

**BOROUGH OF LAUREL SPRINGS**

**COUNTY OF CAMDEN**

**REPORT OF AUDIT**

**FOR THE YEAR 2012**



**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, 2012**

## **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, 2012 and 2011, 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, 2012 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, 2012 and 2011, 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, 2012 and 2011, 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, 2012 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 June 5, 2013 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*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Kirk N. Applegate*

Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
June 5, 2013



**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, 2012, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 5, 2013. 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.

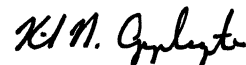
**Purpose of this Report**

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  
June 5, 2013

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

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
As of December 31, 2012 and 2011

| <u>ASSETS</u>                                       | <u>Ref.</u> | <u>2012</u>          | <u>2011</u>          |
|---|-------------|----------------------|----------------------|
| Regular Fund:                                       |             |                      |                      |
| Cash  | SA-1        | \$ 402,158.02        | \$ 462,460.61        |
| Cash--Petty Cash Fund                               | SA-1        | 400.00               |                      |
| Cash--Change Fund                                   | SA-2        | 300.00               | 300.00               |
|   |             | <u>402,858.02</u>    | <u>462,760.61</u>    |
| Receivables with Full Reserves:                     |             |                      |                      |
| Delinquent Property Taxes                           | SA-3        | 121,590.09           | 103,917.02           |
| Property Acquired for Taxes -<br>Assessed Valuation | A           | 551.00               | 551.00               |
| Revenue Accounts Receivable                         | SA-4        | 5,873.20             | 7,276.91             |
| Due from Federal and State Grant Fund               | A           | 4,763.63             |                      |
| Due from Trust - Other Fund                         | SB-5        | 21,853.11            | 581.88               |
| Due from General Capital Fund                       | SC-1        | 30.00                |                      |
| Due from Sewer Utility - Operating Fund             | SD-1        | 57.69                |                      |
|   |             | <u>154,718.72</u>    | <u>112,326.81</u>    |
|   |             | <u>557,576.74</u>    | <u>575,087.42</u>    |
| Federal and State Grant Fund:                       |             |                      |                      |
| Cash  | SA-1        |                      | 20,842.21            |
| Federal and State Grants Receivable                 | SA-14       | 179,924.35           | 171,355.85           |
|   |             | <u>179,924.35</u>    | <u>192,198.06</u>    |
|   |             | <u>\$ 737,501.09</u> | <u>\$ 767,285.48</u> |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
As of December 31, 2012 and 2011

| <u>LIABILITIES, RESERVES<br/>AND FUND BALANCE</u>                         | <u>Ref.</u> | <u>2012</u>          | <u>2011</u>          |
|---|-------------|----------------------|----------------------|
| Regular Fund:   |             |                      |                      |
| Liabilities:  |             |                      |                      |
| Appropriation Reserves  | A-3;SA-5    | \$ 75,764.19         | \$ 30,815.24         |
| Due to State of New Jersey - Senior<br>Citizens' and Veterans' Deductions | SA-6        | 12,036.53            | 11,786.53            |
| Due State of New Jersey:  |             |                      |                      |
| State Training Fees   | SA-7        | 103.00               | 208.00               |
| Marriage License Fees   | SA-8        | 75.00                | 25.00                |
| Prepaid Taxes   | SA-9        | 12,562.66            | 18,168.65            |
| Due County for Added and Omitted Taxes                                    | SA-11       | 497.24               | 627.58               |
| Local School Tax Payable  | SA-12       |                      | 30,167.30            |
| Tax Overpayments  | SA-13       | 250.00               | 3,428.38             |
| Due to Camden County MUA  | SA-1        |                      | 687.86               |
| Reserve for Sale of Municipal Assets                                      | SA-1        | 1,748.00             | 248.00               |
| Reserve for Revision and Codification of Ordinances                       | A           | 425.21               | 425.21               |
|   |             | <u>103,461.83</u>    | <u>96,587.75</u>     |
| Reserves for Receivables and Other Assets                                 | A           | 154,718.72           | 112,326.81           |
| Fund Balance  | A-1         | <u>299,396.19</u>    | <u>366,172.86</u>    |
|   |             | <u>557,576.74</u>    | <u>575,087.42</u>    |
| Federal and State Grant Fund:   |             |                      |                      |
| Due Current Fund  | A           | 4,763.63             |                      |
| Reserve for State and Federal Grants:<br>Appropriated                     | SA-16       | <u>175,160.72</u>    | <u>192,198.06</u>    |
|   |             | <u>179,924.35</u>    | <u>192,198.06</u>    |
|   |             | <u>\$ 737,501.09</u> | <u>\$ 767,285.48</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, 2012 and 2011

| <u>Revenue and Other Income Realized</u>                    | <u>2012</u>         | <u>2011</u>         |
|---|---------------------|---------------------|
| Fund Balance Utilized                                       | \$ 262,000.00       | \$ 236,061.00       |
| Miscellaneous Revenues Anticipated                          | 627,105.26          | 687,158.08          |
| Receipts from Delinquent Taxes                              | 97,719.57           | 94,409.30           |
| Receipts from Current Taxes                                 | 5,372,748.87        | 5,330,451.80        |
| Non-Budget Revenue  | 41,435.47           | 31,687.48           |
| Other Credits to Income:                                    |                     |                     |
| Unexpended Balance of Appropriation Reserves                | 22,708.23           | 32,930.54           |
| Cancellation of Tax Overpayments                            |                     | 0.95                |
| Liquidation of Reserve for:                                 |                     |                     |
| Due from Federal and State Grant Fund                       |                     | 45,401.70           |
| Due from Trust - Animal Fund                                |                     | 5.68                |
| <b>Total Income</b>   | <b>6,423,717.40</b> | <b>6,458,106.53</b> |
| <u>Expenditures</u>   |                     |                     |
| Budget and Emergency Appropriations:                        |                     |                     |
| Operations - Within "CAPS":                                 |                     |                     |
| Salaries and Wages  | 846,700.00          | 844,100.00          |
| Other Expenses  | 699,886.00          | 698,530.00          |
| Deferred Charges and Statutory Expenditures - Within "CAPS" | 216,941.00          | 214,631.00          |
| Operations - Excluded from "CAPS":                          |                     |                     |
| Salaries and Wages  | 23,100.00           | 22,790.00           |
| Other Expenses  | 230,539.74          | 229,927.71          |
| Capital Improvements Excluded from "CAPS"                   | 10,000.00           | 5,000.00            |
| Municipal Debt Service                                      | 374,247.76          | 367,114.29          |
| Transferred to Board of Education for Use of Local Schools  | 46,700.00           | 47,658.00           |
| County Taxes  | 1,102,806.77        | 1,040,323.32        |
| Due County for Added Taxes                                  | 497.24              | 627.58              |
| Local District School Tax                                   | 2,635,936.50        | 2,674,773.50        |
| Prior Year Senior Citizen Disallowance                      | 1,000.00            | 250.00              |
| Reserves Created:   |                     |                     |
| Due from Federal and State Grant Fund                       | 4,763.63            |                     |
| Due from Trust - Other Fund                                 | 21,271.23           | 581.88              |
| Due from General Capital Fund                               | 30.00               |                     |
| Due from Sewer Utility - Operating Fund                     | 57.69               |                     |
| Transfer Prior Year Revenue to Tax Overpayments             | 10,844.40           | 250.00              |
| Refund Prior Year Revenue                                   | 3,172.11            | 18,186.78           |
| <b>Total Expenditures</b>                                   | <b>6,228,494.07</b> | <b>6,164,744.06</b> |
| Statutory Excess to Surplus (Carried Forward)               | 195,223.33          | 293,362.47          |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For The Years Ended December 31, 2012 and 2011

|   | <u>2012</u>          | <u>2011</u>          |
|---|----------------------|----------------------|
| Statutory Excess to Surplus (Brought Forward) | \$ 195,223.33        | \$ 293,362.47        |
| Fund Balance Jan. 1                           | <u>366,172.86</u>    | <u>308,871.39</u>    |
|   | 561,396.19           | 602,233.86           |
| Decreased by:                                 |                      |                      |
| Utilized as Revenue                           | <u>262,000.00</u>    | <u>236,061.00</u>    |
| Balance Dec. 31                               | <u>\$ 299,396.19</u> | <u>\$ 366,172.86</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, 2012

|  | <u>Anticipated</u> |                                   | <u>Realized</u> | Excess or<br><u>(Deficit)</u> |
|--|--------------------|-----------------------------------|-----------------|-------------------------------|
|  | <u>Budget</u>      | Special<br><u>N.J.S. 40A:4-87</u> |                 |                               |
| Fund Balance Anticipated   | \$ 262,000.00      | \$ -                              | \$ 262,000.00   | \$ -                          |
| Miscellaneous Revenue  |                    |                                   |                 |                               |
| Licenses:  |                    |                                   |                 |                               |
| Alcoholic Beverages  | 6,000.00           |                                   | 6,220.80        | 220.80                        |
| Other  | 2,000.00           |                                   | 2,716.25        | 716.25                        |
| Fines and Costs:   |                    |                                   |                 |                               |
| Municipal Court  | 77,000.00          |                                   | 83,296.29       | 6,296.29                      |
| Interest and Cost on Taxes   | 24,000.00          |                                   | 25,525.17       | 1,525.17                      |
| Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)  | 258,625.00         |                                   | 258,625.00      |                               |
| Consolidated Municipal Property Tax Relief Aid (N.J.S.A. 52:27D-118.34)  | 59,585.00          |                                   | 59,585.00       |                               |
| Dedicated Uniform Construction Code Fees Offset with<br>Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):     |                    |                                   |                 |                               |
| Uniform Construction Code Fees   | 15,600.00          |                                   | 14,509.00       | (1,091.00)                    |
| Special Items of General Revenue Anticipated with Prior Written<br>Consent of Director of Local Government Services: |                    |                                   |                 |                               |
| Interlocal Municipal Service Agreements Offset with Appropriations   |                    |                                   |                 |                               |
| Municipal Court  | 25,400.00          |                                   | 31,221.01       | 5,821.01                      |
| State and Federal Revenues Off-Set with Appropriations:  |                    |                                   |                 |                               |
| Body Armor Replacement Fund  |                    | 1,112.96                          | 1,112.96        |                               |
| Clean Communities Grant  |                    | 4,000.00                          | 4,000.00        |                               |
| Recreation Facility Enhancement Grant  |                    | 25,000.00                         | 25,000.00       |                               |
| Camden County Open Space Grant   |                    | 30,000.00                         | 30,000.00       |                               |
| Alcohol Education and Rehabilitation Grant   |                    | 323.78                            | 323.78          |                               |
| Community Development Block Grant  | 16,200.00          |                                   | 16,200.00       |                               |
| Safe and Secure Communities Program - P.L. 1994, Chapter 220   | 20,701.00          | 4,299.00                          | 25,000.00       |                               |
| Recycling Tonnage Grant  |                    | 2,770.00                          | 2,770.00        |                               |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For The Year Ended December 31, 2012

|   | <u>Budget</u>          | <u>Anticipated</u><br>Special<br>N.J.S. 40A:4-87 | <u>Realized</u>        | Excess or<br><u>(Deficit)</u> |
|---|------------------------|--|------------------------|-------------------------------|
| Special Items of General Revenue Anticipated with Prior Written<br>Consent of Director of Local Government Services (Cont'd): |                        |  |                        |                               |
| Other Special Items:  |                        |  |                        |                               |
| Reserve for Payment of Bonds and Notes  | \$ 41,000.00           |  | \$ 41,000.00           |                               |
|   | 546,111.00             | \$ 67,505.74                                     | 627,105.26             | \$ 13,488.52                  |
| Receipts from Delinquent Taxes  | 94,000.00              | -  | 97,719.57              | 3,719.57                      |
| Amounts to be Raised by Taxes for Support of Municipal Budget:  |                        |  |                        |                               |
| Local Tax for Municipal Purposes including<br>Reserve for Uncollected Taxes   | 1,765,889.00           | -  | 1,884,047.36           | 118,158.36                    |
| Budget Totals   | 2,668,000.00           | 67,505.74  | 2,870,872.19           | 135,366.45                    |
| Non-Budget Revenues   | -                      | -  | 41,435.47              | 41,435.47                     |
|   | <u>\$ 2,668,000.00</u> | <u>\$ 67,505.74</u>                              | <u>\$ 2,912,307.66</u> | <u>\$ 176,801.92</u>          |

(Continued)



**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For The Year Ended December 31, 2012

Analysis of Realized Revenues

|  |    |              |
|--|----|--------------|
| Allocation of Current Tax Collections:                 |    |              |
| Revenue from Collections                               | \$ | 5,372,748.87 |
| Allocated to:  |    |              |
| School and County Taxes                                |    | 3,739,240.51 |
| Balance for Support of Municipal Budget Appropriations |    | 1,633,508.36 |
| Add: Appropriation "Reserve for Uncollected Taxes"     |    | 250,539.00   |
| Amount for Support of Municipal Budget Appropriations  | \$ | 1,884,047.36 |
| Licenses - Other:                                      |    |              |
| Clerk  | \$ | 2,716.25     |

Analysis of Non-Budget Revenue

|   |           |           |
|---|-----------|-----------|
| Miscellaneous Revenue not Anticipated:                        |           |           |
| Revenue Accounts Receivable:                                  |           |           |
| Zoning and Planning Board Fees                                | \$        | 30.00     |
| Police Reports  |           | 132.15    |
| Fees and Permits:   |           |           |
| Clerk -- Vital Statistics Fees                                | \$        | 908.00    |
| Clerk -- Other Fees and Permits                               |           | 1,565.00  |
|   |           | 2,473.00  |
| Cable T.V. Franchise Taxes                                    |           | 6,466.53  |
|   |           | 9,101.68  |
| Interest on Investments                                       | 217.78    |           |
| Public Works Vehicle/Equipment Rental                         | 760.00    |           |
| Recycling Fees  | 6,574.25  |           |
| Miscellaneous   | 909.00    |           |
| DMV Inspections Fees  | 1,129.50  |           |
| Outside Police Employment - Administrative Fee                | 21,858.26 |           |
| Tax Search Fees   | 300.00    |           |
| Administrative Fee for Senior Citizen and Veterans Deductions | 585.00    |           |
|   |           | 32,333.79 |
|   | \$        | 41,435.47 |
| Cash Received   | \$        | 19,547.21 |
| Due from Trust - Other Fund                                   |           | 21,858.26 |
| Due from General Capital Fund                                 |           | 30.00     |
|   | \$        | 41,435.47 |

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, 2012

|                                   | <u>Appropriations</u> |                                      | <u>Expended</u>            |                 | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|-----------------------------------|-----------------------|--------------------------------------|----------------------------|-----------------|--|
|                                   | <u>Budget</u>         | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> |  |
| <u>OPERATIONS - WITHIN "CAPS"</u> |                       |                                      |                            |                 |  |
| <u>General Government</u>         |                       |                                      |                            |                 |  |
| Mayor and Council                 |                       |                                      |                            |                 |  |
| Other Expenses                    | \$ 2,200.00           | \$ 1,800.00                          | \$ 1,125.80                | \$ 674.20       |  |
| Municipal Clerk                   |                       |                                      |                            |                 |  |
| Salaries and Wages                | 71,300.00             | 71,700.00                            | 71,530.98                  | 169.02          |  |
| Other Expenses                    | 15,700.00             | 16,200.00                            | 15,053.79                  | 1,146.21        |  |
| Financial Administration          |                       |                                      |                            |                 |  |
| Salaries and Wages                | 40,000.00             | 40,000.00                            | 39,818.74                  | 181.26          |  |
| Other Expenses                    | 14,700.00             | 15,200.00                            | 14,417.52                  | 782.48          |  |
| Audit Services                    | 29,000.00             | 29,000.00                            | 29,000.00                  |                 |  |
| Collection of Taxes               |                       |                                      |                            |                 |  |
| Salaries and Wages                | 43,400.00             | 43,400.00                            | 43,357.95                  | 42.05           |  |
| Other Expenses                    | 1,900.00              | 2,000.00                             | 1,894.46                   | 105.54          |  |
| Assessment of Taxes               |                       |                                      |                            |                 |  |
| Salaries and Wages                | 5,200.00              | 3,500.00                             | 3,157.33                   | 342.67          |  |
| Other Expenses                    | 400.00                | 500.00                               | 434.10                     | 65.90           |  |
| Legal Services                    |                       |                                      |                            |                 |  |
| Other Expenses                    | 16,000.00             | 15,800.00                            | 15,600.00                  | 200.00          |  |
| Engineering Services              |                       |                                      |                            |                 |  |
| Other Expenses                    | 1,500.00              | 1,000.00                             |                            | 1,000.00        |  |
| Economic Development              |                       |                                      |                            |                 |  |
| Other Expenses                    | 500.00                | 500.00                               |                            | 500.00          |  |
| <u>Land Use Administration</u>    |                       |                                      |                            |                 |  |
| Planning Board                    |                       |                                      |                            |                 |  |
| Salaries and Wages                | 4,400.00              | 4,800.00                             | 4,778.19                   | 21.81           |  |
| Other Expenses                    | 2,800.00              | 2,800.00                             | 2,549.81                   | 250.19          |  |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2012

|  | Appropriations |                                      | Expended                   |                 | Unexpended<br>Balance<br>Canceled |
|--|----------------|--------------------------------------|----------------------------|-----------------|-----------------------------------|
|  | <u>Budget</u>  | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> |                                   |
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u> |                |                                      |                            |                 |                                   |
| <u>Land Use Administration (Cont'd)</u>    |                |                                      |                            |                 |                                   |
| Municipal Court                            |                |                                      |                            |                 |                                   |
| Salaries and Wages                         | \$ 42,600.00   | \$ 42,400.00                         | \$ 42,011.93               | \$ 388.07       |                                   |
| Other Expenses                             | 4,300.00       | 4,800.00                             | 4,239.39                   | 560.61          |                                   |
| Public Defender                            |                |                                      |                            |                 |                                   |
| Other Expenses                             | 200.00         | 200.00                               |                            | 200.00          |                                   |
| <u>Code Enforcement and Administration</u> |                |                                      |                            |                 |                                   |
| Code Enforcement Office                    |                |                                      |                            |                 |                                   |
| Salaries and Wages                         | 4,100.00       | 4,100.00                             | 4,008.16                   | 91.84           |                                   |
| Other Expenses                             | 100.00         | 100.00                               | 100.00                     |                 |                                   |
| Property Maintenance Officer               |                |                                      |                            |                 |                                   |
| Salaries and Wages                         | 3,000.00       | 3,000.00                             | 2,999.88                   | 0.12            |                                   |
| Other Expenses                             | 100.00         | 100.00                               | 100.00                     |                 |                                   |
| <u>Insurance</u>                           |                |                                      |                            |                 |                                   |
| Liability Insurance                        | 60,000.00      | 57,700.00                            | 54,203.78                  | 3,496.22        |                                   |
| Workers Compensation Insurance             | 48,000.00      | 48,000.00                            | 46,910.97                  | 1,089.03        |                                   |
| Group Insurance Plan for Employees         | 156,936.00     | 152,036.00                           | 149,087.92                 | 2,948.08        |                                   |
| Disability Insurance                       | 2,600.00       | 7,500.00                             | 7,318.00                   | 182.00          |                                   |
| Health Benefits Waiver                     | 8,000.00       | 8,000.00                             | 7,516.08                   | 483.92          |                                   |
| <u>Public Safety Functions</u>             |                |                                      |                            |                 |                                   |
| Police                                     |                |                                      |                            |                 |                                   |
| Salaries and Wages                         | 506,000.00     | 506,000.00                           | 480,792.69                 | 15,207.31       | \$ 10,000.00                      |
| Other Expenses                             | 24,200.00      | 24,200.00                            | 14,839.56                  | 1,360.44        | 8,000.00                          |
| Office of Emergency Management             |                |                                      |                            |                 |                                   |
| Salaries and Wages                         | 1,200.00       | 1,200.00                             | 1,149.98                   | 50.02           |                                   |
| Other Expenses                             | 300.00         | 500.00                               | 368.79                     | 131.21          |                                   |
| Aid to Volunteer Fire Company              | 21,300.00      | 21,300.00                            | 21,250.04                  | 49.96           |                                   |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2012

|  | <u>Appropriations</u> |                                      | <u>Expended</u>            |                 | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|--|-----------------------|--------------------------------------|----------------------------|-----------------|--|
|  | <u>Budget</u>         | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> |  |
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u> |                       |                                      |                            |                 |  |
| <u>Public Safety Functions (Cont'd)</u>    |                       |                                      |                            |                 |  |
| Uniform Fire Safety Act                    |                       |                                      |                            |                 |  |
| Salaries and Wages                         | \$ 100.00             | \$ 100.00                            |                            | \$ 100.00       |  |
| Other Expenses                             | 100.00                | 300.00                               | \$ 280.00                  | 20.00           |  |
| Fire Hydrant Service                       | 25,800.00             | 26,900.00                            | 26,834.10                  | 65.90           |  |
| Municipal Prosecutor                       |                       |                                      |                            |                 |  |
| Salaries and Wages                         | 2,700.00              | 2,700.00                             | 2,700.00                   |                 |  |
| <u>Public Works Functions</u>              |                       |                                      |                            |                 |  |
| Road Repair and Maintenance                |                       |                                      |                            |                 |  |
| Salaries and Wages                         | 57,600.00             | 54,600.00                            | 54,160.44                  | 439.56          |  |
| Other Expenses                             | 10,400.00             | 7,900.00                             | 5,275.67                   | 2,624.33        |  |
| Shade Tree Program                         |                       |                                      |                            |                 |  |
| Other Expenses                             | 12,000.00             | 12,000.00                            | 11,450.00                  | 550.00          |  |
| Garbage and Trash Removal                  |                       |                                      |                            |                 |  |
| Salaries and Wages                         | 15,200.00             | 12,200.00                            | 9,113.88                   | 86.12           | \$ 3,000.00                                |
| Other Expenses                             | 100.00                | 100.00                               | 90.99                      | 9.01            |  |
| Public Building and Grounds                |                       |                                      |                            |                 |  |
| Salaries and Wages                         | 17,500.00             | 20,700.00                            | 20,183.25                  | 516.75          |  |
| Other Expenses                             | 29,900.00             | 29,900.00                            | 26,535.04                  | 3,364.96        |  |
| Vehicle Maintenance                        |                       |                                      |                            |                 |  |
| Other Expenses                             | 26,000.00             | 31,000.00                            | 28,730.48                  | 2,269.52        |  |
| <u>Health and Human Services</u>           |                       |                                      |                            |                 |  |
| Public Health Service (Board of Health)    |                       |                                      |                            |                 |  |
| Salaries and Wages                         | 1,400.00              | 1,400.00                             | 1,379.82                   | 20.18           |  |
| Other Expenses                             | 1,100.00              | 1,100.00                             | 441.15                     | 658.85          |  |
| Animal Control Services                    |                       |                                      |                            |                 |  |
| Other Expenses                             | 4,100.00              | 4,100.00                             | 3,691.73                   | 408.27          |  |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2012

|   | Appropriations      |                                      | Expended                   |                  | Unexpended<br>Balance<br>Canceled |
|---|---------------------|--------------------------------------|----------------------------|------------------|-----------------------------------|
|   | <u>Budget</u>       | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u>  |                                   |
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>  |                     |                                      |                            |                  |                                   |
| <u>Recreation Functions</u>   |                     |                                      |                            |                  |                                   |
| Recreation Services and Programs  |                     |                                      |                            |                  |                                   |
| Salaries and Wages  | \$ 2,000.00         | \$ 2,000.00                          | \$ 1,592.73                | \$ 407.27        |                                   |
| Other Expenses  | 200.00              | 200.00                               | 166.77                     | 33.23            |                                   |
| Celebration of Public Events, Anniversary or Holidays   |                     |                                      |                            |                  |                                   |
| Other Expenses  | 400.00              | 400.00                               | 398.78                     | 1.22             |                                   |
| Utility Expenses and Bulk Purchases   | 123,500.00          | 126,700.00                           | 118,168.53                 | 8,531.47         |                                   |
| Landfill/Solid Waste Disposal Costs   | 73,450.00           | 70,950.00                            | 42,924.14                  | 13,025.86        | \$ 15,000.00                      |
| Accumulated Leave Compensation  | 25,500.00           | 25,500.00                            | 20,924.96                  | 4,575.04         |                                   |
| <u>Uniform Construction Code -<br/>Appropriations Offset by Dedicated<br/>Revenues (N.J.A.C. 5:23-4.14)</u> |                     |                                      |                            |                  |                                   |
| Construction Code Official  |                     |                                      |                            |                  |                                   |
| Salaries and Wages  | 6,100.00            | 6,100.00                             | 6,091.66                   | 8.34             |                                   |
| Other Expenses  | 2,300.00            | 2,100.00                             | 1,880.97                   | 219.03           |                                   |
| 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                             | 6,240.26                   | 59.74            |                                   |
| 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            |                                   |
| <b>Total Operations within "CAPS"</b>   | <b>1,583,686.00</b> | <b>1,582,586.00</b>                  | <b>1,476,671.19</b>        | <b>69,914.81</b> | <b>36,000.00</b>                  |
| <u>Detail:</u>  |                     |                                      |                            |                  |                                   |
| Salaries and Wages  | 863,600.00          | 859,700.00                           | 823,792.83                 | 22,907.17        | 13,000.00                         |
| Other Expenses  | 720,086.00          | 722,886.00                           | 652,878.36                 | 47,007.64        | 23,000.00                         |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2012

|   | <u>Appropriations</u> |                                      | <u>Expended</u>            |                 | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---|-----------------------|--------------------------------------|----------------------------|-----------------|--|
|   | <u>Budget</u>         | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> |  |
| <u>Deferred Charges and Statutory Expenditures -- Municipal Within "CAPS"</u> |                       |                                      |                            |                 |  |
| Statutory Expenditures:   |                       |                                      |                            |                 |  |
| Contribution to:  |                       |                                      |                            |                 |  |
| Public Employees Retirement System  | \$ 40,552.00          | \$ 40,552.00                         | \$ 40,552.00               |                 |  |
| Police and Firemen's Retirement System of NJ                                  | 101,389.00            | 101,389.00                           | 101,389.00                 |                 |  |
| Social Security System (O.A.S.I.)   | 75,000.00             | 75,000.00                            | 70,476.83                  | \$ 4,523.17     |  |
| Total Statutory Expenditures  | 216,941.00            | 216,941.00                           | 212,417.83                 | 4,523.17        | \$ -                                       |
| Total General Appropriations for Municipal Purposes within "CAPS"             | 1,800,627.00          | 1,799,527.00                         | 1,689,089.02               | 74,437.98       | 36,000.00                                  |
| <u>OPERATIONS - EXCLUDED FROM "CAPS"</u>                                      |                       |                                      |                            |                 |  |
| Landfill Recycling Fees (P.L.2007,c. 311)                                     | 2,870.00              | 2,870.00                             | 2,364.54                   | 505.46          |  |
| Insurance:  |                       |                                      |                            |                 |  |
| Group Insurance Plan for Employees  | 3,064.00              | 3,064.00                             | 3,064.00                   |                 |  |
| <u>Interlocal Municipal Service Agreements:</u>                               |                       |                                      |                            |                 |  |
| Municipal Court   |                       |                                      |                            |                 |  |
| Salaries and Wages  | 23,100.00             | 23,100.00                            | 22,838.99                  | 261.01          |  |
| Other Expenses  | 2,300.00              | 2,300.00                             | 1,800.00                   | 500.00          |  |
| Garbage and Trash Removal   |                       |                                      |                            |                 |  |
| Other Expenses  | 89,600.00             | 89,600.00                            | 89,540.26                  | 59.74           |  |
| Total Other Operations - Excluded from "CAPS"                                 | 120,934.00            | 120,934.00                           | 119,607.79                 | 1,326.21        | -  |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2012

|  | Appropriations    |                              | Expended           |                 | Unexpended<br>Balance<br>Canceled |
|--|-------------------|------------------------------|--------------------|-----------------|-----------------------------------|
|  | Budget            | Budget After<br>Modification | Paid or<br>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 Open Space Grant (40A:4-87, \$30,000.00+)                        |                   | 30,000.00                    | 30,000.00          |                 |                                   |
| Alcohol Education, Rehabilitation & Enforcement Grant<br>(40A:4-87, \$323.78+) |                   | 323.78                       | 323.78             |                 |                                   |
| Body Armor Replacement Grant (40A:4-87, \$1,112.96+)                           |                   | 1,112.96                     | 1,112.96           |                 |                                   |
| Safe and Secure Communities Program (40A:4-87, \$4,299.00+)                    | \$ 49,000.00      | 53,299.00                    | 53,299.00          |                 |                                   |
| Community Development Block Grant  | 16,200.00         | 16,200.00                    | 16,200.00          |                 |                                   |
| Recycling Tonnage Grant (40A:4-87, \$2,770.00+)                                |                   | 2,770.00                     | 2,770.00           |                 |                                   |
| Camden County Recreation Enhancement Grant (40A:4-87, \$25,000.00+)            |                   | 25,000.00                    | 25,000.00          |                 |                                   |
| <b>Total Public and Private Programs Offset by Revenues</b>                    | <b>65,200.00</b>  | <b>132,705.74</b>            | <b>132,705.74</b>  | <b>\$ -</b>     | <b>\$ -</b>                       |
| <b>Total Operations - Excluded from "CAPS"</b>                                 | <b>186,134.00</b> | <b>253,639.74</b>            | <b>252,313.53</b>  | <b>1,326.21</b> | <b>-</b>                          |
| Detail:  |                   |                              |                    |                 |                                   |
| Salaries and Wages   | 23,100.00         | 23,100.00                    | 22,838.99          | 261.01          | -                                 |
| Other Expenses   | 163,034.00        | 230,539.74                   | 229,474.54         | 1,065.20        | -                                 |
| <u>Capital Improvements - Excluded from "CAPS"</u>                             |                   |                              |                    |                 |                                   |
| Capital Improvement Fund   | 10,000.00         | 10,000.00                    | 10,000.00          | -               | -                                 |
| <u>Municipal Debt Service - Excluded from "CAPS"</u>                           |                   |                              |                    |                 |                                   |
| Payment of Bond Principal  | 245,000.00        | 245,000.00                   | 245,000.00         |                 |                                   |
| Payment of Bond Anticipation Notes and Capital Notes                           | 20,000.00         | 20,000.00                    | 20,000.00          |                 |                                   |
| Interest on Bonds  | 104,000.00        | 104,000.00                   | 103,242.38         |                 | 757.62                            |
| Interest on Notes  | 5,000.00          | 6,100.00                     | 6,005.38           |                 | 94.62                             |
| <b>Total Municipal Debt Service - Excluded from "CAPS"</b>                     | <b>374,000.00</b> | <b>375,100.00</b>            | <b>374,247.76</b>  | <b>-</b>        | <b>852.24</b>                     |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For The Year Ended December 31, 2012

|  | Appropriations         |                                      | Expended                   |                     | Unexpended<br>Balance<br>Canceled |
|--|------------------------|--------------------------------------|----------------------------|---------------------|-----------------------------------|
|  | <u>Budget</u>          | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u>     |                                   |
| Transferred to Board of Education for Use of Local Schools<br>(N.J.S.A. 40:48-17.1 & 17.3) | \$ 46,700.00           | \$ 46,700.00                         | \$ 46,700.00               | \$ -                | \$ -                              |
| Total General Appropriations for Municipal Purposes<br>Excluded from "CAPS"                | 616,834.00             | 685,439.74                           | 683,261.29                 | 1,326.21            | 852.24                            |
| Subtotal General Appropriations  | 2,417,461.00           | 2,484,966.74                         | 2,372,350.31               | 75,764.19           | 36,852.24                         |
| Reserve for Uncollected Taxes  | 250,539.00             | 250,539.00                           | 250,539.00                 | -                   | -                                 |
| Total General Appropriations   | <u>\$ 2,668,000.00</u> | <u>\$ 2,735,505.74</u>               | <u>\$ 2,622,889.31</u>     | <u>\$ 75,764.19</u> | <u>\$ 36,852.24</u>               |
| Budget   |                        | \$ 2,668,000.00                      |                            |                     |                                   |
| Appropriation by 40A:4-87  |                        | <u>67,505.74</u>                     |                            |                     |                                   |
|  |                        | <u>\$ 2,735,505.74</u>               |                            |                     |                                   |
| Cash Disbursements   |                        |                                      | \$ 2,239,644.57            |                     |                                   |
| Reserve for Federal and State Grants--Appropriated   |                        |                                      | 132,705.74                 |                     |                                   |
| Reserve for Uncollected Taxes  |                        |                                      | <u>250,539.00</u>          |                     |                                   |
|  |                        |                                      | <u>\$ 2,622,889.31</u>     |                     |                                   |

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, 2012 and 2011

| <u>ASSETS</u>  | <u>Ref.</u> | <u>2012</u>          | <u>2011</u>          |
|--|-------------|----------------------|----------------------|
| Animal Control Fund:   |             |                      |                      |
| Cash   | SB-1        | \$ 2,147.28          | \$ 2,104.94          |
| Other Funds:   |             |                      |                      |
| Cash--Treasurer  | SB-1        | 84,305.28            | 52,779.76            |
| Cash--Collector  | SB-2        | 72,394.85            | 54,483.76            |
|  |             | <u>156,700.13</u>    | <u>107,263.52</u>    |
|  |             | <u>\$ 158,847.41</u> | <u>\$ 109,368.46</u> |
| <br><u>LIABILITIES AND RESERVES</u>                                      |             |                      |                      |
| Animal Control Fund:   |             |                      |                      |
| Reserve for Animal Control Fund Expenditures                             | SB-3        | \$ 2,110.28          | \$ 2,080.54          |
| Due to State   | SB-4        | 37.00                | 24.40                |
|  |             | <u>2,147.28</u>      | <u>2,104.94</u>      |
| Other Funds:   |             |                      |                      |
| Reserve for Tax Title Lien Redemption                                    | SB-2        | 72,400.00            | 53,900.00            |
| Due to Current Fund  | SB-5        | 21,853.11            | 581.88               |
| Payroll Deductions Payable   | SB-6        | 5,736.58             | 4,050.98             |
| Reserve for Disposal of Forfeited Property                               | SB-7        | 4,407.57             | 4,406.64             |
| Reserve for New Jersey Unemployment<br>Compensation Insurance Trust Fund | SB-8        | 6,750.88             | 24,306.09            |
| Reserve for Planning Board Escrow Deposits                               | SB-9        | 2,867.54             | 3,493.79             |
| Reserve for Recreation Commission  | SB-10       | 21,531.63            | 9,903.21             |
| Reserve for Outside Employment<br>of Off-Duty Municipal Police Officers  | SB-11       | 15,055.00            | 2,513.26             |
| Reserve for Public Defender  | SB-12       | 2,000.00             | 1,625.00             |
| Reserve for Centennial   | SB-13       | 947.65               | 500.00               |
| Reserve for Parking Offenses Adjudication Act                            | SB-14       | 85.00                | 83.00                |
| Reserve for Street Opening Deposits                                      | B           | 637.50               | 637.50               |
| Due to Criminal Disposition & Review Collection Fund                     | SB-12       | 2,427.67             | 1,262.17             |
|  |             | <u>156,700.13</u>    | <u>107,263.52</u>    |
|  |             | <u>\$ 158,847.41</u> | <u>\$ 109,368.46</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, 2012 and 2011

| <u>ASSETS</u>                                   | <u>Ref.</u> | <u>2012</u>            | <u>2011</u>            |
|---|-------------|------------------------|------------------------|
| Cash  | SC-1        | \$ 324,882.27          | \$ 76,183.65           |
| Federal - SAFETEA-LU Grant Receivable           | SC-2        | 30,372.24              | 383,000.00             |
| Deferred Charges to Future Taxation:            |             |                        |                        |
| Funded  | SC-3        | 2,348,350.00           | 2,593,350.00           |
| Unfunded  | SC-4        | 352,490.00             | 273,690.00             |
| New Jersey Transportation Trust Fund Receivable | SC-5        | 47,500.00              | 55,750.00              |
|   |             | <u>\$ 3,103,594.51</u> | <u>\$ 3,381,973.65</u> |
| <br><u>LIABILITIES AND RESERVES</u>             |             |                        |                        |
| Reserve for Payment of Bonds                    | SC-2        | \$ 39,049.78           | \$ 48,335.38           |
| Due to Current Fund                             | SC-2        | 30.00                  |                        |
| Capital Improvement Fund                        | SC-6        | 6,415.00               | 1,615.00               |
| Improvement Authorizations:                     |             |                        |                        |
| Funded  | SC-7        | 136,088.75             | 317,392.75             |
| Unfunded  | SC-7        | 188,047.47             | 233,090.52             |
| Contracts Payable                               | SC-8        | 33,123.51              |                        |
| Bond Anticipation Notes                         | SC-9        | 352,490.00             | 188,190.00             |
| General Serial Bonds                            | SC-10       | 2,348,350.00           | 2,593,350.00           |
|   |             | <u>\$ 3,103,594.51</u> | <u>\$ 3,381,973.65</u> |

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, 2012 and 2011

| <u>ASSETS</u>                            | <u>Ref.</u> | <u>2012</u>          | <u>2011</u>          |
|--|-------------|----------------------|----------------------|
| Operating Fund:                          |             |                      |                      |
| Cash--Treasurer                          | SD-1        | \$ 145,500.50        | \$ 163,500.26        |
| Receivables with Full Reserves:          |             |                      |                      |
| Water and Sewer Rents                    | SD-3        | 10,071.07            | 9,172.91             |
| Total Operating Fund                     |             | <u>155,571.57</u>    | <u>172,673.17</u>    |
| Capital Fund:                            |             |                      |                      |
| Cash - Treasurer                         | SD-1&2      | 1,000.00             | 1,000.00             |
| Fixed Capital                            | D           | 504,027.89           | 504,027.89           |
| Fixed Capital Authorized and Uncompleted | D           | 1,000.00             | 1,000.00             |
| Total Capital Fund                       |             | <u>506,027.89</u>    | <u>506,027.89</u>    |
|  |             | <u>\$ 661,599.46</u> | <u>\$ 678,701.06</u> |
| <u>LIABILITIES, RESERVES</u>             |             |                      |                      |
| <u>AND FUND BALANCE</u>                  |             |                      |                      |
| Operating Fund:                          |             |                      |                      |
| Liabilities:                             |             |                      |                      |
| Appropriation Reserves                   | D-3         | \$ 6,609.96          | \$ 10,151.96         |
| Prepaid Rents                            | SD-1        | 151.95               | 777.39               |
| Due Current Fund                         | SD-1        | 57.69                |                      |
|  |             | <u>6,819.60</u>      | <u>10,929.35</u>     |
| Reserve for Receivables                  | D           | 10,071.07            | 9,172.91             |
| Fund Balance                             | D-1         | 138,680.90           | 152,570.91           |
| Total Operating Fund                     |             | <u>155,571.57</u>    | <u>172,673.17</u>    |
| Capital Fund:                            |             |                      |                      |
| Improvement Authorizations:              |             |                      |                      |
| Funded                                   | D           | 1,000.00             | 1,000.00             |
| Reserve for Amortization                 | D           | 505,027.89           | 505,027.89           |
| Total Capital Fund                       |             | <u>506,027.89</u>    | <u>506,027.89</u>    |
|  |             | <u>\$ 661,599.46</u> | <u>\$ 678,701.06</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, 2012 and 2011

| <u>Revenue and Other<br/>Income Realized</u>     | <u>2012</u>           | <u>2011</u>           |
|--|-----------------------|-----------------------|
| Fund Balance Utilized                            | \$ 52,000.00          | \$ 50,800.00          |
| Sewer Rents                                      | 156,571.88            | 128,590.42            |
| Miscellaneous                                    | 886.15                | 1,419.21              |
| Other Credits to Income:                         |                       |                       |
| Unexpended Balance of Appropriation Reserves     | 2,651.96              | 8,880.66              |
| <br>Total Income                                 | <br><u>212,109.99</u> | <br><u>189,690.29</u> |
| <u>Expenditures</u>                              |                       |                       |
| Budget Appropriations:                           |                       |                       |
| Operating  | 172,000.00            | 137,100.00            |
| Statutory Expenditures                           | 2,000.00              | 1,900.00              |
| Surplus (General Budget)                         |                       | 26,800.00             |
| <br>Total Expenditures                           | <br><u>174,000.00</u> | <br><u>165,800.00</u> |
| <br>Statutory Excess to Fund Balance             | <br>38,109.99         | <br>23,890.29         |
| Adjustments to Income Before Fund Balance:       |                       |                       |
| Expenditures included above which are by Statute |                       |                       |
| Deferred Charges to Budget of Succeeding Year    | -                     | -                     |
|  | <u>38,109.99</u>      | <u>23,890.29</u>      |
| <u>Fund Balance</u>                              |                       |                       |
| Balance Jan. 1                                   | <u>152,570.91</u>     | <u>221,449.85</u>     |
|  | 190,680.90            | 203,370.91            |
| Utilization in Budget                            | <u>52,000.00</u>      | <u>50,800.00</u>      |
| Balance Dec. 31                                  | <u>\$ 138,680.90</u>  | <u>\$ 152,570.91</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, 2012

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|                          | <u>Budget</u>        | <u>Realized</u>      | <u>Excess</u>       |
|--------------------------|----------------------|----------------------|---------------------|
| Fund Balance Anticipated | \$ 52,000.00         | \$ 52,000.00         |                     |
| Rents                    | 125,000.00           | 156,571.88           | \$ 31,571.88        |
|                          | <u>\$ 177,000.00</u> | <u>\$ 208,571.88</u> | <u>\$ 31,571.88</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, 2012

|  | <u>Appropriations</u>      |                                      | <u>Paid or Charged</u> | <u>Reserved</u>    | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|--|----------------------------|--------------------------------------|------------------------|--------------------|--|
|  | <u>Original<br/>Budget</u> | <u>Budget After<br/>Modification</u> |                        |                    |  |
| <b>Operating</b>                                   |                            |                                      |                        |                    |  |
| Salaries and Wages                                 | \$ 30,000.00               | \$ 28,500.00                         | \$ 24,867.72           | \$ 632.28          | \$ 3,000.00                                |
| Other Expenses                                     | 144,500.00                 | 146,500.00                           | 140,650.39             | 5,849.61           |  |
| Total Operating                                    | 174,500.00                 | 175,000.00                           | 165,518.11             | 6,481.89           | 3,000.00                                   |
| <b>Deferred Charges and Statutory Expenditures</b> |                            |                                      |                        |                    |  |
| Statutory Expenditures:                            |                            |                                      |                        |                    |  |
| Social Security System (O.A.S.I.)                  | 2,500.00                   | 2,000.00                             | 1,871.93               | 128.07             |  |
|  | <u>\$ 177,000.00</u>       | <u>\$ 177,000.00</u>                 | <u>\$ 167,390.04</u>   | <u>\$ 6,609.96</u> | <u>\$ 3,000.00</u>                         |

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, 2012

|   | Balance<br><u>Dec. 31, 2011</u> | <u>Additions</u>    | <u>Deletions</u>    | Balance<br><u>Dec. 31, 2012</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                      | 2,066,026.26                    | \$ 51,066.00        | \$ 28,817.00        | 2,088,275.26                    |
| Total General Fixed Assets                  | <u>\$ 5,372,589.24</u>          | <u>\$ 51,066.00</u> | <u>\$ 28,817.00</u> | <u>\$ 5,411,473.24</u>          |
| Total Investment in General<br>Fixed Assets | <u>\$ 5,372,589.24</u>          |                     |                     | <u>\$ 5,411,473.24</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, 2012**

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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. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk.

**Component Units** - The Borough of Laurel Springs had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

**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 over-expenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

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

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

**Fund Balance** - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future year's 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 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.

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

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

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

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

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. 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 would be shown as Uninsured and Uncollateralized. Of the Borough's bank balances of \$1,052,551.70 as of December 31, 2012, \$250,000.00 was insured by the Federal Deposit Insurance Corporation, and \$802,551.70 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>2012</u>     | <u>2011</u>     | <u>2010</u>     | <u>2009</u>     | <u>2008</u>     |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Tax Rate                   | <u>\$ 6.724</u> | <u>\$ 6.649</u> | <u>\$ 6.464</u> | <u>\$ 6.146</u> | <u>\$ 5.906</u> |
| Apportionment of Tax Rate: |                 |                 |                 |                 |                 |
| Municipal                  | \$ 2.156        | \$ 2.107        | \$ 2.014        | \$ 1.820        | \$ 1.661        |
| County                     | 1.348           | 1.273           | 1.206           | 1.173           | 1.165           |
| Local School               | 3.220           | 3.269           | 3.244           | 3.153           | 3.080           |

Note 4: **PROPERTY TAXES (CONT'D)****Assessed Valuation**

|      |                  |
|------|------------------|
| 2012 | \$ 81,873,125.00 |
| 2011 | 81,807,076.00    |
| 2010 | 82,388,228.00    |
| 2009 | 82,574,037.00    |
| 2008 | 82,452,800.00    |

**Comparison of Tax Levies and Collections**

| <u>Year</u> | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
|-------------|-----------------|--------------------|----------------------------------|
| 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%                           |
| 2009        | 5,075,263.06    | 4,953,513.47       | 97.60%                           |
| 2008        | 4,881,270.03    | 4,785,295.47       | 98.03%                           |

**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> |
|-------------|------------------------|-------------------------|-------------------------|-------------------------------|
| 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%                         |
| 2009        | -                      | 116,710.34              | 116,710.34              | 2.30%                         |
| 2008        | -                      | 95,136.41               | 95,136.41               | 1.95%                         |

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> |
|-------------|---------------|
| 2012        | \$ 551.00     |
| 2011        | 551.00        |
| 2010        | 551.00        |
| 2009        | 551.00        |
| 2008        | 551.00        |

Note 5: **SEWER UTILITY SERVICE CHARGES**

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

| <u>Year</u> | <u>Balance Beginning of Year<br/>Receivable</u> | <u>Liens</u> | <u>Levy</u>   | <u>Total</u>  | <u>Cash<br/>Collections</u> |
|-------------|---|--------------|---------------|---------------|-----------------------------|
| 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                  |
| 2009        | 13,150.01                                       | --           | 125,160.00    | 138,310.01    | 126,661.05                  |

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<br/>Dec. 31</u> | <u>Utilized<br/>In Budget of<br/>Succeeding Year</u> | <u>Percentage<br/>of Fund<br/>Balance Used</u> |
|----------------------------|----------------------------|--|--|
| <b><u>Current Fund</u></b> |                            |  |  |
| 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%   |
| 2009                       | 403,041.42                 | 293,000.00   | 72.70%   |
| 2008                       | 381,453.90                 | 254,600.00   | 66.74%   |

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

**Sewer Utility Operating Fund**

|      |               |              |        |
|------|---------------|--------------|--------|
| 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% |
| 2009 | 221,449.85    | 60,000.00    | 27.09% |

\* Sewer Utility Fund was established in 2009

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, 2012:

| <u>Fund</u>                  | <u>Interfunds<br/>Receivable</u> | <u>Interfunds<br/>Payable</u> |
|------------------------------|----------------------------------|-------------------------------|
| Current Fund                 | \$ 26,704.43                     |                               |
| Federal & State Grant Fund   |                                  | \$ 4,763.63                   |
| Trust -- Other Funds         |                                  | 21,853.11                     |
| General Capital Fund         |                                  | 30.00                         |
| Sewer Utility Operating Fund |                                  | 57.69                         |
|                              | <u>\$ 26,704.43</u>              | <u>\$ 26,704.43</u>           |

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2013, 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 will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. 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>Funded by State</u> | <u>Paid by Borough</u> |
|-------------|----------------------------|--------------------------|------------------------|------------------------|------------------------|
| 2012        | \$ 12,708.00               | \$ 25,415.00             | \$ 38,123.00           | -                      | \$ 38,123.00           |
| 2011        | 14,003.00                  | 22,314.00                | 36,317.00              | -                      | 36,317.00              |
| 2010        | 11,887.00                  | 15,274.00                | 27,161.00              | -                      | 27,161.00              |

**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 will be 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>Funded by State</u> | <u>Paid by Borough</u> |
|-------------|----------------------------|--------------------------|------------------------|------------------------|------------------------|
| 2012        | \$ 54,893.00               | \$ 42,164.00             | \$ 97,057.00           | -                      | \$ 97,057.00           |
| 2011        | 60,320.00                  | 38,286.00                | 98,606.00              | -                      | 98,606.00              |
| 2010        | 52,220.00                  | 29,418.00                | 81,638.00              | -                      | 81,638.00              |

**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).



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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: **LEASE OBLIGATIONS**

At December 31, 2012, the Borough had lease agreements in effect for the following:

Operating:  
One (1) Copy Machine

The following is an analysis of operating leases.

Operating Leases - Future minimum rental payments under operating lease agreements are as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2013        | \$ 925.19     |

Rental payments under operating leases for the year 2012 were \$ 1,586.04.

Note 11: **CAPITAL DEBT****Summary of Debt**

|   | <b><u>Year 2012</u></b>       | <b><u>Year 2011</u></b>       | <b><u>Year 2010</u></b>       |
|---|-------------------------------|-------------------------------|-------------------------------|
| <b><u>Issued</u></b>                          |                               |                               |                               |
| General:                                      |                               |                               |                               |
| Bonds and Notes                               | \$ 2,700,840.00               | \$ 2,781,540.00               | \$ 2,948,490.00               |
| <b><u>Authorized but not Issued</u></b>       |                               |                               |                               |
| General:                                      |                               |                               |                               |
| Bonds and Notes                               | -                             | 85,500.00                     | -                             |
| Total Issued and<br>Authorized but Not Issued | <u>2,700,840.00</u>           | <u>2,867,040.00</u>           | <u>2,948,490.00</u>           |
| Deductions:                                   |                               |                               |                               |
| Funds Temporarily Held<br>To Pay Notes        | -                             | 48,335.38                     | 40,507.42                     |
| Net Debt                                      | <u><u>\$ 2,700,840.00</u></u> | <u><u>\$ 2,818,704.62</u></u> | <u><u>\$ 2,988,997.42</u></u> |

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.97%.

|                       | <b><u>Gross Debt</u></b>      | <b><u>Deductions</u></b>      | <b><u>Net Debt</u></b>        |
|-----------------------|-------------------------------|-------------------------------|-------------------------------|
| Local School District | \$ 2,427,000.00               | \$ 2,427,000.00               |                               |
| General               | <u>2,700,840.00</u>           |                               | <u>\$ 2,700,840.00</u>        |
|                       | <u><u>\$ 5,127,840.00</u></u> | <u><u>\$ 2,427,000.00</u></u> | <u><u>\$ 2,700,840.00</u></u> |

Net Debt \$2,700,840.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$136,857,101.33 equals 1.97%

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

|   |                               |
|---|-------------------------------|
| 3 1/2% of Equalized Valuation Basis (Municipal) | \$ 4,789,998.55               |
| Net Debt  | <u>2,700,840.00</u>           |
| Remaining Borrowing Power                       | <u><u>\$ 2,089,158.55</u></u> |

Note 11: **CAPITAL DEBT (CONT'D)**

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

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

| <u>Year</u> | <u>General</u>         |                      | <u>Total</u>           |
|-------------|------------------------|----------------------|------------------------|
|             | <u>Principal</u>       | <u>Interest</u>      |                        |
| 2013        | \$ 270,000.00          | \$ 93,311.13         | \$ 363,311.13          |
| 2014        | 200,000.00             | 82,179.88            | 282,179.88             |
| 2015        | 205,000.00             | 74,929.88            | 279,929.88             |
| 2016        | 240,000.00             | 67,529.89            | 307,529.88             |
| 2017        | 255,000.00             | 58,154.88            | 313,154.88             |
| 2018-22     | 858,350.00             | 163,854.88           | 1,022,204.88           |
| 2023-24     | 320,000.00             | 20,400.00            | 340,400.00             |
|             | <u>\$ 2,348,350.00</u> | <u>\$ 560,360.50</u> | <u>\$ 2,908,710.50</u> |

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.

The Fund publishes its own financial report for the year ended December 31, 2012, which can be obtained from:

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

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 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<br/>Contributions</u> | <u>Amount<br/>Reimbursed</u> | <u>Ending<br/>Balance</u> |
|-------------|----------------------------------|------------------------------|---------------------------|
| 2012        | None                             | \$ 18,546.89                 | \$ 6,750.88               |
| 2011        | None                             | 254.12                       | 24,306.09                 |
| 2010        | None                             | None                         | 23,562.36                 |

 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, 2012

|   | <u>Regular</u>  | <u>Federal and State<br/>Grant Fund</u> |
|---|-----------------|---|
| Balance Dec. 31, 2011   | \$ 462,460.61   | \$ 20,842.21                            |
| Increased by Receipts:  |                 |   |
| Taxes Receivable  | \$ 5,408,027.01 |   |
| Interest and Costs on Taxes   | 25,525.17       |   |
| Prepaid Taxes   | 12,562.66       |   |
| Tax Overpayments  | 2,110.63        |   |
| Miscellaneous Revenue Not Anticipated                                 | 19,547.21       |   |
| Revenue Accounts Receivable   | 106,742.34      |   |
| Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)                   | 258,625.00      |   |
| Consolidated Municipal Property Tax Relief Aid                        | 59,585.00       |   |
| Interlocal Service Agreement - Municipal Court                        | 31,221.01       |   |
| Due from/to Trust - Other Fund  | 588.91          |   |
| Due to Camden County MUA  | 6,029.07        |   |
| Reserve for Payment of Bonds & Notes                                  | 41,000.00       |   |
| Reserve for Sale of Municipal Assets                                  | 1,500.00        |   |
| Due State of New Jersey--Senior Citizens'<br>and Veterans' Deductions | 29,250.00       |   |
| Due State of New Jersey:  |                 |   |
| Marriage License Fees   | 275.00          |   |
| State Training Fees   | 576.00          |   |
| Reserve for Federal and State Grants                                  |                 | \$ 33,062.63                            |
| Federal and State Grants Receivable                                   |                 | 95,838.24                               |
|   | 6,003,165.01    | 128,900.87                              |
|   | 6,465,625.62    | 149,743.08                              |
| Decreased by Disbursements:   |                 |   |
| 2012 Appropriations   | 2,239,644.57    |   |
| 2011 Appropriation Reserves   | 8,107.01        |   |
| Due State of New Jersey:  |                 |   |
| State Training Fees   | 681.00          |   |
| Marriage License Fees   | 225.00          |   |
| County Taxes  | 1,102,806.77    |   |
| Due to County--Added and Omitted Taxes                                | 627.58          |   |
| Local District School Taxes   | 2,666,103.80    |   |
| Tax Overpayments  | 1,860.63        |   |
| Due to Camden County MUA  | 6,716.93        |   |
| Petty Cash  | 400.00          |   |
| Due from/to Trust - Other Fund  | 1.88            |   |
| Due from/to Sewer Utility - Operating Fund                            | 57.69           |   |
| Refund of Prior Year Revenue  | 3,172.11        |   |
| Reserve for Federal and State Grants                                  | 33,062.63       |   |
| Federal and State Grants - Appropriated                               |                 | 149,743.08                              |
|   | 6,063,467.60    | 149,743.08                              |
| Balance Dec. 31, 2012   | \$ 402,158.02   | \$ -                                    |

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Schedule of Change Funds  
 For The Year Ended December 31, 2012

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| <u>Office</u>            | <u>Balance</u><br><u>Dec. 31, 2012</u> |
|--------------------------|--|
| Tax Collector--Treasurer | \$ 50.00                               |
| Municipal Court          | 50.00                                  |
| Police Department        | 200.00                                 |
|                          | 200.00                                 |
|                          | \$ 300.00                              |



**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Taxes Receivable and Analysis of Property Tax Levy  
For The Year Ended December 31, 2012

| Year | Balance<br>Dec. 31, 2011 | 2012 Levy              | Added<br>Taxes     | 2011<br>Collections | 2012<br>Collections    | Overpayments<br>Applied | Due to<br>State of<br>New Jersey | Canceled            | Balance<br>Dec. 31, 2012 |
|------|--------------------------|------------------------|--------------------|---------------------|------------------------|-------------------------|----------------------------------|---------------------|--------------------------|
| 2009 | \$ 4,123.57              |                        |                    |                     | \$ 1,561.48            |                         |                                  |                     | \$ 2,562.09              |
| 2010 | 2,728.83                 |                        |                    |                     |                        |                         |                                  |                     | 2,728.83                 |
| 2011 | 97,064.62                |                        | \$ 1,000.00        |                     | 96,158.09              |                         |                                  | \$ 987.18           | 919.35                   |
|      | 103,917.02               | \$ -                   | 1,000.00           | \$ -                | 97,719.57              | \$ -                    | \$ -                             | 987.18              | 6,210.27                 |
| 2012 | -                        | 5,507,737.79           | -                  | 18,168.65           | 5,310,307.44           | 14,272.78               | 30,000.00                        | 19,609.10           | 115,379.82               |
|      | <u>\$ 103,917.02</u>     | <u>\$ 5,507,737.79</u> | <u>\$ 1,000.00</u> | <u>\$ 18,168.65</u> | <u>\$ 5,408,027.01</u> | <u>\$ 14,272.78</u>     | <u>\$ 30,000.00</u>              | <u>\$ 20,596.28</u> | <u>\$ 121,590.09</u>     |

Analysis of 2012 Tax Levy

Tax Yield

|                                 |                 |
|---------------------------------|-----------------|
| General Purpose Tax             | \$ 5,505,148.92 |
| Added Taxes (54:4-63.1 et seq.) | <u>2,588.87</u> |

\$ 5,507,737.79

Tax Levy

|  |                     |
|--|---------------------|
| Local District School Tax                      | \$ 2,635,936.50     |
| County Taxes:                                  |                     |
| County Tax                                     | \$ 1,008,609.51     |
| County Library Tax                             | 65,427.27           |
| County Open Space Tax                          | 28,769.99           |
| Due County for Added Taxes (54:4-63.1 et seq.) | <u>497.24</u>       |
| Total County Taxes                             | 1,103,304.01        |
| Local Tax for Municipal Purposes               | 1,765,889.00        |
| Add: Additional Tax Levied                     | <u>2,608.28</u>     |
| Local Tax for Municipal Purposes Levied        | <u>1,768,497.28</u> |

\$ 5,507,737.79

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2012

|                             | <u>Balance</u><br><u>Dec. 31, 2011</u> | <u>Accrued</u><br><u>in 2012</u> | <u>Collected by</u><br><u>Treasurer</u> | <u>Balance</u><br><u>Dec. 31, 2012</u> |           |
|-----------------------------|--|----------------------------------|---|--|-----------|
| Clerk:                      |  |                                  |   |  |           |
| Licenses:                   |  |                                  |   |  |           |
| Alcoholic Beverages         |  | \$ 6,220.80                      | \$ 6,220.80                             |  |           |
| Other                       |  | 2,716.25                         | 2,716.25                                |  |           |
| Construction Code Official: |  |                                  |   |  |           |
| Fees and Permits            |  | 14,509.00                        | 14,509.00                               |  |           |
| Municipal Court:            |  |                                  |   |  |           |
| Fines and Costs             | \$ 7,276.91                            | 81,892.58                        | 83,296.29                               | \$ 5,873.20                            | Dec. 2012 |
|                             | <u>\$ 7,276.91</u>                     | <u>\$ 105,338.63</u>             | <u>\$ 106,742.34</u>                    | <u>\$ 5,873.20</u>                     |           |

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

|   | <u>Reserved</u> | <u>Balances After<br/>Modification</u> | <u>Disbursed</u> | <u>Balance<br/>Lapsed</u> |
|---|-----------------|--|------------------|---------------------------|
| <b><u>OPERATIONS - WITHIN "CAPS"</u></b>          |                 |  |                  |                           |
| <b><u>General Government</u></b>                  |                 |  |                  |                           |
| Mayor and Council                                 |                 |  |                  |                           |
| Other Expenses                                    | \$ 1,212.85     | \$ 1,212.85                            |                  | \$ 1,212.85               |
| Municipal Clerk                                   |                 |  |                  |                           |
| Salaries and Wages                                | 156.60          | 156.60                                 |                  | 156.60                    |
| Other Expenses                                    | 615.53          | 615.53                                 | \$ 536.25        | 79.28                     |
| Financial Administration                          |                 |  |                  |                           |
| Salaries and Wages                                | 262.57          | 262.57                                 |                  | 262.57                    |
| Other Expenses                                    | 201.31          | 2,201.31                               | 2,100.00         | 101.31                    |
| Collection of Taxes                               |                 |  |                  |                           |
| Salaries and Wages                                | 92.60           | 92.60                                  |                  | 92.60                     |
| Other Expenses                                    | 231.17          | 231.17                                 |                  | 231.17                    |
| Assessment of Taxes                               |                 |  |                  |                           |
| Salaries and Wages                                | 29.90           | 29.90                                  |                  | 29.90                     |
| Other Expenses                                    | 125.60          | 125.60                                 |                  | 125.60                    |
| Legal Services                                    |                 |  |                  |                           |
| Other Expenses                                    | 400.00          | 400.00                                 |                  | 400.00                    |
| Engineering Services                              |                 |  |                  |                           |
| Other Expenses                                    | 400.00          | 400.00                                 |                  | 400.00                    |
| Planning Board                                    |                 |  |                  |                           |
| Salaries and Wages                                | 75.85           | 75.85                                  |                  | 75.85                     |
| Other Expenses                                    | 366.58          | 366.58                                 |                  | 366.58                    |
| Economic Development                              |                 |  |                  |                           |
| Other Expenses                                    | 500.00          | 500.00                                 |                  | 500.00                    |
| Municipal Court                                   |                 |  |                  |                           |
| Salaries and Wages                                | 78.02           | 78.02                                  |                  | 78.02                     |
| Other Expenses                                    | 705.41          | 705.41                                 | 43.18            | 662.23                    |
| Public Defender                                   |                 |  |                  |                           |
| Other Expenses                                    | 200.00          | 200.00                                 |                  | 200.00                    |
| <b><u>Code Enforcement and Administration</u></b> |                 |  |                  |                           |
| Code Enforcement Office                           |                 |  |                  |                           |
| Salaries and Wages                                | 24.29           | 24.29                                  |                  | 24.29                     |
| Other Expenses                                    | 10.00           | 10.00                                  |                  | 10.00                     |
| Property Maintenance Officer                      |                 |  |                  |                           |
| Salaries and Wages                                | 200.12          | 200.12                                 |                  | 200.12                    |
| Other Expenses                                    | 38.00           | 38.00                                  |                  | 38.00                     |
| <b><u>Insurance</u></b>                           |                 |  |                  |                           |
| Liability Insurance                               | 924.56          | 924.56                                 |                  | 924.56                    |
| Workers Compensation Insurance                    | 399.32          | 399.32                                 |                  | 399.32                    |
| Group Insurance Plan for Employees                | 3,720.86        | 3,220.86                               |                  | 3,220.86                  |
| Disability Insurance                              | 480.00          | 480.00                                 |                  | 480.00                    |
| Incentive Program                                 | 83.92           | 83.92                                  |                  | 83.92                     |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

|  | <u>Reserved</u> | <u>Balances After<br/>Modification</u> | <u>Disbursed</u> | <u>Balance<br/>Lapsed</u> |
|--|-----------------|--|------------------|---------------------------|
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u> |                 |  |                  |                           |
| <u>Public Safety Functions</u>             |                 |  |                  |                           |
| Police                                     |                 |  |                  |                           |
| Salaries and Wages                         | \$ 2,614.09     | \$ 614.09                              |                  | \$ 614.09                 |
| Other Expenses                             | 1,211.53        | 1,211.53                               |                  | 1,211.53                  |
| Office of Emergency Management             |                 |  |                  |                           |
| Salaries and Wages                         | 50.02           | 50.02                                  |                  | 50.02                     |
| Other Expenses                             | 100.00          | 100.00                                 |                  | 100.00                    |
| Aid to Volunteer Fire Company              | 249.96          | 249.96                                 |                  | 249.96                    |
| Uniform Fire Safety Act                    |                 |  |                  |                           |
| Salaries and Wages                         | 100.00          | 100.00                                 |                  | 100.00                    |
| Other Expenses                             | 100.00          | 100.00                                 |                  | 100.00                    |
| Fire Hydrant Service                       | 344.14          | 344.14                                 |                  | 344.14                    |
| Streets and Roads Maintenance              |                 |  |                  |                           |
| Salaries and Wages                         | 78.28           | 78.28                                  |                  | 78.28                     |
| Other Expenses                             | 1,753.11        | 1,253.11                               |                  | 1,253.11                  |
| Shade Tree Program                         |                 |  |                  |                           |
| Other Expenses                             | 100.00          | 100.00                                 |                  | 100.00                    |
| Garbage and Trash Removal                  |                 |  |                  |                           |
| Salaries and Wages                         | 9.72            | 9.72                                   |                  | 9.72                      |
| Other Expenses                             | 5.00            | 5.00                                   |                  | 5.00                      |
| Building and Grounds                       |                 |  |                  |                           |
| Salaries and Wages                         | 109.74          | 109.74                                 |                  | 109.74                    |
| Other Expenses                             | 1,427.20        | 927.20                                 |                  | 927.20                    |
| Vehicle Maintenance                        |                 |  |                  |                           |
| Other Expenses                             | 480.49          | 480.49                                 |                  | 480.49                    |
| <u>Health and Human Services</u>           |                 |  |                  |                           |
| Public Health Service (Board of Health)    |                 |  |                  |                           |
| Salaries and Wages                         | 147.80          | 147.80                                 |                  | 147.80                    |
| Other Expenses                             | 14.00           | 14.00                                  |                  | 14.00                     |
| Animal Control Service                     |                 |  |                  |                           |
| Other Expenses                             | 143.00          | 143.00                                 |                  | 143.00                    |
| <u>Recreation Functions</u>                |                 |  |                  |                           |
| Recreation Services and Programs           |                 |  |                  |                           |
| Salaries and Wages                         | 91.95           | 91.95                                  |                  | 91.95                     |
| Other Expenses                             | 11.07           | 11.07                                  |                  | 11.07                     |
| Celebrations of Public Events              |                 |  |                  |                           |
| Other Expenses                             | 25.20           | 25.20                                  |                  | 25.20                     |
| Utility Expenses and Bulk Purchases        | 6,464.85        | 6,464.85                               | \$ 2,757.89      | 3,706.96                  |
| Landfill/Solid Waste Disposal Costs        | 987.45          | 2,987.45                               | 2,669.69         | 317.76                    |
| Accumulated Leave Compensation             | 156.96          | 156.96                                 |                  | 156.96                    |

(Continued)

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

|  | <u>Reserved</u> | <u>Balances After<br/>Modification</u> | <u>Disbursed</u> | <u>Balance<br/>Lapsed</u> |
|--|-----------------|--|------------------|---------------------------|
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>                                       |                 |  |                  |                           |
| Construction Code Official   |                 |  |                  |                           |
| Salaries and Wages   | \$ 73.20        | \$ 73.20                               |                  | \$ 73.20                  |
| Other Expenses   | 215.03          | 215.03                                 |                  | 215.03                    |
| Plumbing Inspections   |                 |  |                  |                           |
| Salaries and Wages   | 100.00          | 100.00                                 |                  | 100.00                    |
| Inspections of Buildings   |                 |  |                  |                           |
| Salaries and Wages   | 59.74           | 59.74                                  |                  | 59.74                     |
| Electrical Inspections   |                 |  |                  |                           |
| Salaries and Wages   | 80.00           | 80.00                                  |                  | 80.00                     |
| Fire Inspections   |                 |  |                  |                           |
| Salaries and Wages   | 60.00           | 60.00                                  |                  | 60.00                     |
|  | <hr/>           | <hr/>                                  |                  | <hr/>                     |
| Total Operations within "CAPS"   | 28,898.59       | 29,398.59                              | \$ 8,107.01      | 21,291.58                 |
| <hr/>  |                 |  |                  |                           |
| Deferred Charges and Statutory Expenditures<br>-- <u>Municipal Within "CAPS"</u> |                 |  |                  |                           |
| Statutory Expenditures:  |                 |  |                  |                           |
| Contribution to:   |                 |  |                  |                           |
| Social Security System (O.A.S.I.)  | 1,862.05        | 1,362.05                               | -                | 1,362.05                  |
|  | <hr/>           | <hr/>                                  |                  | <hr/>                     |
| Total General Appropriations for Municipal<br>Purposes within "CAPS"             | 30,760.64       | 30,760.64                              | 8,107.01         | 22,653.63                 |
| <hr/>  |                 |  |                  |                           |
| <u>OPERATIONS - EXCLUDED FROM "CAPS"</u>   |                 |  |                  |                           |
| <u>Interlocal Municipal Service Agreements</u>                                   |                 |  |                  |                           |
| Municipal Court  |                 |  |                  |                           |
| Salaries and Wages   | 54.60           | 54.60                                  | -                | 54.60                     |
|  | <hr/>           | <hr/>                                  |                  | <hr/>                     |
| Total Other Operations -<br>Excluded from "CAPS"                                 | 54.60           | 54.60                                  | -                | 54.60                     |
|  | <hr/>           | <hr/>                                  |                  | <hr/>                     |
| Total General Appropriations   | \$ 30,815.24    | \$ 30,815.24                           | \$ 8,107.01      | \$ 22,708.23              |
|  | <hr/>           | <hr/>                                  |                  | <hr/>                     |

**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, 2012

|   |                  |                            |
|---|------------------|----------------------------|
| Balance Dec. 31, 2011                               |                  | \$ 11,786.53               |
| Increased by:                                       |                  |                            |
| Deductions Disallowed by Tax Collector - 2011 Taxes | \$ 1,000.00      |                            |
| Collections   | <u>29,250.00</u> |                            |
|   |                  | <u>30,250.00</u>           |
|   |                  | 42,036.53                  |
| Decreased by:                                       |                  |                            |
| Accrued in 2012:                                    |                  |                            |
| Senior Citizens' Deductions per Billings            | 7,500.00         |                            |
| Veterans' Deductions per Billings                   | <u>23,500.00</u> |                            |
|   | 31,000.00        |                            |
| Deductions Allowed by Tax Collector - 2012 Taxes    | <u>250.00</u>    |                            |
|   | 31,250.00        |                            |
| Deductions Disallowed by Tax Collector - 2012 Taxes | <u>1,250.00</u>  |                            |
| Subtotal - 2012 Taxes                               |                  | <u>30,000.00</u>           |
| Balance Dec. 31, 2012                               |                  | <u><u>\$ 12,036.53</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - State Training Fees  
For the Year Ended December 31, 2012

---

|                       |                         |
|-----------------------|-------------------------|
| Balance Dec. 31, 2011 | \$ 208.00               |
| Increased By:         |                         |
| Receipts              | <u>576.00</u>           |
|                       | 784.00                  |
| Decreased by:         |                         |
| Disbursements         | <u>681.00</u>           |
| Balance Dec. 31, 2012 | <u><u>\$ 103.00</u></u> |

Exhibit SA-8

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - Marriage License Fees  
For the Year Ended December 31, 2012

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|   |                        |
|---|------------------------|
| Balance Dec. 31, 2011                   | \$ 25.00               |
| Marriage Licenses Fees Collected - 2012 | <u>275.00</u>          |
|   | 300.00                 |
| Decreased by:                           |                        |
| Disbursements                           | <u>225.00</u>          |
| Balance Dec. 31, 2012                   | <u><u>\$ 75.00</u></u> |

Exhibit SA-9

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2012

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|                                      |                            |
|--------------------------------------|----------------------------|
| Balance Dec. 31, 2011 (2012 Taxes)   | \$ 18,168.65               |
| Increased by:                        |                            |
| Collections--2013 Taxes              | <u>12,562.66</u>           |
|                                      | 30,731.31                  |
| Decreased by:                        |                            |
| Application to 2012 Taxes Receivable | <u>18,168.65</u>           |
| Balance Dec. 31, 2012 (2013 Taxes)   | <u><u>\$ 12,562.66</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of County Taxes  
 For the Year Ended December 31, 2012

---

|                      |                        |
|----------------------|------------------------|
| 2012 Tax Levy:       |                        |
| County Tax           | \$ 1,008,609.51        |
| County Library Tax   | 65,427.27              |
| County Open SpaceTax | <u>28,769.99</u>       |
|                      | 1,102,806.77           |
|                      |                        |
| Decreased by:        |                        |
| Disbursements        | <u>\$ 1,102,806.77</u> |

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Due County for Added Taxes  
 For the Year Ended December 31, 2012

---

|   |                  |
|---|------------------|
| Balance Dec. 31, 2011 (Added Taxes 2011)  | \$ 627.58        |
|   |                  |
| Increased by County Share of 2012 Levy:   |                  |
| 2012 Added Taxes (R.S.54:4-63.1 and seq.) | <u>497.24</u>    |
|   | 1,124.82         |
|   |                  |
| Decreased by:                             |                  |
| Disbursements                             | <u>627.58</u>    |
| Balance Dec. 31, 2012 (Added Taxes 2012)  | <u>\$ 497.24</u> |



**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Local District School Tax Payable  
 For the Year Ended December 31, 2012

---

|                          |  |                 |
|--------------------------|--|-----------------|
| Balance Dec. 31, 2011    |  | \$ 30,167.30    |
| Increased by:            |  |                 |
| Levy--Calendar Year 2012 |  | 2,635,936.50    |
|                          |  | 2,666,103.80    |
| Decreased by:            |  |                 |
| Disbursements            |  | \$ 2,666,103.80 |

**BOROUGH OF LAUREL SPRINGS**  
**CURRENT FUND**  
 Statement of Tax Overpayments  
 For the Year Ended December 31, 2012

---

|                            |              |             |
|----------------------------|--------------|-------------|
| Balance Dec. 31, 2011      |              | \$ 3,428.38 |
| Increased by:              |              |             |
| Transfer from Fund Balance | \$ 10,844.40 |             |
| Receipts                   | 2,110.63     |             |
|                            |              | 12,955.03   |
|                            |              | 16,383.41   |
| Decreased by:              |              |             |
| Disbursements              | 1,860.63     |             |
| Applied to Taxes           | 14,272.78    |             |
|                            |              | 16,133.41   |
| Balance Dec. 31, 2012      |              | \$ 250.00   |

**BOROUGH OF LAUREL SPRINGS**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal, State and Other Grants Receivable  
For The Year Ended December 31, 2012

| <u>Program</u>   | <u>Balance<br/>Dec. 31, 2011</u> | <u>Accrued</u> | <u>Receipts</u> | <u>Balance<br/>Dec. 31, 2012</u> |
|--|----------------------------------|----------------|-----------------|----------------------------------|
| Federal:   |                                  |                |                 |                                  |
| Community Development Block Grant  | \$ 81,733.80                     | \$ 16,200.00   | \$ 51,991.00    | \$ 45,942.80                     |
| State:   |                                  |                |                 |                                  |
| Body Armor Replacement Grant   |                                  | 1,112.96       | 1,112.96        |                                  |
| Clean Communities Program  |                                  | 4,000.00       | 4,000.00        |                                  |
| N.J. Transportation Trust Fund Authority   | 7,045.97                         |                |                 | 7,045.97                         |
| Municipal Stormwater Regulation Grant  | 5,117.00                         |                |                 | 5,117.00                         |
| Recycling Tonnage Grant  |                                  | 2,770.00       | 2,770.00        |                                  |
| Energy Efficiency Block Grant  | 380.92                           |                |                 | 380.92                           |
| Alcohol Education and Rehabilitation Grant                                       |                                  | 323.78         | 323.78          |                                  |
| Safe and Secure Communities Program  | 10,350.50                        | 25,000.00      | 22,850.50       | 12,500.00                        |
| Total State Grants:  | 22,894.39                        | 33,206.74      | 31,057.24       | 25,043.89                        |
| Other Grants:  |                                  |                |                 |                                  |
| Camden County Recreation Enhancement Grant                                       | 4,230.00                         | 25,000.00      |                 | 29,230.00                        |
| Camden County Open Space Preservation-<br>Improvements to Walt Whitman Farmhouse | 6,885.00                         |                |                 | 6,885.00                         |
| Jack H. Hagen Recreation Complex   | 29,000.00                        |                | 6,290.00        | 22,710.00                        |
| Cord Mansion   |                                  | 30,000.00      |                 | 30,000.00                        |
| Crystal Springs Park   | 25,000.00                        |                | 6,500.00        | 18,500.00                        |
| Roof Repair to the Whitman Stafford House  | 1,612.66                         |                |                 | 1,612.66                         |
| Total Other Grants:  | 66,727.66                        | 55,000.00      | 12,790.00       | 108,937.66                       |
| Total All Grants   | \$ 171,355.85                    | \$ 104,406.74  | \$ 95,838.24    | \$ 179,924.35                    |

**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, 2012

| <u>Program</u>   | <u>Federal and<br/>State Grants<br/>Receivable</u> | <u>Realized as<br/>Miscellaneous<br/>Revenue in<br/>2012 Budget</u> |
|--|--|---|
| Federal Grants:  |  |   |
| Community Development Block Grant  | \$ 16,200.00                                       | \$ 16,200.00  |
| State Grants:  |  |   |
| Alcohol Education and Rehabilitation Grant   | 323.78   | 323.78  |
| Clean Communities Program  | 4,000.00   | 4,000.00  |
| Body Armor Replacement Grant   | 1,112.96   | 1,112.96  |
| Safe and Secure Communities Program  | 25,000.00  | 25,000.00   |
| Recycling Tonnage Grant  | 2,770.00   | 2,770.00  |
| Total State Grants   | 33,206.74  | 33,206.74   |
| Other Grants:  |  |   |
| Camden County Open Space Grant-<br>Improvements to Cord Mansion  | 30,000.00  | 30,000.00   |
| Camden County Recreation Facilities Enhancement Grant-<br>Improvements to Jack H. Hagen Recreation Complex | 25,000.00  | 25,000.00   |
| Total Other Grants   | 55,000.00  | 55,000.00   |
| Total All Grants   | \$ 104,406.74                                      | \$ 104,406.74   |

**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, 2012

|  | Balance<br><u>Dec. 31, 2011</u> | Transferred<br>from 2012<br>Budget<br><u>Appropriation</u> | <u>Disbursed</u>     | Balance<br><u>Dec. 31, 2012</u> |
|--|---------------------------------|--|----------------------|---------------------------------|
| <b>Federal Grants:</b>   |                                 |  |                      |                                 |
| Community Development Block Grant  | \$ 80,254.26                    | \$ 16,200.00   | \$ 53,363.84         | \$ 43,090.42                    |
| <b>State Grants:</b>   |                                 |  |                      |                                 |
| Drunk Driving Enforcement Grant  | 3,417.33                        |  | 2,848.05             | 569.28                          |
| Clean Communities Grant  | 11,934.02                       | 4,000.00   | 5,484.85             | 10,449.17                       |
| N.J. Transportation Trust Fund Authority   | 7,045.97                        |  |                      | 7,045.97                        |
| Safe and Secure Communities Program  | 15,431.22                       | 53,299.00  | 49,155.17            | 19,575.05                       |
| Recycling Tonnage Grant  | 7,810.80                        | 2,770.00   | 4,897.75             | 5,683.05                        |
| Body Armor Replacement Grant   | 2,039.31                        | 1,112.96   | 1,690.00             | 1,462.27                        |
| Municipal Storm Water Regulation Grant Program   | 9,678.24                        |  |                      | 9,678.24                        |
| Energy Efficiency Block Grant  | 380.92                          |  |                      | 380.92                          |
| Alcohol Education and Rehabilitation Grant   | 311.17                          | 323.78   | 545.10               | 89.85                           |
| <b>Total State Grants</b>  | <b>58,048.98</b>                | <b>61,505.74</b>   | <b>64,620.92</b>     | <b>54,933.80</b>                |
| <b>Other Grants:</b>   |                                 |  |                      |                                 |
| Camden County Recycling Rebate   | 245.18                          |  |                      | 245.18                          |
| Camden County Recreation Facilities Enhancement Grant-<br>Improvements to Jack H. Hagen Recreation Complex | 2,236.00                        | 25,000.00  |                      | 27,236.00                       |
| Camden County Open Space Preservation Trust-<br>Improvements to Walt Whitman Farmhouse                     | 4,760.72                        |  | 825.00               | 3,935.72                        |
| Improvements to Jack H. Hagen Recreation Complex   | 18,710.00                       |  | 18,710.00            |                                 |
| Improvements to Crystal Springs Park   | 25,000.00                       |  | 11,973.34            | 13,026.66                       |
| Improvements to Cord Mansion   |                                 | 30,000.00  |                      | 30,000.00                       |
| Comcast Corporation - Technology Grant   | 2,942.92                        |  | 249.98               | 2,692.94                        |
| <b>Total Other Grants</b>  | <b>53,894.82</b>                | <b>55,000.00</b>   | <b>31,758.32</b>     | <b>77,136.50</b>                |
| <b>Total All Grants</b>  | <b>\$ 192,198.06</b>            | <b>\$ 132,705.74</b>                                       | <b>\$ 149,743.08</b> | <b>\$ 175,160.72</b>            |

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF LAUREL SPRINGS**  
**TRUST FUNDS**  
Statement of Trust Cash - Treasurer  
For the Year Ended December 31, 2012

|  | <u>Animal Control</u> | <u>Other</u>        |
|--|-----------------------|---------------------|
| Balance Dec. 31, 2011  | \$ 2,104.94           | \$ 52,779.76        |
| Increased by Receipts:   |                       |                     |
| Animal Control Fees  | \$ 8,208.80           |                     |
| State Registration Fees  | 376.20                |                     |
| Due from Current Fund  |                       | \$ 1.88             |
| Payroll Deductions Payable   |                       | 335,854.40          |
| Reserve for Recreation Commission  |                       | 29,535.33           |
| Statement of Reserve for Outside Employment<br>of Off-Duty Municipal Police Officers |                       | 86,497.50           |
| Unemployment Compensation Insurance  |                       | 991.68              |
| Reserve for Centennial   |                       | 2,140.00            |
| Reserve for P.O.A.A.   |                       | 2.00                |
| Reserve for Disposal of Forfeited Property   |                       | 0.93                |
| Reserve for Public Defender  |                       | <u>2,740.50</u>     |
|  | <u>8,585.00</u>       | <u>457,764.22</u>   |
|  | 10,689.94             | 510,543.98          |
| Decreased by Disbursements:  |                       |                     |
| Expenditures Under R.S.4:19-15.11  | 8,005.59              |                     |
| State Registration Fees  | 363.60                |                     |
| Due to General Capital Fund  |                       |                     |
| Due to Current Fund  | 173.47                |                     |
| Payroll Deductions Payable   |                       | 334,168.80          |
| Statement of Reserve for Outside Employment<br>of Off-Duty Municipal Police Officers |                       | 52,097.50           |
| Reserve for Unemployment Compensation Insurance                                      |                       | 18,546.89           |
| Reserve for Centennial   |                       | 1,692.35            |
| Reserve for Recreation Commission  |                       | 17,906.91           |
| Reserve for Planning Board Escrow  |                       | 626.25              |
| Reserve for Public Defender  |                       | <u>1,200.00</u>     |
|  | <u>8,542.66</u>       | <u>426,238.70</u>   |
| Balance Dec. 31, 2012  | <u>\$ 2,147.28</u>    | <u>\$ 84,305.28</u> |

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Trust Cash - Collector  
For the Year Ended December 31, 2012

|  |           |              |
|--|-----------|--------------|
| Balance Dec. 31, 2011                            |           | \$ 54,483.76 |
| Increased by:                                    |           |              |
| Receipts for Tax Title Lien Redemptions          |           | 115,204.92   |
|  |           | 169,688.68   |
| Decreased by:                                    |           |              |
| Interfund Returned                               | \$ 573.36 |              |
| Disbursements for Tax Title Lien Redemptions     | 96,720.47 |              |
|  |           | 97,293.83    |
| Balance Dec. 31, 2012                            |           | \$ 72,394.85 |
| <br><u>Analysis of Balance December 31, 2012</u> |           |              |
| Tax Title Lien Premiums                          |           | \$ 72,400.00 |
| Due from Current Fund                            |           | (5.15)       |
|  |           | \$ 72,394.85 |

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - ANIMAL CONTROL FUND**  
 Statement of Reserve for Animal Control Fund Expenditures  
 For the Year Ended December 31, 2012

---

|                                  |    |          |           |
|----------------------------------|----|----------|-----------|
| Balance Dec. 31, 2011            |    | \$       | 2,080.54  |
| Increased by:                    |    |          |           |
| Dog License Fees Collected       | \$ | 3,331.80 |           |
| Cat License Fees Collected       |    | 477.00   |           |
| Late Fees                        |    | 1,400.00 |           |
| Due from Current Fund            |    | 3,000.00 |           |
|                                  |    |          | 8,208.80  |
|                                  |    |          | 10,289.34 |
| Decreased by:                    |    |          |           |
| Due to Current Fund              |    | 173.47   |           |
| Expenditures Under R.S.4:19-15.1 |    | 8,005.59 |           |
|                                  |    |          | 8,179.06  |
| Balance Dec. 31, 2012            |    | \$       | 2,110.28  |

License Fees Collected

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2011        | \$ 3,484.80   |
| 2010        | 3,719.20      |
|             | \$ 7,204.00   |

**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, 2012

---

|   |  |    |        |
|---|--|----|--------|
| Balance Dec. 31, 2011                   |  | \$ | 24.40  |
| Increased by:                           |  |    |        |
| Dog License Registration Fees Collected |  |    | 376.20 |
|   |  |    | 400.60 |
| Decreased by:                           |  |    |        |
| Disbursed to State Treasurer            |  |    | 363.60 |
| Balance Dec. 31, 2012                   |  | \$ | 37.00  |



**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
 Statement of Due to Current Fund  
 For the Year Ended December 31, 2012

---

|  |           |              |
|--|-----------|--------------|
| Balance Dec. 31, 2011  |           | \$ 581.88    |
| Increased by:  |           |              |
| Outside Police Employment - Administrative Fee - Realized as<br>Micellaneous Revenue Not Anticipated |           | 21,858.26    |
|  |           | 22,440.14    |
| Decreased by:  |           |              |
| Interfund Returned   | \$ 571.48 |              |
| Tax Title Lien Premium Erroneously Deposited in Current Fund   | 15.55     |              |
|  |           | 587.03       |
| Balance Dec. 31, 2012  |           | \$ 21,853.11 |

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Payroll Deductions Payable  
For the Year Ended December 31, 2012

---

|                       |             |
|-----------------------|-------------|
| Balance Dec. 31, 2011 | \$ 4,050.98 |
| Increased by:         |             |
| Payroll Deductions    | 335,854.40  |
|                       | 339,905.38  |
| Decreased by:         |             |
| Payments              | 334,168.80  |
| Balance Dec. 31, 2012 | \$ 5,736.58 |

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, 2012

---

|                       |             |
|-----------------------|-------------|
| Balance Dec. 31, 2011 | \$ 4,406.64 |
| Increased by:         |             |
| Receipts              | 0.93        |
| Balance Dec. 31, 2012 | \$ 4,407.57 |

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for New Jersey Unemployment Compensation Insurance  
For the Year Ended December 31, 2012

---

|                                |           |              |
|--------------------------------|-----------|--------------|
| Balance Dec. 31, 2011          |           | \$ 24,306.09 |
| Increased by:                  |           |              |
| Receipts:                      |           |              |
| Employee Withholdings          | \$ 987.66 |              |
| Interest Earned on Investments | 4.02      |              |
|                                |           | 991.68       |
|                                |           | 25,297.77    |
| Decreased by:                  |           |              |
| Claims Paid                    |           | 18,546.89    |
| Balance Dec. 31, 2012          |           | \$ 6,750.88  |

Exhibit SB-9

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Planning Board Escrow Deposits  
For the Year Ended December 31, 2012

---

|  |  |             |
|--|--|-------------|
| Balance Dec. 31, 2011                        |  | \$ 3,493.79 |
| Decreased by:                                |  |             |
| Disbursements--Professional Fees and Refunds |  | 626.25      |
| Balance Dec. 31, 2012                        |  | \$ 2,867.54 |

**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, 2012

---

|                                      |  |                            |
|--------------------------------------|--|----------------------------|
| Balance Dec. 31, 2011                |  | \$ 9,903.21                |
| Increased by:                        |  |                            |
| Receipts                             |  | <u>29,535.33</u>           |
|                                      |  | 39,438.54                  |
| Decreased by:                        |  |                            |
| Operating Expenses and Disbursements |  | <u>17,906.91</u>           |
| Balance Dec. 31, 2012                |  | <u><u>\$ 21,531.63</u></u> |

## 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, 2012

---

|  |                  |                            |
|--|------------------|----------------------------|
| Balance Dec. 31, 2011                    |                  | \$ 2,513.26                |
| Increased by:                            |                  |                            |
| Receipts                                 |                  | <u>86,497.50</u>           |
|  |                  | 89,010.76                  |
| Decreased by:                            |                  |                            |
| Due to Current Fund - Administration Fee | \$ 21,858.26     |                            |
| Disbursements                            | <u>52,097.50</u> |                            |
|  |                  | <u>73,955.76</u>           |
| Balance Dec. 31, 2012                    |                  | <u><u>\$ 15,055.00</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Public Defender  
For the Year Ended December 31, 2012

---

|  |             |
|--|-------------|
| Balance Dec. 31, 2011                                  | \$ 2,887.17 |
| Increased by:  |             |
| Receipts   | 2,740.50    |
|  | 5,627.67    |
| Decreased by:  |             |
| Disbursements  | 1,200.00    |
| Balance Dec. 31, 2012                                  | \$ 4,427.67 |
| <br><u>Analysis of Balance December 31, 2012</u>       |             |
| Reserve for Public Defender                            | \$ 2,000.00 |
| Due to Criminal Disposition and Review Collection Fund | 2,427.67    |
|  | \$ 4,427.67 |

**BOROUGH OF LAUREL SPRINGS**  
**TRUST - OTHER FUND**  
Statement of Reserve for Centennial  
For the Year Ended December 31, 2012

---

|                       |           |
|-----------------------|-----------|
| Balance Dec. 31, 2011 | \$ 500.00 |
| Increased by:         |           |
| Receipts              | 2,140.00  |
|                       | 2,640.00  |
| Decreased by:         |           |
| Disbursements         | 1,692.35  |
| Balance Dec. 31, 2012 | \$ 947.65 |

**BOROUGH OF LAUREL SPRINGS**  
TRUST - OTHER FUND  
Statement of Reserve for P.O.A.A.  
For the Year Ended December 31, 2012

---

|                       |                        |
|-----------------------|------------------------|
| Balance Dec. 31, 2011 | \$ 83.00               |
| Increased by:         |                        |
| Deposits              | <u>2.00</u>            |
| Balance Dec. 31, 2012 | <u><u>\$ 85.00</u></u> |

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
Statement of Capital Cash--Treasurer  
For the Year Ended December 31, 2012

|   |               |               |
|---|---------------|---------------|
| Balance Dec. 31, 2011                                       |               | \$ 76,183.65  |
| Increased by Receipts:                                      |               |               |
| Bond Anticipation Note Proceeds                             | \$ 184,300.00 |               |
| Federal - SAFETEA-LU Grant Receivable                       | 352,627.76    |               |
| New Jersey Transportation Trust Fund Receivable             | 182,383.21    |               |
| Reserve to Pay Debt   | 845.00        |               |
| Due to Current Fund   | 30.00         |               |
| Budget Appropriation - Capital Improvement Fund             | 10,000.00     |               |
|   |               | 730,185.97    |
|   |               | 806,369.62    |
| Decreased by Disbursements:                                 |               |               |
| Improvement Authorizations                                  | 275,803.86    |               |
| Reserve to Pay Debt- Anticipated as Revenue in Current Fund | 41,000.00     |               |
| Contracts Payable   | 164,683.49    |               |
|   |               | 481,487.35    |
| Balance Dec. 31, 2012                                       |               | \$ 324,882.27 |



**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For The Year Ended December 31, 2012

|   | <u>Receipts</u>   |                                       |                      | <u>Disbursements</u>                  |                      |                      |                      | <u>Balance<br/>Dec. 31, 2012</u> |                      |
|---|---|---------------------------------------|----------------------|---------------------------------------|----------------------|----------------------|----------------------|----------------------------------|----------------------|
|   | <u>Balance<br/>Dec. 31, 2011</u>  | <u>Bond<br/>Anticipation<br/>Note</u> | <u>Miscellaneous</u> | <u>Improvement<br/>Authorizations</u> | <u>Miscellaneous</u> | <u>Transfers</u>     |                      |                                  |                      |
|   |   |                                       |                      |                                       |                      | <u>From</u>          | <u>To</u>            |                                  |                      |
| Capital Improvement Fund                        | \$ 1,615.00   |                                       | \$ 10,000.00         |                                       |                      | \$ 5,200.00          |                      | \$ 6,415.00                      |                      |
| Contracts Payable                               |   |                                       |                      |                                       | \$ 164,683.49        |                      | \$ 197,807.00        | 33,123.51                        |                      |
| New Jersey Transportation Trust Fund Receivable | (55,750.00)   |                                       | 182,383.21           |                                       |                      | 190,000.00           | 15,866.79            | (47,500.00)                      |                      |
| Federal - SAFETEA-LU Grant Receivable           | (383,000.00)  |                                       | 352,627.76           |                                       |                      |                      |                      | (30,372.24)                      |                      |
| Reserve to Pay Bonds and Notes                  | 48,335.38   |                                       | 845.00               |                                       | 41,000.00            |                      | 30,869.40            | 39,049.78                        |                      |
| Due to Current Fund                             |   |                                       | 30.00                |                                       |                      |                      |                      | 30.00                            |                      |
| Improvement Authorizations:                     |   |                                       |                      |                                       |                      |                      |                      |                                  |                      |
| Ordinance                                       |   |                                       |                      |                                       |                      |                      |                      |                                  |                      |
| <u>Number</u>                                   |   |                                       |                      |                                       |                      |                      |                      |                                  |                      |
| 673-2006  | Reconstruction of Chestnut Avenue and Surrounding Area and Improvements to Public Buildings and Grounds             | 14,739.62                             |                      | \$ 14,739.62                          |                      |                      |                      |                                  |                      |
| 690-2007  | Purchase of Computer and Office Equipment, Improvements to Buildings and Grounds, and Road Repairs and Construction | 25,138.04                             |                      |                                       | 25,138.04            |                      |                      |                                  |                      |
| 703-2008  | Phase I of Streetscape Improvements in and for the Borough  | 53,301.25                             |                      |                                       | 46,248.53            |                      |                      | 7,052.72                         |                      |
| 704-2008  | Construction and Reconstruction of Various Streets and Roads  | 10,361.60                             |                      |                                       | 4,155.57             | 6,206.03             |                      |                                  |                      |
| 706-2008  | Acquisition, Construction, Repair and Installation of Various Capital Improvements                                  | 16,494.52                             |                      |                                       | 16,494.52            |                      |                      |                                  |                      |
| 714-2009  | Acquisition, Construction, Repair and Installation of Various Capital Improvements                                  | 1,993.00                              |                      |                                       | 1,678.00             | 315.00               |                      |                                  |                      |
| 716-2009  | Construction and Reconstruction of Various Streets and Roads  | 7,151.25                              |                      |                                       | 2,956.98             | 4,194.27             |                      |                                  |                      |
| 720-2009  | Construction of New Fire House  | 117,525.18                            |                      |                                       | 2,500.00             |                      |                      | 115,025.18                       |                      |
| 733-2010  | Acquisition Construction, Repair and Installation of Various Capital Improvements                                   | 22,500.32                             |                      |                                       |                      | 5,459.00             |                      | 17,041.32                        |                      |
| 734-2010  | Construction and Reconstruction of Various Streets and Roads  | 40,350.20                             |                      |                                       |                      | 20,335.10            |                      | 20,015.10                        |                      |
| 739-2011  | Construction and Reconstruction of Various Streets and Roads  | 123,128.29                            |                      |                                       | 8,650.65             | 15,866.79            |                      | 98,610.85                        |                      |
| 741-2011  | Purchase of a Police Four Wheel Drive Vehicle   | 27,800.00                             |                      |                                       | 27,800.00            |                      |                      |                                  |                      |
| 742-2011  | Purchase of Trash Containers  | 4,500.00                              | \$ 85,500.00         |                                       | 84,224.00            |                      |                      | 5,776.00                         |                      |
| 747-2012  | Paving, Repaving, Construction and Reconstruction Streets and Roads   |                                       | 98,800.00            |                                       | 41,217.95            | 192,167.00           | 195,200.00           | 60,615.05                        |                      |
|   |   | <u>\$ 76,183.65</u>                   | <u>\$ 184,300.00</u> | <u>\$ 545,885.97</u>                  | <u>\$ 275,803.86</u> | <u>\$ 205,683.49</u> | <u>\$ 439,743.19</u> | <u>\$ 439,743.19</u>             | <u>\$ 324,882.27</u> |

**BOROUGH OF LAUREL SPRINGS**  
GENERAL CAPITAL FUND  
Statement of Deferred Charges to Future Taxation - Funded  
For The Year Ended December 31, 2012

---

|  |                               |
|--|-------------------------------|
| Balance Dec. 31, 2011                  | \$ 2,593,350.00               |
| Decreased by:                          |                               |
| 2012 Budget Appropriation to Pay Bonds | <u>245,000.00</u>             |
| Balance Dec. 31, 2012                  | <u><u>\$ 2,348,350.00</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Unfunded  
For The Year Ended December 31, 2012

| Ordinance<br>Number   | Improvement Description  | Ordinance<br>Date | Balance<br>Dec. 31, 2011 | 2012<br>Authorizations | Paid by<br>Budget<br>Appropriation | Balance<br>Dec. 31, 2012 | Analysis of Balance<br>December 31, 2012 |   |
|-----------------------|--|-------------------|--------------------------|------------------------|------------------------------------|--------------------------|--|---|
|                       |  |                   |                          |                        |                                    |                          | Bond<br>Anticipation<br>Note             | Unexpended<br>Improvement<br>Authorizations |
| General Improvements: |  |                   |                          |                        |                                    |                          |  |   |
| 703-2008              | Phase I of Streetscape Improvements in and for the Borough                         | 7/1/2008          | \$ 50.00                 |                        | \$ 50.00                           |                          |  |   |
| 714-2009              | Acquisition, Construction, Repair and Installation of Various Capital Improvements | 5/4/09            | 140.00                   |                        | 140.00                             |                          |  |   |
| 733-2010              | Acquisition Construction, Repair and Installation of Various Capital Improvements  | 11/22/10          | 40,325.00                |                        | 9,325.00                           | \$ 31,000.00             | \$ 31,000.00                             |   |
| 734-2010              | Construction and Reconstruction of Various Streets and Roads                       | 11/22/10          | 63,125.00                |                        | 10,485.00                          | 52,640.00                | 52,640.00                                |   |
| 739-2011              | Construction and Reconstruction of Various Streets and Roads                       | 8/8/2011          | 84,550.00                |                        |                                    | 84,550.00                | 84,550.00                                |   |
| 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                                |   |
|                       |  |                   | <u>\$ 273,690.00</u>     | <u>\$ 98,800.00</u>    | <u>\$ 20,000.00</u>                | <u>\$ 352,490.00</u>     | <u>\$352,490.00</u>                      | <u>\$ -</u>                                 |

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
Statement of New Jersey Transportation Trust Fund Receivable  
For The Year Ended December 31, 2012

---

|   |                  |                            |
|---|------------------|----------------------------|
| Balance December 31, 2011                     |                  | \$ 55,750.00               |
| Increased by:                                 |                  |                            |
| New Jersey Transportation Trust Funds Awarded |                  | <u>190,000.00</u>          |
|   |                  | 245,750.00                 |
| Decreased by:                                 |                  |                            |
| Received                                      | \$ 182,383.21    |                            |
| Canceled                                      | <u>15,866.79</u> |                            |
|   |                  | <u>198,250.00</u>          |
| Balance December 31, 2012                     |                  | <u><u>\$ 47,500.00</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
GENERAL CAPITAL FUND  
Statement of Capital Improvement Fund  
For The Year Ended December 31, 2012

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|  |                           |
|--|---------------------------|
| Balance Dec. 31, 2011                              | \$ 1,615.00               |
| Increased by:                                      |                           |
| Budget Appropriation                               | <u>10,000.00</u>          |
|  | 11,615.00                 |
| Decreased by:                                      |                           |
| Appropriated to Finance Improvement Authorizations | <u>5,200.00</u>           |
| Balance Dec. 31, 2012                              | <u><u>\$ 6,415.00</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
 GENERAL CAPITAL FUND  
 Statement of Improvement Authorizations  
 For The Year Ended December 31, 2012

| Ordinance Number      | Improvement Description   | Date       | Ordinance     |                      | Capital Improvement Fund | 2012 Authorization |  |                                    | Paid or Charged     | Balance Dec. 31, 2012              |                      |                      |
|-----------------------|---|------------|---------------|----------------------|--------------------------|--------------------|--|------------------------------------|---------------------|------------------------------------|----------------------|----------------------|
|                       |   |            | Amount        | Funded               |                          | Unfunded           | Deferred Charges to Future Taxation Unfunded | Department of Transportation Grant |                     | Improvement Authorization Canceled | Funded               | Unfunded             |
| General Improvements: |   |            |               |                      |                          |                    |  |                                    |                     |                                    |                      |                      |
| 673-2006              | Reconstruction of Chestnut Avenue and Surrounding area and Improvements to Public Buildings and Grounds             | 5/8/2006   | \$ 435,000.00 | \$ 14,739.62         |                          |                    |  |                                    |                     | \$ 14,739.62                       |                      |                      |
| 690-2007              | Purchase of Computer and Office Equipment, Improvements to Buildings and Grounds, and Road Repairs and Construction | 6/4/2007   | 324,500.00    | 25,138.04            |                          |                    |  |                                    |                     | 25,138.04                          |                      |                      |
| 703-2008              | Phase I of Streetscape Improvements in and for the Borough  | 7/1/2008   | 560,000.00    | 53,251.25            | \$ 50.00                 |                    |  |                                    |                     | 46,248.53                          | \$ 7,002.72          | \$ 50.00             |
| 704-2008              | Construction and Reconstruction of Various Streets and Roads  | 7/1/2008   | 220,000.00    | 10,361.60            |                          |                    |  | \$ 6,206.03                        |                     | 4,155.57                           |                      |                      |
| 706-2008              | Acquisition, Construction, Repair and Installation of Various Capital Improvements                                  | 7/1/2008   | 90,000.00     | 16,494.52            |                          |                    |  |                                    |                     | 16,494.52                          |                      |                      |
| 714-2009              | Acquisition, Construction, Repair and Installation of Various Capital Improvements                                  | 5/4/09     | 171,200.00    | 1,853.00             | 140.00                   |                    |  |                                    | 315.00              | 1,678.00                           |                      |                      |
| 716-2009              | Construction and Reconstruction of Various Streets and Roads  | 5/4/09     | 222,000.00    | 7,151.25             |                          |                    |  |                                    | 4,012.85            | 3,138.40                           |                      |                      |
| 720-2009              | Construction of New Fire House  | 10/19/09   | 740,000.00    | 117,525.18           |                          |                    |  |                                    |                     | 2,500.00                           | 115,025.18           |                      |
| 733-2010              | Acquisition, Construction, Repair and Installation of Various Capital Improvements                                  | 11/22/10   | 48,500.00     |                      | 22,500.32                |                    |  |                                    | 0.42                | 5,458.58                           |                      | 17,041.32            |
| 734-2010              | Construction and Reconstruction of Various Streets and Roads  | 11/22/10   | 272,500.00    |                      | 40,350.20                |                    |  |                                    | 20,335.10           |                                    |                      | 20,015.10            |
| 739-2011              | Construction and Reconstruction of Various Streets and Roads  | 8/8/2011   | 231,000.00    | 38,578.29            | 84,550.00                |                    |  |                                    | 15,866.79           | 8,650.65                           | 14,060.85            | 84,550.00            |
| 741-2011              | Purchase of a Police Four Wheel Drive Vehicle   | 10/3/2011  | 27,800.00     | 27,800.00            |                          |                    |  |                                    |                     | 27,800.00                          |                      |                      |
| 742-2011              | Purchase of Trash Containers  | 12/26/2011 | 90,000.00     | 4,500.00             | 85,500.00                |                    |  |                                    |                     | 84,224.00                          |                      | 5,776.00             |
| 747-2012              | Paving, Repaving, Construction and Reconstruction of Streets and Roads  | 9/10/2012  | 294,000.00    |                      |                          | \$ 5,200.00        | \$ 98,800.00                                 | \$ 190,000.00                      |                     | 233,384.95                         |                      | 60,615.05            |
|                       |   |            |               | <u>\$ 317,392.75</u> | <u>\$ 233,090.52</u>     | <u>\$ 5,200.00</u> | <u>\$ 98,800.00</u>                          | <u>\$ 190,000.00</u>               | <u>\$ 46,736.19</u> | <u>\$ 473,610.86</u>               | <u>\$ 136,088.75</u> | <u>\$ 188,047.47</u> |
| Disbursed             |   |            |               |                      |                          |                    |  |                                    |                     | \$ 275,803.86                      |                      |                      |
|                       |   |            |               |                      |                          |                    |  |                                    |                     | <u>197,807.00</u>                  |                      |                      |
|                       |   |            |               |                      |                          |                    |  |                                    |                     | <u>\$ 473,610.86</u>               |                      |                      |

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of Contracts Payable  
 For The Year Ended December 31, 2012

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|                        |               |
|------------------------|---------------|
| 2012 Contracts Awarded | \$ 197,807.00 |
| Decreased by:          |               |
| Disbursements          | 164,683.49    |
| Balance Dec. 31, 2012  | \$ 33,123.51  |

Analysis of Balance - Dec. 31, 2012

Ordinance

|                                  |          |              |
|----------------------------------|----------|--------------|
| Bogey's Trucking and Paving Inc. | 747-2012 | \$ 27,483.51 |
| Gramco Word Processing Inc.      | 733-2010 | 5,040.00     |
| Gary P. Saunders and Sons        | 733-2010 | 600.00       |
|                                  |          | \$ 33,123.51 |

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of Bond Anticipation Notes  
 For The Year Ended December 31, 2012

| Ordinance<br>Number          | Improvement Description   | Date of<br>Issue of<br>Original Note | Date of<br>Issue         | Date of<br>Maturity      | Interest<br>Rate | Balance<br>Dec. 31, 2011 | Increased            | Decreased            | Balance<br>Dec. 31, 2012 |
|------------------------------|---|--------------------------------------|--------------------------|--------------------------|------------------|--------------------------|----------------------|----------------------|--------------------------|
| 703-2008                     | Phase I of Streetscape Improvements<br>in and for the Borough                         | 10/30/2008                           | 12/22/2011               | 11/21/2012               | 3.35%            | \$ 50.00                 |                      | \$ 50.00             |                          |
| 714-2009                     | Acquisition, Construction, Repair and Installation of<br>Various Capital Improvements | 12/22/2010                           | 12/22/2011               | 11/21/2012               | 3.35%            | 140.00                   |                      | 140.00               |                          |
| 733-2010                     | Acquisition Construction, Repair and Installation<br>of Various Capital Improvements  | 12/22/2010<br>12/22/2010             | 12/22/2011<br>11/21/2012 | 11/21/2012<br>11/21/2013 | 3.35%<br>2.25%   | 40,325.00                | \$ 31,000.00         | 40,325.00            | \$ 31,000.00             |
| 734-2010                     | Construction and Reconstruction of Various<br>Streets and Roads                       | 12/22/2010<br>12/22/2010             | 12/22/2011<br>11/21/2012 | 11/21/2012<br>11/21/2013 | 3.35%<br>2.25%   | 63,125.00                | 52,640.00            | 63,125.00            | 52,640.00                |
| 739-2011                     | Construction and Reconstruction of Various<br>Streets and Roads                       | 11/21/2011<br>11/21/2011             | 11/21/2011<br>11/21/2012 | 11/21/2012<br>11/21/2013 | 3.35%<br>2.25%   | 84,550.00                | 84,550.00            | 84,550.00            | 84,550.00                |
| 742-2011                     | Purchase of Trash Containers  | 11/21/2012                           | 11/21/2012               | 11/21/2013               | 2.25%            |                          | 85,500.00            |                      | 85,500.00                |
| 747-2012                     | Paving, Repaving, Construction and<br>Reconstruction of Streets and Roads             | 11/21/2012                           | 11/21/2012               | 11/21/2013               | 2.25%            |                          | 98,800.00            |                      | 98,800.00                |
|                              |   |                                      |                          |                          |                  | <u>\$ 188,190.00</u>     | <u>\$ 352,490.00</u> | <u>\$ 188,190.00</u> | <u>\$ 352,490.00</u>     |
| Paid by Budget Appropriation |   |                                      |                          |                          |                  |                          |                      | \$ 20,000.00         |                          |
| Renewal                      |   |                                      |                          |                          |                  |                          | \$ 168,190.00        | 168,190.00           |                          |
| Issued for Cash              |   |                                      |                          |                          |                  |                          | <u>184,300.00</u>    |                      |                          |
|                              |   |                                      |                          |                          |                  | <u>\$ 352,490.00</u>     | <u>\$ 188,190.00</u> |                      |                          |



**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For The Year Ended December 31, 2012

| <u>Purpose</u>               | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Bonds Outstanding December 31, 2012</u> |               | <u>Interest Rate</u> | <u>Balance Dec. 31, 2011</u> | <u>Bonds Issued</u> | <u>Paid by Budget</u> | <u>Balance Dec. 31, 2012</u> |
|------------------------------|----------------------|-----------------------|--|---------------|----------------------|------------------------------|---------------------|-----------------------|------------------------------|
|                              |                      |                       | <u>Date</u>  | <u>Amount</u> |                      |                              |                     |                       |                              |
| General Improvements of 1999 | 8-1-99               | \$ 925,000.00         | 8-1-13   | \$ 75,000.00  | 5.375%               | \$ 150,000.00                |                     | \$ 75,000.00          | \$ 75,000.00                 |
| General Improvements of 2006 | 12-7-06              | 1,133,350.00          | 12-15-13   | 100,000.00    | 4.250%               | 768,350.00                   |                     | 80,000.00             | 688,350.00                   |
|                              |                      |                       | 12-15-14   | 100,000.00    | 4.250%               |                              |                     |                       |                              |
|                              |                      |                       | 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%               |                              |                     |                       |                              |
| General Improvements of 2009 | 12-10-09             | 1,840,000.00          | 12-1-13  | 95,000.00     | 3.000%               | 1,675,000.00                 |                     | 90,000.00             | 1,585,000.00                 |
|                              |                      |                       | 12-1-14  | 100,000.00    | 3.000%               |                              |                     |                       |                              |
|                              |                      |                       | 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%               |                              |                     |                       |                              |
|                              |                      |                       |  |               |                      |                              |                     |                       |                              |
|                              |                      |                       |  |               |                      | \$ 2,593,350.00              | \$ -                | \$ 245,000.00         | \$ 2,348,350.00              |

**BOROUGH OF LAUREL SPRINGS**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized but not Issued  
For The Year Ended December 31, 2012

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| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u>   | <u>Ordinance<br/>Date</u> | <u>Balance<br/>Dec. 31, 2011</u> | <u>2012<br/>Authorizations</u> | <u>Bond<br/>Anticipation<br/>Note<br/>Issued</u> |
|-----------------------------|--|---------------------------|----------------------------------|--------------------------------|--|
| General Improvements:       |  |                           |                                  |                                |  |
| 742-2011                    | Purchase of Trash Containers   | 12/26/2011                | \$ 85,500.00                     |                                | \$ 85,500.00                                     |
| 747-2012                    | Paving, Repaving, Construction and<br>Reconstruction Streets and Roads | 9/10/2012                 |                                  | \$ 98,800.00                   | 98,800.00  |
|                             |  |                           | <u>\$ 85,500.00</u>              | <u>\$ 98,800.00</u>            | <u>\$ 184,300.00</u>                             |

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash  
For the Year Ended December 31, 2012

|   | <u>Operating</u>            | <u>Capital</u>            |
|---|-----------------------------|---------------------------|
| Balance December 31, 2011   | \$ 163,500.26               | \$ 1,000.00               |
| Increased by Receipts:  |                             |                           |
| Sewer Rents   | \$ 155,794.49               |                           |
| Prepaid Rents   | 151.95                      |                           |
| Miscellaneous Revenue   | 886.15                      | 0.20                      |
| Due from/to Current Fund  | <u>57.69</u>                |                           |
|   | <u>156,890.28</u>           |                           |
|   | 320,390.54                  | 1,000.20                  |
| Decreased by Disbursements:   |                             |                           |
| 2012 Appropriations   | 167,390.04                  |                           |
| 2011 Appropriations   | 7,500.00                    |                           |
| Due to Sewer Utility - Operating Fund - Realized as Miscellaneous Revenue |                             | 0.20                      |
|   | <u>174,890.04</u>           |                           |
| Balance December 31, 2012   | <u><u>\$ 145,500.50</u></u> | <u><u>\$ 1,000.00</u></u> |

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Capital Cash  
 For the Year Ended December 31, 2012

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|   | <u>Balance</u><br><u>Dec. 31, 2011</u> | <u>Receipts</u><br><u>Miscellaneous</u> | <u>Disbursements</u><br><u>Due Sewer</u><br><u>Utility Operating</u><br><u>Fund</u> | <u>Balance</u><br><u>Dec. 31, 2012</u> |
|---|--|---|---|--|
| Ordinance<br><u>Number</u>  |  |   |   |  |
| General Improvements:   |  |   |   |  |
| 705-2008 Various Improvements to and for the<br>Borough's Sewer Utility | \$ 1,000.00                            | \$ 0.20                                 | \$ 0.20   | \$ 1,000.00                            |

**BOROUGH OF LAUREL SPRINGS**  
**SEWER UTILITY OPERATING FUND**  
Statement of Sewer Consumer Accounts Receivable  
For the Year Ended December 31, 2012

|                           |               |              |
|---------------------------|---------------|--------------|
| Balance December 31, 2011 |               | \$ 9,172.91  |
| Increased by:             |               |              |
| Sewer Rents Levied        |               | 157,470.04   |
|                           |               | 166,642.95   |
| Decreased by:             |               |              |
| Payments Received         | \$ 155,794.49 |              |
| Prepaid Rents Applied     | 777.39        |              |
|                           |               | 156,571.88   |
| Balance December 31, 2012 |               | \$ 10,071.07 |

**BOROUGH OF LAUREL SPRINGS**

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

**BOROUGH OF LAUREL SPRINGS**  
**Schedule of Findings and Recommendations**  
**For the Year Ended December 31, 2012**

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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**

N/A – None

**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<br/>Surety Bond</u> |
|--------------------------|--|----------------------------------|
| Jack Severson            | Mayor to April 23, 2012  | (A)                              |
| Thomas Barbera           | Mayor from May 14, 2012  | (A)                              |
| James Redstreak          | Councilman   | (A)                              |
| David A. Thatcher        | Councilman   | (A)                              |
| Kendra Mochel            | Councilwoman   | (A)                              |
| Eugene S. Letts          | Councilman   | (A)                              |
| Casey Lieb               | Councilman   | (A)                              |
| Richard McCunney II      | Councilman   | (A)                              |
| Dawn Amadio              | Municipal Clerk, Municipal Improvement Search<br>and Deputy Treasurer                | (A)                              |
| Dean Ciminera            | Chief Financial Officer  | (A)                              |
| Janice M. Gattone        | Tax Collector, Tax Search Officer and<br>Secretary to the Construction Code Official | (A)                              |
| George J. Botcheos, Esq. | Solicitor  | (A)                              |

(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

