

TOWNSHIP OF HADDON
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2011

**TOWNSHIP OF HADDON
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, 2011**



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Haddon, State of New Jersey as of December 31, 2011 and 2010, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, and the related comparative statements of revenues--regulatory basis, statement of expenditures--regulatory basis and comparative statement of general fixed assets group of accounts for the year ended December 31, 2011. These financial statements are the responsibility of the Township of Haddon's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters, as discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Haddon, State of New Jersey, as of December 31 2011, the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the Township of Haddon, State of New Jersey has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Furthermore, 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 of the Township of Haddon, State of New Jersey, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance of such funds--regulatory basis for the years then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2011 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2012, on our consideration of the Township of Haddon, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Haddon's basic financial statements 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. 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 financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford, New Jersey
April 4, 2012



Certified Public Accountants & Consultants

**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**

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

We have audited the financial statements of the Township of Haddon, County of Camden, State of New Jersey, as of and for the year ended December 31, 2011, and have issued our report thereon dated April 4, 2012. Our report rendered a qualified opinion and disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Haddon's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

A deficiency in internal controls 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 misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We identified several deficiencies in internal control over financial reporting that we consider to be a material weakness, as defined above, which is described in the accompanying Comment and Recommendation Section as Finding No's: 2011-01 and 2011-02.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Haddon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed three instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is described in the accompanying Comment and Recommendation Section as Finding No's: 2011-01 and 2011-02.

This report is intended solely for the information and use of the Township of Haddon's management, and Committee members, others within the organization, the Division of Local Government Services, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford, New Jersey
April 4, 2012

FINANCIAL STATEMENTS

**TOWNSHIP OF HADDON
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Regular Fund:			
Cash	A-4	\$4,375,820	4,624,970
Cash - Change Fund	A-6	575	575
Due From State of New Jersey - State Training Fees	A-17	4,201	
Due from State of New Jersey for Senior Citizen & Veteran Deductions	A-9	73,201	60,998
Total Regular Fund		<u>4,453,797</u>	<u>4,686,543</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	37,770	20,719
Tax Title Liens Receivable	A-8	85,997	58,439
Foreclosed Property - Assessed Valuation	A-11	1,894,100	1,894,100
Revenue Accounts Receivable	A-10	23,589	22,874
Protested Checks Receivable		6,195	4,749
Due From Bank		915	1,403
Due From Interfunds:			
Animal Control Fund	B	159	12
General Capital Fund	C		79,297
Water-Sewer Utility Operating Fund	D	3,056	
Total Receivables & Other Assets With Full Reserves		<u>2,051,781</u>	<u>2,081,593</u>
Deferred Charges			
Special Emergency Authorization	A-12		3,600
Emergency Authorization	A-12	330,816	441,088
Total Deferred Charges		<u>330,816</u>	<u>444,688</u>
Total Regular Fund, Receivables, Other Assets With Full Reserves & Deferred Charges		<u>6,836,394</u>	<u>7,212,824</u>
State & Federal Grants:			
Due from Current Fund	A	533,724	473,362
Grants Receivable	A-24	579,375	722,164
Total State & Federal Grants		<u>1,113,099</u>	<u>1,195,526</u>
Total Assets		<u><u>\$7,949,493</u></u>	<u><u>8,408,350</u></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, 2011 AND 2010**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$427,725	399,249
Reserve for Encumbrances	A-3,A-14	104,924	112,465
Prepaid Taxes	A-15	232,553	208,220
Tax Overpayments	A-16	3,027	3,745
Due to State of New Jersey - State Training Fees	A-17		1,856
Local School District Taxes Payable	A-18	52	171,272
Fire District Taxes Payable	A-19	267,687	267,787
Due County for Added & Omitted Taxes	A-21	17,504	8,898
Special Emergency Note Payable		441,088	551,360
Reserve for Preparation & Revisions of Master Plan			1,042
Reserve for Revision of Tax Maps			2,819
Reserve for Revaluation		45,789	131,545
Reserve for Local School Contribution		8,014	92,845
Reserve for Public Works Retro Payroll		15,000	
Reinsurance Proceeds Payable		20,139	11,789
Due to Camden County MUA	A-23	71,478	1,813
Due to Federal & State Grant Fund	A	533,724	473,362
Due to General Capital Fund	C	202,010	
Due to Trust - Other Fund	B	90,249	1,642
Subtotal		<u>2,480,963</u>	<u>2,441,709</u>
Reserve for Receivables & Other Assets		2,051,781	2,081,593
Fund Balance	A-1	<u>2,303,650</u>	<u>2,689,522</u>
Total Regular Fund		<u>6,836,394</u>	<u>7,212,824</u>
State & Federal Grants:			
Reserve for Grants Unappropriated	A-25	62,766	77,360
Reserve for Grants Appropriated	A-26	<u>1,050,333</u>	<u>1,118,166</u>
Total State & Federal Grants		<u>1,113,099</u>	<u>1,195,526</u>
Total Liabilities, Reserves & Fund Balance		<u>\$7,949,493</u>	<u>8,408,350</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, 2011 AND 2010**

	2011	2010
Revenue & Other Income Realized:		
Fund Balance Utilized	\$1,575,000	1,120,000
Miscellaneous Revenue Anticipated	3,261,862	4,197,498
Receipts From Delinquent Taxes & Tax Title Liens	4,438	742,765
Receipts From Current Taxes	39,823,638	39,244,032
Nonbudget Revenue	517,574	537,278
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	309,198	580,681
Liquidation of Reserves For:		
Interfunds	73,815	11,685
	<hr/>	<hr/>
Total	45,565,525	46,433,939
	<hr/>	<hr/>
Expenditures:		
Budget & Emergency Appropriations:		
Operations Within "CAPS":		
Salaries & Wages	3,904,708	3,784,511
Other Expenses	4,289,548	4,268,097
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"	1,066,677	924,037
Operations Excluded from "CAPS":		
Salaries & Wages	193,231	258,922
Other Expenses	732,349	1,394,022
Capital Improvements	65,000	70,000
Municipal Debt Service	1,467,098	1,497,845
Deferred Charges - Municipal Excluded from "CAPS"	113,872	140,272
Transferred to Board of Education for Use of Local Schools		84,831
Special District Taxes - Business Improvement District	151,152	124,640
Fire District Taxes	1,279,110	1,283,036
County Taxes	9,527,692	9,367,928
Due County for Added & Omitted Taxes	17,504	8,898
Local District School Tax	21,568,456	21,141,575
Create Reserves for:		
Cancellation of Prior Year Grants		13,021
	<hr/>	<hr/>
Total Expenditures	44,376,397	44,361,635
	<hr/>	<hr/>
Regulatory Excess to Fund Balance	1,189,128	2,072,304
Fund Balance January 1	2,689,522	1,737,218
	<hr/>	<hr/>
Total	3,878,650	3,809,522
	<hr/>	<hr/>
Decreased by: Utilization as Anticipated Revenue	1,575,000	1,120,000
	<hr/>	<hr/>
Fund Balance December 31	<u>\$2,303,650</u>	<u>2,689,522</u>

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, 2011**

	BUDGET	APPROPRIATED by N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$1,575,000		1,575,000	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	25,000		25,100	100
Other	16,000		23,448	7,448
Fees & Permits:				
Other	160,000		251,244	91,244
Fines & Costs:				
Municipal Court	310,000		325,223	15,223
Interest & Costs on Taxes	64,291		93,362	29,071
Parking Meters	8,000		10,923	2,923
Operation of Crystal Lake	220,000		211,323	(8,677)
PATCO Proceeds	30,000		30,000	
Consolidated Municipal Property				
Tax Relief Act	189,104		189,104	
Energy Receipts Tax	1,073,111		1,073,111	
Uniform Construction Code Fees & Permits	160,000		172,530	12,530
Borough of Audubon Park - Police				
Protection Services	380,004		380,004	
Borough of Audubon Park - Other				
Services	11,250			(11,250)
Recycling Tonnage Grant	31,105		31,105	
Drunk Driving Enforcement	8,727		8,727	
Clean Communities Grant	24,667		24,667	
Municipal Alliance of Alcoholism &				
Drug Abuse	16,913		16,913	
Safe & Secure Communities Program	51,605		51,605	
Body Armor Grant	2,708		2,708	
Alcohol Education & Rehabilitation Fund		4,423	4,423	
Pedestrian Safety Grant	9,880		9,880	
Green Communities Grant	3,000		3,000	
Supplemental EDSA Grant	124,928		124,928	
Uniform Fire Safety Act	12,000		26,336	14,336
Reserve for Payment of Bonds	80,000		80,000	
Debt Service	125,487		92,198	(33,289)
Total Miscellaneous Revenues	3,137,780	4,423	3,261,862	119,659
Receipts From Delinquent Taxes	75,000		4,438	(70,562)
Subtotal General Revenues	4,787,780	4,423	4,841,300	49,097
Local Tax for Municipal Purposes	7,297,220		7,530,978	233,758
Budget Totals	12,085,000	4,423	12,372,278	282,855
Nonbudget Revenues			517,574	517,574
Total	\$12,085,000	4,423	12,889,852	800,429

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

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$39,823,638
Less: Allocated for School, County Taxes & Special District Taxes	<u>32,543,914</u>
Total Allocation of Current Tax Collections	7,279,724
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>251,254</u>
Total Amount for Support of Municipal Budget Appropriation	<u><u>\$7,530,978</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u>\$4,438</u>
Total Receipts from Delinquent Taxes:	<u><u>\$4,438</u></u>
Fees & Permits Other:	
Cable TV Fees	\$180,526
Police Reports	3,688
Sidewalk Inspection Fees	8,775
Planning Board	1,960
Rent Control Board	23,460
Other	<u>32,835</u>
Total Fees & Permits Other	<u><u>\$251,244</u></u>

ANALYSIS OF NONBUDGET REVENUES

Miscellaneous Revenue Not Anticipated:	
Revenue Accounts Receivable:	
Interest On Investments	\$158,073
Payment in Lieu of Taxes	<u>50,601</u>
Total Miscellaneous Revenue Not Anticipated	<u>208,674</u>
Collector:	
Insurance Refunds	15,489
HIF Reinsurance Payments	8,350
Civic Celebrations	6,176
BOE Gas Reimbursements	39,044
Budget Refunds	148,717
Sale of Recycling Material	73,873
Copies	70
Other	<u>17,181</u>
Total Collector	<u>308,900</u>
Total Nonbudgeted Revenue	<u><u>\$517,574</u></u>

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

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
General Government Functions:					
General Administration:					
Salaries and Wages	\$2,000				
Other Expenses	1,000	1,100	1,035	65	
Human Services:					
Salaries and Wages	13,659	13,659	13,545	114	
Other Expenses	16,000	21,700	21,638	62	
Mayor & Commissioners:					
Salaries and Wages	18,918	18,918	18,562	356	
Other Expenses	6,000	6,000	5,101	899	
Municipal Clerk:					
Salaries and Wages	34,135	32,635	32,635		
Other Expenses	55,750	57,450	56,526	924	
Registrar of Vital Statistics:					
Salaries and Wages	2,313	2,313	2,256	57	
Other Expenses	750	750	300	450	
Financial Administration (Treasury):					
Salaries and Wages	13,447	14,247	14,156	91	
Other Expenses	18,000	17,700	15,177	2,523	
Audit Services:					
Annual Audit	47,000	44,800	44,800		
Revenue Administration (Tax Collector):					
Salaries and Wages	67,265	81,765	81,665	100	
Other Expenses	15,400	10,200	6,503	3,697	
Assessments of Taxes:					
Salaries and Wages	65,304	65,804	65,763	41	
Other Expenses	15,600	24,600	24,337	263	
Legal Services:					
Other Expenses	165,100	127,700	116,091	11,609	
Municipal Court:					
Salaries and Wages	176,016	176,016	163,785	12,231	
Other Expenses	17,370	19,370	19,075	295	
Public Defender:					
Salaries and Wages	13,659	13,659	13,390	269	
Engineering Services & Costs:					
Other Expenses	25,000	19,000	10,935	8,065	
Economic Development:					
Other Expenses	13,000	7,000	6,416	584	
Land Use Administration:					
Planning Board:					
Salaries and Wages	49,356	49,356	42,382	6,974	
Other Expenses	7,000	3,000	2,466	534	
Code Enforcement & Administration:					
Rent Control Commission:					
Salaries and Wages	10,361	10,361	7,623	2,738	
Other Expenses	1,200	1,200	564	636	
Insurance:					
General Liability	100,000	100,000	99,197	803	
Surety Bond Premiums	500	500	500		

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"					
Insurance (continued):					
Disability Insurance	6,500	4,500	4,287	213	
Worker's Compensation	252,708	252,708	252,511	197	
Employee Group Health	1,050,000	1,050,000	1,049,266	734	
Health Benefits Waiver	17,750	17,750	17,750		
Unemployment Insurance	40,000	40,000	40,000		
Public Safety Functions:					
Police:					
Salaries and Wages	2,362,402	2,378,402	2,326,216	52,186	
Other Expenses	141,000	122,650	96,965	25,685	
Office of Emergency Management:					
Salaries and Wages	6,945	6,945	5,107	1,838	
Other Expenses	250	250		250	
Uniform Fire Safety Act:					
Salaries and Wages	27,650	27,650	24,685	2,965	
Other Expenses	2,000	2,000	750	1,250	
Fire Hydrant Service	17,500	17,500	17,500		
Municipal Prosecutor:					
Salaries and Wages	13,659	13,659	13,390	269	
Public Works Functions:					
Streets & Roads Maintenance:					
Salaries and Wages	721,227	711,227	710,719	508	
Other Expenses	89,000	95,000	74,640	20,360	
Maintenance of Traffic Lights:					
Other Expenses	15,000	15,000	6,185	8,815	
Shade Tree Program:					
Salaries and Wages	3,168	3,168	3,147	21	
Other Expenses	20,000	20,000	14,961	5,039	
Solid Waste Collection:					
Other Expenses	751,300	751,300	743,928	7,372	
Building & Grounds:					
Other Expenses	54,500	36,500	27,018	9,482	
Vehicle Maintenance:					
Other Expenses	100,500	95,500	74,966	20,534	
Community Services Act:					
Other Expenses	68,000	68,000	64,798	3,202	
Health & Human Services:					
Environmental Commission:					
Other Expenses	1,500	1,500	1,359	141	
Animal Control Program:					
Other Expenses	10,000	10,500	10,478	22	
Park & Recreation Functions:					
Crystal Lake Pool:					
Salaries and Wages	88,000	88,000	82,653	5,347	
Other Expenses	80,000	80,000	66,391	13,609	
Concession Stand:					
Other Expenses	2,500	2,500		2,500	
Parks & Playgrounds:					
Other Expenses		14,000	13,970	30	
Utility Expense & Bulk Purchases:					
Electricity	40,000	40,000	40,000		
Street Lighting	200,000	200,000	165,548	34,452	

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Utility Expense & Bulk Purchases (continued):					
Telephone & Telegraph	30,000	30,000	29,056	944	
Natural Gas	50,000	50,000	35,875	14,125	
Gasoline	110,000	140,000	139,398	602	
Postage	25,000	25,800	25,506	294	
Copier	10,000	10,000	9,193	807	
Landfill/Solid Waste Disposal Costs:					
Disposal Costs	500,000	500,000	435,256	64,744	
Appropriation Offset By Dedicated Revenues:					
Code Enforcement & Administration:					
Salaries and Wages	112,979	112,979	111,697	1,282	
Other Expenses	9,020	8,520	6,114	2,406	
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	42,009	991	
Senior Citizens Coordinator:					
Salaries and Wages	41,195	55,695	55,655	40	
Other Expenses	6,000	6,000	1,653	4,347	
Community Communications:					
Salaries and Wages	26,250	28,250	27,796	454	
Other Expenses	37,000	37,000	11,618	25,382	
Total Operations Within "CAPS"					
Including Contingent	8,194,606	8,194,256	7,806,437	387,819	
Detail:					
Salaries and Wages	3,869,908	3,904,708	3,816,827	87,881	
Other Expenses	4,324,698	4,289,548	3,989,610	299,938	
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":					
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	203,606	203,606	193,972	9,634	
Police & Firemen's Retirement Pension Fund	36	36	36		
Police & Fireman's Retirement System of New Jersey	682,052	682,052	682,052		
Employees Retirement System	180,983	180,983	180,983		
Total Deferred Charges & Statutory Expenditures Within "CAPS"	1,066,677	1,066,677	1,057,043	9,634	
Total General Appropriations for Municipal Purposes Within "CAPS"	9,261,283	9,260,933	8,863,480	397,453	

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
OPERATIONS-Excluded from "CAPS"					
Stormwater Regulations:					
Salaries and Wages	179,368	179,368	167,096	12,272	
Other Expenses	18,000	18,000	18,000		
Police & Firemen's Retirement System	10,070	10,070	10,070		
Borough of Audubon Park:					
Police Services	380,004	380,004	362,004	18,000	
Municipal Clerk/Treasurer	11,250	11,250	11,250		
Tax Utility Collector	5,500	5,500	5,500		
Registrar of Vital Statistics	500	500	500		
Public Works Salaries and Wages	15,000	15,000	15,000		
Public Works Other Expenses	5,000	5,000	5,000		
Public & Private Programs Offset by Revenues:					
Clean Communities Act:					
Other Expenses	24,667	24,667	24,667		
SFSP Fire District Payment	5,804	5,804	5,804		
Alcohol Education & Rehabilitation Fund		4,423	4,423		
Municipal Alliance Program	21,141	21,141	21,141		
Pedestrian Safety Grant:					
Salaries and Wages	9,500	9,500	9,500		
Other Expenses	380	380	380		
Economic Development Authority Grant	124,928	124,928	124,928		
Recycling Tonnage Grant - State	31,105	31,105	31,105		
Green Communities Grant	3,000	3,000	3,000		
Safe & Secure Communities Program	64,506	64,506	64,506		
Drunk Driving Enforcement Grant:					
Salaries and Wages	4,363	4,363	4,363		
Other Expenses	4,363	4,363	4,363		
Body Armor Fund	2,708	2,708	2,708		
Total Operations Excluded from "CAPS"	921,157	925,580	895,308	30,272	
Detail:					
Salaries and Wages	193,231	193,231	180,959	12,272	
Other Expenses	727,926	732,349	714,349	18,000	
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		
Municipal Debt Service - Excluded From "CAPS":					
Payment of Bond Principal	692,100	692,100	692,100		
Payment of Bond Anticipation Notes & Capital Note	63,292	63,292	63,292		
Interest on Bonds	417,326	417,676	417,649		27
Interest on Notes	193,151	193,151	192,292		859
Green Trust Loan Program:					
Loan Repayments for Principal & Interest	42,920	42,920	42,920		
Capital Lease Obligations:					
Payment of Principal	39,000	39,000	39,000		
Payment of Interest	19,845	19,845	19,845		

**TOWNSHIP OF HADDON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
OPERATIONS-Excluded from "CAPS"					
Total Municipal Debt Service Excluded from "CAPS"	1,467,634	1,467,984	1,467,098		886
Deferred Charges - Excluded from "CAPS": Emergency Authorization 5 Years (40A:4-55)	118,672	118,672	113,872		4,800
Total Deferred Charges - Excluded from "CAPS"	118,672	118,672	113,872		4,800
Subtotal General Appropriations	11,833,746	11,838,169	11,404,758	427,725	5,686
Reserve For Uncollected Taxes	251,254	251,254	251,254		
Total General Appropriations	\$12,085,000	12,089,423	11,656,012	427,725	5,686
Appropriation by 40A:4-87 Budget		\$4,423 12,085,000			
Total		\$12,089,423			
Reserve for Federal & State Grants - Appropriated			\$300,888		
Deferred Charge - Emergency Authorization			113,872		
Reserve for Encumbrances			104,924		
Reserve for Uncollected Taxes			251,254		
Disbursements			10,885,074		
Total			\$11,656,012		

The accompanying Notes to the Financial Statements 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, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Assessment Fund:			
Due from General Capital Fund	C	\$450	450
Animal Control Fund:			
Cash	B-1	5,980	7,049
Change Fund		30	30
Total Animal Control Fund		<u>6,010</u>	<u>7,079</u>
Other Trust Funds:			
Cash	B-1	793,903	633,024
Due From Bank			1,197
Due Utility Operating Fund	D	728	77
Due Current Fund	B-8	90,249	1,642
Community Development Block Grant Receivable	B-5	52,905	52,905
Total Other Trust Funds:		<u>937,785</u>	<u>688,845</u>
Total - All Funds		<u>\$944,245</u>	<u>696,374</u>
LIABILITIES & RESERVES			
Assessment Fund:			
Deposits on Future Assessments	B-2	\$450	450
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-3	5,844	7,057
Due to State of New Jersey	B-6	7	10
Due Current Fund	B-4	159	12
Total Animal Control Fund		<u>6,010</u>	<u>7,079</u>
Other Trust Funds:			
Payroll Deductions Payable	B-7	78,491	73
Due State of New Jersey - Marriage License Fees	B-9	2,167	2,192
Due State of New Jersey - Burial License	B-9	145	145
Reserve For:			
Parking Offenses Adjudication Act	B-11	594	840
Public Defender	B-10	7,109	260
State of New Jersey Unemployment Compensation	B-12	82,246	60,889
Community Development Block Grant	B-13	44,142	43,227
Premiums Received at Tax Sale	B-14	313,900	302,900
Disposal of Forfeited Property	B-15	7,169	9,798
Tax Title Lien Redemption	B-16	157,453	50,459
Municipal Drug Alliance Donations	B-17	11,801	7,331
Funds Held in Escrow	B-18	54,036	63,466
Employment of Off-Duty Police Officers	B-19	26,757	
Recreation Trust Fund	B-20	3,223	1,817
Maintenance - West BID Signs	B-23	4,000	4,000
Accumulated Leave Compensation	B-21	62,952	65,643
Snow Removal Escrow	B-24	64,557	64,557
Donations - Civic Celebrations		2,457	3,905
Election Expense		7,783	540
Cell Phone Tower Lease		4,400	4,400
Library	B-22	2,403	2,403
Total Other Funds		<u>937,785</u>	<u>688,845</u>
Total - All Funds		<u>\$944,245</u>	<u>696,374</u>

The accompanying Notes to the Financial Statements 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, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Cash	C-1, C-2	\$2,238,409	4,949,406
Due Form New Jersey Road Aid	C-15	75,868	25,114
Deferred Charges to Future Taxation:			
Unfunded	C-4	14,416,287	13,372,829
Funded	C-3	10,337,750	11,063,529
Amount to be Provided by Lease Payments	C-12	339,000	378,000
Due Current Fund	A,C-5	202,010	
		<hr/>	
Total		<u>\$27,609,324</u>	<u>29,788,878</u>
LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bonds	C-11	\$9,901,000	10,593,100
Green Acres Loan Payable - Crystal Lake Development	C-9	55,149	59,589
Green Acres Loan Payable - MacArthur Tract Acquisition	C-10	381,601	410,840
Bond Anticipation Notes	C-13	11,810,124	11,873,416
Improvement Authorizations:			
Unfunded	C-8	4,220,123	4,946,492
Funded	C-8	652,985	829,127
Reserve for Encumbrances		191,018	15,187
Contracts Payable			399,586
Capital Improvement Fund	C-7	14,500	7,750
Reserve for Flood Proceeds		25,866	25,866
Due Current Fund	A,C-5		79,297
Reserve for Repayment of Debt	C-5		119,381
Reserve for DY DEE Development			33,289
Due Trust Assessment Fund	B	450	450
Obligations Under Capital Lease	C-12	339,000	378,000
Fund Balance		17,508	17,508
		<hr/>	
Total		<u>\$27,609,324</u>	<u>29,788,878</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$2,606,163 and on December 31, 2010 was \$1,499,413.

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, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Operating Fund:			
Cash	D-4	\$761,657	768,600
Change Fund - Collector		75	75
Due from Bank		1,670	
Due from Water-Sewer Capital Fund	D-19	125,841	585
		<hr/>	<hr/>
Total		889,243	769,260
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable:			
Water	D-7	6,091	4,142
Sewer	D-8	9,316	6,435
Protested Checks Receivable	D-17	2,452	1,594
Revenue Accounts Receivable	D-10	12,616	12,055
		<hr/>	<hr/>
Total Receivable & Other Assets With Full Reserves		30,475	24,226
		<hr/>	<hr/>
Total Operating Fund		919,718	793,486
Capital Fund:			
Cash	D-4	1,051,196	1,076,663
NJEIT Loan Receivable		592,010	1,742,079
Fixed Capital:			
Water	D-12	9,709,255	9,709,255
Sewer	D-13	4,758,345	4,758,345
Fixed Capital Authorized & Uncompleted	D-14	12,927,663	12,337,663
		<hr/>	<hr/>
Total Capital Fund		29,038,469	29,624,005
		<hr/>	<hr/>
Total Operating & Capital Fund		\$29,958,187	30,417,491
		<hr/> <hr/>	<hr/> <hr/>

Bonds and Notes authorized but not issued as of December 31, 2011 was \$807,487 and as of December 31, 2010 was \$217,487.

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, 2011 AND 2010**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$173,488	177,642
Reserve for Encumbrances	D-16,D-3	24,634	22,986
Prepaid Rents		21,874	38,121
Rent Overpayments		8,858	8,082
Accrued Interest on Bonds & Notes	D-18	100,803	106,438
Due to Trust Other Fund	B	728	77
Due to Current Fund	A,D-9	3,056	
		<hr/>	
Subtotal		333,441	353,346
		<hr/>	
Reserve for Receivables		30,475	24,226
Fund Balance	D-1	555,802	415,914
		<hr/>	
Total Operating Fund		919,718	793,486
		<hr/>	
Capital Fund:			
Serial Bonds	D-24	5,359,000	5,786,900
Bond Anticipation Notes	D-27	1,450,000	1,450,000
New Jersey Infrastructure Trust - Loan Payable	D-25 D-26	5,757,187	6,031,301
Improvement Authorizations:			
Funded	D-23	315,152	749,303
Unfunded	D-23	958,168	1,065,980
Reserve for Encumbrances	D-23	796,867	882,511
Capital Improvement Fund	D-11	12,427	12,427
Due to Water - Sewer Operating Fund	D-19	125,841	585
Reserves for:			
Amortization	D-21	13,931,327	13,229,313
Deferred Amortization	D-22	90,263	90,263
Repayment of Debt	D-29	225,450	308,635
Fund Balance	D-20	16,787	16,787
		<hr/>	
Total Capital Fund		29,038,469	29,624,005
		<hr/>	
Total Liabilities, Reserves & Fund Balance		\$29,958,187	30,417,491
		<hr/> <hr/>	

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, 2011 AND 2010**

	2011	2010
Revenue & Other Income Realized:		
Fund Balance Appropriated	\$150,000	100,000
Rents	3,364,308	3,354,266
Miscellaneous	220,396	207,625
Capital Surplus Anticipated	90,000	272,000
Other Credits to Income:		
Creation of Interfund with Utility Capital		597
Unexpended Balance of Appropriation Reserves	168,360	92,685
	<hr/>	<hr/>
Total Income	3,993,064	4,027,173
	<hr/>	<hr/>
Expenditures:		
Operating	2,479,040	2,437,157
Debt Service	1,067,414	1,123,062
Deferred Charges & Statutory Expenditures	156,722	159,239
	<hr/>	<hr/>
Total Expenditures	3,703,176	3,719,458
	<hr/>	<hr/>
Excess/Deficit in Revenue	289,888	307,715
	<hr/>	<hr/>
Fund Balance January 1	415,914	208,199
Less: Balance Appropriated	150,000	100,000
	<hr/>	<hr/>
Fund Balance December 31	<u>\$555,802</u>	<u>415,914</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, 2011**

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$150,000	150,000	
Rents	3,300,000	3,364,308	64,308
Capital Surplus	90,000	90,000	
Miscellaneous	200,000	220,396	20,396
	<hr/>	<hr/>	
Total	<u>\$3,740,000</u>	<u>3,824,704</u>	<u>84,704</u>

ANALYSIS OF REALIZED REVENUE

Rents:		
Consumer Accounts Receivable:		
Water		\$2,089,376
Sewer		1,274,932
		<hr/>
Total Rents		<u>\$3,364,308</u>
Miscellaneous		
Collector:		
Penalties on Delinquent Accounts		\$13,206
Revenue Accounts Receivable		158,978
Collected by Water-Sewer Utility Capital Fund:		
Interest on Investments		35,256
Treasurer:		
Interest on Investments		12,956
		<hr/>
Total Miscellaneous		<u>\$220,396</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, 2011**

	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
Operating:						
Salaries and Wages	\$823,786	823,786	798,706		25,080	
Other Expenses	1,648,254	1,648,254	1,481,928	24,634	141,692	
Total Operating	2,472,040	2,472,040	2,280,634	24,634	166,772	
Accumulated Absences:						
Accumulated Absences	7,000	7,000	7,000			
Total Accumulated Absences	7,000	7,000	7,000			
Debt Service:						
Payment of Bond Principal	702,015	702,015	702,015			36,824
Interest on Bonds & Loans	402,223	402,223	365,399			
Total Debt Service	1,104,238	1,104,238	1,067,414			36,824
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	77,565	77,565	77,565			
Social Security System (O.A.S.I.)	67,457	67,457	61,783		5,674	
Unemployment Compensation Insurance	10,000	10,000	10,000			
State Disability Insurance	1,700	1,700	658		1,042	
Total Statutory Expenditures	156,722	156,722	150,006		6,716	
Total Expenditures	\$3,740,000	3,740,000	3,505,054	24,634	173,488	36,824
Budget		\$3,740,000				
Total		\$3,740,000				
Disbursed			3,505,054			
Total			\$3,505,054			

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, 2011 AND 2010**

ASSETS	2011	2010
Land	\$4,086,701	4,086,701
Building & Improvements	3,878,645	3,878,645
Equipment & Vehicles	5,220,054	5,220,054
	<hr/>	<hr/>
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 Statements are an integral part of this Statement.

**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

TOWNSHIP OF HADDON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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 FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

Water-Sewer Utility Operating Fund - revenue and expenditures necessary to operate a municipality 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

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

Expenditures – are recorded on the “budgetary” basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a liability in the financial statements and constitute part of the Township’s statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled 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. 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.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – 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 balance sheets.

TOWNSHIP OF HADDON

NOTES TO FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2011

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

General Fixed Assets - in accordance with the Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division, the Township has developed a fixed assets accounting and reporting system. Fixed assets acquired prior to January 1, 1987 are based on an inspection and appraisal prepared by an independent firm. All general fixed assets acquired after January 1, 1987 are recorded at cost. Capital leases are not reported in the General Fixed Assets.

Fixed assets used in governmental operations (general fixed assets) are required to be accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for the financial statements.

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

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

Utility Fixed Assets - accounting for utility fund "fixed capital" remains unchanged under the requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the Water-Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Water-Sewer Utility Fund are not depreciated. Principal payments for Water-Sewer Utility debt are recorded as expenditures in the Water-Sewer Utility Statement of Operations.

Comparative Data - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data have not been

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read.

Budgets - the Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10th of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Subsequent Events – The Township has evaluated subsequent events through April 4, 2012, the date the financial statements were available to be issued.

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, 2011, and reported at fair value are as follows:

Deposits:

Demand Deposits	<u>\$9,226,965</u>
Total Deposits	<u>\$9,226,965</u>

Reconciliation of Statements of Assets, Liabilities, Reserves and Fund Balance:

Current:	
Treasurer	\$4,375,820
Dog Trust	5,980
Other Trust	793,903
General Capital	2,238,409
Water/Sewer Operating	761,657
Water/Sewer Capital	<u>1,051,196</u>
Total	<u>\$9,226,965</u>

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 2. Cash and Cash Equivalents (continued):

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The Districts does not have a deposit policy for custodial credit risk. As of December 31, 2011, the District's bank balance of \$10,201,969 was insured and collateralized as follows:

Insured	\$ 250,000
Collateralized in the District's Name Under GUDPA (See Note 3)	<u>9,951,969</u>
Total	<u>\$10,201,969</u>

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2011 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Capital Debt

Summary of Municipal Debt	Year 2011	Year 2010	Year 2009
Issued			
General:			
Bonds & Notes	\$22,147,874	\$22,936,945	\$23,723,202
Water-Sewer Utility:			
Bonds & Notes	6,809,000	7,236,301	7,666,950
Infrastructure Trust Loan	5,757,187	6,031,301	6,305,415
Bonds Issued by Another Public Body			
Guaranteed by the Township	339,000	378,000	415,000
 Total Issued	 <u>35,053,061</u>	 <u>36,583,146</u>	 <u>38,110,567</u>

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 4. Capital Debt (continued):

Authorized but not Issued

General:			
Bonds & Notes	2,606,163	1,499,413	99,113
Water-Sewer Utility:			
Bonds & Notes	<u>807,487</u>	<u>217,487</u>	<u>217,487</u>
Total Authorized But Not Issued	<u>3,413,650</u>	<u>1,716,900</u>	<u>316,600</u>
Total Issued & Authorized but not Issued	<u>38,466,711</u>	<u>38,300,046</u>	<u>38,427,167</u>
Deductions:			
Funds Temporarily Held to Pay Notes:			
General		497,382	331,745
Bonds Issued by Another Public Body			
Guaranteed by the Township	339,000	378,000	415,000
Self-Liquidating Debt	<u>13,373,674</u>	<u>13,107,688</u>	<u>13,646,032</u>
Total Deductions	<u>13,712,674</u>	<u>13,983,070</u>	<u>14,392,777</u>
Net Debt	<u>\$24,754,037</u>	<u>\$24,316,976</u>	<u>\$24,034,390</u>

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation 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 term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. 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.

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

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 4. Capital Debt (continued):

Year	General		Water-Sewer Utility		Total
	Principal	Interest	Principal	Interest	
2012	\$ 656,600	\$ 392,625	\$ 677,209	\$ 360,808	\$ 2,087,242
2013	678,000	368,183	690,351	340,856	2,077,390
2014	725,150	342,648	707,591	319,694	2,095,083
2015	734,450	314,934	707,528	298,080	2,054,992
2016	672,500	286,952	661,614	276,356	1,897,422
2017-2021	3,329,300	1,025,541	3,289,196	1,058,833	8,702,870
2022-2026	2,775,000	396,669	3,367,489	504,950	7,044,108
2027-2028	330,000	13,400	1,015,209	45,500	1,404,109
Total	\$ 9,901,000	\$3,140,952	\$11,116,187	\$3,205,077	\$27,363,216

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

GENERAL			
Year	Principal	Interest	Total
2012	\$ 4,530	\$1,080	\$ 5,610
2013	4,621	989	5,610
2014	4,713	897	5,610
2015	4,808	802	5,610
2016	4,905	705	5,610
2017-2021	30,345	2,007	28,052
2022	5,527	83	5,610
Total	\$55,149	\$6,563	\$61,712

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

Year	GENERAL			GRANT TOTAL ALL DEBT
	Principal	Interest	Total	
2012	\$ 29,826	\$ 7,483	\$ 37,309	\$ 2,130,161
2013	30,426	6,884	37,310	2,120,310
2014	31,036	6,273	37,309	2,138,003
2015	31,661	5,649	37,310	2,097,912
2016	32,298	5,012	37,310	1,940,342
2017-2021	171,490	15,059	186,549	8,917,471
2022-2026	54,864	1,101	55,965	7,105,683
2027-2028				1,404,109
Total	\$381,601	\$47,461	\$429,062	\$27,853,991

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 5. Lease Obligations

At December 31, 2011, future minimum lease payments under capital lease agreements with the Camden County Improvement Authority (CCIA) for the Westmont Theatre Project (See Note 16):

	Year	Amount
	2012	\$ 58,797.50
	2013	59,645.00
	2014	59,335.00
	2015	58,920.00
	2016-2018	<u>177,062.50</u>
	Subtotal	413,760.00
Less: Interest Earnings		<u>74,760.00</u>
Present Value of Lease Payments		<u><u>\$339,000.00</u></u>

Payments under capital lease with the CCIA for the year 2011 were \$58,845.00.

Note 6. Accrued Compensated Absences

The Township has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2011 the balance of the fund was \$62,952. It is estimated that, at December 31, 2011, accrued benefits for compensated absences are valued at \$1,329,270.

Note 7. Fund Balances Appropriated

The municipal budget for 2012 has been introduced and, therefore, the fund balances at December 31, 2011, which are appropriated and included as anticipated revenues in the year ending December 31, 2011 are as follows:

Current Fund	\$1,271,800
Water-Sewer Utility Operating Fund	248,670

Note 8. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 8. Deferred Charges to be Raised in Succeeding Budgets (continued):

	Balance Dec. 31, 2011	2012 Budget Appropriation
Current Fund:		
Special Emergency Authorizations	\$330,813	\$110,272

The appropriations in the 2012 budget as introduced are not less than that required by the statutes.

Note 9. 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, 2011, which can be obtained from:

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

Note 10. 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

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 10. New Jersey Unemployment Compensation Insurance (continued):

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:

Township Year	Township Contributions	Amount Reimbursed	Balance
2011	\$57,724.80	\$36,368.18	\$82,246.80
2010	78,522.00	45,595.00	60,889.00
2009	66,066.00	96,185.00	27,962.00

Note 11. Pension

A. Plan Description

The Township of Haddon contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A. 43:15A* and *N.J.S.A. 43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. 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, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

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

TOWNSHIP OF HADDON

NOTES TO FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2011

Note 11. Pension (continued):

Plan members are required to contribute 6.5%, effective October 1, 2011, of their annual covered salary for P.E.R.S, 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Township are established and may be amended by the plan's board of trustees. The Township of Haddon's contributions to P.E.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$180,983, \$229,491 and \$187,303, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$682,052, \$567,603 and \$526,749, respectively, equal to the required contributions for each year.

Note 12. 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 13. 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, 2011, the Township estimates that no material liabilities will result from such audits.

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 14. Interfunds Receivables and Payables

The following interfunds remained as of December 31, 2011:

Fund	Debit	Credit
Current Fund	\$ 3,215	\$ 870,310
Federal & State Grant Fund	533,724	
Assessment Fund	450	
Animal Control Fund		159
Trust Other Funds	90,977	
General Capital Fund	246,337	450
Utility Operating Fund	125,841	3,784
Utility Capital Fund	<u> </u>	<u>125,841</u>
Total	<u>\$1,000,544</u>	<u>\$1,000,544</u>

The purpose of these interfunds is short-term borrowings.

Note 15. Township Debt Guarantee

Camden County Improvement Authority – Westmont Theater Project

The Camden County Improvement Authority is a public body corporate and politic of the State of New Jersey and was created by a resolution of the County Board of Chosen Freeholders. The Camden County Improvement Authority operates under the supervision of a five member Board who are appointed for five year staggered terms by the Freeholders. In order to provide within the County, public facilities, the improvement, furtherance and promotion of tourist industries and recreational attractiveness and the planning and carrying out the redevelopment projects, the Authority has issued certain debt bearing its name to lower the cost of borrowing for specific governmental or nongovernmental third parties. Typically, the debt proceeds are used to finance facilities within the Camden County Improvement Authority's jurisdiction that are transferred to a third party by either lease or sale. The underlying lease or mortgage loan agreement, which serves as collateral for the promise of payments by the third party, calls for payments that are essentially the same as those required by the debt. These payments are made directly to an independent trustee, who is appointed to service and administer the arrangement. The Camden County Improvement Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans.

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

Note 15. Township Debt Guarantee (continued):

**The Camden County Improvement Authority
Outstanding Debt Issued Under A Lease Agreement With The Township
As of December 31, 2011**

Purpose	Interest Rate	Date of Issue	Final Maturity	Amount Outstanding	Amount Guaranteed By Township
Westmont Theatre Project Lease Revenue Bonds Series 1998	5.25%	11/17/98	11/01/18	\$339,000	\$339,000

Note 16. Post-Retirement Health Benefits

Haddon Township 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. Haddon Township pays 100% of the insurance cost for the retiree.

Haddon Township'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, 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	-
	<u>1,342,774</u>
Annual Other Post-Employment Benefit Contributions Made	<u>-</u>
Increase in Net OPEB Obligation	
Net OPEB, Beginning of Year	<u>16,092,794</u>
Net OPEB, End of Year	<u>\$17,435,568</u>

TOWNSHIP OF HADDON

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

Haddon Township'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, 2011 is as follows:

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/11	<u>\$1,342,774</u>	<u>0%</u>	<u>\$17,435,568</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 emphasis 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%.

Haddon Township currently has twenty-eight eligible retired employees receiving retirement benefits. The net Other Post-Employment Benefit obligation to Haddon Township to provide benefits to the retirees for the year ended December 31, 2011, was \$17,435,568.

SUPPLEMENTARY EXHIBITS

CURRENT FUND

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>CURRENT</u>	<u>STATE & FEDERAL</u>
Balance December 31, 2010	\$4,624,970	
Increased by Receipts:		
Collector	\$41,574,098	
Revenue Accounts Receivable	1,837,003	
Due from General Capital Fund	80,000	
Due from Federal & State Grant Fund	91,467	
New Jersey State Training Fees	3,228	
Reserve for Repayment of Bonds	80,000	
Interfunds Payable	302,493	
Matching Funds for Grants		54,038
Federal & State Grants Unappropriated		52,612
Federal & State Grants Receivable		353,538
	<u>43,968,289</u>	<u>460,188</u>
Subtotal		
	<u>48,593,259</u>	<u>460,188</u>
Total		
Decreased by Disbursements:		
2011 Appropriations	10,885,074	
2010 Appropriation Reserves	211,116	
County Taxes	9,527,692	
Due County for Added & Omitted Taxes	8,897	
Fire District Taxes Payable	1,279,210	
Local District School Tax	21,739,676	
Business Improvement District Taxes	151,152	
New Jersey State Training Fees	9,285	
Reserve for Revaluation	85,756	
Reserve for Board of Education	84,831	
Tax Overpayments	42,484	
Due from General Capital Fund	38,421	
Due Trust - Other Fund	99,807	
Matching Funds for Grants	54,038	
Due Current Fund		91,467
Reserve for Federal & State Grant Funds Appropriated		368,721
	<u>44,217,439</u>	<u>460,188</u>
Total Disbursements		
	<u>\$4,375,820</u>	<u>-</u>
Balance December 31, 2011		

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF CURRENT CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by:		
Taxes Receivable	\$39,399,312	
Interest & Costs on Taxes	93,362	
2012 Prepaid Taxes	232,553	
Due from State of New Jersey Senior Citizen & Veteran Deductions	208,091	
Due Camden County Municipality Utility Authority	69,665	
Consolidated Municipal Property Relief Aid	189,104	
Energy Receipts Tax	1,073,111	
Miscellaneous Revenue not Anticipated	308,900	41,574,098
Subtotal		41,574,098
Decreased by:		
Payments to Treasurer		<u>41,574,098</u>
Balance December 31, 2011		<u><u>\$ -</u></u>

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, 2011**

Office:		
Municipal Court		\$75
Crystal Lake Pool Operations		125
Township Clerk (Central Cashiering)		75
Tax Collector (Central Cashiering)		<u>300</u>
Total		<u><u>\$575</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2011**

YEAR	BALANCE DECEMBER 31, 2010	2011 LEVY	ADDED TAXES	COLLECTED 2011	DUE FROM STATE OF NEW JERSEY	CANCELLED	TRANSFER TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2011
Arrears 2010	\$5,323 15,396		9,766 (5,024)	195 6,261	(2,018)	69		14,825 6,129
Total 2011	20,719	39,834,473	4,742 65,685	208,220 39,392,856	(2,018)	69 34,093	25,611	20,954 16,816
Total	\$20,719	39,834,473	70,427	39,399,312	220,544	34,162	25,611	37,770

ANALYSIS OF 2011 PROPERTY TAX LEVY

General Purpose Tax	\$38,404,211
Fire District Taxes	1,279,110
Special District Taxes	151,152
Added & Omitted Taxes	70,427
Total	\$39,904,900
TAX LEVY:	
Local District School Tax	\$21,568,456
County Taxes:	
General County Tax	\$8,696,640
County Library Tax	563,212
County Open Space	267,840
Due County for Added & Omitted Taxes	17,504
Fire District Taxes:	
Fire District No. 1	1,069,704
Fire District No. 2	27,927
Fire District No. 3	33,939
Fire District No. 4	147,540
Special District Taxes:	
Haddon Township Business Improvement	151,152
Local Tax for Municipal Purposes	7,297,220
Add: Addition Tax Levied	63,766
Total	\$39,904,900

EXHIBIT A-8

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$58,439
Increased by:		
Transfers from Taxes Receivable	\$25,611	
Interest & Costs on Taxes	4,091	29,702
Subtotal		88,141
Decreased by:		
Lien Payments Received		2,144
Balance December 31, 2011		\$85,997

EXHIBIT A-9

**SCHEDULE OF DUE FROM STATE OF NJ VETERAN AND SENIOR CITIZEN DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$60,998
Increased by:		
Senior Citizen Deductions Per Tax Billings	\$46,000	
Veteran Deductions Per Tax Billings	155,250	
Deductions Allowed by Tax Collector - 2011 Taxes	23,062	
Deductions Disallowed by Tax Collector - 2011 Taxes	(1,750)	
Deductions Disallowed by Tax Collector - 2010 Taxes	(2,268)	220,294
Subtotal		281,292
Decreased by:		
Receipts - Collector		208,091
Balance December 31, 2011		\$73,201

EXHIBIT A-11

**TOWNSHIP OF HADDON
CURRENT FUND
ANALYSIS OF FORECLOSED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010

\$1,894,100

EXHIBIT A-12

**SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ADDED IN 2011	RAISED IN 2011 BUDGET	BALANCE DECEMBER 31, 2011
Special Emergency	\$3,600		3,600	
Emergency Authorization - Revaluation	441,088		110,272	330,816
Total	<u>\$444,688</u>	-	<u>113,872</u>	<u>330,816</u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS	BALANCE		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	DECEMBER 31, 2010 ENCUMBERED	RESERVED			
General Government Functions:					
General Administration:					
Other Expenses	\$440	138	578	440	138
Human Resources:					
Other Expenses		8,182	8,182	3,294	4,888
Mayor & Commissioners:					
Other Expenses		2,502	2,502	250	2,252
Municipal Clerk:					
Other Expenses	417	6,045	6,462	417	6,045
Financial Administration:					
Salaries and Wages	238	141	379		379
Other Expenses	349	2,864	3,213	198	3,015
Revenue Administration (Tax Collector):					
Other Expenses	277	328	605	341	264
Tax Assessor:					
Other Expenses	1,492	224	1,716	290	1,426
Legal Services:					
Other Expenses		32,320	41,320	32,806	8,514
Municipal Court:					
Other Expenses	1,787	1,334	3,121	2,022	1,099
Economic Development:					
Other Expenses		3,515	515	353	162
Code Enforcement & Administration:					
Rent Control Commission:					
Other Expenses	1,240	1,085	2,325	873	1,452
Insurance:					
Employee Group Health		14,449	14,449	11,403	3,046
Public Safety Functions:					
Police:					
Other Expenses	13,834	24,036	37,870	21,156	16,714
Public Works Functions:					
Streets & Roads Maintenance:					
Salaries and Wages		18,158	18,158		18,158
Other Expenses	23,315	2,891	26,206	21,156	5,050
Maintenance of Traffic Lights:					
Other Expenses		4,370	4,370	1,913	2,457
Shade Tree:					
Other Expenses	1,144	8,450	9,594		9,594
Solid Waste Collection:					
Other Expenses	16,953	3,433	20,386	10,080	10,306
Building & Grounds:					
Other Expenses	1,526	9,322	10,848	607	10,241
Vehicle Maintenance:					
Other Expenses	5,786	16,518	22,304	4,042	18,262

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS	BALANCE		BUDGET AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	DECEMBER 31, 2010 ENCUMBERED	RESERVED			
Community Services Act: Other Expenses	250	49,372	49,622	25,304	24,318
Health & Human Services:					
Animal Control Program: Other Expenses	145	1,120	1,265		1,265
Environmental Commission: Other Expenses	553	407	960	960	
Park & Recreation Functions:					
Crystal Lake Pool: Other Expenses	2,419	10,737	13,156	5,579	7,577
Parks & Playgrounds: Other Expenses	500	10,737	11,237		11,237
Utility Expense & Bulk Purchases:					
Electricity		16,419	16,419		16,419
Street Lighting		38,445	38,445	19,658	18,787
Telephone		3,428	3,428	2,501	927
Natural Gas		12,527	12,527	3,299	9,228
Gasoline		3,982	8,282	7,205	1,077
Landfill/Solid Waste Disposal Cost:	37,370	8,777	46,147	25,990	20,157
Celebration of Public Events, Anniversary or Holiday:					
Other Expenses	1,340	748	2,088	805	1,283
Community Communications: Other Expenses	90	8,028	8,118	7,454	664
Total General Appropriations for Municipal Purposes Within "CAPS"	111,465	325,032	446,797	210,396	236,401
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":					
Statutory Expenditures:					
Contributions to: Social Security System (O.A.S.I.)		2,735	2,735	720	2,015
Total Deferred Charges & Statutory Expenditures Within "CAPS"		2,735	2,735	720	2,015
Operations Excluded From "CAPS":					
Stormwater Grant:					
Other Expenses	1,000	15,995	16,995		16,995
Total Operations Excluded from "CAPS"	1,000	15,995	16,995		16,995
All Others No Change		55,487	53,787		53,787
Grand Total All Appropriations	\$112,465	399,249	520,314	211,116	309,198

EXHIBIT A-14

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$112,465
Increased by:	
2011 Appropriations	<u>104,924</u>
Subtotal	217,389
Decreased by:	
Transferred to 2010 Appropriations Reserves	<u>112,465</u>
Balance December 31, 2011	<u><u>\$104,924</u></u>

EXHIBIT A-15

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 (2011 Taxes)	\$208,220
Increased by:	
Collections - 2011 Taxes	<u>232,553</u>
Subtotal	440,773
Decreased by:	
Application to 2011 Taxes Receivable	<u>208,220</u>
Balance December 31, 2011 (2012 Taxes)	<u><u>\$232,553</u></u>

EXHIBIT A-16

**SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$3,745
Increased by:	
Overpayments in 2011	<u>43,321</u>
Subtotal	47,066
Decreased by:	
Refunds	<u>44,039</u>
Balance December 31, 2011	<u><u>\$3,027</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, 2011**

Balance December 31, 2010	\$1,856
Increased by:	
Receipts - Collector	3,228
Subtotal	5,084
Decreased by:	
Disbursements	9,285
Balance December 31, 2011	(\$4,201)

**SCHEDULE OF LOCAL SCHOOL DISTRICT TAX
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$171,272
Increased by:	
Levy - Calendar Year 2011	21,568,456
Subtotal	21,739,728
Decreased by:	
Disbursements	21,739,676
Balance December 31, 2011	\$52

**SCHEDULE OF FIRE DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	2011 LEVY	DISBURSEMENTS	CANCEL PRIOR YEAR RECEIVABLE	BALANCE DECEMBER 31, 2011
Fire District No.1	\$267,787	1,069,704	1,069,804		267,687
Fire District No.2		27,927	27,927		
Fire District No.3		33,939	33,939		
Fire District No.4		147,540	147,540		
Total	\$267,787	1,279,110	1,279,210	-	267,687

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by:		
County Tax	\$8,696,640	
County Library Tax	563,212	
County Open Space Tax	267,840	
	<u>9,527,692</u>	
Subtotal		9,527,692
Decreased by:		
Disbursements		<u>9,527,692</u>
Balance December 31, 2011		<u><u>\$ -</u></u>

**SCHEDULE OF DUE COUNTY FOR ADDED AND OMITTED TAXES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010:		
Added Taxes	\$8,885	
Omitted Taxes	12	
	<u>8,897</u>	
Increased by:		
County Share of 2011 Added Taxes		<u>17,504</u>
Subtotal		26,401
Decreased by:		
Disbursements		<u>8,897</u>
Balance December 31, 2011:		<u><u>\$17,504</u></u>

**SCHEDULE OF BUSINESS IMPROVEMENT DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by:		
Receipts - Collector		<u>151,152</u>
Subtotal		151,152
Decreased by:		
Transfer to Business Improvement District		<u>151,152</u>
Balance December 31, 2011		<u><u>\$ -</u></u>

**TOWNSHIP OF HADDON
CURRENT FUND
SCHEDULE OF DUE TO CAMDEN COUNTY MUNICIPAL UTILITY AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$1,813
Increased by:	
Receipts	69,665
Balance December 31, 2011	\$71,478

**FEDERAL AND STATE GRANTS FUND
SCHEDULE OF FEDERAL, STATE AND OTHER GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ACCRUED	RECEIVED	BALANCE DECEMBER 31, 2011
State Grants:				
Seatbelt Enforcement Grant	\$400			400
Clean Communities Grant		24,667	24,667	
Body Armor Fund	1,159	2,708	3,867	
Drunk Driving Enforcement Grant	8,281	8,726	17,007	
Drug Awareness & Resistance Educ:				
Municipal Alliance Program	15,450	16,913	5,500	26,863
Safe & Secure Communities Grant	60,000	51,605		111,605
Delaware Valley Estuary Grant	25,000			25,000
Alcohol Education & Rehabilitation	4,072	4,423		8,495
Environmental Commissioner - DEP	210			210
Economic Development Authority G	569,838	124,928	321,728	373,038
Pedestrian Safety Grant		9,880	6,400	3,480
Green Communities Grant		3,000		3,000
CSIP Shade Tree Program	10,750		10,470	280
Total State Grants	695,160	246,850	389,639	552,371
Other Grants:				
Camden County Open Space Grant:				
Saddler Woods Project	2,004			2,004
Camden County Open Space Grant:				
MacArthur Tract	25,000			25,000
Total Other Grants	27,004			27,004
Total All Grant	\$722,164	246,850	389,639	579,375
			\$353,538	
			36,101	
Total			\$389,639	

**TOWNSHIP OF HADDON
FEDERAL AND STATE GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2011**

STATE GRANTS	BALANCE DECEMBER 31, 2010	CASH RECEIPTS	REALIZED AS MISCELLANEOUS REVENUE IN 2010 BUDGET	BALANCE DECEMBER 31, 2011
Drunk Driving Enforcement Grant	\$8,727	3,830	8,727	3,830
Clean Communities Grant	24,666	23,279	24,666	23,279
Body Armor Fund	2,708	1,727	2,708	1,727
Recycling Tonnage Grant	41,259	23,776	31,105	33,930
Total All Grant	<u>\$77,360</u>	<u>52,612</u>	<u>67,206</u>	<u>62,766</u>

**TOWNSHIP OF HADDON
FEDERAL AND STATE GRANTS FUND
SCHEDULE OF RESERVES FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	TRANSFER FROM 2011 BUDGET APPROPRIATION	EXPENDED	BALANCE DECEMBER 31, 2011
State Grants:				
Recycling Tonnage Grant	\$60,788	31,105	26,039	65,854
Alcohol Education & Rehabilitation Fund		4,423		4,423
Environmental Commissioner - DEP Grant	620			620
Drunk Driving Enforcement Grant	18,860	8,726	2,892	24,694
Clean Communities Grant	35,162	24,667	10,901	48,928
Safe & Secure Communities Grant		51,605	51,605	
Pedestrian Safety Grant		9,880	6,600	3,280
Green Communities Grant		3,000		3,000
Delaware Valley Estuary Grant	25,000			25,000
Body Armor Fund	5,326	2,708	4,014	4,020
Economic Development Authority Grant -2008	141,592			141,592
Economic Development Authority Grant -2009	809,817		239,036	570,781
Economic Development Authority Grant -2011		124,928		124,928
CSIP Tree Commission	99			99
Drug Awareness & Resistance Education	12,326	16,913	14,822	14,417
Total State Grants	1,109,590	277,955	355,909	1,031,636
Other Grants:				
Camden County Open Space Grant: Saddler Woods Project	391			391
Fire Safety Program - Township Match	3,957	5,804	8,584	1,177
Safe & Secure Grant - Township Match		12,901		12,901
Municipal Alliance Program - Township Match	4,228	4,228	4,228	4,228
Total Other Grants	8,576	22,933	12,812	18,697
Total All Grant	\$1,118,166	300,888	368,721	1,050,333

TRUST FUND

**TOWNSHIP OF HADDON
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>OTHER</u>	<u>ANIMAL CONTROL FUND</u>
Balance December 31, 2010	\$633,024	7,049
Increased by Receipts:		
Dog License Fees		9,396
Cat License Fees		2,048
Miscellaneous Other Fees		704
Dog Registration Fees - Due State of New Jersey		1,279
Due Current Fund	\$11,200	147
Reserve for Payroll	5,661,865	
Marriage License Fees - Due State of New Jersey	2,275	
Reserve for Public Defender	6,849	
Reserve for Parking Offenses Adjudication Act	1,194	
Reserve for New Jersey Unemployment Compensation Insurance - Interest Earned	998	
Budget Appropriations - Unemployment Trust	50,000	
Other Receipts - Unemployment Trust	6,727	
Community Development Block Grant Receivable	17,667	
Reserve for Tax Title Lien Redemption Fund	926,646	
Premiums Received at Tax Sale	92,800	
Reserve for Municipal Drug Alliance Donations	5,710	
Reserve for Funds Held in Escrow	27,630	
Reserve for Employment of Off Duty Police	231,292	
Reserve for Election Expenses	6,341	
Reserve for Recreation	7,804	
Reserve for Accumulated Leave Compensation	47,000	
Total Increases	<u>7,103,998</u>	<u>13,574</u>
Total Increases & Balances	<u>7,737,022</u>	<u>20,623</u>
Decreased by Disbursements:		
Expenditures Under R.S.4:19-15.11		13,361
Due Current Fund	99,807	
Dog Registration Fees - Due State of New Jersey		1,282
Reserve for Payroll	5,583,447	
Marriage License Fees - Due State of New Jersey	2,300	
Reserve for New Jersey Unemployment Compensation Insurance - Claims Paid	36,368	
Reserve Community Development Block Grant	16,752	
Reserve for Tax Title Lien Redemption Fund	819,652	
Premiums Received at Tax Sale	81,800	
Reserve for Municipal Drug Alliance Donations	1,240	
Reserve for Funds Held in Escrow	37,060	
Reserve for Employment of Off Duty Police	204,535	
Reserve for Accumulated Leave Compensation	49,691	
Reserve for Disposal of Forfeited Property	2,629	
Reserve for Parking Offenses Adjudication Act	1,440	
Reserve for Recreation	6,398	
Total Disbursements	<u>6,943,119</u>	<u>14,643</u>
Balance December 31, 2011	<u>\$793,903</u>	<u>5,980</u>

EXHIBIT B-2

**TOWNSHIP OF HADDON
TRUST ASSESSMENT FUND
SCHEDULE OF DEPOSITS ON FUTURE ASSESSMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

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>

EXHIBIT B-3

**TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$7,057
Increased by:	
Receipts:	
Dog License Fees	\$9,396
Cat License Fees	2,048
Late Fees & Duplicate Tag Fees	<u>704</u>
Subtotal	19,205
Decreased by:	
Disbursements - Expenditures Under R.S. 4:19-15.11 Cash	<u>13,361</u>
Balance/(Deficit) December 31, 2011	<u><u>\$5,844</u></u>

LICENSE FEES COLLECTED

YEAR	AMOUNT
2010	\$9,018
2009	<u>14,031</u>
Total	<u><u>\$23,049</u></u>

EXHIBIT B-4

**SCHEDULE OF DUE TO/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$12
Increased by:	
Interest Earned on Investments & Deposits	<u>147</u>
Balance December 31, 2011	<u><u>\$159</u></u>

EXHIBIT B-5

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 and 2010	<u><u>\$52,905</u></u>
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EXHIBIT B-6

**TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$10
Increased by:	
Registration Fees Collected	<u>1,279</u>
Subtotal	1,289
Decreased by:	
Disbursements	<u>1,282</u>
Balance December 31, 2011	<u><u>\$7</u></u>

EXHIBIT B-7

**SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$73
Increased by:	
Receipts	<u>5,661,865</u>
Subtotal	5,661,938
Decreased by:	
Disbursements	<u>5,583,447</u>
Balance December 31, 2011	<u><u>\$78,491</u></u>

EXHIBIT B-8

**TOWNSHIP OF HADDON
TRUST FUND OTHER FUND
SCHEDULE OF DUE TO/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 (Due to)	\$1,642
Increased by:	
Transfer to Current Fund	<u>99,807</u>
Subtotal	101,449
Decreased by:	
Transfer From Current Fund	<u>11,200</u>
Balance December 31, 2011 (Due from)	<u><u>\$90,249</u></u>

EXHIBIT B-9

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE & BURIAL LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$2,337
Increased by:	
Receipts	<u>2,275</u>
Subtotal	4,612
Decreased by:	
Disbursements	<u>2,300</u>
Balance December 31, 2011	<u><u>\$2,312</u></u>

EXHIBIT B-10

**SCHEDULE OF RESERVE FOR PUBLIC DEFENDER
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$260
Increased by:	
Deposits	<u>6,849</u>
Balance December 31, 2011	<u><u>\$7,109</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER JUND
SCHEDULE OF RESERVE FOR PARKING OFFENSES ADJUDICATION ACT
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$840
Increased by:	
Receipts	<u>1,194</u>
Subtotal	2,034
Increased by:	
Disbursements	<u>1,440</u>
Balance December 31, 2011	<u><u>\$594</u></u>

**SCHEDULE OF RESERVE FOR NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$60,889
Increased by:	
Receipts:	
Interest Earned on Investments	\$998
Due From State of New Jersey	6,727
Budget Appropriations	<u>50,000</u>
Subtotal	118,614
Decreased by:	
Claims Paid	<u>36,368</u>
Balance December 31, 2011	<u><u>\$82,246</u></u>

**SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$43,227
Increased by:	
Reimbursement	<u>17,667</u>
Subtotal	60,894
Decreased by:	
Disbursements	<u>16,752</u>
Balance December 31, 2011	<u><u>\$44,142</u></u>

EXHIBIT B-14

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF PREMIUMS RECEIVED AT TAX SALE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$302,900
Increased by:	
Receipts	<u>92,800</u>
Subtotal	395,700
Decreased by:	
Refunds	<u>81,800</u>
Balance December 31, 2011	<u><u>\$313,900</u></u>

EXHIBIT B-15

**SCHEDULE OF RESERVE FOR DISPOSAL OF FORFEITED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$9,798
Decreased by:	
Disbursements	<u>2,629</u>
Balance December 31, 2011	<u><u>\$7,169</u></u>

EXHIBIT B-16

**SCHEDULE OF RESERVE FOR TAX TITLE LIEN REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$50,459
Increased by:	
Receipts	<u>926,646</u>
Subtotal	977,105
Decreased by:	
Disbursements	<u>819,652</u>
Balance December 31, 2011	<u><u>\$157,453</u></u>

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF RESERVE FOR MUNICIPAL DRUG ALLIANCE DONATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$7,331
Increased by:		
Receipts	\$5,629	
Interest Earned	81	5,710
Subtotal		13,041
Decreased by:		
Disbursements		1,240
Balance December 31, 2011		\$11,801

**SCHEDULE OF RESERVE FOR FUNDS HELD IN ESCROW
FOR THE YEAR ENDED DECEMBER 31, 2011**

	TOTAL	SHADE TREE ESCROW	PLANNING/ ZONING BOARD ESCROW	REDEVELOPER ESCROW
Balance December 31, 2010	\$63,466	3,163	59,516	787
Increased by:				
Receipts	27,630	1,000	26,630	
Subtotal	91,096	4,163	86,146	787
Decreased by:				
Disbursements	37,060	3,500	32,773	787
Balance December 31, 2011	\$54,036	663	53,373	

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF RESERVE FOR EMPLOYMENT OF OFF-DUTY POLICE OFFICERS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$ -
Increased by:	
Receipts	<u>231,292</u>
Subtotal	231,292
Decreased by:	
Disbursements	<u>204,535</u>
Balance December 31, 2011	<u><u>\$26,757</u></u>

**SCHEDULE OF RESERVE FOR RECREATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$1,817
Increased by:	
Receipts	<u>7,804</u>
Subtotal	9,621
Decreased by:	
Disbursements	<u>6,398</u>
Balance December 31, 2011	<u><u>\$3,223</u></u>

**SCHEDULE OF RESERVE FOR ACCUMULATED LEAVE COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$65,643
Increased by:	
Receipts	<u>47,000</u>
Subtotal	112,643
Decreased by:	
Disbursements	<u>49,691</u>
Balance December 31, 2011	<u><u>\$62,952</u></u>

EXHIBIT B-22

**TOWNSHIP OF HADDON
TRUST OTHER FUND
SCHEDULE OF RESERVE FOR LIBRARY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010 \$2,403

EXHIBIT B-23

**SCHEDULE OF RESERVE FOR MAINTENANCE - BUILDING SIGNS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010 \$4,000

EXHIBIT B-24

**SCHEDULE OF RESERVE FOR SNOW REMOVAL
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 and 2010 \$64,557

GENERAL CAPITAL FUND

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$4,949,406
Increased by Receipts:		
Due Current Fund	\$38,421	
Premium on Bond Anticipation Notes	18,800	
New Jersey Transportation Trust Fund Grant	37,750	
Refund on Improvement Authorizations	43,174	
Reserve for Bond Anticipation Note Payable	11,873,416	
Reserve for DY DEE Development - Interest Earnings	22,322	
Capital Improvement Fund	65,000	12,098,883
		<hr/>
Subtotal		17,048,289
Decreased by Disbursements:		
Reserve for Bond Anticipation Note Payable	11,873,416	
Reserve for Dy-Dee Development	284,264	
Reserve for Repayment of Debt	80,000	
Due Current Fund	80,000	
Improvement Authorizations	2,492,200	14,809,880
		<hr/>
Balance December 31, 2011		<u><u>\$2,238,409</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2011**

Fund Balance	\$17,508
Capital Improvement Fund	14,500
Due Current Fund	(202,010)
Due Trust Assessment Fund	450
Due Form New Jersey Road Aid	(75,868)
Reserve for Encumbrances	191,019
Reserve for Flood Proceeds	25,866

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	10,634
1103	Acquisition, Construction, Repair & Installation of Various Capital Improvements	299,797
1104	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	526,192
1134	Acquisition, Construction, Repair & Installation of Various Capital Improvements	76,845
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	40,529
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	151,133
1197	Streetscape Improvements	(2,788)
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	819,973
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	878,909
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	(479,651)
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements	(128,676)
	Total	<u><u>\$2,238,409</u></u>

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$11,063,529
Decreased by:	
2011 Budget Appropriations:	
Serial Bonds	\$692,100
Green Acres Loans	33,679
	<u>725,779</u>
Balance December 31, 2011	<u><u>\$10,337,750</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	AUTHORIZATIONS 2011	FUNDED	BALANCE DECEMBER 31, 2011	ANALYSIS OF BALANCE DECEMBER 31, 2011	
						UNEXPENDED BALANCE	EXPENDED BALANCE
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Wash Redevelopment Project	\$7,873,416		63,292	7,810,124	568,431	7,241,693
1161	Acquisition, Construction, Repair & Installation of Various Capital Improvements	898			898		
1185	Acquisition, Construction, Repair & Installation of Various Capital Improvements	38,765			38,765	35,977	2,788
1197 1220	Streetscape Improvements Completion of Various Capital Improvements & Acquisition of Capital Equipment	2,130,000			2,130,000	819,973	1,310,027
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,929,450			1,929,450	938,359	991,091
1265	Acquisition, Construction, Repair & Installation of Various Capital Improvements	1,400,300			1,400,300	920,649	479,651
1279	Acquisition, Construction, Repair & Installation of Various Capital Improvements		1,106,750		1,106,750	978,075	128,675
Total		\$13,372,829	1,106,750	63,292	14,416,287	4,262,362	10,153,925
Payment of Bond Anticipation Note				\$63,292			
Total				\$63,292			

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR REPAYMENT OF DBET
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$119,381
Increased by:		
Premium on Bond Anticipation Notes		<u>18,800</u>
Subtotal		138,181
Decreased by:		
Anticipated in Current Fund Budget	\$80,000	
Transferred to Reserve for Dy-Dee Development	<u>58,181</u>	<u>138,181</u>
Balance December 31, 2011		<u><u>-</u></u>

**SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$79,297
Increased by:		
Receipts		<u>38,421</u>
Subtotal		117,718
Decreased by:		
Disbursements		<u>319,728</u>
Balance December 31, 2011		<u><u>(\$202,010)</u></u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$7,750
Increased by:		
Receipts - 2011 Budget Appropriation		<u>65,000</u>
Subtotal		72,750
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>58,250</u>
Balance December 31, 2011		<u><u>\$14,500</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2010		2011		BALANCE DECEMBER 31, 2011		
				FUNDED	UNFUNDED RESERVED	AUTHORIZATIONS	REFUNDS	FUNDED	UNFUNDED RESERVED	
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 & Improvements	6/18/02	1,750,000	14,719		3,423		10,634	662	
1104/1247	Installation of Various Capital Improvements	5/18/04	3,675,000	373,508	919	74,630		299,797		
1134	Acquisition, Construction, Repair & Improvements to the DyDee Wash Redevelopment Project	9/28/04	8,000,000	1,995,148		1,489,309	20,353		526,192	
1161	Acquisition, Construction, Repair & Improvements	5/31/05	1,400,000	76,845				76,845		
1185	Acquisition, Construction, Repair & Improvements	5/23/06	1,500,000	51,866	898	11,337		40,529	898	
1197 1220	Installation of Various Capital Improvements	6/25/07 11/27/07	1,550,000 64,276	238,142	35,977	87,005		151,133	35,977	
1240	Streetscape Improvements Completion of Various Capital Improvements & Acquisition of Capital Equipment		2,400,000	843,057	13,814	22,784			819,973	
1265	Acquisition, Construction, Repair & Improvements	6/23/09	2,211,000	1,042,760	111,167	112,702		938,359	102,866	
1279	Acquisition, Construction, Repair & Improvements	6/23/10	1,625,000	1,028,652	284,765	346,324	22,821		920,649	
	Installation of Various Capital Improvements	4/26/11	1,365,000		1,365,000	386,925			978,075	
Total				\$829,127	4,946,492	414,772	2,534,439	43,174	652,985	4,220,123

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM - CRYSTAL LAKE DEVELOPMENT
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$59,589
Decreased by:	
Budget Appropriation	<u>4,440</u>
Balance December 31, 2011	<u><u>\$55,149</u></u>

SCHEDULE OF GREEN ACRES LOAN PAYABLE DECEMBER 31, 2011

April 2012	\$2,254
October 2012	2,276
April 2013	2,299
October 2013	2,322
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	<u>2,777</u>
Total	<u><u>\$55,149</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM - MAC ARTHUR TRACT ACQUISITION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$410,840
Decreased by:	
Budget Appropriation	<u>29,239</u>
Balance December 31, 2011	<u><u>\$381,601</u></u>

SCHEDULE OF GREEN ACRES LOAN PAYABLE DECEMBER 31, 2011

January 2012	\$14,839
July 2012	14,987
January 2013	15,137
July 2013	15,289
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>\$381,601</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				
General Bonds	08/15/01	\$1,780,000	08/15/12-15	\$100,000	4.50%	\$1,180,000	75,000	1,105,000
			08/15/2016	105,000	4.60%			
			08/15/2917	120,000	4.60%			
			08/15/18-19	120,000	4.70%			
			08/15/20-21	120,000	4.75%			
General Bonds	4/20/2006	6,175,000	11/15/12-13	250,000		5,375,000	225,000	5,150,000
			11/15/14-15	300,000	4.000%			
			11/15/2016	300,000				
			11/15/17-18	325,000	4.125%			
			11/15/19-22	375,000	4.150%			
			11/15/23-24	400,000	4.250%			
General Bonds	5/7/2008	2,595,000	11/15/25-26	400,000				
			5/1/12	90,000	3.625%	2,425,000	90,000	2,335,000
			5/1/13-14	100,000	3.625%			
			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%			
Refunding Bonds	5/7/2008	2,394,000	5/1/28	170,000	4.000%			
			9/15/12	216,600	3.000%	1,613,100	302,100	1,311,000
			9/15/13	228,000	3.250%			
			9/15/14	225,150	3.250%			
			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%			
Total						\$10,593,100	692,100	9,901,000

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$378,000
Decreased by:	
Principal Payment by Budget Appropriation	<u>39,000</u>
Balance December 31, 2011	<u><u>\$339,000</u></u>

SCHEDULE OF LEASE OBLIGATIONS DECEMBER 31, 2011

November 2012	\$41,000
November 2013	44,000
November 2014	46,000
November 2015	48,000
November 2016	51,000
November 2017	53,000
November 2018	<u>56,000</u>
Total	<u><u>\$339,000</u></u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2010	INCREASE	DECREASE	BALANCE DECEMBER 31, 2011
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Redevelopment Project	11/17/05	2/6/2011	2/6/2012	1.58%	\$4,873,416	4,810,124	4,873,416	4,810,124
1104/1247	Acquisition, Construction, Repair & Installation of Various Capital Improvements to the DyDee Redevelopment Project	11/24/09	11/23/11	11/23/12	1.280%	3,000,000	3,000,000	3,000,000	3,000,000
1220	Completion of Various Capital Improvements & Acquisition of Capital Equipment	11/24/09	11/23/11	11/23/12	1.5%	2,070,550	2,070,550	2,070,550	2,070,550
1240	Acquisition, Construction, Repair & Installation of Various Capital Improvements	11/24/09	11/23/11	11/23/12	1.5%	1,929,450	1,929,450	1,929,450	1,929,450
Total						\$11,873,416	11,810,124	11,873,416	11,810,124

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	2011 AUTHORIZATIONS	BALANCE DECEMBER 31, 2011
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
	Total	<u>\$1,499,413</u>	<u>1,106,750</u>	<u>2,606,163</u>

**TOWNSHIP OF HADDON
GENERAL CAPITAL FUND
DUE FROM STATE OF NEW JERSEY ROAD AID
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$25,114
Increased by:		
Aid Awarded-Emerald Avenue Phase IV		<u>200,000</u>
Subtotal		225,114
Decreased by:		
Cash Received in Current Fund	\$111,496	
Cash Receipts	<u>37,750</u>	<u>149,246</u>
Balance December 31, 2011		<u><u>\$75,868</u></u>

WATER-SEWER UTILITY FUND

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>OPERATING FUND</u>	<u>CAPITAL FUND</u>
Balance December 31, 2010	768,600	1,076,663
Increased by Receipts:		
Collector	\$3,551,882	
Bond Anticipation Notes Issued		1,450,000
Interest on Investments & Deposits	12,956	
NJEIT Loan Receivable		1,150,069
Due to Current Fund	1,297	
Due to Utility Operating		35,256
Premium on Bond Anticipation Note		6,815
	<hr/>	<hr/>
Subtotal	<u>3,566,135</u>	<u>2,642,140</u>
Total	<u>4,334,735</u>	<u>3,718,803</u>
Decreased by Disbursements:		
2011 Appropriations	3,505,054	
2010 Appropriation Reserves	32,268	
Due to Current Fund	500	
Due to Utility Capital	35,256	
Bond Anticipation Notes Redeemed		1,450,000
Improvement Authorizations		1,217,607
	<hr/>	<hr/>
Total Disbursements	<u>3,573,078</u>	<u>2,667,607</u>
Balance December 31, 2011	<u><u>\$761,657</u></u>	<u><u>1,051,196</u></u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER-SEWER UTILITY CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by Receipts:		
Consumer Accounts Receivable:		
Water	\$2,030,172	
Sewer	1,280,945	
Penalties on Delinquent Accounts	13,206	
Prepaid Rents	21,874	
Other Receipts	46,707	
Revenue Accounts Receivable	158,978	3,551,882
		<hr/>
Subtotal		3,551,882
Decreased by Disbursements:		
Payment to Treasurer		3,551,882
		<hr/>
Balance December 31, 2011		<u>\$ -</u>

**WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH - WATER-SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Fund Balance		\$16,787
Capital Improvement Fund		12,427
Due Water/Sewer Operating Fund		125,841
Reserve for Encumbrances		796,867
Reserve for Repayment for Debt		225,450
NJEIT Loan Receivable		(592,010)
IMPROVEMENT AUTHORIZATIONS:		
ORDINANCE		
NUMBER	DESCRIPTION	
1085	Various Improvements to Water-Sewer Utility	600
1185	Various Improvements to Water-Sewer Utility	54,042
1216	Rehabilitation & Reconstruction of Sewer	27,216
1221	Various Improvements to the Water-Sewer Utility	77,991
1241	Various Improvements to the Water-Sewer Utility	193,175
1266	Various Improvements to the Water-Sewer Utility	233,294
1280	Various Improvements to the Water-Sewer Utility	(120,484)
		<hr/>
	Total	<u>\$1,051,196</u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$4,142
Increased by:		
Overpayments Created	\$953	
Water Rents Levied	2,091,325	2,092,278
		<hr/>
Subtotal		2,096,420
Decreased by:		
Prepaid Applied	23,993	
Cancellations	36,164	
Receipts - Collector	2,030,172	2,090,329
		<hr/>
Balance December 31, 2011		<u><u>\$6,091</u></u>

**SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$6,435
Increased by:		
Overpayments Created	\$23,740	
Sewer Rents Levied	1,277,813	1,301,553
		<hr/>
Subtotal		1,307,988
Decreased by:		
Prepaid Applied	14,125	
Overpayments Applied	3,252	
Cancellations	350	
Receipts - Collector	1,280,945	1,298,672
		<hr/>
Balance December 31, 2011		<u><u>\$9,316</u></u>

**SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by:		
Receipts From Current		3,556
		<hr/>
Subtotal		3,556
Decreased by:		
Disbursements to Current		500
		<hr/>
Balance December 31, 2011		<u><u>\$3,056</u></u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ACCRUED IN 2010	COLLECTED	BALANCE DECEMBER 31, 2011
Water Service Fees & Permits		106,493	106,493	
Sewer Laterals & Traps		1,025	1,025	
Rentals of West Collingswood Heights Facilities - New Jersey Water Company	\$12,055	52,021	51,460	12,616
Total	<u>\$12,055</u>	<u>159,539</u>	<u>158,978</u>	<u>12,616</u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010

\$12,427

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL - WATER
FOR THE YEAR ENDED DECEMBER 31, 2011**

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
	<hr/>
Total	<u><u>\$9,709,255</u></u>

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL - SEWER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2011
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
 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, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2010	2011 DEFERRED CHARGES TO FUTURE REVENUES	BALANCE DECEMBER 31, 2011
		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	5/26/09	845,000	845,000		845,000
1266	Various Improvements to the Water-Sewer Utility	6/23/10	340,000	340,000		340,000
1280	Various Improvements to the Water-Sewer Utility	5/24/11	590,000		590,000	590,000
	Total			\$12,337,663	590,000	12,927,663

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>BALANCE DECEMBER 31, 2010</u>			<u>BALANCE</u>
	<u>ENCUMBERED</u>	<u>RESERVED</u>	<u>DISBURSED</u>	<u>LAPSED</u>
Operating:				
Salaries and Wages		19,935	2,484	17,451
Other Expenses	\$22,986	154,130	29,784	147,332
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)		2,795		2,795
State Disability Insurance		782		782
Total	<u>\$22,986</u>	<u>177,642</u>	<u>32,268</u>	<u>168,360</u>

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$22,986
Increased by:	
2011 Appropriations	<u>24,634</u>
Subtotal	47,620
Decreased by:	
Transferred to 2010 Appropriation Reserves	<u>22,986</u>
Balance December 31, 2011	<u><u>\$24,634</u></u>

**WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF PROTESTED CHECKS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$1,594
Increased by:	
Receipts	<u>945</u>
Subtotal	2,539
Decreased by:	
Disbursements	<u>87</u>
Balance December 31, 2011	<u><u>\$2,452</u></u>

EXHIBIT D-18

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$106,438
Increased by:	
Budget Appropriation for Interest on Bonds	<u>100,803</u>
Subtotal	207,241
Decreased by:	
Interest Paid by Operating Fund	<u>106,438</u>
Balance December 31, 2011	<u><u>\$100,803</u></u>

EXHIBIT D-19

**WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE TO WATER-SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$585
Increased by:	
Operating Surplus	\$90,000
Interest Earned on Investments & Deposits	<u>35,256</u>
	125,256
Balance December 31, 2011	<u><u>\$125,841</u></u>

EXHIBIT D-20

**SCHEDULE OF CAPITAL FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010	<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, 2011**

Balance December 31, 2010		\$13,229,313
Increased by:		
Paid by Operating Fund:		
Serial Bonds	\$427,900	
Environmental Infrastructure Loan	274,114	702,014
Balance December 31, 2011		\$13,931,327

**SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DECEMBER 31, 2011
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	\$90,263

TOWNSHIP OF HADDON
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2011

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AUTHORIZED DATE	AUTHORIZED AMOUNT	BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	PAID OR CHARGED	BALANCE DECEMBER 31, 2011		
				FUNDED	UNFUNDED			FUNDED	UNFUNDED	RESERVED
1085	Various Improvements to the Water-Serer Utility	6/18/2002	\$850,000	\$600				600		
1114		12/28/2004								
1185	Various Improvements to the Water-Serer Utility	6/25/2007	770,000	130,060	17,429		77,355	54,042	16,092	
1216	Rehabilitation & Reconstruction of Sewer Utility	5/27/2008	6,540,000	281,460	812,807		441,796	27,216	625,255	
1221	Various Improvements to the Water-Serer Utility	5/27/2008	705,250	326,101	43,318		260,973		77,991	
1241	Various Improvements to the Water-Serer Utility	5/26/09	845,000	587,379	8,957		270,646		258,162	
1266	Various Improvements to the Water-Serer Utility	6/23/10	340,000	337,183			55,889	233,294	48,000	
1280	Various Improvements to the Water-Serer Utility	5/24/11	590,000			590,000	110,948		469,515	
Total				\$749,303	1,065,980	882,511	1,217,607	315,152	958,168	796,867

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER-SEWER SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	ISSUED IN 2011	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT					
Water-Sewer Utility Bonds	08/15/2001	\$475,000	08/15/10-15	\$25,000	4.50%	\$300,000		25,000	275,000
			08/15/2016	25,000	4.60%				
			08/15/2017	30,000	4.60%				
			08/15/18-19	30,000	4.70%				
			08/15/20-21	30,000	4.75%				
Water-Sewer Utility Bonds	04/20/2006	3,250,000	11/15/12-15	150,000	4.000%	2,750,000		125,000	2,625,000
			11/15/2016	150,000					
			11/15/17-21	175,000					
			11/15/2022	200,000	4.125%				
			11/15/23-24	200,000	4.150%				
		11/15/25-26	200,000	4.250%					
Water-Sewer Utility Bonds	05/07/2008	1,620,000	05/1/12-13	60,000	3.625%	1,520,000		50,000	1,470,000
			05/1/14-17	75,000	3.625%				
			05/1/18-19	85,000	3.625%				
			05/01/20	85,000	3.750%				
			05/01/21	95,000	3.750%				
		05/1/22-23	100,000	3.750%					
		05/1/24-28	100,000	4.000%					
Refunding Bonds	05/07/2008		09/15/12	163,400	3.000%	1,216,900		227,900	989,000
			09/15/13	172,000	3.250%				
			09/15/14	169,850	3.250%				
			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%					
Total						\$5,786,900	-	427,900	5,359,000

**TOWNSHIP OF HADDON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN
FOR THE YEAR ENDED DECEMBER 31, 2011**

IMPROVEMENT DESCRIPTION	DATE OF ISSUE	ORIGINAL ISSUE	DATE	MATURITIES		INTEREST RATE	BALANCE DECEMBER 31, 2010	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2011
				OF BONDS OUTSTANDING	AMOUNT				
Reconstruction & Rehabilitation of Various Sewers	11/9/2008	\$3,200,000	8/1/12	\$115,000		3.23%	\$3,095,000	110,000	2,985,000
			8/1/13	120,000		3.37%			
			8/1/14	125,000		3.55%			
			8/1/15	130,000		3.69%			
			8/1/16	140,000		3.84%			
			8/1/17	145,000		3.96%			
			8/1/18	155,000		4.12%			
			8/1/19	160,000		4.31%			
			8/1/20	170,000		4.42%			
			8/1/21	180,000		4.51%			
			8/1/22	190,000		4.60%			
			8/1/23	200,000		4.66%			
			8/1/24	210,000		4.80%			
			8/1/25	220,000		4.85%			
		8/1/26	230,000		4.89%				
		8/1/27	240,000		4.92%				
		8/1/28	255,000		4.95%				

**SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
FOR THE YEAR ENDED DECEMBER 31, 2011**

IMPROVEMENT DESCRIPTION	DATE OF ISSUE	ORIGINAL ISSUE	DATE	MATURITIES		INTEREST RATE	BALANCE DECEMBER 31, 2010	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2011
				OF BONDS OUTSTANDING	AMOUNT				
Reconstruction & Rehabilitation of Various Sewers	11/9/2008	\$3,200,000	9/1/09-28 &	Various	NONE				
			3/1/09-28	Various					
							\$2,936,301	164,114	2,772,187

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

**TOWNSHIP OF HADDON
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES
 FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE		BALANCE DECEMBER 31, 2011
						DECEMBER 31, 2010	INCREASE DECREASE	
1221	Various Improvements to the Water-Serer Utility	11/24/09	11/23/11	11/23/12	1.0274%	\$669,987	669,987	669,987
1241	Various Improvements to the Water-Serer Utility	11/24/09	11/23/11	11/23/12	1.0274%	780,013	780,013	780,013
Total						\$1,450,000	1,450,000	1,450,000

**TOWNSHIP OF HADDON
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF BONDS & NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	AUTHORIZED	FUNDED FROM CAPITAL IMPROVEMENT FUND	BALANCE DECEMBER 31, 2011
1216	Rehabilitation & Reconstruction of Sewer	\$152,500			152,500
1241	Various Improvements to the Water - Sewer Utility	64,987			64,987
1280	Various Improvements to the Water - Sewer Utility		590,000		590,000
		<u>\$217,487</u>	<u>590,000</u>		<u>807,487</u>

**SCHEDULE OF RESERVE FOR REPAYMENT OF BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$308,635
Increased by:	
Premium on Bond Anticipation Note	<u>6,815</u>
Subtotal	315,450
Decreased by:	
Anticipated as Operating Revenue	<u>90,000</u>
Balance December 31, 2011	<u><u>\$225,450</u></u>

SUPPLEMENTARY DATA

**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 1.76%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$8,755,000	8,755,000	
Water-Sewer Utility Debt	13,328,673	13,328,673	
General Debt	25,093,037	339,000	24,754,037
	<hr/>		
Total	\$47,176,710	22,422,673	24,754,037
	<hr/> <hr/>		

Net Debt, \$24,754,037 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, \$1,405,513,011 equals 1.76%.

Equalized Valuation Basis:

2011	\$1,381,001,315
2010	1,406,193,701
2009	1,429,344,018
	<hr/>
Average	\$1,405,513,011
	<hr/> <hr/>

Borrowing Power Under 40A:2-6:

3 1/2 % of Equalized Valuation Bases (Municipal)	\$49,192,955
Net Debt	24,754,037
	<hr/>
Remaining Borrowing Power	\$24,438,918
	<hr/> <hr/>

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

Cash Receipts From Fees, Rents & Other Charges	\$3,564,838
Deductions:	
Operating & Maintenance Costs	\$2,462,274
Debt Service	1,067,414
	<hr/>
Excess/(Deficit) in Revenue	\$35,150
	<hr/> <hr/>

**Comparative Statement of Operations and
Change in Fund Balance - Current Fund**

	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$1,575,000	3.46%	1,120,000	2.41%
Miscellaneous - From Other Than Local Property Tax Levies	3,261,862	7.16%	4,197,498	9.04%
Collection of Delinquent Taxes & Tax Title Liens	4,438	0.01%	742,765	1.60%
Collection of Current Tax Levy	39,823,638	87.40%	39,244,032	84.52%
Nonbudget Revenue	517,574	1.14%	537,278	1.16%
Unexpended Balance of Appropriation Reserves	309,198	0.68%	580,681	1.25%
Cancelation of Prior Year Payable Interfunds Liquidated	73,815	0.16%	11,685	0.03%
Total Income	45,565,525	100.00%	46,433,939	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	11,832,483	26.66%	12,422,537	28.00%
County Taxes	9,545,196	21.51%	9,376,826	21.14%
Local School Taxes	21,568,456	48.60%	21,141,575	47.66%
Fire District Taxes	1,279,110	2.88%	1,283,036	2.89%
Business Improvement District Other Adjustments to Income	151,152	0.34%	124,640	0.28%
			13,021	0.03%
Total Expenditures	44,376,397	100.00%	44,361,635	100.00%
Excess in Revenue	1,189,128		2,072,304	
Fund Balance January 1	2,689,522		1,737,218	
Total	3,878,650		3,809,522	
Less: Fund Balance Utilized as Revenue	1,575,000		1,120,000	
Fund Balance December 31	\$2,303,650		2,689,522	

**Comparative Statement of Operations and
Change in Surplus - Water & Sewer Utility Operating Fund**

Revenue and Other Income Realized	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Surplus Utilized	\$150,000	3.76%	100,000	2.48%
Collection of Sewer Rents	3,364,308	84.25%	3,354,266	83.29%
Miscellaneous - From Other Than Sewer Rents	478,756	11.99%	572,907	14.23%
Total Income	3,993,064	100.00%	4,027,173	100.00%
Expenditures				
Budget Expenditures:				
Operating	2,479,040	66.94%	2,437,157	65.52%
Debt Service	1,067,414	28.82%	1,123,062	30.19%
Deferred Charges & Statutory Expenditures	156,722	4.23%	159,239	4.28%
Total Expenditures	3,703,176	100.00%	3,719,458	100.00%
Excess in Revenue	289,888		307,715	
Surplus Balance January 1	415,914		208,199	
Total Surplus	705,802		515,914	
Less: Utilization as Anticipated Revenue	150,000		100,000	
Surplus Balance December 31	\$555,802		415,914	

**Comparison of Tax Levies
and Collection Currently**

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

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2011	\$39,904,900	39,823,638	99.80%
2010	39,304,796	39,244,032	99.85%
2009	38,274,149	37,485,460	97.94%

Comparison of Tax Rate Information

	2011	2010	2009
Total Tax Rate	<u>\$3.044</u>	<u>\$5.543</u>	<u>\$5.393</u>
Apportionment of Tax Rate:			
Municipal	0.578	1.080	1.081
County	0.757	1.371	1.313
Local School	1.709	3.092	2.999
Fire District #1	0.111	0.207	0.202
Fire District #2	0.053	0.088	0.085
Fire District #3	0.024	0.048	0.048
Fire District #4	0.157	0.275	0.276
Special Improvement District #1	0.180	0.250	
Special Improvement District #2	0.180	0.250	

Net Valuation Taxable:

2011	<u>\$1,261,356,636</u>		
2010		<u>\$683,638,203</u>	
2009			<u>\$682,699,386</u>

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2011	\$85,997	37,770	123,767	0.31%
2010	58,439	20,719	79,158	0.20%
2009	33,374	752,676	786,050	2.05%

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, was as follows:

YEAR	AMOUNT
2011	\$1,894,100
2010	1,894,100
2009	1,894,100

Comparison of Water-Sewer Utility Levies

YEAR	LEVY	COLLECTION
2011	\$3,393,831	3,389,001
2010	3,266,781	3,362,345
2009	3,202,569	3,153,171

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years for Bonded Debt Issued & Outstanding:

YEAR	GENERAL CAPITAL	WATER UTILITY
2012	1,049,225	1,038,017
2013	1,046,183	1,031,207
2014	1,067,798	1,027,285
2015	1,049,384	1,005,608
2016	959,452	937,970

Comparative Schedule of Fund Balances

Current Fund:	Balance December 31	Utilized in Budget of Succeeding Year
2011	\$2,303,650	1,271,800
2010	2,689,522	1,575,000
2009	1,737,218	1,120,000
2008	2,265,532	1,660,000
2007	2,221,389	1,610,000
2006	1,899,689	1,350,000

Comparative Schedule of Fund Balance

Water Operating Fund	Balance December 31	Utilized in Budget of Succeeding Year
2011	\$555,802	248,670
2010	415,914	150,000
2009	208,199	100,000
2008	490,013	305,000
2007	224,028	175,000
2006	534,948	455,000

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2011:

NAME	TITLE
Randall W. Teague	Mayor
John C. Foley	Commissioner
Paul Dougherty	Commissioner
Jack Bruno	Chief Financial Officer
Dawn M. Pennock	Municipal Clerk
Andrea Penny	Tax Collector
Mary C. Twisler	Court Administrator
John McFeeley, III	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.

**TOWNSHIP OF HADDON
COUNTY OF CAMDEN**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**



Certified Public Accountants & Consultants

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, 2011.

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 26, 2011 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 within 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 28, 2011 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
2011	15
2010	11
2009	7

Deductions From Taxes

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

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.

Fixed Assets

***Finding 2011-01:**

During our audit it was noted that the fixed asset control schedule has not been maintained timely.

Recommendation:

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

Payroll

Finding 2011-02:

Our audit revealed established control procedures were not followed as the former CFO and Personnel Director issued payroll checks to the Director of Public Safety, at his request, that were in excess of the compensation approved in the budget. Upon review of the municipal budget as well as the proper procedures for authorizing payroll checks with the Director of Public Safety, the Personnel Director and the present CFO, all funds were returned.

Payroll (continued):

Recommendation:

That the issuance of payroll checks must be approved by the Commissioners in compliance with the amended control procedures and that the Personnel Director report all payroll and compensation issues to the Director of Revenue and Finance.

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 (*).

Acknowledgment

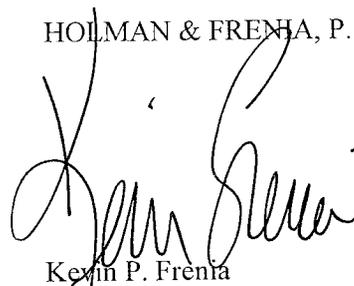
We express our appreciation for the assistance and courtesies extended to the members of the audit team.

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

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, P. C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford, New Jersey
April 4, 2012