

TOWNSHIP OF HADDON

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2013**

**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, 2013**



HOLMAN | FRENIA
ALLISON, P.C.

Certified Public Accountants & Consultants

10 Allen Street, Suite 2B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090

www.hfacpas.com

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, 2013 and 2012, 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, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2013.

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 Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As 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, 2013 and 2012, 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, 2013 and 2012, 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, 2013 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

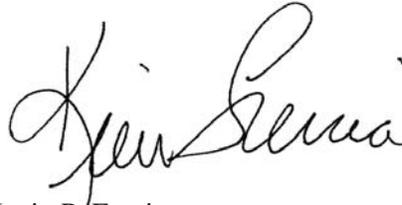
Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, 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 16, 2014, 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.

A handwritten signature in black ink, appearing to read "Kevin Frenia". The signature is written in a cursive, flowing style.

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

May 16, 2014
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 of the Township of Haddon (herein referred to as “the Township”), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township’s basic financial statements, and have issued our report thereon dated May 16, 2014 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services.

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 Townships’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. 2013-01, 2013-02, 2013-03, 2013-05 & 2013-06 .

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 2013-01, 2013-02 & 2013-04.

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 16, 2014
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, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Regular Fund:			
Cash	A-4	\$ 3,763,217	\$ 6,835,983
Cash - Change Fund	A-6	650	650
Due from State of New Jersey for Senior Citizen & Veteran Deductions	A-9	<u>52,388</u>	<u>52,743</u>
Total Regular Fund		<u>3,816,255</u>	<u>6,889,376</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	20,116	24,407
Tax Title Liens Receivable	A-8	33,218	30,128
Foreclosed Property - Assessed Valuation	A-11	1,894,100	1,894,100
Revenue Accounts Receivable	A-10	23,992	14,161
Protested Checks Receivable		6,195	6,195
Due From Bank		1,144	1,144
Due From Interfunds:			
Animal Control Fund	B	219	219
Water-Sewer Utility Operating Fund	D	<u>95,639</u>	<u>-</u>
Total Receivables & Other Assets With Full Reserves		<u>2,074,623</u>	<u>1,970,354</u>
Deferred Charges			
Emergency Authorization	A-12	<u>170,272</u>	<u>220,544</u>
Total Deferred Charges		<u>170,272</u>	<u>220,544</u>
Total Regular Fund, Receivables, Other Assets With Full Reserves & Deferred Charges		<u>6,061,150</u>	<u>9,080,274</u>
State & Federal Grants:			
Due from Current Fund	A	385,774	466,704
Grants Receivable	A-23	<u>1,273,581</u>	<u>611,159</u>
Total State & Federal Grants		<u>1,659,355</u>	<u>1,077,863</u>
Total Assets		<u>\$ 7,720,505</u>	<u>\$ 10,158,137</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, 2013 AND 2012**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2013	2012
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 430,404	\$ 463,625
Reserve for Encumbrances	A-3,A-14	157,511	138,975
Accounts Payable	A-13	6,059	-
Prepaid Taxes	A-15	279,475	276,262
Tax Overpayments	A-16	20,107	33,227
Local School District Taxes Payable	A-18	52	52
Fire District Taxes Payable	A-19	5,125	4,494
Due County Taxes Payable	A-20	-	2,954,008
Due County for Added & Omitted Taxes	A-21	22,528	11,532
Special Emergency Note Payable	A	220,544	330,816
Reserve for Revaluation	A	32,523	43,196
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	10,000
Reinsurance Proceeds Payable	A	20,139	20,139
Reserve for Street Scape	A	109,684	-
Due to Federal & State Grant Fund	A	385,774	466,704
Due to General Capital Fund	C	465,677	187,239
Due to Utility Operating Fund	D	-	4,360
Due to Trust - Other Fund	B	86,031	86,031
Subtotal		<u>2,287,198</u>	<u>5,073,174</u>
Reserve for Receivables & Other Assets		2,074,623	1,970,354
Fund Balance	A-1	<u>1,699,329</u>	<u>2,036,746</u>
Total Regular Fund		<u>6,061,150</u>	<u>9,080,274</u>
State & Federal Grants:			
Reserve for Grants Unappropriated	A-24	37,026	81,965
Reserve for Grants Appropriated	A-25	<u>1,622,329</u>	<u>995,898</u>
Total State & Federal Grants		<u>1,659,355</u>	<u>1,077,863</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 7,720,505</u>	<u>\$ 10,158,137</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, 2013 AND 2012**

	2013	2012
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 1,336,500	\$ 1,271,800
Miscellaneous Revenue Anticipated	3,713,752	3,100,072
Receipts From Delinquent Taxes & Tax Title Liens	26,159	-
Receipts From Current Taxes	42,736,038	41,113,761
Nonbudget Revenue	313,949	490,994
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	444,841	381,849
Liquidation of Reserves For:		
General Capital Fund	25,966	20,090
Water-Sewer Operating	4,361	-
	<u>48,601,566</u>	<u>46,378,566</u>
Total		
Expenditures:		
Budget & Emergency Appropriations:		
Operations Within "CAPS":		
Salaries & Wages	3,808,043	3,647,907
Other Expenses	4,333,805	4,433,231
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"	994,839	918,697
Operations Excluded from "CAPS":		
Salaries & Wages	252,993	247,539
Other Expenses	1,328,607	714,375
Capital Improvements	65,000	65,000
Municipal Debt Service	1,642,563	1,345,412
Deferred Charges - Municipal Excluded from "CAPS"	110,272	110,272
Special District Taxes - Business Improvement District	144,642	150,918
Fire District Taxes	1,434,683	1,304,341
County Taxes	11,507,130	10,671,859
Due County for Added & Omitted Taxes	22,528	11,532
Local District School Tax	22,017,378	21,730,093
Create Reserves for:		
Disallowed Prior Year SC & Vet	-	22,494
	<u>47,662,483</u>	<u>45,373,670</u>
Total Expenditures		
Regulatory Excess to Fund Balance	939,083	1,004,896
Adjustments to Income Before Surplus:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budge of Succeeding Year	60,000	-
	<u>999,083</u>	<u>1,004,896</u>
Excess to Fund Balance		
Fund Balance January 1	2,036,746	2,303,650
	<u>3,035,829</u>	<u>3,308,546</u>
Total		
Decreased by: Utilization as Anticipated Revenue	1,336,500	1,271,800
	<u>\$ 1,699,329</u>	<u>\$ 2,036,746</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, 2013

	BUDGET	APPROPRIATED by N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$ 1,336,500	\$ -	\$ 1,336,500	\$ -
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	25,000	-	25,425	425
Other	25,000	-	15,275	(9,725)
Fees & Permits:				
Other	245,000	-	268,186	23,186
Fines & Costs:				
Municipal Court	240,000	-	232,175	(7,825)
Interest & Costs on Taxes	88,000	-	91,635	3,635
Parking Meters	10,000	-	12,784	2,784
Operation of Crystal Lake	220,000	-	220,488	488
Consolidated Municipal Property				
Tax Relief Act	144,635	-	144,635	-
Energy Receipts Tax	1,117,580	-	1,117,580	-
Uniform Construction Code				
Fees & Permits	160,000	-	170,397	10,397
Borough of Audubon Park - Police				
Protection Services	385,000	-	380,000	(5,000)
Borough of Audubon Park - Other				
Services				
Uniform Fire Safety Act	30,000	-	44,210	14,210
Recycling Tonnage Grant	33,930	-	33,930	-
Drunk Driving Enforcement	1,750	-	1,750	-
Clean Communities Grant	22,899	-	22,899	-
Safe & Secure Communities Program	51,605	-	51,605	-
Community Garden Grant	1,000	-	1,000	-
Body Armor Grant	2,689	-	2,689	-
Economic Development Authority Grant	677,814	-	677,814	-
Sustainable Grant	2,000	-	2,000	-
Camden County Open Space				
Saddler Woods	18,697	-	18,697	-
NJDOT Municipal Aid	150,644	-	150,644	-
Alcohol Education & Rehab Fund	1,750	633	2,383	-
NJDEP - Clean Communities Grant	-	13,656	13,656	-
Click It or Tieckt 2013	-	4,000	4,000	-
Drive Sober Or Get Pulled Over	-	4,400	4,400	-
Small Grants Program	-	2,000	2,000	-
ANJEC Open Space Environmental	-	1,495	1,495	-
Total Miscellaneous Revenues	3,654,993	26,184	3,713,752	32,575
Receipts from Delinquent Taxes	50,000	-	26,159	(23,841)
Local Tax for Municipal Purposes	7,665,630	-	7,818,505	152,875
Budget Totals	12,707,123	26,184	12,894,916	161,609
Nonbudget Revenues	-	-	313,949	313,949
Total	\$ 12,707,123	\$ 26,184	\$ 13,208,865	\$ 475,558

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, 2013**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 42,736,038
Less: Allocated for School, County Taxes & Special District Taxes	<u>35,126,361</u>
Total Allocation of Current Tax Collections	7,609,677
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>208,828</u>
Total Amount for Support of Municipal Budget Appropriation	<u><u>\$ 7,818,505</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 19,026
Tax Title Lien Collections	<u>7,133</u>
Total Receipts from Delinquent Taxes	<u><u>\$ 26,159</u></u>
Fees & Permits Other:	
Cable TV Fees	\$ 202,564
Sidewalk Inspection Fees	7,700
Planning & Zoning	24,015
Rent Control Board	23,800
Other	<u>10,107</u>
Total Fees & Permits Other	<u><u>\$ 268,186</u></u>

ANALYSIS OF NONBUDGET REVENUES

Miscellaneous Revenue Not Anticipated:	
Receipts:	
Interest On Investments	\$ 26,050
Payment in Lieu of Taxes	63,908
SC & Vet Administrative Fee	3,583
Civic Celebrations	5
Sale of Recycling Material	27,885
Copies	274
Other	<u>192,244</u>
Total Nonbudgeted Revenue	<u><u>\$ 313,949</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, 2013**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
General Government Functions:						
General Administration:						
Salaries and Wages	\$ -	\$ 200	\$ 190	\$ -	\$ 10	\$ -
Other Expenses	800	1,400	1,200	162	38	-
Human Services:						
Salaries and Wages	13,800	14,200	14,028	-	172	-
Other Expenses	39,500	60,500	59,740	312	448	-
Mayor & Commissioners:						
Salaries and Wages	25,860	25,860	25,860	-	-	-
Other Expenses	3,000	3,000	2,618	-	382	-
Municipal Clerk:						
Salaries and Wages	4,000	4,400	4,291	-	109	-
Other Expenses	20,750	20,750	19,058	1,205	487	-
Registrar of Vital Statistics:						
Salaries and Wages	2,000	2,150	2,140	-	10	-
Other Expenses	-	500	440	-	60	-
Financial Administration (Treasury):						
Salaries and Wages	15,750	15,975	14,694	-	1,281	-
Other Expenses	15,000	15,000	6,187	362	8,451	-
Audit Services:						
Annual Audit	47,000	47,000	43,400	-	3,600	-
Revenue Administration (Tax Collector):						
Salaries and Wages	60,840	64,840	64,340	-	500	-
Other Expenses	11,100	11,100	10,259	401	440	-
Assessments of Taxes:						
Salaries and Wages	65,700	66,710	66,631	-	79	-
Other Expenses	13,900	13,900	4,356	-	9,544	-
Legal Services:						
Other Expenses	204,500	316,500	314,627	1,745	128	-
Municipal Court:						
Salaries and Wages	172,500	172,800	170,588	-	2,212	-
Other Expenses	17,700	17,700	13,504	812	3,384	-
Public Defender:						
Salaries and Wages	5,700	5,700	4,615	150	935	-
Engineering Services & Costs:						
Other Expenses	15,000	15,000	9,781	-	5,219	-
Economic Development:						
Other Expenses	13,000	13,000	13,000	-	-	-
Land Use Administration:						
Planning Board:						
Salaries and Wages	49,000	49,200	46,354	-	2,846	-
Other Expenses	3,500	3,500	3,053	58	389	-
Code Enforcement & Administration:						
Rent Control Commission:						
Salaries and Wages	13,000	12,650	8,191	-	4,459	-
Other Expenses	200	550	514	-	36	-
Insurance:						
General Liability	240,000	240,000	238,951	-	1,049	-
Disability Insurance	4,500	4,500	4,500	-	-	-
Worker's Compensation	140,000	140,000	140,000	-	-	-
Employee Group Health	1,100,000	1,135,000	1,128,269	1,676	5,055	-
Health Benefits Waiver	17,750	17,750	13,299	-	4,451	-
Unemployment Insurance	25,000	25,000	25,000	-	-	-
Public Safety Functions:						
Police:						
Salaries and Wages	2,304,407	2,304,657	2,231,646	-	73,011	-
Other Expenses	101,850	101,850	76,422	25,300	128	-
Office of Emergency Management:						
Salaries and Wages	7,000	7,150	6,945	-	205	-
Other Expenses	250	250	-	-	250	-

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, 2013**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Uniform Fire Safety Act:						
Salaries and Wages	38,000	38,600	38,135	-	465	-
Other Expenses	1,500	1,500	921	33	546	-
Fire Hydrant Service	17,500	17,500	16,306	-	1,194	-
Municipal Prosecutor:						
Salaries and Wages	13,500	13,950	10,558	3,348	44	-
Public Works Functions:						
Streets & Roads Maintenance:						
Salaries and Wages	695,000	701,000	675,131	-	25,869	-
Other Expenses	95,800	89,800	50,156	15,549	24,095	-
Maintenance of Traffic Lights:						
Other Expenses	5,000	5,000	3,789	86	1,125	-
Shade Tree Program:						
Salaries and Wages	3,500	3,500	3,257	-	243	-
Other Expenses	20,000	20,000	9,597	4,963	5,440	-
Solid Waste Collection:						
Other Expenses	743,300	743,300	678,526	9,538	55,236	-
Building & Grounds:						
Other Expenses	26,500	26,500	25,998	225	277	-
Vehicle Maintenance:						
Other Expenses	78,900	78,900	67,007	6,228	5,665	-
Community Services Act:						
Other Expenses	69,000	69,000	59,540	-	9,460	-
Health & Human Services:						
Environmental Commission:						
Other Expenses	2,000	2,000	1,040	958	2	-
Animal Control Program:						
Other Expenses	12,000	12,000	9,920	-	2,080	-
Park & Recreation Functions:						
Crystal Lake Pool:						
Salaries and Wages	88,500	88,500	84,453	-	4,047	-
Other Expenses	72,000	72,000	52,388	8,851	10,761	-
Parks & Playgrounds:						
Other Expenses	14,000	14,000	7,787	971	5,242	-
Utility Expense & Bulk Purchases:						
Electricity	30,000	30,000	26,420	427	3,153	-
Street Lighting	200,000	200,000	186,486	13,337	177	-
Telephone & Telegraph	33,000	33,000	29,793	1,198	2,009	-
Natural Gas	42,000	42,000	30,929	6,025	5,046	-
Gasoline	155,000	80,000	58,503	6,838	14,659	-
Postage	25,500	25,500	23,018	-	2,482	-
Copier	8,500	8,500	7,743	602	155	-
Landfill/Solid Waste Disposal Costs:						
Disposal Costs	425,000	374,155	311,633	37,006	25,516	-
Borough of Audobon:						
Municipal Clerk/Treasurer	40,000	40,000	40,000	-	-	-
Tax Collector	11,500	11,500	6,000	-	5,500	-
Public Works	15,000	15,000	-	-	15,000	-
Appropriation Offset By Dedicated Revenues:						
Code Enforcement & Administration:						
Salaries and Wages	113,500	120,910	120,401	-	509	-
Other Expenses	13,400	13,400	10,799	48	2,553	-
Other Common Operating Functions:						
Accumulated Leave Compensation	40,000	40,000	40,000	-	-	-
Celebration of Public Events, Anniversary or Holiday - Other Expenses	43,000	43,000	42,574	-	426	-
Senior Citizens Coordinator:						
Salaries and Wages	56,656	57,656	57,545	-	111	-
Other Expenses	2,000	2,000	1,369	116	515	-
Community Communications:						
Salaries and Wages	27,435	37,435	35,306	-	2,129	-
Other Expenses	30,500	20,500	6,454	8,981	5,065	-

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, 2013**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Total Operations Within "CAPS" Including Contingent	8,081,848	8,141,848	7,618,173	157,511	366,163	-
Detail:						
Salaries and Wages	3,775,648	3,808,043	3,685,299	3,498	119,246	-
Other Expenses	4,306,200	4,333,805	3,932,874	154,013	246,918	-
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":						
Statutory Expenditures:						
Contributions to:						
Social Security System (O.A.S.I.)	200,000	200,000	178,120	-	21,880	-
Police & Firemen's Retirement Pension Fund	50	50	-	-	50	-
Police & Fireman's Retirement System of New Jersey	606,492	606,492	606,492	-	-	-
Employees Retirement System	188,297	188,297	188,297	-	-	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	994,839	994,839	972,909	-	21,930	-
Total General Appropriations for Municipal Purposes Within "CAPS"	9,076,687	9,136,687	8,591,082	157,511	388,093	-
Stormwater Regulations:						
Salaries and Wages	186,737	186,737	149,426	-	37,311	-
Borough of Audubon Park:						
Police Services	380,000	380,000	380,000	-	-	-
Public Works- Other Expense	5,000	5,000	-	-	5,000	-
Public & Private Programs Offset by Revenues:						
SFSP Fire District Payment	6,000	6,000	6,000	-	-	-
Safe & Secure Communities Program Matching Funds	12,901	12,901	12,901	-	-	-
Clean Communities Act: Other Expenses	22,899	22,899	22,899	-	-	-
Alcohol Education & Rehabilitation Fund	1,750	2,383	2,383	-	-	-
Economic Development Authority Grant: Other Expenses	677,814	677,814	677,814	-	-	-
Recycling Tonnage Grant - State	33,930	33,930	33,930	-	-	-
Safe & Secure Communities Program	51,605	51,605	51,605	-	-	-
Drunk Driving Enforcement Grant: Other Expenses	1,750	1,750	1,750	-	-	-
Community Garden Grant	1,000	1,000	1,000	-	-	-
Camden County Open Space: Saddler Woods	18,697	18,697	18,697	-	-	-
NJDOT Municipal Aid	150,644	150,644	150,644	-	-	-
Sustainable Grant	2,000	2,000	2,000	-	-	-
Body Armor Fund	2,689	2,689	2,689	-	-	-
NJDEP - Clean Communities Program	-	13,656	13,656	-	-	-
Click It or Ticket 2013	-	4,000	4,000	-	-	-
Drive Sober Or Get Pulled Over	-	4,400	4,400	-	-	-
NJLM Education Grant	-	2,000	2,000	-	-	-
ANJEC Open Space Environmental	-	1,495	1,495	-	-	-
Total Operations Excluded from "CAPS"	1,555,416	1,581,600	1,539,289	-	42,311	-
Detail:						
Salaries and Wages	252,993	252,993	215,682	-	37,311	-
Other Expenses	1,302,423	1,328,607	1,323,607	-	5,000	-
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	-	-	-

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, 2013**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Municipal Debt Service - Excluded						
From "CAPS":						
Payment of Bond Principal	908,000	908,000	908,000	-	-	-
Payment of Bond Anticipation Notes & Capital Note	218,000	218,000	218,000	-	-	-
Interest on Bonds	448,000	448,000	401,320	-	-	46,680
Interest on Notes	70,000	70,000	68,694	-	-	1,306
Green Trust Loan Program:						
Loan Repayments for Principal & Interest	42,920	42,920	42,920	-	-	-
Interest on Emergency Notes	4,000	4,000	3,629	-	-	371
Total Municipal Debt Service Excluded from "CAPS"	1,690,920	1,690,920	1,642,563	-	-	48,357
Deferred Charges - Excluded from "CAPS":						
Emergency Authorization 5 Years (40A:4-55)	110,272	110,272	110,272	-	-	-
Total Deferred Charges - Excluded from "CAPS"	110,272	110,272	110,272	-	-	-
Subtotal General Appropriations	12,498,295	12,584,479	11,948,206	157,511	430,404	48,357
Reserve For Uncollected Taxes	208,828	208,828	208,828	-	-	-
Total General Appropriations	\$ 12,707,123	\$ 12,793,307	\$ 12,157,034	\$ 157,511	\$ 430,404	\$ 48,357
Appropriation by 40A:4-87		\$ 26,184				
Emergency Appropriations		60,000				
Original Budget		<u>12,707,123</u>				
Total		<u>\$ 12,793,307</u>				
Reserve for Federal & State Grants - Appropriated			\$ 990,962			
Due to Federal & State Grant Fund - Matching Funds			18,901			
Deferred Charge - Emergency Authorization			110,272			
Reserve for Uncollected Taxes			208,828			
Reimbursements			(667,879)			
Cash Disbursements			<u>11,495,950</u>			
Total			<u>\$ 12,157,034</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, 2013 AND 2012**

ASSETS	REFERENCE	2013	2012
Assessment Fund:			
Due from General Capital Fund	C	\$ 450	\$ 450
Animal Control Fund:			
Cash	B-1	4,948	3,542
Change Fund	B	30	30
Total Animal Control Fund		<u>4,978</u>	<u>3,572</u>
Other Trust Funds:			
Cash	B-1	1,286,428	883,048
Due Utility Operating Fund	D	43,254	43,254
Due Current Fund	B-9	86,031	86,031
Community Development Block Grant Receivable	B-6	101,166	52,905
Total Other Trust Funds:		<u>1,516,879</u>	<u>1,065,238</u>
Total - All Funds		<u>\$ 1,522,307</u>	<u>\$ 1,069,260</u>
LIABILITIES & RESERVES			
Assessment Fund:			
Deposits on Future Assessments	B-2	\$ 450	\$ 450
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-3	4,759	3,191
Due to State of New Jersey	B-5	-	162
Due Current Fund	B-4	219	219
Total Animal Control Fund		<u>4,978</u>	<u>3,572</u>
Other Trust Funds:			
Payroll Deductions Payable	B-8	248,650	173,598
Due State of New Jersey - Marriage License Fees	B-10	4,117	2,092
Due State of New Jersey - Burial License	B-10	145	145
Various Reserves	B-11	1,263,967	845,313
Total Other Funds		<u>1,516,879</u>	<u>1,065,238</u>
Total - All Funds		<u>\$ 1,522,307</u>	<u>\$ 1,069,260</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, 2013 AND 2012**

ASSETS	REFERENCE	<u>2013</u>	<u>2012</u>
Cash	C-1, C-2	\$ 1,939,218	\$ 732,176
Due From New Jersey Road Aid	C-15	-	265,868
Deferred Charges to Future Taxation:			
Unfunded	C-4	10,572,995	15,407,495
Funded	C-3	14,790,747	9,646,794
Due Current Fund	A,C-5	<u>465,677</u>	<u>187,239</u>
 Total		 <u>\$ 27,768,637</u>	 <u>\$ 26,239,572</u>

LIABILITIES, RESERVES & FUND BALANCE

General Serial Bonds	C-11	\$ 14,423,400	\$ 9,244,400
Green Acres Loan Payable - Crystal Lake Development	C-9	45,998	50,619
Green Acres Loan Payable - MacArthur Tract Acquisition	C-10	321,349	351,775
Bond Anticipation Notes	C-13	8,038,332	11,746,832
Improvement Authorizations:			
Unfunded	C-8	1,930,964	3,822,320
Funded	C-8	2,209,764	473,892
Reserve for Encumbrances	C-8	712,151	478,739
Capital Improvement Fund	C-7	13,700	24,000
Reserve for Flood Proceeds		25,866	25,866
Reserve for DY DEE Development	C-5	4,556	3,171
Due Trust Assessment Fund	B	450	450
Fund Balance		<u>42,107</u>	<u>17,508</u>
 Total		 <u>\$ 27,768,637</u>	 <u>\$ 26,239,572</u>

There were bonds and notes authorized but not issued on December 31, 2013 of \$2,534,663 and on December 31, 2012 was \$3,660,663

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

ASSETS	REFERENCE	<u>2013</u>	<u>2012</u>
Operating Fund:			
Cash	D-4	\$ 573,959	\$ 802,782
Change Fund - Collector	D	75	75
Due from Bank	D	2,216	2,202
Due from Current Fund		-	4,360
Due from Water-Sewer Capital Fund	D-19	354,077	224,303
Total		<u>930,327</u>	<u>1,033,722</u>
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable	D-7, D-8	8,563	6,048
Liens Receivable	D-11	2,282	2,055
Protested Checks Receivable	D-18	2,452	2,452
Revenue Accounts Receivable	D-10	-	12,712
Total Receivable & Other Assets With Full Reserves		<u>13,297</u>	<u>23,267</u>
Total Operating Fund		<u>943,624</u>	<u>1,056,989</u>
Capital Fund:			
Cash	D-4	586,131	350,350
NJEIT Loan Receivable	A	468,458	468,458
Fixed Capital:			
Water	D-13	9,709,255	9,709,255
Sewer	D-14	4,758,345	4,758,345
Fixed Capital Authorized & Uncompleted	D-15	14,427,663	13,677,663
Total Capital Fund		<u>29,949,852</u>	<u>28,964,071</u>
Total Operating & Capital Fund		<u>\$ 30,893,476</u>	<u>\$ 30,021,060</u>

Bonds and Notes authorized but not issued as of December 31, 2013 was \$1,652,987 and as of December 31, 2012 was \$1,557,487.

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, 2013 AND 2012

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	<u>2013</u>	<u>2012</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	347,020	365,773
Reserve for Encumbrances	D-17,D-3	44,587	25,903
Prepaid Rents		-	31,881
Rent Overpayments	D-7	-	9,642
Accrued Interest on Bonds & Notes	D-19	105,299	95,443
Due to Trust Other Fund	B	43,254	43,254
Due to Current Fund	A,D-9	95,639	-
Subtotal		<u>635,799</u>	<u>571,896</u>
Reserve for Receivables		13,297	23,267
Fund Balance	D-1	<u>294,528</u>	<u>461,826</u>
Total Operating Fund		<u>943,624</u>	<u>1,056,989</u>
Capital Fund:			
Serial Bonds	D-25	6,563,600	4,960,600
Bond Anticipation Notes	D-26	-	1,450,000
New Jersey Infrastructure Trust - Loan Payable	D-26 , D-27	5,199,873	5,478,378
Improvement Authorizations:			
Funded	D-24	286,848	138,354
Unfunded	D-24	1,259,442	1,004,667
Reserve for Encumbrances	D-24	767,544	844,306
Capital Improvement Fund	D-12	12,427	12,427
Due to Water - Sewer Operating Fund	D-20	354,077	224,303
Reserves for:			
Amortization	D-22	15,388,541	14,608,536
Deferred Amortization	D-23	90,263	90,263
Repayment of Debt	D-30	10,450	135,450
Fund Balance	D-21	<u>16,787</u>	<u>16,787</u>
Total Capital Fund		<u>29,949,852</u>	<u>28,964,071</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 30,893,476</u>	<u>\$ 30,021,060</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, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
Revenue & Other Income Realized:		
Fund Balance Appropriated	\$ 429,153	\$ 248,670
Rents	3,231,428	3,295,345
Miscellaneous	117,668	129,032
Capital Surplus Anticipated	125,000	90,000
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>337,759</u>	<u>152,853</u>
 Total Income	 <u>4,241,008</u>	 <u>3,915,900</u>
 Expenditures:		
Operating	2,607,298	2,539,170
Debt Service	1,194,156	1,054,286
Deferred Charges & Statutory Expenditures	<u>177,699</u>	<u>167,750</u>
 Total Expenditures	 <u>3,979,153</u>	 <u>3,761,206</u>
 Excess/Deficit in Revenue	 <u>261,855</u>	 <u>154,694</u>
 Fund Balance January 1	 461,826	 555,802
Less: Balance Appropriated	<u>429,153</u>	<u>248,670</u>
 Fund Balance December 31	 <u>\$ 294,528</u>	 <u>\$ 461,826</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, 2013

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 429,153	\$ 429,153	\$ -
Rents	3,300,000	3,231,428	(68,572)
Capital Surplus	125,000	125,000	-
Miscellaneous	125,000	117,668	(7,332)
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 3,979,153</u>	<u>\$ 3,903,249</u>	<u>\$ (75,904)</u>

ANALYSIS OF REALIZED REVENUE

Rents:		
Consumer Accounts Receivable:		
Water		\$ 1,978,182
Sewer		1,253,246
		<hr/>
Total Rents		<u>\$ 3,231,428</u>
Miscellaneous		
Collector:		
Revenue Accounts Receivable		\$ 12,712
Other		100,182
Collected by Water-Sewer Utility Capital Fund:		
Interest on Investments		4,774
		<hr/>
Total Miscellaneous		<u>\$ 117,668</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, 2013

	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		
			PAID OR CHARGED	ENCUMBERED	RESERVED
Operating:					
Salaries and Wages	\$ 897,000	\$ 897,000	\$ 836,142	\$ -	\$ 60,858
Other Expenses	1,711,454	1,710,298	1,407,232	44,587	258,479
Total Operating	<u>2,608,454</u>	<u>2,607,298</u>	<u>2,243,374</u>	<u>44,587</u>	<u>319,337</u>
Debt Service:					
Payment of Bond Principal	795,500	765,325	765,325	-	-
Payment of BAN	29,500	29,500	29,500	-	-
Interest on Bonds & Loans	365,000	397,271	397,271	-	-
Interest on Notes	3,000	2,060	2,060	-	-
Total Debt Service	<u>1,193,000</u>	<u>1,194,156</u>	<u>1,194,156</u>	<u>-</u>	<u>-</u>
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	80,699	80,699	80,698	-	1
Social Security System (O.A.S.I.)	85,000	85,000	58,463	-	26,537
Unemployment Compensation Insurance	10,000	10,000	10,000	-	-
State Disability Insurance	2,000	2,000	855	-	1,145
Total Statutory Expenditures	<u>177,699</u>	<u>177,699</u>	<u>150,016</u>	<u>-</u>	<u>27,683</u>
Total Expenditures	<u>\$ 3,979,153</u>	<u>\$ 3,979,153</u>	<u>\$ 3,587,546</u>	<u>\$ 44,587</u>	<u>\$ 347,020</u>
Budget		<u>\$ 3,979,153</u>			
Total		<u>\$ 3,979,153</u>			
Disbursed			\$ 3,577,690		
Accrued Interest			<u>9,856</u>		
Total			<u>\$ 3,587,546</u>		

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, 2013 AND 2012**

ASSETS	<u>2013</u>	<u>2012</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, 2013**

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TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

Note 1. Summary of Significant Accounting Policies

A. 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. If the provisions of GASBS No. 14 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

B. Descriptions of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and (the Division”). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

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.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

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

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.

C. Basis of Accounting

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.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

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.

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.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

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.

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 Camden School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

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

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

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

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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, 2013, and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 8,154,626</u>
Total Deposits	<u><u>\$ 8,154,626</u></u>
Reconciliation of Statement of Assets, Liabilities, Reserves and Fund Balance:	
Current Fund	\$ 3,763,867
Animal Control Trust Fund	4,948
Trust - Other Fund	1,286,428
General Capital Fund	1,939,218
Water -Sewer Utility Fund	574,034
Water -Sewer Utility Capital Fund	<u>586,131</u>
Total Cash and Cash Equivalents	<u><u>\$ 8,154,626</u></u>

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, 2013, the Township's bank balances of \$9,081,203 were exposed to custodial credit risk as follows:

Uninsured & Uncollateralized	\$ 1,415,350
Insured Under F.D.I.C.	250,000
Collateralized Under GUDPA	<u>7,415,853</u>
Total	<u><u>\$ 9,081,853</u></u>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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:

	2013	2012	2011
Total Tax Rate	<u>\$3.271</u>	<u>\$3.148</u>	<u>\$3.044</u>
Apportionment of Tax Rate:			
Municipal	0.608	0.578	0.578
County	0.915	0.847	0.757
Local School	1.748	1.723	1.709

Net Valuation Taxable:

2013	<u>\$ 1,259,503,595</u>		
2012		<u>\$ 1,260,827,916</u>	
2011			<u>\$ 1,261,356,636</u>

Comparison of Tax Levies and Collection Currently:

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2013	\$ 42,902,883	\$ 42,731,231	99.59%
2012	41,191,747	41,113,761	99.81%
2011	39,904,900	39,823,638	99.80%

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 3. Property Taxes (continued):

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
2013	\$ 33,218	\$ 20,116	\$ 53,334	0.12%
2012	30,128	24,407	54,535	0.13%
2011	85,997	37,770	123,767	1.97%

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
2013	\$ 1,894,100
2012	1,894,100
2011	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> RECEIVABLE	LIENS	LEVY	TOTAL	CASH COLLECTIONS
2013	\$ 6,048	\$ 2,282	\$ 3,234,170	\$ 3,242,500	\$ 3,231,655
2012	15,407	2,055	3,296,370	3,313,832	3,305,729
2011	10,577	-	3,393,831	3,404,408	3,389,001

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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:			
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%
2010	2,689,522	1,575,000	58.56%
2009	1,737,218	1,120,000	64.47%
WATER-SEWER UTILITY OPERATING FUND:			
2013	\$ 294,528	\$ -	0.00%
2012	461,826	429,153	92.93%
2011	555,802	248,670	44.74%
2010	415,914	150,000	36.07%
2009	208,199	100,000	48.03%

Note 7: Pension Plans

The Township contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Township employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by *N.J.S.A.43:15A* and *43:3B*.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 7: Pension Plans (continued):

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5.0% of their annual covered salary. Effective July 1, 2008, however, 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. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

Fiscal Year	Normal Contribution	Accrued Liability	Other Liability	Total Liability	Funded by Township
2013	\$ 250,687	\$ 331,751	\$ 24,054	606,492	606,492

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by *N.J.S.A.43:16A* and *43:3B*. The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10.0% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist. The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

Fiscal Year	Normal Contribution	Accrued Liability	Other Liability	Total Liability	Funded by Township
2013	\$ 68,641	\$ 185,946	\$ 3,882	258,469	258,469

Pension Deferral - Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allowed the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying the full amount, or an amount that reflects a fifty percent (50%) reduction of the normal and accrued liability component of the PERS and PFRS obligations for payments due in the State fiscal year ending June 30, 2009. The payments were due on April 1, 2009 (with a grace period until April 30). The amount will be repaid over a fifteen (15) year period, which began in April of 2012. The amount will fluctuate based on pension system investment earnings on the deferred amount.

TOWNSHIP OF HADDON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

Note 7: Pension Plans (continued):

The Township applied for and received approval from the Local Finance Board to defer a portion of the 2009 liability due for both PERS and PFRS.

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, 2013**

Note 8. Capital Debt (continued):

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 1.845%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$ 7,435,000	\$ 7,435,000	\$ -
Water-Sewer Utility Debt	13,416,460	13,416,460	-
General Debt	25,363,742	-	25,363,742
Total	\$ 46,215,202	\$ 20,851,460	\$ 25,363,742

Net Debt, \$25,363,742 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$1,374,886,227 equals 1.845%.

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$ 48,121,018
Net Debt	25,363,742
Remaining Borrowing Power	\$ 22,757,276

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

Cash Receipts From Fees, Rents & Other Charges	\$ 3,903,249
Deductions:	
Operating & Maintenance Costs	\$ 2,822,221
Debt Service	794,825
	3,617,046
Excess Revenue - Self Liquidating	\$ 286,203

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 8. Capital Debt (continued):

Summary of Municipal Debt

	Year 2013	Year 2012	Year 2011
Issued			
General:			
Bonds, Loans & Notes	\$22,829,079	\$21,393,626	\$22,147,874
Water-Sewer Utility:			
Bonds & Notes	6,563,600	6,410,600	6,809,000
Infrastructure Trust Loan	5,199,873	5,478,378	5,757,187
Bonds Issued by Another Public Body			
Guaranteed by the Township	-	-	339,000
	<hr/>	<hr/>	<hr/>
Total Issued	34,592,552	33,282,604	35,053,061
	<hr/>	<hr/>	<hr/>
Authorized but not Issued			
	Year 2013	Year 2012	Year 2011
General:			
Bonds & Notes	\$2,534,663	\$3,660,663	\$2,606,163
Water-Sewer Utility:			
Bonds & Notes	1,652,987	1,557,487	807,487
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	4,187,650	5,218,150	3,413,650
	<hr/>	<hr/>	<hr/>
Total Issued & Authorized but not Issued	38,780,202	38,500,754	38,466,711
	<hr/>	<hr/>	<hr/>
Deductions:			
Bonds Issued by Another Public Body			
Guaranteed by the Township	-	-	339,000
Self-Liquidating Debt	13,416,460	13,446,465	13,373,674
	<hr/>	<hr/>	<hr/>
Total Deductions	13,416,460	13,446,465	13,712,674
	<hr/>	<hr/>	<hr/>
Net Debt	\$25,363,742	\$24,054,289	\$24,754,037
	<hr/>	<hr/>	<hr/>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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
2014	\$ 950,150	\$	445,426	\$ 1,395,576
2015	954,450		416,861	1,371,311
2016	887,500		388,079	1,275,579
2017	919,650		361,242	1,280,892
2018	919,650		333,191	1,252,841
2019-2023	4,450,000		1,235,259	5,685,259
2024-2028	3,765,000		514,503	4,279,503
2029-2032	1,577,000		106,350	1,683,350
Total	<u>\$ 14,423,400</u>	<u>\$</u>	<u>3,800,911</u>	<u>\$ 18,224,311</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
2014	\$ 4,713	\$	897	\$ 5,610
2015	4,808		802	5,610
2016	4,905		705	5,610
2017	5,004		606	5,610
2018	5,104		506	5,610
2019-2022	21,464		977	22,441
Total	<u>\$ 45,998</u>	<u>\$</u>	<u>4,493</u>	<u>\$ 50,491</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
2014	\$ 31,036	\$	6,274	\$ 37,310
2015	31,661		5,649	37,310
2016	32,298		5,012	37,310
2017	32,947		4,363	37,310
2018	33,609		3,701	37,310
2019-2023	159,798		8,096	167,894
Total	<u>\$ 321,349</u>	<u>\$</u>	<u>33,095</u>	<u>\$ 354,444</u>

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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
2014	\$ 494,850	\$ 216,031	\$ 710,881
2015	490,550	200,092	690,642
2016	427,500	184,293	611,793
2017	455,350	170,243	625,593
2018	470,350	154,869	625,219
2019-2023	1,980,000	563,328	2,543,328
2024-2028	1,705,000	214,300	1,919,300
2029-2032	540,000	36,403	576,403
Total	<u>\$ 6,563,600</u>	<u>\$ 1,739,559</u>	<u>\$ 8,303,159</u>

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
2014	\$ 287,741	\$ 141,600	\$ 429,341
2015	291,978	135,350	427,328
2016	304,114	128,850	432,964
2017	307,893	121,850	429,743
2018	319,572	114,600	434,172
2019-2023	1,719,412	442,350	2,161,762
2024-2028	1,969,163	178,750	2,147,913
Total	<u>\$ 5,199,873</u>	<u>\$ 1,263,350</u>	<u>\$ 6,463,223</u>

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, 2013 the balance of the fund was \$94,531. It is estimated that, at December 31, 2013, accrued benefits for compensated absences are valued at \$1,267,848.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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, 2013, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	Balance 12/31/2013	Raised in Subsequent Years'
Current Fund:		
Emergency Appropriation	60,000	60,000
Special Emergency Appropriations - 5 Years	110,272	110,272

The appropriations in the 2014 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.

The Fund publishes its own financial report for the year ended December 31, 2013, which can be obtained from:

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

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

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:

<u>Fiscal Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2013	\$ 35,000	\$ 7,257	\$ 673	\$ 24,905	\$ 125,901
2012	50,000	7,002	752	32,124	107,876
2011	50,000	7,725	743	36,368	82,246

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.

As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2013, the Township estimates that no material liabilities will result from such audits.

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 15. Interfunds Receivables and Payables

The following interfunds remained as of December 31, 2013:

Fund	Receivable	Payable
Current Fund	\$ 95,858	\$ 937,482
Federal and State Grant Fund	385,774	
General Capital Fund	465,677	450
Water-Sewer Operating Fund	354,077	95,639
Water-Sewer Capital Fund	-	354,077
Trust - Animal Control Fund		219
Trust - Other Fund	86,031	-
Trust Assessment Fund	450	-
	<u>\$ 1,387,867</u>	<u>\$ 1,387,867</u>

The purpose of these interfunds is short-term borrowings.

Note 16. 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, 2013, 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	18,778,342
Net OPEB, End of Year	\$ 20,121,116

TOWNSHIP OF HADDON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 16. Post-Retirement Health Benefits (continued):

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, 2013 is as follows:

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/13	<u>\$1,342,774</u>	<u>0%</u>	<u>\$20,121,116</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.

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 Township of Haddon, was \$18,778,342.

Note 17. Subsequent Events

The Township has evaluated subsequent events through May 16, 2014, the date the financial statements were available to be issued.

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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, 2013**

	<u>CURRENT</u>	<u>STATE & FEDERAL</u>
Balance December 31, 2012	\$ 6,835,983	\$ -
Increased by Receipts:		
Tax Collector	44,186,392	-
2013 Appropriation Refunds	667,879	-
Revenue Accounts Receivable	1,368,940	-
Miscellaneous Revenue Not Anticipated	313,949	-
New Jersey State Training Fees	7,359	-
Reserve for Street Scape	109,685	-
Due from General Capital	304,404	-
Due from Water & Sewer Operating	-	-
Due From Animal Control Trust	-	-
Due From Trust Other	-	-
Due from Federal & State Grant Fund	283,601	-
Due from Current Fund	-	99,831
Federal & State Grants Unappropriated	-	37,026
Federal & State Grants Receivable	-	246,575
	<u>47,242,209</u>	<u>383,432</u>
Subtotal		
	<u>54,078,192</u>	<u>383,432</u>
Total		
Decreased by Disbursements:		
2013 Appropriations	11,495,950	-
2012 Appropriation Reserves	151,700	-
County Taxes	14,461,138	-
Due County for Added & Omitted Taxes	11,532	-
Fire District Taxes Payable	1,434,052	-
Local District School Tax	22,017,378	-
Business Improvement District Taxes	144,642	-
New Jersey State Training Fees	7,359	-
Reserve for Revaluation	10,673	-
Reserve for Tax Appeals	6,950	-
Special Emergency Note Payable	110,272	-
Tax Overpayments	79,897	-
Due from Federal & State Grant Fund	383,432	-
Reserve for Federal & State Grant	-	-
Funds Appropriated	-	383,432
	<u>50,314,975</u>	<u>383,432</u>
Total Disbursements		
	<u>\$ 3,763,217</u>	<u>\$ -</u>
Balance December 31, 2013		

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012		\$	-
Increased by:			
Taxes Receivable	\$	42,366,830	
Tax Title Liens		7,133	
Interest & Costs on Taxes		91,635	
2013 Prepaid Taxes		279,475	
Due from State of New Jersey Senior Citizen & Veteran Deductions		179,104	
Consolidated Municipal Property Relief Aid		144,635	
Energy Receipts Tax		1,117,580	44,186,392
Subtotal			44,186,392
Decreased by:			
Payments to Treasurer			44,186,392
Balance December 31, 2013		\$	-

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, 2013**

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, 2013**

YEAR	BALANCE DECEMBER 31, 2012	2013 LEVY	ADDED TAXES	COLLECTED		DUED FROM STATE OF NEW JERSEY	CANCELLED	OVERPAYMENTS APPLIED	TRANSFER TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2013
				2012	2013					
Arrears	\$ 12,190	\$ -	\$ -	\$ 5,340	\$ -	\$ -	\$ -	\$ 2,290	\$ -	\$ 6,850
2011	2,023	-	2,290	2,023	-	-	-	2,290	-	-
2012	10,194	-	31,268	15,913	(4,250)	-	-	29,799	-	-
Total	24,407	-	33,558	23,276	(4,250)	-	-	32,089	-	6,850
2013	-	42,869,325	-	276,262	42,271,970	182,999	110,059	4,807	9,962	13,266
Total	\$ 24,407	\$ 42,869,325	\$ 33,558	\$ 276,262	\$ 42,295,246	\$ 178,749	\$ 110,059	\$ 36,896	\$ 9,962	\$ 20,116

Cash Receipts \$ 42,366,830
 Tax Overpayments (71,584)
Total \$ 42,295,246

ANALYSIS OF 2013 PROPERTY TAX LEVY

General Purpose Tax	\$ 41,209,322
Fire District Taxes	1,434,683
Special District Taxes	144,642
Added & Omitted Taxes	80,678
<u>Total</u>	<u>\$ 42,869,325</u>

TAX LEVY:

Local District School Tax	\$ 22,017,378
County Taxes:	
General County Tax	\$ 10,571,743
County Library Tax	658,790
County Open Space	276,597
Due County for Added & Omitted Taxes	11,529,658
Fire District Taxes:	
Fire District No. 1	1,221,569
Fire District No. 2	28,503
Fire District No. 3	35,071
Fire District No. 4	149,540
Special District Taxes:	
Haddon Township Business Improvement	144,642
Local Tax for Municipal Purposes	7,665,630
Add: Addition Tax Levied	77,334
<u>Total</u>	<u>\$ 42,869,325</u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	30,128
Increased by:		
Transfers from Taxes Receivable	\$	9,962
Interest & Cost on Taxes		261
		<u>10,223</u>
Subtotal		40,351
Decreased by:		
Lien Payments Received		<u>7,133</u>
Balance December 31, 2013	\$	<u><u>33,218</u></u>

**SCHEDULE OF DUE FROM STATE OF NJ VETERAN AND SENIOR CITIZEN DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	52,743
Increased by:		
Senior Citizen & Veterans Deductions Per Tax Billings	\$	182,000
Deductions Allowed by Tax Collector - 2013 Taxes		2,750
Deductions Disallowed by Tax Collector - 2013 Taxes		(1,751)
Deductions Allowed by Tax Collector - Prior Year Taxes		250
Deductions Disallowed by Tax Collector - Prior Year Taxes		<u>(4,500)</u>
Subtotal		178,749
		231,492
Decreased by:		
Receipts - Collector		<u>179,104</u>
Balance December 31, 2013	\$	<u><u>52,388</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	ACCRUED IN 2013	REALIZED	BALANCE DECEMBER 31, 2013
Clerk:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 25,425	\$ 25,425	\$ -
Other	-	15,275	15,275	-
Fees & Permits	-	268,186	268,186	-
Municipal Court:		-		
Fines & Costs	14,161	242,006	232,175	23,992
Parking Meters	-	12,784	12,784	-
Operation of Crystal Lake	-	220,488	220,488	-
Uniform Construction Code Fees & Permits	-	170,397	170,397	-
Uniform Fire Safety Act	-	44,210	44,210	-
Borough of Audubon Park - Police Protection Services	-	380,000	380,000	-
Total	\$ 14,161	\$ 1,378,771	\$ 1,368,940	\$ 23,992

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF FORECLOSED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013 & 2012	<u><u>\$ 1,894,100</u></u>
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**SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	ADDED IN 2013	RAISED IN 2013 BUDGET	BALANCE DECEMBER 31, 2013
Emergency Authorization - Revaluation	\$ 220,544	\$ -	\$ 110,272	\$ 110,272
Emergency Authorization	-	60,000	-	60,000
Total	<u>\$ 220,544</u>	<u>\$ 60,000</u>	<u>\$ 110,272</u>	<u>\$ 170,272</u>

TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013

OPERATIONS	BALANCE		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED	RESERVED			
General Government Functions:					
General Administration:					
Salaries and Wages	\$ -	\$ 1,741	\$ 1,741	\$ -	\$ 1,741
Other Expenses	-	15	515	504	11
Human Resources:					
Salaries and Wages	-	275	275	-	275
Other Expenses	-	164	3,664	3,376	288
Mayor & Commissioners:					
Salaries and Wages	-	4,107	4,107	-	4,107
Other Expenses	-	3,194	3,194	-	3,194
Municipal Clerk:					
Salaries and Wages	-	3,056	3,056	-	3,056
Other Expenses	548	4,481	5,029	548	4,481
Registrar of Vital Statistics:					
Salaries and Wages	-	806	806	-	806
Other Expenses	-	750	750	-	750
Financial Administration:					
Salaries and Wages	-	70	70	-	70
Other Expenses	2,305	5,695	8,000	922	7,078
Revenue Administration (Tax Collector):					
Salaries and Wages	-	2,992	2,992	-	2,992
Other Expenses	651	3,288	3,939	977	2,962
Tax Assessor:					
Salaries and Wages	-	240	240	-	240
Other Expenses	-	2,442	2,442	922	1,520
Legal Services:					
Other Expenses	-	258	15,758	15,608	150
Municipal Court:					
Salaries and Wages	-	23,876	23,876	-	23,876
Other Expenses	94	48	142	119	23
Public Defender:					
Salaries and Wages	-	-	-	-	-
Engineering Services & Cost:					
Other Expenses	-	11,319	11,319	-	11,319
Economic Development:					
Other Expenses	-	1,563	1,563	1,327	236
Land Use Administration:					
Planning Board:					
Salaries and Wages	-	64	64	-	64
Other Expenses	-	157	157	151	6
Code Enforcement & Administration:					
Rent Control Commission:					
Salaries and Wages	-	989	989	-	989
Other Expenses	150	825	975	150	825
Insurance:					
General Liability	-	114	114	-	114
Disability Insurance	-	349	349	349	-
Workers Compensation	-	184	184	-	184
Employee Group Health	-	12,471	25,471	1,318	24,153
Health Benefit Waiver	-	4,451	4,451	-	4,451

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	BALANCE DECEMBER 31, 2012		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED	RESERVED			
Public Safety Functions:					
Police:					
Salaries and Wages	-	25,765	25,765	-	25,765
Other Expenses	16,229	6,697	22,926	16,833	6,093
Office of Emergency Management:					
Salaries and Wages	-	-	-	-	-
Other Expenses	-	250	250	-	250
Uniform Fire Safety Act:					
Salaries and Wages	-	35	35	-	35
Fire Hydrant Services	-	401	401	49	352
Public Works Functions:					
Streets & Roads Maintenance:					
Salaries and Wages	-	17,084	17,084	15,000	2,084
Other Expenses	3,915	15,666	19,581	1,180	18,401
Maintenance of Traffic Lights:					
Other Expenses	-	13,904	13,904	-	13,904
Shade Tree:					
Salaries and Wages	-	17	17	-	17
Other Expenses	842	2,187	3,029	206	2,823
Solid Waste Collection:					
Other Expenses	20,740	9,987	30,727	6,573	24,154
Building & Grounds:					
Other Expenses	3,544	18,191	21,735	414	21,321
Vehicle Maintenance:					
Other Expenses	5,518	26,653	32,171	1,373	30,798
Community Services Act:					
Other Expenses	-	21,722	27,222	27,129	93
Health & Human Services:					
Environmental Commission:					
Other Expenses	357	62	419	419	-
Animal Control Program:					
Other Expenses	1,834	1,448	3,282	1,834	1,448
Park & Recreation Functions:					
Crystal Lake Pool:					
Salaries and Wages	-	319	319	-	319
Other Expenses	9,728	33	9,761	5,814	3,947
Parks & Playgrounds:					
Other Expenses	108	159	267	129	138
Utility Expense & Bulk Purchases:					
Street Lighting	401	16,565	16,966	9,590	7,376
Telephone	1,652	-	4,652	4,455	197
Natural Gas	1,108	20,595	21,703	2,131	19,572
Gasoline		53,818	12,818	2,442	10,376
Postage		3,786	3,786	-	3,786
Copier	1,038	471	1,509	1,040	469
Landfill/Solid Waste Disposal Costs	58,052	72,806	130,858	22,708	108,150
Appropriation Offset By					
Dedicated Revenues:					
Code Enforcement & Administration:					
Salaries and Wages		69	69	-	69
Other Expenses	848	11,199	12,047	1,485	10,562

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATIONS	BALANCE DECEMBER 31, 2012		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED	RESERVED			
Other Common Operating Functions:					
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	250	99	349	56	293
Senior Citizen Coordinator:					
Salaries and Wages		170	170	-	170
Other Expenses	28	4,318	4,346	263	4,083
Community Communications:					
Salaries and Wages		4,029	4,029	-	4,029
Other Expenses	9,035	3,943	12,978	10,365	2,613
Total General Appropriations for Municipal Purposes Within "CAPS"	138,975	442,432	581,407	157,759	423,648
Deferred Charges & Statutory Expenditures					
Municipal Within "CAPS":					
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	-	19,232	19,232	-	19,232
Police & Fireman's Retirement Pension Fund	-	50	50	-	50
Total Deferred Charges & Statutory Expenditures Within "CAPS"		19,282	19,282	-	19,282
Operations Excluded From "CAPS":					
Stormwater Regulations:					
Salary & Wages	-	1,911	1,911		1,911
Borough of Audobon Park: Police Services	-	-	-	-	-
Total Operations Excluded from "CAPS"	-	1,911	1,911	-	1,911
Grand Total All Appropriations	\$ 138,975	\$ 463,625	\$ 602,600	\$ 157,759	\$ 444,841
Accounts Payable				\$ 6,059	
Cash Disbursements				151,700	
Total				\$ 157,759	

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 104,924
Increased by:	
2013 Appropriations	<u>157,511</u>
Subtotal	262,435
Decreased by:	
Transferred to 2012 Appropriations Reserves	<u>104,924</u>
Balance, December 31, 2013	<u><u>\$ 157,511</u></u>

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012 (2014 Taxes)	\$ 276,262
Increased by:	
Collections - 2013 Taxes	<u>279,475</u>
Subtotal	555,737
Decreased by:	
Application to 2012 Taxes Receivable	<u>276,262</u>
Balance, December 31, 2013 (2014 Taxes)	<u><u>\$ 279,475</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 33,227
Increased by:		
Overpayments in 2013		<u>71,584</u>
Subtotal		104,811
Decreased by:		
Refunded	\$ 79,897	
Applied to Current Year Taxes	<u>4,807</u>	<u>84,704</u>
Balance, December 31, 2013		<u><u>\$ 20,107</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, 2013**

Balance, December 31, 2012	\$ -
Increased by:	
Receipts - Collector	<u>7,359</u>
Subtotal	7,359
Decreased by:	
Disbursements	<u>7,359</u>
Balance, December 31, 2013	<u><u>\$ -</u></u>

**SCHEDULE OF LOCAL SCHOOL DISTRICT TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 52
Increased by:	
Levy - Calendar Year 2013	<u>22,017,378</u>
Subtotal	22,017,430
Decreased by:	
Disbursements	<u>22,017,378</u>
Balance, December 31, 2013	<u><u>\$ 52</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF FIRE DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012		2013 LEVY		DISBURSEMENTS		CANCEL PRIOR YEAR RECEIVABLE		BALANCE DECEMBER 31, 2013
Fire District No.1	\$ 4,494	\$	1,221,569	\$	1,220,938	\$	-	\$	5,125
Fire District No.2	-		28,503		28,503		-		-
Fire District No.3	-		35,071		35,071		-		-
Fire District No.4	-		149,540		149,540		-		-
Total	\$ 4,494	\$	1,434,683	\$	1,434,052	\$	-	\$	5,125

**SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 2,954,008
Increased by:	
County Tax	\$ 10,571,743
County Library Tax	658,790
County Open Space Tax	276,597
	<u>11,507,130</u>
Subtotal	14,461,138
Decreased by:	
Disbursements	<u>14,461,138</u>
Balance December 31, 2013	<u>\$ -</u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF DUE COUNTY FOR ADDED AND OMITTED TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012:	\$	11,532
Increased by:		
County Share of 2013 Added Taxes		22,528
Subtotal		34,060
Decreased by:		
Disbursements		11,532
Balance December 31, 2013:	\$	22,528

**SCHEDULE OF BUSINESS IMPROVEMENT DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$	-
Increased by:		
Receipts - Collector		144,642
Subtotal		144,642
Decreased by:		
Transfer to Business Improvement District		144,642
Balance December 31, 2013	\$	-

**FEDERAL AND STATE GRANTS FUND
SCHEDULE OF FEDERAL, STATE AND OTHER GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	ACCRUED	RECEIVED	BALANCE DECEMBER 31, 2013
State Grants:				
Seatbelt Enforcement Grant	\$ 400	\$ -	\$ -	\$ 400
Clean Communities Grant	-	22,899	22,899	-
Body Armor Fund	-	2,689	2,689	-
Drunk Driving Enforcement Grant	-	1,750	1,750	-
Drug Awareness & Resistance Education:	-			-
Municipal Alliance Program	20,687		14,799	5,888
Safe & Secure Communities Grant	60,000	51,605	60,000	51,605
Delaware Valley Estuary Grant	25,000	-	-	25,000
Alcohol Education & Rehabilitation Fund	8,495	2,383	-	10,878
Environmental Commissioner - DEP Grant	210			210
Economic Development Authority Grant	402,858	677,814	33,110	1,047,562
Pedestrian Safety Grant	3,480			3,480
Green Communities Grant	3,000	1,000	1,500	2,500
CSIP Shade Tree Program	280	-		280
NJ Historic Trust	18,725	-		18,725
Recycling Tonnage Grant	43,024	33,930	55,113	21,841
Click It or Ticket 2013	-	4,000		4,000
Drive Sover or Get Pulled Over	-	4,400		4,400
NJDEP - Clean Communities Grant	-	13,656		13,656
NJ Sustainable Grant	-	2,000	2,000	-
NJDOT Municipal Grant	-	150,644	112,983	37,661
NJLM Education Grant	-	2,000	2,000	-
ANJEC Open Space Environmental	-	1,495	1,000	495
	-			-
Total State Grants	<u>586,159</u>	<u>972,265</u>	<u>309,843</u>	<u>1,248,581</u>
Other Grants:				
Camden County Open Space Grant: Saddler Woods Project	-	18,697	18,697	-
Camden County Open Space Grant: MacArthur Tract	25,000	-	-	25,000
Total Other Grants	<u>25,000</u>	<u>18,697</u>	<u>18,697</u>	<u>25,000</u>
Total All Grant	<u>\$ 611,159</u>	<u>\$ 990,962</u>	<u>\$ 328,540</u>	<u>\$ 1,273,581</u>
			\$ 246,575	
Cash Receipts			<u>81,965</u>	
Unappropriated Reserves			<u>\$ 328,540</u>	
Total			<u>\$ 328,540</u>	

TOWNSHIP OF HADDON
FEDERAL AND STATE GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013

<u>STATE GRANTS</u>	BALANCE DECEMBER 31, 2012	CASH RECEIPTS	REALIZED AS REVENUE IN 2013 BUDGET	BALANCE DECEMBER 31, 2013
Drunk Driving Enforcement Grant	\$ 1,750	\$ 7,015	\$ 1,750	\$ 7,015
Clean Communities Grant	22,899	26,885	22,899	26,885
Body Armor Fund	2,689	3,126	2,689	3,126
Recycling Tonnage Grant	33,930	-	33,930	-
NJ Sustainable Grant	2,000	-	2,000	-
<u>LOCAL GRANTS</u>				
Camden County Open Space - Saddle Woods	18,697	-	18,697	-
Total All Grant	<u>\$ 81,965</u>	<u>\$ 37,026</u>	<u>\$ 81,965</u>	<u>\$ 37,026</u>

**TOWNSHIP OF HADDON
FEDERAL AND STATE GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	TRANSFER FROM 2013 BUDGET APPROPRIATION	EXPENDED	BALANCE DECEMBER 31, 2013
State Grants:				
Recycling Tonnage Grant	\$ 76,862	\$ 33,930	\$ 15,764	\$ 95,028
Alcohol Education & Rehabilitation Fund	7,337	2,383	575	9,145
Environmental Commissioner - DEP Grant	620	-	-	620
Drunk Driving Enforcement Grant	26,515	1,750	6,812	21,453
Clean Communities Grant	63,696	22,899	9,730	76,865
Pedestrian Safety Grant	3,280	-	-	3,280
Delaware Valley Estuary Grant	25,000	-	-	25,000
Body Armor Fund	5,747	2,689	4,680	3,756
Economic Development Authority Grant -2008	13,586	-	1,100	12,486
Economic Development Authority Grant -2009	565,161	-	20,426	544,735
Economic Development Authority Grant -2011	118,776	-	72,210	46,566
Economic Development Authority Grant -2012	24,263	-	22,187	2,076
Economic Development Authority Grant -2013	-	677,814	9,177	668,637
CSIP Tree Commission	99	-	-	99
Drug Awareness & Resistance Education	8,880	-	8,514	366
NJ Historic Trust	25,300	-	-	25,300
Green Communities Grant	-	1,000	1,000	-
NJ Sustainable Grant	-	2,000	2,000	-
NJDEP Clean Communities	-	13,656	-	13,656
NJ DOT Municipal Aid	-	150,644	135,797	14,847
Click It or Ticket	-	4,000	-	4,000
Drive Sober or Get Pulled Over	-	4,400	-	4,400
Safe & Secure Communities Grant	-	51,605	51,605	-
NJLM Grant	-	2,000	199	1,801
ANJEC Open Space Grant	-	1,495	800	695
				-
Total State Grants	965,122	972,265	362,576	1,574,811
				-
Other Grants:				
Camden County Open Space Grant:				-
Saddler Woods Project	391	18,697	-	19,088
Fire Safety Program - Township Match	355	6,000	6,000	355
Safe & Secure Grant - Township Match	25,802	12,901	11,256	27,447
Municipal Alliance Program - Township Match	4,228	-	3,600	628
				-
Total Other Grants	30,776	37,598	20,856	47,518
Total All Grant	\$ 995,898	\$ 1,009,863	\$ 383,432	\$ 1,622,329

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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, 2013**

	<u>OTHER</u>	<u>ANIMAL CONTROL FUND</u>
Balance December 31, 2012	\$ 883,048	\$ 3,542
Increased by Receipts:		
Animal Control	\$ -	\$ 8,881
Dog Registration Fees - Due State of New Jersey	-	866
Due Current Fund	-	-
Reserve for Payroll	6,476,469	-
Marriage License Fees - Due State of New Jersey	2,275	-
Community Development Block Grant Receivable	34,325	-
Various Reserves	1,939,968	-
	<u>8,453,037</u>	<u>9,747</u>
Total Increases	<u>8,453,037</u>	<u>9,747</u>
Total Increases & Balances	<u>9,336,085</u>	<u>13,289</u>
Decreased by Disbursements:		
Expenditures Under R.S.4:19-15.11	-	7,313
Dog Registration Fees - Due State of New Jersey	-	1,028
Due Utility Operating Fund	-	-
Reserve for Payroll	6,401,417	-
Marriage License Fees - Due State of New Jersey	250	-
Community Development Block Grant Receivable	126,676	-
Various Reserves	1,521,314	-
	<u>8,049,657</u>	<u>8,341</u>
Total Disbursements	<u>8,049,657</u>	<u>8,341</u>
Balance December 31, 2013	<u><u>\$ 1,286,428</u></u>	<u><u>\$ 4,948</u></u>

**TOWNSHIP OF HADDON
TRUST ASSESSMENT FUND
SCHEDULE OF DEPOSITS ON FUTURE ASSESSMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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, 2012**

Balance December 31, 2012	\$	3,191
Increased by:		
Receipts:		
Dog License Fees	\$	6,988
Cat License Fees		1,583
Late Fees & Duplicate Tag Fees		310
		8,881
Subtotal		12,072
Decreased by:		
Disbursements - Expenditures Under R.S. 4:19-15.11 Cash		7,313
		7,313
Balance/(Deficit) December 31, 2013	\$	4,759

LICENSE FEES COLLECTED

YEAR	AMOUNT
2012	\$ 9,825
2011	9,396
	9,396
Total	\$ 19,221

**TOWNSHIP OF HADDON
TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE TO/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 219
Increased by:	
Interest Earned on Investments & Deposits	<u> </u>
Balance December 31, 2013 & 2012	<u><u>\$ 219</u></u>

**SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 162
Increased by:	
Registration Fees Collected	<u>866</u>
Subtotal	1,028
Decreased by:	
Disbursements	<u>1,028</u>
Balance December 31, 2013	<u><u>\$ -</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 52,905
Increased by:		
Cash Disbursements		<u>126,676</u>
Subtotal		179,581
Decreased by:		
Cash Receipts	\$ 34,325	
Adjustment	<u>44,090</u>	<u>78,415</u>
Balance, December 31, 2013		<u><u>\$ 101,166</u></u>

**SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 44,090
Decreased by:		
Adjustment		<u>44,090</u>
Balance, December 31, 2013		<u><u>\$ -</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 173,598
Increased by:	
Receipts	<u>6,476,469</u>
Subtotal	6,650,067
Decreased by:	
Disbursements	<u>6,401,417</u>
Balance December 31, 2013	<u><u>\$ 248,650</u></u>

**TOWNSHIP OF HADDON
TRUST FUND OTHER FUND
SCHEDULE OF DUE TO/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2013 & 2012 (Due from)	\$	<u><u>86,031</u></u>
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**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE & BURIAL LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$	2,237
Increased by:		
Receipts		<u>2,275</u>
Subtotal		4,512
Decreased by:		
Disbursements		<u>250</u>
Balance, December 31, 2013	\$	<u><u>4,262</u></u>
Marriage License	\$	4,117
Burial License		<u>145</u>
Total	\$	<u><u>4,262</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF VARIOUS OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012		INCREASES	DECREASES	BALANCE DECEMBER 31, 2013	
Reserve for:						
POAA	\$	2,086	\$ 900	\$ -	\$	2,986
Unemployment Compensation Insurance		107,876	42,930	24,905		125,901
Disposal of Forfeited Property		7,169	7,193	-		14,362
Tax Title Liens & Premiums		381,252	1,578,523	1,286,178		673,597
Municipal Drug Alliance		16,515	88	-		16,603
Funds Held in Escrow		51,436	14,258	13,246		52,448
Employment of Off-Duty Police Officers		109,525	149,903	113,892		145,536
Recreation Trust Fund		3,186	18,249	20,271		1,164
Accumulated Leave Compensation		60,286	47,000	12,755		94,531
Donations - Civic Celebrations		11,080	49,823	41,817		19,086
Election Expense		7,783	-	280		7,503
Maintenance - West Bid Signs		4,000	-	-		4,000
Cell Tower Lease Deposits		4,400	-	-		4,400
Snow Removal Escrow		59,456	-	-		59,456
Library		2,403	-	-		2,403
Public Defender		14,135	8,493	-		22,628
M.L.E.T.A.		2,065	(1,265)	-		800
Shade Tree Program		660	1,925	2,580		5
Developer Escrow		-	-	1,494		(1,494)
Developer Escrow - Walters		-	483	483		-
Developer Escrow - Lazcor		-	7,506	3,141		4,365
Community Garden Donations		-	1,351	-		1,351
Environment Community Donations		-	2,608	272		2,336
Westmont Theatre Deposit		-	10,000	-		10,000
		<hr/>				
Total	\$	845,313	\$ 1,939,968	\$ 1,521,314	\$	1,263,967

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, 2013**

Balance, December 31, 2012		\$ 732,176
Increased by Receipts:		
Due Current Fund	\$ 13,330	
Bond Anticipation Notes	8,038,332	
Premium on Bond Anticipation Note	24,599	
Bond Proceeds	6,019,690	
Reserve for DY DEE Development - Interest Earnings	1,385	
Capital Improvement Fund	65,000	<u>14,162,336</u>
Subtotal		14,894,512
Decreased by Disbursements:		
Bond Anticipation Note Payable	11,528,832	
Improvement Authorizations	1,426,462	<u>12,955,294</u>
Balance, December 31, 2013		<u><u>\$ 1,939,218</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2013**

Fund Balance	\$ 42,107
Capital Improvement Fund	13,700
Due Current Fund	(465,677)
Due Trust Assessment Fund	450
Reserve for Encumbrances	712,151
Reserve for Flood Proceeds	25,866
Reserve for DY DEE Development	4,556

Improvement Authorizations:

ORDINANCE

NUMBER	DESCRIPTION	
911	Various Improvements	412
933-1065	Acquisition of MacArthur Tract	73,635
1084	Acquisition, Construction, Repair & Installation of Various Capital Improvements	
1103	Acquisition, Construction, Repair & Installation of Various Capital Improvements	189,192
1104	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	369,987
1134	Acquisition, Construction, Repair & Installation of Various Capital Improvements	43,688
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	75,293
1197	Streetscape Improvements	(2,788)
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	458,798
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	686,552
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	434,766
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	247,428
1298	Acquisition, Construction, Repair & Installation of Various Capital Improvements	(491,556)
1308	Acquisition of Various Capital Equipment for the Department of Public Safety	(131,183)
1309	Acquisition of Capital Equipment & Various Capital Improvements	(348,159)
		<u>(348,159)</u>
Total		<u>\$ 1,939,218</u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$ 9,646,794
Increased by:		
Serial Bonds Issued		7,092,000
Subtotal		16,738,794
Decreased by:		
2013 Budget Appropriations:		
Serial Bonds Payable	\$ 908,000	
Serial Bonds Refunded	1,005,000	
Green Acres Loans	35,047	1,948,047
Balance, December 31, 2013		\$ 14,790,747

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	2013 AUTHORIZATIONS	FUNDED	BALANCE DECEMBER 31, 2013	ANALYSIS OF BALANCE DECEMBER 31, 2013		
						BAN'S OUTSTANDING	UNEXPENDED BALANCE	EXPENDED BALANCE
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	\$ 7,746,832	-	\$ 218,000	\$ 7,528,832	\$ 7,610,832	\$ -	\$ -
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	-	35,977	2,788
1197	Streetscape Improvements	2,130,000	-	2,088,100	41,900	-	-	41,900
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	1,929,450	-	1,461,850	467,600	427,500	-	40,100
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,400,300	-	1,400,300	-	-	-	-
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,106,750	-	1,106,750	-	-	-	-
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,054,500	-	-	1,054,500	-	562,944	491,556
1298	Acquisition of Capital Equipment & Various Capital Improvements	-	205,500	-	205,500	-	74,317	131,183
1308	Acquisition of Various Capital Equipment for the Department of Public Safety	-	1,235,000	-	1,235,000	-	886,841	348,159
1309	Acquisition of Capital Equipment & Various Capital Improvements	-	-	-	-	-	-	-
	Total	\$ 15,407,495	\$ 1,440,500	\$ 6,275,000	\$ 10,572,995	\$ 8,038,332	\$ 1,560,977	\$ 1,055,686
	Payment of Bond Anticipation Note		\$ 218,000					
	Bond Issuance		6,057,000					
	Total		\$ 6,275,000					

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DY-DEE DEVELOPMENT
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$	3,171
Increased by:		
Interest Earnings		<u>1,385</u>
Balance, December 31, 2013	\$	<u><u>4,556</u></u>

**SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$	(187,239)
Increased by:		
Cash Receipt - Interest earned on Investments	\$	13,330
Adjustment		<u>12,636</u>
Subtotal		25,966
Subtotal		(161,273)
Decreased by:		
Collections made on behalf of Current Fund		<u>304,404</u>
Balance, December 31, 2013	\$	<u><u>(465,677)</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 24,000
Increased by:	
Receipts - 2013 Budget Appropriation	<u>65,000</u>
Subtotal	89,000
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>75,300</u>
Balance, December 31, 2013	<u><u>\$ 13,700</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2012		2013 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2013	
				FUNDED	UNFUNDED					FUNDED	UNFUNDED
911	Various Improvements	5/7/91	\$ 2,895,000	-	412	-	-	-	-	412	-
933-1065 1084-1172	Acquisition of MacArthur Tract Acquisition, Construction, Repair & Installation of Various Capital Improvements	4/21/92&00	1,650,000	-	73,635	-	-	-	-	73,635	-
1103	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/18/02	1,750,000	-	89	-	662	751	-	-	-
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements	5/18/04	3,675,000	-	242,272	-	1,998	53,080	1,998	189,192	-
1134	Acquisition, Construction, Repair & Improvements to the DyDee Wash Redevelopment Project Acquisition, Construction, Repair & Installation of Various Capital Improvements	9/28/04	8,000,000	-	474,821	-	-	104,834	-	-	369,987
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	5/31/05	1,400,000	-	44,600	-	-	912	-	43,688	-
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	5/23/06	1,500,000	-	25,708	-	3,829	26,571	2,966	-	898
1197 1220	Streetscape Improvements Completion of Various Capital Improvements & Acquisition of Capital Equipment	6/25/07 11/27/07	1,550,000 64,276	-	87,176	-	8,642	16,667	3,858	75,293	35,977
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/23/09	2,400,000	-	494,220	-	62,770	64,719	33,473	458,798	-
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/23/10	2,211,000	-	818,576	-	120,289	98,868	153,445	686,552	-
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	6/23/10	1,625,000	-	666,459	-	104,595	199,201	137,087	434,766	-
1298	Acquisition of Capital Equipment & Various Capital Improvements	4/26/11	1,365,000	-	341,234	-	60,281	151,558	2,529	247,428	-
1308	Acquisition of Various Capital Equipment for the Department of Public Safety	7/24/12	1,054,500	-	990,135	-	115,673	463,765	79,099	-	562,944
1309	Acquisition of Capital Equipment & Various Capital Improvements	7/23/13	215,800	-	-	215,800	-	94,259	47,224	-	74,317
		7/23/13	1,300,000	-	-	1,300,000	-	162,687	250,472	-	886,841
Total			\$ 473,892	\$ 3,822,320	\$ 1,515,800	\$ 478,739	\$ 1,437,872	\$ 712,151	\$ 2,209,764	\$ 1,930,964	

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM - CRYSTAL LAKE DEVELOPMENT
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 50,619
Decreased by:	
Budget Appropriation	4,621
Balance, December 31, 2013	\$ 45,998

SCHEDULE OF GREEN ACRES LOAN PAYABLE DECEMBER 31, 2013

April 2014	2,345
October 2014	2,369
April 2015	2,392
October 2015	2,416
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	\$ 45,998

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM - MAC ARTHUR TRACT ACQUISITION
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 351,775
Decreased by:	
Budget Appropriation	<u>30,426</u>
Balance, December 31, 2013	<u><u>\$ 321,349</u></u>

SCHEDULE OF GREEN ACRES LOAN PAYABLE DECEMBER 31, 2013

January 2014	15,441
July 2014	15,596
January 2015	15,752
July 2015	15,909
January 2016	16,068
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>\$ 321,349</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED	PAID BY BUDGET APPROPRIATION	REFUNDED	BALANCE DECEMBER 31, 2013
				OUTSTANDING DECEMBER 31, 2013	AMOUNT						
2001 General Bonds	08/15/2001	\$ 1,780,000					1,005,000	-	-	1,005,000	-
2006 General Bonds	4/20/2006	6,175,000	11/15/14-15	300,000	4.000%	4,900,000	-	250,000	-	-	4,650,000
			11/15/2016	300,000	4.125%						
			11/15/17-18	325,000	4.125%						
			11/15/19-22	375,000	4.125%						
			11/15/23-24	400,000	4.150%						
			11/15/25-26	400,000	4.250%						
2008 General Bonds	5/7/2008	2,595,000	5/1/13-14	100,000	3.625%	2,245,000	-	100,000	-	-	2,145,000
			5/1/15	115,000	3.625%						
			5/1/16-18	125,000	3.625%						
			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%					
			5/1/24-27	160,000	4.000%						
			5/1/28	170,000	4.000%						
2008 Refunding Bonds	5/7/2008	2,394,000	9/15/14	225,150	3.250%	1,094,400	-	228,000	-	-	866,400
			9/15/15	219,450	3.250%						
			9/15/16	142,500	3.250%						
			9/15/17	139,650	3.375%						
			9/15/18	139,650	3.450%						
2013 General Bonds	8/15/2013	6,057,000	8/15/14	210,000	2.000%	-	6,057,000	205,000	-	-	5,852,000
			8/15/15	210,000	2.000%						
			8/15/16	210,000	2.000%						
			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%							

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED	PAID BY BUDGET APPROPRIATION	REFUNDED	BALANCE DECEMBER 31, 2013
			OUTSTANDING DECEMBER 31, 2013	AMOUNT						
	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%					
2013 Refunding Bonds	8/15/2013	1,035,000	115,000		1.000%	-	1,035,000	125,000	-	910,000
	8/15/15		110,000		1.000%					
	8/15/16		110,000		1.000%					
	8/15/17		120,000		1.000%					
	8/15/18		120,000		2.000%					
	8/15/19		115,000		2.000%					
	8/15/20		110,000		2.000%					
	8/15/21		110,000		2.000%					
Total										
						\$ 9,244,400	\$ 7,092,000	\$ 908,000	\$ 1,005,000	\$ 14,423,400

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2012	INCREASE	DECREASE	BALANCE DECEMBER 31, 2013
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Redevelopment Project	11/17/05	2/4/2013	2/5/2014	1.25%	\$ 4,746,832	\$ 4,648,832	\$ 4,746,832	\$ 4,648,832
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Redevelopment Project	11/24/09	2/4/2013	2/5/2014	1.25%	3,000,000	2,962,000	3,000,000	2,962,000
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	11/24/09	2/4/2013	2/5/2014	1.25%	2,070,550	-	2,070,550	-
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	11/24/09	2/4/2013	2/5/2014	1.25%	1,929,450	427,500	1,929,450	427,500
Total						<u>\$ 11,746,832</u>	<u>\$ 8,038,332</u>	<u>\$ 11,746,832</u>	<u>\$ 8,038,332</u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	2013 AUTHORIZATIONS	AUTHORIZATIONS FUNDED	BALANCE DECEMBER 31, 2013
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	898	-	-	898
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	35,977	-	-	35,977
1197	Streetscape Improvements	2,788	-	-	2,788
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	59,450	-	59,450	-
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,400,300	-	1,400,300	-
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,106,750	-	1,106,750	-
1298	Acquisition of Capital Equipment & Various Capital Improvements	1,054,500	-	-	1,054,500
1308	Acquisition of Capital Equipment & Various Capital Improvements	-	205,500	-	205,500
1309	Acquisition of Capital Equipment & Various Capital Improvements	-	1,235,000	-	1,235,000
	Total	<u>\$ 3,660,663</u>	<u>\$ 1,440,500</u>	<u>\$ 2,566,500</u>	<u>\$ 2,534,663</u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY ROAD AID
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 265,868
Increased by:	
Due to Current Fund	<u>12,636</u>
Subtotal	278,504
Decreased by:	
Cash Receipts	<u>278,504</u>
Balance, December 31, 2013	<u><u>\$ -</u></u>

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, 2013**

	OPERATING FUND	CAPITAL FUND
Balance, December 31, 2012	\$ 802,782	\$ 350,350
Increased by Receipts:		
Collector	3,302,799	-
Interest on Investments	-	-
Bond Proceeds	-	2,061,091
Bond Anticipation Notes Issued	-	-
NJEIT Loan Receivable	-	-
Due to Current Fund	100,000	-
Due to Trust - Other	-	-
Due to Utility Operating	-	4,774
	3,402,799	2,065,865
Subtotal	3,402,799	2,065,865
Total	4,205,581	2,416,215
Decreased by Disbursements:		
2013 Appropriations	3,577,690	-
2012 Appropriation Reserves	53,917	-
Due to Current Fund	-	-
Due to Bank	15	-
Bond Anticipation Notes Redeemed	-	1,420,500
Improvement Authorizations	-	409,584
	3,631,622	1,830,084
Total Disbursements	3,631,622	1,830,084
Balance, December 31, 2013	\$ 573,959	\$ 586,131

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$	-
Increased by Receipts:			
Consumer Accounts Receivable:			
Water	\$	1,936,659	
Sewer		1,253,246	
Penalties on Delinquent Accounts			
Other Receipts		100,182	
Revenue Accounts Receivable		12,712	3,302,799
			<hr/>
Subtotal			3,302,799
Decreased by Disbursements:			
Payment to Treasurer			<hr/>
			3,302,799
Balance, December 31, 2013		<hr/> <hr/>	<hr/> <hr/> -

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH - WATER-SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Fund Balance	\$ 16,787
Capital Improvement Fund	12,427
Due Water/Sewer Operating Fund	354,077
Reserve for Encumbrances	767,544
Reserve for Repayment for Debt	10,450
NJEIT Loan Receivable	(468,458)

IMPROVEMENT AUTHORIZATIONS:

ORDINANCE

NUMBER	DESCRIPTION	
1085	Various Improvements to Water-Sewer Utility	600
1216	Various Improvements to the Water-Sewer Utility	(152,500)
1221	Various Improvements to the Water-Sewer Utility	19,827
1241	Various Improvements to the Water-Sewer Utility	95,261
1266	Various Improvements to the Water-Sewer Utility	48,561
1280	Various Improvements to the Water-Sewer Utility	122,599
1299	Various Improvements to the Water-Sewer Utility	(217,612)
1310	Various Improvements to the Water-Sewer Utility	(23,432)
		<hr/>
	Total	<u>\$ 586,131</u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$	2,113
Increased by:			
Water Rents Levied			<u>1,973,224</u>
Subtotal			1,975,337
Decreased by:			
Prepaid Applied	31,881		
Overpayments Applied	9,642		
Transfer to Liens	96		
Receipts - Collector	<u>1,936,659</u>		<u>1,978,278</u>
Balance, December 31, 2013		<u>\$</u>	<u>(2,941)</u>

**SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012		\$	3,935
Increased by:			
Sewer Rents Levied			<u>1,260,946</u>
Subtotal			1,264,881
Decreased by:			
Transfer to Liens	131		
Receipts - Collector	<u>1,253,246</u>		<u>1,253,377</u>
Balance, December 31, 2013		<u>\$</u>	<u>11,504</u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$	4,361
Decreased by:		
Disbursements to Current		<u>100,000</u>
Balance, December 31, 2013	\$	<u><u>(95,639)</u></u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2012	ACCRUED IN 2013	COLLECTED	BALANCE DECEMBER 31, 2013
Rentals of West Collingswood Heights Facilities - New Jersey Water Company	\$ 12,712	\$ -	\$ 12,712	\$ -
Total	<u>\$ 12,712</u>	<u>\$ -</u>	<u>\$ 12,712</u>	<u>\$ -</u>

**SCHEDULE OF UTILITY LIENS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 2,055
Increased by:	
Transfers from Taxes Receivable	<u>227</u>
Balance, December 31, 2013	<u><u>\$ 2,282</u></u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2013 & 2012

\$ 12,427

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL - WATER
FOR THE YEAR ENDED DECEMBER 31, 2013**

	BALANCE DECEMBER 31, 2013
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, 2013**

	BALANCE DECEMBER 31, 2013
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, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2012	2013 DEFERRED CHARGES TO FUTURE REVENUES	BALANCE DECEMBER 31, 2013
		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
	Total			\$ 13,677,663	\$ 750,000	\$ 14,427,663

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>BALANCE DECEMBER 31, 2012</u>		DISBURSED	BALANCE LAPSED
	<u>ENCUMBERED</u>	<u>RESERVED</u>		
Operating:				
Salaries and Wages	\$ -	\$ 65,675	\$ -	\$ 65,675
Other Expenses	25,903	281,336	49,334	257,905
Statutory Expenditures:				-
Contribution to:				-
Social Security System (O.A.S.I.)	-	18,076	4,445	13,631
State Disability Insurance	-	686	138	548
Total	<u>\$ 25,903</u>	<u>\$ 365,773</u>	<u>\$ 53,917</u>	<u>\$ 337,759</u>

EXHIBIT D-17

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 25,903
Increased by:	
2013 Appropriations	<u>44,587</u>
Subtotal	70,490
Decreased by:	
Transferred to 2012 Appropriation Reserves	<u>25,903</u>
Balance, December 31, 2013	<u><u>\$ 44,587</u></u>

EXHIBIT D-18

**SCHEDULE OF PROTESTED CHECKS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2013 & 2012	<u><u>\$ 2,452</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, 2013**

Balance, December 31, 2012	\$ 95,443
Increased by:	
Budget Appropriation for Interest on Bonds	<u>397,271</u>
Subtotal	492,714
Decreased by:	
Interest Paid by Operating Fund	<u>387,415</u>
Balance, December 31, 2013	<u><u>\$ 105,299</u></u>

**WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE TO WATER-SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2012	\$ 224,303
Increased by:	
Operating Surplus	125,000
Interest Earned on Investments & Deposits	<u>4,774</u>
Balance, December 31, 2013	<u><u>\$ 354,077</u></u>

**SCHEDULE OF CAPITAL FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance, December 31, 2013 & 2012	<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, 2013**

Balance, December 31, 2012		\$ 14,608,536
Increased by:		
Paid by Operating Fund:		
Serial Bonds Payable	\$ 482,000	
Serial Bonds Refunded	250,000	
Paydown of Bond Anticipation Note	29,500	
Environmental Infrastructure Loan	278,505	1,040,005
Subtotal		15,648,541
Decreased by:		
Serial Bonds Issued		260,000
Balance, December 31, 2013		<u>\$ 15,388,541</u>

**SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DECEMBER 31, 2012
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
		Total	<u>\$ 90,263</u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AUTHORIZED DATE	AUTHORIZED AMOUNT	BALANCE DECEMBER 31, 2012		2013 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2013	
				FUNDED	UNFUNDED					FUNDED	UNFUNDED
1085	Various Improvements to the Water-Serer Utility	6/18/2002									
1114		12/28/2004	\$ 850,000	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -
1185	Various Improvements to the Water-Serer Utility	6/25/2007	770,000	-	-	-	9,541	1,990	7,551	-	-
1216	Rehabilitation & Reconstruction of Sewer Utility	5/27/2008	6,540,000	-	-	-	625,255	-	625,255	-	-
1221	Various Improvements to the Water-Serer Utility	5/27/2008	705,250	-	20,657	-	27,399	987	27,242	19,340	487
1241	Various Improvements to the Water-Serer Utility	5/26/09	845,000	-	97,486	-	68,558	31,996	38,300	95,748	-
1266	Various Improvements to the Water-Serer Utility	6/23/10	340,000	137,754	-	-	72,956	162,149	-	48,561	-
1280	Various Improvements to the Water-Serer Utility	5/24/11	590,000	-	167,579	-	38,469	41,199	42,250	122,599	-
1299	Various Improvements to the Water-Serer Utility	7/24/12	750,000	-	718,945	-	2,128	161,740	26,946	-	532,387
1310	Various Improvements to the Water-Serer Utility	7/24/13	750,000	-	-	750,000	-	23,432	-	-	726,568
Total				\$ 138,354	\$ 1,004,667	\$ 750,000	\$ 844,306	\$ 423,493	\$ 767,544	\$ 286,848	\$ 1,259,442

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER-SEWER SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED IN 2013	PAID BY BUDGET APPROPRIATION	REFUNDED	BALANCE DECEMBER 31, 2013
			DATE	AMOUNT						
Water-Sewer Utility Bonds	08/15/2001	\$ 475,000				\$ 250,000	-	\$ -	250,000	\$ -
Water-Sewer Utility Bonds	04/20/2006	3,250,000	11/15/14	150,000	4.000%	2,475,000	-	150,000	-	2,325,000
			11/15/15	150,000	4.000%					
			11/15/16	150,000	4.125%					
			11/15/17	175,000	4.125%					
			11/15/18	175,000	4.125%					
			11/15/19	175,000	4.125%					
			11/15/20	175,000	4.125%					
			11/15/21	175,000	4.125%					
			11/15/22	200,000	4.125%					
			11/15/23	200,000	4.150%					
		11/15/24	200,000	4.150%						
		11/15/25	200,000	4.250%						
		11/15/26	200,000	4.250%						
Water-Sewer Utility Bonds	05/07/2008	1,620,000	05/1/14	75,000	3.625%	1,410,000	-	60,000	-	1,350,000
			05/1/15	75,000	3.625%					
			05/1/16	75,000	3.625%					
			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		09/15/14	169,850	3.250%	825,600	-	172,000	-	653,600
			09/15/15	165,550	3.250%					
			09/15/16	107,500	3.250%					
			09/15/17	105,350	3.375%					
			09/15/18	105,350	3.450%					

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER-SEWER SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING 12/31/2013		INTEREST RATE	BALANCE DECEMBER 31, 2012	ISSUED IN 2013	PAID BY BUDGET APPROPRIATION	REFUNDED	BALANCE DECEMBER 31, 2013
			DATE	AMOUNT						
2013 General Bonds	8/15/2013	2,075,000	8/15/14	70,000	2.000%	-	2,075,000	70,000	-	2,005,000
			8/15/15	70,000	2.000%					
			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%					
2013 Refunding Bonds	8/15/2013	260,000	8/15/14	30,000	1.000%	-	260,000	30,000	-	230,000
			8/15/15	30,000	1.000%					
			8/15/16	25,000	1.000%					
			8/15/17	30,000	1.000%					
			8/15/18	30,000	2.000%					
			8/15/19	30,000	2.000%					
			8/15/20	30,000	2.000%					
		8/15/21	25,000	2.000%						
Total						\$ 4,960,600	\$ 2,335,000	\$ 482,000	\$ 250,000	\$ 6,563,600

**TOWNSHIP OF HADDON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN
FOR THE YEAR ENDED DECEMBER 31, 2013**

IMPROVEMENT DESCRIPTION	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING	INTEREST RATE	BALANCE DECEMBER 31, 2012	PAID BY BUDGET APPROPRIATION	ADJUSTMENT	BALANCE DECEMBER 31, 2013
Reconstruction & Rehabilitation of Various Sewers	11/9/2008	\$ 3,200,000	8/1/14	3.55%	\$ 2,870,000	\$ 120,000	\$ -	\$ 2,750,000
			8/1/15	3.69%				
			8/1/16	3.84%				
			8/1/17	3.96%				
			8/1/18	4.12%				
			8/1/19	4.31%				
			8/1/20	4.42%				
			8/1/21	4.51%				
			8/1/22	4.60%				
			8/1/23	4.66%				
			8/1/24	4.80%				
			8/1/25	4.85%				
			8/1/26	4.89%				
			8/1/27	4.92%				
			8/1/28	4.95%				

**SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
FOR THE YEAR ENDED DECEMBER 31, 2013**

IMPROVEMENT DESCRIPTION	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING	INTEREST RATE	BALANCE DECEMBER 31, 2012	PAID BY BUDGET APPROPRIATION	ADJUSTMENT	BALANCE DECEMBER 31, 2013
Reconstruction & Rehabilitation of Various Sewers	11/9/2008	\$ 3,200,000	9/1/09-28 & 3/1/09-28	NONE	\$ 2,608,378	\$ 163,351	\$ 4,846	\$ 2,449,873

Principal payments 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, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE	INCREASE	DECREASE	BALANCE
						DECEMBER 31, 2012			DECEMBER 31, 2013
1221	Various Improvements to the Water-Serer Utility	11/24/09	N/A	N/A	N/A	\$ 669,987	\$ -	\$ 669,987	\$ -
1241	Various Improvements to the Water-Serer Utility	11/24/09	N/A	N/A	N/A	780,013	-	780,013	-
						<u>\$ 1,450,000</u>	<u>\$ -</u>	<u>\$ 1,450,000</u>	<u>\$ -</u>
						Paid by Budget Appropriation \$ 29,500			
						Cash Disbursement <u>1,420,500</u>			
						<u>\$ 1,450,000</u>		<u>\$ 1,450,000</u>	

**TOWNSHIP OF HADDON
 WATER-SEWER UTILITY CAPITAL FUND
 STATEMENT OF BONDS & NOTES AUTHORIZED BUT NOT ISSUED
 FOR THE YEAR ENDED DECEMBER 31, 2013**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2012	AUTHORIZED	AUTHORIZATIONS FUNDED	BALANCE DECEMBER 31, 2013
1216	Rehabilitation & Reconstruction of Sewer	\$ 152,500	\$ -	\$ -	\$ 152,500
1241	Various Improvements to the Water - Sewer Utility	64,987	-	64,500	487
1280	Various Improvements to the Water - Sewer Utility	590,000	-	590,000	-
1299	Various Improvements to the Water - Sewer Utility	750,000	-	-	750,000
1310	Various Improvements to the Water - Sewer Utility	-	750,000	-	750,000
		<u>\$ 1,557,487</u>	<u>\$ 750,000</u>	<u>\$ 654,500</u>	<u>\$ 1,652,987</u>

**SCHEDULE OF RESERVE FOR REPAYMENT OF BONDS
 FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2012	\$ 135,450
Decreased by:	
Anticipated as Operating Revenue	<u>125,000</u>
Balance December 31, 2013	<u><u>\$ 10,450</u></u>

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**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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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, 2013.

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 except by contract or agreement. The Township employs a qualified purchasing agent.

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 or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," 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:11-6*.

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 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 15, 2013 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 17, 2013 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
2013	28
2012	20
2011	15

Deductions From Taxes

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

***Finding 2013-01:**

A proper accounting of third party lien and premium balances is not being maintained by the tax collector.

Recommendation:

That the Township maintains an accounting of the third party lien and premium balances being collected and retained in the Township trust account that reconciles to the Township's ending cash balances and municipal lien accounting system.

Managements Response:

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

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 2013-02:**

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 2013-03:**

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:

That the payroll activity of the township be properly recorded in the general ledger accounting system and that the payroll deduction reserve balance be properly analyzed 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.

Finding 2013-04:

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

Managements Response:

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

Chief Financial Officer

Finding 2013-05:

During our examination of the Township's bank reconciliations, it was noted that the Current Fund bank reconciliation was not performed in a timely manner.

Recommendation:

In accordance with maintaining an internal control environment that is effective in prevention and/or identification of potential financial statement misstatements, the Township should complete timely bank reconciliations.

Managements Response:

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

Finding 2013-06:

During our examination of Township's cash receipts, we noted that collections from Uniform Construction Code fees were not properly classified into State and Township portions in the Township's general ledger system.

Recommendation:

In accordance with maintaining an internal control environment that is effective in prevention and/or identification of potential financial statement misstatement, the Township should properly classify Uniform Construction Code Fees due to the State of New Jersey.

Managements Response:

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

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, 2013:

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
Mary C. Twisler	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.

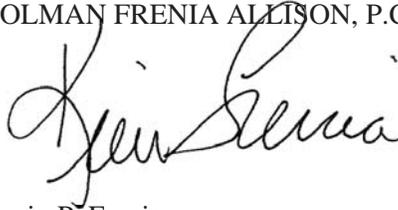
Acknowledgment

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 black ink, appearing to read "Kevin Frenia", written in a cursive style.

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

Medford, New Jersey
May 16, 2014