

REPORT OF AUDIT
BOROUGH OF HALEDON
COUNTY OF PASSAIC
DECEMBER 31, 2009

BOROUGH OF HALEDON, N.J.

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BOROUGH OF HALEDON

PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2009

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Haledon
Haledon, New Jersey 07508

We have audited the accompanying balance sheets-regulatory basis of the various funds and account group of the Borough of Haledon in the County of Passaic, as of and for the years ended 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 and statement of expenditures-regulatory basis of the various funds for the year ended December 31, 2009. These financial statements are the responsibility of the Borough of Haledon's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed below, we conducted our audits in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The Length of Service Awards Program of the Borough of Haledon has not been audited, and we were not engaged to audit The Length of Service Awards Program financial statements as part of our audit of the Borough's financial statements.

As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The affect on the financial statements of the variances between the prescribed basis of accounting 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 Borough of Haledon's policy to prepare its financial statements on the basis of accounting 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 Haledon, New Jersey as of December 31, 2009 and 2008 or the results of its operations for the years then ended.

The financial statements referred to above do not include a statement of general fixed assets as required by the Division of Local Government Services. The amount that should be recorded is not known. This is more fully described in Note 1 to the financial statements.

However, in our opinion, the financial statements referred to above, with the exception of the Length of Services Awards Program, and the effect described in the preceding paragraph, present fairly, in all material respects, the financial position-regulatory basis of the various funds and account group of the Borough of Haledon, New Jersey at December 31, 2009 and 2008, and the results of its operations and the changes in fund balance-regulatory basis of such funds for the years then ended and the statement of revenues-regulatory basis, and statement of expenditures-regulatory basis for the year ended December 31, 2009, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated August 30, 2010 on our consideration of the Borough of Haledon's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards and should be considered in assessing results of our audit.

Our audit was for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information, schedules and exhibits listed in the table of contents are not required parts of the financial statements, but are presented as additional analytical data, as required by the Division of Local Government Services. This information has been subjected to the tests and other auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.



Charles J. Ferraioli, Jr., C.P.A.
Registered Municipal Accountant
No. 388



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

August 30, 2010



Borough of Haledon, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	2,510,777.81	2,012,497.92
Change Fund	A-6	400.00	400.00
Due from State of New Jersey:			
Senior Citizen and Veteran Deductions	A-8	19,059.88	14,468.10
		<u>2,530,237.69</u>	<u>2,027,366.02</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-9	453,579.06	445,621.14
Tax Title Liens	A-10	38,357.43	28,173.83
Property Acquired for Taxes -			
Assessed Valuation	A-11	9,975.00	9,975.00
Due from Haledon M.U.A.	A-12	31,269.14	31,269.14
Various Reimbursements Receivable	A-13	95,236.22	130,114.18
Due from the County of Passaic	A-22	6,772.90	6,772.90
Revenue Accounts Receivable	A-14	19,940.81	103,413.48
Interfund Receivables:			
Federal and State Grant Fund	A-15	230,877.73	145,992.72
Dog License Fund	A-15	7,507.52	7,560.70
Water Operating Fund	A-15	353,406.68	170,549.07
General Capital Fund	A-15	230,077.43	236,176.10
Public Assistance Fund	A-15	30,694.86	30,547.64
Other Trust Fund	A-15	49,409.75	45,957.65
Water Capital	A-15	297,599.48	297,599.48
		<u>1,854,704.01</u>	<u>1,689,723.03</u>
Deferred Charges:			
Special Emergency Authorizations	A-16	120,000.00	150,000.00
		<u>120,000.00</u>	<u>150,000.00</u>
		<u>4,504,941.70</u>	<u>3,867,089.05</u>
Federal and State Grant Fund:			
Grants Receivable	A-24	786,342.46	576,172.92
		<u>786,342.46</u>	<u>576,172.92</u>
		<u>5,291,284.16</u>	<u>4,443,261.97</u>
Total Assets			

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.

Comparative Balance Sheet - Regulatory Basis

Page 2 of 2

Current Fund

December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-17	648,419.11	479,264.38
Encumbrances Payable	A-18	204,373.99	49,269.29
Prepaid Taxes	A-19	107,674.46	69,376.28
Local School Taxes Payable	A-20	390,115.17	
Regional High School Taxes Payable	A-21	312,671.84	
Tax Overpayments	A-23	37,164.54	38,363.13
Due to State of New Jersey:			
Marriage Surcharge	A-23	150.00	250.00
Burial Surcharge	A-23	5.00	45.00
Building Surcharge	A-23	560.00	673.00
Accounts Payable	A-23	32,125.16	
Reserve for:			
Sewer Connection Deposits	A-23	50.00	50.00
LOSAP	A-23	3,332.20	3,332.20
Sewer Legion Field	A-23	7,000.00	7,000.00
Tax Map Update	A-23	10,408.82	100,000.00
Master Plan	A-23	50,000.00	50,000.00
Sale of Assets	A-23	602,722.43	1,302,722.43
D.A.R.E. Contributions	A-23	12,397.48	12,397.48
		<u>2,419,170.20</u>	<u>2,112,743.19</u>
Reserve for Receivables	Contra	1,854,704.01	1,689,723.03
Fund Balance	A-1	231,067.49	64,622.83
		<u>4,504,941.70</u>	<u>3,867,089.05</u>
Federal and State Grant Fund:			
Interfund - Current Fund	A-15	230,877.73	145,992.72
Appropriated Reserve for Grants	A-25	537,886.20	397,324.23
Unappropriated Reserve for Grants	A-26	17,578.53	32,855.97
		<u>786,342.46</u>	<u>576,172.92</u>
Total Liabilities, Reserves and Fund Balances		<u>5,291,284.16</u>	<u>4,443,261.97</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Current Fund

Year Ended December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Revenues and Other Income:			
Miscellaneous Revenue Anticipated	A-2	2,853,162.49	6,555,260.94
Receipts from Delinquent Taxes	A-2	436,228.51	481,587.51
Receipts from Current Taxes	A-2	17,661,163.50	17,100,980.76
Non-Budget Revenue	A-2	143,730.55	183,528.09
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-17	259,396.74	323,609.14
Miscellaneous Reimbursement Receivable	A-13	48,658.76	
Reimbursement of Prior Year Expense	A-4	16,614.94	
Interfunds Returned	A-15	934,383.36	545,536.43
Total Revenues and Other Income		<u>22,353,338.85</u>	<u>25,190,502.87</u>
Expenditures:			
Budget and Emergency Appropriations:			
Operations - Within Caps:			
Salaries and Wages	A-3	3,366,705.70	3,228,106.29
Other Expenses	A-3	2,713,610.00	2,736,106.32
Deferred Charges and Statutory Expenditures - Municipal - Within Caps	A-3	474,865.00	171,441.00
Operations - Excluded from Caps:			
Other Expenses	A-3	958,861.24	1,246,290.45
Capital Improvement Fund - Excluded from Caps	A-3	210,500.00	9,500.00
Municipal Debt Service - Excluded from Caps	A-3	546,441.98	4,276,710.26
Deferred Charges and Statutory Expenditures - Municipal - Excluded from Caps	A-3	30,000.00	85,000.00
Local District School Tax	A-20	5,329,812.00	5,339,611.00
Regional High School Tax	A-21	3,648,785.03	3,488,273.32
County Taxes including Added Taxes	A-22	3,667,714.05	3,684,842.91
Prepaid County Taxes			10,064.77
Refund of Prior Year's Revenue	A-4	40,025.74	130,114.18
Various Reimbursements Receivable			934,383.36
Interfund Advances	A-15	1,199,573.45	
Total Expenditures		<u>22,186,894.19</u>	<u>25,340,443.86</u>

Borough of Haledon, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Current Fund

Year Ended December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Excess (Deficit) Revenue Over Expenditures		166,444.66	(149,940.99)
Adjustment to Income Before Fund Balance - Expenditures Included above Which are by Statute Deferred Charges to Budget of Succeeding Year			<u>150,000.00</u>
Statutory Excess to Fund Balance		166,444.66	59.01
Fund Balance, January 1,	A	<u>64,622.83</u>	<u>64,563.82</u>
		231,067.49	64,622.83
Decreased by: Fund Balance Utilized as Budget Revenue			
Fund Balance, December 31,	A	<u><u>231,067.49</u></u>	<u><u>64,622.83</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.
Statement of Revenues - Regulatory Basis

Current Fund
Year Ended December 31, 2009

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Miscellaneous Revenues:				
Licenses:	A-14	11,500.00	12,058.00	558.00
Alcoholic Beverages	A-2	7,500.00	7,355.00	(145.00)
Other	A-2	4,500.00	3,480.25	(1,019.75)
Fees and Permits				
Fines and Costs:	A-14	310,000.00	283,890.21	(26,109.79)
Municipal Court	A-4	90,000.00	96,991.68	6,991.68
Interest and Costs on Taxes	A-14	70,000.00	21,001.16	(48,998.84)
Interest on Investments and Deposits	A-14	45,000.00	45,926.80	926.80
Sewer Privileges	A-14	591,372.00	591,372.00	
Energy Receipts Tax	A-14	246,994.00	246,994.00	
Consolidated Municipal Property Tax Relief Aid	A-14	450,000.00	450,000.00	
Extraordinary Aid	A-14	72,809.00	72,809.48	0.48
Consolidated Municipal Property Tax Relief Aid - 2008	A-14	70,000.00	42,215.00	(27,785.00)
Uniform Construction Code Fees				
Special Items of General Revenue Anticipated				
With Prior written Consent of Director of				
Local Government Services:				
Public and Private Revenues:				
Clean Communities Program	A-24	7,458.25	7,458.25	
Municipal Alliance on Alcoholism and Drug Abuse	A-24	17,400.00	17,400.00	
Recycling Tonnage Grant	A-24	7,818.76	7,818.76	
N.J. Transportation Trust Fund	A-24	201,000.00	201,000.00	
Drunk Driving Enforcement Fund	A-24	15,919.99	15,919.99	
NJDEP - Green Communities Grant	A-24	3,000.00	3,000.00	
NJ Div. of Highway Safety - Over the Limit Under Arrest	A-24	6,000.00	6,000.00	
Body Armor Replacement Fund	A-24	1,658.97	1,658.97	
Other Special Items:				
Uniform Fire Safety Act	A-14	20,000.00	18,812.94	(1,187.06)
Interfund - Other Trust Fund	A-15	40,000.00		(40,000.00)
Interfund - Water Capital Fund	A-15	50,000.00		(50,000.00)
Sale of Property	A-23	700,000.00	700,000.00	
Total Miscellaneous Revenues	A-1	<u>3,039,930.97</u>	<u>2,853,162.49</u>	<u>(186,768.48)</u>
Receipts from Delinquent Taxes	A-1/A-2	<u>440,522.17</u>	<u>436,228.51</u>	<u>(4,293.66)</u>
Subtotal General Revenues		<u>3,480,453.14</u>	<u>3,289,391.00</u>	<u>(191,062.14)</u>
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal				
Purposes Including Reserve for Uncollected Taxes	A-2/A-9	<u>5,446,736.00</u>	<u>5,555,380.22</u>	<u>108,644.22</u>
Budget Totals		<u>8,927,189.14</u>	<u>8,844,771.22</u>	<u>(82,417.92)</u>
Non-Budget Revenue	A-1/A-2		<u>143,730.55</u>	<u>143,730.55</u>
		<u>8,927,189.14</u>	<u>8,988,501.77</u>	<u>61,312.63</u>
	A-3			

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.
Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2009

Analysis of Realized Revenues

Revenue from Collections	<u>Ref.</u> A-1/A-9		17,661,163.50
Allocated to School and County Taxes	A-9		<u>12,730,783.28</u>
Balance for Support of Municipal Budget Appropriations			4,930,380.22
Add : Appropriation - Reserve for Uncollected Taxes	A-3		<u>625,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2		<u>5,555,380.22</u>
Receipts from Delinquent Taxes:			
Delinquent Taxes	A-9		<u>436,228.51</u>
	A-2		<u>436,228.51</u>
Licenses - Other:			
Clerk	A-14	4,810.00	
Registrar of Vital Statistics	A-14	120.00	
Board of Health	A-14	<u>2,425.00</u>	
	A-2		<u>7,355.00</u>
Fees and Permits - Other:			
Clerk	A-14	1,880.25	
Registrar of Vital Statistics	A-14	15.00	
Fence/Telephone/Sidewalk/Soil Permits - Building	A-14	1,085.00	
Planning Board/Board of Adjustment	A-14	<u>500.00</u>	
	A-2		<u>3,480.25</u>

Borough of Haledon, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2009

Analysis of Non-budget Revenues

	<u>Ref.</u>		
Miscellaneous Revenues Not Anticipated:			
Revenues Accounts Receivable:			
Borough Clerk	A-14	1,121.95	
Registrar of Vital Statistics	A-14	1,385.00	
Police Department	A-14	<u>2,230.08</u>	
			4,737.03
Recycling Program		16,119.23	
Duplicate Tax Bills		131.00	
AT&T Franchise Fee		1,104.03	
Street Lighting Refunds		3,006.24	
Cable T. V. Franchise Fee		20,486.00	
Miscellaneous General		2,128.24	
Uniform Fire Safety Fees		9,181.00	
Senior Citizen & Veteran Deduction Handling Fee		978.16	
Fire Safety Fines		2,650.00	
Various Reimbursements		<u>83,209.62</u>	
	A-4		<u>138,993.52</u>
	A-2		<u>143,730.55</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

General Appropriations	Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
Operations - within "CAPS"						
Administrative and Executive						
Salaries and Wages		1,306.00	1,306.00	728.14	577.86	
Mayor and Council						
Salaries and Wages		13,500.00	13,500.00	12,657.50	842.50	
Other Expenses		11,000.00	11,000.00	8,728.91	2,271.09	
Municipal Clerk						
Salaries and Wages		114,788.00	144,788.00	140,870.99	3,917.01	
Other Expenses		30,700.00	33,700.00	27,782.26	5,917.74	
Elections						
Salaries and Wages		1,695.00	1,695.00	1,038.60	656.40	
Other Expenses		3,850.00	5,350.00	4,778.00	572.00	
Financial Administration						
Treasurer						
Salaries and Wages		189,528.00	126,528.00	123,384.50	3,143.50	
Other Expenses		14,000.00	14,000.00	11,804.92	2,195.08	
Annual Audit		27,500.00	27,500.00	19,000.00	8,500.00	
Miscellaneous Other Expenses		22,500.00	45,000.00	29,813.75	15,186.25	
Chief Financial Officer						
Salaries and Wages		4,080.00	4,080.00	3,560.44	519.56	
Collection of Taxes						
Salaries and Wages		70,845.00	58,345.00	34,844.52	23,500.48	
Other Expenses		13,550.00	13,550.00	12,980.46	569.54	
Tax Search Officer						
Salaries and Wages		1,295.00	1,295.00	506.80	788.20	
Assessment of Taxes						
Salaries and Wages		15,239.20	15,239.20	14,998.91	240.29	
Other Expenses		6,100.00	6,100.00	5,436.61	663.39	
Legal Services and Costs						
Other Expenses		140,000.00	140,000.00	100,357.38	39,642.62	
Engineering Services and Costs						
Other Expenses		45,000.00	45,000.00	29,290.82	15,709.18	
Other Expenses - Contractual		60,000.00	60,000.00	60,000.00		
Ethics Board						
Salaries and Wages		585.00	585.00		585.00	
Other Expenses		500.00	500.00	2.02	497.98	

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Municipal Land Use Law : (N.J.S. 40:55D-11)						
Planning Board		9,305.00	9,305.00	8,661.21	643.79	
Salaries and Wages		5,950.00	5,950.00	2,032.80	3,917.20	
Other Expenses						
Insurance:						
Other Insurance Premiums		344,000.00	289,000.00	285,736.50	3,263.50	
Group Insurance Plan for Employees		700,200.00	700,200.00	594,290.77	105,909.23	
Unemployment Compensation Insurance		3,000.00	3,000.00	3,000.00		
Public Safety:						
Police		1,645,019.00	1,645,019.00	1,623,007.74	22,011.26	
Salaries and Wages		72,500.00	72,500.00	68,571.35	3,928.65	
Other Expenses		14,400.00	14,400.00	12,800.00	1,600.00	
Uniforms		30,000.00	30,000.00	25,092.00	4,908.00	
Police Cars						
School Crossing Guards		57,960.00	49,960.00	46,972.23	2,987.77	
Salaries and Wages		5,000.00	2,000.00	1,222.72	777.28	
Other Expenses						
Special Police		25,000.00	31,250.00	29,155.76	2,094.24	
Salaries and Wages		450.00	450.00	97.73	352.27	
Other Expenses						
Police Radio and Communications		155,000.00	160,000.00	130,273.04	29,726.96	
Salaries and Wages		5,000.00	5,000.00	825.00	4,175.00	
Other Expenses						
Emergency Management Services		500.00	500.00		500.00	
Salaries and Wages		1,250.00	2,600.00	100.00	2,500.00	
Other Expenses						
Fire		585.00	585.00	504.62	80.38	
Salaries and Wages		80,804.00	78,304.00	55,734.32	22,569.68	
Other Expenses		1,000.00	1,000.00		1,000.00	
Other Expenses - OSHA Physicals		5,000.00	5,000.00		5,000.00	
Other Expenses - OSHA Hepatitis B		12,500.00	7,000.00	6,040.96	959.04	
First Aid Squad Contribution						

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

General Appropriations	Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
Fire Prevention Bureau						
Other Expenses		675.00	675.00	604.68	70.32	
Uniform Fire Safety Act (Ch. 383, P.L. 1983)						
Fire Official						
Salaries and Wages		21,553.00	21,553.00	21,188.63	364.37	
Other Expenses		7,050.00	3,050.00	2,801.86	248.14	
Fire Alarm System						
Salaries and Wages		510.00	510.00		510.00	
Other Expenses		1,200.00				
Housing Inspectors						
Other Expenses		350.00	350.00		350.00	
Municipal Prosecutor						
Salaries and Wages		12,388.00	12,388.00	12,388.00		
Municipal Court:						
Salaries and Wages		127,707.00	127,707.00	127,488.28	218.72	
Other Expenses		14,000.00	14,000.00	9,885.70	4,114.30	
Public Defender						
Salaries and Wages		5,631.00	5,631.00	1,975.75	3,655.25	
Public Works Function:						
Road Repairs and Maintenance						
Salaries and Wages		305,630.00	335,630.00	318,102.63	17,527.37	
Other Expenses		132,400.00	132,400.00	95,408.34	36,991.66	
Garbage and Trash Removal						
Salaries and Wages		286,141.00	316,141.00	304,499.61	11,641.39	
Other Expenses		37,850.00	37,850.00	29,462.61	8,387.39	
Solid Waste Disposal Costs						
Recycling		275,000.00	275,000.00	261,094.21	13,905.79	
Salaries and Wages		45,098.00	45,098.00	37,342.67	7,755.33	
Other Expenses		9,550.00	9,550.00	6,714.28	2,835.72	
Public Buildings and Grounds						
Salaries and Wages		20,000.00				
Other Expenses		278,000.00	280,500.00	274,720.70	5,779.30	

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Sewer System		2,271.00	2,271.00	1,798.55	472.45	
Salaries and Wages		7,050.00	13,300.00	13,299.48	0.52	
Miscellaneous Other Expenses		3,000.00	3,000.00	2,465.00	535.00	
Contractual						
Municipal Services Act (P.L. 1993, Ch. 6)						
Garbage and Trash Removal		20,000.00	20,000.00	7,560.00	12,440.00	
Other Expenses						
Health and Welfare:						
Board of Health		27,266.00	27,266.00	26,084.85	1,181.15	
Salaries and Wages		6,250.00	6,250.00	2,231.26	4,018.74	
Other Expenses		8,806.00	6,806.00	5,083.00	1,723.00	
Other Expenses - Contractual						
Administration of Public Assistance		6,737.00	6,737.00	6,627.38	109.62	
Salaries and Wages		1,840.00	1,840.00	454.94	1,385.06	
Other Expenses						
Senior Citizens' Transportation		18,490.00	18,490.00	17,347.95	1,142.05	
Salaries and Wages		2,850.00	2,850.00	2,021.76	828.24	
Other Expenses						
Recreation and Education:						
Board of Recreation Commissioners (N.J.S. 40:12-1)		16,110.00	18,610.00	18,322.77	287.23	
Salaries and Wages		90,000.00	61,350.00	39,124.05	22,225.95	
Other Expenses						
Celebration of Public Events Anniversary or Holiday		8,500.00	8,500.00	6,538.52	1,961.48	
Other Expenses						
Construction Code Official		43,264.00	43,264.00	43,110.88	153.12	
Salaries and Wages		34,144.50	34,144.50	32,956.89	1,187.61	
Building Inspector		3,850.00	3,850.00	2,563.88	1,286.12	
Salaries and Wages						
Other Expenses		300.00	300.00	117.70	182.30	
Plumbing Inspector						
Other Expenses						

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

	Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
<u>General Appropriations</u>						
Electrical Inspector						
Salaries and Wages		4,325.00	4,325.00	810.15	3,514.85	
Other Expenses		225.00	225.00	117.70	107.30	
Fire Protection Official						
Salaries and Wages		12,485.00	12,460.00	12,423.01	36.99	
Other Expenses		225.00	250.00	250.00		
Zoning and Housing Maintenance Enforcement						
Salaries and Wages		63,000.00	70,500.00	66,851.32	3,648.68	
Other Expenses		6,610.00	6,610.00	3,404.24	3,205.76	
Unclassified:						
Street Lighting		55,000.00	55,000.00	48,264.42	6,735.58	
Gasoline		88,500.00	88,500.00	77,120.92	11,379.08	
Fire Hydrant Service		48,500.00	63,500.00	54,198.25	9,301.75	
Total Operations within "CAPS"		<u>6,122,315.70</u>	<u>6,080,315.70</u>	<u>5,531,511.10</u>	<u>548,804.60</u>	
Detail:						
Salaries and Wages	A-1	3,358,980.70	3,366,705.70	3,220,484.32	146,221.38	
Other Expenses	A-1	2,763,335.00	2,713,610.00	2,311,026.78	402,583.22	
Deferred Charges and Statutory Expenditures - Municipal within "CAPS"						
Deferred Charges:						
Deficit - Dog License Fund		7,063.00	7,063.00	7,063.00		
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System		73,958.00	93,958.00	91,727.53	2,230.47	
Social Security System (O.A.S.I.)		165,000.00	187,000.00	178,581.92	8,418.08	
Police and Firemen's Retirement System		186,844.00	186,844.00	186,843.50	0.50	
Total Deferred Charged and Statutory Expenditures - Municipal within "CAPS"	A-1	<u>432,865.00</u>	<u>474,865.00</u>	<u>464,215.95</u>	<u>10,649.05</u>	
Total General Appropriations for Municipal Purposes within "CAPS"		<u>6,555,180.70</u>	<u>6,555,180.70</u>	<u>5,995,727.05</u>	<u>559,453.65</u>	

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

General Appropriations	Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
Operations - Excluded from "CAPS"						
Maintenance of Free Public Library (P.L. 1985, Ch. 82-541)		241,739.00	241,739.00	241,739.00	33,965.46	
Passaic Valley Sewer Commission - Contractual		555,871.27	555,871.27	521,905.81	40,000.00	
Emergency Services Volunteer Length of Service Award Reserve for Tax Appeals		40,000.00	40,000.00		15,000.00	
		15,000.00	15,000.00			
Public and Private Programs Offset by Revenues		7,458.25	7,458.25	7,458.25		
Clean Communities Program		1,658.97	1,658.97	1,658.97		
N.J. Division of Criminal Justice - Body Armor Grant						
Municipal Alliance on Alcoholism and Drug Abuse						
State Share		17,400.00	17,400.00	17,400.00		
Drunk Driving Enforcement Fund - Police		15,919.99	15,919.99	15,919.99		
Recycling Tonnage Grant		7,818.76	7,818.76	7,818.76		
NIDEF - Green Communities Grant		3,000.00	3,000.00	3,000.00		
N.J. Div. of Highway Safety - Over the Limit Under Arrest		6,000.00	6,000.00	6,000.00		
BPP Tax Adjustment for School Purposes		46,995.00	46,995.00	46,995.00		
Total Operations - Excluded from "CAPS"		958,861.24	958,861.24	869,895.78	88,965.46	
Detail:						
Other Expenses	A-1	958,861.24	958,861.24	869,895.78	88,965.46	
Capital Improvements:						
Capital Improvement Fund		9,500.00	9,500.00	9,500.00		
Purchase of Fuel System Equipment		201,000.00	201,000.00	201,000.00		
New Jersey Transportation Trust Fund Authority Act		210,500.00	210,500.00	210,500.00		
Total Capital Improvements Excluded from "CAPS"	A-1	411,000.00	411,000.00	411,000.00		
Municipal Debt Service:						
Payment of Bond Principal		265,000.00	265,000.00	265,000.00		
Payment of Bond Anticipation Notes		237,051.20	237,051.20	237,051.20		
Interest on Bonds		35,851.00	35,851.00	35,850.07		0.93
Interest on Notes						

Borough of Haledon, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2009

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Green Trust Loan Program						
Principal		5,695.00	5,695.00	5,694.73		0.27
Interest		4,050.00	4,050.00	2,845.98		1,204.02
Total Municipal Debt Service-Excluded from "CAPS"	A-1	<u>547,647.20</u>	<u>547,647.20</u>	<u>546,441.98</u>		<u>1,205.22</u>
Deferred Charges:						
Special Emergency Authorizations - 5 years		30,000.00	30,000.00	30,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	A-1	<u>30,000.00</u>	<u>30,000.00</u>	<u>30,000.00</u>		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		<u>1,747,008.44</u>	<u>1,747,008.44</u>	<u>1,656,837.76</u>	<u>88,965.46</u>	<u>1,205.22</u>
Subtotal General Appropriations		<u>8,302,189.14</u>	<u>8,302,189.14</u>	<u>7,652,564.81</u>	<u>648,419.11</u>	<u>1,205.22</u>
Reserve for Uncollected Taxes		<u>625,000.00</u>	<u>625,000.00</u>	<u>625,000.00</u>		
Total General Appropriations		<u>8,927,189.14</u>	<u>8,927,189.14</u>	<u>8,277,564.81</u>	<u>648,419.11</u>	<u>1,205.22</u>
Adopted Budget	A-2		<u>8,927,189.14</u>		<u>A</u>	
Cash Disbursed	A-4			7,157,934.85		
Encumbrances Payable	A-18			204,373.99		
Special Emergency Authorization	A-16			30,000.00		
Reserve for Uncollected Taxes	A-2			625,000.00		
Reserve for Federal and State Grants	A-24			260,255.97		
				<u>8,277,564.81</u>		

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>Assets</u>			
Dog License Fund:			
Cash	B-1	1,893.95	505.39
Operating Deficit	B-4	<u>5,641.57</u>	<u>7,061.31</u>
		<u>7,535.52</u>	<u>7,566.70</u>
Other Trust Funds:			
Cash	B-1	493,748.36	476,312.29
Interfund - General Capital	B-7	-	36,544.30
Other Receivables	B-2	-	10,850.00
		<u>493,748.36</u>	<u>523,706.59</u>
Emergency Services Volunteer Length of Service Award Program (Unaudited):			
Cash in Plan	B-1	200,912.21	152,682.55
Contributions Receivable	B-3	<u>25,587.50</u>	<u>30,476.50</u>
		<u>226,499.71</u>	<u>183,159.05</u>
Total Assets		<u>727,783.59</u>	<u>714,432.34</u>
<u>Liabilities & Reserves</u>			
Dog License Fund:			
Due to State Department of Health	B-5	28.00	6.00
Interfund - Current Fund	B-6	<u>7,507.52</u>	<u>7,560.70</u>
		<u>7,535.52</u>	<u>7,566.70</u>
Other Trust Fund:			
Interfund - Current Fund - Other	B-6	49,409.75	45,957.65
Interfund - General Capital	B-7		
Payroll Deductions Payable	B-8	250.29	250.29
Reserve for:			
Unemployment Insurance	B-9	7,584.45	12,697.99
Escrow Deposits	B-9	77,753.73	93,736.01
Community Fund	B-9	1,051.00	1,051.00
Recreation	B-9	30,960.12	52,860.33
Senior Recreation	B-9	3,069.65	3,069.65
Special Police Outside Duty	B-9	26,952.08	774.38
Affordable Housing	B-9	175,000.00	175,000.00
Recreation Improvements	B-9	10,000.00	10,000.00
Other Escrow	B-9	4,451.00	4,451.00
Premium on Tax Sale	B-9	85,200.00	106,800.00
Restitution	B-9	146.05	146.05
Uniform Fire Safety Penalty Funds	B-9	4,828.00	4,828.00
Centennial	B-9	5,849.43	2,349.43
Municipal Court - P.O.A.A.	B-9	<u>11,242.81</u>	<u>9,734.81</u>
		<u>493,748.36</u>	<u>523,706.59</u>
Emergency Services Volunteer Length of Service Award Program (Unaudited):			
Net Assets Available for Benefits	B-10	<u>226,499.71</u>	<u>183,159.05</u>
Total Liabilities & Reserves		<u>727,783.59</u>	<u>714,432.34</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

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Borough of Haledon, N.J.

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2009 and 2008

<u>Assets</u>	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Cash	C-2/C-3	35,309.11	4,394.74
Interfund - Water Capital Fund	C-5	812,375.84	812,375.84
Various Receivables	C-7		343,629.00
Deferred Charges to Future Taxation:			
Funded	C-8	6,480,866.27	2,233,000.00
Unfunded	C-9	2,394,500.00	4,362,500.00
		<u>9,723,051.22</u>	<u>7,755,899.58</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Interfund - Current Fund	C-4	230,077.43	236,176.10
Interfund - Other Trust Fund	C-6		36,544.30
General Serial Bonds	C-10	6,188,000.00	2,233,000.00
Green Acres Loan Payable	C-11	292,866.27	
Bond Anticipation Notes	C-12		4,220,000.00
Improvement Authorizations:			
Funded	C-13	692,121.75	467,940.06
Unfunded	C-13	2,252,000.00	490,753.35
Capital Improvement Fund	C-14	66,000.96	69,500.96
Reserve for:			
Debt Service	C-15	827.61	827.61
Fund Balance	C-1	1,157.20	1,157.20
		<u>9,723,051.22</u>	<u>7,755,899.58</u>

Footnote: There were \$2,394,500.00 and \$142,500.00 of Bonds and Notes Authorized But Not Issued per Exhibit C-16 on December 31, 2009 and 2008

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.
Statement of Changes in Fund Balance - Regulatory Basis
General Capital Fund
Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	C	<u>1,157.20</u>
Balance - December 31, 2009	C,C-3	<u>1,157.20</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Borough of Haledon, N.J.

Comparative Balance Sheet - Regulatory Basis

Water Utility Fund

December 31, 2009 and 2008

	<u>Ref</u>	<u>2009</u>	<u>2008</u>
<u>Assets</u>			
Operating Fund:			
Cash	D-5	107,235.32	21,878.21
Change Fund	D-6	100.00	100.00
Other Miscellaneous Receivables	D-7	68,904.46	68,904.46
Due from Manchester Utility Authority	D-8	<u>1,389,162.36</u>	<u>1,190,809.67</u>
Total Operating Fund		<u>1,565,402.14</u>	<u>1,281,692.34</u>
Capital Fund:			
Cash	D-5/D-9	128,648.41	97,237.30
Due from Manchester Utility Authority	D-10	98,994.00	98,994.00
Interfund - Water Utility Operating Fund	D-11	1,153,502.24	1,053,914.08
Fixed Capital	D-12	8,682,631.79	8,604,478.62
Fixed Capital Authorized and Uncompleted	D-13	<u>1,295,000.00</u>	<u>1,595,000.00</u>
Total Capital Fund		<u>11,358,776.44</u>	<u>11,449,624.00</u>
Total Assets		<u><u>12,924,178.58</u></u>	<u><u>12,731,316.34</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Haledon, N.J.

Comparative Balance Sheet - Regulatory Basis

Water Utility Fund

December 31, 2009 and 2008

	<u>Ref</u>	<u>2009</u>	<u>2008</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Operating Fund:			
Due to Current Fund	D-11	353,406.68	170,549.07
Interfund - Water Utility Capital Fund	D-11	1,153,502.24	1,053,914.08
Accrued Interest on Bonds	D-14	8,221.63	8,221.63
Reserve for Water Key Deposits	D-15	21,375.00	21,370.00
		<u>1,536,505.55</u>	<u>1,254,054.78</u>
Reserve for Receivables	Contra		
Fund Balance	D-1	<u>28,896.59</u>	<u>27,637.56</u>
Total Operating Fund		<u>1,565,402.14</u>	<u>1,281,692.34</u>
Capital Fund:			
Serial Bonds Payable	D-16	2,175,000.00	2,315,000.00
Improvement Authorizations:			
Funded	D-17	77,298.37	299,145.20
Unfunded	D-17	2,750.00	2,750.00
Capital Improvement Fund	D-18	0.61	0.61
Interfund - Current Fund	D-11	297,599.48	297,599.48
Reserve for Amortization	D-19	7,731,335.79	7,698,182.62
Reserve for Deferred Amortization	D-20	7,250.00	22,250.00
Interfund - General Capital Fund	D-21	812,375.84	812,375.84
Fund Balance	D-2	<u>255,166.35</u>	<u>2,320.25</u>
Total Capital Fund		<u>11,358,776.44</u>	<u>11,449,624.00</u>
Total Liabilities, Reserves and Fund Balances		<u>12,924,178.58</u>	<u>12,731,316.34</u>

The fixed capital reported is taken from the municipal records and does not necessarily reflect the true condition of such fixed capital.

There were bonds and notes authorized but not issued of \$64,046.00 and \$164,046.00 on December 31, 2009 and 2008 - Per Exhibit D-22

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Haledon, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Water Utility Operating Fund

for the Years Ended December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
Revenue and Other Income Realized:			
Water Capital Surplus	D-3		2,670.00
Service Agreement Manchester Utilities Authority	D-3	745,788.15	828,894.72
Non-budget Revenue	D-3	<u>1,259.03</u>	<u>5,044.20</u>
Total Income		<u>747,047.18</u>	<u>836,608.92</u>
Expenditures:			
Operating	D-4	378,509.54	364,393.82
Debt Service	D-4	246,932.50	342,918.28
Deferred Charges and Statutory Expenditures	D-4	<u>120,346.11</u>	<u>124,252.62</u>
Total Expenditures		<u>745,788.15</u>	<u>831,564.72</u>
Excess in Revenue over Expenditures		1,259.03	5,044.20
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years		<u>1,259.03</u>	<u>5,044.20</u>
Statutory Excess to Surplus		1,259.03	5,044.20
Fund Balance - January 1,	D	<u>27,637.56</u>	<u>22,593.36</u>
		28,896.59	27,637.56
Decreased by:			
Utilized as Anticipated Revenue		<u> </u>	<u> </u>
Fund Balance - December 31,	D	<u><u>28,896.59</u></u>	<u><u>27,637.56</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Haledon, N.J.
 Statement of Fund Balance - Regulatory Basis
 Water Utility Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	2,320.25
Increased by:		
Improvement Authorization Cancelled	D-17	221,846.83
Void Stale Dated Checks	D-5	<u>30,999.27</u>
Balance - December 31, 2009	D/D-9	<u><u>255,166.35</u></u>

Statement of Revenues - Regulatory Basis
 Water Utility Operating Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Service Agreement Manchester Utilities Authority	D-1/D-5	<u>793,911.50</u>	<u>745,788.15</u>	<u>(48,123.35)</u>
Budget Totals	D-4	793,911.50	745,788.15	(48,123.35)
Non-Budget Revenue	D-1		1,259.03	1,259.03
		<u>793,911.50</u>	<u>747,047.18</u>	<u>(46,864.32)</u>
 <u>Analysis of Non-budget Revenues</u>				
Interest on Deposits:				
Water Operating Fund	D-5		811.19	
Interfund - Water Capital Fund	D-11		<u>411.84</u>	
				<u>1,223.03</u>
Miscellaneous Reimbursements	D-5		<u>36.00</u>	<u>36.00</u>
				<u><u>1,259.03</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Haledon, N.J.
Statement of Expenditures - Regulatory Basis
Water Utility Operating Fund
Year Ended December 31, 2009

	Ref.	Appropriated		Budget After Modification	Expended		Unexpended Balance Cancelled
		Budget	Budget After Modification		Paid or Charged	Reserved	
Operating:							
Salaries and Wages		319,321.00	318,921.00	318,921.00	277,894.08	41,026.92	84.54
Other Expenses		100,300.00	100,700.00	100,700.00	100,615.46		
Total Operating	D-1	419,621.00	419,621.00	419,621.00	378,509.54	41,111.46	
Debt Service:							
Payment of Bond Principal		140,000.00	140,000.00	140,000.00	140,000.00		
Interest on Bonds		106,932.50	106,932.50	106,932.50	106,932.50		
Total Debt Service	D-1	246,932.50	246,932.50	246,932.50	246,932.50		
Deferred Charges and Statutory Expenditures:							
Deferred Charges:							
Ordinance 10-03-01		100,000.00	100,000.00	100,000.00	100,000.00		
Statutory Expenditures:							
Contribution to:							
Public Employees Retirement System		2,000.00	2,000.00	2,000.00		2,000.00	
Social Security System (O.A.S.I.)		25,358.00	25,358.00	25,358.00	20,346.11	5,011.89	
Total Deferred Charges and Statutory Expenditures	D-1	127,358.00	127,358.00	127,358.00	120,346.11	7,011.89	
		793,911.50	793,911.50	793,911.50	745,788.15	48,123.35	
			D-3				
Cash Disbursed	D-5				638,855.65		
Interest on Bonds	D-14				106,932.50		
					745,788.15		

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

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Borough of Haledon , N.J.
 Comparative Balance Sheet - Regulatory Basis
 Public Assistance Fund
 December 31, 2009 and 2008

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<u>Assets</u>			
Cash	E-1	<u>102,036.89</u>	<u>80,484.17</u>
		<u>102,036.89</u>	<u>80,484.17</u>
<u>Liabilities</u>			
Reserve for Public Assistance	E-6	71,342.03	49,936.53
Interfund - Current Fund	E-7	<u>30,694.86</u>	<u>30,547.64</u>
		<u>102,036.89</u>	<u>80,484.17</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

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BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the Borough of Haledon have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Borough of Haledon (the "Borough") operates under a Mayor/Council form of government. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the Free Public Library and Volunteer Fire Department which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Borough uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Borough has the following funds:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Borough as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

All Other Trust Funds - These funds are established to account for the assets and resources which are also held by the Borough as a trustee or agent for individuals, private organizations, other governments and/or other funds.

Dog License Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.

General Capital Fund - This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Water Operating and Water Capital Funds - Account for the operations and acquisition of capital facilities of the municipality-owned water utility.

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting

A modified accrual basis of accounting is followed by the Borough of Haledon. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund and Water Operating Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the current fund and water operating fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Borough is not required to adopt budgets for the following funds:

General Capital Fund	Trust Funds
Public Assistance Fund	Water Capital Fund
Payroll Fund	

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2009, several budget transfers were approved by the governing body.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

Expenditures - Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves - Are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

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

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost which approximates fair value and are limited by N.J.S.A. 40A:5-15.1(a).

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Borough establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

Fixed Assets - Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and were not capitalized. Beginning January 1, 1986, the Division of Local Government Services, Department of Community Affairs, requires a fixed asset accounting system to account for all fixed assets acquired and disposed of after January 1, 1986.

Property and equipment purchased by the Water Utility Funds are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in these utility capital funds represent charges to improvements. The utilities do not record depreciation on fixed assets.

Fixed Assets acquired through December 31, 1985 may be valued at either historical cost (estimated) or any other reasonable basis adequately disclosed in the local units financial statements.

There is no requirement for the local unit to record depreciation on General Fixed Assets. However, for cost analysis or grant reimbursement purposes it may be desirable to consider and/or record depreciation.

The Borough of Haledon does not maintain a fixed asset accounting system, therefore, a statement of general fixed assets is not presented. The amount to be recorded is unknown, which could be material to the financial statements.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Accounting, (continued)

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

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2009, \$0- of the Borough's bank balance of \$4,107,433.34 was exposed to custodial credit risk.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

Investment Rate Risk

The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

The Borough places no limit on the amount the Borough may invest in any one issuer.

New Jersey Cash Management Fund - All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of December 31, 2009, the Borough had \$15,120.53 on deposit with the New Jersey Cash Management Fund.

Unaudited Investments

As more fully described in Note 10, the Borough has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Borough. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by the Lincoln Financial Group, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2009 and 2008 amounted to \$200,912.21 and \$152,682.55, respectively.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Unaudited Investments, (continued)

The following investments represent 5% or more of the total invested with the Lincoln Financial Group on December 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Growth	\$56,358.13	\$36,092.51
Fixed Income	113,748.50	96,985.07
Growth and Income	16,386.41	11,020.24
All Others	<u>14,419.17</u>	<u>8,584.73</u>
Total	<u>\$200,912.21</u>	<u>\$152,682.55</u>

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2009 consisted of the following:

	<u>Balance Dec. 31, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Loans Payable		\$298,561.00	\$5,694.73	\$292,866.27	\$12,771.69
Deferred Pension Liability		231,878.00		231,878.00	
Bonds Payable:					
General Capital	\$2,233,000.00	4,220,000.00	\$265,000.00	6,188,000.00	\$280,000.00
Water Capital	<u>2,315,000.00</u>	<u> </u>	<u>140,000.00</u>	<u>2,175,000.00</u>	<u>145,000.00</u>
	<u>\$4,548,000.00</u>	<u>\$4,750,439.00</u>	<u>\$410,694.73</u>	<u>\$8,887,744.27</u>	<u>\$437,771.69</u>

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

The Borough's debt is summarized as follows:

	<u>Year 2009</u>	<u>Year 2008</u>	<u>Year 2007</u>
<u>Issued:</u>			
General Bonds, Loans and Notes	\$6,480,866.27	\$6,453,000.00	\$10,269,000.00
Water Utility - Bonds and Notes	<u>2,175,000.00</u>	<u>2,315,000.00</u>	<u>3,487,000.00</u>
Total Issued	<u>8,655,866.27</u>	<u>8,768,000.00</u>	<u>13,756,000.00</u>
 <u>Authorized But Not Issued</u>			
General Bonds and Notes	2,394,500.00	142,500.00	142,500.00
Water Utility - Bonds and Notes	<u>64,046.00</u>	<u>164,046.00</u>	<u>614,019.75</u>
Total Authorized But Not Issued	<u>2,458,546.00</u>	<u>306,546.00</u>	<u>756,519.75</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$11,114,412.27</u>	<u>\$9,074,546.00</u>	<u>\$14,512,519.75</u>

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENTS

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.58%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$640,000.00	\$640,000.00	\$0.00
Water Utility Debt	2,239,046.00	2,239,046.00	0.00
General Debt	<u>8,875,366.27</u>	<u>827.61</u>	<u>8,874,538.66</u>
	<u>\$11,754,412.27</u>	<u>\$2,879,873.61</u>	<u>\$8,874,538.66</u>

Net Debt \$8,874,538.66 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$705,375,828.67 equals 1.58%.

BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED

3 1/2% of Equalized Valuation Basis (Municipal)	\$24,688,154.00
Net Debt	<u>8,874,538.66</u>
Remaining Borrowing Power	<u>\$15,813,615.34</u>

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

CALCULATION OF "SELF-LIQUIDATING PURPOSE". WATER UTILITY
PER N.J.S.A. 40A:2-45

Cash receipts from fees, rents or other charges for year		\$747,047.18
Deductions:		
Operating and Maintenance Cost	\$398,855.65	
Debt Service per Water Account	<u>246,932.50</u>	
Total Deductions		<u>645,788.15</u>
 Excess in Revenue - Self-Liquidating		 <u>\$101,259.03</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible.

The foregoing debt information is not in agreement with the annual debt statement filed by the Chief Financial Officer.

The Borough's long term debt consisted of the following at December 31, 2009:

	<u>Amount Outstanding</u>
<u>Paid by Current Fund:</u>	
\$2,233,000.00 General Improvement Bonds - issued with variable interest rates of 4.5% to 4.875% on March 15, 2002, due through March 15, 2017	\$2,028,000.00
\$4,220,000.00 General Improvement Bonds - issued with variable interest rates of 4.00% to 5.50% on January 22, 2010, due through September 1, 2025	<u>4,160,000.00</u>
Total Serial Bonds	<u>\$6,188,000.00</u>
 \$270,000.00 Green Acres Loan dated April 15, 2009 payable in semiannual installments through October 15, 2028. Interest is paid semiannually at a rate of 2.00% per annum. The semiannual payments of \$8,394.73 are applied first to interest and then to principal.	 \$264,305.27
 \$28,561.00 Green Acres Loan dated September 18, 2009 payable in annual installments through March 18, 2029. Interest is paid semiannually at a rate of 2.00% per annum. The semiannual payments of \$888.01 are applied first to interest and then to principal.	 <u>28,561.00</u>
Total Loans	<u>\$292,866.27</u>
<u>Paid by Water Utility Fund:</u>	
\$2,990,000.00 Water Utility Bonds - issued with variable interest rates of 4.5% to 5.00% on March 15, 2002, due through March 15, 2022	<u>\$2,175,000.00</u>

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

General Capital and Water Capital Serial Bonds are direct obligations of the Borough for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Borough and/or Water Utility Revenues.

In addition to the above, the Borough had authorized but not issued debt as follows:

General Capital	\$2,394,500.00
Water Capital	64,046.00

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING

Year	General			Water Utility		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$280,000.00	\$286,773.75	\$566,773.75	\$145,000.00	\$100,520.00	\$245,520.00
2011	295,000.00	274,111.25	569,111.25	160,000.00	93,657.50	253,657.50
2012	345,000.00	260,673.75	605,673.75	170,000.00	86,232.50	256,232.50
2013	360,000.00	245,186.25	605,186.25	170,000.00	78,582.50	248,582.50
2014	380,000.00	228,906.25	608,906.25	170,000.00	70,847.50	240,847.50
2015-2019	1,968,000.00	884,986.25	2,852,986.25	850,000.00	232,453.75	1,082,453.75
2020-2024	2,075,000.00	465,175.00	2,540,175.00	510,000.00	38,250.00	548,250.00
2025	485,000.00	26,675.00	511,675.00			
	<u>\$6,188,000.00</u>	<u>\$2,672,487.50</u>	<u>\$8,860,487.50</u>	<u>\$2,175,000.00</u>	<u>\$700,543.75</u>	<u>\$2,875,543.75</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR LOANS ISSUED AND OUTSTANDING

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$12,771.69	\$5,793.79	\$18,565.48
2011	13,028.41	5,537.07	18,565.48
2012	13,290.28	5,275.20	18,565.48
2013	13,557.41	5,008.07	18,565.48
2014	13,829.90	4,735.58	18,565.48
2015-2019	73,432.73	19,394.67	92,827.40
2020-2024	81,115.40	11,712.00	92,827.40
2025-2029	71,840.45	3,309.46	75,149.91
	<u>\$292,866.27</u>	<u>\$60,765.84</u>	<u>\$353,632.11</u>

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 4. BOND ANTICIPATION NOTES

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2009, the Borough had no outstanding general capital or water capital bond anticipation notes.

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2009.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Notes Payable:				
JPMorgan Chase Bank	<u>\$4,220,000.00</u>	<u>\$</u>	<u>\$4,220,000.00</u>	<u>\$0.00</u>

NOTE 5. 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 balance sheets of the various funds:

	<u>Balance December 31, 2009</u>	<u>2010 Budget Appropriation</u>	<u>Balance to Succeeding Years Budgets</u>
Current Fund:			
Special Emergency Authorizations	<u>\$120,000.00</u>	<u>\$30,000.00</u>	<u>\$90,000.00</u>
Dog License Fund:			
Deficit	<u>\$5,641.57</u>	<u>\$5,641.57</u>	<u>\$0.00</u>

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 6. REGIONAL HIGH SCHOOL TAX

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough of Haledon has elected to defer school taxes as follows:

	<u>Regional High School Tax</u>	
	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
Balance of Tax	\$2,188,704.95	\$1,791,560.91
Deferred	<u>1,876,033.11</u>	<u>1,791,560.91</u>
Tax Payable	<u>\$312,671.84</u>	<u>\$0.00</u>

NOTE 7. PENSION PLANS

Description of Systems:

Substantially all of the Borough's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemens' Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Public Employees' Retirement System and the Police and Firemens' Retirement System (PFRS) are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 7. PENSION PLANS, (continued)

Description of Systems, (continued)

8-10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55). Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Police and Firemens' Retirement System (PFRS)

The Police and Firemens' Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.

Enrolled members of the Police and Firemens' Retirement System may retire at age 55 with no minimum service requirement. The annual allowance is equal to 2% of the members' final average compensation for each year of service up to 30 years, plus 1% of each year of creditable service over 30 years or 1/60 of final average compensation multiplied by the number of years of creditable service, whichever is greater. Special retirement is permitted to members who have 25 or more years of creditable service in the system. Benefits fully vest on reaching 10 years of service. Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for PERS and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Divisions of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 7. PENSION PLANS, (continued)

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The Borough of Haledon opted for this deferral in the amount of \$231,878.00.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.0% for PERS and 8.5% for PFRS of the employee's annual compensation, as defined through June 30, 2007. Under Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, the PERS and employee contribution rate will increase to 5.5 percent effective July 1, 2007. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Borough's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>PERS</u>	<u>PFRS</u>
2009	\$73,958.00	\$186,843.50
2008	79,247.20	307,309.00
2007	48,212.40	231,949.60

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 7. PENSION PLANS, (continued)

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000 annually, the official may choose to waiver participation in the DCRP for that office or position. The waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee, employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment option provided by the employer.

The law requires that three classes of employees enroll in the DCRP detailed as follows:

All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may retain in the PERS. A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator, or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 8. FUND BALANCES

Fund balances as of December 31, 2009 and 2008 that have been anticipated as revenue in the 2010 and 2009 budgets were as follows:

	<u>2010</u>	<u>2009</u>
Current Fund	\$92,000.00	\$-0-
Water Operating Fund	-0-	-0-

NOTE 9. ACCRUED SICK AND VACATION BENEFITS

The Borough has permitted employees to accrue unused sick and vacation time, which may be taken as time off or paid at a later date at an agreed upon rate. The current cost of such unpaid compensation has been estimated at \$455,726.76. This amount, which is material to the financial statements, is not reported either as an expenditure or liability. It is expected that the cost of such unpaid compensation would be included in the Borough's operating budget in the year it is used.

NOTE 10. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

In 2003, the Division of Local Government Services approved the Borough's LOSAP plan, provided by Lincoln Financial Group. The purpose of this plan is to enhance the Borough's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

The Lincoln Financial Group will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall provide for a fixed annual contribution of between \$287.50 to \$1,150.00 to each eligible volunteer who accumulates between 30 to 60 or more service points based on criteria established by Borough Ordinance No. 8-9-2001. In addition, the ordinance does not provide for prior years service credit. The amount of the LOSAP award cannot exceed \$1,150.00 annually, subject to periodic increases as permitted by N.J.A.C. 5:30-14.9. The Borough's contribution shall be included in the current year's budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2009 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 11. INTERFUND BALANCES AND ACTIVITY

\$230,877.73	Due to the Current Fund from the Federal and State Grant Fund for Short Term Loans to pay expenditures.
7,507.52	Due to the Current Fund from the Dog License Fund for Short Term Loans to pay expenditures and interest earnings.
353,406.68	Due to the Current Fund from the Water Operating Fund for Short Term Loans.
30,694.86	Due to the Current Fund from the Public Assistance Fund for Short Term Loans and Interest Earnings.
49,409.75	Due to the Current Fund from the Other Trust Fund for Interest Earnings.
297,599.48	Due to the Current Fund from the Water Capital Fund for Short Term loans.
230,077.43	Due to the Current Fund from the General Capital Fund for Short Term Loans.
812,375.84	Due to the General Capital Fund from the Water Capital Fund for reimbursement of Water Capital bills paid by the General Capital Fund and for Short Term Loans.
<u>1,153,502.24</u>	Due to the Water Capital Fund from the Water Operating Fund for Short Term Loans.
<u>\$3,165,451.53</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 12. LEASES

The Borough has not entered into any long-term agreements for any equipment purchases.

NOTE 13. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. During the 2009 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Haledon is currently a member of the Suburban Essex Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund (the "Funds"). The Funds provide their members with Liability, Property and Workers' Compensation and Employer Liability Insurance. The Funds are risk-sharing public entity risk pools that are both an insured and self administered group of municipalities established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Funds are elected.

BOROUGH OF HALEDON, N.J.
Notes to Financial Statements
Years Ended December 31, 2009 and 2008
(continued)

NOTE 13. RISK MANAGEMENT, (continued)

As a member of the Funds, the Borough could be subject to supplemental assessments in the event of deficiencies. If the assets of the Funds were to be exhausted, members would become responsible for their respective shares of the Funds' liabilities.

The Funds can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Financial statements for the Funds are available at the office of the Funds' Executive Director, Conner Strong/PERMA Risk Management Services.

NOTE 14. TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	<u>Balance</u> <u>Dec 31, 2009</u>	<u>Balance</u> <u>Dec 31, 2008</u>
Prepaid Taxes	\$107,674.46	\$69,376.28
Cash Liability for Taxes Collected in Advance	<u>\$107,674.46</u>	<u>\$69,376.28</u>

NOTE 15. COMMITMENTS AND CONTINGENT LIABILITIES

We are advised by the Borough Counsel that the Borough is involved in several legal suits, none of which appear to be material or are covered by insurance.

NOTE 16. OTHER MATTERS

The Borough council adopted an ordinance dated March 17, 2004 that created the Haledon Municipal Utilities Authority (HMUA). The Borough and the HMUA also entered into an intralocal agreement and a water deficiency agreement in which the HMUA would lease certain employees and equipment from the Borough. Certain fixed assets of the Haledon Water Utility were transferred to the HMUA. The bonds and notes of the Haledon Water Utility will be budgeted for by the HMUA and proceeds paid to the Haledon Water Utility. All new capital projects will be funded by the HMUA whose bonds will be backed by the Borough of Haledon through the deficiency agreement.

SUPPLEMENTARY DATA AND SCHEDULES

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COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate:	<u>5.4780</u>	<u>5.3230</u>	<u>4.9900</u>
Apportionment of Tax Rate:			
Municipal	1.6419	1.5166	1.4150
County - General	1.0826	1.0903	0.9769
County - Open Space	0.0222	0.0221	0.0211
Local School	1.6062	1.6158	1.5750
Regional High School	1.1251	1.0782	1.0020
Assessed Valuations:			
2009	\$331,843,618.00		
2008		\$330,471,372.00	
2007			\$325,297,777.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2009	\$18,189,917.44	\$17,661,163.50	97.09%
2008	17,634,426.35	17,100,980.76	96.97
2007	16,280,999.60	15,780,480.67	96.92

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2009	38,357.43	453,579.06	491,936.49	2.70%
2008	28,173.83	445,621.14	473,794.97	2.69
2007	25,139.72	487,744.67	512,884.39	3.15

PROPERTY ACQUIRED BY TAX TITLE LIENS LIQUIDATION

No properties have been acquired in 2009 by foreclosure or deed as a result of liquidation of tax title liens.

The value of properties acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2009	\$9,975.00
2008	9,975.00
2007	9,975.00

COMPARISON OF WATER LEVIES

<u>Year</u>	<u>Water Charges</u>	<u>Collections*</u>
2009(1)	\$ -0-	-0-
2008(1)	-0-	-0-
2007(1)	-0-	-0-
2006(1)	-0-	-0-
2005(1)	-0-	-0-

* Includes collections of prior year charges.

(1) Water Department operations transferred to Manchester Utilities Authority.

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Current Fund</u>	
	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Year</u>	<u>December 31,</u>	<u>Year</u>
2009	\$231,067.49	\$92,000.00
2008	64,622.83	0.00
2007	64,563.82	0.00
2006	956,276.10	941,000.00
2005	1,750,793.76	1,327,000.00
	<u>Water Utility Operating Fund</u>	
2009	\$ 28,896.59	\$0.00
2008	27,637.56	0.00
2007	22,593.36	0.00
2006	150,316.03	140,725.00
2005	120,184.21	0.00

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 Bond</u>
Dominic Stampone	Mayor	
Marc K. Battle	Councilman to 10/15/2009	
Moonir Almaita	Councilman from 10/29/09	
Domenick Fusco	Councilman	
Maha Kandis	Councilwoman	
Heather Kilminster	Councilwoman	
Reynaldo Martinez	Councilman	
Michael Tirri	Council President	
Allan R. Susen	Borough Clerk, Assessment Search Officer, Registrar	
Harold P. Cook	Magistrate	(A)
William Close	Administrator, Treasurer, Tax Search Officer to 2/28/10	(A)
Theresa Bosland	Tax Collector	(A)
Maryann Brindisi	Chief Financial Officer	
Kelly Mullanaphy Ferraioli, Wielkotz, Cerullo & Cuva, P.A.	Court Administrator	(A)
Andrew Oddo	Borough Auditor	
Alaimo Group	Borough Attorney	
John Segreto	Borough Engineer	
Joseph DeMarco	Borough Prosecutor Public Defender	

(A) Coverage provided by the Municipal Excess Liability Joint Insurance Fund of up to \$1,000,000.00 per loss subject to a deductible of \$1,000.00 per loss.

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BOROUGH OF HALEDON, N.J.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2009

Name of Federal Agency or Department	Federal Program	C.F.D.A. Account No.	Total Grant Award Amount	Balance Jan. 1, 2009	Revenues/Receipts	Adjustment/Expended	Balance Dec. 31, 2009	Memo Cumulative Total Expenditures
U.S. Department of Transportation	Over the Limit Under Arrest	20.601	6,000.00		5,850.00	5,850.00		5850
								*
								*
								*
								*
								*
					5,850.00	5,850.00		5,850.00

NOTE: THIS SCHEDULE WAS NOT SUBJECT TO AN AUDIT IN ACCORDANCE WITH FEDERAL OMB CIRCULAR A-133.

BOROUGH OF HALEDON, N.J.
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2009

State Grantor Department	Program Title	State Program/Account Number	Program Amount	Balance Jan. 1, 2009	Receipts	Expended	Balance Dec. 31, 2009	Memo Cumulative Total Expenditures
Department of Community Affairs	Emergency Road & Bridge Repair Special Legislative Grant-Business District	8030-100-04-88-20	6,393.94	1,744.98			1,744.98	4,648.96
			25,000.00	(15,000.00)		(15,000.00)	25,000.00	
Division of Motor Vehicles	Drunk Driving Enforcement Fund	1110-448-031020-2200	8,615.57	1,778.53		1,704.36	74.17	8,541.40
			2,408.00	2,408.00			2,408.00	
			15,919.99	15,919.99	2,176.33		15,919.99	
			2,176.33				2,176.33	
	Municipal Court Alcohol Education and Rehabilitation	9735-760-060000-60	1,249.23	390.71			390.71	858.52
Division of Criminal Justice	Body Armor Fund	1020-718-066-1020-001	2,897.85	1,349.62			1,349.62	1,548.23
			1,616.19	1,616.19			1,616.19	
			1,805.68	1,805.68			1,805.68	
			1,658.97	1,658.97			1,658.97	
Department of Human Services	General Assistance	7500-150-158010-60 A/C#2	73,698.00	23,491.32	115,728.00	94,322.50	44,896.82	94,322.50
Department of Environmental Protection	Clean Communities Program	4900-765-178900-60	8,286.00	6,831.06			6,831.06	1,454.94
			1,585.20	1,585.20			1,585.20	
			5,846.74	5,846.74			5,846.74	
			6,064.00	6,064.00			6,064.00	
			6,026.16	6,026.16			6,026.16	
			6,318.21	6,318.21			6,318.21	
			7,041.26	7,041.26			7,041.26	
			7,458.25	7,458.25			7,458.25	
			9,567.09	9,567.09			9,567.09	
	Recycling Tonnage Grant	4900-752-042-490	23,718.15	7,113.05			7,113.05	16,605.10
			6,610.05	6,610.05			6,610.05	
			1,473.02	1,473.02			1,473.02	
			2,109.62	2,109.62			2,109.62	
			3,798.69	3,798.69			3,798.69	
			7,818.76	7,818.76			7,818.76	
			5,835.11	5,835.11			5,835.11	
Passaic County Municipal Alliance Grant	Governor's Alcohol and Drug Abuse Prevention	1110-448-031020-22	17,400.00	10,334.38	11,380.46	10,334.38	5,634.50	17,400.00
			17,400.00			5,745.96		5,745.96
Department of Transportation	Transportation Trust Fund Hobart and Henry Street Clinton Street Woodside Avenue Summit Avenue Avenue C, Grove, Jasper Sts., Albion Ave.	6320-480-078	150,000.00	(88,217.47)			(88,217.47)	200,000.00
			200,000.00	(22,216.66)			(22,216.66)	187,208.74
			200,000.00	(164,376.74)		22,832.00	(187,208.74)	78,456.60
			100,000.00	(5,228.30)		73,227.30	(78,456.60)	337,700.00
	Downtown Redevelopment		400,000.00	(112,700.00)	112,700.00			
State Pedestrian Safety Program Pothole Repair Program	State Pedestrian Safety Program Pothole Repair Program	6320-480-078-6620-163	40,000.00	6,660.62			6,660.62	6,660.62
			6,660.62					
			(262,487.11)		257,386.99	208,166.50	(213,266.62)	986,151.57

NOTE: THIS SCHEDULE WAS NOT SUBJECT TO AN AUDIT IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 04-04.

Borough of Haledon, N.J.
 Schedule of Cash - Collector-Treasurer
 Current Fund
 Year Ended December 31, 2009

	<u>Ref.</u>		<u>Current Fund</u>
Balance - December 31, 2008	A		2,012,497.92
Increased by Receipts:			
Interest and Costs on Taxes	A-2	96,991.68	
Reimbursement of Prior Year Expense	A-1	16,614.94	
Miscellaneous Revenue Not Anticipated	A-2	138,993.52	
Petty Cash	A-7	250.00	
Due From State - Senior Citizen and Veteran Deductions	A-8	48,908.22	
Taxes Receivable	A-9	17,974,515.73	
Various Reimbursements Receivable	A-13	48,658.76	
Revenue Accounts Receivable	A-14	1,796,519.39	
Interfunds	A-15	110,485.72	
Prepaid Taxes	A-29	107,674.46	
Various Cash Liabilities and Reserves	A-23	<u>110,013.82</u>	
			<u>20,449,626.24</u>
			22,462,124.16
Decreased by Disbursements:			
Refund Prior Year Revenue	A-1	40,025.74	
Current Year Budget Appropriations	A-3	7,157,934.85	
Petty Cash	A-7	250.00	
Interfunds	A-15	371,543.33	
Appropriation Reserves	A-17	237,011.77	
Local District School Taxes	A-20	4,939,696.83	
Regional High School Taxes	A-21	3,336,113.19	
County Taxes Payable	A-22	3,667,714.05	
Various Cash Liabilities and Reserves	A-23	<u>201,056.59</u>	
			<u>19,951,346.35</u>
Balance - December 31, 2009	A		<u><u>2,510,777.81</u></u>

Borough of Haledon, N.J.
 Schedule of Cash - Collector-Treasurer
 Grant Fund
 Year Ended December 31, 2009

	<u>Ref.</u>		<u>Grant Fund</u>
Balance - December 31, 2008			
Increased by Receipts:			
Grants Receivable	A-24	17,230.46	
Unappropriated Reserve for Grants	A-26	<u>17,578.53</u>	<u>119,694.00</u>
			119,694.00
Decreased by Disbursements:			
Appropriated Reserve for Grants	A-25	<u>119,694.00</u>	<u>119,694.00</u>
Balance - December 31, 2009			<u><u> </u></u>

Borough of Haledon, N.J.
 Schedule of Cash - Change Fund
 Current Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	A	<u>400.00</u>
Balance - December 31, 2009	A	<u>400.00</u>
<u>Analysis of Balance:</u>		
Tax Collector		100.00
Municipal Court		<u>300.00</u>
		<u>400.00</u>

Schedule of Cash - Petty Cash
 Current Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008		
Increased by:		
Disbursed	A-4	<u>250.00</u>
		250.00
Decreased by:		
Returned to Treasurer	A-4	<u>250.00</u>
Balance - December 31, 2009		<u> </u>

Borough of Haledon, N.J.

Schedule of Amount Due From State of New Jersey
for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976

Current Fund

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	A	14,468.10
Increased by:		
Senior Citizens' Deductions Per Tax Billing		14,250.00
Veterans' Deductions Per Tax Billing		37,000.00
Senior Citizens' and Veterans' Allowed		<u>4,250.00</u>
		55,500.00
Less:		
Senior Citizens' and Veterans' Disallowed	A-9	<u>2,000.00</u>
		<u>53,500.00</u>
		67,968.10
Decreased by:		
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4	<u>48,908.22</u>
Balance - December 31, 2009	A	<u><u>19,059.88</u></u>

Borough of Haledon, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2009

Year	Balance, Dec. 31, 2008	Levy	Collected		Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2009
			2008	2009				
2006	359.42			359.42				
2007	5,797.74			5,797.74				
2008	439,463.98			432,071.35	(2,000.00)		2,807.90	6,584.73
	445,621.14			438,228.51	(2,000.00)		2,807.90	6,584.73
2009		18,178,393.62	69,376.28	17,536,287.22	55,500.00	10,183.60	71,576.01	446,994.33
	445,621.14	18,178,393.62	69,376.28	17,974,515.73	53,500.00	10,183.60	74,383.91	453,579.06
	A		A-2/A-19	A-2/A-4	A-2/A-8	A-10		A

Analysis of Tax Levy

	Ref.
Tax yield:	
General Purpose Tax	18,064,137.99
Public Utility	114,255.63
Added Tax (R.S. 54:4-63.1 et seq.)	11,523.82
	18,189,917.44
Tax Levy:	
Local District School Tax	5,329,812.00
Regional High School Tax	3,733,257.23
County - General Tax Levy	
County - Open Space Tax Levy	3,592,245.06
Added County Taxes	73,142.33
	2,326.66
	3,667,714.05
	12,730,783.28
Local Tax for Municipal Purposes	
Additional Taxes	5,446,736.00
	12,398.16
	5,459,134.16
	18,189,917.44

Borough of Haledon, N.J.

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2009

Balance - December 31, 2008	<u>Ref.</u> A	28,173.83
Increased by:		
Transfer from Taxes Receivable	A-9	<u>10,183.60</u>
		<u>10,183.60</u>
Balance - December 31, 2009	A	<u><u>38,357.43</u></u>

Schedule of Property Acquired for
Taxes Assessed Valuation

Current Fund

Year Ended December 31, 2009

Balance - December 31, 2008	<u>Ref.</u> A	<u>9,975.00</u>
Balance - December 31, 2009	A	<u>9,975.00</u>

Analysis of Balance

<u>Block</u>	<u>Lot</u>	<u>Amount</u>
2	1/3,9/40	1,750.00
2	4/8	250.00
3	1/3	150.00
3	4/51	2,400.00
4	1/5	250.00
4	11/16	300.00
5	1/6	300.00
7	1/3	150.00
26	5/8	300.00
38	1/2	850.00
50	36	425.00
60A	2/3	700.00
65	8	600.00
77	26	50.00
94	1/2	300.00
129	1/2	<u>1,200.00</u>
		<u><u>9,975.00</u></u>

Borough of Haledon, N.J.
 Schedule of Due from Manchester Utilities Authority
 Current Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	A	<u>31,269.14</u>
Balance - December 31, 2009	A	<u>31,269.14</u>

Schedule of Various Reimbursements Receivable
 Current Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	A	130,114.18
Increased by:		
Billings		<u>95,236.22</u>
		225,350.40
Decreased by:		
Cancelled		81,455.42
Receipts	A-1,A-4	<u>48,658.76</u>
Balance - December 31, 2009	A	<u>95,236.22</u>
Analysis of Balance:		
Due from Borough of North Haledon - Resource Officer		22,972.03
Due from Manchester Reg. High School - Resource Officer		49,292.16
Due from Borough of Prospect Park - Resource Officer		<u>22,972.03</u>
		<u>95,236.22</u>

Borough of Haledon, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2009

	Ref.	Balance Dec. 31, 2008	Accrued	Collected	Balance Dec. 31, 2009
Clerk:					
Licenses:					
Alcoholic beverages	A-2		12,058.00	12,058.00	
Other	A-2		4,810.00	4,810.00	
Fees and Permits	A-2		1,880.25	1,880.25	
Miscellaneous Revenue not Anticipated	A-2		1,121.95	1,121.95	
Registrar of Vital Statistics					
Licenses	A-2		120.00	120.00	
Fees and Permits	A-2		15.00	15.00	
Miscellaneous Revenue not Anticipated	A-2		1,385.00	1,385.00	
Board of Health					
Licenses	A-2		2,425.00	2,425.00	
Uniform Construction Code:					
Fees and Permits - Building	A-2		42,215.00	42,215.00	
Fees and Permits - Other	A-2		1,085.00	1,085.00	
Municipal Court :					
Fines and Costs	A-2	30,534.82	273,140.64	283,890.21	19,785.25
Board of Adjustments/Planning Board					
Fees and Permits	A-2		500.00	500.00	
Police Department:					
Miscellaneous Revenue not Anticipated	A-2		2,230.08	2,230.08	
Energy Receipts Tax	A-2		591,372.00	591,372.00	
Extraordinary Aid	A-2		450,000.00	450,000.00	
Consolidated Municipal Property Tax					
Relief Aid	A-2		246,994.00	246,994.00	
Consolidated Municipal Property Tax - 2008					
Sewer Privileges	A-2	72,809.00	0.48	72,809.48	
Interest on Investments and Deposits	A-2	69.66	45,926.80	45,926.80	153.56
Life Hazard Use Fees	A-2		21,001.16	21,001.16	
			18,812.94	18,812.94	
		103,413.48	1,717,177.20	1,800,651.87	19,938.81
		A			A
Receipts	A-4			1,796,519.39	
Interfunds	A-15			4,132.48	
				1,800,651.87	

Borough of Haledon, N.J.

Schedule of Interfunds Receivables/(Payables)

Current Fund

Year Ended December 31, 2009

Fund	Ref.	Due From/(To)	Increased	Decreased	Due From/(To)
		Balance			Balance
		Dec. 31, 2008			Dec. 31, 2009
Federal and State Grant Fund	A	145,992.72	84,885.01		230,877.73
Dog License Trust	A	7,560.70	7,009.82	7,063.00	7,507.52
Other Trust	A	45,957.65	3,452.10		49,409.75
General Capital Fund	A	236,176.10	523.34	6,622.01	230,077.43
Water Operating Fund	A	170,549.07	279,658.32	96,800.71	353,406.68
Water Capital Fund	A	297,599.48			297,599.48
Public Assistance	A	30,547.64	147.22		30,694.86
		<u>934,383.36</u>	<u>375,675.81</u>	<u>110,485.72</u>	<u>1,199,573.45</u>
<u>Analysis</u>					
Due to Current Fund	A/A-1	934,383.36			1,199,573.45
Due From Current Fund					
		<u>934,383.36</u>			<u>1,199,573.45</u>
Disbursed	A-4		371,543.33		
Received	A-4			110,485.72	
Interest on Investments	A-14		4,132.48		
			<u>375,675.81</u>	<u>110,485.72</u>	

Borough of Haledon, N.J.

Schedule of Deferred Charges - Special Emergency Authorizations

Current Fund

Year Ended December 31, 2009

<u>Purpose</u>	<u>Amount Authorized</u>	<u>Not Less Than 1/5 of Amount Authorized</u>	<u>Balance, Dec. 31, 2008</u>	<u>Reduced in 2009 Budget</u>	<u>Amount Resulting from 2009</u>	<u>Balance, Dec. 31, 2009</u>
Tax Map Update	100,000.00	20,000.00	100,000.00	20,000.00		80,000.00
Revision of Master Plan	50,000.00	10,000.00	50,000.00	10,000.00		40,000.00
			<u>150,000.00</u>	<u>30,000.00</u>		<u>120,000.00</u>
			A	A-3		A

Borough of Haledon, N.J.
Schedule of Appropriation Reserves

Page 1 of 3

Current Fund

Year Ended December 31, 2009

	Balance, Dec. 31, <u>2008</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages Within "CAPS":				
Municipal Clerk	0.32	0.32		0.32
Elections	1,312.81	1,312.81		1,312.81
Financial Administration	0.98	0.98		0.98
Chief Financial Officer	153.75	153.75		153.75
Collection of Taxes	996.86	996.86		996.86
Tax Search Officer	645.16	645.16		645.16
Assessment of Taxes	151.01	151.01		151.01
Ethics Board	41.00	41.00		41.00
Planning Board	5.00	5.00		5.00
Police	19,791.73	1,791.73	1,694.18	97.55
School Crossing Guards	17,771.78	12,771.78		12,771.78
Special Police	911.13	911.13		911.13
Police Radio and Communications	2,866.93	2,866.93		2,866.93
Emergency Management	500.00	500.00		500.00
Fire	76.00	76.00		76.00
Uniform Fire Safety	309.03	309.03		309.03
Fire Alarm System	500.00	500.00		500.00
Prosecutor	131.78	131.78		131.78
Municipal Court	5,698.58	5,698.58		5,698.58
Public Defender	1.00	1.00		1.00
Road Repair and Maintenance	13,063.86	13,063.86		13,063.86
Garbage and Trash Removal	12,082.04	12,082.04		12,082.04
Recycling Program	87.93	87.93		87.93
Sewer System	759.01	759.01		759.01
Board of Health	1,037.84	1,037.84		1,037.84
Administration of Public Assistance	736.61	736.61		736.61
Senior Citizens Transportation	3,544.26	3,544.26		3,544.26
Recreation	3.97	3.97		3.97
Building Inspector	3.69	3.69		3.69
Zoning & Housing Maint. Enforcement	0.44	0.44		0.44
Fire Protection Official	20.17	20.17		20.17
Total Salaries and Wages Within "CAPS"	<u>83,204.67</u>	<u>60,204.67</u>	<u>1,694.18</u>	<u>58,510.49</u>
Other Expenses Within "CAPS":				
Mayor and Council	1,730.55	1,730.55		1,730.55
Municipal Clerk	14,069.92	10,991.06	1,792.94	9,198.12
Elections	492.00	492.00		492.00
Financial Administration				
Treasurer	55.76	3,065.67	2,935.99	129.68
Annual Audit	8,500.00	35,000.00	34,895.00	105.00
Miscellaneous - Other	22.25	22.25		22.25
Collection of Taxes	43.21	2,543.21	2,436.08	107.13
Assessment of Taxes	3,785.80	3,816.16	3,337.00	479.16
Legal Services and Costs	58,264.52	53,264.52	8,223.86	45,040.66
Engineering Contractual	36,115.62	17,076.62	1,617.75	15,458.87
Ethics Board	43.09	43.09		43.09
Planning Board	2,021.64	2,328.49	762.20	1,566.29
Other Insurance		720.00		720.00

Borough of Haledon, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2009

	Balance, Dec. 31, 2008	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
Group Insurance	47,091.38	4,091.38	2,060.21	2,031.17
Unemployment Compensation Insurance	2,000.00	2,000.00		2,000.00
Police	8,684.65	12,646.58	9,141.75	3,504.83
Police Uniforms	1,200.00	1,200.00		1,200.00
School Crossing Guards	5,000.00	2,000.00		2,000.00
Police Radio Communications	1,075.00	1,075.00	156.00	919.00
Emergency Management	300.00	300.00		300.00
Fire	23,435.47	24,681.08	15,539.18	9,141.90
Fire - OSHA Physicals	1,000.00	1,000.00		1,000.00
First Aid Squad Contribution	1,403.06	1,403.06		1,403.06
Fire Prevention Bureau	9.18	9.18		9.18
Uniform Fire Safety Act				
Fire Official	2,624.58	2,624.58		2,624.58
Fire Alarm System	200.00	200.00		200.00
Housing Inspectors	350.00	350.00		350.00
Municipal Court	4,395.34	5,278.86	1,450.59	3,828.27
Road Repairs and Maintenance	44,572.40	43,950.55	22,786.98	21,163.57
Garbage and Trash Removal	15,217.35	20,410.79	19,753.22	657.57
Solid Waste Disposal Costs	17,634.06	12,634.06		12,634.06
Recycling Program	3,404.96	3,634.27	444.97	3,189.30
Public Buildings and Grounds	3,544.14	21,141.66	15,871.04	5,270.62
Sewer System				
Contractual	535.00	535.00		535.00
Miscellaneous	2,983.12	4,383.12	3,800.00	583.12
Municipal Services Act	8,980.80	8,980.80	3,024.00	5,956.80
Board of Health				
Miscellaneous	1,992.34	2,146.92	154.98	1,991.94
Contractual	1,935.50	1,935.50		1,935.50
Administrator of Public Assistance	353.25	353.25		353.25
Senior Citizens Transportation	140.50	140.50		140.50
Recreation	440.08	2,067.08	667.08	1,400.00
Celebration of Public Events	4,094.30	4,524.68	1,179.98	3,344.70
Building Inspector	509.28	702.71	218.30	484.41
Plumbing Inspector	94.35	94.35		94.35
Fire Inspector	225.00	225.00		225.00
Zoning and Housing Maintenance Enforcement	573.91	4,973.91	4,400.00	573.91
Street Lighting	4,538.92	4,538.92		4,538.92
Gasoline	15,650.37	15,650.37	3,716.99	11,933.38
Fire Hydrant Service		48,500.00	48,500.00	
Total Other Expenses Within "CAPS"	<u>351,332.65</u>	<u>391,476.78</u>	<u>208,866.09</u>	<u>182,610.69</u>
Deferred Charges and Statutory Expenditures				
Within "CAPS":				
Social Security (O.A.S.I.)	<u>2,226.26</u>	<u>2,226.26</u>		<u>2,226.26</u>
Total Deferred Charges and Statutory Expenditures Within "CAPS"	<u>2,226.26</u>	<u>2,226.26</u>		<u>2,226.26</u>
Total Reserves Within "CAPS"	<u>436,763.58</u>	<u>453,907.71</u>	<u>210,560.27</u>	<u>243,347.44</u>

Borough of Haledon, N.J.
 Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2009

	Balance, Dec. 31, 2008	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
Other Expenses Excluded From "CAPS":				
Maintenance of Free Public Library	42,500.00	32,125.16 42,500.00	32,125.16 26,451.50	16,048.50
Emergency Services Volunteer - LOSAP	0.80	0.80		0.80
Public Employees' Retirement System				
Total Other Expenses Excluded from "CAPS"	<u>42,500.80</u>	<u>74,625.96</u>	<u>58,576.66</u>	<u>16,049.30</u>
Total Reserves Excluded from "CAPS"	<u>42,500.80</u>	<u>74,625.96</u>	<u>58,576.66</u>	<u>16,049.30</u>
Totals	<u>479,264.38</u>	<u>528,533.67</u>	<u>269,136.93</u>	<u>259,396.74</u> A-1
Total Reserves	<u>Ref.</u> A	479,264.38		
Prior Year Encumbrances	A-18	<u>49,269.29</u>		
		<u>528,533.67</u>		
Transfer to Accounts Payable	A-23		32,125.16	
Disbursed	A-4		<u>237,011.77</u>	
			<u>269,136.93</u>	

Borough of Haledon, N.J.
 Schedule of Encumbrances Payable
 Current Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	A	49,269.29
Increased by:		
Transfer from Current Appropriations	A-3	<u>204,373.99</u>
		253,643.28
Decreased by:		
Transfer to Appropriation Reserves	A-17	<u>49,269.29</u>
Balance - December 31, 2009	A	<u><u>204,373.99</u></u>

Schedule of Prepaid Taxes
 Current Fund
 Year Ended December 31, 2009

Balance - December 31, 2008	A	69,376.28
Increased by:		
Receipts - Prepaid 2010 Taxes	A-4	<u>107,674.46</u>
		177,050.74
Decreased by:		
Applied to 2009 Taxes	A-9	<u>69,376.28</u>
Balance - December 31, 2009	A	<u><u>107,674.46</u></u>

Borough of Haledon, N.J.

Schedule of Local District School Tax

Current Fund

Year Ended December 31, 2009

	<u>Ref.</u>		
Balance - December 31, 2008			
Increased by:			
Levy - Calendar Year 2009	A-1,A-9	<u>5,329,812.00</u>	
			5,329,812.00
Decreased by:			
Payments	A-4	<u>4,939,696.83</u>	
Balance - December 31, 2009			<u><u>390,115.17</u></u>

Exhibit A-21

Schedule of Regional High School Tax

Current Fund

Year Ended December 31, 2009

	<u>Ref.</u>		
Balance - December 31, 2008			
School Tax Payable	<u>A</u>		
School Tax Deferred		<u>1,791,560.91</u>	1,791,560.91
Increased by:			
Levy School Year - July 1, 2009 to June 30, 2010	A-9	<u>3,733,257.23</u>	
			5,524,818.14
Decreased by:			
Payments	A-4	<u>3,336,113.19</u>	
Balance - December 31, 2009			
School Tax Payable		312,671.84	
School Tax Deferred		<u>1,876,033.11</u>	<u>2,188,704.95</u>
2009 Liability for Regional High School District Tax:			
Tax Payable - Dec. 31, 2009			312,671.84
Tax Paid			<u>3,336,113.19</u>
			3,648,785.03
Less: Tax Payable - Dec. 31, 2008			<u> </u>
Amount Charged to 2009 Operations	A-1		<u><u>3,648,785.03</u></u>

Borough of Haledon, N.J.

Schedule of County Taxes Payable/(Receivable)

Current Fund

Year Ended December 31, 2009

Balance - December 31, 2008	<u>Ref.</u> A		(6,772.90)
Increased by:			
Levy - General	A-1/A-9	3,592,245.06	
Levy - Open Space	A-1/A-9	73,142.33	
Added and Omitted Taxes	A-1/A-9	<u>2,326.66</u>	<u>3,667,714.05</u>
			<u>3,660,941.15</u>
Decreased by:			
Payments	A-4		<u>3,667,714.05</u>
Balance - December 31, 2009	A		<u><u>(6,772.90)</u></u>

Borough of Haledon, N.J.
 Schedule of Various Cash Liabilities and Reserves

Current Fund

Year Ended December 31, 2009

<u>Liabilities and Reserves</u>	<u>Balance Dec. 31, 2008</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2009</u>
<u>Liabilities:</u>				
Tax Overpayments	38,363.13	6,992.35	8,190.94	37,164.54
Due to State of NJ Marriage Surcharge	250.00	1,000.00	1,100.00	150.00
Due to State of NJ - Burial Surcharge	45.00		40.00	5.00
Due to State of NJ Building Surcharge	673.00	2,699.00	2,812.00	560.00
Accounts Payable		32,125.16		32,125.16
<u>Reserves for:</u>				
Sewer Connection Deposits	50.00			50.00
LOSAP	3,332.20			3,332.20
DARE Contribution	12,397.48			12,397.48
Redemption of Outside Liens		99,322.47	99,322.47	10,408.82
Tax Map Update	100,000.00		89,591.18	50,000.00
Master Plan	50,000.00			7,000.00
Sewer - Legion Ave	7,000.00			602,722.43
Sale of Assets	1,302,722.43		700,000.00	
	<u>1,514,833.24</u>	<u>142,138.98</u>	<u>901,056.59</u>	<u>755,915.63</u>
	A			A
Realized as Anticipated Revenue			700,000.00	
Transfer from Appropriation Reserves		32,125.16		
Received		110,013.82		
Disbursed			201,056.59	
		<u>142,138.98</u>	<u>901,056.59</u>	

Borough of Haledon, N.J.
 Schedule of Grants Receivable
 Federal and State Grant Fund
 Year Ended December 31, 2009

<u>Grant</u>	<u>Balance Dec. 31, 2008</u>	<u>Budget Revenue</u>	<u>Received</u>	<u>Transfer from Unappropri- Reserve</u>	<u>Balance Dec. 31, 2009</u>
Municipal Alliance on Alcoholism and Drug Abuse		17,400.00	11,380.46		6,019.54
Recycling Tonnage Grant		7,818.76		7,818.76	
Clean Communities Grant		7,458.25		7,458.25	
Drunk Driving Enforcement Fund		15,919.99		15,919.99	
N.J. Transportation Trust Fund	521,172.92	201,000.00			722,172.92
Body Armor Replacement Fund		1,658.97		1,658.97	
Special Legislative Grant - Business District	15,000.00				15,000.00
State Pedestrian Safety Program	40,000.00				40,000.00
NJDEP - Green Communities		3,000.00			3,000.00
Over the Limit Under Arrest		6,000.00	5,850.00		150.00
	<u>576,172.92</u>	<u>260,255.97</u>	<u>17,230.46</u>	<u>32,855.97</u>	<u>786,342.46</u>
A		A-2	A-5	A-26	A

Borough of Haledon, N.J.
 Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2009

Grant	Balance	Transfer	Balance
	Dec. 31, 2008	From 2009 Budget	Dec. 31, 2009
Municipal Alliance on Alcoholism and Drug Abuse			
State Share	10,334.38	17,400.00	11,654.04
Emergency Road & Bridge Repair	1,744.98		1,744.98
Clean Communities Grant	39,712.63	7,458.25	47,170.88
Alcohol Ed. and Rehabilitation Fund	390.71		390.71
Supplemental Safe Neigh. Discretionary Grant -			
Purchase of Police Car	30.00		30.00
Drunk Driving Enforcement Fund	4,186.53	15,919.99	18,402.16
Recycling Tonnage Grant	21,104.43	7,818.76	28,923.19
Aid to Distressed Cities			
Transitional Services	195.16		195.16
Pothole Repair Program Grant	6,660.62		6,660.62
Body Armor Replacement Fund	4,771.49	1,658.97	6,430.46
State Pedestrian Safety Program	40,000.00	3,000.00	40,000.00
NJDEP - Green Communities			
Over the Limit Under Arrest			
N.J. Transportation Trust Fund	268,193.30	201,000.00	373,134.00
	<u>397,324.23</u>	<u>260,255.97</u>	<u>537,886.20</u>
	A	A-5	A

Ref.	260,255.97
A-3	<u>260,255.97</u>

Federal and State Grants

Borough of Haledon, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2009

<u>Grant</u>	Balance	Transfer	<u>Received</u>	Balance
	<u>Dec. 31, 2008</u>	To 2009 <u>Budget</u>		<u>Dec. 31, 2009</u>
Drunk Driving Enforcement Fund	15,919.99	15,919.99	2,176.33	2,176.33
Recycling Tonnage Grant	7,818.76	7,818.76	5,835.11	5,835.11
Clean Communities Grant	7,458.25	7,458.25	9,567.09	9,567.09
Body Armor Replacement Grant	1,658.97	1,658.97		
	<u>32,855.97</u>	<u>32,855.97</u>	<u>17,578.53</u>	<u>17,578.53</u>
	A	A-24	A-5	A

Borough of Haledon, N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2009

	Ref.	Dog License Fund	Other Trust Funds	Unaudited Emergency Services Volunteer LOSAP
Balance - December 31, 2008	B	<u>505.39</u>	<u>476,312.29</u>	<u>152,682.55</u>
Increased by Receipts:				
LOSAP - Contributions Receivable	B-3			26,451.50
Budget Appropriation	B-4	7,063.00		
Dog License Fees - Borough Share	B-4	1,264.40		
Dog License Fees - State Share	B-5	294.60		
Interfund - Current Fund	B-6	7,009.82	3,452.10	
Other Trust Funds	B-9		205,723.47	
LOSAP - Net Assets Available	B-10			22,828.16
Total Receipts		<u>15,631.82</u>	<u>256,569.87</u>	<u>49,279.66</u>
		<u>16,137.21</u>	<u>732,882.16</u>	<u>201,962.21</u>
Decreased by Disbursements:				
Interfund - Current Fund	B-6	7,063.00		
Reserve for Dog Expenditures	B-4	6,907.66		
State Share - Dog Licenses	B-5	272.60		
Other Trust Funds	B-9		239,133.80	
LOSAP - Net Assets Available	B-10			1,050.00
Total Disbursements		<u>14,243.26</u>	<u>239,133.80</u>	<u>1,050.00</u>
Balance - December 31, 2009	B	<u><u>1,893.95</u></u>	<u><u>493,748.36</u></u>	<u><u>200,912.21</u></u>

Borough of Haledon, N.J.

Schedule of Other Receivables

Trust Funds

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	B	10,850.00
Decreased by:		
Receipts	B-1	<u>10,850.00</u>
Balance - December 31, 2009	B	<u><u>0.00</u></u>

Borough of Haledon, N.J.

Schedule of Emergency Services Volunteer Length
of Service Award Program - Contributions Receivable

Trust Funds

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	B	30,476.50
Increased by:		
Current Year Contributions	B-10	21,562.50
		<u>21,562.50</u>
		52,039.00
Decreased by:		
Receipts	B-1	<u>26,451.50</u>
Balance - December 31, 2009	B	<u><u>25,587.50</u></u>

Borough of Haledon, N.J.

Reserve/(Deficit) for Dog Fund Expenditures

Trust Funds

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	B	(7,061.31)
Increased by:		
Budget Appropriation	B-1	7,063.00
Dog License Fees including Late Fees	B-1	<u>1,264.40</u>
		<u>8,327.40</u>
		1,266.09
Decreased by:		
Expenditures R.S. 4:19-1511	B-1	<u>6,907.66</u>
Balance - December 31, 2009	B	<u><u>(5,641.57)</u></u>

License Fees Collected

<u>Year</u>	
2008	1,341.80
2007	<u>1,551.80</u>
	<u><u>2,893.60</u></u>

Schedule of Due to State Department of Health

Trust Funds

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	B	6.00
Increased by:		
State Fees Collected	B-1	<u>294.60</u>
		300.60
Decreased by:		
Paid to State	B-1	<u>272.60</u>
Balance - December 31, 2009	B	<u><u>28.00</u></u>

Borough of Haledon, N.J.

Schedule of Interfund - Current Fund

Trust Funds

Year Ended December 31, 2009

	Due to/(from) Balance <u>Dec. 31, 2008</u>	<u>Increased</u>	<u>Decreased</u>	Due to/(from) Balance <u>Dec. 31, 2009</u>
Dog License Trust	7,560.70	7,009.82	7,063.00	7,507.52
Other Trust	<u>45,957.65</u>	<u>3,452.10</u>	<u> </u>	<u>49,409.75</u>
	<u>53,518.35</u>	<u>10,461.92</u>	<u>7,063.00</u>	<u>56,917.27</u>
	B	B-1	B-1	B

Exhibit B-7

Schedule of Interfund - General Capital Fund

Trust Funds

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	B	
Due from		36,544.30
Increased by:		
Received	B-1	<u>36,544.30</u>
Balance - December 31, 2009		
Due from	B	<u> </u>

Exhibit B-8

Borough of Haledon, N.J.

Schedule of Payroll Deductions Payable

Trust Funds

Year Ended December 31, 2009

	Balance <u>Dec. 31, 2008</u>	Balance <u>Dec. 31, 2009</u>
Federal Withholding		
Social Security / Medicare		
State Withholding - New Jersey		
Unemployment Insurance	250.29	250.29
Pension		
Credit Union		
Deferred Compensation		
PBA Dues		
Dues		
Garnish		
Insurance		
Net Payroll		
	<u>250.29</u>	<u>250.29</u>
	B	B

Borough of Haledon, N.J.
 Schedule of Other Trust Funds
 Trust Funds
 Year Ended December 31, 2009

	Balance Dec. 31, 2008	<u>Increased</u>	<u>Decreased</u>	Balance Dec. 31, 2009
Escrow Deposits	93,736.01	14,424.61	30,406.89	77,753.73
Reserve for Unemployment	12,697.99	3,031.63	8,145.17	7,584.45
Reserve for Restitution	146.05			146.05
Reserve for P.O.A.A.	9,734.81	1,508.00		11,242.81
Reserve for Uniform Fire Safety Penalty	4,828.00			4,828.00
Reserve fo Community Fund	1,051.00			1,051.00
Reserve for Recreation	52,860.33	21,471.53	43,371.74	30,960.12
Reserve for Senior Citizen Recreation	3,069.65			3,069.65
Reserve for Centennial	2,349.43	3,500.00		5,849.43
Reserve for Special Police Outside Duty	774.38	161,787.70	135,610.00	26,952.08
Reserve for Affordable Housing	175,000.00			175,000.00
Reserve for Recreation Improvements	10,000.00			10,000.00
Other Escrow	4,451.00			4,451.00
Reserve for Premium on Tax Sale	106,800.00		21,600.00	85,200.00
	<u>477,498.65</u>	<u>205,723.47</u>	<u>239,133.80</u>	<u>444,088.32</u>
	B	B-1	B-1	B

Borough of Haledon, N.J.

Schedule of Emergency Services Volunteer Length
of Service Award Program - Net Assets Available for Benefits

Trust Funds

Year Ended December 31, 2009

	<u>Ref.</u>		
Balance - December 31, 2008	B		183,159.05
Increased by:			
Borough Contributions	B-3	21,562.50	
Appreciation / (Depreciation)	B-1	<u>22,828.16</u>	
			<u>44,390.66</u>
			227,549.71
Decreased by:			
Withdrawals			
Administration Fee		<u>1,050.00</u>	
	B-1		<u>1,050.00</u>
Balance - December 31, 2009	B		<u><u>226,499.71</u></u>

Borough of Haledon, N.J.

Schedule of Cash

General Capital Fund

Year Ended December 31, 2009

	<u>Ref.</u>		
Balance - December 31, 2008	C		4,394.74
Increased by Receipts:			
Interfund - Current Fund	C-4	523.34	
Various Receivables	C-7	343,629.00	
Serial Bonds Issued	C-9	4,220,000.00	
Budget Appropriations:			
Capital Improvement Fund	C-14	<u>9,500.00</u>	
			<u>4,573,652.34</u>
			4,578,047.08
Decreased by Disbursements:			
Bond Anticipation Notes	C-12	4,220,000.00	
Interfund Current Fund	C-4	6,622.01	
Interfund - Other Trust Fund	C-6	36,544.30	
Improvement Authorizations	C-13	<u>279,571.66</u>	
			<u>4,542,737.97</u>
Balance - December 31, 2009	C		<u><u>35,309.11</u></u>

Borough of Haledon, N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2009

Fund Balance	<u>Ref.</u>	
Due to Current Fund	C-1	1,157.20
Due from Water Capital Fund	C-4	230,077.43
Capital Improvement Fund	C-5	(812,375.84)
Various Reserves	C-14	66,000.96
	C-15	827.61

Improvement Authorizations:

Ordinance

<u>Number</u>	<u>Improvement Description</u>	
10-14-98	Various Improvements	114,275.94
04-18-01	Purchase of Communication Equipment	17,110.00
09-17-01	Various Capital Improvements	322,253.71
3-11-04	Various Capital Improvements	146,528.83
11-08-07	Various Capital Improvements	(62,640.80)
08-20-09	Roe Street Sewer Repairs	7,594.07
10-15-09	Construction of Jail Cells	4,500.00

35,309.11

C

Borough of Haledon, N.J.
 Schedule of Interfund - Current Fund
 General Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008 - Due to	C	236,176.10
Increased by:		
Interest Earned	C-2	<u>523.34</u> 236,699.44
Decreased by:		
Disbursed	C-2	<u>6,622.01</u> 6,622.01
Balance - December 31, 2009 - Due to	C, C-3	<u>230,077.43</u>

Exhibit C-5

Schedule of Interfund - Water Capital Fund
 General Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008 - Due From	C	<u>812,375.84</u>
Balance - December 31, 2009 - Due From	C, C-3	<u>812,375.84</u>

Exhibit C-6

Schedule of Interfund - Other Trust Fund
 General Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008 - Due To	C	36,544.30
Decreased by:		
Disbursed	C-2	<u>36,544.30</u>
Balance - December 31, 2009 - Due To	C	<u> </u>

Borough of Haledon, N.J.

Schedule of Various Receivables

General Capital Fund

Year Ended December 31, 2009

	<u>Balance</u> Dec. 31, 2008	<u>Grants</u> <u>Approved</u>	<u>Cash</u> <u>Received</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
State of New Jersey				
Ord. 06-07-2000 - Improvement of the Municipal Complex	20,129.00		20,129.00	
Ord. 03-11-04 - Downtown Redevelopment	25,000.00		25,000.00	
Ord. 11-08-07(A) - Improvement to Roe Street Field - Greenacres Loan	298,500.00		298,500.00	
	<u>343,629.00</u>		<u>343,629.00</u>	
	C		C-2	C

Borough of Haledon, N.J.

Schedule of Deferred Charges to Future
Taxation - Funded

General Capital Fund

Year Ended December 31, 2009

	<u>Ref.</u>		
Balance - December 31, 2008	C		2,233,000.00
Increased by:			
Improvement Costs Funded by:			
Greenacres Loan Payable	C-11	298,561.00	
Bonds Issued	C-10	<u>4,220,000.00</u>	
			<u>4,518,561.00</u>
			<u>6,751,561.00</u>
Decreased by:			
Paid by Current Year Budget Appropriations:			
Serial Bonds	C-10	265,000.00	
Greenacres Loan Payable	C-11	<u>5,694.73</u>	
			<u>270,694.73</u>
Balance - December 31, 2009	C		<u><u>6,480,866.27</u></u>

Borough of Haledon, N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2009

Ordinance Number	Improvement Description	Balance Dec. 31, 2008	2009 Authorizations	Funded	Balance Dec. 31, 2009	Analysis of Balance - Dec. 31, 2009		
						Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorization
10-14-98	Various Improvements	964,500.00		964,500.00				
06-07-00	Improvement of Municipal Complex	789,000.00		789,000.00				
03-11-04	Various Capital Improvements	2,466,500.00		2,466,500.00				
11-08-07B	Improvement of Municipal Complex	142,500.00			142,500.00		142,500.00	
06-18-09	Roe Street Sanitary Sewer Rehabilitation		2,000,000.00		2,000,000.00			2,000,000.00
08-20-09	Roe Street Sewer Repairs		166,500.00		166,500.00			166,500.00
10-15-09	Construction of Jail Cells		85,500.00		85,500.00			85,500.00
		<u>4,362,500.00</u>	<u>2,252,000.00</u>	<u>4,220,000.00</u>	<u>2,394,500.00</u>		<u>142,500.00</u>	<u>2,252,000.00</u>
		C	C-13/C-16	C-8	C			

Improvement Authorizations Unfunded C-13 2,252,000.00

Borough of Haledon, N.J.
 Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2009

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2009		Interest Rate	Balance Dec. 31, 2008	Increased	Decreased	Balance Dec. 31, 2009
			Date	Amount					
General Improvement Bonds	3/15/2002	3,253,000.00	3/15/2010	215,000.00	4.50%	2,233,000.00		205,000.00	2,028,000.00
			3/15/2011	225,000.00	4.50%				
			3/15/2012	240,000.00	4.50%				
			3/15/2013	250,000.00	4.50%				
			3/15/2014	260,000.00	4.60%				
			3/15/2015	270,000.00	4.70%				
			3/15/2016	280,000.00	4.80%				
			3/15/2017	288,000.00	4.875%				
General Improvement Bonds Series 2009	1/22/2009	4,220,000.00	9/1/2010	65,000.00	4.250%		4,220,000.00	60,000.00	4,160,000.00
			9/1/2011	70,000.00	4.250%				
			9/1/2012	105,000.00	4.250%				
			9/1/2013	110,000.00	4.250%				
			9/1/2014	120,000.00	4.250%				
			9/1/2015	130,000.00	4.250%				
			9/1/2016	140,000.00	4.000%				
			9/1/2017	150,000.00	4.000%				
			9/1/2018	350,000.00	4.000%				
			9/1/2019	360,000.00	4.250%				
			9/1/2020	370,000.00	4.500%				
			9/1/2021	395,000.00	5.000%				
			9/1/2022	405,000.00	5.500%				
		9/1/2023	445,000.00	4.625%					
		9/1/2024	460,000.00	5.500%					
		9/1/2025	485,000.00	5.500%					
						2,233,000.00	4,220,000.00	265,000.00	6,188,000.00
						C	C-8	C-8	C

Borough of Haledon, N.J.
 Schedule of New Jersey Green Acres Loan Payable
 General Capital Fund
 Year Ended December 31, 2009

Purpose	Date of Issue	Original Issue	Semi-Annual Maturities Date	Interest Rate	Balance Dec. 31, 2008	Increased	Decreased	Balance Dec. 31, 2009
Roe Street Athletic Field Renovations	4/15/2009	270,000.00	See Notes to Financial Statements 4/15 and 10/15	2.00%		270,000.00	5,694.73	264,305.27
Roe Street Athletic Field Renovations	9/18/2009	28,561.00	3/18 and 9/18	2.00%		28,561.00		28,561.00
						<u>298,561.00</u>	<u>5,694.73</u>	<u>292,866.27</u>
					<u>C</u>	<u>C-8</u>	<u>C-8</u>	<u>C</u>

Borough of Haledon, N.J.
Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2009

Ordinance Number	Improvement Description	Original Amount Issued	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2008	Change		Balance Dec. 31, 2009
								Increased	Decreased	
10-14-98	Various Improvements	1,052,000.00	5/2/2001	4/24/2008	1/23/2009	2.57%	200,500.00		200,500.00	
10-14-98	Various Improvements	850,000.00	4/30/2004	4/24/2008	1/23/2009	2.57%	764,000.00		764,000.00	
06-07-00	Imp. of Municipal Complex	855,000.00	5/1/2003	4/24/2008	1/23/2009	2.57%	789,000.00		789,000.00	
03-11-04	Various Capital Improvements	2,375,000.00	4/28/2005	4/24/2008	1/23/2009	2.57%	2,295,000.00		2,295,000.00	
03-11-04	Various Capital Improvements	952,000.00	4/26/2007	4/24/2008	1/23/2009	2.57%	171,500.00		171,500.00	
							4,220,000.00		4,220,000.00	

C

Ref.
C-2

Paid by Bond Proceeds

4,220,000.00
4,220,000.00

Borough of Haledon, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2009

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2008		2009 Authorizations	Paid or Charged	Canceled	Balance Dec. 31, 2009	
				Funded	Unfunded				Funded	Unfunded
10-14-98	General Improvements: Various Improvements	11/11/1998	2,155,000.00		175,283.37		61,007.43		114,275.94	
04-18-01	Purchase of Communication Equipment	5/16/2001	33,000.00	17,110.00					17,110.00	
09-17-01	Various Capital Improvements	10/17/2001	900,000.00	322,253.71					322,253.71	
03-11-04	Various Capital Improvements Downtown Redevelopment Acq. of DPW Equipment Renovate DPW Office	4/21/2004	1,250,000.00 175,000.00 175,000.00		209,718.49 8,636.96 97,114.53		168,941.15		40,777.34 8,636.96 97,114.53	
11-08-07	Various Capital Improvements Imp. To Roe Street Field	11/29/2007	1,148,500.00	128,576.35			48,717.15		79,859.20	2,000,000.00
06-18-09	Roe Street Sanitary Sewer Rehabilitation	7/16/2009	2,000,000.00			2,000,000.00				
08-20-09	Roe Street Sewer Repairs	9/17/2009	175,000.00			175,000.00	905.93		7,594.07	166,500.00
10-15-09	Construction of Jail Cells	1/12/2009	90,000.00			90,000.00			4,500.00	85,500.00
				<u>467,940.06</u>	<u>490,753.35</u>	<u>2,265,000.00</u>	<u>279,571.66</u>		<u>692,121.75</u>	<u>2,252,000.00</u>
				C	C		C-2		C	C

Deferred Charges to Future Taxation - Unfunded
Capital Improvement Fund

Ref. C-9	2,252,000.00
C-14	13,000.00
	<u>2,265,000.00</u>

Borough of Haledon, N.J.
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	C	69,500.96
Increased by:		
Budget Appropriation	C-2	<u>9,500.00</u>
		79,000.96
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-13	<u>13,000.00</u>
Balance - December 31, 2009	C/C-3	<u><u>66,000.96</u></u>

Exhibit C-15

Borough of Haledon, N.J.

Schedule of Various Reserves

General Capital Fund

Year Ended December 31, 2009

	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Debt Service	827.61		827.61
	<u>827.61</u>		<u>827.61</u>
	C		C/C-3

Borough of Haledon, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2009

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2008</u>	<u>2009 Authorizations</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2009</u>
	<u>General improvements:</u>				
11-08-07	Various Capital Improvements	142,500.00			142,500.00
06-18-09	Roe Street Sanitary Sewer Rehabilitation		2,000,000.00		2,000,000.00
08-20-09	Roe Street Sewer Repairs		166,500.00		166,500.00
10-15-09	Construction of Jail Cells		85,500.00		85,500.00
		<u>142,500.00</u>	<u>2,252,000.00</u>		<u>2,394,500.00</u>
		<u>Footnote C</u>	<u>C-13</u>		<u>Footnote C</u>

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Borough of Haledon, N.J.

Schedule of Cash

Water Utility Fund

Year Ended December 31, 2009

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance - December 31, 2008	D	<u>21,878.21</u>	<u>97,237.30</u>
Increased by Receipts:			
Cancel Stale Dated Checks	D-2		30,999.27
Svc. Agree. Manchester Utilities Auth.	D-3	745,788.15	
Interest on Deposits	D-3/D-10	811.19	411.84
Miscellaneous Revenue	D-3	36.00	
Interfund Receipts	D-11	379,658.32	
Water Key Deposits	D-15	5.00	
Reserve for Amortization	D-19		100,000.00
		<u>1,126,298.66</u>	<u>131,411.11</u>
		<u>1,148,176.87</u>	<u>228,648.41</u>
Decreased by Disbursements:			
Budget Appropriations	D-4	638,855.65	
Due from Manchester Utilities Auth.	D-8	198,352.69	
Interest on Bonds	D-13	106,932.50	
Interfund Disbursements	D-10	96,800.71	
Interfund - Water Operating Fund	D-11		100,000.00
		<u>1,040,941.55</u>	<u>100,000.00</u>
Balance - December 31, 2009	D	<u><u>107,235.32</u></u>	<u><u>128,648.41</u></u>

Borough of Haledon, N.J.
 Schedule of Change Funds
 Water Utility Fund
 Year Ended December 31, 2009

<u>Office</u>	<u>Balance Dec. 31, 2008</u>	<u>Balance Dec. 31, 2009</u>
Water Utility Collector	<u>100.00</u> D	<u>100.00</u> D

Schedule of Other Miscellaneous Receivables
 Water Utility Fund
 Year Ended December 31, 2009

Balance - December 31, 2008	<u>Ref.</u> D	<u>68,904.46</u>
Balance - December 31, 2009	D	<u>68,904.46</u>

Borough of Haledon, N.J.

Schedule of Due from Manchester Utilities Authority

Water Utility Fund

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	1,190,809.67
Increased by:		
Disbursed	D-5	<u>198,352.69</u>
Balance - December 31, 2009	D	<u><u>1,389,162.36</u></u>

Schedule of Water Utility Capital Cash

Water Utility Capital Fund

Year Ended December 31, 2009

	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>
Fund Balance	D-2	255,166.35
Capital Improvement Fund	D-18	0.61
Due from Haledon MUA	D-10	(98,994.00)
Interfund - Water Operating Fund	D-11	(1,153,502.24)
Interfund - Current Fund	D-11	297,599.48
Interfund - General Capital Fund	D-21	812,375.84
 <u>Improvement Authorizations</u>		
<u>Ordinance</u>		
<u>Number</u>		
07-17-97A	Improvements to the Water Supply System	41,711.95
10-14-98A	Replacement of Water Main	35,586.42
10/03/01	Replacement of Water Main	(61,296.00)
	D	<u><u>128,648.41</u></u>

Borough of Haledon, N.J.
 Schedule of Due from Manchester Utilities Authority
 Water Utility Capital Fund
 Year Ended December 31, 2009

Balance - December 31, 2008	<u>Ref.</u> D	<u>98,994.00</u>
Balance - December 31, 2009	D	<u>98,994.00</u>

Schedule of Interfund Accounts Receivable (Payable)
 Water Utility Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	<u>Total</u>	<u>Water Operating Fund</u>	<u>Water Capital Fund</u>	
			<u>Water Capital Fund</u>	<u>Current Fund</u>	<u>Current Fund</u>
Balance - December 31, 2008	D	(1,224,463.15)	(1,053,914.08)	(170,549.07)	(297,599.48)
Increased by:					
Disbursed	D-5	96,800.71		96,800.71	
Interest on Deposits	D-3/D-5	411.84	411.84		
		<u>97,212.55</u>	<u>411.84</u>	<u>96,800.71</u>	
Decreased by:					
Receipts	D-5	379,658.32	100,000.00	279,658.32	
		<u>379,658.32</u>	<u>100,000.00</u>	<u>279,658.32</u>	
Balance - December 31, 2009	D	<u>(1,506,908.92)</u>	<u>(1,153,502.24)</u>	<u>(353,406.68)</u>	<u>(297,599.48)</u>

Borough of Haledon, N.J.
 Schedule of Fixed Capital
 Water Utility Capital Fund
 Year Ended December 31, 2009

<u>Account Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2008</u>	<u>Additions</u>	<u>Balance Dec. 31, 2009</u>
	Intangible Plant:			
303	Miscellaneous Intangible Plant	1,252,159.24		1,252,159.24
	Source of Supply Plant:			
312	Collecting and Impounding Reservoirs	210,540.45		210,540.45
314	Wells and Springs	2,926.00		2,926.00
316	Supply Mains	8,838.60		8,838.60
317	Other Water Source Plant	469,099.90		469,099.90
	Pumping Plant:			
321	Structures and Improvements	26,890.79		26,890.79
325	Electric Pumping Equipment	15,474.17		15,474.17
327	Hydraulic Pumping Equipment	4,106.79		4,106.79
	Water Treatment Plant:			
331	Structures and Improvements	342,335.55		342,335.55
	Transmission and Distribution Plant:			
341	Structures and Improvements	939,628.53		939,628.53
342	Distribution Reservoirs and Standpipes	9,721.21		9,721.21
343	Transmission and Distribution Mains	4,608,106.13		4,608,106.13
345	Services	54,852.07		54,852.07
346	Meters	508,061.74	78,153.17	586,214.91
348	Hydrants	35,878.01		35,878.01
349	Other Transmission and Distribution Plant	298.00		298.00
	General Plant:			
379	Other General Equipment	115,561.44		115,561.44
		<u>8,604,478.62</u>	<u>78,153.17</u>	<u>8,682,631.79</u>
		D	D-13	D

Borough of Haledon, N.J.

Schedule of Fixed Capital Authorized and Uncompleted

Water Utility Operating Fund

Year Ended December 31, 2009

<u>Improvement Description</u>	<u>Ordinance</u>	Balance, Dec. 31, 2008	2009 Authorizations	Costs to Fixed Capital	Authorizations Cancelled	Balance, Dec. 31, 2009
Improvements to the Water System	07/17/97A	1,150,000.00				1,150,000.00
Various Water Improvements	10/14/98A	145,000.00				145,000.00
Water Meter Replacment	10/20/04A	300,000.00		78,153.17	221,846.83	0.00
		<u>1,595,000.00</u>		<u>78,153.17</u>	<u>221,846.83</u>	<u>1,295,000.00</u>
		D		D-12	D-17	D

Borough of Haledon, N.J.

Schedule of Accrued Interest on Bonds

Water Utility Operating Fund

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	8,221.63
Increased by:		
Budget Appropriation for Interest on Bonds	D-4	106,932.50
		<u>115,154.13</u>
Decreased by:		
Interest Paid	D-5	106,932.50
		<u>106,932.50</u>
Balance - December 31, 2009	D	<u><u>8,221.63</u></u>

Principal Outstanding <u>Dec. 31, 2009</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	Required <u>Amount</u>	Actual <u>Amount</u>
2,175,000.00	4.50% to 5.00%	09/15/09	12/31/09	105 Days	30,269.40	8,221.63
					<u>30,269.40</u>	<u>8,221.63</u>

Borough of Haledon, N.J.

Schedule of Reserve for Water Key Deposits

Water Utility Operating Fund

Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	21,370.00
Increased by:		
Key Deposits Received	D-5	<div style="display: flex; justify-content: flex-end; align-items: center;"> 5.00 <hr style="width: 50px; border: 0.5px solid black;"/> </div>
		21,375.00
Balance - December 31, 2009	D	<div style="display: flex; justify-content: flex-end; align-items: center;"> 21,375.00 <hr style="width: 50px; border: 0.5px solid black;"/> <hr style="width: 50px; border: 0.5px solid black;"/> </div>

Borough of Haledon, N.J.
 Schedule of Water Serial Bonds Payable
 Water Utility Capital Fund
 Year Ended December 31, 2009

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance, Dec. 31, 2008</u>	<u>Increased</u>	<u>Paid by Budget Appropriation</u>	<u>Balance, Dec. 31, 2009</u>
			<u>Date</u>	<u>Amount</u>					
Water Utility Bonds	3/15/2002	2,990,000.00	03/15/10	145,000.00	4.50%	2,315,000.00	140,000.00	2,175,000.00	
			03/15/11	160,000.00	4.50%				
			04/01/12-2013	170,000.00	4.50%				
			03/15/14	170,000.00	4.60%				
			03/15/15	170,000.00	4.70%				
			03/15/16	170,000.00	4.80%				
			03/15/17	170,000.00	4.875%				
			04/01/18-2022	170,000.00	5.00%				
						<u>2,315,000.00</u>	<u>140,000.00</u>	<u>2,175,000.00</u>	
						D	D-21	D	

Borough of Haledon, N.J.

Schedule of Improvement Authorizations

Water Utility Capital Fund

Year Ended December 31, 2009

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2008		2009 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2009	
				Funded	Unfunded				Funded	Unfunded
07/17/97A	Imp. to the Water System	08/13/97	1,090,000.00	41,711.95					41,711.95	
10/14/98A	Various Water Improvements	11/11/98	145,000.00	35,586.42	2,750.00				35,586.42	2,750.00
10/20/04A	Water Meter Replacement	11/10/04	300,000.00	221,846.83				221,846.83		
				<u>299,145.20</u>	<u>2,750.00</u>			<u>221,846.83</u>	<u>77,298.37</u>	<u>2,750.00</u>
				D	D			D-2/D-13/D-19	D	D

Borough of Haledon, N.J.
 Schedule of Capital Improvement Fund
 Water Utility Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	0.61
Balance - December 31, 2009	D/D-9	0.61

Schedule of Reserve for Amortization
 Water Utility Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	7,698,182.62
Increased by:		
Transfer from Deferred Reserve for Amortization	D-22	15,000.00
Budget Appropriation - Refunding Bond Ordinance	D-5/D-22	100,000.00
Serial Bonds Paid by Budget	D-17	140,000.00
		255,000.00
		7,953,182.62
Decreased by:		
Authorizations Cancelled	D-17	221,846.83
Balance - December 31, 2009	D	7,731,335.79

Borough of Haledon, N.J.
 Schedule of Deferred Reserve for Amortization

Water Utility Capital Fund

Year Ended December 31, 2009

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance, Dec. 31, 2008</u>	<u>To Reserve for Amortization</u>	<u>Balance, Dec. 31, 2009</u>
10/14/98A	Installation of Water Main	11/11/98	7,250.00		7,250.00
10/20/04A	Water Meter Replacement	11/10/04	15,000.00	15,000.00	
			<u>22,250.00</u>	<u>15,000.00</u>	<u>7,250.00</u>
			D	D-19	D

Borough of Haledon, N.J.
 Schedule of Interfund General Capital Fund
 Water Utility Capital Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	D	<u><u>812,375.84</u></u>
Balance - December 31, 2009	D	<u><u>812,375.84</u></u>

Borough of Haledon, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

Water Utility Capital Fund

Year Ended December 31, 2009

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance, Dec. 31, 2008</u>	<u>Decreased</u>	<u>Balance, Dec. 31, 2009</u>
10/14/98A	Replacement of Water Main	2,750.00		2,750.00
11/10/99	Imp. to the Water System			
10/03/01	Replacement of Water Main	161,296.00	100,000.00	61,296.00
04/21/04	Refunding Bond Ordinance			
		<u>164,046.00</u>	<u>100,000.00</u>	<u>64,046.00</u>
		Footnote D	D-19	Footnote D

Borough of Haledon , N.J.
 Schedule of Cash-Treasurer
 Public Assistance Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	<u>Total</u>	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>
Balance - December 31, 2008	E	80,484.17	20,123.13	60,361.04
Increased by Receipts:				
State Aid		53,700.00		53,700.00
Other Receipts		4,315.22	64.54	4,250.68
Supplemental Security Income		59,318.40		59,318.40
		<u>117,333.62</u>	<u>64.54</u>	<u>117,269.08</u>
		<u>197,817.79</u>	<u>20,187.67</u>	<u>177,630.12</u>
Decreased by Disbursements:				
Public Assistance - 2009		94,322.50		94,322.50
Supplemental Security Income		1,458.40		1,458.40
		<u>95,780.90</u>		<u>95,780.90</u>
Balance - December 31, 2009	E	<u>102,036.89</u>	<u>20,187.67</u>	<u>81,849.22</u>

Borough of Haledon , N.J.
 Schedule of Cash-Treasurer
 Public Assistance Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2009	E-1	<u>102,036.89</u>
Increased by:		
Cash Receipts Record		<u>76,889.54</u>
		<u>76,889.54</u>
		<u>178,926.43</u>
Decreased by:		
Cash Disbursements Record		<u>68,316.19</u>
		<u>68,316.19</u>
Balance - July 31, 2010		<u><u>110,610.24</u></u>

	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>TOTAL</u>
<u>Reconciliation - July 31, 2010</u>			
Balance on Deposit per Statement of:			
TD Bank - Checking	20,184.65	84,849.34	105,033.99
TD Banknorth			
Welfare Director Petty Cash	30.12	7,308.13	7,338.25
	<u>20,214.77</u>	<u>92,157.47</u>	<u>112,372.24</u>
Less: Outstanding Checks		<u>1,762.00</u>	<u>1,762.00</u>
Balance - July 31, 2010	<u><u>20,214.77</u></u>	<u><u>90,395.47</u></u>	<u><u>110,610.24</u></u>

Borough of Haledon , N.J.
 Schedule of Cash-Treasurer
 Public Assistance Fund
 Year Ended December 31, 2009

Balance - December 31, 2008	80,484.17
Increased by Receipts:	
Cash Receipts Record	117,333.62
	117,333.62
	197,817.79
Decreased by Disbursements:	
Cash Disbursements Record	95,780.90
	95,780.90
Balance - December 31, 2009	102,036.89

<u>Reconciliation - December 31, 2009</u>	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>TOTAL</u>
Balance on Deposit per Statement of:			
TD Bank - Checking	20,157.55	81,276.72	101,434.27
TD Banknorth			
Welfare Director Petty Cash	30.12	1,622.50	1,652.62
	20,187.67	82,899.22	103,086.89
Add: Bank Charges			0.00
Less: Outstanding Checks		(1,050.00)	(1,050.00)
Balance - December 31, 2009	20,187.67	81,849.22	102,036.89

Borough of Haledon , N.J.
 Schedule of Revenues - Cash Basis
 Public Assistance Fund
 Year Ended December 31, 2009

	Total	P.A.T.F. Account #1	P.A.T.F. Account #2
State Aid Payments	53,700.00		53,700.00
Less: Refunds to the State			
Net State Aid Payments	53,700.00		53,700.00
Interest Earned	147.22	64.54	82.68
Refund State Matched Assistance			
Void State Date Checks	4,168.00		4,168.00
Supplemental Security Income			
State/Municipal Refund	57,860.00		57,860.00
Client Refund	1,458.40		1,458.40
Total Revenues (P.A.T.F.)	117,333.62	64.54	117,269.08
Inter-Fund Transfers - Current Fund			
Total Receipts	<u>117,333.62</u>	<u>64.54</u>	<u>117,269.08</u>

Exhibit E-5

Schedule of Expenditures - Cash Basis
 Public Assistance Fund
 Year Ended December 31, 2009

	Total	P.A.T.F. Account #1	P.A.T.F. Account #2
Reported:			
Current Year Assistance (State Matching):			
Maintenance Payments	42,771.50		42,771.50
Other:			
Emergency Assistance - Utilities	1,309.00		1,309.00
Emergency Assistance - Rent	5,308.00		5,308.00
Emergency Assistance - Relocation Costs	1,732.00		1,732.00
Emergency Assistance - Security Deposits	2,375.00		2,375.00
Emergency Assistance - House Furnishings	420.00		420.00
Emergency Assistance - Moving Costs	768.00		768.00
Work Related Expenses	2,814.00		2,814.00
Temporary Rental Assistance	36,825.00		36,825.00
Total Payments Reported	<u>94,322.50</u>		<u>94,322.50</u>
Payments for Eligible Assistance Not Reported			
Total P.A.T.F. Eligible Payments	<u>94,322.50</u>		<u>94,322.50</u>
SSI Payments:			
Reimbursement to Clients	1,458.40		1,458.40
	<u>1,458.40</u>		<u>1,458.40</u>
Total Disbursements (P.A.T.F.)	<u>95,780.90</u>		<u>95,780.90</u>

Borough of Haledon , N.J.
 Schedule of Reserve for Public Assistance
 Public Assistance Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	E	49,936.53
Increased by:		
Receipts		<u>115,728.00</u>
		165,664.53
Decreased by:		
Disbursements		<u>94,322.50</u>
Balance - December 31, 2009	E	<u><u>71,342.03</u></u>
<u>Analysis of Balance:</u>		
Account #1		26,445.21
Account #2		<u>44,896.82</u>
		<u><u>71,342.03</u></u>

Schedule of Interfund - Current Fund
 Public Assistance Fund
 Year Ended December 31, 2009

	<u>Ref.</u>	
Balance - December 31, 2008	E	30,547.64
Increased by:		
Receipts		<u>147.22</u>
Balance - December 31, 2009	E	<u><u>30,694.86</u></u>
<u>Analysis of Balance:</u>		
Account #1		5,753.44
Account #2		<u>24,941.42</u>
		<u><u>30,694.86</u></u>

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