

BOROUGH OF HADDON HEIGHTS
COUNTY OF CAMDEN

REPORT OF AUDIT

FOR THE YEAR 2009



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BOROUGH OF HADDON HEIGHTS

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2009

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Haddon Heights
Haddon Heights, New Jersey 08035

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Borough of Haddon Heights, in the County of Camden, State of New Jersey as of December 31, 2009 and 2008, and the related statements of operations and changes in fund balance-- regulatory basis for the years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and schedule of general fixed assets account group for the year ended December 31, 2009. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we express no such opinion. 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 on the financial statements of the requirement that the Borough prepare its financial statements in accordance with the accounting practices 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 Borough of Haddon Heights, in the County of Camden, State of New Jersey, as of December 31, 2009 and 2008, or the results of its operations and changes in fund balance for the years then ended.

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 Borough of Haddon Heights, in the County of Camden, State of New Jersey, as of December 31, 2009 and 2008, and the results of its operations and changes in fund balance-- regulatory basis of such funds for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2009 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 June 21, 2010 on our consideration of the Borough of Haddon Heights, in the County of Camden, 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 assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Haddon Heights's basic financial statements. In addition, the supplementary 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, in our opinion, 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,


BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants


Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 21, 2010

**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 Borough Council
Borough of Haddon Heights
Haddon Heights, New Jersey 08035

We have audited the financial statements (regulatory basis) of the Borough of Haddon Heights, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 21, 2010, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Borough of Haddon Heights'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 Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

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

Our consideration of 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 did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Recommendations that we consider to be significant deficiencies in internal control over financial reporting as findings no.: 2009-1, 2009-2, 2009-3, 2009-4. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Haddon Heights's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance 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 which are described in the accompanying Schedule of Findings and Recommendations as findings no.: 2009-2, 2009-3.

The Borough of Haddon Heights's response to the findings identified in our report are described in the accompanying Schedule of Findings and Recommendations. We did not audit the Borough of Haddon Heights's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management of the Borough, the Division of Local Government Services, Department of Community Affairs, and 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,


BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants


Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 21, 2010

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
 Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis
 As of December 31, 2009 and 2008

<u>ASSETS</u>	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Regular Fund:			
Cash:			
Cash--Treasurer	SA-1	\$ 1,153,241.88	\$ 1,454,450.22
Cash--Change Funds	SA-2	200.00	200.00
Due from State of NJ - Senior Citizens and Vet. Deduction:	SA-4	8,550.21	
		<u>1,161,992.09</u>	<u>1,454,650.22</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	377,156.40	333,889.05
Property Acquired for Taxes - Assessed Valuation	A	26,100.00	26,100.00
Revenue Accounts Receivable	SA-5	100,255.81	88,728.85
Due from Federal, State and Other Grant Fund	SA-23	331,144.75	36,426.54
Due from Trust Animal Control Fund	SB-2		13.37
Due from General Capital Fund	SC-6	119.95	
Due from Trust Other Fund	SB-1		783.75
		<u>834,776.91</u>	<u>485,941.56</u>
Deferred Charges:			
Emergency Appropriation N.J.S.A. 40A:4-47	SA-6		19,282.00
Special Emergency Appropriation N.J.S.A. 40A:4-55	SA-7	107,680.00	161,520.00
		<u>107,680.00</u>	<u>180,802.00</u>
		<u>2,104,449.00</u>	<u>2,121,393.78</u>
Federal, State and Other Grant Fund:			
Federal, State and Other Grants Receivable	SA-20	569,050.00	490,535.89
		<u>\$ 2,673,499.00</u>	<u>\$ 2,611,929.67</u>

(Continued)

BOROUGH OF HADDON HEIGHTS
CURRENT FUND

Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis
As of December 31, 2009 and 2008

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3;SA-8	\$ 306,974.25	\$ 279,760.49
Reserve for Encumbrances	A-3;SA-8	145,764.46	152,102.12
Special Emergency Notes Payable	SA-9	107,680.00	161,520.00
Prepaid Taxes	SA-10	80,976.88	75,119.89
Tax Overpayments	SA-11	11,870.08	1,062.18
Due County for Added and Omitted Taxes	SA-13	19,064.60	10,576.67
Due to State of New Jersey:			
Senior Citizens and Veterans Deductions	SA-4		2,666.75
Burial Permits	SA-16	70.00	
Marriage License Fees	SA-15	150.00	25.00
DCA Training Fees	SA-17	1,062.00	780.00
Accounts Payable	SA-18	25.00	947.78
Due to General Capital Fund	SC-6		14,557.92
Reserve for Master Plan Update		2,873.36	2,873.36
Reserve for Tax Appeals	SA-19	26,677.33	
		<u>703,187.96</u>	<u>701,992.16</u>
Reserves for Receivables	A	834,776.91	485,941.56
Fund Balance	A-1	566,484.13	933,460.06
		<u>2,104,449.00</u>	<u>2,121,393.78</u>
Federal, State and Other Grant Fund:			
Federal, State and Other Grants-- Unappropriated	SA-21	2,450.36	7,516.48
Federal, State and Other Grants-- Appropriated	SA-22	212,688.95	442,735.82
Reserve for Encumbrances	SA-22	7,765.94	3,857.05
Contracts Payable	SA-22	15,000.00	
Due to Current Fund	SA-23	331,144.75	36,426.54
		<u>569,050.00</u>	<u>490,535.89</u>
		<u>\$ 2,673,499.00</u>	<u>\$ 2,611,929.67</u>

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

BOROUGH OF HADDON HEIGHTS
CURRENT FUND

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 450,000.00	\$ 272,374.00
Miscellaneous Revenues Anticipated	1,730,979.49	1,648,906.70
Receipts from Delinquent Taxes	333,715.76	337,461.03
Receipts from Current Taxes	20,636,775.23	21,115,185.73
Nonbudget Revenues	51,294.76	71,308.17
Accounts Payable Canceled	947.78	47,219.51
Federal, State and Other Grants Appropriated Canceled	8,000.00	15,449.15
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	165,872.40	231,871.61
Reserves Liquidated:		
Due from Trust Other Fund	783.75	555.01
Due from Trust Animal Control Fund	13.37	
	<u>23,378,382.54</u>	<u>23,740,330.91</u>
Total Income		
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	2,570,006.00	2,522,139.00
Other Expenses	2,829,009.00	2,692,011.00
Deferred Charges and Statutory Expenditures	568,314.00	166,948.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	16,790.60	11,962.61
Other Expenses	388,864.71	836,346.43
Capital Improvements	255,000.00	19,080.00
Municipal Debt Service	394,279.93	496,007.99
Deferred Charges and Judgments	73,122.00	75,736.00
County Taxes	4,651,159.97	4,754,850.65
Due County for Added and Omitted Taxes	19,064.60	10,576.67
Local District School Tax	11,233,159.50	11,698,768.00
Prior Year Senior Citizens Disallowed	1,750.00	3,875.00
Federal, State and Other Grants Receivable Canceled		67,428.12
Interfunds Created:		
Due from Trust Animal Control Fund		10.36
Due from Federal, State and Other Grant Fund	294,718.21	30,167.37
Due from General Capital Fund	119.95	
	<u>23,295,358.47</u>	<u>23,385,907.20</u>
Total Expenditures		

(Continued)

BOROUGH OF HADDON HEIGHTS
CURRENT FUND

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Excess in Revenue	\$ 83,024.07	\$ 354,423.71
Adjustments to Income before Fund Balance:		
Expenditures included above that by Statute Deferred		
Charges to Budget of Succeeding Year	<u> </u>	<u>19,282.00</u>
Statutory Excess to Fund Balance	83,024.07	373,705.71
Fund Balance January 1	<u>933,460.06</u>	<u>832,128.35</u>
	1,016,484.13	1,205,834.06
Decreased by:		
Utilization as Anticipated Revenue	<u>450,000.00</u>	<u>272,374.00</u>
Fund Balance December 31	<u>\$ 566,484.13</u>	<u>\$ 933,460.06</u>

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

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2009

	Anticipated <u>Budget</u>	Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess <u>(Deficit)</u>
Surplus Anticipated	\$ 450,000.00		\$ 450,000.00	
Miscellaneous Revenues:				
Licenses:				
Other	2,000.00		2,602.00	\$ 602.00
Fees and Permits	50,000.00		57,043.40	7,043.40
Fines and Costs:				
Municipal Court	130,000.00		193,205.01	63,205.01
Interest and Costs on Taxes	70,000.00		75,484.83	5,484.83
Interest on Investments and Deposits	35,000.00		9,088.87	(25,911.13)
Cable TV Franchise Fee	77,818.00		77,817.91	(0.09)
Payments in Lieu of Taxes	30,000.00		43,199.16	13,199.16
Consolidated Municipal Property Tax Relief Aid	134,775.00		134,775.00	
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	813,319.00		813,319.00	
Supplemental Energy Receipts Tax				
Uniform Construction Code Fees	80,000.00		74,873.00	(5,127.00)
Public and Private Revenues Offset With Appropriations:				
Clean Communities Program		\$ 12,026.61	12,026.61	
Recycling Tonnage Grant	5,538.04	11,219.06	16,757.10	
Municipal Court Alcohol Ed & Rehab		232.05	232.05	
Municipal Alliance on Alcoholism and Drug Abuse		11,574.00	11,574.00	
Click It or Ticket		4,000.00	4,000.00	
Alcohol Abuse Grant - Station House	1,000.00		1,000.00	
JIF Safety Award		700.00	700.00	
Drunk Driving Enforcement Fund	558.55		558.55	
Transportation Grant - Sylvan Drive	180,000.00		180,000.00	
Over the Limit Under Arrest	5,000.00	6,000.00	11,000.00	
Other Special Items:				
Reserve for Payment of Debt	11,723.00		11,723.00	
Subtotal Miscellaneous Revenues	1,626,731.59	45,751.72	1,730,979.49	58,496.18
Receipts from Delinquent Taxes	310,000.00		333,715.76	23,715.76
Subtotal General Revenues	2,386,731.59	45,751.72	2,514,695.25	82,211.94
Amount to be Raised by Taxes for Support of Municipal Budget	5,058,259.41		5,126,145.57	67,886.16
Nonbudget Revenues	7,444,991.00	45,751.72	7,640,840.82	150,098.10
			51,294.76	51,294.76
	\$7,444,991.00	\$ 45,751.72	\$7,692,135.58	\$ 201,392.86

(Continued)

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2009

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:

Revenue from Collections		\$ 20,636,775.23
Allocated to:		
School and County Taxes		15,903,384.07
Balance for Support of Municipal Budget Revenues		4,733,391.16
Add:		
Appropriation: "Reserve for Uncollected Taxes"		392,754.41
Amount for Support of Municipal Budget Appropriations		\$ 5,126,145.57
Delinquent Taxes:		
Receipts		\$ 333,715.76
Licenses -- Other:		
Revenue Accounts Receivable:		
Clerk - Raffle	80.00	
Board of Health	2,390.00	
Registrar of Vital Statistics - Marriage Licenses	132.00	
		\$ 2,602.00
Fees and Permits -- Other:		
Revenue Accounts Receivable:		
Police Department:		
Police Permits	\$ 1,777.00	
Overnight Parking	3,388.00	
Fire Department	5,165.00	
Bureau of Fire Prevention and Inspection	4,797.65	
Borough Clerk	15,640.00	
Planning and Zoning Board Fees	4,975.00	
Registrar of Vital Statistics	6,650.00	
Tax Collector:	19,601.75	
Tax Searches	214.00	
		\$ 57,043.40

(Continued)

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2009

Analysis of Realized Revenue: (Continued)

Interest on Investments and Deposits

Received in:

Current Fund	\$8,926.15
Municipal Court	80.12
Animal Control Fund	2.48
Trust Fund--Other Funds	80.12

\$ 9,088.87

Analysis of Non-Budget Revenue

Tax Sale Costs	\$ 2,071.39
Miscellaneous Tax Revenue	3,684.10
Sale of Municipal Assets	13,668.88
Sewer Connection	300.00
OPRA Fee Requests	403.03
State Administration Fee Senior Citizen and Vets	2,048.89
Old Checks Canceled	209.00
Motor Vehicle Inspection Fines	7,385.17
Historic District	700.00
Solicitors Permit	150.00
NSF Check Charge	175.00
Ban Premium	9,336.66
Facilities Rental	1,250.00
Scrap Metal	1,379.97
Municipal Court - Bail Forfeiture	110.00
Conrail Cutting Grass	1,225.00
Miscellaneous Receipts	1,915.58
Insurance Refund	5,282.09

\$ 51,294.76

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

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2009

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Operations Manager						
Salaries & Wages	\$ 26,542.00	\$ 13,842.00	\$ 13,833.36	\$	8.64	
Other Expense						
Postage	12,000.00	12,000.00	11,075.37		924.63	
Office Supplies	14,000.00	14,000.00	13,274.59	\$ 722.42	2.99	
Marketing Events and Communications	16,350.00	16,350.00	12,247.87	4,090.28	11.85	
Publication Of News Letter	3,270.00	4,270.00	4,270.00			
Municipal Clerk						
Salaries and Wages	135,535.00	115,235.00	112,764.82		2,470.18	
Other Expenses	35,667.00	45,167.00	34,393.21	10,675.89	97.90	
Financial Administration						
Salaries and Wages	61,504.00	62,504.00	61,687.93		816.07	
Other Expenses	19,150.00	19,150.00	18,191.04	249.70	709.26	
Audit Services						
Other Expenses	39,500.00	38,500.00	38,500.00			
Assessment of Taxes						
Salaries and Wages	87,482.00	95,682.00	95,494.22		187.78	
Other Expenses	31,711.00	20,711.00	17,855.60		2,855.40	
Collection of Taxes						
Salaries and Wages	20,105.00	20,105.00	19,737.53		367.47	
Other Expenses	5,120.00	6,120.00	5,294.80	137.90	687.30	
Legal Services						
Contractual						
Other Expenses	12,500.00	12,500.00	12,500.00			
Special Council	38,150.00	71,150.00	64,187.90	3,832.70	3,129.40	
Engineering Services and Costs	12,000.00	12,000.00	11,292.28		707.72	
Other Expenses	13,200.00	39,200.00	35,074.32	1,038.75	3,086.93	
Economic Development						
Other Expenses	49,455.00	49,455.00	19,228.29	7,410.00	22,816.71	
Municipal Prosecutor						
Salaries and Wages	5,853.00	5,853.00	5,411.07		441.93	

(Continued)

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2009

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS (CONT'D)</u>						
<u>GENERAL GOVERNMENT (CONT'D):</u>						
Municipal Building						
Salaries and Wages	\$ 26,398.00	\$ 28,398.00	\$ 28,255.60	\$ 90.12	\$ 52.28	
Other Expenses	8,815.00	12,815.00	9,219.82	1,911.66	1,683.52	
<u>LAND USE ADMINISTRATION:</u>						
Planning Board:						
Salaries and Wages	5,934.00	7,784.00	7,756.61		27.39	
Other Expenses	5,500.00	5,500.00	2,959.11	1,500.00	1,040.89	
Zoning Board of Adjustments:						
Salaries and Wages	17,484.00	17,485.00	17,019.23		465.77	
Insurance:						
General Liability	140,000.00	125,500.00	125,463.31		36.69	
Worker's Compensation	100,000.00	118,100.00	118,062.56		37.44	
Employee Group Insurance	919,119.00	951,119.00	900,109.00	20,863.14	30,146.86	
Unemployment Compensation	45,000.00	45,000.00	40,212.33		4,787.67	
Temporary Disability	1,000.00	1,000.00	744.70		255.30	
<u>PUBLIC SAFETY:</u>						
Police						
Salaries and Wages	1,445,735.00	1,393,085.00	1,357,001.90		36,083.10	
Other Expenses	61,540.00	61,540.00	48,888.94	9,540.79	3,110.27	
Fire						
Salaries and Wages	126,658.00	114,658.00	112,522.61		2,135.39	
Other Expenses	41,300.00	41,300.00	31,860.23	5,312.01	4,127.76	
Fire Hydrant Service	70,000.00	70,000.00	63,494.29		6,505.71	
Fire Safety Official:						
Salaries and Wages	20,487.00	20,487.00	19,615.33		871.67	
Other Expenses	245.00	445.00	330.95		114.05	
Office of Emergency Management:						
Salaries and Wages	1,335.00	1,335.00	333.75		1,001.25	
Other Expenses	900.00	900.00	125.00		775.00	
Volunteer Ambulance Corps:						
Other Expenses	350.00	350.00	236.25	78.75	35.00	

(Continued)

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2009

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS (CONT'D)						
PUBLIC WORKS:						
Public Works:						
Salaries and Wages	\$ 441,547.00	\$ 466,547.00	\$ 431,937.56	\$ 6,499.30	\$ 28,110.14	
Other Expenses	266,925.00	262,325.00	226,652.60	35,299.70	372.70	
Garbage and Trash Removal						
Other Expenses	198,436.00	177,335.00	152,015.72	6,353.58	25,319.28	
Vehicle Maintenance	34,500.00	39,000.00	31,359.48		1,286.94	
Solid Waste Disposal	284,215.00	239,215.00	185,663.21		53,551.79	
HEALTH AND WELFARE:						
Dog Regulation						
Contractual	15,092.00	15,092.00	13,938.50		1,153.50	
RECREATION AND EDUCATION:						
Parks and Playgrounds						
Other Expenses	13,000.00	44,000.00	35,252.91	5,530.96	3,216.13	
Municipal Court:						
Salaries and Wages	102,629.00	114,629.00	114,284.36		344.64	
Other Expenses	6,375.00	6,375.00	4,536.56	1,084.00	754.44	
CODE ENFORCEMENT AND ADMINISTRATION:						
Construction Code Official						
Salaries and Wages	91,377.00	92,377.00	89,354.34		3,022.66	
Other Expenses	12,725.00	10,225.00	7,133.73	1,773.05	1,318.22	
UNCLASSIFIED AND BULK PURCHASES:						
Utilities:						
Gasoline	60,000.00	40,000.00	26,222.28	7,307.51	6,470.21	
Telephone	20,500.00	23,900.00	20,474.35	1,994.72	1,430.93	
Electric Utilities	58,000.00	79,000.00	62,446.35	4,041.94	12,511.71	
Street Lighting	75,000.00	90,500.00	74,429.81	8,403.09	7,667.10	
Water Utilities	9,900.00	7,900.00	5,798.60	22.50	2,078.90	
Total Operations Within "CAPS"	5,367,115.00	5,399,015.00	4,972,026.08	145,764.46	281,224.46	
Total Operations Including Contingent - within "CAPS"						
Detail:						
Salaries and Wages	2,616,605.00	2,570,006.00	2,487,010.22	6,589.42	76,406.36	
Other Expenses (Including Contingent)	2,750,510.00	2,829,009.00	2,485,015.86	139,175.04	204,818.10	

(Continued)

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2009

	Appropriations		Paid or		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Charged	Reserved	Encumbered	Reserved	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>							
<u>STATUTORY EXPENDITURES:</u>							
Contribution to:							
Social Security System (O.A.S.I.)	\$ 142,398.00	\$ 112,398.00	\$ 103,565.14	\$ 8,832.86			
Consolidated Police and Firemen's Pension Fund	12,119.00	10,219.00	10,136.75	82.25			
Public Employees Retirement System	111,358.00	111,358.00	111,358.00				
Police and Fireman's Retirement System of NJ	334,339.00	334,339.00	334,330.00	9.00			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	600,214.00	568,314.00	559,389.89	8,924.11			
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	5,967,329.00	5,967,329.00	5,531,415.97	\$145,764.46	290,148.57		
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>							
Tax Appeal Refunds	30,000.00	30,000.00	30,000.00				
Maintenance of Free Public Library	274,923.00	274,923.00	274,923.00				
Trash Collection Services/Apartments	5,000.00	5,000.00	165.00	4,835.00			
Recycling Tax	11,700.00	11,700.00	7,843.17	3,856.83			
Matching Funds for Grants	1,250.00	1,250.00		1,250.00			
Length of Service Award Program	8,800.00	8,800.00	8,000.00	800.00			
Total Other Operations Excluded from "CAPS"	331,673.00	331,673.00	320,931.17	10,741.83			
Interlocal Service Agreement - N.J.S.A. 40A: Intergovernmental Services Sewer System	16,134.00	16,134.00	10,050.15	6,083.85			
Total Interlocal Municipal Service Agreements	16,134.00	16,134.00	10,050.15	6,083.85			

(Continued)

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2009

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>						
Public and Private Programs Offset by Revenues:						
Alcohol Abuse Grant - Station House	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00			
Recycling Tonnage Grant (NJ 40A:4-87, \$11,219.06)	5,538.04	16,757.10	16,757.10			
Municipal Alliance on Alcoholism & Drug Abuse (NJ 40A:4-87, \$11,574.00)		11,574.00	11,574.00			
Municipal Court Alcohol Ed & Rehab (NJ 40A:4-87, \$232.05)		232.05	232.05			
Clean Communities (NJ 40A:4-87, \$12,026.61)		12,026.61	12,026.61			
JIF Safety Award (NJ 40A:4-87, \$700.00)		700.00	700.00			
Over the Limit Under Arrest (NJ 40A:4-87, \$6,000.00)	5,000.00	11,000.00	11,000.00			
Click It or Ticket (NJ 40A:4-87, \$4,000.00)		4,000.00	4,000.00			
Drunk Driving Enforcement Fund	558.55	558.55	558.55			
Total Public and Private Programs Offset by Revenues	12,096.59	57,848.31	57,848.31			
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	359,903.59	405,655.31	388,829.63		\$ 16,825.68	
Detail:						
Salaries and Wages	6,558.55	16,790.60	16,790.60			
Other Expenses	353,345.04	388,864.71	372,039.03		16,825.68	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	75,000.00	75,000.00	75,000.00			
Department of Transportation Grant - Sylvan Drive	180,000.00	180,000.00	180,000.00			
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	255,000.00	255,000.00	255,000.00			
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	245,000.00	245,000.00	245,000.00			\$ 2,000.00
Payment of Bond Anticipation Notes	36,000.00	36,000.00	34,000.00			0.25
Interest on Bonds	51,579.00	51,579.00	51,578.75			600.81
Interest on Notes	35,829.00	35,829.00	35,228.19			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	25,429.00	25,429.00	25,428.74			0.26
Interest on Tax Anticipation Notes						
Special Emergency Note Interest	3,045.00	3,045.00	3,044.25			0.75
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	396,882.00	396,882.00	394,279.93			2,602.07

(Continued)

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2009

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>DEFERRED CHARGES-MUNICIPAL- EXCLUDED FROM "CAPS"</u>						
Emergency Authorizations (N.J.S. 40A:4-47)	\$ 19,282.00	\$ 19,282.00	\$ 19,282.00			
Special Emergency Authorizations (N.J.S. 40A:4-55)	53,840.00	53,840.00	53,840.00			
TOTAL DEFERRED CHARGES MUNICIPAL EXCLUDED FROM "CAPS"	73,122.00	73,122.00	73,122.00			
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	1,084,907.59	1,130,659.31	1,111,231.56		\$ 16,825.68	\$ 2,602.07
SUBTOTAL GENERAL APPROPRIATIONS	7,052,236.59	7,097,988.31	6,642,647.53	\$145,764.46	306,974.25	2,602.07
RESERVE FOR UNCOLLECTED TAXES	392,754.41	392,754.41	392,754.41			
TOTAL GENERAL APPROPRIATIONS	\$7,444,991.00	\$7,490,742.72	\$ 7,035,401.94	\$145,764.46	\$ 306,974.25	\$ 2,602.07
Budget		\$7,444,991.00				
Appropriation by NJ 40A:4-87		45,751.72				
		<u>\$7,490,742.72</u>				
Deferred Charge - Emergency Authorization (N.J.S. 40A:4-47)			\$ 19,282.00			
Deferred Charge - Special Emergency (N.J.S. 40A:4-55)			53,840.00			
Federal, State and Other Grants -- Appropriated			237,848.31			
Reserve for Tax Appeals			30,000.00			
Reserve for Uncollected Taxes			392,754.41			
Disbursed			<u>6,301,677.22</u>			
			<u>\$ 7,035,401.94</u>			

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

BOROUGH OF HADDON HEIGHTS
TRUST FUND
 Statements of Assets, Liabilities, and Reserves - Regulatory Basis
 As of December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 293.40	\$ 230.37
Other Funds:			
Cash	SB-1	92,103.30	144,799.99
Off-Duty Police Receivable	SB-7	7,048.50	
Due from County of Camden:			
Community Development Block Grant Receivable	SB-5	99,484.37	66,979.37
		<u>198,636.17</u>	<u>211,779.36</u>
		<u>\$ 198,929.57</u>	<u>\$ 212,009.73</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due to Current Fund	SB-2		\$ 13.37
Reserve for Animal Control Expenditures	SB-3	\$ 293.40	217.00
		<u>293.40</u>	<u>230.37</u>
Other Funds:			
Due to Bank	SB-1	275.00	275.00
Due to Current Fund	SB-1		783.75
Due to Victims of Crime Compensation Board	SB-1	242.97	242.97
Reserve for Community Development Block Grant	SB-6	97,634.71	68,175.25
Reserve for Miscellaneous Trust Reserves	SB-7	85,481.36	128,647.58
Reserve for Payroll Deductions Payable	SB-8	15,002.13	13,654.81
		<u>198,636.17</u>	<u>211,779.36</u>
		<u>\$ 198,929.57</u>	<u>\$ 212,009.73</u>

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

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
 As of December 31, 2009 and 2008

<u>ASSETS</u>	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Cash	SC-1	\$ 543,405.22	\$ 564,968.20
N.J. Transportation Trust Fund			
Grant Receivable	SC-2	-	7,813.00
Due from Current Fund	SC-6		14,557.92
Deferred Charges to Future Taxation:			
Funded	SC-3	1,251,815.67	1,517,497.35
Unfunded	SC-4	4,101,205.37	2,999,106.71
		<u>\$ 5,896,426.26</u>	<u>\$ 5,103,943.18</u>
General Serial Bonds	SC-11	\$ 1,030,000.00	\$ 1,275,000.00
Green Trust Loan Payable	SC-12	221,815.67	242,497.35
Bond Anticipation Notes	SC-13	3,470,879.00	2,180,000.00
Capital Improvement Fund	SC-7	13,221.22	13,215.22
Due to Current Fund	SC-6	119.95	
Improvement Authorizations:			
Funded	SC-8	14,299.15	65,252.79
Unfunded	SC-8	369,967.90	1,192,230.88
Reserve for Payment of Debt	SC-5	6,080.62	11,723.82
Contracts Payable	SC-9	702,676.77	50,319.45
Reserve for Encumbrances	SC-10	41,885.50	64,277.19
Fund Balance	C-1	25,480.48	9,426.48
		<u>\$ 5,896,426.26</u>	<u>\$ 5,103,943.18</u>

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

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
Statement of Fund Balance--Regulatory Basis
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 9,426.48
Increased by:	
Cancellation of Fully Funded Improvement Authorization	<u>16,054.00</u>
Balance Dec. 31, 2009	<u><u>\$ 25,480.48</u></u>

BOROUGH OF HADDON HEIGHTS
GENERAL FIXED ASSET GROUP OF ACCOUNTS
 Schedule of General Fixed Asset Group of Accounts
 For the Year Ended December 31, 2009

	Balance <u>Dec. 31, 2009</u>
Fixed Assets:	
Land	\$ 9,494,100.00
Buildings	4,984,696.93
Equipment	458,860.80
Vehicles	<u>2,263,620.21</u>
Total Fixed Assets	<u>\$ 17,201,277.94</u>
 Total Investment in Fixed Assets	 <u>\$ 17,201,277.94</u>

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

BOROUGH OF HADDON HEIGHTS
Notes to Financial Statements
For the Year Ended December 31, 2009

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Financial Reporting Entity - The Borough of Haddon Heights was incorporated in March, 1904 and is located in southwest New Jersey approximately seven miles southeast of the City of Philadelphia. The population according to the 2000 census is 7,547.

The Borough form of government is in accordance with N.J.S.A. 40A:60-1 et seq. The government consists of a Mayor and six Council Members. Executive and administrative responsibility rests with the Mayor with the Council Members having legislative responsibility. The Borough clerk assists the governing body in their duties.

Component Units - The financial statements of the component units of the Borough of Haddon Heights 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 units would have been either blended or discretely presented with the financial statements of the Borough, the primary government:

Haddon Heights Free Public Library
608 Station Drive
Haddon Heights, New Jersey 08035

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

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

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

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Budgets and Budgetary Accounting - The Borough of Haddon Heights must adopt an annual budget for its Current Fund in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

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

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

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

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

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

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

Fund Balance - Fund Balance included in the Current Fund represents an amount available for anticipation as revenue in future years budgets, with certain restrictions.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Haddon Heights School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

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

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

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

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

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. As of December 31, 2009, the Borough's bank balances of \$1,831,960.14 were exposed to custodial credit risk as follows:

Insured under F.D.I.C.	\$ 500,000.00
Insured under G.U.D.P.A.	1,304,045.05
Uninsured and Uncollateralized	<u>27,915.09</u>
Total	<u>\$ 1,831,960.14</u>

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Tax Rate	<u>\$2.553</u>	<u>\$2.603</u>	<u>\$2.569(1)</u>	<u>\$5.020</u>	<u>\$4.574</u>
Apportionment of Tax Rate:					
Municipal	0.616	\$0.602	\$0.581	\$1.101	\$0.975
County	0.548	0.559	0.589	1.228	1.098
County Open Space Preservation	0.020	0.020	0.019	0.034	0.015
Trust Fund	0.020	0.020	0.019	0.034	0.015
Local School	1.369	1.422	1.380	2.657	2.486

(1) Revaluation

Note 3: **PROPERTY TAXES (CONT'D)****Assessed Valuation**

2009	\$820,597,517.00
2008	822,692,919.00
2007 (1)	824,910,879.00
2006	401,417,410.00
2005	400,081,674.00

(1) Revaluation

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2009	\$21,030,388.75	\$20,636,775.23	98.13%
2008	21,462,235.03	21,115,185.73	98.38%
2007	21,268,538.20	20,920,766.74	98.36%
2006	20,222,834.77	19,920,916.60	98.50%
2005	18,369,246.49	18,146,813.98	98.78%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2009	----	\$377,156.40	\$377,156.40	1.79%
2008	----	333,889.05	333,889.05	1.36%
2007	----	344,445.76	344,445.76	1.62%
2006	----	300,074.56	300,074.56	1.48%
2005	----	215,313.90	215,313.9	1.17%

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

<u>Year</u>	<u>Number</u>
2009	None
2008	None
2007	None
2006	None
2005	None

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2009	\$26,100.00
2008	26,100.00
2007	26,100.00
2006	26,100.00
2005	26,100.00

Note 5: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2009	\$566,484.13	\$374,000.00	66.02%
2008	933,460.06	450,000.00	48.21%
2007	832,128.35	272,374.00	32.77%
2006	470,692.80	149,500.00	31.76%
2005	324,916.03	250,000.00	76.94%

Note 6: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2009:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$331,264.70	
Federal & State Grant Fund		\$331,144.75
General Capital Fund		119.95
	<u>\$331,264.70</u>	<u>\$331,264.70</u>

Note 7: **PENSION PLANS**

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

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Funded by Borough</u>
2009	\$58,238.00	\$53,120.00	\$111,358.00	---	\$111,358.00 (1)
2008	55,595.00	42,844.00	98,439.00	19,688.00	78,751.00 (1)
2007	49,450.00	25,678.00	75,128.00	30,051.00	45,077.00 (1)

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 7: **PENSION PLANS (CONT'D)**

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Funded by Borough</u>
2009	\$186,316.00	\$120,529.00	\$306,845.00	---	\$ 306,845.00
2008	181,325.00	107,150.00	288,475.00	---	288,475.00
2007	167,768.00	83,713.00	251,481.00	\$ 50,296.00	201,185.00 (1)

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

(1) Under the provisions of Chapter 108, P.L. 2003 the Borough's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Borough is paying 100% of the total normal contribution and accrued liability.

Note 8: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

Plan Description - The Borough contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1977, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 77-62. Upon retirement, full time employees with a minimum of twenty-five years of service are entitled to paid health benefits for themselves and their spouses with the Borough paying 100% of the costs for a period of five years after retirement. After the five year period, 80% of the health benefits will be paid by the Borough and 20% by the retiree for a period of ten years or upon the retiree receiving Medicare, whichever is sooner.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/.

Funding Policy - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Note 8: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough funds these benefits on a pay-as-you-go basis and therefore does not record accrued expense related to these benefits.

The Borough contributions to SHBP for the years ended December 31, 2009, 2008, and 2007, were \$325,877.22, \$266,123.95, and \$274,078.09, respectively, which equaled the required contributions for each year. There were 26, 26, and 25 retired participants, respectively, eligible at December 31, 2009, 2008, and 2007.

Note 9: COMPENSATED ABSENCES

Employees of the Borough of Haddon Heights, after one year, are entitled to ten paid sick leave days each year. Sick days not used in a calendar year shall be accumulated up to seventy-five days to be taken consecutively, immediately prior to the employee's retirement. An employee must have twenty-five years of service to be eligible for retirement.

Borough employees are not entitled to accumulate vacation days; they must be used within the calendar year. Department heads, however, may accumulate five vacation days per year, which can be taken at retirement.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2009, accrued benefits for compensated absences are valued at \$262,761.77.

Note 10: DEFERRED COMPENSATION SALARY ACCOUNT

The Borough 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 benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 11: LENGTH OF SERVICE AWARD PROGRAM

The Borough's Length of Service Awards Program (LOSAP) was created by a Borough Ordinance adopted on September 4, 2002 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Borough of Haddon Heights approved the adoption of the LOSAP at the general election held on November 4, 2003, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2004. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

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

Note 11: **LENGTH OF SERVICE AWARD PROGRAM (CONT'D)**

As required by N.J.A.C. 5:30-14.49, the Borough must have an annual review of its LOSAP performed in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Note 12: **CAPITAL DEBT**

Summary of Debt

	<u>Year 2009</u>	<u>Year 2008</u>	<u>Year 2007</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$4,500,879.00	\$3,455,000.00	\$2,876,157.00
Long—Term Loans	221,815.67	242,497.35	262,771.53
Total Issued	<u>4,722,694.67</u>	<u>3,697,497.35</u>	<u>3,138,928.53</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	800,633.46	819,106.71	1,275,289.21
Total Issued and Authorized but Not Issued	<u>5,523,328.13</u>	<u>4,516,604.06</u>	<u>4,414,217.74</u>
Deductions:			
Funds Temporarily Held To Pay Notes	6,146.31	11,723.82	44,851.70
Net Debt	<u>\$5,517,181.82</u>	<u>\$4,504,880.24</u>	<u>\$4,369,366.04</u>

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 indicated a statutory net debt of 0.69%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$14,425,000.00	\$14,425,000.00	
General	5,523,328.13	6,146.31	\$5,517,181.82
	<u>\$19,948,328.13</u>	<u>\$14,431,146.31</u>	<u>\$5,517,181.82</u>

Net Debt \$5,517,181.82 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$803,573,623.00 equals 0.69%

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$28,125,076.81
Net Debt	<u>5,517,181.82</u>
Remaining Borrowing Power	<u>\$22,607,894.99</u>

Note 12: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding**

<u>Year</u>	<u>General</u>		<u>Long Term Loans</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2010	\$245,000.00	\$40,551.25	\$21,097.38	\$4,331.36	310,979.99
2011	95,000.00	29,176.00	21,521.44	3,907.29	149,604.73
2012	95,000.00	25,614.00	21,954.02	3,474.72	146,042.74
2013	95,000.00	22,051.25	22,395.30	3,033.44	142,479.99
2014	95,000.00	18,442.00	11,663.21	2,638.93	127,744.14
2015-19	405,000.00	34,045.25	61,928.18	9,582.49	510,555.92
2020-24			61,256.14	3,103.43	64,359.57

Note 13: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2009, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	<u>Balance Dec. 31, 2009</u>	<u>2010 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$107,680.00	\$53,840.00

The appropriations in the 2010 Budget as adopted are not less than that required by the statutes.

Note 14: **JOINT INSURANCE POOL**

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough protects itself from these losses with a combination of commercial insurance, and participation in the Camden County and Municipal Excess Joint Insurance Funds.

Commercial insurance is maintained for employee medical claims, and surety bonds required for officials as required by law. Settled claims have not exceeded this commercial coverage in any of the past three years.

Note 14: **JOINT INSURANCE POOL (CONT'D)**

The Borough is a member of the Camden County Joint Municipal Insurance Fund, a public entity risk pool currently serving 39 municipalities, all within the State of New Jersey. In conjunction with the Camden County Joint Municipal Insurance Fund, excess coverages are maintained through the Municipal Excess Liability Joint Insurance Fund, also a public entity risk pool, serving multiple joint insurance funds. Coverages are provided by the Funds for theft, public officials liability, general liability, employee benefits liability, automobile insurance and worker's compensation claims. Contributions to each Fund, including reserves for contingencies, are payable in quarterly installments and are based on assumptions determined by each Funds' actuaries. The Commissioner of Insurance of the State of New Jersey may order additional assessments imposed on each member to supplement each Funds' claim, loss retention or administrative accounts to assure the payment of each Funds' obligations. The Funds publish their own financial reports for the year ended December 31, 2008, which may be obtained from:

Camden County Municipal Joint Insurance Fund
Park 80 West Plaza
Saddlebrook, New Jersey 07663

Municipal Excess Liability Joint Insurance Fund
Park 80 West Plaza
Saddlebrook, New Jersey 07663

Note 15: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2009	None	None	\$545.56
2008	3,985.50	42,443.88	545.56
2007	None	None	32,411.17

Note 16: **LITIGATION**

The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

 Note 17: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Borough of Haddon Heights authorized additional General Capital Ordinances as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
Various Improvements		April 20, 2010	\$599,288.00
Purchase of Command Vehicle		April 20, 2010	<u>30,000.00</u>
			<u>\$529,288.00</u>

On April 20, 2010, the Borough approved the issuance and sale of up to \$2,693,000.00 of General Obligation Bonds, Series 2010, which were sold on June 7, 2010.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Current Cash

Per N.J.S. 40A: 5-5 - Treasurer

For the Year Ended December 31, 2009

	<u>Current Fund</u>	<u>Federal, State and Other Grant Fund</u>
Balance Dec. 31, 2008	\$ 1,454,450.22	---
Increased by Receipts:		
Taxes Receivable	\$ 20,776,215.14	
Prepaid Taxes	80,976.88	
Tax Overpayments	41,941.59	
Due State of New Jersey - Senior Citizens and Veterans Deductions	102,444.36	
Consolidated Municipal Property Tax Relief Aid	134,775.00	
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	813,319.00	
Interest and Costs on Taxes	75,484.83	
Interest on Investments and Deposits	9,088.87	
Payments in Lieu of Taxes	43,199.16	
Revenue Accounts Receivable	405,621.44	
Reserve for Payment of Debt -- General Capital Fund	11,723.00	
Miscellaneous Revenue Not Anticipated	51,294.76	
Due to State of N.J. - Marriage License Fees	1,350.00	
Due to State of N.J. - DCA Training Fees	3,903.00	
Due to State of N J - Burial Permits	1,560.00	
Special Emergency Note	107,680.00	
Trust Other Fund	703.63	
Animal Control Fund	13.37	
Federal and State Grant Fund	154,268.08	
Federal, State and Other Grants Receivable	\$ 154,268.08	
Current Fund	440,986.29	
	<u>22,815,562.11</u>	<u>\$ 595,254.37</u>
Carried Forward	24,270,012.33	595,254.37

BOROUGH OF HADDON HEIGHTS

CURRENT FUND

Statement of Current Cash

Per N.J.S. 40A: 5-5 - Treasurer

For the Year Ended December 31, 2009

	<u>Current Fund</u>	<u>Federal, State and Other Grant Fund</u>
Brought Forward	\$ 24,270,012.33	\$ 595,254.37
Decreased by Disbursements:		
2008 Appropriation Reserves	\$ 265,965.21	
2009 Appropriations	6,301,677.22	
County Taxes	4,651,159.97	
Due County for Added and Omitted Taxes	10,576.67	
Local District School Tax	11,233,159.50	
Refund Tax Overpayments	30,711.72	
Due to State of N.J. - Marriage License Fees	1,225.00	
Due to State of N.J. - DCA Training Fees	3,621.00	
Due to State of N.J. - Burial Permits	1,490.00	
Special Emergency Notes	161,520.00	
General Capital Fund	14,677.87	
Federal and State Grant Fund	440,986.29	
Federal, State and Other Grants -- Appropriated Current Fund	\$ 440,986.29	\$ 440,986.29
	<u>23,116,770.45</u>	<u>154,268.08</u>
	\$ 1,153,241.88	595,254.37
Balance Dec. 31, 2009	<u><u>\$ 1,153,241.88</u></u>	<u><u>---</u></u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Schedule of Change Funds
For the Year Ended December 31, 2009

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 100.00
Municipal Court	100.00
	<hr/>
	\$ 200.00
	<hr/> <hr/>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2009

Year	Balance Dec. 31, 2008	Levy	Added Taxes	Collections		Due from State of New Jersey	Cancellations by Tax Appeals Funded by Reserve for Tax Appeals	Overpayments Applied	Canceled	Balance Dec. 31, 2009
				2008	2009					
2006	\$ 6,629.44			\$ 5,066.58			\$ 1,562.86		\$ 1,562.86	1.57
2008	327,259.61		\$1,750.00	326,440.20		750.00	1,458.98		358.86	
2009	333,889.05	\$21,030,388.75	1,750.00	331,506.78		750.00	1,458.98		1,921.72	1.57
			\$75,119.89	20,444,708.36		114,661.32	1,863.69	\$ 421.97	16,458.69	377,154.83
	\$ 333,889.05	\$21,030,388.75	\$1,750.00	\$20,776,215.14		\$ 115,411.32	\$ 3,322.67	\$ 421.97	\$18,380.41	\$ 377,156.40

Analysis of 2009 Property Tax Levy

<u>Tax Yield:</u>	
General Property Tax	\$ 20,944,698.54
Added Taxes (54:4-63.1 et. seq.)	<u>85,690.21</u>
	<u>\$ 21,030,388.75</u>
<u>Tax Levy:</u>	
Local School District Tax	\$ 11,233,159.50
County Taxes:	
County Tax	\$ 4,489,963.10
County Open Space	161,196.87
Due County for Added and Omitted Taxes	<u>19,064.60</u>
Total County Taxes	4,670,224.57
Local Tax for Municipal Purposes	5,058,259.41
Add: Additional Tax Levied	<u>68,745.27</u>
	<u>5,127,004.68</u>
	<u>\$ 21,030,388.75</u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Due To/From State of New Jersey
Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2009

Balance Dec. 31, 2008 (Due To)		\$ 2,666.75
Increased by:		
Received from State of New Jersey		<u>102,444.36</u>
		105,111.11
Decreased by:		
Deductions per Tax Billing:		
Senior Citizens	\$ 20,750.00	
Veterans	<u>94,500.00</u>	
	115,250.00	
Deductions Disallowed by Collector - 2009 Taxes	<u>588.68</u>	
	114,661.32	
Add: Deductions Allowed by Collector - 2008 Taxes	<u>750.00</u>	
	115,411.32	
Deduct: Deductions Disallowed by Collector - 2008 Taxes	<u>1,750.00</u>	
		<u>113,661.32</u>
Balance Dec. 31, 2009 (Due From)		<u>\$ 8,550.21</u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2009

	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Accrued</u> <u>In 2009</u>	<u>Receipts</u> <u>Treasurer</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Borough Clerk:				
Licenses		\$ 80.00	\$ 80.00	
Fees and Permits				
Street Opening		4,975.00	4,975.00	
Board of Health:				
Licenses		2,390.00	2,390.00	
Registrar of Vital Statistics:				
Licenses		132.00	132.00	
Fees & Permits		19,601.75	19,601.75	
Planning & Zoning Board:				
Fees & Permits				
Planning Board Fees		2,275.00	2,275.00	
Zoning Board Fees		2,885.00	2,885.00	
Curb & Sidewalk Fees		1,490.00	1,490.00	
Police Department				
Fees & Permits				
Overnight Parking Permits		3,388.00	3,388.00	
Police Permits		1,777.00	1,777.00	
Fire Department				
Fees & Permits				
Bureau of Fire Prevention and Inspection		15,640.00	15,640.00	
State of New Jersey Fire Safety Rebates		4,797.65	4,797.65	
Tax Collector				
Fees and Permits		214.00	214.00	
Municipal Court				
Fines and Costs	\$ 10,910.94	198,403.92	193,205.01	\$ 16,109.85
Interest on Deposits		89.21	80.12	9.09
Construction Code Official				
Fees & Permits		74,873.00	74,873.00	
Cable Television Franchise Fees	77,817.91	84,136.87	77,817.91	84,136.87
	<u>\$ 88,728.85</u>	<u>\$ 417,148.40</u>	<u>\$ 405,621.44</u>	<u>\$ 100,255.81</u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND

Statement of Deferred Charges -- Emergency Appropriation
For the Year Ended December 31, 2009

	Balance <u>Dec. 31, 2008</u>	Decreased by Budget <u>Appropriation</u>
Emergency Authorizations (40A:4-47)	\$ 19,282.00	\$ 19,282.00

Exhibit SA-7

CURRENT FUND
Statement of Deferred Charges --
N.J.S. 40A: 4-55 Special Emergency Authorizations
For the Year Ended December 31, 2009

<u>Date</u>	<u>Amount</u>	<u>1/5 of</u>	<u>Balance</u>	<u>Decreased by</u>	<u>Balance</u>
<u>Authorized</u>	<u>Authorized</u>	<u>Amount</u>	<u>Dec. 31, 2008</u>	<u>Budget</u>	<u>Dec. 31, 2009</u>
				<u>Appropriation</u>	
4/4/2006	\$ 20,000.00	\$ 4,000.00	\$ 12,000.00	\$ 4,000.00	\$ 8,000.00
4/4/2006	229,200.00	45,840.00	137,520.00	45,840.00	91,680.00
4/4/2006	20,000.00	4,000.00	12,000.00	4,000.00	8,000.00
			\$ 161,520.00	\$ 53,840.00	\$ 107,680.00

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Appropriation Reserves and Reserve for Encumbrances
For the Year Ended December 31, 2009

	<u>Balance Dec. 31, 2008</u>		<u>Balance</u>	<u>Disbursed</u>	<u>Accounts Payable</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>After Modification</u>			
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Other Expense						
Postage	\$ 2,441.50		\$ 2,441.50			\$ 2,441.50
Office Supplies	1,626.15	\$ 1,740.95	3,367.10	\$ 1,105.73		2,261.37
Celebration of Public Events	1,000.00		1,000.00			1,000.00
Publication of Newsletter	934.58	405.00	1,339.58	405.00		934.58
Municipal Clerk						
Salaries and Wages	8,974.20		3,674.20	2,650.92		1,023.28
Other Expenses	7,337.86	4,645.04	5,282.90	3,954.98		1,327.92
Financial Administration						
Salaries and Wages	1,555.06		1,555.06			1,555.06
Other Expenses	1,484.76	480.06	1,964.82	1,030.41		934.41
Audit Services						
Other Expenses	2,200.00		2,200.00			2,200.00
Assessment of Taxes						
Salaries and Wages	505.68		505.68			505.68
Other Expenses	14,728.65	12.35	1,741.00	12.35		1,728.65
Collection of Taxes						
Salaries and Wages	395.67		395.67			395.67
Other Expenses	270.39		270.39			270.39
Legal Services						
Contractual	1,166.00		1,166.00	1,166.00		
Other Expenses	55.00	5.00	23,035.00	23,023.58		11.42
Engineering Services and Costs						
Other Expenses	50.00		50.00			50.00
Economic Development						
Other Expenses	500.00		500.00			500.00
Municipal Prosecutor						
Salaries and Wages	579.12		579.12			579.12
Municipal Building						
Salaries and Wages	731.40		731.40	731.40		
Other Expenses	1,389.77	2,057.66	3,447.43	2,330.66		1,116.77
Planning Board:						
Salaries and Wages	121.71		121.71			121.71
Other Expenses	1,972.73	24.60	1,997.33	440.60		1,556.73
Zoning Board of Adjustments:						
Salaries and Wages	1,899.17		1,899.17			1,899.17
Other Expenses	556.67	51.16	607.83	51.16		556.67
Insurance:						
General Liability	4,207.54		707.54			707.54
Worker's Compensation	357.12		357.12			357.12
Employee Group Insurance	3,231.08	26,649.63	29,880.71	29,880.71		
Unemployment Compensation		37,114.20	51,269.20	51,208.90		60.30
Temporary Disability	6,678.70		6,678.70			6,678.70
PUBLIC SAFETY:						
Police						
Salaries and Wages	14,719.92		9,719.92	1,412.86		8,307.06
Other Expenses	8,202.26	5,181.92	13,384.18	5,181.92		8,202.26
Fire						
Salaries and Wages	11,217.37		11,217.37			11,217.37
Other Expenses	7,602.84	6,995.76	7,098.60	6,673.31	\$ 25.00	400.29
Fire Hydrant Service		320.00	320.00	320.00		

(Continued)

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Appropriation Reserves and Reserve for Encumbrances
For the Year Ended December 31, 2009

	<u>Balance Dec. 31, 2008</u>		Balance	<u>Disbursed</u>	<u>Accounts Payable</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>After Modification</u>			
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
<u>PUBLIC SAFETY (CONT'D):</u>						
Uniform Fire Safety Act:						
Fire Safety Official:						
Salaries and Wages	\$ 438.44		\$ 438.44			\$ 438.44
Other Expenses	189.23		189.23			189.23
Office of Emergency Management:						
Salaries and Wages	364.25		364.25			364.25
Other Expenses	775.00		775.00	\$ (125.00)		900.00
Volunteer Ambulance Corps.						
Other Expenses	34.50		34.50			34.50
<u>PUBLIC WORKS:</u>						
Public Works:						
Salaries and Wages	90.14		90.14	90.14		
Other Expenses	1,096.05	\$ 8,341.47	25,200.52	20,119.56		5,080.96
Garbage and Trash Removal						
Other Expenses	17,974.28	15,550.20	33,524.48	31,716.20		1,808.28
Vehicle Maintenance	15,719.38	2,418.99	18,138.37	2,132.22		16,006.15
Solid Waste Disposal	57,203.11	21,448.43	50,511.54	22,264.53		28,247.01
<u>HEALTH AND WELFARE:</u>						
Dog Regulation						
Contractual	1,041.75		1,041.75			1,041.75
<u>RECREATION AND EDUCATION:</u>						
Parks and Playgrounds						
Other Expenses	5,783.00	1,752.50	7,535.50	164.61		7,370.89
Municipal Court						
Salaries and Wages	3,383.24		3,383.24	3,383.24		
Other Expenses	2,335.88		2,335.88	835.00		1,500.88
<u>CODE ENFORCEMENT:</u>						
Construction Code Official						
Salaries and Wages	4,591.50		17,591.50	17,584.95		6.55
Other Expenses	6,682.25	9,963.32	16,645.57	2,466.43		14,179.14
<u>UNCLASSIFIED:</u>						
Utilities:						
Gasoline and Diesel Fuel	5,878.74	2,862.50	8,741.24			8,741.24
Telephone	2,268.22	1,979.27	4,247.49	2,097.84		2,149.65
Electric Utilities	3,912.30	2,102.11	12,003.41	12,002.67		0.74
Street Lighting	3,606.96		15,764.96	15,764.04		0.92
Water Utilities	17.24		617.24	591.29		25.95
<u>STATUTORY EXPENDITURES -</u>						
<u>MUNICIPAL WITHIN "CAPS":</u>						
Contribution to:						
Social Security	18,978.48		3,478.48	897.00		2,581.48
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Trash Collection Services/Apartments	5,000.00		5,000.00			5,000.00
Recycling Tax	1,136.65		1,136.65			1,136.65
Public Employees Retirement System	1.00		1.00			1.00
Police & Fireman's Retirement System of NJ						
Length of Service Award Program	3,200.00		3,200.00			3,200.00
Interlocal Service Agreement - N.J.S.A. 40A:						
Intergovernmental Services Sewer System	9,366.00		9,366.00	2,400.00		6,966.00
TOTAL GENERAL APPROPRIATIONS	\$ 279,760.49	\$ 152,102.12	\$ 431,862.61	\$ 265,965.21	\$ 25.00	\$ 165,872.40

CURRENT FUND
 Statement of Special Emergency Notes
 N.J.S.A. 40A: 4-55
 For the Year Ended December 31, 2009

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance Dec. 31, 2009</u>
Special Emergency Notes of 2008 Series A	04/09/08	04/08/09	\$269,200.00	1.89%	\$161,520.00		\$161,520.00	
Special Emergency Notes of 2009 Series A	04/07/09	04/06/10	107,680.00	1.94%		\$107,680.00		\$107,680.00
					\$161,520.00	\$107,680.00	\$161,520.00	\$107,680.00

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2009

Balance Dec. 31, 2008 (2009 Taxes)	\$ 75,119.89
Increased by:	
Collection (2010 Taxes)	<u>80,976.88</u>
	156,096.77
Decreased by:	
Application to 2009 Taxes	<u>75,119.89</u>
Balance Dec. 31, 2009 (2010 Taxes)	<u><u>\$ 80,976.88</u></u>

Exhibit SA-11

CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 1,062.18
Increased by:	
Receipts	
Overpayments	<u>41,941.59</u>
	43,003.77
Decreased by:	
Applied to Taxes Receivable	\$ 421.97
Refunds	<u>30,711.72</u>
	<u>31,133.69</u>
Balance Dec. 31, 2009	<u><u>\$ 11,870.08</u></u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2009

2009 Levy -		
County General	\$ 4,489,963.10	
County Open Space	<u>161,196.87</u>	
		\$ 4,651,159.97
Decreased by:		
Disbursements		<u>\$ 4,651,159.97</u>

Exhibit SA-13

CURRENT FUND
 Statement of Amount Due to County for Added and Omitted Taxes
 For the Year Ended December 31, 2009

Balance Dec. 31, 2008		\$ 10,576.67
Increased by:		
County Share of 2009 Levy:		
Added Taxes and Added/Omitted Taxes	<u>19,064.60</u>	
		29,641.27
Decreased by:		
Disbursements		<u>10,576.67</u>
Balance Dec. 31, 2009		<u>\$ 19,064.60</u>

Exhibit SA-14

CURRENT FUND
 Statement of School Taxes Payable
 For the Year Ended December 31, 2009

2009 Levy		\$ 11,233,159.50
Decreased by:		
Disbursements		<u>\$ 11,233,159.50</u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 25.00
Increased by:	
Receipts	<u>1,350.00</u>
	1,375.00
Decreased by:	
Disbursements	<u>1,225.00</u>
Balance Dec. 31, 2009	<u><u>\$ 150.00</u></u>

Exhibit SA-16

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Due to State of New Jersey - Burial Permits
For the Year Ended December 31, 2009

Receipts	\$ 1,560.00
Decreased by:	
Disbursements	<u>1,490.00</u>
Balance Dec. 31, 2009	<u><u>\$ 70.00</u></u>

Exhibit SA-17

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Due to State of New Jersey - DCA Fees
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 780.00
Increased by:	
Receipts	<u>3,903.00</u>
	4,683.00
Decreased by:	
Disbursements	<u>3,621.00</u>
Balance Dec. 31, 2009	<u><u>\$ 1,062.00</u></u>

BOROUGH OF HADDON HEIGHTS
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 947.78
Increased by:	
Transfer from 2008 Appropriation Reserves	25.00
	972.78
Decreased by:	
Canceled	947.78
	\$ 25.00

Exhibit SA-19

CURRENT FUND
Statement of Reserve for Tax Appeals
For the Year Ended December 31, 2009

2009 Budget Appropriation	\$ 30,000.00
Decreased by:	
Applied to Taxes Receivable	3,322.67
	26,677.33
Balance December 31, 2009	\$ 26,677.33

BOROUGH OF HADDON HEIGHTS
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Federal, State and Other Grants Receivable
For the Year Ended December 31, 2009

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Federal Grants:				
New Jersey Department of Transportation Enhancement Grant	\$ 250,000.00			\$250,000.00
New Jersey Department of Transportation Enhancement Grant	100,000.00			100,000.00
Transportation Grant - Sylvan Drive		\$180,000.00	\$ 89,677.00	90,323.00
NJDEP Stormwater Regulation Program	2,117.00			2,117.00
Federal Occupant Protection Grant	2,000.00			2,000.00
Total Federal Grants	<u>354,117.00</u>	<u>180,000.00</u>	<u>89,677.00</u>	<u>444,440.00</u>
State Grants:				
Clean Communities Program		12,026.61	12,026.61	
Recycling Tonnage		11,219.06	11,219.06	
Drunk Driving Enforcement Fund	419.89	2,030.47	2,450.36	
Over the Limit Under Arrest		11,000.00	11,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	3,023.00	11,574.00	5,520.00	9,077.00
Municipal Court Alcohol Education, Rehabilitation and Enforcement Fund		232.05	232.05	
Environmental Services Program	1,000.00			1,000.00
Click It or Ticket		4,000.00	4,000.00	
Hazardous Discharge Site Remediation	116,976.00		2,443.00	114,533.00
Total State Grants	<u>121,418.89</u>	<u>52,082.19</u>	<u>48,891.08</u>	<u>124,610.00</u>
Other Grants:				
County of Camden Recreation Facility Enhancement Funding	15,000.00		15,000.00	
JIF Safety Award		700.00	700.00	
Total Other Grants	<u>15,000.00</u>	<u>700.00</u>	<u>15,700.00</u>	
Total All Grants	<u>\$ 490,535.89</u>	<u>\$232,782.19</u>	<u>\$154,268.08</u>	<u>\$569,050.00</u>

BOROUGH OF HADDON HEIGHTS
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Reserve for Federal, State and Other Grants - Unappropriated
For the Year Ended December 31, 2009

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Grants</u> <u>Accrued</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2009 Budget</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Federal Grants				
Transportation Grant - Sylvan Drive		\$180,000.00	\$ 180,000.00	
		180,000.00	180,000.00	
State Grants:				
Body Armor Fund				
Clean Communities Program		12,026.61	12,026.61	
Recycling Tonnage	\$ 5,538.04	11,219.06	16,757.10	
Alcohol Abuse Grant - Station House	1,000.00		1,000.00	
Drunk Driving Enforcement Grant	978.44	2,030.47	558.55	\$ 2,450.36
Municipal Alliance on Alcoholism and Drug Abuse		11,574.00	11,574.00	
Alcohol Education, Rehabilitation and Enforcement Fund		232.05	232.05	
Over the Limit Under Arrest		11,000.00	11,000.00	
Click It or Ticket		4,000.00	4,000.00	
Total State Grants	7,516.48	52,082.19	57,148.31	2,450.36
Other Grants:				
JIF Safety Award		700.00	700.00	
Total Other Grants		700.00	700.00	
Total All Grants	\$ 7,516.48	\$232,782.19	\$ 237,848.31	\$ 2,450.36

BOROUGH OF HADDON HEIGHTS
FEDERAL ,STATE AND OTHER GRANT FUND
 Statement of Reserve for Federal , State and Other Grants - Appropriated
 For the Year Ended December 31, 2009

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Encumbrances</u> <u>Canceled</u>	<u>Transferred</u> <u>from</u> <u>2009 Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Contracts</u> <u>Payable</u>	<u>Encumbered</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Federal Grants:								
NJ Department of Transportation Enhancement Grant - Streetscape	\$ 223,890.57		\$ 206,351.52					\$ 17,539.05
NJ Department of Transportation Enhancement Grant - Scenic Enhancement #2	38,066.32		16,265.62			\$ 2,113.54		19,687.16
NJ Dept Storm Water Regulation Program	7,870.00		2,000.00					5,870.00
Federal Occupant Protection - Buckle Up South Jersey Transportation Grant - Sylvan Drive	4,000.00						\$ 4,000.00	
NJDEP Stormwater Regulation Program	310.50		\$ 180,000.00	112,000.00				68,000.00
Historic Preservation Grant	386.23							310.50
								386.23
Total Federal Grants	274,523.62		180,000.00	336,617.14		2,113.54	4,000.00	111,792.94
State Grants:								
Body Armor Fund	5,736.33			1,600.00				4,136.33
Clean Communities Grant	851.54		12,026.61	919.84				11,958.31
Community Planning Advocacy Over the Limit Under Arrest	656.55							656.55
Click It or Ticket	4,000.00		11,000.00	11,000.00				
Drunk Driving Enforcement Grant	6,124.63		4,000.00	4,000.00			4,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	10,574.00		558.55	2,382.40		75.00		4,225.78
Alcohol Abuse Grant - Station House			11,574.00	5,428.75		5,577.40		11,141.85
Municipal Court Alcohol Education, Rehabilitation and Enforcement Fund	400.45		1,000.00					1,000.00
Domestic Violence	2,200.00		232.05					632.50
Hazardous Discharge Site Remediation - Devon Ave	113,291.73			68,711.26				2,200.00
PEOSHA --Immunitization of Employees	3,124.20			45.00				44,580.47
Recycling Tonnage Grant	1,198.08		16,757.10	4,860.51				3,079.20
Total State Grants	148,157.51		57,148.31	98,947.76		5,652.40	4,000.00	96,705.66
Other Grants:								
County of Camden Rec Facility Enhancement Funding	\$15,000.00				\$15,000.00			3,000.00
PEER Mini Grant --County of Camden	3,000.00							927.66
JIF Safety Award	1,800.00	\$ 671.05	700.00	2,243.39				262.69
Comcast Grant	254.69	3,186.00		3,178.00				
Total Other Grants	20,054.69	3,857.05	700.00	5,421.39	15,000.00			4,190.35
Total All Grants	\$ 442,735.82	\$ 3,857.05	\$ 237,848.31	\$ 440,986.29	\$ 15,000.00	\$ 7,765.94	\$ 8,000.00	\$ 212,688.95

BOROUGH OF HADDON HEIGHTS
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Due To Current Fund
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 36,426.54
Increased by:	
Grants Disbursed by Current Fund	\$ 440,986.29
Cancelled - Due to Current Fund	<u>8,000.00</u>
	<u>448,986.29</u>
	485,412.83
Decreased by:	
Grants Received by Current Fund	<u>154,268.08</u>
Balance Dec. 31, 2009	<u><u>\$ 331,144.75</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF HADDON HEIGHTS
TRUST FUND
Statement of Trust Cash
Per N.J.S. 40A: 5-5 - Treasurer
For the Year Ended December 31, 2009

	<u>Animal Control</u>	<u>Other Trust</u>
Balance Dec. 31, 2008	\$ 230.37	\$ 144,799.99
Increased by Receipts:		
Animal Control Fees	\$3,564.90	
Due to State of New Jersey - Department of Health	453.60	
Current Fund	2.48	
Miscellaneous Trust Reserves		\$ 64,687.07
Payroll Deductions Payable		927,746.58
Net Payroll		<u>1,812,803.14</u>
	<u>4,020.98</u>	<u>2,805,236.79</u>
	4,251.35	2,950,036.78
Decreased by Disbursements		
Expenditures under R.S. 4:19-15.11--Cash	3,488.50	
State Registration Fees	453.60	
Current Fund	15.85	783.75
Miscellaneous Trust Reserves		114,901.79
Payroll Deductions Payable		926,399.26
Net Payroll		1,812,803.14
Reserve for Community Development Block Grant Funds		<u>3,045.54</u>
	<u>3,957.95</u>	<u>2,857,933.48</u>
Balance Dec. 31, 2009	<u><u>\$ 293.40</u></u>	<u><u>\$ 92,103.30</u></u>

BOROUGH OF HADDON HEIGHTS
ANIMAL CONTROL FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$	13.37
Increased by:		
Receipts		2.48
		15.85
Decreased by:		
Disbursements	\$	15.85
		15.85

Exhibit SB-3

ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Expenditures
 For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$	217.00
Increased by Receipts:		
Dog Licenses Fees	\$	2,790.90
Cat License Fees		774.00
		3,564.90
		3,781.90
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11--Cash		3,488.50
		3,488.50
Balance Dec. 31, 2009	\$	293.40

License Fees Collected

<u>Year</u>		<u>Amount</u>
2008	\$	3,462.40
2007		1,831.40
		5,293.80
	\$	5,293.80

BOROUGH OF HADDON HEIGHTS
ANIMAL CONTROL FUND
 Statement of Due to State of New Jersey-
 Department of Health
 For the Year Ended December 31, 2009

Receipts	\$	453.60
Decreased by:		
Disbursements	\$	<u>453.60</u>

TRUST OTHER FUND
 Statement of Due from Camden County Community Development Block Grant Receivable
 For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$	66,979.37
Increased by:		
Grant Awards:		
Year 31		<u>32,505.00</u>
Balance Dec. 31, 2009	\$	<u>99,484.37</u>

Analysis of Balance Dec. 31, 2009

Year 29	\$	34,474.37
Year 30		32,505.00
Year 31		<u>32,505.00</u>
	\$	<u>99,484.37</u>

BOROUGH OF HADDON HEIGHTS
TRUST OTHER FUND
Statement of Reserve for Community Development Block Grant Funds
Balance December 31, 2009

Balance Dec. 31, 2008	\$ 68,175.25
Increased by:	
Grant Awards:	
Year 31	<u>32,505.00</u>
	100,680.25
Decreased by:	
Disbursements	<u>3,045.54</u>
Balance Dec. 31, 2009	<u><u>\$ 97,634.71</u></u>

BOROUGH OF HADDON HEIGHTS
TRUST OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2009

	Balance <u>Dec. 31, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	Accounts <u>Receivable</u>	Balance <u>Dec. 31, 2009</u>
Reserve for Recycling	\$ 40,895.96	\$ 15,207.89	\$ 54,522.65		\$ 1,581.20
Reserve for Public Defender	1,860.00	1,310.00	2,097.00		1,073.00
Reserve for Unemployment Compensation	545.56				545.56
Reserve for Uniform Fire Safety Code - Penalties	3,263.77	1,569.50	998.55		3,834.72
Reserve for Street Opening Deposits	536.00	175.00			711.00
Reserve for Zoning Board	7,217.50	175.00	1,133.75		6,258.75
Reserve for Planning Board	649.25	20,402.98	13,663.10		7,389.13
Reserve for Tax Title Lien Redemptions:					
Outside Liens	44,512.93		18,831.03		25,681.90
Reserve for Citizen Donations for Police Department	10,439.98	3,280.00	986.00		12,733.98
Reserve for POAA	2,272.07	1,166.00	878.99		2,559.08
Reserve for Municipal Drug Alliance Donations	12,503.67	13,020.76	9,262.32		16,262.11
Reserve for Police Forfeiture	1,901.78	813.75			2,715.53
Reserve for Historic District Review & Other	275.00				275.00
Reserve for Fire Department	277.11	352.08	135.40		493.79
Reserve for Off Duty Police	1,497.00	4,789.00	10,103.00	\$ 7,048.50	3,231.50
Reserve for Fourth of July Parade		2,425.11	2,290.00		135.11
	<u>\$ 128,647.58</u>	<u>\$ 64,687.07</u>	<u>\$ 114,901.79</u>	<u>\$ 7,048.50</u>	<u>\$ 85,481.36</u>

BOROUGH OF HADDON HEIGHTS
TRUST OTHER FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2009

Balance Dec. 31, 2008		\$ 13,654.81
Increased by:		
Employer Share of Payroll Taxes	\$ 105,206.84	
Haddon Heights Library Employee Pension Deductions	6,622.24	
Employee Payroll Deductions	814,540.43	
Miscellaneous	1,377.07	
		927,746.58
		941,401.39
Decreased by:		
Disbursements		926,399.26
Balance Dec. 31, 2009		\$ 15,002.13
<u>Analysis of Balance Dec. 31, 2009</u>		
J Hancock		\$ 814.26
Mars Mutual		140.00
Aflac		376.25
PERS		(1,650.51)
PFRS		12,166.38
PBA		(380.00)
NY - Insurance		(22.00)
Credit Union		(80.00)
Fire Fighters Local 3249		467.48
Afsome		(108.75)
Miscellaneous		(559.86)
Federal/State Taxes		3,838.88
		\$ 15,002.13

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S. 40A: 5-5 - Treasurer
For the Year Ended December 31, 2009

Balance Dec. 31, 2008		\$ 564,968.20
Increased by Receipts:		
Capital Improvement Fund	\$ 75,000.00	
Funding from Ambulance Squad	6,000.00	
Current Fund	14,677.87	
Cancel Outstanding Check	54.00	
Bond Anticipation Notes	<u>3,470,879.00</u>	
		<u>3,566,610.87</u>
		4,131,579.07
Decreased by Disbursements:		
Bond Anticipation Notes	2,146,000.00	
Improvement Authorizations	1,029,576.69	
Contracts Payable	400,874.16	
Reserve for Payment of Debt -- Anticipated as Revenue in Current Fund	<u>11,723.00</u>	
		<u>3,588,173.85</u>
Balance Dec. 31, 2009		<u><u>\$ 543,405.22</u></u>

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2009

	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2009		
	Balance (Deficit) Dec. 31, 2008	Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes		Miscellaneous	Transfers
								To	
Fund Balance	\$ 9,426.48							\$ 16,000.00	\$ 25,480.48
Capital Improvement Fund	13,215.22	\$ 75,000.00		\$ 54.00				\$ 74,994.00	13,221.22
Reserve for Encumbrances	64,277.19							64,277.19	41,885.50
Contracts Payable	50,319.45						\$ 400,874.16	17,080.30	1,070,311.78
N.J. Transportation Grants Receivable	(7,813.00)								702,676.77
Current Fund	(14,557.92)			14,677.87					119.95
Trust Fund									
Reserve for Payment of Debt	11,723.82					11,723.00			6,080.62
Note Renewals			\$ 2,046,000.00			\$ 2,046,000.00			178,054.40
Excess Note Cash to Pay Debt - Ordinance 1212									65.69
Excess Note Cash to Pay Debt - Ordinance 1250									
<u>Improvement Authorizations:</u>									
<u>Ordinance</u>									
1108									(9,043.50)
1126									(608.62)
1207								815.88	
1212								33,804.16	27,719.69
1218				6,000.00	\$ 76,418.09	100,000.00			(102,210.71)
1234					24,158.91			1,300.00	
1240					4,198.05			4,198.05	
1241					510.00			444.00	393.59
1248					5,263.92			5,263.92	
1250					65.69			65.69	
1257					29,393.11				29,393.11
1260					11,269.27				11,269.27
1261					209,759.95			164,650.00	35,618.95
1262					56,552.69			46,017.50	3,540.93
1278					(32,491.33)			183,532.34	9,929.00
1280					9,929.00				(284,622.35)
1282					12,367.15				
1307					177,529.00			13,069.99	53,423.74
1309					1,247,350.00			758,569.31	(100,040.84)
	\$ 564,966.20	\$ 75,000.00	\$ 3,470,879.00	\$ 20,731.87	\$ 1,029,576.69	\$ 2,146,000.00	\$ 412,597.16	\$ 1,480,411.66	\$ 543,405.22

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2009

Balance Dec. 31, 2008		\$ 1,517,497.35
Decreased by:		
2009 Budget Appropriation to Pay:		
General Serial Bonds	\$ 245,000.00	
Green Trust Loan Payable	<u>20,681.68</u>	
		<u>265,681.68</u>
Balance Dec. 31, 2009		<u>\$ 1,251,815.67</u>

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation - Unfunded
 For the Year Ended December 31, 2009

Ordinance Number	Amended	Improvement Description	Balance Dec. 31, 2008	2009 Authorizations	Funded by Ambulance Squad	Accounts Receivable Canceled	Notes Paid by Budget Appropriation	Transfers	Balance Dec. 31, 2009	Bond Anticipation Notes	Analysis of Balance Dec. 31, 2009	
											Expenditures	Unexpended Improvement Authorizations
1108		Improvement and Upgrading of Ballfields	\$ 9,043.50						\$ 9,043.50		\$ 9,043.50	
1126		Acquisition, Construction, Repair and Installation of Various Capital Improvements	608.62						608.62		608.62	
1154		Acquisition, Construction, Repair and Installation of Various Capital Improvements	116,500.00				\$ 8,527.00		107,973.00	\$ 107,973.00		
1180		Reconstruction and Improvements to Garage Door at Fire Department	3,480.48						3,480.48	3,480.48		
1201		Fire Department Equipment	8,148.52						8,148.52	8,148.52		
1177		Various Municipal Improvements	159,238.13				10,755.00		148,483.13	148,483.13		
1189		Various Improvements	4,444.00						4,444.00	4,444.00		
1257		Restoration of Masonry Walls at the Borough Library	6,651.87						6,651.87	6,651.87		
1261		Improvements to Soccer and Recreational Fields	5,350.00						5,350.00	5,350.00		
1192		Acquisition of Capital Equipment and Various Capital Improvements	129,810.38				14,718.00		115,092.38	115,092.38		
1213		Computer Equipment and SCBA Fit Test Machine	9,792.52						9,792.52	9,792.52		
1240		Various Roadway Improvements	60,000.00						60,000.00	60,000.00		
1250		Fire Department Turn Out Gear	14,732.56	\$ 65.69					14,666.87	14,666.87		
1257		Restoration of Masonry Walls at the Borough Library	503.54						503.54	503.54		
1261		Improvements to Soccer and Recreational Fields	4,917.00						4,917.00	4,917.00		
1262		General Sewer Improvements	25,000.00						25,000.00	25,000.00		
1212		Various Improvements	569,115.40	121,054.40				\$ 9,589.19	457,650.19	457,650.19		
1257		Restoration of Masonry Walls at the Borough Library	12,487.41						12,487.41	12,487.41		
1260		Replacement of Municipal Building Roof	7,114.00					(9,589.19)	7,114.00	7,114.00		
1261		Improvements to Soccer and Recreational Fields	199,589.19	157,000.00					33,000.00	33,000.00		
1278		Replacement of Municipal Building Roof	10,000.00						10,000.00	10,000.00		
1218		Acquisition of Ambulance and Equipment	108,210.71		\$ 6,000.00				102,210.71		102,210.71	
1234		Acquisition of Equipment & Various Improvements	944,916.88	9,702.22		7,813.00			943,027.66	833,125.00	\$ 71,221.98	\$ 38,680.68
1260		Replacement of Municipal Building Roof	80,750.00						80,750.00			80,750.00
1262		General Sewer Improvements	130,150.00					(130,150.00)				
1280		Various Improvements	378,552.00	2,771.03				(72,000.00)	303,780.97		284,622.35	19,158.62
1307		Various Improvements		\$ 177,529.00					177,529.00		177,529.00	
1309		Acquisition of Land		1,247,350.00				202,150.00	1,449,500.00	1,247,350.00	100,040.84	102,109.16
			\$ 2,999,106.71	\$ 1,424,879.00	\$ 290,593.34	\$ 6,000.00	\$ 34,000.00	\$ -	\$ 4,101,205.37	\$ 3,292,758.91	\$ 567,748.00	\$ 240,698.46
Improvement Authorizations - Unfunded Less: Unexpended Proceeds of Bond Anticipation Notes Issued: Ordinance Number:												
1177-1261 \$ 35,618.95 1192-1257 19,642.82 1192-1262 3,540.93 1212-1260 7,114.00 1212-1278 9,929.00 1307 53,423.74												
											129,269.44	
											\$ 240,698.46	

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 11,723.82
Increased by:	
Improvement Authorizations Canceled	<u>6,079.80</u>
	17,803.62
Decreased by:	
Anticipated as Revenue in Current Fund	<u>11,723.00</u>
Balance December 31, 2009	<u><u>\$ 6,080.62</u></u>

Exhibit SC-6

GENERAL CAPITAL FUND
Statement of Due From/To Current Fund
For the Year Ended December 31, 2009

Balance Dec. 31, 2008 (Due From)	\$ 14,557.92
Decreased by:	
Receipts	<u>14,677.87</u>
Balance Dec. 31, 2009 (Due To)	<u><u>\$ 119.95</u></u>

Exhibit SC-7

GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 13,215.22
Increased by:	
Budget Appropriation	<u>75,000.00</u>
	88,215.22
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>74,994.00</u>
Balance Dec. 31, 2009	<u><u>\$ 13,221.22</u></u>

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2009

Ordinance Number	Improvement Description	Date	Ordinance Amount	Dec. 31, 2008		2009 Authorizations	Reserve for Encumbrances		Transfers	Contracts Payable		Dec. 31, 2009	
				Funded	Unfunded		Canceled	Unfunded		Canceled	Funded	Unfunded	
1177	Various Improvements	8/17/2004	\$ 316,575.00			\$ 16,000.00							
1207	Various Improvements	3/7/2006	43,463.88	\$ 815.88							\$ 16,054.00		
1212;	Various Improvements	4/4/2006	990,323.00								815.88		
1268	Acquisition of Equipment & Various Improvements	7/15/2008		\$ 182,502.56		14,726.89					\$ 12,992.80		
1234;		9/4/2007	1,369,650.00										
1259;		5/6/2008											
1285	Various Roadway Improvements	11/5/2008		146,311.81		1,300.00					9,702.22		\$ 38,680.68
1240	Acquisition of Signs for Public Works Department	9/18/2007	60,000.00			4,198.05							0.00
1241	Acquisition of 4X4 Vehicle for Police Department	9/18/2007	3,621.64	1,347.59									
1248	Fire Department Turn Out Gear	12/4/2007	11,000.00	5,263.92							5,263.92		\$ 393.59
1250	Restoration of Masonry Walls at the Borough Library	2/19/2008	14,732.56		65.69						65.69		
1257	Improvements to Soccer and Recreational Fields	3/18/2008	29,469.85	9,750.29	19,642.82								9,750.29
1260	Replacement of Municipal Building Roof	5/6/2008	92,114.00	4,155.27	87,864.00								4,155.27
1261	General Sewer Improvements	5/6/2008	209,856.19	31,552.69	155,150.00						157,000.00		
1262	Replacement of Municipal Building Roof	5/6/2008	186,802.50		9,929.00								
1278	Various Improvements	9/2/2008	10,000.00		346,060.67								
1280	Sewer Utility Improvements	9/16/2008	398,476.00	12,367.15									
1282	Various Capital Improvements	5/5/2009	186,873.00										
1307	Acquisition of Property	5/19/2009	1,313,000.00										
1309													
				\$ 65,252.79	\$ 1,192,230.88	\$ 1,499,873.00	\$ 64,277.19	\$ 2,141,719.97	---	\$ 17,080.30	\$ 312,727.14	\$ 14,299.15	\$ 369,967.90

Deferred Charges to Future Taxation Unfunded
 Capital Improvement Fund \$ 1,424,879.00
 74,994.00
\$ 1,499,873.00

Deferred Charges to Future Taxation Unfunded
 Fund Balance \$ 290,593.34
 Reserve for Payment of Debt 16,054.00
 6,079.80
\$ 312,727.14

Disbursed \$ 1,029,576.69
 Refunded (54.00)
 Reserve for Encumbrances 41,885.50
 Contracts Payable 1,070,311.78
\$ 2,141,719.97

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2009

Balance Dec. 31, 2008		\$ 50,319.45
Increased by:		
Transfer from Improvement Authorizations		1,070,311.78
		1,120,631.23
Decreased by:		
Canceled	\$ 17,080.30	
Disbursed	400,874.16	
		417,954.46
Balance Dec. 31, 2009		\$ 702,676.77

Analysis of Balance Dec. 31, 2009

<u>Contractor</u>	<u>Ord. No.</u>	<u>Amount</u>
American Asphalt	1280G, 1240, 12120	\$ 23,954.88
Pioneer Pipe	1262	1,550.00
Witman Construction	1309	672,693.00
WJ Gross	1309/1234	4,477.93
Amechi Fence	1309	0.96
		\$ 702,676.77

Exhibit SC-10

GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2009

Balance Dec. 31, 2008		\$ 64,227.19
Increased by:		
Transfer from Improvement Authorizations		41,885.50
		106,112.69
Decreased by:		
Canceled to Improvement Authorization		64,227.19
Balance Dec. 31, 2009		\$ 41,885.50

BOROUGH OF HADDON HEIGHTS
 GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2009

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2009</u>
			<u>Date</u>	<u>Amount</u>				
General Improvement	9/15/1997	\$ 1,525,000.00	9/15/2010	\$ 160,000.00	5.00%	\$ 320,000.00	\$ 160,000.00	\$ 160,000.00
General Improvement	8/28/2002	1,360,000.00	2/15/2010	85,000.00	3.75%			
			2/15/11/13	95,000.00	3.75%			
			2/15/2014	95,000.00	3.85%			
			2/15/2015	100,000.00	3.95%			
			2/15/2016	100,000.00	4.05%			
2/15/2017	100,000.00	4.15%						
	2/15/2018	105,000.00	4.25%			955,000.00	85,000.00	870,000.00
						<u>\$ 1,275,000.00</u>	<u>\$ 245,000.00</u>	<u>\$ 1,030,000.00</u>

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
Statement of New Jersey Green Trust Loan Payable
For the Year Ended December 31, 2009

Balance Dec. 31, 2008	\$ 242,497.35
Decreased by:	
Principal Payments Paid by Budget Appropriation	20,681.68
Balance Dec. 31, 2009	\$ 221,815.67

Maturities of Loan Outstanding Dec. 31, 2009

	<u>Interest</u>	<u>Principal</u>
2010	\$ 4,331.36	\$ 21,097.38
2011	3,907.29	21,521.44
2012	3,474.72	21,954.02
2013	3,033.44	22,395.30
2014	2,638.93	11,663.21
2015	2,404.49	11,897.64
2016	2,165.35	12,136.78
2017	1,921.40	12,380.73
2018	1,672.55	12,629.59
2019	1,418.70	12,883.44
2020	1,159.74	13,142.40
2021	895.58	13,406.56
2022	626.10	13,676.02
2023	351.21	13,950.92
2024	70.80	7,080.24
	\$ 30,071.66	\$ 221,815.67

BOROUGH OF HADDON HEIGHTS
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2009

Ord. Number	Improvement Description	Amount of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2008	Increased	Decreased	Balance Dec. 31, 2009
1154	Acquisition, Construction, Repair and Installation of Various Capital Improvements	\$ 144,452.00	02/18/04 02/18/04	06/16/09 06/14/10	3.25% 1.50%	\$ 128,129.00	\$ 119,602.00	\$ 128,129.00	\$ 119,602.00
1177	Various Capital Improvements	181,995.00	02/16/05 02/16/05	06/16/09 06/14/10	3.25% 1.50%	171,240.00	160,485.00	171,240.00	160,485.00
1192	Acquisition of Capital Equipment and Various Capital Improvements	5,000.00 170,896.00	02/18/04 02/18/04	06/16/09 06/14/10	3.25% 1.50%	4,444.00	4,444.00	4,444.00	4,444.00
1212	Various Improvements	798,306.00	02/12/07 02/12/07	06/16/09 06/14/10	3.25% 1.50%	798,306.00	698,306.00	798,306.00	698,306.00
1234	Acquisition of Equip. & Various Imp's	833,125.00	12/17/08 12/17/08	06/16/09 06/14/10	3.25% 1.50%	833,125.00	833,125.00	833,125.00	833,125.00
1307	Various Improvements	177,529.00	06/15/09	06/14/10	1.50%		177,529.00		177,529.00
1309	Purchase of Real Property	1,247,350.00	06/15/09	06/14/10	1.50%		1,247,350.00		1,247,350.00
Renewal Budget Appropriation Capital Cash Issued for Cash						\$ 2,180,000.00	\$ 3,470,879.00	\$ 2,180,000.00	\$ 3,470,879.00
						\$ 2,046,000.00	\$ 2,046,000.00		
						34,000.00	34,000.00		
						100,000.00	100,000.00		
						1,424,879.00	1,424,879.00		
						\$ 3,470,879.00	\$ 3,470,879.00	\$ 2,180,000.00	\$ 3,470,879.00

BOROUGH OF HADDON HEIGHTS

GENERAL CAPITAL FUND

Statement of Bonds and Notes Authorized But Not Issued

For the Year Ended December 31, 2009

Ord. Number	Amended Improvement Description	Balance Dec. 31, 2008	2009 Authorizations	Notes Matured	Transfers	Funded by Ambulance Squad Contribution	Grant Receivable Canceled	Authorizations Canceled	Notes Issued	Balance Dec. 31, 2009
1108	Improvement and Upgrading of Ball fields	\$ 9,043.50								\$ 9,043.50
1126	Acquisition, Construction, Repair and Installation of Various Capital Improvermer	608.62								608.62
1218	Acquisition of Ambulance and Equipment	108,210.71				\$ 6,000.00				102,210.71
1234	Acquisition of Equip. & Various Imp.'s	111,791.88					\$ 7,813.00	\$ 9,702.22		109,902.66
1260	Replacement of Municipal Building Roof	80,750.00								80,750.00
1262	General Sewer Improvements	130,150.00			\$ (130,150.00)					
1280	Various Improvements	378,552.00			(72,000.00)			2,771.03		303,780.97
1307	Various Improvements		\$ 177,529.00						\$ 177,529.00	
1309	Acquisition of Property		1,247,350.00		202,150.00				1,247,350.00	202,150.00
	Note Renewals			\$ 2,046,000.00					2,046,000.00	
		\$ 819,106.71	\$ 1,424,879.00	\$ 2,046,000.00	\$ -	\$ 6,000.00	\$ 7,813.00	\$ 12,473.25	\$ 3,470,879.00	\$ 808,446.46

BOROUGH OF HADDON HEIGHTS

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2009

BOROUGH OF HADDON HEIGHTS
Schedule of Findings and Recommendations
For the Year Ended December 31, 2009

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2009-1

Condition

The Borough approved lump sum payments for unused accrued vacation time for two retiring employees, however the Borough of Haddon Heights Personnel Policy Manual indicates that unused vacation time must be used in full before retirement date and not reimbursed to retiring employees.

Criteria

The Borough Personnel Policy Manual approved by Borough Council, indicates all unused vacation pay must be used and not paid to retiring employees.

Effect

The Borough is not in compliance with its own personnel policy manual.

Cause

Lack of internal controls to assure that all Borough policies are followed by management.

Recommendation

That the Borough either adhere to or amend, as needed, the existing personnel policy manual relating to unused vacation by retiring employees.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF HADDON HEIGHTS
Schedule of Findings and Recommendations
For the Year Ended December 31, 2009

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2009-2

Condition

There were several budget appropriation line items overcommitted and/or overexpended prior to budget transfers.

Criteria

Per NJSA 40A:4-57, there should not be over commitments or over expenditures of appropriation line items.

Effect

The line items did not have sufficient funds budgeted to cover expenditures prior to the transfer.

Cause

Although compliance was evident for most budgetary line items, there were several instances when payments were required and the vendor was unable to wait for payment until November when the Borough was permitted to transfer funds. The Chief Financial Officer made temporary adjustments to other line items to ensure there were sufficient funds to transfer in November such that at year end the Borough did not have any overexpenditures.

Recommendation

That in all instances, with the exception of emergencies, that the Borough not commit funds without adequate funding in the budget nor overexpend a budgetary line item prior to transfers.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF HADDON HEIGHTS
Schedule of Findings and Recommendations
For the Year Ended December 31, 2009

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2009-3

Condition

While testing disbursements, the following were noted:

1. Four purchase orders were unable to be located.
2. One purchase was charged to the incorrect budget year.
3. Five items were not approved in the minutes.
4. One purchase exceeding the quote threshold was not accompanied by quotes.
5. One purchase order did not have a CFO or Borough Clerk approval signature.
6. One purchase included sales tax.

Criteria

1. As a form of effective internal control, the Borough is to maintain all purchasing records.
2. As a form of effective internal control, the Borough is to make proper period budget charges.
3. As per N.J.S.A. 40A:5-18, the approval of payment is to be recorded in the minutes.
4. As per N.J.S.A. 40A:11-6.1, quotes are to be obtained for valid expenditures over the quote threshold.
5. As per Borough code, all claims are to have an approving signature by CFO or Borough Clerk.
6. As per N.J.S.A. 54:32B-9, municipalities are exempt from paying sales tax.

Effect

The Borough is not in compliance with state statutes and the Borough code with respect to disbursements.

Cause

New personnel at the finance and accounts payable clerk positions during the year under audit have contributed to missing information. In addition, an extended absence of the clerk during the year under audit may have contributed to missing minute items.

Recommendation

The Borough should exercise greater care in the disbursement and purchasing process to ensure compliance with the Borough code and New Jersey State statutes.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF HADDON HEIGHTS
Schedule of Findings and Recommendations
For the Year Ended December 31, 2009

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2009-4

Condition

The tax levy billing per tax software was not reconciled to the tax duplicate. In addition, interest on a delinquency was incorrectly charged for one property.

Criteria

The Borough is responsible for reconciling the tax duplicate to their tax software system to ensure accuracy of tax billings. Interest on delinquencies is to be charged according to Borough's annual interest on taxes resolution and N.J.S.A. 54:4-67.

Effect

The Borough may have underbilled taxes by \$5,156.07 and the Borough did not charge the correct amount of interest on one delinquency.

Cause

Although the information generated by the County with respect to the tax duplicate is usually accurate, the amounts should be compared and reconciled to the tax software. It appears this step was not accurately performed.

Recommendation

That the tax software billings are reconciled to the tax duplicate and that interest on delinquencies is calculated accurately.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF HADDON HEIGHTS
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

FINANCIAL STATEMENT FINDINGS

Finding No. 2008-1

Condition

The Borough did not update its fixed asset ledger for deletions of fixed assets or always have complete information to properly identify the fixed asset.

Current Status

This condition has been resolved.

Finding No. 2008-2

Condition

Our procedures revealed that the Borough did not make the 2007 contribution to the eligible participants LOSAP accounts timely.

Current Status

This condition has been resolved.

Finding No. 2008-3

Condition

Individuals that were not authorized under the Borough's code to sign checks did so during the year. A resolution was passed during the year giving certain individuals the right to sign checks but the Borough's code and the Bank's authorized signature list were not in agreement with each other as to authorized signers.

Current Status

This condition has been resolved.

Finding No. 2008-4

Condition

The total amount of senior citizens and veterans deductions allowed and the amount that should have been allowed was not reconciled to the tax duplicate.

Current Status

This condition remains partially unresolved – see *finding no. 2009-4*.

Planned Corrective Action

Tax collector will reconcile tax software billings to tax duplicate.

BOROUGH OF HADDON HEIGHTS
Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Scott M. Alexander	Mayor	
Trish Shields	Councilwoman	
Daniel Haggerty	Councilman	
Kathy Lange	Councilwoman	
Theodor Fetter	Councilman	
Rosemary Fitzgerald	Councilwoman	
Lee Wentz	Councilman	
Joan Moreland	Borough Clerk, Municipal Search Officer	
	Assistant Treasurer	(A)
Ernest J. Merlino	Treasurer, Chief Financial Officer Until January 2009	(A)
Sharon Smith	Treasurer, Chief Financial Officer Effective January 2009	
Andrea Penny	Tax Collector	(A)
Patricia A. Cooper	Deputy Tax Collector	
	Registrar of Vital Statistics, Tax Search Officer	(A)
Thomas J. Colavecchio	Tax Assessor	(A)
Marie Holcombe	Planning, Zoning, and Assessor's Secretary, Deputy Borough Clerk Until September 2009	(A)
	Operations Manager effective September 2009	
Melissa Bovera	Planning, Zoning, and Assessor's Secretary, Deputy Borough Clerk Effective September 2009	
John Szczerbinski	Construction Code Official	(A)
Eileen Pollock	Construction Code Secretary	(A)
Robert Zane	Municipal Judge	(A)
Catherine Lawson	Court Administrator	(A)
Michele Busarello	Deputy Court Administrator	(A)
Robert A. Gleaner, Esq.	Solicitor	(A)

(A) Insured for \$1,000,000 by the Camden County Municipal Joint Insurance Fund and Municipal Excess Joint Insurance Fund.

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink, reading "Robert S. Marrone". The signature is written in a cursive style with a large, prominent initial 'R'.

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

