New Jersey 08108

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Township of Haddon (herein referred to as “the Township”), as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated May 24, 2016. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of Comments & Recommendations section that we consider to be significant deficiencies as Finding No’s. 2015-001, 2015-002, 2015-003, 2015-006 & 2015-007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding's 2014-001, 2014-002, 2014-004 & 2014-005.

Response to Findings

Township of Haddon's response to the findings identified in our audit is described in the accompanying Comments & Recommendations section. Township of Haddon's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA #435

May 24, 2016
Medford, New Jersey

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF HADDON
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

	REFERENCE	2015	2014
ASSETS			
Regular Fund:			
Cash	A-4	\$ 4,152,184	\$ 4,604,065
Petty Cash	A	200	200
Cash - Change Fund	A-6	650	650
Due from State of New Jersey for Senior Citizen & Veteran Deductions	A-9	33,487	61,274
Total Regular Fund		<u>4,186,521</u>	<u>4,666,189</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	31,422	19,804
Tax Title Liens Receivable	A-8	66,417	52,722
Foreclosed Property - Assessed Valuation	A-11	1,894,100	1,894,100
Revenue Accounts Receivable	A-10	21,204	21,389
Protested Checks Receivable	A	6,195	6,195
Due From Bank	A	1,144	1,144
Due From Business Improvement District	A	-	24,060
Due From Interfunds:			
Animal Control Fund	B	259	244
Water-Sewer Utility Operating Fund	D	164,898	25,327
Payroll Fund	B	19,538	35,122
Total Receivables & Other Assets With Full Reserves		<u>2,205,177</u>	<u>2,080,107</u>
Deferred Charges			
Emergency Authorization	A-12	12,500	-
Expenditure without Appropriation	A-12	8,298	-
Total Deferred Charges		<u>20,798</u>	<u>-</u>
Total Regular Fund, Receivables, Other Assets With Full Reserves & Deferred Charges		<u>6,412,496</u>	<u>6,746,296</u>
State & Federal Grants:			
Due from Current Fund	A	295,926	419,868
Grants Receivable	A-23	1,218,124	1,148,856
Overexpenditure of Grant Appropriation	A-25	-	18,847
Total State & Federal Grants		<u>1,514,050</u>	<u>1,587,571</u>
Total Assets		<u>\$ 7,926,546</u>	<u>\$ 8,333,867</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2015	2014
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 453,485	\$ 658,126
Reserve for Encumbrances	A-3,A-14	112,686	127,991
Accounts Payable	A-13	4,377	6,059
Prepaid Taxes	A-15	249,287	223,816
Tax Overpayments	A-16	41,049	51,951
Local School District Taxes Payable	A-18	52	210,768
Fire District Taxes Payable	A-19	11,497	11,497
Due County for Added & Omitted Taxes	A-21	10,872	13,421
Due to State of NJ - U.C.C. Training Fees	A-17	-	3,612
Due to C.C.M.U.A.	A	183,456	383
Special Emergency Note Payable	A	-	110,272
Reserve for Revaluation	A	32,523	32,523
Reserve for Champion School Improvements	A	3,038	3,038
Reserve for Local School Contribution	A	8,014	8,014
Reserve for Public Works Retro Payroll	A	15,000	15,000
Reserve for Salt & Sand	A	19,500	19,500
Reserve for Tax Appeals	A	3,050	3,050
Reinsurance Proceeds Payable	A	20,139	20,139
Reserve for Street Scape	A	109,684	109,684
Due to Federal & State Grant Fund	A	295,926	419,868
Due to General Capital Fund	C	688,901	611,881
Due to Trust - Other Fund	B	84,119	81,779
Subtotal		<u>2,346,655</u>	<u>2,742,372</u>
Reserve for Receivables & Other Assets		2,205,177	2,080,107
Fund Balance	A-1	<u>1,860,664</u>	<u>1,923,817</u>
Total Regular Fund		<u>6,412,496</u>	<u>6,746,296</u>
State & Federal Grants:			
Reserve for Grants Unappropriated	A-24	86,832	25,058
Reserve for Grants Appropriated	A-25	1,325,005	1,562,513
Reserve for Encumbrances	A-25	<u>102,213</u>	<u>-</u>
Total State & Federal Grants		<u>1,514,050</u>	<u>1,587,571</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 7,926,546</u>	<u>\$ 8,333,867</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 1,418,000	\$ 1,200,000
Miscellaneous Revenue Anticipated	3,199,048	3,223,518
Receipts From Delinquent Taxes & Tax Title Liens	9,571	22,398
Receipts From Current Taxes	44,365,649	43,596,757
Nonbudget Revenue	476,030	566,865
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	619,096	341,595
Refund of Prior Year Expenditures	15,735	-
Liquidation of Reserves For:		
General Capital Fund	110,288	-
Water-Sewer Operating	39,644	70,312
Due from Business Improvement District	24,060	-
Trust - Other	-	3,872
	<u>50,277,121</u>	<u>\$ 49,025,317</u>
Total		
Expenditures:		
Budget & Emergency Appropriations:		
Operations Within "CAPS":		
Salaries & Wages	3,926,553	3,906,033
Other Expenses	4,327,874	4,357,108
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"	963,827	874,743
Cash Deficit of Proceeding Year	142,025	
Operations Excluded from "CAPS":		
Salaries & Wages	357,518	207,475
Other Expenses	721,868	544,356
Capital Improvements	65,000	65,000
Municipal Debt Service	1,699,488	1,760,872
Deferred Charges - Municipal Excluded from "CAPS"	220,016	170,272
Special District Taxes - Business Improvement District	160,713	160,713
Fire District Taxes	1,458,380	1,458,687
County Taxes	11,507,867	11,374,066
Due County for Added & Omitted Taxes	10,872	13,421
Local District School Tax	23,229,748	22,648,901
Create Reserves for:		
Due From Business Improvement District	151,138	24,060
Interfund Advances - Trust - Payroll	185	35,122
	<u>48,943,072</u>	<u>47,600,829</u>
Total Expenditures		
Regulatory Excess to Fund Balance	1,334,049	1,424,488
Adjustments to Income Before Surplus:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budge of Succeeding Year	20,798	-
	<u>1,354,847</u>	<u>1,424,488</u>
Excess to Fund Balance		
Fund Balance January 1	1,923,817	1,699,329
	<u>3,278,664</u>	<u>3,123,817</u>
Total		
Decreased by: Utilization as Anticipated Revenue	1,418,000	1,200,000
	<u>\$ 1,860,664</u>	<u>\$ 1,923,817</u>
Fund Balance December 31		

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BUDGET	APPROPRIATED by N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$ 1,418,000	\$ -	\$ 1,418,000	\$ -
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	25,000	-	25,445	445
Other	25,000	-	28,681	3,681
Fees & Permits:				
Other	250,000	-	275,933	25,933
Fines & Costs:				
Municipal Court	275,000	-	334,832	59,832
Interest & Costs on Taxes	100,000	-	101,174	1,174
Parking Meters	15,000	-	19,610	4,610
Operation of Crystal Lake	205,000	-	222,848	17,848
Consolidated Municipal Property				
Tax Relief Act	144,635	-	144,635	-
Energy Receipts Tax	1,117,580	-	1,117,580	-
Uniform Construction Code				
Fees & Permits	250,000	-	244,020	(5,980)
Borough of Audubon Park - Police				
Protection Services	400,000	-	355,300	(44,700)
Uniform Fire Safety Act	35,000	-	23,205	(11,795)
Recycling Tonnage Grant	1,120	-	1,120	-
Drunk Driving Enforcement	4,968	-	4,968	-
Clean Communities Grant	-	30,650	30,650	-
Safe & Secure Communities Program	8,395	-	8,395	-
Body Armor Grant	2,693	2,689	5,382	-
NJDOT Municipal Aid	201,000	-	201,000	-
Alcohol Education and Rehabilitation	-	2,357	2,357	-
Green Communities Grant	500	-	500	-
Municipal Alliance Grant	7,382	9,031	16,413	-
Gardiner Small Communities Grant	35,000	-	35,000	-
Total Miscellaneous Revenues	3,103,273	44,727	3,199,048	51,048
Receipts from Delinquent Taxes	25,000	-	9,571	(15,429)
Local Tax for Municipal Purposes	8,023,274	-	8,176,162	152,888
Budget Totals	12,569,547	44,727	12,802,781	188,507
Nonbudget Revenues	-	-	476,030	476,030
Total	\$ 12,569,547	\$ 44,727	\$ 13,278,811	\$ 664,537

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 44,365,649
Less: Allocated for School, County Taxes & Special District Taxes	<u>36,367,580</u>
Total Allocation of Current Tax Collections	7,998,069
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>178,093</u>
Total Amount for Support of Municipal Budget Appropriation	<u><u>\$ 8,176,162</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 177
Tax Title Lien Collections	<u>9,394</u>
Total Receipts from Delinquent Taxes	<u><u>\$ 9,571</u></u>
Fees & Permits Other:	
Cable TV Fees	\$ 221,175
Solicitor's Permits	2,400
Planning & Zoning	10,293
Rent Control Board	35,780
Other	<u>6,285</u>
Total Fees & Permits Other	<u><u>\$ 275,933</u></u>

ANALYSIS OF NONBUDGET REVENUES

Miscellaneous Revenue Not Anticipated:	
Receipts:	
Interest On Investments	\$ 18,505
Payment in Lieu of Taxes	49,262
SC & Vet Administrative Fee	3,411
Civic Celebrations	20
Prior Year Refunds - Payroll	247,411
Copies	295
FEMA Reimbursement	60,633
LEA Rebates	18,061
Other	<u>78,432</u>
Total Nonbudgeted Revenue	<u><u>\$ 476,030</u></u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS			EXPENDED			RESERVED	OVEREXPENDITURE	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED			
General Government Functions:									
General Administration:									
Salaries and Wages	\$ 2,000	\$ 2,000	\$ -	-	\$ 2,000	\$ -	\$ -	\$ -	
Other Expenses	1,300	1,800	1,645	-	155	-	-	-	
Human Services:									
Salaries and Wages	14,926	14,926	14,761	-	165	-	-	-	
Other Expenses	26,250	32,750	31,185	1,072	493	-	-	-	
Mayor & Commissioners:									
Salaries and Wages	25,860	25,860	25,860	-	-	-	-	-	
Other Expenses	3,000	3,000	2,245	-	755	-	-	-	
Municipal Clerk:									
Salaries and Wages	3,845	31,845	31,689	-	156	-	-	-	
Other Expenses	53,875	53,875	52,089	415	1,371	-	-	-	
Registrar of Vital Statistics:									
Salaries and Wages	1,950	2,200	2,160	-	40	-	-	-	
Other Expenses	1,000	1,000	516	-	484	-	-	-	
Financial Administration (Treasury):									
Salaries and Wages	15,120	16,920	16,879	-	41	-	-	-	
Other Expenses	12,300	12,300	8,773	190	3,337	-	-	-	
Audit Services:									
Annual Audit	45,000	45,700	45,655	-	45	-	-	-	
Revenue Administration (Tax Collector):									
Salaries and Wages	64,330	66,330	66,285	-	45	-	-	-	
Other Expenses	13,950	11,950	7,846	253	3,851	-	-	-	
Assessments of Taxes:									
Salaries and Wages	70,095	71,295	71,206	-	89	-	-	-	
Other Expenses	16,500	15,300	9,489	921	4,890	-	-	-	
Legal Services:									
Other Expenses	204,500	204,500	167,858	-	36,642	-	-	-	
Municipal Court:									
Salaries and Wages	187,188	187,188	185,287	-	1,901	-	-	-	
Other Expenses	21,680	21,680	18,846	1,491	1,343	-	-	-	
Public Defender:									
Salaries and Wages	5,700	5,700	5,700	-	-	-	-	-	
Engineering Services & Costs:									
Other Expenses	15,000	15,000	14,994	-	6	-	-	-	
Economic Development:									
Other Expenses	13,000	16,200	16,093	-	107	-	-	-	

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS			EXPENDED			RESERVED	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	OVEREXPENDITURE		
Land Use Administration:								
Planning Board:								
Salaries and Wages	49,900	49,900	48,808	-	1,092	-	-	-
Other Expenses	6,885	6,885	4,310	360	2,215	-	-	-
Code Enforcement & Administration:								
Rent Control Commission:								
Salaries and Wages	13,980	13,980	8,467	-	5,513	-	-	-
Other Expenses	1,050	1,050	114	127	809	-	-	-
Insurance:								
General Liability	188,492	188,492	188,492	-	-	-	-	-
Disability Insurance	4,700	4,700	4,033	-	667	-	-	-
Worker's Compensation	188,492	188,492	188,492	-	-	-	-	-
Employee Group Health	1,200,000	1,200,000	1,039,025	-	160,975	-	-	-
Health Benefits Waiver	25,000	31,250	31,250	-	-	-	-	-
Public Safety Functions:								
Police:								
Salaries and Wages	2,380,704	2,273,704	2,273,498	-	206	-	-	-
Other Expenses	112,500	112,500	84,534	27,628	338	-	-	-
Office of Emergency Management:								
Salaries and Wages	7,250	7,250	7,083	-	167	-	-	-
Other Expenses	250	250	-	-	250	-	-	-
Uniform Fire Safety Act:								
Salaries and Wages	40,175	40,625	40,611	-	14	-	-	-
Other Expenses	1,500	1,500	1,180	127	193	-	-	-
Fire Hydrant Service	18,000	18,000	17,943	-	57	-	-	-
Municipal Prosecutor:								
Salaries and Wages	13,500	13,500	13,174	-	326	-	-	-
Public Works Functions:								
Streets & Roads Maintenance:								
Salaries and Wages	639,500	745,000	744,758	-	242	-	-	-
Other Expenses	70,500	70,500	60,146	8,079	2,275	-	-	-
Maintenance of Traffic Lights:								
Other Expenses	5,000	5,700	5,674	-	26	-	-	-
Shade Tree Program:								
Salaries and Wages	3,400	3,400	3,392	-	8	-	-	-
Other Expenses	20,000	20,000	10,460	9,465	75	-	-	-
Solid Waste Collection:								
Other Expenses	743,300	730,550	711,032	9,575	9,943	-	-	-
Building & Grounds:								

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS			EXPENDED			RESERVED	OVEREXPENDITURE	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED					
Other Expenses	32,500	32,500	25,050	3,649	3,801	-	-	-	
Vehicle Maintenance:									
Other Expenses	90,850	96,850	82,498	14,352	-	-	-	-	
Community Services Act:									
Other Expenses	77,000	77,000	69,058	-	7,942	-	-	-	
Health & Human Services:									
Environmental Commission:									
Other Expenses	2,000	2,000	1,949	-	51	-	-	-	
Animal Control Program:									
Other Expenses	9,000	9,000	8,123	821	56	-	-	-	
Park & Recreation Functions:									
Crystal Lake Pool:									
Salaries and Wages	95,000	99,600	99,546	-	54	-	-	-	
Other Expenses	67,500	81,500	78,990	1,363	1,147	-	-	-	
Parks & Playgrounds:									
Other Expenses	15,000	15,000	4,915	1,251	8,834	-	-	-	
Utility Expense & Bulk Purchases:									
Electricity	34,000	34,000	33,590	-	410	-	-	-	
Street Lighting	200,000	210,000	210,000	-	-	-	-	-	
Telephone & Telegraph	33,000	33,000	29,398	-	3,602	-	-	-	
Natural Gas	42,000	42,000	31,800	3,774	6,426	-	-	-	
Gasoline	105,000	55,000	40,075	-	14,925	-	-	-	
Postage	25,500	22,500	21,527	-	973	-	-	-	
Copier	9,000	10,300	9,122	1,178	-	-	-	-	
Landfill/Solid Waste Disposal Costs:									
Disposal Costs	405,000	405,000	325,308	22,204	57,488	-	-	-	
Appropriation Offset By Dedicated Revenues:									
Code Enforcement & Administration:									
Salaries and Wages	162,520	162,520	158,004	-	4,516	-	-	-	
Other Expenses	32,800	32,800	13,618	289	18,893	-	-	-	
Other Common Operating Functions:									
Accumulated Leave Compensation	40,000	40,000	40,000	-	-	-	-	-	
Celebration of Public Events, Anniversary or Holiday - Other Expenses	50,000	50,000	48,099	1,120	781	-	-	-	
Senior Citizens Coordinator:									
Salaries and Wages	59,000	59,000	53,865	-	5,135	-	-	-	
Other Expenses	2,000	2,000	564	-	1,436	-	-	-	
Community Communications:									
Salaries and Wages	33,810	33,810	23,015	-	10,795	-	-	-	

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS		EXPENDED			OVEREXPENDITURE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	
Other Expenses	32,500	32,500	24,528	-	7,972	-
Disolution of Fire District #2:	30,000	30,000	26,150	-	3,850	-
Total Operations Within "CAPS" Including Contingent	8,237,427	8,254,427	7,742,329	109,704	402,394	-
Detail:						
Salaries and Wages	3,889,753	3,926,553	3,894,048	-	32,505	-
Other Expenses	4,347,674	4,327,874	3,848,281	109,704	369,889	-
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":						
Statutory Expenditures:						
Contributions to:						
Social Security System (O.A.S.I.)	210,000	210,000	199,276	-	10,724	-
Police & Firemen's Retirement Pension Fund	50	50	-	-	50	-
Police & Fireman's Retirement System of New Jersey	500,382	500,382	500,382	-	-	-
Employees Retirement System	253,395	253,395	252,592	-	803	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	963,827	963,827	952,250	-	11,577	-
Cash Deficit of Preceding Year	142,025	142,025	139,402	-	-	2,623
Total General Appropriations for Municipal Purposes Within "CAPS"	9,343,279	9,360,279	8,833,981	109,704	413,971	2,623
Stormwater Regulations: Salaries and Wages	191,350	191,350	152,032	-	39,318	-
Borough of Audubon Park:						
Police Services	387,600	387,600	387,600	-	-	-
Municipal Clerk/Treasurer	40,000	20,000	20,000	-	-	-
Tax Collector	14,000	14,000	14,000	-	-	-
Public & Private Programs Offset by Revenues:						
SFSP Fire District Payment	6,000	6,000	5,804	-	196	-
Clean Communities Act:						
Salaries and Wages	-	30,650	30,650	-	-	-
Other Expenses	1,120	1,120	1,120	-	-	-

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS			EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	OVEREXPENDITURE CANCELLED
Green Communities Grant	500	500	500	-	-	-
Safe & Secure Communities Program	161,200	161,200	161,200	-	-	-
Drunk Driving Enforcement Grant:						
Salaries and Wages	4,968	4,968	4,968	-	-	-
Body Armor Fund	2,693	5,382	5,382	-	-	-
Alcohol Education & Rehabilitation Grant	-	2,357	2,357	-	-	-
Municipal Alliance Grant	9,228	18,259	18,259	-	-	-
Gardiner Small Grant Program	35,000	35,000	35,000	-	-	-
NJDOT Municipal Aid	201,000	201,000	201,000	-	-	-
Total Operations Excluded from "CAPS"	1,054,659	1,079,386	1,039,872	-	39,514	-
Detail:						
Salaries and Wages	357,518	357,518	318,200	-	39,318	-
Other Expenses	697,141	721,868	721,672	-	196	-
Capital Improvements-Excluded from "CAPS":						
Capital Improvement Fund	65,000	65,000	65,000	-	-	-
Total Capital Improvements Excluded from "CAPS"	65,000	65,000	65,000	-	-	-
Municipal Debt Service - Excluded from "CAPS":						
Payment of Bond Principal	980,000	980,000	969,450	-	-	10,550
Payment of Bond Anticipation Notes & Capital Note	220,000	220,000	220,000	-	-	-
Interest on Bonds	390,000	390,000	378,272	-	-	11,728
Interest on Notes	90,000	90,000	87,966	-	-	2,034
Green Trust Loan Program:						
Loan Repayments for Principal & Interest	40,000	43,000	42,920	-	-	80
Interest on Emergency Notes	1,000	1,000	880	-	-	120
Total Municipal Debt Service Excluded from "CAPS"	1,721,000	1,724,000	1,699,488	-	-	24,512
Deferred Charges - Excluded from "CAPS":						
Emergency Authorizations	-	12,500	12,500	-	-	-
Emergency Authorizations 5 Years (40A:4-55)	110,272	110,272	110,272	-	-	-

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	OVEREXPENDITURE CANCELLED
Deferred Charges to Future Taxation - Unfunded:						
Overexpenditure of Ordinances	46,278	46,278	46,278	-	-	-
Overexpenditure of Grants	50,966	50,966	50,966	-	-	-
Total Deferred Charges - Excluded from "CAPS"	207,516	220,016	220,016	-	-	-
Subtotal General Appropriations Reserve For Uncollected Taxes	12,391,454	12,448,681	11,858,357	109,704	453,485	27,135
Total General Appropriations	\$ 12,569,547	\$ 12,626,774	\$ 12,036,450	\$ 109,704	\$ 453,485	\$ 27,135
Appropriation by 40A:4-87	\$	44,727				
Emergency Appropriations		12,500				
Original Budget		<u>12,569,547</u>				
Total		<u>\$ 12,626,774</u>				
Reserve for Federal & State Grants - Appropriated			\$ 460,436			
Due to Federal & State Grant Fund - Matching Funds			5,804			
Deferred Charge - Emergency Authorization			220,016			
Reserve for Uncollected Taxes			178,093			
Reimbursements			(757,156)			
Cash Disbursements			<u>11,929,257</u>			
Total			<u>\$ 12,036,450</u>			

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	REFERENCE	2015	2014
Assessment Fund:			
Due from General Capital Fund	C	\$ 450	\$ 450
Animal Control Fund:			
Cash	B-1	884	7,224
Change Fund	B	30	30
Total Animal Control Fund		914	7,254
Other Trust Funds:			
Cash	B-1	1,908,659	1,917,219
Due Utility Operating Fund	D	44,040	44,040
Due Current Fund	B-8	84,119	81,779
Other Receivable	B	3,080	-
Community Development Block Grant Receivable	B-6	63,519	45,128
Total Other Trust Funds:		2,103,417	2,088,166
Total - All Funds		<u>\$ 2,104,781</u>	<u>\$ 2,095,870</u>
LIABILITIES & RESERVES			
Assessment Fund:			
Deposits on Future Assessments	B-2	\$ 450	\$ 450
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-3	655	7,010
Due Current Fund	B-4	259	244
Total Animal Control Fund		914	7,254
Other Trust Funds:			
Payroll Deductions Payable	B-7	110,220	354,211
Due Current Fund - Payroll	A	19,538	35,122
Due State of New Jersey - Marriage License Fees	B-9	2,842	2,467
Due State of New Jersey - Burial License	B-9	145	145
Various Reserves	B-10	1,970,672	1,696,221
Total Other Funds		2,103,417	2,088,166
Total - All Funds		<u>\$ 2,104,781</u>	<u>\$ 2,095,870</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	REFERENCE	<u>2015</u>	<u>2014</u>
Cash	C-1, C-2	\$ 2,729,260	\$ 1,290,006
Due From New Jersey Road Aid	C-14	-	50,000
Deferred Charges to Future Taxation:			
Unfunded	C-4	13,624,845	11,750,095
Funded	C-3	12,808,928	13,814,847
Overexpenditure of Improvement Authorization	C-8	3,707	46,278
Due From Current Fund	A,C-5	<u>688,901</u>	<u>611,881</u>
 Total		 <u><u>\$ 29,855,641</u></u>	 <u><u>\$ 27,563,107</u></u>
 LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bonds	C-11	\$ 12,513,800	\$ 13,483,250
Green Acres Loan Payable - Crystal Lake Development	C-9	36,476	41,284
Green Acres Loan Payable - MacArthur Tract Acquisition	C-10	258,652	290,313
Bond Anticipation Notes	C-12	12,328,332	9,453,332
Improvement Authorizations:			
Unfunded	C-8	2,579,230	1,871,082
Funded	C-8	973,714	1,488,877
Reserve for Encumbrances	C-8	1,058,681	795,758
Reserve for DOT Receivable	C-14	-	50,000
Capital Improvement Fund	C-7	1,550	7,800
Reserve for Flood Proceeds	C	25,866	25,866
Reserve for DY DEE Development	C-5	5,307	5,012
Reserve for Payment of Debt	C	50,000	-
Due Trust Assessment Fund	B	450	450
Fund Balance	C-15	<u>23,583</u>	<u>50,083</u>
 Total		 <u><u>\$ 29,855,641</u></u>	 <u><u>\$ 27,563,107</u></u>

There were bonds and notes authorized but not issued on December 31, 2015 of \$1,296,513 and on December 31, 2014 was \$2,296,763.

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	REFERENCE	<u>2015</u>	<u>2014</u>
Operating Fund:			
Cash	D-4	\$ 1,274,798	\$ 338,215
Change Fund - Collector	D	75	75
Due from Bank	D	2,216	2,216
Due from Water-Sewer Capital Fund	D-19	<u>246,080</u>	<u>281,930</u>
Total		<u>1,523,169</u>	<u>622,436</u>
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable	D-7, D-8	8,986	8,406
Liens Receivable	D-10	1,235	1,235
Protested Checks Receivable	D-17	<u>2,608</u>	<u>2,608</u>
Total Receivable & Other Assets With Full Reserves		<u>12,829</u>	<u>12,249</u>
Deferred Charges:			
Emergency Authorization	D	37,500	-
Operating Deficit	D-1	<u>-</u>	<u>139,402</u>
Total Deferred Charges		<u>37,500</u>	<u>139,402</u>
Total Operating Fund		<u>1,573,498</u>	<u>774,087</u>
Capital Fund:			
Cash	D-4	818,810	849,676
NJEIT Loan Receivable	A	278,697	278,697
Fixed Capital:			
Water	D-12	9,709,255	9,709,255
Sewer	D-13	4,758,345	4,758,345
Fixed Capital Authorized & Uncompleted	D-14	15,927,663	15,177,663
Deferred Charges to Future Taxation:			
Overexpenditure of Improvement Authorizations	D-23	<u>16,472</u>	<u>16,472</u>
Total Capital Fund		<u>31,509,242</u>	<u>30,790,108</u>
Total Operating & Capital Fund		<u>\$ 33,082,740</u>	<u>\$ 31,564,195</u>

Bonds and Notes authorized but not issued as of December 31, 2015 was \$1,595,487 and as of December 31, 2014 was \$1,637,987.

The accompanying Notes to the Financial Statement are an integral part of this Statement.

TOWNSHIP OF HADDON
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2015	2014
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 27,909	\$ 279,168
Reserve for Encumbrances	D-16,D-3	17,735	21,599
Accrued Interest on Bonds & Notes	D-18	90,920	97,176
Due to Trust Other Fund	B	44,040	44,040
Due to Current Fund	A,D-9	164,898	25,327
Subtotal		<u>345,502</u>	<u>467,310</u>
Reserve for Receivables	D	12,829	12,249
Fund Balance	D-1	1,215,167	294,528
Total Operating Fund		<u>1,573,498</u>	<u>774,087</u>
Capital Fund:			
Serial Bonds	D-24	5,573,200	6,073,750
Bond Anticipation Notes	D-27	1,520,000	765,000
New Jersey Infrastructure Trust - Loan Payable	D-25 , D-26	4,620,154	4,912,132
Improvement Authorizations:			
Funded	D-23	128,162	167,863
Unfunded	D-23	1,583,936	1,290,888
Reserve for Encumbrances	D-23	722,073	1,012,936
Capital Improvement Fund	D-11	12,427	12,427
Due to Water - Sewer Operating Fund	D-19	246,080	281,930
Reserves for:			
Amortization	D-21	16,958,660	16,166,132
Deferred Amortization	D-22	127,763	90,263
Fund Balance	D-20	16,787	16,787
Total Capital Fund		<u>31,509,242</u>	<u>30,790,108</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 33,082,740</u>	<u>\$ 31,564,195</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenue & Other Income Realized:		
Fund Balance Appropriated	\$ 152,000	\$ -
Rents	3,196,813	3,115,209
Miscellaneous	931,757	110,651
Capital Surplus Anticipated	-	10,450
Other Credits to Income:		
Accrued Interest Adjustment	20,758	-
Unexpended Balance of Appropriation Reserves	<u>187,967</u>	<u>323,380</u>
 Total Income	 <u>4,489,295</u>	 <u>3,559,690</u>
 Expenditures:		
Operating	2,188,650	2,392,459
Debt Service	1,000,363	1,132,092
Capital Improvements	37,500	-
Deferred Charges & Statutory Expenditures	221,202	174,541
Other Debits to Expenditures:		
Refund of Prior Year Revenue	<u>6,441</u>	<u>-</u>
 Total Expenditures	 <u>3,454,156</u>	 <u>3,699,092</u>
 Adjustments to Income Before Surplus:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>37,500</u>	<u>-</u>
 Excess/Deficit in Revenue	 <u>1,072,639</u>	 <u>(139,402)</u>
 Operating Deficit to be Raised in Budget of Succeeding Year	 -	 139,402
Statutory Excess to Fund Balance	<u>1,072,639</u>	<u>-</u>
 Fund Balance January 1	 294,528	 294,528
Less: Balance Appropriated	<u>152,000</u>	<u>-</u>
 Fund Balance December 31	 <u>\$ 1,215,167</u>	 <u>\$ 294,528</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 152,000	\$ 152,000	\$ -
Rents	3,100,000	3,196,813	96,813
Miscellaneous	125,000	931,757	806,757
Deficit (General Budget)	142,025	139,402	(2,623)
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 3,519,025</u>	<u>\$ 4,419,972</u>	<u>\$ 900,947</u>

ANALYSIS OF REALIZED REVENUE

Rents:		
Consumer Accounts Receivable:		
Water		\$ 1,994,444
Sewer		1,202,369
		<hr/>
Total Rents		<u>\$ 3,196,813</u>
Miscellaneous		
Collector:		
Other		\$ 83,982
Penalties on Delinquent Accounts		13,937
Privilege Fees		830,300
Interest on Investments		1,888
Collected by Water-Sewer Utility Capital Fund:		
Interest on Investments		1,650
		<hr/>
Total Miscellaneous		<u>\$ 931,757</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
Operating:						
Salaries and Wages	\$ 956,350	\$ 956,350	\$ 945,533	\$ -	\$ 10,817	\$ -
Other Expenses	1,232,300	1,232,300	1,210,865	17,735	3,700	-
Total Operating	2,188,650	2,188,650	2,156,398	17,735	14,517	-
Capital Improvements:						
Down Payments on Improvements	-	37,500	37,500	-	-	-
Total Capital Improvements	-	37,500	37,500	-	-	-
Debt Service:						
Payment of Bond Principal	792,550	792,550	792,528	-	-	22
Interest on Bonds & Loans	314,000	314,000	207,835	-	-	106,165
Total Debt Service	1,106,550	1,106,550	1,000,363	-	-	106,187
Deferred Charges:						
Operating Deficit	142,025	142,025	139,402	-	-	2,623
Total Deferred Charges	142,025	142,025	139,402	-	-	2,623
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	79,800	79,800	67,539	-	12,261	-
State Disability Insurance	2,000	2,000	869	-	1,131	-
Total Statutory Expenditures	81,800	81,800	68,408	-	13,392	-
Total Expenditures	\$ 3,519,025	\$ 3,556,525	\$ 3,402,071	\$ 17,735	\$ 27,909	\$ 108,810
Budget Emergency Authorization	\$ 3,519,025					
		<u>37,500</u>				
Total	\$ 3,556,525					
Cash Disbursed			\$ 3,221,338			
Operating Deficit			139,402			
Due to Utility Capital			37,500			
Budget Refunds			(204,004)			
Accrued Interest			207,835			
Total			\$ 3,402,071			

The accompanying Notes to the Financial Statement are an integral part of this Statement.

TOWNSHIP OF HADDON
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Land	\$ 4,086,701	\$ 4,086,701
Building & Improvements	3,878,645	3,878,645
Equipment & Vehicles	<u>5,220,054</u>	<u>5,220,054</u>
Total	<u>\$ 13,185,400</u>	<u>\$ 13,185,400</u>
FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 13,185,400</u>	<u>\$ 13,185,400</u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

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**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity - The financial statements of the Township of Haddon, County of Camden, New Jersey (“the Township”), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by *N.J.S.A.40A:5-5*. The financial statements of the Township do not include the operations of the Board of Education, first aid organization or volunteer fire companies that are subject to separate audits.

Component Unit – The financial statements of the component unit of the Township of Haddon are not presented in accordance with Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and 61. If the provisions of GASBS No. 14, as amended by GASB Statement No. 39 and 61, had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Haddon Township Business Improvement District
135 Haddon Avenue
Westmont, New Jersey 08108

Basis of Accounting, Measurement Focus and Basis of Presentation - - The financial statements of the Township of Haddon contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Haddon accounts for its financial transactions through the use of separate funds which are described as follows:

Current Fund - resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

Assessment Trust Fund - used to account for the financing of local improvements deemed to benefit the properties against which assessments are levied.

Dog Trust Fund - dog license revenues and expenditures.

Trust Other Funds - sundry deposits held for satisfactory completion of specific work; receipts and disbursements for dedicated purposes.

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

Water-Sewer Utility Operating Fund - revenue and expenditures necessary to operate a Township owned water supply system from user fees.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1. Summary of Significant Accounting Policies (continued):

Water-Sewer Utility Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of water-sewer capital facilities, other than those acquired through the Water-Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

General Fixed Asset Account Group - to account for fixed assets used in general government operations.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current, water utility, and sewer utility funds in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than August 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 circulating in the Township. 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.40AA-9*. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

Cash and Cash Equivalents - Cash and cash equivalents include petty cash, change funds, and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

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 in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies. *N.J.S.A.17:9-41* et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to 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, is available to pay the amount of their deposits to the governmental units.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1. Summary of Significant Accounting Policies (continued):

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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.

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 statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1. Summary of Significant Accounting Policies (continued):

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township 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 assets account group. If such property is converted to a municipal use, it will be recorded in the general fixed assets account group.

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

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.

Fund Balance - Fund balances included in the current fund and utility operating funds represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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 is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected.

Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Camden and the Township of Haddon School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Haddon 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.

County Taxes - The Township is responsible for levying, collecting, and remitting county taxes for the County of Camden. Operations is 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 is 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.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1. Summary of Significant Accounting Policies (continued):

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township 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, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid; however, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with *N.J.A.C.5:30-5.2*. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31st, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

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.

Long-Term Debt - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital and utility capital funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the trust fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis

Impact of Recently Issued Accounting Principles – *Adopted Accounting Pronouncements* – For the year ended December 31, 2015, the Township implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* – (Amendment to GASB Statement No. 27). The implementation of the Statement requires the Township to disclose its portion of the collective net pension liability of the New Jersey Public Employees' Retirement System (PERS) and the New Jersey Police Firemen's Retirement System (PFRS).

Subsequent Events - The Township of Haddon has evaluated subsequent events occurring after December 31, 2015 through the date of May 24, 2016, which is the date the financial statements were available to be issued.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 2. Cash and Cash Equivalents:

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2015, and reported at fair value are as follows:

<u>Type</u>	<u>Carrying Value</u>
Deposits:	
Demand Deposits	\$ 10,888,532
Total Deposits	\$ 10,888,532
Fund:	
Current Fund	\$ 4,156,016
Animal Control Trust Fund	914
Trust - Other Fund	1,908,659
General Capital Fund	2,729,260
Water - Sewer Utility Operating Fund	1,274,873
Water - Sewer Utility Capital Fund	818,810
Total	\$ 10,888,532

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule that follows.

As of December 31, 2015, the Township's bank balances of \$11,880,682 were exposed to custodial credit risk as follows:

Uninsured & Uncollateralized	\$ 2,025,715
Insured Under F.D.I.C.	250,000
Collateralized Under GUDPA	9,604,967
Total	\$11,880,682

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 3. Property Taxes

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent 8 days after the above due dates. The Township bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

Comparison of Tax Rate Information:

	2015	2014	2013
Total Tax Rate	<u>\$3.399</u>	<u>\$3.339</u>	<u>\$3.271</u>
Apportionment of Tax Rate:			
Municipal	0.637	0.637	0.608
County	0.915	0.904	0.915
Local School	1.847	1.798	1.748

Net Valuation Taxable:

2015	<u>\$ 1,258,163,190</u>		
2014		<u>\$ 1,259,576,400</u>	
2013			<u>\$ 1,259,503,595</u>

Comparison of Tax Levies and Collection Currently:

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2015	\$ 44,431,342	\$ 44,365,649	99.85%
2014	43,726,413	43,596,757	99.70%
2013	42,902,883	42,731,231	99.60%

Delinquent Taxes and Tax Title Liens:

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2015	\$ 66,417	\$ 31,422	\$ 97,839	0.24%
2014	52,722	19,804	72,526	0.17%
2013	33,218	20,116	53,334	0.12%

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note: 4: Property Acquired By Tax Title Lien Liquidation

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous two years was as follows:

YEAR	AMOUNT
2015	\$ 1,894,100
2014	1,894,100
2013	1,894,100

Note: 5: Water - Sewer Utility Service Charges

The following is a three-year comparison of sewer utility charges (rents) for the current and previous two years.

YEAR ENDED DECEMBER 31	<i>Balance Beginning of Year</i>		LEVY	TOTAL	CASH COLLECTIONS	<i>Balance End of Year</i>	
	RECEIVABLE	LIENS				RECEIVABLE	LIENS
2015	\$ 8,406	\$ 1,235	\$ 3,197,393	\$ 3,207,034	\$ 3,196,813	\$ 8,986	\$ 1,235
2014	8,563	2,282	3,114,852	3,125,697	3,116,056	8,406	1,235
2013	6,048	2,055	3,234,397	3,242,500	3,231,655	8,563	2,282

Note: 6: Fund Balance Appropriated

The following schedule details the amount of fund balance available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

YEAR	BALANCE DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR	PERCENTAGE OF FUND BALANCE USED
CURRENT FUND:			
2015	\$ 1,878,412	\$ 1,160,200	61.76%
2014	1,923,817	1,418,000	73.71%
2013	1,699,329	1,200,000	70.62%
2012	2,036,746	1,336,500	65.62%
2011	2,303,650	1,271,800	55.21%
WATER-SEWER UTILITY OPERATING FUND:			
2015	\$ 1,215,167	\$ 532,000	43.78%
2014	294,528	152,000	51.61%
2013	294,528	-	0.00%
2012	461,826	429,153	92.93%
2011	415,914	248,670	59.79%

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 7. Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/5 5th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$252,592 for 2015.

The employee contribution rate was 6.92% effective July 1, 2014 and increased to 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Net Pension Liability and Pension Expense - At December 31, 2015, the Township's proportionate share of the PERS net pension liability is valued to be \$7,028,075. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .03131%, which was an decrease of .04059% from its proportion measured as of June 30, 2014.

Balances at December 31, 2015 and December 31, 2014

	<u>12/31/15</u>	<u>12/31/14</u>
Acturial valuation date	July 1, 2015	July 1, 2014
Net Pension Liability	7,028,075	13,461,687
Townships's portion of the Plan's total net pension Liability	0.03131%	0.07190%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$314,515.

Actuarial Assumptions – The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2015
Acturial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.04%

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

Mortality rates were based on the RP-2000 Combined Health Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
Total	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90%) or 1-percentage-point higher (5.90%) than the current rate:

	<u>Decrease</u> <u>(3.90%)</u>	<u>Discount</u> <u>(4.90%)</u>	<u>Increase</u> <u>(5.90%)</u>
Township's proportionate share of the net pension liability	\$ 8,735,038	\$ 7,028,075	\$ 5,596,970

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

The following represents the membership tiers for PFRS:

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

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 7. Pension Obligations (continued):

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$500,382 for 2015.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Special Funding Situation – Under *N.J.S.A. 43:16A-15*, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the state is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Net Pension Liability and Pension Expense - At December 31, 2015, the Township's proportionate share of the PFRS net pension liability is valued to be \$11,017,365. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .06614%, which was an increase of .00099% from its proportion measured as of June 30, 2014.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS) (continued):

Balances at December 31, 2015 and December 31, 2014

	<u>12/31/15</u>	<u>12/31/14</u>
Actuarial valuation date	July 1, 2015	July 1, 2014
Net Pension Liability	11,017,365	8,195,020
Townships's portion of the Plan's total net pension Liability	0.06614%	0.06515%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$844,143.

Additionally, the State’s proportionate share of the net pension liability attributable to the Township is \$966,186 as of December 31, 2015. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The State’s proportion of the net pension liability associated with the Township was based on a projection of the Township’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State’s proportion measured as of June 30, 2015 was .06614%, which was an increase of .00099% from its proportion measured as of June 30, 2014, which is the same proportion as the Township’s.

Township's Proportionate Share of the Net Pension Liability	\$ 11,017,365
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>966,186</u>
Total Net Pension Liability	<u><u>\$ 11,983,551</u></u>

For the year ended December 31, 2015, the Township’s total allocated pension expense was \$964,661.

Actuarial Assumptions – The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 7. Pension Obligations (continued):

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

	<u>PFRS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.60-9.48% Based on Age Thereafter - 3.60-10.48% Based on Age
Inflation rate	3.04%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Health Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS) (continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.79% as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made on the average of the last five years of contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79%) or 1-percentage-point higher (6.79%) than the current rate:

Decrease (4.79%)	Discount Rate (5.79%)	Increase (6.79%)

Township's proportionate share of the Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 15,798,125	\$ 11,983,551	\$ 8,873,107
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TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 7. Pension Obligations (continued):

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

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by *N.J.S.A.43:15C-1* et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

Note 8. Capital Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments with the statutory period of usefulness. Bonds issued by the Township are general obligations bonds backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects prior to the issuance of serial bonds. The terms of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8. Capital Debt (continued):

During the fiscal year ended December 31, 2015 the following changes occurred in General Capital debt:

	December 31, 2014	Accrued/ Increases	Retired/ Decreases	December 31, 2015	Due Within One Year
General Serial Bonds	\$ 13,483,250	\$ -	\$ (969,450)	\$ 12,513,800	\$ 902,500
Bond Anticipation Notes	9,453,332	12,328,332	(9,453,332)	12,328,332	12,328,332
Green Acres Loan Payable	331,597	-	(36,469)	295,128	37,203
Net Pension Liability - PERS	13,461,687	-	(6,433,612)	7,028,075	-
Net Pension Liability - PFRS	8,195,020	2,822,345	-	11,017,365	-
Authorized but Not Issued	2,296,763	2,094,750	(3,095,000)	1,296,513	-
Total	\$ 47,221,649	\$ 17,245,427	\$ (19,987,863)	\$ 44,479,213	\$ 13,268,035

During the fiscal year ended December 31, 2015 the following changes occurred in Utility Capital debt:

	December 31, 2014	Accrued/ Increases	Retired/ Decreases	December 31, 2015	Due Within One Year
General Obligation Bonds	\$ 6,073,750	\$ -	\$ (500,550)	\$ 5,573,200	\$ 35,000
Bond Anticipation Notes	765,000	1,520,000	(765,000)	1,520,000	1,520,000
NJIT Loan Payable	4,912,132	-	(291,978)	4,620,154	304,114
Accrued Interest	97,176	90,920	(97,176)	90,920	90,920
Authorized but Not Issued	1,637,987	712,500	(755,000)	1,595,487	-
Total	\$ 13,486,045	\$ 2,323,420	\$ (2,409,704)	\$ 13,399,761	\$ 1,950,034

Summary of Statutory Debt Condition – Annual Debt Statement:

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.997%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$ 6,000,000	\$ 6,000,000	\$ -
Water-Sewer Utility Debt	13,308,841	13,308,841	-
General Debt	26,433,772	50,000	26,383,772
Total	\$ 45,742,613	\$ 19,358,841	\$ 26,383,772

Net Debt, \$26,383,772 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$1,321,382,226 equals 1.997%.

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$ 46,248,378
Net Debt	<u>26,383,772</u>
Remaining Borrowing Power	<u>\$ 19,864,606</u>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8. Capital Debt (continued):

Calculation of Self-Liquidating Purposes – Water-Sewer Utility per N.J.S. 40A:2-45

Cash Receipts From Fees, Rents & Other Charges		\$ 4,418,388
Deductions:		
Operating & Maintenance Costs	\$ 2,409,852	
Debt Service	1,000,363	3,410,215
Excess in Revenue - Not Self Liquidating		<u>\$ 1,008,173</u>

Summary of Municipal Debt

	Year 2015	Year 2014	Year 2013
Issued			
General:			
Bonds, Loans & Notes	\$ 25,137,260	\$23,268,179	\$22,829,079
Water-Sewer Utility:			
Bonds & Notes	7,093,200	6,838,750	6,563,600
Infrastructure Trust Loan	4,620,154	4,912,132	5,199,873
Bonds Issued by Another Public Body Guaranteed by the Township	-	-	-
Total Issued	<u>36,850,614</u>	<u>35,019,061</u>	<u>34,592,552</u>
 Authorized but not Issued			
General:			
Bonds & Notes	\$1,296,513	\$2,296,763	\$2,534,663
Water-Sewer Utility:			
Bonds & Notes	1,595,487	1,637,987	1,652,987
Total Authorized But Not Issued	<u>2,892,000</u>	<u>3,934,750</u>	<u>4,187,650</u>
Total Issued & Authorized but not Issued	<u>39,742,614</u>	<u>38,953,811</u>	<u>38,780,202</u>
 Deductions:			
Bonds Issued by Another Public Body Guaranteed by the Township	-	-	-
Self-Liquidating Debt	13,358,842	7,268,889	13,416,460
Total Deductions	<u>13,358,842</u>	<u>7,268,889</u>	<u>13,416,460</u>
Net Debt	<u>\$ 26,383,772</u>	<u>\$31,684,922</u>	<u>\$25,363,742</u>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8. Capital Debt (continued):

A. Schedule of General Capital Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding as follows:

Fiscal				
Year	Principal		Interest	Total
2016	\$ 902,500	\$	356,892	\$ 1,259,392
2017	934,650		329,754	1,264,404
2018	929,650		308,310	1,237,960
2019	840,000		285,479	1,125,479
2020	930,000		262,508	1,192,508
2021-2025	4,445,000		918,850	5,363,850
2026-2030	2,725,000		294,853	3,019,853
2031-2032	807,000		32,986	839,986
Total	<u>\$ 12,513,800</u>	\$	<u>2,789,632</u>	<u>\$ 15,303,432</u>

B. Schedule of Annual Debt Service for Principal and Interest for Long-Term Loan for Crystal Lake Development as follows:

Fiscal				
Year	Principal		Interest	Total
2016	\$ 4,905	\$	705	\$ 5,610
2017	5,004		607	5,611
2018	5,104		506	5,610
2019	5,207		404	5,611
2020	5,311		299	5,610
2021-2022	10,945		275	11,220
Total	<u>\$ 36,476</u>	\$	<u>2,796</u>	<u>\$ 39,272</u>

C. Schedule of Annual Debt Service for Principal and Interest for Long-Term Loan for MacArthur Tract Acquisition as follows:

Fiscal				
Year	Principal		Interest	Total
2016	\$ 32,298	\$	5,012	\$ 37,310
2017	32,947		4,363	37,310
2018	33,609		3,701	37,310
2019	34,248		3,025	37,273
2020	34,974		2,336	37,310
2021-2023	90,541		2,549	93,090
Total	<u>\$ 258,617</u>	\$	<u>20,986</u>	<u>\$ 279,603</u>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8. Capital Debt (continued):

D. Schedule of Water-Sewer Capital Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding as follows:

Fiscal				
Year	Principal	Interest	Total	
2016	\$ 437,500	\$ 168,449	\$ 605,949	
2017	465,350	154,199	619,549	
2018	475,350	142,344	617,694	
2019	365,000	129,928	494,928	
2020	395,000	119,444	514,444	
2021-2025	2,030,000	412,070	2,442,070	
2026-2030	1,130,000	111,252	1,241,252	
2031-2032	275,000	11,278	286,278	
Total	\$ 5,573,200	\$ 1,248,964	\$ 6,822,164	

E. Schedule of Water-Sewer Capital Annual Debt Service for Principal and Interest for Long-Term Loan from New Jersey Infrastructure Trust as follows:

Fiscal				
Year	Principal	Interest	Total	
2016	\$ 304,114	\$ 135,350	\$ 439,464	
2017	307,893	128,850	436,743	
2018	319,572	121,850	441,422	
2019	322,893	114,600	437,493	
2020	333,870	98,450	432,320	
2021-2025	1,819,230	342,050	2,161,280	
2026-2028	1,212,582	73,750	1,286,332	
Total	\$ 4,620,154	\$ 1,014,900	\$ 5,635,054	

Bond Anticipation Notes (See Exhibit C-12 & D-27) – Notes mature November 9, 2016 @ 0.68%.

	December 31, <u>2014</u>	<u>Issued</u>	<u>Retired</u>	December 31, <u>2015</u>
General Capital Fund	\$ 9,453,332	\$ 12,328,332	\$ 9,453,332	\$ 12,328,332
Utility Capital Fund	765,000	1,520,000	765,000	1,520,000
Total	\$ 10,218,332	\$ 13,848,332	\$ 10,218,332	\$ 13,848,332

Note 9. Compensated Absences

The Township has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2015 the balance of the fund was \$174,531. It is estimated that, at December 31, 2015, accrued benefits for compensated absences are valued at \$1,689,690.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 10. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	Balance 12/31/2015	Raised in Subsequent Years
Current Fund:		
Emergency Authorization	\$ 12,500	\$ 12,500
Expenditure Without Appropriation	8,298	8,298
Water-Sewer Utility Operating Fund:		
Emergency Authorization	37,500	37,500
Water-Sewer Utility Capital Fund:		
Overexpenditure of Ordinance	16,472	16,472
General Capital Fund:		
Overexpenditure of Improvement Authorization	3,707	3,707
Total	\$ 78,477	\$ 78,477

The appropriations in the 2015 budget as introduced are not less than that required by the statutes.

Note 11. Joint Insurance Pool

The Township of Haddon is a member of the Camden County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation & Employer's Liability
- General & Automobile Liability
- Public Officials Liability
- Casualty & Crime Coverage
- Property – Blanket Building & Grounds

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the fund's actuary. The commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through commercial insurance for claims in excess of \$500,000 for each insured event.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 11. Joint Insurance Pool (continued):

The Fund publishes its own financial report for the year ended December 31, 2015, which can be obtained from:

Camden County Municipal Joint Insurance Fund
Park 80 West, Plaza One
Saddle Brook, New Jersey 07663

Note 12. New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township’s trust fund for the current and previous two years:

Fiscal Year	Township Contributions	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2015	\$ -	\$ 7,792	\$ 401	\$ 11,851	\$ 128,462
2014	35,000	1,562	383	30,726	132,120
2013	35,000	7,257	673	24,905	125,901

Note 13. Deferred Compensation

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township’s financial statements.

Note 14. Contingent Liabilities

State and Federal Financial Assistance

The Township receives financial assistance from the State of New Jersey and the U. S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 14. Contingent Liabilities (continued):

As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2015, the Township estimates that no material liabilities will result from such audits.

Note 15. Interfunds Receivables and Payables

The following interfunds remained as of December 31, 2015:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 184,695	\$ 1,068,946
Federal and State Grant Fund	295,926	-
General Capital Fund	688,901	450
Water-Sewer Operating Fund	246,080	208,938
Water-Sewer Capital Fund	-	246,080
Trust - Animal Control Fund	-	259
Trust - Other Fund	128,159	19,538
Trust Assessment Fund	450	-
	<u>\$ 1,544,211</u>	<u>\$ 1,544,211</u>

The purpose of these interfunds is short-term borrowings.

Note 16. Accounts Receivable

Accounts receivable at December 31, 2015 consisted of intergovernmental grants, taxes, rents and other accounts receivable. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the Township's individual major and fiduciary funds, in the aggregate, are as follows:

	Current Fund	State & Federal Grant Fund	Trust Other Fund	Utility Operating Fund	Utility Capital Fund	Total
State Aid	\$ 33,487	\$ 1,193,124	\$ 63,519	\$ -	\$ 278,697	\$ 1,568,827
Taxes	1,991,939	-	-	-	-	1,991,939
Rents	-	-	-	10,221	-	10,221
Other	52,603	25,000	3,080	4,824	-	85,507
Total	<u>\$ 2,078,029</u>	<u>\$ 1,218,124</u>	<u>\$ 66,599</u>	<u>\$ 15,045</u>	<u>\$ 278,697</u>	<u>\$ 3,656,494</u>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 17. Post-Retirement Health Benefits

Township of Haddon provides post-employment medical and prescription drug coverage to eligible retired employees and their spouses. Once Medicare age is attained by either the retired employee or the spouse in the case of spousal coverage, Medicare is primary and the Township provides supplementary medical insurance. For Department of Public Works employees, the spouse of ten years prior to retirement will continue to receive medical benefits until age 62 and Medicare becomes primary insurance. Township of Haddon pays 100% of the insurance cost for the retiree.

Township of Haddon’s annual Other Post-Employment Benefit cost is calculated based on the Annual Required Contribution. The actuarial cost method used to determine the Plan’s funding requirements is the “Unit Credit” method. Under this method, an actuarial accrued liability is determined as the present value of the earned benefits, which is allocated to service before the current plan year. The Plan is currently unfunded. The unfunded actuarial liability is amortized over thirty years. The following table shows the changes in Haddon Township’s annual Other Post-Employment Benefit cost for the year ended December 31, 2015, the amount actually contributed to the Plan and changes in their net Other Post-Employment Benefit obligation to the plan:

Annual Required Contribution	\$ 1,342,774
Interest on Net Other Post-Employment Benefit	-
Adjustment to Annual Required Contribution	-
	1,342,774
Annual Other Post-Employment Benefit Contributions Made	-
Increase in Net OPEB Obligation	-
Net OPEB, Beginning of Year	21,463,890
Net OPEB, End of Year	\$ 22,806,664

Township of Haddon’s annual Other Post-Employment Benefit cost, the percentage of annual Other Post Employment Benefit cost contributed to the Plan, and the net Other Post Employment Benefit obligation (OPEB) for the year ending December 31, 2015 is as follows:

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/15	<u>\$1,342,774</u>	<u>0%</u>	<u>\$22,806,664</u>

Actuarial assumptions were used to value the post-retirement medical liabilities. Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphases on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistency with each other assumption, and the combined impact of all assumptions.

Two economic assumptions used in the valuation are the discount rate and the health care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 17. Post-Retirement Health Benefits (continued):

The investment return assumption (discount rate) should be the estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance the payments of benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two for plans that being partially funded. We assumed a discount rate of 5.0 percent for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. We based medical claims on an annual average claims cost of approximately \$18,743 per covered retiree for family coverage and \$7,497 for single coverage prior to age 65. For retirees age 65 and over we have utilized an annual average claims cost of approximately \$11,095 per covered retiree for family coverage and \$4,438 for single coverage. For those retirees without prescription drug coverage, we have utilized an annual average claims cost of approximately \$14,664 per covered retiree for family coverage and \$5,866 for single coverage prior to age 65. For retirees age 65 and over we have utilized an annual average claims cost of approximately \$7,077 per covered retiree for family coverage and \$2,831 for single coverage. We assumed health care costs would increase annually at a rate of 7%.

Township of Haddon currently has twenty-eight eligible retired employees receiving retirement benefits. The net Other Post-Employment Benefit obligation to Township of Haddon to provide benefits to the retirees for the year ended December 31, 2015, was \$22,806,664.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>CURRENT</u>	<u>STATE & FEDERAL</u>
Balance December 31, 2014	\$ 4,604,065	\$ -
Increased by Receipts:		
Tax Collector	45,821,298	-
2015 Appropriation Refunds	757,156	-
Revenue Accounts Receivable	1,529,874	-
Miscellaneous Revenue Not Anticipated	476,030	-
New Jersey State Training Fees	13,693	-
Due to C.C.M.U.A.	183,073	-
Due to Trust Other	83,917	-
Due to General Capital Fund	20,711	-
Due to Current Fund	-	297,440
Federal & State Grants Unappropriated	-	86,832
Federal & State Grants Receivable	-	211,459
	<u>48,885,752</u>	<u>595,731</u>
Subtotal	<u>48,885,752</u>	<u>595,731</u>
Total	<u>53,489,817</u>	<u>595,731</u>
Decreased by Disbursements:		
2015 Appropriations	11,929,257	-
2014 Appropriation Reserves	162,644	-
County Taxes	11,507,867	-
Due County for Added & Omitted Taxes	13,421	-
Fire District Taxes Payable	1,458,380	-
Local District School Tax	23,440,464	-
Business Improvement District Taxes	156,538	-
New Jersey State Training Fees	17,305	-
Special Emergency Note Payable	110,272	-
Tax Overpayments	19,052	-
Accounts Payable	60,166	-
Expenditure Without Appropriation	8,298	-
Due to Utility Operating	155,369	-
Due to Trust - Other	1,160	-
Due from Federal & State Grant Fund	297,440	-
Reserve for Federal & State Grant Funds Appropriated	-	595,731
	<u>49,337,633</u>	<u>595,731</u>
Total Disbursements	<u>49,337,633</u>	<u>595,731</u>
Balance December 31, 2015	<u>\$ 4,152,184</u>	<u>\$ -</u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	-
Increased by:			
Taxes Receivable	\$	43,996,941	
Tax Title Liens		9,394	
Interest & Costs on Taxes		101,174	
2015 Prepaid Taxes		249,287	
Due from State of New Jersey Senior Citizen & Veteran Deductions		202,287	
Consolidated Municipal Property Relief Aid		144,635	
Energy Receipts Tax		1,117,580	45,821,298
Subtotal			45,821,298
Decreased by:			
Payments to Treasurer			45,821,298
Balance December 31, 2015		\$	-

The Collector maintains no bank account. All funds are deposited directly to the Treasurer's bank account.

**SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Office:			
Municipal Court		\$	75
Crystal Lake Pool Operations			125
Township Clerk (Central Cashiering)			150
Tax Collector (Central Cashiering)			300
Total		\$	650

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2015**

YEAR	BALANCE DECEMBER 31, 2014	2015 LEVY	ADDED TAXES		COLLECTED		DUE FROM STATE OF NEW JERSEY		CANCELLED	OVERPAYMENTS APPLIED/CREATED	TRANSFER TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2015
			2014	2015	2014	2015	NEW JERSEY					
Arrears	\$ 3,256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,256
2013	251	-	-	-	-	-	-	-	-	-	-	251
2014	16,297	-	-	-	16,270	(16,093)	2	6,995	-	-	-	9,123
Total	19,804	44,390,965	-	-	16,270	(16,093)	2	6,995	-	-	-	12,630
			40,377	223,816	43,980,671	158,859	24,483	2,303	22,418	18,792		
Total	\$ 19,804	\$ 44,390,965	\$ 40,377	\$ 223,816	\$ 43,996,941	\$ 142,766	\$ 24,485	\$ 9,298	\$ 22,418	\$ 31,422		

ANALYSIS OF 2015 PROPERTY TAX LEVY

General Purpose Tax	\$ 42,771,565
Fire District Taxes	1,458,687
Special District Taxes	160,713
Added & Omitted Taxes	40,377
Total	\$ 44,431,342

TAX LEVY:

Local District School Tax	\$ 23,229,748
County Taxes:	
General County Tax	\$ 10,593,590
County Library Tax	651,600
County Open Space	262,677
Due County for Added & Omitted Taxes	10,872
Fire District Taxes:	
Fire District No. 1	1,266,027
Fire District No. 2	-
Fire District No. 3	42,813
Fire District No. 4	149,540
Special District Taxes:	
Haddon Township Business Improvement	160,713
Local Tax for Municipal Purposes	8,023,274
Add: Addition Tax Levied	40,488
Total	\$ 44,431,342

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	52,722
Increased by:			
Transfers from Taxes Receivable	\$	22,418	
Interest & Cost on Taxes		671	23,089
			<hr/>
Subtotal			75,811
Decreased by:			
Lien Payments Received			<hr/> 9,394
Balance December 31, 2015		\$	<hr/> <hr/> 66,417

**SCHEDULE OF DUE FROM STATE OF NJ VETERAN AND SENIOR CITIZEN DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	61,274
Increased by:			
Senior Citizen & Veterans Deductions Per Tax Billings	\$	171,750	
Deductions Allowed by Tax Collector - 2015 Taxes		2,750	174,500
			<hr/>
Subtotal			235,774
Decreased by:			
Deductions Disallowed by Tax Collector - 2015 Taxes		15,641	
Deductions Disallowed by Tax Collector - 2014 Taxes		16,093	
Receipts - Collector		170,553	202,287
			<hr/>
Balance December 31, 2015		\$	<hr/> <hr/> 33,487

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	ACCRUED IN 2015	REALIZED	BALANCE DECEMBER 31, 2015
Clerk:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 25,445	\$ 25,445	\$ -
Other	-	28,681	28,681	-
Fees & Permits	-	275,933	275,933	-
Municipal Court:		-		
Fines & Costs	21,389	334,647	334,832	21,204
Parking Meters	-	19,610	19,610	-
Operation of Crystal Lake	-	222,848	222,848	-
Uniform Construction Code Fees & Permits	-	244,020	244,020	-
Uniform Fire Safety Act	-	23,205	23,205	-
Borough of Audubon Park - Police Protection Services	-	355,300	355,300	-
Total	<u>\$ 21,389</u>	<u>\$ 1,529,689</u>	<u>\$ 1,529,874</u>	<u>\$ 21,204</u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF FORECLOSED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2015 & 2014

\$ 1,894,100

**SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	ADDED IN 2015	RAISED IN 2015 BUDGET	BALANCE DECEMBER 31, 2015
Expenditure without an Appropriation	\$ -	\$ 8,298	\$ -	\$ 8,298
Emergency Authorization	-	12,500	-	12,500
Overexpenditure of Appropriations	-	-	-	-
Total	<u>\$ -</u>	<u>\$ 20,798</u>	<u>\$ -</u>	<u>\$ 20,798</u>

TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015

OPERATIONS	BALANCE		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED	RESERVED			
General Government Functions:					
General Administration:					
Salaries and Wages	\$ -	\$ 1,815	\$ 1,815	\$ -	\$ 1,815
Other Expenses	-	301	301	-	301
Human Resources:					
Salaries and Wages	-	325	325	-	325
Other Expenses	-	31,666	31,666	-	31,666
Mayor & Commissioners:					
Other Expenses	-	185	185	-	185
Municipal Clerk:					
Salaries and Wages	-	922	922	-	922
Other Expenses	198	1,227	1,425	224	1,201
Registrar of Vital Statistics:					
Salaries and Wages	-	25	25	-	25
Other Expenses	-	151	151	-	151
Financial Administration:					
Salaries and Wages	-	589	589	-	589
Other Expenses	786	5,398	6,184	786	5,398
Audit Services:					
Annual Audit	-	2,850	2,850	-	2,850
Revenue Administration (Tax Collector):					
Salaries and Wages	-	3,951	3,951	-	3,951
Other Expenses	378	3,614	3,992	545	3,447
Tax Assessor:					
Salaries and Wages	-	363	363	-	363
Other Expenses	-	12,662	12,662	-	12,662
Legal Services:					
Other Expenses	-	73,631	54,131	10,070	44,061
Municipal Court:					
Salaries and Wages	-	474	474	-	474
Other Expenses	1,046	4,481	5,527	655	4,872
Engineering Services & Cost:					
Other Expenses	-	7,083	7,083	-	7,083
Economic Development:					
Other Expenses	-	421	421	400	21
Land Use Administration:					
Planning Board:					
Salaries and Wages	-	668	668	-	668
Other Expenses	95	487	782	762	20
Code Enforcement & Administration:					
Rent Control Commission:					
Salaries and Wages	-	4,649	4,649	-	4,649
Other Expenses	91	597	688	98	590
Insurance:					
Disability Insurance	-	481	481	-	481
Employee Group Health	-	273,498	273,498	-	273,498
Health Benefit Waiver	-	451	451	-	451
Public Safety Functions:					
Police:					
Salaries and Wages	-	6,234	6,234	-	6,234
Other Expenses	14,805	624	15,429	14,602	827

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	BALANCE DECEMBER 31, 2014		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED	RESERVED			
Office of Emergency Management:					
Salaries and Wages	-	50	50	-	50
Other Expenses	-	250	250	-	250
Uniform Fire Safety Act:					
Salaries and Wages	-	2,859	2,859	-	2,859
Other Expenses	42	605	647	50	597
Fire Hydrant Services	-	1,258	1,258	-	1,258
Municipal Prosecutor:					
Salaries and Wages	-	1,991	1,991	1,116	875
Public Works Functions:					
Streets & Roads Maintenance:					
Salaries and Wages	-	20,436	20,436	-	20,436
Other Expenses	20,693	12,853	33,546	11,202	22,344
Maintenance of Traffic Lights:					
Other Expenses	965	1,339	2,304	965	1,339
Shade Tree:					
Salaries and Wages	-	67	67	-	67
Other Expenses	9,395	3,332	12,727	8,641	4,086
Solid Waste Collection:					
Other Expenses	11,802	29,932	41,734	8,225	33,509
Building & Grounds:					
Other Expenses	2,925	3,109	6,034	1,570	4,464
Vehicle Maintenance:					
Other Expenses	5,338	19,590	24,928	611	24,317
Community Services Act:					
Other Expenses	-	15,661	15,661	14,958	703
Health & Human Services:					
Environmental Commission:					
Other Expenses	576	91	667	655	12
Animal Control Program:					
Other Expenses	136	6,640	6,776	5,123	1,653
Park & Recreation Functions:					
Crystal Lake Pool:					
Salaries and Wages	-	95	95	-	95
Other Expenses	2,208	3,176	5,384	897	4,487
Parks & Playgrounds:					
Other Expenses	930	6,066	6,996	-	6,996
Utility Expense & Bulk Purchases:					
Electricity	-	11,123	26,123	24,367	1,756
Street Lighting	-	311	311	311	-
Telephone	774	97	1,171	1,124	47
Natural Gas	3,903	791	8,694	5,783	2,911
Gasoline	-	29,329	29,329	3,821	25,508
Postage	-	550	550	-	550
Copier	1,360	1,579	2,939	589	2,350
Landfill/Solid Waste Disposal Costs:					
Disposal Costs	39,685	617	40,302	35,782	4,520
Appropriation Offset By					
Dedicated Revenues:					
Code Enforcement & Administration:					
Salaries and Wages	-	6,752	6,752	-	6,752
Other Expenses	91	11,427	11,518	740	10,778

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	BALANCE DECEMBER 31, 2014		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED	RESERVED			
Other Common Operating Functions:					
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	764	796	1,560	879	681
Senior Citizen Coordinator:					
Salaries and Wages	-	32	32	-	32
Other Expenses	-	1,505	1,505	-	1,505
Community Communications:					
Salaries and Wages	-	316	316	-	316
Other Expenses	9,005	16,460	25,465	11,470	13,995
<hr/>					
Total General Appropriations for Municipal Purposes Within "CAPS"	127,991	650,908	778,899	167,021	611,878
<hr/>					
Deferred Charges & Statutory Expenditures					
Municipal Within "CAPS":					
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)					
	-	5,689	5,689	-	5,689
Employees Retirement System	-	50	50	-	50
Police & Fireman's Retirement Pension Fund	-	50	50	-	50
<hr/>					
Total Deferred Charges & Statutory Expenditures Within "CAPS"	-	5,789	5,789	-	5,789
<hr/>					
Operations Excluded From "CAPS":					
Stormwater Regulations:					
Salary & Wages	-	1,429	1,429	-	1,429
<hr/>					
Total Operations Excluded from "CAPS"	-	1,429	1,429	-	1,429
<hr/>					
Grand Total All Appropriations	\$ 127,991	\$ 658,126	\$ 786,117	\$ 167,021	\$ 619,096
<hr/>					
Accounts Payable				\$ 4,377	
Cash Disbursements				162,644	
				<hr/>	
Total				\$ 167,021	
				<hr/>	

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 127,991
Increased by:	
2015 Appropriations	<u>112,686</u>
Subtotal	240,677
Decreased by:	
Transferred to 2014 Appropriations Reserves	<u>127,991</u>
Balance, December 31, 2015	<u><u>\$ 112,686</u></u>

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 223,816
Increased by:	
Collections - 2015 Taxes	<u>249,287</u>
Subtotal	473,103
Decreased by:	
Application to 2014 Taxes Receivable	<u>223,816</u>
Balance, December 31, 2015	<u><u>\$ 249,287</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 51,951
Increased by:		
Overpayments in 2015		<u>43,418</u>
Subtotal		95,369
Decreased by:		
Refunded	\$ 19,052	
Adjustment to Overpayments	2,307	
Applied to Current Year Taxes	<u>32,961</u>	<u>54,320</u>
Balance, December 31, 2015		<u><u>\$ 41,049</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF DUE TO STATE OF NJ UNIFORM CONSTRUCTION CODE - TRAINING FEES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 3,612
Increased by:	
Receipts - Collector	<u>13,693</u>
Subtotal	17,305
Decreased by:	
Disbursements	<u>17,305</u>
Balance, December 31, 2015	<u><u>\$ -</u></u>

**SCHEDULE OF LOCAL SCHOOL DISTRICT TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 210,768
Increased by:	
Levy - Calendar Year 2015	<u>23,229,748</u>
Subtotal	23,440,516
Decreased by:	
Disbursements	<u>23,440,464</u>
Balance, December 31, 2015	<u><u>\$ 52</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF FIRE DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	2015 LEVY	DISBURSEMENTS	CANCEL PRIOR YEAR RECEIVABLE	BALANCE DECEMBER 31, 2015
Fire District No.1	\$ 11,497	\$ 1,266,027	\$ 1,266,027	\$ -	\$ 11,497
Fire District No.3	-	42,813	42,813	-	-
Fire District No.4	-	149,540	149,540	-	-
Total	\$ 11,497	\$ 1,458,380	\$ 1,458,380	\$ -	\$ 11,497

**SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$ -
Increased by:		
County Tax	\$ 10,593,590	
County Library Tax	651,600	
County Open Space Tax	262,677	11,507,867
Subtotal		11,507,867
Decreased by:		
Disbursements		11,507,867
Balance December 31, 2015		\$ -

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF DUE COUNTY FOR ADDED AND OMITTED TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014:	\$ 13,421
Increased by:	
County Share of 2015 Added Taxes	<u>10,872</u>
Subtotal	24,293
Decreased by:	
Disbursements	<u>13,421</u>
Balance December 31, 2015:	<u><u>\$ 10,872</u></u>

**SCHEDULE OF BUSINESS IMPROVEMENT DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ -
Increased by:	
Receipts - Collector	<u>156,538</u>
Subtotal	156,538
Decreased by:	
Transfer to Business Improvement District	<u>156,538</u>
Balance December 31, 2015	<u><u>\$ -</u></u>

**FEDERAL AND STATE GRANTS FUND
SCHEDULE OF FEDERAL, STATE AND OTHER GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	ACCRUED	RECEIVED	TRANSFERS FROM UNAPPROPRIATED	BALANCE DECEMBER 31, 2015
State Grants:					
Seatbelt Enforcement Grant	\$ 400	\$ -	\$ -	\$ -	\$ 400
Drug Awareness & Resistance Education:					
Municipal Alliance Program	-	16,413	9,031	7,382	-
Safe & Secure Communities Grant	-	8,395	-	8,395	-
Delaware Valley Estuary Grant	25,000	-	-	-	25,000
Alcohol Education & Rehabilitation Fund	9,637	2,357	2,357	-	9,637
Environmental Commissioner - DEP Grant	210	-	-	-	210
Economic Development Authority Grant	1,021,623	-	163,437	-	858,186
Pedestrian Safety Grant	16,480	-	300	-	16,180
Green Communities Grant	-	500	-	500	-
CSIP Shade Tree Program	280	-	-	-	280
NJ Historic Trust	18,725	-	-	-	18,725
Recycling Tonnage Grant	-	1,120	-	1,120	-
Gardiner Small Communities Grant	-	35,000	-	-	35,000
Drive Sober or Get Pulled Over	5,850	-	-	-	5,850
NJDEP - Clean Communities Grant	13,656	30,650	30,650	-	13,656
NJDOT Municipal Grant	-	201,000	-	-	201,000
ANJEC Open Space Environmental Body Armor Fund	495	-	495	-	-
Holiday Crackdown	7,500	-	-	2,693	-
Click It or Ticket	4,000	-	2,500	-	7,500
Drunk Driving Enforcement	-	4,968	-	4,968	-
Total State Grants	1,123,856	305,785	211,459	25,058	1,193,124
Other Grants:					
Camden County Open Space Grant: MacArthur Tract	25,000	-	-	-	25,000
Total Other Grants	25,000	-	-	-	25,000
Total All Grant	\$ 1,148,856	\$ 305,785	\$ 211,459	\$ 25,058	\$ 1,218,124

**TOWNSHIP OF HADDON
FEDERAL AND STATE GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>STATE GRANTS</u>	BALANCE DECEMBER 31, 2014	CASH RECEIPTS	REALIZED AS REVENUE IN 2015 BUDGET	BALANCE DECEMBER 31, 2015
Drunk Driving Enforcement Grant	\$ 4,968	\$ 1,950	\$ 4,968	\$ 1,950
Body Armor Fund	2,693	-	2,693	-
Recycling Tonnage Grant	1,120	-	1,120	-
Safe & Secure Communities Grant	8,395	60,000	8,395	60,000
Drug Awareness - Municipal Alliance	7,382	7,382	7,382	7,382
Green Communities Grant	500	-	500	-
Sustainable Grant	-	17,500	-	17,500
	<hr/>			
Total All Grant	\$ 25,058	\$ 86,832	\$ 25,058	\$ 86,832
	<hr/> <hr/>			

**TOWNSHIP OF HADDON
FEDERAL AND STATE GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	TRANSFER FROM 2015 BUDGET APPROPRIATION	EXPENDED	ENCUMBERED	BALANCE DECEMBER 31, 2015
State Grants:					
Recycling Tonnage Grant	\$ 72,704	\$ 1,120	\$ 27,606	\$ 1,213	\$ 45,005
Alcohol Education & Rehabilitation Fund	3,826	2,357	5,176	-	1,007
Environmental Commissioner - DEP Grant	620				620
Drunk Driving Enforcement Grant	7,029	4,968	1,950	-	10,047
Clean Communities Grant	117,668	30,650	11,282	-	137,036
Pedestrian Safety Grant	16,280	-	300	-	15,980
Delaware Valley Estuary Grant	25,000	-	-	-	25,000
Body Armor Fund	2,190	5,382	2,100	-	5,472
Economic Development Authority Grant -2008	12,486	-	885	-	11,601
Economic Development Authority Grant -2009	539,185	-	182,242	-	356,943
Economic Development Authority Grant -2011	38,567	-	2,335	-	36,232
Economic Development Authority Grant -2013	604,951	-	45,346	-	559,605
CSIP Tree Commission	99	-	-	-	99
NJ Historic Trust	25,300	-	-	-	25,300
NJDEP Clean Communities	13,656	-	-	-	13,656
NJ DOT Municipal Aid	14,847	-	-	-	14,847
NJ DOT Municipal Aid Mansion Ave 2015	-	201,000	100,000	101,000	-
Click It or Ticket - 2014	4,000	-	-	-	4,000
Drive Sober or Get Pulled Over - 2013	3,600	-	900	-	2,700
Drive Sober or Get Pulled Over - 2014	5,000	-	-	-	5,000
Safe & Secure Communities Grant	-	161,200	161,200	-	-
NJLM Grant	1,115	-	-	-	1,115
Holiday Crackdown - 2014	7,500	-	1,150	-	6,350
Municipal Alliance	-	18,259	18,259	-	-
Green Communities	-	500	-	-	500
Gardiner Small Communities Grant	-	35,000	35,000	-	-
Total State Grants	<u>1,515,623</u>	<u>460,436</u>	<u>595,731</u>	<u>102,213</u>	<u>1,278,115</u>
Other Grants:					
Camden County Open Space Grant: Saddle Woods Project	19,088	-	-	-	19,088
Fire Safety Program - Township Match	355	-	-	-	355
Safe & Secure Grant - Township Match	27,447	-	-	-	27,447
Total Other Grants	<u>46,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,890</u>
Total All Grant	<u>\$ 1,562,513</u>	<u>\$ 460,436</u>	<u>\$ 595,731</u>	<u>\$ 102,213</u>	<u>\$ 1,325,005</u>

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TRUST FUND

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**TOWNSHIP OF HADDON
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>OTHER</u>	<u>ANIMAL CONTROL FUND</u>
Balance December 31, 2014	\$ 1,917,219	\$ 7,224
Increased by Receipts:		
Animal Control	\$ -	\$ 7,903
Dog Registration Fees - Due State of New Jersey	-	748
Due Current Fund	1,160	15
Reserve for Payroll	7,485,275	-
Marriage License Fees - Due State of New Jersey	1,750	-
Community Development Block Grant Receivable	16,709	-
Various Reserves	3,121,200	-
	<u>10,626,094</u>	<u>8,666</u>
Total Increases	<u>10,626,094</u>	<u>8,666</u>
Total Increases & Balances	<u>12,543,313</u>	<u>15,890</u>
Decreased by Disbursements:		
Expenditures Under R.S.4:19-15.11	-	14,258
Dog Registration Fees - Due State of New Jersey	-	748
Due Utility Operating Fund	-	-
Due Current Fund	83,917	-
Reserve for Payroll	7,729,266	-
Marriage License Fees - Due State of New Jersey	1,375	-
Various Reserves	2,820,096	-
	<u>10,634,654</u>	<u>15,006</u>
Total Disbursements	<u>10,634,654</u>	<u>15,006</u>
Balance December 31, 2015	<u>\$ 1,908,659</u>	<u>\$ 884</u>

**TOWNSHIP OF HADDON
TRUST ASSESSMENT FUND
SCHEDULE OF DEPOSITS ON FUTURE ASSESSMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NAME	BLOCK	LOT	AMOUNT
Alan J. Curtin	248	20	\$ 300
Hamilton Builders, Inc. (D&G Albanese Paving)	20	8	<u>150</u>
Total			<u><u>\$ 450</u></u>

**TOWNSHIP OF HADDON
TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	7,010
Increased by:		
Receipts:		
Dog License Fees	\$	6,284
Cat License Fees		1,132
Late Fees & Duplicate Tag Fees		487
		7,903
Subtotal		14,913
Decreased by:		
Disbursements - Expenditures Under R.S. 4:19-15.11 Cash		14,258
		14,258
Balance/(Deficit) December 31, 2015	\$	655

LICENSE FEES COLLECTED

YEAR	AMOUNT
2014	\$ 8,644
2013	8,881
	8,881
Total	\$ 17,525

**TOWNSHIP OF HADDON
TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE TO/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 244
Increased by:	
Interest Earned on Investments & Deposits	<u>15</u>
Balance December 31, 2015	<u><u>\$ 259</u></u>

**SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ -
Increased by:	
Registration Fees Collected	<u>748</u>
Subtotal	748
Decreased by:	
Disbursements	<u>748</u>
Balance December 31, 2015	<u><u>\$ -</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 45,128
Increased by:	
Additional Funding Awarded	<u>35,100</u>
Subtotal	80,228
Decreased by:	
Cash Receipts	<u>16,709</u>
Balance, December 31, 2015	<u><u>\$ 63,519</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 354,211
Increased by:	
Receipts	<u>7,485,275</u>
Subtotal	7,839,486
Decreased by:	
Disbursements	<u>7,729,266</u>
Balance December 31, 2015	<u><u>\$ 110,220</u></u>

**TOWNSHIP OF HADDON
TRUST FUND OTHER FUND
SCHEDULE OF DUE TO/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2012 (Due from)	\$ 81,779
Increased by:	
Transfer to Current Fund	<u>3,500</u>
Subtotal	85,279
Decreased by:	
Transfer From Current Fund	<u>1,160</u>
Balance, December 31, 2014 (Due from)	<u><u>\$ 84,119</u></u>

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE & BURIAL LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 2,612
Increased by:	
Receipts	<u>1,750</u>
Subtotal	4,362
Decreased by:	
Disbursements	<u>1,375</u>
Balance, December 31, 2015	<u><u>\$ 2,987</u></u>
Marriage License	\$ 2,842
Burial License	<u>145</u>
Total	<u><u>\$ 2,987</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF VARIOUS OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE			BALANCE
	DECEMBER 31, 2014	INCREASES	DECREASES	DECEMBER 31, 2015
Reserve for:				
POAA	\$ 3,903	\$ 762	\$ -	\$ 4,665
Unemployment Compensation Insurance	132,120	8,193	11,851	128,462
Disposal of Forfeited Property	(296)	296	-	-
Tax Title Liens & Premiums	1,069,817	1,900,380	1,828,971	1,141,226
Municipal Drug Alliance	16,646	38	-	16,684
Funds Held in Escrow	54,149	30,398	34,056	50,491
Employment of Off-Duty Police Officers	157,406	952,350	777,971	331,785
Recreation Trust Fund	838	21,284	22,122	-
Accumulated Leave Compensation	134,531	40,000	-	174,531
Donations - Civic Celebrations	22,397	42,412	50,489	14,320
Election Expense	7,403	-	1,000	6,403
Maintenance - West Bid Signs	4,000	-	-	4,000
Cell Tower Lease Deposits	4,400	-	-	4,400
Snow Removal Escrow	35,124	-	30,011	5,113
Library	2,403	-	-	2,403
Public Defender	30,541	8,325	-	38,866
M.L.E.T.A.	800	-	-	800
Shade Tree Program	5	-	-	5
Developer Escrow	(1,494)	11,196	9,702	-
Developer Escrow - Lazcor	3,047	12,124	9,065	6,106
Community Garden Donations	1,149	680	464	1,365
Environment Community Donations	7,332	4,671	3,800	8,203
Westmont Theatre Deposit	10,000	-	-	10,000
Reserve for Community Deveopment Block Grant	-	55,313	40,594	14,719
Reserve for Police Video Surcharge	-	125	-	125
Reserve for T-Mobile Inspection Escrow	-	6,000	-	6,000
	<hr/>			
Total	\$ 1,696,221	\$ 3,094,547	\$ 2,820,096	\$ 1,970,672
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GENERAL CAPITAL FUND

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**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 1,290,006
Increased by Receipts:		
Bond Anticipation Notes	\$ 12,328,332	
DOT Grant Receipt	50,000	
Interest due to Current Fund	2,469	
Reserve for DY DEE Development - Interest Earnings	295	
Capital Improvement Fund	65,000	12,446,096
		<hr/>
Subtotal		13,736,102
Decreased by Disbursements:		
Bond Anticipation Note Payable	9,233,332	
Due From Current	20,711	
Improvement Authorizations	1,752,799	11,006,842
		<hr/>
Balance, December 31, 2015		<u><u>\$ 2,729,260</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2015**

Fund Balance	\$ 23,583
Capital Improvement Fund	1,550
Due Trust Assessment Fund	450
Reserve for Encumbrances	1,058,681
Reserve for Flood Proceeds	25,866
Reserve for DY DEE Development	5,307
Due Current Fund	(688,901)
Deferred Charges - Overexpenditure of Improvement Authorization	(3,707)
Reserve for Repayment of Debt	50,000

Improvement Authorizations:

ORDINANCE

NUMBER	DESCRIPTION	
911	Various Improvements	412
933-1065	Acquisition of MacArthur Tract	73,635
1103	Acquisition, Construction, Repair & Installation of Various Capital Improvements	26,194
1104	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	74,099
1134	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,115
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	(898)
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	41,515
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	402,212
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	675,652
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	127,853
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	58,506
1298	Acquisition, Construction, Repair & Installation of Various Capital Improvements	5,724
1308	Acquisition of Various Capital Equipment Department of Public Safety	(5,351)
1309	Acquisition of Capital Equipment & Various Capital Improvements	(64,214)
1321	Acquisition of Capital Equipment & Various Capital Improvements	33,456
1322	Acquisition of Capital Equipment & Various Capital Improvements	49,867
1328	Acquisition of Real Property in the Township	313,620
1334	Acquisition of Capital Equipment & Various Capital Improvements	513,263
1336	Acquisition of Various Equipment for Police Department	167,271
1345	Improvements to Real Property in The Township	(237,500)
Total		\$ 2,729,260

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 13,814,847
Decreased by:		
2015 Budget Appropriations:		
Serial Bonds Payable	\$ 969,450	
Green Acres Loans	36,469	1,005,919
Balance, December 31, 2015		<u>\$ 12,808,928</u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	2015 AUTHORIZATIONS	FUNDED	BALANCE DECEMBER 31, 2015	ANALYSIS OF BALANCE DECEMBER 31, 2015		
						BANS OUTSTANDING	EXCESS FINANCING	UNEXPENDED BALANCE
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	\$ 7,346,832	\$ -	\$ 182,000	\$ 7,164,832	\$ 7,246,832	\$ (82,000)	\$ -
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	898	-	-	898	-	-	898
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	38,765	-	-	38,765	-	-	38,765
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	41,900	-	-	41,900	-	-	41,900
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	429,600	-	38,000	391,600	351,500	-	40,100
1298	Acquisition of Capital Equipment & Various Capital Improvements	1,054,500	-	-	1,054,500	1,004,500	-	50,000
1308	Acquisition of Various Capital Equipment for the Department of Public Safety	205,500	-	-	205,500	195,500	-	4,649
1309	Acquisition of Capital Equipment & Various Capital Improvements	1,235,000	-	-	1,235,000	1,135,000	-	35,786
1321	Acquisition of Capital Equipment & Various Capital Improvements	183,350	-	-	183,350	150,000	-	33,350
1322	Acquisition of Various Capital Equipment & Various Capital Improvements	1,213,750	-	-	1,213,750	1,000,000	-	213,750
1328	Acquisition of Real Property in the Township	-	313,500	-	313,500	313,500	-	-
1334	Acquisition of Capital Equipment & Various Capital Improvements	-	1,353,750	-	1,353,750	741,500	-	612,250
1336	Acquisition of Various Capital Equipment for the Police Department	-	190,000	-	190,000	190,000	-	-
1345	Improvements to Real Property in the Township	-	237,500	-	237,500	-	-	237,500
Total		\$ 11,750,095	\$ 2,094,750	\$ 220,000	\$ 13,624,845	\$ 12,328,332	\$ (82,000)	\$ 1,070,550

Payment of Bond Anticipation Note

\$ 220,000

\$ 220,000

\$ 220,000

Improvement Authorizations Unfunded
Less - Unexpended Proceeds of Bond Anticipation

Notes Issued:

Ordinance 1104/1247	74,099
Ordinance 1240	351,500
Ordinance 1298	5,724
Ordinance 1321	33,456
Ordinance 1322	49,867
Ordinance 1328	313,500
Ordinance 1334	513,263
Ordinance 1336	167,271
	<u>\$ 1,070,550</u>

\$ 2,579,230

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DY-DEE DEVELOPMENT
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	5,012
Increased by:		
Interest Earnings		<u>295</u>
Balance, December 31, 2015	\$	<u><u>5,307</u></u>

**SCHEDULE OF DUE FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	611,881
Increased by:		
Overexpenditure Appropriation Due From Current	\$	46,278
Downpayment Emergency Authorization Due From Current		12,500
Interest Due to Current		
Due From Current		<u>20,711</u>
Subtotal		79,489
Decreased by:		
Interest Due to Current		<u>2,469</u>
Balance, December 31, 2015	\$	<u><u>688,901</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 7,800
Increased by:	
Receipts - 2015 Budget Appropriation	<u>65,000</u>
Subtotal	72,800
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>71,250</u>
Balance, December 31, 2015	<u><u>\$ 1,550</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2014		2015 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	OVER-EXPENDITURE	BALANCE DECEMBER 31, 2015	
				FUNDED	UNFUNDED						FUNDED	UNFUNDED
911	Various Improvements	5/7/91	\$ -	\$ 412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 412	\$ -
933-1065	Acquisition of MacArthur Tract	4/21/92&00	1,650,000	73,635	-	-	-	-	-	-	73,635	-
1103	Installation of Various Capital Improvements	5/18/04	3,675,000	29,421	-	-	25,423	26,652	1,998	-	26,194	-
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	9/28/04	8,000,000	-	295,476	-	-	221,377	-	-	-	74,099
1134	Acquisition, Construction, Repair & Installation of Various Capital Improvements	5/31/05	1,400,000	11,975	-	-	14,938	21,350	4,448	-	1,115	-
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	5/23/06	1,500,000	-	-	-	24,605	24,605	-	-	-	-
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/25/07	1,550,000	59,242	35,977	-	3,620	14,654	3,925	-	41,515	38,765
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	5/18/04	2,400,000	446,850	-	-	31,794	57,208	19,224	-	360,312	41,900
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/23/09	2,211,000	677,925	-	-	136,895	2,562	136,606	-	284,052	391,600
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/23/10	1,625,000	127,571	-	-	108,265	2,596	105,387	-	127,853	-
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	4/26/11	1,365,000	61,846	-	-	23,629	25,834	1,135	-	58,506	-
1298	Acquisition of Capital Equipment & Various Capital Improvements	7/24/12	1,054,500	-	158,461	-	89,689	181,484	10,942	-	-	55,724
1308	Acquisition of Various Capital Equipment for the Department of Public Safety	7/23/13	215,800	-	41,449	-	16,686	48,305	5,181	-	-	4,649
1309	Acquisition of Capital Equipment & Various Capital Improvements	7/23/13	1,300,000	-	515,397	-	62,112	425,900	115,823	-	-	35,786
1321	Acquisition of Capital Equipment & Various Capital Improvements	8/26/14	193,000	-	103,776	-	-	36,970	-	-	-	66,806
1322	Acquisition of Capital Equipment & Various Capital Improvements	8/26/14	1,425,000	-	720,546	-	258,102	333,252	381,779	-	-	263,617
1328	Acquisition of Real Property in the Township	4/28/15	330,000	-	-	330,000	-	16,380	-	-	120	313,500
1334	Acquisition of Capital Equipment & Various Capital Improvements	7/28/15	1,425,000	-	-	1,425,000	-	49,756	249,731	-	-	1,125,513
1336	Acquisition of Various Capital Equipment for the Police Department	7/28/15	200,000	-	-	200,000	-	10,227	22,502	-	-	167,271
1345	Improvements to Real Property in the Township	10/27/15	250,000	-	-	250,000	-	253,707	-	3,707	-	-
Total				\$ 1,488,877	\$ 1,871,082	\$ 2,205,000	\$ 795,758	\$ 1,752,799	\$ 1,058,681	\$ 3,707	\$ 973,714	\$ 2,579,230

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM - CRYSTAL LAKE DEVELOPMENT
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	41,284
Decreased by:		
Budget Appropriation		4,808
Balance, December 31, 2015	\$	36,476

SCHEDULE OF GREEN ACRES LOAN PAYABLE DECEMBER 31, 2015

April 2016		2,440
October 2016		2,465
April 2017		2,489
October 2017		2,514
April 2018		2,539
October 2018		2,565
April 2019		2,590
October 2019		2,616
April 2020		2,643
October 2020		2,669
April 2021		2,696
October 2021		2,723
April 2022		2,750
October 2022		2,777
Total	\$	36,476

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM - MAC ARTHUR TRACT ACQUISITION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 290,313
Decreased by:	
Budget Appropriation	<u>31,661</u>
Balance, December 31, 2015	<u><u>\$ 258,652</u></u>

SCHEDULE OF GREEN ACRES LOAN PAYABLE DECEMBER 31, 2015

January 2016	16,069
July 2016	16,229
January 2017	16,391
July 2017	16,555
January 2018	16,721
July 2018	16,888
January 2019	17,057
July 2019	17,228
January 2020	17,400
July 2020	17,574
January 2021	17,750
July 2021	17,927
January 2022	18,106
July 2022	18,287
January 2023	<u>18,470</u>
Total	<u><u>\$ 258,652</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2014	ISSUED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			DATE	AMOUNT					
2006 General Bonds	4/20/2006	6,175,000	11/15/2016	300,000	4.125%	\$ 600,000	\$ -	\$ 300,000	\$ 300,000
2008 General Bonds	5/7/2008	2,595,000	5/1/16-18	125,000	3.625%	2,045,000	-	115,000	1,930,000
			5/1/19	135,000	3.625%				
			5/1/20	140,000	3.750%				
			5/1/21	150,000	3.750%				
			5/1/22-23	160,000	3.750%				
2008 Refunding Bonds	5/7/2008	2,394,000	5/1/24-27	160,000	4.000%	641,250	-	219,450	421,800
			5/1/28	170,000	4.000%				
2013 General Bonds	8/15/2013	6,057,000	8/15/16	210,000	2.000%	5,642,000	-	210,000	5,432,000
			8/15/17	210,000	2.000%				
			8/15/18	210,000	2.000%				
			8/15/19	210,000	2.000%				
			8/15/20	305,000	2.000%				
			8/15/21	310,000	2.000%				
			8/15/22	320,000	2.000%				
			8/15/23	325,000	2.000%				
			8/15/24	335,000	2.000%				
			8/15/25	340,000	2.125%				
			8/15/26	350,000	2.250%				
			8/15/27	360,000	2.350%				
			8/15/28	370,000	2.450%				
8/15/29	380,000	2.500%							
8/15/30	390,000	2.600%							
8/15/31	400,000	2.650%							
8/15/32	407,000	2.750%							

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2014	ISSUED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			OUTSTANDING DECEMBER 31, 2014	AMOUNT					
2013 Refunding Bonds	8/15/2013	1,035,000	110,000	110,000	1.000%	795,000	-	110,000	685,000
	8/15/17		120,000	120,000	1.000%				
	8/15/18		120,000	120,000	2.000%				
	8/15/19		115,000	115,000	2.000%				
	8/15/20		110,000	110,000	2.000%				
2014 Refunding Bonds	8/15/21		110,000	110,000	2.000%				
	11/15/16	3,705,000	15,000	15,000	2.000%	3,760,000	-	15,000	3,745,000
	11/15/17		340,000	340,000	2.000%				
	11/15/18		335,000	335,000	2.000%				
	11/15/19		380,000	380,000	3.000%				
	11/15/20		375,000	375,000	3.000%				
	11/15/21		375,000	375,000	3.000%				
11/15/22		370,000	370,000	4.000%					
11/15/23		390,000	390,000	4.000%					
11/15/24		390,000	390,000	4.000%					
11/15/25		390,000	390,000	4.000%					
11/15/26		385,000	385,000	4.000%					
Total						\$ 13,483,250	\$ -	\$ 969,450	\$ 12,513,800

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2014	INCREASE	DECREASE	BALANCE DECEMBER 31, 2015
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDec Redevelopment Project	11/17/05	1/29/15	1/28/16	0.779%	\$ 4,548,832	\$ 4,448,832	\$ 4,548,832	\$ 4,448,832
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDec Redevelopment Project	11/24/09	1/29/15	1/28/16	0.779%	2,880,000	2,798,000	2,880,000	2,798,000
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	11/24/09	1/29/15	1/28/16	0.779%	389,500	351,500	389,500	351,500
1298	Acquisition of Capital Equipment & Various Capital Improvements	11/13/2014	11/10/15	11/09/16	0.68%	854,500	1,004,500	854,500	1,004,500
1308	Acquisition of Capital Equipment & Various Capital Improvements	11/13/2014	11/10/15	11/09/16	0.68%	145,500	195,500	145,500	195,500
1309	Acquisition of Capital Equipment & Various Capital Improvements	11/13/2014	11/10/15	11/09/16	0.68%	635,000	1,135,000	635,000	1,135,000
1321	Acquisition of Capital Equipment & Various Capital Improvements	11/10/2015	11/10/15	11/09/16	0.68%	-	150,000	-	150,000
1322	Acquisition of Capital Equipment & Various Capital Improvements	11/10/2015	11/10/15	11/09/16	0.68%	-	1,000,000	-	1,000,000
1328	Acquisition of Real Property in the Township	11/10/2015	11/10/15	11/09/16	0.68%	-	313,500	-	313,500
1334	Acquisition of Capital Equipment & Various Capital Improvements	11/10/2015	11/10/15	11/09/16	0.68%	-	741,500	-	741,500
1336	Acquisition of Various Equipment for Police department	11/10/2015	11/10/15	11/09/16	0.68%	-	190,000	-	190,000
Total						\$ 9,453,332	\$ 12,328,332	\$ 9,453,332	\$ 12,328,332

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	2015 AUTHORIZATIONS	BOND ANTICIPATION NOTES ISSUED	BALANCE DECEMBER 31, 2015
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	\$ 898	\$ -	\$ -	\$ 898
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	38,765	-	-	38,765
1298	Acquisition of Capital Equipment & Various Capital Improvements	200,000	-	150,000	50,000
1308	Acquisition of Capital Equipment & Various Capital Improvements	60,000	-	50,000	10,000
1309	Acquisition of Capital Equipment & Various Capital Improvements	600,000	-	500,000	100,000
1321	Acquisition of Capital Equipment & Various Capital Improvements	183,350	-	150,000	33,350
1322	Acquisition of Capital Equipment & Various Capital Improvements	1,213,750	-	1,000,000	213,750
1328	Acquisition of Real Property in the Township	-	313,500	313,500	-
1334	Acquisition of Capital Equipment & Various Capital Improvements	-	1,353,750	741,500	612,250
1336	Acquisition of Various Capital Equipment for the Police Department	-	190,000	190,000	-
1345	Improvements to Real Property in the Township	-	237,500	-	237,500
	Total	<u>\$ 2,296,763</u>	<u>\$ 2,094,750</u>	<u>\$ 3,095,000</u>	<u>\$ 1,296,513</u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY ROAD AID
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT C-14

Balance December 31, 2014	\$	50,000
Increased by:		
NJ DOT Grant Awarded in Current Year		_____
Subtotal		50,000
Decreased by:		
Cash Receipts		50,000
Balance, December 31, 2015	\$	-

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT C-15

Balance December 31, 2014	\$	50,083
Decreased by:		
Appropriated to Finance Improvements		26,500
Balance, December 31, 2015	\$	23,583

WATER-SEWER UTILITY FUND

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**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	OPERATING FUND	CAPITAL FUND
Balance, December 31, 2014	\$ 338,215	\$ 849,676
Increased by Receipts:		
Collector	\$ 4,125,032	\$ -
Interest on Investments	1,888	-
Budget Refunds	204,004	-
Interfund Receipts - Current Fund	139,571	-
Due to Trust - Other	15,967	-
Bond Anticipation Notes Issued	-	1,520,000
Due to Utility Operating	-	1,650
	4,486,462	1,521,650
Subtotal	4,486,462	1,521,650
Total	4,824,677	2,371,326
Decreased by Disbursements:		
2015 Appropriations	3,221,338	-
2014 Appropriation Reserves	112,800	-
Accrued Interest	214,091	-
Bond Anticipation Notes Paid	-	765,000
Due to Utility Operating	1,650	-
Improvement Authorizations	-	787,516
	3,549,879	1,552,516
Total Disbursements	3,549,879	1,552,516
Balance, December 31, 2015	\$ 1,274,798	\$ 818,810

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	-
Increased by Receipts:		
Consumer Accounts Receivable:		
Water	\$ 1,994,444	
Sewer	1,202,369	
Penalties on Delinquent Accounts	13,937	
Privilege Fees	830,300	
Other Receipts	83,982	4,125,032
		<hr/>
Subtotal		4,125,032
Decreased by Disbursements:		
Payment to Treasurer		<hr/> 4,125,032
Balance, December 31, 2015	<hr/> \$	<hr/> -

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH - WATER-SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Fund Balance	\$ 16,787
Capital Improvement Fund	12,427
Due Water/Sewer Operating Fund	246,080
Reserve for Encumbrances	722,073
Deferred Charge - Overexpenditure of Improvement Authorization	(16,472)
NJEIT Loan Receivable	(278,697)

IMPROVEMENT AUTHORIZATIONS:

ORDINANCE

NUMBER	DESCRIPTION	
1085	Various Improvements to the Water-Sewer Utility	600
1185	Various Improvements to the Water-Sewer Utility	7,551
1216	Rehabilitation & Reconstruction of Sewer Utility	(152,500)
1221	Various Improvements to the Water-Sewer Utility	18,273
1241	Various Improvements to the Water-Sewer Utility	15,020
1266	Various Improvements to the Water-Sewer Utility	
1280	Various Improvements to the Water-Sewer Utility	49,218
1299	Various Improvements to the Water-Sewer Utility	2,620
1310	Various Improvements to the Water-Sewer Utility	25,526
1323	Various Improvements to the Water-Sewer Utility	112,804
1335	Various Improvements to the Water-Sewer Utility	37,500
		<hr/>
	Total	<u>\$ 818,810</u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ (3,945)
Increased by:		
Water Rents Levied	\$ 1,993,538	
Tranfser from Liens	-	1,993,538
		<hr/>
Subtotal		1,989,593
Decreased by:		
Receipts - Collector		<hr/> 1,994,444
Balance, December 31, 2015		<u><u>\$ (4,851)</u></u>

**SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 12,351
Increased by:		
Sewer Rents Levied	\$ 1,203,855	
Tranfser from Liens	-	1,203,855
		<hr/>
Subtotal		1,216,206
Decreased by:		
Receipts - Collector		<hr/> 1,202,369
Balance, December 31, 2015		<u><u>\$ 13,837</u></u>

**TOWNSHIP OF HADDON
 WATER-SEWER UTILITY OPERATING FUND
 SCHEDULE OF DUE TO CURRENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	25,327
Increased by:		
Receipts From Current		139,571
Subtotal		164,898
Decreased by:		
Disbursements to Current		-
Balance, December 31, 2015	\$	164,898

**SCHEDULE OF UTILITY LIENS
 FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2015 and 2014	\$	1,235
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**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2015 & 2014

\$ 12,427

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL - WATER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2015
Filter	\$ 49,959
Springs & Wells	563,598
Ozone Sterilization & Aeration Plant	15,463
Pumping Station Structure	75,334
Electric Power Pumping Equipment	12,444
Storage Reservoir, Tanks & Standpipes	103,723
Distribution Main & Accessories	480,969
Meters, Meter Boxes & Vaults	544,172
Fire Hydrants	12,265
General Equipment	153,552
Legal Expenditures During Construction	2,146
Pumping Station & Equipment	382,710
Water Plant Filter	23,494
Construction of Water Main in Main Street	6,460
Service Pipes & Stops	50,357
General & Mechanical Generator, General Building & Wash Water Tank	48,551
Electrical Generator Installation at Water Plant	32,273
Booster Pumping Station at Crystal Lake Avenue & Valley Drive	576,667
Elevated Water Storage Tank at Beechwood Avenue & Fist Street	851,042
Improvement to Water Supply & Distribution System	3,061,321
Refunding Issue	191,000
Improvement to Water Supply & Sewerage System	933,355
Reconstruction & Repair of Well No. 2	182,062
Replacement, Repairs & Improvements to Mains	209,476
Line Stop Machine	40,000
Vehicles	70,000
Land for Well No. 4	75,000
Dome Cover for Water Plant	12,700
Water Plant Improvements	152,200
Water Distribution System Improvements	242,605
Water Storage Improvements	191,675
Well Improvements	103,815
Water Supply Rehabilitation Improvements	258,867
	9,709,255
Total	\$ 9,709,255

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL - SEWER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2015
Sewer Mains & Services	\$ 416,012
Transportation Equipment	608
Bettlewood Disposal Plant	20,483
Westmont Sewerage Disposal Plant	160,302
General Improvements	42,038
Right-of-Way for Haddonleigh Truck Sewer	750
Cuthbert Boulevard Sewerage Disposal Plant	118,698
Improvements to Sewerage Disposal Plant & Sewerage Pumping Stations	116,704
Sanitary Sewerage Disposal & Collections System	1,566,581
Wells	3,380
Equipment	35,137
Tax Map	600
Calvert Avenue Pumping Station Improvement	855
Calvert Avenue Reconstruction of Sewerage Treatment Plant, Pumping Station & Force Mains	875,113
Installation of Communitor	9,440
South Park Drive Pumping Station	33,379
West Albertson Avenue Pumping Station	163,010
Construction of Sanitary Sewers	110,734
Improvements to Pumping Stations & Sewer Plant	162,601
West Collingswood Heights Disposal Plant	90,140
Renovations to Coles Mill Road Sewerage Treatment Plant	25,000
Replacement to Sewer Lines	495,256
Improvement of the Sanitary Sewerage System	311,524
	\$ 4,758,345
Total	\$ 4,758,345

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2014	2015 DEFERRED CHARGES TO FUTURE REVENUES	BALANCE DECEMBER 31, 2015
		DATE	AMOUNT			
1105	Various Improvements to the Water-Sewer Utility	5/18/2004	\$ 855,000	\$ 855,000	\$ -	\$ 855,000
1122	Various Improvements to the Water-Sewer Utility	3/22/2005	332,413	332,413	-	332,413
1135	Various Improvements to the Water-Sewer Utility	5/31/2005	1,045,000	1,100,000	-	1,100,000
1162	Various Improvements to the Water-Sewer Utility	5/23/2006	850,000	850,000	-	850,000
1185	Various Improvements to the Water-Sewer Utility	6/25/2007	770,000	770,000	-	770,000
1216	Rehabilitation & Reconstruction of Sewer	5/27/2008	6,540,000	6,540,000	-	6,540,000
1221	Various Improvements to the Water-Sewer Utility	5/27/2008	705,250	705,250	-	705,250
1241	Various Improvements to the Water-Sewer Utility	5/26/2009	845,000	845,000	-	845,000
1266	Various Improvements to the Water-Sewer Utility	6/23/2010	340,000	340,000	-	340,000
1280	Various Improvements to the Water-Sewer Utility	5/24/2011	590,000	590,000	-	590,000
1299	Various Improvements to the Water-Sewer Utility	7/24/2012	750,000	750,000	-	750,000
1310	Various Improvements to the Water-Sewer Utility	7/24/2013	750,000	750,000	-	750,000
1323	Various Improvements to the Water-Sewer Utility	8/26/2014	750,000	750,000	-	750,000
1335	Various Improvements to the Water-Sewer Utility	8/25/16	750,000	-	750,000	750,000
	Total			\$ 15,177,663	\$ 750,000	\$ 15,927,663

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014		DISBURSED	BALANCE LAPSED
	ENCUMBERED	RESERVED		
Operating:				
Salaries and Wages	\$ -	\$ 10,005	\$ -	\$ 10,005
Other Expenses	21,599	252,649	109,627	164,621
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	-	15,818	3,173	12,645
State Disability Insurance	-	696	-	696
Total	\$ 21,599	\$ 279,168	\$ 112,800	\$ 187,967

EXHIBIT D-16

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 21,599
Increased by:	
2015 Appropriations	<u>17,735</u>
Subtotal	39,334
Decreased by:	
Transferred to 2014 Appropriation Reserves	<u>21,599</u>
Balance, December 31, 2015	<u><u>\$ 17,735</u></u>

EXHIBIT D-17

**SCHEDULE OF PROTESTED CHECKS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2015 & 2014	<u><u>\$ 2,608</u></u>
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**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 97,176
Increased by:	
Budget Appropriation for Interest on Bonds	<u>207,835</u>
Subtotal	305,011
Decreased by:	
Cash Disbursements	<u>214,091</u>
Balance, December 31, 2015	<u><u>\$ 90,920</u></u>

**WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE TO WATER-SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 281,930
Increased by:	
Operating Surplus	\$ -
Interest Earned on Investments & Deposits	<u>1,650</u> 1,650
Decreased by:	
Emergency Authorization raised in Operating Fund	<u>37,500</u>
Balance, December 31, 2015	<u><u>\$ 246,080</u></u>

**SCHEDULE OF CAPITAL FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014 & 2013	<u><u>\$ 16,787</u></u>
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**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 16,166,132
Increased by:		
Paid by Operating Fund:		
Serial Bonds Payable	\$ 500,550	
Environmental Infrastructure Loan	291,978	792,528
Balance, December 31, 2015		\$16,958,660

**SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DECEMBER 31, 2015
General Improvements:			
1135	Various Improvements to the Water-Sewer Utility	05/31/2005	\$ 55,000
1221	Various Improvements to the Water-Sewer Utility	5/27/2008	35,263
1335	Various Improvements to the Water-Sewer Utility	8/25/2015	37,500
		Total	\$ 127,763

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AUTHORIZED DATE	AUTHORIZED AMOUNT	BALANCE DECEMBER 31, 2014		2015 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2015	
				FUNDED	UNFUNDED					FUNDED	UNFUNDED
1085	Various Improvements to the Water-Serer Utility	6/18/2002									
1114	Various Improvements to the Water-Serer Utility	12/28/2004	\$ 850,000	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -
1185	Various Improvements to the Water-Serer Utility	6/25/2007	770,000	607	-	-	6,944	-	-	7,551	-
1216	Rehabilitation & Reconstruction of Sewer Utility	5/27/2008	6,540,000	-	-	-	454,510	-	454,510	-	-
1221	Various Improvements to the Water-Serer Utility	5/27/2008	705,250	19,215	-	-	27,242	942	27,242	18,273	-
1241	Various Improvements to the Water-Serer Utility	5/26/09	845,000	24,911	487	-	38,300	5,847	42,344	15,020	487
1266	Various Improvements to the Water-Serer Utility	6/23/10	340,000	43,043	-	-	-	43,043	-	-	-
1280	Various Improvements to the Water-Serer Utility	5/24/11	590,000	79,487	-	-	43,717	58,220	15,766	49,218	-
1299	Various Improvements to the Water-Serer Utility	7/24/12	750,000	-	148,395	-	182,543	225,254	103,065	-	2,619
1310	Various Improvements to the Water-Serer Utility	7/24/13	750,000	-	401,999	-	259,680	370,665	35,488	-	255,526
1323	Various Improvements to the Water-Serer Utility	8/26/14	750,000	-	740,007	-	-	83,545	43,658	-	612,804
1335	Various Improvements to the Water-Serer Utility	8/25/16	750,000	-	-	750,000	-	-	-	37,500	712,500
Total			\$ 167,863	\$ 1,290,888	\$ 750,000	\$ 1,012,936	\$ 787,516	\$ 722,073	\$ 128,162	\$ 1,583,936	

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER-SEWER SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2014	ISSUED IN 2015	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015	
			DATE	AMOUNT						
Water-Sewer Utility Bonds	04/20/2006	3,250,000	11/15/16	150,000	4.125%	\$ 300,000	\$ -	\$ 150,000	\$ 150,000	
	05/07/2008	1,620,000	05/1/16	75,000	3.625%	1,275,000	-	75,000	1,200,000	
Water-Sewer Utility Bonds			05/1/17	75,000	3.625%					
			05/1/18	85,000	3.625%					
			05/1/19	85,000	3.625%					
			05/1/20	85,000	3.750%					
			05/1/21	95,000	3.750%					
			05/1/22	100,000	3.750%					
			05/1/23	100,000	3.750%					
			05/1/24	100,000	4.000%					
			05/1/25	100,000	4.000%					
			05/1/26	100,000	4.000%					
			05/1/27	100,000	4.000%					
			05/1/28	100,000	4.000%					
	Refunding Bonds	05/07/2008		09/15/16	107,500	3.250%	483,750	-	165,550	318,200
				09/15/17	105,350	3.375%				
			09/15/18	105,350	3.450%					
2013 General Bonds			8/15/16	70,000	2.000%					
			8/15/17	70,000	2.000%					
			8/15/18	75,000	2.000%					
			8/15/19	75,000	2.000%					
			8/15/20	105,000	2.000%					
			8/15/21	105,000	2.000%					
			8/15/22	110,000	2.000%					
			8/15/23	110,000	2.000%					
			8/15/24	115,000	2.000%					
			8/15/25	120,000	2.125%					
			8/15/26	120,000	2.250%					
			8/15/27	125,000	2.350%					
			8/15/28	125,000	2.450%					
			8/15/29	130,000	2.500%					
		8/15/30	135,000	2.600%						
		8/15/31	135,000	2.650%						
		8/15/32	140,000	2.750%						
						1,935,000	-	70,000	1,865,000	

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER-SEWER SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2014	ISSUED IN 2015	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			DATE	AMOUNT					
2013 Refunding Bonds	8/15/2013	260,000	8/15/16	25,000	1.000%	200,000	-	30,000	170,000
			8/15/17	30,000	1.000%				
			8/15/18	30,000	2.000%				
			8/15/19	30,000	2.000%				
2014 Refunding Bonds	9/10/2014	3,705,000	8/15/20	30,000	2.000%				
			8/15/21	25,000	2.000%				
			11/15/16	10,000	2.000%	1,880,000	-	10,000	1,870,000
			11/15/17	185,000	2.000%				
			11/15/18	180,000	2.000%				
			11/15/19	175,000	3.000%				
			11/15/20	175,000	3.000%				
			11/15/21	170,000	3.000%				
		11/15/22	195,000	4.000%					
		11/15/23	195,000	4.000%					
		11/15/24	195,000	4.000%					
		11/15/25	195,000	4.000%					
		11/15/26	195,000	4.000%					
Total									
						\$ 6,073,750	\$ -	\$ 500,550	\$ 5,573,200

**TOWNSHIP OF HADDON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN
FOR THE YEAR ENDED DECEMBER 31, 2015**

IMPROVEMENT DESCRIPTION	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DATE	INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	ADJUSTMENT	BALANCE DECEMBER 31, 2015
Reconstruction & Rehabilitation of Various Sewers	11/9/2008	\$ 3,200,000	8/1/16 8/1/17 8/1/18 8/1/19 8/1/20 8/1/21 8/1/22 8/1/23 8/1/24 8/1/25 8/1/26 8/1/27 8/1/28	3.84% 3.96% 4.12% 4.31% 4.42% 4.51% 4.60% 4.66% 4.80% 4.85% 4.89% 4.92% 4.95%	\$ 2,625,000	130,000	-	\$ 2,495,000

**SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
FOR THE YEAR ENDED DECEMBER 31, 2015**

IMPROVEMENT DESCRIPTION	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DATE	INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	ADJUSTMENT	BALANCE DECEMBER 31, 2015
Reconstruction & Rehabilitation of Various Sewers	11/9/2008	\$ 3,200,000	9/1/16-28 & 3/1/16-28	NONE	\$ 2,287,132	161,978	-	\$ 2,125,154

Principal payment are due on September 1st and March 1st through 2016. An amortization schedule is on file with the CFO.

**TOWNSHIP OF HADDON
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES
 FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE		BALANCE DECEMBER 31, 2015	
						DECEMBER 31, 2014	INCREASE DECREASE		
1299	Various Improvements to the Water-Serer Utility	11/13/2014	11/10/15	11/09/16	0.68%	\$ 495,000	\$ 750,000 \$ 495,000	\$ 750,000	
1310	Various Improvements to the Water-Serer Utility	11/13/2014	11/10/15	11/09/16	0.68%	270,000	520,000 270,000	520,000	
1323	Various Improvements to the Water-Serer Utility	11/13/2015	11/10/15	11/09/16	0.68%	-	250,000 -	250,000	
						<u>\$ 765,000</u>	<u>\$ 1,520,000</u>	<u>\$ 765,000</u>	<u>\$ 1,520,000</u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF BONDS & NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	AUTHORIZED	AUTHORIZATIONS FUNDED	BALANCE DECEMBER 31, 2015
1216	Rehabilitation & Reconstruction of Sewer	\$ 152,500	\$ -	\$ -	\$ 152,500
1241	Various Improvements to the Water - Sewer Utility	487	-	-	487
1299	Various Improvements to the Water - Sewer Utility	255,000	-	255,000	-
1310	Various Improvements to the Water - Sewer Utility	480,000	-	250,000	230,000
1323	Various Improvements to the Water - Sewer Utility	750,000	-	250,000	500,000
1335	Various Improvements to the Water - Sewer Utility	-	712,500	-	712,500
		<u>\$ 1,637,987</u>	<u>\$ 712,500</u>	<u>\$ 755,000</u>	<u>\$ 1,595,487</u>

**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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The Honorable Mayor and Members of the
Township Board of Commissioners
Township of Haddon
Westmont, New Jersey 08108

We have audited the financial statements of the Township of Haddon in the County of Camden for the year ended December 31, 2015.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and Commissioners and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had not been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. These details were necessarily covered by the internal review and control before approval of such claims by the governing body.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Township Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Township records.

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$36,000 for the period of January 1, 2015 to June 30, 2015, and \$40,000 for the period of July 1, 2015 to December 31, 2015, except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Contracts and Agreements Required to be Advertised by (N.J.S.A.40A:11-4) (continued):

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The compliance review of expenditures did not reveal any individual payments of contracts in excess of the statutory limit other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-4*.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$5,400 for the period of January 1, 2015 to June 30, 2015, and in excess of \$6,000 for the period of July 1, 2015 to December 31, 2015, thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, as amended, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 27, 2015 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable.”

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 18, 2015 and was complete.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

Delinquent Taxes and Tax Title Liens (continued):

YEAR	NUMBER OF LIENS
2015	30
2014	29
2013	28

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

***Finding 2015-001:**

It was noted during the audit that there are unidentified third party lien and premium balances of collections made prior to 2012.

Recommendation:

While the analysis of third part liens and premiums has been kept up-to-date since 2012, it is recommended that the Township review balances prior to 2012 and attempt to reconcile.

Managements Response:

The responsible officials agree with the finding and will attempt to reconcile. In 2017 any unreconciled balances will have exceed the 5 year limitation and be transferred to the Current Fund.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

As part of the test of the municipal court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

The statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

General Fixed Assets

***Finding 2015-002:**

During our audit it was noted that fixed asset accounting system was not updated to reflect the retirement or additions of fixed assets.

Recommendation:

That the fixed assets accounting system be updated to reflect all fixed asset additions and deletions on a timely basis.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Township employees, also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies.

***Finding 2015-003:**

The payroll activity of the Township is not being accounted for accurately in the general ledger accounting system. The Township does not maintain a monthly analysis of the payroll reserve balance in the general ledger accounting system.

Recommendation:

While the accumulated withholdings were properly disbursed, the reserve balance should be kept in the general ledger accounting software and analyzed on a monthly basis.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

***Finding 2015-004:**

It was noted during our audit that the Township did not perform a calculation of the *annual required contribution of the employer (ARC)* for Other Post-Retirement benefits provided by the Township. In accordance with Statement No. 45 of the Governmental Accounting Standards, the Township is required to have this calculation performed at a minimum of every three years.

Recommendation:

That the Township engage an actuary to calculate the *annual required contribution of the employer (ARC)* for Other Post-Retirement benefits provided by the Township.

Payroll Fund (continued):

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2015-005:

During our review of the approved salaries for 2015, it was determined that standard operating procedures were not followed by Human Resources personnel. An employee received a salary increase based on the approval of one Commissioner. The approval was not brought forth to the Finance Commissioner or the entire Commission for approval.

Recommendation:

That established guidelines be strictly followed when approving salary increases and that no salary increases be effective until approved by the full Board of Commissioners.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Other Items

***Finding 2015-006:**

In accordance with N.J.S.A. 40A:4-57, no officer, board, body or commission shall, during any fiscal year, expend any money (except to pay notes, bonds or interest thereon), incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

Recommendation:

That the Township, prior to the encumbering of purchase orders, verify that sufficient funds are available in the applicable appropriation line item in order to prevent the over-expenditure of funds.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2015-007:

During 2015, the Township was victimized by a foreign internet scam that resulted in an improper vendor payment of \$8,298.

Other Items

Recommendations:

That all purchases of the Township follow the internal controls set forth by the Township.

Managements Response:

The responsible officials agree with the finding and have raised a deferred charge for the amount paid in the 2016 Municipal Budget.

Follow-up on Prior Year Findings

In accordance with government auditing standards, my procedures included a review of all prior year findings. Corrective action has been taken on all of the prior year findings except those marked above with an asterisk (*).

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2015:

NAME	TITLE
Randall W. Teague	Mayor
John C. Foley	Commissioner
Paul Dougherty	Commissioner
Jack Bruno	Chief Financial Officer
Dawn M. Pennock	Municipal Clerk
Ryan Giles	Tax Collector
Laura Donohue	Acting Court Administrator
Robert Gleaner	Magistrate
Stuart A. Platt, ESQ	Solicitor
Gregory Fusco	Engineer

There were Employee's Blanket Performance Bonds in the amount of \$1,000,000 for the Township employees and court personnel carried by the Camden County Joint Insurance Fund.

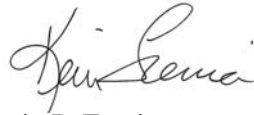
Acknowledgment

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in cursive script, appearing to read "Kevin P. Frenia".

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA #435

Medford, New Jersey
May 24, 2016