

**BOROUGH OF LAUREL SPRINGS  
COUNTY OF CAMDEN  
REPORT OF AUDIT  
FOR THE YEAR 2014**



**BOROUGH OF LAUREL SPRINGS**  
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**BOROUGH OF LAUREL SPRINGS**  
**PART I**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Borough Council  
Borough of Laurel Springs  
Laurel Springs, New Jersey 08021

### ***Report on the Financial Statements***

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Laurel Springs, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Laurel Springs, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Laurel Springs, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

***Other Information***

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated March 11, 2015 on our consideration of the Borough of Laurel Springs', in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Laurel Springs' internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
March 11, 2015

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Borough Council  
Borough of Laurel Springs  
Laurel Springs, New Jersey 08021

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Borough of Laurel Springs, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated March 11, 2015. That report indicated that the Borough of Laurel Springs' financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough of Laurel Springs' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
March 11, 2015

**BOROUGH OF LAUREL SPRINGS****CURRENT FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis

As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Regular Fund:			
Cash	SA-1	\$ 547,817.26	\$ 352,343.43
Cash--Change Fund	SA-2	300.00	300.00
		<u>548,117.26</u>	<u>352,643.43</u>
Receivables with Full Reserves:			
Delinquent Property Taxes	SA-3	121,252.97	174,893.19
Tax Title Liens	SA-4	388.02	
Property Acquired for Taxes - Assessed Valuation	A	551.00	551.00
Revenue Accounts Receivable	SA-5	4,976.95	6,344.12
Due from Federal and State Grant Fund	A	5,005.49	43,261.46
Due from Trust - Other Fund	SB-5	39,865.66	32,861.55
		<u>172,040.09</u>	<u>257,911.32</u>
Deferred Charges:			
Reserve for Preparation of Tax Maps	SA-6	20,000.00	25,000.00
		<u>740,157.35</u>	<u>635,554.75</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	SA-16	106,830.79	119,978.43
		<u>106,830.79</u>	<u>119,978.43</u>
		<u>\$ 846,988.14</u>	<u>\$ 755,533.18</u>

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
 As of December 31, 2014 and 2013

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3;SA-7	\$ 68,484.79	\$ 106,991.25
Due to State of New Jersey - Senior Citizens' and Veterans' Deductions	SA-8	3,472.80	3,972.80
Due State of New Jersey:			
State Training Fees	SA-9	201.00	124.00
Marriage License Fees	SA-10	75.00	100.00
Prepaid Taxes	SA-11	10,278.88	10,157.62
Due County for Added and Omitted Taxes	SA-13	365.67	543.84
Tax Overpayments	SA-15	3,199.54	250.00
Reserve for Sale of Municipal Assets	SA-1	3,868.00	1,868.00
Reserve for Tax Map Revisions	SA-1	11,350.00	13,800.00
Reserve for Revision and Codification of Ordinances	A	425.21	425.21
		<u>101,720.89</u>	<u>138,232.72</u>
Reserves for Receivables and Other Assets	A	172,040.09	257,911.32
Fund Balance	A-1	<u>466,396.37</u>	<u>239,410.71</u>
		<u>740,157.35</u>	<u>635,554.75</u>
Federal and State Grant Fund:			
Due Current Fund	A	5,005.49	43,261.46
Reserve for State and Federal Grants:			
Unappropriated	SA-19	4,327.95	
Appropriated	SA-18	97,497.35	76,716.97
		<u>106,830.79</u>	<u>119,978.43</u>
		<u>\$ 846,988.14</u>	<u>\$ 755,533.18</u>

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

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For The Years Ended December 31, 2014 and 2013

<u>Revenue and Other Income Realized</u>	<u>2014</u>	<u>2013</u>
Fund Balance Utilized	\$ 165,000.00	\$ 224,000.00
Miscellaneous Revenues Anticipated	672,023.19	538,408.44
Receipts from Delinquent Taxes	174,174.59	119,591.78
Receipts from Current Taxes	5,505,947.38	5,503,868.97
Non-Budget Revenue	46,842.11	31,911.52
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	99,019.58	64,490.55
Liquidation of Reserve for:		
Due from Federal and State Grant Fund	38,255.97	
Due from General Capital Fund		30.00
Due from Sewer Utility - Operating Fund		57.69
<b>Total Income</b>	<b>6,701,262.82</b>	<b>6,482,358.95</b>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations - Within "CAPS":		
Salaries and Wages	792,400.00	805,200.00
Other Expenses	696,200.00	689,200.00
Deferred Charges and Statutory Expenditures - Within "CAPS"	199,000.00	208,949.00
Operations - Excluded from "CAPS":		
Salaries and Wages	110,560.00	23,500.00
Other Expenses	174,348.82	157,857.37
Capital Improvements Excluded from "CAPS"	18,000.00	10,000.00
Municipal Debt Service	363,111.88	414,432.16
Deferred Charges and Statutory Expenditures - Excluded from "CAPS"	5,000.00	
Transferred to Board of Education for Use of Local Schools	46,841.00	45,473.00
County Taxes	1,013,125.33	1,077,671.75
Due County for Added Taxes	365.67	543.84
Local District School Tax	2,850,209.00	2,807,334.00
Prior Year Senior Citizen Disallowance	250.00	750.00
Reserves Created:		
Due from Federal and State Grant Fund		38,497.83
Due from Trust - Other Fund	39,865.46	11,008.44
Transfer Prior Year Revenue to Tax Overpayments		27,927.04
<b>Total Expenditures</b>	<b>6,309,277.16</b>	<b>6,318,344.43</b>
Statutory Excess to Fund Balance (Carried Forward)	391,985.66	164,014.52

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For The Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Statutory Excess to Fund Balance (Brought Forward)	\$ 391,985.66	\$ 164,014.52
Fund Balance Jan. 1	<u>239,410.71</u>	<u>299,396.19</u>
	631,396.37	463,410.71
Decreased by:		
Utilized as Revenue	<u>165,000.00</u>	<u>224,000.00</u>
Balance Dec. 31	<u><u>\$ 466,396.37</u></u>	<u><u>\$ 239,410.71</u></u>

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

**BOROUGH OF LAUREL SPRINGS**

**CURRENT FUND**

Statement of Revenues - Regulatory Basis  
For The Year Ended December 31, 2014

	Anticipated			Excess or (Deficit)
	Budget	N.J.S. 40A:4-87 Special	Realized	
Fund Balance Anticipated	\$ 165,000.00	\$ -	\$ 165,000.00	\$ -
Miscellaneous Revenue				
Licenses:				
Alcoholic Beverages	5,000.00		10,000.00	5,000.00
Other	3,000.00		2,482.00	(518.00)
Fines and Costs:				
Municipal Court	82,000.00		84,729.10	2,729.10
Interest and Cost on Taxes	20,000.00		39,946.84	19,946.84
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	267,074.00		267,074.00	
Consolidated Municipal Property Tax Relief Aid (N.J.S.A. 52:27D-118.34)	51,136.00		51,136.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	11,000.00		11,370.00	370.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Interlocal Municipal Service Agreements Offset with Appropriations	29,000.00		32,042.07	3,042.07
Municipal Court				
Interlocal Municipal Service Agreements Offset with Appropriations	24,600.00		24,682.26	82.26
Finance Services				
State and Federal Revenues Off-Set with Appropriations:				
Body Armor Replacement Fund		1,090.46	1,090.46	
Clean Communities Grant		4,000.00	4,000.00	
County Recreation Enhancement Grant		25,000.00	25,000.00	
County Historic Preservation Grant		25,000.00	25,000.00	
Drunk Driving Enforcement Grant		12,058.36	12,058.36	
Safe and Secure Communities Program - P.L. 1994, Chapter 220	25,000.00		25,000.00	
Recycling Tonnage Grant				

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Revenues - Regulatory Basis  
 For The Year Ended December 31, 2014

	Anticipated		Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
	Budget				
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services (Cont'd):					
Other Special Items:					
Uniform Fire Safety Act	\$ 2,800.00		\$	4,550.75	\$ 1,750.75
Reserve for Payment of Bonds and Notes	19,000.00			19,000.00	
Liquidation of Interfund - Trust Other Fund	32,861.35			32,861.35	
	<u>572,471.35</u>	\$	<u>67,148.82</u>	<u>672,023.19</u>	<u>32,403.02</u>
⇒ Receipts from Delinquent Taxes	<u>160,528.65</u>		-	<u>174,174.59</u>	<u>13,645.94</u>
Amounts to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	<u>1,781,000.00</u>		-	<u>1,944,846.38</u>	<u>163,846.38</u>
Budget Totals	<u>2,679,000.00</u>		<u>67,148.82</u>	<u>2,956,044.16</u>	<u>209,895.34</u>
Non-Budget Revenues				<u>46,842.11</u>	<u>46,842.11</u>
	<u>\$ 2,679,000.00</u>	\$	<u>67,148.82</u>	<u>\$ 3,002,886.27</u>	<u>\$ 256,737.45</u>

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For The Year Ended December 31, 2014

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 5,505,947.38
Allocated to:	
School and County Taxes	<u>3,863,700.00</u>
Balance for Support of Municipal Budget Appropriations	1,642,247.38
Add: Appropriation "Reserve for Uncollected Taxes"	<u>302,599.00</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 1,944,846.38</u>
Licenses - Other:	
Clerk	<u>\$ 2,482.00</u>

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:	
Zoning and Planning Board Fees	\$ 1,985.00
Police Reports	114.56
Fees and Permits:	
Clerk -- Vital Statistics Fees	811.00
Cable T.V. Franchise Taxes	6,509.88
Recycling Fees	3,964.73
Miscellaneous	371.47
Void Stale Checks	326.28
Photocopies	7.15
Truck Rentals	300.00
Poetry Receipts	300.00
Wedding Ceremony Fees	370.00
DMV Inspections Fees	3,000.00
Property Maintenance Fees	486.59
TTL Premiums	16,800.00
Outside Police Services Admin. Fees	10,780.00
Reimbursement of Prior Year Expenses	140.45
Administrative Fee for Senior Citizen and Veterans Deductions	<u>575.00</u>
	<u>\$ 46,842.11</u>
Cash Receipts	\$ 41,832.11
Due from Trust - Other Fund	<u>5,010.00</u>
	<u>\$ 46,842.11</u>

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

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>OPERATIONS - WITHIN "CAPS"</b>					
<u>General Government</u>					
Mayor and Council	\$ 2,000.00	\$ 2,000.00	\$ 1,390.69	\$ 609.31	
Other Expenses					
Municipal Clerk	76,700.00	70,300.00	70,222.91	77.09	
Salaries and Wages	14,800.00	13,800.00	9,219.67	4,580.33	
Other Expenses					
Financial Administration					
Salaries and Wages	47,700.00	47,700.00	47,427.12	272.88	
Other Expenses	14,500.00	13,500.00	10,946.66	2,553.34	
Audit Services	31,000.00	30,500.00	28,693.72	1,806.28	
Collection of Taxes					
Salaries and Wages	33,100.00	32,100.00	31,930.79	169.21	
Other Expenses	2,100.00	2,600.00	2,266.95	333.05	
Assessment of Taxes					
Salaries and Wages	4,200.00	4,200.00	4,182.10	17.90	
Other Expenses	500.00	1,800.00	1,558.68	241.32	
Legal Services					
Other Expenses	15,800.00	15,800.00	15,600.00	200.00	
Engineering Services					
Other Expenses	900.00	900.00		900.00	
<u>Land Use Administration</u>					
Planning Board					
Salaries and Wages	4,200.00	4,300.00	4,200.04	99.96	
Other Expenses	2,600.00	2,500.00	2,391.42	108.58	
Municipal Court					
Salaries and Wages	44,000.00	41,500.00	41,373.80	126.20	
Other Expenses	4,800.00	7,800.00	7,674.80	125.20	
Public Defender					
Other Expenses	100.00	100.00		100.00	

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>					
<u>Code Enforcement and Administration</u>					
Code Enforcement Office					
Salaries and Wages	\$ 4,200.00	\$ 4,200.00	\$ 4,055.22	\$ 144.78	
Other Expenses	100.00	100.00	95.00	5.00	
Property Maintenance Officer					
Salaries and Wages	3,000.00	3,100.00	3,000.14	99.86	
Other Expenses	100.00	100.00	95.00	5.00	
<u>Insurance</u>					
General Liability Insurance	64,000.00	64,000.00	60,712.20	287.80	\$ 3,000.00
Workers Compensation Insurance	55,000.00	55,000.00	54,483.13	516.87	
Employee Group Insurance Plan for Employees	148,300.00	148,300.00	140,379.11	2,920.89	5,000.00
Disability Insurance	6,000.00	6,000.00	3,405.32	94.68	2,500.00
Health Benefits Waiver	8,000.00	8,000.00	7,516.08	483.92	
<u>Public Safety Functions</u>					
<u>Police</u>					
Salaries and Wages	474,300.00	468,300.00	462,900.31	5,399.69	
Other Expenses	16,200.00	22,200.00	19,710.76	2,489.24	
<u>Office of Emergency Management</u>					
Salaries and Wages	1,200.00	1,200.00	1,149.98	50.02	
Other Expenses	400.00	400.00	125.00	275.00	
Aid to Volunteer Fire Company	21,300.00	21,300.00	21,050.04	249.96	
<u>Uniform Fire Safety Act</u>					
Salaries and Wages	4,100.00	4,100.00	4,000.10	99.90	
Other Expenses	900.00	900.00	35.00	865.00	
Fire Hydrant Service	27,000.00	27,300.00	27,151.93	148.07	
<u>Municipal Prosecutor</u>					
Salaries and Wages	3,000.00	3,000.00	2,700.00	300.00	

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>OPERATIONS - WITHIN "CAPS" (CONT'D)</b>					
<u>Public Works Functions</u>					
Road Repair and Maintenance					
Salaries and Wages	\$ 44,800.00	\$ 45,100.00	\$ 45,096.98	\$ 3.02	
Other Expenses	7,400.00	8,900.00	7,252.14	1,647.86	
Shade Tree Program					
Other Expenses	8,000.00	8,000.00	6,230.00	70.00	\$ 1,700.00
Garbage and Trash Removal					
Salaries and Wages	1,300.00	1,300.00	250.00	1,050.00	
Other Expenses	100.00	100.00	95.00	5.00	
Public Building and Grounds					
Salaries and Wages	30,900.00	30,900.00	24,579.88	320.12	6,000.00
Other Expenses	24,000.00	24,000.00	15,422.45	8,577.55	
Vehicle Maintenance					
Other Expenses	26,000.00	26,000.00	14,057.74	6,942.26	5,000.00
<u>Health and Human Services</u>					
Public Health Service (Board of Health)					
Salaries and Wages	1,600.00	1,600.00	1,436.24	163.76	
Other Expenses	800.00	800.00	705.00	95.00	
Animal Control Services					
Other Expenses	3,900.00	3,900.00	3,900.00		
<u>Recreation Services and Programs</u>					
Salaries and Wages	100.00	2,200.00	2,150.02	49.98	
Other Expenses	200.00	200.00	195.00	5.00	
Celebration of Public Events, Anniversary or Holidays					
Other Expenses	500.00	500.00		500.00	

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>					
Utility Expenses and Bulk Purchases	\$ 127,000.00	\$ 137,000.00	\$ 129,260.63	\$ 7,739.37	
Landfill/Solid Waste Disposal Costs	56,800.00	56,800.00	49,056.30	7,743.70	
Accumulated Leave Compensation	15,000.00	12,700.00	12,607.32	92.68	
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.14)					
Construction Code Official					
Salaries and Wages	6,300.00	6,300.00	4,854.67	1,445.33	
Other Expenses	2,300.00	2,300.00	1,964.21	335.79	
Plumbing Inspections					
Salaries and Wages	2,700.00	2,700.00	2,600.00	100.00	
Inspections of Buildings					
Salaries and Wages	6,300.00	6,300.00	6,000.38	299.62	
Electrical Inspections					
Salaries and Wages	3,200.00	3,200.00	3,120.00	80.00	
Fire Inspections					
Salaries and Wages	2,100.00	2,100.00	2,080.00	20.00	
Total Operations within "CAPS"	1,507,400.00	1,511,800.00	1,424,557.63	64,042.37	23,200.00
Detail:					
Salaries and Wages	814,000.00	798,400.00	781,918.00	10,482.00	6,000.00
Other Expenses	693,400.00	713,400.00	642,639.63	53,560.37	17,200.00

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Deferred Charges and Statutory Expenditures -- Municipal Within "CAPS"</u>					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	\$ 36,419.00	\$ 36,419.00	\$ 36,419.00		
Police and Firemen's Retirement System of NJ	88,581.00	88,581.00	88,581.00		
Defined Contribution Plan	100.00	100.00	\$ 100.00		
Social Security System (O.A.S.I.)	72,200.00	66,900.00	60,745.34	3,154.66	\$ 3,000.00
Unemployment Insurance	20,000.00	20,000.00	10,000.00		10,000.00
Total Statutory Expenditures	217,300.00	212,000.00	195,745.34	3,254.66	13,000.00
Total General Appropriations for Municipal Purposes within "CAPS"	1,724,700.00	1,723,800.00	1,620,302.97	67,297.03	36,200.00
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>					
Landfill Recycling Fees (P.L.2007,c. 311)	2,500.00	2,500.00	1,911.99	588.01	
<u>Interlocal Municipal Service Agreements:</u>					
Municipal Court					
Salaries and Wages	23,900.00	23,900.00	23,510.48	389.52	
Other Expenses	2,400.00	2,400.00	2,400.00		
Tax Collector Services					
Other Expenses	12,300.00	13,200.00	13,132.35	67.65	
Finance Services					
Salaries and Wages	18,600.00	18,600.00	18,508.62	91.38	
Other Expenses	6,000.00	6,000.00	6,000.00		
Garbage and Trash Removal					
Other Expenses	83,100.00	83,100.00	83,048.80	51.20	
Total Other Operations - Excluded from "CAPS"	148,800.00	149,700.00	148,512.24	1,187.76	-

**BOROUGH OF LAUREL SPRINGS**

**CURRENT FUND**

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>					
<u>Public and Private Programs Offset by Revenues</u>					
Clean Communities Act (40A:4-87, \$4,000.00+)	\$	4,000.00	\$	4,000.00	
Camden County Historic Preservation (40A:4-87, \$25,000.00+)		25,000.00		25,000.00	
Drunk Driving Enforcement Grant (40A:4-87, \$12,058.36+)		12,058.36		12,058.36	
Body Armor Replacement Grant (40A:4-87, \$1,090.46+)		1,090.46		1,090.46	
Safe and Secure Communities Program	\$	68,060.00		68,060.00	
Camden County Recreation Enhancement (40A:4-87 \$25,000+)		25,000.00		25,000.00	
<b>Total Public and Private Programs Offset by Revenues</b>	<b>68,060.00</b>	<b>135,208.82</b>	<b>135,208.82</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Operations - Excluded from "CAPS"</b>	<b>216,860.00</b>	<b>284,908.82</b>	<b>283,721.06</b>	<b>1,187.76</b>	<b>-</b>
<b>Detail:</b>					
Salaries and Wages	110,560.00	110,560.00	110,079.10	480.90	-
Other Expenses	106,300.00	174,348.82	173,641.96	706.86	-
<b>Capital Improvements - Excluded from "CAPS"</b>	<b>18,000.00</b>	<b>18,000.00</b>	<b>18,000.00</b>	<b>-</b>	<b>-</b>
<u>Capital Improvement Fund</u>					
<b>Municipal Debt Service - Excluded from "CAPS"</b>	<b>200,000.00</b>	<b>200,000.00</b>	<b>200,000.00</b>	<b>-</b>	<b>200.00</b>
Payment of Bond Principal	69,000.00	69,000.00	68,800.00	-	200.00
Payment of Bond Anticipation Notes and Capital Notes	83,000.00	83,000.00	82,179.88	-	820.12
Interest on Bonds	13,000.00	13,000.00	12,132.00	-	868.00
Interest on Notes					
<b>Total Municipal Debt Service - Excluded from "CAPS"</b>	<b>365,000.00</b>	<b>365,000.00</b>	<b>363,111.88</b>	<b>-</b>	<b>1,888.12</b>
<u>Deferred Charges - Municipal - Excluded from "CAPS"</u>					
Special Emergency Authorization-Five Years (N.J.S.A. 40A:4-55)	5,000.00	5,000.00	5,000.00	-	-

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17.1 & 17.3)	\$ 46,841.00	\$ 46,841.00	\$ 46,841.00	\$ -	\$ -
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	651,701.00	719,749.82	716,673.94	1,187.76	1,888.12
Subtotal General Appropriations	2,376,401.00	2,443,549.82	2,336,976.91	68,484.79	38,088.12
Reserve for Uncollected Taxes	302,599.00	302,599.00	302,599.00	-	-
Total General Appropriations	\$ 2,679,000.00	\$ 2,746,148.82	\$ 2,639,575.91	\$ 68,484.79	\$ 38,088.12
Budget	\$ 2,679,000.00				
Appropriation by 40A:4-87		67,148.82			
	\$ 2,746,148.82				
Cash Disbursements			\$ 2,196,768.09		
Special Emergency			5,000.00		
Reserve for Federal and State Grants--Appropriated			135,208.82		
Reserve for Uncollected Taxes			302,599.00		
			\$ 2,639,575.91		

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

**BOROUGH OF LAUREL SPRINGS**  
**TRUST FUNDS**  
 Statements of Assets, Liabilities and Reserves - Regulatory Basis  
 As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Animal Control Fund:			
Cash	SB-1	\$ 1,182.26	\$ 1,216.56
Other Funds:			
Cash--Treasurer	SB-1	100,232.87	111,020.00
Cash--Collector	SB-2	170,115.14	58,900.20
		<u>270,348.01</u>	<u>169,920.20</u>
		<u>\$ 271,530.27</u>	<u>\$ 171,136.76</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-3	\$ 1,166.06	\$ 1,216.56
Due to State	SB-4	16.20	
		<u>1,182.26</u>	<u>1,216.56</u>
Other Funds:			
Reserve for Tax Title Lien Redemption	SB-2	170,114.94	58,900.00
Due to Current Fund	SB-5	39,865.66	32,861.55
Due to Sewer Utility - Operating Fund	SB-1	690.42	738.26
Payroll Deductions Payable	SB-6	12,728.62	9,741.03
Reserve for Disposal of Forfeited Property	SB-7	3,506.93	3,506.57
Reserve for New Jersey Unemployment Compensation Insurance Trust Fund	SB-8	7,294.16	671.71
Reserve for Planning Board Escrow Deposits	SB-9	2,822.54	3,022.54
Reserve for Recreation Commission	SB-10	9,212.07	32,031.37
Reserve for Outside Employment of Off-Duty Municipal Police Officers	SB-11	19,827.50	24,232.50
Reserve for Public Defender	SB-12	2,335.00	2,335.00
Due to Criminal Disposition & Review Collection Fund	SB-12	1,861.17	1,792.67
Reserve for Parking Offenses Adjudication Act	SB-13	89.00	87.00
		<u>270,348.01</u>	<u>169,920.20</u>
		<u>\$ 271,530.27</u>	<u>\$ 171,136.76</u>

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

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities and Reserves - Regulatory Basis  
 As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash	SC-1	\$ 575,173.04	\$ 412,688.65
Federal - SAFETEA-LU Grant Receivable	SC-2		30,372.24
Deferred Charges to Future Taxation:			
Funded	SC-3	1,878,350.00	2,078,350.00
Unfunded	SC-4	890,395.00	539,200.00
New Jersey Transportation Trust Fund Receivable	SC-5	97,500.00	247,500.00
		<u>\$ 3,441,418.04</u>	<u>\$ 3,308,110.89</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve for Payment of Bonds	SC-2	\$ 81,723.11	\$ 19,634.78
Capital Improvement Fund	SC-6	210.00	4,315.00
Improvement Authorizations:			
Funded	SC-7	106,840.15	303,264.09
Unfunded	SC-7	201,201.78	335,863.51
Contracts Payable	SC-8	282,723.00	27,483.51
Bond Anticipation Notes	SC-9	890,370.00	539,200.00
General Serial Bonds	SC-10	1,878,350.00	2,078,350.00
		<u>\$ 3,441,418.04</u>	<u>\$ 3,308,110.89</u>

There were bonds and notes authorized but not issued on December 31, 2014 totaling \$25.00.

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

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
 As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Cash--Treasurer	SD-1	\$ 178,627.28	\$ 161,189.03
Due from Trust - Other Fund (Payroll)	SD-1	690.42	738.26
Receivables with Full Reserves:			
Sewer Rents	SD-3	12,060.72	10,179.09
Total Operating Fund		<u>191,378.42</u>	<u>172,106.38</u>
Capital Fund:			
Cash - Treasurer	SD-1&2	25,880.00	1,000.00
Fixed Capital	D	504,027.89	504,027.89
Fixed Capital Authorized and Uncompleted	SD-5	36,400.00	1,000.00
Total Capital Fund		<u>566,307.89</u>	<u>506,027.89</u>
		<u>\$ 757,686.31</u>	<u>\$ 678,134.27</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 6,555.45	\$ 3,620.12
Prepaid Rents	SD-1	901.84	209.05
Accrued Interest on Bonds and Notes	SD-4	46.71	
		<u>7,504.00</u>	<u>3,829.17</u>
Reserve for Receivables	D	12,060.72	10,179.09
Fund Balance	D-1	171,813.70	158,098.12
Total Operating Fund		<u>191,378.42</u>	<u>172,106.38</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-6	1,000.00	1,000.00
Unfunded	SD-6	23,650.00	
Capital Improvement Fund	SD-7	1,230.00	
Reserve for Amortization	D	504,027.89	504,027.89
Reserve for Deferred Amortization	SD-8	2,770.00	1,000.00
Bond Anticipation Note Payable	SD-9	33,630.00	
Total Capital Fund		<u>566,307.89</u>	<u>506,027.89</u>
		<u>\$ 757,686.31</u>	<u>\$ 678,134.27</u>

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

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2014 and 2013

<u>Revenue and Other Income Realized</u>	<u>2014</u>	<u>2013</u>
Fund Balance Utilized	\$ 9,000.00	\$ 12,000.00
Sewer Rents	153,378.37	155,097.35
Miscellaneous	2,717.09	1,709.91
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	3,620.12	6,609.96
 Total Income	 <u>168,715.58</u>	 <u>175,417.22</u>
<u>Expenditures</u>		
Budget Appropriations:		
Operating	141,100.00	142,100.00
Capital Improvements	3,000.00	
Statutory Expenditures	1,900.00	1,900.00
 Total Expenditures	 <u>146,000.00</u>	 <u>144,000.00</u>
Statutory Excess to Fund Balance	22,715.58	31,417.22
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	-	-
	<u>22,715.58</u>	<u>31,417.22</u>
<u>Fund Balance</u>		
Balance Jan. 1	<u>158,098.12</u>	<u>138,680.90</u>
	180,813.70	170,098.12
Utilization in Budget	<u>9,000.00</u>	<u>12,000.00</u>
Balance Dec. 31	<u>\$ 171,813.70</u>	<u>\$ 158,098.12</u>

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

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Revenues - Regulatory Basis  
 For the Year Ended December 31, 2014

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	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 9,000.00	\$ 9,000.00	
Rents	136,000.00	153,378.37	\$ 17,378.37
Miscellaneous Revenues	1,000.00	2,717.09	1,717.09
	<u>\$ 146,000.00</u>	<u>\$ 165,095.46</u>	<u>\$ 19,095.46</u>

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

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2014

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Original Budget	Budget After Modification			
<b>Operating</b>					
Salaries and Wages	\$ 17,800.00	\$ 17,800.00	\$ 16,815.62	\$ 984.38	
Other Expenses	123,300.00	123,300.00	118,335.22	4,964.78	
Total Operating	141,100.00	141,100.00	135,150.84	5,949.16	\$ -
<b>Capital Improvements</b>					
Capital Improvement Fund	3,000.00	3,000.00	3,000.00	-	-
<b>Deferred Charges and Statutory Expenditures</b>					
Statutory Expenditures:					
Social Security System (O.A.S.I.)	1,900.00	1,900.00	1,293.71	606.29	
	\$ 146,000.00	\$ 146,000.00	\$ 139,444.55	\$ 6,555.45	\$ -
Cash Disbursements			\$ 139,397.84		
Accrued Interest Payable			46.71		
			\$ 139,444.55		

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

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
 Schedule of General Fixed Asset Group of Accounts  
 For the Year Ended December 31, 2014

	Balance <u>Dec. 31, 2013</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2014</u>
General Fixed Assets:				
Land	\$ 1,082,900.00			\$ 1,082,900.00
Buildings and Improvements	2,240,297.98			2,240,297.98
Vehicles and Equipment	2,126,228.01	\$ 65,139.00	\$ 5,000.00	2,186,367.01
Total General Fixed Assets	<u>\$ 5,449,425.99</u>	<u>\$ 65,139.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,509,564.99</u>
Total Investment in General Fixed Assets	<u>\$ 5,449,425.99</u>			<u>\$ 5,509,564.99</u>

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

**BOROUGH OF LAUREL SPRINGS**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2014**

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

**Description of Financial Reporting Entity** - The Borough of Laurel Springs was incorporated in 1913 and is located in southwest New Jersey approximately ten miles southeast of the City of Philadelphia. The population according to the latest census is 1,908.

The Borough has a Mayor-Council form of government where the Mayor is separately elected to a four year term. The six member council is the legislative body of the Borough with the members serving for three years. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Administrator and Borough Clerk.

**Component Units** - The Borough of Laurel Springs had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and No. 61.

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

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

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

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

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

**Sewer Utility Operating and Capital Funds** - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Borough’s deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized. Of the Borough’s bank balances of \$1,128,813.40 as of December 31, 2014, \$250,000.00 was insured by the Federal Deposit Insurance Corporation, and \$878,813.40 was collateralized under the Governmental Unit Deposit Protection Act.

Note 3: **PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate	<u>\$7.222</u>	<u>\$6.984</u>	<u>\$6.724</u>	<u>\$6.649</u>	<u>\$6.464</u>
Apportionment of Tax Rate:					
Municipal	\$2.278	\$2.216	\$2.156	\$2.107	\$2.014
County	1.267	1.292	1.312	1.237	1.206
County Open Space Preservation Trust Fund	.031	.032	.036	.036	-
Local School	3.646	3.444	3.220	3.269	3.244

**Assessed Valuation**

2014	\$78,163,196.00
2013	81,497,148.00
2012	81,873,125.00
2011	81,807,076.00
2010	82,388,228.00

Note 3: **PROPERTY TAXES (CONT'D)****Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2014	\$5,646,950.46	\$5,505,947.38	97.50%
2013	5,694,626.23	5,503,868.97	96.65%
2012	5,507,737.79	5,372,748.87	97.55%
2011	5,442,630.86	5,330,451.80	97.94%
2010	5,325,806.14	5,206,763.79	97.76%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2014	\$388.02	\$121,252.97	\$121,640.99	2.15%
2013	-	174,893.19	174,893.19	3.07%
2012	-	121,590.09	121,590.09	2.20%
2011	-	103,917.02	103,917.02	1.91%
2010	-	102,345.78	102,345.78	1.92%

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

<u>Year</u>	<u>Number</u>
2014	1
2013	-
2012	-
2011	-
2010	-

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

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

<u>Year</u>	<u>Amount</u>
2014	\$551.00
2013	551.00
2012	551.00
2011	551.00
2010	551.00

Note 5: **SEWER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2014	\$10,179.09	-	\$155,260.00	\$165,439.09	\$153,378.37
2013	10,071.07	-	155,260.00	165,331.07	155,097.35
2012	9,172.91	-	157,470.04	166,642.95	156,571.88
2011	12,229.24	-	125,534.09	137,763.33	128,590.42
2010	11,648.96	-	126,355.81	138,004.77	125,775.53

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<b><u>Current Fund</u></b>			
2014	\$466,396.37	\$185,000.00	39.67%
2013	239,410.71	165,000.00	68.92%
2012	299,396.19	224,000.00	74.82%
2011	366,123.82	262,000.00	71.56%
2010	308,871.39	236,061.00	76.42%
<b><u>Sewer Utility Operating Fund</u></b>			
2014	\$171,813.70	\$9,000.00	5.24%
2013	158,098.12	9,000.00	5.69%
2012	138,680.90	12,000.00	8.65%
2011	152,570.91	52,000.00	34.08%
2010	179,480.62	44,000.00	24.52%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2014:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$44,871.15	
Federal & State Grant Fund		\$5,005.49
Trust-- Other Funds		40,556.08
Sewer Utility Operating Fund	<u>690.42</u>	<u>          </u>
	<u>\$45,561.57</u>	<u>\$45,561.57</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2015, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: **PENSION PLANS**

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

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 8: **PENSION PLANS (CONT'D)****Public Employees' Retirement System (Cont'd)**

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Non-Contributory Life Insurance</u>	<u>Paid by Borough</u>
2014	\$6,636.00	\$29,174.00	\$35,810.00	\$609.00	\$36,419.00
2013	11,404.00	27,267.00	38,671.00	2,302.00	40,973.00
2012	12,708.00	25,415.00	38,123.00	2,429.00	40,552.00

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Non-Contributory Life Insurance</u>	<u>Paid by Borough</u>
2014	\$32,245.00	\$53,080.00	\$85,325.00	\$3,256.00	\$88,581.00
2013	41,223.00	43,212.00	84,435.00	3,941.00	88,376.00
2012	54,893.00	42,164.00	97,057.00	4,332.00	101,389.00

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

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

No Borough employees participated in the Defined Contribution Retirement Program (DCRP).

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

Note 9: **COMPENSATED ABSENCES**

Full-time employees are entitled to six paid sick leave days each year. Unused sick leave may be accumulated and carried forward to subsequent years by Police officers only, for sick time use, but not for compensation upon termination or retirement. The Borough does buy back unused sick leave at year end from other full-time employees. The maximum amount of vacation time that may be carried forward at year end is one week. The police contract stipulates that vacation time must be used prior to the police officers' employment anniversary in the subsequent year, while all other full-time employees' vacation time must be used prior to March 31 of the subsequent year.

The Borough does not record accrued expenses related to compensated absences.

Note 10: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	\$2,768,720.00	\$2,617,550.00	\$2,700,840.00
Sewer Utility:			
Bonds and Notes	33,630.00		
	<hr/>		
Total Issued	2,802,350.00	2,617,550.00	2,700,840.00
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	25.00		
	<hr/>		
Total Issued and Authorized but Not Issued	2,802,375.00	2,617,550.00	2,700,840.00
	<hr/>		
Deductions:			
Funds Temporarily Held To Pay Notes	81,723.11	19,634.78	39,049.78
Self-liquidating Debt	33,630.00		
	<hr/>		
Total Deductions	115,353.11	19,634.78	39,049.78
	<hr/>		
Net Debt	<u>\$2,687,021.89</u>	<u>\$2,597,915.22</u>	<u>\$2,661,790.22</u>

Note 10: **CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 2.228%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$2,177,000.00	\$2,177,000.00	
Sewer Utility	33,630.00	33,630.00	
General	2,768,745.00	81,723.11	\$2,687,021.89
	<u>\$4,979,375.00</u>	<u>\$2,292,353.11</u>	<u>\$2,687,021.89</u>

Net Debt \$2,687,021.89 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$120,580,723.67 equals 2.228%

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

3 1/2% of Equalized Valuation Basis (Municipal) Net Debt	\$4,220,325.33 <u>2,687,021.89</u>
Remaining Borrowing Power	<u>\$1,533,303.44</u>

**Calculation of "Self Liquidating Purpose,"  
Sewer Utility Per N.J.S.A. 40A:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$165,095.46
Deductions:	
Operating and Maintenance Cost	\$139,444.84
Debt Service per Sewer Fund	<u>-</u>
Total Deductions	<u>139,444.84</u>
Excess in Revenue	<u>\$25,650.62</u>

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Note 10: **CAPITAL DEBT (CONT'D)**

**Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding**

<u>Year</u>	<u>General Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$205,000.00	\$74,929.88	\$279,929.88
2016	240,000.00	67,529.89	307,529.89
2017	255,000.00	58,154.88	313,154.88
2018	258,350.00	48,254.88	306,604.88
2019	140,000.00	37,600.00	177,600.00
2020-2024	780,000.00	98,400.00	878,400.00
	<u>\$1,878,350.00</u>	<u>\$384,869.50</u>	<u>\$2,263,219.50</u>

Note 11: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2014</u>	<u>2015 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$20,000.00	\$5,000.00

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

Note 12: **JOINT INSURANCE POOL**

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

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- Motor Vehicles

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

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Borough's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$500,000 based on the line of coverage for each insured event.

Note 12: **JOINT INSURANCE POOL (CONT'D)**

The Fund publishes its own financial report for the year ended December 31, 2014, which can be obtained from:

Camden County Municipal Joint Insurance Fund  
9 Campus Drive, Suite 16  
Parsippany, New Jersey 07054

Note 13: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$10,000.00	\$5,005.33	\$7,294.16
2013	7,000.00	13,988.18	671.71
2012	None	18,546.89	6,750.88

Note 14: **LITIGATION**

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

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Current Cash - Treasurer  
 For The Year Ended December 31, 2014

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2013	\$ 352,343.43	\$ -
Increased by Receipts:		
Taxes Receivable	\$ 5,641,714.35	
Interest and Costs on Taxes	39,946.84	
Prepaid Taxes	10,278.88	
Tax Overpayments	110,578.24	
Miscellaneous Revenue Not Anticipated	41,832.11	
Revenue Accounts Receivable	113,131.85	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	267,074.00	
Consolidated Municipal Property Tax Relief Aid	51,136.00	
Interlocal Service Agreement - Municipal Court	32,042.07	
Interlocal Service Agreement - Finance	24,682.26	
Due to Camden County MUA	17,699.93	
Reserve for Payment of Bonds & Notes	19,000.00	
Reserve for Sale of Municipal Assets	2,000.00	
Petty Cash (Contra)	400.00	
Due State of New Jersey--Senior Citizens' and Veterans' Deductions	27,250.00	
Due State of New Jersey:		
Marriage License Fees	300.00	
State Training Fees	705.00	
Due from/to Trust - Other Fund (Payroll)	32,861.35	
Reserve for Federal and State Grants		\$ 4,804.03
Federal and State Grants Receivable		<u>102,578.44</u>
	<u>6,432,632.88</u>	<u>107,382.47</u>
	6,784,976.31	107,382.47
Decreased by Disbursements:		
2014 Appropriations	2,196,768.09	
2013 Appropriation Reserves	7,971.67	
Due State of New Jersey:		
State Training Fees	628.00	
Marriage License Fees	325.00	
County Taxes	1,013,125.33	
Due to County--Added and Omitted Taxes	543.84	
Local District School Taxes	2,850,209.00	
Tax Overpayments	107,378.70	
Petty Cash (Contra)	400.00	
Due to Camden County MUA	17,699.93	
Due from/to Trust - Other Fund (Payroll)	34,855.46	
Reserve for Tax Map Revisions	2,450.00	
Reserve for Federal and State Grants	4,804.03	
Federal and State Grants - Appropriated		107,382.47
	<u>6,237,159.05</u>	<u>107,382.47</u>
Balance Dec. 31, 2014	<u>\$ 547,817.26</u>	<u>\$ -</u>

**BOROUGH OF LAUREL SPRINGS**  
CURRENT FUND  
Schedule of Change Funds  
For The Year Ended December 31, 2014

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	<u>Office</u>	Balance <u>Dec. 31, 2014</u>
Tax Collector--Treasurer		\$ 50.00
Municipal Court		50.00
Police Department		<u>200.00</u>
		<u>\$ 300.00</u>

**BOROUGH OF LAUREL SPRINGS**

CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy  
For The Year Ended December 31, 2014

Year	Balance Dec. 31, 2013	2014 Levy	Added Taxes	2013 Collections	2014 Collections	Overpayments Applied	Due to State of New Jersey	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2014
2009	\$ 19.48				\$ 19.48					
2010	2,728.83				1,936.82					\$ 792.01
2013	172,144.88		\$ 250.00		172,218.29				\$ 174.60	1.99
2014	174,893.19	\$ -	250.00	\$ -	174,174.59	\$ -	\$ -	\$ -	174.60	794.00
	-	5,646,950.46	-	10,157.62	5,467,539.76	250.00	28,000.00	20,363.56	180.55	120,458.97
	\$ 174,893.19	\$ 5,646,950.46	\$ 250.00	\$ 10,157.62	\$ 5,641,714.35	\$ 250.00	\$ 28,000.00	\$ 20,363.56	\$ 355.15	\$ 121,252.97

Analysis of 2014 Tax Levy

<u>Tax Yield</u>	
General Purpose Tax	\$ 5,644,946.04
Added Taxes (54:4-63.1 et seq.)	<u>2,004.42</u>
	<u>\$ 5,646,950.46</u>
<u>Tax Levy</u>	
Local District School Tax	\$ 2,850,209.00
County Taxes:	
County Tax	\$ 930,309.03
County Library Tax	58,935.75
County Open Space Tax	23,880.55
Due County for Added Taxes (54:4-63.1 et seq.)	<u>365.67</u>
Total County Taxes	1,013,491.00
Local Tax for Municipal Purposes	1,781,000.00
Add: Additional Tax Levied	<u>2,250.46</u>
Local Tax for Municipal Purposes Levied	<u>1,783,250.46</u>
	<u>\$ 5,646,950.46</u>

**BOROUGH OF LAUREL SPRINGS**  
CURRENT FUND  
Statement of Tax Title Liens  
For the Year Ended December 31, 2014

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Transferred from:	
2014 Taxes Receivable	\$ 180.55
2013 Taxes Receivable	<u>174.60</u>
	355.15
Interest and Costs to Date of Sale	<u>32.87</u>
Balance Dec. 31, 2014	<u><u>\$ 388.02</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Revenue Accounts Receivable  
 For the Year Ended December 31, 2014

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Accrued</u> <u>in 2014</u>	<u>Collected by</u> <u>Treasurer</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Clerk:				
Licenses:				
Alcoholic Beverages	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	
Other		2,482.00	2,482.00	
Construction Code Official:				
Fees and Permits		11,370.00	11,370.00	
Municipal Court:				
Fines and Costs	\$ 6,344.12	83,361.93	84,729.10	\$ 4,976.95
Uniform Fire Safety Act		4,550.75	4,550.75	
	<u>\$ 6,344.12</u>	<u>\$ 111,764.68</u>	<u>\$ 113,131.85</u>	<u>\$ 4,976.95</u>



**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of 2013 Appropriation Reserves  
For the Year Ended December 31, 2014

<u>OPERATIONS - WITHIN "CAPS"</u>	<u>Reserved</u>	<u>Balances After Modification</u>	<u>Disbursed</u>	<u>Balance Lapsed</u>
<u>General Government</u>				
Mayor and Council				
Other Expenses	\$ 669.06	\$ 669.06		\$ 669.06
Municipal Clerk				
Salaries and Wages	90.78	90.78		90.78
Other Expenses	3,738.74	3,738.74		3,738.74
Financial Administration				
Salaries and Wages	114.91	114.91		114.91
Other Expenses	681.03	681.03		681.03
Collection of Taxes				
Salaries and Wages	74.78	74.78		74.78
Other Expenses	113.19	113.19		113.19
Assessment of Taxes				
Salaries and Wages	100.06	100.06		100.06
Other Expenses	157.53	157.53		157.53
Legal Services				
Other Expenses	200.00	200.00		200.00
Engineering Services				
Other Expenses	250.00	250.00		250.00
Planning Board				
Salaries and Wages	19.85	19.85		19.85
Other Expenses	237.76	237.76		237.76
Municipal Court				
Salaries and Wages	230.38	230.38		230.38
Other Expenses	486.08	486.08		486.08
Public Defender				
Other Expenses	200.00	200.00		200.00
<u>Code Enforcement and Administration</u>				
Code Enforcement Office				
Salaries and Wages	68.70	68.70		68.70
Property Maintenance Officer				
Salaries and Wages	0.12	0.12		0.12
<u>Insurance</u>				
Liability Insurance	3,297.16	3,297.16		3,297.16
Workers Compensation Insurance	2,291.35	2,291.35		2,291.35
Group Insurance Plan for Employees	4,380.71	4,380.71		4,380.71
Disability Insurance	351.63	351.63		351.63
Health Benefits Waiver	483.92	483.92		483.92

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of 2013 Appropriation Reserves  
For the Year Ended December 31, 2014

	<u>Reserved</u>	<u>Balances After Modification</u>	<u>Disbursed</u>	<u>Balance Lapsed</u>
<b><u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u></b>				
<b><u>Public Safety Functions</u></b>				
Police				
Salaries and Wages	\$ 40,015.75	\$ 40,015.75	\$ 1,400.00	\$ 38,615.75
Other Expenses	6,205.57	6,205.57	33.50	6,172.07
Office of Emergency Management				
Salaries and Wages	50.02	50.02		50.02
Other Expenses	275.00	275.00		275.00
Aid to Volunteer Fire Company	249.96	249.96		249.96
Uniform Fire Safety Act				
Salaries and Wages	153.80	153.80		153.80
Other Expenses	698.80	698.80		698.80
Fire Hydrant Service	262.33	262.33		262.33
Municipal Prosecutor				
Salaries and Wages	100.00	100.00		100.00
Streets and Roads Maintenance				
Salaries and Wages	944.78	944.78		944.78
Other Expenses	3,644.48	3,644.48		3,644.48
Shade Tree Program				
Other Expenses	3,700.00	3,700.00		3,700.00
Garbage and Trash Removal				
Salaries and Wages	483.30	483.30		483.30
Other Expenses	2.00	2.00		2.00
Building and Grounds				
Salaries and Wages	1,398.00	1,398.00		1,398.00
Other Expenses	4,954.83	4,954.83		4,954.83
Vehicle Maintenance				
Other Expenses	3,005.65	3,005.65	41.00	2,964.65
<b><u>Health and Human Services</u></b>				
Public Health Service (Board of Health)				
Salaries and Wages	92.30	92.30		92.30
Other Expenses	374.56	374.56		374.56
Animal Control Service				
Other Expenses	300.00	300.00		300.00
<b><u>Recreation Functions</u></b>				
Recreation Services and Programs				
Salaries and Wages	450.22	450.22		450.22
Celebrations of Public Events				
Other Expenses	74.23	74.23		74.23
Utility Expenses and Bulk Purchases	3,630.97	3,630.97	558.09	3,072.88
Landfill/Solid Waste Disposal Costs	5,519.69	5,519.69	4,618.80	900.89
Accumulated Leave Compensation	2,586.09	2,586.09		2,586.09

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of 2013 Appropriation Reserves  
For the Year Ended December 31, 2014

	<u>Reserved</u>	<u>Balances After Modification</u>	<u>Disbursed</u>	<u>Balance Lapsed</u>
<b><u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u></b>				
Construction Code Official				
Salaries and Wages	\$ 49.79	\$ 49.79		\$ 49.79
Other Expenses	96.42	96.42		96.42
Plumbing Inspections				
Salaries and Wages	100.00	100.00		100.00
Inspections of Buildings				
Salaries and Wages	99.48	99.48		99.48
Electrical Inspections				
Salaries and Wages	80.00	80.00		80.00
Fire Inspections				
Salaries and Wages	20.00	20.00		20.00
Total Operations within "CAPS"	97,855.76	97,855.76	\$ 6,651.39	91,204.37
<b><u>Deferred Charges and Statutory Expenditures -- Municipal Within "CAPS"</u></b>				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	7,088.54	7,088.54	1,159.48	5,929.06
Unemployment Compensation Insurance	500.00	500.00		500.00
Total General Appropriations for Municipal Purposes within "CAPS"	105,444.30	105,444.30	7,810.87	97,633.43
<b><u>OPERATIONS - EXCLUDED FROM "CAPS"</u></b>				
Landfill Recycling Fees	649.60	649.60	160.80	488.80
<b><u>Interlocal Municipal Service Agreements</u></b>				
Municipal Court				
Salaries and Wages	664.62	664.62		664.62
Other Expenses	153.09	153.09		153.09
Garbage and Trash Removal				
Other Expenses	79.64	79.64		79.64
Total Other Operations - Excluded from "CAPS"	1,546.95	1,546.95	160.80	1,386.15
Total General Appropriations	\$ 106,991.25	\$ 106,991.25	\$ 7,971.67	\$ 99,019.58

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Due to State of New Jersey Senior Citizens' and  
Veterans' Deductions Ch. 73, P.L. 1976  
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 3,972.80
Increased by:		
Deductions Disallowed by Tax Collector - 2013 Taxes	\$ 250.00	
Collections	27,250.00	
		27,500.00
		31,472.80
Decreased by:		
Accrued in 2014:		
Senior Citizens' Deductions per Billings	6,500.00	
Veterans' Deductions per Billings	22,250.00	
	28,750.00	
Deductions Disallowed by Tax Collector - 2014 Taxes	750.00	
Subtotal - 2014 Taxes		28,000.00
Balance Dec. 31, 2014		\$ 3,472.80

Exhibit SA-9

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - State Training Fees  
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 124.00
Increased by:		
Receipts		705.00
		829.00
Decreased by:		
Disbursements		628.00
Balance Dec. 31, 2014		\$ 201.00

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - Marriage License Fees  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 100.00
Increased by:	
Marriage Licenses Fees Collected - 2014	300.00
	400.00
Decreased by:	
Disbursements	325.00
	75.00
Balance Dec. 31, 2014	\$ 75.00

Exhibit SA-11

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013 (2014 Taxes)	\$ 10,157.62
Increased by:	
Collections--2015 Taxes	10,278.88
	20,436.50
Decreased by:	
Application to 2014 Taxes Receivable	10,157.62
	10,278.88
Balance Dec. 31, 2014 (2015 Taxes)	\$ 10,278.88

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of County Taxes  
 For the Year Ended December 31, 2014

---

2014 Tax Levy:	
County Tax	\$ 930,309.03
County Library Tax	58,935.75
County Open SpaceTax	<u>23,880.55</u>
	1,013,125.33
Decreased by:	
Disbursements	<u>\$ 1,013,125.33</u>

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Due County for Added Taxes  
 For the Year Ended December 31, 2014

---

Balance Dec. 31, 2013 (Added Taxes 2013)	\$ 543.84
Increased by County Share of 2014 Levy:	
2014 Added Taxes (R.S.54:4-63.1 and seq.)	<u>365.67</u>
	909.51
Decreased by:	
Disbursements	<u>543.84</u>
Balance Dec. 31, 2014 (Added Taxes 2014)	<u>\$ 365.67</u>

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Local District School Tax Payable  
For the Year Ended December 31, 2014

---

2014 Tax Levy:		
School Tax		\$ 2,850,209.00
Decreased by:		
Disbursements		<u>\$ 2,850,209.00</u>

**Exhibit SA-15**

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013		\$ 250.00
Increased by:		
Cash Receipts		<u>110,578.24</u>
		110,828.24
Decreased by:		
Disbursements	\$ 107,378.70	
Applied to Taxes	<u>250.00</u>	
		<u>107,628.70</u>
Balance Dec. 31, 2014		<u><u>\$ 3,199.54</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal, State and Other Grants Receivable  
 For The Year Ended December 31, 2014

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Accrued</u>	<u>Receipts</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
State:					
Body Armor Replacement Grant		\$ 1,090.46	\$ 1,090.46		
Clean Communities Program		4,000.00	4,000.00		
N.J. Transportation Trust Fund Authority				\$ 7,045.97	
Municipal Stormwater Regulation Grant	\$ 7,045.97				\$ 5,117.00
Recycling Tonnage Grant	5,117.00	4,327.95	4,327.95		
Green Communities Grant	3,000.00				3,000.00
Drunk Driving Enforcement Grant		12,058.36	12,058.36		
Safe and Secure Communities Program	25,000.00	25,000.00	33,333.33		16,666.67
<b>Total State Grants:</b>	<b>40,162.97</b>	<b>46,476.77</b>	<b>54,810.10</b>	<b>7,045.97</b>	<b>24,783.67</b>
Other Grants:					
Camden County Recreation Enhancement Grant	29,230.00	25,000.00	29,593.98		24,636.02
Camden County Historic Preservation Grant		25,000.00			25,000.00
Camden County Open Space Preservation:					
Improvements to Walt Whitman Farmhouse	6,885.00				6,885.00
Jack H. Hagen Recreation Complex	22,710.00				22,710.00
Cord Mansion	19,136.36		18,174.36		962.00
Crystal Springs Park	241.44				241.44
Roof Repair to the Whitman Stafford House	1,612.66				1,612.66
<b>Total Other Grants:</b>	<b>79,815.46</b>	<b>50,000.00</b>	<b>47,768.34</b>	<b>-</b>	<b>82,047.12</b>
<b>Total All Grants</b>	<b>\$ 119,978.43</b>	<b>\$ 96,476.77</b>	<b>\$ 102,578.44</b>	<b>\$ 7,045.97</b>	<b>\$ 106,830.79</b>

**BOROUGH OF LAUREL SPRINGS**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal, State and Other Grants - Unappropriated  
For the Year Ended December 31, 2014

<u>Program</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2014 Budget</u>	<u>Balance Dec. 31, 2014</u>
State Grants:			
Drunk Driving Enforcement Grant	\$ 12,058.36	\$ 12,058.36	
Clean Communities Program	4,000.00	4,000.00	
Body Armor Replacement Grant	1,090.46	1,090.46	
Safe and Secure Communities Program	25,000.00	25,000.00	
Recycling Tonnage Grant	4,327.95		\$ 4,327.95
Total State Grants	46,476.77	42,148.82	4,327.95
Other Grants:			
Camden County Historic Preservation Grant	25,000.00	25,000.00	
Camden County Recreation Facilities Enhancement Grant- Improvements to Crystal Springs Park	25,000.00	25,000.00	
Total Other Grants	50,000.00	50,000.00	-
Total All Grants	\$ 96,476.77	\$ 92,148.82	\$ 4,327.95

**BOROUGH OF LAUREL SPRINGS**  
**FEDERAL AND STATE GRANT FUND**

Statement of Reserve for Federal, State and Other Grants - Appropriated  
 For the Year Ended December 31, 2014

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Transferred</u> <u>from 2014</u> <u>Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
State Grants:					
Drunk Driving Enforcement Grant	\$ 11,491.24	\$ 12,058.36	\$ 75.00		\$ 11,983.36
Clean Communities Grant	7,045.97	4,000.00	3,679.63		11,811.61
N.J. Transportation Trust Fund Authority	312.23		90.00	\$ 7,045.97	222.23
N.J. Green Communities Grant	1,000.00		1,000.00		
Sustainable Jersey Grant	19,575.53	68,060.00	66,563.07		21,072.46
Safe and Secure Communities Program	7,428.30		4,297.21		3,131.09
Recycling Tonnage Grant	2,761.43	1,090.46			3,851.89
Body Armor Replacement Grant	9,678.24		4,561.24		5,117.00
Municipal Storm Water Regulation Grant Program					
Energy Efficiency Block Grant	409.27				409.27
Alcohol Education and Rehabilitation Grant					
<b>Total State Grants</b>	<b>59,702.21</b>	<b>85,208.82</b>	<b>80,266.15</b>	<b>7,045.97</b>	<b>57,598.91</b>
Other Grants:					
Camden County Recycling Rebate	245.18		245.18		
Camden County Poetry Grant	125.00				125.00
Camden County Historic Preservation Grant		25,000.00	18,878.50		6,121.50
Camden County Recreation Facilities Enhancement Grant:					
Improvements to Jack H. Hagen Recreation Complex			4,900.00		4,949.42
Improvements to Crystal Springs Park		25,000.00			25,000.00
Camden County Open Space Preservation Trust:					
Improvements to Walt Whitman Farmhouse	3,140.72				3,140.72
Improvements to Cord Mansion	961.50		961.50		
Comcast Corporation - Technology Grant	2,692.94		2,131.14		561.80
<b>Total Other Grants</b>	<b>17,014.76</b>	<b>50,000.00</b>	<b>27,116.32</b>	<b>-</b>	<b>39,898.44</b>
<b>Total All Grants</b>	<b>\$ 76,716.97</b>	<b>\$ 135,208.82</b>	<b>\$ 107,382.47</b>	<b>\$ 7,045.97</b>	<b>\$ 97,497.35</b>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF LAUREL SPRINGS**  
**TRUST FUNDS**  
Statement of Trust Cash - Treasurer  
For the Year Ended December 31, 2014

	<u>Animal Control</u>	<u>Other</u>
Balance Dec. 31, 2013	\$ 1,216.56	\$ 111,020.00
Increased by Receipts:		
Animal Control Fees	\$ 4,720.60	
State Registration Fees	358.40	
Due from/to Current Fund		\$ 39,865.46
Due from/to Sewer Utility Operating Fund		
Payroll Deductions Payable		18,126.79
Reserve for Recreation Commission		30,931.00
Statement of Reserve for Outside Employment of Off-Duty Municipal Police Officers		17,647.50
Unemployment Compensation Insurance		11,627.78
Reserve for P.O.A.A.		2.00
Reserve for Planning Board Escrow		200.00
Reserve for Disposal of Forfeited Property		0.36
Reserve for Public Defender		1,268.50
	5,079.00	119,669.39
	6,295.56	230,689.39
Decreased by Disbursements:		
Expenditures Under R.S.4:19-15.11	4,771.10	
State Registration Fees	342.20	
Due to Current Fund		32,861.35
Due from/to Sewer Utility Operating Fund		47.84
Payroll Deductions Payable		15,139.20
Statement of Reserve for Outside Employment of Off-Duty Municipal Police Officers		22,052.50
Reserve for Unemployment Compensation Insurance		5,005.33
Reserve for Recreation Commission		53,750.30
Reserve for Planning Board Escrow		400.00
Reserve for Public Defender		1,200.00
	5,113.30	130,456.52
Balance Dec. 31, 2014	\$ 1,182.26	\$ 100,232.87

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Trust Cash - Collector  
For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$ 58,900.20
Increased by:	
Receipts for Tax Title Lien Redemptions	288,375.58
	347,275.78
Decreased by:	
Disbursements for Tax Title Lien Redemptions	177,160.64
Balance Dec. 31, 2014	\$ 170,115.14
 <u>Analysis of Balance December 31, 2014</u>	
Tax Title Lien Premiums	\$ 170,114.94
Due to Current Fund	0.20
	\$ 170,115.14

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - ANIMAL CONTROL FUND**  
Statement of Reserve for Animal Control Fund Expenditures  
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 1,216.56
Increased by:		
Dog License Fees Collected	\$ 3,216.60	
Cat License Fees Collected	339.00	
Late Fees	1,165.00	
		4,720.60
		5,937.16
Decreased by:		
Expenditures Under R.S.4:19-15.1		4,771.10
Balance Dec. 31, 2014		\$ 1,166.06

License Fees Collected

<u>Year</u>	<u>Amount</u>
2013	\$ 3,323.40
2012	3,331.80
	\$ 6,655.20

Exhibit SB-4

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - ANIMAL CONTROL FUND**  
Statement of Due to State of New Jersey - Dog License Registration Fees  
For the Year Ended December 31, 2014

Dog License Registration Fees Collected		\$ 358.40
Decreased by:		
Disbursed to State Treasurer		342.20
Balance Dec. 31, 2014		\$ 16.20

**BOROUGH OF LAUREL SPRINGS**  
TRUST - OTHER FUND  
Statement of Due to Current Fund  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013		\$ 32,861.55
Increased by:		
Prepaid Payroll	\$ 34,855.46	
Outside Police Services Admin. Fee Realized as Miscellaneous Revenue Not Anticipated	<u>5,010.00</u>	
		<u>39,865.46</u>
		72,727.01
Decreased by:		
Interfund Returned		<u>32,861.35</u>
Balance Dec. 31, 2014		<u><u>\$ 39,865.66</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Payroll Deductions Payable  
For the Year Ended December 31, 2014

---

Balance Dec. 31, 2013	\$ 9,741.03
Increased by:	
Payroll Deductions	18,126.79
	27,867.82
Decreased by:	
Payments	15,139.20
Balance Dec. 31, 2014	\$ 12,728.62

An analysis of the Payroll Deductions Payable balance is on file in the Treasurer's office.

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Disposal of Forfeited Property  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 3,506.57
Increased by:	
Receipts	0.36
Balance Dec. 31, 2014	\$ 3,506.93

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for New Jersey Unemployment Compensation Insurance  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013		\$	671.71
Increased by:			
Receipts:			
Budget Appropriation	\$ 10,000.00		
Employee Withholdings	<u>1,627.78</u>		
			<u>11,627.78</u>
			12,299.49
Decreased by:			
Claims Paid			<u>5,005.33</u>
Balance Dec. 31, 2014		\$	<u><u>7,294.16</u></u>

Exhibit SB-9

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Planning Board Escrow Deposits  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013		\$	3,022.54
Increased by:			
Escrow Receipts			<u>200.00</u>
			3,222.54
Decreased by:			
Disbursements--Professional Fees and Refunds			<u>400.00</u>
Balance Dec. 31, 2014		\$	<u><u>2,822.54</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Recreation Commission (N.J.S.A. 40:12-1)  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 32,031.37
Increased by:	
Receipts	30,931.00
	62,962.37
Decreased by:	
Disbursements	53,750.30
Balance Dec. 31, 2014	\$ 9,212.07

## Exhibit SB-11

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Outside Employment of  
Off Duty Municipal Police Officers  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 24,232.50
Increased by:	
Receipts	17,647.50
	41,880.00
Decreased by:	
Disbursements	22,052.50
Balance Dec. 31, 2014	\$ 19,827.50

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Public Defender  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 4,127.67
Increased by:	
Receipts	1,268.50
	5,396.17
Decreased by:	
Disbursements	1,200.00
Balance Dec. 31, 2014	\$ 4,196.17
 <u>Analysis of Balance December 31, 2014</u>	
Reserve for Public Defender	\$ 2,335.00
Due to Criminal Disposition and Review Collection Fund	1,861.17
	\$ 4,196.17

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for P.O.A.A.  
For the Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 87.00
Increased by:	
Receipts	2.00
Balance Dec. 31, 2014	\$ 89.00

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
Statement of Capital Cash--Treasurer  
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 412,688.65
Increased by Receipts:		
Bond Anticipation Note Proceeds	\$ 419,970.00	
Reserve to Pay Debt	130.00	
New Jersey Transportation Trust Fund Receivable	150,000.00	
Budget Appropriation - Capital Improvement Fund	18,000.00	
		588,100.00
		1,000,788.65
Decreased by Disbursements:		
Improvement Authorizations	398,854.23	
Reserve to Pay Debt- Anticipated as Revenue in Current Fund	19,000.00	
Contracts Payable	7,761.38	
		425,615.61
Balance Dec. 31, 2014		\$ 575,173.04

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For The Year Ended December 31, 2014

	Receipts			Disbursements			Balance Dec. 31, 2014
	Balance Dec. 31, 2013	Bond Anticipation Note	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers From	
Capital Improvement Fund	\$ 4,315.00		\$ 18,000.00			\$ 22,105.00	\$ 210.00
Contracts Payable	27,483.51				\$ 7,761.38	19,722.13	282,723.00
New Jersey Transportation Trust Fund Receivable	(247,500.00)		150,000.00			175,000.00	(97,500.00)
Federal - SAFETEA-LU Grant Receivable	(30,372.24)					30,372.24	
Reserve to Pay Bonds and Notes	19,634.78		130.00		19,000.00	80,958.33	81,723.11
Improvement Authorizations:							
Ordinance Number							
703-2008 Phase I of Streetscape Improvements in and for the Borough	7,052.72						
720-2009 Construction of New Fire House	107,327.65			\$ 487.50		30,372.24	23,319.52
734-2010 Construction and Reconstruction of Various Streets and Roads	7,462.00			7,462.00			106,840.15
739-2011 Construction and Reconstruction of Various Streets and Roads	98,360.85			88,887.20		9,473.65	
742-2011 Purchase of Trash Containers	2,770.00						2,770.00
747-2012 Paving, Repaving, Construction and Reconstruction Streets and Roads	57,803.10					77,525.23	19,722.13
754-2013 Construction and Reconstruction of Various Streets and Roads	248,272.87			175,663.40		17,278.97	55,330.50
755-2013 Improvements to Recreation Center and Cord Mansion	23,125.53			21,621.60			1,503.93
756-2013 Acquisition and Installation of Office Equipment	86,952.88			57,388.47		20,134.00	9,430.41
772-2014 Acquisition of Various Items of Capital Equipment		\$ 319,770.00		30,600.00		262,589.00	43,411.00
773-2014 Construction and Reconstruction of Various Streets and Roads		76,000.00		5,095.11		175,000.00	74,904.89
774-2014 Improvements to Borough Hall and Cord Mansion		24,200.00		11,648.95		1,275.00	13,826.05
	\$ 412,688.65	\$ 419,970.00	\$ 168,130.00	\$ 398,854.23	\$ 26,761.38	\$ 809,200.22	\$ 575,173.04

**BOROUGH OF LAUREL SPRINGS**  
GENERAL CAPITAL FUND  
Statement of Deferred Charges to Future Taxation - Funded  
For The Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 2,078,350.00
Decreased by:	
2014 Budget Appropriation to Pay Bonds	<u>200,000.00</u>
Balance Dec. 31, 2014	<u><u>\$ 1,878,350.00</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation - Unfunded  
 For The Year Ended December 31, 2014

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2013	2014 Authorizations	Paid by Budget Appropriation	Balance Dec. 31, 2014	Bond Anticipation Note	Unexpended Improvement Authorizations	Analysis of Balance December 31, 2014	
General Improvements:										
733-2010	Acquisition Construction, Repair and Installation of Various Capital Improvements	11/22/10	\$ 15,000.00		\$ 15,000.00					
734-2010	Construction and Reconstruction of Various Streets and Roads	11/22/10	34,640.00		34,640.00					
739-2011	Construction and Reconstruction of Various Streets and Roads	8/8/2011	75,360.00		19,160.00	\$ 56,200.00	\$ 56,200.00			
742-2011	Purchase of Trash Containers	12/26/2011	85,500.00			85,500.00	85,500.00			
747-2012	Paving, Repaving, Construction and Reconstruction Streets and Roads	9/10/2012	98,800.00			98,800.00	98,800.00			
754-2013	Construction and Reconstruction of Various Streets and Roads	6/10/2013	73,150.00			73,150.00	73,150.00			
755-2013	Improvements to Recreation Center and Cord Mansion	6/10/2013	33,250.00			33,250.00	33,250.00			
756-2013	Acquisition and Installation of Office Equipment	6/10/2013	123,500.00			123,500.00	123,500.00			
772-2014	Acquisition of Various Items of Capital Equipment	5/12/2014		\$ 319,770.00		319,770.00	319,770.00			
773-2014	Construction and Reconstruction of Various Streets and Roads	5/12/2014		76,000.00		76,000.00	76,000.00			
774-2014	Improvements to Borough Hall and Cord Mansion	5/12/2014		24,225.00		24,225.00	24,200.00	\$ 25.00		
			<u>\$ 539,200.00</u>	<u>\$ 419,995.00</u>	<u>\$ 68,800.00</u>	<u>\$ 890,395.00</u>	<u>\$ 890,370.00</u>	<u>\$ 25.00</u>		
									Less: Unexpended Proceeds of Bond Anticipation Notes Issued:	
									Ord. 742-2011	\$ 2,770.00
									Ord. 754-2013	55,330.50
									Ord. 755-2013	1,503.93
									Ord. 756-2013	9,430.41
									Ord. 772-2014	43,411.00
									Ord. 773-2014	74,904.89
									Ord. 774-2014	13,826.05
									<u>201,176.78</u>	
									<u>\$ 25.00</u>	

**BOROUGH OF LAUREL SPRINGS**  
GENERAL CAPITAL FUND  
Statement of New Jersey Transportation Trust Fund Receivable  
For The Year Ended December 31, 2014

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Balance December 31, 2013	\$ 247,500.00
Decreased by:	
Cash Received	<u>150,000.00</u>
Balance December 31, 2014	<u><u>\$ 97,500.00</u></u>

**BOROUGH OF LAUREL SPRINGS**  
GENERAL CAPITAL FUND  
Statement of Capital Improvement Fund  
For The Year Ended December 31, 2014

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Balance Dec. 31, 2013	\$ 4,315.00
Increased by:	
Budget Appropriation	<u>18,000.00</u>
	22,315.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>22,105.00</u>
Balance Dec. 31, 2014	<u><u>\$ 210.00</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For The Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2013		Capital Improvement Fund	Deferred Charges to Future Taxation Unfunded	Department of Transportation Grant	Canceled Contracts Payable	Reallocate Prior Year Expenses	Improvement Authorization Canceled	Paid or Chartered	Balance Dec. 31, 2014	
				Funded	Unfunded								Funded	Unfunded
703-2008	General Improvements: Phase I of Streetscape Improvements in and for the Borough	7/1/2008	\$ 560,000.00	\$ 7,002.72	\$ 50.00					\$ (23,319.52)	\$ 30,372.24	\$ 487.50	\$ 106,840.15	
720-2009	Construction of New Fire House	10/19/09	740,000.00	107,327.65										
734-2010	Construction and Reconstruction of Various Streets and Roads	11/22/10	272,500.00	7,462.00							7,462.00			
739-2011	Construction and Reconstruction of Various Streets and Roads	8/8/2011	231,000.00	13,810.85	84,550.00					6,040.55	3,433.10	88,887.20		
742-2011	Purchase of Trash Containers	12/26/2011	90,000.00	2,770.00									\$ 2,770.00	
747-2012	Paving, Repaving, Construction and Reconstruction of Streets and Roads	9/10/2012	294,000.00	57,803.10					\$ 19,722.13	77,525.23				
754-2013	Construction and Reconstruction of Various Streets and Roads	6/10/2013	277,000.00	175,122.87	73,150.00					17,278.97		175,663.40	55,330.50	
755-2013	Improvements to Recreation Center and Cord Mansion	6/10/2013	35,000.00	23,125.53								21,621.60	1,503.93	
756-2013	Acquisition and Installation of Office Equipment	6/10/2013	130,000.00	86,952.88								77,522.47	9,430.41	
772-2014	Acquisition of Various Items of Capital Equipment	4/28/2014	336,600.00		\$ 16,830.00	\$ 319,770.00						293,189.00	43,411.00	
773-2014	Construction and Reconstruction of Various Streets and Roads	4/28/2014	255,000.00		4,000.00	76,000.00	\$ 175,000.00				175,000.00	5,095.11	74,904.89	
774-2014	Improvements to Borough Hall and Cord Mansion	4/28/2014	25,500.00		1,275.00	24,225.00						11,648.95	13,851.05	
				\$ 303,264.09	\$ 335,863.51	\$ 22,105.00	\$ 419,995.00	\$ 175,000.00	\$ 19,722.13	\$ -	\$ 286,330.57	\$ 681,577.23	\$ 106,840.15	\$ 201,201.78
Disbursed												\$ 398,854.23		
Contracts Payable												282,723.00		
												\$ 681,577.23		

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of Contracts Payable  
 For The Year Ended December 31, 2014

<hr/>		
Balance Dec. 31, 2013		\$ 27,483.51
Increased by:		
2014 Contracts Awarded		282,723.00
		310,206.51
Decreased by:		
Change Orders	\$ 19,722.13	
Disbursements	7,761.38	
		27,483.51
Balance Dec. 31, 2014		\$ 282,723.00
<u>Analysis of Balance - Dec. 31, 2014</u>	<u>Ordinance</u>	
Ransome International, LLC	756-2013	\$ 20,134.00
Ransome International, LLC	772-2014	262,589.00
		\$ 282,723.00

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of Bond Anticipation Notes  
 For The Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
733-2010	Acquisition Construction, Repair and Installation of Various Capital Improvements	12/22/2010	11/21/2013	11/21/2014	2.25%	\$ 15,000.00	\$	15,000.00	
734-2010	Construction and Reconstruction of Various Streets and Roads	12/22/2010	11/21/2013	11/21/2014	2.25%	34,640.00		34,640.00	
739-2011	Construction and Reconstruction of Various Streets and Roads	11/21/2011	11/21/2013	11/21/2014	2.25%	75,360.00	\$	75,360.00	\$ 56,200.00
742-2011	Purchase of Trash Containers	11/21/2012	11/21/2013	11/21/2014	2.25%	85,500.00	85,500.00	85,500.00	85,500.00
747-2012	Paving, Repaving, Construction and Reconstruction of Streets and Roads	11/21/2012	11/21/2013	11/21/2014	2.25%	98,800.00	98,800.00	98,800.00	98,800.00
754-2013	Construction and Reconstruction of Various Streets and Roads	11/21/2013	11/21/2013	11/21/2014	2.25%	73,150.00	73,150.00	73,150.00	73,150.00
755-2013	Improvements to Municipal Building, Recreation Center and Cord Mansion	11/21/2013	11/21/2013	11/21/2014	2.25%	33,250.00	33,250.00	33,250.00	33,250.00
756-2013	Acquisition and Installation of Various Capital Equipment	11/21/2013	11/21/2013	11/21/2014	2.25%	123,500.00	123,500.00	123,500.00	123,500.00
772-2014	Acquisition of Various Items of Capital Equipment	11/21/2014	11/21/2014	5/21/2015	1.25%		319,770.00		319,770.00
773-2014	Construction and Reconstruction of Various Streets and Roads	11/21/2014	11/21/2014	5/21/2015	1.25%		76,000.00		76,000.00
774-2014	Improvements to Borough Hall and Cord Mansion	11/21/2014	11/21/2014	5/21/2015	1.25%		24,200.00		24,200.00
						<b>\$ 539,200.00</b>	<b>\$ 890,370.00</b>	<b>\$ 539,200.00</b>	<b>\$ 890,370.00</b>
	Paid by Budget Appropriation						\$ 68,800.00		
	Renewal						470,400.00		470,400.00
	Issued for Cash						419,970.00		419,970.00
						<b>\$ 890,370.00</b>	<b>\$ 890,370.00</b>	<b>\$ 539,200.00</b>	<b>\$ 890,370.00</b>

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For The Year Ended December 31, 2014

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2014</u>				<u>Bonds Issued</u>	<u>Paid by Budget</u>	<u>Balance Dec. 31, 2014</u>
			<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>			
General Improvements of 2006	12-7-06	\$ 1,133,350.00	12-15-15	\$ 100,000.00	4.250%				
			12-15-16	130,000.00	4.250%				
			12-15-17	130,000.00	4.250%				
			12-15-18	128,350.00	4.250%	\$ 588,350.00	\$ 100,000.00	\$ 488,350.00	
General Improvements of 2009	12-10-09	1,840,000.00	12-1-15	105,000.00	3.000%				
			12-1-16	110,000.00	3.500%				
			12-1-17	125,000.00	3.500%				
			12-1-18	130,000.00	4.000%				
			12-1-19	140,000.00	4.000%				
			12-1-20	150,000.00	4.000%				
			12-1-21	150,000.00	4.000%				
			12-1-22	160,000.00	4.000%				
		12-1-23	160,000.00	4.250%					
		12-1-24	160,000.00	4.250%	1,490,000.00	100,000.00	1,390,000.00		
						\$ 2,078,350.00	\$ -	\$ 1,878,350.00	

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized but not Issued  
For The Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>2014 Authorizations</u>	<u>Bond Anticipation Note Issued</u>	<u>Balance Dec. 31, 2014</u>
General Improvements:					
772-2014	Acquisition and Installation of Various Capital Equipment	4/28/2014	\$ 319,770.00	\$ 319,770.00	
773-2014	Construction and Reconstruction of Various Streets and Roads	4/28/2014	76,000.00	76,000.00	
774-2014	Improvements to Borough Hall and Cord Mansion	4/28/2014	24,225.00	24,200.00	\$ 25.00
			<u>\$ 419,995.00</u>	<u>\$ 419,970.00</u>	<u>\$ 25.00</u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY FUND**  
 Statement of Sewer Utility Cash  
 For the Year Ended December 31, 2014

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2013	\$ 161,189.03	\$ 1,000.00
Increased by Receipts:		
Sewer Rents	\$ 153,169.32	
Prepaid Rents	901.84	
Miscellaneous Revenue	2,717.09	
Bond Anticipation Note Issued		\$ 33,630.00
Due from/to Trust - Other Fund (Payroll)	47.84	
Due from/to Sewer Operating Fund		<u>3,000.00</u>
	<u>156,836.09</u>	<u>36,630.00</u>
	318,025.12	37,630.00
Decreased by Disbursements:		
2014 Appropriations	139,397.84	
Improvement Authorizations		<u>11,750.00</u>
Balance December 31, 2014	<u>\$ 178,627.28</u>	<u>\$ 25,880.00</u>

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**

Analysis of Sewer Capital Cash  
 For the Year Ended December 31, 2014

	Receipts		Disbursements		Balance Dec. 31, 2014	
	Balance Dec. 31, 2013	Bond Anticipation Note	Budget Appropriation	Improvement Authorizations		Transfers From
Capital Improvement Fund			\$ 3,000.00	\$ 1,770.00	\$ 1,230.00	
<u>Ordinance Number</u>						
General Improvements:						
705-2008 Various Improvements to and for the Borough's Sewer Utility	\$ 1,000.00					1,000.00
771-2014 Various Improvements to and for the Borough's Sewer Utility		\$ 33,630.00	\$ 3,000.00	\$ 11,750.00	\$ 1,770.00	23,650.00
	\$ 1,000.00	\$ 33,630.00	\$ 3,000.00	\$ 11,750.00	\$ 1,770.00	\$ 25,880.00

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY OPERATING FUND**  
Statement of Sewer Consumer Accounts Receivable  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$ 10,179.09
Increased by:		
Sewer Rents Levied		155,260.00
		165,439.09
Decreased by:		
Payments Received	\$ 153,169.32	
Prepaid Rents Applied	209.05	
		153,378.37
Balance December 31, 2014		\$ 12,060.72

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Accrued Interest on Bonds and Notes  
 For the Year Ended December 31, 2014

Budget Appropriation:	
Accrued Interest Payable	\$ 46.71
Balance December 31, 2014	\$ 46.71

**ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2014**

<b><u>PRINCIPAL OUTSTANDING</u></b>	<b><u>INTEREST</u></b>	<b><u>FROM</u></b>	<b><u>TO</u></b>	<b><u>PERIOD</u></b>	<b><u>Amount</u></b>
<b><u>DECEMBER 31, 2014</u></b>	<b><u>RATE</u></b>				
Bond Anticipation Notes:					
\$33,630.00	1.25%	11/21/14	12/31/14	40 Days	\$ 46.71

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>2014 Authorizations</u>		<u>Balance Dec. 31, 2013</u>	<u>Deferred Reserve for Amortization Future Revenue Dec. 31, 2014</u>	<u>Deferred Charges to Balance Dec. 31, 2014</u>
				<u>2014 Authorizations</u>	<u>Deferred Reserve for Amortization Future Revenue Dec. 31, 2014</u>			
General Improvements:								
705-2008	Various Improvements to and for the Borough's Sewer Utility	7/1/2008	\$ 60,000.00	\$	1,000.00	\$	1,000.00	\$ 1,000.00
771-2014	Various Improvements to and for the Borough's Sewer Utility	5/12/2014	35,400.00	\$	1,770.00	\$	33,630.00	35,400.00
				\$	1,000.00	\$	33,630.00	\$ 36,400.00

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For The Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>2014 Authorization</u>		<u>Balance Dec. 31, 2013</u>	<u>Deferred Charges to Future Revenue</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2014</u>
				<u>Capital Improvement Fund</u>	<u>Deferred Charges to Future Revenue</u>				
General Improvements:									
705-2008	Various Improvements to and for the Borough's Sewer Utility	7/1/2008	\$ 60,000.00	\$	1,000.00	\$	1,000.00	\$	23,650.00
771-2014	Various Improvements to and for the Borough's Sewer Utility	5/12/2014	35,400.00	\$	1,770.00	\$	33,630.00	\$	11,750.00
				\$	1,000.00	\$	33,630.00	\$	1,000.00
				\$	1,770.00	\$	33,630.00	\$	11,750.00
				\$	1,000.00	\$	33,630.00	\$	1,000.00
				\$	1,770.00	\$	33,630.00	\$	11,750.00
				\$	1,000.00	\$	33,630.00	\$	1,000.00
				\$	1,770.00	\$	33,630.00	\$	11,750.00
				\$	1,000.00	\$	33,630.00	\$	1,000.00
				\$	1,770.00	\$	33,630.00	\$	11,750.00

**BOROUGH OF LAUREL SPRINGS**  
SEWER UTILITY CAPITAL FUND  
Statement of Capital Improvement Fund  
For The Year Ended December 31, 2014

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Budget Appropriation	\$ 3,000.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>1,770.00</u>
Balance Dec. 31, 2014	<u><u>\$ 1,230.00</u></u>

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Deferred Reserve for Amortization  
For the Year Ended December 31, 2014

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2013</u>	<u>Fixed Capital Authorized</u>	<u>Balance Dec. 31, 2014</u>
General Improvements:					
705-2008	Various Improvements to and for the Borough's Sewer Utility	7/1/2008	\$ 1,000.00		\$ 1,000.00
771-2014	Various Improvements to and for the Borough's Sewer Utility	5/12/2014		\$ 1,770.00	1,770.00
			<u>\$ 1,000.00</u>	<u>\$ 1,770.00</u>	<u>\$ 2,770.00</u>

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Sewer Capital Bond Anticipation Notes  
For The Year Ended December 31, 2014

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Issued for Cash</u>	<u>Balance Dec. 31, 2014</u>
771-2014	Various Improvements to and for the Borough's Sewer Utility	11/21/2014	11/21/2014	5/21/2015	1.25%	<u>\$ 33,630.00</u>	<u>\$ 33,630.00</u>

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Bonds and Notes Authorized but not Issued  
For the Year Ended December 31, 2014

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>2014 Authorizations</u>	<u>Bond Anticipation Note Issued</u>
771-2014	Various Improvements to and for the Borough's Sewer Utility	\$ 33,630.00	\$ 33,630.00

**BOROUGH OF LAUREL SPRINGS**

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2014**

**BOROUGH OF LAUREL SPRINGS**  
**Schedule of Findings and Recommendations**  
**For the Year Ended December 31, 2014**

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***Schedule of Financial Statement Findings***

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

N/A - None

**BOROUGH OF LAUREL SPRINGS**  
**Summary Schedule of Prior Year Audit Findings**  
**and Recommendations as Prepared by Management**

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2013-001**

**Condition**

There were several instances where payments for fines and costs collected by the municipal court were not filed with agencies by the 15th day following the month of collection.

**Current Status**

The condition has been corrected.

**BOROUGH OF LAUREL SPRINGS**  
**Officials in Office and Surety Bonds**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Thomas Barbera	Mayor	(A)
James Redstreak	Councilman	(A)
Richard J. McCunney, II	Councilman	(A)
Kendra Mochel	Councilwoman	(A)
Eugene S. Letts	Councilman	(A)
Casey Lieb	Councilman	(A)
Susan DiGregorio	Councilwoman	(A)
Dawn Amadio	Municipal Clerk, Municipal Improvement Search and Deputy Treasurer	(A)
Dean Ciminera	Chief Financial Officer	(A)
Janice M. Gattone	Tax Collector, Tax Search Officer and Secretary to the Construction Code Official to April 1, 2014	(A)
Jennifer Dukelow *	Tax Collector and Tax Search Officer from April 14, 2014	(A)
George J. Botcheos, Esq.	Solicitor	(A)

\* Shared Service Agreement with the Township of Voorhees

(A) These officials were covered by the Camden County Joint Insurance Fund for \$50,000.00. Amounts in excess of \$50,000.00 are covered under the Municipal Excess Liability Joint Insurance Fund to \$950,000.00 less the amount of individual bond coverage where applicable.

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**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

